# Sustainability Strategy 2019

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Our sustainability vision

Our passion is to make sustainable fibers available to the growing world. This creates more positive impacts and benefits for people and the planet. It also ensures our economic success.

Our sustainability mission

We are change agents and collaborate with our suppliers and value chain partners to catalyze change for the better. We actively contribute towards improving environmental performance throughout the value chains and, consequently, final products. We promote social wellbeing. Creation of more positive impacts and benefits is the guiding light for our innovation and business practices.

Lenzing Group
Focus Sustainability Strategy
“Naturally positive”, the Lenzing Group’s sustainability strategy, was developed on the basis of the result of the materiality analysis (see page 12) and is firmly based on the Lenzing Group sCore TEN strategy. It focuses on those sustainability areas where Lenzing has the greatest impact in creating a more sustainable world. It is the basis for Lenzing’s approach to contribute to the Sustainable Development Goals (SDGs) of the United Nations.

Three strategic principles

1. **Partnering for change**
   Complex global challenges call for a collaborative approach to design systemic solutions, involving many stakeholder groups. As one of the leaders in wood-based cellulosic fibers, Lenzing has a particular responsibility and an ambition to help raising the bar as regards sustainability in the textile and nonwovens industries. Transparency is a prerequisite for fostering trust and long-term relationships. With its contributions to developing industry-wide methods, tools and approaches, Lenzing helps the industry to progress on its sustainability roadmap by overcoming critical challenges.

2. **Advancing circularity**
   The company unites the cellulosic fiber cycle of its wood-based products (biological cycle) with its innovative technologies that focus on closing loops in the production and the recovery of raw materials and chemicals (technical cycles).

   The biological cycle starts from the renewable resource wood, which is converted into dissolving wood pulp and subsequently into fibers. Lenzing’s biorefinery concept stands for 100 percent utilization of the renewable raw material wood. Wood material that is not used for the production of dissolving wood pulp and fibers provides the basis for valuable biobased products and energy. Subsequently, Lenzing’s customers use the fibers in different applications. This biological cycle is closed when the fibers biodegrade or are composted at their end of life.

   In the technical cycle, Lenzing aims to minimize the environmental footprint and to improve resource efficiency by closing the loops of fiber production technologies with state-of-the-art recovery and reuse systems. Following the net-benefit principle, Lenzing also considers the downstream value chain steps and develops new applications. Lenzing will advance its circular economy ambitions in limiting climate change to 2 °C global temperature increase as outlined in the Paris Climate Agreement.

3. **Greening the value chain**
   Lenzing’s responsible practices and innovative products enable its customers and value chain partners to improve their environmental performance and achieve their sustainability targets and commitments. Responsible sourcing practices, water stewardship, decarbonization and sustainable innovations are the basis for Lenzing’s efforts in greening the value chain. The sustainability targets for air emissions, water emissions, pollution and climate protection are a cornerstone for Lenzing’s responsible entrepreneurship and act as a driver of innovation. With its contributions to developing methods and tools, Lenzing helps the industry to progress on its sustainability roadmap.
The sustainability strategy of the Lenzing Group

Net-benefit thinking

Lenzing’s net-benefit concept brings all the three strategic principles together. It guides and shapes all major decisions. Net-benefit products take a life-cycle perspective and thus include both upstream and downstream value chain processes. They offer positive impacts and benefits to environment, society, and value chain partners, and are better than most competing alternatives in the market.

Pulp
Dissolving wood pulp is the raw material for Lenzing’s fibers, produced in the company’s own biorefineries. Lenzing’s biorefinery process ensures that 100 percent of wood constituents are used to produce dissolving wood pulp for fiber production, biobased products, and bioenergy. All pulp produced at Lenzing pulp production sites, including the future pulp production in Brazil, is totally chlorine free. The biorefineries at the sites of Lenzing and Paskov contribute to the Group’s carbon footprint reduction and consequently also enable Lenzing’s customers to obtain low-carbon products.

Lyocell
Lyocell fibers from Lenzing are derived from the renewable resource wood and produced in a closed-loop process, which transforms wood pulp into cellulosic fibers with high resource efficiency and low ecological impact. This solvent-spinning process recycles process water and reuses the solvent at a recovery rate of more than 99 percent. Lenzing’s lyocell fibers show around 50 percent less greenhouse gas emissions than generic lyocell.

Lenzing fibers with recycled content
These fibers use pre-consumer cotton scraps, post-consumer garments and wood from sustainably managed forests as a raw material. The cotton material is recycled into pulp which is blended (up to 30 percent) with wood pulp to produce a high-quality lyocell fiber. This technology diverts tons of cotton scraps and post-consumer garments from entering landfills or incineration. Based on Lenzing’s own calculations, TENCEL™ Lyocell fibers with REFINER™ technology require 95 percent less water to produce than conventional cotton. They are produced with high resource efficiency and avoid CO2. Therefore these fibers have a low environmental impact.
Modal fibers from Lenzing are produced using an integrated production process in which the raw material pulp is manufactured at the same site as the fiber itself. 100 percent of the raw material beechwood is converted into cellulose and other biobased biorefinery products. Beech forests grow naturally without the use of chemical fertilizers or artificial irrigation. The pulp production is self-sufficient in terms of energy while supplying a significant amount of bioenergy for the entire fiber production at the production site. Therefore TENCEL™ Modal production causes around 80 percent less greenhouse gas emissions than generic modal.

LENZING™ Web technology
The LENZING™ Web technology is an innovative R&D development technology platform that allows producing a wide range of novel sustainable nonwoven materials from the raw material wood. The patented nonwoven web formation process — Lenzing holds more than 25 patent applications — starts with dissolving wood pulp and produces a directly formed cellulosic nonwoven fabric made of 100 percent continuous lyocell filament. This technology enables fiber and nonwoven production in only one step and sets new standards in the field of cellulose nonwoven fabrics with respect to efficiency, circularity and ecological sustainability. The flexibility of this technology and possible integration with other nonwoven technologies will enable the development of a wider range of new cellulosic materials and composite structures for highly engineered end use applications.

LENZING™ Luxe branded filaments produced with Eco Filament technology avoid conventional yarn spinning, which is energy-intensive and predominantly based in regions with very high share of fossil-based electricity. For example, at industry level, spinning processes contribute to 28 percent of the total CO₂ emissions of the textile value chain (excluding use phase).

LENZING™ Acetic Acid Biobased
Lenzing’s biorefinery technology converts wood into pulp, biobased biorefinery products and energy. One of the biobased biorefinery products is LENZING™ Acetic Acid Biobased which has an 85 percent lower carbon footprint than conventional fossil-based acetic acid on the market. LENZING™ Acetic Acid Biobased causes significantly lower greenhouse gas emissions than average global, and also EU production. This was the conclusion of a recent study conducted by an independent Life Cycle Assessment (LCA) consultant.

LENZING™ ECOVERO™ and LENZING™ Viscose Eco
LENZING™ ECOVERO™ branded viscose (for textiles) and LENZING™ Viscose Eco (nonwovens) have 50 percent less greenhouse gas emissions than generic viscose.

Modal Eco Color technology
Fibers with this technology incorporate pigment during fiber production and thus help avoiding energy-intensive conventional dyeing steps. A fabric made from this product has 60 percent lower CO₂ emissions than conventionally dyed fabrics.
The sustainability strategy of the Lenzing Group

Strategic focus areas

Within the three principles described above, Lenzing identified seven focus areas where the Lenzing Group substantially contributes to creating positive impacts and benefits:

- Raw material security
- Water stewardship
- Decarbonization
- Sustainable innovations
- Empowering people
- Partnering for systemic change
- Enhancing community wellbeing

Lenzing sets targets in these areas to further advance its performance and positive impact. These focus areas are directly contributing to some Sustainable Development Goals (SDGs).

Raw material security

Lenzing’s long-term business success depends on the availability and quality of responsibly sourced and sustainably manufactured raw materials. Wood, dissolving wood pulp and chemicals such as caustic soda, carbon disulfide and N-Methylmorpholineoxide are the most important basic materials for the Lenzing Group. Lenzing strives to improve the efficiency with which natural resources are used. This encompasses the design, manufacture and use of efficient, effective, safe and more environmentally benign chemical products and processes. The company focuses on responsible sourcing practices through assessments and certifications, responsible consumption, and highly efficient use of wood through biorefinery.

Growing global demand for wood-based biomass and alternative land use put pressure on the world’s forests, which provide fresh water, oxygen, climate regulation, flood resilience, biodiversity, recreation, and valuable renewable raw materials to society.

Lenzing promotes conservation solutions to protect ancient and endangered forests. Innovation of alternative cellulose sources is a strategic priority for the Lenzing Group, for example textile recycling.

For more information please see focus paper “Wood and Pulp”.

Water stewardship

Water is a precious resource and its increasing scarcity in many parts of the world constitutes a threat to people, the environment as well as to economic development. Poorly managed wood plantations can cause pressure on the regional water balance. Lenzing procures certified wood from sustainable managed forests and therefore mitigates water stress-related impacts. On the other hand, some materials used in the textile supply chains occasionally create high water impacts through both water consumption and pollution. Key topics for water stewardship are the efficient use of water in production and the use of state-of-the-art wastewater treatment technologies.

Lenzing provides fibers with a low water impact for the growing world and innovates products that omit downstream value chain steps. This substantially reduces water use and impacts. At the end of life, Lenzing’s fibers are biodegradable and compostable in marine and freshwater environments and therefore do not contribute to microfiber pollution as fossil raw material-based fibers do.
Decarbonization
Global heating is one of today’s most pressing challenges, calling for collaborative solutions involving a multitude of relevant stakeholders, from value chain partners to authorities.

Dissolving wood pulp and fiber production are energy-intensive processes. The Lenzing Group will substantially reduce its CO₂ emissions in the coming years through a number of corresponding measures. In line with the Paris agreement and the UN SDG 13, in 2019, the Lenzing Group set an ambitious science-based target (SBT) of a 50 percent reduction of CO₂ emissions (Scope 1, 2 and 3) per ton of product by 2030 compared to a 2017 baseline. This includes not only emissions from existing production processes, but also a strong focus on low-CO₂ energy sources and production processes in the construction of new pulp and lyocell plants. Further, Lenzing strives to reach net-zero CO₂ emissions by 2050.

Sustainable innovations
Sustainable innovations are those that improve the prosperity of our society within the limits of our planet. Sustainable innovations include substantial efficiency improvements of existing technologies, technological breakthroughs, driving systemic change through forward solutions and business models on a large scale. These innovations create net-benefit products and solutions offering positive impacts and benefits to the environment, society, and value chain partners, which are better than most competing alternatives in the market.

Empowering people
The Lenzing Group is committed to conducting business in a manner that respects the rights and dignity of all people.

People are at the core of the company’s business success. People who take ownership and feel able to take positive action drive a successful transformation to a more sustainable society and economy. Empowering its own employees and nurturing future leaders are key activities for driving sustainability improvement. The Lenzing Group also motivates partners along the value chain to be change-makers and drivers of sustainability.

Partnering for systemic change
The world today is more interconnected than ever before. Improving access to technology and knowledge is an important way to share ideas and foster innovation.

Complex global sustainability challenges call for a collaborative approach to designing systemic solutions, involving many stakeholder groups. Transparency is a prerequisite for fostering trust and long-term relationships.

Guided by the United Nations Sustainable Development Goal SDG 17: Partnerships for the goals, the Lenzing Group regularly engages with a wide range of stakeholders and business partners in order to integrate different perspectives, understand global trends, and mitigate risks. Lenzing strives to identify and develop cross-industry business cases to make progress on the circularity of Lenzing as well as of the industry.

With its contributions to developing methods and tools, Lenzing helps the industry to progress on its sustainability roadmap.

Enhancing community wellbeing
The Lenzing Group’s various production sites operate in their respective ecological, social and economic environments. The Lenzing operations and their regional partners are mutually dependent, sharing opportunities, but also challenges. Community wellbeing is therefore a prerequisite for the company’s license to operate.

As a good corporate citizen, the Lenzing Group promotes beneficial development of the communities and regions where it operates. This is achieved through safe and environmentally responsible operations, fair business practices and contribution to local economic development and community life.

For more information please see focus paper “Responsibility for people”.

Stakeholder dialog
Engaging in a dialog means respecting the stakeholders, contributing with Lenzing’s expertise and knowledge, and the opportunity to learn from the partners’ perspectives. Each dialog starts with providing transparent information. This helps stakeholders to form an educated opinion, to assess risks, and to avoid misunderstandings by building trust. Furthermore, continuous trustful stakeholder relationships contribute to solving existing tensions and avoiding potential conflicts.

For more information, please see Lenzing Group Sustainability Report 2019, pages 86-90.
Lenzing’s progress in 2019

In 2017, Lenzing set Group sustainability targets for the most important challenges in each of its strategic focus areas. The company is fully on track with all defined targets and has set a new ambitious science-based target for carbon reduction.

**Target 1**
To improve the Lenzing Group’s specific** sulfur emissions by 50 percent by 2022

**Target 2**
To improve Lenzing Group’s specific** wastewater emissions by 20 percent by 2022

**Target 3**
To implement conservation solutions

**Target 4**
To assess the sustainability performance of 80 percent of the Lenzing Group’s “most relevant suppliers***” by 2022

**Target 5**
To improve transparency by implementing the Higg Facility Environmental Module (FEM 3.0) at all sites by 2019

**Target 6**
To reduce scope 1, 2 and 3**** greenhouse gas emissions 50 percent per ton of fiber and pulp sold by 2030

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* Baseline for target 1, 2, 4 is 2014, baseline for target 6 is 2017
** Specific emissions are defined as emissions per unit of production by the Lenzing Group (i.e. pulp and fiber production volumes).
*** Most relevant suppliers comprise 80 percent of the Lenzing Group’s purchasing spend.
**** Scope 1, 2 und 3 comprise purchased goods and services, upstream and downstream transport, and fuels and energy related activities.
Lenzing Group Sustainability targets

**Sustainable innovations**

**Target 1**

To improve the Lenzing Group’s specific sulfur emissions by 50 percent by 2022; baseline 2014

**Progress**

To achieve its overall sulfur reduction target by 2022, Lenzing looked into different measures, including investing in an additional Carbon Disulfide Adsorption Plant (CAP). The conceptual design for this plant has been completed.

**Water stewardship**

**Target 2**

To improve Lenzing Group’s specific wastewater emissions by 20 percent by 2022; baseline 2014

**Progress**

Efforts in 2019 focused on the production sites in Purwakarta, Indonesia and Grimsby, UK. Extensive improvement measures and investment preparations were made at both sites to bring chemical oxygen demand (COD) values to the targeted levels by 2022.

**Grimsby, UK**

Planning for the construction of a wastewater treatment plant began in 2018.

**Purwakarta, Indonesia**

Lenzing’s site in Purwakarta, Indonesia, is making good progress in improving its wastewater after a project was launched in 2018. The project aims to debottleneck the capacity of one of the two existing wastewater treatment plants by 2022. The sewage collection and treatment system is planned to be upgraded and to ensure compliance with future requirements. In addition, a utility water treatment system will be built, and existing storm-water drainage systems will be improved. Dedicated teams are currently working on the basic engineering of the project, which is expected to be implemented by the target deadline in 2022.

**Raw material security**

**Target 3**

To implement conservation solutions

**Progress**

After an extensive preparation phase in 2018, the afforestation of degraded land in Albania (Southern Europe) started in 2019. This forest conservation project aims to support the development of rural areas in Albania with a special focus on the broader region of Shkoder (Ana e Malit) and Diber (Peshkopi) by sustainably using natural resources and fostering alternative income source for the communities.

**Partnering for systemic change**

**Target 4**

To assess the sustainability performance of 80 percent of the Lenzing Group’s “most relevant suppliers” by 2022

**Progress**

The Lenzing Group uses EcoVadis as an assessment platform. The target has been fulfilled ahead of schedule. 89 percent of the most relevant suppliers were assessed by the end of 2019.

**Target 5**

To improve transparency by implementing the Higg Facility Environmental Module (FEM 3.0) at all sites by 2019

**Progress**

In 2019, all Lenzing Group’s fiber production sites successfully implemented self-assessments using the Higg Facility Environmental Module (FEM) 3.0. The Higg Facility Tool measures how well facilities are managed with respect to seven categories (e.g. air emissions). As FEM was initially created with the intention to measure textile facilities such as wet processing, fiber production aspects are not fully considered in the current FEM 3.0. Lenzing will work with the multi-stakeholder initiatives Zero Discharge of Hazardous Chemicals (ZDHC) and Sustainable Apparel Coalition (SAC) to consider these aspects in the next update of FEM to make the tool more relevant to the fiber industry.
Decarbonization

**Target 6**

To reduce scope 1, 2 and 3 (purchased goods and services, upstream and downstream transport, and fuels and energy related activities) greenhouse gas emissions 50 percent per ton of fiber and pulp sold by 2030; baseline 2017

**Vision:** Lenzing aims to achieve net-zero CO₂ emissions by 2050 (Scope 1 and 2).

**Progress**

The Science Based Target initiative has approved the Lenzing Group’s target as science-based. The company has established an organizational governance structure and a project charter to implement the roadmap and strategic actions. Lenzing will initiate the implementation of the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD) in 2020. A decision was taken to replace coal-based energy by natural gas at the Chinese production site. At the Lenzing site in Austria a new air purification and sulfur recovery plant will be installed, which will reduce scope 3 emissions.

Empowering people and community wellbeing

A dedicated project to create an enterprise-wide program and relevant targets for the “people pillar” of sustainability in 2020 has been initiated. A diverse project team under the leadership of Global Human Resources Department will consider all Lenzing entities globally and bring their current projects and programs under one umbrella. For more information on social projects see “Responsibility for people” focus paper.
“Naturally Positive”, the Lenzing Group’s sustainability strategy, was developed in 2015 as a result of the materiality analysis. It focuses on those sustainability areas where Lenzing has greatest impact in creating a more sustainable world and is the basis for Lenzing’s approach to contribute to the Sustainable Development Goals (SDGs) of the United Nations.

The Lenzing Group’s materiality matrix was developed in four stages:

In the first step, around 50 global Societal, Technological, and Resources (STaR) trends for the present and future were identified. Information from Lenzing employees was collected at the Sustainability Day in October 2014, attended by employees from different management levels and business functions including the Lenzing Management Board. Lenzing also looked into the life cycle of its products in different sectors to consider any relevant topics. Furthermore, Lenzing regularly interacts with different stakeholders on various topics. The information gathered during the course of all these activities helped to define a list of relevant topics.

Secondly, for each relevant topic, a brief description in terms of impacts, risks, opportunities, expectations and current performance was developed. A survey with these descriptions was sent to employees from different management levels, business functions, and various Lenzing sites around the world. This management survey helped to create internal prioritization of topics.

A separate survey was also sent to key customers in order to understand key challenges and expectations. Besides customer survey inputs, queries concerning various sustainability topics periodically received from customers were also used to prioritize the relevant topics from stakeholders’ point of view.

In a third step, the internal and external prioritizations were combined to create a materiality matrix.

In a fourth step, the materiality procedure was reviewed by external experts from Denkstatt11, a sustainability consultancy (Vienna, Austria), in order to create the final materiality matrix, which forms the basis for the focus areas of the sustainability strategy. The materiality matrix has defined the scope and content of Lenzing’s sustainability reporting. For more information please see focus paper “Materiality Analysis”.12

“The strategic focus areas identified in the materiality analysis are in line with the UN Sustainable Development Goals (SDGs) and form the basis of Lenzing’s economic activities.”

Peter Bartsch, Sustainability Director at Lenzing

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**Development of materiality matrix**

1. Identification of relevant topics
2. Prioritization
3. Integration
4. Materiality matrix

**Sustainability Context**
- Global trends
- Stakeholder topics
- Employee topics
- Lifecycle considerations

**Needs and expectations**
- Management survey
- Customer survey
- Regular customer queries

**Integration**
- Integration of Lenzing management and stakeholder responses

**Materiality matrix**
- Internal validation
- Final materiality matrix
United Nations Sustainable Development Goals (SDGs)

Adopted by world leaders in September 2015 at a historic UN summit, the 17 SDGs came into force on January 1, 2016. The Goals are unique in that they call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet. The Goals are meant to serve as a framework for businesses to help create a more eco-responsible future by addressing such global challenges as poverty, inequality and climate change.

The Lenzing Group recognizes its responsibility and sees its pioneering role in the textile and nonwovens industries as an opportunity to contribute to the achievement of sustainable development goals. As a participant in the Climate Summit at the UN General Assembly in 2019, Lenzing’s core efforts focus on the following SDGs:

### Priority goals

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<th>Lenzing’s action</th>
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<td>7</td>
<td>To ensure access to affordable, reliable, sustainable and modern energy for all.</td>
<td>Pulp and fiber production are energy-intensive processes. Lenzing contributes to SDG 7 by improving energy efficiency, using energy conversion technologies for heat and electricity, employing renewable fuels, switching from coal to natural gas and implementing its biorefinery concept. Dissolving wood pulp production in Lenzing’s biorefineries at the Lenzing and Paskov sites is not only self-sufficient in terms of meeting its own energy needs, it actually produces surplus energy. This surplus energy (steam and electricity) is used on-site for purposes such as fiber production or export to the local grid. Within the framework of the science-based target Lenzing relies on renewable green energy in its contracts for new investments.</td>
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<td>9</td>
<td>To build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</td>
<td>Innovation and sustainability are at the heart of Lenzing’s sCore TEN strategy. Every innovation, whether it be process-, product-, or application-related, is evaluated from the very beginning in terms of sustainability. At Lenzing, innovation is driven by sustainable thinking and paying due regard to both the life-cycle perspective and the net-benefit principle. Sustainable innovations include continuous improvement of Lenzing’s existing technologies and processes as well as the driving of systemic change through forward-looking solutions and business models on a large scale. Limited resources are driving solutions to a circular economy. Lenzing is continuously innovating to contribute to a resilient and circular industry.</td>
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<td>12</td>
<td>To ensure sustainable consumption and production patterns.</td>
<td>Lenzing aims for sustainable production patterns through sustainable sourcing, efficient use of wood as a raw material and efficient and sustainable production, e.g. through the implementation of its biorefinery concept at the Lenzing and Paskov sites. Upcycling techniques are included in the production process (REFIBRA™). Life-cycle based thinking and partnerships with stakeholders along the value chain contribute to more sustainable consumption patterns.</td>
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<td>13</td>
<td>Taking urgent action to tackle climate change and its impacts.</td>
<td>By setting a science-based target, Lenzing takes action to tackle climate change-related problems. Lenzing has committed itself to reducing greenhouse gas emissions per ton of product by 50 percent by 2030 compared to a 2017 baseline. The Science Based Targets initiative has scientifically validated Lenzing’s climate target and confirms that the target is in line with the Paris Agreement’s central aim to limit global temperature rise this century to 2 degrees Celsius. Furthermore, the Lenzing Group is a member of the CEO Climate Leaders Group of the World Economic Forum and a signatory to the United Nations Fashion Industry Charter for Climate Action.</td>
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<td>15</td>
<td>To sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.</td>
<td>The company contributes towards SDG 15 with its longstanding practice of responsible sourcing, in particular with regard to its main raw material, wood. Lenzing strictly complies with its Wood and Pulp policy and sources only from sustainably managed forests and plantations. Since all Lenzing fibers are compostable and biodegradable in soil, Lenzing is not contributing to plastic litter issues. Furthermore, Lenzing initiated an afforestation and conservation project in Albania. Being co-financed by the Austrian Development Agency (ADA), this social impact project brings together Albanian and Austrian forest experts to increase forest management skills amongst communities, enable know-how exchange between vocational schools and, last, but not least, afforest 20 ha of degraded communal land in rural Albania.</td>
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<td>17</td>
<td>To revitalize the global partnership for sustainable development.</td>
<td>Guided by the United Nations Sustainable Development Goal SDG 17 and having implemented “Partnering for systemic change” as a focus area, Lenzing acknowledges that complex global challenges call for a collaborative approach. Therefore, the Lenzing Group regularly engages with a wide range of stakeholders and business partners along the value chain in order to help raise the bar as regards sustainability in the textile and nonwovens industries.</td>
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## United Nations Sustainable Development Goals (SDGs)

### Further important goals

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<th>Lenzing’s action</th>
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<td>1</td>
<td>To end poverty in all its forms everywhere by 2030.</td>
<td>One example for Lenzing’s contribution to SDG 1 is a social impact project in Albania in cooperation with the Austrian Development Agency (ADA). This project aims at supporting the development of certain rural areas by using natural resources in a sustainable manner as well as fostering alternative income opportunities for the communities. Part of the project is the afforestation of 20 ha of degraded land. This area surrounds an Eco-Social Farm, an institution for people with disabilities. As part of the project, a collaboration with the Eco-Social Farm will be set up to employ people who would not stand a chance of getting a job in the normal labor market.</td>
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<td>3</td>
<td>To ensure healthy lives and promote well-being for all at all ages.</td>
<td>Lenzing provides employees at all production sites with an in-house primary care system that complements the existing local health systems. Furthermore, the company uses medical partners in the regions around the sites to offer its employees a diagnosis and therapy service tailored to the site’s size and local needs. In addition to numerous regular activities, programs to motivate and support our employees in pursuing a healthy lifestyle both in and outside of the workplace were implemented in 2019.</td>
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<td>6</td>
<td>To ensure access to safe water sources and sanitation for all.</td>
<td>The production of dissolving wood pulp and fiber entails water consumption and emissions to water. Therefore, water stewardship is one of the focus areas of Lenzing’s sustainability strategy. Lenzing considers water-related issues in the upstream and downstream value chain of its products. The Lenzing Group aims to contribute to sustainable use of water wherever it can influence matters either directly or indirectly. For 2022, the Lenzing Group set itself the target of improving its specific wastewater emissions by 20 percent (baseline 2014). In order to reach this target, it will invest in upgrading its wastewater treatment infrastructure.</td>
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<td>8</td>
<td>To promote inclusive and sustainable economic growth, employment and decent work for all.</td>
<td>The Lenzing Group makes a major contribution to strengthening the economy in the regions where it operates. This was confirmed by a study conducted by Johannes Kepler University (Linz, Austria) and Gesellschaft für Angewandte Wirtschaftsforschung (Innsbruck, Austria) for 2019. The study concluded that the business operations of the Group have measurable socio-economic effects that extend far beyond purely economic aspects. Overall, the Lenzing Group creates 18,379 jobs worldwide. Every job within the Lenzing Group creates more than two additional jobs in another branch of the economy. Furthermore, the public sector benefits in the form of tax revenues and social security contributions. One of Lenzing’s priorities is to ensure sustainable production patterns (SDG 12) in order to promote sustainable economic growth.</td>
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<td>14</td>
<td>To conserve and sustainably use the world’s oceans, seas and marine resources.</td>
<td>Microplastics are a major pollution problem in freshwater bodies and the sea. With its fibers based on wood and a responsible production process, Lenzing ensures that its fibers are compostable and biodegradable in marine and freshwater environment and therefore are not contributing to plastic litter issues.</td>
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Endnotes

1. In addition to its own dissolving wood pulp production, Lenzing procures dissolving wood pulp in the global market.

2. These results were calculated using the Higg Material Sustainability Index (Higg MSI) tools provided by the Sustainable Apparel Coalition. The Higg MSI tools assess impacts of materials from cradle-to-gate for a finished material (e.g. to the point at which the materials are ready to be assembled into a product). However, this figure only shows impacts from cradle to fiber production gate.


7. Specific emissions are defined as emissions per unit of production by the Lenzing Group (i.e. pulp and fiber production volumes).

8. This target will allow Lenzing’s stringent internal Group standard to be met at all Lenzing production sites.

9. COD figures are indicators of water quality.

10. Most relevant suppliers comprise 80 percent of the Lenzing Group’s purchasing spend.

11. https://denkstatt.eu/?lang=de

12. www.lenzing.com/materiality-analysis

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