



A PERSONAL RESPONSIBILITY CODE OF CONDUCT

THE MILLIKEN GUIDE TO ETHICAL CONDUCT



CEO's Introduction to the Code of Conduct



Joe Salley, CEO
**"Integrity is the foundation
of our company."**

**This is a time of great and exciting change:
Management Change, Market Change, Product Change....
However, our commitment to ethics and each other will
never change.**

As you know, we have recently been recognized as one of the World's most ethical companies. I am very proud that we are respected for providing innovative, quality products while following the highest ethical standards. As Milliken associates, we carry on traditions and practices built over a century and a half by hardworking associates just like you. Our commitment to ethical business practices in the coming years will ensure our continuing legacy of integrity, honesty, quality, innovation, performance and environmental sustainability. This will make the World a better place for our stakeholders: our fellow associates, shareholders, customers and communities.

This Code of Conduct is our guide to that ethical business commitment. The Code applies to all associates from the Chairman of the Board of Directors to the newest production associate. It cannot cover every situation or circumstance, but it can be summarized in one simple sentence: "Do what is right." We don't simply follow the letter of the law; we follow and exceed the spirit of the law. Whenever in doubt, you should follow your conscience - would you be proud to tell a family member what you are doing? If not, don't do it. Ethical conduct is the foundation of any lasting business success.

If at any time you believe our company values or compliance with the law may be at risk, you should bring the situation to the attention of your supervisor, Human Resources, or the Legal Department, or, if you prefer, you may anonymously report your concerns through our Milliken AlertLine hotline at (1-866) 327-8419. Milliken promises that no one will be retaliated against or punished for bringing such information to our attention. Keep this Code handy, and refer to it often. When you have questions, ask for guidance.

I proudly join with you in building upon the foundation that generations of dedicated, ethical associates have created for our great company and in making our organization the greatest privately-held company in the World.

This Guide

The following is our Code of Conduct, "**A Personal Responsibility, The Milliken Guide to Ethical Conduct**", which generally describes the laws, principles and guidelines Milliken associates must follow to meet the Company's expectations regarding honesty, integrity and responsible corporate behavior.

Other detailed policies related to the topics covered in this book can be found in the Standard Practice Instructions Manual, available from your local Human Resources representative.

Your Responsibilities

The role of all Milliken associates begins but doesn't end with understanding Milliken's values and this Guide. If any ethical or legal compliance issue arises that raises a question in your mind, you have a responsibility to bring it forward. Speak with your supervisor or manager, your Human Resources representative, or the General Counsel.

In addition, Milliken has established a toll-free phone line, the Milliken AlertLine (1-866-327-8419), where you can speak to a third party about any issue under this Guide, or any actual or suspected violations of any law, rule or regulation. **(You can speak anonymously while reporting if you wish.) All reports will be handled confidentially, and addressed promptly by the General Counsel.**

Because Milliken wishes to encourage the responsible reporting of potential violations of either the law or this Guide by all associates, retaliation of any kind against an associate for making such reports in good faith is prohibited regardless of whether or not the matter reported ultimately proves to be a violation.

"A person of high integrity does the right thing, even when no one is watching."

Table of Contents

Safety and Health	3
Environment	4
Equal Opportunity Employment	5
Harassment-Free Workplace	6
Substance-Free Workplace	7
Conflicts of Interest	8-9
Business Gifts and Entertainment	10-11
Fraud	12
Antitrust	13
International Business	14
Proprietary and Confidential Information	15-16
Competitive Information	17
Inside Information and Trading Securities	18
Political Contributions	19
Media Relations	20
Email, the Internet, and the Use of Company Property	21-22
Record-Keeping, Financial, and Accounting Controls	23-24
Conclusion	25
Acknowledgement	26

Over the years, Milliken associates have worked hard to achieve an internationally recognized safety record.

Having a safe workplace is one of the most important benefits we offer to our associates and their families. We are committed to ensuring a safe working environment for all associates. We do this by following strict safety and health rules and practices, including:

Requiring every Milliken location to have an active, associate-led safety program that is strongly supported by its management team.

Rigorously adhering to the established safety procedures, following safety practices and avoiding shortcuts.

Not tolerating any threats of harm - either direct or indirect - or any conduct that harasses, disrupts, or interferes with another associate's work or performance or creates an intimidating, hostile work environment.

Prohibiting the possession of weapons and other dangerous devices by Milliken associates, contractors, vendors, and visitors at all times on the property of the Company, and by Milliken associates while on the property of its suppliers or its customers; and

Prohibiting substance abuse. (see Substance-Free Workplace section.)

While compliance with all applicable laws, regulations, and record-keeping requirements is mandatory, Milliken seeks to surpass the legal standards. It is our intent to avoid any injuries and continue to be recognized as a global leader in safety.



Examples of Unsafe Behavior Related to Safety Issues

To save money at his plant, Miguel provides half the number of safety goggles as there are associates and instructs them to share.

Mary, a plant engineer, tells Fred that the electric interlock on a machine is not working properly "so be careful" while he is "around that machine."

Joe becomes aware of associates in his facility who frequently arrive at work under the influence of drugs, but he fails to report this behavior to the appropriate person.

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

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 suppliers and customers. Recycling of materials is an integral part of this on-going effort.

We are committed to encouraging our families, our associates and our communities, through education and leadership, to conserve our natural resources and to protect and improve the environment in our daily lives.

All Milliken associates are expected to conduct themselves in accordance with this policy that includes not only being in compliance with all legal and regulatory requirements, but also participating in efforts to improve the environment. This includes the increasingly efficient use of resources such as raw materials, energy, and water.

Examples of Improper Behavior Related to the Environment

Patty, a process engineer, instructs her associates to dump used machine oil down a drain in one of the laboratories in order to save on recycling cost.

Al, the plant manager, tells the contractor responsible for the removal of organic waste material "just don't tell me what you do with this stuff".

Horst, the department manager, directs his operators to leave a range running for several hours while waiting for fabric to avoid a start-up.



Equal Opportunity Employment

As a company, we expect that all associates treat one another with respect and dignity. Each associate has a unique role in making Milliken a better and more rewarding place to work. Our values are richly embedded in this commitment and are backed by our philosophy as outlined in this book.

Equal opportunity and fair treatment extend to all associates. Milliken specifically prohibits discrimination on the basis of age, disability, ethnicity, national origin, race, religion, gender, former military status, or any other characteristic protected by law.

Decisions are to be based on the individual applicant's or associate's qualifications as they relate to the particular job.

In addition to complying with U.S. Equal Employment Opportunity (EEO) laws, Milliken must comply with all other civil rights, human rights, and labor laws around the world where legally applicable.

Milliken is committed to providing an environment that values diversity with a conscious desire to achieve understanding, respect, inclusion and continuous learning.

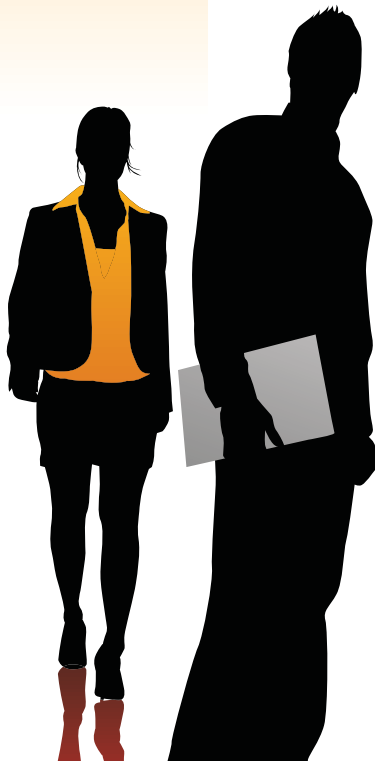
A Worldwide Commitment

Our values show our commitment to being a good citizen and acting in a socially responsible way in the communities where we live and work all across the globe.

Examples of Unfair Treatment

Ann, an ethnic minority associate, is told that her manager will need to be with her while she communicates process changes to other associates since they might not "understand her."

Harvey develops a marketing campaign for a particular customer. His manager explains that he will present it to the customer without him because it was felt that the customer would be more comfortable with someone who is not in a wheelchair, and his manager "assumed" he wouldn't want to make the trip.



Harassment-Free Workplace

Promoting teamwork and excellence demands a working environment that is free from discrimination, harassment, or other intimidating personal behavior. All Milliken facilities worldwide must maintain a professional and harassment-free working environment. They are places where associates should act with respect for one another and for those with whom we do business.

The following behavior is expressly prohibited:

Unwelcome conduct - whether verbal, physical, or visual - that is based on a person's protected status, such as race, religion, gender, age, national origin, citizenship status, disability, sexual orientation, former military status, or any other protected status.

Abusive language, physical behavior that deliberately causes injury to another or any disorderly conduct or malicious disturbance. This includes intimidation or harassment of others.

Sexual harassment. This includes unwelcome sexual advances, requests for sexual favors, as well as other physical, verbal, or visual conduct based on sex when:

Submission to the conduct is an explicit or implicit term or condition of employment or advancement.

The conduct has the purpose or effect of unreasonably interfering with the individual's work performance by creating a hostile, offensive, or intimidating working environment.

Sexual harassment is conduct based upon sex, whether directed toward a person of the same or opposite sex.

In addition to covering all associates, Milliken's harassment-free workplace policy extends to outside vendors, customers, professionals, and other providers of goods or services to any Milliken location worldwide. Note that this policy applies to both work-related settings and company-organized activities outside of the workplace.



Examples of Harassment

Billy has a habit of telling offensive jokes - sex jokes, racial jokes, denigrating jokes about everyone. In fact, the jokes are interchangeable. He even has sent them inside and outside of the Company using the company e-mail.

The entire team is aware that Tom is of a particular ethnic background, but when Mark is assigned to work with Tom, he tells his supervisor he wants to be reassigned because he is just not comfortable around Tom. His manager complies with Mark's request.

Substance-Free Workplace

Substance abuse - whether alcohol or drug abuse - poses a serious threat to the safety, health, and productivity of our organization, associates, and customers. Miliken has a drug and alcohol-free workplace policy that extends to locations worldwide and applies to associates, vendors, customers, and guests.

Our substance-free workplace policy prohibits:

Being under the influence of alcohol, illegal drugs or any other controlled substance on the job; and

The use or possession of alcohol, illegal drugs, and other controlled substances in the workplace or on Company property. (Their presence will not be tolerated under any circumstances; although, possession of prescription medication for medical treatment is permitted so long as its use does not impair performance of job-related functions).

Functions Involving Alcohol

There may be Company-sponsored events or functions where management approves the serving of alcoholic beverages. In these cases, all appropriate liquor laws must be followed, including laws regarding the serving of alcohol to those under the legal drinking age. Consistent with our policy, intoxication and excessive drinking at these events are prohibited.

Examples of Substance Abuse in the Workplace

Carla, a sales representative, frequently entertains customers at lunch. She regularly has two or three drinks and returns to work with a little "buzz."

Claudia takes double the physician prescribed amount of a muscle relaxant just to get through the "tough times."

Leonard, on occasion, takes amphetamines to stay alert on the job.

Joe becomes aware of associates in his facility who frequently arrive at work under the influence of drugs, but he fails to report this behavior to the appropriate person.



Conflicts of Interest

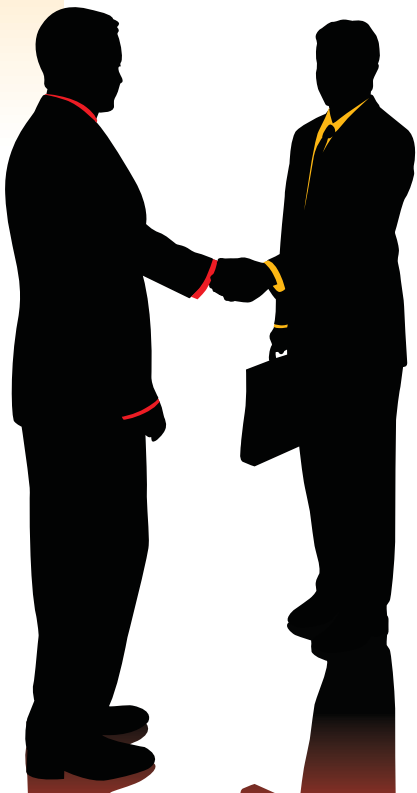
Milliken associates make business decisions every day. It is important that each decision, and any related action, be based on the goals of the Company - not influenced by personal interests or relationships. Every day, you work with suppliers, customers, consumers, and others who do business with Milliken. **It is essential that the appearance of conflicts between personal interests and the interests of Milliken be avoided.**

A conflict of interest arises when your personal interest conflicts with the purpose, policies, or operations of an associate's service with Milliken. The appearance of a conflict is what a reasonable person might view as a potential conflict. Conflicts apply equally to business relationships and personal activities.

Other Business or Financial Interests

Conflicts of interest do not end when you leave the office. As Milliken associates you are expected to manage all of your business relationships with your Milliken responsibilities in mind. Even outside the office, associates must keep in mind the need to avoid any situations that might lead to a conflict or the appearance of a conflict between personal interests and the interests of Milliken.

In addition, Milliken policy prohibits associates or immediate family members from having a financial interest in a Milliken supplier, customer, consultant, or competitor other than shares of a publicly-traded company whose shares are listed on a major stock exchange.



If you have any such financial interests, you must notify the Milliken Vice President of Human Resources. Immediate family members include our spouses/domestic partners, our parents or our spouses/domestic partners' parents, as well as our siblings, children, grandchildren, grandparents, aunts, uncles, nephews, and nieces.

In the event any such significant financial interest exists, the Company will work with you to determine the appropriate course of action.

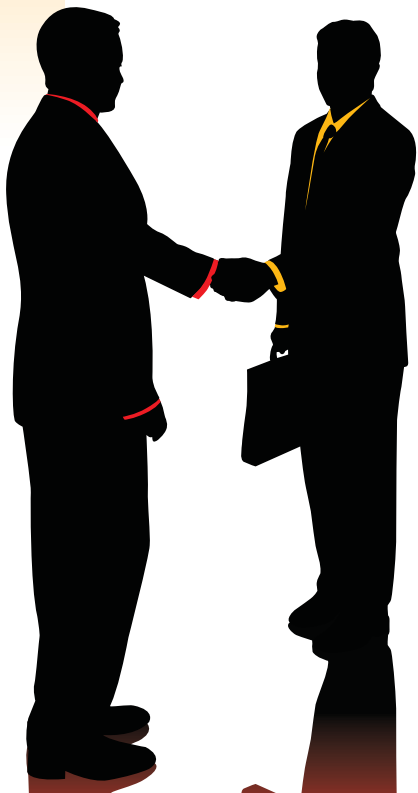
Involvement in Other Organizations

As Milliken associates, you may not serve as directors, officers, or consultants with any organization that is a supplier, customer or competitor of Milliken without written permission from the Office of the Chairman. This includes volunteer positions, e.g., positions that are unpaid.

Examples of Conflicts of Interest

Nigel is an associate whose sister operates a vending machine company. He learns that his plant will soon be choosing a new vending service. After bids have been received from prospective suppliers, Nigel gives his sister the terms of the best proposal received so far. His sister then submits a slightly better proposal on behalf of her company.

Maria, a supervisor, is responsible for filling an open position in her department. Maria's cousin is well qualified and looking for a job. Instead of turning the hiring decision over to her manager, Maria hires her cousin to report directly to her.



Business Gifts & Entertainment

The term “business gifts” refers to business entertainment, as well as gift items. The giving or receiving of appropriate business gifts is a customary way to strengthen business relationships and, with restrictions, is a lawful business practice.

You must exercise **good judgment and moderation** in order to avoid misinterpretation and any resulting adverse effect on the reputation of the Company or its associates. You must never offer, give, solicit or receive any form of bribe. It is important that all relationships with suppliers, customers, and other parties be based on lawful, efficient, and fair business practices.

Business Courtesies

Milliken associates may not accept gifts, favors, entertainment or other inducements from any person or organization that does or seeks to do business with, or is a competitor of the Company, if doing so would violate Company policy or interests. Any gifts which we receive must be reasonable in cost, quantity and frequency. **You should never accept a gift of cash or cash equivalent.**

If the purpose is to hold bona fide business discussions or to foster better business relations, you may give or receive meals, refreshments, travel arrangements, lodging or accommodations, entertainment, tickets, small gifts, promotional items and other incidental benefits under circumstances including, but not limited to, the following:

They are consistent with acceptable business customs and practices.

They are of reasonable value and not given or received on a repetitive basis.

They are for a Company business purpose.

They are not illegal.

We do not solicit them.

They will not cause, and would not reasonably be perceived to cause, us to alter normal business judgment concerning any transaction carried out on behalf of the Company.

They would not be an embarrassment to the Company or to us as Milliken associates if publicly disclosed.



Milliken requires associates to report any business gift, favor, or entertainment (other than business meals) given or received, that has a value of more than US \$100.

Business and/or entertainment events sponsored by Milliken must receive advance approval of the office of the CEO where expenditures will exceed \$1,000. Further guidance may be obtained by consulting the Milliken & Company Business Gift & Entertainment Policy.

As a general rule, when in doubt, do not accept, give, or expense gifts or entertainment. Consult with Human Resources or the Legal Department if you have any doubt about the propriety of a gift or entertainment.

Doing Business with Government Organizations

The sale of goods and services to U.S. and most other government officials is heavily regulated. Milliken associates involved in sales to governmental customers must take necessary steps to ensure that all government-related transactions and relationships comply with applicable laws and regulations. Gifts and entertainment are generally inappropriate and often illegal where government officials are concerned. Always consult with the Legal Department before making any offer of gifts or entertainment to any government official.



Examples of Bribes and Inappropriate Gifts

Steve, a business manager, requires major suppliers to take him on hunting trips throughout the year.

A supplier bidding on a contract offers Yuji, the project manager, a fee to provide him with the amount of the lowest bid he has received so far.

Anton is negotiating the terms of a contract with a senior government procurement official. He offers the official a gift of a wristwatch and invites her to play golf at an exclusive club.

Fraud - or the act or intent to cheat, trick, steal, deceive, lie, or withhold information - is both dishonest and, sometimes, criminal. Intentional acts of fraud are subject to strict disciplinary action, including dismissal and possible civil and/or criminal action.

It is important for Milliken associates to understand what fraud can entail so associates can recognize it and avoid mistakes. Some examples include:

Submitting false expense reports.

Forging or altering checks.

Misappropriating assets or misusing Company property.

Unauthorized handling or reporting of transactions.

Inflating sales numbers by shipping inventory known to be defective or non-conforming.

Making any entry on Company records or financial statements that is known to be inaccurate and/or not in accordance with proper accounting standards or Company guidelines.

The inappropriate destruction or alteration of Company records.

For more information on company records, see Record-Keeping, Financial and Accounting Controls section.



Examples of Fraud

Jordan's customer takes him out for dinner after he makes a sales presentation at the customer's company. Jordan then expenses the same US \$65 dinner.

Sophia, a controller, loans her associates money from the Company, charges them interest, and deposits their repayments into her personal bank account.

In an effort to win a £ 5 million order from a prospective customer, Gerda knowingly misrepresents the Company's product's performance attributes.

Associates working in marketing, sales, purchasing, or acquisitions must be aware of antitrust and trade-regulation requirements. This also applies to those who participate in trade associations or industry standard setting groups.

Antitrust law is designed to ensure that competition remains vigorous and free from collusion. Antitrust issues are very complex. Determining what actions are improper often depends on the structure of the market and a number of other factors.

To avoid even the perception of unlawful conduct, associates should avoid:

Discussing with a competitor prices, costs, product attributes, products, services, bidding practices, other non-public business matters, sales territories, distribution channels or customers.

Restricting the right of a customer to sell or lease a product or service at or above or below a certain price.

In addition, the following practices should be undertaken only with prior review by the Corporate Legal Department :

Conditioning or "tying" the sales or lease of a product or service on the sale or lease of another product or service.

Conditioning the purchase, sale or lease of a product or service on a reciprocal agreement with a customer or supplier.

Entering into an exclusive arrangement with a customer or supplier.

Limiting a customer as to the territories in which, or the customers to whom, a product or service can be resold or leased.

This area is complex. Milliken's Corporate Legal Department can provide you with specific rules applicable to your business.

Examples of Antitrust Violations

Business managers of several competing companies agree to "take out capacity" in their manufacturing facilities in order to "hold the line" on prices while maintaining market share.

Several competing companies confer and agree to set and keep their prices high.

Sales representatives at competing companies talk over drinks and agree to split customers within the territory in order to maintain "turf." Business now becomes, "Stay off our turf and we'll stay off yours."



The legal requirements for conducting business internationally are governed by complex statutes and regulations. It is Milliken policy to comply with the legal requirements of each country in which we conduct business, as well as with applicable US laws.

There are several areas in which acts carried out in one part of the world can result in prosecution under the laws of another country. The most important of these are:

Antiboycott

The U.S. antiboycott laws generally prohibit US companies and their subsidiaries from cooperating with international boycotts which the United States government does not sanction. US companies and their worldwide subsidiaries must report to the US Government any requests they receive to engage in boycotting activity.

Export Control Laws

Milliken must comply with all national and multinational export control laws. For example, US export control laws apply to the export and re-export of US goods and technology. Under certain circumstances, these laws prohibit subsidiaries of US companies from dealing directly or indirectly with particular countries with respect to certain transactions.

Corrupt Practices

Many countries including the EU and U.S. have enacted anti-bribery laws to prohibit payments by or on behalf of persons (including companies and their subsidiaries) to government officials to secure or retain business. In addition, the U.S. Foreign Corrupt Practices Act requires Milliken to use proper accounting controls and maintain accurate, reasonably detailed, books and records.

Customs Laws

Customs laws require Milliken to determine the correct classification, value and country of origin of all its imports. While specific rules may vary; virtually all countries in which we do business share these requirements.

Economic Embargoes And Trade Sanctions

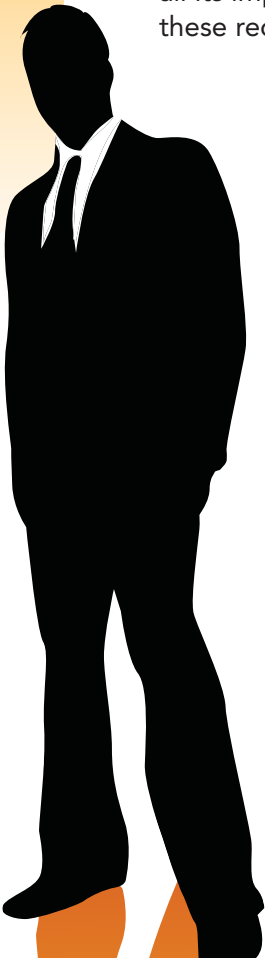
Milliken must comply with all economic embargoes and trade sanctions imposed by the countries in which we do business. U.S. laws generally prohibit all U.S. persons from conducting business with embargoed countries (e.g., Cuba, Iran) or specifically identified individuals known as Specially Designated Nationals and Blocked Persons (supporters of terrorist activities, etc.)

Examples of International Violations

A sales representative offers a foreign government official a significant gift in exchange for the award of a lucrative contract by that government.

A Middle Eastern customer requires the Company to certify that it will not do business with any Israeli firms.

Sara, a shipping associate, prepares an invoice knowing that an inaccurate valuation and description of goods to be exported, and an inaccurate identification of country of origin are included.



Proprietary & Confidential Information

Milliken's business information is very valuable and must be protected. Milliken associates are expected to respect the Company's proprietary and confidential business and financial information by:

Maintaining strict confidentiality of sensitive information.

Not sharing that information with anyone - even another associate - who does not need to know about it or who has not been authorized to receive it other than as required by law.

Examples of confidential and proprietary information include:

Written and oral agreements between the Company and the Company's associates, agents, strategic partners, and/or other third parties.

Intellectual property - such as trademarks, patents, and copyrights.

Company financial information.

Proprietary software or company-owned software modifications, templates, worksheets, or other programs.

Financial and other information about potential acquisitions.

Drawings for current or potential new products, machine designs, or plant layouts.

Customer lists and agreements, market share data, supplier agreements, and other files.



Information provided to Milliken by its customers, suppliers, and other third parties is also very valuable and must be protected. Milliken associates are expected to respect such proprietary and confidential information of third parties by treating it with the same degree of confidentiality that would be employed in connection with Milliken's confidential and proprietary information.

Note that appropriate permission must be received before using copyrighted works of others, such as music or artwork downloaded from the Internet.

NO ASSOCIATE SHOULD SIGN ANY CONFIDENTIALITY AGREEMENT THAT IS BINDING ON MILLIKEN WITHOUT LEGAL DEPARTMENT APPROVAL. THIS INCLUDES ANY AGREEMENT THAT IS PRESENTED IN CONNECTION WITH PLANT TOURS. IN THAT REGARD, PRIOR TO PARTICIPATING IN SUCH TOUR, WHERE A CONFIDENTIALITY AGREEMENT WILL BE REQUESTED, ASK TO SEE THE AGREEMENT IN ADVANCE TO ALLOW TIME FOR AN APPROPRIATE REVIEW, OR ASK NOT TO BE SHOWN ANY PROPRIETARY INFORMATION ON THE TOUR.

Ownership of Intellectual Property

Any technical innovations, discoveries, system designs, or technical enhancements that an associate designs or conceives while at Milliken are the sole property of Milliken. The associate must disclose such discoveries and innovations to Milliken.

Obligations to confidentiality extend beyond an associate's tenure at Milliken. Even after leaving Milliken, confidential information may not be disclosed in any way. At the same time, confidential information that may have been obtained at a previous employer, including, but not limited to, trade secrets may not be disclosed to Milliken.

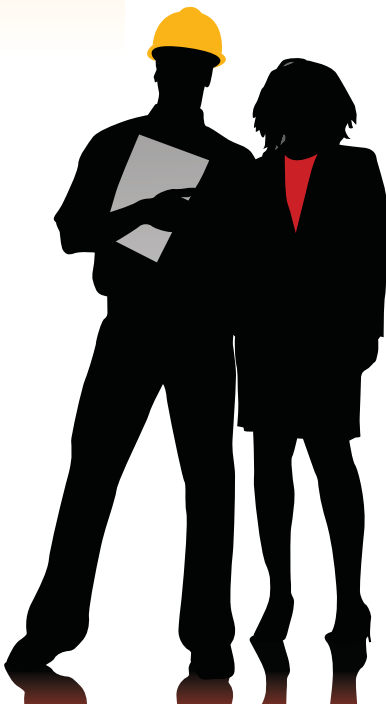
Should you have any questions, seek guidance from Milliken management or Milliken's Corporate/Intellectual Property Law Department.

Examples of Improper Use or Disclosure of Proprietary Information

Charlotte, an assistant to the engineering manager, copies designs of a new fabric finishing apparatus and gives them to her friend who applies for a patent under his name.

Leo is responsible for gathering data about the Company's customers. Leo provides this information to his friend's brother who runs the marketing department of a competitor.

David, in corporate accounting, discloses to a prospective supplier the Company's annual sales of a product, a division, or the entire Company.



Competitive Information

Information obtained from public sources is considered to be neither confidential nor proprietary. These public sources include the press, patents, property records, the Internet, and other governmental filings. However, the misappropriation of the "trade secrets" of other companies is a criminal act and can be punishable by fines, imprisonment, or both.

When seeking information regarding other companies as an associate or agent of Milliken & Company, the following guidelines must be strictly followed:

Do not enter private property illegally.

Do not employ covert listening or viewing devices or methods.

Do not misrepresent yourself, your intent or your affiliation for the purpose of securing information.

Always respect proper requests for confidentiality.

Do not offer bribes in any form in exchange for information.

The job interview process must never be used for the purpose of seeking company information. Job candidates must be advised against volunteering information that might be considered proprietary by their current or former employer.

Whether by direct contact or through an agent, avoid discussions with associates of competitor companies that might lead to or imply an interest in restraint of trade-pricing, bidding, market allocation, or bribery.

As a condition of employment, any outside agent whose job may include the solicitation of information regarding other companies must, within each consulting agreement, commit in writing to abide by the above guidelines.

Consult with the Company's legal counsel if there is a question as to the ethics or legality of any proposal or situation related to the collection of information.

Examples of Improper Collection of Competitive Information

Samantha has been given the assignment to do a market study of the Company's competitors. During that study she conducts interviews of several competitors, wherein she misrepresents herself as a student conducting research for a PhD dissertation.

The market and financial information Samantha receives from these competitors would not otherwise have been made available to her.

The securities laws of most countries where we do business impose strict requirements regarding how we use and disclose confidential, non-public information concerning publicly-traded companies. Milliken is not a publicly-traded company, however in the course of performing your job at Milliken & Company, you may be privy to non-public information about Milliken & Company's publicly traded customers, suppliers, or acquisition targets.

For purposes of this policy, it's important to understand the following terms:

"Material" information is information of such importance that it can be expected to affect the judgment of investors as to whether or not to buy, sell, or hold the securities in question.

"Non-public" means the information is not generally available to the public.

Insider "tipping" may include inadvertent or overheard statements.

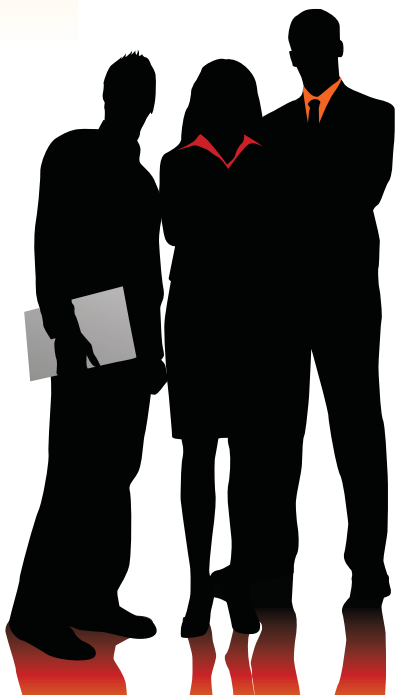
Milliken & Company's policy and the securities laws of most countries prohibit associates from buying or selling stock or any other kind of public security on the basis of inside information. Milliken associates are prohibited from trading in stock or other securities issued by customers, suppliers or acquisition targets on the basis of inside information. This policy is designed to help associates avoid both the inappropriate disclosure of non-public information and participation in illegal securities trades.

Examples of Improper Use of Inside Information

Heidi learns that the Company is in negotiations to purchase a smaller publicly traded organization with technology that the Company needs. She purchases convertible bonds issued by the corporation to be acquired.

Neal, an engineer, learns that the Company is considering entering into a strategic alliance with another company to improve global representation. Neal immediately calls his family and encourages them to purchase stock in the Company's strategic partner.

Three days before the public announcement of the quarterly earnings of one of the Company's suppliers, Wang overhears that Wall Street will be disappointed with the supplier's quarterly results. On her way home from work that evening, Wang calls her broker to sell short the supplier's stock.



Political Contributions

No associate is authorized to use Company funds or assets for electoral political purposes without the approval of the Company. Any requests for approval should go through Milliken's Corporate Public Affairs office.

On occasion, the Company will present educational material on political issues that affect associates' jobs or livelihoods in order to assist them in making informed political choices. However, it is expressly forbidden for any Milliken associates to pressure other associates to make political contributions or participate in support of a particular political party or candidate.

This does not prevent associates from making personal contributions to political causes on your own time and with your own financial resources. Milliken & Company encourages you to educate yourselves as informed citizens and exercise your constitutional right to participate in the political process by registering and voting for the candidate of your choice.

Examples of Inappropriate Political Activity in the Workplace

Sarah distributes fliers promoting a political candidate running for local council in the cafeteria at work.

Keichiro, a plant leader, uses Company e-mail to solicit support for his cousin who is running for political office.

Jim contributes Company funds to a customer's or friend's favorite political fund-raiser.



Communication with the news media and government is important. It is an important part of our community relations and keeping the general public informed, while protecting Milliken's privacy as a privately held Company.

Milliken associates must refrain from making unauthorized or confidential disclosures to the media. Milliken & Company has the right to and will protect its privacy and that of its associates and their families. Decisions on the degree of Company participation with the media will be made on a case-by-case basis. Before responding to any questions from the media, you should obtain approval through Milliken's Corporate Public Affairs office. Inappropriate media response might include:

Any information regarding the Company's financial condition.

Comments on rumors about an acquisition, lawsuit, or other significant business event.

Information about management changes.

Comments about new products, policies, or strategies.

Under certain very limited circumstances, the Company's credibility and ultimate effectiveness may depend on releasing accurate information to associates and to the public through the media. This is especially applicable in crisis situations. In no case, however, should any Milliken associate act as a Company spokesperson without prior approval from the Corporate Public Affairs office, Corporate Legal office, or Office of the Chairman.

Examples of Improper Responses to Requests for Information

Katherine, a marketing manager, gives an interview with her local newspaper and describes her division's exceptionally strong sales as one of the reasons behind the Company's success.

A trade reporter asks Ernesto, a process engineer, how his group got the idea for a new process for finishing a line of industrial fabrics. He proudly describes the exciting new product development process in detail.



Email, the Internet, and the Use of Company Property

All communications, data and information sent or received by us using Company information technology or communications equipment while employed at Milliken are Company property and are not private communications. Milliken owns or leases and controls access to all of its communication equipment, including computers, software, e-mail, voice mail, conferencing equipment, and office supplies. Milliken reserves the right to monitor all communications, including Internet usage.

Milliken's Company property - its buildings, vehicles, equipment, and supplies - is in place to enable you to perform the business-related duties that your position entails.

Except as indicated below, your use of Company property, including information technology and communication equipment, is to be confined to conducting business-related tasks.

Incidental Personal Use

The Company recognizes that associates may need to use Company equipment and/or communications from time to time for personal use. In general, this is allowed, provided such use:

Is limited in duration or extent.

Does not adversely affect our attention to or completion of our job responsibilities.

Does not result in any significant incremental cost to the Company.

Does not contain pornographic or offensive material, discriminatory or harassing language or derogatory references to age, color, disability, ethnicity, marital or family status, national origin, race, religion, gender, sexual orientation, military veteran status, or any other characteristic protected by law.

Does not otherwise violate the Milliken Guide to Ethical Conduct, particularly the section related to disclosure of confidential information.

Does not expose the Company to public liability.



Software

In general, the only software that should be loaded on Company-provided computers is that which the Company has approved and purchased for us. In many cases, it is illegal to copy, download, or distribute software or other materials or files that are protected by copyright. Even so-called "free-ware" or "share-ware" - electronic programs and files available at no cost from the Internet - are prohibited, as they can and have served as source materials for computer viruses.

Examples of Improper Use of Email, Internet, and Company Communications

Bruce receives a joke with sexual overtones from an old college friend on his work email. He passes it along to other associates.

Upset that her husband has been temporarily laid off from his company, Marta, a Company associate, goes to a widely used financial bulletin board on the Internet and posts a long message about how her husband's company is unfair and mistreats associates.

Bill's former company used proprietary software to track the status of development projects. Without permission from his prior company, Bill uses that software to create a similar tool to use on his new job with the Company.



Record-Keeping, Financial, and Accounting Controls

Accurate, timely financial records, product performance records, and proper accounting and internal controls provide the core information that is necessary to manage our business. These records, information and controls are essential to fulfilling our obligation to our management, our Board of Directors and Shareholders and the success of our Company.

In general, all internal and external financial records and information must be prepared and maintained as accurately as possible, including:

In accordance with locally relevant generally accepted accounting principles.

In an environment characterized by effective internal controls, including procedures adequate to protect and enhance the Company's assets.

Note that no one should share Company financial information outside the Company.

Accuracy of Company Records

All business transactions must be properly authorized as well as completely and accurately recorded on the Company's books. Procedures for doing so must comply with Milliken's financial policy and follow Milliken's policy for authorization and documentation, such procedures must also follow applicable generally accepted accounting principles.

Budget proposals - and other financial evaluations (e.g. SERs) and forecasts - must fairly represent all information relevant to the decision.

Misapplication or improper use of corporate or customers' funds or property - or improper entries to financial records by associates or others - must be reported to the Corporate Legal Department and/or Corporate Human Resources Department. Such behavior will result in disciplinary action.

Communicating Accurate, Timely Information

In all interactions and communications - whether with customers, suppliers, government agencies or others inside or outside of the Company - associates are expected to be truthful and forthright. This includes making accurate statements, not misrepresentations or statements intended to mislead or misinform.



Record-Keeping and Retention

To help maintain the integrity of the record-keeping and reporting systems, associates must know the area's record retention procedures, including how data is stored and retrieved. It is the associates responsibility to know how to document and report any entries, information or records for which they are responsible.

You are expected to comply fully and accurately with all audits, including responding in a timely fashion to requests from or on behalf of Milliken's auditors, the Human Resources Department, Corporate Legal Department or senior management for:

Documents or other sources of information.

Special record-keeping or retention of documents.

Error Reconciliation

It is Milliken's policy to advise customers and suppliers of any clerical or accounting errors - and to promptly correct such errors through credits, refunds, or other mutually acceptable means.



Examples of Improper Financial Records and Poor Controls

LaVerne, a plant engineer, submits an SER to management knowing that the financial justification is not accurate.

Tim, a plant accountant, is instructed by his plant manager to charge ordinary operating expenses against an inventory account in order to mask plant cost performance.

Violations of These Guidelines

All Milliken associates have a duty to report any violations of this Guide. All reports of violations will be treated confidentially, taken seriously and investigated promptly.

Where to Go for Help

When in doubt, ask for guidance. If associates have questions, wish to discuss an individual situation, or want to report a possible violation of this Guide, talk with a supervisor, a local Human Resources representative, or the Corporate Legal Department.

Violations may also be reported anonymously by calling the Milliken AlertLine toll free at this number:

(1-866-327-8419)

Annual Acknowledgement

All associates will be required to sign a statement annually that they have read and understand **A Personal Responsibility -The Milliken Guide to Ethical Conduct**. This statement also requires them to state that they are in full compliance with the Guide.

This statement must be returned to the Human Resources Department.

"Almost any loss can be restored save the loss of one's good reputation."

Acknowledgement

I have carefully read the **A Personal Responsibility - The Milliken Guide to Ethical Conduct** booklet and understand the importance to the Company of compliance with its provisions.

I fully realize the importance to the Company of: protecting our Company's reputation; safeguarding proprietary and confidential information; properly handling Company funds, property and records; proper use of Company electronic systems; guarding against sabotage; and of all Company associates adhering to the principles in this booklet. I am not and have not been aware of any circumstances of a personal or family nature that would conflict or appear to conflict with the interests of Milliken. I have no knowledge of any exceptions to these guidelines. I will report promptly any such developments in the future.

I fully realize that it is the policy of Milliken to observe all laws that govern the conduct of our business, including laws that prohibit unauthorized duplication of copyrighted material, including computer software.

I further realize that factual reporting and accounting in all phases of the Company's operations are required both by law and Company practices.

DATE _____

SIGNATURE _____

NAME (printed) _____

TITLE _____

DEPARTMENT _____

**For more information contact
Milliken Human Resources Department
1-864-503-2279**

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For more information contact
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1-864-503-2279

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