

Growth Done Well

2014 Corporate Responsibility & Sustainability Report









Growth Done Well

That's our goal. Business expansion continues to be the hallmark of our strategy as we build upon our position as the world's largest flooring manufacturer. We're committed to growing in ways that are environmentally sound, socially responsible and that make sense for our stakeholders.

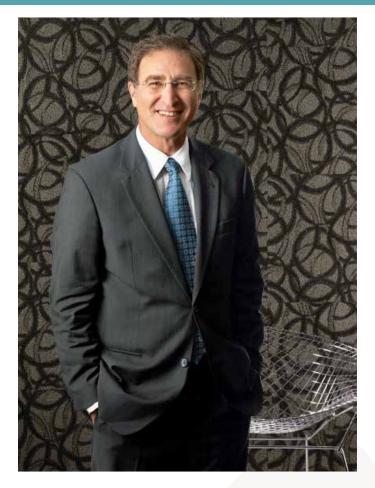
Contents

CEO MESSAGE	2
COMPANY	4
APPROACH	I
PEOPLE	18
PRODUCT STEWARDSHIP	33
GOALS & PROGRESS	48

We are pleased to present Mohawk Industries' sixth annual Corporate Responsibility & Sustainability Report. We have prepared this report using the Global Reporting Initiative (GRI) 3.1 guidelines and are reporting at a B+ application level. Much like our financial reporting process, Mohawk Industries engages a third party to audit and verify the content of publicly issued reports. Accordingly, we have commissioned FIRA to provide "Moderate Assurance" to the Web-based and PDF versions of this report.

The reporting period for this year's report is the 2014 calendar year, which is also our fiscal year. Content is limited to the products and operations of Mohawk Industries and its wholly owned subsidiaries. During the reporting period, we acquired a wood flooring plant in the Czech Republic.

Our process for defining the content of this report is closely aligned with our sustainability vision and strategic approach that encompasses process, products and people. In evaluating content, we sought to include data and metrics that were measurable, accurate and verifiable, primarily through invoice records and systems data.



A Message from Jeffrey Lorberbaum, CEO and Chairman

In Mohawk's pursuit of growth and profitability, we never lose sight of who we are as a Company. Our challenge is to balance the growth of our business and global footprint with our sense of responsibility as an organization. It's the right thing to do; and we have seen time and again that when growth is done well, it creates opportunities for our business and all of our stakeholders.

More environmentally sound manufacturing practices lead us to higher levels of efficiency and profitability. Investment in R&D to innovate more sustainable products results in differentiated products that command a higher premium in the marketplace. Being a good and fair employer positions us to attract, retain and develop the best and the brightest talent. And, helping to build strong communities means we have good places to both live and do business. Simply put, growth done well makes good business sense.

Mohawk has had no shortage of opportunities to hone the process of growing responsibly as we have built the world's largest flooring company. During the past three decades, our operational footprint has expanded from the U.S. to Australia, Brazil, Canada, Europe, Malaysia, Mexico and Russia. Likewise, our product portfolio has expanded from our flagship Mohawk carpet brand to encompass leading brands and market positions in ceramic, laminate and wood.

These expansions have been accomplished through the acquisition and integration of more than 30 new businesses, as well as ongoing investments in legacy businesses. From 2013 through the first half of 2015, we've committed nearly \$3 billion to acquisitions and another \$1 billion plus to investment in existing businesses. When we're making investments of that magnitude, we must get them right and we do so by adhering to a set of internal guidelines that continue to serve us well.

Reinvestment is key to making strong businesses even stronger.

We view our investment in an acquisition as a start rather than a finish. We understand that continual cycles of reinvestment are required to sustain a business long term. Capital investments in state-of-the-art manufacturing equipment, for example, can help us conserve natural resources for our planet, create a safer working environment for our employees and enhance product quality for our customers — all of which contribute to higher levels of profitability that drive more reinvestment.

A global company is best run by local businesses.

Though flooring is a common denominator across all of our businesses, there are very different dynamics within each unit, ranging from geographic markets to product categories to distribution channels. These differences are driven by factors such as regulatory requirements, employment practices and supply chains, to name a few, that also are unique to each business. As we grow around the world, our decentralized management approach places operational responsibility with the team closest to the ground in order to drive optimal transparency, accountability and performance.

Best practices should be leveraged in a flexible manner.

Sharing good ideas and best practices across Mohawk business units, geographies and brands can create significant returns while also complementing our decentralized management approach. Take our zero landfill waste program. What started as a pilot initiative in our rug and mat business was then leveraged throughout our entire Carpet business. Now, the program has been successfully implemented at 25 sites. Equally beneficial is the mindset that we're instilling among our manufacturing employees who are more mindful of their material use both at work and at home.

CEO Message

Inherent to the success of what will eventually be a global program is the flexibility for each site to adapt waste diversion processes to their particular plant. That flexibility helps to ensure that when one business unit passes a best practice to another, that practice is embraced and perhaps even enhanced in the process of adapting it to new needs. This holds true across every area of the business—logistics, technology, safety, product development and sales, to name a few.

Another way to share best practices is through hands-on experiences. As our global organization grows, we are finding great value in providing rotational opportunities for employees among our business units. For example, our Malaysian hardwood manufacturing plant reports in to Unilin, which is based in Europe. Having an individual from the plant on a short-term assignment in Europe provides cross-development opportunities for both our employee and our business.

The efficacy of our approach to growth was evident in 2014 as Mohawk recorded another strong year. Sales climbed 6 percent to \$7.8 billion, while adjusted net earnings climbed 26 percent to \$598 million. Beyond our financial performance, we grew well on numerous other fronts by:

- Integrating three businesses acquired in 2013.
- Acquiring a wood flooring plant in the Czech Republic to support expansion of our wood business in Europe and Russia.
- Introducing new products in two of our most successful carpet lines, EverStrand®, which contains up to 100 percent recycled content and utilizes our proprietary Continuum manufacturing process, and SmartStrand®, made with a renewably sourced polymer.
- Investing in our Ceramic business through a new production line in Dallas, a new plant in Tennessee and the modernization of our European manufacturing facilities.
- Recording double-digit percentage improvements across all of our corporate safety metrics, including Recordable Events and Lost and Restricted Workday incidents.

- Achieving the highest ranking for a manufacturing company number 14 on *Training* magazine's annual Top 125 list, our tenth consecutive year of making this list.
- Reducing our overall absolute energy use for the first time and energy intensity for the fifth consecutive year.

Further, we began 2015 by announcing our intent to acquire the IVC Group, the fastest-growing supplier of luxury vinyl tile (LVT) in Europe. This acquisition, combined with the construction of a new LVT plant in the U.S., firmly establishes Mohawk as a leader in one of the fastest growing categories in flooring today. Also, in early 2015, we acquired a small Eastern European ceramic manufacturer, a great example of our practice of manufacturing products in the markets where we sell them in order to reduce our logistics and transportation impact.

Strong businesses are sustainable ones, and we are confident in Mohawk's long-term capabilities and potential. Through continuous business reinvestment, a highly defined business strategy and a well-developed sense of responsibility, we look forward to building on our track record of Growth Done Well for the benefit of all our stakeholders.

Thank you for your continued interest in and support of our Company.

Sincerely,

Jeffrey Lorberbaum

Chairman and Chief Executive Officer

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MOHAWK

Company

2014 Corporate Responsibility & Sustainability Report







Mohawk Today

31,000+ Employees

\$7.8B Annual Sales

100+ Year Manufacturing Legacy

HEADQUARTERS

Calhoun, Georgia

LEADING MARKET POSITIONS

- U.S. Carpet, Ceramic Tile, Natural Stone, Wood, Rugs
- Europe Ceramic Tile, Laminate
- Russia Ceramic Tile, Laminate

END-CUSTOMERS

- Consumers
- Commercial Builders & Contractors

SALES CHANNELS

- Specialty Retail
- Home Improvement Retailers
- Department Stores
- Distributors

VERTICALLY INTEGRATED OPERATIONS LEAD TO PRODUCTS WITH BETTER PERFORMANCE, MORE SUSTAINABLE FEATURES AND EASIER CARE







Material Sourcing





Manufacturing





Distribution

End-to-end integration also delivers business advantages such as quality control, cost management and raw material integrity.

BUSINESS UNITS



Carpet

One of the largest carpet suppliers in the world.

Products:

Carpet cushion, rugs and mats, floor care products

Brands:

Mohawk", Karastan", Lees", Bigelow", Durkan" and Mohawk Home

Learn more:

Residential:

www.mohawkflooring.com

Commercial:

www.mohawkgroup.com

Rugs

www.mohawkhome.com



Ceramic

The largest manufacturer, distributor and marketer of ceramic tile and natural stone in the world.

Brands:

Daltile[®], American Olean[®], Marazzi[®] and Ragno

Learn more:

www.daltile.com www.americanolean.com www.marazziusa.com www.ragnousa.com www.marazzigroup.com



Laminate & Wood

One of the world's largest suppliers of premium laminate and hardwood flooring.

Europe product line includes roofing systems, insulation boards and other wood products for the construction, cabinet and furniture markets.

Brands:

Quick-Step[®], Columbia[®], Century[®], didit[™] Click Furniture and Pergo[®]

Learn more:

www.unilin.com www.quickstep.com www.pergo.com



1990s

United States

Built U.S. carpet and rug positions with a series of acquisitions throughout the decade. Today, we are a leader in the \$19 billion U.S. flooring market with product distribution across multiple categories.

2002

Mexico

Became largest U.S. ceramic manufacturer with acquisition of Dal-Tile, with facilities in the U.S. and Mexico.

2004

Europe

Established leading positions in U.S. and European laminate markets by acquiring Unilin and its patented Uniclic® installation technology, as well as a regional European roofing panel and board business.

2007 Malaysia

Achieved vertical integration in wood category through Columbia Wood Flooring acquisition and realigned Malaysian hardwood manufacturing operations to drive efficiencies and productivity.

20II

Russia and Australia

Entered the Australian flooring market through the acquisition of the only national laminate and hardwood distributor and began production of laminate in Russia to maximize market share.

2012

Brazil

Entered the Brazilian laminate flooring market through a JV investment.

2013

Scandinavia, Italy, Spain

Established worldwide leadership in ceramic category through Marazzi acquisition; created leading laminate position in U.S. and enhanced European premium laminate position by acquiring Pergo; consolidated regional chipboard leadership with Spano acquisition.

2014

Czech Republic

Acquired a wood flooring plant in the Czech Republic to grow wood business across Europe and Russia.

A comprehensive financial review of our business can be found in our 2014 10-K filing with the Securities and Exchange Commission. Since the publication of our 2013 Sustainability Report, we have closed three sites in the U.S. and one plant in Europe and sold one facility in both Italy and France, respectively.



Net Sales

\$7.80





Adjusted Diluted Earnings Per Share(I)







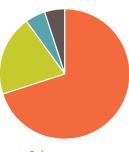
Total Assets (in billions)



Capital Expenditures (in millions)

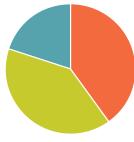


Sales by Geography



70%

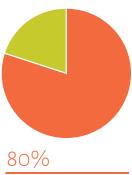
Sales by Business Segment⁽²⁾



20%

Laminate & Wood

Sales by End Use



⁽¹⁾ Reconciliations to the most comparable GAAP measures can be found at www.mohawkind.com and in Appendix A to the 2015 Proxy Statement.

⁽²⁾ Rounded without acquisitions.

Board of Directors

Jeffrey S. Lorberbaum

Chairman and Chief Executive Officer Age 60*

Karen A. Smith Bogart (2)(3)

President of Smith Bogart Consulting Age 57*

Bruce C. Bruckmann (1)(3)

Managing Director of Bruckmann, Rosser, Sherrill & Co., Inc. Age 61*

Frans G. De Cock

Former President of Unilin Age 72*

John F. Fiedler (2)

Former Chairman and Chief Executive Officer of Borg-Warner Automotive, Inc. Age 76*

Richard C. III (1)(3)

Chairman of Triumph Group, Inc. Age 71*

Joseph A. Onorato (I)(2)

Former Senior Vice President and Chief Financial Officer of Echlin, Inc. Age 66*

William H. Runge III (2)

Managing Director of Alvarez & Marsal Age 63*

W. Christopher Wellborn

President and Chief Operating Officer Age 59*

- (1) Audit Committee (2) Compensation Committee (3) Nominating and Corporate Governance Committee

*as of December 31, 2014

Senior Management Team

Jeffrey S. Lorberbaum

Chairman and Chief Executive Officer

W. Christopher Wellborn

President and Chief Operating Officer

Frank H. Boykin

Chief Financial Officer

James F. Brunk

Corporate Controller and Chief Accounting Officer

John C. Turner, Jr.

President, Ceramic North America

Brian M. Carson

President, Carpet

Bernard P. Thiers

President, Laminate & Wood

R. David Patton

Vice President — Business Strategy, General Counsel and Chief Sustainability Officer

Phil Brown

Senior Vice President of Human Resources

Jana Kanyadan

Chief Information Officer

Governance

Mohawk Industries is a publicly traded company listed on the New York Stock Exchange under the ticker symbol "MHK." We make the following materials available to the public on our website at www.mohawkind.com:

- Board of Directors and Executive Officer listing
- Board committee charters
- Contact information for Board members
- Corporate governance guidelines
- Privacy policy
- Related person transaction policy
- Standards of conduct and business ethics

In addition, our 10-K and Proxy filings with the Securities and Exchange Commission are accessible through the Investor Information section of the corporate website.

Executive Compensation

Senior management and executives are compensated for performance on key indicators that include social and environmental metrics. Our Board of Directors is not compensated on these performance indicators. The Board appraises its own performance through self-assessment and committee evaluation. More information about executive and board compensation is available in our 2015 Proxy filing.

Risk Management

We identify and address risks and opportunities faced by our business through a multi-tiered approach. Our Board of Directors and its committees assess risk and oversee risk-mitigation on an enterprise-wide basis across a variety of functional areas. Corporate administrative and business leaders in each of our segments support these efforts. Our finance personnel assess risk in areas such as treasury, insurance, public reporting and audit, while our legal department personnel evaluate and advise on legal risk mitigation. Operating units are responsible for risk management within their respective businesses, with oversight from our corporate administrative and executive teams.

Ethics

Honesty, integrity and transparency are critical to sustaining any organization. All of our employees, officers and directors are expected to adhere to our Code of Conduct, which demands integrity and a high standard of ethics. We continue to re-examine our ethics policies and procedures to ensure that we are managing the demands of global expansion.

Unethical behavior, including any type of corruption, is not tolerated within the organization. We also have policies in place throughout our global operations to deter anti-competitive behavior. As our Standards of Conduct and Ethics state succinctly, "Mohawk is committed to doing what is right and deterring wrongdoing."

Currently, all of our business units are analyzed for corruption risks, and our audit team regularly reviews accounting records for evidence of corruption. We have determined that most salaried or white collar employees and agents of the corporation are at risk for encountering circumstances that require sound ethical judgment. This group represents roughly 27 percent of our global workforce. Corruption training is done at least once every two years across the company. In 2014, 49 percent of our at-risk employees were trained in our anti-corruption policies and procedures. These employees are trained, based on the nature of their job responsibilities, to understand the potential for corruption to occur. In addition, these individuals complete an ethics/corruption survey as part of their annual review. Also in 2014, we enhanced our training procedures by introducing Web-based anti-corruption training delivered in the local languages of salaried employees worldwide in order to help them better understand corruption policies and procedures.

Mohawk Industries does not receive any significant financial assistance from local, state or federal government entities. We do not lobby directly on behalf of our own business operations, nor does the Company make financial contributions to political candidates. On occasion, Mohawk does participate in industry lobbying and public policy development efforts. Mohawk employees may make individual contributions to political candidates.



We expect our commitments to operational excellence, ethical conduct and respect for individual rights to be shared by all of our suppliers. To this end, we maintain a Supplier Code of Conduct to ensure that materials incorporated into Mohawk products comply with laws and requirements, including our own principles of social responsibility.

The Code, which we have enhanced as we have expanded globally, clearly outlines our expectations, consistent with International Labour Organization standards, with regard to the prohibition of child labor, forced compulsory labor, the maintenance of workplaces free of coercion and harassment, the responsibility to provide employees with a safe and healthy workplace, and respect for the rights of employees to organize and bargain collectively. The Code also communicates that suppliers are expected to meet requirements applicable to human trafficking and slavery that are in accordance with the California Transparency in Supply Chains Act of 2010 (SB 657).

Adherence to applicable laws, regulations and standards is a condition for doing business with Mohawk, and compliance extends to suppliers' subcontractors. The Mohawk Supplier Code of Conduct is implemented for Mohawk worldwide. We conduct assessments of select new and existing suppliers to verify compliance with the Code. These include supplier questionnaires, management meetings and facility audits, which may be attended by Mohawk staff or third parties. We do not currently retain a third-party verifier, but reserve the right to retain one, and require suppliers to agree to third-party verification.

We provide training to employees and management who are responsible for the implementation, management and enforcement of our Supplier Code of Conduct. Should we discover a Code violation, we promptly address the issue with the supplier and require correction of the issue. Our internal accountability controls include unannounced audits to verify correction and compliance, and the potential for termination of the supplier relationship for failure to remedy the violation.

Conflict Minerals

Mohawk recognizes conflict minerals as an important supply chain issue. We have developed a strong position on our use of all minerals, along with a materials verification process that is applied to our global suppliers. These minerals constitute a very small part of our supply chain needs. To the extent that these minerals are used in our products, however, we have confirmed with our suppliers that none of these have been sourced from the Democratic Republic of Congo or an adjoining country. We will continue to monitor our use of these minerals to ensure, as accurately as possible, that they do not originate from this region.

Approach

2014 Corporate Responsibility & Sustainability Report









Sound environmental, social and governance principles are intrinsic to the culture and operations of Mohawk Industries. As a publicly held company with a strong code of conduct, we understand the importance of compliance across every aspect of our operations. Even more important, as stewards of a business that must compete in the marketplace on a daily basis, we appreciate the value and goodwill that comes with being an organization that always strives to do what is right for our stakeholders. Moreover, we continue to see the growing importance that many of our customers place on sustainable products and are committed to meeting their needs.

These factors come together in a three-pronged sustainability strategy that combines process, products and people:

PROCESS

Minimizing the environmental impact of our manufacturing and distribution operations through resource conservation and waste reduction.

PRODUCTS

Offering products across every flooring category that utilize either recycled or renewable inputs, as well as holding suppliers accountable for ensuring that products are manufactured in a responsible manner—one that respects both the labor and the environment behind them.

PEOPLE

Affirming a belief that every aspect of our business benefits when we engage positively with people who are stakeholders in our success. Our intent is always to be a fair employer, an ethical business partner and an active corporate citizen in our communities.

Sustainable Innovation

Innovation is a key business strategy for Mohawk and one that transcends all aspects of our sustainability strategy as well. We nurture innovation not only by investing in R&D activity, but also by fostering a culture where fresh thinking is rewarded and a healthy dissatisfaction with the status quo is encouraged. The result almost always leads to better and more differentiated products in the marketplace, as well as improved ways to operate our business.

In the product arena, innovation has led to such breakthroughs across all categories. For example, Continuum™ technology supports the growth of product collections made from up to 100 percent recycled polyester. Dal-Tile's state-of-the-art Reveal Imaging® technology reduces the margin for error in design and manufacturing, which in turn enhances material efficiency. In laminate and wood products, Unilin's patented Uniclic® installation technology, a glue-less and chemical free system, reduces material use and air quality impact during product installation.

We also incorporate innovation into our approach to business processes. In recent years, for example, innovative dyeing technologies in our commercial carpet business have enabled us to meaningfully reduce the water intensity of that manufacturing phase. Innovation can even extend to how we manage our workforce. When we learned that 40 percent of our Carpet business employees did not have a primary-care physician, we took a fresh approach and established Healthy Life Centers on-site at our plants to provide wellness programs and help our employees manage chronic conditions. These initiatives are among countless examples of how innovative thinking permeates our business to further our sustainability objectives.

APPROACH | Sustainability Strategy

Global Scale

We evaluate our sustainability strategy on a continual basis. Two important criteria are how well the strategy performs through industry cycles and how well it can be exported around the world. In both cases, we have found our strategy to be both adaptable and flexible. Not only did the strategy serve us well through one of the worst industry downturns in history, but it also has been an effective part of an aggressive level of business expansion since 2010. This expansion has taken us into new geographic markets and product categories, and strengthened our manufacturing footprint.

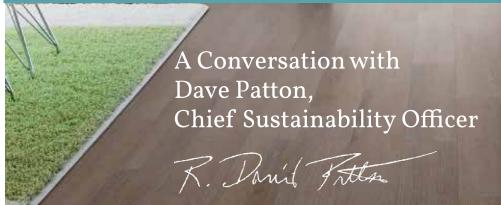
Today, we have operations on five continents and sell products in more than 140 countries around the world. Within each market where we operate, there is significant variance among customer needs, labor practices and environmental compliance. By leveraging the systems and standards that we have honed in our legacy North American businesses and combining them with a flexible

approach that can adapt to the unique needs of each local market, we are confident that this strategy will continue to ensure that our growth is accompanied by a commitment to sustainable operating principles.

Sustainability Governance

The responsibility for ensuring the execution of our sustainability strategy involves management interaction at the highest levels of our Company. This starts at the board level, where the Nominating and Corporate Governance Committee maintains direct oversight of sustainability. At the operational level, our Sustainability Council coordinates the implementation of sustainability strategy. The Council is comprised of the President of Mohawk Industries, who also is a Company Director, the Presidents of our three business segments, our Chief Sustainability Officer and our Vice President of Corporate Sustainability. The Board of Directors receives updates from members of this Council on a regular basis.







During the past year, you've added Chief Sustainability Officer to your responsibilities, which also include serving as General Counsel and Vice President of Business Strategy. How do these positions complement one another?

My CSO responsibilities could be seen as an extension of my legal and business development roles. For instance, the sustainable practices of potential acquisitions are always in focus from the moment we begin considering those transactions. The CSO title formalizes those responsibilities and gives me expanded insight into many of the practices across the enterprise that contribute to our industry leadership in sustainability. That knowledge provides an additional perspective for my legal and business development roles and helps me find better solutions for the Company. Essentially, all of the positions have the same ultimate goal: operating the business in a way that maximizes results for our stakeholders. That could include identifying instances where we can leverage an acquisition to enter a new market with multiple products, or it could mean introducing our sustainability initiatives to a new business to reduce their environmental impact and improve their margins. Regardless of the title, my focus is firmly on adding value to the business, which has been the driving force behind many of our sustainable initiatives.

Formally establishing responsibility for sustainability at the Board committee level has been another change in the past year. How is that helping further sustainability efforts?

It reinforces the commitment we've always had to sustainability by ensuring accountability at the highest levels of our Company. It focuses our energies and allows us to tap, in a more formal and systematic way, the sustainability experience and ideas of our Board.

You've taken on the CSO role at a time of rapid business expansion for Mohawk. How is this growth shaping your agenda from a sustainability perspective?

Mohawk is a very strong company operationally, so there are practices in our legacy businesses that we can leverage in newer businesses. For example, our initiatives and processes to reduce waste are easily exported to all areas of the business, with modifications to address specific waste streams where they differ. Because we have such breadth and diversity in our product portfolio and geographies, there are constantly new opportunities to extend a good process developed in one area to the entire enterprise. Plus, sharing best practices is a tremendous strength as we integrate our acquisitions, so putting resources and attention into those avenues of communication is really working for us.

APPROACH | Q&A

How difficult is it to share best practices across different geographic markets and product categories?

We've made it a priority because we recognize the value to our business. The products, manufacturing processes, markets and local regulations may be different, such as carpet versus ceramic, but many of the practices and thinking are the same. When you identify a process that delivers results in one product category, implementing the process in other categories is relatively easy because the results are proven and it isn't necessary to start from scratch. It can be even more straightforward when we're looking to share best practices across geographic markets. For example, in our Ceramic business, the process to recycle 100 percent of wastewater in North America is easily transferable to our European ceramic operations. In these cases, we have a head start that makes it easier.

Culture plays a significant role in building a more sustainable business. What is your approach to integrating the culture of an acquired business? Mohawk began as a local business and has maintained a very grassroots approach as the business has grown over several decades. As a rule, we're not top-down managers who dictate a single way things must be done, but rather our philosophy is to work with management to set goals, share ideas that have worked in other parts of our business, and then place our trust and confidence in successful management teams that know their businesses. We avoid a "one size fits all" mentality in favor of business solutions that are in sync with their local markets.

How does this philosophy factor into risk management and what issues are top-of-mind from a risk perspective?

For the most part, human rights and other employment-related practices are not an issue for us in the markets where we participate. But with an expanding global footprint, you don't automatically assume areas that were non-issues in the past will remain non-issues in the future. Parts of our business involve water-intensive processes. Many of our products have petroleum-based inputs. All of this impacts how we think about climate change and other long-term issues.

Moving to your product strategy, what trends are you seeing?

Customers, especially on the commercial side, are asking for more information on our sustainable practices. They want transparency into product source materials and product manufacturing. For commercial, government and big-box retail customers, in particular, labeling is increasingly important. There is a heightened awareness of the need for supply chain management, and we're part of that chain. For these customers, sustainability is part of the price of admission and we need to be responsive to that. An increasing focus on sustainability is good for our customers and their customers, and that is ultimately a great thing for our business.

Stakeholders play an important role in the ongoing evolution and execution of our sustainability strategy. We plan to conduct another stakeholder engagement exercise in the next 12 months as we prepare to transition to the new Global Reporting Initiative (GRI) 4.0 guidelines. This exercise will be similar to the one that we conducted when we began to formalize our corporate sustainability function approximately five years ago.

At that time, the goal was to identify our primary stakeholders and ascertain their most important concerns. A mapping exercise studied 15 different groups of stakeholders to narrow down a primary group that possessed both a high level of interest in Mohawk's sustainability program and a meaningful impact on our business.

This group included:

EXTERNAL

- Shareholders
- Primary Customers
- Product Advocacy NGOs

INTERNAL

- Suppliers
- Functional Leaders
- Employees

The following table summarizes the issues raised by this primary group of stakeholders and our actions to address these issues to date:

Issue Area	Action to Date
Products that support healthy indoor environments, particularly as relates to air quality and VOC emissions.	Increased certifications, such as FloorScore*, for strict indoor air quality standards across the majority of our U.S. laminate and wood portfolio. Continue to explore alternative methods for minimizing VOCs in other products.
An expectation that Mohawk will understand the full impact of its products, especially as relates to product inputs, such as recycled and/or renewable content, and how our products can lead to sustainable solutions to meet flooring needs.	Environmental Product Declaration (EPD) programs have been implemented for all North American ceramic products, as well as laminate and wood products in Europe. In addition, our commercial carpet includes ILFI Declare® labeling. All businesses have ongoing life cycle assessment (LCA) projects with the intent to develop EPDs across all product categories in the future.
A desire for Mohawk to engage its supply chain to encourage responsible raw material sourcing and sustainable manufacturing processes.	Enhanced Supplier Code of Conduct, as business has expanded globally. Developed new supplier assessment and audit process. Established strong materials verification process in order to fully comply with conflict minerals legislation.
An ability to provide products manufactured in local markets, especially to meet LEED standards.	· Invested more than \$2 billion in acquisitions and joint ventures over the past several years to greatly extend our global manufacturing capabilities and product distribution footprint.

Since we conducted our stakeholder workshop, dialogue with stakeholders has continued on a regular — in some cases daily — basis.

Stakeholder Group	Primary Communication Channels
Primary Customers	Dedicated sales force by category and distribution channel; product literature; training programs; "voice of the customer" surveys; social media
Shareholders	Quarterly SEC filings; quarterly earnings conference calls with senior management; one-on-one meetings; annual meeting; annual report
Employees	Intranet system; social media; "cascading" management briefings
Product Advocacy NGOs	Targeted outreach product literature; social media; consumer and trade industry affiliations

Beyond these constituencies, our stakeholders are people, groups, organizations or systems that affect or can be affected by our Company. This includes communities, suppliers, governments, the media, non-governmental organizations (NGOs) and reporting agencies. As our sustainability strategy continues to evolve, we communicate regularly with these groups to listen and further understand their needs and expectations. This feedback, in turn, helps us to develop our own strategies, policies and processes.

Corporate

 Newsweek 2014 Top 500 U.S. Large "Green" Companies — Mohawk Industries

Operations

- Liberty Mutual Insurance Safety Commendation Awards all Mohawk Southeast Regional Distribution Centers
- Liberty Mutual Insurance Residual Risk Reduction (R3) Award Unilin Holden facility
- Liberty Mutual Insurance Gold Award for Outstanding Safety Performance in 2013 — Unilin Holden facility

Product

- International Surface Event Best of SURFACES 2015 SmartStrand® Forever Clean™
- Interior Design Magazine Awards
- Cross-Market Versatility Winner Hot & Heavy LVT
- Use of Color Winner WHY LVT, designed in collaboration with Mac Stopa of Massive Design
- Design Solution Underfoot Honoree New Vintage Modular Carpet
- BUILDINGS Product Innovations Grand Prize Hot & Heavy LVT

- Southeastern Corporate Sustainability Rankings Most Sustainable Flooring Manufacturer — Mohawk Industries
- 2014 Fortune 500 Mohawk Industries
- North Carolina Commission of Labor One Million Man Hours Without Lost Time Award — Thomasville, Georgia, facility
- Sherwin-Williams 2014 Vendor of the Year
- Walmart 2014 Vendor of the Year Mohawk Home
- Union Pacific Railroad Drivers Safety Recognition Award Mohawk Logistics Drivers Belinda Pipkins and Danny Walker
- ISO9001:2008 Certification Unilin Melbourne
- Contract Magazine Best of NeoCon® Editors' Pick Award Breaking Form Collection
- North American Laminate Flooring Association (NALFA)
 Company of the Year Quick-Step
- Floor Covering News Laminate Manufacturer of the Year Quick-Step
- Gold Medal Chantiers de l'Innovation de l'année 2015 of the Union des Maisons Françaises (UMF), in the category équipements the second-work - ISOCOMBO insulation panels
- Flooring Trader of the Year, *Timber Trade Journal Awards* (London) Quick-Step

Affiliations

Mohawk participates in and is affiliated with numerous industry trade organizations.

- American Institute of Architects
- American Society of Interior Designers
- American Society of Landscape Architects
- Assisted Living Federation of America
- Association of Luxury Suite Directors
- Association of Pool & Spa Professionals
- Association of Postconsumer Plastic Recyclers
- Bureau of Normalization
- Carpet America Recovery Effort
- Carpet and Rug Institute
- Ceramic Tile Institute of America
- Council of Educational Facility Planners International
- European Producers of Laminate Flooring
- Fedustria (Federation of the Textile, Wood and Furniture Industries)
- Forest Stewardship Council
- Green Building Certification Institute
- Institut Bauen und Umwelt (Institute for Construction and Environment)
- International Facility Management Association
- International Interior Design Association

- International Masonry Institute
- · Manufactured Housing Institute
- Marble Institute of America
- Marketing Leadership Council
- Mason Contractors Association of America
- National Association for PET Container Resources
- National Association of Floor Covering Distributors
- National Association of the Remodeling Industry
- National Council of the Housing Industry
- National Kitchen & Bath Association
- National Spa & Pool Institute
- National Wood Flooring Association
- North American Laminate Flooring Association
- Programme for the Endorsement of Forest Certification Schemes
- · Southeast Recycling Development Council
- Technisch Centrum van der Houtnijverheid (Technical Center of Wood Technology)
- Tile Council of North America
- U.S. Green Building Council
- World Floor Covering Association

MOHAWK

People

2014 Corporate Responsibility & Sustainability Report











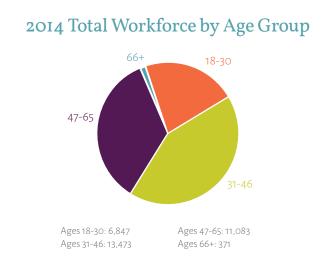
We realize the value of having a workforce that reflects the diverse marketplaces we serve and the global nature of our operations. Hence, we foster a culture of acceptance and fairness. We view diversity and inclusion as more than demographic metrics. Our workforce encompasses a multitude of viewpoints, skills, strengths and life experiences. Each person brings to our organization unique attributes that make us stronger collectively.

To this end, we are an equal opportunity employer that does not discriminate on the basis of race, religion, gender, national origin, age, marital status, sexual orientation or disability. Non-discriminatory policies and practices are in place to ensure that our equal opportunity approach is enforced. We will consider any individual for any position for which he or she is qualified and can perform the essential job functions. In the United States, we actively recruit women and minorities through targeted outreach efforts. In 2014, our workforce was composed of 30 percent females. In addition, 1 percent of our employees are classified as part-time.

2014 Total Workforce by Region Asia Wexico United States: 19,012 Mexico: 3,567

Asia: 995

Europe/Russia: 8,200



Total Workforce 2013 vs. 2014



PEOPLE | Workforce Profile

2014 New Hires

By Gender	
Female	2,037
Male	5,336
By Age Group	
18-30	4,063
31-46	2,433
47-65	862
66+	15
By Region	
United States	4,102
Mexico	1,040
Europe/Russia	1,727
Asia	504

2014 Employee Turnover

By Gender			
Female	1,999	6.29%	
Male	4,992	15.71%	
By Age Group			
18-30	3,161	9.95%	
31-46	2,349	7.39%	
47-65	1,369	4.31%	
66+	111	0.35%	
By Region			
United States	3,915	12.32%	
Mexico	1,073	3.38%	
Europe/Russia	1,524	4.80%	
Asia	479	1.51%	
Ву Туре			
Voluntary	4,830	15.20%	
Involuntary	1,941	6.11%	

Safety doesn't happen by accident. Through safety-leadership programs, employee engagement and well-defined processes and procedures, we are working to improve safety at all of our facilities every day. Our commitment to continuous safety improvement is founded on our culture of prevention, where everyone takes responsibility for safety and works toward our goal of zero injuries or illnesses.

Mohawk's safety initiatives are led by an Executive Safety Leadership Team that:

- Is accountable for safety leadership.
- Provides a common corporate structure and metrics.
- Shares ideas and information across business units.
- Acts globally while allowing flexibility for each local operation to implement rapid, cost-effective safety solutions.

In addition, formal joint management-worker safety and health committees represent more than 70 percent of our employees.

New Initiatives and Accomplishments

The past year was the first in which we had 100 percent participation across all businesses in our Corporate Safety Scorecard, which tracks both leading and lagging indicators to support our emphasis on proactively reducing risks. As a result, we are able to realize ongoing reductions in overall injuries and the associated costs, both personal and business, associated with them.

Training plays a significant role in these efforts. In 2014, 215 supervisors and managers successfully completed the 10-hour Occupational Safety Training Course for general industry, which includes topics such as protective equipment and machine guarding. Also during the year, 59 participants were certified in the Mohawk Master Safety Trainer program, enabling us to use our own employees to deliver Mohawk safety training to co-workers. Similarly, we added 21 American Red Cross-certified training instructors to our ranks in 2014. These instructors are certified to provide training to personnel in our facilities.

The effectiveness of our strategy to leverage internal resources is also seen in an internally developed version of Occupational Health and Safety Assessment Specification (OHSAS) 18001 certification. This internal certification audits to the same criteria as externally developed certification. During the year, five Dal-Tile regional distribution centers and one manufacturing plant were among the first sites to receive the internal certification. Three additional sites passed external OHSAS 18001 certification.

Lost Time and Recordable Incident Rates



Mohawk utilizes the U.S. standard for incident case clarification as specified in 29 CFR 1904 in order to maintain a consistent and viable means of case classification on a global basis.

In addition to training, best practice sharing is key to encouraging continuous improvement of processes that result in ever-better safety outcomes. Such is the case at Dal-Tile, which saw its best year on record for safety performance in 2014. During the year, approximately 85 leaders from within Safety and Human Resources, as well as plant and regional distribution center management, gathered for a three-day conference to learn from each other. Success stories included the Sunnyvale, Texas, and Florence, Alabama, facilities, which initiated extensive safety improvements and increased team member training. As a result, both facilities improved their total case incident rate by 60 percent last year. Also, in Florence, the facility congratulated approximately 140 team members as the first graduating class of Dal-Tile's new "Safety College." The 10-week training course covers a wide range of safety-specific topics to further educate team members about potential hazards on the work site and measures they can take to prevent accidents.

In recognition of all of these and other efforts, Liberty Mutual presented 110 awards for safety performance at individual sites in 2014. Sites must achieve a DART rate of 50 percent or better than the industry average to earn a Safety Commendation Award; 60 percent or better for a Silver Award; and 80 percent or better for a Gold Award. In addition, the Georgia Association of Manufacturers recognized 33 Mohawk facilities in Georgia for zero lost time accidents in 2014.

PEOPLE | Safety



Logistics Safety

Our logistics network is made up of warehouse and distribution employees who ensure our products and materials arrive at the right place at the right time. In 2014, Liberty Mutual Insurance recognized each of our warehouses in the Southeast region with its prestigious Safety Commendation Award for an exemplary safety record of at least 50 percent better than the Bureau of Labor Statistics' published rate for the industry. Meanwhile, across the country at Mohawk's Anaheim, California, warehouse, the team reached eight years of zero accidents or incidents.

In Europe, an entirely different aspect of logistics safety has been highlighted with the marked increase in international trade and concurrent attention to biodiversity and forest health. These dynamics have raised concerns about the inadvertent export of quarantined pests in wood packaging material. Consequently, Marazzi achieved phytosanitary certification for U.S. export in 2014. Phytosanitary measures that are applied to wood packaging materials significantly reduce the spread of harmful pests associated with international trade, making shipments safer and protecting ecosystems, while greatly reducing delays and costs during U.S. Customs inspections.

Employee Engagement

At Mohawk, we strive to promote a culture of safety not only through training and practice, but also through employee engagement. During Safety Week 2014 at our facility in Thomasville, North Carolina, for example, approximately 80 employees formed three teams in a weeklong competition to increase their safety awareness while earning points and winning prizes along the way. Likewise, a warehouse in Anaheim, California, plays Safety BINGO, where numbers are pulled only on days when no safety accidents or incidents have occurred, and no safety procedures have been violated. Winners are treated to lunch. The warehouse manager cites this ongoing incentive as part of helping her team reach eight years of no accidents or incidents.

Additional engagement initiatives across the Company include the continued use of employee safety perception surveys, regional reviews of employee safety teams and the development of Key Performance Indicator (KPI) safety scorecards for tracking safety-related behaviors and activities. Corporate Safety Services also provides monthly messages on the myMohawk employee website and on digital signage to support our commitment to safety. In addition, we continue to support the Marble Institute of America's safety committee, which is an industry organization that we helped establish, with the goal of increasing safety — not just at Mohawk, but throughout the industry.

GROWTH DONE WELL

The benefits of stretching before exercise are well documented, so it makes sense to do the same before physically demanding work. That's the idea behind our stretch and flex program, "Fit 4 Work." This program combines principles of wellness, injury prevention, ergonomics and industrial safety into a customized exercise program that stretches muscles and joints related to job duties. Employees are urged to go through the routine near the beginning of their shifts. With built-in measurement methodology, the program has documented a 30 percent overall range of motion improvement and decrease in pain since being implemented.



From the front line to the leadership suite, targeted, effective training is vital to growing well. Our training organization is responsible for creating and implementing the tools that drive year-over-year improvement and foster an innovative culture that competes successfully in the marketplace to deliver superior results.

With this in mind, we align training content with the Company's evolving business needs and refine it based on feedback and results. Each year, we assess our delivery platforms, metrics, governance structure and team to identify areas where we have made marked improvement, as well as areas in which we can challenge ourselves to be more effective. Our significant investments in training are well-placed ones in the success of our employees and the Company alike.

Across the Company, we offer training linked to specific business objectives in order to bring clear focus and value to the endeavor. Demonstrated examples of success include:

• "Managing for Innovation" classes in which floor managers learn how to help their team identify opportunities for improvement, study potential process improvements, test methods via pilot programs, then refine and implement new best practices throughout the organization. The number of manufacturing best practices identified and deployed in 2014 was up 11 percent over 2013.

- Career counseling tools to improve managers' ability to help team members understand career options and develop the skills necessary to pursue them. Structured performance development workshops and online training modules provide managers with a foundation for delivering constructive feedback and identify mentors or external resources to address skill gaps. As a result, the percentage of positions filled through internal promotion increased 200 basis points from 2013 to 2014.
- Training that emphasizes a diversity of learning styles and promotes inclusion at all levels of the organization. This has led to the creation of more diverse selection pools of candidates with potential. In year-over-year comparisons, the percentage of women in these pools has increased from 39 to 47 percent and minority candidates from 27 to 41 percent.
- Communication skill enhancement through classes such as "Business Writing in the Electronic Environment," which helps employees communicate in a more concise and effective manner. Based on post-training surveys of participants' managers, the average number of emails required to successfully share information dropped from 4.2 to 2.7 messages, driving efficiencies in time and resources

PEOPLE | Training & Development

These are but a few examples of the expansive training initiatives in place in manufacturing, distribution, sales and administrative areas. Such programs are a primary reason why *Training* magazine recognized Mohawk Industries once again in 2014 by ranking us fourteenth in their Top 125 training companies. Notably, Mohawk was the highest-ranked manufacturing organization. This annual list recognizes outstanding training programs at every level throughout an organization and how effectively they are linked to strategic goals and business priorities. Our 2014 recognition marks Mohawk's tenth consecutive appearance in the Top 125.

Employee Evaluation

Evaluation and review also is an important component of continuous improvement and professional development. The manner and frequency of our evaluation and communication with employees about their performance varies by type of position and geographic region. Generally, all salaried Mohawk employees throughout the world receive regular performance and career development reviews. For hourly employees, plant management determines the most constructive manner in which to evaluate performance based on operational processes in the plant, as well as customary practices in certain regions of the world.

Global Training Hours per Employee

Job Type	
Sales/Clerical	7.33
Technical/Manual	20.94

While we provide an overview of training hours by position, it is Mohawk's belief that training occurs at a much higher rate across the Company than reported because not all training is tracked.

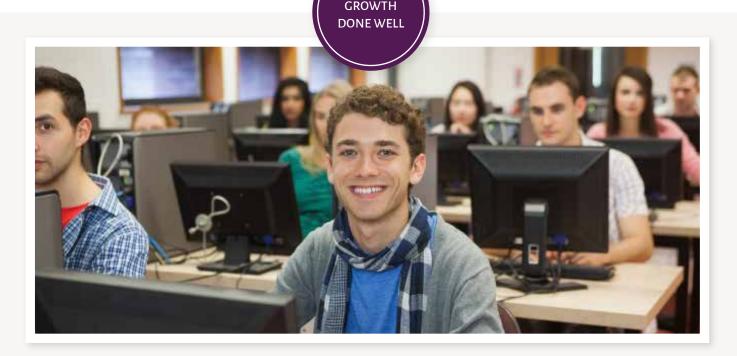


For our Laminate & Wood segment, innovation is at the top of the priority list, which means engineers must keep their expertise up-to-date. In the past, external partners provided staff training and education, but they frequently did not target the exact needs of the business. Consequently, we have developed our own on-site Technical Training Center to provide training in specific areas such as technology, machine control and health and safety. Well-structured education helps ensure that we have the best-qualified engineers possible, which improves expertise and staff retention.

The Center also acts as a test lab and is used by Unilin to find solutions to actual problems that could not be tested in a production environment. As Automation Engineer Roland Diet explains, "Here we can implement modifications and perform tests, which we would not be able to do on a machine in full operation in the production environment. This enables us to remain in the lead. "

By providing education and training, we are able to ensure we have among the best-qualified engineers and are well positioned to retain them. The Center is also available to students who come to us on work placements and to university students writing dissertations. This makes the Laminate & Wood business an attractive workplace of choice for students entering the workforce.

PEOPLE | Training & Development



Apprentice Programs Work for Everyone

Training is a vitally important component of remaining competitive in today's marketplace, and the importance of multiple educational pathways for students is well established. Today, there are no "one-size-fits-all" approaches that meet the needs of all students or businesses. That's why our hardwood manufacturing facility in Holden, West Virginia, entered an agreement in 2014 to create an apprenticeship program with Southern West Virginia Community and Technical College.

The Holden apprenticeship program is designed to enhance the skill level of current employees and offer educational options to support their future employment goals while helping them increase their contributions to the business. The College provides employees with an associate's degree program focused on mechatronics, an interdisciplinary field involving control systems, electronic systems, computers and mechanical systems that integrate product design and automated manufacturing processes.

Similarly, our facility in Danville, Virginia, has created an apprenticeship program in partnership with Danville Community College (DCC), designed to address the need for skilled workers in the maintenance department. The program includes classroom work and hands-on training in the college's technical lab; one-on-one, on-the-job training with highly skilled Danville employees; and incremental wage increases.

These apprenticeship programs benefit both students and employers as industrial applications become increasingly complex and industries need technicians with cross-disciplinary skills. The goal is to ensure employees are constantly moving forward and attaining knowledge and skills that will equip them to reach new goals.

PEOPLE | Training & Development



Everyone Owns Zero Waste

Almost every type of manufacturing produces a waste stream. While we cannot always prevent that waste, our Zero Manufacturing Waste to Landfill program aims to repurpose all process waste at all of our facilities. The basic business principle behind our Zero Waste proposition is simple: Any item sent to a landfill wastes materials that could be recycled, repurposed or up-cycled, often saving or earning dollars in the process. Success, however, requires employee understanding and engagement.

With that in mind, we initiated a training and employee engagement program designed to reduce waste and redirect waste streams. This initiative simultaneously supports our goals of increasing profit margins and creating sustainable practices. We piloted the program at one of our rug manufacturing plants in north Georgia. Rather than sending engineers to examine the facility's waste stream and define possible solutions, we tapped into the good ideas of employees on the floor, gaining insights from their firsthand knowledge of the processes and equipment at the facility. Individuals who found the most viable solutions were invited to join the program leader at the next facility.

This variation on the train-the-trainer concept allowed employees to take a direct role in driving positive change. As a result of their engagement in the process, they took ownership of the program — an essential component of its success across the facilities. They act as trainers for new employees to ensure that compliance with the waste-elimination initiatives is consistent across the facility and that knowledge can be applied for greener living at home.

Since its inception in 2012, the Zero Waste program has been replicated across 25 facilities within the Company's U.S. operations, with each successive implementation gaining greater success as best practices from similar facilities inform the process. When improved best practices are identified, these are also communicated back to facilities to replace old processes. In late 2014, we began to roll out the Zero Waste program to the remainder of our North America operations, with the intention of adding international operations in the future.

Labor Standards

We strive to be an exemplary employer. We believe that people perform their best when they are treated with a high level of personal dignity and respect. We also believe that we offer competitive wages and salaries to all employees relative to the local labor market. We operate in full compliance with all material applicable labor, health and safety regulations. We also uphold all International Labour Organization (ILO) labor standards.

Our intent is always to respect and follow customary practices and local market regulations as they relate to the rights of workers to decide whether to enter into collective bargaining representation. We also believe that open, direct and constructive dialogue between workers and management is the most effective way to reach mutually agreeable solutions to workplace issues. Accordingly, we encourage direct contact between our employees and management.

We have collective bargaining agreements with 31.8 percent of our employees, the majority of whom are employed in our Mexican, European and Asian manufacturing operations. Most of our U.S. employees are not party to any collective bargaining agreement. There have been no work stoppages in any facility now owned by Mohawk Industries in at least five years. We believe that our relations with our employees are good.

In the United States, the federal WARN Act establishes that companies must notify employees 60 days prior to the closing of a facility or a significant reduction in a facility's workforce. In Mexico, the notice periods for operational changes are based on agreements with the union representatives at the facility. In Europe, the notice periods for operational changes are based on collective bargaining agreements and/or legislation. Once the Company ratifies this agreement, its content is binding for all manufacturing employees, regardless of whether they individually opt for membership in the union or not. In Malaysia, according to the Employment Act of 1955, companies operating there must submit any operational changes, including shutdown, retrenchment or redundancy, to the Labor Department no later than 30 days prior to the action. In the event an agreement has different requirements, we will abide by those requirements.

Human Rights

We support the premise that all people deserve a life with freedom and dignity, which is conducive to their physical, mental, social and spiritual welfare. We recognize that challenges to these principles are present in certain regions of the world where human rights have not

progressed to the same standards as those we support. When our business extends into these regions, we are particularly sensitive to the potential for transgressions and are committed to combating them.

We prohibit the use of all forms of child labor or forced labor, including indentured labor, bond labor, military labor or slave labor, at all of our locations, domestic and international. We have policies in place throughout our global operations to ensure that these types of labor are not utilized. We also have procedures in place for our people to report complaints and grievances, should there be a question about labor practices.

Mohawk adheres to minimum age provisions of applicable laws and regulations in the areas where we do business and requires legal documentation for age verification. Our prohibition of child labor is consistent with ILO standards. We have found no significant risk for incidents of child labor or risk of forced or compulsory labor in our operations around the world.

Since our last Sustainability Report was published — and in 2014 overall — there have been no claims of discrimination filed against Mohawk by individuals who are identified as members of indigenous people in the regions around the world where we operate.



An increased participation in our wellness programs and reduced healthcare costs are among the trends that demonstrate our investments in preventive care are working for our employees and business.

In North America, Healthy Life Centers (HLCs) at our largest facilities are the centerpiece of our wellness initiatives. Currently, 14 HLCs log more than 4,000 visits per month. In addition to preventive care, HLCs provide acute care, chronic disease management, preventive exams, pediatrics, no-cost employee-medication programs, mobile mammogram screenings, pre-placement examinations, wellness coaching and integrated care coordination with primary care physicians.

The majority of our HLCs are part of our operations in Georgia. We also have two Dallas-area HLCs for our employees in Texas; a new location in Florence, Alabama; and integrated on-site/near-site combined service with local primary care physicians in Eden, North Carolina, and Danville and Glasgow, Virginia. We also are piloting an on-site coaching program in Muskogee, Oklahoma, with HLC providers and exploring telemedicine opportunities, supported by HLCs, to service remote rural areas.

All of our locations have seen an increase in participation and in the overall health of participants. For 2014, HLC utilization was at 80 percent, and preventive care increased 13 percent. Overall, our wellness initiatives have increased health engagement and helped to close gaps in care and medication compliance for individuals with chronic conditions. Though these results are impressive, the continued improvement in the health and lives of our employees is even more valuable.

Outside the U.S., our ceramic facility in Monterrey, Mexico, has managed a successful on-site health clinic for more than 25 years, resulting in a steadily declining absentee rate. In Europe, Unilin's "Feel Good" program is an effort to make employees more aware of their personal health through activities such as initial organized running and cycling outings, in addition to various nutrition programs.

Our corporate Training and Development team assists with health and wellness initiatives as an extension of their efforts to create a satisfied and productive workforce. This reflects our belief that the key to retaining good employees is to help them achieve their best, both in terms of their professional development and their quality of life.

Employee Benefits

In addition to our wellness centers, we offer to U.S. employees a comprehensive set of insurance, retirement and other benefits for which we pay all or part of the cost. These benefits are available to any employee who works 20 or more hours a week, whether hourly or salary-based, and who has worked for the Company for at least 90 days. Some of the benefits we offer include:

• Consumer-centric medical and pharmacy plan, plus dental and vision options

- A Company-matched 401(k) retirement savings plan
- Short- and long-term disability insurance
- Life insurance, critical illness and accident plans
- Paid holidays and vacation
- Tuition reimbursement

Our benefits programs outside the U.S. vary according to country, local market standards and employment contracts.

We offer our U.S. employees a consumer-driven health plan with a health savings account. Recognizing the complexity of the subject and lack of familiarity most of our employees had with such a plan, we made a significant investment in resources to help our employees understand their options and make the choices that are best for them and their families.

In addition to traditional training materials, as well as a text-messaging campaign, our Training and Communications teams partnered to produce a first-ever video series delivered via YouTube and Company intranet. Three months after the first video aired, that segment had been viewed over 4,500 times—representing nearly 25 percent penetration in the U.S. employee base. Each portion of the series focused on a different aspect of healthcare—offering information in small, easily absorbed segments. Significantly, surveys indicated that those who had watched some or all of the series had a 22 percent greater understanding of the key concepts behind the healthcare plans, meaning that they could make better-informed choices for themselves and their families.





United States Marine Corporal Todd Love lost both legs and an arm while on patrol in Afghanistan. Mohawk and Dal-Tile donated all of the flooring and ceramic tile for a custom-built Smart Home in Douglasville, Georgia, where he has maximum accessibility and can feel at home.

As Mohawk grows around the world, we bring with us a long history of commitment to the communities in which our manufacturing facilities are located — the same communities our employees and their families call home. This commitment and our corporate philanthropic efforts are aligned with causes through which we can leverage our strengths and core capabilities.

The Mohawk Foundation supports non-profit organizations that benefit our employees and their families in our communities. In particular, the Foundation funds organizations whose services impact a significant and diverse population and that have a proven track record of delivering results. The Foundation also makes significant annual grants that benefit the Floor Covering Industry



Mohawk was the premier sponsor of "Mohawk Presents: Calhoun's Dancing with the Stars," the third year for this major United Way fundraiser that raised more than \$150,000 in 2014. Featured above are Renee Brown, a Mohawk Industries employee, and Kevin Smith, her partner and a local dance instructor in Calhoun, Georgia.

Foundation, Boys & Girls Clubs of America, American Cancer Society Relay For Life, and groups that support children and adults who are victims of abuse. Created by Company management and granted non-profit status in 1990, the Foundation continues to be funded solely through the Company.

In Northwest Georgia, where our headquarters is located, the Company, the Foundation and our employees are significant donors to the local chapter of United Way. In 2014, Mohawk committed more than \$500,000 in funding and was responsible for the largest overall dollar increase—29 percent—in the area. Mohawk and the Foundation also were recognized as a 5-Star Champion, a designation for companies that meet several criteria that include employee impact tours to understand how United Way investments are used in the community.

Veteran Housing

Organizations that provide homes for those in need offer a natural tie-in with our flooring businesses, and, in particular, we welcome opportunities to honor the sacrifice of veterans and their families by giving to them in return. We are proud to be a flooring partner for Operation FINALLY HOME, a non-profit organization that provides mortgage-free homes to wounded veterans or spouses of the fallen. Builders and building product manufacturers provide 100 percent of the donations required to build the homes, which are custom designed to meet the particular physical needs of individual veterans. At year-end 2014, Mohawk had covered the floors of 10 homes for these deserving men and women.

PEOPLE | Community

Our support of U.S. veterans extends to Building for America's Bravest, a program in partnership between the Gary Sinise Foundation and the Stephen Siller Tunnel to Towers Foundation. The program provides Smart Homes for severely injured service members, with each home custom designed to meet their specific needs. Mohawk and Carpet One are providing all flooring materials and installation for 46 Smart Homes to be built over the next three years.

Disease Prevention and Research

We also involve our customers and our products in supporting disease research in meaningful ways. Two longtime initiatives that allow us to leverage our products to increase our impact are Specify for a Cure® and Decorate for the Cure®, programs of Susan G. Komen for the Cure®, to benefit breast cancer research. Through Decorate for the Cure, we donate a portion of all Mohawk SmartCushion™ and Karastan KaraStep Reserve™ cushion sales to Komen. Specify for a Cure makes donations to Komen when commercial customers specify select carpet styles. In 2014, we celebrated our thirteenth year of partnership with Susan G. Komen for the Cure®, and are proud to report that cumulative donations have reached nearly \$4 million. In addition to corporate-level initiatives, we are proud

GROWTH DONE WELL

Businesses acquired by Mohawk join a very supportive family of other businesses. Mohawk and Dal-Tile team members had an opportunity to demonstrate this after a tornado destroyed Dal-Tile's Marazzi Sales Service Center (SSC) in Oklahoma City, less than one month after Mohawk acquired Marazzi. The building was a complete disaster, with only the outside four walls remaining. The storm hit on a Friday night; on the following Monday morning, the Mohawk Distribution Center and Dal-Tile SSC in Oklahoma City opened their doors to the Marazzi SSC staff, enabling them to reconnect with their customers almost immediately. Rebuilding began quickly, and within a year, Marazzi SSC staff welcomed customers and colleagues into a new office, customer service area, warehouse and showroom.

of the grassroots support of Dal-Tile and Unilin employees, who, for the fifth consecutive year, raised additional money toward breast cancer awareness through t-shirt sales, with all profits going to the American Cancer Society.

Economic Impact

As we open new facilities around the world, we are more mindful than ever that our business and the communities in which we operate have mutual interests and goals. Strong communities help to sustain a strong workforce, which has a direct effect on our financial and operating performance. We collaborate with government and community leaders to identify ways in which our business and the surrounding community can work together to enhance the local quality of life as well as the business climate.

In this spirit, cultivating strong relationships with the communities where we operate is a key part of our facilities' success. Dal-Tile is demonstrating that approach in Dickson, Tennessee, where its eleventh manufacturing facility in North America is under construction. Even before breaking ground on the project, Dal-Tile began reaching out to the community—acknowledging that it will be through the help of many people and businesses in the Dickson area that the facility will thrive.

A similar approach is taken in the event we must exit a community due to closure of a facility. We work with local and state Department of Labor officials to identify career opportunities for those employees who will be losing their jobs. We also work closely with the community to find a buyer for the facility, with the goal of helping to create new economic opportunities.

As we continue to expand around the world, we recognize our growing responsibility to be good corporate citizens. We are committed to expanding in a responsible manner and to working with our stakeholders to improve the quality of life in all our communities.

PEOPLE | Community



Building Sustainable Communities

We are proud to have helped 150 families get a new start over the past five years through our commitment to Atlanta Habitat for Humanity. We began our partnership with Habitat in 2009, donating carpet and pad for several houses the first year. Today, we provide carpet, pad and resilient products for the many homes Atlanta Habitat builds or refurbishes annually.

Our investment in Habitat, however, goes beyond product donations. Employees from both Mohawk Commercial and Residential carpet divisions have been fixtures at work sites for years, eager to help with anything from building and raising the walls to landscaping.

"Our commitment to Habitat and actively helping our local communities permeates our entire organization," said Michel Vermette, Senior Vice President of Mohawk Commercial and International. "In fact, Habitat projects serve as excellent team-building events for our business."

Since Atlanta Habitat homes are designed to be affordable, easy to maintain and environmentally friendly, we donate EverStrand® as the carpet of choice. With up to 100 percent recycled content, EverStrand is inherently stain-free and easy to clean, giving new homeowners the benefits of value, beauty and sustainability.

Habitat support also extends to the national level, where the Dal-Tile Strategic Business Unit was a 2014 corporate sponsor for Habitat for Humanity builds across the U.S. Dal-Tile team members started by participating in day-long home builds within their communities in Orlando, Florida; Charlotte, North Carolina; Indianapolis, Indiana; and Raleigh, North Carolina. In addition, approximately 100 Habitat homes received donated tile for installation in the new homes' kitchens or bathrooms.

Our partnerships with Habitat for Humanity build more than houses—they help build family success through sustainable homeownership, and they build our effectiveness in bettering the communities we call home.

PEOPLE | Community

Growth Done Well, Locally Unilin Thomasville

Each year, the Unilin Thomasville campus holds its annual canned food drive to help the local community with the increased demand for food during the holiday season. The can drive collects food to be donated to the Salvation Army and Pastor's Pantry—a non-profit food pantry that targets senior hunger.

Mohawk Bennettsville

Employees at three Mohawk facilities in Bennettsville, South Carolina, joined together to adopt three local families for the 2014 holiday season through the Marlboro County Department of Social Services' Christmas Stocking Project. Leading up to the holiday season, employees donated everything from shoes and clothes to trains and dolls.

Dal-Tile Dallas

Dal-Tile Project Engineer Dan Phipps has volunteered every weekend for the last four years with Feed the Hungry, an East Dallas non-profit that provides food for needy families in the area. Every Saturday morning, local residents can get a free, hot, nutritious meal. When the organization's primary transport vehicle had to be retired, Phipps donated his Toyota 4Runner to replace it.

Marazzi Southern Nevada

Marazzi was one of six tile companies at the 2014 Coverings trade show in Las Vegas that crafted and donated beautifully tiled benches to the Boys & Girls Clubs of Southern Nevada. The benches were distributed to area clubs that provide safe, healthy after-school activities for more than 30,000 children per year.

Unilin Danville

Prior to the holidays, Unilin's Danville manufacturing facility and Kentucky Distribution Center in Virginia hosted a coat drive, collecting many new and gently worn coats for less fortunate families in their community. The facilities also collected canned food throughout the month for a local non-profit called God's Storehouse.



Mohawk Foundation

A \$15,000 donation by the Mohawk Foundation helped reopen the doors of the historic Martin Theatre in downtown Roanoke, Alabama, after nearly 30 years.

Dal-tile Mexico

At Dal-Tile Mexico, Maintenance Manager Luis Sandoval is continuing a long-time family tradition to provide Christmas gifts to children. Since 1972, his family has been delivering clothing, toys and candy to children in need. The family sells tamales and organizes other fundraising events, then rents two buses to distribute the gifts.

Product Stewardship

2014 Corporate Responsibility & Sustainability Report







Mohawk offers hundreds of products that meet consumer needs for design, functionality, quality and value in a sustainable manner. These products may contain post-consumer and industrial materials, or originate from renewable resources.

As a vertically integrated manufacturer, we look at the whole of a product's life cycle—considering not only what we make, but also how we make it. It is this combination of structure and approach that allows us to enhance the sustainability of our products at virtually every point, from sourcing to manufacturing, distribution, marketing, installation and end-of-life.

Creating a More Sustainable Life Cycle

Increasing the sustainability benefits of our products starts with choosing raw materials that are renewable, sustainably harvested or recycled. We produce flooring from post-consumer recycled material such as PET soda bottles, rubber tires, plastic bottle caps, glass and more. All of our manufactured ceramic products contain recycled materials. We also achieved an industry first with our SmartStrand® carpet, the first carpet made with a renewably sourced polymer.

Our manufacturing process capitalizes on many opportunities to use less water and energy, reduce emissions and divert waste from landfills. In North America, for example, six of our 10 ceramic tile manufacturing plants recover and re-use 100 percent of their process wastewater. In addition, our U.S. laminate and board facilities recycle scrap wood into chipboard products or sell waste material to a third party. We also manufacture our flooring to be durable and long lasting, which keeps it on floors and out of landfills.

When distributing products, our logistics team—which manages one of the largest warehousing and distribution networks in the industry—has become a driver of sustainability. This energy-intensive area offers many opportunities for generating efficiencies. We have implemented energy-saving programs, such as route optimization, the use of liquefied natural gas (LNG) trucks in California and the installation of a fuel filling station at our headquarters in Calhoun, Georgia. We continue to seek out and implement best practices in transportation to get our products to market in the most efficient ways possible.

Our product marketing is also growing more sustainable through the increased use of online tools. This makes it easier for our customers and consumers to choose the right products while reducing our use of paper and the production of product samples. QR codes on our in-store samples and displays, for example, drive consumers to our website for product information, enabling us to reduce the use of printed materials. Our suite of interactive tools for commercial customers allows them to deliver a variety of design and environmental options to their own customers virtually, and to make changes instantly if needed.

Installation is an important phase for the majority of our flooring products and one in which we seek to minimize the use of materials. Unilin's patented Uniclic® technology is a good example. Uniclic offers an easy installation method that uses no glue or other chemicals, thereby helping to improve indoor air quality. We also have reduced the chemicals used in many of our carpet adhesives, including zero-VOC NuSpraylok®, used for commercial carpet tiles.

We engineer many of our products for re-use or end-of-life recycling. In Europe, we are studying the feasibility of repurposing post-consumer wood waste in order to develop a more circular economy for laminate manufacturing. In the Carpet business, our ReCover reclamation program for commercial and residential customers keeps carpet out of landfills. With just a phone call, we will arrange for the removal, pickup and delivery to a processor of any type of carpet, regardless of whether we manufactured it.

Finally, our business depends on meeting the needs of our customers with safe, high-quality products for their homes or businesses. We intentionally design our products to meet or exceed all health, safety and quality standards, as well as local, state and federal laws. This is more than just a good business decision. It also is good for our customers and is the right thing to do.

Mohawk will continue to make products using ever more responsible methods and materials in order to protect the health and safety of our customers, ensure the quality they expect and reduce the impact on our environment.

PRODUCT STEWARDSHIP | Approach



Tomorrow's Insulation, Today

Part of growing globally is meeting market-specific challenges. In Europe, for example, regulatory requirements for environmental attributes have become ever more stringent. Thoughtful innovation of laminate and wood products has helped keep the business in the forefront of these requirements. Unilin's insulation division has been a leading player in the market of exterior insulation for a number of years, offering insulation products for roofs, walls and floors. With the French market specifically in mind, Unilin is now expanding its range with ISOCOMBO, a new insulation panel for indoor use.

ISOCOMBO couples the thermal performance of polyurethane with the acoustic properties and versatility of glass wool. This combines the best attributes of both materials and makes it possible to meet regulatory requirements without shrinking the habitable surface area of a house, especially valuable in a region where living space can be at a premium. ISOCOMBO provides energy efficiency and easy fitting since all cables can be concealed inside the flexible glass wool.

This new application did not go unnoticed. In November 2014, more than 400 construction professionals awarded ISOCOMBO the Gold Medal for Innovative Worksites in the Finishings & Fittings category of the French Houses Union challenge. After an initial launch in France, we plan to introduce ISOCOMBO to the interior insulation market of other countries.

PRODUCT STEWARDSHIP | Approach



Advancing Toward a Circular Green Economy

Post-consumer wood waste is one of the most important biomass waste streams in the Flanders region of Belgium. With very limited forestry in the area due to land constraints, both new and recycled wood is scarce. Households and businesses dispose of well over 600,000 tonnes, or 1.32 billion pounds, of wood waste per year. Repurposing post-consumer wood waste — as a raw material stream — is absolutely vital to the growth of the region.



While waste wood can be burned as biomass fuel, the Flemish Material Decree stipulates that wood streams must be used as raw material as often and as long as possible before ending up as biomass. The physical and chemical properties of wood, however, make it an inherently difficult material to transform. This presents a challenge for wood processors who must segregate wood that is a good candidate for recycling.

To study how to overcome this challenge, Unilin, along with several key partners, has undertaken a two-year project, OPT-I-SORT, with a goal to repurpose post-consumer wood — providing at least one more life as a raw material before the wood is used as biomass.

The project aims at closing even more of the wood material cycle, decreasing the import dependency for wood and reinforcing the role of the sector in material technology. In cooperation with waste collectors, waste sorters and recyclers of post-con-

sumer wood waste, different scenarios are being developed, explored, tested and evaluated. Through this unique total value chain approach, the best scenario will emerge to offer sustainable added value for all links of the chain.

OPT-I-SORT was one of only 14 projects chosen, out of 43 applications, to receive a government grant for environmental innovation projects to find a better way to close the material loop for wood in the region. Moreover, OPT-I-SORT was the only one of the projects to receive the full amount of funding requested, with Unilin funding the remainder. OPT-I-SORT is positioned to play an important role in the transition of the Flemish woodworking industry to an even more sustainable industry sector in the Flemish green closed-loop economy.



Digital customer tools that allow easy comparison of the attributes of building and décor products are in demand among commercial and residential customers alike. Commercial customers, particularly those who are pursuing Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council, value our suite of Web-based, interactive tools that enables them to more quickly share accurate designs and environmental information with their customers while reducing the use of paper and physical samples. For residential customers, our tools that allow them to visualize and compare products before purchasing are a differentiating factor. Above all, digital customer tools are a win for the environment — helping us cut waste by greatly reducing printed materials.

At our new design studio in San Francisco, for example, digital tools allow residential customers to bring their design ideas to life. Using LCD touch screens, customers can virtually flip through digital catalogs for Dal-Tile and Mohawk Home, view inspiration gallery images and build out designs with a tile and stone visualizer tool. Light panels show how tile will look in different settings in the home, an important factor in choosing the correct tile for a customer's space.

Another tool for residential customers is Quick-Step®'s new proprietary digital visualization tool, "Style My Floor." This new smartphone and iPad app lets consumers realistically see what a particular Quick-Step floor would look like installed in any room. Using augmented reality technology, the app displays a virtual

floor over the room's existing floor when viewed on the customer's screen. This allows the customer to envision what the product will look like before making a purchase.

In addition, information on our entire commercial carpet product line is available on GreenWizard, a leading software provider for the design and construction community that simplifies the process of managing sustainable construction projects. GreenWizard enables users to search for sustainable product attributes, as well as for products that support Living Building Challenge certification projects. For LEED certification projects, GreenWizard offers an end-to-end solution by utilizing a proprietary credit assessment tool to model and optimize LEED credits, manage product-related documentation and automate the online submission process.



PRODUCT STEWARDSHIP | Customer Tools

We also offer the ability to create realistic carpet tile and hard surface simulations. With our render-ready images, we provide optimized images that are light balanced, color corrected and sized to scale. All images are processed at 150 dpi and available in a number of recommended installations.

Another tool, the industry-first DesignFLEX Visualizer, allows designers to create and demonstrate any of the thousands of unique installations possible with our innovative State of Mind modular carpet collection. This interactive tool also eases the specification process by maximizing design accuracy.

The Mohawk Group catalog app for the iPad allows designers and architects to search our comprehensive commercial product catalog on demand, order product samples and email product ideas to colleagues and clients. Not only does this app provide customers with instant access to a wide range of product information, but it also helps reduce the amount of paper used for print catalogs. In the field, our commercial sales organization uses iPads exclusively, along with the proprietary sales automation tool, which enables our sales force to be more responsive to customers while further reducing our use of paper.

Dal-Tile's virtual Web catalog reduces our need to print and ship these materials, while allowing for real-time updates when product lines are added, extended or discontinued during the year. The catalog gives users on-demand access, is available in multiple versions depending on the user's needs, can be downloaded for print and shared via email or social media, such as Facebook, Twitter or LinkedIn.

Because online tools will not replace a physical sample in every instance, we offer a sample take-back program for commercial customers. A return-mail bag ships with our samples so that they can be returned to us when no longer needed. We are able to re-use approximately 85 percent of the sample folders that are returned, keeping these materials out of landfills.

There is a lot of green in the world today. Green products and green claims have become ubiquitous in many product categories. With so many manufacturers making sustainability claims about their products, how do consumers find the environmental attributes they seek? And how can they be sure the claims that manufacturers make about green products are true?

Certifications are a useful way to help customers sort through these claims. We only make product claims that can be independently verified by third-party auditors, so consumers can be confident they are receiving the value for which they are paying. We intentionally seek out meaningful, transparent assurance, often from organizations that consumers already recognize, such as Underwriters Laboratories (UL), the global independent safety science organization that has been around since 1894.

We also include our verified environmental claims on our marketing materials, deck boards and other merchandising and point-of-sale materials so customers can easily find products with the green attributes they seek. These independent third-party certifications mean that many of our products meet the criteria required for installation by well-respected green organizations such as the U.S. Green Building Council — which certifies LEED buildings — the Collaborative for High Performance Schools and the Green Guide for Health Care.

Ecolabeling in Europe

Marazzi[®]'s commitment to measuring the environmental impact of tile products and to the transparency of those metrics is apparent in the certification under the European ecological label (Type 1). The EU Ecolabel denotes products and services that have a reduced environmental impact throughout their entire life cycle—from the extraction of raw material through production, use and disposal. In particular, the aims of EU Ecolabel are to reduce impacts on habitats; energy consumption; discharge of toxic substances into the environment; dangerous substances used in materials and finished products; and risks to health in the living environment. Additionally, the EU Ecolabel promotes information that will enable the consumer to use the product in an efficient way that minimizes general environmental impact. Marazzi completed certification for 31 product series in 2014, bringing its total EU Ecolabel-certified product lines to 41.

Environmental Health and Product Declarations

Our ongoing application of life cycle assessment (LCA) helps us to better understand and evaluate the complete impact of our products. We use LCAs to identify sustainability opportunities and inform consumers about the environmental attributes of products. Many of our businesses use LCA insights to implement Environmental Product Declarations (EPDs), which are the most complete environmental footprint assessments currently available, and Health Product Declarations (HPDs), which provide information on product contents and health impacts, if any.

We have fully implemented EPD programs for our laminate and wood products sold in European Union markets. We also provide EPDs and HPDs for our commercial carpet portfolio. During 2014, Dal-Tile became the first manufacturer in the ceramic tile industry to voluntarily disclose cradle-to-grave inputs on all products manufactured in North America through UL Environment-EPDs for its three brands. Our Ceramic business also has created HPDs for its brands through a comprehensive evaluation of all tile bodies and glazes.

During 2014, concerns about formaldehyde emissions in laminate and engineered wood products sourced in China surfaced in media reports. While formaldehyde is a naturally occurring substance in all wood, high levels considered harmful for humans can occur when resins and glues containing high levels of formaldehyde are used to manufacture laminate core board and plywood for engineered wood flooring.

An independent third-party certifier tests all of our laminate and engineered wood flooring in accordance with the California Air Resources Board (CARB) regulations to meet CARB Phase 2 standards. Mohawk regularly checks to ensure all certification is updated and that all CARB requirements are met. In addition, all Mohawk laminate and engineered wood flooring has been tested by an independent laboratory and have been awarded FloorScore® certification based on the CDPH Standard Method V1.1. This means Mohawk products do not release harmful volatile organic compounds (VOCs) into living environments.

PRODUCT STEWARDSHIP | Certifications

Mohawk products that carry the following certifications have been independently verified as products that reduce impact on the environment:

Carpet & Rugs



NSF 140 is the first U.S. national commercial carpet sustainability certification based on life cycle assessment principles. We offer a number of NSF 140-certified products.



Underwriters Laboratories provides Environmental Claim Validation to verify the recycled content of products such as EverStrand® and Wear-Dated® Revive™ carpets.



Carpet and Rug Institute (CRI) Green Label and Green Label Plus certify that our complete line of carpeting, as well as products such as SmartCushion™, will not adversely affect indoor air quality.



U.S. EPA Design for the Environment certifies that our cleaning products are formulated from ingredients that are the safest possible for individual health and the environment.



GREENGUARD* **Indoor Air Quality** certifies that products designed for use indoors, such as our Eco Cushion mats, meet strict chemical emissions limits.



ILFI Declare* is a product label developed by the International Living Future Institute (ILFI) that tells the user about the types of materials used in a particular building product, including the material's origin, composition and end-of-life disposal.

PRODUCT STEWARDSHIP | Certifications

Tile



Green Squared certification is a whole-product, multi-attribute standard, based on life cycle assessment principles, which documents that the product and process meet strict environmental and social criteria. Most of our ceramic products manufactured in North America have achieved Green Squared certification, which provides third-party verification of conformance with ANSI A138.1, the national standard for sustainable tile products.

Laminate & Wood



FloorScore® certifies that laminate and hardwood flooring, such as our Mohawk®, Quick-Step® and Columbia® brands, meet strict indoor air quality standards.



California Air Resources Board (CARB) Phase 2 certification ensures hardwood or laminate flooring, such as our Columbia® hardwood, meets strict formaldehyde emissions standards.



North American Laminate Flooring Association (NALFA*) certification ensures laminate flooring meets demanding performance standards.



Environmental Product Declaration (EPD) is a life cycle assessment-based tool to communicate the environmental performance of a product, such as our Quick-Step® laminate.



Appalachian Hardwood Manufacturers, Inc. (AHMI) has verified data from the U.S. Forest Service that Appalachian Hardwood Territory timber is harvested sustainably. We use AHMI timber in our Columbia® hardwood flooring.



Program for Endorsement of Forest Certification (PEFC) certification ensures that select products from our European sites are manufactured using timber from responsibly managed sources.

Our sustainable carpets, cushion and cleaning products offer beautiful and healthy choices you can feel good about having in your home.



SMARTSTRAND® FOREVER CLEAN™

We continue to expand our SmartStrand line with the introduction of Forever Clean™ residential carpet with proprietary Nanoloc™ that provides enhanced spill protection technology. SmartStrand is made with DuPont™ Sorona®, a renewably sourced polymer made with 37 percent corn sugar. SmartStrand fibers require 30 percent less energy to manufacture and reduce CO2 emissions by 63 percent, as compared with nylon 6 fiber.



SMARTSTRAND® SILK™

This soft product line is an extension of our successful SmartStrand carpet. In addition to renewably sourced fiber content, SmartStrand Silk delivers unmatched softness, superior performance, durability and built-in stain protection for exceptionally long product life.



EVERSTRAND®

The EverStrand family of carpets is made from up to 100 percent post-consumer recycled PET plastic soda bottles using our BCF Continuum™ process. As a result, EverStrand carpets, which have earned environmental claim validation from Underwriters Laboratories, minimize consumption of petrochemical resources and help to reduce plastic in landfills.



KARASTAN® WOOL

Sheep, which are shorn every nine to 12 months, are the sustainable and renewable source for Karastan wool carpets. In addition, all Karastan wool is Clean Air Certified and has the ability to remove contaminants from indoor air, making homes healthier.



SMARTCUSHION[™]

SmartCushion, made from recycled foam trimmings, enhances both the feel and performance of our already exceptional carpet. It contains 90 percent post-industrial material, insulates to improve room energy efficiency and is a CRI Green Label product for improved air quality. With a portion of sales benefiting breast cancer research through Susan G. Komen for the Cure®, SmartCushion is now smarter than ever.



FLOORCARE ESSENTIALS™

Our non-toxic, soap-free, pet- and people-safe carpet cleaners are made of all-natural ingredients and have earned recognition as a U.S. Environmental Protection Agency "Design for the Environment" product.

As one of the world's largest suppliers of commercial carpet and carpet tile producers, Mohawk Group offers the styles, colors, sustainability features and value points for a wide range of commercial products.



SMARTSTRAND® CONTRACT

This carpet is made with DuPont™ Sorona®, a renewably sourced polymer that requires 30 percent less energy to manufacture and reduces CO2 emissions by 63 percent, as compared with nylon 6 fiber. In addition, it is made with 37 percent renewable ingredients, provides superior stain resistance, a luxurious feel and unmatched design flexibility.



NSF 140

NSF 140 is the most widely respected multiattribute standard for carpet sustainability. We are proud to offer a broad array of Silver, Gold and Platinum NSF 140-certified products. We use a life-cycle assessment, verified by a third party, to measure and ensure alignment with NSF 140 standards in categories such as recycled content and energy consumption.



ECOFLEX® NXT

A model of sustainable design, EcoFlex NXT is a PVC-free backing that is up to 40 percent lighter than similar PVC products, making it easier to install and less expensive to ship. It also incorporates a minimum of 35 percent pre-consumer recycled content and is certified at the Gold level under the NSF 140 standards.



COLORSTRAND®

This 100 percent solution-dyed nylon fiber boasts third-party-certified, 25 percent preconsumer recycled content that meets USGBC LEED criteria, and products tufted with Colorstrand are CRI Green Label Plus® certified for VOC emissions. With the quality to perform in most commercial spaces, Colorstrand delivers both lasting beauty and value.



UNIBOND FLEX™

This patented construction tufts carpet fiber through primary and secondary backings, while at the same time creating a single layer with superior durability. Certified at the NSF 140 Platinum level, these carpets contain up to 16 percent post-consumer recycled content, based on total product weight, and are CRI Green Label Plus certified.



DURACOLOR®

Duracolor fiber is made using a technology developed by Mohawk. This process makes already durable nylon also resistant to acidbased stains, which represent the vast majority of stains impacting the marketplace. Stains are removed with just water, thus reducing cost, eliminating chemicals and making a smaller environmental impact.

We offer a vast array of tile colors, textures and patterns with a variety of sustainable attributes for indoor and outdoor residential or commercial products.



RECYCLED CONTENT

In our ceramic and porcelain tile business, 100 percent of our manufactured products contain recycled and/or reclaimed material to minimize consumption of virgin materials.



INDOOR AIR QUALITY

The kiln-firing process used to make tile results in products that are 100 percent VOC-free. Ceramic tile products meet the definition for "inherently non-emitting material." As a result, they can contribute to a building program's efforts to achieve certification under LEED, CHPS and other green building rating systems without the need for VOC emission testing.



DIGITAL PRINTING

Digital imaging technology allows designers to create visuals that even industry professionals cannot discern from natural products like stone, wood, fabric, concrete and metal. By effectively incorporating digital print technology into the product concept phase, we incur less waste in the design and manufacturing process since trial and error on actual tile in prototype testing and approval phases is significantly reduced. In addition, manufacturing flexibility is greatly enhanced as production lines can easily be modified by simply selecting a new digital file.



ENVIRONMENTAL PRODUCT DECLARATIONS

Dal-Tile was the first manufacturer in the ceramic tile industry to voluntarily disclose cradle-to-grave impacts on all products manufactured in North America through UL Environment certified Environmental Product Declarations (EPDs). EPDs are based on rigorous product life cycle assessments that focus on the environmental impact in various categories, such as global warming potential and depletion of abiotic resources.



HEALTH PRODUCT DECLARATIONS

All Dal-Tile tile bodies and glazes include Health Product Declarations (HPDs) that provide information on product contents and health impacts. The HPDs for our ceramic and porcelain tile document that no adverse health impacts and no warnings or hazards are associated with any of our finished products.



REGIONAL MATERIALS

As the world's largest producer of ceramic tile products, Dal-Tile has more manufacturing locations than any other ceramic company. In North America alone, we make products in eight (8) different states and Northern Mexico. This means that many users of our products have an opportunity to take advantage of regional material credits available in many green building programs.

Laminate flooring, combined with our patented Uniclic® installation system, is unmatched for beauty, durability and sustainability.



RECYCLED CONTENT

Our nature-inspired laminates mimic the look of fine hardwood, natural stone or ceramic tile in an eco-friendly flooring created with as much as 74 percent pre-consumer recycled content.



INDOOR AIR QUALITY

FloorScore certifies that laminate flooring, such as our U.S.-manufactured Mohawk® and Quick-Step® brands, meets strict indoor air quality standards.



PEFC-CERTIFIED LAMINATE

Program for Endorsement of Forest Certification (PEFC) ensures that our select products are manufactured using timber from responsibly managed sources.



UNICLIC® INSTALLATION SYSTEM

This patented technology uses a glue-less and chemical-free system for fast, easy installation with no adverse impact on indoor air quality.



FLOORCARE ESSENTIALS™ LAMINATE CLEANERS

Formulated from all-natural ingredients, our cleaners are sustainable, biodegradable and have earned recognition as a U.S. Environmental Protection Agency "Design for the Environment" product.



DIDIT™ CLICK FURNITURE COLLECTION

This line of assemble-yourself chipboard furniture uses Uniclic® technology, which means no bolts, screws, nails or other fittings are used in its assembly, thereby saving resources.

Our domestic and international hardwood flooring products are both stylish and environmentally sound, with sustainable options to complement any décor.



INDOOR AIR QUALITY

Our engineered wood products manufactured in the U.S. use PureBond* technology that eliminates formaldehyde adhesives, a source of VOC emissions that can adversely impact indoor air quality. They also are FloorScore® certified, which means they meet strict indoor air-quality standards.



RECLAIMED WOOD

Our Reclaimed Hardwood Flooring from dismantled buildings keeps wood out of landfills and brings it into today's homes to provide antique natural beauty.



UNICLIC® INSTALLATION SYSTEM

This patented technology uses a glue-less and chemical-free system for fast, easy installation with no adverse impact on indoor air quality.



FLOORCARE ESSENTIALS™ HARDWOOD FLOOR CLEANERS

Made from all-natural, biodegradable ingredients, our hardwood floor-care products help to sustain the long life of hardwood flooring.



FOREST STEWARDSHIP COUNCIL® CERTIFIED

Engineered wood products manufactured in our Malaysian wood facility are certified to Forest Stewardship Council standards, which means they are manufactured using timber from responsibly managed sources.

^{*}PureBond® is a registered trademark of Columbia Forest Products, Inc., in the U.S. and other countries and is used under license.

Mohawk Home is the largest supplier of rugs and mats in the United States, with products ranging from luxurious renewable Karastan® rugs to practical mats made from recycled rubber.



EVERSTRAND® CONTINUUM™

EverStrand is made from up to 100 percent post-consumer recycled PET plastic soda bottles using our BCF Continuum™ process. As a result, EverStrand carpets and rugs, which have earned environmental claim validation by Underwriters Laboratories, minimize consumption of petrochemical resources.



SMARTSTRAND® SILK™

SmartStrand Silk woven products are revolutionary in the area rug industry. Encompassing all the benefits of our SmartStrand triexta fiber system, for rugs we created a line of higher-end, space-dyed woven products in a new on-trend color palette.



WOOL

Many of our rugs are made from highly sustainable resources such as renewable sheep-shorn wool, found in our Karastan® rugs.



INFINITY SERIES RECYCLED RUBBER MATS

We have introduced two-color flock into our classic 100 percent recycled rubber base. The result is a mat that conserves natural resources and is more fashionable than ever.



ENVIROVINYL WALK-OFF MATS

We have improved the traditional PVC vinyl backing previously used in our walk-off mats by removing phthalates and adding up to 50 percent recycled post-industrial materials.



GRAND TERRACE MATS

A synthetic alternative to coir mats, this collection of mats boasts 100 percent recycled rubber backing laminated to a needle-punch polypropylene face to provide great product weight, value and performance.

MOHAWK

Goals & Progress

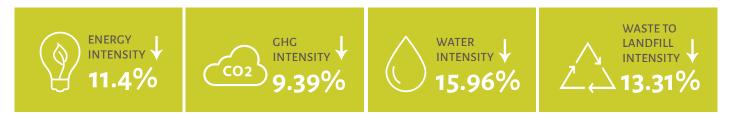
2014 Corporate Responsibility & Sustainability Report







For the past five years, Mohawk Industries has been working toward meaningful and measurable reductions in our energy, emissions, water and waste footprint, guided by a set of 2020 goals that we have reported against annually. During this time, we have made significant progress. Through 2014 and working from a 2010 baseline, we have reduced:



Our progress in environmental stewardship has been accompanied by significant business growth as well. Since 2010, revenue has increased from \$5.3 billion to \$7.8 billion as we have grown legacy businesses and made significant acquisitions. This growth has dramatically increased our manufacturing presence in Europe and Asia as well as in North America. The result is that Mohawk Industries today is a very different organization than when we began formalizing our sustainability practice and setting goals in 2009.

During the past 12 months, we have analyzed data streams from our facilities as we have onboarded and integrated new businesses. We also have begun the process of conducting a midterm assessment of our existing 2020 goals to determine how well they are aligned with our business today. This process will continue into 2015 as we integrate additional acquisitions completed earlier in the year.



Optimizing our overall energy consumption while also seeking alternative economical, cleaner-burning fuels is the best way for Mohawk to increase our bottom line and decrease our carbon footprint at the same time. As a vertically integrated manufacturer, we have ample opportunities to do both.

Our strategy primarily targets improving in the energy efficiencies of manufacturing and distribution processes via proven technologies and innovative solutions that transform energy use in our operations. In the process, we also are able to reduce our energy intensity, which decreased 4.3 percent during 2014. This marks the fifth consecutive year that we have been able to realize positive progress on energy intensity and the first in which we have seen an absolute reduction in overall energy use. In 2014, we reduced our overall consumption by more than 121,000 mWh while growing our business. Cumulatively, we have reduced energy intensity by 11.4 percent since 2010, our baseline year. Similar progress has been made on reductions in greenhouse gas emissions intensity. This metric decreased by 2 percent in 2014 as compared to 2013, and has decreased 9.4 percent in total since the 2010 baseline year.

Much of our focus during 2014 was on the continued integration of newly acquired operations and the identification of opportunities to share best practices and processes among our new and existing businesses. Within Marazzi, which we acquired in 2013, three ceramic plants in Europe produce their own electricity via co-generation from natural gas-powered turbines. In 2014, these plants produced 65,345,984 kilowatt hours of electricity — enough to power 6,030 average U.S. homes for a year. The performance of these plants helped to inform our decision to invest further in electric co-generation during 2015, when operations will start up at plants in Mexico and Russia.

Capital investments in 2014 included energy-efficient lighting retrofits at seven U.S. manufacturing facilities across our business units. In total, these retrofits will reduce annual energy use by more than 14 million kilowatt hours and reduce equivalent CO2 emissions by 9,600 metric tonnes, the equivalent of taking more than 2,000 cars off the road annually.

One of these lighting retrofits was at our commercial carpet tile manufacturing plant in Glasgow, Virginia. This is the latest in a series of energy-efficiency investments at this site, which provides an excellent example of how enhancements add up incrementally over time. During this time, we have replaced a coal-fired boiler with more modern gas and oil boilers and an electric latex oven with a natural gas oven.

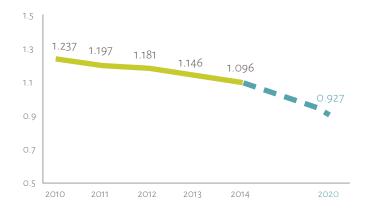
The net effect has been a nearly 20 percent reduction in energy consumption between 2010 and 2014. The enhanced manufacturing plant positions Glasgow well to meet growing carpet tile demand in the future with a cleaner and reduced environmental footprint.

Equipment enhancements also are positioning one of our wood sites in Melbourne, Arkansas, to realize measurable energy reductions. The facility installed a new air compressor and air dryer at the end of 2014, and the main boiler induced draft fan was replaced with a variable frequency drive fan, which will increase production, improve operating efficiency and lower maintenance. Combined, the improved efficiency of these modifications alone is projected to yield an annual savings of more than 1 million kWh and close to \$100,000 annually.

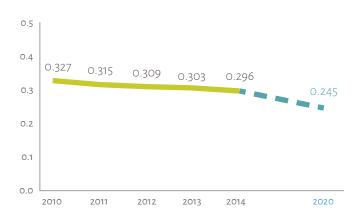
Within the Ceramic business, energy efficiencies are realized annually through a competition among its plants to reduce natural gas usage through employee engagement. The winner brings "home" the Golden Gas trophy for a year. In 2014, this home was Monterrey, Mexico, where the Large Unit Wall (LUW) plant decreased its 2014 natural gas consumption by 13 percent over 2013. Other plants that realized a notable decrease in natural gas consumption for 2014 include mosaic tile plants in Gettysburg, Pennsylvania, and a second plant in Monterrey, Mexico. These and other efforts resulted in Ceramic consuming under 9,000 BTUs for 2014—a record low level—as the business works to reduce its overall utility usage by 25 percent.

GOALS & PROGRESS | Energy & Emissions

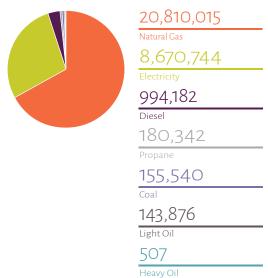
Energy Intensity (in MWh/net sales)



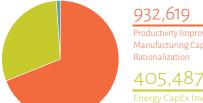
GHG Intensity (in metric tonnes/net sales)



2014 Energy Consumption By Source* (in gigajoules)



2014 Energy Savings (in gigajoules)



Manufacturing Capacity

13,516

Low-/No-Cost Energy Improvements

2014 Total GHG Emissions** (in metric tonnes)



1,181,622

Total Direct GHG Emissions

1,143,504

^{*}In addition to direct and indirect energy consumption, we also measured 2.645 million gigajoules related to biomass.

^{**}In addition to direct and indirect GHG emissions, we also measured 394,268 metric tonnes of GHG emissions related to biomass sources. Product and refrigerant emissions are excluded from our metrics.

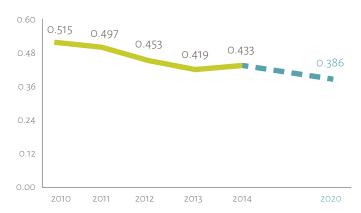


Water management and conservation are essential actions for us, given the increasing scarcity of this natural resource and the water required in the manufacture of carpet, rugs and tile.

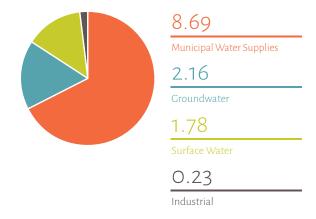
During 2014, water intensity increased 3.39 percent over 2013. This increase stems from greater water demand in our Ceramic and Carpet operations, which comprise approximately 80 percent of our sales. In particular, Ceramic, which involves water-intensive manufacturing processes, continues to grow as a percentage of our product mix. Even though we experienced a slight increase in 2014, we are pleased with overall progress toward our 2020 goal of a 25 percent decrease in water intensity. Through 2014, we have realized a cumulative 15.96 percent reduction against a 2010 baseline, putting us well over the halfway mark to our 2020 goal.

We are also encouraged by a marked increase in the amount of water recycled by our Ceramic operations. In 2014, 824,814 cubic meters, or nearly 218 million gallons, of water were recovered and reused. This is a 34 percent increase over 2013. Ceramic recovered nearly 33 percent of its total water needs in 2014, moving the total for the Company to 6.42 percent.

Water Intensity (in mga/net sales)



2014 Water Withdrawal by Source (in million cubic meters per year)





At Mohawk, we look at waste as both a challenge and an opportunity. We are challenged to find ever more ways to reduce waste, while at the same time recognizing the opportunity to transform waste into something of value. Our capabilities for such are well developed, but more opportunities remain.

During 2014, waste to landfill intensity decreased 5.21 percent from 2013. Since 2010, our baseline year, we have realized a 13.31 percent reduction through 2014. This progress means that we are more than halfway to our 2020 goal of reducing waste to landfill intensity by 25 percent.

Our Zero Landfill program is proving to be the key driver of this progress. Already, we have seen 25 manufacturing facilities eliminate or up-cycle the entire manufacturing waste stream. The effort is helping us build a waste-responsible culture on a facility-by-facility basis, while also being flexible to the process waste needs and challenges of those locations. Having initially rolled out the program in our carpet facilities, we began to expand the program across the enterprise in late 2014 with sites in both our Laminate and Ceramic businesses seeking certification in early 2015.

Through a strategic benchmarking, evaluation and goal-setting process, our Zero Landfill program helps individual sites determine an attainable set of site-specific manufacturing waste reduction targets. Each facility then kicks off a 40-day, on-site campaign to inform, educate and influence employee behavior. This campaign includes the introduction of best practices into facility operations, as well as a communication campaign to enlighten and engage facility employees on waste reduction issues.

Employee awareness and engagement, in particular, are key to continuing our progress in waste reduction. By examining every phase of manufacturing, our employees uncover new opportunities on a seemingly constant basis. Employees at our facilities at Sunnyvale and El Paso, Texas, as well as Muskogee, Oklahoma, for instance, re-examined the way loaders shrink-wrap pallets for shipping. Automating that process and integrating scanning and labeling reduced average process time by 80 percent, with considerable savings of shrink film.

Another employee-led process improvement reduced waste by resolving a "sticky tile" problem at Dal-Tile's El Paso, Texas, plant. Nearly every time 3x6 tile was run at the plant, team members discovered many tiles sticking together on the sides after being glazed on the line. Using Kaizen tools and analysis, a team was able to identify four root causes for the problem and came up with practical solutions for each of them. After testing and implementing the changes, there was a 70 percent decrease in the frequency of tiles sticking together, resulting in a reduction in scrap waste, as well as higher productivity, less equipment downtime, improved safety and higher customer satisfaction.

A Remarkable Recycling Effort

5,614,406,000 Pounds

We recycle our waste from operations as well as purchase recycled material for use in our products. Our result of these recycling activities is nearly 17 times the amount of waste we landfill each year.

Waste to Landfill Intensity

(in tons/net sales)



2014 Total Waste by Type

	Tons	Tonnes
Non-Hazardous Wastes*	3,002,154	2,721,808
Hazardous Wastes**	3,774	3,422
Total	3,005,928	2,725,230

2014 Total Waste by Disposal Method

	Tons	Tonnes
Recycling	676,959	613,743
Incinerated Externally	30,816	27,939
Biomass Used Internally as Fuel	274,277	248,664
Landfill	167,908	152,229
Total	1,149,960	1,042,575

^{*}Non-hazardous wastes disposed of directly by the reporting organization or directly confirmed.

^{**}Information on disposal of hazardous wastes provided by the waste contractor.

For the full statement, including scope, our methodology, work undertaken, disclaimers and description of accomplishments and opportunities for improvement, please see http://www.fira.nl/files/mohawksustainability/MHKstatement2014report.pdf.

Mohawk Industries has commissioned FIRA to provide external assurance on its 2014 web-based and pdf Sustainability Report (further referred to as 'The Report').

Conclusion

Based on the undertaken work, we conclude that the claims and information portrayed in The Report are reliable. We commend Mohawk on a thorough approach leading to GRI B+. We encourage Mohawk to further prepare for reporting based on GRI G4.

Accomplishments and Recommendations

We have seen significant progress in many areas. For 2014, Mohawk increased the data collection from its new acquisitions and continues to show progress towards its 2020 goals. As Mohawk is growing in other geographies, corporate is responding to the need of group management. CSR policies on social issues are maturing and management approaches are disclosed.

- Strategic Initiatives & Sustainability Strategy: Progress on strategic planning has been limited. A more defined structure for CSR strategic thinking and a process of quantifying CSR benefits will benefit the organization. We encourage Mohawk to create an overarching framework that could link the business units under a comprehensive corporate strategy to accelerate their effectiveness through the creation of common synergies.
- Management Approach: Mohawk is disclosing a clear sense of direction on material issues. We recommend further refining the approach by disclosing the comparison between Mohawk current state against the policies and targets that Mohawk want to achieve 3-5 years from now.
- Stakeholders Engagement: Stakeholder engagement is strongly business focused. We recommend accelerating CSR based stakeholder engagement by isolating specific CSR stakeholder needs and seeking collaboration to strengthen the business.
- Accountability: The roles and responsibilities of the people engaged in the different sustainability activities are scattered. Therefore, the accountability for programs, metrics, initiatives, and resources is often difficult to track, and requires time and effort to coordinate. A clear accountability map for the sustainability initiatives could increase efficiency during the implementation and monitoring of activities.
- KPI Management & Data Reliability: As data collection is maturing, and new acquisitions join the company, Mohawk is challenged to continue the journey from data collection to metrics management. We recommend formalizing KPI management by establishing protocols, goals and accountability for management on the evaluation of sustainability performance; this is increasingly important considering the international growth of the company. In 2014, Mohawk continued extending its data collection process to include acquisitions' data and has verified and corrected historical data.
- Risk Management: Mohawk will benefit by further standardizing the ERM system adding, a risk library and integrate the CSR risk management process with the business process.
- CSR Supplier Management: Mohawk keeps expanding the implementation of their supplier code of conduct into more divisions. This process could be expedited with a more structured rollout companywide, and close monitoring of the global implementation.

For FIRA,

A.C. de Bruijn Director FIRA

July 20th, 2015, The Netherlands

fir

Profile Profile		
Disclosure	Description	Reported
1. Strategy	and Analysis	1
1.1	Statement from the most senior decision-maker of the organization.	2-3
1.2	Description of key impacts, risks, and opportunities.	2-3, 12-13, 10-K (6-10)
2. Organiza	tional Profile	
2.1	Name of the organization.	FC, BC
2.2	Primary brands, products, and/or services.	5, 10-K (2-5)
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	5, 10-K (2-5)
2.4	Location of organization's headquarters.	5
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	6, 13, 10-K (2)
2.6	Nature of ownership and legal form.	9, 10-K (FC)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	5, 6, 13, 10-K (2
2.8	Scale of the reporting organization.	5-7,13
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	1, 10-K (37-39)
2.10	Awards received in the reporting period.	17
3. Report P	rameters	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	1
3.2	Date of most recent previous report (if any).	1
3.3	Reporting cycle (annual, biennial, etc.)	1
3.4	Contact point for questions regarding the report or its contents.	IBC
3.5	Process for defining report content.	1
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	1
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	1
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	1
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	1,12 49,54
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	49,54
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	1, 49-54
3.12	Table identifying the location of the Standard Disclosures in the report.	55
	Policy and current practice with regard to seeking external assurance for the report.	1

	DISCLOSURES PART I: Profile Disclosures	
Profile Disclosure	Description	Reported
4. Governanc	e, Commitments, and Engagement	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	9, Corporate Website
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	8
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	8 Proxy (3-6)
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Corporate Website, Proxy (35-36
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	9,14 Proxy (14)
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	9, Corporate Website
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Proxy (34)
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	9, 10, 13 Corporate Website
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	9,13 Corporate Website
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	9
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	9
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	1, 26
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	21
4.14	List of stakeholder groups engaged by the organization.	16
4.15	Basis for identification and selection of stakeholders with whom to engage.	16
1.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	16
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	16

STANDARD DISCLOSURES PART II: Performance Indicators		
Performance Indicator	Description	Reported
Economic		
DMA EC	Disclosure on Management Approach EC	2-3, 19-20 AR (1-4)
Economic pe	rformance	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	5, 10-K (13-15)
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	10-K (9)
EC3	Coverage of the organization's defined benefit plan obligations.	10-K (44-45)
EC4	Significant financial assistance received from government.	9
Market prese	ence	
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	NR
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	NR
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	NR
Indirect ecor	nomic impacts	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	29-32
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	2-3, 20-P

STANDARD DISCLOSURES PART II: Performance Indicators			
Performance Indicator	Description	Reported	
Environmen	tal		
DMA EN	Disclosure on Management Approach EN	2-3,12-13,14,34-3 49-53, Corporate Website	
Materials			
EN1	Materials used by weight or volume.	NR	
EN2	Percentage of materials used that are recycled input materials.	34-36, 42-45, 47-	
Energy			
EN ₃	Direct energy consumption by primary energy source.	51	
EN4	Indirect energy consumption by primary source.	51	
EN5	Energy saved due to conservation and efficiency improvements.	51	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	35, 42	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	NR	
Water			
EN8	Total water withdrawal by source.	52	
EN9	Water sources significantly affected by withdrawal of water.	52-P	
EN10	Percentage and total volume of water recycled and reused.	15, 52	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	NR	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	NR	
EN13	Habitats protected or restored.	NR	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	NR	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	NR	
Emissions, e	ffluents, and waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	51-P	
EN17	Other relevant indirect greenhouse gas emissions by weight.	NR	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	49-51	
EN19	Emissions of ozone-depleting substances by weight.	NR	
EN20	NOx, SOx, and other significant air emissions by type and weight.	NR	
EN21	Total water discharge by quality and destination.	NR	
EN22	Total weight of waste by type and disposal method.	53	
EN23	Total number and volume of significant spills.	NR	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	NR	

GOALS & PROGRESS | GRI Content Index

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Performance Indicator	Description	Reported
Environmen	tal	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	NR
Products and	l services	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	34-47-P
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	NR
Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	NR
Transport		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	NR
Overall		
EN30	Total environmental protection expenditures and investments by type.	NR
Social: Labo	Practices and Decent Work	
DMA LA	Disclosure on Management Approach LA	9,12-13,19-2
Employmen		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	19-20
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	20
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	28
LA15	Return to work and retention rates after parental leave, by gender.	NR
Labor/mana	gement relations	
LA4	Percentage of employees covered by collective bargaining agreements.	27
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	27-P
Occupationa	l health and safety	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	21
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	21-P
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	28
LA9	Health and safety topics covered in formal agreements with trade unions.	NR
Training and	education	
LA10	Average hours of training per year per employee by gender, and by employee category.	24-P
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	23-26-P
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	24-P

STANDARD	DISCLOSURES PART II: Performance Indicators	
Performance		
Indicator	Description	Reported
	Practices and Decent Work	
	l equal opportunity	
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	9,19-20
Equal remur	eration for women and men	
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	NR
Social: Hum	an Rights	
DMA HR	Disclosure on Management Approach HR	9, 10, 12-13, 19-20, 27
Investment a	nd procurement practices	
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	NR
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	9,10-P
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	NR
Non-discrim	ination	
HR4	Total number of incidents of discrimination and corrective actions taken.	NR
Freedom of a	ssociation and collective bargaining	
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	NR
Child labor		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	9,10,27
Forced and c	ompulsory labor	
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	27
Security prac	tices	
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	NR
Indigenous r	ights	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	27
Assessment		
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	NR
Remediation		
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	NR

GOALS & PROGRESS | GRI Content Index

	STANDARD DISCLOSURES PART II: Performance Indicators		
Performance Indicator	Description	Reported	
Social: Socie	ty		
DMA SO	Disclosure on Management Approach SO	9,12-13, 29-32-P	
Local Comm	unity		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	29-32-P	
SO9	Operations with significant potential or actual negative impacts on local communities.	NR	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	NR	
Corruption			
SO ₂	Percentage and total number of business units analyzed for risks related to corruption.	9	
SO ₃	Percentage of employees trained in organization's anti-corruption policies and procedures.	9	
SO4	Actions taken in response to incidents of corruption.	NR	
Public policy			
SO ₅	Public policy positions and participation in public policy development and lobbying.	9	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	9	
Anti-compe	itive behavior		
SO ₇	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	10-K (47-48)	
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	10-K (47-48)	

GOALS & PROGRESS | GRI Content Index

P		
Performance Indicator	Description	Reported
Social: Prod	uct Responsibility	
DMA PR	Disclosure on Management Approach PR	2-3, 12-13, 15, 34-3
Customer he	alth and safety	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	NR
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	NR
Product and	service labeling	
PR ₃	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	34-37
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	NR
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	15, 16, 34-36-P
Marketing c	ommunications	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	34-36-P
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	NR
Customer pr	ivacy	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	NR
Compliance		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	NR

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