

Innovating for Balance

People – Planet – Profit

Executive Summary Sustainability Report 2016
Lenzing Group

lenzing.com

Innovating for Balance People – Planet – Profit

“Sustainability is a core value and the guiding light for innovation in the Lenzing Group. The raw material wood and the manufacturing processes applied in Lenzing are the basis for the low water consumption of our fibers. In addition, Lenzing™ fibers consume less energy, and, as a result, emit significantly less CO₂ than comparable products in the market. Expanding the sales of our most ecological fibers is a core driver for our business and a benefit for the planet.”

Stefan Doboczky

Chief Executive Officer
Lenzing Group

Innovating for Balance covers sustainability management, responsible sourcing, efficient production with environmental key performance indicators, Lenzing's innovations, key ecological and social developments as well as economic factors in the 2016 financial year.

The structure of the report follows a value chain perspective and provides an insight into specific data and performance in the corresponding chapters. The report is addressed to the following target groups: company employees, customers, suppliers, NGOs, shareholders, and the general public.

The Lenzing sustainability report is the first follow-up report to the sustainability report published in 2012 containing data from 2011. Regional as well as group-wide data is reported according to Global Reporting Initiative (GRI 4 core and additional) guidelines.

What you will find in this Report

Lenzing's sustainability strategy Naturally Positive

The report highlights Lenzings sustainability vision and mission and defines the focus and supporting areas that will guide Lenzing's sustainability activities.



Our vision

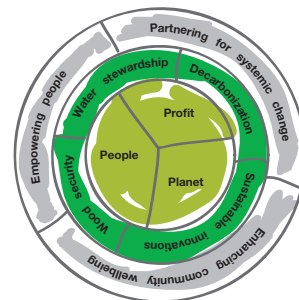
Our passion is to make sustainable fibers available to the growing world. This creates more positive impacts and benefits for people and the planet. It also ensures our economic success.

Focus areas

- Wood security
- Water stewardship
- Decarbonization
- Sustainable innovations

Supporting areas

- Partnering for systemic change
- Empowering people
- Enhancing community wellbeing



Net benefit products

Lenzing's net benefit products offer positive impacts and benefits to environment, society and value chain partners that are substantially better than the most competing alternatives in the market. Net benefit products take a life cycle perspective and thus include both upstream and downstream value chain processes. Net benefit thinking describes the performance of Lenzing's specialities and forward solutions that are part of the sCore TEN strategy.

Some examples

- TENCEL® fibers show higher environmental performance than othercellulosic fibers, such as conventional cotton.
- Lenzing Modal® COLOR fibers avoid conventional dyeing in the downstream value chain and offer superior environmental and human health benefits
- Refibra™ fibers address waste problems in the textile value chain and have better environmental performance than most virgin cellulose fibers.





Circular economy – a systemic change

Innovating for Balance offers insights into how Lenzing exemplifies the circular economy model with its natural raw material wood, its biorefineries, closed-loop processes and biodegradable products.

“Lenzing is in the unique position of running a truly circular business model.” **Stefan Doboczky**, Chief Executive Officer, Lenzing Group

A circular economy is defined as one that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles. The main objective of circular economy is extending the life time of products and materials by keeping the resources in loops as much as possible by intelligent design and organization of material flows. This improves resource productivity.

In-depth information

Innovating for Balance gives in-depth information on

- sustainable sourcing, in particular on responsible sourcing of wood and pulp - Chapter 3
- efficient production (biorefinery, biobased chemicals, fiber-technologies) - Chapter 4
- innovation for sustainable products (R&D, life cycle assessment thinking) - Chapter 5
- responsibility for people (trends, diversity, lifelong learning and training, health & safety, corporate citizenship, compliance) - Chapter 6

Sustainability benefits of Lenzing products

Innovating for Balance closes with a summary of the sustainability benefits of Lenzing products.