Believe in Better: The Power of Our Handprint



While working to shrink our environmental footprint, we're working to expand our social handprint always striving to ultimately achieve a net positive impact.



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Business & Operations

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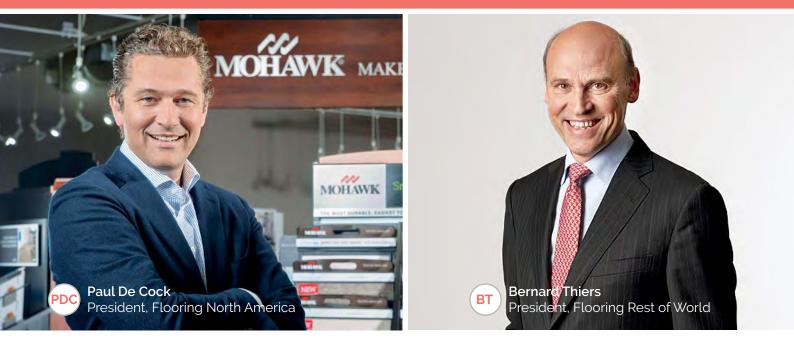
Mohawk is growing our business around the world. As we do, we're extending best practices for operating with less environmental impact and respecting the communities in which we operate into new geographies.

MOHAWK Believe in Better: Business & Operations



Integrating Sustainability Across the Business

A Conversation with Mohawk's Senior Leaders





Q: How does sustainability align with Mohawk's business strategy?

JL: Mohawk has always been resolute in our purpose of increasing returns to our shareholders by profitably growing our business. What years of adherence to this strategy have taught us is that what's good for our business is also good for our other stakeholders, including employees, communities and the planet. For example, operating efficiently goes hand in hand with eliminating health and safety risks. This makes our workforce more stable and productive, which in turn increases quality.

Q. What's a good example of efficiency that leads to a more sustainable outcome?

JL: Cost savings that result from keeping materials out of landfills. In 2018, we saved \$4.3 million on landfill and haul-away costs, as well as the costs of treating and discharging water to public sewer systems. To achieve this, we certified two new zero waste to landfill (ZLF) sites, bringing our total number of sites to 48 around the world. The ZLF program is helping us build a resource-responsible culture site by site. It has also reduced the capital and maintenance costs of our equipment, which helps conserve materials over the long term.

BT: Waste can also be an unexpected source of value. In Europe, we are exploring a new way to use waste generated by our wood panel business. While the majority of our wood waste gets recycled, we are using a portion to a fire a new 20-megawatt energy plant that will make us nearly independent from the grid.

Q: How do ongoing investments play into this strategy?

JL: Mohawk is growing and improving externally through acquisitions that help us expand our global footprint and enter new markets. In 2018, we finalized our purchase of Godfrey Hirst, the largest flooring provider in Australia and New Zealand; and Eliane, an industry leader in ceramic tile located in Brazil. We're also



refining our business from within by investing in new manufacturing capacity and cost-saving initiatives. This growth creates opportunities to extend our sustainable business practices throughout the world, applying lessons learned in one category or geography to others.

Q: What trends are you observing among customers in demand for sustainable products?

CW: We're especially seeing interest from members of the architecture and design (A&D) community, who are often interested in meeting sustainable building standards and are very knowledgeable about the chemistry of our products. They understand that you can be green without sacrificing price or quality.

MOHAWK Believe in Better: Business & Operations

Senior Leadership Q & A (continued)



BT: The dynamic is similar in Europe. From wood panels to insulation, those in the building industry want to purchase sustainable products. The good news is that the A&D community often influences the rest of the market.

Q: What about the residential market?

PDC: Today's consumers are better informed than ever. They are increasingly mindful of creating healthy homes for themselves and their families, and that extends to the flooring products they choose. We're continuing to grow our portfolio of Red List–free products that are made without common harmful substances, and now offer more than 500 products made with recycled content. Creating products that minimize environmental and health-related risks during manufacturing, installation and use is the right thing to do, and we feel confident that sustainable products will remain a profitable proposition for Mohawk.

Q: What product innovations are you particularly excited about?

PDC: A major accomplishment in 2018 was the release of several products that meet the requirements of the Living Product Challenge. These products require fewer inputs and are accompanied by offsets of the water they use. Many incorporate a new high-performance yarn system, Heathered Hues, the manufacturing process for which requires less energy and emissions and yields products that are made for recyclability. Our SmartStrand carpets remain popular among customers, and we continue to recycle more than 6.6 billion plastic bottles each year to make these products.

Q: Another one of Mohawk's social responsibility priorities is attracting and retaining talent. How does having a strong business help accomplish this objective?

JL: There is a direct correlation between our business performance, the strength of our workforce and the quality of products we offer. Being financially strong allows us to invest in people and cultivate a workplace of choice. At every level of our organization, whether in our plants, in our sales force or in R&D, we try to attract the best possible people, because we know they will deliver the best possible consumer experience. This in turn benefits every aspect of our business, allowing us to maintain our position as the global floor-covering leader.



Handprints Over Footprints

When does a footprint become a handprint? When we give much more than we take. George Bandy Jr., Vice President of Sustainability, explains Mohawk's commitment to leaving meaningful mark.

Sustainability Awards and Recognitions

u.s. green building council 2018 Leadership Award George Bandy Jr.

FLOOR COVERING WEEKLY 2018 GreenStep Practice/ Process Award ReCover Program

NEWSWEEK 2017 Top Green Companies Mohawk Industries

Growing Sustainability Around the World

Over the past five years, Mohawk Industries has invested more than \$8 billion in acquisitions and capital investments around the world. These investments give Mohawk access to new areas of expertise, new operating processes and new ways to engage employees and communities. We have a tradition of sharing best practices among divisions and geographies—so that as we grow, sustainable business practices are integrated in new places.



Growing Product Offerings in Mexico

Mexico is one of the fastest-growing markets for ceramic tile. Following an expansion of our Daltile facility in this market, we are realizing operational efficiencies and manufacturing more advanced products. This increased capacity will allow us to grow our share not only in Mexico, but also in South America, another rapidly growing market.

Investing Big in a Fast-Growing Category

The luxury vinyl tile (LVT) category is currently growing at more than 20 percent per year. It's a product that offers numerous beneficial attributes, including affordability, waterproofing, ease of installation and variety of visual options. To help grow this category in the U.S., we've invested in two LVT manufacturing plants that will give Mohawk operational control of the complete LVT manufacturing value chain.





One of our most recent acquisitions is Eliane, a leading ceramic tile manufacturer in Brazil, one of world's largest ceramic markets. The Eliane team brings decades of experience in ceramic tile manufacturing, design and distribution to the Mohawk family. We are helping them operate more efficiently with upgraded equipment, using the same strategy we followed

after the acquisition of Marazzi in Europe.







Meeting LVT Demand in Belgium

We have three LVT production lines operating at IVC Belgium, with two at full capacity. Our newest line is state-ofthe-art and can also produce rigid LVT, positioning us as a global leader in this growing category. Unilin, a producer of laminate and vinyl flooring and panels, now produces chipboard with 85 percent recycled wood, with plans to increase this percentage in the coming years.

Meeting Demand for Affordable Flooring

Demand for sheet vinyl is growing rapidly in Russia, where there is a strong need for affordable flooring products. Our sheet vinyl expansion is focused on this market, thanks to a new plant that opened in 2018. Manufacturing locally where we sell allows us to avoid emissions associated with transportation.



Increasing Specialization in Poland

Our European ceramic business has expanded with the purchase of Polish ceramic manufacturer Polcolorit. This acquisition increased our capabilities in the wall and floor tile, glazed porcelain tile and hand-painted tile categories, as well as giving us an entry into northern and central European markets. As our footprint expands in this region, we are narrowing each plant's specialization. For instance, production of outdoor ceramic tile will move to Poland, where we have added new lines dedicated to the category.



Capturing Opportunities in Oceania

Mohawk finalized the acquisition of Godfrey Hirst in 2018, thereby becoming the largest flooring provider in Australia and New Zealand. Now, we are building on Godfrey Hirst's leading position by extending Mohawk's North American soft surface expertise to this market. We will then introduce a broader portfolio of products to Oceania, including laminate, LVT and hardwood products.

Reducing Our Footprint

As Mohawk works to leave positive handprints in communities around the world, we haven't lost sight of the environmental footprint of our own facilities. While our businesses operate in a decentralized manner, all are working toward shared goals of reducing our use of natural resources. Across Mohawk, we are closing in on our 2020 goals, set in 2010, to decrease energy, GHG, water and waste-to-landfill intensity by 25 percent.

WATER INTENSITY

2.77% Reduction in 2018

36.41% Reduction since 2010

waste to landfill 11.40% Reduction in 2018

47.42% Reduction since 2010

GHG EMISSIONS INTENSITY

11.27% Decrease since 2017

16.93% Decrease since 2010

ENERGY INTENSITY

3.71% Decrease since 2017

3.80% Decrease since 2010

Working Toward Zero

Billions of tons of carpet waste, including manufacturing waste, are sent to landfills every year. Mohawk is making a dent in this number by encouraging our facilities to pursue zero waste to landfill (ZLF) certification, which requires a plant to recycle or reuse 90 percent or more of its manufacturing process waste. To date, 48 Mohawk facilities have earned this certification. Two of the most recent facilities to earn certification are the Daltile floor tile plant in Monterrey, Mexico, and a yarn plant in Bridgeport, Alabama.



An Innovative Solution to Reduce Emissions and Waste

Environmentally friendly solutions can sometimes have unintended consequences. Such was the case at our tile plant in El Paso, Texas. A new "wet scrubber" system operates on the exterior of the plant, cleaning gases and solids created in the firing process so that what leaves the kiln stacks at the end of the manufacturing process is essentially just steam. This limits pollutants that enter the air—but it also creates contaminated water that would typically be considered waste. The team addressed this by installing a reverse osmosis treatment system to clean the water, allowing 100 percent of wastewater to be reused. After passing through both traditional water treatment and the reverse osmosis system, 70 percent of the water goes back into the wet scrubber process and 30 percent is used in tile production.







Facilities making different products face different waste challenges. For example, the Monterrey plant's biggest obstacle was how to recycle tiles that fall short of quality standards due to chips or discoloration. To recycle the scraps, the team purchased and installed a new raw materials crusher that can process the highly dense tiles. Thanks to this machine, not only has Monterrey drastically cut their landfill waste, they are now able to break down scraps and reuse them to make new tiles.

At the yarn operation in Bridgeport, a top challenge was ensuring that materials were properly sorted and recycled. Among the areas that the team addressed were improved ways to reuse cardboard, new processes to sort yarn waste, and the replacement of trash cans with recycling bins for a variety of materials.

MOHAWK Believe in Better: Business & Operations



Display Cubes

Display cubes throughout the showroom offer ample room for visitors to see samples up close. These versatile cubes allow for graphics and products to be boldly displayed and quickly switched out for quarterly updates and new product introductions.

Showcasing Sustainability



In a former textile mill in New York City's historic fashion district, the Mohawk Group now boasts an innovative 13,000-square-foot flagship showroom that fully incorporates our "Believe in Better" philosophy.

The space meets LEED Gold and WELL Platinum Building Standard qualifications, reflecting a new chapter of sustainable design. The showroom incorporates a host of sustainable attributes, including paints, flooring and insulation products that meet on-site emissions and VOC criteria; products from manufacturers who responsibly source and extract raw materials; and compliance with strict guidelines for reduction of substances that threaten ecosystems and human health. Take a look at how the showroom weaves sustainability and beauty into a harmonious whole.





Common Spaces (left & below)

The showroom's open-plan design provides abundant space for trainings, gatherings, multipurpose meetings—and even live music. Danielle Bradbery, country singer and winner of Season 4 of "The Voice," performed a private set, including her popular song "Sway," for an enthusiastic crowd at the showroom's ribbon-cutting ceremony.





Nourishment Area (above)

The kitchen was crafted according to human-centric design as well as principles of health and wellness. From the cleaning supplies used to the portion size of snacks provided, every aspect works toward the well-being of the people in the space and provides a place to recharge and refuel.



Biophilia (below)

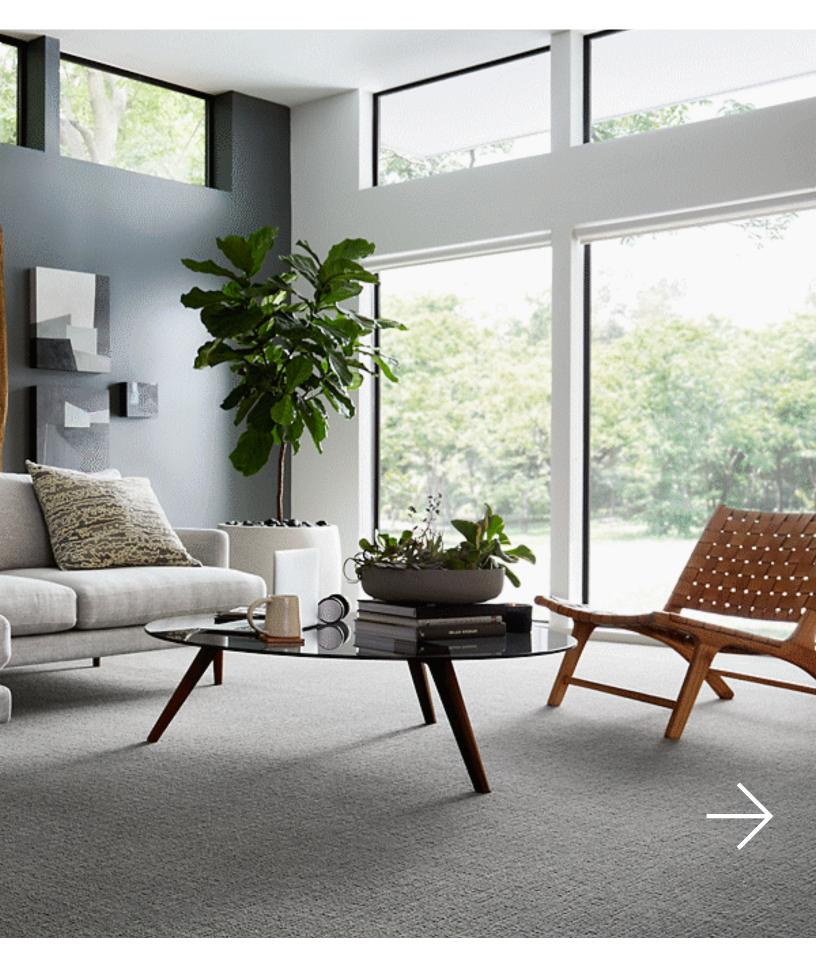
The showroom brings the outdoors in with a planter box herb garden containing fresh mint, sage and other herbs for visitor and employee use. Natural-looking floor coverings like Lichen carpet mimic natural patterns and reinforce the connection to nature.





Products

Customers incorporate our flooring products into their homes and workplaces—and they care about how those products are made. We have a growing portfolio of products that are free of harmful substances and manufactured with less environmental impact.



MOHAWK Believe in Better: Products



Mohawk's Path to Living Products

More than 30 years ago, Jackie Dettmar began her career at Karastan as the brand's first female manufacturing management trainee. She never looked back.

Today, she is Mohawk's Vice President of Design and Product Development, bringing decades of experience in manufacturing, design and product development with multiple Mohawk brands. Dettmar lends her perspective to the design and creation of innovative, sustainable flooring solutions. We asked Dettmar about the role that the Living Product Challenge is playing in Mohawk's sustainability journey.

Q. How has Mohawk's product sustainability strategy evolved over the past several years?

JD: We've been through many phases in sustainability. Recycled content. Cradle to cradle. Reducing one's environmental footprint. That was the bandwagon, and we jumped on. It wasn't wrong, but our decisions were driven by external factors. After a while, we decided we wanted something more holistic, something that felt like ours. That led us to the Living Product Challenge.

Q: How did you learn about the Living Product Challenge?

JD: We participated in the International Living Future Institute (ILFI)'s Living Building Challenge with our Light Lab design center in Dalton, Georgia. The Living Building Challenge is a set of standards for





green buildings, while the Living Product Challenge applies environmental criteria to the manufacturing of specific products. Many commercial builders use Mohawk products to earn accreditation like WELL or LEED, and it made sense to us to start thinking about sustainability during the product manufacturing phase.

Q: What makes the Living Product Challenge different from other sustainability standards?

JD: The Living Product Challenge is broad in scope, requiring manufacturers to consider the full life span of their products. The certification is organized into seven performance areas, known as "Petals," which include Place, Water, Energy, Health & Happiness, Materials, Equity and Beauty. Most importantly, the Living Product Challenge isn't about reducing your footprint—trying





to do less harm. It's about your handprint, leaving the world in better shape than when you found it. The Living Product Challenge is the only thing I've seen that requires you to have a net positive effect on the world.

Q: What Petal-certified products has Mohawk introduced?

JD: Our first certified product was Lichen, a carpet product designed in partnership with Jason McLennan, Living Product Challenge's founder. That experience was a strategic opportunity to introspectively look at different ways we can have a net positive impact on people and the environment. The release of Lichen allowed us to present <u>five more</u> <u>certified products</u> in 2018.

Q: How else does the Living Product Challenge help Mohawk leave a positive handprint?

JD: The challenge encourages manufacturers to think beyond the products themselves and find ways to give back. As a result of new Petal-certified products launched in 2018, Mohawk installed a series of <u>SmartFlower Solar™ panels</u> in communities where we operate. It's also forcing us to think about design in new ways. We believe that great design emerges when we challenge ourselves to expand our

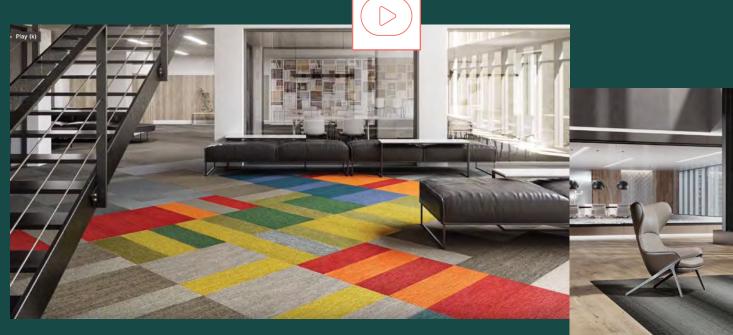


ideas about what a more thoughtful approach can bring and what our flooring solutions can achieve. It's very fulfilling to design products that we know are creating a better world, instead of taking from it, by helping to shape a healthier, culturally rich and ecologically restorative future.

MOHAWK Believe in Better: Products

Innovative Products

Guided by the standards of the Living Product Challenge, Mohawk is introducing new products that are not only functional and beautiful, but that positively impact the workers who make them, the customers who use them and the communities that surround our manufacturing operations. Learn more about the sustainability benefits of our newest materials and products.



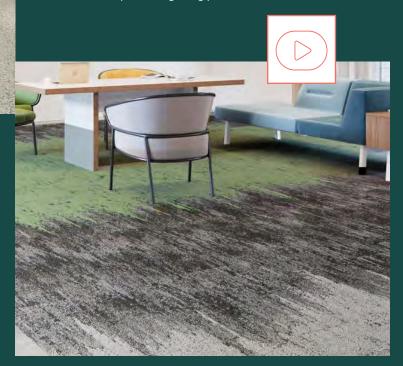
Heathered Hues

Woven into many of Mohawk's Petal-certified products is Heathered Hues yarn, a new high-performance color yarn system available from Mohawk Group. Designed to do more with less, the yarn is dematerialized for a low environmental impact, and no water is used in its production. Yarns are used for high performance at lower weights, and Mohawk Group's direct tuft technology minimizes energy and carbon dioxide impact while making the fiber easy to recycle. Heathered Hues is used in our Lichen Collection carpet, as well as Nutopia, Nutopia Matrix, Sunweave and Mega Art.



Pivot Point

Pivot Point is the first Red List-free enhanced resilient tile (ERT) offering on the market, containing none of the most harmful materials commonly used in the building industry. It is Petal-certified, carbon neutral and manufactured using alternative chemistry. The tile was inspired by a need to bring biophilia into settings such as healthcare facilities, where access to nature has been proven to reduce stress, improve wellbeing and encourage healing. Pivot Point features four wood and four textile patterns in a plank format and four natural stone visuals in a tile format. It is designed to coordinate with the Mohawk Group's other Petal-certified products, enabling builders to create an entire space using living products.



Nutopia

Nutopia, our Petal-certified carpet plank system, took a different approach to biophilia than other new Mohawk products. We've traditionally looked to nature, rural environments and the countryside for biophilic inspiration, but Nutopia was inspired by the natural weathering that occurs on buildings and streets with the passage of time. For example, the Urban Passage pattern mimics gradients of peeling paint and is available in both bright colors and neutral shades, creating beauty from the unexpected. Nutopia planks come standard on Mohawk Group's Red List-free EcoFlex NXT carpet tile backing.

Sunweave

MANANA

The Sunweave collection is the first Petal-certified product in the broadloom and area rug category, merging the time-honored craft of woven construction with today's desire for artisanal materials, authenticity and warmth in contract spaces. This new carbon-neutral collection builds on the rich manufacturing heritage within Mohawk Group's Karastan mill in Eden, North Carolina, the largest woven plant in the U.S. Inspired by women weavers of indigenous cultures around the world, Sunweave evokes natural patterns found in traditional baskets, blankets and textiles. To offset the water used in this collection's production, we partnered with Hampton University to install low-flow showerheads, helping save 4 million gallons of water per year.

MOHAWK Believe in Better: Products

Inside the Sustainable Home

Mohawk offers flooring solutions that help customers live sustainably in every room of their homes. Explore some of our sustainable products.

SmartStrand

T OD IN

Because soft, stain-resistant SmartStrand carpets are made with renewably sourced polymers, they require less energy to manufacture than other fibers. They're also made for durability, maintaining their appearance three times longer than comparable nylon carpets.



Perennial Porcelain Roofing

Porcelain roof tiles from Daltile are made from natural ingredients like clay, sand and feldspar. They are built to withstand decades of weather and outdoor elements, lasting two to three times as long as asphalt shingles.

Everstrand Carpet

Customers looking for the cleanest, most sustainable carpet for their homes need look no further than EverStrand. The carpet is made with up to 100 percent recycled content, using Mohawk's Continuum process to recycle plastic bottles into strong and beautiful yarns.







EcoFlex Matrix

Carpet tile backings are made from 40 percent recycled content and require significantly less energy to produce than similar products. New packaging fits 33 percent more material per box, lowering the environmental impact of EcoFlex's transportation.



Moduleo LVT

Our Moduleo LVT is made using up to 50 percent recycled post-industrial material and is itself recyclable. In addition, the flooring has heat-insulating properties that can cut down on a home's heating requirements.

Mohawk Home Mats

Mohawk Home is the largest supplier of rugs and mats in the United States. Each year, we keep used tires out of the waste stream by transforming them into designer doormats. This product line can use up to 10 million pounds of recycled tire crumb rubber every year.



Yorkwood Manor Tile

Yorkwood Manor™ is a glazed porcelain woodlook tile with more than 45 percent post-industrial recycled content. Through this and other products, Daltile prevents more than 175 million pounds of waste from reaching landfills each year.

MOHAWK Believe in Better: Products

Sharing Sustainable Design Practices in a World of Waste

Before products are installed in consumers' homes, before they arrive in showrooms or roll off production lines, they begin with a flash of inspiration in the mind of a designer. That inspiration could come from observing the work of fashion icons and conceptual artists or following cultural shifts that might affect style preferences.





As A&D Design Director with Mohawk Group, it's Royce Epstein's job to know what trends are on the horizon. She works with product development teams to apply insights from her research to new products. An emerging area of focus is waste: what to do with the growing volume of it that has already been created, and how to design new products that don't contribute to the waste stream.

The more Epstein learned about this topic, the more she was inspired to share her findings with others. The Mohawk Group routinely offers continuing education units (CEUs) for interior designers and architects, many of whom are customers, through organizations like the Interior Design Continuing Education Council (IDCEC) and the American Institute of Architects (AIA). Epstein proposed a CEU on "scrap culture" to explore the idea of waste as design currency and share examples of innovative materials that reduce waste.

"Mohawk is inspired by emerging designers' innovative ideas for repurposing waste," explains Epstein. "We're using the size and strength of our business to research how we can apply these ideas to our own products, and we're proud to share what we're learning."

The course was approved by IDCEC and AIA and since 2018, Royce herself has presented Scrap Culture to more than 800 people. A team of Mohawk Group sales representatives that Royce trained have given the presentation to many more. She debuted a follow-up CEU, known as Dematerialized/Rematerialized and focused on the creation of new product materials, at the International Contemporary Furniture Fair in New York City.

While Scrap Culture showcases concepts from the worlds of art and high fashion, the lessons are applicable to anyone. "In my mind, design is design, no matter what you're creating," Epstein says. "When you combine design thinking and sustainability, you can solve big problems."

Helping a Star Play Loud and Clear

When chart-topping singer Carrie Underwood released her newest album, Cry Pretty, it made perfect sense to do so at a grand venue in Nashville, the birthplace of country music. The only problem: the Parthenon, the setting chosen for the event, had high ceilings and concrete walls that made acoustics a challenge.

Mohawk's Durkan brand provided carpeting that reduced reverb in the building by three seconds, allowing fans to hear the music as it was intended. After the event, the carpet had to be removed, and both Underwood and her record label insisted that the carpet be disposed of responsibly.

To do so, we leveraged ReCover, Mohawk's carpet recycling program, to give a new life

to the broadloom carpet from the event. Smaller area rugs were made from the large carpets and auctioned off in support of the Lifecycle Building Center (LBC) in Atlanta. LBC is a nonprofit that converts discarded building materials into a community resource. We were thrilled to contribute to the event's success, and to see the carpet get a new, sustainable life.

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Photo credit: Randee St. Nicholas
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Royce Epstein, A&D Design Director, Mohawk Group





People & Communities

When we take care of our employees, they pass on a spirit of caring to communities worldwide. Through volunteerism, donations and sustainable choices, our people make our handprint personal.







MOHAWK Believe in Better: People & Communities



Solar Flowers Bloom in Communities

<u>The Living Product Challenge</u> has allowed Mohawk to connect handprints and footprints, linking our sustainable products to many of the communities where they are made. To earn Petal certification from the Living Product Challenge, products must have a netpositive impact on the planet and its inhabitants. We achieved this for the five Petal-certified product collections introduced in 2018 through a partnership that will help solar energy burst into bloom.

Our project partner, Groundswell, develops community solar projects and subscriber management programs that connect solar power with economic empowerment. Over the course of a three-year partnership, Mohawk Group will invest in 10 SmartFlower Solar™ energy units that will offset the energy used to manufacture our Living Products.





Each SmartFlower is made up of a collection of petal-shaped solar panels that respond to the sun just like a flower, opening its solar petals in the morning and tracking the sun throughout the day to convert sunlight into electricity, and then closing at night. By following the sun's rays, SmartFlowers generate 40 percent more energy than static solar panels. In total, the 10 units will provide an energy savings of 3.3 million kWh, enough to power over 300 American homes for a year.

Units will be placed in underserved communities near educational institutions with STEM programs. The first two SmartFlowers were installed by Rockingham County Schools in Eden, North Carolina, near Mohawk's historic Karastan carpet plant; and at The Renaissance Collaborative (TRC) in Chicago, a community development corporation that provides supportive housing, employment and educational services. The SmartFlowers will not only generate environmentally friendly electricity, they will create a perpetual series of handprints by helping organizations reduce their utility bills, thereby freeing up resources to help them further their missions. The panels also provide a source of STEM education. One of TRC's training programs is in solar panel installation, and at the Chicago event, the Mohawk Group committed to send TRC's graduating class of solar installers to the Greenbuild International Conference and Expo. Attendance will give TRC graduates the opportunity to network with solar industry designers and manufacturers, potentially leading to permanent employment in green careers.

"In creating our Living Products, we wanted to extend our handprint by reaching out and setting up strategic opportunities for communities that do not traditionally receive the first fruits of what sustainability is able to offer," says George Bandy Jr., Vice President of Sustainability at Mohawk. "Together, we can not only create environmentally responsible products, but generate meaningful educational and employment opportunities that improve the world around us."



MOHAWK Believe in Better: People & Communities

Perspectives From the Front

Across the world, Mohawk employees are leaving positive handprints that leave the world better off. From overseeing the efficiency of our operations to living more sustainably at home, these individuals are models for how to make a meaningful mark.



Growing up in India exposed me to a different variety of cultures and traditions that helped shape me both personally and professionally. I strongly believe that people from different backgrounds and cultures bring their

life experiences and bring perspective to the work that we do. As a global company, I think it's really important that we take advantage of this.

RAMI VAGAL Senior Manager, Sustainability Calhoun, Georgia, USA



Sustainability starts at home, and I've enjoyed outfitting my home with smart thermostats, light bulbs and switches that make my home automated and energy efficient. Not only am I doing my part for the

environment, I'm saving money and enjoying the benefits of home automation. By the same token, I am proud to work for a company that works to reduce its carbon footprint and minimize its environmental impact.

PAUL WHITE

Senior Director of Talent Acquisition— Flooring North America Calhoun, Georgia, USA The Glasgow facility has been blessed with a great location in the heart of the Blue Ridge Mountains. I'm reminded of the importance of sustainability each time I glance out an office window toward the snow-covered peaks or see a bald eagle on nearby River Road. The Glasgow team feels a tremendous obligation to be responsible stewards of the environment and to demonstrate strong leadership as a responsible corporate citizen.

DOUG CARTER



Senior Plant Manager, Commercial Carpet Tile Glasgow, Virginia, USA



I have a 16-year-old daughter, and she's the most important thing in the world to me. Sustainability is important because I want to leave the best

earth I can to her and to future generations. The two of us recycle everything we can at home and have convinced our large extended family to do the same. At work, I've found ways to reduce waste, such as saving paper by digitizing employee files.

MARIA GUZMAN

Director of Global HR Systems, Processes and Employee Relations Calhoun, Georgia, USA



In my role, I ensure that our plants are taking necessary precautions to reduce their impact on the environment. This work has taught me the importance of issues related to the environment, particularly preventing pollution and addressing climate change. I am convinced that in the long term, the most successful companies will be those that have sustainability as an indispensable business value.



STEFANO MALAGOLI Environmental Specialist, Marazzi Group Sassuolo, Italy There is a lot of noise around sustainability in the world, but I focus on what I can do as an individual, like saving water or electricity, reducing household waste and recycling batteries. If we all do our part, the world will be a better place.



ANNA CHU Regional Vice President, Greater China and Southeast Asia

Businesses like ours can empower customers to make a difference with product choices large and small. For example, as we prepare to launch Mohawk EverStrand and EnviroStrand in Australia, we're inspired by the work that's already been done to recycle plastic bottles into fibers for these carpets. To reduce my own plastic use, I've swapped single-use water bottles for reusable ones that I rotate in my fridge at home.

JOHN

HARRISON Marketing Manager, Godfrey Hirst Melbourne, Australia



MOHAWK Believe in Better: People & Communities

Handprints in Local Communities

An important way Mohawk leaves a positive handprint is by touching communities through enterprise and corporate sponsorships that give back to the places where we live and do business. See how we're leaving our mark.



Homes Built With Our Heroes in Mind

Mohawk supports the Tunnel to Towers Foundation through Building for America's Bravest, a program that builds smart homes for injured service members returning home. Each home is custom designed to address the needs of the individual who will live there, incorporating energy efficiency and adaptive technology to help veterans live better, more independent lives. As of the end of 2018, Mohawk has donated flooring and ceramic tile for 75 homes built through the foundation.



Materials That Give Again and Again

Through Mohawk's ReCover carpet reclamation program, old flooring products that would otherwise be sent to landfills are donated to nonprofit organizations or recycled into new materials. Since its inception a decade ago, ReCover has given new life to 32.6 million square yards of carpet. In 2018, the program received the GreenStep Award in the Practice/Process category from Floor Covering Weekly in recognition of this achievement.



A Back-to-School Surprise

A student's surrounding environment plays a critical role in their ability to learn. When hundreds of Georgia children returned to school in fall 2018, they were greeted by revamped classrooms and media spaces, thanks in part to Mohawk Industries and the Georgia United Credit Union School Crashers program. Over the past five years, School Crashers and Mohawk have provided 33 schools with much-needed facility improvements. For the 2018–2019 school year, Mohawk donated commercial broadloom carpet, carpet tile, adhesive and bound area rugs to six Georgia schools.

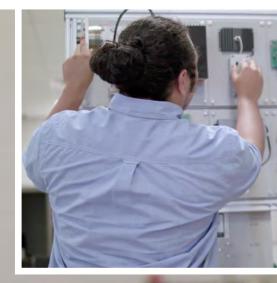




Giving Generously for the Holidays

During the holiday season, many Mohawk facilities host food drives to help feed families in need. For example, teams at the Mt. Gilead facility in North Carolina challenged each other to see who could donate the most food. The real winner was the local food bank, to which the facility gave more than 3,000 items. Thirty employees at the Danville facility in Virginia brought in over 300 items, including 16 turkeys, for local families. Virgil Drive in Dalton kept up their giving throughout the season, providing donations for Hurricane Florence relief, food for Thanksgiving and a toy drive at Christmas.

MOHAWK Believe in Better: People & Communities



Developing Talent in Our Hometown Communities

As a high school student, David Salazar didn't know which career path he wanted to follow. Then, a teacher encouraged him to apply for the Mohawk Apprenticeship Program.

Engaging the Latin American Community

The Latin American Association (LAA) has empowered Latinos to adapt, integrate and thrive in Georgia communities for more than 40 years. Georgia's second-largest Latino population is now in Dalton, located close to Mohawk's world headquarters in Calhoun. Thanks to a new partnership with Mohawk, LAA has expanded to serve northwest Georgia in five focus areas: education, economic empowerment, immigration, family well-being and cultural engagement. Mohawk and LAA will work with other local organizations, including Georgia Power, the Dalton Chamber of Commerce, the Dalton Police Department, Dalton Public Schools and Hamilton Medical to make the region a better place for all who live and work there.









80% apprentices securing full-time jobs with Mohawk

This nationally recognized program combines work experience and classroom education as part of ongoing mechatronics training that includes mechanical, electrical, telecommunications, control and computer engineering skills.

Salazar entered the program as a pre-apprentice while he was a senior in high school. After graduation, he became a full apprentice, and is now pursuing his associate degree in Industrial Systems Technology. "Being able to work and go to school gives me an opportunity to see how things work in real life—and learn why they work in school," Salazar says. "It's a good balance between hands-on and theory."

At the end of the program, which can be completed in four years or less, depending on skill levels, participants have the option of receiving their apprenticeship certification or completing additional coursework to receive an associate degree in mechatronics. Mohawk covers the cost of tuition and books, as well as compensating apprentices for classroom hours and on-the-job training.

Since its launch in 2014, the Mohawk Apprenticeship Program has attracted more than 43 apprentices at 17 locations worldwide. The program has graduated 13 apprentices, with 80 percent securing jobs with Mohawk full-time after completing the program.

It's helping us build up a base of talent in the communities where we operate. According to Linda McEntire, Director of Technical Training at Mohawk, "This program is contributing to a trained workforce, an increase in local economic development, and strong partnerships with local technical colleges and career academies. Mohawk is not only advancing the future of our company, but we are also advancing the lives of people in our communities."



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