For more than 150 years, Milliken has worked to make a positive impact on the world through purposeful collaborations and meaningful innovations. At the core of what we do every day is the purpose to 'do good' - to add value to daily lives, improve health and safety, and help make the world more sustainable.

Milliken has been a leader in environmental sustainability for more than a century. In fact, Milliken’s first recycling policy was established in 1900, and we began investing in renewable energy shortly after in 1912. By 1960, Milliken had formal policies in place to protect natural resources, and soon after entering the floor covering industry, Milliken introduced the first PVC-free carpet tile in North America in 1986. Roger Milliken wrote our company’s first environmental policy in 1990, and our environmental statement declaring the importance of these initiatives followed in 2000. Today, Milliken Floor Covering has made great movement towards our goals to reduce carbon emissions, water and energy use, and waste generation by 20% by 2020, based on our 2010 baseline.

At Milliken, we take pride in our heritage as environmental stewards. That heritage motivates us to continue to improve our operations on a daily basis, realizing that we must always take another step forward to become a more responsible and environmentally minded company. We believe it is our responsibility to ‘do good’ by being the best corporate citizen that we can. We take great pride in Milliken’s consistent recognition as one of the Worlds Most Ethical Companies by the Ethisphere Institute and have incorporated that into our decision-making framework by constantly asking, “What would the World’s Most Ethical Company do in this situation?”

As you read on, recognize that this, our second annual sustainability report, is a continuation of our commitment to ‘do good.’ We are continuing our journey of environmental stewardship with another public document highlighting our accomplishments and focus areas for the next year. In reflecting on our first report issued last year, we received incredible feedback and insights from core stakeholders who wanted more information, detail and insights into where Milliken’s sustainability initiatives are headed next.

Our unique combination of resources - passionate and talented associates around the world, unparalleled technological capabilities and unique insights into what constitutes meaningful design - empowers us to create revolutionary products and practices that improve productivity and preserve natural resources.

Environmental stewardship is an ever-evolving journey, and we have continued to improve our actions with meaningful results for more than 150 years. Our expectations are lofty, but I stand confident that our people, products and policies position us to greatly influence the global community now and for generations to come.

Jim McCallum
President of the global Milliken Floor Covering Division
ABOUT MILLIKEN FLOOR COVERING

Milliken Floor Covering is a division of Milliken & Company, an innovation company that has been exploring, discovering and creating ways to enhance people’s lives since 1865. One of the largest privately held companies in the world, the Milliken community of innovators has developed one of the larger collections of United States patents held by a private U.S. company. Designers, facility managers and home owners are inspired by Milliken Floor Covering’s innovative broadloom carpet, modular carpet and luxury vinyl tile flooring solutions, which are made with superior aesthetics and unparalleled functionality to enhance work environments, hotels, airports, homes and other commercial interiors around the world.

Milliken Floor Covering is carried under the Milliken brand and includes commercial and residential carpet, rug, entryway and luxury vinyl tile flooring products. The Milliken Floor Covering division is a privately held for-profit corporation divided into three regions: Americas, EMEAI and Asia Pacific. The company is headquartered in Spartanburg, South Carolina, and operates design and manufacturing facilities in the United States, United Kingdom, Australia and China. The Milliken Floor Covering division is a business unit of Milliken & Company, which is governed by an independent board of directors. The chairman of the board is an executive officer.

ABOUT THIS REPORT

As the second annual sustainability report for the Milliken Floor Covering division, this report encompasses key performance indicators from fiscal year 2015 across the company’s global commercial, residential, hospitality, entryway and mats markets. All facilities and operations associated with this business are included.

This report is limited to the global operations of the Milliken Floor Covering division with organizational data from floor covering operations in the United States, China, United Kingdom and Australia. Milliken Floor Covering acquired the assets and operations of Ontera Modular Carpets Pty Ltd in 2015, which are included in this report. Data from Milliken & Company, the parent company of Milliken Floor Covering, is not included.

This report meets the requirements of LEED V4 MRc3 credit by providing:

Option 1: Raw Material Source and Extraction Reporting

Milliken Floor Covering is providing this report as a third-party reviewed corporate sustainability report, which includes environmental impacts of extraction operations and activities associated with Milliken Floor Covering’s product and product supply chain. This report was created using the Global Reporting Initiative (GRI) Sustainability Reporting framework. Our GRI Index is located on Page 49.

For any questions about this report, please contact millikencarpet@milliken.com.

DETERMINING WHAT TO REPORT

Stakeholders help shape our conversation on sustainability. We define a stakeholder as an individual, group or organization that is directly or indirectly affected by our operations, has a direct interest in our activities and/or has the ability to influence outcomes and decision-making processes.

For our second sustainability report, we assembled a panel of stakeholders to share honest feedback on our sustainability performance to date. Through a series of direct discussions, surveys, questionnaires and meetings, these stakeholders provided insight into the strengths and weaknesses of our sustainability program. Stakeholders selected for this report included customers, architecture and design firm sustainability leaders, competitors, academics with flooring knowledge, installers, environmental non-profits, industry associations and local community members.

We carefully engaged with five key stakeholder groups using the following principles:

1. Customers - Ensure that customers are satisfied not only with our products, but also our long-term sustainability strategy by inviting open feedback
2. Suppliers - Maintain close interaction to deliver high-performance sustainable products
3. Associates - Establish regular engagement on performance, policies and issues relating to meeting personal and business needs
4. Neighbors - Open discussions regarding safety with those who live around Milliken Floor Covering division manufacturing sites
5. External Organizations - Collaborate with external organizations both within and outside our industry to contribute and aid our understanding of the issues affecting the sustainability of our business

Indirect stakeholder feedback was supported through Milliken Floor Covering’s involvement in various organizations and associations, which are listed on page 6. Milliken’s annual industry-wide involvements help us identify, map, prioritize and engage with a variety of local, national and international stakeholders on integral topics related to our flooring operations.
MILLIKEN MEMBERSHIPS AROUND THE GLOBE

THE AMERICAS
Carpet and Rug Institute (CRI)
Carpet America Recovery Effort (CARE)
Health Product Declaration (HPD) Collaborative™
Interior Designers of Canada (IDC)
International Facility Management Association (IFMA)
International Interior Design Association (IIDA)
International Living Future Institute (ILFI)
Leonardo Academy for Cleaner and Greener® Energy and Emissions
NSF-140 Joint Committee
U.S. Green Building Council (USGBC)*

EMEAI
British Standards Institution (BSI Group)
Carpet Recycling U.K. (CRUK)
European Carpet and Rug Association (ECRA)
Gemeinschaft umweltfreundlicher Teppichboden (GUT)*
International Facility Management Association (IFMA)
Spain Green Building Council (SpainGBC)
U.K. Green Building Council (UKGBC)
Union Francais Tapis et Moquette (UFTM)

ASIA PACIFIC
Carpet Institute of Australia Limited (CIAL)
China Carpet Standardization Technical Committee
Green Building Council of Australia (GBCA)
New Zealand Green Building Council (NZGBC)

*Denotes founding member

THE MILLIKEN ENVIRONMENTAL STATEMENT

Designing innovative products and solutions for our customers is of the utmost importance. Through meaningful design, deep science and unique insights, we advance product development to the next level, while supporting Milliken’s efforts to increase sustainable results and minimize the environmental impact of all products.

Milliken’s holistic approach to innovation encompasses all stages of the life cycle - from material sourcing and manufacturing practices to end-of-life management. Our commitment to transparency, health, safety, quality and sustainability allows us to put our customers, associates and communities first.
THE MILLIKEN ENVIRONMENTAL POLICY

“Milliken & Company is committed to operating our plants and facilities in complete compliance with all applicable environmental regulations and to operate in a manner that protects the quality of our environment and the health and safety of our associates and the public.

We are committed to strive for a goal of zero waste generation to all media - land, air, water - to be achieved by continual improvement in all of our operations. This goal will guide the conduct of our manufacturing operations, the development of new products, and our interaction with our suppliers and customers. Recycling of materials is an integral part of this ongoing effort. We are committed to encouraging our families, our associates and our communities, through education and leadership, to conserve our natural resources and protect the environment in our daily lives.

We reaffirm our commitment to work with local, state and federal authorities to develop effective environmental solutions that meet tests of practicality and feasibility.”

- Roger Milliken

November 1990

2015 MILLIKEN FLOOR COVERING AWARDS

MOST INNOVATIVE NEW FLOORING, RaleighCon 2015
Color Field Collection

Interior Design Hip at NeoCon Finalist, Education: Flooring
Color Field Collection

STARNET® DESIGN AWARDS Silver, Hospitality Public Space
Tobin Center for the Performing Arts

STARNET® DESIGN AWARDS Bronze, Hospitality Public Space
Aloft W. Hotel

IIDA Northern California WORK LARGE HONOR AWARD
Uber Headquarters

Sponsor of 4th annual IIDA EDUCATOR OF THE YEAR AWARD

Buildings PRODUCT INNOVATIONS MERIT AWARD
Naturally Drawn Collection

Interior Design BEST OF YEAR Finalist, Flooring: Carpet/Modular
Color Field Collection

Ethisphere® Institute’s WORLD’S MOST ETHICAL COMPANIES®

STARNET® DESIGN AWARDS Silver, Education
George W. Bush Presidential Library and Museum

IIDA Northern California WORK MEDIUM MERIT AWARD
Zendesk Headquarters

Architizer A+ POPULAR CHOICE AWARD
North Carolina State University James B. Hunt Jr. Library

Sponsor of inaugural IDC DESIGN RESEARCH AWARD

Lapidux made with 34.3% recycled carpet backing

A Journey of Environmental Stewardship - MILLIKEN SUSTAINABILITY REPORT 9
CONTINUING OUR JOURNEY OF ENVIRONMENTAL STEWARDSHIP

- Reduction in water consumption at Milliken Floor Covering sites from 2010 - 2015: 50%
- Years since our first Environmental Policy was signed by Roger Milliken: 25
- Safety incidence rate for Milliken floor covering sites in 2015: 0.52
- GHG reduction needed each year until 2020 to meet 20% reduction goal: 2%
- Number of consecutive years named an Ethisphere® World’s Most Ethical Company: 9
- Available Environmental Product Declarations (EPDs) for Milliken flooring products: 31
- Publicly available Declare® labels for Milliken flooring products: 14
- Percentage of women in management roles at Milliken Floor Covering: 38%
- Major acquisition in 2015: Milliken Floor Covering purchased Australia-based company Ontera Modular Carpets Pty Ltd

Milliken
CONTINUING OUR JOURNEY OF ENVIRONMENTAL STEWARDSHIP

Our 2015 sustainability report introduced five pillars identified by Milliken stakeholders to provide context for materiality. Using the same engagement process as our inaugural report, our stakeholders confirmed that environmental and human health performance of products, resource consumption, supply chain impacts of products and being an employer of choice continue to be the most important and relevant areas for Milliken Floor Covering to report. These areas are reflected in the remainder of this report.
HUMAN HEALTH PERFORMANCE OF PRODUCTS

We include the whole life of flooring when we evaluate a product’s human health performance and use the following tools to measure and communicate its character.

HEALTH PRODUCT DECLARATIONS (HPDs) communicate the human health risks and hazards of the products produced by Milliken Floor Covering. HPDs disclose product components and include environmental toxicity and human toxicity components to signal health-related implications of products.

DECLARE is a voluntary labelling program and database operated by the International Living Future Institute. Declare transparency labels are offered for 14 commercial modular carpet collections in the Americas and EMEA, as well as cushion-backed collections in China. Declare and Milliken modular carpet collections comply with the Red List imperative of the Living Building Challenge. Notably, Milliken is the first carpet manufacturer to offer Declare labels in China.

What we learned from the HPD and Declare process is that our process to complete accurate and reliable chemical transparency documents can be extremely difficult. Often times, suppliers are reluctant to share proprietary or intellectual property information with us. The process of full chemical transparency is a paradigm shift requiring us to rethink our purchasing decisions, our supply chain partners, and how we design our products. We are committed to chemical transparency and the process to understand our chemicals and ingredients used in our products.

We believe that lofty goals make for great action. In the next five years, we aim to generate 100% of our revenue from products free from Red List chemistry. We’re 89% there*, with all of Milliken broadloom and modular carpet collections free of PVC.

To create chemical transparency tools, such as Declare labels or HPDs, we are required to evaluate the impact of all ingredients that constitute 0.01% of a product, or over a 100ppm threshold, on 18 human health impact endpoints. We screen our materials against hundreds of lists that provide insight into known risks to help us identify potential hazards, of any calibre, associated with our flooring ingredients. These chemical assessments provide us with the information we need to ‘do good’ by choosing safe ingredients for Milliken Floor Covering products while minimizing and eliminating any human health impacts. Milliken is committed to phasing out all hazardous Red List chemicals in our flooring products by 2020, at the latest.

CHEMICAL TRANSPARENCY DEVELOPMENT PROCESS:

1. Chemicals and ingredients collected and inventoried across the life cycle stages (Product, Manufacturing, Installation, Maintenance and End of Life)
2. Chemicals and ingredients are screened and assessed against the appropriate restricted substances or chemical information list
3. Chemical transparency tools are generated highlighting the results of the screening and assessment process

* Milliken luxury vinyl tile and select entryway matting products are constructed with PVC.
ENVIRONMENTAL PERFORMANCE OF PRODUCTS

We assess the whole life of our products when evaluating environmental sustainability and use life cycle assessments and Environmental Product Declarations to measure and communicate their performance.

LIFE CYCLE ASSESSMENTS (LCAs) allow us to evaluate the environmental impacts of Milliken Floor Covering from raw material sourcing through the end of their usable life. LCAs allow us to measure the carbon impact of our products, total embodied energy, contribution to smog, acidification and eutrophication, and help identify areas where we can focus our sustainability efforts. At the time this report was published, we have conducted LCAs for 70% of the current products we produce globally and are in the process of completing LCAs for all new products.

ENVIRONMENTAL PRODUCT DECLARATIONS (EPDs) communicate the results of our LCAs in a 12 to 15 page summary. EPDs provide “nutrition label-like” information to highlight the stages across our products’ value chains that have the largest environmental impact. Milliken Floor Covering’s 29 EPDs are available for Milliken standard modular carpet products in the Americas and EMEA. Our goal is to offer EPDs for 100% of Milliken Floor Covering products by 2020.

The LCA and EPD processes show us that an overwhelming majority of the environmental impacts of Milliken Floor Covering comes from the construction and production stage. This data aligns with our commitment to design products, select materials and manufacture efficiently to minimize this impact.

Material sourcing and production constitutes 75% to 95% of our products’ total carbon footprints. Milliken designs and manufactures products to minimize this while ensuring maximum life cycle benefit.

The single most environmentally harmful action that Milliken Floor Covering can make is to design a product that does not fulfil its intended service life.
ENVIRONMENTAL PERFORMANCE OF PRODUCTS

To create EPDs, we evaluate the environmental impacts of our products using LCAs. The process begins with a Product Category Rule (PCR) that was designed specifically for flooring products. The PCR governs the inputs and outputs of the LCA and ensures standardization between different LCAs and EPDs, so you can make even comparisons. Once the LCA is complete, it is reviewed by an independent third party hired through a certifying program.

Milliken worked with Underwriters Laboratories (UL®) and Institut Bauen und Umwelt e.V. (IBU) to complete our 31 different EPDs.

EPD DEVELOPMENT PROCESS:

1. Raw materials and production processes are identified and mapped by product stages (Product, Manufacturing, Installation, Maintenance and End of Life)
2. LCA models are built based on a determined PCR and LCA impacts are calculated
3. LCA is reviewed by an independent third party and EPD documents are certified and released to the public

Milliken is committed to protecting the life cycle of our products. We strive to produce flooring that is sourced with environmentally mindful ingredients using environmentally and socially responsible manufacturing methods. We are also committed to creating flooring that not only fulfills but also exceeds its expected lifespan. Our products are engineered to withstand the test of time, endure the environments where they are installed and perform as intended for their full functional life.

Manufacturing flooring that requires replacement, even within five years, essentially doubles the environmental impact of the equivalent amount of flooring material. Our LCA data shows us that between 75% and 95% of our products’ environmental impact results from manufacturing and sourcing raw materials for production. The consequences of poor quality and poor performance are significant, yet simple: If our product doesn’t perform as planned, or if we recommend the wrong product for the wrong application, then 75% to 95% of the environmental impact must be repeated.

We design for our products to live long lives - with features inherent in their construction, including built-in cushion backing and StainSmart® stain repel/resist and release, along with additional tools for preventative care with Milliken Entrance Flooring Solutions and milliCare.

“The most positive impact we can make, for the environment and our customers alike, is to provide products that perform.”

Jim McCallum
President of the global Milliken Floor Covering Division
MILLIKEN ENTRANCE FLOORING SOLUTIONS

Milliken Entrance Flooring Solutions provides a comprehensive product offering of high performance and aesthetically pleasing entry solutions. The OBEX brand contains coordinated colors and patterns, available in grid systems, roll goods and walk-off carpet tiles, engineered to increase the functionality of a building’s entrance without forsaking elements of design.

Our OBEX® entryway solutions help:

• Stop soil and moisture from entering buildings, as 70% to 90% of dirt and moisture is walked into the front door
• Protect field flooring from damaging dirt and moisture, extending its life and improving its appearance
• Reduce risk associated with slips, falls and trip hazards
• Prevent airborne dust and dirt from entering facility, creating cleaner indoor air quality

In 2015, we expanded OBEX with Sepio, an interior walk-off modular carpet collection that creates a beautiful barrier against the elements. The PVC-free flooring is manufactured with a dual-fiber, ECONYL® solution-dyed nylon yarn construction for a total recycled content of 39.9%.

Buildings should be equipped with a variety of solutions to protect the life cycle of all flooring. The OBEX brand helps create cleaner, safer environments and minimizes excessive visible wear to maximize the product life cycles of all Milliken Floor Covering solutions.

MILLICARE® FLOOR & TEXTILE CARE

Carpet that is cared for will last longer, perform better and improve the appearance of indoor environments. Excessive dirt, dust and moisture cause carpet to age before its time, so Milliken developed our patented cleaning system, milliCare, to extend the life of carpet.

milliCare’s patented dry polymer system leaves carpet fibers smooth and clean while other systems leave water and soap residue that can weaken fibers, cause rapid re-soiling, and make carpet susceptible to mold and bacteria growth. In addition to improving performance and appearance, maintaining carpet with milliCare is environmentally superior. Everything centers around our non-toxic dry polymer. Its unique properties allow the polymer to absorb and remove dirt from deep inside carpet or textiles. The milliCare dry maintenance system uses 99.5% less water and 31.9% less energy than traditional hot water extraction methods and removes 99% of indoor air pollutants, such as dust mites, mold, fungi and bacteria.

milliCare, now celebrating 20 years, is a one-source solution to total care for facilities and brands around the world – contributing to clean, fresh, healthy workplaces.

milliCare’s dry-centered method uses 99.5% less water and keeps utility costs at a minimum, helping you conserve natural resources and extend the life of your carpet and textiles.

Water-based cleaning systems may not only damage carpet fibers, they also run up your water bill, adding to the expense of keeping your workspace clean. milliCare’s dry-centered method uses 99.5% less water and keeps utility costs at a minimum, helping you conserve natural resources and extend the life of your carpet and textiles.

milliCare’s Performance Coatings meet and exceed the strictest of pollutant and emissions standards throughout the world— including low VOCs for improved air quality. They have been tested in Europe and California, and achieved the best grade of “very low in emissions.” milliCare offers the highest protection, without harming human health or damaging the environment.

milliCare’s dry-centered system for carpet and textile care uses 319% less energy than traditional hot-water extraction methods. This translates into 77% lower emissions.

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milliCare’s dry-centered system for carpet and textile care uses 319% less energy than traditional hot-water extraction methods. This translates into 77% lower emissions.
SUPPLY CHAIN IMPACTS OF PRODUCTS

The individual impact of each product we manufacture is a vital measurement of sustainability, not fluctuations in overall business performance.

We use LCAs as our environmental baseline to manage and measure our products’ environmental impacts. Evaluating our cradle-to-grave impacts - and working with our suppliers upstream and customers downstream to manage those impacts - allow us to create innovative flooring solutions with continually shrinking footprints.

Our LCA strategy includes evaluating any new products, any major changes to existing products and current collections every three to five years. Our goal is to maintain completed LCAs on 100% of our products by the end of 2017, with 90% of those already complete.

We collaborate with our major suppliers to provide more accurate data for LCAs. By 2020, we aim to expand this throughout our supply chain to all tier 1 suppliers to achieve a value chain filled with high-quality and accurate LCAs.

THE RESULT: streamlined data to help us make informed decisions about our product ingredients, constructions, applications, installations and cleaning methods.

As Milliken works to increase transparency for our customers, we are also looking to our suppliers to increase transparency. To accomplish this, we conducted a supplier sustainability survey to gain a deeper understanding of practices for a number of sustainability-related issues. Survey items included ethical codes of conduct, environmental policies, renewable energy practices, EPDs, HPDs, disaster recovery plans, and quality policy and control arrangements, among others.

We are requiring more transparency from our suppliers with minimum qualifications that help us comply with our customer expectations. This effort is imperative as we continue to ensure our floorings are the most sustainable products in the market.
DESIGNED WITH HUMAN HEALTH & THE ENVIRONMENT IN MIND

Milliken’s cushioned carpets are engineered to have a longer life cycle with minimal impact on human health. To enhance the product life cycle, we tuft fibers and support them with a PVC-free cushioned backing, which absorbs shock from thousands of footsteps each day. This allows Milliken carpet tiles to retain their appearance up to 40% longer than non-cushioned tiles, increasing the life span of our product. This performance is equivalent to a rating of ‘severe’ against the most rigorous tests (TARR) in the industry.

Comfort Plus® reduces leg muscle fatigue by up to 24%

In an indoor environment, Milliken’s cushioned carpet tiles absorb up to 50% more noise than hard-backed carpets and up to 12 times more noise than hard surface and rubber flooring. The technology in the innovative cushion backing allows moisture from the subfloor to be wicked away. This reduces damp conditions attractive to mold and mildew and helps protect indoor air quality. On the contrary, a hard-backed carpet can prevent moisture from wicking away from the subfloor allowing the moisture to pool under the carpet tile, which can harbor mold and break down water-based adhesives.

CARPET TILE CONSTRUCTION

Tufted Face Fiber
Primary Backing
Primary Coating
Secondary Backing
Fiberglass Layer
Cushion and Bottom Layer

MILLIKEN’S PVC-FREE CUSHION-BACKED MODULAR CARPETS OFFER:

- Best-in-class acoustics, reducing noise up to 25% to 50% more than other carpet.
- Unparalleled durability with products achieving ‘severe’ Texture Appearance Retention Ratings (TARR)
- Unmatched moisture management to stop liquids at the surface and help wick moisture away from the subfloor
- Improved indoor air quality and faster, easier carpet installation with TractionBack® high-friction coating

PRODUCT SUPPLY PARTNERSHIPS

Milliken Floor Covering is committed to treating our suppliers, customers, communities and the environment with the highest level of integrity and respect. This commitment is reflected in our strong supplier relationships, high-quality products, associate welfare, community reputation, industry-leading safety record and minimal environmental impact. In providing our material and service needs, we believe our suppliers must share this commitment.

Milliken acknowledges and respects the differences in culture and legal requirements throughout our global supply chain. Nevertheless, we demand more than producing supplies and performing services in strict compliance with all applicable laws. We require that supplies and services also be produced or performed in an ethically, socially and environmentally responsible manner.
PRODUCT SUPPLY PARTNERSHIPS

The Milliken team proudly adheres to our own internal code of conduct, and our associates reconfirm their compliance with this code on an annual basis. Similarly, we expect our suppliers to uphold the ethical business principles of Milliken’s Supplier Code of Conduct (or their own code, if substantially similar) and the highest applicable international standards. Milliken Floor Covering also expects that our suppliers will operate in a manner protective of the environment. At a minimum, suppliers should comply with all applicable environmental laws, regulations and standards, such as requirements regarding chemical and waste management and disposal, recycling, industrial waste water treatment and discharge, air emissions controls, environmental permits and environmental reporting. Each supplier should also have an environmental management system in place, which includes, as appropriate: goals to reduce environmental impact, measures and controls (including audits), reporting and training.

Milliken’s Supplier Sustainability Program requires all suppliers and vendors to:

• Execute Milliken’s Supplier Code of Conduct
• Provide Miliken a material safety data sheet (MSDS) for every material
• Provide chemical and ingredient information to 100ppm
• Provide packaging information with each specific product shipment
• Sign a written agreement stating no forced or child labor is used
• Create a general plan for community involvement
• Commit to comply with all environmental and safety regulations
• Complete a signed and legally binding procurement policy

To provide clients with a convenient balance of flooring solutions, Milliken Floor Covering now offers coordinate soft and resilient flooring for practically every application. Milliken Floor Covering products can be used in office, retail, hospitality, education and public spaces, among others. Each product is designed with a specific application in mind to enhance its sustainable attributes. Further, the materials used to produce our products also feature sustainable qualities, such as low VOC emissions, recycled content and use of renewable energy.

CARPET CONSTRUCTIONS

Milliken Floor Covering offers six different backing systems that were engineered to provide solutions for every imaginable use. Developed by Milliken scientists, each carpet tile backing was designed with a specific function and application to maximize product life cycles. When possible, post industrial (PI) and post consumer (PC) recycled content were utilized.

Milliken Floor Covering products are created using up to seven primary materials. Depending on the product style and manufacturing region, Milliken tailors the product composition to take advantage of local sustainable materials and minimize material transportation. Essentially, every Milliken broadloom and modular carpet is made of the following six to seven material types.

<table>
<thead>
<tr>
<th>BACKING</th>
<th>MATERIALS</th>
<th>PI RECYCLED CONTENT</th>
<th>PC RECYCLED CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES/ESP Comfort Plus®</td>
<td>Polyurethane cushion backing</td>
<td>36.5 - 46.5%</td>
<td>0 - 10%</td>
</tr>
<tr>
<td>ES/ESP Underscore®</td>
<td>Polyurethane cushion backing</td>
<td>36.5 - 46.5%</td>
<td>0 - 10%</td>
</tr>
<tr>
<td>Comfort Plus2®*</td>
<td>Polyurethane cushion backing</td>
<td>70 - 90%</td>
<td>0%</td>
</tr>
<tr>
<td>Function Plus2®*</td>
<td>Polymer modified butyram hard back</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>B2®*</td>
<td>Thermoplastic</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Traction Back®*</td>
<td>High friction coating for ES/ESP Comfort Plus, ES/ESP Underscore or Comfort Plus 2.</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LAYER</th>
<th>MATERIALS</th>
<th>WEIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face Fiber</td>
<td>Nylon 6 or Nylon 6,6</td>
<td>19%</td>
</tr>
<tr>
<td>Primary Layer</td>
<td>Polypropylene (PP) or polyethylene terephthalate (PET), nylon 6 and recycled PET</td>
<td>4%</td>
</tr>
<tr>
<td>Primary Coating</td>
<td>Combination of calcium carbonate and polymer adhesives</td>
<td>11%</td>
</tr>
<tr>
<td>Hotmelt Tie Coat</td>
<td>Polypropylene/wax with Celceram® filler</td>
<td>35%</td>
</tr>
<tr>
<td>Fiberglass Layer</td>
<td>Fiberglass Mat</td>
<td>3%</td>
</tr>
<tr>
<td>Secondary Layer</td>
<td>Polyurethane foam</td>
<td>24%</td>
</tr>
<tr>
<td>PET/PP non-woven</td>
<td>PET/PP non-woven</td>
<td>4%</td>
</tr>
</tbody>
</table>

* Not available in all regions.
LVT MATERIALS

From natural looks of wood and stone to more modern textures and abstracts, Milliken’s collection of luxury vinyl tile flooring creates new options for a commercial or hospitality interior. Our simple to search Color Reference system provides easy coordination of the LVT options to modular and broadloom carpets.

Milliken LVT features a bio-based, 100% phthalate-free construction. Milliken LVT provides superior performance, due in part to our thick wear layer and Adámas™ UV-cured polyurethane coating, which allows us to provide a 12-year limited commercial wear warranty.

GLUE-DOWN LVT CONSTRUCTION

1. ADÁMAS™ POLYURETHANE COATING UV-cured coating that provides excellent stain and abrasion resistance and eliminates the need for wax, polishes and harsh chemicals for reduced maintenance costs and improved indoor air quality
2. TRANSPARENT WEAR LAYER Hard wearing layer that provides long-lasting appearance retention in heavy commercial traffic environments
3. PRINTED LAYER Utilizes high-definition print film for stunning, eye-perfect, authentic visuals
4. CORE AND BACKING LAYERS High vinyl content core and backing to ensure excellent dimensional stability, impact resistance and durability

FREELAY LVT CONSTRUCTION *

1. ADÁMAS™ POLYURETHANE COATING Provides excellent stain and abrasion resistance, and eliminates the need for wax, polishes and chemicals for reduced maintenance costs and improved indoor air quality
2. TRANSPARENT WEAR LAYER Hard wearing, provides long-lasting appearance retention in heavy commercial traffic environments
3. PRINTED LAYER Utilizes high definition print film for stunning, eye-perfect, authentic visuals
4. CORE LAYER High performance layer that provides extra stability and durability
5. GLASS FIBER LAYER Minimizes expansion and contraction under extreme temperatures
6. BACKING LAYER High vinyl content backing that provides a robust foundation and impact resistance
7. NON-SKID BACKING Allows adhesive free installation and replacement

* Available in 2016

Rosewood LVT achieves strict indoor air quality standards with FloorScore® certification
SOURCING INTELLIGENTLY

Intelligent sourcing doesn’t just happen. It is a process that must be intentional and purposeful. At MillikenFloor Covering, we use our sustainability reporting process and supplier partnership programs as vehicles to have meaningful sustainability discussions with our supply chain partners. Better information informs better conversation.

We have found that suppliers willing to engage in collaborative dialogues about sustainability find ways to innovate products that provide a competitive advantage for Milliken Floor Covering, while also creating positive impacts on the environment and human health.

In 2015, we held meaningful conversations with six of our key suppliers. These conversations led to improved dialogues, informed conversations and more opportunities for collaboration with mutual benefit. Our goal is to have ‘intelligent sourcing’ conversations with 100% of our suppliers by 2020.

Aquafil and Universal Fibers were two suppliers we held conversations with in 2015. Here are a few of the benefits of those discussions.

Milliken in Europe partnered with Aquafil to develop ECONYL® 100% regenerated nylon yarns with properties specifically tailored to the aesthetic and performance requirements of the Millitron® digital dye injection process for new collections.

EPDs highlight the reduced climate change impact of Milliken modular carpets with ECONYL® yarns when coupled with our recycled cushion backing system, which is available throughout EMEAI.

Additionally, select Milliken Floor Covering collections constructed with ECONYL® yarns achieve BRE environmental profile A+ ratings.
SUPPLIER PARTNERSHIPS

Partner Spotlight: IMERYS CARBONATES

IMERYS Carbonates

Imerys Carbonates’ vision to responsibly improve, respect and protect the well-being of the planet and its inhabitants is demonstrated through an ongoing commitment to sustainable and responsible business practices. Imerys places the highest priority on safety, environmental management systems, resource efficiency, biodiversity and green innovation through its internal code of conduct and environmental and corporate social responsibility policies. Imerys realizes that its ability to make a difference is limited only by its ability to partner with customers who believe that environmental responsibility is a shared value.

Imerys is proud to partner with Milliken to share environmental values and to develop joint sustainability initiatives. Milliken’s commitment to recycled content and recycleability is optimized through incorporating Imerys’ ReMined™ Calcium Carbonate into the manufacturing process. ReMined™ is a UL-accredited, 100% pre-consumer recycled calcium carbonate.

Imerys is focused on innovation, and works with industry and leading academia to formulate quality products, like ReMined™, that last longer, are easier to recycle, improve their overall resource efficiency and reduce the environmental footprint throughout the product life cycle.

Imerys is strategically located around the world in targeted geographic locations to better serve its customers base and to reduce the impact of transport emissions. Imerys also promotes co-location of operations whenever possible to reduce the supply chain impact of products.

Imerys invites supplier and third-party audits and provides EPDs that provide complete product transparency and create a platform for shared sustainability, safety and continuous improvement goals in an effort to improve, respect and protect the well-being of the planet and its inhabitants.
PRODUCING EFFICIENTLY

Milliken Floor Covering is committed to producing products in an environmentally responsible manner. Our first environmental policy, drafted by Roger Milliken in 1990, directs us “to strive for a goal of zero waste generation to all media - land, air, water - to be achieved by continual improvement in all of our operations. This goal will guide the conduct of our manufacturing operations, the development of new products, and our interaction with our suppliers and customers.”

Milliken Floor Covering is committed to managing our operational footprint by achieving a 20% reduction in carbon emissions, energy use, water consumption and waste generation by 2020. We have made great strides in the area of water reduction and still have opportunities to improve in waste, carbon and energy use.

Since 2010, Milliken Floor Covering has made great movement towards our goals to reduce carbon emissions, water and energy use, and waste generation 20% by 2020. We have achieved reductions of 9% to 49% in respective categories to date - and have been able to do so with virtually no change in our production outputs. We continually look for ways to develop efficiencies across our business and identify ways to reduce waste in all corners of every plant through our sustainability programs, ISO 14001 programs and lean manufacturing programs. This is a global goal for Milliken Floor Covering. Each region has responsibility and visibility to our annual performance.

Our sustainability dashboard provides us with absolute targets and information showing a snapshot of the Milliken Floor Covering division, our target numbers, percentages left to achieve our goals and a breakdown of the percentage reduction we must achieve each year to attain our goals in 2020.

MILLIKEN SUSTAINABILITY PERFORMANCE DASHBOARD

<table>
<thead>
<tr>
<th></th>
<th>Scope 1 Emissions (MT CO2e)</th>
<th>Scope 2 Emissions (MT CO2e)</th>
<th>Energy (MMBtu)</th>
<th>Water (m3)</th>
<th>Waste (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>31,032</td>
<td>56,379</td>
<td>952,258</td>
<td>1,811,782</td>
<td>8,330</td>
</tr>
<tr>
<td>2015</td>
<td>27,900</td>
<td>50,506</td>
<td>822,654</td>
<td>923,598</td>
<td>7,241</td>
</tr>
<tr>
<td>Percent Reduction</td>
<td>-9.02%</td>
<td>-10.42%</td>
<td>-13.61%</td>
<td>-49.02%</td>
<td>-13.08%</td>
</tr>
</tbody>
</table>

| Target Number | 24,825 | 45,103 | 761,806 | 1,449,426 | 6,665 |
| Percent Left to Achieve Goal | 10.98% | 9.58% | 6.39% | 0% | 6.92% |
| Percent Reduction by Year to Achieve Goal | 2.20% | 1.92% | 1.28% | 0% | 1.38% |
LANDFILL DIVERSION PROGRAM

Diverting carpet from landfill is good for the environment, good for the economy and good for humanity.

The U.S. Environmental Protection Agency estimates that carpet makes up 2% of material volume in U.S. landfills. Intervention is paramount as most carpet is not biodegradable and will not break down.

Continuing Milliken’s heritage of more than a century of environmental stewardship and our “No Carpet to Landfill Pledge,” established in 2002, Milliken offers a variety of programs to prevent our products from entering landfills. We embrace our social and environmental responsibility to divert carpet from the landfill, and we offer simple ways for customers to divert their carpet following industry best practice guidelines from Carpet America Recovery Effort (CARE) or Carpet Recycling U.K. (CRUK).

RENAISSANCE SAMPLE RETURN PROGRAM

Customers can also return used floor covering samples. Milliken sales associates will either retrieve samples in person, or provide return labels in the original shipment so customers can send samples back to our facility to be reused.

According to the CARE Yardage Calculator, for every 250,000 yards of carpet that is diverted from landfill, we save more than 5,500 cubic yards of landfill space. In 2015 alone, we recovered more than 558,090 pounds of post consumer carpet and more than 982,875 (1,540,965 including 2015) pounds since 2010.

MILLIKEN END-OF-LIFE OPTIONS

DONATE
to non-profit organizations

Burns & McDonnell Global Reuse Services help us find second homes for well-maintained carpet in North America through local reuse partners, such as Habitat for Humanity® ReStore® locations. GreenStream in the U.K. gives diverted floor covering a second life, typically in social housing.

CONVERT
into alternate energy at waste-to-energy facilities

RECYCLE
into new carpet

Milliken’s B2 hard-back carpet construction, which is available in the Asia Pacific region, is designed to enable the backing to be re-extruded into tile backing.

DOWN-CYCLE
into new products

Based on its construction, Milliken determines the optimal recycling method for each carpet we reclaim. For example, use in construction materials for roofing and road surfacing.

REUSE
in other buildings

We partner with local third-party organizations around the world to ensure responsible material recovery with minimal transport impact.

THE EXPONENTIAL IMPACT OF 1 RECLAMATION PROJECT

The phrase “reduce, reuse, recycle” seems easy and simple enough, but can a single act of recycling truly make a difference? We have seen that the power of just one reclamation project can indeed make an exponential impact.

At the beginning of 2015, a 20,000-square-foot installation of Milliken carpet at the Minneapolis Convention Center was reclaimed and sent to local Habitat for Humanity® ReStores® in Willmar and Mankato, Minnesota. Despite more than a decade of use, the floor covering still had usable life. We contribute this to our built-in cushion backing, which prolongs the lifespan of our floor coverings and is standard with all Milliken modular carpet in the Americas.

Jolene Bulman, manager of the West Central Minnesota ReStore®, shared that she quickly relocated every piece of the reclaimed carpet. The floor covering now serves between 400 and 500 new spaces, rejuvenating dozens of small businesses in the area. This is just one example of the way that reuse gives new life to old carpet, extending its original purpose without being broken down and manufactured into a new product.

The power of one carpet reclamation project? Exponential.

Discover how reclaimed carpet from one space created 400 new floors.
EMPLOYER OF CHOICE

While no day is the same at Milliken, every day is spent with a purpose and passion for making the world a better place, in ways both big and small. It is a way of being that combines deep science, meaningful design and unique insights to open our minds to the possibilities all around us; to consider challenges with fresh approaches and vigor. It is the way we solve problems and what makes our company unique.

We call it purposeful play. The spirit of play invigorates the curiosity to discover, the liveliness to imagine and the will to take initiative. The openness of play encourages transparency, trust and risk-taking. While the notion of play enlivens our daily activities, its power is in its purpose.

We play to ‘do good’ because we care about and respect each other, our customers and the world we share. We play to create the highest quality products, services and experiences because our customers deserve no less. We play to build, for our customers and our company, market leadership and superior returns.

None of this is possible without our people, which is why we hire exceptional people and invest in their growth. Milliken Floor Covering has a culture of oneness, trust and continuous learning, enabling our associates to grow their personal capabilities and reach their full potential. One of our greatest strengths is the diversity of talents and ideas of our associates. We seek innovators to lead in our quest for discovery; scientists and engineers to lead in our quest for continuous improvement; and strategic thinkers to lead in our quest for future growth.

Milliken & Company is an equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, sex, sexual orientation, gender identity, age, status as a protected veteran or status as a qualified individual with a disability.
AN ETHISPHERE® INSTITUTE WORLD’S MOST ETHICAL COMPANY FOR 9 CONSECUTIVE YEARS

The World’s Most Ethical Companies® designation recognizes organizations that have had a material impact on the way business is conducted by fostering a culture of ethics and transparency at every level of the company.

In 2015, Milliken was one of just 15 companies to receive this honor every year since Ethisphere’s inception in 2007. A community of innovators dedicated to finding new ways to solve problems and enhance people’s lives, Milliken makes a conscious effort to instill high ethical values throughout its daily business practices. Corporate accountability, sustainability and resource preservation and a shared mission to deliver innovations that ‘do good’ for the world are a few examples of why Milliken, a storied 150-year-old company, has earned this high honor for nine consecutive years.

Scores are generated in five key categories: ethics and compliance program (35%), corporate citizenship and responsibility (20%), culture of ethics (20%), governance (15%) and leadership, innovation and reputation (10%).
ASSOCIATE CODE OF CONDUCT

The Milliken Code of Conduct is reviewed by 100% of our associates. It has been translated into the languages of every country in which we do business and is reviewed annually by Milliken’s internal Committee on Compliance and Ethics and the Milliken & Company Board of Directors.

In addition to top-down oversight, associates within the Milliken Floor Covering division serve as compliance and ethics points of contact for the entire Milliken family of companies.

The Milliken Code of Conduct includes policies on how Milliken Floor Covering associates should approach:

- Conflicts of interest
- Information security
- Policy management
- Gifts and entertainment
- Anti-corruption / bribery
- Environmental protection
- Antitrust / competition
- Workplace harassment
- Equal employment opportunity / diversity / discrimination
- Fair employment / fair labor standards
- Company asset protection
- Social media
- Financial integrity and fraud
- Data privacy
- Misconduct investigations
- Procurement integrity / dealing with suppliers / supply chain oversight
- Intellectual property
- Workplace health and safety
- Non-retaliation

In 2015, 2,904 hours were spent in ACE training within the Milliken Floor Covering division, and 100% of our management and administrative associates have received this training.
While we hold ourselves accountable to the highest ethical standards, we derive our greatest satisfaction from creating innovations that help solve the world’s problems, adding value to people’s lives, improving health and safety, and making this world more sustainable. We care deeply about the health and well-being of those who use Milliken Floor Covering solutions, as well as the health and well-being of those who manufacture Milliken products.

Our emphasis on safety has resulted in Milliken Floor Covering becoming one of the nation’s top three companies in the United States for the number of sites receiving the coveted OSHA Voluntary Protection Program (VPP) STAR Certification. Our truck fleet, owned by Milliken & Company, is repeatedly recognized for its safety record by organizations such as the National Safety Council and the National Private Truck Council. Moreover, we have one of the lowest total incident and injury rates of manufacturers in North America.

In 2015, the Milliken Floor Covering division experienced a year-to-date incident rate of 0.52*. All incidents were recorded and investigated to understand the root cause and reduce future risk. Incidents range in severity, though there were no fatalities in our operations during 2015.

We value the contributions to Milliken innovation that our associates make every day. At Milliken, we post our open positions locally to encourage hiring within our regional communities. We provide a minimum of four weeks notice for operational changes, and our associates are not covered by collective bargaining agreements. During 2015, one associate did not return to work after taking parental leave.

**ASSOCIATE SAFETY**

1,503 = Total associates
308 or 20.5% = New hires
0% = Associates covered by collective bargaining agreements
1 = Associate did not return to work after parental leave
4 = Minimum weeks notice for operational changes
100% = Jobs posted locally to encourage local hiring
FIRST LOVE FOUNDATION TOWER HAMLETS FOODBANK
When Gensler challenged themselves to create a new office, storage and training facility for the London Borough of Tower Hamlets Foodbank, they turned to trusted industry partners to provide furniture and finishes for their budget-free design. Milliken donated modular carpet from Rogue Knit, a BREEAM A-rated collection with 16% recycled content, to accompany flooring from other manufacturers to outfit the space.

MILLIKEN BREEZE PROGRAM IN CHINA
Milliken donated reclaimed floor covering from our Beijing showroom to LUYI Star International kindergarten in Beijing as part of our associate outreach program in China.

SOUTH CAROLINA FLOOD RELIEF
In October of 2015, South Carolina, experienced devastating floods as a result of historic rainfall. More than 4,000 Milliken & Company associates call South Carolina home, including more than 1,000 associates from the Milliken Floor Covering division. Milliken & Company donated $100,000 to the American Red Cross of the Palmetto SC region to support immediate disaster relief efforts.

SEATTLE SENIOR CENTER
Custom Milliken floor covering found a new home at the Central Area Senior Center in Seattle, Washington, USA, as part of the IIDA Seattle City Center’s BRIDGE 2015 community advocacy initiatives.

U.K. CHARITY DRAGON BOAT RACE
For the third consecutive year, Milliken associates in the UK won a charity dragon boat race to fundraise for Think Ahead Community Stroke Group, which supports stroke survivors and their families across Wigan and Leigh.
<table>
<thead>
<tr>
<th>Disclosure</th>
<th>Statement Disclosures</th>
<th>Page</th>
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</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Statement from the most senior decision-maker of the organization</td>
<td>2</td>
</tr>
<tr>
<td>1.2</td>
<td>Description of key impacts, risks and opportunities</td>
<td>13</td>
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<tr>
<td>2.1</td>
<td>Name of the organization</td>
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</tr>
<tr>
<td>2.2</td>
<td>Primary brands, products and/or services</td>
<td>4</td>
</tr>
<tr>
<td>2.3</td>
<td>Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures</td>
<td>4</td>
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<tr>
<td>2.4</td>
<td>Location of organization’s headquarters</td>
<td>4</td>
</tr>
<tr>
<td>2.5</td>
<td>Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report</td>
<td>4</td>
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<tr>
<td>2.6</td>
<td>Nature of ownership and legal form</td>
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<tr>
<td>2.7</td>
<td>Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)</td>
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<td>2.8</td>
<td>Scale of the reporting organization</td>
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<td>2.10</td>
<td>Awards received in the reporting period</td>
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<tr>
<td>3.1</td>
<td>Reporting period (e.g., fiscal/calendar year) for information provided</td>
<td>4</td>
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<tr>
<td>3.2</td>
<td>Date of most recent previous report (if any)</td>
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</tr>
<tr>
<td>3.3</td>
<td>Reporting cycle (annual, biennial, etc.)</td>
<td>4</td>
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<tr>
<td>3.4</td>
<td>Contact point for questions</td>
<td>4</td>
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<tr>
<td>3.5</td>
<td>Process for defining report content</td>
<td>5</td>
</tr>
<tr>
<td>3.6</td>
<td>Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)</td>
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<tr>
<td>3.7</td>
<td>State any specific limitations on the scope or boundary of the report</td>
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</tr>
<tr>
<td>3.12</td>
<td>Table identifying the location of the Standard Disclosures in the report</td>
<td>48</td>
</tr>
<tr>
<td>4.2</td>
<td>Indicate whether the Chair of the highest governance body is also an executive officer</td>
<td>4</td>
</tr>
<tr>
<td>4.8</td>
<td>Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation</td>
<td>7</td>
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<tr>
<td>4.13</td>
<td>Memberships in associations (such as industry associations) and/or national/international advocacy organizations</td>
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<tr>
<td>4.14</td>
<td>List of stakeholder groups engaged by the organization</td>
<td>5</td>
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<tr>
<td>4.15</td>
<td>Basis for identification and selection of stakeholders with whom to engage</td>
<td>5</td>
</tr>
<tr>
<td>4.16</td>
<td>Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group</td>
<td>5</td>
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<tr>
<td>4.17</td>
<td>Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting</td>
<td>13</td>
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</table>
## ENVIRONMENTAL

<table>
<thead>
<tr>
<th>GRI Indicator</th>
<th>Performance Indicators</th>
<th>Page</th>
</tr>
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<tbody>
<tr>
<td>EN1</td>
<td>Materials used by weight or volume</td>
<td>27</td>
</tr>
<tr>
<td>EN2</td>
<td>Percentage of materials used that are recycled input materials</td>
<td>27</td>
</tr>
<tr>
<td>EN3</td>
<td>Direct energy consumption by primary energy source</td>
<td>35</td>
</tr>
<tr>
<td>EN4</td>
<td>Indirect energy consumption by primary energy source</td>
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</tr>
<tr>
<td>EN8</td>
<td>Total water withdrawal by source</td>
<td>16</td>
</tr>
<tr>
<td>EN16</td>
<td>Total direct and indirect greenhouse gas emissions by weight</td>
<td>35</td>
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<tr>
<td>EN21</td>
<td>Total water discharge by quality and destination</td>
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<tr>
<td>EN22</td>
<td>Total weight of waste by type and disposal method</td>
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<tr>
<td>EN26</td>
<td>Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation</td>
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## HUMAN RIGHTS

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<thead>
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<tbody>
<tr>
<td>HR2</td>
<td>Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken</td>
<td>26</td>
</tr>
<tr>
<td>HR3</td>
<td>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</td>
<td>43</td>
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## LABOR PRACTICES AND DECENT WORK

<table>
<thead>
<tr>
<th>GRI Indicator</th>
<th>Performance Indicators</th>
<th>Page</th>
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</thead>
<tbody>
<tr>
<td>LA1</td>
<td>Total workforce by employment type, employment contract and region, broken down by gender</td>
<td>44</td>
</tr>
<tr>
<td>LA2</td>
<td>Total number and rate of new employee hires and employee turnover by age group, gender and region</td>
<td>44</td>
</tr>
<tr>
<td>LA15</td>
<td>Return to work and retention rates after parental leave, by gender</td>
<td>44</td>
</tr>
<tr>
<td>LA4</td>
<td>Percentage of employees covered by collective bargaining agreements</td>
<td>44</td>
</tr>
<tr>
<td>LA7</td>
<td>Rates of injury, occupational disease, lost days and absenteeism, and number of work-related fatalities by region and by gender</td>
<td>45</td>
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</table>

## PRODUCT RESPONSIBILITY

<table>
<thead>
<tr>
<th>GRI Indicator</th>
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<tbody>
<tr>
<td>PR1</td>
<td>Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services subject to such procedures</td>
<td>14</td>
</tr>
<tr>
<td>PR3</td>
<td>Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements</td>
<td>17</td>
</tr>
<tr>
<td>PR6</td>
<td>Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship</td>
<td>14 and 17</td>
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## ECONOMIC

<table>
<thead>
<tr>
<th>GRI Indicator</th>
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<tbody>
<tr>
<td>EC7</td>
<td>Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operations</td>
<td>44</td>
</tr>
</tbody>
</table>
Edition Two

FLOOR COVERING DIVISION GLOBAL SUSTAINABILITY REPORT

Have you seen our portfolio of floor covering products? Visit us online today.

Arctic Survey

Continental

Lapidus

City Proper

Archipelago

Lineation