



# SUSTAINABILITY

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## ELEVATE TEXTILES REPORT 2021 EXECUTIVE SUMMARY

Sustainability is woven into our very DNA. It is part of everything we are, everything we do and everything we strive to be. Our ten threads of sustainability solidify our commitment to sustainability and our ongoing efforts and investments in innovative technologies and products, helping to reduce the environmental footprint of our operations globally.

Our decisions and actions are brought in line with relevant UN Sustainable Development Goals (SDGs). In doing so, we remain focused on those areas in which we can make a valuable contribution, such as

water management, energy management, waste reduction, and sustainable product development.

We have pride in our progress and industry leadership, but realize we have much more to do.

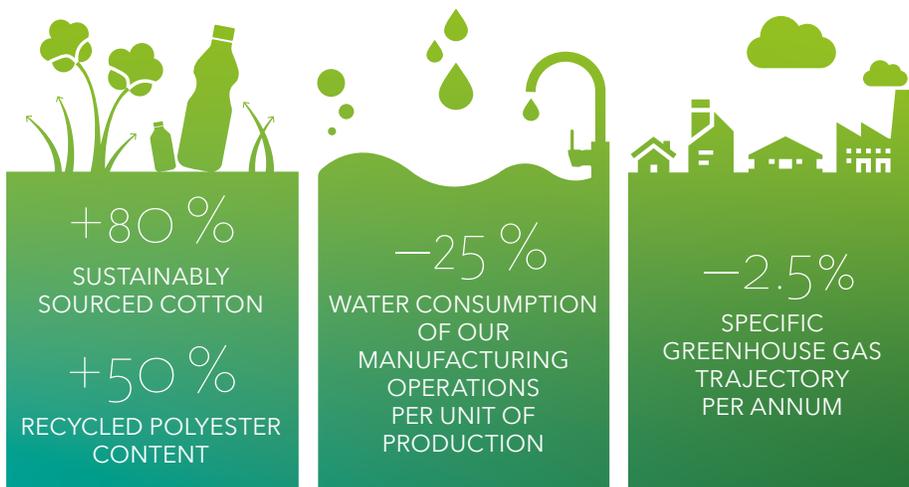
In late 2019, we publically announced new 2025 commitments in three main areas of focus – We pledged to reduce water consumption across our global manufacturing network, reducing our water intensity by 25% per unit of production. We committed to responsibly sourcing fibers,

using at least 80% sustainably sourced cotton and 50% recycled polyester content. We took aim at our overall energy consumption with a target of reduction of 2.5% per year through 2025.

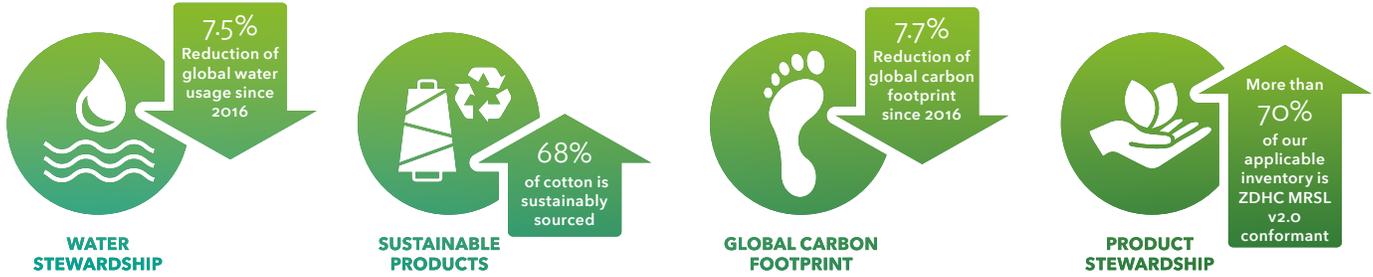
Building on our 2020 progress and through our combined efforts and hard work, we are pleased to report, we are on track in meeting our sustainable goals by this deadline.

This is something in which we can all be proud.

## 2025 COMMITMENTS



# 2021 HIGHLIGHTED PROGRESS



## THE 10 THREADS OF SUSTAINABILITY



### 1 – GLOBAL CARBON FOOTPRINT

Due to the pandemic, our absolute and intensity data was skewed significantly in 2020, but we did not pause our efforts towards our goals. We have calculated our Scope 3 emissions and are adding to our Science Based Targets.

### 2 – WATER STEWARDSHIP

Compared to our baseline year of 2016, we have recycled more than 2.5 million cubic meters across the company and in 2020 had a global water recycling rate of 13.3%. A new Zero Liquid Discharge facility is starting at Cone Denim Parras MX.

### 3 – ENERGY CONSERVATION

Across our facilities, we utilized 13% renewable fuels in 2020. Our Corporate Conservation Task Force rolled out an energy management self-evaluation process across our facilities, improving our insight, valuable for our processes.

### 4 – SUSTAINABLE PACKAGING

Creating sustainable packaging is an ongoing focus in the reduction of environmental

impact and overall ecological footprint. A&E operates a regional, thread cone take-back program, keeping thousands of pounds of plastic out of landfills.

### 5 – RECYCLING AND WASTE REDUCTION

We maintain Zero Waste to Landfill designations at 16 Elevate facilities around the world. In 2021, Elevate will have comprehensive collection and recycling programs at every facility across our global manufacturing network.

### 6 – SUSTAINABLE PRODUCTS

Against our 2025 Sustainable Fibers commitment – 80% sustainable cotton and 50% recycled polyester – we made significant improvements in sustainable cotton and are now at 68% for our global sourcing.

### 7 – GLOBAL EHS AND SUSTAINABILITY COMPLIANCE

In 2020, we saw a significant decrease in our Global Safety Incident Rate, and digital safety reporting system in place to support continuation of this trend, through improved communications and resources.

### 8 – SUPPLY CHAIN SUSTAINABILITY

Our overall goals are to reduce supply chain environmental impacts and waste. In 2021, we expanded our supplier chemical management program to collect detailed chemical safety data on synthetic fibers used in production.

### 9 – PRODUCT STEWARDSHIP

We converted over 70% of our applicable inventory to MRSL v2.0 conformance. Adoption of the MRSL v2.0 is a key step towards reducing the use of hazardous chemicals within the industry. Currently, we are on track for 100% in 2021.

### 10 – EDUCATION AND INVOLVEMENT

In 2020, Elevate joined the Sustainable Apparel Coalition, furthering implementation of the Higg suite of tools within our supply chain. We actively participate in industry organizations, addressing climate and environmental action.

## NUMBERS AT A GLANCE

	Metric	Unit	2016	2017	2018	2019	2020
Water	Total Water Used	Million cubic meters	7,92	7,84	7,84	7,32	5,83
	Water Intensity	ℓ / kg of product produced	52,45	52,43	48,80	50,43	53,64
	Water Recycled	Million cubic meters	0,323	0,436	0,539	0,538	0,778
Energy	Total Energy Used	Million kWh	561	576	586	558	433
	Energy Intensity	kWh / kg product produced	3,72	3,85	3,65	3,84	3,98
	Total Greenhouse Gas Emissions	Million kg CO <sub>2</sub> e	496	482	493	460	378
	Greenhouse Gas Emissions Intensity	kg CO <sub>2</sub> e per kg	3,29	3,22	3,07	3,17	3,48
Safety	Incident Rate	Injuries per 100 FTE	0,28	0,48	0,37	0,53	0,36
	3rd Party Social Responsibility Audits	Number conducted	2	1	11	14	9