

© Elevate Textiles" SUSTAINABILITY REPORT 2023



Collaboration is more essential than ever for our industry Sustainability is woven into our very DNA, reinforced by Elevate's Ten Threads of Sustainability and our ongoing efforts to meet the significant and crucial sustainability and social and investments in innovative technologies and quality products responsibility challenges and targets in front of us. Our supply chains are complex and dependent on the layers above and that reduce the environmental footprint of our operations below, similar to a stone arch. Our cover photo demonstrates globally. Our active involvement in adopting the UN this interdependence, reflecting how the path to a sustainable Sustainable Development Goals (SDGs) further guide our future is mutually supportive. efforts and focus in water stewardship, carbon footprint reduction throughout our supply chain, energy conservation, At Elevate Textiles, we are committed to continuing to be an waste reduction, and sustainable product development. early mover in our industry's sustainability and social responsibility

At Elevate Textiles, we are committed to continuing to be an early mover in our industry's sustainability and social responsibility efforts, encouraging others in our supply chain to join us. In 2022, we joined the Textile Exchange to more closely connect our pursuit of sustainable and preferred fibers with the industry.

Burlington[®]





»Our relations with one another are like a stone arch, which would collapse if the stones did not mutually support each other, and which is upheld in this very way.«

Lucius Annaeus Seneca







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Message From Our Chief Executive Officer SIM SKINNER



As we reflect back on the past year, we celebrate our progress and the strides we are making towards our sustainability commitments as a responsible company. world. You will meet several of them in this year's report. At the same time, we are reminded of the journey ahead and the many challenges and opportunities before us to We are also aware that we cannot operate in a vacuum, and

fully achieve Elevate Textiles 2025 Sustainability Goals and begin to set goals for 2030 and beyond. We remain diligent in our efforts and commitment to drive meaningful actions across our brands and operations in pursuit of these goals.

We focused on are operational excellence and leadership across all areas of Elevate. Our business is large and complex, producing many

»We are striving to create a company of sustainability advocates who understand the importance and act in ways, both at work and in their everyday lives, to preserve and protect the natural resources of this world.«

different products across all regions of the globe. We We want to share a few highlights of our continuing work, cannot be successful with a small handful of people with many more details in this year's report. As you making all the critical decisions and driving our key initiatives. We need everyone making data-driven decisions and taking ownership for driving improvements in their area. And this is most definitely true in our sustainability journey. We are striving to create a company of sustainability advocates who understand the importance

will see we are focused on achieving specific actions, measuring our success and driving towards the next. We are glad to share our journey with you and give greater transparency to the work underway across our operations and product teams.

and act in ways, both at work and in their everyday lives, to preserve and protect the natural resources of this

we welcome collaborations and partnerships with global organizations and other likeminded individuals that share ourpassion and commitment. We continue our work with the UN CEO Water Mandate, UN Global Climate Action, ZDHC, and the Sustainable Apparel Coalition, along with many other initiatives to join resources and share knowledge that lead us all to collective success.

Message From Our Chief Executive Officer

Elevate Sustainability Actions

- We joined the Textile Exchange in 2022, to partner more closely with our customers, suppliers, and others in our industry on the continued development of preferred materials and the reduction of adverse supply chain impacts.
- We commissioned two new rooftop solar power projects in 2022—one in China and another in Sri Lanka. We have additional rooftop solar power projects in development.
- We have continued to show our commitment to transparency and traceability regarding our supply chain, which is evidenced by our use of Oritain testing to support and enhance our efforts to ensure we do not source cotton from undesired regions.
- We have expanded our engagement with our suppliers by asking them to implement the Higg FEM and Higg FLSM self-assessment and verification audit programs. This will help us all collaboratively share data and best practices, as we work together to reduce GHGs, water intensity, and other adverse impacts of our shared supply chain.

We value collaboration among our team and with you, and we welcome your feedback and insights. Through mutual understanding we can support each other's goals. Thank you for your partnership and your time to learn more about Elevate and our brands and key milestones in our sustainability journey.





Solar panel installation – A&E Sri Lanka

Solar project – Jiaxing Burlington Textile

Message from Vice President — Environment, Health, Safety and Sustainability **Chief Sustainability Officer**

JIMMY SUMMERS



progress with metrics and regular reviews that monitor to work together in non-competitive ways to ensure successes and shortcomings and allow us to make the global textile industry is proactive in reaching our adjustments where needed. At Elevate, we approach sustainability commitments. sustainability in the same way we approach manufacturing Like many of you, we continue along our sustainability initiatives using continuous improvement principles and Through our actions we are committed to transparency journey with great conviction and commitment. We are excited to present our 2023 Sustainability Report and for our facilities and for our supply chain. We have tools such as PDCA (Plan, Do, Check, Act) to ensure we implemented Higg FEM and Higg FSLM verification at share with you our accomplishments and the progress that are on track to meet our interim targets and milestone goals. Other tools include our Sustainability Roadmaps we are making. We appreciate your continued partnerall Elevate facilities and are currently implementing these and Sustainability Index established for each facility ships and collaboration as we all work towards creating tools across our licensees and key suppliers. This will help us to better understand the sustainability and social a more sustainable industry and preserving the natural that we use internally to measure actual progress. This compliance impacts of our supply chain. Again, we information is reviewed monthly by each business unit resources of this world for our future generations. thank you for your partnership and interest in Elevate's and our Elevate Leadership Team. Elevate and our brands are making very good progress sustainability journey.

towards our 2025 goals, despite many obstacles and Collaboration and partnerships have been key to our journey. We believe in being at the table with our challenges. We are in the process of setting aggressive 2030 goals, in addition to the SBTi goals that we already customers, suppliers, and other stakeholders as together

have for GHGs as we strive to minimize adverse impacts to our environment. We look forward to sharing more details in this year's report.

Measurable action is a key focus for us. Setting long term targets and goals is necessary, but real progress can only be made by translating those targets and goals into

actionable steps for today involving our facilities and each person at Elevate. Equally important is having systems in place to track actual

»Collaboration and partnerships have been key to our journey.«

we overcome the challenges and roadblocks that stand in the way of our industry reaching mutual targets and goals. Our active memberships in ZDHC, Sustainable Apparel Coalition (SAC), Textile Exchange, the UN Fashion Charter, and other organizations provide the platform for sharing and collaboration. We actively participate by taking part in tasks teams and working groups to both

add our knowledge and experience and to learn from others as we partner to find meaningful solutions. These discussions open opportunities



(c) Elevate Textiles ANTICIPATE. CREATE. ELEVATE.

WHO WE ARE

Taking textiles to a whole new level

We are a collection of top textile companies and brands providing comprehensive, global product solutions across many diverse industries focused on innovation, sustainability, and heritage craftsmanship.

WHAT WE DO

We are solution-oriented and innovative, sustainable and ethical, global and diverse, trusted and collaborative. Our textile products lead the industry with high quality and a long heritage, and an impact everywhere you look.

SUSTAINABILITY

Solving for the big picture

Sustainability is woven into our very DNA at Elevate Textiles. It's part of everything we are, everything we do, and everything we strive to be.

We anticipate when we create – offering products and solutions that are relevant to today and ahead of tomorrow.





Changing industries. Changing lives.

INNOVATION

Going beyond what's next

Gütermann





The Elevate Textiles Portfolio MEET OUR BRANDS

Our products make life safer or simply better,

from distinguished fabric brands to thread solutions Founded 1891 – As one of the world's foremost for automotive, apparel, interior furnishing, and specialty products. We anticipate and create so our customers always stay ahead of not only what's next, but what's beyond next.

manufacturers of sewing thread, embroidery thread, and technical textiles, A&E provides global solutions to the apparel, automotive, home furnishings, medical, footwear, and other industrial markets with capabilities that extend from Asia to Europe to the Americas.

Burlington®

Founded 1923 — With a century of industry leadership, Burlington is driven to develop sustainable, next generation textile technology and fabrics including performance synthetics, worsted wool, and blended fabric, serving the military, performance apparel, medical and cleanroom, interior furnishings, uniform, and workwear markets.

Gütermann

Founded 1864 – As one of the world's premier thread manufacturers, Gütermann has been making quality thread products servicing both industrial and commercial sectors globally. Whether for high quality or trendy fashion collections, technical textiles, automotive and outdoor applications or for the creativity of each individual.

ConeDenim

Founded 1891 — A worldwide leader in denim innovation, Cone Denim's unparalleled expertise and advanced capabilities have serviced and inspired the global market for more than 130 years, offering unique collections of sustainable and innovative performance, stretch, selvage, natural indigos, hemp, and Tencel denim.



Founded 1912 – A global leader in technology-driven fabric solutions and other high performance textiles, for first responders, military, outdoor, marine, and automotive use, Safety Components has provided innovative solutions to customers for more than 100 years.

SAFETY COMPONENTS

Sustainability Strategy

Our Achievements

As part of the global community, we align our sustainability In 2019, Elevate became the first global textile manufacturer to dedicate itself to setting Science Based Target initiative goals with the United Nations Sustainable Development (SBTi) targets for GHG emissions reduction, and the Goals (SDGs). Elevate's Ten Threads of Sustainability targets were validated in 2021. program and our ongoing efforts and investments are dedicated to innovative technologies and quality products that reduce the environmental footprint of our operations Our SBTs call for a 46.2% reduction in Scope 1 and 2 globally. However, our tasks go beyond that. We focus emissions, as well as a 46.2% reduction in Scope 3 supply on the four areas in which we have the greatest impact: chain emissions, all by 2030. Elevate set interim 2025

GHG emissions reduction targets of 25% compared to the 2019 baseline. We have also set a target of 100% Renewable Energy use at our facilities by 2030.

In 2022, our Zero Liquid Discharge (ZLD) system at our Cone Denim facility in Parras, Mexico became fully operational, joining our other ZLD and wastewater recycling systems around the world.

THE FOCUS OF OUR ENGAGEMENT

Sustainable Development Goals

CLIMATE CHANGE

PRODUCTS & MATERIALS

WATER **STEWARDSHIP**

PEOPLE





SUSTAINABLE GEALS

THE TEN THREADS OF SUSTAINABILITY



Our Ten Threads of Sustainability were developed in 2006 to guide and shape our sustainability journey. We have made significant progress in reducing our impact since the Ten Threads were established. They continue to embody how we are improving our transparency and driving actions to achieve our goals and commitments.



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THREAD 3 ENERGY CONSERVATION



CLIMATE CHANGE

Commitments

- Elevate Textiles is committed to doing our part to prevent global climate change throughout our entire supply chain
- In 2021, we became the first global textile manufacturer to receive validation of our Science Based Target (SBTi) goals related to Scope 1, 2, and 3 GHG emissions
- We are committed to using 100% renewable energy in our operations by 2030



What We Do

Elevate Textiles is committed to doing our part to prevent global climate change. After signing on to the Science Based Targets Initiative (SBTi) in 2019, we became the first global textile manufacturer to receive validation of our SBTi goals. Since then, we have furthered our commitment by joining the Business Ambition 1.5°C Campaign and assessing emissions reduction targets across the entire value chain. Elevate's approved targets include a 46.2% reduction in absolute scope 1 and scope 2 emissions by 2030 from a 2019 baseline, as well as a 46.2% reduction in several scope 3 categories-purchased goods and services, processing of sold products, and fuel and energy related emissions – within the same timeline. As a signatory to the United Nations Framework Convention on Climate Change (UNFCCC) Fashion Industry Charter, Elevate Textiles has also set long-term targets to reach net-zero emissions by 2050 and utilize 100% renewable energy by 2030, among other climate-related commitments.

In 2022, we commissioned two additional rooftop solar projects at Elevate facilities — one at our Burlington facility in Jiaxing, China, and another at our A&E facility in Sri Lanka. The combined capacity of both projects is 1.38 MW, generating 22% of the electricity demand for the Burlington facility and 12% of the electricity demand for the A&E facility. We also initiated the purchase of renewable

energy credits (RECs) at our A&E Vardhman facility in Perundurai, India, buying credits covering a little over half our total electricity usage. The RECs paid for the production of renewable energy via a solar project at another location nearby. This component of our renewable energy portfolio will play a much bigger part going forward, as we have limited roof area and land area for the installation of solar projects at our own sites.

For 2023, we have more rooftop solar projects under development and are considering the addition of more RECs to our portfolio. We are continuing to aggressively pursue energy efficiency projects related to existing operations, including replacement of older equipment with new energy efficient alternatives. Each business unit and each facility has annual emissions targets in place, and actual progress against the targets is available realtime in our sustainability dashboard. This information is reported monthly to Business Unit leadership and to Elevate's Leadership Team.

United | UNGC P



United Nations Initatives

UNGC Principle 7: Precautionary Approach to Environmental Challenges





WATER STEWARDSHIP

Commitments

- Elevate Textiles joined the Business Leaders Open Call for Accelerating Action on Water during the UN World Water Week (<u>www.wateractionnow.org</u>)
- We recycle wastewater through the operation of three Zero Liquid Discharge (ZLD) systems and four ultrafiltration/reverse osmosis (UF/RO) systems at facilities around the world
- Elevate implemented ZDHC Wastewater Guidelines v2.0 and the ZDHC MRSLv3.0, driving towards 100% ZDHC MRSL conformance for all dyes and formulated chemicals used in manufacturing



What We Do

As a textile manufacturer that dyes and finishes fabrics and threads, we use a significant amount of water. Because of this, water stewardship is a critical part of our sustainability performance and journey. In addition to the reductions and improvements at our own facilities, we are passionate about influencing water basin-wide efforts to improve water quality and reverse negative trends, particularly against the backdrop of stressed water supplies in many regions around the world.

That's why we are a contributor to the ZDHC Programme and are active in many task teams and councils there, including the Operator Certification Task Team, which is establishing a certification program and training globally for wastewater treatment plant operators and managers (believed to be the first of its kind in any global industry). It is also why we joined the UN CEO Water Mandate, and why in March 2023 we joined the Business Leaders Open Call for Accelerating Action on Water.

In 2019, Elevate Textiles committed to a 25% reduction in absolute water use by 2025 based on 2016 levels, and in 2022 we reached a reduction of 21.8%. We have done this by investing significant capital in innovative dyeing processes as well as state-of-the-art wastewater treatment systems for recycling and reusing wastewater back into the process as clean water. Since 2016, we have recycled

more than 4.42 million cubic meters across the company and in 2022 had a global water recycling rate of 16%. We have four Ultrafiltration/Reverse Osmosis facilities across the company which recycle between 20-50% of water used and three Zero Liquid Discharge facilities which recycle 90% of water used (and which produce no liquid discharge to the environment). Since 2016, we have reduced the water intensity of our operations by 11.2%. (Water intensity is a measure of the amount of water used per unit of production.)

Elevate complies with strict government guidelines and procedures for all our wastewater treatment systems and effluent discharges, and we are equipped with 15 onsite wastewater treatment facilities for the water we use in our manufacturing processes. We have also implemented the ZDHC Wastewater Guidelines and the ZDHC MRSL, and closely evaluate facility performance against these and other industry standards.

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UNGC Principle 7: Precautionary Approach to Environmental Challenges CEO Water Mandate Element 1: Direct Operations CEO Water Mandate Element 6: Transparency



United Nations Initatives



THREAD 4 SUSTAINABLE PACKAGING



THREAD 5 RECYCLING & WASTE REDUCTION

THREAD 6 **SUSTAINABLE** PRODUCTS







THREAD 8 **SUPPLY CHAIN SUSTAINABILITY**



THREAD 9 PRODUCT **STEWARDSHIP**



PRODUCTS & MATERIALS



- Elevate Textiles joined the Textile Exchange in 2022
- We are making significant progress towards our 2025 preferred material goals for cotton and recycled polyester
- We are expanding our engagement with our suppliers by asking them to implement the Higg FEM and Higg FLSM self-assessment and verification audit programs.

100% **OUR FACILITIES** PARTICIPATING IN HIGG FEM & HIGG FSLM ASSESSMENTS IN 2022

What We Do

Our impact on people and the planet extends beyond our facilities and operators. We are a part of large and complex supply chains that extend throughout the world. The fibers, dyes and chemicals, packaging, transportation, and other aspects of our supply chain outside of our direct control result in GHG emissions, water usage, waste generation, and other significant impacts. That's why it is imperative that we engage with all levels of our supply chain in order to collaborate and make progress towards our combined targets and goals. For this reason, we have now expanded our engagement with our suppliers by asking them to implement the Higg suite of sustainability and social compliance tools, which will foster deeper transparency of our supply chain.

We joined the Textile Exchange in 2022, building on our participation in the Recycled Polyester Challenge with the organization. Our membership and work with the Textile Exchange allows us to more closely connect our pursuit of sustainable and preferred fibers with the industry. We have made significant progress towards our 2025 preferred fibers goals, sourcing 73.5% sustainable cotton in 2022 against our 2025 goals of 80%. In 2022, recycled polyester made up 3.32% of our total company polyester and 23.7% of our Fabrics division polyester purchased. We are incorporating Oeko Tex certification program, confirming the absence several other preferred fibers in our products, including of harmful compounds. Related to circularity, we have



regenerative cotton, hemp, recycled cotton, circular fibers, and bio-based synthetic fibers. Anticipating that circularity in the textile industry will be a significant part of the future, we are members of Accelerating Circularity, and through the program are incorporating recycled and circular fibers into products at scale. We attained RCS certification of our Cone Denim recycled cotton program in Mexico, giving our customers confidence and transparency in our recycled cotton-containing products.

Social responsibility within our supply chain is a key priority for Elevate Textiles. We have developed robust programs and procedures to ensure that we have visibility into our supply chain, and evidence to prove the origin of materials. We use Oritain testing to independently check and confirm the origin of cotton, especially in critical areas of the world.

Certifications play a very important role in verifying and ensuring compliance with our own standards and requirements, as well as our customers' and other stakeholders' standards. We have GRS, OCS, and RCS scope certifications at our facilities processing recycled fibers and organic cotton. Most of our thread and fabric products are certified and tested through the

PRODUCTS & MATERIALS

products that are certified under the Cradle to Cradle (C2C) program, indicating they are safe for circular pathways. Our facilities take part in Higg FEM and FSLM 3rd party verification audits, and they have attained at least the Foundational level of ZDHC's Supplier to Zero program. We have fully implemented the ZDHC MRSL and ZDHC Wastewater Guidelines at all of our facilities. We transparently share our audit and test results with our customers through the Higg and ZDHC platforms.

United Nations Initatives

UNGC Principle 7: Precautionary Approach to Environmental Challenges UNGC Principle 8: Initiatives for Greater Environmental Responsibility UNGC Principle 9: Development of Environmentally, Friendly, and Technologies UNGC Principle 10: Anti-Corruption CEO Water Mandate Element 2: Supply Chain and Watershed Management



Progress towards 2025 goal (80%) as of the end of 2022





Progress towards 2025 goal (50%) as of the end of 2022

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Commitments

- Elevate Textile's Code of Conduct is aligned with the 10 Principles of the UN Global Compact Guiding Principles addressing human rights, labor, environment, and anti-corruption
- We conduct Higg FLSM/SLCP social compliance assessments at all facilities each year
- Our safety performance is significantly better than the industry average, as we aggressively pursue continuous improvement and elimination of hazards from our operations



What We Do

Protecting our employees is a core value of Elevate Textiles, including the people who work around our facilities and operations, the people who work in our supply chain, and the people who purchase and enjoy our products. We exemplify this through our continued commitment to the UN Global Compact Guiding Principles and the annual communication on progress that we submit as a signatory to the Global Compact.

We evaluate all of our facilities related to social compliance through the Higg FSLM program, which is aligned with and based on the Social Labor Convergence Project (SLCP) framework. This includes 3rd party verification audits, with the results of the audits and completion of any corrective actions being visible to our customers via the Higg portal. In future years, we will continue our social compliance audits with 3rd party verifications at our own facilities. We will expand this requirement to our suppliers to manage our social and labor risks. We are very proud that A&E in the US was recognized in Newsweek magazine's 2023 list of "America's Greatest Workplaces for Diversity".

Our safety program is centered around the concept that every person is a safety manager, for themselves and for the co-workers around them. We focus on actively seeking out unsafe conditions and behaviors

before people get hurt. We have developed and implemented a safety Leading Indicator Index, through which we measure and improve our preventive activities.

We believe that it is important for us to share our knowledge and insights with our stakeholders, being active participants in continuing to improve in sustainability, social compliance, and transparency. For this reason, our people take active roles in task teams, committees, and working groups within ZDHC, the Sustainable Apparel Coalition, Textile Exchange, the Cradle-to-Cradle Products Institute program, and many others.

UNGC Principle 1: International Human Rights UNGC Principle 2: Not Complicit in Human Rights Abuses UNGC Principle 3: Freedom of Association/ Collective Bargaining **UNGC** Principle 4: Forced Labor UNGC Principle 5: Child Labor UNGC Principle 6: Elimination of Discrimination UNGC Principle 10: Anti-Corruption CEO Water Mandate Element 3: Collective Action CEO Water Mandate Element 4: Public Policy CEO Water Mandate Element 5: Community Engagement



United Nations Initatives

Our people make it happen CONE DENIM MEXICO



Sustainable Standards

Daniela Diaz Rivera is the Compliance Coordinator at that is Cone Denim Parras. She has been working at CDP for two our pares. Her responsibility is to lead and coordinate efforts response to meet different certifications and client requirements, being such as Oritain and OCS-RCS.

As an Industrial and Systems Engineer, she applies an integral approach for management and traceability of certified materials, using Information Technologies and different methodologies to comply with the standards. Outside of work, she enjoys being in the company of her loved ones, walking her dogs, and practicing yoga.

»I am proud to be part of these type of projects that not only have great benefits for the company and our people, but also seek to raise awareness about the responsibility that we have as a company and as human beings for the environment and society.«

Daniela has been a key part of the OCS and RCS programs at the facility. She has also been instrumental in obtaining RCS certification for the Supply Chain for Recycled Cotton in Mexico, which is a game changer for Cone Denim and for the industry. "I am proud to be part of these projects



that not only have great benefits for the company and our people, but also seek to raise awareness about the responsibility that we have as a company and as human beings for the environment and society", she says. "For

> me, sustainability is finding balance between the satisfying our needs without compromising the needs of future generations and being aware of our consumption," she said. "Ifeel proud to be part of this culture of sustainability and to be able to give that confidence to our customers. These projects are not only 'painted green' but are really making a positive impact on the planet."

Our people make it happen BURLINGTON TEXTILE JIAXING



Rooftop Solar Project

Peter Pu is the manager of the JBT FAC Department, and he has been working in JBT for 12 years. He is a mechatronic engineer, a national constructor, an expert in the management of dyeing and finishing machines and facilities, and an excellent engineering management leader. In his free time, he spends time with his family and he also likes to study. Peter says, "Sustainable development

is an idea that everyone on earth should adhere to. Everyone should be a participant and will benefit from it."

Peter has been doing his part to fulfill the company's sustainability commitments. In March 2022, he organized and completed the project of flash steam collection and

thermal insulation of dyeing machines. This saves about 1,500 tons of steam consumption every year, which is equivalent to reducing 400,000 kg of carbon dioxide emissions.

Under his active promotion, in June 2022, the carport and rooftop solar project with a total installed capacity of about 1MW was officially put into operation. By the end of December 2022, a total of 560,000kWh of clean solar power was provided to JBT, equivalent to reducing 390,000kg of carbon emissions.

»Sustainable development is an idea that everyone on earth should adhere to. Everyone should be a participant and will benefit from it.«



According to Peter, "Elevate Textiles is a global enterprise with a high sense of social responsibility. I am proud that I have the opportunity to play a part in it."

Our people make it happen A&F (COSTA RICA



Safety Leadership in Action

Oscar Camacho has been a Finishing Shift Supervisor at the A&E Costa Rica facility since 2012. He is an excellent example of a supervisor that leads with safety and takes the responsibility very seriously for his team. This commitment has led him to deliver safety messages in a unique and innovative way and has now spread throughout the facility. He created "Konin", the thread cone with a safety message!

and their families. Koninboletín is growing, with more sections including The Voice of Konin ("La Voz de Konín") and opportunities for families to complete safety activities to participate in a monthly raffle.

Oscar emphasizes and encourages the importance of Layered Process Audit and Safety Observations, making sure his employees know that "everyone is a safety manager". He provides a powerful example of deeply caring about the safety and well-being of the people on his shift and in the entire A&E Costa Rica facility – and through the adventures of

According to Oscar, Konin was "born" toward the end of 2019, coinciding with the start of the COVID-19 pandemic. He was created to add to the training and awareness of company colleagues on safety issues and is visually

depicted as one of the elements in the plant known by everyone...a cone for thread. Konin went into action to help people take preventive safety actions, transmitting truthful information, and combating myths regarding COVID-19. By the end of 2022, Konin had his own monthly newsletter (called Koninboletín) to have greater impact on the safety of A&E Costa Rica employees

»Training is one of the tasks I like the most, and this activity with Konin has allowed us to support and contribute learning for many colleagues, which makes us feel Konin! that we generate value.«



"Helping others is one of the best things a person can do, be it on a technical, informative, emotional, or any other level," he says. "Training is one of the tasks I like the most, and this activity with Konin has allowed us to support and contribute learning for many colleagues, which makes us feel that we generate value."

Our people make it happen A&E GÜTERMANN GERMANY



Operational Excellence on Roadmap to Zero

In 2022, A&E Gütermann in Germany successfully completed the Chemical Management System (CMS) certification process with the ZDHC Programme. Under the ZDHC's Supplier-to-Zero assessment, they achieved not only the Foundational Level, but also further advanced to achieve the Progressive Level.

Clemens Schneider (Director Manufacturing Europe & EHS), Susanne Reitmeir (Assistant to Director Manufacturing Europe), Pietro Tartaglione (Dyehouse Manager), and Pascal Bylow (Dyehouse/ Chemical Control Officer) showed great leadership and dedication in reaching this outstanding certification level. In particular, the Progressive Level certification requires a The ZDHC Programme is a global, multi-stakeholder initiative within the textile, fashion, and footwear industries that monitors the implementation of the Roadmap to Zero program. Harmful chemicals should be eliminated in the global supply chain by building the foundation for more sustainable manufacturing processes. The CMS is an integral part of A&E Gütermann's Environmental

»With each step we are aware of our responsibility towards the global environment. We are very proud to have achieved this result and will continue to work on using our resources responsibly.«

wide range of supporting evidence. A&E Gütermann o demonstrates constant progress towards improving re chemical management within the manufacturing process. a

"With each step, we are aware of our responsibility towards the global environment," remarked Clemens Schneider. "We are very proud to have achieved this result and will continue to work on using our resources responsibly."

Gitermann

Gutermann's Environmental Management System. We strive to reduce the environmental impact of manufacturing processes within our workplaces, the community, and the wider environment. Our CMS is one of the driving factors for continuous improvement on the way to our goal of 'no hazardous chemicals'.

Our people make it happen





95% Reduction in Waste to Landfill

Sarvjit Singh is the Senior Manager (Mechanical Engieering) at A&E/Vardhman Unit 1 in Hoshiarpur, Punjab, India. In his 26 years at the facility, he has had many various roles and responsibilities. Currently, he manages the operation and maintenance of all utility equipment including boilers and the wastewater treatment system,

participates as a liaison with government officials of the State Pollution Control Board and other agencies, and supports various projects related to energy conservation and environmental protection. When asked what he likes to do outside of work, Sarvjit said, "I enjoy cycling with my daughter. I am a Sarvjit has recently played a major role in installation of a sludge drier at the facility, which has allowed the wastewater treatment plant biological sludge to be processed at a cement kiln for burning as fuel instead of being placed in a landfill. In addition, he manages the distribution of boiler ash (from the combustion of rice

»Sustainability to me means trying to do my bit so that I contribute to ensuring a cleaner world for the next generation.«

Randonneurs (long distance cyclist) and a regular runner with a number of marathons under my belt."

says. "Sustainability to me means trying to do my bit so that I contribute to ensuring a cleaner world for the next generation. Cycling to work and then working day in day out on sustainability projects does make me feel that I am indeed contributing my bit."



husk biofuel at the facility) to brick manufacturers, again reducing landfill usage. These steps, among others, have resulted in 95% reduction in the waste being sent to landfill from the facility. "I enjoy facing challenges to improve our current situation so as to have the least impact on the environment", Sarvjit

Our Sustainable Engagement BOLD PURSUIT OF SUSTAINABILITY

A&E has proudly served the textile industry for over 130 Through the Science Based Targets Initiative, A&E years as one of the world's largest thread manufacturers participated as part of Elevate Textiles to become the of polyester and nylon product types. A&E is committed and distributors of industrial thread, embroidery thread, first thread manufacturer to validate its targets for the reduction of greenhouse gases. These targets are in and technical textiles. We are pleased to deliver the highest quality products to our customers and value their line with global goals outlined in the 1.5°C Paris Climate earned trust. Agreement.

Partnerships and the Drive for Sustainable Innovation

We recognize that how we make our products and run our operations are just as important as the innovative thread and specialty yarn products we produce. It is this belief that drives us to further evaluate and refine our manufacturing processes, while seeking out new advancements and partners to enhance the sustainability practices of our global operations. We believe this is not only good for our customers and future generations, but an essential path forward for A&E.

One of our valued partners is the United Nations. Since 2019, we have worked closely with the United Nations' Fashion Industry Charter for Climate Action to identify sustainability gaps and promote best practices. Through this partnership, we are able to amplify existing efforts and expand our collaboration to go beyond previous industry-wide sustainability commitments and drive improvements across our operations.

SCOPE CERTIFIED facilities and available in a wide variety to being a trusted voice for positive change and greater sustainability within the industry.

A&E has put substantial resources into sustainable innovation, leading manufacturing and product advancements, while refining our supply chain through responsible sourcing. We are committed to sourcing 100% preferred and low climate impact priority materials by 2030 and increasing our use of recycled fibers where possible.

Responsibly Made Products for Today and Tomorrow

A&E delivers innovative thread products to well-known brands around the world every day. Often these products require strict quality and performance, with an added component – sustainability. Environmental sustainability and corporate social responsibility permeate everything we do, and our customers trust A&E to deliver sewing thread made the right way.

We continue to push for a better tomorrow. Advances in sustainable innovation are leading to new improvements in A&E's 100% recycled thread line, ECO100. This expanding, sustainable thread line is produced in GRS





Our Sustainable Engagement DEVELOPING THE FABRICS OF TOMORROW

As we celebrate 100 years, Burlington looks to the future to create innovative, top-quality fabrics for a variety of products and markets globally. True to its heritage of innovation and industry leadership, Burlington is committed to developing the fabrics of tomorrow driven by performance, social responsibility, and continuous improvement. We never compromise function and integrity as our Burlington Labs R&D team discovers new technologies that create fabrics using responsible raw materials, chemicals, and manufacturing processes.



Sustainable Products

- Burlington's Restora[™] Collection of sustainable fabrics are developed with at least 50% recycled fibers from Repreve[®], used garments, and marine ocean waste. Burlington Performance Apparel increased sales of recycled fabrics by nearly 300% over the last two years.
- Burlington's MCS[®] family of proprietary technologies are bluesign[®] approved and can be applied to a variety of fabrics to offer advanced hydrophilic properties for faster dissipation of moisture and a drier, more comfortable feeling.
- PF Zero[™] is a non-fluorocarbon based water and stain repellent finish with exceptional durability for maximum protection. Used in the development of newer Barrier fabric styles, PF Zero[™] utilizes a DWR chemistry based on an acrylic backbone with crystalized long linear alkyl chains. Fabrics are bluesign[®] and OEKO-TEX[®] certified for added assurance that PF Zero[™] is safe for use in PPE.
- One of Burlington's newest chemistry offerings, a bio-based wicking technology powered by miDori[®] (the Japanese word for "green") is sourced from renewable, natural raw materials. Its revolutionary formula achieves high levels of performance while radically lowering carbon emissions. The miDori WA 1.0 is USDA Bio-Preferred, ZDHC Listed and

OEKO-TEX ECO PASSPORT certified. The finish is made from 100% microalgae oil, the first-ever in the industry, and results in up to 80% CO₂ reductions as compared to similar performing synthetic products.

Burlington[®]

 Burlington offers Green Circle, a certified recycled component, in a number of its fabric offerings. Green Circle provides a closed loop recycling option that separates and eliminates both additives and colorants from used polyester products to purify the material, restoring the polyester to its original quality and function.



Operational Excellence

Burlington's plant in Jiaxing, China, is a longtime bluesign[®] certified facility. The bluesign[®] SYSTEM is a comprehensive approach focused on people, the environment and resources that confirm sustainable processes that minimize the impact of our operations.

• The Jiaxing facility is recognized as a First Star Enterprise for environmental responsibility and hygiene performance and as a Model Facility in the Jiaxing Industrial zone. It utilizes an advanced ultrafiltration reverse osmosis water treatment system which allows for 35% of water to be recycled.

Our Sustainable Engagement COMMITTED TO A SUSTAINABLE FUTURE

With over 130 years of denim innovation and industry leadership, Cone Denim continues in its relentless commitment to driving sustainable leadership and collaborating with like-minded partners and customers to enact true progress. We are excited by the passion we see within the denim industry and supply chain for sustainability, transparency, and traceability. We lead by example and action across our product offerings and global operations.

- Cone Denim was the first denim mill to partner with expert hemp processing innovator BastCore and last **Commitment in Action** year launched a collection made from US grown hemp. • Cone Denim has invested more than \$13 million over This celebrates US agriculture by using traceable hemp, the last five years related to new equipment installation US cotton, and natural indigo from Tennessee, all in and advanced processes that lessen the environmental close proximity to Cone's mills in Mexico, creating a reduced environmental footprint. The hemp fiber is impact of Cone's operations. OEKO-TEX[®] Standard 100 certified and USDA certified • Cone Denim has extended its partnership with Oritain, bio-based.
- the scientific traceability experts, to ensure cotton traceability and further support our customers globally. Oritain's unique method combines forensic science and statistical models to verify the origin of products and raw materials.



Cone Denim has established a certified supply chain for recycled cotton in Mexico. The company's Recycled Claim Standard certification now includes verification and documentation of recycled cotton used in the manufacturing of Cone Denim fabrics in the Western Hemisphere.

Sustainable Products

Cone is exploring the lost art of Zero Waste design with its newest design initiative Nothing Goes to Waste. Cone's designers are combining Cone's greener manufacturing capabilities with certified 100% recycled components to create forward thinking fabrics and to inspire the denim design community. Cone introduced its first fabric made of 100% post-industrial recycled cotton.



Responsible Operations





• Water reduction is a high priority for Cone as it looks for ways to preserve this precious natural resource. Recent investments include installation of new Zero Liquid Discharge facility at Cone Denim Parras utilizing an advanced ultrafiltration reverse osmosis system (UF/RO) and Investment in Jeanologia G2 Finishing Ranges. Using this technology, Cone has developed a new color technique process, Dye-Namic, that produces a range of hues and reduces water consumption on average by 92% compared to traditional overdye.

• Cone has created sustainable yarn production using a wide range of fibers including post-industrial and post-consumer recycled cotton, organic cotton, regenerative cotton, hemp, Tencel, Refibra, Creora Spandex, Roica Spandex, Repreve, and Ciclo.

Our Sustainable Engagement SUSTAINABILITY THROUGH TECHNOLOGY

Sustainable Operations **Continuous Improvement** As one of the world's premier thread manufacturers, A&E Gütermann manufacturing operations are Gütermann has been making quality sewing thread As part of our continuous improvement efforts, A&E since 1864. Our ambition is to be the innovation leader, committed to responsible manufacturing and continuous Gütermann puts existing processes to the test and whether it is developing threads made from 100% recycled improvement, focusing on producing innovative threads consistently investigates energy-efficient improvement PET or using our unique Micro Core Technology[®]. without compromising natural resources. possibilities.

A&E Gütermann takes its responsibility seriously and Over the last year, the brand reduced the amount of water works to offer high performance premium sewing threads and electricity required in its processes and improved made from recycled material to provide our customers wastewater quality. Today, 100% of our current electricity requirements in Germany are covered by renewable with the highest-quality alternative that combines function, energies. We rely on regenerative energy sources such as quality, and sustainability. hydropower, which are certified by our energy supplier. The electricity purchased is generated entirely from renewable power generation plants backed by certificates of origin. In addition, all indirect emissions associated with electricity generation (both construction and operation) are made climate-neutral by means of emission reduction certificates. Only the energy sources specified in EU Directive 2009/28/EC are used.





• In our dyeing operations and processes, we are always reviewing recipes for dyeing duration, dyeing temperature, and possible ways to save chemicals.

We experienced a successful changeover from bath preparation to universal thread preparation, which takes place directly during winding. This ensures significant savings in chemicals, production time, and energy due to lower heat input.

• At our Gutach facility, our energy management system is certified according to ISO 50001. This was confirmed by the KEFF Check, which uses a third party to evaluate company energy practices and provide suggestions for improvements.

• The Gutach facility also improved energy efficiency by converting the steam production boiler to the latest burner technology that meets strict regulatory requirements.

Our Sustainable Engagement DRIVING TECHNOLOGY SOLUTIONS

of per- and polyfluoroalkyl substances (PFAS) reflects With more than 100 years of expertise, Safety Components leads the global textile market in technology driven fabric our drive to lead with industry firsts. Safety Components solutions for first responders, military, outdoor, and other PF Zero[™] patent pending technology was the first nonhigh performance textiles. Located in Greenville, SC, Safety fluorinated, durable water repellent finish developed specifically for PPE fabrics. Components takes great pride in producing responsible, US-based fabrics with an eye towards sustainability and preserving our natural resources. Today, every flame-resistant fabric made by Safety

Safety Components FR fabrics are critical in protecting first responder and military personnel, and WeatherMax outdoor fabrics provide superior durability and performance to withstand demanding environments.



PF Zero Technology The WeatherMAX supply chain also offers sustainable As an industry leader, Safety Components is committed advantages with polymer to finished fabric, all to finding new solutions that provide superior protection geographically located within a 100-mile radius, resulting in less movement of raw materials and lower greenhouse while improving performance. The development of a water repellent finish that is produced with chemicals free emissions. WeatherMAX durability also adds to the

Components for the North American Fire Service utilizes the groundbreaking PF Zero water repellent chemistry.

WeatherMAX Outdoor Protection

Not only do WeatherMAX fabrics offer superior performance and durability, but they are manufactured to have less impact on the environment. With no PVC or urethane coatings and content that is 100% recyclable, WeatherMAX offers a responsible, high-performance fabric to protect against outdoor elements. These fabrics are solution-dyed allowing for significant water savings of up to 15 gallons of water for every yard of fabric that is produced.

sustainability of the fabrics, with longer product life and less waste entering landfills. Because WeatherMAX fabrics do not use any coatings, the fabric is completely recyclable at the end of the product's life.





PERFORMANCE DATA SUMMARY

*
WATER

		Unit	2022	2021	2020	2019	2018	2017	2016
<image/> <image/>	Total Water Used	Million cubic meters	6.19	6.17	5.83	7.32	7.84	7.84	7.92
	Water Intensity	Liters per kg of product produced	46.56	42.81	53.64	50.43	48.80	52.43	52.45
	Water Recycled	Million cubic meters	0.992	0.816	0.778	0.538	0.539	0.436	0.323
	Total Energy Used	Million kWh	418	456	433	558	586	576	561
	Energy Intensity	kWh per kg product produced	3.15	3.16	3.98	3.84	3.65	3.85	3.72
	Total Greenhouse Gas Emissions	Million kg CO2e	360	432	387	471	493	482	496
	Greenhouse Gas Emissions Intensity	kg CO2e per kg	2.71	2.99	3.48	3.17	3.07	3.22	3.29
SAFETY	Incident Rate	Injuries per 100 FTE	0.40	0.37	0.36	0.53	0.37	0.48	0.28
	3 rd Party Social Responsibility Audits	Number conducted	21	11	9	14	11	1	2



Our 2020 emission and water usage were significantly affected by COVID-19 plant shutdowns.

SUSTAINABILITY PARTNERS













































GLOSSARY

Accelerating Circularity

Accelerating Circularity is a nonprofit that catalyzes new circular supply As the world's most advanced standard for safe, circular and responsible chains and business models to turn spent textiles into mainstream raw materials and products, the Cradle to Cradle Certified Product Standard materials. Since 2022, Cone Denim is actively participating as one of is the key to transforming the traditional linear economic model of the US trial partners for Accelerating Circularity. The trial goals are to production and consumption into a circular economy driven by products that have a positive impact on people and planet. The Cradle to Cradle determine whether current recycling processes can support the production of circular products, and then to outline the gaps that need Certified Products Program is the world's most advanced multi-stakeholder support and development for textile-to-textile circularity to be scaled. standard for designing and making products for the circular economy.

American Apparel & Footwear Association (AAFA)

www.aafaglobal.org

The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibres, including ecological and **Better Cotton Initiative (BCI)** social criteria, backed up by independent certification of the entire textile The Better Cotton Initiative (BCI) is a non-profit, multistakeholder gosupply chain. The aim of the standard is to define world-wide recognized vernance group that promotes better standards in cotton farming and requirements that ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible practices. The aim is to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity. manufacturing up to labelling in order to provide a credible assurance to the end consumer. https://bettercotton.org

CEO Water Mandate

Global Recycled Standard (GRS) The CEO Water Mandate is a UN Global Compact initiative that mobilizes business leaders on water, sanitation, and the Sustainable Development The Global Recycled Standard (GRS) is an international, voluntary, full Goals. Endorsers of the CEO Water Mandate commit to continuous product standard that sets requirements for third-party certification of recycled content, chain of custody, social and environmental practices, progress against six core elements of stewardship and in so doing understand and manage their own water risks. and chemical restrictions. #ITS-TJ7134-GRS-00890000 #IDF-22-419553 #GCL-301678 #SGS122021GRS23001 #SGS122021GRS13001 https://ceowatermandate.org #SGS122021GRS21001 #CU1129431GRS-2023-00002939 **CleanChain: An ADEC Innovation** #BVC-TE-BVVN0017-GRS-2302-0000015-V1.0 #CU1025989GRS-2023-00003607 #CU1118974GRS-2022-00129644 CleanChain helps you gather data from diverse and disparate sources, streamlines the chemical information management and reporting process, #CU855768GRS-2022-00154207 and empowers you to demonstrate transparency to stakeholders, all in https://textileexchange.org/standards/recycled-claim-standard-globalrecycled-standard/

one secure location. CleanChain also works with the ZDHC Gateway to enable collaboration between brands and manufacturing facilities. www.cleanchain.com

Cradle to Cradle Certified Products Program

Global Organic Textile Standard (GOTS)

www.global-standard.org

Higg Facility Environmental Index

Developed by the Sustainable Apparel Coalition, the Higg Index is a suite of tools that enables brands, retailers, and facilities of all sizes – at every stage in their sustain-ability journey – to accurately measure and score a company or product's sustainability performance. The Higg Index delivers a holistic overview that empowers businesses to make meaningful improvements that protect the well-being of factory workers, local communities, and the environment. https://apparelcoalition.org/the-higg-index/

Higg Facility Social & Labor Module

Manufacturers use the Higg Facility Tools to measure the social and environmental performance of their facilities. These modules measure impacts at individual factories, not the parent company as a whole. Users conduct the assessments at least once a year, and these assessments are then verified by SAC-approved, on-site assessors. Benchmarking by facility type allows facility managers to compare their performance against that of their peers. https://apparelcoalition.org/higg-facility-tools/

Oeko-Tex

The Standard 100 by Oeko-Tex aims at making it obvious to consumers that the labeled textile products have undergone laboratory testing for a wide range of harmful substances, and that the content of those substances remains below the limit values established by the Oeko-Tex Association. www.oeko-tex.com

Organic Content Standard (OCS)

The Organic Content Standard (OCS) is a voluntary standard from Textile Reverse osmosis filters have a pore size around 0.0001 micron. After wa-Exchange for tracking and verifying the content of organically grown ter passes through a reverse osmosis filter, it is essentially pure water. In materials in a final product. The standard provides a consumer facing addition to removing all organic molecules and viruses, reverse osmosis logo and labelling language for products to be identified as certified. also removes most minerals that are present in the water. https://textileexchange.org/standards/organic-content-standard/

Oritain Global

Oritain provides excellence in product traceability to protect your Under the auspices of UN Climate Change, fashion stakeholders worked reputation and build trust in your brand. The Oritain method traces during 2018 to identify ways in which the broader textile, clothing and faactual products back to their true origin using advanced science. shion industry can move towards an holistic commitment to climate action. They created the Fashion Industry Charter for Climate Action which https://oritain.com contains the vision to achieve net-zero emissions by 2050.

Recycled Claim Standard (RCS)

The Recycled Claim Standard (RCS) is an international, voluntary standard that sets requirements for third-party certification of recycled input and chain of custody. The goal of the RCS is to increase the use of recycled materials. Provides assurance that materials are actually recycled and in a final product.

The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenhttps://textileexchange.org/standards/recycled-claim-standardglobal-recycled-standard/ ges we face, including poverty, inequality, climate change, environmental degradation, peace and justice.

Science-based Targets (SBTi)

Science-based targets are a set of goals developed by a business to provide it with a clear route to reduce greenhouse gas emissions. An emissions reduction target is defined as 'science-based' if it is developed in line with the scale of reductions required to keep global warming below 2C from pre-industrial levels.

https://sciencebasedtargets.org/

Textile Exchange

ZDHC Gateway Textile Exchange is a global non-profit driving positive impact on climate change across the fashion and textile industry. It guides a growing The ZDHC Gateway – Chemical Module is a web-based solution that supports the entire value chain. This advanced search engine enables recommunity of brands, manufacturers, and farmers towards more gistering and finding chemical formulations that comply with the ZDHC purposeful production from the very start of the supply chain. By 2030, its goal is to guide the industry to achieve a 45% reduction in greenhouse MRSL. It simplifies the search for more sustainable chemicals and best gas emissions within fiber and raw material production. Its focus is practices. holistic and interconnected, accelerating the adoption of practices that www.roadmaptozero.com/input#Gateway-Chemical-Module improve the state of our water, soil health, and biodiversity too.

Ultrafiltration/Reverse Osmosis (UF/RO)

United Nations Fashion Industry Charter for Climate Action (UNFCCC)

https://unfccc.int/climate-action/sectoral-engagement/global-climateaction-in-fashion/about-the-fashion-industry-charter-for-climate-action

United Nations Sustainable Development Goals (SDGs)

https://sdgs.un.org/goals

United Nations Compact Principle (UNGC)

The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment and anti-corruption. Under the Global Compact, companies are brought together with UN agencies, labor groups and civil society. www.unglobalcompact.org

ZDHC Manufacturing Restricted Substances List (ZDHC MRSL)

The ZDHC Manufacturing Restricted Substances List (ZDHC MRSL) is a list of chemical substances. These substances are banned from intentional use in facilities processing textile materials, leather, rubber, foam, adhesives and trim parts in textiles, apparel, and footwear. https://mrsl.roadmaptozero.com

Zero Discharge of Hazardous Chemicals (ZDHC)

ZDHC is a group of apparel and footwear brands and retailers working together to lead the industry towards zero discharge of hazardous chemicals by 2020. ZDHC was started in 2011, mostly as a response to the Greenpeace Detox campaign. Part of the initial work established a Joint Roadmap that demonstrated the collaborative efforts and steps needed to lead the apparel and footwear industry towards zero discharge of hazardous chemicals for all products across all pathways by 2020. www.roadmaptozero.com

Zero Liquid Discharge

Zero Liquid Discharge (ZLD) is a treatment process designed to remove all the liquid waste from a system. The focus of ZLD is to reduce wastewater economically and produce clean water that is suitable for reuse.

Zero Waste to Landfills

Zero Waste is a set of principles focused on waste prevention that encourages the redesign of resource life cycles so that all products are reused. The goal is for no trash to be sent to landfills, incinerators or the ocean. http://zwia.org



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