

Milliken 2019 Sustainability Report: GRI Standard Disclosures (Core Option)

GRI Standard	Disclosure	Disclosure Description
102-1	Organization Name	"Milliken" refers to the entire global business operations for the 2019 calendar year of privately-owned Milliken & Company and all of its wholly-owned subsidiaries, including its divisions Milliken Textiles, Milliken Chemical, Milliken Flooring and Milliken Healthcare; and its brands Performance Solutions by Milliken, milliCare, Ontera by Milliken, Westex by Milliken, SiVance, LLC, Borchers, Polartec, Andover and Milliken Healthcare Products, LLC.
102-2	Brands, Products, Services	A research company with deep expertise in material science, we offer solutions in chemicals, textiles, flooring, healthcare and consulting/training services.
102-3	Headquarters Location	Spartanburg, South Carolina, USA
102-4	Operations Locations	https://www.milliken.com/our-company/locations
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	8800+ total suppliers globally; 7300+ associates globally
102-8	Employee Information	7,343 associates globally; 82% in Americas, 12% Europe, Middle East & Africa, 6% Asia; 99% Full-time; 62% diverse associates
102-9	Supply Chain	8800 + total suppliers globally; 1500+ new suppliers in 2019 globally; 100% of new suppliers affirm the Supplier Code of Conduct; Supplier Code of Conduct is available in 2 languages
102-10	Changes to Company	Adoption of Purpose, Values and Vision; adoption of 2025 Milliken Strategy; expanded Senior Leadership team to support 2025 Milliken Strategy, which includes sustainability as a key enabler; Acquisition of Polartec, LLC and Andover Healthcare; divestiture of Milliken Infrastructure Solutions, LLC
102-11	Precautionary Principle	We apply the precautionary approach to identifying and addressing longer-term environmental issues that may impact our business, customers and communities, including global climate change. Our policies and procedures, including our Environmental Policy, Safety Policy, Quality Policy, Responsible Care Policy and Associate 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 helps to inform our environmental, social and governance risk assessments.
102-12	External Initiatives	Alliance to End Plastic Waste, United Nations Global Compact, National Geographic and others included with our Association Memberships
102-13	Association Memberships	https://millikencsr.redi.sancsoft.net/pdf/Memberships_Around_the_World.pdf
102-14	Senior Decision-Maker Statement	Moving Forward Together: https://millikencsr.redi.sancsoft.net/index.html
102-16	Values, Principles, Standards	In 2019, Milliken affirmed our purpose, values and vision. Our values, principles and expectations are communicated to our associates in our Associate Code of Conduct.

102-17	Mechanisms for Ethics Concerns	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 Associate Code of Conduct, Supplier Code of Conduct, Company website, posters in our production facilities and in other training communications. Reports can be made anonymously. Milliken adheres to a non-retaliation policy 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 and the Milliken Performance System. Our Board reviews critical sustainability concerns as they arise (across 5 board meetings annually), and formally reviews economic, environmental and social risks twice annually. 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	Scientists, associates, community leaders, customers, academics, and public officials
102-41	Collective Bargaining Agreements	3.4% of associates covered by collective bargaining agreements
102-42	Identifying and Selecting Stakeholders	https://millikencsr.redi.sancsoft.net/pdf/Stakeholder_Engagement_Process.pdf
102-43	Approach to Stakeholder Engagement	https://millikencsr.redi.sancsoft.net/pdf/Stakeholder_Engagement_Process.pdf
102-44	Key Topics and Concerns Raised	https://millikencsr.redi.sancsoft.net/pdf/Materiality_Matrix.pdf
102-45	Entities in Consolidated Financials	In this Report, "Milliken" refers to the entire global business operations for the 2019 calendar year of privately-owned Milliken & Company and all of its wholly-owned subsidiaries, including its divisions Milliken Performance & Protective Textiles, Milliken Chemical, Milliken Floor Covering and Milliken Healthcare; and its brands Performance Solutions by Milliken, milliCare, Ontera by Milliken, Westex by Milliken, SiVance, LLC; Borchers, Polartec and Andover Healthcare are excluded from the boundary of this Report's metrics; however, Polartec and Andover are included in stories and highlights within the Report.
102-46	Defining Reporting Content and Topic Boundaries	
102-47	List of Material Topics	https://millikencsr.redi.sancsoft.net/pdf/Materiality_Matrix.pdf
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. Restatements can result from acquisitions, and divestitures. Milliken's 2019 restatements are all within the Planet goals, in the 300-series indicators.
102-49	Changes in Reporting	There were no significant changes in disclosures or boundaries.
102-50	Reporting Period	2019 calendar year
102-51	Date of Most Recent Report	2018 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 2019 Sustainability Report has been prepared in accordance with GRI Standards: Core Option.
102-55	GRI Content Index	This document is a standalone GRI content index, with reference to the PDF 2019 Sustainability Report and additional links (all available at Milliken.com/SustainabilityReport).

102-56	External Assurance	Milliken's 2019 Sustainability Report was third party verified by WAP Sustainability Consulting.
103-1	Management Approach	<p>Management Approach to Enterprise-Wide Sustainability Governance: 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 (including, but not limited to key enablers: Talent, Digitalization and the Milliken Performance System). Sustainability's executive sponsor is the Chief Administrative Officer, reporting directly to the CEO. The Chief Administrative Officer chairs the Sustainability Steering Committee, consisting of senior leaders whom each lead one of our twelve 2025 sustainability goals, against which progress is reported publicly in Milliken's annual Sustainability Report. The Sustainability Steering Committee meets at least quarterly and reports on the status of progress on each sustainability goal. Milliken's new CapEx 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.</p>
103-2		
103-3		

ANTI-CORRUPTION

Management Approach:

Milliken conducts business in accordance with the highest ethical and legal standards. Specific associate expectations are provided in our Associate Code of Conduct. The Associate Code of Conduct is acknowledged by all associates annually. The Code of Conduct and Board Addendum are acknowledged by all 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 Associate Code of Conduct. All associates with online access complete online, annual global anti-corruption training. New managers receive in-person training on ethics, including anti-corruption. Ethics and compliance is managed by an Ethics and Compliance Steering Committee that consists of the Chief Executive Officer, Chief Financial Officer, Chief Administrative Officer, Chief Human Resources Officer, General Counsel and Director of Ethics and Compliance. In addition, the Compliance Federation, a cross-functional, global collaboration meets quarterly in order to assess risks, training strategies and strategic compliance initiatives.

205-1	Operations Assessed for Corruption Risks	Milliken globally assesses operations for corruption, relying on Milliken's legal representation in North America, Europe and Asia, as well as the Compliance Federation. In 2019, Milliken implemented a new Asia Region Policy Doing Business with Government Organizations including State Owned Enterprises, including Asia Region in-person training on anti-corruption.
205-2	Communication and Training Anti-Corruption Policies and Procedures	Milliken's ethics policies are available on an online policy manual, including anti-corruption and conflict of interest policies. Milliken annually trains in-person new managers as well as online training for all exempt associates on anti-corruption.
205-3	Confirmed Corruption Incidents and Actions Taken	In 2019, Milliken had no substantiated claims of anti-corruption violations, including no public claims or cases regarding corruption.

ENERGY, WATER, EMISSIONS, WASTE

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. Manufacturing is energy intensive. Our goals are to reduce indexed Greenhouse Gas Emissions by 25% and increase renewable energy 10x by 2025. In 2019, our management approach included these steps: (1) announced a new executive vice president of operations, (2) enhanced focus on the Milliken Performance System for capability building, (3) created new positions across the company specifically focused on operational continual improvement, and (4) renewed our approach on waste management, including dedicating some of our scientists and engineers to work on projects to improve efficiency and potentially reduce our biosolids, which make up a significant portion of our waste, by 50-75% over the next 2-5 years, as well as biosolids management and additional waste protocols. These scientists and engineers are also working on strategies to reinforce best practice policies and procedures for water usage. 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 and Safety 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. Our product mixture (processing/lightweighting) negatively affects our efforts to reduce intensity metrics since volume processed is our preferred denominator for intensity.

302-1	Energy Consumption within Organization (a,b,e)			2018	2018 Restated	2019
		NON-RENEWABLE ENERGY	Purchased Electricity (MWh)			
Natural Gas Combustion (MWh)					1,022,720	907,972
Coal Combustion (MWh)					304,535	219,519
#2 Fuel Oil Combustion (MWh)					608	181
#6 Fuel Oil Combustion (MWh)					250	-
Propane Combustion (MWh)					1,150	65
Waste Oil/Hydrocarbon Combustion (MWh)					1,215	1,390
Purchased District Steam (MWh)					6,200	5,678
TOTAL NON-RENEWABLE ENERGY (MWh)				2,053,461	2,053,580	1,830,866
RENEWABLE ENERGY	Onsite Solar (MWh)				45	109
	Landfill Gas Recovery (MWh)				8,964	13,149
	Certified Renewable Power (MWh)				-	4,791
	Renewable Energy Credits (MWh)				1,192	821
	TOTAL RENEWABLE ENERGY (MWh)			9,009	10,201	18,870
TOTAL ENERGY (MWh)				2,062,470	2,061,397	1,838,512
TOTAL ENERGY = Total Non-Renewable Energy + Onsite Solar + Landfill Gas Recovery - Certified Renewable Power - Renewable Energy Credits						
302-3	Energy Intensity			2018	2018 Restated	2019
		NON-RENEWABLE ENERGY	Purchased Electricity (MWh/MT)			
Natural Gas Combustion (MWh/MT)					2.242	2.144
Coal Combustion (MWh/MT)					0.668	0.518
#2 Fuel Oil Combustion (MWh/MT)					0.001	0.000
#6 Fuel Oil Combustion (MWh/MT)					0.001	-
Propane Combustion (MWh/MT)					0.003	0.000
Waste Oil/Hydrocarbon Combustion (MWh/MT)					0.003	0.003
Purchased District Steam (MWh/MT)					0.014	0.013
TOTAL NON-RENEWABLE ENERGY (MWh/MT)				4.498	4.502	4.323

302-3	Energy Intensity (Cont.)	RENEWABLE ENERGY	Onsite Solar (MWh/MT)		0.000	0.000
			Landfill Gas Recovery (MWh/MT)		0.020	0.031
			Certified Renewable Power (MWh/MT)		-	0.011
			Renewable Energy Credits (MWh/MT)		0.003	0.002
			TOTAL RENEWABLE ENERGY (MWh/MT)	0.020	0.022	0.045
		TOTAL ENERGY (MWh/MT)	4.518	4.519	4.341	

	2018	2018 Restated	2019
Surface Water (Gal)		1,663,441,224	1,559,151,424
Public Water Supply (Gal)		734,197,583	790,089,250
Groundwater (Gal)		562,508,286	564,228,559
Total Water Withdrawal (Gal)	2,842,331,908	2,960,147,093	2,913,469,233
	2018	2018 Restated	2019
Surface Water Intensity (Gal/lb)		1.65	1.67
Public Water Supply Intensity (Gal/lb)		0.73	0.85
Groundwater Intensity (Gal/lb)		0.56	0.60
Total Water Withdrawal Intensity (Gal/lb)	2.82	2.94	3.12

	2018	2018 Restated	2019
Water Discharged to Receiving Stream (Gal)		2,557,455,153	2,504,201,067
Water Applied to Land (Gal)		5,337,741	4,234,552
Water Discharged to Off-Site Treatment (Gal)		258,236,314	270,852,311
Water Discharged to Other (Gal)		139,117,885	134,181,303
Total Water Discharged (Gal)	2,842,331,908	2,960,147,093	2,913,469,233
	2018	2018 Restated	2019
Water Discharged to Receiving Stream Intensity (Gal)		2.54	2.68
Water Applied to Land Intensity (Gal)		0.01	0.00
Water Discharged to Off-Site Treatment Intensity (Gal)		0.26	0.29
Water Discharged to Other (Gal)		0.14	0.14
Total Water Discharged (Gal)	2.82	2.94	3.12

305-1	Direct (Scope 1) GHG Emissions		2018	2018 Restated	2019
		Scope 1 GHG Emissions (MT CO2e)	303,581	303,486	249,390
		Scope 2 GHG Emissions (MT CO2e)	358,819	358,725	289,496
		GHG Offsets (MT CO2e)	(1,172)	(1,172)	(952)
		Renewable Energy Credits (MT CO2e)	(1,192)	(1,192)	(821)
305-2	Indirect (Scope 2) GHG Emissions	Total Scope 1+2 GHG Emissions (MT CO2e)	661,229	661,039	537,113
		GHG Emission Sources: Purchased Electricity, Natural Gas Combustion, Coal Combustion, #2 Fuel Oil Combustion, #6 Fuel Oil Combustion, Landfill Gas Combustion, Propane Combustion, Waste Oil/Hydrocarbon Combustion, Purchased Steam			
			2018	2018 Restated	2019
		Scope 1 GHG Emissions Intensity (MT CO2e/MT)	0.665	0.67	0.59
		Scope 2 GHG Emissions Intensity (MT CO2e/MT)	0.786	0.79	0.68
305-4	GHG Emissions Intensity	GHG Offsets Intensity (MT CO2e/MT)	(0.003)	(0.003)	(0.002)
		Total Scope 1 + 2 GHG Emissions Intensity (MT CO2e/MT)	1.45	1.45	1.27
			2018	2018 Restated	2019
		Water Discharged to Receiving Stream (Gal/lb)		2.54	2.68
		Water Applied to Land (Gal/lb)		0.01	0.00
306-1	Water Discharge by Destination	Water Discharged to Off-site Treatment (Gal/lb)		0.26	0.29
		Water Discharged to Other (Gal/lb)		0.14	0.14
		Total Water Discharged (Gal/lb)	2.82	2.94	3.12
			2018	2018 Restated	2019
		Water Discharged to Receiving Stream (Gal)		2,557,455,153	2,504,201,067
		Water Applied to Land (Gal)		5,337,741	4,234,552
		Water Discharged to Off-site Treatment (Gal)		258,236,314	270,852,311
		Water Discharged to Other (Gal)		139,117,885	134,181,303
		Total Water Discharged (Gal)	2,648,327,543	2,960,147,093	2,913,469,233
		Note: Water Discharged to Other includes water lost by evaporation, etc.			

306-2	Waste by Type and Disposal Method		2018	2018 Restated	2019
		Recycled and Reused Waste Intensity (lb/1000-lb)		51	53
		Waste to Energy Waste Intensity (lb/1000-lb)		41	48
		Mass Treated Waste Intensity (lb/1000-lb)		2	1
		Landfill Waste Intensity (lb/1000-lb)		6	14
		Composted Waste Intensity (lb/1000-lb)		0	1
		Total Waste Intensity (lb/1000-lb)	100	101	117
			2018	2018 Restated	2019
		Recycled and Reused (lb)		51,410,495	49,697,569
		Waste to Energy (lb)		41,184,256	44,612,051
		Mass Treated (lb)		1,532,469	1,271,592
		Landfill (lb)		6,226,778	13,409,916
		Composted (lb)		14,781	579,911
		Total Waste (lb)	101,543,811	100,368,799	109,571,039
			2018	2018 Restated	2019
		Recycled and Reused (MT)		23,320	22,543
		Waste to Energy (MT)		18,681	20,236
		Mass Treated (MT)		695	577
		Landfill (MT)		2,824	6,083
		Composted (MT)		7	263
Total Waste (MT)	46,060	45,527	49,701		
All waste described in this Section 306-2 is non-hazardous.					

OCCUPATIONAL HEALTH & SAFETY

Management Approach:

The safety and health of our people is of primary importance to Milliken. Our Associate Code of Conduct sets forth that the health and safety of ourselves and our fellow associates is of paramount importance to everyone at Milliken. Our goal is to provide an injury-free workplace for our associates 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 to do so; (4) Prohibiting substance abuse. 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 Associate 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.

403-1	Occupational Health & Safety	Milliken’s safety management system follows the plan-do-check-act principles (or a comparable variation/naming system of these principles). Milliken maintains internal practices and local requirements to manage health and safety hazards associated with its work environment. It tracks performance, operational controls and compliance against these requirements through a variety of monitoring and measurement processes. Monitoring activities include hazard assessments, evaluations, team and location assessments, third-party validation testing and audits. Objectives and targets (goals) are developed for monitoring culture, compliance and continual improvement. Most Milliken sites have a formal joint management-worker health and safety committee. 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. Milliken has 26 VPP sites in the United States.
-------	------------------------------	--

DIVERSITY

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 of 2017, Milliken launched a Diversity & Inclusion Council (D&I Council). The D&I Council is led by our Director of Diversity and Inclusion, who reports directly to the Chief Human Resources Officer and strives to intentionally foster an authentic culture where all associates are valued, respected and engaged.

Milliken realizes our commitment to building and maintaining a diverse and inclusive culture is a long-term challenge and commitment. While our Sustainability Scorecard reports on diversity (measured by gender and race) in managers (representing exempt associates), our D&I strategy is a commitment to much more than this single metric. We continue to advance a D&I strategy that focuses on training, recruitment, retention, associate commitment and engagement, our ability to have complex D&I discussions in a trusting workplace, policies and procedures as well as community engagement. We define diversity, at Milliken, as welcoming all people and inclusion as valuing and embracing their differences and perspectives. We believe that eliminating unconscious bias, hiring and retaining great talent, and celebrating diversity of thought fuels creativity and innovation which is critical to Milliken’s success.

405-1	Diversity of Governance Bodies and Employees	Scorecard; D&I in People	39% of diverse managers 42% of diverse boards of directors 64% male; 36% female Our Sustainability Reports provides on diversity metrics (measured by gender and race) in managers (representing exempt associates), our D&I strategy is a commitment to much more than this single metric.
-------	--	--------------------------	--

CUSTOMER PRIVACY

Management Approach:

Milliken’s 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” shall (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 shall not be 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”). 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.