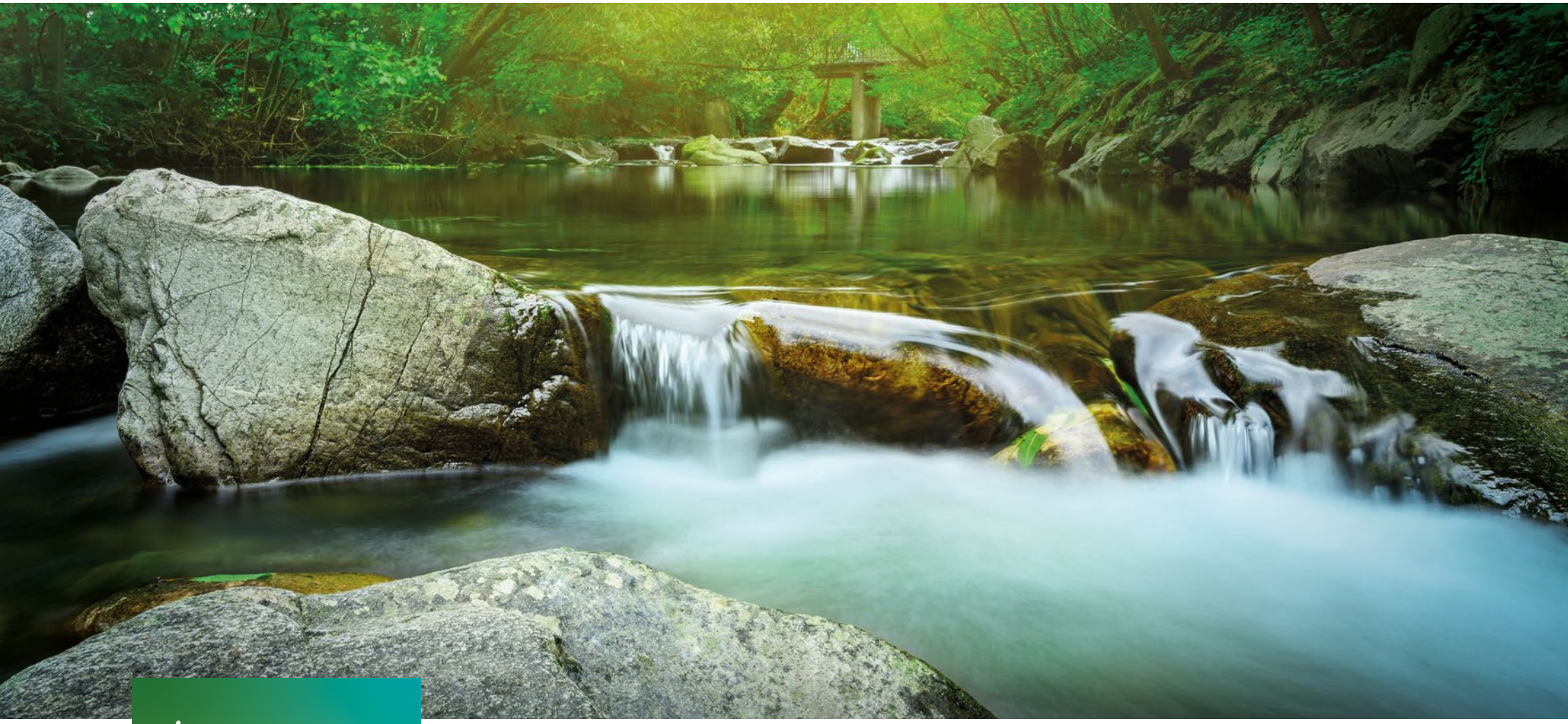
Elevate Textiles™



SUSTAIN
ABILITY

REPORT 2020

Elevate Textiles, Inc.

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Cover photo is from the River Elz, adjacent to our operation in Gutach, Baden-Württemberg, Germany.

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ELEVATE TEXTILES 2025 COMMITMENTS

Elevate Textiles is committed to achieving sustainability milestones by the year 2025 in three key environmental areas:

RESPONSIBLY SOURCED FIBERS

Our brands' products will be produced using at least 80% sustainably sourced cotton and 50% recycled polyester content.

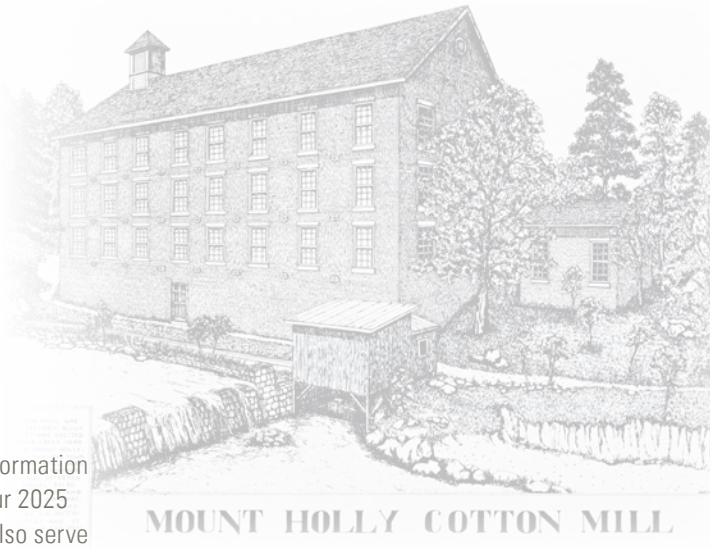
REDUCED WATER CONSUMPTION

Our manufacturing operations will reduce their water intensity by 25% per unit of production.

REDUCED GREENHOUSE GASES

Our specific greenhouse gas target is to achieve a 2.5% per year reduction trajectory.

MESSAGE FROM OUR CEO



At Elevate Textiles, we commit to being a responsive and responsible producer of quality fabrics, threads and textile-based solutions. Our brands – American & Efird (A&E), Burlington, Cone Denim, Gütermann and Safety Components – share a long-standing commitment to sustainability and a drive to progress our efforts to new heights. Elevate teams around the globe work every day to create and distribute premium, ethically and sustainably sourced products through excellence in innovation and responsible manufacturing practices. We are pleased to present this 2020 Sustainability Report, the first report of its kind for Elevate.

In September of 2019, we announced ambitious 2025 corporate sustainability goals focused on responsibly sourcing fibers, reducing water consumption and lowering greenhouse gases. These goals reaffirm our commitment to providing environmentally-conscious, high quality textile products within each of our heritage brands through responsible manufacturing. We pledge to continue to serve our customers with sustainable innovations, while minimizing our global impact on the environment and preserving our planet for future generations.

In this report, you will find detailed information demonstrating our progress against our 2025 Sustainability Goals. This report will also serve as our first Communication on Progress for two key initiatives – the UN Global Compact and the CEO Water Mandate. We are proudly committed to both of these programs and have included details on the actions we are taking to support them.

We believe in being transparent in our performance and enhancing the traceability of all components in our supply chains. We are very excited about Cone Denim's new partnership with Oritain, the product and supply chain traceability specialist, as the first denim mill ever to adopt the highest level of traceability possible.

Broader than environmental sustainability, we are committed to ethical business practices and have affirmed our standards in Elevate's Global Code of Conduct. Our commitment to ethical manufacturing means doing the right thing in all of our operations across our global supply chain. This took on new meaning this year with the global pandemic as our operations put in place stringent guidelines and precautions to protect the health and wellbeing of our employees, while continuing to effectively service our customers.

We value holding ourselves accountable to you, our customers and stakeholders, and we welcome and encourage your feedback and input. Thank you for your partnership and taking the time to review our 2020 Corporate Sustainability Report.

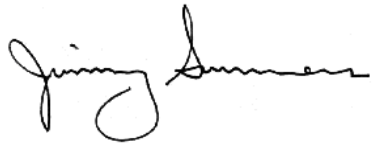
SIM SKINNER
President and
Chief Executive Officer

OUR VICE PRESIDENT OF EHS

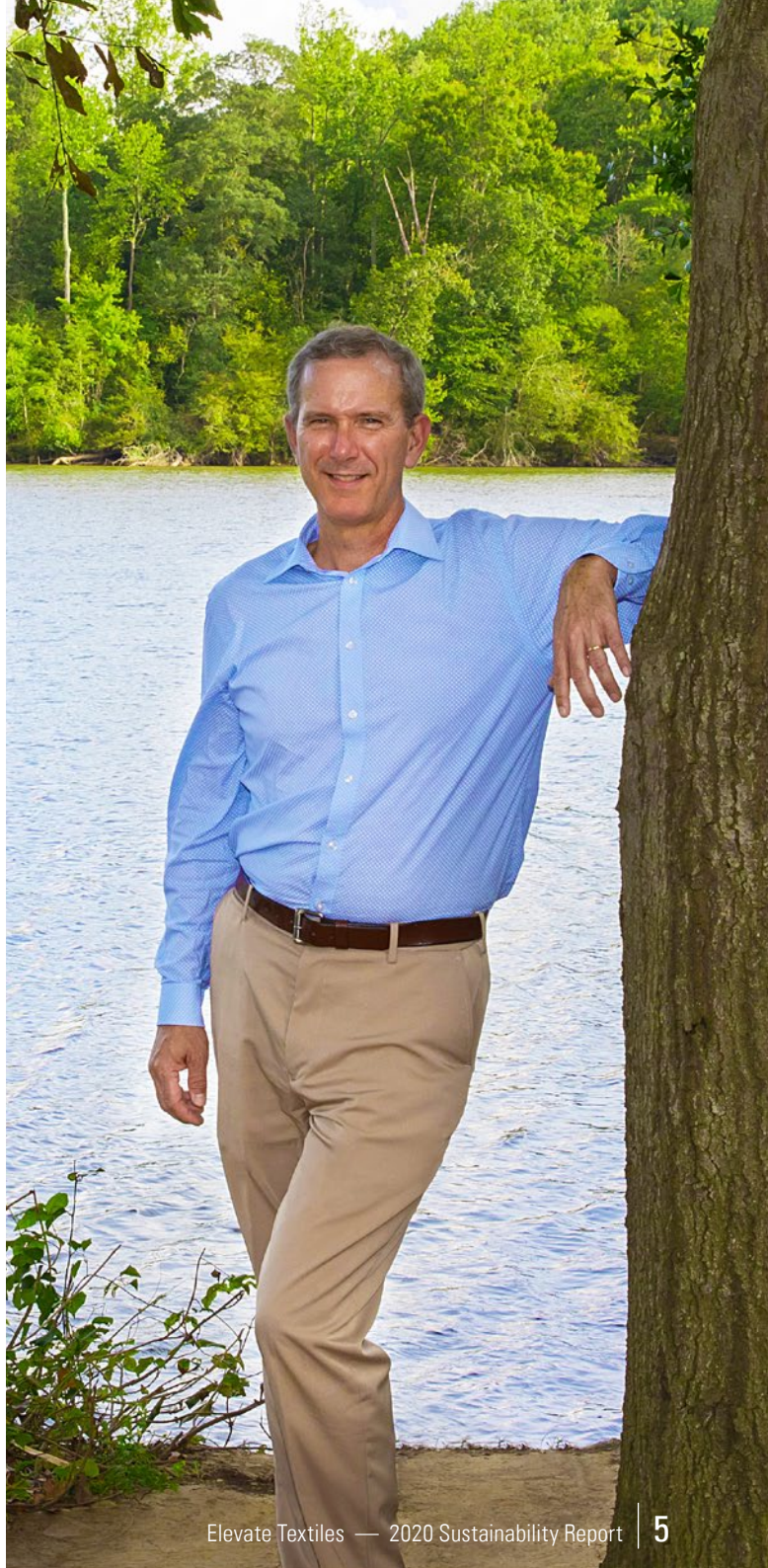
Thank you for reading our 2020 Corporate Sustainability Report. Last year, Elevate Textiles announced significant commitments for 2025 to reduce our Greenhouse Gas (GHG) emissions, our water usage, and to source sustainable cotton and recycled polyester. That was the easy part! We are now accelerating our efforts towards these goals, building upon the good results that have already been realized. We are committed to doing the right thing by providing the resources and leadership required to attain our current sustainability goals, and then by setting new goals in the future.

On our way to reducing water usage by 25% by 2025, we have recycled over two billion liters of wastewater through reverse osmosis systems and reduced overall water usage by over 7.5% since 2016. We have reduced absolute GHG emissions by an average of 2.5% per year since 2016, and are currently developing Science Based Targets for further GHG emissions reductions for 2025, 2030, and beyond. And in the category of sustainable fibers, we are very excited about our partnership with Oritain, which allows us to accurately determine we are sourcing sustainable and ethically-produced cotton fibers. Combined with our work towards sourcing recycled polyester fiber and natural fibers such as hemp, we are making our supply chain more sustainable.

Sustainability is a journey, and we are actively engaged with our customers and suppliers to positively impact the people and natural environments that are associated with our operations and supply chain. Through our commitment to the UN Global Compact and the Sustainable Development Goals, our participation as a contributor to the ZDHC Programme, and our participation in and support of many other efforts, we will continue to be a good corporate citizen that our customers and all 15,000 Elevate Textiles employees around the world can be proud of.



JIMMY SUMMERS
Vice President – Environment,
Health, Safety, and Sustainability
Chief Sustainability Officer



Pictured in the background is the Catawba River adjacent to our manufacturing facility in Mt. Holly, NC, USA.

WHO WE ARE

Elevate Textiles™

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.

Our products make life safer or simply better, from distinguished fabric brands to thread solutions 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.

A&E

Founded 1891 – As one of the world's foremost 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.

Gütermann

Founded 1864 – As one of the world's premier thread manufacturers, Gütermann has been making quality thread products for more than 150 years servicing both industrial and commercial sectors globally.

Burlington®

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

Cone Denim®

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 125 years, offering unique collections of sustainable and innovative performance, stretch, selvage, natural indigos, polyester, and bi-component denims.

Safety Components

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.

In this section, Elevate Textiles's Ten Threads of Sustainability are mapped against relevant UN Sustainable Development Goals.

TEN THREADS OF SUSTAINABILITY

8 Thread 1: Global Carbon Footprint

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SUSTAIN ABILITY

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 most of the 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.

TEN THREADS OF SUSTAINABILITY

1 GLOBAL CARBON FOOTPRINT

- Commitment: Greenhouse gas target to achieve 2.5% per year reduction through 2025.
- Progress:
  - 7.7% reduction of emissions from 2016 to 2019
  - Working to calculate scope 3 emission
- Implementation of UN Global Compact Principle 7: Precautionary Approach to Environmental Challenges

The textile industry is responsible for a significant portion of the global carbon emissions from the production stage to the finished products. At Elevate Textiles, we work together to support a transition to a lower-carbon economy and to constantly minimize the carbon footprint of our business activities, including manufacturing processes, support operations, and our value chain throughout the world.

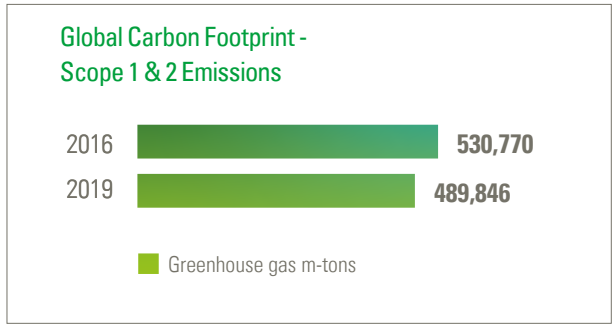
In 2019, Elevate Textiles joined other pacesetters in the industry by participating in the Science Based Target Program (SBTi).

With a total reduction of 7.7% from 2016 to 2019, we have met our target of reducing our absolute greenhouse gases emissions by 2.5% per year.

WHAT WE DO

- Ongoing energy use assessment
- Optimization and investment in energy reduction measures
- Attach highest priority to using sustainable raw materials
- Investment in energy-saving production technologies with low resource consumption
- Usage of renewable energy

This enables us to continue to meet and exceed our ambitious carbon emission commitments.



Elevate Textiles reduced their global carbon footprint from 2016 to 2019 by 7.7%.

2 WATER STEWARDSHIP

- Commitment: Our manufacturing operations will reduce their water intensity by 25% per unit of production by 2025.
- Progress:
  - 7.5% reduction of global water use since 2016
  - Over 500,000 m³ water recycled in 2019
  - Implementing the ZDHC MRSL version 2.0 and Wastewater Guidelines
  - Set site-specific reduction targets for all facilities each year
  - ZLD wastewater systems at 2 facilities
  - UF/RO systems for recycling wastewater at 5 facilities
- Contributor to the ZDHC Programme
- CEO Water Mandate Element 1 (Direct Operations)
- CEO Water Mandate Element 6 (Transparency)
- Implementation of UN Global Compact Principle 7: Precautionary Approach to Environmental Challenges

WE CARE

Every drop of water counts. Population growth, urbanization, environmental pollution and climate change further increase the pressure on global water resources. Especially in the textile industry, where water is an important and necessary component of textile processing, responsible water stewardship is a critical focal point for efficiency and improvement at our worldwide Elevate facilities.

OUR RESPONSIBLE DYEING PROCESS

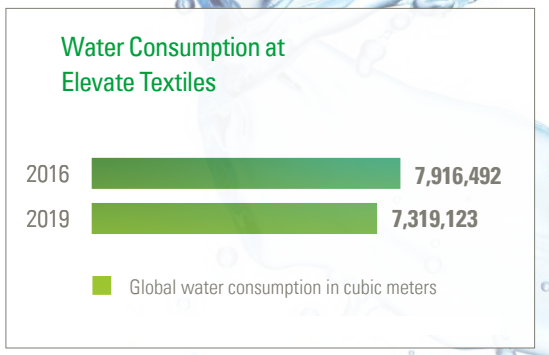
Even before Elevate Textiles committed to a 25% reduction in water use by 2025, the company invested significant capital in innovative dyeing processes, sustainable chemicals with reduced water consumption, and state-of-the-art wastewater treatment systems for recycling and reusing wastewater back into the process as clean water. The dyeing process is particularly water intensive and requires closely-monitored wastewater treatment, so as not to adversely affect the communities in which we operate.

WHAT WE DO – WATER MANAGEMENT

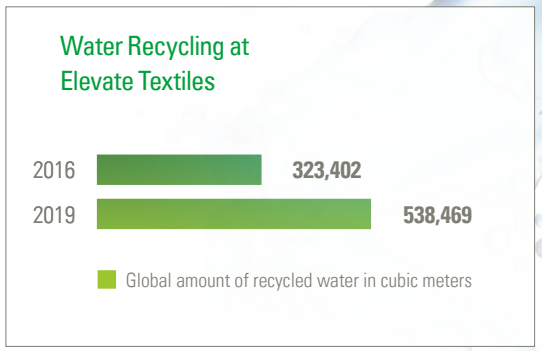
- Use of water efficient processes that minimize the use of water per kilogram of production
- State-of-the-art wastewater treatment technologies, such as our Ultrafiltration/Reverse Osmosis systems (UF/RO)
- Recycling and reuse of treated wastewater through ultrafiltration and reverse osmosis systems

LONG TERM ACHIEVEMENTS

Since 2016, these measures have enabled us to recycle nearly two million cubic meters of water across our facilities.



Elevate Textiles reduced total water consumption by 7.5% from 2016 to 2019.



Elevate Textiles increased water recycling by 66.5%.

3 ENERGY CONSERVATION

- Commitment: Reducing total energy consumption and making use of renewable energies.
- Progress:
  - Elevate globally utilized 16.5% renewable fuels in 2019
  - Reduction of global energy consumption 4.8% from 2018 to 2019
  - Formed Elevate Corporate Conservation Task Force
- Implementation of UN Global Compact Principle 7: Precautionary Approach to Environmental Challenges

Energy consumption directly impacts greenhouse gas emissions. It also impacts local, regional, and worldwide air quality through the burning of fuels to generate energy.

WHAT WE DO

- Energy efficiency capital projects
- Responsible usage is a major focus for our Corporate Conservation Task Force. This group of engineering experts from across the company facilities share their knowledge and successes with all Elevate Textiles facilities around the world.

Since it takes a significant amount of energy to produce textile products, Elevate Textiles is committed to use as much renewable and environmentally friendly energy sources as possible. We are evaluating solar energy projects at our facilities and are committed to achieving higher renewable energy usage.

4 SUSTAINABLE PACKAGING

- Commitment: Reducing the amount of packaging used and increasing the percentage of sustainable packaging used.
- Progress:
  - Ongoing assessments of packaging solutions and opportunities for reductions and increases in recycled content
  - Work with customers on providing information for how best to recycle and reuse packaging
- Implementation of UN Global Compact – Principle 8: Initiatives for Greater Environmental Responsibility

Every day, Elevate Textiles uses packaging throughout its supply chain. Making packaging more sustainable is an ongoing focus as we strive to reduce our environmental impact and overall ecological footprint.

WHAT WE DO

- Evaluate and optimize new and existing product packaging specifications in order to reduce the amount of packaging used
- Increase the amount of packaging that can be reused, contains recycled content, has been sourced and manufactured in a sustainable manner

FURTHER SUSTAINABLE ACTIONS

Our facilities are constantly working to be creative and efficient with packaging solutions, using less material to support and uphold the same quality standard.

5 RECYCLING AND WASTE REDUCTION

- Commitment: Minimization of landfill waste.
- Progress:
  - Continued quarterly tracking of recycling and waste
  - 16 of our facilities have achieved and maintained Zero Waste to Landfill status since 2016
- Implementation of UN Global Compact – Principle 7: Precautionary Approach to Environmental Challenges

Responsible consumption and minimizing landfill waste is important to every global community. Elevate Textiles strives to provide opportunities for a circular economy.

WHAT WE DO

- Post-industrial cotton waste is recycled and reused in new production at Cone Denim
- We are partnering with cut and sew customers to recycle cutting table scraps
- We are committed to reducing the amount of byproducts created by our operations, reusing as much of them as possible and recycling the rest

Photo is from A&E's dye tube recycling facility in North Carolina, USA.

6 SUSTAINABLE PRODUCTS

- Commitment: Brand products will be produced using at least 80% sustainably sourced cotton and 50% recycled polyester content by 2025.
- Progress:
  - Ongoing facility and product certifications for traceability and transparency of sustainable products
  - 52% sustainable cotton sourced in 2019
  - Identification and qualification of recycled polyester sources in support of future progress towards 2025 commitment
- Implementation of UN Global Compact – Principle 9: Development of environmentally friendly technologies

Our definition of a sustainable product is one produced in a manner that minimizes the impact on the environment throughout each phase of its life cycle, compared to other methods of production for the same product.

WHAT WE DO

- Conversion of products that contain virgin material into products that contain recycled fibers
- Usage of sustainably sourced fiber
- Usage of fibers that allow reduced processing and lower water and chemical use

OUR ELEVATE TEXTILES SUSTAINABLE PRODUCT LINES INCLUDE

- Burlington: Restora™
- Safety Components: PF Zero™ Finish
- Cone Denim: Sustainblue™
- A&E: ECO100
- Gütermann: rPET

WE ARE PURSUING AND MAINTAINING THE FOLLOWING CERTIFICATIONS

- Standard 100 by OEKO-TEX®
- Global Recycled Standard (GRS)
- Recycled Content Standard (RCS)
- Global Organic Textile Standard (GOTS)
- Organic Content Standard (OCS)

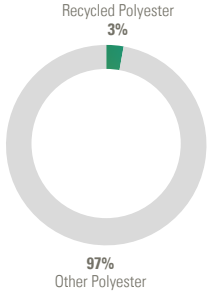
This applies to all applicable facilities to ensure the integrity of our sourcing and the integrity of what we are providing to customers.

Elevate Textiles is committed to learning about the full life cycle impacts of its products and continue to work towards transparency. We regularly work with our customers to assist in meeting their respective sustainability goals and product needs.

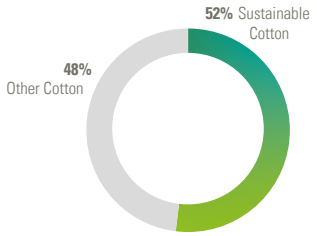
We have just started tracking the sustainable content metric in 2019, and are proud of the achievement we have already made in sustainable cotton. We recognize recycled polyester as one of our largest opportunities moving forward, and we already have active projects in place that will help us to significantly increase the incorporation of recycled polyester in our products.

Sustainable Sourced Fibers at Elevate Textiles

Status: December 2019



Goal: 50% sustainably sourced polyester by 2025



Goal: 80% sustainably sourced cotton by 2025

7 GLOBAL EHS & SOCIAL RESPONSIBILITY COMPLIANCE

- Commitment: Conduct business and operations in accordance with the UN Global Compact.
- Progress:
  - Improvements to our Code of Conduct
  - 3rd Party Social Responsibility Audits at our facilities
- Implementation of UN Global Compact:
  - Principle 1: International Human Rights
  - Principle 2: Not Complicit in Human Rights Abuses
  - Principle 3: Freedom of Association/Collective Bargaining
  - Principle 4: Elimination of Forced Labor
  - Principle 5: Abolition of Child Labor
  - Principle 6: Elimination of Discrimination
  - Principle 10: Anti-Corruption

Elevate Textiles is committed to conducting business with integrity, respecting human rights, and adhering to the highest standards of compliance in all of our global operations. Our proactive leadership in ethical business practices is demonstrated through regular training of employees, willingness to stand behind our commitment to our customers, and our requirements that our business partners abide by the same high standards.

TO MEET THE ABOVE POINTS WE HAVE IMPLEMENTED

- Global Code of Conduct update in 2019
- EHS policies and procedures update
- Higg Facility Social and Labor Module

These practices benefit all stakeholders in our business and represent Elevate Textiles's core values.

8 SUPPLY CHAIN SUSTAINABILITY

- Commitment: Conduct business with suppliers and customers who share our vision on sustainability and social responsibility.
- Progress:
  - Implementation of Clean Chain (an ADEC Innovations system) to check and communicate conformance with ZDHC MRSL
  - Partnership with Oritain Global (forensic traceability)
- Implementation of:
  - UN Global Compact – Principle 10: Anti Corruption
  - CEO Water Mandate Element 2 (Supply Chain and Watershed Management)

Elevate Textiles is committed to doing business with suppliers who share our vision on sustainability and social responsibility. For this reason, we include sustainability considerations in our sourcing decisions. We require suppliers of dyes and chemicals to provide complete restricted substance information and testing on products supplied to Elevate Textiles facilities. In addition, we request our suppliers provide information on their own sustainability programs and efforts.

HIGHLIGHT - TRACEABILITY OF CONE DENIM COTTON

As part of our sustainable cotton sourcing commitments, Cone Denim has partnered with Oritain Global. Oritain is an origin verification company that provides the highest level of traceability available. Oritain uses forensic testing to verify the region of origin of cotton fibers.

CORPORATE LEVEL COMMITMENT

- **Better Cotton Initiative (BCI)**
  BCI's goals are to make global cotton production better for the people who produce it, the environment it grows in, and the sector's future.
- **ZDHC Programme**
  Elevate Textiles is a contributing member of the ZDHC Programme since 2017 and in 2019 began taking part in the ZDHC Gateway. The Gateway provides a simple, easy, inexpensive way to provide chemical safety information to all stakeholders. We strongly believe in ZDHC's mission and the goal of harmonization across chemical safety programs. For this reason, our facilities are beginning to take part in the Supplier to Zero program, which is aimed at driving self-improvement in textile chemical management.
- **Clean Chain, ADEC Innovations system**
  Clean Chain is a holistic chemical inventory management and communication solution linked to the ZDHC Gateway. Clean Chain will give us the ability to easily check internally and show our customers conformance with the ZDHC MRSL v2.0.

9 PRODUCT STEWARDSHIP

- Commitment: Restriction or banning of harmful substances in manufacturing of Elevate products.
- Progress:
  - Global Chemical Management System
- Implementation of UN Global Compact – Principle 8: Initiatives for Greater Environmental Responsibility

Elevate Textiles is dedicated to creating and delivering products that are innovative and match the values of our customers. Restricted or banned substances are not included or used in the manufacturing of our products. Our facilities adhere to a variety of government, industry, and customer RSLs through our global Chemical Management Program.

To ensure the highest level of safety and compliance for our products, Elevate Textiles participates in various industry organizations, e.g.:

- American Apparel & Footwear Association (AAFA)
- ZDHC – Currently implementing the ZDHC MRSL v2.0.
- Higg Facility Environmental Module

We will continue to obtain third-party product safety certifications and be responsive to requirements from our customers.

10 EDUCATION AND INVOLVEMENT

- Commitment:
  - Provide Elevate employees with latest tools, information, and training
  - Participating in global initiatives to improve sustainability and social responsibility within our industry
- Progress:
  - Joined several organizations like UNFCCC, UN CEO Water Mandate, SBTi and UN Global Compact
- Implementation of:
  - CEO Water Mandate Element 3 (Collective Action)
  - CEO Water Mandate Element 4 (Public Policy)
  - CEO Water Mandate Element 5 (Community Engagement)

Education and communication are central to the success of Elevate Textiles and the 15,000+ associates that work hard every day to provide quality products and services to our customers around the world. We are committed to providing our employees with the latest tools, information, and training, so they can be successful, active partners in excellence.

WHY IS THIS IMPORTANT?

By sharing knowledge and participating in global initiatives, we can improve the sustainability and social responsibility within our industry.

WHAT WE DO

From education on our global recycling efforts to planting trees and reforestation efforts, we encourage our associates to take part in activities and local events, positively impacting surrounding communities. We work with leading college and university textile programs to provide in-class instruction and real world sustainability projects out of the classroom. Elevate Textiles believes in educating the next generation on important sustainability issues facing our world.

ELEVATE TEXTILES JOINED THE FOLLOWING OF GLOBAL SUSTAINABILITY EFFORTS

- UN Fashion Industry Charter for Climate Action (UNFCCC)
- UN CEO Water Mandate
- UN Global Compact
- Science Based Targets Initiative (SBTi)

ACTIVE ENGAGEMENT AND LEADERSHIP ROLES

- ZDHC Programme
- AAFA Environmental Committee
- Other industry-driven sustainability programs

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24 Brand Story – A&E

25 Brand Story – A&E Gütermann

ON THE FRONTLINE OF SUSTAINABILITY

OUR PEOPLE MAKE IT HAPPEN

"In this section, we are pleased to present a few of our employees who make sustainability happen every day around the world at our facilities and in our communities. We are proud of the efforts of our 15,000 employees to work and live sustainably."

Jimmy Summers
Vice President – Environment, Health, Safety & Sustainability
Chief Sustainability Officer

BLUESIGN® FOR BURLINGTON

Quanlu Qiu works as an electrician for our Burlington Dyeing and Finishing facility in Jiaxing, China. He has worked for the **Burlington** facility for more than six years and has worked in textiles for 11 years. He also earned his Senior Electrician Certificate. Quanlu has a personal commitment to sustainability and makes it a part of his daily goals to reduce energy consumption. Quanlu shared, "As I see it, it is everybody's responsibility to value limited natural resources and protect the environment in which we live. I am so proud Elevate Textiles has a clear sustainable strategy and goals."

Our Burlington Jiaxing facility has been a Bluesign® System Partner since 2013. Following the holistic Bluesign® criteria and guidelines for sustainable development, Burlington Jiaxing demonstrates to our customers and supply chain partners Elevate Textiles is committed to acting responsibly with regards to people, the environment, and natural resources. Bluesign® follows the most stringent restricted substance lists for inputs and sets requirements for all relevant outputs such as greenhouse gases, energy usage, air emissions, and wastewater.

The actions and expertise of our employees are imperative to maintaining Burlington's bluesign® partnership and reaching our own corporate sustainability goals.

All employees at Burlington participate in continuous improvement activities. Quanlu received 5S training through the facility, and last year he recommended a system update in one of the manufacturing machines that allowed the plant to save 18,000 kWh in one year. He received an energy saving award for his work.

Quanlu is one example of the many engaged employees helping to achieve Elevate's sustainability goals.

COGENERATION IN COAHUILA

Jorge Alberto Medina Muñiz is the head of electrical maintenance at our **Cone Denim** Parras facility in Coahuila, Mexico. Jorge was one of the first employees at Parras and has been with the company for over 25 years. Sustainability is just as important to Jorge at home as it is in the workplace. He makes the effort to recycle waste, reduce electricity through the use of LED lightbulbs, and conserve water. Jorge enjoys walking and playing soccer outdoors with his family. He says, "It is very important to care for the environment and leave for future generations a better place to live."

At Parras Cone, the Cogeneration equipment is an important part of the facility's sustainable manufacturing. Operational since 2018, the Cogeneration system combines heat and power to increase overall energy efficiency and reduce the facility's environmental impact by using recycled energy. Cone Denim's Cogeneration plant in Coahuila provides 90% of the electrical needs of the Parras plant. Cogeneration power plants often provide energy at 50-70% higher efficiency rates than single-generation facilities.

The impact is evident. Each year the Parras facility has been awarded Clean Energy Certificates (CEL), which show the efficiency of the equipment. Jorge received special training in order to run the Cogeneration equipment and he works regularly with the technical staff on maintaining and improving the operation. Cone Denim's engineering and electrical maintenance teams have a wide breadth of knowledge and expertise to keep the facility running efficiently and sustainably. Jorge said of working with Elevate and the engineering team, "Elevate gives us the confidence, trust, and resources for the development of new projects, and the opportunity to work with a sustainable company."

JEANOLOGIA IN JIAXING

Meet Guobing Luo and his wife Huajun. Both work at **Cone Denim's** operation in Jiaxing (CDJ), where Guobing works in the Finishing area and Huajun works in the Spinning area. Originally from Sichuan province, they are a typical young family with two sons who are in school and many family activities that keep them busy. Guobing and Huajun work very hard to make a good life for their family and give their sons many opportunities for the future.

In late 2019, Cone Denim announced the expansion of its denim capabilities with the installation of Jeanologia technology at its Jiaxing, China and Yecapixtla, Mexico operations, which provides sustainable and efficient fabric finishing using significantly less water, energy and chemicals compared to traditional denim finishing. The new technol installation included the Jeanologia G2 Dynamic Finishing Ranges, Flexi Lab Laser capabilities, and Bluescan Devices for Laser Blanket Analysis. Finding the right talent and skills to operate the G2 Range was key to achieving Cone's newest sustainable denim innovations. Guobing was selected to operate the Jeanologia G2 Range in Jiaxing based on his experience as a Finishing Operator and ability to quickly learn the technology and advanced equipment functionality.

The G2 Dynamic Finishing Range is the first ozone treatment for continuous fabric. It provides significant water savings, with more than 70-80% reduction in water usage as an alternative to standard desizing and mercerizing processes and uses less chemicals and energy in the finishing operations.

When asked about operating the Jeanologia G2 Range, Guobing said, "It is an honor to be selected to operate this advanced machinery, and I am proud to know that I am part of producing some of the newest environmentally friendly denims for our customers." Cone Denim and Elevate Textiles take pride in our highly trained workers like Guobing and Huajun.

Guobing shared, "CDJ is a big warm family. We wish both CDJ and my family will become better and better in the future."

NO WASTE IN NORTH CAROLINA

Tyler Dellinger has worked for **A&E** for more than two years at its Mount Holly, NC warehouse. Tyler's primary role is transporting used cones from the local facilities to A&E's recycling facility and processing them through grinding operation in preparation for recycling. Tyler takes pride in being able to work any job in his facility, staying organized, and helping out with anything that needs to be done to make sure the operation runs smoothly. He is just as dedicated to outside hobbies, which include writing and mixing music, skateboarding, and exercising.

In order to reduce our manufacturing footprint and maintain a Zero Waste to Landfill status in its North Carolina facilities, A&E operates its own recycling facility for cones and dye tubes. Of the Elevate Textiles brands, A&E's thread products have the most stringent packaging requirements. The packaging cones support the thread in a sewing machine, and the rigidity protects it in shipping. Polypropylene cones and tubes are used in several ways, not only in final products, but also throughout the manufacturing process. Tyler is a great example of the work ethic that allows Elevate to, in Tyler's words, "get priorities done swiftly" and push forward on our long-term goals. About his job at A&E, Tyler says, "I think it's great we have recycling part of the warehouse and we are putting stuff into motion to where we can reuse it. We're doing a great thing for the environment."

PRE-REDUCED INDIGO AT PARRAS

Omar Eduardo Alvarado Chávez just celebrated working with **Cone Denim** for 16 years. Omar works as a production supervisor and coordinates the warping, dyeing, and beaming areas at our Parras facility in Coahuila, Mexico. His job requires that he manage all aspects of these processes and seek ways to make the processes more efficient. He is trained in problem-solving and continuous improvement techniques, and takes pride in his personal development and growing his knowledge to contribute to the team.

Outside of work, Omar has developed his mechanical skills and enjoys doing appliance repairs. "Disassembling things is my passion," he says. Omar also enjoys playing soccer to stay fit and playing cards with his family.

Omar's work is important in Cone's transition of dyes to pre-reduced indigo and believes it "benefits us to continue growing and being an environmentally sustainable company." Distilled Indigo is a key part of Cone Denim's Sustainblue™ line of denim fabrics.

Distilled Indigo™ fabrics are dyed using pre-reduced "liquid indigo" dyes which are the cleanest in the market, reducing chemicals, and achieving energy and water savings. In 2019, Cone Denim announced a new evolution of Distilled Indigo products with the Cadira® dyeing process. As the first mill to introduce Cadira Distilled Indigo in the western hemisphere, the new collection combines Dystar® Indigo Vat 40% Solution, the most eco-awarded Indigo in the world, with the ecologically advanced reducing agent Sera® Con C-RDA to create a salt-free dye that completely eliminates hydrosulphite. The Cadira process reduces water, waste and energy consumption, and results in strong effluent load reduction to better support mills, brands and retailers in their efforts to reduce the carbon footprint of their goods.

The skills of our talented operators and supervisors have been most important in Cone Denim's initiative to transition to pre-reduced indigo and allow us to achieve our sustainability achievements.

ZLD AND WATER CONSERVATION IN INDIA

Meet B. Yuvaraj. Yuvaraj has been working at the Perindurai Unit 3 facility in India, a part of our **A&E** group as the Effluent Treatment Plant Manager for over eight years. Yuvaraj says the work is meaningful to him because he also helps maintain his family farm, so preserving the environment is important to him. "To me, sustainability means ensuring safety of nature. I feel proud that every day, I ensure the ground is not polluted," says Yuvaraj.

Yuvaraj has worked at the facility for more than eight years and has received a variety of training that allows him to be successful in his role, including a wastewater treatment program conducted in-house. Yuvaraj uses his training and expertise to extend the life of the reverse osmosis membranes used in the process, adding significant value to the effluent system.

The effluent treatment plant is in place to achieve Zero Liquid Discharge (ZLD) status at our dyehouse in Tamil Nadu state in southern India. For many years, two of A&E's facilities in India have operated as ZLD dye houses. Clean water is a scare resource, especially in many of the local areas where apparel is produced today. Water is also a critical component of textile processing, making responsible water consumption and wastewater treatment a priority for Elevate. The proprietary technology utilized in the ZLD system ensures that heat is efficiently recovered and energy demand and water consumption is reduced. Employees like Yuvaraj help us build and improve the green culture at Elevate.

Yuvaraj said of Elevate Textiles, "The care they show for the safety, health of associates and environmental protection is immeasurable."

BARRIER PROTECTION IN BURLINGTON

Meet Tamara Mease. Tamara works at a Technical Specialist in the **Burlington** Labs R&D incubator in Burlington, NC. Tamara has been at the facility for more than 22 years and has most recently worked directly with Burlington's barrier medical fabrics. Tamara also works as a Certified Nursing Assistant, so medical care and protection are very important to her, both personally and professionally.

Tamara takes great pride in her work at Burlington and says she "enjoys the opportunity to be a part of developing new technology that protects people and saves lives." As Tamara knows, a key advantage of Burlington's medical fabrics is that they are reusable, which provides even greater assurance of being available when critical PPE is needed most. Additionally, reusable fabrics provide a more responsible, sustainable solution reducing not only the amount of waste going to landfills or to be incinerated, but also minimizing disposal costs.

Tamara defines sustainability as manufacturing and using products that are environmentally friendly, recyclable, affordable and responsible. "I feel the textiles we develop are geared towards making the country and world a cleaner and healthier place." She appreciates the company's focus on sustainability and looks forward to opportunities to create more sustainable goods that could have a positive impact on fighting the COVID-19 pandemic.

Burlington®

With nearly 100 years of industry leadership in innovation and performance, Burlington enters the new decade energized with an elevated focus on the next evolution of fabrics and an enduring commitment to exploring new fibers, recycled content and advanced manufacturing processes.

Sustainability is at the core of Burlington's performance fabrics collections. As a brand, we embrace it and are excited by the opportunities ahead to raise industry expectations and collaborate with likeminded partners to bring together sustainable fabric solutions and responsible manufacturing.

Sustainable Fabric Innovation

Burlington Labs R&D incubator is leading the way in sustainable fabric developments through the exploration of innovative fibers, recycled content and chemical technologies. Burlington's Restora™ collection features eco-conscious fabrics created in collaboration with newer innovators of recycled and sustainable content including Seaqual™, Green Circle and CiCLO™, and longstanding partner REPREVE®. What goes around comes around and what was once new does not have to become waste.

Responsible Manufacturing

Just as important as the content of our fabrics is how we produce them. Burlington's commitment to sustainability expands across our global manufacturing platform with a focus on reducing our environmental footprint. Burlington's operation in Jiaxing, China leads the way as a bluesign® system partner, asserting the brands commitment to improving fabrics every step of the way.

bluesign® SYSTEM PARTNER

Safety Components

With a commitment to safety and responsible practices, Safety Components is passionate about developing innovative fabrics designed to protect and save lives. In partnership with our customers and supply partners the Safety Components R&D team designs products that are high-functioning, meet critical safety specifications, and can be manufactured and disposed of in a more sustainable manner.

As an industry leader, Safety Components is also committed to finding new solutions that provide superior protection while improving performance. The development of a water repellent finish that is free of per- and polyfluoroalkyl substances (PFAS) reflects our passion and the drive to lead with industry firsts and responsible, sustainable manufacturing. Safety Component's PF Zero™ patent pending technology is the first non-fluorinated, durable water repellent finish developed specifically for PPE fabrics.

Why PF Zero™ Finish matters:

- Safety – eliminates PFC chemistry for PPE to protect those that protect us
- Energy conservation – 15% less energy to produce
- Performance – excellent water absorption resistance that meets NFPA 1971 and 1951 standards
- Environment – safer disposal of fabric upon end-of-life; eliminates potential environmental contamination

Cone Denim

Cone Denim, a global leader in denim authenticity and sustainable innovation for more than 128 years, is excited to partner with Oritain, the product and supply chain traceability specialist, to become the first denim mill to adopt the highest level of end-to-end traceability possible.

This latest partnership reaffirms Cone Denim's long history of industry firsts, innovation and commitment to sustainability and responsible sourcing. Through this partnership Cone Denim is able to combine sustainable innovation with industry leading traceability. Oritain's advanced science requires no changes to the manufacturing processes, giving Cone Denim flexibility, scalability and ease of implementation, which are critical factors to provide customers with the best product.

Oritain's unique method combines forensic science and statistics to detect naturally occurring elements in the cotton itself, eliminating the need for additional foreign tracers such as spray or particles. Soil composition and other environmental factors give the cotton an inherent 'fingerprint' specific to each location – what Oritain calls the Origin Fingerprint. Once these Origin Fingerprints have been created, they cannot be tampered with, replicated, or destroyed unlike other traceability systems. Product can be tested at any point in the supply chain to verify origin claims. To date, Oritain has mapped over 90% of the world's cotton.

ORITAIN™
PROVING ORIGIN, PROTECTING REPUTATIONS

SUSTAIN ABILITY

Sustainability is defined as meeting needs of the present without compromising the ability of future generations to meet their needs. It seeks to balance the economic, social responsibility, and environmental impact – recognizing that population growth will continue.

A&E's long-standing commitment to Environmental, Health and Safety (EHS), sustainability, and social responsibility continues to be a top priority at all A&E operations worldwide. It has been widely recognized that enhancing environmental sustainability in operations and in the supply chain is simply the right thing to do, and it is essential to meeting expectations of both customers and stakeholders.

Expect more from your industrial sewing thread with our eco-friendly line of 100% recycled sewing thread products. Known in the industry as the clear choice for sustainable and ethically made sewing threads, A&E's ECO100 line includes Perma Core® ECO100, Anefil Poly® ECO100, and Wildcat® ECO100. This line is the latest example of A&E supporting its customers through sustainable innovation.

Global Recycled Standard

A&E Gütermann

As an industry leader in Sustainability, Health, Safety and Labour, A&E Gütermann assumes responsibility with regard to product and manufacturing sustainability while protecting the human rights and safety of each employee.

From planning through to control of all material and information flows, maximum transparency is guaranteed along the entire supply chain. We have only one planet and must find new ways to protect it – particularly for future generations. At A&E Gütermann, sustainability is woven into our very DNA. It is part of everything we are, everything we do and everything we strive to be.

Our A&E Gütermann rPET product range is made of 100% recycled polyester. The raw material for these environmentally friendly threads is provided by recycled beverage bottles made of 100% PET. The collected PET bottles are washed in different stages, shredded into flakes and melted. The recovered material obtained is the basis for rPET threads.

The demand for the highest quality and safety in every aspect of our products is assured through regular certifications. Our sustainable threads are REACH compliant as well as certified according to OEKO-TEX® and the Global Recycled Standard (GRS).

Global Recycled Standard

SUSTAIN ABILITY

1 PET bottles
The raw materials are obtained from recycled PET bottles.

2 Flakes
The PET bottles are washed and chopped into flakes.

3 Granules
When the flakes are melted down, they turn into granules…

4 Recycled raw material
…which are respun into thread…

5 Recycled sewing threads
…and thus form the basis for our sustainable sewing threads.

OUR SUSTAINABLITY PARTNERS

OUR SUSTAINABILITY STRATEGY IS BASED ON THE GUIDELINES AND RECOMMENDATIONS OF GLOBALLY RECOGNIZED AND ACKNOWLEDGED INSTITUTIONS AND ORGANIZATIONS.

4 YEARS PERFORMANCE DATA: SUSTAINABILITY SNAPSHOT

	METRIC	UNIT	2016	2017	2018	2019
WATER	Total Water Used	Million cubic meters	7.92	7.84	7.84	7.32
	Water Intensity	Liters per kg of product produced	31.79	32.55	30.01	30.90
	Water Recycled	Million cubic meters	0.323	0.436	0.539	0.538
ENERGY	Total Energy Used	Million kWh	561	576	586	558
	Energy Intensity	kWh per kg product produced	2.25	2.39	2.24	2.35
	Total Greenhouse Gas Emissions	Million kg CO2e	531	516	527	490
	Greenhouse Gas Emissions Intensity	kg CO2e per kg	2.13	2.14	2.02	2.07
SAFETY	Incident Rate	Injuries per 100 FTE	0.28	0.48	0.37	0.53
	3rd Party Social Responsibility Audits	Number conducted	2	1	11	14

GLOSSARY

American Apparel & Footwear Association (AAFA)
www.aafaglobal.org

Better Cotton Initiative (BCI)
The Better Cotton Initiative (BCI) is a non-profit, multistakeholder governance group that promotes better standards in cotton farming and practices. The aim is to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity.
https://bettercotton.org

CEO Water Mandate
The CEO Water Mandate is a UN Global Compact initiative that mobilizes business leaders on water, sanitation, and the Sustainable Development Goals. Endorsers of the CEO Water Mandate commit to continuous progress against six core elements of stewardship and in so doing understand and manage their own water risks.
https://ceowatermandate.org

Clean Chain: An ADEC Innovation
CleanChain helps you gather data from diverse and disparate sources, streamlines the chemical information management and reporting process, and empowers you to demonstrate transparency to stakeholders, all in one secure location. CleanChain also works with the ZDHC Gateway to enable collaboration between brands and manufacturing facilities.
www.cleanchain.com

Global Organic Textile Standard (GOTS)
The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification of the entire textile supply chain. The aim of the standard is to define world-wide recognized requirements that ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible assurance to the end consumer.
www.global-standard.org

Global Recycled Standard (GRS)
The Global Recycled Standard (GRS) is an international, voluntary, full product standard that sets requirements for third-party certification of recycled content, chain of custody, social and environmental practices, and chemical restrictions.
https://textileexchange.org/standards/recycled-claim-standard-global-recycled-standard/

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 sustainability 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 and 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 Exchange for tracking and verifying the content of organically grown materials in a final product. The standard provides a consumer facing logo and labelling language for products to be identified as certified.
https://textileexchange.org/matrix/organic-ocs/

Oritain Global
Oritain provides excellence in product traceability to protect your reputation and build trust in your brand. The Oritain method traces actual products back to their true origin using advanced science.
https://oritain.com

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.
https://textileexchange.org/standards/recycled-claim-standard-global-recycled-standard/

Science Based Target (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/

Ultrafiltration / Reverse Osmosis (UF/RO)
Reverse osmosis filters have a pore size around 0.0001 micron. After water passes through a reverse osmosis filter, it is essentially pure water. In addition to removing all organic molecules and viruses, reverse osmosis also removes most minerals that are present in the water.

Fashion Industry Charter for Climate Action (UNFCCC)
Under the auspices of UN Climate Change, fashion stakeholders worked during 2018 to identify ways in which the broader textile, clothing and fashion industry can move towards an holistic commitment to climate action. They created the Fashion Industry Charter for Climate Action which contains the vision to achieve net-zero emissions by 2050.
https://unfccc.int/climate-action/sectoral-engagement/global-climate-action-in-fashion/about-the-fashion-industry-charter-for-climate-action

United Nations Sustainable Development Goals (SDGs)
The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice.
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 Gateway
The ZDHC Gateway – Chemical Module is a web-based solution that supports the entire value chain. This advanced search engine enables registering and finding chemical formulations that comply with the ZDHC MRSL. It simplifies the search for more sustainable chemicals and best practices.
www.roadmaptozero.com/input#Gateway-Chemical-Module

ZDHC Manfacturing Restricted Susbstance 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 Wastewater System (ZLD)
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 Landfill
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