

2021 SUSTAINABILITY REPORT
TOGETHER FOR TOMORROW

Milliken™



About Our Cover

“The biggest challenges require the greatest teamwork.”

Opening of 25th Anniversary Re-Release of Everest

Milliken and Polartec are the global presenting sponsors of the 25th anniversary re-release of the documentary, Everest, when MacGillivray Freeman Films captured the first-ever IMAX images from the top of Mount Everest. Narrated by Academy Award nominee Liam Neeson and featuring the music of George Harrison, Everest is the dramatic true story of a team of four climbers who ascended Mount Everest. The film is a story of hope, strength, and triumph, showing the true power and resilience of the human spirit. At Milliken, we accept our responsibility to address the challenges associated with climate change knowing that we must harness this same power and resilience of the human spirit to preserve the natural beauty and ecological health of Mount Everest and other sensitive ecosystems. [Learn more about our resources to raise awareness of issues impacting Mount Everest.](#)

OUTDOORS ARE FOR EVERYONE

We create sustainable performance fabrics so that more individuals can find their own mountains to climb and stories to tell. We believe that opportunity and access are crucial steps to inclusion and inspiration. We also believe education is necessary for protecting and accessing the outdoors. [Learn more about how we are supporting these ideas through the Polartec “Outdoors are for Everyone” campaign.](#)



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MESSAGE FROM HALSEY COOK, PRESIDENT AND CEO

We embrace the responsibilities of being Milliken.

At Milliken we offer safe, reliable jobs to support families and communities. We tackle decarbonization across our value chain. We advance the circularity of plastics, chemicals, and textiles. And we care for our people and our communities who are the heart of our business.

In a world that is constantly changing, we face the challenges of today while working together to ensure we're ready for tomorrow.

With the release of our fourth annual Sustainability Report, I'm pleased to share that we're making marked progress towards our 2025 Sustainability Goals.

Here are a few examples of what our team has accomplished:

PEOPLE: Throughout 2021, we maintained focus on our people, our communities, and our suppliers. We achieved zero safety incidents from COVID-19 and increased the diversity of our U.S. management team. And as a team, we amassed more volunteer hours than ever before.

PRODUCT: Our products provide the opportunity to impact real change in circularity, but we will not move the needle alone. In 2021, we continued bringing voices together to find ways to advance our work and to reach and motivate a broader audience toward circularity.

PLANET: We've completed nearly 40% of the more than 400 projects identified to reduce our environmental footprint. In 2021, we officially eliminated coal as our primary fuel source by implementing cogeneration.

The world is always changing. But our Purpose and Values have not.

Together, we will make a positive impact that will last for generations.

We are always in pursuit of solutions to the biggest challenges facing our world. We don't have all the answers, but we'll never stop searching for opportunities to collaborate and scale our efforts and impacts across our full value chain.



HALSEY COOK
President and CEO

8,000+
Associates

70+
Global Locations

44 PLANTS
18 OFFICES/LABS
10 SHOWROOMS
6 DISTRIBUTION CENTERS

14
Countries With Sites

Our expertise in research, design, and responsible manufacturing is driven by our four main businesses

**TEXTILE
CHEMICAL
FLOOR COVERING
HEALTHCARE**



PURPOSE

Together we strive to positively impact the world around us for generations to come.

VALUES



Integrity
Do the right thing



Excellence
Set a high bar for performance



Innovation
Reward big thinking



Sustainability
Create a healthy future



People
Empower exceptional teams

2021 Highlights

RECOGNIZED FOR LIVING OUR VALUES

- Milliken is one of six companies awarded World’s Most Ethical Companies® for 15 consecutive years.
- Our associates earned us a spot on America’s Best Midsize Employers list, presented by Forbes.
- We received Ethisphere’s Ethics Inside® Certification, an endorsement of the way we do business—with our purpose and values at the heart of our work.



EXPANDING OUR LEADERSHIP

ENCAPSYS, LLC



Zebra-chem

- We’re expanding as a global leader in microencapsulation with the acquisition of Encapsys, LLC.
- Recently acquired Zebra-chem expands our portfolio of solutions to improve and increase manufacturing with recycled plastics.

Shri Parikh joined Milliken as EVP and President of Milliken’s Healthcare Business after more than 27 years in the healthcare industry.



SHRI PARIKH



CINDY BOITER

Cindy Boiter was promoted to EVP and President of Milliken’s Chemical Business, becoming the first female president at Milliken.

Sustainability Highlights

PEOPLE

Even in the middle of a pandemic and with many associates working remotely, our people logged 23,000 volunteer hours—the greatest number recorded in company history.

Through our inclusion efforts and implementation of best practices, we have increased U.S. diverse management by 8% since 2018.

We recorded zero lost-time safety incidents from COVID-19.



Beech Hill (U.K.) Floor Covering associates participate in Community Week



Comfortable Concrete Floor Covering Collection

PRODUCT

We launched our global carbon neutral flooring portfolio as part of our M/PACT initiative.

We joined Accelerating Circularity to share our innovative materials research with the broader textile industry.

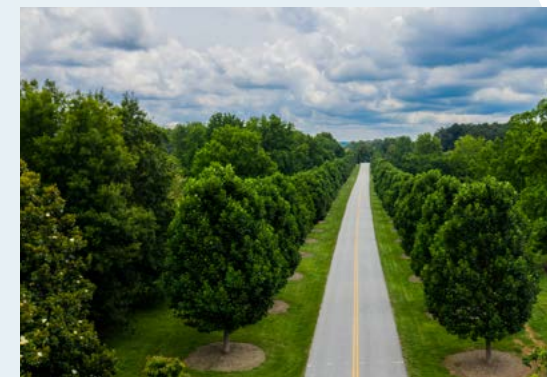
With the help of National Geographic Partners, we enlisted experts from around the world to address solutions for plastic waste.

PLANET

We eliminated coal as a primary fuel source with our investment in cogeneration.

Through thermal drying of sludge, a waste product of our water treatment process, we’re set to reduce waste by 6%, and we’re just getting started.

We are working on more than 400 projects to help us reach our Planet Goals.



Milliken Arboretum (U.S.)

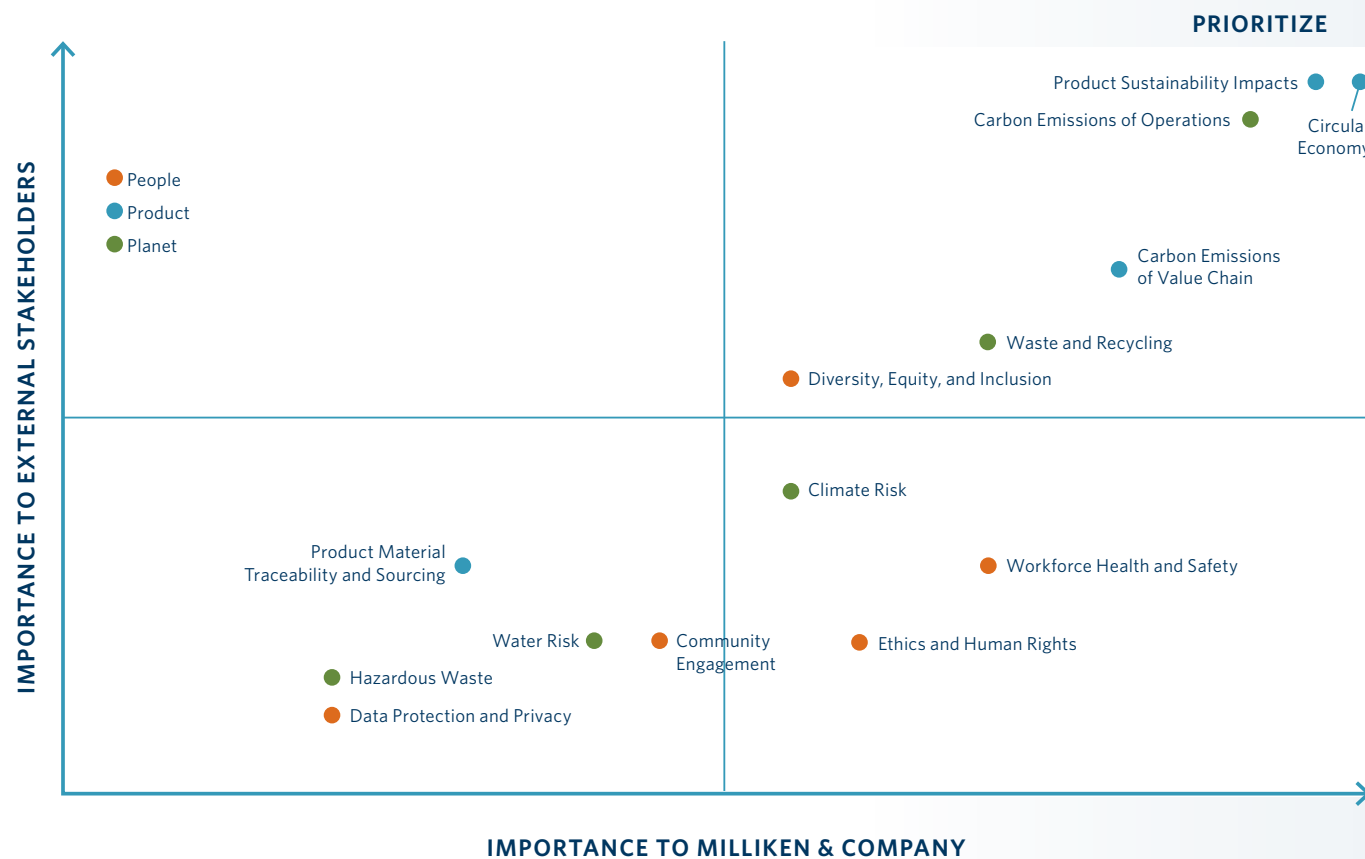
Our Approach to Reporting

This report provides a comprehensive summary of our approach to environmental, social, and governance reporting and our performance for calendar year 2021. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We also used other recognized frameworks to inform the content of this report, including the United Nations (U.N.) Global Compact, U.N. Sustainable Development Goals, the Task Force on Climate-Related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) Standards.

STAKEHOLDER ENGAGEMENT

We conducted a materiality assessment in 2021 to determine material issues for all stakeholders. We surveyed more than 180 Milliken associates and more than 140 external stakeholders, including customers, representatives in local and state government, nongovernmental organizations, trade associations, scientists, and sustainability subject matter experts. We engaged with our customers in a number of ways, including direct engagement, formal materiality assessments, monitoring public commitments, and insights from customer surveys.

MATERIALITY MATRIX



The matrix is also labeled according to our key sustainability categories (People, Product, and Planet).

Our sustainability strategy is driven by an understanding of the interconnectedness of materiality topics and a commitment to putting people first. Our reporting approach is driven by transparency and a commitment to align with global standards.

	MATERIAL TOPICS	REPORT LINKS	PAGES
PEOPLE	Diversity, equity, and inclusion	Inclusion Goal, GRI 405-1, UN SDG 5, UN SDG 10	18, 65, 71
	Workforce health and safety	Safety Goal, SASB RT-CH-320a.2, UNGC Principle 6, UN SDG 3, GRI 403-1	17, 67, 70, 71
	Community engagement	Volunteer Goal, UN SDG 11	20, 71
	Ethics and human rights	GRI 205-3, GRI 409-1, UNGC Principle 1, UNGC Principle 2, UNGC Principle 4, UNGC Principle 5, UN SDG 10, UN SDG 11	57, 66, 70, 71
	Data protection and privacy	Privacy Goal, GRI 418-1, UN SDG 9	20, 66, 71
PRODUCT	Circular economy	New Product Goal, End-of-Life Solutions Goal, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5, UN SDG 9, UN SDG 12, UN SDG 13	31, 34, 63, 64, 71
	Product sustainability impacts	New Product Goal, End-of-Life Solutions Goal, UNGC Principle 9, UN SDG 3, UN SDG 6	31, 34, 70, 71
	Carbon emissions of value chain	New Product Goal, End-of-Life Solutions Goal, UN SDG 12, UN SDG 13, GRI 305-3	31, 34, 71
	Product material traceability and sourcing	SASB CG-AA-000.A RT-CP-000.C	67
PLANET	Carbon emissions of operations	GHG Goal, GRI 302-1, GRI 302-3, GRI 305-1, 2, GRI 305-4, SASB RT-CH-110a.1 RT-CP-110a.1, SASB RT-CH-130a.1 RT-CP-130a.1 CG-BF-130a.1, UNGC Principle 8, UN SDG 7, UN SDG 12, UN SDG 13	45, 58, 59, 60, 61, 67, 70, 71
	Waste and recycling	Landfill Goal, Waste Goal, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5, UNGC Principle 8, UN SDG 3, UN SDG 6, UN SDG 12	48, 50, 63, 64, 70, 71
	Climate risk	GRI 302-1, GRI 302-3, GRI 305-1, GRI 305-2, GRI 305-4, TCFD, UNGC Principle 7, UNGC Principle 8,	58, 59, 60, 61, 68, 70
	Water risk	Water Goal, GRI 303-1, GRI 306-1, SASB RT-CH-140a.1 RT-CP-140a.1, UNGC Principle 8, UN SDG 6	50, 60, 62, 67, 70, 71
	Hazardous waste	SASB RT-CH-150a.1 RT-CP-150a.1, UNGC Principle 8	67, 70



2025 SUSTAINABILITY GOALS TOGETHER FOR TOMORROW

Creating a healthy future

Child playing in the Milliken Arboretum (U.S.)



PEOPLE

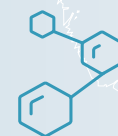
Our sustainability work starts with putting people first. Our People Goals recognize that it's what we do together, today, that will make for a better tomorrow.

ZERO LOST-TIME SAFETY INCIDENTS

COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY

ZERO DATA PRIVACY BREACHES

100,000 VOLUNTEER HOURS



PRODUCT

Building a circular economy requires a systems approach to change the way we look at design, waste, and materials. Our Product Goals advance circularity through internal assessments and industry-wide collaborations.

ANALYZE NEW PRODUCTS WITH SUSTAINABILITY ASSESSMENTS

CONVENING ON SOLUTIONS FOR PLASTICS END-OF-LIFE



PLANET

Protecting the planet starts with responsible operations. Our Planet Goals help us reduce our environmental footprint as we grow our global impact.

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

ZERO ENVIRONMENTAL VIOLATIONS

UN SDGS ALIGNMENT

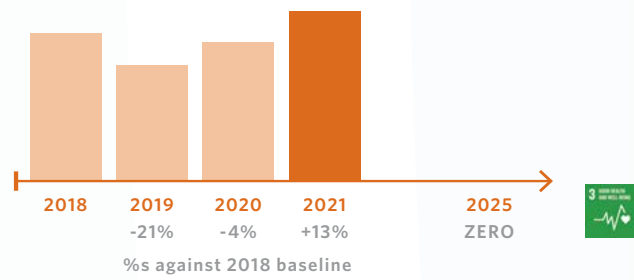


Sustainability Goals Progress

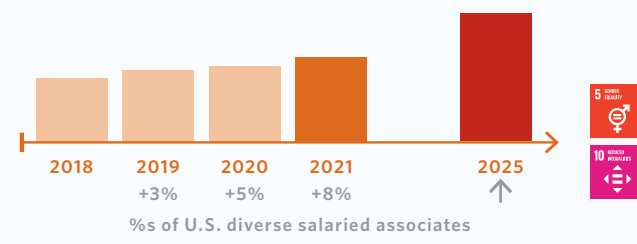


2025 PEOPLE GOALS

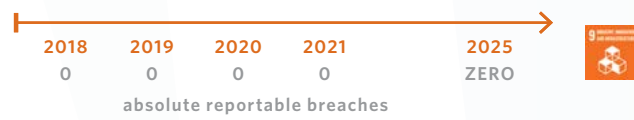
ZERO LOST-TIME SAFETY INCIDENTS



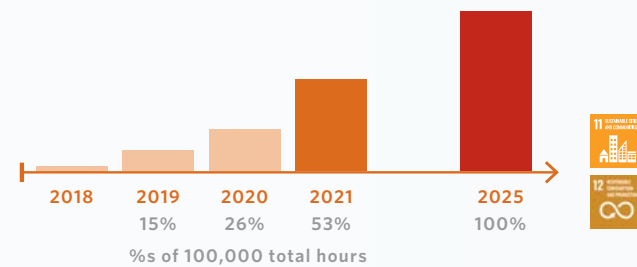
COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY



ZERO DATA PRIVACY BREACHES

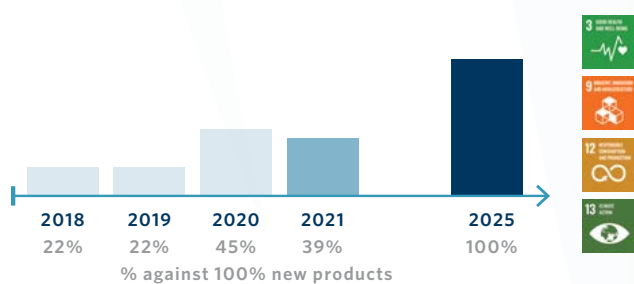


100,000 VOLUNTEER HOURS IN OUR COMMUNITIES

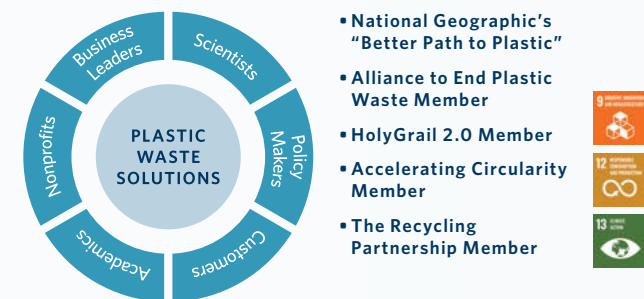


2025 PRODUCT GOALS

ANALYZE NEW PRODUCTS LAUNCHED USING SUSTAINABILITY ASSESSMENTS

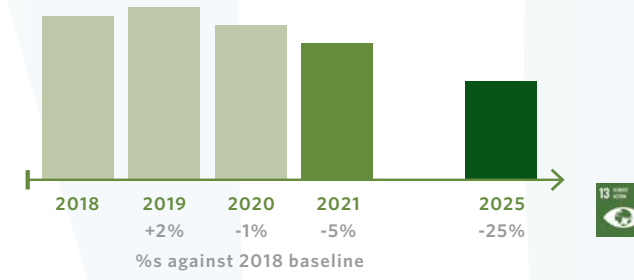


CONVENE SCIENTISTS AND THOUGHT LEADERS TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE

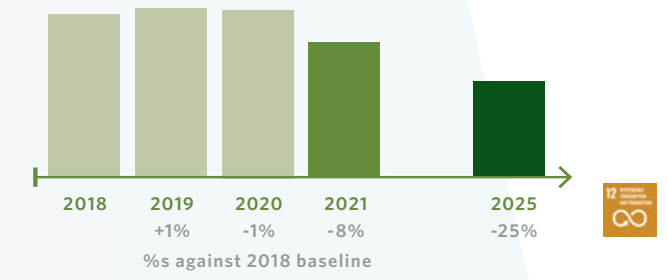


2025 PLANET GOALS

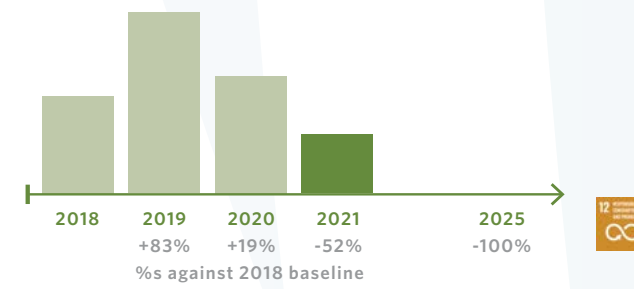
REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%



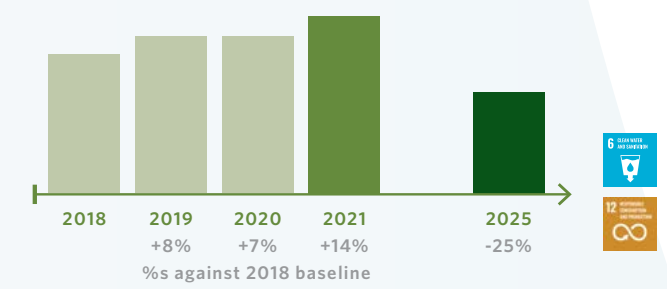
REDUCE INDEXED SOLID WASTE BY 25%



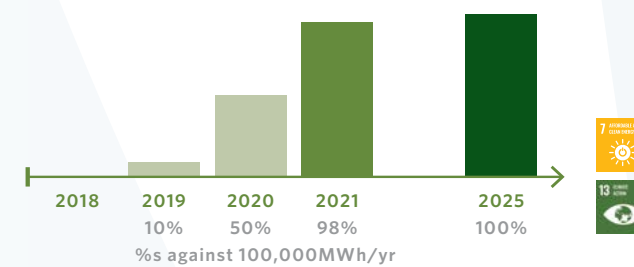
ZERO WASTE TO LANDFILL



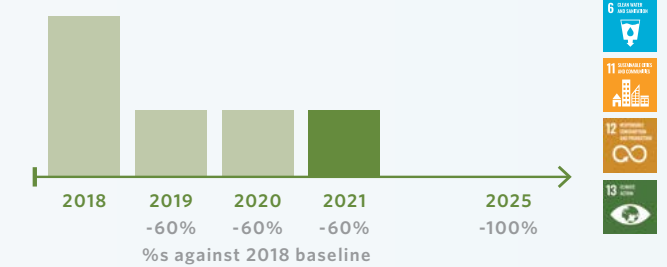
REDUCE INDEXED WATER USAGE BY 25%



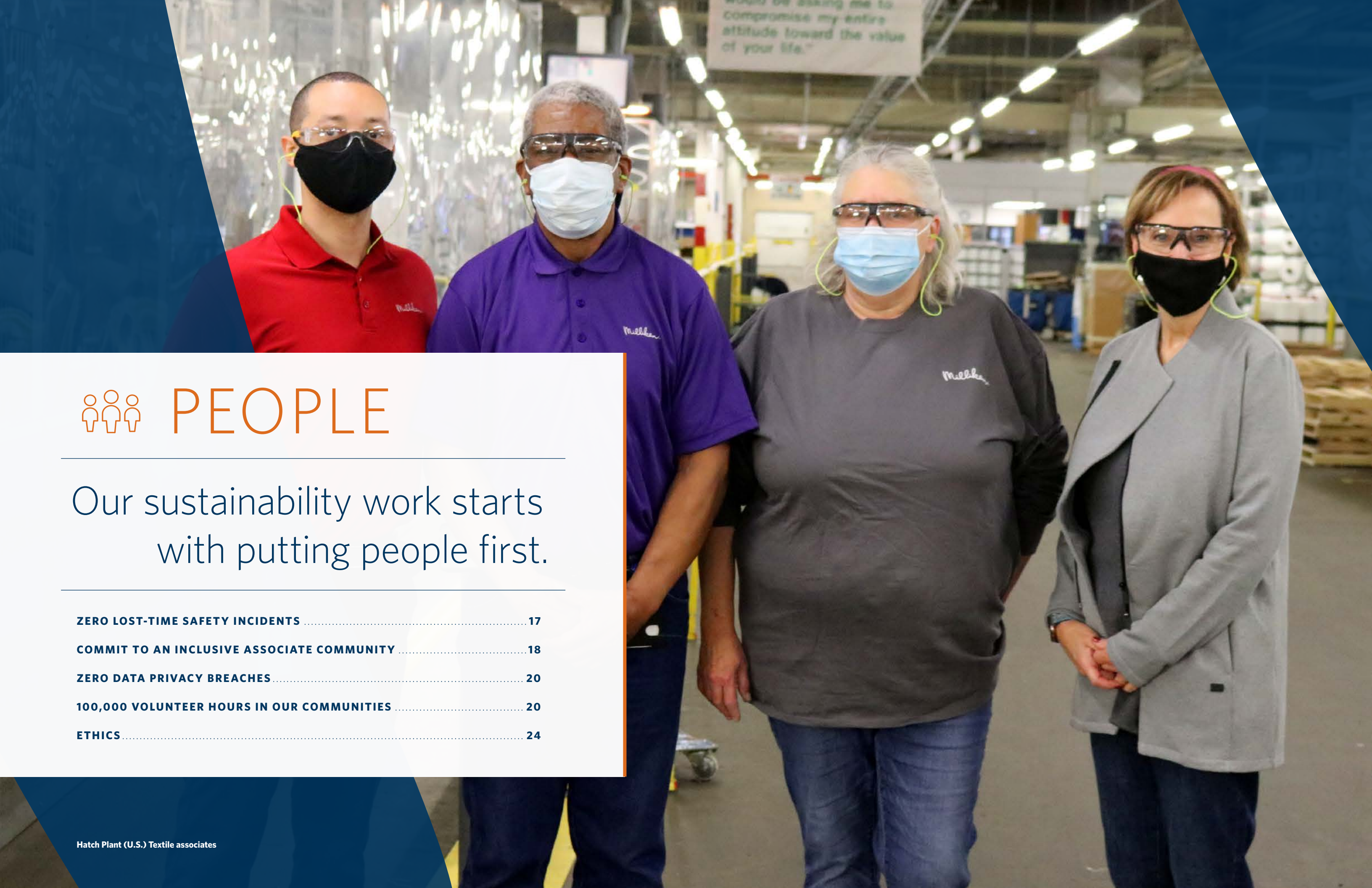
INCREASE RENEWABLE ENERGY USE TO 100,000 MWH



ZERO ENVIRONMENTAL VIOLATIONS



For more information on our scorecard, see our [GRI™ Index Disclosures](#), [SASB Disclosures](#), [TCFD Disclosures](#), and [UNSDG Alignment](#).



PEOPLE

Our sustainability work starts with putting people first.

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COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY	18
ZERO DATA PRIVACY BREACHES	20
100,000 VOLUNTEER HOURS IN OUR COMMUNITIES	20
ETHICS	24

People

Our 2025 People Goals recognize that it's what we do together, today, that will make for a better tomorrow.



Cushman Plant (U.S.) Textile associates

2021 PEOPLE GOALS PROGRESS



ZERO LOST-TIME SAFETY INCIDENTS

We recorded four more lost-time incidents in 2021 than the previous year. In our quest for zero, we are expanding behavioral audits and finding new ways to involve associates in our safety processes.



COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY

We have increased diversity in our U.S. management team by 8% since 2018, achieving 35% gender diversity and 14% racial/ethnic diversity.



ZERO DATA PRIVACY BREACHES

Our focus on Privacy by Design contributes to our consistent record of zero data privacy breaches.



100,000 VOLUNTEER HOURS IN OUR COMMUNITIES

We are 53% of the way to our goal of 100,000 volunteer hours, thanks to associates' continued focus on supporting our communities.



2025 GOAL: ZERO LOST-TIME SAFETY INCIDENTS

Our progress will not always be linear, and the past year brought new challenges. We are focusing on new hire training, faster integrations of acquisitions into our safety-first culture, and proactively reducing risks in our top three lost-time incident categories.

"At Milliken, we put safety first; we do that by involving our production associates in the process, proactively mitigating risk, and driving continuous improvement toward our goal of zero lost-time injuries."

Charles Young, Safety Director



Golden Valley (U.S.) Textile associates celebrate a safety recertification

Safety Certifications

Our Hatch and Golden Valley plants were our first sites in the North Carolina Safety Program. In 2021, these sites were recertified recognizing them for effective safety and health systems and are now the longest-tenured plants in the program.

Four Milliken Plants — Allen, Hatch, Golden Valley, and Alma — received reapproval for the rigorous safety standards outlined in the OSHA VPP Star Certification.



SITES	LOST-TIME, INJURY-FREE RATES
45	Lost time injury free for the year 2021
37	Lost time injury free for the past 2 years
14	Lost time injury free for over 1 million exposure hours since last lost time
3	Lost time injury free for over 5 million exposure hours
1	Lost time injury free for over 12 million exposure hours

An event may get upgraded from a recordable to a lost time after a reporting year ends

2021

5,417
Preventative safety events tracked

27,965
Behavioral safety audits

526,329
Behavioral safety observations

2025 GOAL: COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY

SUSTAINABILITY PEOPLE GOALS

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



Longleaf (U.S.) Textile associates wear purple in honor of Women's History Month



"We live, we work, as a team."

Gary Newman, Plant Manager, Longleaf
 Recipient of the 2021 Milliken Honors Roger Milliken Award



Female: 37%
 Male: 63%
 Unknown: >1%



Asia: 7%
 Europe, Middle East, and Africa: 13%
 Americas: 80%



Salaried: 27.5%
 Hourly: 72.5%



Racial and Ethnic Diversity: 41%
 White: 59%

Driving Toward Inclusion

At Milliken, we believe that the brightest ideas are born from a diverse and empowered network of associates. We value an inclusive workplace and know that the success of our company relies on the success of our people.

IN 2021, WE

- Launched the Minority Men's Council to enhance engagement, advancement, and reduce turnover
- Expanded Affinity Networks to include a new Wellness Affinity Network to emphasize the importance of mental health during these challenging times
- Continued courageous conversations like our Milliken Pride Affinity Network's conversation on religion and LGBTQ+
- Expanded allyship training internally and in our communities

150+

Trained in community in unconscious bias

800+

Trained in allyship

6

Affinity networks



U.S. Trade Representative Ambassador Katherine Tai visited the Magnolia Plant to highlight women in manufacturing. She is wearing the jacket that Ralph Lauren designed for the 2021 Summer Olympics' opening ceremonies that has Milliken fabric in the liner.

2025 GOAL: ZERO DATA PRIVACY BREACHES

SUSTAINABILITY PEOPLE GOALS

PEOPLE GOAL	2018	2019	2020	2021	2025 GOAL
Reportable Privacy Breaches	Zero	Zero	Zero	Zero	Zero

Milliken strives to protect data and incorporate privacy as part of daily operations because it is the right thing to do. Privacy and data security only increase in importance in our interconnected, digital world. Since the launch of our sustainability reporting in 2019, privacy has been a material topic and one of our four People Goals.

2,500+

associates trained in at least seven safety courses, including privacy

900+

associates trained in interactive privacy awareness workshops

2,500+

associates trained in online cyber and privacy protection compliance courses

2025 GOAL: 100,000 VOLUNTEER HOURS IN OUR COMMUNITIES

SUSTAINABILITY PEOPLE GOALS

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

We are over halfway to our volunteering goal - 53,000 hours, thanks to our 2021 Volunteer Olympiad. While supporting the Human Resources team, Sous Chef Nicholas Sanders was challenged to develop a new way to encourage associates to log volunteer hours. He designed our first Volunteer Olympiad, which resulted in the most volunteer hours logged ever.

“Competition drives people, but so does doing the right thing.”

Nicholas Sanders, Sous Chef, Milliken Guest House



How We Helped

SUPPLIES FOR FLOOD VICTIMS

Central Henan province had more rainfall in four days than an average year, killing dozens and affecting more than 1.2 million people. We donated blankets made with Polartec® fabric, storage bins incorporating Millad® NX® 8000, and cleaning supplies.



Polartec blankets donated to Central Henan (China) flood victims



Opening of the Milliken Learning Studio at the Spartanburg Science Center (U.S.)

SUPPORT FOR SCIENCE

Milliken continued our support for science, technology, engineering, and mathematics learning in our communities by investing in the Spartanburg Science Center to open the Milliken Learning Studio.

INITIATIVES TO BUILD HOMES

Milliken-Ontera engaged in fundraising initiatives and volunteer programs to help build homes for homeless youth in Australia. Together, we developed the “purpose-orientated” product pathway initiative to proactively raise funds for homeless youth through some of our collections. A portion of revenue from designated collections is donated to the Property Industry Foundation.

For Homeless Youth



1.4

Avg hours per volunteer

27,000

Total 2021 hours

271

Volunteer count

CHAMPIONING OUR PEOPLE

Every day, we focus on providing new ways to earn and develop trust. This commitment begins with offering our associates learning and development opportunities that enable them to feel confident speaking up, advancing our safety culture, and coming to work each day as their authentic selves. By empowering each of our associates to be champions, we can create a brighter future.

Investing in Learning

As a company, we are committed to investing in our associates and providing opportunities for continuous learning, peer mentorship, training, and development.



Associates participating in Lead in Manufacturing program

Milliken Performance System Success

Some of the best ideas for making our operations more sustainable come from Milliken associates without sustainability in their title. That's why we approach sustainability the same way we look at opportunities for operational improvements, through the lens of the Milliken Performance System (MPS). MPS emphasizes training and education across our organization, driving sustainable operations through operational emphasis.

Six Sigma, a project-based improvement methodology included in MPS, focuses on a disciplined approach to project management. We added 44 Six Sigma Green Belts and two Master Black Belts in 2021.

13,000+
MPS training hours

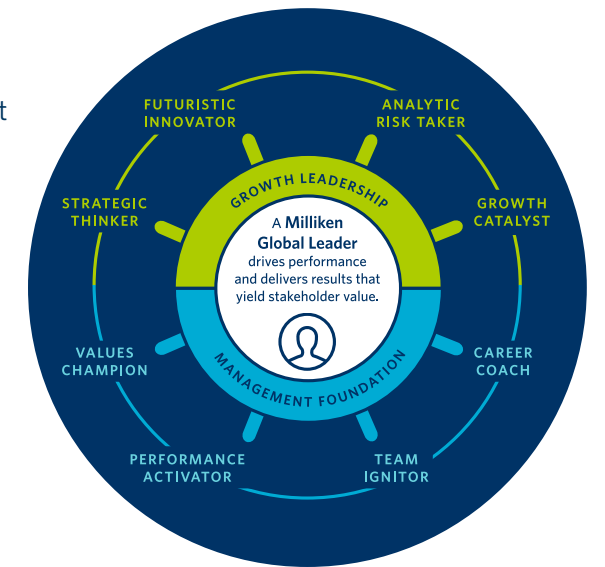
370+
MPS Projects

44
Added Six Sigma
Green Belts

New Leadership Programs

At Milliken, we know that advancing our values means developing strong leaders. Milliken University offers four different development programs based on our Milliken Leadership Model:

- 1. LEAD ORGANIZATIONS:** Taught in partnership with the faculty of the University of Virginia's Darden School of Business, this five-day program uses case studies, readings, and exercises to help develop the awareness and skills our business and functional leaders need to drive our 2025 Strategy.
- 2. LEAD IN MANUFACTURING:** This program is designed specifically for manufacturing managers and supervisors to support unique leadership challenges in the manufacturing environment.
- 3. LEAD TOGETHER:** For those who manage teams, this program focuses on building foundational management skills: communicating corporate values, managing employees' performance, building strong teams, and supporting individuals' career development.
- 4. LEAD BY INFLUENCE:** This program equips current and future leaders with skills such as working with different generations, setting SMART goals, and managing change throughout their career.



"At Milliken, no matter what you do in the company, you have the chance to lead and make an impact."

*Courtney Meeks
Human Resource Manager, Textile*

Ethics



“Our Code of Conduct is our guide to living out our commitment to integrity. While the Code does not address every situation or circumstance, it embodies our collective commitment and individual responsibility as we strive to make a positive impact on the world.”

Halsey Cook, President and CEO

Our Code Guides Us

Our success depends on each of us doing the right thing. We each agree to live our values and meet these important commitments:

- Understand our values and use them in our job
- Promote an inclusive community
- Speak up regarding concerns
- Know and follow our Code and policies that apply
- Support a strong culture of ethics
- Ask for help
- Cooperate with investigations

100%

Completion of online compliance training by global management associates

100%

Associates and board of directors affirm code of conduct

100%

Completion of anti-corruption training by global management associates

Global Compliance Education

We provide our associates with a comprehensive online compliance training program—the Awareness in Compliance and Ethics (ACE) curriculum. Training modules are assigned based on roles, geographic location, and responsibilities. The ACE curriculum is established each year with our Compliance Federation based on risks, trends, compliance requirements, and our strategy.

Milliken University offers additional on-demand courses as well as tailored, in-person training.

RECENT TRAININGS INCLUDE

- Anti-bribery
- Conflicts of Interest
- Speaking Up
- Business Ethics
- Social Media Risks
- Understanding and Preventing Microaggressions



No Tolerance for 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.

RELENTLESS FOCUS ON ETHICAL BUSINESS PRACTICES

Ethics Scoring Framework

Categories and weighting



1 of 6 15-Time Honorees



134

Companies in 2021 designated as the World's Most Ethical Companies

Milliken scored **10 Points Higher** than the average 2021 honoree

Protecting Human Rights

Our Code of Conduct, Supplier Code of Conduct, Global Human Trafficking Policy, U.K. Modern Slavery Act Statement, and Australia Modern Slavery Statement set clear expectations regarding our commitment to preventing slavery and human trafficking in our business and supply chains.

We train our team to identify and address potential human rights violations. There have been no known human rights violations within our operations or supply chain, but we remain vigilant.



Enterprise Plant (U.S.) Textile associate

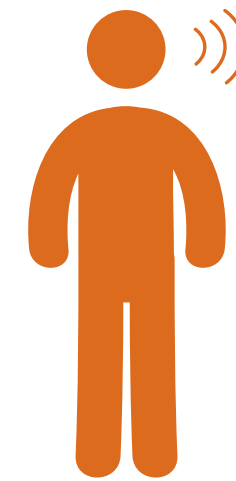
Strengthening Supply Chains

Our Supplier Code of Conduct addresses people, labor, integrity, health, safety, and the environment and provides our suppliers with additional resources for implementing principles and guidelines.

We encourage our suppliers to report externally about their social and environmental impact in line with the principles set forth in our Supplier Code of Conduct. In 2021, we launched a cloud-based platform to strengthen our supplier sustainability monitoring, including assessments and social media monitoring.

100%
New suppliers affirm
Supplier Code of Conduct

YOUR VOICE MATTERS



1 Something doesn't seem right or concerns you

2 Report it—can use Milliken's HelpLine—in your language and to a third party

3 Milliken investigates confidentially

4 Investigation leads to action

5 Outcomes

- You are never retaliated against for making good-faith reports
- You had the courage to do the right thing and to protect our ethical culture

Our Culture Depends on Speaking Up

We are all responsible for upholding our Code of Conduct. 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 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. Our Code explains that leaders have a special responsibility to listen and act.

MILLIKEN LEADERS

Lead by example

Listen carefully

Elevate concerns appropriately

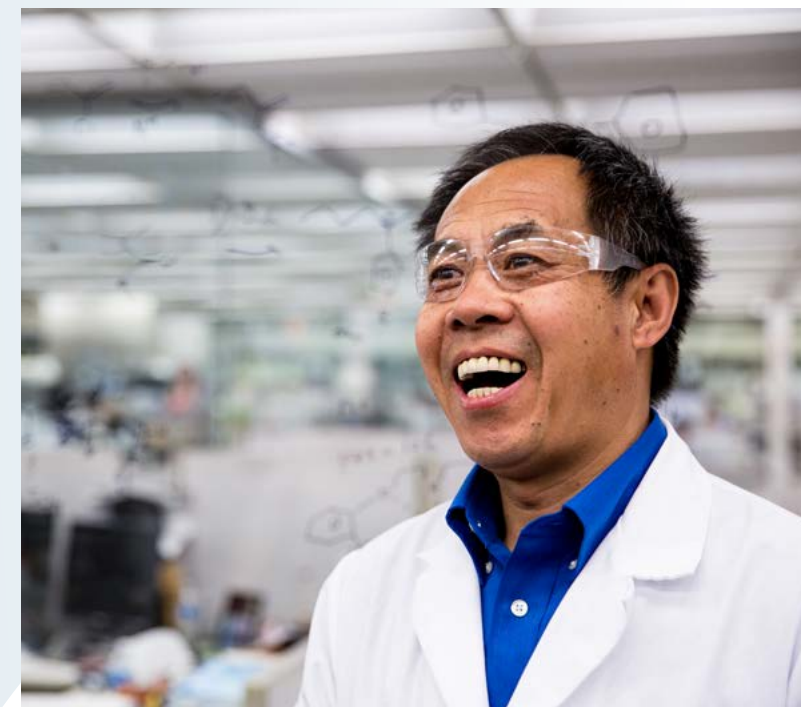
Promote speaking up

Treat all concerns seriously

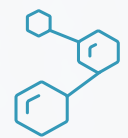
Never cover up or ignore

Never retaliate

From our Code of Conduct



Daike Wang, Principal Scientist, Floor Covering (U.S.)



PRODUCT

Building a circular economy requires a systems approach to change the way we look at design, waste, and materials.

ANALYZE NEW PRODUCTS WITH SUSTAINABILITY ASSESSMENTS	31
CONVENING ON END-OF-LIFE SOLUTIONS FOR PLASTICS	34
SUSTAINABLE INNOVATIONS	37

Product

Our 2025 Product Goals advance circularity through internal assessments and industry-wide collaborations.



Milliken Signature® table linens, also available with REPVEVE® made from repurposed materials, with 1.3 recycled polyethylene terephthalate (PET) bottles in every napkin.

2021 PRODUCT GOALS PROGRESS



ANALYZE NEW PRODUCTS LAUNCHED USING SUSTAINABILITY ASSESSMENTS

We restated this goal to incorporate qualitative and quantitative assessments.



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

We can't solve the plastic waste problem by ourselves. Through our work with the Alliance to End Plastic Waste, The Recycling Partnership, and Accelerating Circularity, we're advancing this goal.



2025 GOAL: ANALYZE 100% OF NEW PRODUCTS USING A SUSTAINABILITY ASSESSMENT

We've restated our goal from "Analyze 100% of New Products using Life Cycle Analysis principles" to "Analyze 100% of New Products using a Sustainability Assessment".

Life Cycle Analysis principles remain important, but we want to incorporate other factors that allow us to look at the impact of our products holistically. For example, design of our new products considers contributions to the U.N. Sustainable Development Goals and the associated social impacts in addition to environmental impacts. Our diversified product portfolio requires qualitative and quantitative sustainability assessments to expand our positive impacts and take an honest view of our negative impacts.

39% of new products assessed in 2021



Ferrero Rocher turned to Milliken to find a sustainable packaging material for their boxes



"At Milliken, we look beyond our day-to-day business and consider the positive impact we can have on the world."

Deidre Sandrock Ph.D., Director of Sustainability, Chemical

Introducing Carbon Neutral Flooring

All Milliken carpet, luxury vinyl tile, and entryway tile are part of our M/PACT carbon neutral program. These products offset their raw materials and manufacturing carbon footprint using third-party Verified Carbon Standard Credits that support renewable energy and carbon reduction technologies to help fight climate change.



Grain + Bias Floor Covering Collection



D/LUX Floor Covering Collection

🔄 Luxury, Dematerialized

Our D/LUX series of carpet tile uses innovative yarn and tufting technology to deliver the same texture and aesthetics with less raw material, reducing embodied carbon.



🔄 From Bottles to Uniforms

We integrated REPREVE® fiber—a fiber using post-consumer plastic bottles—into the uniform fabric for the Girl Scouts (of America) and Waste Management. Additionally, our Textile Business donated 200 Daisy and Brownie uniforms to the Girl Scouts of South Carolina—Mountains to Midlands, the local council that serves the community around our global headquarters.

🔄 Garments That Go the Distance

Jointly developed with Procter & Gamble, we launched the Solvite Garment Rejuvenator. Solvite whitens and brightens clothes in cold water without bleach, which reduces energy consumption and landfill contribution and extends the life of the garment.



🔄 Manufacturing With More Recycled Materials

Replacing virgin materials with pre- and post-consumer recycled polypropylene (rPP) in the manufacturing process helps progress toward a circular economy. DeltaFlow™ Viscosity Modifiers increase the melt flow rate of rPP, making it a more viable production material and enabling manufacturers to incorporate more rPP.

🔄 Out With PFAS, In With Polartec® DWR

We've eliminated per and polyfluoroalkyl substances (PFAS) from our durable water repellent treatments (DWR) without affecting functional performance of the application.



Polartec Delta® Base Layer Shirt



Polartec® DWR treatment of performance fabrics

🔄 Microbial Reduction With a Mint Twist

We launched a metal-free, odor-reducing treatment made from natural peppermint oil. Polartec® Fresh Face is bluesign® Certified and shows a 99.9% reduction in microbes that cause odors.



2025 GOAL: CONVENING SCIENTISTS AND THOUGHT LEADERS TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE

Plastic is an incredibly versatile material, present in everything from packaging to medical equipment. Unfortunately, far too much plastic is mismanaged at the end of its life, ending up in landfills or the environment. We're committed to addressing the plastics end-of-life challenge, but we know we can't do it alone.



A Better Path for Plastics

Milliken & Company enlisted National Geographic to convene a group of experts to share ideas and create a platform for consumers to learn how to create a Better Path for Plastics.

Polypropylene Coalition

Our continued support of the Polypropylene Coalition's efforts helps provide nearly 15 million Americans with access to curbside recycling of polypropylene. We've seen an increase in U.S. polypropylene recycling.

6%

Increase in U.S. polypropylene recycling

13M

Pounds of recycled material added

Collaborating With PureCycle

PureCycle returns polypropylene to virgin-like material and drives the transition to a circular economy.



"Polypropylene is one of the most used common plastics in the world, and yet, it is one of the least recycled. That changes with PureCycle and our collaboration with Milliken. Milliken's active commitment to transforming how products are made ensures that the consumer sees no marked difference in quality. This is a game changer in the fight to end plastic waste pollution. Brands can deliver sustainable products without sacrificing quality. It's the differentiator we need globally to tackle plastic waste."

- Mike Otworth, Co-Founder and Chairman of the PureCycle Board

Digital Recycling Passport

Proper sorting of packaging, at scale, to improve recycling rates is not a simple task. As a member of the Digital Watermarks Project, Milliken is working to simplify that task. The Digital Watermarks Project is testing the use of barcodes that are imperceptible to the human eye, but detectable with a camera for computing devices, to add a digital recycling passport to packaging. Once scanned, it can help direct a package to the appropriate recycling process for its best next life.



Global Effort to Reduce Plastic Waste

Milliken associates from every region have joined in the effort to stop plastic waste by improving waste collection, sorting and processing, and addressing plastic waste already in the environment. Alliance to End Plastic Waste projects have touched 29 countries and more than 80 cities.



Textiles End-Of-Life

Milliken joined Accelerating Circularity in 2021. Accelerating Circularity brings the entire supply network together to develop the products and processes that have the best chance of success to implement circular textile supply systems with existing capabilities. Also, our Floor Covering business continues to partner with U.S. recyclers to deconstruct Milliken's carpet tile and separate nylon fibers. Our post-consumer carpet tile is repurposed into a durable synthetic exterior siding product with a high recycled content, providing an alternative to wood.



Textiles in our Gillespie Plant (U.S.)



The Science of Sustainable Fabric

More than 700 people representing over 100 global brands and more than 40 countries came together to explore innovations for advancing sustainable fabrics at Polartec's The Science of Sustainable Fabric event.

Sustainable Innovations



DeltaFlow™ Viscosity Modifiers

In addition to our 2025 Product Goals, and informed by the insights of our materiality assessment, our sustainability strategy prioritizes sustainable innovations. At Milliken, we continue to provide solutions to our customers that deliver on sustainability. We continuously expand our existing sustainable innovations into new applications while unlocking the future needs of our customers.

 <p>Life Cycle Analysis on 90% of flooring products globally</p>	 <p>Red List Free, third-party-verified flooring products offered globally</p>	 <p>Flooring products verified for LEED® v.4</p>	 <p>All OBEX™ Entrance Flooring certified low VOC</p>
 <p>Majority of Polartec products are BlueSign® Certified, which monitors materials from factory to final product</p>	 <p>All modular carpet tiles manufactured in the Americas, APAC, and Australia, and some manufactured in Europe are Cradle to Cradle® Certified Silver</p>	 <p>UL certification for four grades of Hyperform® HPN®, which enables 5-8% energy savings for injection molding of plastics</p>	 <p>UL certification for Millad® NX® 8000, which enables an average of 10% energy savings for production of clarified polypropylene parts</p>
 <p>Flooring products disclose ingredients in a voluntary transparency platform and product database</p>	 <p>Certain textile products are certified Standard 100 by OEKO-TEX®, a label for textiles tested for harmful substances to ensure product safety</p>	 <p>APR Critical Guidance given to Millad® NX® 8000 clarifying agent for polypropylene to validate compatibility with plastic packaging recycling</p>	 <p>Millad® NX™ 8000' technology is fully compatible with the polypropylene recycling processes in Europe and poses no recyclability issues, according to the findings of an independent laboratory testing</p>

Designing Products With Recycling in Mind

Increasing consumer recycling starts with designing products that are easily converted into reusable material. Known for creating unique packaging for brands, APC Packaging sought to create a mono-material dropper and bottle system that would compete for consumer attention against traditional glass bottles.

Using polypropylene enhanced with Millad® NX® UltraClear® allowed APC to challenge the clarity of glass. This innovation helps APC support a brand's mission for sustainable packaging while still delivering a product unique to the brand.

Creative departments are no longer limited to just picking a color for the bulb and dropper collar. The pipette can now have transparent colors or tints added for a new effect or to aid in visualization. These innovations make these droppers highly sought by beauty brands all around the globe, as they provide valuable additions to any product line with their easy recyclability and unique customizations.



Sustainable Packaging for Ferrero Rocher®

Ferrero Rocher and Milliken share a passion for enhancing packaging sector circularity. Ferrero turned to Milliken to help find a sustainable packaging material for their Ferrero Rocher boxes. Milliken custom-designed a formulation to find the right box made from polypropylene, a clear, lightweight, and highly recyclable material. Milliken was able to demonstrate measurable performance improvement, including lower resource consumption and reduced greenhouse gas emissions. The companies worked collaboratively to meet Ferrero's demanding specifications to maintain the iconic Ferrero Rocher box's transparency and guarantee the same high-quality product that their consumers know and love.



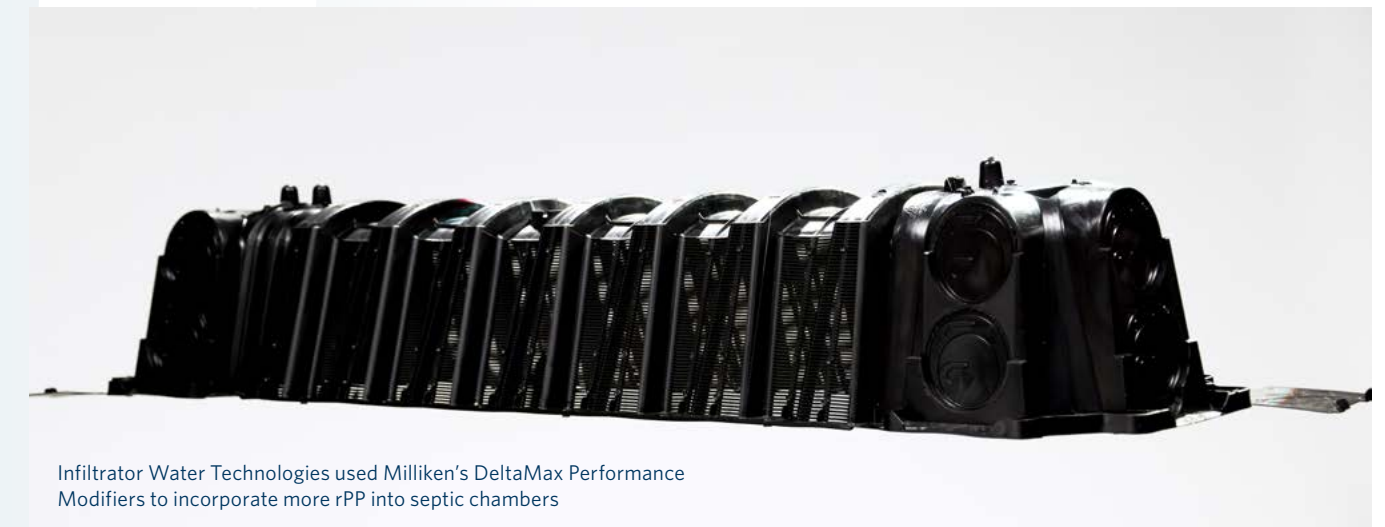
Helping Advil® Reduce Plastic

In partnership with GSK, the maker of Advil, Milliken will help reduce the plastic content of 80 million Advil brand bottles by 20%—the equivalent of 500,000 pounds of weight. Our UltraGuard® additive strengthens the polyethylene barrier, keeping out permeants (e.g. moisture, O2), meaning less plastic is needed to maintain the quality of the product inside.

Bringing Clarity to Polypropylene

Millad® NX® 8000 ECO clarifier is the latest addition to our market-leading Millad® NX® 8000 product line, which is used to produce the durable, fully transparent, highly recyclable material known as NX® UltraClear® polypropylene.

Millad® NX® 8000 ECO helps manufacturers use an average of 10% less energy by increasing production rates and is compatible with plastics packaging recycling in the U.S. and Europe.



Infiltrator Water Technologies used Milliken's DeltaMax Performance Modifiers to incorporate more rPP into septic chambers

Enabling More Recycled Content

Incorporating recycled polypropylene (rPP) into product manufacturing helps customers and consumers meet sustainability goals. However, in many cases, rPP is an unreliable component due to batch variations and frequent contamination.

Milliken's DeltaMax® Performance Modifier improves rPP quality, increasing melt-flow rate and improving impact resistance. Integrating DeltaMax® helped Infiltrator Water Technologies increase the amount of rPP used in manufacturing without compromising product quality.

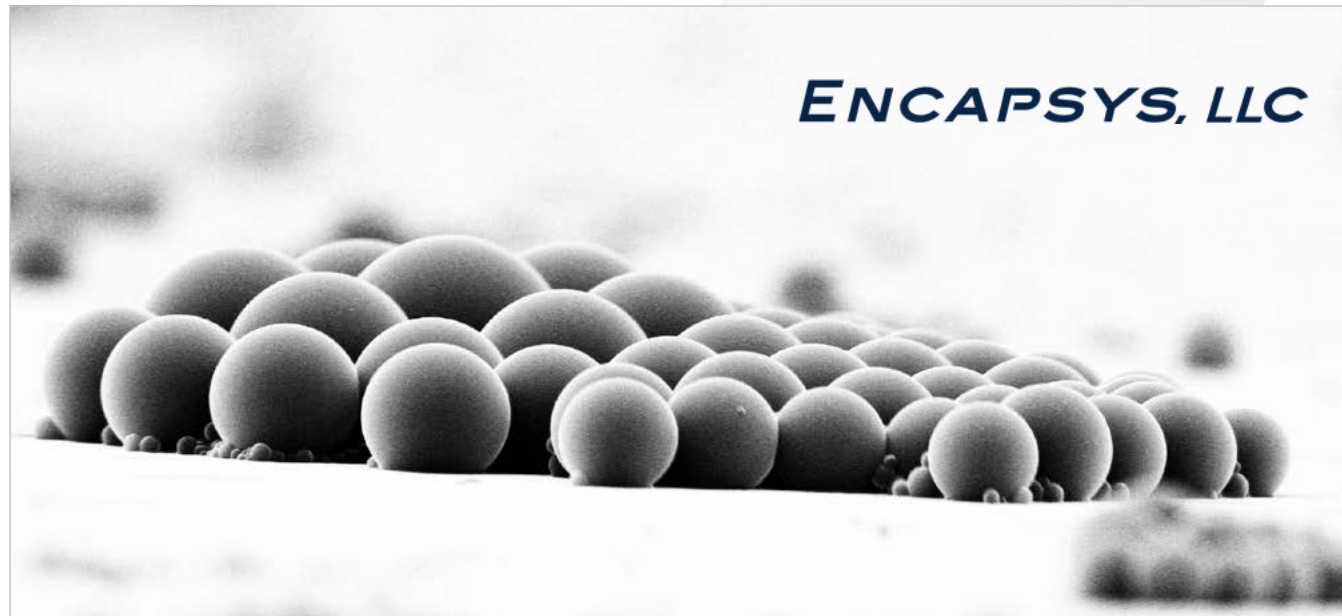
Improving EV Performance

As the electric vehicle (EV) market grows to reduce automotive carbon emissions, so must the performance of the batteries for EVs. As a result, smaller and higher-performance batteries are produced, which require efficient heat dissipation for safe operations. Milliken's Syn Fac™ intermediate is used to make a cure-in-place gap filler, which provides low stress on components and robust and efficient thermal management.



Biodegradable Encapsulation

In 2021, Milliken acquired Encapsys, LLC, a world leader in microencapsulation. Encapsys produces capsules with renewable carbon sourced materials that naturally biodegrade, meeting the definition of readily biodegradable as established by the European Chemicals Agency (ECHA).



Encapsys uses cutting-edge technology to create unique microencapsulation products

Working Together to Help Heal, Protect, and Support Patients by Reducing Visit Frequency

When in-person visits are limited due to patient mobility or safety concerns it can be challenging to provide patients with the care they need. Milliken helps to manage wounds and edema related to venous insufficiency despite these limitations by offering high quality, comfortable dressings that require fewer changes. Our Optimal Extended Wear Solution featuring TRITEC® and CoFlex® TLC has shown to increase patient compliance and reduce visit frequency.



Enabling Renewable Content

We are improving raw material consumption during wind turbine production. Our stabilizing technology, Milliguard® AOX, reduces scrap rates during the foam production of the core material of the turbine blades by preventing discoloration and cracking of the foam blocks.



Reducing Energy Use in Asia

Our work brings the plastic value chain together to raise awareness for energy reductions that can be achieved by using Underwriters Laboratories (UL)-certified products. Already more than 45 companies in Asia have signed UL certifications across the value chain, from polypropylene producers to brand owners to converters. This collaborative work advances the market by working together to establish industry benchmarks.

Eliminating Cobalt and Reducing VOCs

Cobalt has long been used to help coatings dry faster and more evenly. As the toxicology of cobalt has come into question, manufacturers are looking for alternatives. Borch® Dragon catalyst is a cobalt-free drier that improves coating performance, brightness, and adhesion. Borch Dragon can also reduce the amount of volatile organic compound (VOC) required in coating formulations.



Floor Covering QuietLife LVT

Floor Covering for Better Acoustics

Flooring is one of the biggest contributors to interior acoustics. Milliken's WellBAC® cushion-backed carpet tiles absorb 50% more noise than hardback carpet, which in turn absorbs three times as much noise as hard flooring.

Where designers seek smooth flooring, Milliken's FlexForm Sound™ luxury vinyl tile is a game-changer to addressing noise, one of the biggest factors affecting indoor quality of life.



PLANET

Protecting the planet starts with being responsible in our operations.

REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%	45
REDUCE INDEXED SOLID WASTE BY 25%	48
ZERO WASTE TO LANDFILL	48
REDUCE INDEXED WATER USAGE BY 25%	50
INCREASE RENEWABLE ENERGY USE TO 100,000 MWH	51
ZERO ENVIRONMENTAL VIOLATIONS	51

Planet

Since announcing our 2025 goals in 2019, we have identified more than 400 projects that will help us reduce our environmental footprint. To date, we have completed 145, or 36%, of those projects.

2021 PLANET GOALS PROGRESS



REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%

We're on track by successfully implementing emissions reductions projects and maintaining a hopper of new projects.



REDUCE INDEXED SOLID WASTE BY 25%

Incorporating thermal drying will reduce 16% of our waste impact. Eliminating coal as our primary fuel source reduces our waste another 4.7%.



ZERO WASTE TO LANDFILL

We've reduced our waste-to-landfill by 70%. Relying on thermal drying and seeking new construction waste options will help us reach our goal.



REDUCE INDEXED WATER USAGE BY 25%

We currently draw 99% of our water from non-stressed watersheds and are working to identify additional water initiatives to help us reach our goal.



INCREASE RENEWABLE ENERGY USE TO 100,000 MWH

We achieved 98% of our goal. Additional renewable energy credit agreements will get us across the finish line.



ZERO ENVIRONMENTAL VIOLATIONS

We've cut environmental violations by 60% and continue our progress through annual external audits of high-risk facilities.



2025 GOAL: REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%

SUSTAINABILITY PLANET GOALS

PLANET GOAL	2018	2019	2020	2021	2025 GOAL
Scope 1-2 GHG Intensity (MT/MT)	1.28	1.31	1.27	1.22	0.96
GHG Intensity % Change from 2018	N/A	2%	-1%	-5%	-25%

ABSOLUTE METRICS

Metric	2018	2019	2020	2021
Scope 1 Emissions (MT CO2e)	323,886	300,811	249,401	280,304
% Change from 2018	N/A	-7%	-23%	-13%
Scope 2 Market Based Emissions (MT CO2e)	309,372	298,421	226,008	209,143
% Change from 2018	N/A	-4%	-27%	-32%
Scope 1&2 Emissions (MT CO2e)	633,258	599,232	475,409	489,447
% Change from 2018	N/A	-5%	-25%	-23%
Scope 3 Emissions Screening (MT CO2e)	1,603,112	1,647,987	1,479,062	1,624,473
GHG Offsets (MT)	0	0	2,215	19,512



Eliminating Coal With Cogeneration

Built in 1964, our Blacksburg, South Carolina, campus relied on coal as fuel for steam generation. To transition to a coal-free operation, we invested \$25 million into cogeneration, which combines steam and power generation. Thanks to the work of our engineering team, the project went online in December 2021, eliminating coal as a primary fuel source and reducing our overall costs, emissions, and waste.

Our cogeneration graphic highlights the process of moving to cogeneration to eliminate coal as a primary fuel source and the benefits to our 2025 Planet Goals.

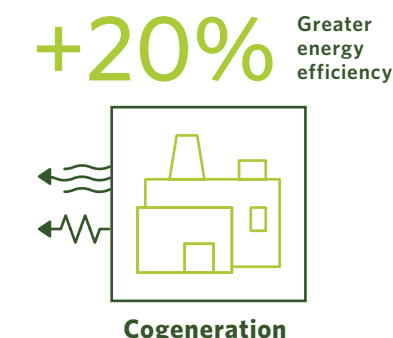
Prior to 2021

Separate steam and power at one location help manufacture our additives, workwear, and flame-resistant fabrics.



Today

By combining steam and power at one manufacturing location, our energy efficiency improves.



\$25M+
Investment

\$4M
Projected Saving/Year



Eliminates coal as a primary steam fuel source

2025 Goal Impact Projections

9.2%
GHG Reduction

4.7%
Waste Reduction

Upgrading to LED

We're halfway to our goal of 100% LED at all Milliken manufacturing facilities by the end of 2023.



LED at global headquarters

IN 2021, WE

Upgraded lighting at
13 plants

Invested
\$2.3 M

Reduced GHG emissions by
3,000 METRIC TONS

Optimizing Air Compressor Horsepower

We tested a fresh technology that optimizes air compressor horsepower to reduce GHG emissions at our weave and yarn plants. After a successful activation at our Cedar Hill Plant in Union, South Carolina, we implemented similar projects at our Limestone Plant in Gaffney, South Carolina, and the Cushman Plant in Williamston, South Carolina.

IN 2021, THE COSTS AND IMPACTS

\$730,000
Total capital investment

\$495,000
Annual energy savings

3,850
Total GHG reduction (MT)

Attention on Reducing GHG Emissions

Maintaining our focus on continuous improvement is critical to reducing our overall GHG emissions. This means paying attention to the smaller-scale projects alongside large investment projects like cogeneration.

Mike Reardon of our Kingsley Plant in Thomson, Georgia, took on several smaller projects and has succeeded in cutting GHG emissions by 13% since 2018. Our Kingsley Plant cut emissions 13% by upgrading and maintaining air compressors, installing LED lighting, and upgrading 45 new weave machines.



Top: Solar panels at global headquarters, Bottom: Cedar Hill Plant (U.S.) air compressors



2025 GOAL: REDUCE INDEXED SOLID WASTE BY 25% AND SEND ZERO WASTE TO LANDFILL

SUSTAINABILITY PLANET GOALS

PLANET GOAL	2018	2019	2020	2021	2025 GOAL
Waste Generation (lb/klb)	117.78	119.03	116.90	108.70	88.34
Waste Generation Intensity % Change from 2018	N/A	1%	-1%	-8%	-25%
Landfill Waste (lb/klb)	7.99	14.61	9.52	3.80	0.00
Landfill Waste Intensity % Change from 2018	N/A	83%	19%	-52%	-100%

ABSOLUTE METRICS

Metric	2018	2019	2020	2021
Waste Generation (lb)	128,487,924	120,300,597	96,499,331	96,344,435
% Change from 2018	N/A	-6%	-25%	-25%
Landfill Waste (lb)	8,718,507	14,765,399	7,859,053	3,364,809
% Change from 2018	N/A	69%	-10%	-61%

Solving for Waste Reduction

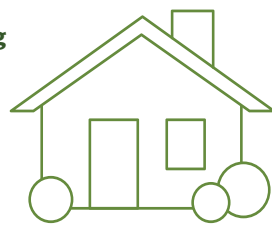
Wastewater biosolids, commonly referred to as sludge, includes bio-waste that is left from our water treatment processes. While we spend a lot of time researching ways to innovate product waste, our engineers have found a way to tackle a waste often forgotten. With the help of thermal drying of sludge, we've cut waste by 8%, and we're just getting started.

WASTE MANAGEMENT THROUGH THERMAL DRYING

Reduced
7,900,000 lbs
of waste

Equivalent to removing
the waste disposed by

1,750
U.S. homes/year



\$1M+
Investment



**Conserves
Resources**

\$300K
Savings/year



**Supports
Circular
Economy**

2025 Goal Impacts (against 2018 baseline)

6%

Solid Waste Reduction

72%

Landfill Reduction

Thermal Drying

We struggled to find suitable disposal options for wastewater biosolids in 2019 and decided to take matters into our own hands, looking for management solutions to reduce waste. In 2021, we built our first biosolids dryer, reducing the amount of waste we transport and dispose of by nearly eight million pounds per year. We're looking for ways to incorporate thermal drying at other biosolid generation sites in 2022 and beyond.



Thermal sludge drying at Textile and Chemical Blacksburg locations (U.S.)

New Life for Textile Waste

When a new non-woven process for molded automotive wheel wells started in 2020, associates at our Gillespie Plant in Union, South Carolina, embraced the opportunity to reinvent the way scrap waste would be handled.

Processing nearly 10,000 pounds per month, our new recycling system converts scrap back into fiber that can be used to remake the original product. This keeps disposal trucks off the road and reduces our use of virgin material.

Building on what they've learned from this innovation, the Gillespie team is scaling in-house recycling to handle more waste in the future.

Increasing Recycled Content

Our teams based at the Middleton Plant in Manchester, England, used the Product Management Improvement methodology of Milliken Performance System to increase product recycled content from 81% to 96%, reduce off quality by 60%, and improve machine efficiency by 25%.

2025 GOAL: REDUCE INDEXED WATER USAGE BY 25%

SUSTAINABILITY PLANET GOALS

PLANET GOAL	2018	2019	2020	2021	2025 GOAL
Water Withdrawal Intensity (gal/lb)	3.10	3.35	3.33	3.54	2.33
Water Withdrawal Intensity % Change from 2018	N/A	8%	7%	14%	-25%

ABSOLUTE METRICS

METRIC	2018	2019	2020	2021
Water Withdrawal (gal)	3,386,773,066	3,382,829,063	2,749,761,561	3,139,935,128
% Change from 2018	N/A	0%	-19%	-7%



Evaluating Water Stress

In 2021, we evaluated 100% of our manufacturing sites for water stress risks. We're learning that our water strategies must be customized based on local conditions. We've been able to cut water use at two of our three water-stressed locations: Zhangjiang by 20% (indexed) and Ghent by 2% (indexed).

We currently draw 99% of our water from non-stressed watersheds. We continue to focus on water-reduction projects, including:

- Modernizing aging water infrastructure—900,000 gallons reduced per year at our Pendleton Plant in Pendleton, South Carolina
- Reducing well water used in cooling towers—40 million gallons reduced per year at our Hickory Plant in Owensboro, Kentucky
- Revising processes to reduce water usage in textile piece dye and finishing—28 million gallons reduced per year at several Upstate South Carolina plants

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

SUSTAINABILITY PLANET GOALS

PLANET GOAL	2018	2019	2020	2021	2025 GOAL
Renewable Consumption (MWh)	-	10,000	50,020	97,608	100,000
% of 100,000 MWh/year Goal	N/A	10%	50%	98%	100%

97,608
MWh/year

We reached 50% of our renewable energy goal in 2020 and took that number to 98% in 2021 by expanding our renewable energy procurement.

Solar Power in Australia

Our Northmead Plant in Australia recently installed a 337 kW solar power system.

"The Northmead solar installation will generate up to a third of our electricity on site and will have a significant impact on our emissions reduction."

Shaneel Deo VP, Managing Director Milliken Australia



2025 GOAL: ZERO ENVIRONMENTAL VIOLATIONS

We've cut environmental violations by 80% since 2018 and continue our commitment to zero incidents through select annual external audits and internal risk assessments for each manufacturing site.

IN 2021

- 30 sites achieved ISO 14001 2015 certification
- 4 sites achieved RC14001 certification
- 5 sites achieved ISO 9001 2015 recertification

SUSTAINABILITY PLANET GOALS

PLANET GOAL	2018	2019	2020	2021	2025 GOAL
Environmental Violations	5	2	2	2	0
Environmental Violation % Change from 2018	N/A	-60%	-60%	-60%	-100%

Indices

CAUTIONARY STATEMENT

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 economic 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 loss of business from one or more major customers; the volatility of raw material and energy costs as well as any disruption in their supply; the Company’s inability to obtain certain specialty materials or sourced product on a timely basis; the Company’s inability to keep and protect its intellectual property rights; growth initiatives may not achieve desired business or financial objectives and may require a significant use of resources; potential exposure to litigation, claims and other legal proceedings in the ordinary course of business relating to the Company’s products; government contracting risks and significant government regulation of our products and processes; potential financial liability and increased operating costs related to the variety of environmental, health and safety and product registration laws that affect the Company; downturns in certain industries and general economic downturns; disruptions in transportation or significant changes in transportation costs related to third party transportation providers on which the Company relies; risks related to the Company’s operations outside the U.S.; significant losses from natural disasters, catastrophes, fire or other unexpected events; and cyber-security risks related to customer, employee, vendor and other Company data. Readers are cautioned not to place undue reliance on past performance or forward-looking statements.

Report Scope

The information in this Sustainability Report represents that of Milliken & Company and all of our subsidiaries, from the 2021 calendar year, unless otherwise noted. This report supersedes our previous Sustainability Report, released April 2021. 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.

INDEPENDENT LIMITED ASSURANCE GHG EMISSIONS DATA

WAP Sustainability Consulting was contracted by Milliken & Company to provide limited assurance over Scope 1 and Scope 2 emissions data for calendar years 2018 and 2021. The aim of the assurance is to provide assurance to Milliken’s stakeholders over 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 Sustainability Consulting 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 and Scope 2 emissions for calendar years 2018 and 2021, nothing came to the attention of WAP Sustainability Consulting to indicate that the GHG emissions data as stated within this Sustainability Report are not fairly stated in all material respects.

INDEPENDENT VERIFICATION OF GLOBAL REPORTING INITIATIVE ALIGNMENT

WAP Sustainability Consulting (WAP) was contracted by Milliken & Company to verify its 2021 Sustainability Report in accordance with the GRI Standards for calendar year 2021 (CY 2021). The verification was conducted to review the GRI in Accordance, Core Option (2016) and at a materiality level based on the professional judgment of the verifier. Based on WAP’s approach, nothing came to the attention of WAP that would cause WAP to believe that the information included with Milliken’s Sustainability Report is not materially correct. Based on a review of the Report and the GRI Standards, the Report has been prepared in conformance with the GRI Standards.

Report Frameworks

GRI

The Global Reporting Initiative (GRI) is an independent international organization that helps businesses, governments, and other organizations understand and communicate their sustainability impacts. This report has been prepared in accordance with the GRI Standards: Core Option (2016), unless otherwise noted.

SASB

This report aligns with the framework of the Sustainability Accounting Standards Board (SASB). Our SASB disclosures respond to similar metrics listed for the following SASB’s Sustainable Industry Classification System: Building Products and Furnishings, Apparel, Accessories and Footwear, Containers and Packaging, and Chemicals. In this report, we have aligned with the SASB framework for the first time, and because Milliken is a diversified material science manufacturer, working across industries, for all standards, we report enterprise-wide disclosures.

TCFD

The Task Force on Climate-Related Financial Disclosures (TCFD) provides a consistent framework by which companies can provide climate-related risk disclosures to their stakeholders. In this report, we have aligned with the TCFD framework for the first time.

UN GLOBAL COMPACT

The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles. As a participant, we report on our progress annually and joined the Early Adopter Programme for the new Communication on Progress digital platform.

UNSDGS

We have aligned with the United Nations Sustainable Development Goals (UNSDGs) and mapped individual UNSDGs against our material topics and 2025 Sustainability Goals.

2021 Milliken Global Reporting Initiative Index Disclosures

Our 2021 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option (2016) to support international efforts toward transparency and accountability. The Global Reporting Initiative (GRI) is an independent international organization that helps businesses, governments, and other organizations understand and communicate their sustainability impacts.

GRI STANDARD | DISCLOSURE LANGUAGE | MILLIKEN 2021 RESPONSE

GENERAL DISCLOSURES					
102-1	Organization Name	"Milliken" refers to the entire global business operations for the 2021 calendar year of privately-owned Milliken & Company and all of its wholly-owned subsidiaries, including its divisions Milliken Textiles, Milliken Chemical, Milliken Floor Covering and Milliken Healthcare; and its brands Performance Solutions by Milliken, Ontera by Milliken, Westex by Milliken, SiVance, LLC, Polartec, Andover, and Milliken Healthcare Products, LLC.			
102-2	Brands, Products, Services	A research company with deep material science expertise, we offer solutions in chemicals, textiles, floor covering, healthcare, and consulting/training services.			
102-3	Headquarters Location	Spartanburg, South Carolina, USA			
102-4	Operations Location	70+ global locations across 14 countries including 44 plants, 18 offices/labs, 6 distribution centers, 10 showrooms.			
102-5	Ownership/Legal Form	Milliken is a private company.			
102-6	Markets Served	We serve global markets via our manufacturing facilities in the United States, Mexico, United Kingdom, Belgium, France, China, and Australia. Our sales offices, showrooms, development laboratories, and technical support centers extend our global market reach into diversified markets based primarily in chemicals, textiles, flooring, and healthcare bandages.			
102-7	Scale/Number of Employees	8,900+ total suppliers globally; 8,300+ associates globally; 886,348,822 total lbs of production; Milliken operates with a healthy balance of debt to equity.			
102-8	Employee Information		Permanent Employees	Temporary (includes third party)	
		All Employees	% Total all	88	12
		Gender	% Female	37	31
			% Male	62	58
			% Not Captured	1	11
		Region	% Americas	80	93
% Europe, Middle East, Africa	13		5		
% Asia-Pacific	6		2		
<i>Note: At times, total percentages do not add exactly to 100, based on rounding.</i>					
102-9	Supply Chain	8,900 + total suppliers globally. Approximately 75% of our global spend is with suppliers in the U.S., 8% with suppliers in China, 7% with EU countries, 5% with the U.K., and 4% from other countries. By vendor count, approximately 56% are U.S. suppliers, 15% EU, 8% China, 8% U.K., 3% Brazil, 2% India, 2% Australia, 1% Canada, and 1% Mexico. 100% of new suppliers affirm our Supplier Code of Conduct, which is available in 6 languages. Approximately 11% of total suppliers are direct suppliers, meaning they provide raw materials that go directly into final products. The remaining indirect suppliers provide a variety of support services and materials.			
102-10	Changes to Company	Acquisition of ZebraChem, Encapsys, and divestiture of Millicare			
102-11	Precautionary Principle	We apply the precautionary approach to identifying and addressing longer-term environmental, social, and governance issues that may impact our business, customers, and communities, including climate risk. Our Audit Committee of the Board of Directors has oversight responsibility for risk assessment and risk management practices. Our policies and procedures, including our Environmental Policy, Safety Policy, Quality Policy, Responsible Care Policy as well as our Code of Conduct and Supplier Code of Conduct provide additional guidance on our approach to sustainability. Our commitment to these specific policies and Codes, as well as industry best practices and collaboration with external experts help to inform our environmental, social, and governance risk assessments.			
102-12	External Initiatives	Some key external initiatives include the Alliance to End Plastic Waste, United Nations Global Compact, Polypropylene Coalition, The Recycling Partnership, Association of Plastic Recyclers, Accelerating Circularity, CEO Action for Diversity and Inclusion, and the Science-Based Targets Initiative.			
102-13	Association Memberships	We are members of numerous organizations, including Alliance to End Plastic Waste, Association of Plastic Recyclers (APR), Plastics Recyclers Europe, The Recycling Partnership, Plastics Industry Association (PLASTICS), Sustainable Packaging Coalition, U.S. Green Building Council, and Accelerating Circularity.			
102-14	Senior Decision Maker Statement	CEO Letter			

102-15	Key Impacts, Risks, Opportunities	Our Sustainability Materiality Assessment identifies and covers Milliken's primary social, economic, and environmental impacts, including impacts on our stakeholders. Our approach to continuous improvement across these areas is driven by our 2025 Sustainability Goals, which includes goals related to people, product, and planet. The goals are supported by strong governance which includes quarterly evaluation among senior leaders, the CEO, and the Board. Milliken also has a robust enterprise risk management approach and in 2021, Milliken conducted a climate risk assessment and integrated findings with the broader enterprise approach. Strong data, robust governance, and the integration of risk management allows Milliken to adapt and improve our sustainability work. One notable example in 2021 was Milliken's choice to commit to SBTi's Corporate Net-Zero Standard.
102-16	Values, Principles, Standards	Our purpose, values, and vision as well as our principles and expectations are communicated to our associates and our directors in our Code of Conduct and to our suppliers in our Supplier Code of Conduct.
102-17	Mechanisms for Ethics Concerns	We promote a "speak up culture." A third-party helpline exists for reporting misconduct. Anyone can make a report either online or via a phone number that is available 24 hours/day in multiple languages. The reporting mechanism is communicated in our Code of Conduct, Supplier Code of Conduct, Company website, posters in our production facilities, and in other training communications. Reports can be made anonymously where permitted by law. Reporters can communicate with our investigators anonymously throughout the process if desired to share new information or pose follow-up questions. Milliken adheres to a strict non-retaliation policy for good faith claims and reports twice a year to the Audit Committee of the Board of Directors on misconduct investigations.
102-18	Governance Structure	Milliken's Board provides oversight to our 2025 Strategy and its enablers, which includes sustainability. Our Board reviews critical sustainability concerns as they arise (across 5 board meetings annually), and formally reviews economic, environmental, and social risks twice annually. The Board is actively engaged with management on related topics, such as management of human capital, sustainability goals, and diversity and inclusion. There are 4 board committees (Finance, Audit, Human Resources & Compensation, Nominating & Governance), each chaired by a director of the board and committee members are all directors. The Audit Committee oversees effective internal controls.
102-40	List of Stakeholder Groups	A materiality assessment was performed in 2021 to determine material issues for all stakeholders. Internal stakeholders included our associates, 180+ of whom received an internal sustainability survey. The external survey went to 140+ external stakeholders including customers, representatives in local and state government, nongovernmental organizations, relevant trade associations, as well as other scientists and sustainability subject matter experts. For our customers, we determine priorities in a variety of ways including through direct engagement, a formal materiality assessment, monitoring public commitments, and insights from customer surveys.
102-41	Collective Bargaining Agreements	3.7% of associates covered by collective bargaining agreements
102-42	Identifying and Selecting Stakeholders	To help guide our decision-making process for this report, Milliken in 2021 conducted our third materiality assessment and surveyed customers, nongovernmental organizations, and sustainability subject matter experts along with a cross-functional group of global Milliken associates to provide honest and open feedback on Milliken's impacts on the economy, the environment, and people, including impacts on human rights. Our response rate among external stakeholders was 44%, and it was 64% for Milliken associates. The sustainability materiality assessment included questions on our current sustainability work and impact, as well as questions on emerging sustainability priorities. Valuable quantitative data is summarized in the Milliken & Company Materiality Matrix and these topics are prioritized throughout our report and will drive our future sustainability efforts. The rank and placement of other topics in the matrix should not be interpreted as low priority items, rather the rankings suggest respondents were less concerned with these items as current key priorities to sustainability, and imply different tactics, ranging from a focus on continuing important work and communicating, to internal improvement, or continued focus on compliance, and monitoring.

102-43	Approach to Stakeholder Engagement	<p>Milliken's commitment to sustainability is based on continual learning and meaningful collaboration. We work with our stakeholders to define what we report, with the intent to hold ourselves accountable and invite important dialogues within our industries.</p> <p>Although important, results from our formal sustainability assessment are only one source of data among many that shape Milliken's sustainability priorities and strategy. Establishing our priorities in sustainability is a complex process involving a combination of tactics: corporate introspection, environmental and community impacts, evolving ESG reporting standards and expectations, engagement across our industries, and stakeholder engagement beyond traditional business analytics. Through this broad mix, Milliken is working to mitigate risks while leveraging opportunities that improve our business, our world, and well-being for all in our value chain.</p> <p>Our approach to stakeholder engagement focuses on:</p> <ul style="list-style-type: none"> • INCREASING INNOVATION: Business as usual is not enough. We must continue our heritage of innovating and exceed what we believe is possible. • PRIORITIZING CUSTOMER FOCUS: Milliken succeeds when we keep the customer foremost in our mind, linking our initiatives with efforts that provide our customers with the greatest value. • HEIGHTENING GLOBAL UNDERSTANDING: Our activities must be viewed with a global lens, from managing a complex supply chain to understating and appreciating the different cultures with which we interact. • MAINTAINING LOCAL PERSPECTIVE: Our impacts must be understood at the community level, creating the possibility of tailored solutions for on-the-ground sustainability challenges. • ENHANCING TRANSPARENCY AND ACCOUNTABILITY: Enriched strategic reporting will clarify our impacts and help us monitor progress each year. • ENGAGING IN MEANINGFUL COLLABORATIONS: To achieve our aspirations at the necessary scale, we need to seek out driven, curious collaborators. • EMBRACING MATERIALITY: Advancing Milliken's sustainability strategy includes moving beyond our normal business considerations to engage with broader material issues. • INCLUSIVE PARTICIPATION: Milliken is better positioned to address sustainability challenges when problem definition and problem solving are inclusive processes.
102-44	Key Topics and Concerns Raised	<p>PEOPLE</p> <ul style="list-style-type: none"> • Diversity, equity, and inclusion • Workforce health and safety • Ethics and human rights • Community engagement • Data protection and privacy <p>PRODUCT</p> <ul style="list-style-type: none"> • Circular economy • Product sustainability impacts* • Carbon emissions of value chain • Product material traceability and sourcing <p>PLANET</p> <ul style="list-style-type: none"> • Carbon emissions of operations • Waste and recycling • Climate risk • Water risk • Hazardous waste <p><i>*Includes environmental, health, and safety of products</i></p>
102-45	Entities in Consolidated Financials	In this Report, "Milliken" refers to the entire global business operations for the 2021 calendar year of privately owned Milliken & Company and all of its wholly-owned subsidiaries, including its key businesses Milliken Textiles, Milliken Chemical, Milliken Floor Covering, and Milliken Healthcare; and its brands Performance Solutions by Milliken, Ontera by Milliken, Westex by Milliken, SiVance, LLC; Polartec, Borchers, and Andover Healthcare are also included within the boundary of this Report's metrics. Encapsys, LLC and Zebra-chem are excluded from the boundary of this Report's metrics.
102-46	Defining Reporting Content and Topic Boundaries	Milliken strives for an inclusive process that ensures a complete, accurate report on material issues. When possible, Milliken aligns with available standards and guidelines that define reporting boundaries including, for example, relevant ISO standards (including, for example, ISO 14064), GHG Protocol Corporate Accounting and Reporting Standard, GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, U.S. Office of Management and Budget Standards for Maintaining Collecting and Presenting Federal Data on Race and Ethnicity, and U.S. Occupational Safety and Health Administration standards. Boundaries are further defined through our materiality assessments, which integrates input from customers, representatives in local and state government, nongovernmental organizations, relevant trade associations, other scientists, and subject matter experts, along with a cross functional group of Milliken associates. To ensure quality reporting, the report is reviewed by senior leadership at Milliken and by an external sustainability consultant. Specific topics receive higher levels of assurance, such as the independent limited assurance on GHG emissions data for Scope 1 and Scope 2 of our GHG Inventory for 2018 and 2021.

102-47	List of Material Topics	Diversity, equity, and inclusion; workforce health and safety; ethics and human rights; community engagement; data protection and privacy; circular economy; product sustainability impacts; carbon emissions of value chain; product material traceability and sourcing; carbon emissions of operations; waste and recycling; climate risk; water risk; and hazardous waste.
102-48	Restatements of Information	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 GHG Inventory and internal standard practice instructions. We have made improvements in how we collect and report our data, and historical data in this document has been modified where possible to reflect that. Restatements may also result from acquisitions and divestitures.
102-49	Changes in Reporting	Our 2021 stakeholder engagement process emphasized an increased importance of carbon emissions in operations, carbon emissions across the value chain, and the importance of climate risk. In this report, we also restated our Product Goal for new products and placed reporting on our People Goals first given our understanding that putting a focus on people first is critical to achieving our sustainability strategy.
102-50	Reporting Period	2021 calendar year
102-51	Date of Most Recent Report	2020 Sustainability Report
102-52	Reporting Cycle	Annually
102-53	Contact Report Questions	sustainability@milliken.com
102-54	Reporting in Accordance with GRI Standards	Milliken's 2021 Sustainability Report has been prepared in accordance with GRI Standards: Core Option (2016), unless otherwise indicated.
102-55	GRI Content Index	Our 2021 GRI Index is included within our 2021 Sustainability Report.
102-56	External Assurance	Milliken's 2021 Sustainability Report was third-party verified by WAP Sustainability Consulting to be in accordance with GRI Standards: Core Option (2016), unless otherwise indicated.
103-1	Material Topic and its Boundary	Sustainability includes the material topics identified in the key topics from our stakeholder engagement process. Our boundary includes one or more of these categories: our suppliers, operations and our customers.
103-2	Management Approach	Sustainability is a key enabler of Milliken's 2025 Strategy and one of Milliken's core values. The success of our People, Planet, and Product Goals requires a cross-functional approach, as numerous enablers work together to advance sustainability and our 2025 Strategy. Sustainability commitments are included in both our Code of Conduct and our Supplier Code of Conduct.
103-3	Evaluation of Management Approach	Sustainability's executive sponsor is our General Counsel and Senior Vice President, reporting directly to the CEO. The Sustainability function reports 13 times per year to the Senior Leadership Team, which consists of the senior leaders who lead one or more of our twelve 2025 sustainability goals, against which progress is reported publicly in Milliken's annual Sustainability Report, as well as to the key business presidents and CEO. Milliken's new capital expenditure projects are reviewed for impacts on our sustainability goals. Milliken's leadership compensation is based, in part, on successful performance of the enablers, including sustainability.
ANTI-CORRUPTION		
103-1	Material Topic and its Boundary	Corruption is included in our ethics and human rights material topic identified during our stakeholder engagement process. We are expected by our stakeholders to demonstrate our values, including our commitment to integrity. Our boundary includes suppliers, our operations, and our customers.
103-2	Management Approach	Our ethics and compliance function is managed by an Ethics and Compliance Steering Committee that consists of the Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer, General Counsel, and Sustainability Vice President. In addition, our Global Compliance Federation reports to the Ethics and Compliance Steering Committee and includes a cross-functional, global collaboration that meets quarterly to assess risks, develop training strategies, and refine strategic compliance initiatives.
103-3	Evaluation of Management Approach	Milliken conducts business in accordance with the highest ethical and legal standards. Specific associate expectations are provided in our Code of Conduct. The Code of Conduct is acknowledged by all associates and directors annually. Newly hired or acquired associates also acknowledge the Code of Conduct as part of an onboarding process. All associates participate in annual compliance training covering a variety of subject matters, including the Code of Conduct. All associates with online access complete online, annual global anti-corruption training. Depending on internal COVID protocols, new managers receive in-person training on ethics, including anti-corruption.
205-1	Operations Assessed for Corruption Risk	Milliken globally assesses operations for corruption, relying on Milliken's legal representation in North America, Europe, and Asia, as well as the Global Compliance Federation. In 2020, Milliken completed an ethics and compliance third-party review and successfully received an Ethics Inside Certification by third-party Ethisphere for the period 2020-2022.
205-2	Communication and Training Anti-Corruption Policies and Procedures	Milliken's ethics policies are available in an online policy hub, including anti-corruption and conflict of interest policies. Milliken annually trains new managers as well as online training for all exempt associates on anti-corruption. In 2021, 3000+ associates were trained in anti-corruption with 100% successfully completing assigned training courses.
205-3	Confirmed Corruption and Actions Taken	In 2021, Milliken had no substantiated claims of anti-corruption violations, including no public claims or cases regarding corruption.

ENERGY						
103-1	Material Topic and its Boundary	Manufacturing is energy intensive. Carbon emissions of our operations and value chain are material topics identified from our stakeholder engagement process. Our boundary includes our operations.				
103-2	Management Approach	Our Planet Goals include reducing indexed Greenhouse Gas Emissions by 25% and increasing renewable energy to 100,000MWh by 2025. Our energy management program focuses on implementing energy-reduction initiatives. Businesses review and select projects and efficiency improvements to achieve energy and greenhouse gas emissions reductions and report them into centralized databases.				
103-3	Evaluation of Management Approach	Our Environmental Policy commits Milliken to operating our plants and facilities in a manner that protects the quality of our environment and to conserve our natural resources. In 2021, we continued to expand our planet program to include both corporate and key business planet impact projects. We standardized reporting and performance tools to better aggregate impact and create uniform tools to track and report progress. For purposes of tracking environmental violations for our Sustainability Report, we define an environmental violation as any consent order or fine issued to a Milliken facility or any spill or release to the environment that requires immediate regulatory notification (reportable quantity exceedance, etc.). Consistent with the Greenhouse Gas Protocol, Milliken's Planet Goals, targets, and associated baselines are adjusted to reflect the impact of acquired companies one year after acquisition and remove divested companies from Milliken's measured performance. Some of our product mixture changes and light weighting trends negatively impact our efforts to reduce intensity metrics. Temporary plant closures during the COVID-19 pandemic had similar impacts since volume processed is our preferred denominator for intensity.				
302-1	Energy Consumption within Organization		2018 Restated	2019 Restated	2020 Restated	2021
NON-RENEWABLE ENERGY	Purchased Electricity (MWh)	733,025	705,349	574,213	569,080	
	Natural Gas Combustion (MWh)	1,111,797	1,155,281	930,156	1,064,958	
	Coal Combustion (MWh)	304,535	219,519	191,403	199,204	
	#2 Fuel Oil Combustion (MWh)	701.00	282.00	353.00	636.00	
	#6 Fuel Oil Combustion (MWh)	250.00	0.00	11.00	0.00	
	Propane Combustion (MWh)	1,186.00	516.00	2,690.00	2,889.00	
	Waste Oil/Hydrocarbon Combustion (MWh)	1,215.00	1,390.00	1,714.00	1,176.00	
	Purchased District Steam (MWh)	6,200.00	5,678.00	5,152.00	5,197.00	
	Landfill Gas Combustion (MWh)	25,383.00	24,272.00	25,903.00	26,489.00	
	TOTAL NON-RENEWABLE ENERGY (MWh)	2,184,292	2,112,287	1,731,595	1,869,629	
	RENEWABLE ENERGY	Onsite Solar (MWh)	0.00	109	221	221
		Certified Renewable Power (MWh)	0.00	4791	16501	17103
		Renewable Energy Credits (MWh)	0.00	5100	33300	80286
		TOTAL RENEWABLE ENERGY (MWh)	0.00	10,000	50,022	97,610
TOTAL ENERGY (MWh)	2,184,292	2,122,287	1,781,617	1,967,239		

302-3	Energy Intensity: (MWh Energy Usage per Metric Ton Production)		2018 Restated	2019 Restated	2020 Restated	2021
NON-RENEWABLE ENERGY	Purchased Electricity Intensity (MWh/MT)	1.48	1.54	1.53	1.42	
	Natural Gas Combustion Intensity (MWh/MT)	2.25	2.52	2.48	2.65	
	Coal Combustion Intensity (MWh/MT)	0.62	0.48	0.51	0.50	
	#2 Fuel Oil Combustion Intensity (MWh/MT)	0.00	0.00	0.00	0.00	
	#6 Fuel Oil Combustion Intensity (MWh/MT)	0.00	0.00	0.00	0.00	
	Propane Combustion Intensity (MWh/MT)	0.00	0.00	0.01	0.01	
	Waste Oil/Hydrocarbon Combustion Intensity (MWh/MT)	0.00	0.00	0.00	0.00	
	Purchased District Steam Intensity (MWh/MT)	0.01	0.01	0.01	0.01	
	Landfill Gas Combustion Intensity (MWh/MT)	0.05	0.05	0.07	0.07	
	TOTAL NON-RENEWABLE ENERGY INTENSITY (MWh/MT)	4.41	4.61	4.62	4.65	
RENEWABLE ENERGY	Onsite Solar Intensity (MWh/MT)	0.00	0.00	0.00	0.00	
	Certified Renewable Power Intensity (MWh/MT)	0.00	0.01	0.04	0.04	
	Renewable Energy Credits Intensity (MWh/MT)	0.00	0.01	0.09	0.20	
	TOTAL RENEWABLE ENERGY INTENSITY (MWh/MT)	0.00	0.02	0.13	0.24	
TOTAL ENERGY INTENSITY (MWh/MT)	4.41	4.63	4.76	4.89		

		2018 Restated	2019 Restated	2020 Restated	2021	
303-1	Water Withdrawal by Source	Surface Water (Gal)	1,669,102,224	1,564,556,574	1,302,304,870	1,450,689,326
		Public Water Supply (Gal)	942,911,437	917,188,583	768,302,750	860,660,322
		Groundwater (Gal)	774,759,405	901,083,906	679,153,941	828,585,480
		TOTAL WATER WITHDRAWAL (Gal)	3,386,773,066	3,382,829,063	2,749,761,561	3,139,935,128
			2018 Restated	2019 Restated	2020 Restated	2021
		Surface Water Intensity (Gal/lb)	1.53	1.55	1.58	1.64
		Public Water Supply Intensity (Gal/lb)	0.86	0.91	0.93	0.97
		Groundwater Intensity (Gal/lb)	0.71	0.89	0.82	0.93
		TOTAL WATER WITHDRAWAL INTENSITY (Gal/lb)	3.10	3.35	3.33	3.54

EMISSIONS

103-1	Material Topic and its Boundary	Manufacturing is energy intensive. Carbon emissions of our operations and value chain are material topics identified from our stakeholder engagement process. Our boundary includes our operations.															
103-2	Management Approach	Our Planet Goals include reducing indexed Greenhouse Gas Emissions by 25% and increasing renewable energy to 100,000MwH by 2025. Our energy management program focuses on implementing energy-reduction initiatives. Businesses review and select projects and efficiency improvements to achieve energy and greenhouse gas emissions reductions and report them into centralized databases. Milliken uses an operational control approach.															
103-3	Evaluation of Management Approach	Our Environmental Policy commits Milliken to operating our plants and facilities in a manner that protects the quality of our environment and to conserve our natural resources. In 2021, we continued to expand our planet program to include both corporate and division planet impact projects. We standardized reporting and performance tools to better aggregate impact and create uniform tools to track and report progress. For purposes of tracking environmental violations for our Sustainability Report, we define an environmental violation as any consent order or fine issued to a Milliken facility or any spill or release to the environment that requires immediate regulatory notification (reportable quantity exceedance, etc.). Consistent with the Greenhouse Gas Protocol, Milliken's Planet Goals, targets, and associated baselines are adjusted to reflect the impact of acquired companies one year after acquisition and remove divested companies from Milliken's measured performance. Some of our product mixture changes and light weighting trends negatively impact our efforts to reduce intensity metrics. Temporary plant closures during the COVID-19 pandemic had similar impacts since volume processed is our preferred denominator for intensity.															
305-1	Direct GHG Emissions	<table border="1"> <thead> <tr> <th></th> <th>2018 Restated</th> <th>2019 Restated</th> <th>2020 Restated</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Scope 1 GHG Emissions (MT CO₂e)</td> <td>323,886</td> <td>300,811</td> <td>249,401</td> <td>280,304</td> </tr> <tr> <td>Biogenic Emissions (MT CO₂e)</td> <td>12,125</td> <td>11,595</td> <td>12,376</td> <td>12,654</td> </tr> </tbody> </table> <p>GHG emissions include the following gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ GHG offsets are not included in the total Scope 1+2 GHG emissions. Biogenic emissions are included in the total Scope 1+2 GHG emissions.</p>		2018 Restated	2019 Restated	2020 Restated	2021	Scope 1 GHG Emissions (MT CO ₂ e)	323,886	300,811	249,401	280,304	Biogenic Emissions (MT CO ₂ e)	12,125	11,595	12,376	12,654
	2018 Restated	2019 Restated	2020 Restated	2021													
Scope 1 GHG Emissions (MT CO ₂ e)	323,886	300,811	249,401	280,304													
Biogenic Emissions (MT CO ₂ e)	12,125	11,595	12,376	12,654													

		2018 Restated	2019 Restated	2020 Restated	2021	
305-2	Indirect GHG Emissions	Scope 2 GHG Emissions Market-based (MT CO ₂ e)	309,372	298,421	226,008	209,143
		Scope 2 GHG Emissions Location-based (MT CO ₂ e)	305,458	298,567	241,866	276,619
		TOTAL SCOPE 1+2 MARKET BASED GHG EMISSIONS (MT CO ₂ e)	633,258	599,232	475,409	489,447
		GHG Offsets (MT CO ₂ e)	0	0	2,215	19,512
		Biogenic Emissions (MT CO ₂ e)	12,125	11,595	12,376	12,654
		GHG emissions include the following gases: CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ GHG offsets are not included in the total Scope 1+2 GHG emissions. Biogenic emissions are included in the total Scope 1+2 GHG emissions.				

		2018 Restated	2019 Restated	2020 Restated	2021	
305-3	Scope 3 GHG Emissions	Scope 3 Upstream GHG Emissions (MT CO ₂ e)	1,340,858	1,405,015	1,280,610	1,411,391
		Scope 3 Downstream GHG Emissions (MT CO ₂ e)	262,254	242,972	198,452	213,082
		TOTAL SCOPE 3 GHG EMISSIONS (MT CO ₂ e)	1,603,112	1,647,987	1,479,062	1,624,473
Milliken employed the Scope 3 Evaluator to estimate our value chain emissions. The tool was created in collaboration between Quantis and the GHG Protocol and is an approved method under the Science Based Targets Initiative and in accordance with the Corporate Value Chain Accounting and Reporting Standard.						

		2018 Restated	2019 Restated	2020 Restated	2021	
305-4	GHG Emissions Intensity	Scope 1 GHG Emissions Intensity (MT CO ₂ e/MT)	0.65	0.66	0.67	0.70
		Scope 2 GHG Emissions Market-based Intensity (MT CO ₂ e/MT)	0.63	0.65	0.60	0.52
		Scope 2 GHG Emissions Location-based Intensity (MT CO ₂ e/MT)	0.62	0.65	0.65	0.69
		TOTAL SCOPE 1+2 GHG EMISSIONS INTENSITY (MT CO ₂ e/MT)	1.28	1.31	1.27	1.22

EFFLUENTS AND WASTE

103-1	Material Topic and its Boundary	Waste and recycling are material topics identified in our stakeholder engagement process. The boundary for GRI reporting is our operations.
103-2	Management Approach	Our Planet Goals include reducing indexed solid waste by 25% and zero waste to landfill by 2025. Our Product Goals are focused on advancing circularity through internal assessments and external collaborations. Our energy management program focuses on reducing waste in our operations. Businesses review and select projects and improvements to reduce waste and report them into centralized databases, and share best practices at regular meetings.

103-3	Evaluation of Management Approach	Milliken sites report data on waste in a corporate, centralized database with specific reporting requirements. We report annually on our 2025 Planet Goals, including waste reduction and environmental violations. We also report annually on our 2025 Product Goals, which include new product sustainability assessments and convening thought leaders on end-of-life solutions for plastics. Our Environmental Policy commits Milliken to operating our plants and facilities in a manner that protects the quality of our environment and to conserve our natural resources.					
306-1	Water Discharge by Destination		2018 Restated	2019 Restated	2020 Restated	2021	
		Water Discharged to Receiving Stream (Gal)	2,768,058,792	2,838,507,039	2,278,285,915	2,438,309,454	
		Water Applied to Land (Gal)	5,355,235	4,258,305	5,025,332	3,686,611	
		Water Discharged to Off-Site Treatment (Gal)	432,328,288	387,206,837	334,856,732	480,368,238	
		Water Discharged to Other (Gal)	181,030,751	152,856,882	131,593,582	217,570,825	
		TOTAL WATER DISCHARGED (Gal)	3,386,773,066	3,382,829,063	2,749,761,561	3,139,935,128	
			2018 Restated	2019 Restated	2020 Restated	2021	
		Water Discharged to Receiving Stream Intensity (Gal/lb)	2.54	2.81	2.76	2.75	
		Water Applied to Land Intensity (Gal/lb)	0.00	0.00	0.01	0.00	
		Water Discharged to Off-Site Treatment Intensity (Gal/lb)	0.40	0.38	0.41	0.54	
		Water Discharged to Other Intensity (Gal/lb)	0.17	0.15	0.16	0.25	
		TOTAL WATER DISCHARGED INTENSITY (Gal/lb)	3.10	3.35	3.33	3.54	
		Note: Water discharged to "other" includes water lost by evaporation, etc.					

306-2	Waste by Type and Disposal Method		2018 Restated	2019 Restated	2020 Restated	2021
		Recycled and Reused Waste Intensity (lb/1000-lb)	2,721,897	2,750,380	2,298,518	1,476,042
		Waste to Energy Waste Intensity (lb/1000-lb)	1,138,739	1,362,504	934,930	1,641,182
		Mass Treated Waste Intensity (lb/1000-lb)	451,738	527,326	520,676	553,219
		Landfill Waste Intensity (lb/1000-lb)	343,478	608,655	303,403	127,027
		Composted Waste Intensity (lb/1000-lb)	199,155	196,774	187,879	197,598
		Wastewater Biosolids Mass Change (lb/1000-lb)	206,961	280,712	(335,466)	(211,801)
		TOTAL WASTE INTENSITY (lb/1000-lb)	5,061,968	5,164,927	3,909,941	3,783,266
			2018 Restated	2019 Restated	2020 Restated	2021
		Recycled and Reused (lb)	69,089,904	66,757,224	59,538,518	39,098,869
		Waste to Energy (lb)	28,904,621	33,070,694	24,217,492	43,473,267
		Mass Treated (lb)	11,466,454	12,799,260	13,487,083	14,654,218
		Landfill (lb)	8,718,508	14,773,280	7,859,054	3,364,807
		Composted (lb)	5,055,152	4,776,102	4,866,632	5,234,168
Wastewater Biosolid Mass Change (lb)	5,253,288	(6,813,444)	(8,689,584)	(5,610,396)		
TOTAL WASTE (lb)	128,487,927	125,363,116	101,279,195	100,214,933		
	2018 Restated	2019 Restated	2020 Restated	2021		
Recycled and Reused (MT)	31,339	30,281	27,006	17,735		
Waste to Energy (MT)	13,111	15,001	10,985	19,719		
Mass Treated (MT)	5,201	5,806	6,118	6,647		
Landfill (MT)	3,955	6,701	3,565	1,526		
Composted (MT)	2,293	2,166	2,207	2,374		
Wastewater Biosolid Mass Change (MT)	2,383	(3,091)	(3,942)	(2,545)		
TOTAL WASTE (MT)	58,282	56,864	45,940	45,457		
All waste described in this Section 306-2 is non-hazardous. Due to the intermittent nature of biosolid removal activities at some of Milliken's locations, the biosolids may not be sent off-site for disposal during the reporting year. The wastewater biosolid mass change aligns the inventory to only reflect biosolids generated in the reporting year.						

306-3 (2020 GRI guidance)	Waste Generated	Waste Composition	Waste Generated	Waste Diverted from Disposal	Waste Directed to Disposal
		Biosolids (MT)	12,256	3,477	8,779
		Carpet (MT)	3,512	1,113	2,399
		Chemical, Non-Hazardous (MT)	11,545	2,680	8,865
		Coal Ash (MT)	1,920	1,920	0
		Construction (MT)	490	284	206
		Fiber, Yarn, Fabric (MT)	10,818	7,929	2,889
		General Trash (MT)	3,111	165	2,946
		Paper and Cardboard (MT)	2,017	2,015	2
		Plastic (MT)	578	526	52
		Hazardous waste (MT)	2,413	1	2,412
		TOTAL WASTE (MT)	48,660	20,110	28,550

306-4 (2020 GRI guidance)	Waste Diverted from Disposal	Diversion Operations		Offsite/Total	
		Non-hazardous	Recycle/Reuse (MT)	17,734	
			Compost (MT)	2,374	
			Total Diverted (MT)	20,108	
		Hazardous	Recycle/Reuse (MT)	1	
			Compost (MT)	0	
			Total Diverted (MT)	1	
Offsite/Total are the same for 2021. Milliken plans to collect onsite data for future reporting.					

306-5 (2020 GRI guidance)	Waste Direct to Disposal	Disposal Operations		Offsite/Total	
		Non-hazardous	Incineration with energy recovery (MT)	19,305	
			Landfill (MT)	1,526	
			Treated (MT)	5,306	
			Total Disposed (MT)	26,137	
		Hazardous	Incineration with energy recovery (MT)	1,072	
			Landfill (MT)	0	
			Treated (MT)	1,341	
Total Disposed (MT)	2,413				
Offsite/Total are the same for 2021. Milliken plans to collect onsite data for future reporting.					

OCCUPATIONAL HEALTH AND SAFETY

103-1	Material Topic and its Boundary	Worker health and safety means providing a safe working environment. Worker health and safety is a material topic identified in our stakeholder engagement process. We are expected by our stakeholders to demonstrate our values, including our commitment to integrity, people, and sustainability. Our boundary for worker health and safety is our operations.
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103-2	Management Approach	The safety and health of our people is of primary importance to Milliken. Our Code of Conduct states that the health and safety of ourselves and our fellow associates is of paramount importance to everyone at Milliken. While compliance with all applicable laws, regulations and recordkeeping requirements is mandatory, the Company seeks to surpass the legally required minimums. It is our intent to avoid any injuries and to continue being recognized as a global leader in safety. In addition to our Code of Conduct, Milliken's Safety Policy states that we will devote resources to train our people to perform their jobs safely, to ensure equipment can be operated in a safe manner, to eliminate workplace hazards, and to comply with applicable safety and health laws and regulations. Milliken believes that all injuries are preventable, all health risks are controllable, and management is accountable. Our People Goals include a commitment to report annually on our goal of zero lost-time safety incidents. We follow U.S. Department of Labor Occupational Safety and Health Administration standards for recording criteria for occupational injuries and illness.
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103-3	Evaluation of Management Approach	Our goal is to provide an injury-free workplace by following strict safety and health rules and practices including: (1) Requiring every company location to have an active, associate-led safety program that is strongly supported by its management team; (2) Rigorously adhering to established safety procedures, following safety practices and avoiding shortcuts; (3) Providing a secure working environment and responding quickly to any internal or external threats; (4) Prohibiting the possession of weapons at any time on company property unless specifically authorized; (5) Prohibiting substance abuse.
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403-1 (2018 GRI guidance)	Occupational Health & Safety	Milliken's occupational health and safety systems are implemented to ensure compliance and to minimize recognized risks. The Milliken Code of Conduct requires that all work locations comply with applicable safety and health laws and regulations. Milliken's safety management systems include goal setting and monitoring of leading indicators, as well as continual improvements to reduce workplace risk. Milliken's continuous improvement effort relies on a hierarchy of controls approach, where the company prioritizes the most effective measures first, including the elimination of hazards where possible, followed by substitution and engineered solutions, before using behavior change and protective equipment to reduce remaining risks. Milliken also elects to participate in the U.S. OSHA Voluntary Protection Program (VPP), a program that recognizes and promotes effective safety and health management. Each VPP site is audited by OSHA on a 3 to 5-year basis to ensure a safe and healthy work environment and continued improvements in our safety and health processes. Milliken has 23 VPP sites in the United States.
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DIVERSITY AND EQUAL OPPORTUNITY

103-1	Material Topic and its Boundary	We are expected by our stakeholders to demonstrate our values, including our commitment to people. Diversity, equity, and inclusion was identified as a material topic in our stakeholder engagement process. Our boundary includes our suppliers and our operations, as well as our local communities where we work and operate.
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103-2	Management Approach	At Milliken, we believe that creating a diverse and inclusive workplace is not only the right thing to do, but also a critical contributor to our business growth and success. It can be a differentiator in the global competitive marketplace. One of our 2025 Sustainability Goals is a commitment to create a more inclusive associate community, using the same continuous improvement skills that have been so vital to Milliken's legacy and reputation in manufacturing excellence. In October 2017, Milliken launched a Diversity and Inclusion Council. The Council is led by our Senior Director, Human Resources, who reports directly to the Chief Human Resources Officer and strives to intentionally foster an authentic culture where all associates are valued, respected, engaged, and feel a sense of belonging.
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103-3	Evaluation of Management Approach	Milliken realizes our commitment to building and maintaining a diverse and inclusive culture is a long-term challenge and commitment. While our annual Sustainability Scorecard reports on U.S. diversity (measured by gender and race/ethnicity) in managers (representing exempt associates), our diversity and inclusion strategy is a commitment to much more than this single metric: it includes training, recruitment, retention, associate commitment and engagement, our ability to have complex diversity and inclusion discussions in a trusting workplace, policies and procedures, community engagement, and honoring our commitment to the CEO Action Pledge for Diversity and Inclusion.
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Age		Milliken Board	Global Management Associates	Global Associates	
		< 30	0%	9%	17%
		30-50	9%	55%	45%
Gender*		Milliken Board	US Management Associates	US Associates	
		>50	91%	36%	37%
		Female	36%	36%	36%
		Milliken Board	US Management Associates	US Associates	
Demographic background	American Indian or Alaskan Native	0%	0%	0%	
	Asian	0%	4%	2%	
	Black or African American	18%	5%	27%	
	Native Hawaiian Other Pacific Islander	0%	0%	0%	
	Two or more races	0%	1%	1%	
	White	82%	85%	56%	
	Hispanic or Latinx	0%	5%	10%	
Did not disclose	0%	0%	4%		

Milliken is in the process of reviewing and considering updates to demographic data to be inclusive of gender identity.

FORCED OR COMPULSORY LABOR		
103-1	Material Topic and its Boundary	Ethics and human rights was identified as a material topic in our stakeholder engagement process. Our boundary includes our suppliers and operations. Ensuring human rights across Milliken's operations and supply chain, including the topics of forced and child labor, and maintaining systems to report labor concerns and maintaining systems to report labor concerns are critical to our commitment to integrity.
103-2	Management Approach	Our Code of Conduct and Supplier Code of Conduct clearly state that we do not tolerate forced labor. Our Anti-Slavery and Human Trafficking Policy outlines our zero-tolerance approach. This policy applies to all employees at all levels and to third party consultants and business partners and requires everyone to accept responsibility for the prevention, detection and reporting of forced labor in any part of our business or supply chains.
103-3	Evaluation of Management Approach	We regularly review the diligence we have taken to ensure that there is no slavery or human trafficking in our supply chains. We communicate our HelpLine mechanism internally and externally, and monitor reports for any human rights violations.
409-1	Forced Labor	In 2021, we implemented Integrity Next a cloud-based sustainability platform that combines supplier assessments and social media monitoring. We will continue to build our data and monitoring systems for incidents of forced labor and/or human rights concerns in our supply chain. In 2021, we created a Global Human Rights Taskforce with involvement from key stakeholders in our global businesses to ensure that we are following best practices across our businesses globally.
CUSTOMER PRIVACY		
103-1	Material Topic and its Boundary	Data protection and privacy is a material topic identified in our stakeholder engagement process. We are expected by our stakeholders to demonstrate our values, including our commitment to integrity. Our boundary includes suppliers, our operations, and our customers.
103-2	Management Approach	Milliken adopted principles to govern the processing of personal information, except as specifically provided by supplementary policies or as required by applicable laws or regulations. For Milliken, "personal information" must (i) only be processed lawfully, fairly and in a transparent manner ("lawfulness, fairness and transparency"); (ii) be obtained only for specified, explicit, and legitimate purposes, and not further processed in any manner incompatible with those purposes ("purpose limitation"); (iii) be adequate, relevant and not excessive in relation to the purposes for which it is processed ("data minimization"); (iv) be accurate and, if necessary, kept current, as appropriate to the purposes for which it is processed ("accuracy"); (v) not be kept in a form that permits identification of the individual for longer than necessary for the permitted purposes ("storage limitation"); and (vi) be processed in a manner that ensures appropriate security of the personal information, including protection against unauthorized or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organizational measures ("integrity and confidentiality").
103-3	Evaluation of Management Approach	Milliken agrees to be responsible for and be able to demonstrate compliance with these principles. Our management approach is further described in Milliken's General Data Protection Policy available at Milliken.com/privacy .
418-1	Customer Privacy	Milliken received no substantiated complaints concerning breaches of customer privacy.

2021 Milliken Sustainability Accounting Standards Board (SASB) Disclosures

Our 2021 SASB disclosures respond to metrics listed below for the SASB's Sustainable Industry Classification System categories: Building Products and Furnishings; Apparel, Accessories and Footwear; Containers and Packaging; and Chemicals. In this report, we have aligned with the SASB framework for the first time, and because Milliken is a diversified material science manufacturer, working across industries, for all standards, we report enterprise-wide disclosures.

Topic	Accounting Metric	SASB Code	Disclosure
Greenhouse Gas Emissions	Gross global scope 1 CO2-e emissions	RT-CH-110a.1 RT-CP-110a.1	280,304 (MTCO2e)
	Percentage covered under emissions limiting regulations		0%
Energy Management	Total energy consumed	RT-CH-130a.1 RT-CP-130a.1 CG-BF-130a.1	7,085,968 GJ
	Percentage grid electricity		28.92%
	Percentage renewable		4.96%
	Total self-generated electricity		43,153 GJ
Water Use and Management	Total water withdrawn	RT-CH-140a.1 RT-CP-140a.1	11,886 thousand m ³
	Total water consumed		824 thousand m ³
	Percentage of water withdrawn from regions of high or extremely high water stress		0.6%
	Percentage of water consumed from regions of high or extremely high water stress		2.7%
Hazardous Waste Management	Amount of hazardous waste generated	RT-CH-150a.1 RT-CP-150a.1	2,413 MT
	Percentage recycled		0.03%
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	All Milliken manufacturing sites have a new chemical approval process in place to ensure applicable safety and environmental regulations are followed. When functionality can be maintained, Milliken substitutes less hazardous materials in our processes and products. Milliken dedicates resources to ensure that professional industrial hygiene services are available to assess and recommend mitigation methodologies related to potential hazardous exposures that may pose long-term health risks for associates. Milliken conducts annual health exams to monitor the success of prescribed mitigation techniques including, for example, hearing conservation and pulmonary function testing.
Activity Metrics	Number of Tier 1 suppliers and number of suppliers beyond Tier 1	CG-AA-000.A RT-CP-000.C	Milliken has 1,046 Tier 1 or direct suppliers that provide the raw materials needed for company products. Reliable data on suppliers beyond Tier 1 is not available at this time.
	Number of employees		Approximately 8300+ associates globally.

2021 Milliken Task Force Climate-Related Financial Disclosures

The Task Force on Climate-Related Financial Disclosures (TCFD) provides a consistent framework by which companies can provide climate-related risk disclosures to their stakeholders. In this report, we have aligned with the TCFD framework for the first time.

TCFD Disclosure	Recommended Disclosure	Milliken's Progress
Governance	Describe the board's oversight of climate-related risks and opportunities.	Milliken's Board provides oversight to our 2025 Strategy including our sustainability strategy, which includes GHG emissions reduction targets and renewable energy targets. Our Board reviews our long-term strategic plans and principal risks and opportunities, including climate-related risks and opportunities. Our Board reviews critical sustainability concerns as they arise (across 5 board meetings annually), and formally reviews economic, environmental, and social risks twice annually, specifically including climate-related risks and opportunities. The Board is actively engaged with management on related topics, such as management of human capital, environmental metrics and circularity product metrics. There are 4 board committees (Finance, Audit, Human Resources & Compensation, Nominating & Governance), each chaired by a director of the board and committee members are all directors. The Audit Committee oversees effective internal controls and specifically oversees sustainability reporting and metrics, including climate.
Governance	Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability's executive sponsor is our General Counsel and Senior Vice President, reporting directly to the CEO. The Sustainability function reports 13 times per year to the Senior Leadership Team, which includes the senior executives who lead one or more of our twelve 2025 Sustainability Goals, against which progress is reported publicly in Milliken's annual Sustainability Report, as well as the divisional leads and CEO. The Sustainability function 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. In addition, Milliken's new capital expenditure projects are reviewed for impacts on our 2025 Sustainability Goals, including impacts to our GHG emissions. Milliken's leadership compensation is based, in part, on successful performance of our sustainability strategy, including our GHG emissions reductions targets and renewable energy targets.
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Our climate risk assessment aligns with our Enterprise Risk Management process. As such, climate risks adopted the same time horizon as our Enterprise Risk Management, which identifies a short-term horizon (referred to by Milliken as velocity) as up to 3 years, a medium-term horizon is defined as 3-10 years, and a long-term horizon is defined as >10 years. Our climate risk assessment included risks and opportunities along Milliken's value chain for both transitional and physical risk. We identified carbon pricing as an emerging regulation as a long-term risk and opportunity. We identified changing customer behaviors as a medium-term risk and opportunity. We identified shifts in consumer preferences as a short-term risk and opportunity. Specific opportunity drivers include development of new products or services through research and innovation, use of lower-emission sources of energy and the market value of carbon neutrality/commitments.
Strategy	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	While our climate risk assessment process occurred as a stand-alone process, indicators for financial impact, velocity, and probability aligned with those used in Milliken's current Enterprise Risk Management process. This allowed our climate risk assessment results to be put into context of our traditional risk evaluations. Both transitional risks, such as reputational risks associated with customer expectations and regulations, and physical risks, such as disruptions in supply chains, and potential flood damage at facilities were evaluated. Identified potential impacts on Milliken's business, strategy, and financial planning include increased capital expenditures, increased indirect (operating) costs, impacts to revenues due to changes in demand for certain product and services, returns on investment(s) in low-emission technology(ies) and impacts to revenues based on access to new and emerging markets.
Strategy	Describe the resiliency of the organization's strategy, taking into consideration different climate-related scenarios, including a 2C or lower scenario.	Representative Concentration Pathway (RCP) 8.5 was used in Milliken's Climate Risk Assessment process to develop a "business as usual" scenario to evaluate the potential physical impacts on our facilities and suppliers. RCP8.5 was selected as a worst-case base scenario and used to assess possible implications through 2050. The 2050 horizon is relevant to Milliken as it aligns with our ongoing evaluation of additional climate targets. Additionally, this is the recommended time horizon that many stakeholders within our relevant industries use to evaluate climate risks. Using this information, facility and supplier locations were given a risk score. All Milliken facilities across all our main businesses were evaluated. Domestic and international facilities were included in our evaluation. RCP8.5 was overlaid with business performance information such as production, energy spend, sales, and revenue to develop a prioritization of facilities based on a "risk score." Prioritized facilities will continue to be evaluated and monitored with key stakeholders, including risk managers, and insurance carriers.
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	In 2021, we engaged an external consultant (WAP Sustainability Consulting) to assess potential climate-related risks and opportunities. The assessment included short-, medium-, and long-term time horizons along our value chain for both transitional and physical risk. While the process occurred as a stand-alone process, indicators for financial impact, velocity and probability aligned with those used in our current risk management process. This allowed results to be put into the context of what Milliken traditionally evaluated. Both transitional risks, such as reputational risks associated with customer expectations and regulations, and physical risks, such as disruptions in supply chains, and potential flood damage at facilities, were evaluated. Through an iterative process, these risks and opportunities were presented to Milliken's risk manager, the Enterprise Risk Management Steering Committee, our senior leadership team, and the Board. Refinement occurred at each level of review. Subsequently, the risks have been integrated into Milliken's already established risk register and will be monitored. A full climate risk assessment will occur on an annual basis.
Risk Management	Describe the organization's processes for managing climate-related risks.	We manage climate-related risks across a variety of priorities that are regularly monitored, including: (1) continual monitoring of emerging regulations and carbon pricing mechanisms; (2) assessing where available and considering pathways to obtain more carbon data through life cycle assessments; (3) priorities to collect better primary data for analysis in our annual climate risk assessment; (4) evaluating additional carbon reduction targets, including science-based targets options; (5) assessing carbon neutral product options; and (6) improving carbon accounting capabilities.

Risk Management	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Through an iterative process, our climate risks and opportunities were presented to our Enterprise Risk Management Steering Committee, senior leadership team, and the Board of Directors. The risks have been integrated into our established risk register and will be monitored throughout the year.																																																															
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Our climate risk assessment informs our 2025 sustainability strategy, including our climate-related targets, specifically reducing GHG emissions and scaling renewable energy. By tracking our performance across these metrics and continuing to understand where and how we might scale our climate-related targets, we can reduce our potential climate risks and advance our climate-related opportunities.																																																															
Metrics and Targets	Disclose Scope 1, Scope 2 and, if appropriate Scope 3 GHG emissions and the related risks.	<table border="1"> <thead> <tr> <th>GHG Emissions</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2025 Goal</th> </tr> </thead> <tbody> <tr> <td>Scope 1-2 GHG Intensity (MT/MT)</td> <td>1.28</td> <td>1.31</td> <td>1.27</td> <td>1.22</td> <td>0.96</td> </tr> <tr> <td>GHG Intensity % Change from 2018</td> <td>N/A</td> <td>2%</td> <td>-1%</td> <td>-5%</td> <td>-25%</td> </tr> </tbody> </table> <p>ABSOLUTE METRICS</p> <table border="1"> <thead> <tr> <th>Metric</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Scope 1 Emissions (MT CO2e)</td> <td>323,886</td> <td>300,811</td> <td>249,401</td> <td>280,304</td> </tr> <tr> <td>% Change from 2018</td> <td>N/A</td> <td>-7%</td> <td>-23%</td> <td>-13%</td> </tr> <tr> <td>Scope 2 Market Based Emissions (MT CO2e)</td> <td>309,372</td> <td>298,421</td> <td>226,008</td> <td>209,143</td> </tr> <tr> <td>% Change from 2018</td> <td>N/A</td> <td>-4%</td> <td>-27%</td> <td>-32%</td> </tr> <tr> <td>Scope 1&2 Emissions (MT CO2e)</td> <td>633,258</td> <td>599,232</td> <td>475,409</td> <td>489,447</td> </tr> <tr> <td>% Change from 2018</td> <td>N/A</td> <td>-5%</td> <td>-25%</td> <td>-23%</td> </tr> <tr> <td>Scope 3 Emissions (MT CO2e)</td> <td>1,603,112</td> <td>1,647,987</td> <td>1,479,062</td> <td>1,624,473</td> </tr> <tr> <td>GHG Offsets (MT)</td> <td>0</td> <td>0</td> <td>2,215</td> <td>19,512</td> </tr> </tbody> </table>	GHG Emissions	2018	2019	2020	2021	2025 Goal	Scope 1-2 GHG Intensity (MT/MT)	1.28	1.31	1.27	1.22	0.96	GHG Intensity % Change from 2018	N/A	2%	-1%	-5%	-25%	Metric	2018	2019	2020	2021	Scope 1 Emissions (MT CO2e)	323,886	300,811	249,401	280,304	% Change from 2018	N/A	-7%	-23%	-13%	Scope 2 Market Based Emissions (MT CO2e)	309,372	298,421	226,008	209,143	% Change from 2018	N/A	-4%	-27%	-32%	Scope 1&2 Emissions (MT CO2e)	633,258	599,232	475,409	489,447	% Change from 2018	N/A	-5%	-25%	-23%	Scope 3 Emissions (MT CO2e)	1,603,112	1,647,987	1,479,062	1,624,473	GHG Offsets (MT)	0	0	2,215	19,512
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% Change from 2018	N/A	-5%	-25%	-23%																																																													
Scope 3 Emissions (MT CO2e)	1,603,112	1,647,987	1,479,062	1,624,473																																																													
GHG Offsets (MT)	0	0	2,215	19,512																																																													
Metrics and Targets	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	We have a 2025 target to reduce our Scope 1 and Scope 2 GHG emissions intensity by 25% from our 2018 baseline. The denominator of the intensity metric is metric tons processed in all facilities. Our Scope 2 emissions are market-based and include reductions from renewable energy credits. We plan to achieve our 2025 GHG emissions reduction target by improving energy use efficiencies and by replacing high carbon fuels with lower carbon ones. We also have a 2025 target to increase renewable consumption to 100,000 MWh/Year. We plan to meet this target by sourcing onsite solar, purchasing renewable energy credits and by evaluating new applicable opportunities or technologies. Planning and implementation of Scope 3 calculations, potential targets, and preparation for additional reporting began in 2021. We also implemented an enterprise system for capturing GHG impacts from all sizes of initiatives on our operations.																																																															

UNSDG Alignment and U.N. Global Compact Commitment

We know our 2025 Sustainability Strategy must align both with global priorities and our material topics identified from our stakeholder engagement. We both reaffirm our commitment to the United Nations Global Compact and our alignment with the United Nations Sustainable Development Goals. The United Nations Sustainable Development Goals (UNSDGs) are 17 goals that make up the core of the 2030 Agenda for Sustainable Development, adopted by the Member States of the United Nations. The goals intend to end poverty, protect the planet, and ensure prosperity for all.

United Nations Global Compact

The UN Global Compact is a call to companies to align their strategies and operations with ten universal principles related to human rights, labor, environment, and anti-corruption, and take actions that advance societal goals and the implementation of the SDGs. As a participant since 2019, Milliken reports on our progress in our commitments to the UN Global Compact in our Communication on Progress (CoP).

ANNUAL CEO COMMITMENT TO U.N. GLOBAL COMPACT

To our stakeholders:

I am pleased to confirm that Milliken & Company reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, and Anti-Corruption.

In our annual Communication on Progress which we are submitting in accordance with the UN Global Compact early adopter program, we disclosed our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, including the Sustainable Development Goals.








Sincerely yours,



Halsey Cook
President and CEO

United Nations Sustainable Development Goals Alignment

We aligned our 2025 Sustainability Strategy with the United Nations Sustainable Development Goals (UNSDGs) and mapped individual UNSDGs against our material topics and 2025 Sustainability Goals.

Milliken Material Topic	UNSDG	UNSDG Relevant Targets	Milliken Sustainability Goal Alignment
Climate risk Product sustainability impacts Hazardous waste Waste and recycling Workforce health and safety		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	
Diversity, equity, and inclusion Ethics and human rights		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	
Product sustainability impacts Hazardous waste Waste and recycling Water risk		6.3 Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials	
Carbon emissions of operations Carbon emissions of value chain Climate risk		7.2 Increase substantially the share of renewable energy in the global energy mix	
Circular economy Data protection and privacy		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	
Diversity, equity, and inclusion Ethics and 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 and human rights		11.7 Provide universal access to safe, inclusive, and accessible, green, and public spaces	
Circular economy Carbon emissions of operations Carbon emissions of value chain Climate risk Hazardous waste Waste and recycling		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 Carbon emissions of operations Carbon emissions of value chain Climate risk		13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	



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