



# OUR RESPONSIBILITY

AMANN SUSTAINABILITY REPORT 2021



**“With the development of our sustainability strategy in 2021, we take an important step forward to produce ecologically, socially and fairly.”**

Bodo Th. Bözle  
CEO and Chairman of the Executive Board

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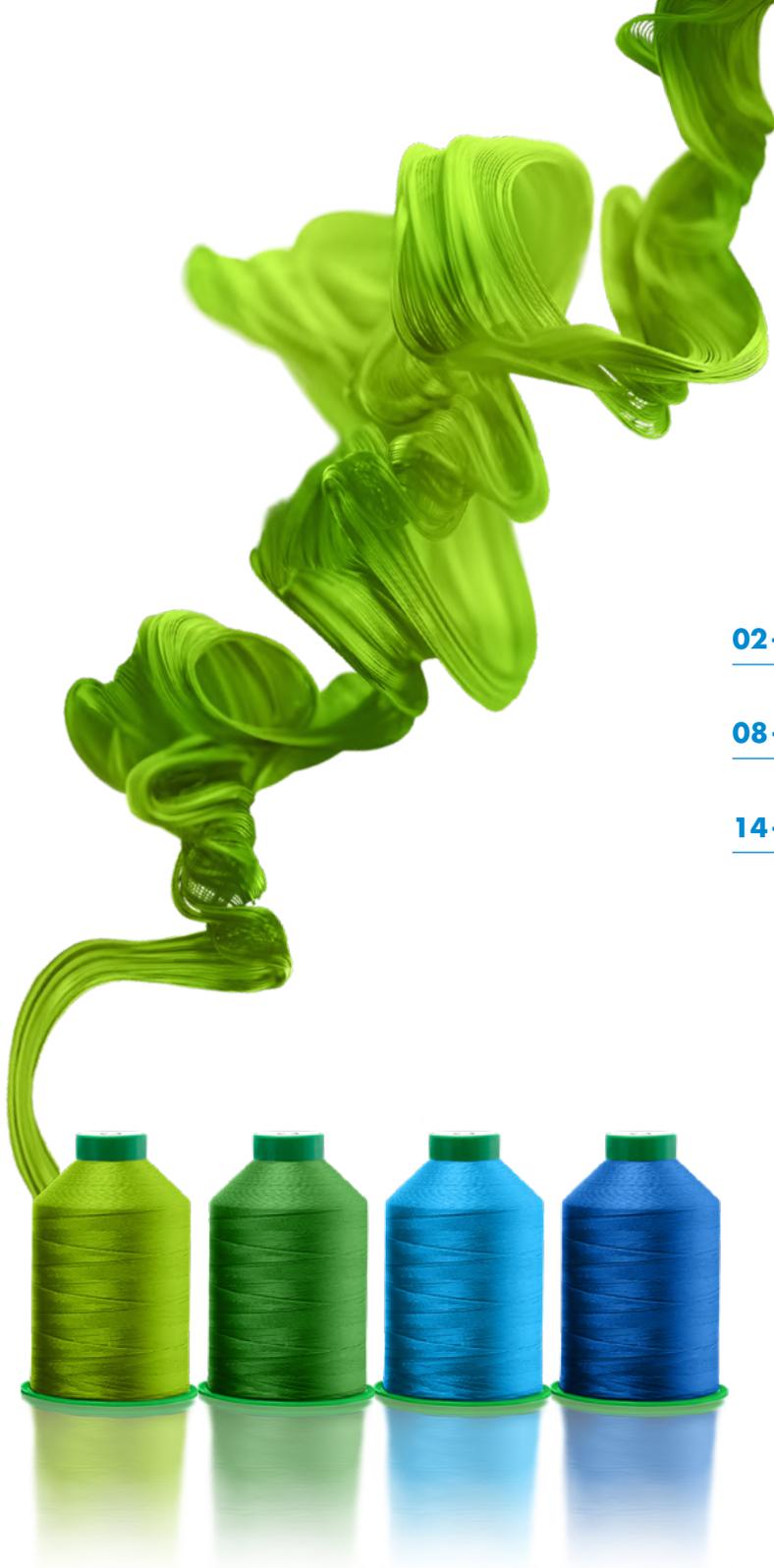
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AMANN is one of the top

# 50 CLIMATE LEADERS

SUSTAINABILITY A RACE WE CAN WIN



## DEAR READERS,

The AMANN Group consciously assumes responsibility for employees, customers, society and the environment worldwide. As a member of the United Nations Global Compact, we are fully committed to its ten universal principles and the vision of an economy that is inclusive, sustainable and for the benefit of all.

In line with the UN Global Compact, we continuously work to make our production processes more and more environmentally friendly. Where possible, we generate energy from sun and water, use innovative techniques in the dyeing process and thus reduce the consumption of resources. Increasing digitalisation is helping us to optimise processes and become more environmentally friendly in the process.

The pandemic has shown the limits of globalisation and forces us to rethink. We are therefore optimising our supply chains with the aim of shortening them and supplying our customers flexibly from our local production plants. We want to increasingly produce in the region for the region and offer more and more threads made from recycled material or alternative raw materials.

We operate our own production facilities worldwide with uniform standards for professional quality and environmental management in accordance with the ISO 9001 and ISO 14001 frameworks and guarantee compliance with all legal requirements. In addition, we commit our employees to the AMANN Code of Conduct and our suppliers to the AMANN Supplier Code of Conduct which set out our central

behavioural guidelines. Furthermore, we observe the United Nations' Universal Declaration of Human Rights and all conventions of the International Labour Organisation (ILO).

Due to the pandemic, the focus in the reporting year was on health management. We were able to effectively protect our employees through a generous offer to work from home, flexible shift models and the consistent implementation of extensive infection protection measures, including the creation of vaccination incentives.

We would like to thank our employees, customers and partners for their commitment, support and loyalty.

Kind regards

*Peter Morgalla*

Peter Morgalla  
COO

*Bodo Th. Bözle*

Bodo Th. Bözle  
CEO and Chairman  
of the Executive Board

*Wolfgang Findeis*

Wolfgang Findeis  
CFO

# COMPANY AND HISTORY



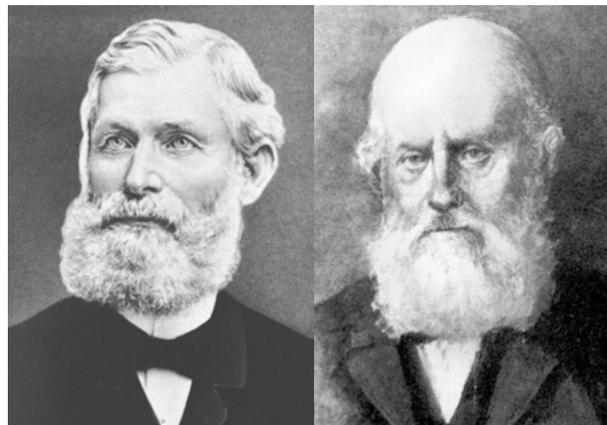
## WELCOME TO THE TECHNOLOGY HUB OF THREADS

Alois Amann and Imanuel Böhringer founded the company Amann & Böhringer in 1854 “for the purpose of manufacturing twisted and dyed silks.” Even then, the company was a pioneer in Europe, as the professional processing of silk yarns was considered an elaborate art that hardly anyone had dared to attempt until then.

Today, the AMANN Group is one of the world’s leading manufacturers of sewing and embroidery threads. From universal sewing threads to highly technical special threads, we offer a wide range of products for a multitude of applications.

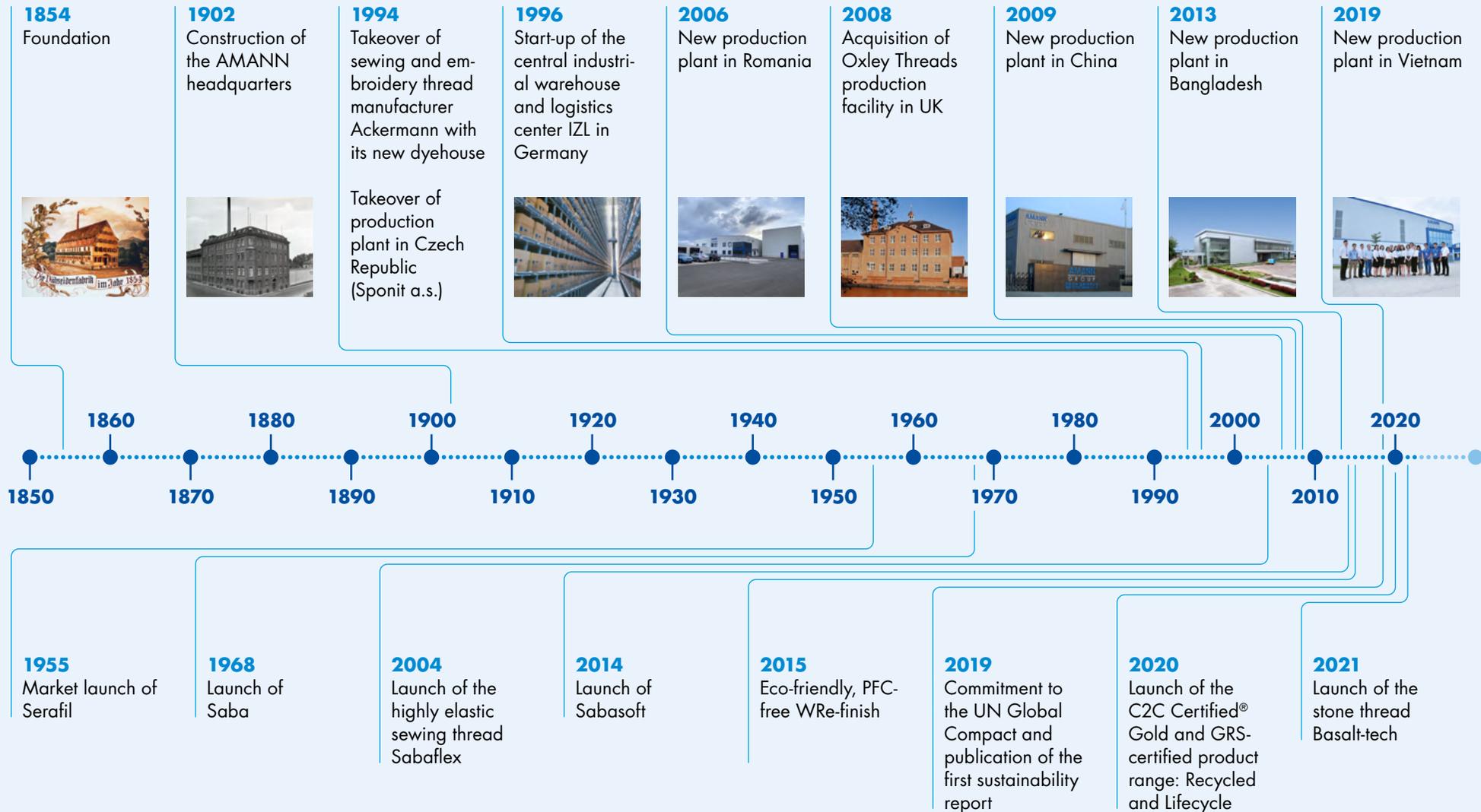
AMANN produces high-quality sewing and embroidery threads for Apparel, Shoes & Accessories, Home Interior, Automotive, Tectex as well as for consumers in its own production facilities in Europe and Asia.

The Hanns A. Pielenz non-profit foundation is a shareholder of the AMANN Group alongside the Pielenz family and supports projects in the fields of art and culture, science and research, as well as education and parenting. AMANN is committed to sustainable, fair and safe production processes worldwide.



Alois Amann & Imanuel Böhringer

# AMANN GROUP TIMELINE



# INTERNATIONAL PRESENCE OF THE AMANN GROUP

25 LOCATIONS AND 7 PRODUCTION SITES WORLDWIDE



The AMANN Group employs approx. 2,500 people of 35 different nationalities in 19 countries worldwide.

At all our locations, we rely on sustainable, fair and safe production processes and working conditions.

**LEGEND:**

-  Production site
-  Production site under construction
-  Subsidiary

**PRODUCTION SITES**

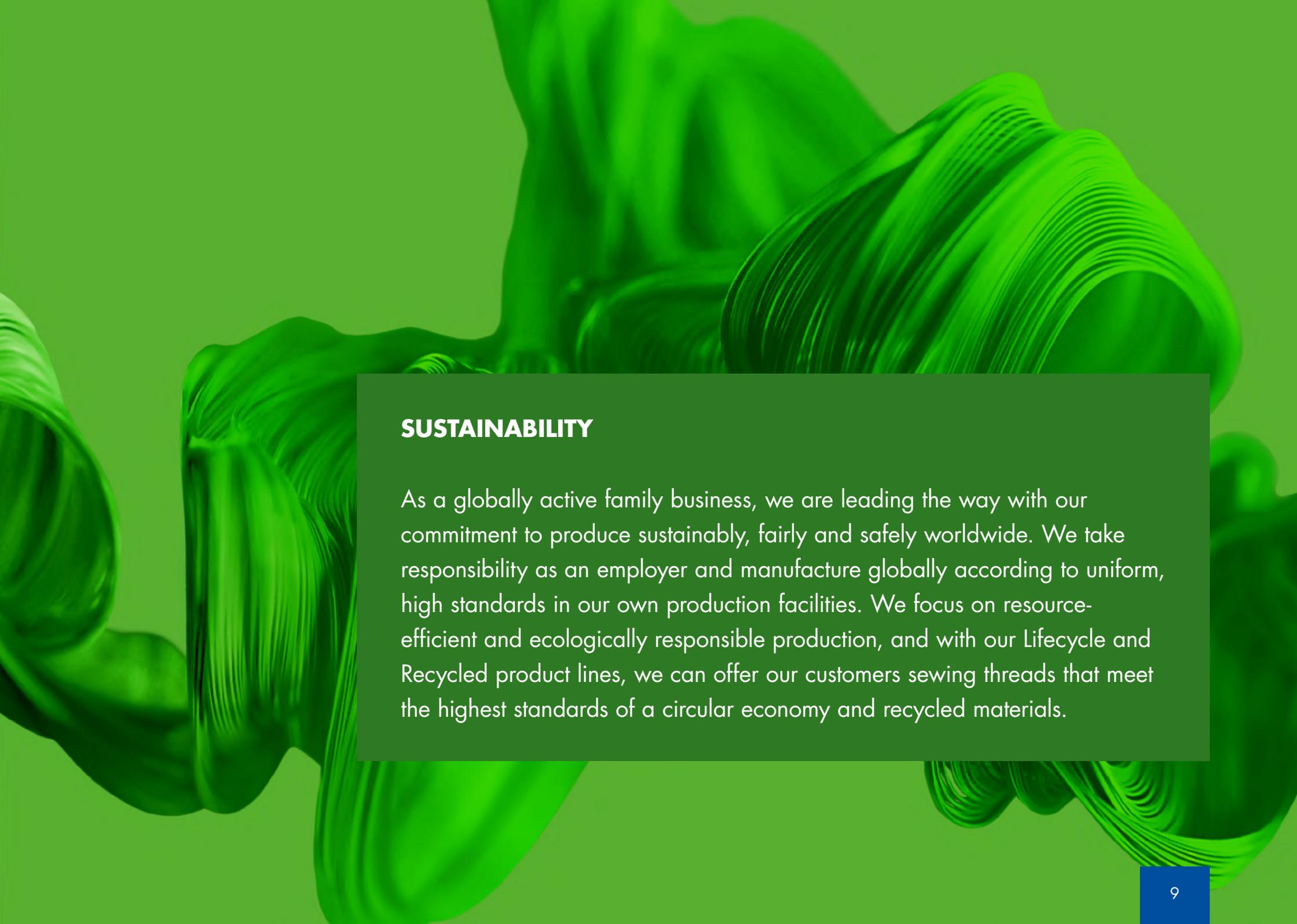
- Germany (Augsburg)
- Great Britain (Manchester)
- Romania (Brasov)
- Czech Republic (Chribska)
- China (Yancheng)
- Bangladesh (Dhaka)
- Vietnam (Đà Nẵng)
- India (Tamil Nādu, under construction)

# FACTS AND FIGURES OF THE AMANN GROUP IN 2021





# SUSTAINABILITY



## **SUSTAINABILITY**

As a globally active family business, we are leading the way with our commitment to produce sustainably, fairly and safely worldwide. We take responsibility as an employer and manufacture globally according to uniform, high standards in our own production facilities. We focus on resource-efficient and ecologically responsible production, and with our Lifecycle and Recycled product lines, we can offer our customers sewing threads that meet the highest standards of a circular economy and recycled materials.

# OUR GUIDING PRINCIPLE FOR SUSTAINABLE DEVELOPMENT

As one of the world's largest suppliers, the AMANN Group manufactures a wide range of sewing threads, embroidery threads and smart yarns in its own production facilities in Europe and Asia. As a traditional and family-owned company, we have always strived to offer our employees fair and safe working conditions and to build our success on respectful cooperation. In this context, we have consciously decided to join the UN Global Compact. The UN Global Compact is the world's largest and most important initiative for responsible corporate

governance. Based on 10 universal principles, it pursues the vision of an inclusive and sustainable global economy. We also align our actions with the Sustainable Development Goals (SDGs) of the United Nations: The 17 SDGs with 169 corresponding sub-goals are the core of the United Nations Agenda 2030, the action plan for a liveable future world-wide, adopted in 2015.

AMANN has the ambition to be a pioneer not only with high-quality products, but also in activities

in the spirit of sustainability. With the successful development of innovative threads and yarns, we actively contribute to protecting the environment and resources for future generations. Social justice and ecological change go hand in hand. In our practice, however, we have gone beyond legal requirements and generally applicable rules. We see this as urgently required in order to give further impetus to sustainable development.

## WE SUPPORT



# OUR SUSTAINABILITY STRATEGY

As a manufacturing company, we understand our responsibility for sustainability holistically: we want to produce under fair, safe and healthy working conditions according to ecologically sustainable standards and reduce our impact on the environment. We have outlined how we can achieve this in our sustainability strategy in four fields of action. In the fields of **“People and Community”**, **“Climate and Environment”**, **“Products and Lifecycle”** and **“Supplier Responsibility”**, we have set ourselves the goal of further improving our work and production processes, product solutions, our procurement as well as compliance from a social and ecological perspective. Important steps are the timely reduction of resource consumption in production and the development of new environmentally friendly and sustainable embroidery and sewing threads.



# OUR SUSTAINABILITY GOALS 2025



## PEOPLE & COMMUNITY

### EMPLOYEE DEVELOPMENT

Implementation of a digital learning hub.

As of 2021: After a successful introduction, the online learning platform "AMANN Learning Hub" has become an integral part of our group-wide internal training programs.

### ACCIDENTS

Vision: "zero accidents".

As of 2021: Measures taken in 2021 have had a positive effect on the development of the accident rate.

### GENDER EQUALITY

Maintaining our gender balance.

As of 2021: 43% of all employees are female; over 1/3 of managers are female.



## CLIMATE & ENVIRONMENT

### WASTE

No waste to landfill.

Already more than 80% of the waste is recycled/thermally recovered, only 18% is disposed of in landfills.

### CO<sub>2</sub> EMISSIONS

Reduction of CO<sub>2</sub> emissions by 30% per kg produced and switch to renewable energy sources.

As of 2021: Slight improvement in emissions reduction compared to 2020 was achieved.

With the planned commissioning for 2022 of a further photovoltaic plant at the Augsburg site, the proportion of renewable energy will be significantly increased.



## CLIMATE & ENVIRONMENT

### POWER CONSUMPTION

25% reduction in power consumption per kg produced.

As of 2021: Positive development in savings due to consistent process optimisation. Just under 70% of the 2025 target has been achieved.

### WATER CONSUMPTION

25% reduction in water consumption per kg produced.

As of 2021: A significant reduction in water consumption per kilo produced was achieved thanks to the great progress made in the treatment of our wastewater and its return to the process cycle. Target of fulfilment is 92%.



## PRODUCTS & LIFECYCLE

### SUSTAINABLE PRODUCTS

Expansion of sustainable product lines and enhancement of alternative raw materials.



## SUPPLIER RESPONSIBILITY

### COMPLIANCE

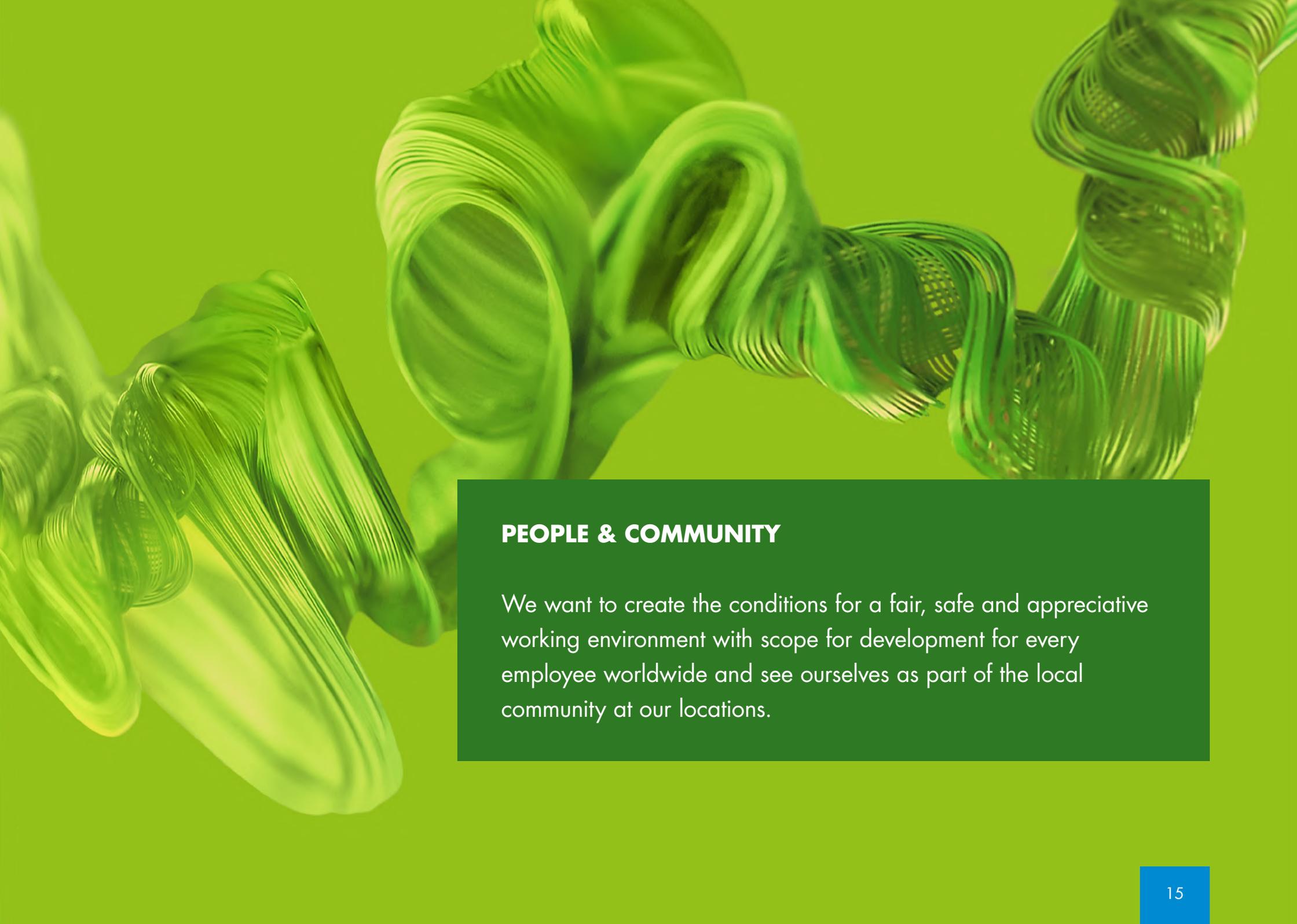
After the successful roll-out of our Supplier Code of Conduct, regular on-site supplier audits will be carried out to check the practical implementation.

Status 2021: Originally planned compliance audits of suppliers could not be carried out due to the pandemic and will now take place in 2022.



# PEOPLE & COMMUNITY





## **PEOPLE & COMMUNITY**

We want to create the conditions for a fair, safe and appreciative working environment with scope for development for every employee worldwide and see ourselves as part of the local community at our locations.

# OUR RESPONSIBILITY

## TEXTILE INDUSTRY CONTEXT

Relevant social risks in the global textile industry are, for example, the violation of the right to freedom of association, the right to freedom from discrimination and the freedom from child and forced labour. The rights to health and safety at work, legally compliant working hours and living wages are also continuously violated.

Source: "Nachhaltigkeit ist nicht umsonst. Preisgestaltung nachhaltiger Textilien in der Beschaffung durch Großverbraucher." Hrsg: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. Bonn 2021.

## APPROACH AT AMANN

- Respect for ILO conventions (International Labour Organization)
- AMANN Code of Conduct
- High standard of occupational health and safety worldwide
- European standards in our production facilities worldwide

# EMPLOYMENT AND SOCIAL ENGAGEMENT

## EMPLOYEES

**We take responsibility as an employer worldwide: Our 2,500 employees with 35 different nationalities are employed by AMANN and work according to European standards in our production and sales companies worldwide. The basis for our cooperation is the “AMANN Code of Conduct”.**

Our Code of Conduct applies worldwide: Regardless of age, gender, skin colour, origin, faith or sexual orientation, we respect, value and promote all employees equally. We ensure that the conventions of the International Labour Organization are adhered to and strengthen the social standards and rights of our employees while respecting local cultures and values.

## EMPLOYEE ENGAGEMENT, LEADERSHIP AND DEVELOPMENT

In our global employee survey in 2020, we acknowledged a good mood within the AMANN Group with a high participation rate of 84%. Identified potential for improvement was worked out in workshops in the respective departments. A follow-up survey is planned for summer 2022.

With our group-wide management development programme, we ensure that our high standards of employee management are implemented worldwide. Open and transparent communication, a profession-

al error culture, dealing with conflicts and acting as a role model are important elements of our leadership style.

**“By 2024, we will coach training coordinators and technical trainers at all production sites.”**





**“By 2024, all employees worldwide will have access to our “AMANN Learning Hub.”**

Various personnel and organisational development measures are part of everyday life. Personal development plans ensure structured succession and promote talent. Dual training models in cooperation with universities and schools, internal training and familiarisation programmes and the “AMANN Education Programme” are the basis of our personnel development. Time off from work for personal advanced training is supported both financially and in terms of time wherever this is possible within the company.

Our new online learning platform, the “AMANN Learning Hub”, is already available to many employees worldwide. The platform offers videos, presentations and online training sessions for professional and personal development.

## **EQUALITY**

AMANN aims to promote gender equality and actively supports female employees, with personal career plans and external training. The proportion of female and male employees is almost balanced at 43% to 57% and more than a third of management positions are held by women. This is also ensured by our family-friendly working hours and working time models. Equal payment for women and men in comparable jobs is natural for us.

**“We will continue to increase the number of women in management positions by expanding special support and mentoring programmes, and maintain our balanced gender quota.”**

## HEALTH MANAGEMENT

We ensure the health care of our employees at all locations. We cooperate with local clinics, and doctors come to the factories to carry out regular medical check-ups – especially in countries where the health system does not meet our expectations. During the Covid-19 pandemic, employees were provided with free masks, regular fever checks were carried out and shifts were strictly separated when necessary. As far as possible, our employees are currently working from home. As soon as the pandemic situation has improved, we will continue our promotion of sports events such as running, hiking, tennis, badminton or football. We have introduced health days for our employees worldwide. Further, we also offer nutritional counselling and coaching for a healthy lifestyle.



## RESPONSIBILITY FOR THE COMMUNITY

Assuming social responsibility is part of the self-image of the AMANN Group and the shareholders behind it. Intercultural competence, openness to new things and interest in lifelong learning are important core competences and the Hanns A. Pielenz foundation supports young people accordingly. In cooperation with the Niederrhein University of Applied Sciences, the foundation supports students from Bangladesh. The integration of the scholarship holders into the daily work routine at AMANN ensures practical relevance. In the best case scenario, the scholarship holders use their training to contribute

to the transformation to fair and sustainable working conditions in their home countries.

In addition, the foundation supports local projects and partnerships between AMANN, and schools, sports clubs and organisations.

The local subsidiaries also take responsibility: AMANN Bangladesh, for example, donated sewing threads for the family strengthening programme of SOS Children's Villages Bangladesh.



# CLIMATE & ENVIRONMENT





## **CLIMATE & ENVIRONMENT**

In the selection of raw materials and their processing in our production facilities, we want to continuously reduce our impact on the environment and climate and thus operate ever more responsibly.

# OUR RESPONSIBILITY

## TEXTILE INDUSTRY CONTEXT

The apparel industry uses 93 billion cubic metres of water every year, which is roughly equivalent to the water consumption of five million people. Almost 20% of the world's wastewater comes from textile dyeing and processing processes.

Source: "How Much Do Our Wardrobes Cost to the Environment?"  
The World Bank 2019.

## APPROACH AT AMANN

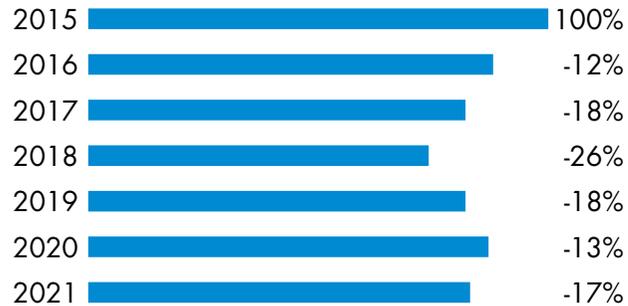
- Professional environmental management according to ISO 14001
- Focus on resource efficiency and solutions for circular economy
- Saving of fresh water as well as treatment of wastewater in cycles in the production process

# KEY PERFORMANCE INDICATORS 2015 – 2021

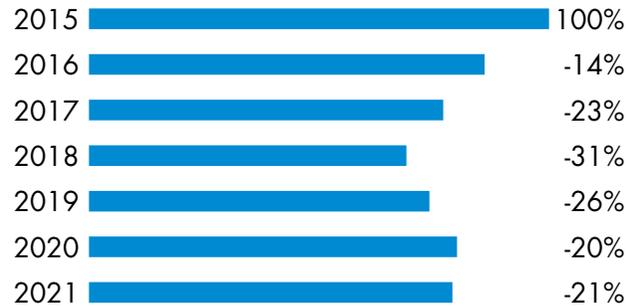
Significant savings were achieved compared to the base year 2015\*:



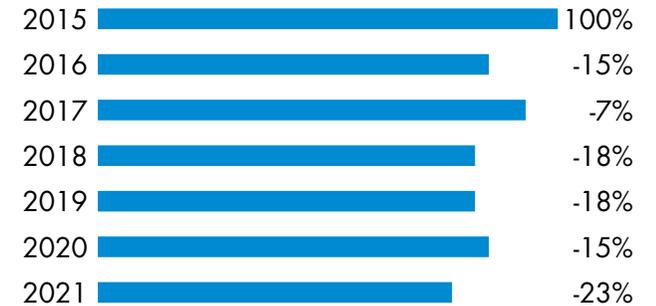
Reduction in power consumption per kg produced.



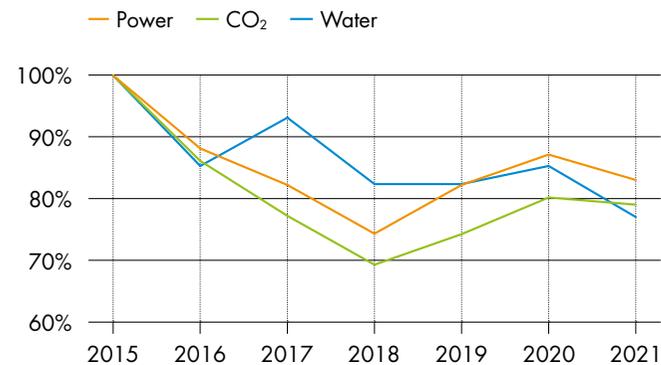
Reduction in CO<sub>2</sub> emissions per kg produced.



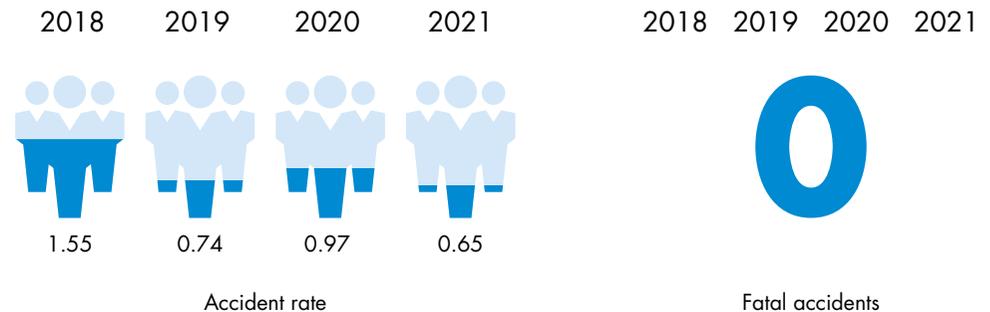
Reduction in water consumption per kg produced.



## Development of KPIs 2015 – 2021



## Accident rate per 100 employees 2018 – 2021



\*For better comparability a uniform percentage form of presentation was chosen.

# ENVIRONMENTAL AND CLIMATE MANAGEMENT

Active environmental, energy and waste management, which is constantly being improved, is an essential part of our AMANN sustainability strategy. For this, we rely on uniform, certified production processes worldwide. This ensures that the same standards apply everywhere - whether in Czech Republic, Bangladesh, China or Germany.

With our globally uniform standards for production processes, we can exceed the minimum standards set by local regulations on climate and environmental management in many places. Already in 2000, we implemented a professional environmental management system according to ISO 14001 at our German production site. We take on this pioneering role in the handling of waste, water, emissions, energy and raw materials in production out of conviction. We also accept higher costs for this.

## WASTE PREVENTION BEFORE DISPOSAL

Within the scope of waste management, we pursue the path of waste avoidance. This applies, for example, to some of our packaging. Any waste that cannot be avoided is recycled in a sustainable manner. Within this framework, the disposal of waste in landfills is to be completely excluded.

“In all our plants, there is continuous monitoring of all processes and consumptions in production in order to optimise them constantly and sustainably.”

## WATER – OUR KEY RESOURCE

The production of our sewing and embroidery threads consumes a lot of water. Therefore, it is our goal to reduce our water consumption and the environmental impact of our wastewater as much as possible. We will achieve this by optimising processes in a way that they consume less fresh water. In concrete terms, we will be able to save up to 25% of fresh water at our new production sites. We will achieve this by adjusting the ratio of water to material to be dyed, and we will also reuse the rinsing water.

Through technical extensions of the wastewater treatment plants at the sites in the Czech Republic and Bangladesh, it will also be possible to reuse up to 50% of the wastewater by treating it and returning it to the dyeing process. The newly planned plant in India will be equipped with a full-stage wastewater treatment plant for complete water treatment. This will allow the entire production water to be recycled and reused completely (Zero Liquid Discharge).

**“Water is indispensable for our production and has been needed in large quantities up to now. This is why we target this area and continuously reduce our fresh water consumption.”**

At other sites, the reuse of water is already part of everyday life: the production site in Vietnam obtains processed water from a wastewater recycling plant and a reverse osmosis plant is operated at our factory in Romania. Here, up to 80% of the dyeing water is treated and reused for dyeing.

## SAVE ENERGY, REDUCE EMISSIONS

Climate protection requires the consistent saving of energy produced from fossil fuels. This is why energy management is an essential pillar of our sustainability strategy: We want to continuously make our energy mix more sustainable and use energy as efficiently as possible.

One path we have already taken in production is to convert the steam boiler units in our dyeing factories to efficient low-temperature processes. Energy consumption and carbon dioxide emissions have been reduced accordingly. The installation of new steam boilers at our sites in the Czech Republic and the UK will enable us to save up to 20% of gas consumption in the future.

**“We combine new technology that reduces energy consumption with renewable solar energy from photovoltaic systems.”**

## ENERGY FROM THE SUN

To make our production more climate-friendly, we also rely on solar energy from our own photovoltaic systems. Our central warehouse in Germany already has a photovoltaic system that covers the daily demand for electricity. For our production plants in Augsburg, China, Romania and Vietnam, the construction of photovoltaic systems with a total capacity of around 3,700 megawatt hours is also planned within the next two years.

## ACHIEVE MORE TOGETHER

Close cooperation with machine and plant manufacturers ensures that we can help to decide today on the technologies of tomorrow. Saving resources is always an integral part of the requirements. Digitalisation offers important possibilities here: For example, by monitoring our dyeing processes online, we can control them precisely and efficiently. We push ahead with this technical optimisation in a targeted manner: In recent years, we have invested more than 2.2 million euros in measures to reduce the use of resources, and we will invest more than 4 million euros by 2024.



## USING WATER IN A CYCLE

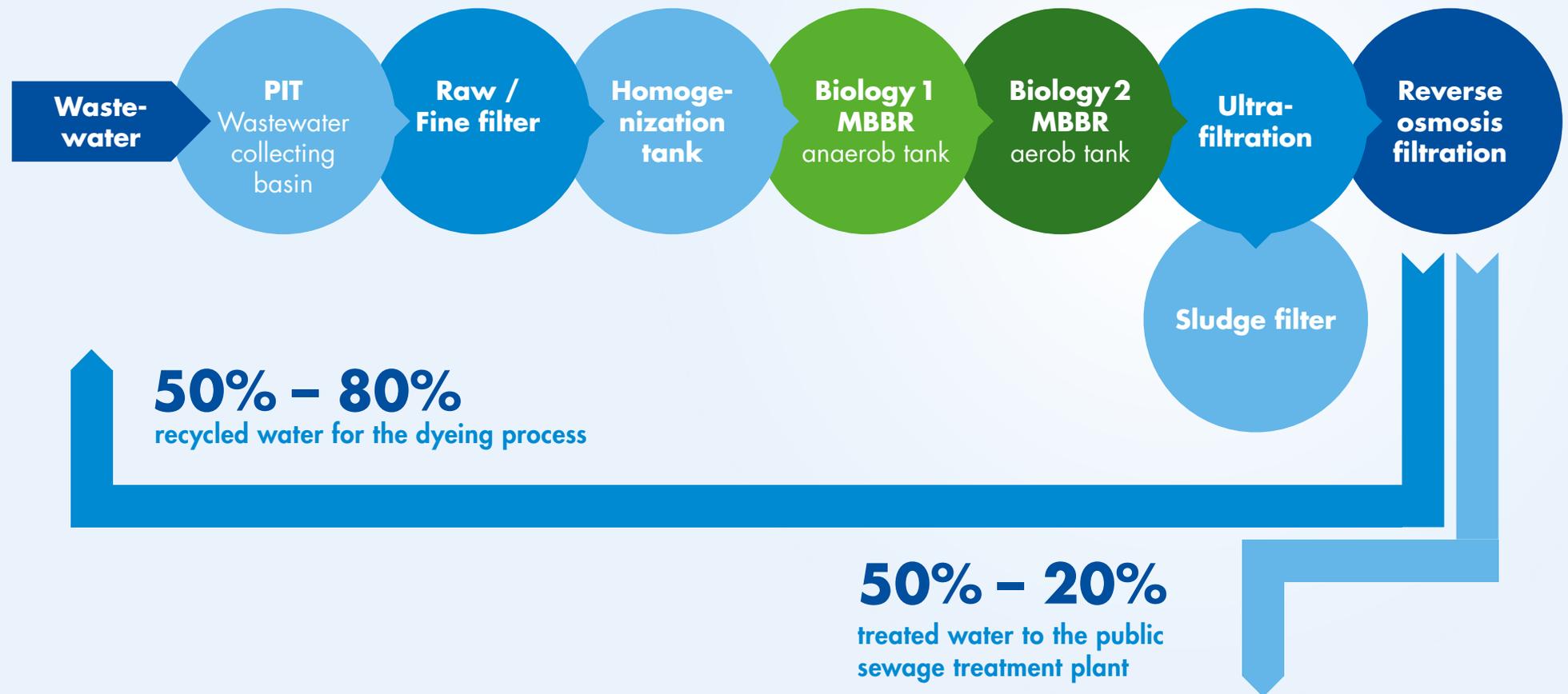
**We produce sewing threads and yarns at seven production sites worldwide. In doing so, we use a lot of water, for example in dyeing. In order to produce as ecologically as possible, we work to continuously reduce our water consumption and the amount of wastewater. Our plant in Romania is a pioneer in this area with its advanced water treatment system.**

Our so-called Effluent Treatment Plants (ETPs) are an effective tool in all dye houses. With our ETPs, we rely on a standard that effectively treats textile wastewater from the dyeing process in our plants through physical, chemical and biological treatment. Our focus is on reusing the purified water in order to avoid the use of fresh water – the keyphrase here is circular economy. Our plant in Romania is particularly advanced in this respect: By using membrane units such as ultrafiltration filters and reverse osmosis filters, we can recycle up to 80% of the wastewater in the production cycle and therefore significantly reduce the consumption of fresh water.

The wastewater from the dye house is collected in a collecting basin, cooled and freed of particulate components by special coarse and fine filters. This is followed by the so-called “biological clarification stages”, in which microorganisms specifically decompose substances in the wastewater. The subsequent ultrafiltration produces filtered wastewater that is 99.99% free of bacteria. In the final stage, this water passes through a pre-filtering system of sand and fine filters to the reverse osmosis unit, which filters the wastewater again in a physical process using membrane technology.

# EFFLUENT TREATMENT PLANTS (ETPS)

SEWAGE TREATMENT PLANT WITH REVERSE OSMOSIS IN OUR FACTORY IN ROMANIA





# PRODUCTS & LIFECYCLE





## **PRODUCTS & LIFECYCLE**

We work to close raw material and product cycles and thereby establish sustainable standards in our production facilities worldwide.

# OUR RESPONSIBILITY

## TEXTILE INDUSTRY CONTEXT

Europeans use about 26 kilos of textiles per year, and of these, 11 kilos are thrown away. Old clothes can be exported outside the EU, but nearly 87% are incinerated or sent to landfill. Globally, less than 1% of clothing is recycled as garments, partly due to inadequate technology.

Source: "The Impact of textile production and waste on the environment." European Parliament 2021. <https://www.europarl.europa.eu/news/en/headlines/society/20201208STO93327/the-impact-of-textile-production-and-waste-on-the-environment-infographic>

## APPROACH AT AMANN

- Contributing to circular solutions and sustainable product innovations in the textile industry
- Cradle to Cradle Certified® Gold product line Lifecycle for circular economy
- Resource-saving Recycled product line made from 100% recycled materials

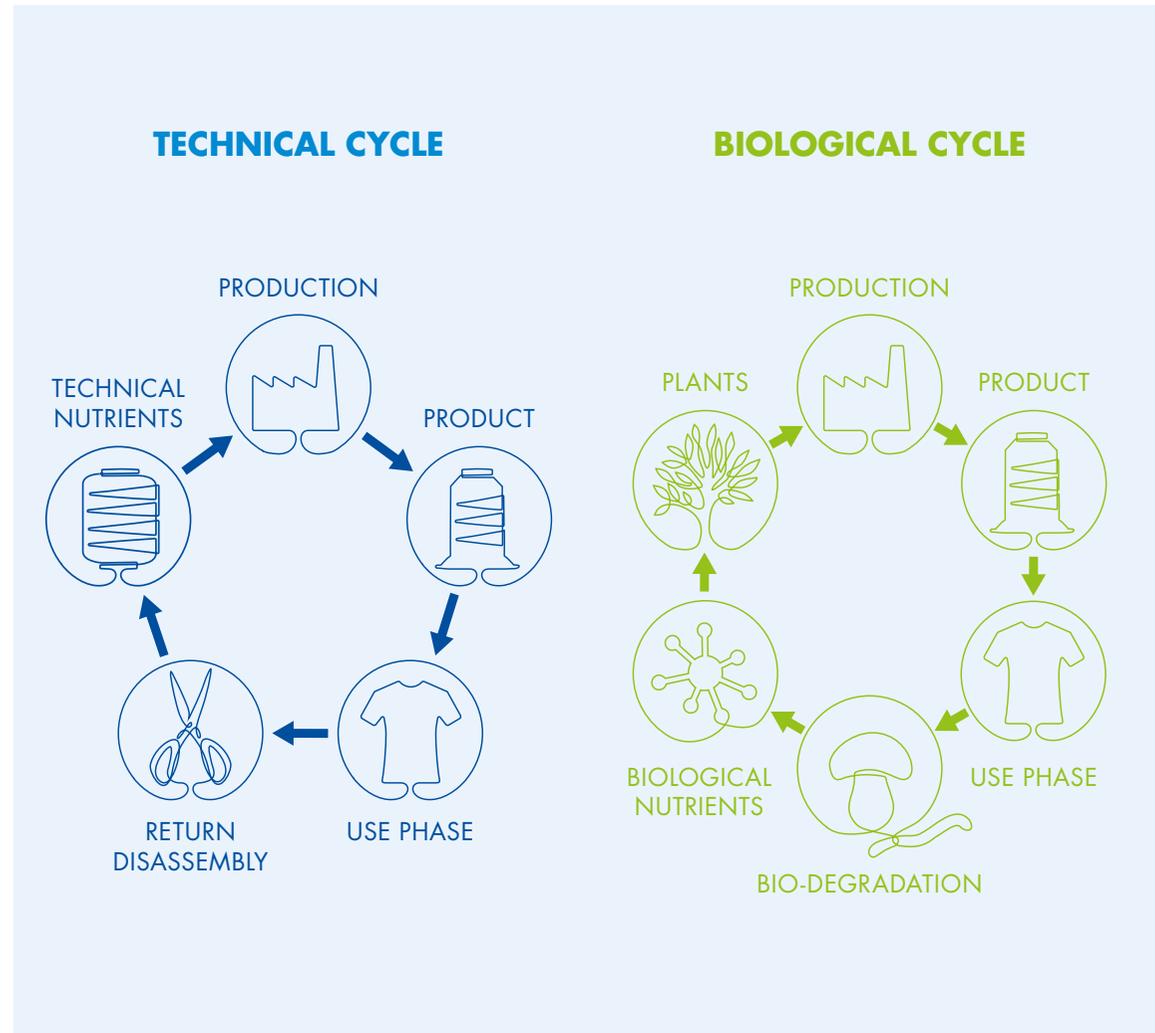
# CRADLE TO CRADLE: THE PRINCIPLE

**Cradle to Cradle is an approach modelled on nature: Raw materials are used in closed cycles and are reused.**

In contrast to the linear economy, in which new resources have to be continuously added, the raw materials circulate in biological and technical cycles. This allows for the most resource-efficient and innovative production processes and products for the benefit of people and the environment. With our Cradle to Cradle Certified® Gold product line Lifecycle, we are the first sewing thread manufacturer worldwide to cover both the technical and the biological cycle. Therefore our sewing threads meet the highest requirements for a resource-efficient and closed circular economy.



Cradle to Cradle Certified® is a registered trademark of the Cradle to Cradle Products Innovation Institute.





# PRODUCT PORTFOLIO AND INNOVATION

**We want to contribute to environmental and climate protection and continuously make our products and production more sustainable. We can look back on a long tradition for these innovation processes: Ecological and social thinking and acting have always been our foundation since the company was established in 1854. This also applies to today's AMANN Group as a globally active family business with locations worldwide.**

## TRANSPARENT STANDARDS THROUGH OWN PRODUCTION

Because we manufacture exclusively in our own production sites, transparent and controlled processes are anchored as standard at AMANN. This is also reflected in our ISO 9001 certification for quality management, which was first awarded to us in 1996, and the environmental management certification according to ISO 14001, which we have implemented since 2000.

## CERTIFIED ACCORDING TO THE GLOBAL RECYCLED STANDARD

Another milestone is the certification of our production sites according to the Global Recycled Standard - GRS for short. The certification took place at the sites where we manufacture the Recycled product line. The Global Recycled Standard includes among other things complete traceability of the recycled material used in the entire production chain. It also documents that we meet the requirements for social and environmental practices as well as chemical restrictions.

**"Five of our seven production sites are now GRS certified and more are to follow."**



## SUSTAINABLE PACKAGING SOLUTIONS

One goal we have set ourselves in the context of the circular economy is that in future all thread carriers and packaging materials should have the highest possible recycled content and that the use of outer packaging should be reduced as far as possible. The thread carriers for our Recycled product line are already made exclusively from recycled granulate. When it comes to packaging, we do not use colour-printed cardboard packaging and only use recycled material.

## CERTIFIED, LISTED AND REPLACED

Our products are certified according to STANDARD 100 by OEKO-TEX®. The sewing and embroidery threads comply with the REACH regulation of the European Union – also with regard to substances of very high concern. In addition, we align our production with the “Zero Discharge of Hazardous Chemicals Manufacturing Restricted Substances List” (see chapter “Supplier Responsibility”). All substances used in our production are listed internally for reasons of occupational safety and environmental protection and are subjected to a risk assessment.

In the past two years, we have been able to replace almost all listed substances. For example, in the production of water-repellent sewing threads, we have replaced the environmentally harmful PFC-finish with environmentally friendly alternatives.

**“High-quality products must also be well tolerated by the environment – that is our maxim.”**

## ADVANCED PRODUCTS: OUR LIFECYCLE AND RECYCLED LINES

The products from our Lifecycle line are Cradle to Cradle Certified® Gold and designed for circularity. Cradle to Cradle stands for a continuous circular economy in which no more waste is produced. After the use phase, products are either returned to biological cycles as biological nutrients or kept in technical cycles as technical raw materials. Cradle to Cradle Certified® products are awarded certification based upon their performance across five critical areas of sustainability: Material Health, Product Circularity, Clean Air & Climate Protection, Water & Soil Stewardship, and Social Fairness. The certificate is awarded in levels: Basic, Bronze, Silver, Gold and Platinum.

**“With our Cradle to Cradle Certified® Gold product line Lifecycle, we open a new chapter in our future-proofness.”**



### AMANN Lifecycle Cotton

AMANN & Söhne GmbH & Co KG

Version 3.1 / Renewal 20 April 2023

	BASIC	BRONZE	SILVER	GOLD	PLATINUM
MATERIAL HEALTH					●
PRODUCT CIRCULARITY				●	
CLEAN AIR & CLIMATE PROTECTION				●	
WATER & SOIL STEWARDSHIP				●	
SOCIAL FAIRNESS				●	

The AMANN Group is the first sewing thread manufacturer worldwide to offer sewing threads for both cycles with its Lifecycle range.

Lifecycle Polyamide, a sewing thread made from recycled polyamide 6, has been specially developed for the technical cycle. It is made from textile waste and has excellent strength and colour fastness properties.

Lifecycle Cotton, the new sewing thread for the biological cycle, is made from extra long-staple organic

cotton and dyed exclusively with compostable dyes. AMANN sewing and embroidery threads from the Recycled line are made entirely from recycled materials. To ensure the high strength and corresponding elongation required for sewing threads, only transparent PET bottles are used for the production of the raw material.



## THE CIRCLE IS BLUE

At AMANN, we believe that the circular economy is of central importance for the textile industry: only innovative, maximally efficient production methods are sustainable and can solve the industry's environmental and social challenges. That is why we offer with our Cradle to Cradle Certified® Gold Lifecycle line sewing threads for both cycles.

We want to fulfil our responsibility as part of the textile industry: While we want to avoid waste, use renewable resources and preserve the value of textiles in the long term, we are equally committed to the health and well-being of the people who make the success of the AMANN Group possible in the first place.

We want to continue to expand our sustainable product portfolio in the future and offer products made from alternative raw materials.



# SUPPLIER RESPONSIBILITY





## **SUPPLIER RESPONSIBILITY**

We want to fulfil our corporate duty of care in the supply chain and procure raw materials according to social and ecological criteria. Together with our suppliers, we want to take responsibility and work together as partners.

# OUR RESPONSIBILITY

## TEXTILE INDUSTRY CONTEXT

Although transparency in supply chain disclosure has improved in the textile industry, only 47% of fashion brands disclose their production sites, 27% disclose wet processing facilities and spinning mills deeper in their supply chain. Production conditions and requirements for suppliers in the textile industry are still difficult to understand.

Source: "Fashion Transparency Index" 2021 Edition.  
Fashion Revolution CIC 2021.

## APPROACH AT AMANN

- Signatory of the UN Global Compact for Responsible Corporate Governance
- Supplier Code of Conduct and verification through own on-site audits of suppliers
- Inclusion of environmental criteria in the selection of suppliers

# SUPPLIER RESPONSIBILITY: AT A GLANCE

**TRANSPARENCY, PARTNERSHIP AS WELL AS SOCIAL AND ENVIRONMENTAL RESPONSIBILITY IN THE SUPPLY CHAIN ARE A MATTER OF CONCERN TO US.**

We therefore select our sales partners and suppliers very carefully. In addition to the legal requirements, we also ensure compliance with our own ethical principles of conduct and the environmental standards of our Supplier Code of Conduct, and check this within the scope of on-site audits of suppliers.





# SUSTAINABLE PROCUREMENT

**As a globally active company, we want to assume responsibility for our customers, employees, society and the environment, so we are very careful when selecting our sales partners and suppliers. To this end, we ensure that, in addition to the legal requirements, our own ethical principles of conduct and environmental standards are also complied with. The basis for this is our AMANN Supplier Code of Conduct.**

Our goal is to do business ethically in the sense of the United Nations Global Compact. Integrity is an indispensable prerequisite for this, and in this context it means above all compliance with the law, honesty, reliability and fairness. This is what we stand for as the AMANN Group.

## **PARTNERSHIP FOR GREENER RAW MATERIALS**

We also expect integrity from our sales partners and suppliers, whom we treat with courtesy and respect. We also attach great importance to ensuring that decisions are made and passed on transparently and comprehensibly in our exchanges with these partners. We select our suppliers in such a way that the distances to our production sites are as short as possible in order to minimise CO<sub>2</sub> emissions. We align our production with the "Zero Discharge

**"We avoid the use of unnecessary chemicals, additives and dyes and only procure from suppliers with an ecologically progressive portfolio."**

of Hazardous Chemicals Manufacturing Restricted Substances List". This list is provided by the "Zero Discharge of Hazardous Chemicals" initiative of the same name – an organisation that has set itself the goal of banning hazardous chemicals from the textile industry. Accordingly, we only buy our raw materials from ecologically progressive and approved suppliers and have managed to eliminate almost all listed substances since 2020.

## THE AMANN SUPPLIER CODE OF CONDUCT

The basis for our day-to-day work is our AMANN Supplier Code of Conduct, which must be signed by all suppliers. It includes the following key points:

1. Conformity with applicable laws and regulations
2. Anti-corruption
3. Fair competition
4. Protection of data and business information
5. Avoidance of conflicts of interest
6. Environmental protection and economical use of natural resources
7. Fair working conditions
8. Anti-discrimination and a respectful working environment
9. Occupational safety and health protection
10. Respect for workers' rights
11. Exclusion of forced and child labour

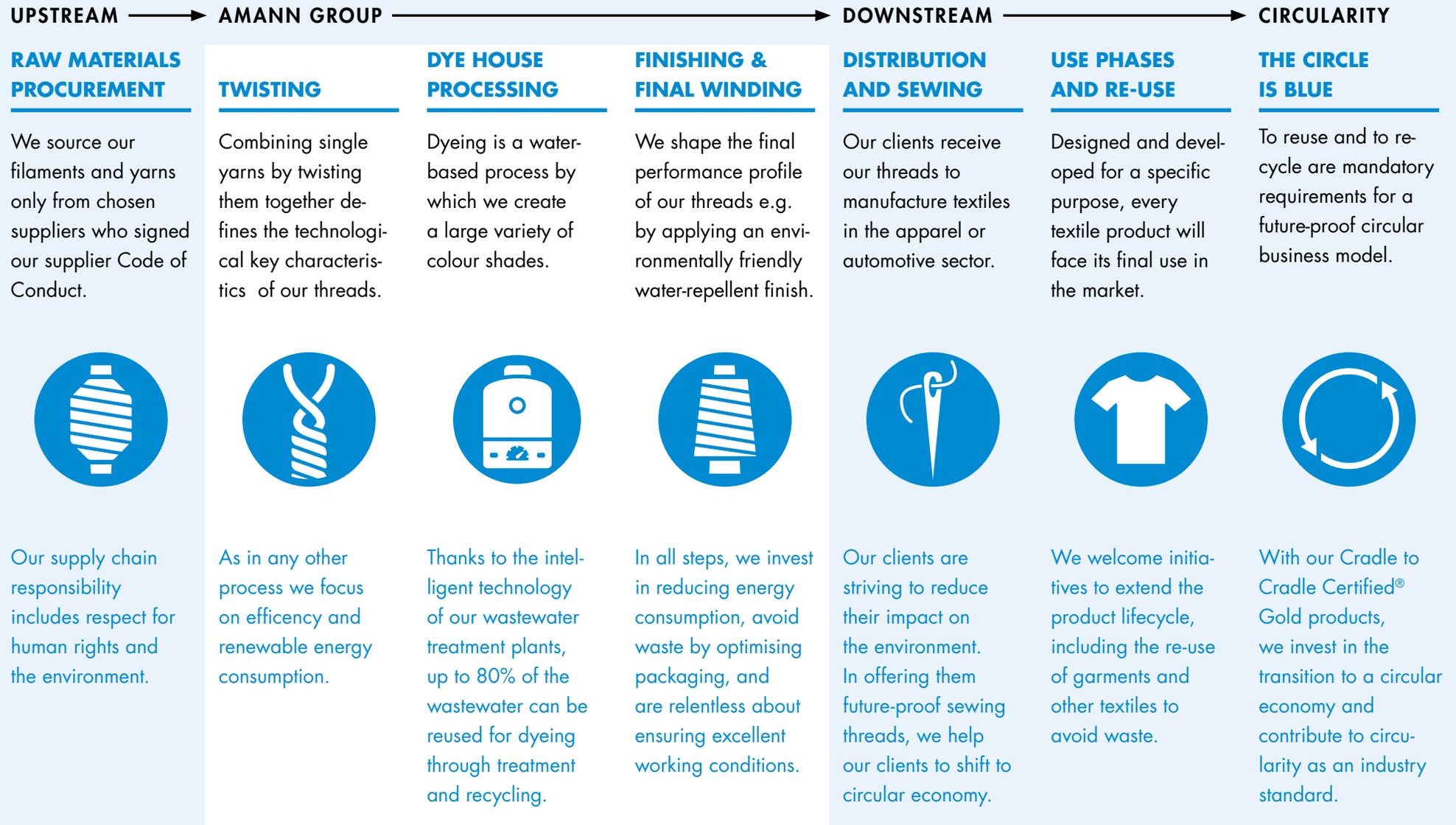
Since 2020, all of AMANN's strategic key suppliers, without exception, have signed the Code or have been able to demonstrate their own and comparable code.

**"We regularly check compliance with our Supplier Code of Conduct by auditing our suppliers on site."**

We regularly check compliance with our Supplier Code of Conduct within the scope of on-site audits at our suppliers' premises and expect an open-minded attitude from our partners in this regard. We reserve the right to take legal action if violations are discovered. In the event of serious violations, ongoing contractual relationships may be terminated without notice.

In 2021, our audits were limited due to the corona pandemic. We will resume full audits as soon as this is safe for our employees and in the spirit of pandemic containment.

# VALUE CHAIN



# TEN PRINCIPLES OF THE UN GLOBAL COMPACT AND PAGE REFERENCES

The AMANN Group is a signatory of the United Nations Global Compact. The table explains the assignment of the ten principles.

## WE SUPPORT



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<b>HUMAN RIGHTS</b>		
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<b>WORK STANDARDS</b>		
3	Upholding freedom of association and collective bargaining	38-41
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