

Millwood, Inc. Sustainability Report

May 2025 Edition

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Message from the Owners

Understanding Sustainable Development

Millwood, Inc., which was founded on four pillars demonstrates and encourages industry-leading **innovation** (with God, all things are possible), **service** (serving Christ and others), **stewardship** (caring for our Team, suppliers, customers, and resources) and **sustainability** (preserving God's creation for future generations).


We serve as the single-source provider of proven load carrying, securement and damage prevention solutions, management services with or without dedicated facilities, erosion control and lumber products, all founded and built on the gospel of Jesus Christ.

Millwood brings an ever-expanding portfolio of products and engineered solutions through its national footprint including over 2,000 dedicated Team members in 41 locations across North America.

Millwood is committed to fulfilling its mission and the growth of 1) People, 2) Presence, 3) Products and 4) Profitability for generations of Millwood Team members to come.

Millwood, Inc. has a deep commitment to environmental stewardship and the meaningful steps we're taking to build a more sustainable future. As a supplier for wood pallet and shipping solutions, we understand the importance of preserving natural resources and reducing our ecological footprint.

Through responsible sourcing, pallet recycling and reconditioning and continuous innovation in eco-friendly practices, we are actively working to minimize waste and promote a circular economy. This report reflects our ongoing journey toward sustainability—one that is rooted in accountability, innovation and care for the communities and ecosystems we serve.

A decorative graphic of a green branch with leaves, curving from the top right towards the bottom left, framing the text on the right side of the page.

“It’s our intent to diligently preserve this foundation in all that we do and that all who come in contact with Millwood, Inc. would clearly see the love of Christ in all we do”

Mission Statement

Our Story

Our Background

Millwood, Inc. was officially founded in 1996 through the merger of Trebco and Millwood Lumber, guided by the leadership of Chip Trebilcock and Steve Miller. Since then, Millwood has grown substantially through organic development and strategic acquisitions, including Liberty Industries, Graham Pallet, Tarter Gate's pallet operations and others. This growth has allowed Millwood to expand its service offerings and manufacturing capabilities, such as the addition of filter sock and mesh production and the establishment of the Millwood Lab.

Today, Millwood operates across 12 states with 41 facilities and more than 2,000 team members. As the company continues to grow, sustainability has become a core focus across all operations. Millwood is dedicated to embedding environmentally responsible practices throughout its business strategy, reflecting our core values and commitment to our customers, team members and the communities we support. These efforts are part of a broader vision to foster innovation while reducing environmental impact and ensuring the sustainable stewardship of natural resources.

Corporate Facts

Millwood, Inc., headquartered in Vienna, Ohio, is a leading provider in the pallet and packaging industry, known for its expansive operations and commitment to innovation. These facilities collectively span over 3 million square feet of production and distribution space, enabling Millwood to efficiently serve a wide range of industries.

The company recently expanded its corporate headquarters to better support its ongoing growth and foster a culture of innovation. A standout feature of its infrastructure is the Innovation Center, which includes an ISTA-certified test lab dedicated to advancing technology in packaging and pallet handling. Millwood's growth strategy is driven by a combination of opportunistic acquisitions and robust organic expansion, positioning it as a dynamic and forward-thinking leader in its field.



Our Awards

Millwood Inc. has been honored with several prestigious awards in recent years, reflecting our commitment to excellence, innovation and strong partnerships across the supply chain and manufacturing sectors.

In 2023, Millwood was proud to receive the Excellence in Manufacturing Award, a recognition of our dedication to high-quality production standards, operational efficiency and continuous improvement. This award highlights the strength of our manufacturing teams and the systems we've built to deliver consistent, reliable solutions to our customers.

Our strong collaboration with CHEP has also been recognized multiple times. At the CHEP 2023 Supply Chain Symposium, Millwood was named Overall Supplier of the Year, a testament to our reliability, service quality and strategic alignment with customer needs.

In 2024, we were honored again at the CHEP Symposium as Collaborator of the Year, reflecting our proactive approach to partnership and innovation. Additionally, in 2022, CHEP recognized Millwood with the Best in Sustainability award, acknowledging our efforts to reduce environmental impact and promote circular supply chain practices.

In 2024, Millwood received the Owens Corning Customer First Award, which celebrates our commitment to customer satisfaction, responsiveness, and service excellence. This award reinforces our focus on building strong, trust-based relationships with our partners.

We were also recognized by IndustryNet as a Top Pallet Supplier, further validating our leadership in the pallet and packaging industry.

Our dedication to creating a positive and supportive workplace culture was recognized when the Millwood Corporate Office was named a Great Place to Work by the Youngstown Business Journal. This distinction reflects our investment in employee well-being, professional development, and inclusive company culture.

Finally, in 2025 we were named as Supplier of the Year by one of our top customers where we had a 99% on-time delivery rate and 100% quality satisfaction rating.



Our Commitment to Sustainability

1 Environment

Millwood is committed to reducing its environmental impact by incorporating sustainable practices across operations—from responsible sourcing and energy-efficient manufacturing to waste reduction and recycling. Protecting natural resources is essential to our long-term success and our responsibility to future generations.

3 Sustainable Procurement

Millwood works closely with suppliers who share our commitment to sustainability and ethical practices. By prioritizing responsible sourcing and evaluating our supply chain partners on environmental and social performance, we support long-term value creation and minimize risk.

2 Labor and Human Rights

Millwood values the dignity, safety and well-being of every team member. We promote fair labor practices, equal opportunities and a respectful workplace. Upholding human rights is fundamental to fostering a positive culture and attracting and retaining dedicated employees.

4 Ethics

Integrity is central to everything we do at Millwood. We hold ourselves and our partners to high ethical standards, promoting transparency, accountability and compliance across all business activities. Ethical conduct builds trust with customers, employees and the communities we serve.

Sustainable Procurement

Sustainable Procurement Policies

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Supplier Code of Conduct

In March of 2025, we launched a Supplier Code of Conduct that holds our partners accountable. This policy supports our efforts to build responsible sourcing practices and long-term, values-driven partnerships.

Ethical and Responsible Labor Practices

Millwood requires all suppliers to uphold internationally recognized human rights and comply with applicable labor laws. This includes prohibiting forced, bonded or child labor, ensuring fair compensation and reasonable working hours and providing safe and healthy working conditions. Additionally, we expect suppliers to maintain inclusive, non-discriminatory workplaces and respect employees' rights to associate and collectively bargain.

Environmental Stewardship

Suppliers are expected to operate in an environmentally responsible manner. We encourage the adoption of proactive sustainability practices, including reducing greenhouse gas emissions and waste, conserving natural resources and implementing responsible chemical and waste management systems. Millwood supports continuous improvement and the integration of environmental management frameworks aligned with global reporting standards.

Commitment to Integrity and Compliance

We hold our suppliers to high standards of ethical business conduct. This includes a zero-tolerance stance on corruption, bribery and conflicts of interest. Suppliers must also protect confidential information, respect intellectual property rights and comply with trade regulations and fair competition laws.

Oversight and Accountability

Suppliers are responsible for maintaining transparent records and demonstrating compliance with this Code. Millwood reserves the right to assess and audit supplier operations and requires timely reporting of any violations. Failure to meet these expectations may result in corrective action or termination of the business relationship.

Since launching this program in April of 2025, we are currently at **42%** completion from our suppliers. Our goal is to incorporate this into our onboarding process, so that we can reach **100% completion by 2030**.

Sustainable Procurement Policies

Local Sourcing to Reduce Emissions

At Millwood, we prioritize sourcing materials and locating production facilities within 150 miles of our customers whenever possible. This localized approach significantly reduces transportation-related emissions, supports regional economies and helps minimize our overall carbon footprint.

Local sourcing contributes to sustainability in several impactful ways. First, it enhances supply chain resilience by reducing reliance on long-distance logistics and global transportation networks, which are more susceptible to delays, disruptions and environmental risks. By shortening our supply chains, we improve response times, reduce fuel consumption and lessen our dependence on fossil fuels.

Second, local partnerships foster stronger relationships with suppliers and communities. This allows for better oversight of labor practices and environmental standards and provides more opportunities for collaborative innovation in sustainable product development and packaging solutions. Supporting nearby businesses also stimulates local job creation and reinvestment in the regions where we operate.

Additionally, sourcing closer to our customer base improves inventory flexibility and reduces the need for excess warehousing, lowering energy use and material waste. It also enhances product traceability and transparency—two increasingly important factors for our customers and stakeholders.

By aligning our sourcing strategy with our environmental and social goals, we are able to deliver high-quality, custom-engineered solutions while advancing our broader commitment to sustainability, operational efficiency and ethical business practices.



Within 150 mile radius!

Repair and Return Program

Sustainable Supply Starts Here: Millwood's Closed-Loop Sourcing Model

At Millwood, sustainable procurement is more than a policy—it's a practice. We prioritize sourcing strategies that reduce environmental impact and promote long-term resource stewardship. A standout example is our Pallet Repair & Return Program, which helps extend the life of existing pallets and reduces the need for new raw materials.

By recovering and refurbishing pallets, we minimize waste, conserve natural resources like virgin lumber and reduce the environmental footprint associated with manufacturing and transportation. This closed-loop system supports a more circular supply chain and encourages responsible behavior from both our suppliers and customers. It's one of the many ways we align our procurement decisions with our broader sustainability goals.



Programs

NWPCA Membership

The National Wooden Pallet and Container Association (NWPCA) offers several membership types tailored to different roles in the wood packaging industry. Industry Membership is for manufacturers, recyclers and distributors, offering voting rights and leadership eligibility. Associate Members—such as suppliers and service providers—can vote and serve on committees, while End User Members can participate in meetings but not vote. The Partner Membership includes a license to the Pallet Design System™ (PDS) and full membership benefits for one year. All members gain access to valuable tools and services, including PDS, industry advocacy, networking events, healthcare solutions, educational resources and marketing exposure.

Millwood, Inc. benefits significantly from its deep engagement with the NWPCA. With over 30 individual team members actively involved and more than 150 partner associates connected through the program, Millwood leverages a powerful network of industry professionals and resources. This broad participation enhances collaboration, supports professional development and reinforces Millwood's leadership in sustainable wood packaging and logistics.

Chambers of Commerce

Millwood, Inc. proudly maintains active memberships in several local chambers of commerce as part of its commitment to responsible business practices and community engagement.

Three locations—Mechanicsburg, Pennsylvania; Waco, Texas; and Huntsville, Alabama—are members of their respective regional chambers.

In Mechanicsburg, Millwood participates in the local chamber to engage with a network of businesses focused on ethical practices, workforce development and sustainable procurement.

Similarly, the Huntsville location is a member of the Huntsville/Madison County Chamber of Commerce, where it takes part in educational forums and business roundtables that support sustainability and labor rights.

The Environmental Product Declarations

The Environmental Product Declaration (EPD) for U.S. wooden pallets, developed by the Pallet Foundation and NWPCA, provides a cradle-to-grave life cycle assessment (LCA) that confirms the environmental benefits of wooden pallets.

It validates that pallets are repairable, reusable, recyclable, biodegradable and carbon neutral when sustainably sourced. The study focuses on the most common 48x40" stringer and block pallets, showing that heavy-duty block pallets offer the highest durability and efficiency.

Environmental impacts are low, with a global warming potential of just 10.39 kg CO₂ equivalent per 100,000 lbs of product transported. At end-of-life, pallets are often reused, recycled or used for energy recovery, further reducing their footprint.

For Millwood, this EPD offers a credible, third-party verified tool to support sustainability messaging, enhance ESG reporting and reinforce the value of wood as a renewable, low-impact material in the supply chain.

Programs

Forest Stewardship Council (FSC)

Millwood, Inc. supports the principles of responsible forestry by sourcing a portion of our materials from suppliers certified by the Forest Stewardship Council (FSC). FSC certification ensures that wood products are harvested in a way that maintains forest biodiversity, respects Indigenous rights and supports long-term ecological balance. By striving to work with FSC-certified suppliers, Millwood reinforces its commitment to ethical sourcing and environmental responsibility. This partnership helps us align with global sustainability standards and meet the growing demand for transparency and accountability in our supply chain.

Sustainable Forestry Initiative (SFI)

Millwood partners with a number of suppliers certified by the Sustainable Forestry Initiative (SFI), a program focused on sustainable forest management across North America. Although SFI-certified suppliers represent only a portion of our sourcing network, we value their role in promoting responsible harvesting, reforestation and community engagement. These partnerships reflect our ongoing efforts to support sustainable procurement practices and to contribute positively to the health of forest ecosystems. As we grow, we remain committed to expanding our relationships with certified suppliers and advancing our environmental goals.

Looking to the Future

At Millwood, Inc., we are committed to continuing our partnerships with suppliers who share our values around sustainability and responsible resource management. Working with FSC and SFI-certified partners allows us to support forest stewardship practices that protect ecosystems, promote biodiversity and ensure long-term forest health. As we look to the future, we remain dedicated to strengthening these relationships and expanding our efforts to source materials that align with our environmental values. Our care for the environment is deeply rooted in our operations, and we believe that through collaboration and conscious sourcing, we can contribute to a more sustainable and resilient supply chain for generations to come.

CORE Erosion Control Services



Our CORE Erosion Control product brand offers filter socks, stakes, mats, mesh and more for efficient sediment control on your job site.

Millwood serves as a single source provider of proven load carrying, securement and damage prevention solutions. management services with or without dedicated facilities, erosion control and lumber products.

CORE Erosion is dedicated to environmental stewardship and vertically integrated manufacturing. We provide certified and sustainable high-quality soil stabilization and sediment control barriers. Our renewable sourced and recycled product offerings help to save our planet by enhancing responsible land management practices through erosion and sediment control solutions, tailored to your site specific needs.

Industries Served

Water Supply



Landscaping



Pipeline



Power Lines



Highway



Excavators

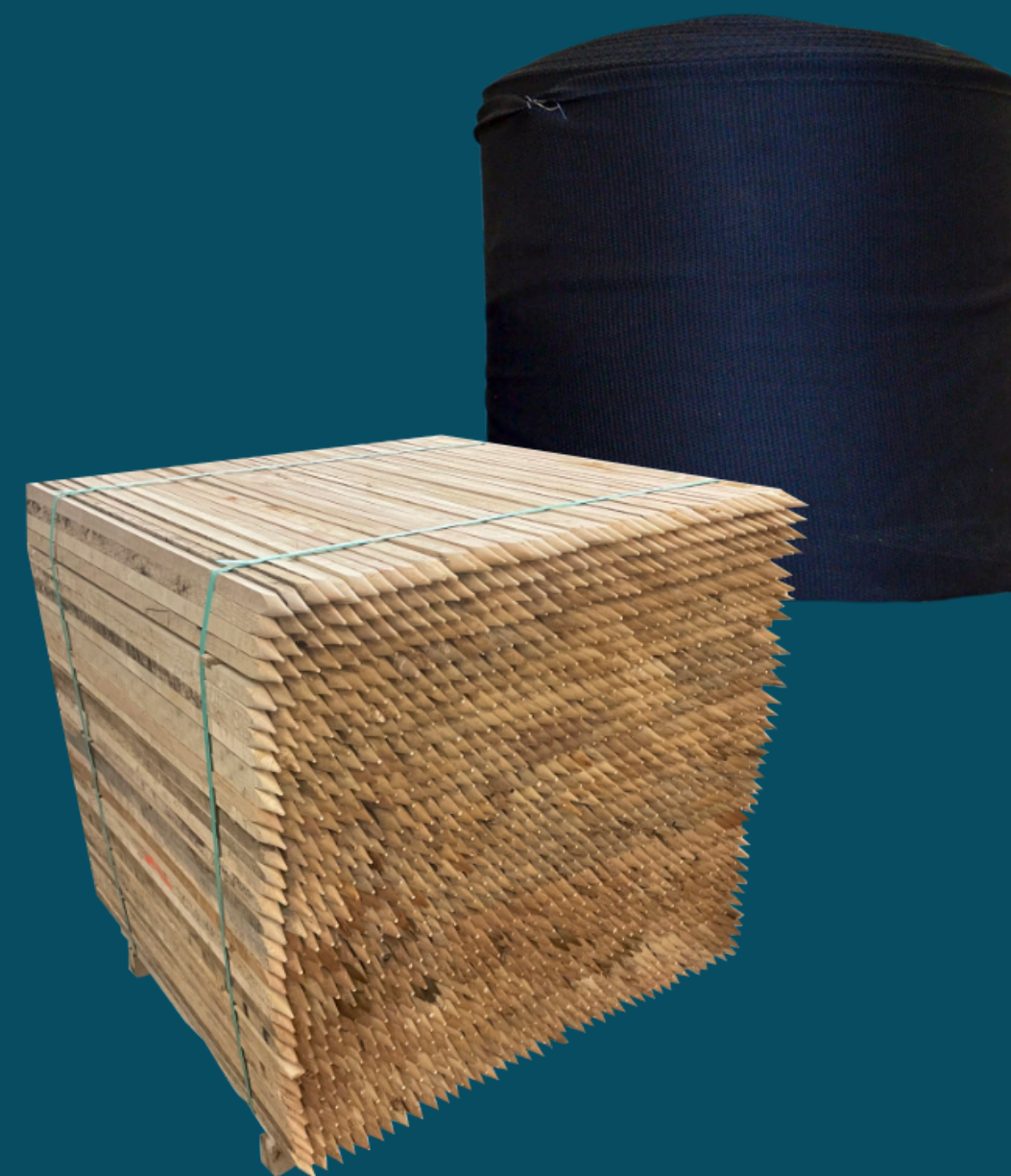


Construction



Supporting Measures: CORE Products

By repurposing waste materials like sawdust and wood chips to create erosion control socks, our pallet company reduces landfill waste and supports a circular economy. These erosion socks help prevent soil loss, filter stormwater runoff, and protect waterways—offering an environmentally responsible solution that turns byproducts into a sustainable benefit for land and water conservation.



Supporting Measures: CORE Results

Between January and December 2024, our U.S. locations diverted roughly 65 million pounds—more than 32,000 tons—of material from landfills by repurposing it into silt socks. This effort not only reduced landfill waste but also prevented the associated emissions from waste transport and disposal, significantly lowering our carbon footprint.



Our CORE Erosion Product Line:



Pipeline Skids



Filter Sock



Stakes and
Laths



CORE Rucks



CORE Mesh

Supporting Measures

1 Reducing Reliance on New Material

By prioritizing reuse and repair, we significantly reduce the need to source new raw materials, conserving natural resources and minimizing environmental impact.

3 Customer Partnerships

By collaborating with customers to recover and refurbish used pallets, we create a closed-loop system that benefits both the environment and their bottom line.

2 Extending Product Lifecycle

Increasing product longevity helps lower emissions, reduce raw material demand, and support more sustainable consumption patterns across our supply chain.

4 Preventing Erosion Control

Our erosion control products, such as silt socks, help prevent soil displacement by slowing runoff and stabilizing vulnerable landscapes.



Sustainable Procurement

Sustainable Development Goals

Supplier Sustainability Assessments

At the core of our sustainability strategy lies a deep commitment to fostering resilience and responsibility throughout our supply chain. We understand that achieving meaningful environmental and social impact requires more than just internal efforts—it demands collaboration and alignment with our suppliers and partners.

Rather than narrowing our supplier base in pursuit of rigid sustainability benchmarks, we prioritize adaptability and inclusivity. We actively seek to broaden our network of sustainable sourcing options, recognizing that flexibility is essential in a global market characterized by volatility, material shortages and evolving regulatory landscapes.

Our approach involves working closely with vendors to support their transition toward more sustainable practices. This includes offering guidance on environmental compliance, sharing best practices and encouraging innovation in areas such as waste reduction, energy efficiency and ethical labor standards. By doing so, we aim to empower our suppliers to not only meet current expectations but to thrive in a future where sustainability is a competitive advantage.

Through these efforts, we are building a procurement ecosystem that is not only more robust and responsive but also deeply rooted in long-term environmental stewardship and ethical responsibility. Our goal is to create lasting partnerships that drive continuous improvement and shared value across the entire supply chain.

Millwood Inc.'s Sustainable Procurement Strategy

Our commitment to external assurance has also led us to pursue industry-recognized certifications that validate our sustainability efforts. By earning the EcoVadis rating we demonstrate our efforts are in compliance with global environmental management standards.

At Millwood Inc., sustainability is more than a corporate objective—it is an ongoing mission to create ethical, responsible and innovative solutions for the wood packaging industry.

By integrating these sustainable procurement goals, we are driving long-term value for our customers, employees and stakeholders while ensuring a greener future for generations to come.

Sustainable Procurement

Sustainable Development Goals

Sustainable Procurement Development Goals

Sustainability is at the core of our business strategy. We recognize our responsibility to drive ethical sourcing and environmental stewardship while maintaining the highest standards of corporate social responsibility (CSR).

To reinforce this commitment, we are actively working to ensuring transparency across our policies, actions and measurable results.

Through this structure, we have developed a roadmap for sustainable procurement that prioritizes responsible sourcing, supplier accountability and environmental resilience.

We are committed to growing our network of sustainable vendors while ensuring responsible procurement practices across our supply chain.

Instead of replacing existing partnerships, our goal is to collaborate with more environmentally responsible suppliers and support their transition toward sustainable operations.

Proactive Risk Analysis in Sustainable Sourcing

One of our key initiatives is conducting comprehensive supply chain risk analysis—a proactive strategy designed to identify, assess and mitigate potential vulnerabilities before they impact operations.

This approach enables us to build greater resilience and transparency across our sourcing network.

We place a strong emphasis on partnering with suppliers who align with responsible forestry standards, such as those certified by the Forest Stewardship Council (FSC) and the Program for the Endorsement of Forest Certification (PEFC).

These partnerships help safeguard against deforestation, promote biodiversity and ensure the sustainable use of natural resources.

In addition to compliance, we actively encourage our suppliers to adopt greener, more innovative business practices. By doing so, we not only support environmental goals but also help suppliers enhance their competitiveness in a rapidly evolving market landscape shaped by shifting consumer expectations and regulatory demands.

Environment



Carbon Emissions Tracking Programs

Millwood CarbonMap: Tracking Emissions, Driving Change

Millwood, Inc. has taken important steps toward building a comprehensive greenhouse gas (GHG) emissions tracking system, aligning with the Scope 1, 2 and 3 framework defined by the Greenhouse Gas Protocol. This effort is part of our broader environmental strategy to better understand and reduce our carbon footprint across all areas of operation. We utilized the Ecovadis Carbon Estimator to establish our first ever baseline for our Scope 1, 2 and 3 emissions across our company.

To begin, we focused on Scope 1 emissions, which include direct emissions from sources we own or control—such as facility heating systems and company-operated vehicles. In 2024, we began collecting detailed data on fuel consumption (diesel, gasoline, LPG and natural gas) across all business units. This data was compiled from internal sustainability surveys and utility records and processed using the EPA's Simplified GHG Emissions Calculator. This allowed us to quantify emissions from stationary combustion and mobile sources in metric tons of CO₂ equivalent.

We also initiated tracking of Scope 2 emissions, which cover indirect emissions from purchased electricity. Using electricity usage data from each facility and applying regional eGRID emission factors, we calculated both location-based and market-based emissions. This dual approach provides a clearer picture of our energy-related emissions and supports future planning for renewable energy integration.

In parallel, we began addressing Scope 3 emissions, which include indirect emissions from activities such as employee commuting, business travel, upstream transportation and waste disposal. We used survey data, vendor reports and operational metrics to start estimating emissions from landfilled materials, third-party logistics and employee travel. These estimates were also processed through the EPA's calculator to ensure consistency and accuracy.

To support this work, we consolidated data from multiple sources, including:

- Sustainability Surveys (fuel and waste data) in each of our business units
- Stationary Combustion and Electricity Use Reports
- Electric and Gas CO₂ Conversion Files
- EPA GHG Emissions Calculator

These tools and datasets are helping us build a reliable emissions inventory, which will serve as the foundation for setting reduction targets and tracking progress over time. Our next steps include refining data collection processes, expanding Scope 3 coverage and exploring opportunities for emissions reduction across our operations.

Electric Forklift Programs

Lifting a Greener Future: Millwood's Path to an All-Electric Forklift Fleet

Millwood, Inc. is undertaking a major sustainability initiative from 2025 through 2030, aimed at transforming its material handling operations by replacing all propane-powered forklifts with electric models. This transition reflects the company's commitment to reducing its environmental footprint and enhancing workplace safety. The plan begins with the replacement of 45 forklifts in 2025 and culminates in a fully electric fleet of 91 forklifts by 2030.

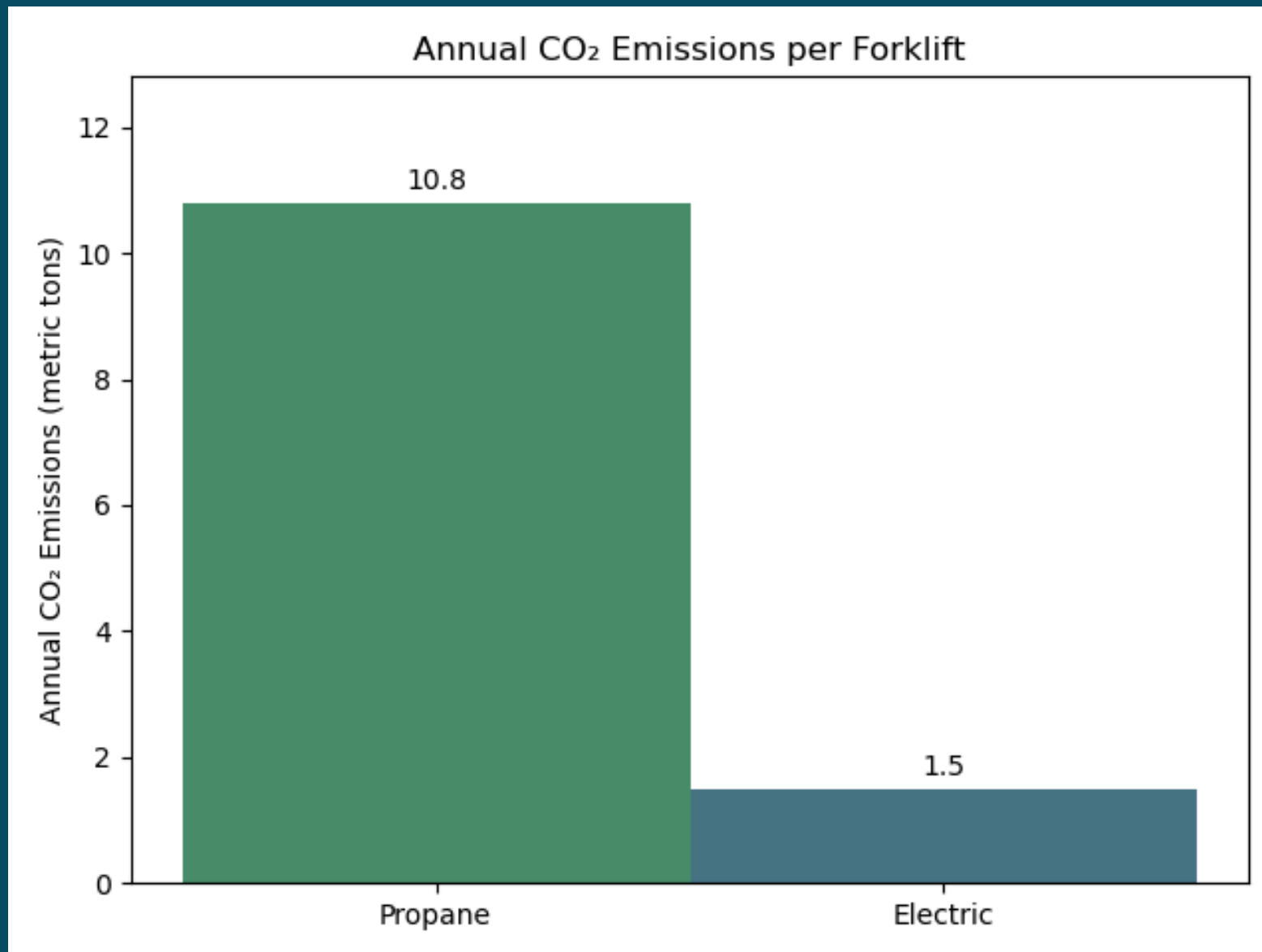
The environmental impact of this shift is substantial. Propane forklifts emit approximately 10.8 metric tons of CO₂ per year, while electric forklifts—powered by the average U.S. electricity grid—emit only 1.5 metric tons annually. This results in a net reduction of 9.3 metric tons of CO₂ per forklift per year. By 2030, Millwood will have reduced its annual CO₂ emissions by 846.3 metric tons, equivalent to removing 184 gasoline-powered vehicles from the road each year. Over the course of the transition, the company will prevent the release of more than 4,445 metric tons of CO₂, which is comparable to taking 967 cars off the road or planting over 73,000 trees.

In addition to reducing greenhouse gas emissions, the switch to electric forklifts will significantly improve air quality. Propane combustion releases harmful pollutants such as carbon monoxide (CO), nitrogen oxides (NO_x) and particulate matter (PM), which can pose serious health risks in enclosed warehouse environments. Electric forklifts produce zero tailpipe emissions, thereby eliminating these pollutants and creating a cleaner, healthier workplace for employees.

Electric forklifts also offer operational advantages. They are 3–4 times more energy efficient than propane models, converting a much higher percentage of energy into usable power. This efficiency reduces overall energy consumption and supports a more sustainable use of resources. Furthermore, electric forklifts operate at significantly lower noise levels—around 65 decibels compared to 80–90 decibels for propane models—contributing to a quieter, safer and more comfortable work environment.

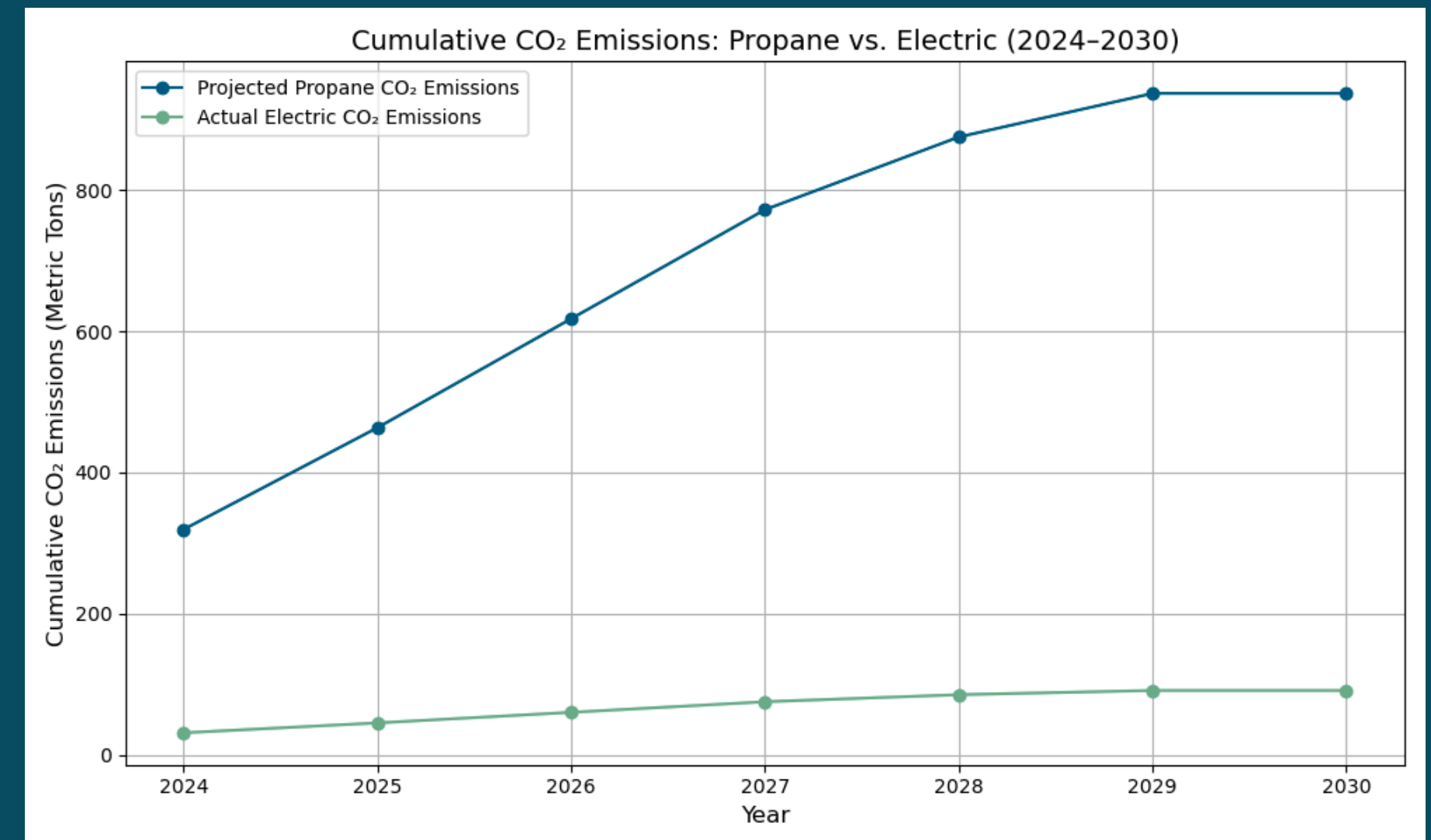
By 2030, Millwood, Inc.'s transition to electric forklifts will not only demonstrate leadership in environmental responsibility but also set a benchmark for sustainable industrial practices. The initiative highlights how thoughtful planning and commitment to cleaner technologies can lead to meaningful reductions in emissions, improved workplace conditions and a more sustainable future.

Electric Forklift Programs



This chart above compares the average annual carbon dioxide (CO₂) emissions produced by a single propane forklift versus an electric forklift. Propane forklifts emit approximately 10.8 metric tons of CO₂ per year due to fuel combustion. Electric forklifts, by contrast, emit only about 1.5 metric tons annually, primarily from electricity generation. This stark difference highlights the environmental advantage of transitioning to electric forklifts, reducing emissions by over 85% per unit.

This line chart below illustrates the total CO₂ emissions over time under two scenarios: Projected Propane Emissions: What emissions would have looked like if the company had continued using propane forklifts. Actual Electric Emissions: The real emissions resulting from the phased switch to electric forklifts. The growing gap between the two lines represents the cumulative emissions avoided—a total of over 4,445 metric tons by 2030. This is equivalent to removing nearly 1,000 cars from the road for a year.



Repair and Return Program

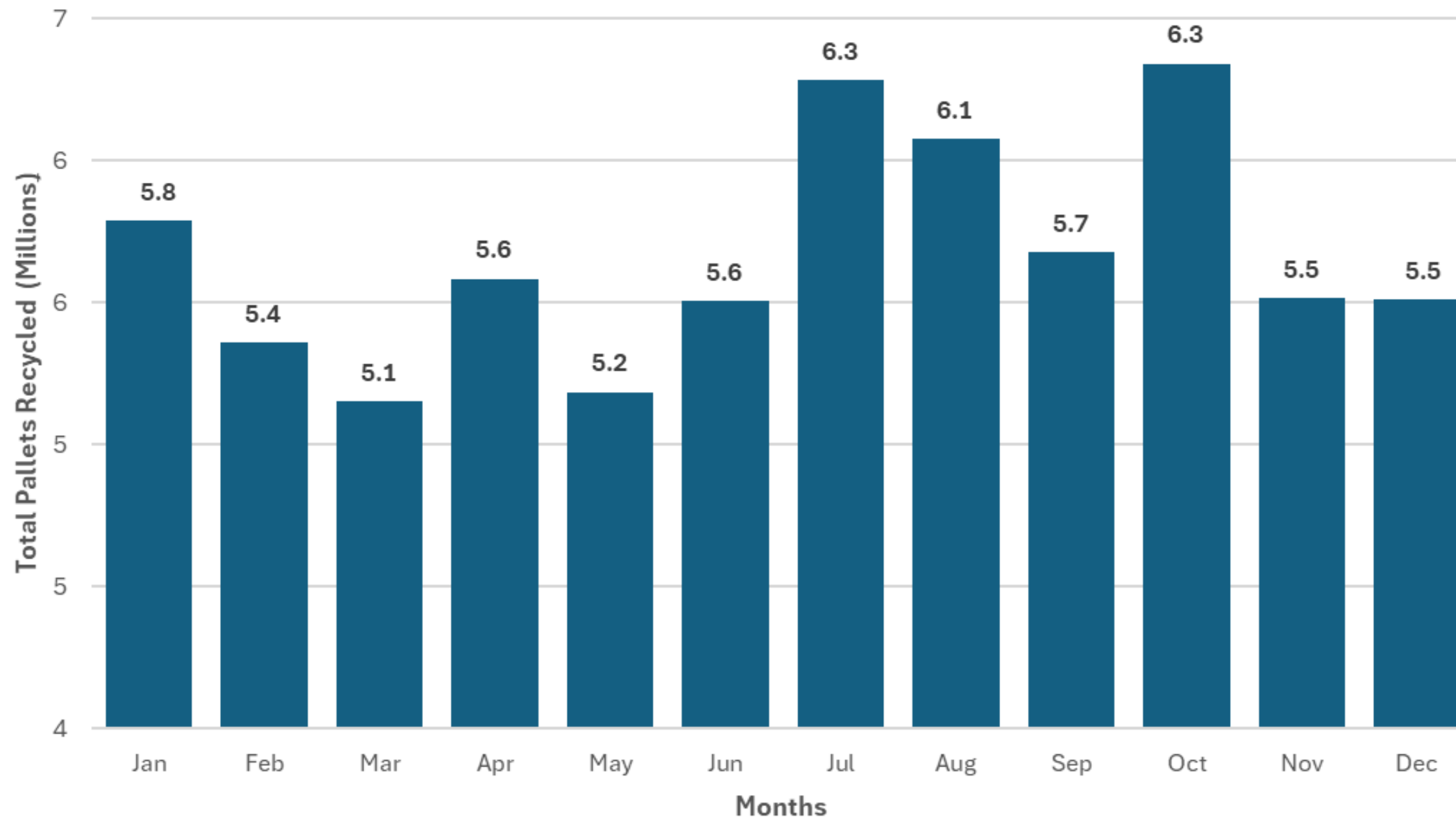
Optimizing Resources for a More Sustainable Future

- Millwood's commitment to environmental responsibility is reflected in our **nationwide Pallet Repair & Return Program**, a key initiative in our circular economy strategy. Through this program, customers return used pallets to be inspected, graded and repaired at one of our 40+ facilities across the U.S.
- By restoring pallets to meet industry standards, we keep materials in use longer, reduce landfill waste, and significantly cut down on the demand for new lumber. This not only helps our customers lower costs and improve efficiency but also supports our mission to reduce our carbon footprint and promote sustainable resource use across the value chain.

- Over 50 Million pallets repaired each year.
- This leads to over 1.5 million tons of waste to be saved from landfills annually.

Environment Supporting Measures

Repair and Return Recycled Pallets 2024



Takeaways:

In 2024, Millwood, Inc. maintained a consistent and robust pallet recycling program, with monthly totals ranging between approximately 5,100,000 and 6,300,000 pallets. Overall, the data reflects a strong year of recycling performance, with notable surges in July, August and October, highlighting the company's commitment to sustainability and efficient resource management.

Environment Supporting Measures

Tracking Our Scope 1, 2 and 3 Emissions: A Milestone Toward Sustainability

For the first time, we've taken a comprehensive look at our carbon footprint by tracking our Scope 1 (direct), Scope 2 (indirect from purchased energy) and Scope 3 (indirect from our value chain) emissions. This milestone empowers us to:

- Identify key emission sources across our operations and supply chain
- Set data-driven reduction targets aligned with global climate goals
- Enhance transparency with stakeholders, customers and partners
- Strengthen our sustainability strategy and prepare for future regulations

This foundational step marks our commitment to responsible growth and a low-carbon future.

Eco-Friendly Product

Turning Waste into Purpose: Eco-Friendly Erosion Control from Reclaimed Pallets.

We're giving used wooden pallets a second life by transforming them into erosion control products. This sustainable approach helps:

- Reduce landfill waste by repurposing discarded wood
- Lower our carbon footprint through material reuse
- Support soil health and water conservation with natural, biodegradable solutions
- Promote circular economy practices within our operations

By innovating with reclaimed materials, we're protecting the environment—one pallet at a time.

Environment Supporting Measures

Chemical, Water, and Waste Tracking

This year marked a significant step forward in how we approach environmental accountability across our operations.

Recognizing the need for greater insight into our resource use and environmental impact, we took a more data-driven approach. Each of our facilities maintains an up-to-date Safety Data Sheet (SDS) to ensure safe handling and tracking of all chemicals used on-site.

For the first time, we systematically reviewed all water bills across our locations, giving us a clearer picture of our water consumption and allowing us to identify baseline usage trends and areas for improvement.

In addition, we gathered detailed data on our trash and wood waste volumes from every site. This effort was driven by our desire to move beyond estimation and anecdotal tracking and instead lay the groundwork for meaningful KPIs and targeted waste-reduction strategies. These foundational efforts reflect our commitment to transparency, continuous improvement and long-term sustainability.

Product End of Life

We are committed to reducing waste and promoting circularity in our operations. When our pallets reach the end of their usable life, we:

- Repurpose wood into animal bedding, silt socks, and mulch
- Divert materials from landfills through local reuse and recycling partnerships as much as we can
- Extend the lifecycle of materials by integrating them into secondary products

This process helps us conserve natural resources, reduce environmental impact and support a more sustainable supply chain.

Environment

Sustainable Development Goals

External Company Assurance

To enhance the credibility and transparency of our sustainability reporting, we will engage an external assurance company to independently review our environmental, social and governance (ESG) data by 2030. This initiative supports SDG 16 (Peace, Justice and Strong Institutions) by promoting responsible business practices and accurate reporting. Third-party assurance will ensure the integrity of our disclosures, strengthen stakeholder confidence and help identify opportunities for further improvement in our sustainability strategy.

CDP Climate Change Engagement

In alignment with SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action), Millwood, Inc. is committed to enhancing transparency and accountability in our climate-related practices by actively engaging with the CDP Climate Change Questionnaire process. By 2030, we aim to become a consistent respondent to CDP's Climate Change Questionnaire, using it as a tool to benchmark our environmental performance, identify areas for improvement and communicate our progress to stakeholders.

While we are not currently a respondent, we recognize the value of CDP participation in driving climate action and aligning with global best practices. Our goal is to submit our first CDP Climate Change response by 2026, with annual updates thereafter. This initiative will support the development of robust emissions tracking, climate risk assessments and science-based targets, reinforcing our broader commitment to environmental stewardship and sustainable manufacturing.

Training of Employees on Conservation and Climate Action

As part of our long-term sustainability strategy, we are committed to increasing employee awareness and engagement around climate conservation. By 2030, our goal is to implement regular training programs that empower all employees to understand their environmental impact and take meaningful action—both within the workplace and beyond. These initiatives will help embed a culture of sustainability throughout our organization and support our broader climate goals.

Water Management

As part of our long-term sustainability vision, we aim to establish a more robust water management program by 2030. While 2024 marks our first year of actively tracking water consumption across all sites, this initial step provides a critical baseline for future improvement. We recognize the challenges that come with managing water usage in leased facilities, where control over infrastructure may be limited. However, we are committed to doing what we can—analyzing usage patterns, promoting conservation practices and setting realistic goals to reduce our water footprint over time.

Environment

Sustainable Development Goals

Air Pollution Policy

In alignment with SDG 11 (Sustainable Cities and Communities) and SDG 13 (Climate Action), our goal is to develop and implement a formal Air Pollution Policy by 2030. While we currently do not have a dedicated policy in place, we recognize the importance of addressing air emissions as a critical component of our environmental impact. By 2030, we aim to establish a clear framework that outlines our commitment to identifying, measuring and reducing air pollutants across our operations. This policy will include guidelines for emissions monitoring, compliance with environmental regulations and investments in cleaner technologies, reinforcing our broader commitment to sustainability and public health.

Better Quantitative Targets

To strengthen the impact and transparency of our sustainability efforts, we are implementing better quantitative targets across key environmental and social indicators. These targets are aligned with SDGs such as SDG 12 (Responsible Consumption and Production) and SDG 9 (Industry, Innovation and Infrastructure). By 2030, we aim to establish data-driven benchmarks for emissions, waste reduction, energy efficiency and supply chain sustainability. These goals will be regularly reviewed and adjusted based on performance data, ensuring continuous improvement and accountability.

ISO 14001 Certification

In alignment with SDG 12 and SDG 13, we are actively working toward achieving and maintaining ISO 14001 environmental management system certification at the majority of our sites by 2030. This internationally recognized standard provides a structured framework for identifying environmental risks, setting objectives and integrating sustainability into our core business operations. Certification will support our efforts to systematically manage our environmental responsibilities, improve compliance and foster a culture of environmental stewardship across the organization.

Biodiversity

Millwood, Inc. is working toward a long-term goal of enhancing biodiversity and reducing our environmental footprint across all operations. Our goal is to identify the locations of our sites in relation to biodiversity-sensitive areas and enhance our environmental practices by 2030. We aim to adopt more sustainable sourcing practices, support local habitat conservation and reduce waste and emissions through innovation and employee engagement. By building stronger connections with nature and integrating environmental responsibility into our business strategy, we strive to contribute meaningfully to global sustainability efforts—particularly SDG 13 (Climate Action), SDG 15 (Life on Land) and SDG 12 (Responsible Consumption and Production).

Ethics

Policies

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Sensitive Transactions

Millwood, Inc. has established a comprehensive and transparent procedure for managing sensitive transactions to ensure ethical integrity and compliance with international anti-corruption standards. These transactions include, but are not limited to, gifts and hospitality, charitable donations, sponsorships, political contributions and any interactions with public officials. Recognizing the potential risks associated with such activities—such as bribery, undue influence or conflicts of interest—Millwood’s policy outlines clear classifications, approval requirements and reporting obligations for each transaction type.

The procedure applies to all employees, contractors, suppliers and third-party partners, ensuring a consistent and company-wide approach to ethical risk management. Facilitation payments—small payments made to expedite routine government actions—are strictly prohibited under all circumstances, in alignment with anti-bribery laws such as the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and France’s Sapin II. Any solicitation of such payments must be reported immediately through designated channels.

To maintain accountability and transparency, all approved sensitive transactions are logged in a Sensitive Transactions Register and are subject to quarterly audits conducted by Millwood’s Internal Audit and Compliance teams. Random spot checks are also performed, particularly for transactions involving high-risk countries, industries or public officials. Employees are encouraged to report any concerns or suspicious activity directly to the Compliance Officer. High-risk transactions may also be escalated for executive or legal review.

Millwood’s policy also includes strict enforcement measures. Non-compliance may result in disciplinary action, including termination, legal consequences and potential impacts on the company’s ethical performance ratings. By implementing these procedures, Millwood not only safeguards its operations from ethical and legal risks but also reinforces a culture of integrity, transparency and responsible business conduct. This framework ensures that all sensitive transactions are handled with the highest level of scrutiny and ethical consideration, supporting Millwood’s long-term commitment to ethical leadership and corporate responsibility.

Policies

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QHSE

Millwood, Inc. is committed to excellence in Quality, Health, Safety and Environmental (QHSE) performance across all operations. Our QHSE policy guides us in delivering top-tier service while protecting the well-being of our employees, customers, contractors and communities. We view effective QHSE management as essential to both our success and our responsibility as a sustainable, ethical business.

We take a proactive, integrated approach to prevent accidents, incidents and environmental harm. QHSE considerations are embedded in every stage—from product design and manufacturing to logistics and customer service. We aim to consistently meet or exceed customer expectations and industry standards through continuous monitoring, assessments and feedback.

Health and safety are top priorities. We foster a safe, supportive work environment with comprehensive training, wellness programs and strong safety protocols that identify hazards, assess risks and ensure compliance with all regulations.

Environmental stewardship is a core pillar of our strategy. We track resource use and waste, minimize our footprint and pursue long-term sustainability goals with measurable targets through 2030. We comply with all environmental laws and strive to exceed them. Our QHSE objectives include full compliance, robust risk management, continuous improvement and strong employee engagement.

All employees are expected to uphold QHSE standards, report hazards and support improvement efforts. We also partner with contractors and suppliers who align with our values and our Supplier Code of Conduct.

This policy is reviewed regularly to ensure its relevance and effectiveness. Millwood remains dedicated to a safe, high-quality and environmentally responsible workplace that supports long-term success for our people, customers and planet.

Policies

A decorative graphic of a branch with several leaves, rendered in a light gray color, extending from the top right corner of the page.

Declaration of Integrity

At Millwood, Inc., integrity is not just a value—it is a responsibility shared by every team member. We are committed to managing our business and individual responsibilities with honesty, fairness and accountability. All employees are expected to uphold the highest standards of ethical conduct in every aspect of their work.

Falsification of any company documents—including but not limited to tally sheets, bills of lading, time cards, inventory records, production reports and audit forms—is strictly prohibited and will result in disciplinary action, up to and including termination. Similarly, the unauthorized movement of products or failure to follow established Standard Operating Procedures (S.O.P.) will not be tolerated.

Employees must not offer or accept favors, gifts or payments from vendors or other employees in exchange for personal gain. Fraternization with vendors outside of a professional context is discouraged, as it may lead to favoritism or the appearance of impropriety. Any such behavior that compromises the integrity of our operations will be addressed accordingly.

Millwood also expects all team members to protect confidential and proprietary information, including trade secrets, financial data and customer records. This information must only be shared on a need-to-know basis and handled with discretion.

If an employee has concerns or is unsure about the ethical implications of a situation, they are encouraged to seek clarification from their immediate supervisor or contact their Regional Human Resource Manager. Millwood supports a culture of transparency and will not tolerate retaliation against those who report concerns in good faith.

This Declaration of Integrity reflects our commitment to ethical business practices and reinforces our mission to serve our customers, team members and community with character and trust.

Policies

A decorative graphic of a leafy branch, rendered in a light teal color, extending from the top right corner of the page.

Hourly Employee Handbook

At Millwood, Inc., we are committed to conducting our business with the highest standards of integrity, transparency and respect for people and the environment. This Ethics Policy outlines the expectations for all hourly employees and reflects our alignment with principles for ethical business conduct. All employees are expected to comply with applicable laws, regulations and internal policies. We maintain a zero-tolerance stance on bribery, corruption, fraud and any form of unethical behavior. Employees are encouraged to report any suspected violations through appropriate channels, and we strictly prohibit retaliation against those who speak up in good faith. Millwood is dedicated to fair labor practices. We uphold the rights of all workers by ensuring fair wages, safe working conditions and freedom from discrimination or harassment. We do not tolerate child labor, forced labor or human trafficking in any part of our operations. We strive to create a workplace culture rooted in mutual respect, inclusion and dignity. Discrimination or harassment based on race, gender, age, religion, disability or any other protected status is not acceptable and will be addressed promptly and appropriately. Environmental responsibility is a core value at Millwood. All employees are expected to support our environmental goals by minimizing waste, conserving resources and following sustainable practices in their daily work. Employees must also protect confidential company information and respect the privacy of coworkers, customers and business partners. Maintaining confidentiality and data security is essential to our operations and reputation. Ultimately, every employee is accountable for upholding this policy and contributing to a culture of ethics and compliance. Violations of these policies may result in disciplinary action, up to and including termination of employment. All hourly employees are required to review and formally sign off on the handbook during their onboarding process., which ensures awareness to all policies and procedures involved.

Social Dialogue and Collective Bargaining

At Millwood, Inc., we fully recognize and respect the legal rights of employees to engage in collective bargaining and social dialogue, in accordance with U.S. labor laws and international labor standards. We understand that employees have the right to organize, join unions and negotiate collectively. As a company, we do not interfere with or oppose these rights, and we acknowledge that participation in collective bargaining is a protected choice that cannot be denied. This reflects our commitment to fair labor practices and a respectful, inclusive workplace culture.

Ethics Program

Integrity Starts Here: Millwood's Ethics Program Powered by ADP LifeCare

At Millwood, Inc., ethical behavior is not just a policy—it is a core part of our identity. We believe that integrity, fairness and respect must guide every decision and interaction, both within our organization and in our relationships with customers, suppliers and the community. To support this commitment, Millwood has developed a comprehensive ethics program that includes clear policies, training and accountability measures. A key component of this program is the integration of ADP LifeCare, a confidential employee assistance resource designed to support the personal and professional well-being of our team members.

ADP LifeCare provides 24/7 access to a wide range of services that help employees manage challenges that could impact their ability to act ethically and perform effectively. These services include legal and financial guidance, such as free legal consultations, discounted legal services, debt counseling, budgeting assistance and identity theft recovery. By offering these resources, Millwood empowers employees to make informed, responsible decisions in their personal lives, which in turn supports ethical behavior in the workplace.

Emotional and mental health support is another critical aspect of the program. LifeCare offers confidential counseling referrals, crisis support, grief counseling and substance abuse assistance. These services help employees navigate difficult situations with resilience and clarity, reducing stress and promoting a respectful, supportive work environment.

Work-life balance is also a key focus. LifeCare provides referrals for child care, elder care, pet care and home services, helping employees manage their responsibilities outside of work. This support enables team members to stay focused and engaged on the job, reducing the risk of ethical lapses due to stress or distraction.

Additionally, LifeCare offers career and life coaching, including time management tools, workplace conflict resolution support and professional development resources. These services align with Millwood's commitment to continuous improvement and personal growth, reinforcing our values of trust, servitude, discipleship and integrity.

All LifeCare services are confidential and typically free to employees covered under Millwood's ADP benefits plan. Access is available through the ADP portal, mobile app or a dedicated support line, ensuring that help is always within reach.

By integrating ADP LifeCare into our ethics program, Millwood demonstrates a proactive approach to supporting ethical behavior and employee well-being. We recognize that ethical conduct is influenced by many factors, and we are committed to providing the tools, resources and support our team members need to uphold the highest standards of integrity in all they do.

Ethics Program

Information Security at Millwood

Our company is committed to protecting sensitive data and ensuring information security across all operations. We prioritize cybersecurity through regular system monitoring, employee training on data protection best practices and strict access controls. By safeguarding digital assets and customer information, we reinforce trust and uphold our responsibility as a sustainable and secure business partner. The following areas allow for a deeper look into our programs:

Security Measures:

Users are required to use a complex password which must change every 180 days. Multi-Factor Authentication is required for all Office 365 remote access. Millwood uses a cloud Firewall – SD Wan – SASE solution. All locations are connected through this service. All offsite laptops use VPN clients for connection.

Incident Management:

Millwood uses a Managed Endpoint Detection and Response (EDR) and Identity Threat Detection and Response (ITDR) service.

Training & Awareness:

Millwood enrolls all users in a Security and Awareness training program. Training occurs multiple times per year. Phishing test emails are sent to all users multiple times per quarter. Any user that fails a phishing test automatically gets enrolled in additional training

Ethics Supporting Measures

New Internal Policies

Implementing new internal policies strengthens our ethical foundation by setting clear standards for responsible behavior, transparency and accountability. These policies help ensure that our operations align with our core values and support fair treatment, compliance and integrity across all levels of the organization.

ADP Lifecare

ADP's LifeCare Ethics program helps us support our employees by providing a safe and confidential way to report concerns, access emotional and practical support and receive ongoing ethics training. With 24/7 assistance through licensed counselors, clear reporting channels and a strong focus on integrity and accountability, this program empowers our team to work in a respectful, transparent and ethically driven environment.

Evolving Hourly Handbook

Updating and evolving our hourly employee handbook strengthens our ethical practices by providing clear, up-to-date guidance on workplace expectations, employee rights and company values. These improvements ensure fairness, support accountability and promote a respectful and inclusive work environment.

Our Ethical Focus

By prioritizing our customers through new policies, supporting our employees with an updated hourly handbook and internal guidelines and enhancing our environmental tracking, we are reinforcing a more ethical and transparent business model. These efforts promote accountability, fairness and sustainability across all aspects of our operations, aligning our actions with our core values.

Ethics

Sustainable Development Goals

Corruption Risk Assessments

To strengthen our ethical framework and align with SDG 16 (Peace, Justice and Strong Institutions), we are implementing a phased approach to corruption risk assessments. In the short term (1–2 years), our focus is on providing comprehensive employee training, establishing whistleblower protection policies and embedding integrity into our company culture. By 2030, we aim to conduct full-scale corruption risk assessments across all departments and operations, identifying potential vulnerabilities and implementing targeted mitigation strategies. This proactive approach will ensure a resilient compliance environment and enhance accountability throughout our organization.

Anti-Competition Practices

Currently, we do not have a designated individual or team responsible for overseeing anti-competition and antitrust compliance. However, recognizing the importance of fair market practices and ethical business conduct, we have identified this as a key area for future development. By 2030, we plan to establish oversight for anti-competition risks, including the creation of internal guidelines and monitoring processes. This goal reflects our long-term commitment to maintaining compliance with regulatory expectations and upholding fair business standards.

Living Wage Policy

Promoting fair compensation is central to our commitment to social responsibility and aligns with SDG 8 (Decent Work and Economic Growth). We recognize that paying a living wage is not only a matter of compliance but a fundamental step toward fostering dignity, equity and long-term employee well-being. In the near future, we will initiate a structured review of our wage practices, comparing them against recognized living wage benchmarks in each region where we operate. This process will involve collaboration with labor experts and local stakeholders to ensure a balanced and inclusive approach. By 2030, our objective is to fully implement a living wage policy across our operations, ensuring that every employee earns enough to meet basic needs and participate meaningfully in their communities. This goal reinforces our broader vision of inclusive growth and ethical employment practices.

Ethics

Sustainable Development Goals

Audits of Control Procedures

As part of our ongoing commitment to ethical governance, we are implementing regular audits of control procedures to prevent corruption. These audits are designed to evaluate the effectiveness of our internal controls, identify potential gaps and recommend corrective actions. By 2030, our goal is to fully institutionalize this audit process across all departments, ensuring a consistent and transparent approach to risk management and regulatory compliance.

External Sustainability Audits and Continuous Improvement

In alignment with SDG 12 (Responsible Consumption and Production) and SDG 16 (Peace, Justice and Strong Institutions), Millwood, Inc. aspires to strengthen the transparency and credibility of our sustainability practices by exploring opportunities for independent external audits. While we may not yet have a consistent audit process in place across all locations, we recognize the value of third-party assessments to identify areas for improvement and reinforcing responsible business conduct.

Our intention is to gradually increase the number of sites reviewed by independent auditors, ideally aiming for audits at least once every two years at our major operational locations. Where audits do occur, we will strive to document and respond to any non-compliance findings through Corrective Action Plans (CAPs), and we hope to maintain records that align with disclosure expectations, including publication timelines.

We are committed to doing our best to build a more structured and transparent audit process by 2030. This effort reflects our broader goal of continuous improvement and our desire to uphold ethical and sustainable practices throughout our operations.

Ethics

Sustainable Development Goals

Business Ethics and Integrity Framework

In alignment with SDG 16 (Peace, Justice and Strong Institutions), Millwood, Inc. is committed to strengthening ethical conduct, transparency and accountability across all levels of our organization. By 2030, we aim to establish a comprehensive Business Ethics and Integrity Framework that ensures robust governance, risk management and compliance with ethical standards.

This initiative will focus on strengthening several key areas of business ethics across Millwood, Inc.'s operations. We want to implement and promote a formal whistleblower procedure, ensuring that all reports are tracked annually and addressed with transparency and accountability. To reinforce our zero-tolerance stance on corruption, we hope to establish clear protocols for identifying and reporting confirmed incidents along with corrective actions. Ethics training will be a cornerstone of our approach, with the goal of ensuring that 100% of employees receive annual instruction on business ethics, anti-corruption and data protection. Additionally, we want to work on conducting, with due diligence, on all high-risk trading partners to assess their compliance with anti-corruption and information security standards by 2030. Finally, we aim to achieve ISO 37001 (Anti-Bribery Management) and ISO 27001 (Information Security Management) certifications at the majority of our sites by 2030, further embedding ethical standards into our organizational culture.

Awareness Training on Corruption and Bribery

Raising awareness across our workforce is a critical element of our anti-corruption strategy. By 2030, we will ensure that corruption and bribery prevention training is delivered to all employees, both onboarding and on a recurring basis. These training programs will focus on recognizing red flags, understanding legal and ethical standards and knowing how to report concerns safely and confidentially. This initiative supports our effort to build a culture of integrity and aligns with international best practices and SDG 16.

Labor and Human Rights

Labor and Human Rights Policies

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Customer Health and Safety

At Millwood, Inc., ensuring the health and safety of our customers is a core value embedded in every aspect of our operations. We recognize that our products—ranging from pallets to custom-engineered solutions—play a critical role in the supply chains of our customers, and we take that responsibility seriously. Our Customer Health and Safety Policy outlines a proactive, structured approach to minimizing risks and promoting safe use of our products throughout their lifecycle. This includes conducting thorough risk assessments during the design, manufacturing and delivery stages to identify and mitigate potential hazards, such as compromised load-bearing capacity or ergonomic handling issues. We also ensure that materials used in our products comply with relevant industry standards, including ISPM-15 for wood treatment and the use of non-toxic coatings where applicable.

Communication is another key pillar of our approach. We provide clear and accessible product handling guidelines, technical specifications and safety data sheets to help customers use our products safely and effectively. We maintain open channels for customer feedback, allowing us to respond quickly to safety concerns, complaints or incidents. This feedback loop is essential to our continuous improvement process, which also includes internal audits and corrective action reports. These insights are integrated into our research and development efforts to enhance product safety and innovation over time.

Millwood's commitment to customer health and safety extends beyond compliance. We align our practices with the EcoVadis sustainability framework, particularly in the areas of product responsibility, labor and human rights and sustainable procurement. Our Safety teams are responsible for implementing and reviewing this policy, and all employees are expected to uphold these standards. We also promote a culture of safety and accountability not only within our organization but also among our suppliers and partners. By embedding health and safety into our operational DNA, Millwood aims to deliver not just high-quality products but peace of mind to every customer we serve.

Labor and Human Rights Policies

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Working Conditions

At Millwood, Inc., we pride ourselves on providing safe and fair working conditions for all employees. Through a combination of robust policies, ongoing safety training, regular audits and continuous improvement initiatives, we strive to maintain a workplace that prioritizes health, safety and well-being. We are committed to meeting all regulatory requirements and exceeding industry standards where possible to ensure our team members can work in an environment built on respect, protection and opportunity.

Equal Opportunity and Non-Harassment

At Millwood, Inc., we are committed to providing a workplace free of discrimination, harassment and retaliation. We uphold all federal, state and local equal employment opportunity laws and promote a respectful environment for all, regardless of race, gender, age, disability, veteran status, sexual orientation, national origin or any other protected characteristic. Employment decisions—including hiring, training, promotion and compensation—are made based on merit and business needs. We investigate all complaints thoroughly and confidentially and take prompt corrective action when necessary. Every team member plays a vital role in upholding this commitment to equity and respect in the workplace.

Labor and Human Rights

Programs

- Millwood Cares
- Health Care
- Benefits and EAP
- Employee Survey
- Safety
- Local Resources for Mental Health



Millwood Cares

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1st John

The 1st John fund is a benevolence program designed to support team members facing financial hardship. It provides assistance with essential needs such as funeral expenses, utility bills, rent or mortgage payments and charitable donations. From January 2023 to February 2025, a total of 346 checks were issued through the program, offering month-to-month support to those in need.

Outreaches

Millwood hosts biannual speaking engagements at each of our facilities, designed to inspire team members in their personal, professional and spiritual growth. In 2024, we held 41 outreach events, and in 2025, we plan to double that number to 82—representing a 50% year-over-year increase in our commitment to team development.

Marriage Retreats/ Couples' Lunch

Millwood offers Marriage Retreats and Couples' Luncheons at each facility to help enrich and strengthen the relationships of our team members. In 2024, we hosted 38 events, and in 2025, we are on track to offer 41. As of March 2025, 37 couples have participated in these retreats, reflecting strong engagement and continued interest in relationship-building initiatives.

Salvations

Through Millwood's outreaches and spiritual care programs, many team members have made life-changing decisions to follow Jesus. From March 2024 to the present (2025), we have witnessed 667 salvations—a powerful testament to the impact of our ministry efforts across all facilities.

Devotional/Leadership Training

Each week, chaplains deliver a message of encouragement drawn from the Bible or leadership principles from programs like R-Factor and Lead Now. This initiative is offered across all 41 Millwood facilities, reaching approximately 2,000 team members and supporting both spiritual and professional growth.

Chaplains

Millwood provides chaplains at every facility to offer spiritual care and personal support to team members. Our 34 chaplains serve across all 41 locations, ministering to approximately 2,000 team members. Their roles include performing weddings and funerals, offering counseling and leading small groups—ensuring that team members have access to compassionate guidance and encouragement.

FPU: Financial Peace University

Millwood offers Financial Peace University—a personal finance education program—in both English and Spanish to support team members in building financial wellness. Since Spring 2024, 31 team members have enrolled in the program, gaining tools to better manage their finances and plan for the future.

Millwood Cares

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Kids' Camps

Millwood offers a week-long Christian summer camp experience for the children and friends of team members at all 41 facilities. In 2023, 104 kids attended camps across various locations, and in 2024, 69 campers participated company wide. Millwood covers the full cost of camp, with only a small deposit required: \$30 for the first child, \$15 for the second, and \$35 to bring a friend. This initiative reflects our commitment to support families and nurturing the next generation.

Company Picnics

Each year, Millwood hosts company picnics, inviting team members and their families to enjoy a day of fellowship, fun and community. These events are a valued tradition, fostering connection and appreciation among all our team members and their loved ones.

Christmas Parties

To celebrate the birth of our Lord and Savior, Millwood hosts Christmas parties. These gatherings provide a joyful opportunity for team members and their loved ones to come together in celebration, fellowship and gratitude during the holiday season.

ESL Classes


Millwood offers English as a Second Language (ESL) classes to support our Spanish-speaking team members in developing their language skills. These classes are available at all facilities, helping to empower and equip team members with tools for better communication and personal growth.

Ladies and Men's Retreats

Millwood offers spiritual retreats for men and women to encourage and strengthen their walk with God. These retreats are provided at no cost to team members and serve as a time of rest, reflection and fellowship. In 2024, 20 women and 24 men attended their respective retreats. For 2025, 17 women attended, while men's retreat plans are still in development.

Mission Trips

Millwood provides opportunities for team members to serve on domestic and international mission trips. In 2024, 13 team members traveled to Guatemala, and 11 participated in disaster relief efforts in North Carolina. These trips are fully funded by Millwood, and participants are also paid for their time away from work—reflecting our commitment to service and support beyond the workplace.

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Health Care

At Millwood, Inc., we believe that our people are our greatest asset. That's why we are proud to offer a comprehensive and competitive benefits package designed to support the health, well-being and financial security of our team members and their families. Administered through ADP, our benefits program is available to hourly and salaried employees and reflects our commitment to creating a supportive and rewarding workplace.

All eligible employees have access to a range of health insurance options, including medical, dental and vision coverage. These plans are designed to provide flexibility and affordability, allowing employees to choose the coverage that best fits their individual or family needs. Whether it's routine checkups, dental cleanings or vision care, Millwood ensures that our team members can access the care they need to stay healthy and productive.

In addition to health coverage, Millwood provides essential financial protection through Accidental Death & Dismemberment (AD&D) insurance and basic life insurance. These benefits offer peace of mind by helping to safeguard employees and their loved ones in the event of a serious accident or unexpected loss. Hourly employees receive basic life insurance coverage valued at \$20,000, while salaried employees are covered at \$30,000. These policies are fully paid by Millwood and are part of our broader effort to support our employees' long-term financial wellness.

Our benefits package is more than just insurance—it's a reflection of our values and dedication to the people who make Millwood successful. We continuously evaluate and enhance our offerings to ensure they meet the evolving needs of our workforce. Whether you're just starting your career or have been with us for years, Millwood is here to support you every step of the way.

Benefits: EAP

EAP and Life & Work Services

- 24/7 access to master's level staff clinicians for assessment, short term, problem resolution, information and referrals
- Unlimited telephonic critical incident stress debriefing support
- Multi Language capabilities through Language Line (240+ Languages)
- Consultation regarding (but not limited to) stress, anxiety, depression, family and relationships, grief and loss, substance abuse, gambling, domestic violence, parenting, child development, positive discipline, safety and special needs challenges
- Case management for inpatient and outpatient

Provider Network

- National network of over 60,000 licensed EAP affiliates
- All EAP providers have a master's degree or higher with state licensure
- All providers carry a minimum of \$1M in liability insurance

Life and Work Resources for Parenting, Older Adults, and Childcare (Telephonic and Online)

- Consultation with our Life & Work Specialists regarding childcare issues (i.e childcare centers, family childcare homes, nanny agencies, summer camps, caregiver tips and community resources)
- Personalized referrals to local in-home or daycare centers with confirmed vacancies
- Consultation with our Life & Work Specialists regarding eldercare issues (i.e. nursing homes, assisted living facilities, independent living facilities, home health care, hospice, respite care, geriatric care managers, senior centers, adult day care centers, community services and resources)
- Personalized searches and referrals to in-home services such as delivered meals, chore and hospice; living arrangements such as nursing homes, assisted living, shared housing and adult day care centers
- Online childcare/eldercare and summer camp locators

Benefits: EAP

Financial Services (Telephonic and Online)

- Financial consultation - Access to accredited financial consultants via telephone for information and assistance on topics including (but not limited to) debt management, budgeting, college funding, retirement strategies and planning, life insurance needs, credit management, home buying, 401(k) plans, mortgage/refinance evaluation, estate planning, tax planning and preparations
- Financial planning consultation - Access to certified financial professionals for consultations on problem-solving and strategic planning; provides objective information while not recommending or endorsing investment options
- Financial counselors are all Accredited Financial Counselors (AFC)

Online Financial Wellness Program

- Online Financial Wellness Program offers personalized help and online tools to help employees better manage their money/debt and save for the future
- Financial Wellness Portal offers a Financial Fitness Center with more than 200 multi-generational tutorials on savings and investing, planning health and life insurance benefits and student loan repayment
- Provides additional online resources including articles, calculators and downloadable forms

Online Saving and Discount Saver

- Our EAP: Life & Work website provides members with a link to the Savings Center that offers discounts of up to 50 percent off name brand, practical and luxury items

Medical Bill Saver

- Our experts negotiate with providers to lower the balance on any non-covered medical/dental bills over \$400

Benefits: EAP

Legal Services

- Network attorney consultation - Access to consultation with network attorneys by telephone or in-person, to include up to thirty (30) minutes of consultation per legal issue (“Initial Attorney Consultation”)
- State-specific network includes more than 20,000 licensed/pre-screened attorneys in approximately 8,500 locations across the U.S., Canada, Puerto Rico, Virgin Islands and Guam
- Discounts on attorney services - following the Initial Attorney Consultation, 25% discount off standard legal fees offered by Health Advocate’s network of attorneys; telephonic or in-person consultation for state-specific legal inquiries
- Consultations regarding divorce, family matters, landlord/tenant and real estate issues, consumer credit concerns, debtor/creditor issues and criminal matters
- Online legal library offers helpful information on topics such as elder and criminal law, divorce and child custody, naturalization and immigration, consumer and credit issues, estate planning, family and personal law, wills and real estate and advanced directives

Concierge Services

- Provides members with year-round access to a team of luxury lifestyle experts; includes research for events worldwide and commercial, booking services, errand running and travel planning

Management Assistance Program (MAP)

- 24/7 unlimited telephonic support for managers and supervisors
- Case management and follow up of all employer formal or mandated EAP referrals and reporting compliance/non-compliance with the Designated Employer Representative (DER)
- Assistance with workplace concerns such as employee tardiness and absenteeism, disciplinary problems, employee performance and productivity, substance abuse concerns, co-worker conflicts, workplace violence and managing virtual employees
- Pre-Fitness-for-Duty consultations and coordination and referral for Fitness-For-Duty evaluations, if necessary
- Return to work monitoring and coordination with Human Resources

Benefits: EAP

Unlimited Phone Consultations: Virtual & In Person

- Unlimited in-the-moment telephonic support
- Up to three virtual or face-to-face sessions per issue for assessment and short-term problem resolution; sessions are conducted by a network of qualified EAP consultants
- Secure, HIPAA-compliant EAP video sessions for those in rural communities, with transportation concerns, or who may prefer the use of technology to receive services; video counseling services are in lieu of face-to-face sessions

Critical Incident Management Services

- Dedicated critical incident consultations (onsite or telephonic) and support materials available to managers and supervisors for events such as workplace violence, robberies, employee deaths and downsizing
- Critical Incident Stress Debriefing (CISD) services
- Fee-for-service \$275/hour plus travel and related expenses (There will be an additional fee of \$350 if the location is remote or if a bi-lingual counselor is needed)

Training Services

- Online webinars
- Onsite services including (but not limited to) stress management, harassment awareness training, reasonable suspicion, substance abuse and benefits fairs
- Fee-for service \$275/hour plus travel and related expenses

Website Access to Comprehensive Resources

- Educational resources on a variety of topics and levels, from quick tips to in-depth articles
- Interactive tools for stress, coping with change, financial wellness, substance abuse, etc.
- Email and chat access to EAP staff to schedule telephone consultations
- News alerts and information regarding national disasters and critical incidents
- Option to translate the entire website from English to Spanish or French



Employee Survey Success

We perform our Employee Survey through ADP biannually. This allows us to provide direct insight into how employees feel about their work environment, leadership and overall job satisfaction.

Organization Scorecard: Fall 2024
1733 invited | 1356 (78.2%) responded

			Millwood Current	Millwood Prior	SCBU Current	SCBU Prior	ULBU Current	ULBU Prior	Central Services Current	Central Services Prior	Sales Current	Sales Prior
Survey Response Rate			78%	77%	83%	83%	65%	58%	85%	82%	73%	71%
% Employees Fully Engaged*			31%	23%	31%	30%	32%	26%	41%	32%	22%	19%
Overall Engagement Score			76	76	76	76	75	74	83	82	71	72
“We”	Q1	Mission	4.1	4.1	4.1	4.1	4.1	4.0	4.3	4.5	3.9	4.1
	Q3	Values	3.9	3.9	3.9	3.9	3.7	3.8	4.3	4.4	3.9	3.8
	Q5	Values	3.9	3.9	3.9	3.9	3.9	3.9	4.6	4.5	3.8	3.8
	Q7	Future	4.1	4.1	4.2	4.1	4.1	4.1	4.5	4.5	3.9	4.0
“Me”	Q2	Expectation	4.3	4.3	4.3	4.3	4.2	4.3	4.3	4.3	4.1	4.3
	Q4	Strengths	4.1	4.1	4.2	4.2	4.1	4.0	4.3	4.1	3.9	3.9
	Q6	Recognition	3.8	3.9	3.9	3.9	3.8	3.7	4.2	3.9	3.5	3.5
	Q8	Growth	4.0	4.0	4.0	4.0	4.0	3.9	4.2	4.1	3.6	3.6

U.S. Benchmark, 22% Employees Fully Engaged, ADP Research Institute, Global Workplace Study, 2023

Safety

Workforce Safety Performance Trends

Millwood, Inc. is made up of two distinct business units—the ULSBU and the SCBU—which together form a unified organization representing the company as a whole.

Trends and Facts

Manhours Worked

- Manhours have increased steadily in the ULSBU and SCBU, indicating operational growth. Millwood continues to report the highest manhours, reflecting its scale and activity level.

Recordable Injuries

- All business units have demonstrated a consistent downward trend in recordable injuries from FY18 to FY24. This reflects the ongoing success of safety initiatives and a strong commitment to workplace well-being. ULSBU, in particular, achieved a substantial reduction over this period.

DART Rate (Days Away, Restricted or Transferred)

- DART rates have followed a similar downward trajectory as other safety metrics, reinforcing the overall improvement in safety performance and risk management.

Hearing

- Hearing shift incidents remain consistently low, with most units reporting zero or near-zero cases annually—demonstrating strong adherence to hearing protection standards.

Lost Time Days

- Lost time days have generally decreased across the organization, with notable improvements following FY20. These reductions point to enhanced safety practices and quicker recovery times.

Restricted Workdays

- Restricted workdays have steadily declined across all units, with ULSBU nearing zero by FY24. This trend highlights the effectiveness of early intervention and return-to-work programs.

Total Days Lost

- Total days lost due to workplace incidents have declined in recent years across all units, underscoring the impact of sustained safety efforts and continuous improvement.

PPE

- Gloves: A5 cut-resistant gloves are provided to ensure advanced hand protection.
- Eye Protection: All protective eyewear meets ANSI Z87.1 standards for impact resistance.
- Hearing Protection: We require hearing protection with a Noise Reduction Rating (NRR) of 30, effective for noise exposure up to 114 decibels.

Safety

Workforce Safety Performance Trends (FY18–FY25): Impact and Implications

Positive Developments

- **Enhanced Safety Culture**
 - The consistent decline in recordable injuries, DART rates and restricted workdays across business units reflects a maturing safety culture and increased awareness at all operational levels.
- **Operational Gains**
 - The reduction in lost time days contributes to improved workforce availability, supporting greater productivity and operational efficiency while helping to manage costs.

Focus Areas for Continuous Improvement

- **Year-to-Year Variability**
 - While the overall trend is positive, certain years—such as FY20—showed temporary increases in some safety metrics. These fluctuations may reflect broader external challenges and underscore the importance of resilience in safety planning.
- **Unit-Level Consistency**
 - As the unit with the highest operational exposure, Millwood requires ongoing attention to ensure safety performance continues to align with its scale. Continuous monitoring and tailored interventions will help maintain momentum.

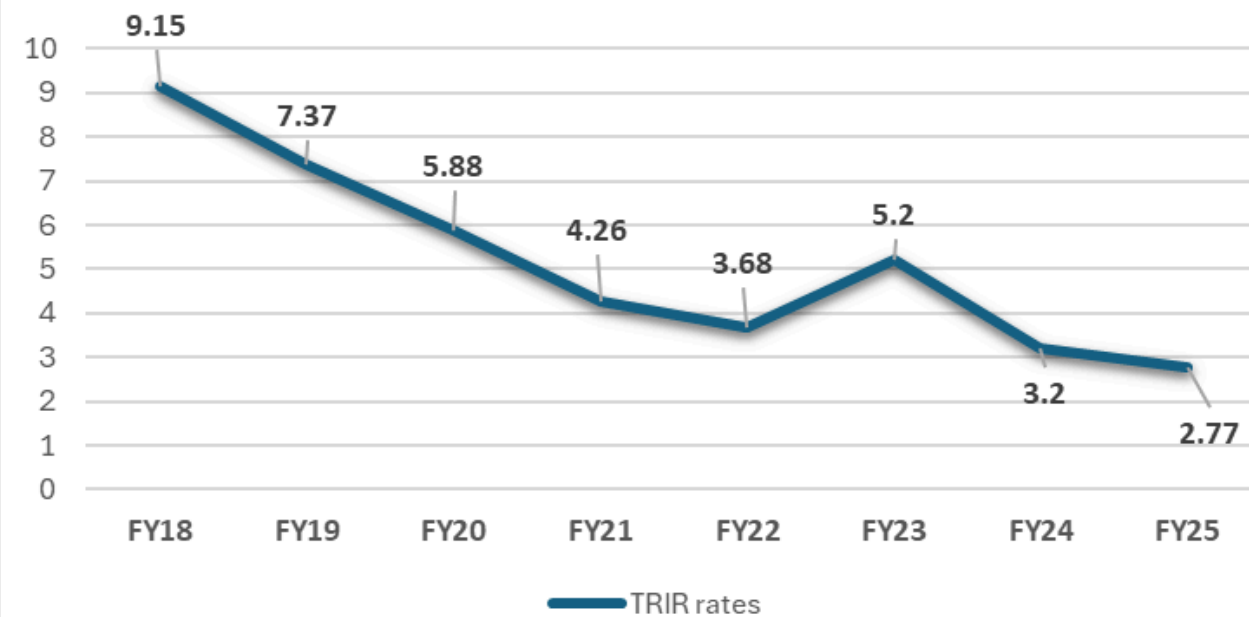
Workforce Safety Performance Trends (FY18–FY25)

This period highlights a clear trajectory of improvement in safety outcomes across all business units. The data reflects not only a reduction in incidents but also a stronger alignment between operational growth (as seen in rising manhours) and safety performance—demonstrating that expansion can be achieved without compromising worker well-being.

Safety

Workforce Safety Performance Trends (FY18–FY25): Insights into TRIR, DART and Housekeeping across Millwood

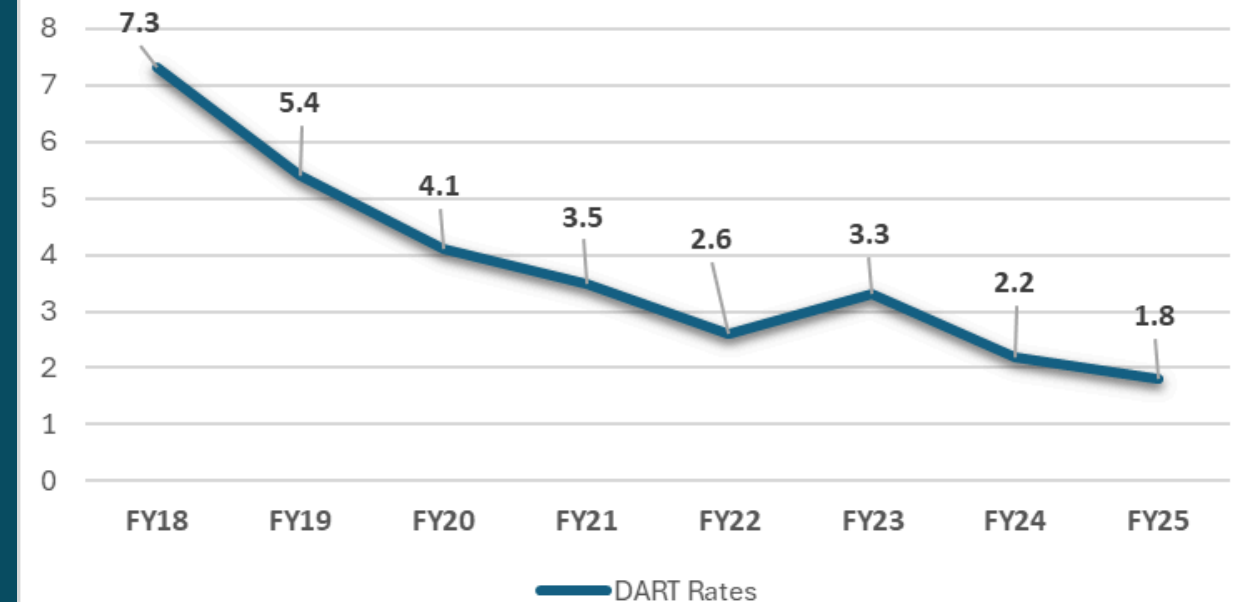
Millwood TRIR rates



- **TRIR:** Total Recordable Incident Rate. It is a key safety performance metric used to measure how many work-related injuries and illnesses have occurred at our company, standardized per 100 full-time employees per year.

- Our TRIR rate from Fiscal Year 2018 to present has decreased nearly **70%**.

Millwood DART Rates



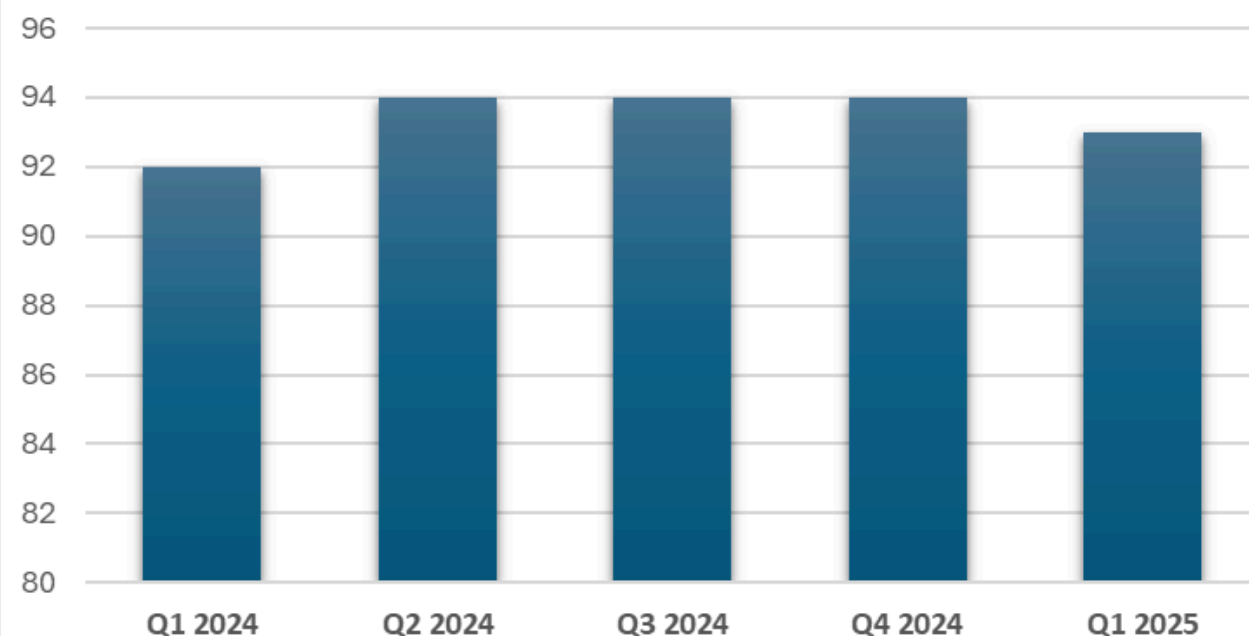
- **Housekeeping**, in regards to Safety, refers to a qualitative and quantitative measure of how organized and clean our workspace is kept.

- From Q1 of 2024, we have seen over **90%** Housekeeping rate throughout our operations.

- **DART:** Days Away, Restricted or Transferred

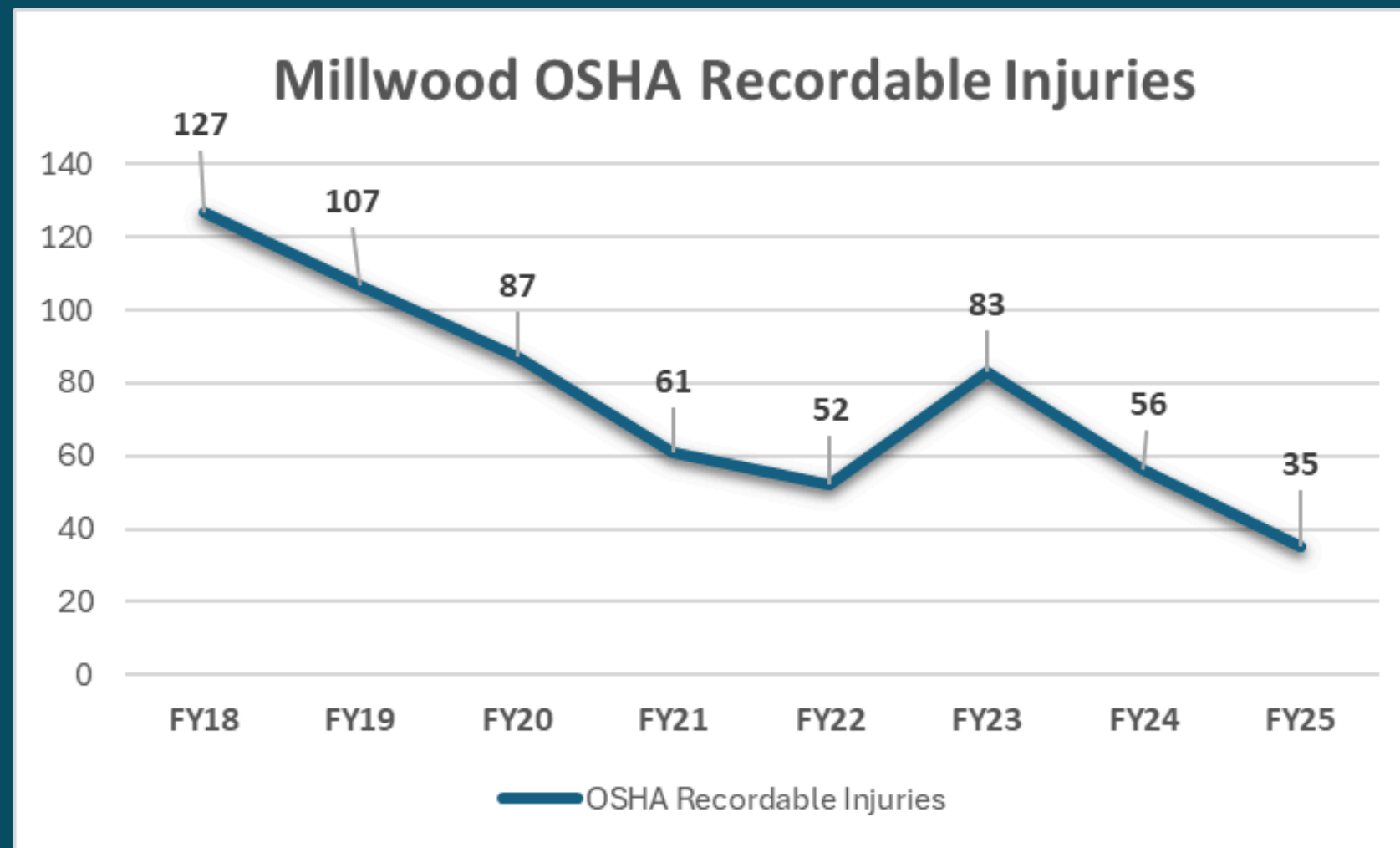
- Our Dart Rate from Fiscal Year 2018 to present has decreased over **75%**

Millwood Housekeeping Rate

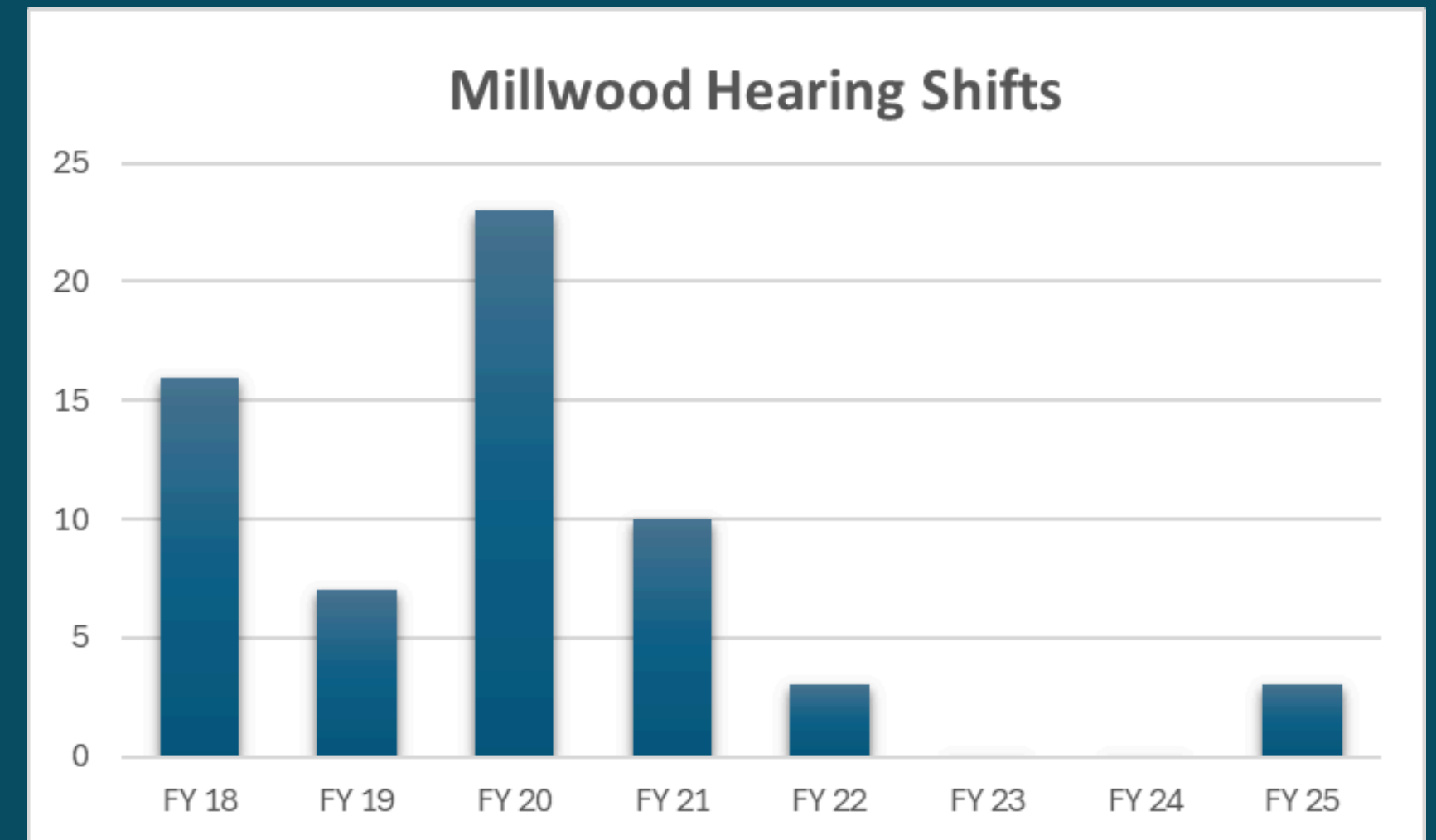


Safety

Workforce Safety Performance Trends (FY18–FY25):
Insights into Recordable Injuries, Hearing Shifts and Operational Impact Across Business Units



- Recordable Injuries have decreased over 70% from Fiscal Year 2018 to Fiscal Year 2025



- Hearing Shifts have decreased over 80% since Fiscal Year 2020 to 2025

Safety



Key Insights and Trends

Consistent High Performance

Several facilities—including CCPC, MESH and South River—have consistently achieved audit scores above 0.95, reflecting strong adherence to safety and compliance standards.

Performance Range

The majority of facilities maintain scores within the 0.90–0.98 range, indicating a stable and reliable level of performance across the organization.

Isolated Score Variability

Occasional dips in monthly scores appear in a few locations, likely tied to temporary operational or compliance challenges. These fluctuations provide valuable opportunities for targeted improvement.

Opportunities for Support

A small number of sites, such as Barrington, Waco and Tompkinsville, have shown recurring scores below 0.90. These trends highlight areas where additional training, oversight or resource allocation may be beneficial.

Impact and Strategic Implications

Operational Visibility

- The audit score dashboard serves as a critical tool for monitoring safety and compliance performance across all regions, enabling data-driven decision making.

Proactive Risk Management

- Identifying facilities with scores below 90% allows for early intervention through audits, coaching or corrective actions—helping to mitigate potential risks before they escalate.

Informed Resource Allocation

- Longitudinal score trends support strategic planning by highlighting where leadership can focus resources, refine policies or replicate best practices from high-performing sites.

Safety



Multi-Year Safety Training Audit (2022-2025): Workforce Readiness Across Roles and Regions

Key Facts and Trends

Training Volume

- The data reveals a strong organizational emphasis on safety education, with some employees completing over 50 training sessions. This reflects a proactive approach to continuous learning and risk prevention.
- Conversely, lower training counts in some records may indicate recent hires or areas where training consistency can be improved.

Role-Based Engagement

- Safety-critical roles—such as Repair Technicians, Forklift Operators and Industrial Maintenance personnel—consistently show higher training volumes.
- Supervisors and Plant Administrators also demonstrate strong engagement, underscoring leadership's role in fostering a safety-first culture.

Annual Participation Patterns

- Training is distributed across a four-year period, with many employees participating consistently year over year. However, some gaps suggest opportunities to strengthen onboarding and refresher training programs.

Data Scope and Integrity

- The dataset includes thousands of entries, indicating a large, actively monitored workforce and a robust training management system capable of supporting compliance and performance tracking.

Impact and Implications

Commitment to Safety

- High training volumes in key operational roles reflect a deep-rooted safety culture and a commitment to workforce preparedness.

Regulatory Alignment

- Comprehensive training records support compliance with OSHA and other regulatory standards, reducing legal and operational risks.

Emergency Readiness

- Well-trained employees are better equipped to respond to emergencies, contributing to a safer and more resilient workplace.

Opportunities for Optimization

- Inconsistencies in training frequency highlight the need for improved tracking and follow-up, particularly for new hires or transient roles.
- Additionally, the scale of the dataset suggests a need for enhanced data visualization tools to extract actionable insights more efficiently.

Safety

Key Insights and Trends

Claim Frequency

- Millwood has achieved a substantial and sustained reduction in claim frequency—from 1.30 in 2015 to just 0.36 in 2024. This places the company ahead of industry benchmarks and best practice standards in recent years, reflecting strong safety performance and effective risk mitigation.

Claim Severity

- While frequency has improved, the average cost per claim has fluctuated, with notable spikes such as in 2023. This suggests that while incidents are fewer, some individual claims remain costly.

Retained Losses

- Annual retained losses have varied, with a significant peak in 2023. These fluctuations highlight the importance of ongoing monitoring and cost containment strategies.

Loss Cost

- Loss cost (claims cost relative to payroll) has generally trended downward, despite a peak of 1.21 in 2023. This indicates improved overall cost control and operational efficiency.

Impact and Strategic Implications

Positive Trends

- Significant and sustained reduction in claim frequency.
- Performance consistently exceeds industry benchmarks, demonstrating leadership in workplace safety.

Opportunities for Improvement

- High-severity years underscore the need for enhanced claim management and cost containment strategies.
- A number of large claims (over \$50,000) remain open, which may affect future reserves and financial planning.

Performance Matrix Positioning

- Millwood is currently positioned in the **Low Frequency – High Severity** quadrant. This reflects strong prevention efforts but also points to opportunities for improving claim resolution and reducing the financial impact of severe cases.

Mental Health Resources

Aetna AbleTo Behavioral Care Program

The Aetna AbleTo Behavioral Health Program promotes mental health and wellness by providing personalized, virtual therapy and coaching for individuals dealing with stress, anxiety, depression or life transitions. It connects participants with licensed therapists and behavioral coaches for structured, evidence-based support—typically over eight weeks—helping them build healthy coping skills, improve emotional well-being and manage everyday challenges. The program is confidential, convenient and tailored to fit individual needs, making mental health care more accessible and proactive.

MyMillwood: Local Resources

Millwood, Inc. encourages employees to take advantage of local community resources based on their worksite location. These may include access to mental health clinics, workforce development centers, language and integration services, housing or food assistance programs and public health services. By connecting with regional support systems, employees can receive additional help beyond the workplace—promoting wellness, financial stability and personal growth in alignment with Millwood's commitment to supporting the whole person.

Labor and Human Rights Supporting Measures

Employee Satisfaction and Well-Being

Millwood, Inc. is committed to fostering a safe, supportive and inclusive work environment where employees can thrive. Our Customer Health and Safety Policy ensures that all team members contribute to a culture of care and responsibility, while our Working Conditions Policy promotes a secure, respectful and compliant workplace for all. Through our Equal Opportunity Policy, we uphold fairness and non-discrimination in every aspect of employment.

We support employee well-being with comprehensive benefits and healthcare access, including mental health resources like the Aetna AbleTo program. Employee surveys give team members a voice and help us continuously improve the workplace experience. In addition, our comprehensive safety measures, regular training and confidential grievance systems demonstrate our proactive approach to protecting physical and emotional well-being. Together, these initiatives promote higher employee satisfaction, retention and overall workplace morale.

Labor and Human Rights

Sustainable Development Goals

Supervisor Leadership Training

Empowering supervisors with strong leadership capabilities is essential to fostering a supportive and high-performing workplace. In alignment with SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth), we are looking to launch a structured leadership training initiative tailored specifically for supervisory roles. By 2030, we aim to roll out a foundational training program that covers key competencies such as communication, team development, ethical leadership and conflict resolution. This program will be designed to enhance supervisors' abilities to lead with empathy, accountability and strategic insight. This initiative will help build a resilient leadership pipeline and contribute to a more inclusive and engaged organizational culture.

External Company Assurance

To reinforce the credibility of our sustainability performance and disclosures, we plan to engage an independent third-party company for external assurance of our ESG data by 2030. This aligns with SDG 16 (Peace, Justice and Strong Institutions) and reflects our dedication to transparency and accuracy. Third-party assurance will help validate the reliability of our environmental and social reporting, uncover potential areas for improvement and ensure alignment with global reporting frameworks and best practices.

Standardized Annual Employee Development

Consistent and structured employee development is key to building a skilled, motivated and future-ready workforce. In alignment with SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth), we are introducing a standardized annual development framework for all employees. We will establish clear guidelines and tools for annual development planning, including goal setting, skills assessments and personalized learning opportunities. This process will be integrated with performance reviews to ensure alignment between individual growth and organizational objectives. By 2030, our goal is to embed annual development planning as a core component of our talent strategy, supported by digital tools and leadership engagement. This initiative will foster a culture of continuous improvement, career progression and organizational agility.

Repetitive Strain Injury Prevention

At Millwood, Inc., we are committed to creating a safe, healthy and productive work environment. One of our key wellness goals is to reduce and prevent Repetitive Strain Injuries (RSIs) through proactive measures such as ergonomic workplace design, employee training and regular health and safety assessments. By prioritizing RSI prevention, we aim to protect our team's well-being, enhance operational efficiency and foster a culture of care and continuous improvement across all levels of the organization.

Labor and Human Rights

Sustainable Development Goals

Biometric Screenings

As part of our short-term commitment to employee well-being and in alignment with SDG 3 (Good Health and Well-Being), we aim to implement biometric screenings across our workforce by 2026. These screenings will provide employees with a confidential and comprehensive snapshot of their health, including metrics like blood pressure, cholesterol and BMI. By offering this preventive service, we seek to promote healthier lifestyles, detect potential health risks early, and reduce long-term healthcare costs. This initiative will form part of a broader wellness strategy to support our employees' physical and mental health.

Quantitative Targets on Labor and Human Rights Issues

To strengthen accountability and transparency around labor and human rights, we are developing quantitative targets that will be integrated into our broader sustainability metrics. Aligned with SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities), these targets will address key issues such as employee turnover, workplace safety, diversity and inclusion, fair wages and working hours. By 2030, we aim to regularly track, report and improve performance against these measurable indicators, ensuring we maintain high ethical standards and continuously improve workplace conditions.

Learning Management System (LMS) Development

To enhance access to continuous learning and professional development, we are investing in the creation of a centralized Learning Management System (LMS). This initiative supports SDG 4 (Quality Education) by promoting lifelong learning opportunities for all employees. We will focus on selecting and implementing a scalable LMS platform that can host a wide range of training modules, from compliance and technical skills to leadership and personal development. The system will be designed to support personalized learning paths, track progress and provide data-driven insights into workforce development. By 2030, we aim to fully integrate the LMS into our organizational culture, ensuring that learning is accessible, engaging and aligned with individual career goals and company objectives. This digital infrastructure will serve as a cornerstone of our talent development strategy.

ISO 45001

Millwood is committed to advancing workplace health and safety across all operations. As part of this commitment, we have set a goal to achieve ISO 45001 certification at the majority of our sites by 2030. This internationally recognized standard will help us strengthen our safety culture, ensure continuous improvement and support the well-being of every team member.

Disclosure Statement

Information regarding Millwood, Inc. (“Millwood” or “Company”) is provided for information purposes only and is non-binding. This sustainability report was not prepared with the intention of soliciting business agreements. The information contained herein is not, and may not be, relied on as an offer to sell or a solicitation of an offer to buy Company products. Non-historical Statements in this report reflect Millwood’s current expectations, estimates, projections and beliefs. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. In addition, certain information contained herein represents or is based upon forward-looking statements or information, including ESG-based initiatives. While Millwood believes such information is based on reasonable assumptions, forward-looking statements are inherently uncertain and actual events or results may differ from those projected. Therefore, undue reliance should not be placed on such information.

In addition, while Millwood seeks to integrate certain environmental, social and governance (“ESG”) factors into its operations and manufacturing processes in accordance with its Corporate Social Responsibility policy and any applicable legal, regulatory or contractual requirements, there is no guarantee that the Company’s Corporate Social Responsibility policy is successful or that its initiatives create a positive ESG impact. There are significant differences in interpretations of what positive ESG characteristics mean by region, industry and issue, and these interpretations are rapidly evolving. In addition, statements in this report are based on Millwood’s views at the time this report was written and do not represent a commitment to ensure that specific targets, policies, programs or other forward-looking actions are achieved. Information herein is as of July 1, 2024, provided that all ESG metrics and other metrics are for Millwood’s 2025 fiscal year, in each case, except as otherwise noted, and Millwood's nor any affiliate has any obligation to update the information set forth herein.

Indices

United Nations SDG

SDG 4: Quality Education

- **Page 62:** Mentioned in the context of employee development and leadership training.
- **Page 63:** Referenced in relation to the Learning Management System (LMS) initiative.

SDG 8: Decent Work and Economic Growth

- **Page 38:** Tied to ethical employment practices and fair compensation.
- **Page 62:** Connected to leadership training and employee development.
- **Page 63:** Linked to workplace equity and structured development planning.

SDG 9: Industry, Innovation and Infrastructure

- **Page 29:** Referenced in the context of setting quantitative targets for emissions, waste and efficiency.

SDG 10: Reduced Inequalities

- **Page 63:** Addressed through diversity, inclusion and fair labor metrics.

SDG 11: Sustainable Cities and Communities

- **Page 29:** Mentioned alongside air pollution policy development and urban sustainability goals.

SDG 12: Responsible Consumption and Production

- **Page 28:** Discussed in relation to emissions tracking and sustainability goals.
- **Page 39:** Mentioned in the context of audit processes and sustainability assurance.

SDG 13: Climate Action

- **Page 28:** Highlighted in emissions reduction and climate strategy planning.

ADG 15: Life on Land

- **Page 29:** Cited in relation to biodiversity, habitat conservation and sustainable sourcing.

SDG 16: Peace, Justice and Strong Institutions

- **Page 28:** Referenced in relation to ESG data assurance.
- **Page 38:** Connected to ethical governance and anti-corruption.
- **Page 39:** Tied to external sustainability audits.
- **Page 40:** Mentioned in the context of business ethics and integrity.
- **Page 62:** Included in labor rights and transparency efforts.

SASB and GRI Index

<u>Standard</u>	<u>Disclosure</u>	<u>Title</u>	<u>Location in Report</u>	<u>Page</u>
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	Awareness Training on Corruption and Bribery	40
GRI 206	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-Competition Practices	38
GRI 301	301-2	Recycled input materials used	Repair and Return Program	10
SASB RT-CP-410a.1	—	% of raw materials from recycled/renewable content	Repair and Return Program	10
GRI 301	301-3	Reclaimed products and their packaging materials	Repair and Return Program	10
GRI 302	302-1	Energy consumption within the organization	Consumption Tracking	21
SASB RT-CP-130a.1	—	Total energy consumed, % grid electricity, % renewable	Consumption Tracking	21-23
SASB RR-PP-130a.1	—	Energy from biomass/renewables, self-generated	Consumption Tracking	21-23
GRI 305	305-1	Direct (Scope 1) GHG emissions	Scope 1, 2, and 3 Collection	21
SASB RT-CP-110a.1	—	Gross global Scope 1 emissions	Scope 1, 2, and 3 Collection	21
SASB RR-PP-110a.1	—	Gross global Scope 1 emissions	Scope 1, 2, and 3 Collection	21
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	Scope 1, 2, and 3 Collection	21

SASB and GRI Index

<u>Standard</u>	<u>Disclosure</u>	<u>Title</u>	<u>Location in Report</u>	<u>Page</u>
GRI 305	305-3	Other indirect (Scope 3) GHG emissions	Scope 1, 2, and 3 Collection	21
GRI 308	308-1	New suppliers screened using environmental criteria	Supplier Code of Conduct	8
GRI 308	308-2	Negative environmental impacts in the supply chain	Proactive Risk Analysis in Sustainable Sourcing	19
GRI 403	403-1	Occupational health and safety management system	QHSE Policy	32
GRI 403	403-5	Worker training on occupational health and safety	Multi-Year Safety Training Audit	58
GRI 403	403-6	Promotion of worker health	QHSE Policy	32
GRI 403	403-7	Mitigation of OHS impacts linked to business relationships	QHSE Policy	32
GRI 403	403-9	Work-related injuries	Workforce Safety Performance Trends	53-56
GRI 403	403-10	Work-related ill health	Workforce Safety Performance Trends	53-56
GRI 404	404-2	Employee skills development and transition assistance	Learning Management System (LMS) Development	63
GRI 416	416-1	Health and safety impacts of products and services	Customer Health and Safety	42