



2018

Sustainability Report

Foreword

Numerous environmental and economic events in recent years (climate change caused by CO₂ emissions, plastics floating in the oceans, the catastrophe in Rana Plaza in Bangladesh, the high suicide rate among cotton farmers due to over-indebtedness, etc.) have prompted us to additionally enhance our sustainability guidelines.

The result is “The Holistic Dibella Principle”, which is explained and documented in this report.

We would like to give all those interested a clear idea and objective information about our ecological and social activities.

“With this holistic approach to our activities, we see the greatest possible leverage for dealing responsibly and sustainably with people and resources, especially in the very complex world of the textile industry. This covers the entire value chain from farming to production and delivery, from textile service to the final customer and beyond to end-of-life disposal and includes our own offices, too – there is always potential for improvement. Each quantum of transparency opens up approaches for solutions.”

Ralf Hellmann, Managing Director of Dibella



Managing Director Ralf Hellmann and an organic Fairtrade cotton farmer during the cotton harvest.

Content

1.	Sustainability at Dibella	1
	Sustainability strategy	1
	Our Holistic Principle.....	1
	About this report	2
	Our history	3
	Facts and figures.....	4
	Success backed by strong corporate values.....	5
	Our team.....	6
	In dialogue with our stakeholders.....	7
	Dibella's holistic model	8
	Sustainable Development Goals	10
2.	Our products	11
	Product safety	11
	Dibella textiles.....	13
	Dibella+	13
	Materials	14
3.	Environmental protection	15
	Consumption of materials.....	15
	Advantages of organic cotton.....	16
	Secondary raw materials and packaging material.....	17
	Energy consumption	18
	Mobility	19
	Climate calculator	20
	Dibella Forest	21
4.	Humans	23
	Suppliers.....	23
	Code of Conduct.....	23
	Supplier contracts.....	24
	Private-Public-Partnership Project	24
	Manuals for suppliers.....	24

Joint activities with the Chetna Cooperative	25
Training at Chetna	26
Raising awareness	28
Customer training	28
Dibella inside	29
Dibella committed to good health	29
Management-Employee Dialogue	29
Parental leave	29
Employees - overview and development	30
Absences	30
Vocational training and advanced education	30
Employee diversity	30
Our network	31
MaxTex	31
GoodTextiles Foundation	32
School education	33
Cotton Bags	35
Forest participation model	36
5. GOTS and Fairtrade supply chain	37
Respect Code	38
Appendix	41
GRI content index	
Sources	
CO ₂ Report: Corporate Carbon Footprint 2018	

1. Sustainability at Dibella

We have been supplying the textile service industry with durable and efficient textiles for the hotel, hospitality and healthcare industries since 1986. For us, the term "*longlife textiles*" is a guiding principle that shapes our mindset and our actions.

The textile industry is in a state of flux and the ethical and ecological standards under which a product is manufactured is increasingly growing in importance. Dibella has been addressing these issues for many years with a clear goal: to improve ecological and social conditions along the textile supply chain in the long term. With our commitment, we give people who work on our textiles a good perspective and simultaneously promote production technologies that have a minimum environment impact.

Sustainability strategy

Dibella adopted a sustainability strategy back in 2011 and has been expanding and enhancing it continuously since then. Working in conjunction with the hessnatur foundation, we developed a holistic principle in 2018.

Our Holistic Principle

Holism is the idea that natural systems and their properties should be regarded as a whole and not just as the sum of their parts. The hessnatur foundation was the first to apply this approach to textile production processes. At Dibella, we also pursue this holistic approach and see it as

our individual definition of sustainability, which is a key determinant of our daily actions.

This Holistic Dibella Principle encompasses the production process and the entire textile-industry value chain but also takes into account the position of the consumer and all corporate activities.

A further milestone in our efforts to be as climate-friendly as possible was reached in 2018, when the first trees were planted at the *Dibella Forest* in Nachikuppam, India. Looking ahead over the next few years, up to 10,000 trees are to be planted there to create a highly diverse forest in a few years' time. The Dibella Forest will offset part of Dibella's own CO₂ emissions. Moving forward, the Dibella Forest is to be a joint project, which is why we are warmly inviting interested companies to join us in this project.

Global problems can also best be tackled together. To this end, we are guided by the 17 Sustainable Development Goals adopted by the United Nations as part of 2030 Agenda for Sustainable Development. These aim to bring economic progress into harmony with social justice while simultaneously respecting the ecological limits of the earth. We want to structure our business activities in such a way that all 17 SDGs are covered as far as possible and are taking measures to this end in a wide variety of different corporate functions.



Two villagers seeing the ultimate outcome of their cotton for the first time

About this report

We want to create transparency – and not only in the supply chain. The purpose of our sustainability report is to describe to our stakeholders the sustainable development of our company as transparently as possible. Accordingly, this report is based on the latest Global Reporting Initiative (GRI) standards for sustainability reporting. We assume that all core indicators listed there contain material information for our stakeholders, which is why we have endeavoured to publish the information available to us on these indicators. A GRI content index is attached.

The information contained in our report covers the financial year from 1 January 2018 to 31 December 2018. The last Dibella sustainability report was published for 2017 and is based on the GRI G4 reporting standard.

The sustainability report is published annually. The figures and data contained in this report have been combined for Dibella b.v. and Dibella GmbH.

There have been no changes to the materiality analysis since the previous reports. Please refer to pages 11/12 of the report for 2016 for more information.

We want to make continuous progress and describe this development. For this reason, we compare key indicators with the prior-year figures whenever possible. Due to the use of new

software, however, a comparison is not always possible.

Any questions on this report or requests for additional information may be addressed to

Michaela Gnass,
CSR Manager

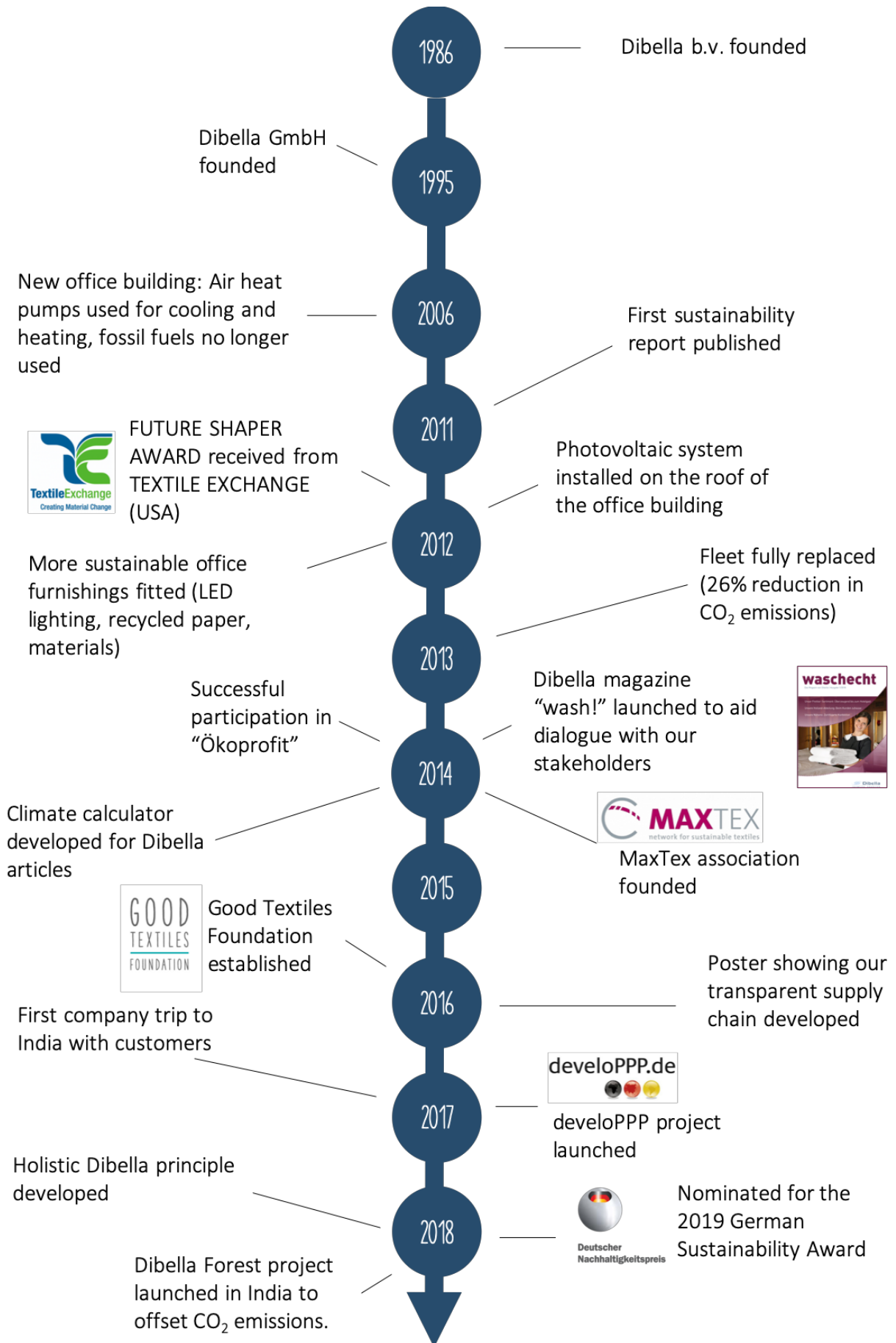
Phone: +49-2871-219863

E-mail: gnass@dibella.de

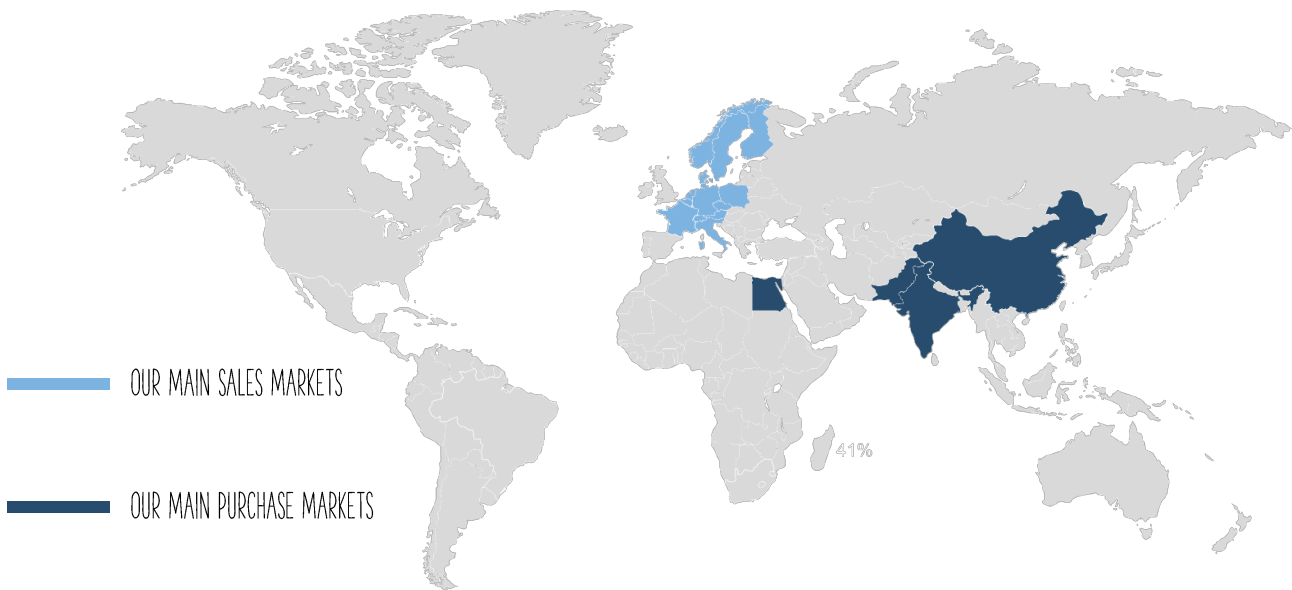


Michaela Gnass standing next to our poster showing our transparent supply chain while visiting a producer in India.

Our history



Facts and figures



Range of articles • Bed linen, towels, table linen

Purposes for which our articles are used • HORECA (hotel, restaurant, catering), healthcare (nursing homes, hospitals)

Number of business locations • Two

Address of Dibella GmbH • Hamalandstr. 111, 46399 Bocholt, Germany

Address of Dibella b.v. • Hamelandroute 90, NL-7121 JC, Aalten, Netherlands

Main customer of our products • Textile rental service (approx. 95%)

Ownership structure • The company is owned by nine private individuals from the local community

Shareholders • Senior employees are shareholders of the Dibella group and hold 38% of its capital

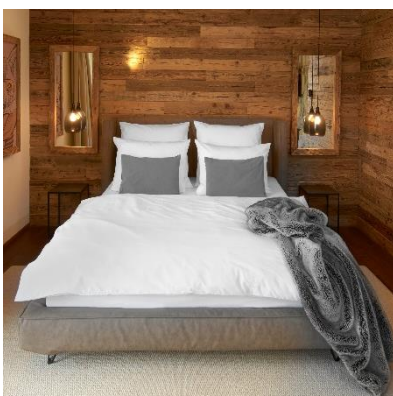
Number of employees • The number of employees remained unchanged at 39 in 2018.

Net revenues • 2018: € 30,466,000 €, 2017: € 28,460,000

Equity: • Unchanged at € 4.13 million

Earnings • All financial statements are published annually and can be inspected at the relevant registers.

la b.v. • Hamelandroute 90, NL-7121 JC, Aalten, Niederlande



Our product groups: bed linen, towels, and table linen.

Success backed by strong corporate values

Our values are what makes us strong. What Dibella stands for and lives by:

We provide top quality at a fair and readily understandable price. Our products are of a high quality, functional and above all durable. Our goal is to offer top value for money.

The customer stands at the core of everything we do. Customer satisfaction is our top priority. We develop individual solutions for our customers and adapt our products to their needs. In addition, we offer top-class customer service.

We respect our suppliers and competitors. We strive for constant improvements in the supply chain. We evaluate all suppliers according to defined criteria pertaining to quality, environmental impact and sustainability and regard them as partners in our efforts to address shared tasks. We are open and fair in our relations with our competitors.

We pay full attention to the needs of our employees. Quality can only be achieved if management and all our employees are actively and

fully committed to the company. Bearing this idea in mind we motivate our employees and encourage new ideas.

We invite our employees to show initiative. Our employees always bear full responsibility for their own duties and we appreciate their reliability, flexibility, creativity, commitment and interest in further training.

We assume social responsibility and act on a sustainable basis. Dibella takes its corporate responsibility seriously and is committed to sustainable business activity. We consider the economic, ecological and social consequences of our activities carefully. This expressly includes protection of the environment, the minimisation of climate change and the sparing use of natural resources. We exercise our responsibility for sustainable activity in our relations with our customers, producers, suppliers and employees as well as towards the environment and society as a whole.

We document our commitment in the form of certificates and seals. We act transparently and express our commitment through our membership in many different organisations.



Michaela Gnass visiting a school in India sponsored by the GoodTextiles Foundation.

Our team

Back in 2011, we were one of the first companies in the textile industry to enshrine environmental protection and fair working conditions in our corporate guidelines based on our own convictions. We are appreciated in the market as a pioneer of sustainable textiles, something that fills us with quite some pride.

We are also proud of our team. The company's management and employees are closely involved in our sustainability efforts. Training and workshop advance our holistic mindset, ensuring that knowledge is expanded continuously. The knowledge gained in this way is ploughed back into our daily work. Along the entire value chain from product development to the consumer, we strive for the efficient use of resources in the interests of an intact environment and responsibly produced textiles for healthy people.

The company's sustainability activities and measures are coordinated in a team and cover all areas. Sustainability is firmly integrated at Dibella, permeating all aspects of the company. Our CSR team consists of employees from sales, purchasing, marketing, quality management, controlling and management. Each member of the team acts as an ambassador for sustainability in his or her area of work. Regular team meetings in short intervals guarantee close coordination and minimum delay in addressing the matters within the company. All employees are kept informed of current CSR topics via our intranet. The team members are always available to answer any questions.

The company's management continues to be composed of managing directors Ralf Hellmann

and Stefan Tenbusch, as well as the three authorised signatories, sales manager Klaus Baur, export manager Frank Neumann and head of finance & controlling Carsten Ridder. At management meetings, all overriding strategic issues are discussed and corresponding decisions made on matters such as risk management, the orientation of the business segments and the financing and sustainability strategy.



The Dibella team in front of the office building.

Our local CSR employee in Asia has a special significance.

Sreeranga Rajan is our partner in India. He supports and advises Dibella in all textile-related aspects of CSR in Asia and monitors the



Sreeranga Rajan, Dibella's partner in India.

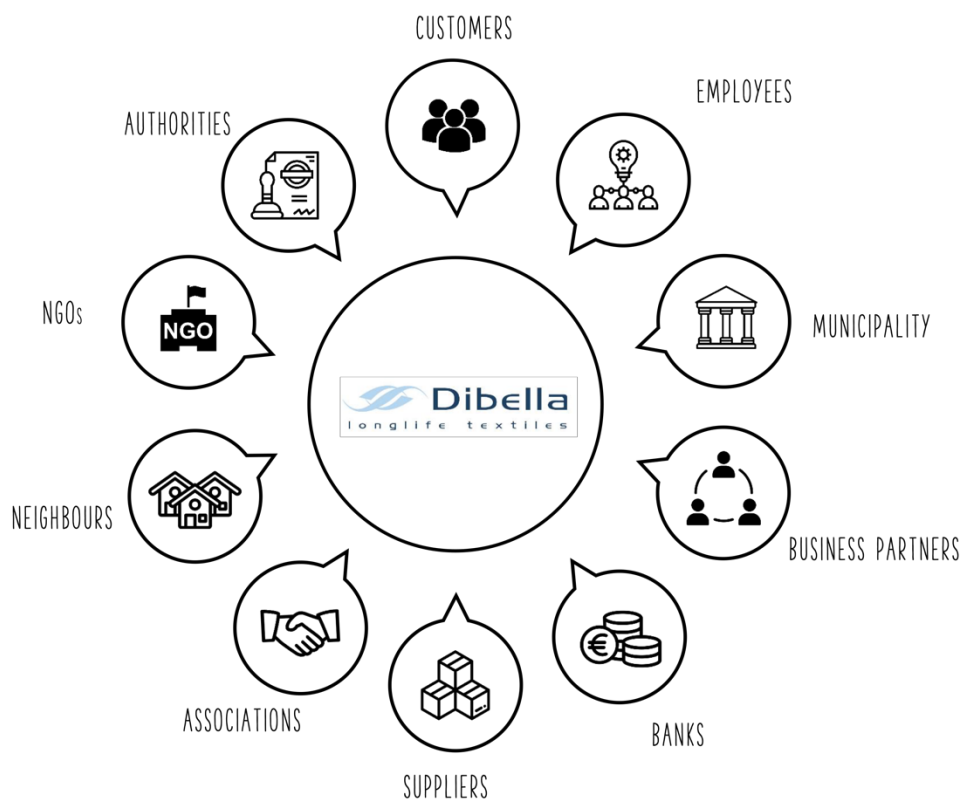
organic Fairtrade cotton farming and Dibella's production in India in the light of ethical and environmental aspects. At the same time, he coordinates the communications between Dibella and the Chetna Organics Cooperative.

In dialogue with our stakeholders

During the period covered by this report, stakeholders were integrated into sustainability issues. Stakeholders are identified and selected on the following basis and by applying the following methods: Corporate mission statements provide

internal guidance and encourage self-identification with the company. Externally, they convey transparency and signal a willingness to accept social responsibility.

Stakeholders are thus identified on the basis of the company's orientation. Stakeholder groups are determined via open communication in a dynamic, two-way process.



Dibella's holistic model

Product

Sustainable product development

Human toxicology – We ensure human toxicological safety by certificates like *Made in Green*, *GOTS* and *Oekotex*.

Design – We develop products that last as long as possible and make the best possible use of materials to avoid production waste.

Material – We aim to increase the proportion of sustainably produced cotton according to defined criteria:

- GMO-free
- Rainfed
- Pesticide free
- Hand-picked

Quality and fit – We offer durable products and constantly optimise their quality by means of constructive complaint management.

Easy care - We support our customers in caring for our textiles by providing washing and care instructions established with our quality management system. This saves resources, minimises the environmental impact and ensures that the textiles have a longer shelf life.

Recyclability – We strive to develop recyclable articles that offer value for money - We convey the value of our articles by setting an appropriate price.

Packaging - We avoid unnecessary packaging and substitute packaging materials for recycled materials or materials of a more sustainable origin.

Logistics - We use the most environmentally friendly transport routes and vehicles. We thus categorically rule out air freight in order to minimise our carbon footprint.

Sustainable production

Supply chain management – We ensure transparency by disclosing our supply chain. We have a clear supplier portfolio with long-term relationships and work exclusively with suppliers who meet our sustainability requirements. We help our suppliers to extend their knowledge by offering training courses. We constantly optimise our quality management. We reduce the environmental impact during transportation.

Life Cycle Objectives (LCO) – We ensure human-toxicological and environmental safety by means of optimised chemical and wastewater management. We also reduce our carbon footprint in production.

Closed loop – We aim to work with customers to set up take-back systems.

Value-based site development – We support local suppliers outside the textile value chain. We promote traditional techniques and local biodiversity on the part of our textile suppliers. We exclude certain countries and regions to ensure the observance of human rights.

Working conditions

Implementation of the Code of Labour Practice - We contribute to the improvement of working conditions at production facilities and establish a continuous improvement process.

Fair trade relations

Subsidies to farmers – We contribute to the livelihood of cotton farmers by offering fair wages.

Customer – We increase our transparency right down to the customer.

Multi-stakeholder relationship in country of origin - We improve our interaction with identified stakeholder groups.

Corporate culture

Values and standards – We create a corporate identity based on defined standards and values. We prepare a sustainability report as a monitoring and control instrument. We improve interaction with our various stakeholders and involve them in our activities. We support social and local projects to remedy grievances in the producing countries.

Sustainable action/work, operations - We optimize our internal processes on the basis of ISO 14001. We reduce the environmental impact within our organisation, e.g. by using sustainable office materials such as paper and energy saving lamps and installing solar panels. We are converting our fleet to low-consumption vehicles and promoting carpooling opportunities. We use the most sustainable means of transport for business travel and offset our carbon emissions.

Sustainability communication – We promote the internal communication of sustainability issues.

Employees – We promote open, trusting and respectful communications as well as a viable family/work balance. We raise our employees' awareness of sustainability and encourage them to participate in events and discussions on the subject of sustainability. We aim to introduce a *sustainability guide* to assist our employees.

Corporate organisation – We entrench the topic of sustainability in our corporate structure and define clear responsibilities.

Business model – We are aligning our sales channels and corporate form to meet the needs of sustainability.

Anti-corruption – Corruption harms all economic operators worldwide. We strictly reject corruption and favouritism in all its forms. We have documented our definition of fair business practices in our anti-corruption business principles.

Customer

Sustainable consumption

Sustainability awareness – We support our customers with marketing materials in order to strengthen their sustainability awareness.

Sustainability knowledge – We share our knowledge with our customers in the form of training courses and joint supplier calls.

Quality awareness – We communicate openly about different product qualities and thus create an awareness of the importance of a worthwhile investment in sustainably produced goods

Laundry practices – Via our quality management we offer information on the best possible care of our products in the light of the need for conserving natural resources and ensuring the longevity of the fibres

Post-consumer recycling – We aim to work with customers to set up take-back systems.

Sustainable Development Goals

ENVIRONMENT



SOCIAL



GOVERNANCE



At the September 2015 summit, the United Nations adopted the 2030 Agenda for Sustainable Development. This forms the blueprint for jointly addressing global problems and creates the basis for bringing economic progress in line with social equity while at the same time ensuring that the ecological limits of the earth are observed and adhered to. The core element of this Agenda is a catalogue of 17 sustainable development goals (SDGs),

In this report I show how Dibella addresses the SDGs.



which incorporate the three dimensions of sustainability - social, environmental and economic - to an equal extent. Dibella has set itself the goal of covering the SDGs in the pursuit of its business activities. Working in conjunction with the hessnatur foundation, we have aligned our activities to these goals. This report describes which of the goals Dibella is addressing. We have assigned the 17 SDGs to environmental, social and governance aspects ("ESG" for short). The activities refer to the measures that we perform

1. along the supply chain,
2. at our head office, and
3. in our relations with customers/consumers.

2. Our products

With the ISO certification, Dibella complies with SDG 12 (Responsible consumption and production).



This section explains how we ensure product safety, what our Dibella and Dibella+ ranges are, and what materials we use for our

products.

Product safety

Independent seals and certificates document our sustainable production. At Dibella, we are certified in the areas relevant to us and our customers. Frequently, our own standards for production conditions and products far exceed the minimum requirements.

We also attach particular importance to responsible chemicals management. Product safety and chemicals management are aspects of the action plan developed by the German "Textilbündnis", a multi-actor-partnership with the goal to improve social and ecological conditions in the textile industry.

A large part of our range is already GOTS-certified and features the "Made in Green" label. We are committed to systematic avoidance of harmful substances. This means that it is particularly important to carry out pre-delivery controls during production.



Dibella has been certified under ISO 9001:2015 and ISO 14001:2015 since 2016. The ISO certifications point out Dibella's commitment to dependable quality and environmental management.



Our Dibella+ products are GOTS and Fairtrade certified.

Our Dibella+ products are certified to one or more of the following sustainability standards:



Fairtrade Cotton

Fair prices and good working conditions in developing countries



Global Organic Textile Standard (GOTS)

100% organic cotton to protect the environment from the cotton field to the final product



Organic Blended Standard (OCS)

Safeguarding ecological environmental standards at the cotton farms



Tencel

Natural cellulose-based fibre suitable for industrial laundry processes

Our Dibella range: High-quality textiles complying with sustainable quality standards. We also pursue established sustainability approaches.



Oeko-Tex: Made in Green

Pollutant-tested textiles from sustainable production facilities



Cotton made in Africa (CmiA)

Improved working conditions for African cotton farmers and preservation of the environment



Repreve

Recycling and efficient reuse of polyester raw materials



Oeko-Tex: Standard 100 zertifiziert

Pollutant-tested textiles



Fairtrade Cotton Program (FCP)

Support for farmers through the purchase of Fairtrade-certified cotton

Dibella textiles

We develop longlife products and constantly optimise their quality. In addition to quality, we attach particular importance to minimising environmental impact and to respecting human rights. For this reason, our standard products are manufactured according to the guidelines of our company philosophy. Thus, all our suppliers sign our *Code of Conduct* and adhere to it in their production activities.

Dibella+

Dibella+ denotes products with a particularly small environmental impact made from sustainably produced materials. During production, we ensure that fair working conditions are observed throughout the entire supply chain. Our criteria for evaluating Dibella+ are clearly defined. In addition, we offer various types of support in order to position Dibella+ products more firmly on the market.

(<https://www.dibellatextiles.com/dibella/>)

What sets Dibella+ products apart? Products bearing this label receive renowned certifications, which are checked and verified by independent third parties. In this way, we prevent “green washing” and make the criteria measurable and transparent. We only use official, traceable labels.

The Dibella+ criteria set standards for more environmentally friendly and socially responsible products throughout the entire industry. Imitation is expressly wanted!

The Dibella material policy applies to all Dibella+ products. With our voluntary commitment to sustainable materials, we help our suppliers reduce their environmental impact and operate more responsibly. We provide advice and support and assume part of the costs of certification.

Dibella observes the stringent GOTS and FAIRTRADE standards for sustainable hotel textiles. The social and environmental standards defined by these two independent organisations apply along the entire cotton value chain, resulting in hotel textiles that are produced fairly and sustainably.



Dibella+ hotel textiles have a particularly low environmental impact and are sustainably produced.

Materials



















For our products we use selected materials and blends in order to offer our customers high-quality products. By using sustainably produced raw fibres, we demonstrably minimise the environmental impact of our supply chains. For this reason, our main focus is on continuously increasing the volume of sustainably produced raw materials used in the production process.

In addition, we have decided to define core aspects for our raw materials. In the case of organic Fairtrade cotton, these are as follows: GMO-free seeds – rainwater irrigation – pesticide free – hand-picked. We plan to further widen the share of sustainably produced cotton.

Dibella offers responsible alternatives:

- Organic Fairtrade cotton instead of conventional cotton
- Tencel instead of polyester
- Recycled materials



Assessment of cotton milestones by Hessnatur Stiftung				
	Fairtrade (kbA)* & GOTS ¹	CmiA	BCI	
GMO-Free Seeds				 Regulated strictly  – Rainwater: not expressly regulated; use of water less for kbA than with conventional cotton – Pesticides regulated much more strictly under CmiA than BCI
Pesticide-free				
Hand-picked				 Not regulated ¹ From the Chetna Initiative ² Dibella solely selects cotton from farmer groups using rainwater irrigation
Rainwater irrigation ²				
Cotton from Uzbekistan excluded				

*kbA = controlled organic farming

3. Environmental protection

The issue of climate change has reached the mainstream. We have been conducting our business in an environmentally friendly manner since 2011.

Consumption of materials

By using sustainably produced raw fibres, we demonstrably minimise the environmental impact of our supply chains. For this reason, we mainly focus on continuously increasing the volume of sustainably produced raw materials used in the production process.

Currently, approximately 24.5 percent of the fibre used in our total product range is made of conventional polyester, a synthetic fibre based on crude oil. As oil production causes immense

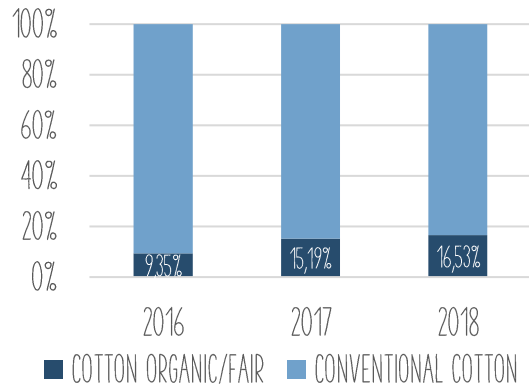


Figure 1: Proportion of organic Fairtrade cotton in total volumes.

pollution, we are increasingly seeking to use recycled polyester in order to lower oil production volumes.

In order to maintain the stable whiteness expected in the textile rental service industry even after multiple laundry cycles, we are working on a PES recycling material that meets these requirements. This special recycling process is correspondingly more cost intensive. Fortunately, it has been possible to increase the amount of recycled polyester, as Table 1 shows

RAW MATERIAL	AMOUNT (KG) 2017	AMOUNT (KG) 2018	COMPARISON 2017 - 2018
Conventional cotton	2,232,975.00	2,047,699.00	-8%
Organic Fairtrade cotton	409,039.00	405,654.00	-1%
Cotton made in Africa Baumwolle (CmiA)	50,000.00	0.00	-100%
Conventional polyester	629,923.00	795,936.00	26%
Recycled polyester	8,832.00	9,428.00	7%
Tencel	5,505.00	0.00	-100%

Table 1: The raw materials we use.

Total	3,336,274.00	3,258,717.00	-2%
--------------	---------------------	---------------------	------------

Table 1 also shows that the total input of organic Fairtrade cotton has decreased, as we used fewer raw materials in 2018. Encouragingly, the proportion of organic Fairtrade cotton has widened relative to conventional cotton. Although we executed orders for Tencel and “Cotton made in Africa” in 2018, we used the inventories that had been purchased in the previous year, which is why the table shows a figure of zero.

There is still low acceptance of Tencel fibres in

By using organic cotton and increasing the proportion of environmentally friendly and resource-preserving materials, SDG 6 (Clean water and sanitation), SDG 13 (Climate action) and SDG 15 (Life on land) are achieved.



the contract market (flat linen) and on the part of customers. The fibre producers will be stepping up their efforts and marketing activities to remedy this situation.

Advantages of organic cotton

The use of organic cotton averts groundwater contamination. The use of organic cotton and, thus, the ban on the use of pesticides prevents contamination of the groundwater.

Five out of Dibella’s 17 strategic suppliers have GOTS and Fairtrade certification and four out of 17 have STeP certification. This means that over 75 percent of the range is at least SteP certified. These standards prohibit

the use of hazardous chemicals in industrial production processes and, among other things, test the pH value of wastewater in factories. In addition, 95 percent of suppliers treat wastewater to prevent harmful substances from being discharged into the groundwater or the sea.

Emissions are lowered by organic cotton. The organic cotton used causes roughly 46 percent fewer greenhouse gas emissions per kilogram compared with conventional cotton. The main focus of CO₂ reductions is ecological farming:

- Use of natural instead of mostly phosphorus-based synthetic fertilisers
- Ban on pesticides
- Organic agriculture guarantees soil quality

The use of organic cotton improves the environmental impact and reduces resource consumption.

The use of organic cotton supports the preservation of biodiversity by ensuring crop rotation.



Impressions of an organic cotton field.



Secondary raw materials and packaging material

We also take care to use products that are as sustainable as possible when it comes to secondary raw materials and packaging materials. Dibella only uses partially recycled FSC mix cartons. The proportion of recycled material varies, as Table 2 shows.

We are currently also trialling boxes made from grass and expect to achieve results by 2019 as a basis for deciding whether the boxes are viable for use by Dibella.

The office has had sustainable fittings since 2012, including recycled paper. In 2018 we started using paper made from agricultural residues which therefore has an even lower environmental impact.

PACKAGING	QUANTITY 2017 (IN UNITS)	QUANTITY 2018 (IN UNITS)	COMPARISON 2017 - 2018
Boxes made from 70% recycled material	24,303	23,018	-5%
Boxes made from 30% recycled material	10,416	9,865	-5%

Table 2: The packaging materials that we use.

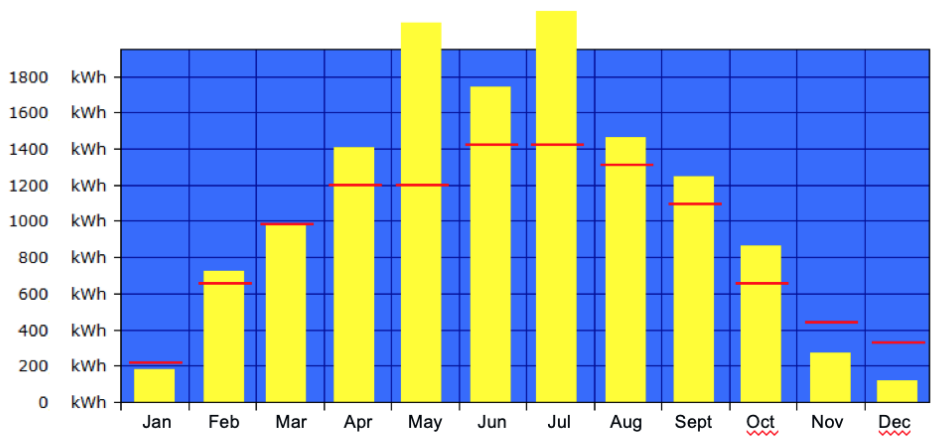
SECONDARY RAW MATERIAL	QUANTITY 2017 (KG)	QUANTITY 2018 (KG)	COMPARISON 2017 - 2018
Recycled copying paper	4,541	4,638	2%
Cardboard packaging	24,303	22,567	-7%

Table 3: The secondary raw materials that we use.

Energy consumption

The office of Dibella b.v. does not use fossil fuels for heating. Instead, air heat pumps are used for heating and cooling. 100% of the electricity required for this comes from renewable sources or the company's own photovoltaic system. In 2018, we consumed 38,971 kWh and produced 13,250 kWh of our own. *Figure 2* shows that the photovoltaic system produced significantly more energy than expected.

As all the electricity for the building used by Dibella b.v. comes from renewable sources and because Dibella has installed a photovoltaic system on the rooftop of its office building, SDG 7 (Affordable and clean energy) has been addressed.



Currently	Year
Feed-in power	0 W
Generator power	0 W
Inverter efficiency	0.0 %
Status	L
Faults	e
	Yield 13249.84 kWh
	Specific yield 1020.40 kWh/kWp
	Maximum 2161.1 kWh
	Target 10907.40 kWh
	Actual (Forecast: 1020 kWh/kWp)+21.5 %

Total avoided CO₂ emissions: 52.26 t

Figure 2: Annual overview of the photovoltaic system for 2018.

Mobility

The company's fleet causes emissions of 22.2 tonnes (t) of CO₂ equivalents. This marks a decline of 23 percent in fleet emissions compared with 2017.

Dibella's fleet policy stipulates maximum CO₂ emissions of 120 g/km. These thresholds will be reduced in line with technical improvements as they become available (particularly for the vehicles used by sales staff). The average CO₂ consumption was 105 g/km.

We plan to lower CO₂ emissions to a maximum of 100 g/kg. The current diesel vehicles are to be replaced by vehicles that pass the new WLTP exhaust gas test.

With its Fleet Policy, Dibella is actively taking precautions to lower CO₂ emissions and protect the climate, thus covering SDG 13 (Climate action).



The fleet comprises 10 vehicles, including one hybrid vehicle, one plug-in vehicle and one electric vehicle. The electric vehicle and the plug-in vehicle are charged via the in-house photovoltaic system.

Obviously, the daily journey to work by car also causes emissions. However, Dibella repeatedly encourages its employees to use more sustainable alternatives. Thus, for example, mileage was reduced by 1,054 km by means of car-pooling in 2018. As well as this, many of our employees come to work by bicycle. In 2018, a total distance of 8,891 km was covered by bicycle. As *Table 3* shows, this is a substantial increase over the previous year.

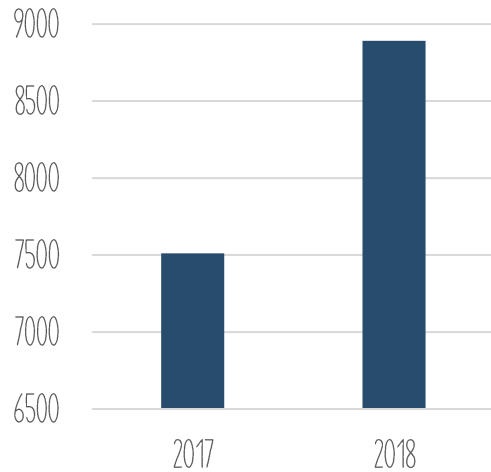


Figure 3: Distance covered by trips to work by bicycle in 2017 and 2018 (km).

Whenever possible, Dibella employees use trains for business trips. At the same time, we endeavour to minimise the number of flights. Unfortunately, this is not always possible, as we welcome the opportunity of visiting our suppliers to inspect the local conditions.

The emissions caused by the fleet and business trips are calculated precisely and offset through our Dibella Forest. More information on this project can be found on page 21.



Employees enjoy riding to work by bicycle.

Climate calculator

Since 2015, Dibella has been using a climate calculator which has been adapted to meet industry-specific requirements in cooperation with ClimatePartner. This makes it possible to trace and identify the CO₂ emissions caused by business activities.

Some of the resulting emissions are being offset by the Dibella Forest from 2018. By offsetting these emissions, Dibella is taking active measures to protect the climate.

In addition, the climate calculator can be used to calculate the emissions that can be saved by using organic cotton instead of conventional cotton for example.

We also perform these calculations for our customers with our climate calculator. This permits a direct comparison of the CO₂ emissions of products made from organically grown cotton and conventionally grown cotton.

The climate calculator also helps Dibella to address SDG 13 (Climate action). The Dibella Forest covers SDG 15 (Life on land) because it not only prevents the destruction of existing forests but also creates new ones.



More detailed information on the emissions caused and saved can be found in the attached CO₂ report.



From left: Sreeranga Rajan, Klaus Baur, Ralf Hellmann and Michaela Gnass visiting the Dibella Forest in 2018.

Dibella Forest

A project which is especially close to Dibella's heart was launched in 2018. In India, Dibella arranged for wasteland with an area of 10,000 hectares capable of accommodating a total of 10,000 trees to be prepared. The purpose of Dibella's planting initiative is to offset CO₂ emissions. "Trees are particularly efficient in breaking down harmful greenhouse gases. This quickly led to the idea of contributing to climate and environmental protection by creating a forest. Our decision in favour of a location in India was in the nature of things: the organic Fairtrade cotton farmers repeatedly tell us of the enormous rainfall and flooding that is afflicting their fields. This shows that climate change has now also reached India," explains Ralf Hellmann.

During the first three years, a family of smallholders is taking intense care of the work that has to be done in the growing forest, such as irrigation. This is because the tree seedlings need water in the first three years until the roots have grown sufficiently. Irrigation is also to be as resource-sparing as possible and therefore takes the form solely of droplet irrigation. Currently, a diesel pump is being used for irrigation. However, it is to be replaced with a solar powered one as soon as possible.

This project is also supported by the local government, which is supplying the water free of charge.

By the end of December 2018, 2,000 trees had already been planted to offset our own CO₂ emissions, and we have since received sponsorship commitments from customers and partners for a further 2,000, so that as of mid-2019 4,000 seedlings have already been planted.

Scan the QR code to view the Dibella Forest in a camera flight!



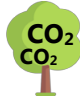


Since we also want to give others the opportunity of acting quickly and unbureaucratically in the interests of climate protection, we have deliberately opened up the project to third parties and launched a participation model known as "Donate 10 euros - plant a tree - offset CO₂". There is still enough space for the company's own forest.

In cooperation with an Indian university calculations were performed to determine precisely how many tons of CO₂ are bound and the results can be seen in *Table 4*.



The Dibella Forest from above.

		
YEAR	NUMBER OF TREES	INDICATIVE CARBON SEQUESTRATION
1	2,000	INSIGNIFICANT
2	4,000	GROWTH-DEPENDENT
3	6,000	23 - 27 TONNES
4	8,000	50 - 55 TONNES
5	10,000	75 - 80 TONNES
6	10,000	115 - 120 TONNES
7	10,000	140 - 150 TONNES
8	10,000	170 - 190 TONNES
9	10,000	220 - 250 TONNES
10	10,000	280 - 310 TONNES
11	10,000	350 - 400 TONNES
12	10,000	425 - 450 TONNES

We have already achieved this goal.



Table 4: CO₂ sequestration through the Dibella Forest over time.

4. Humans

In this section we want to show how we participate in social initiatives. On the one hand this concerns our local employees and on the other hand our entire supply chain. In addition, we are involved in social projects.

By working with selected suppliers and imposing its own Code of Conduct, Dibella covers SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 5 (Gender equality), SDG 8 (Decent work and economic growth), SDG 10 (Reduced inequalities) and SDG 12 (Responsible consumption and production).



Suppliers

Dibella works with a manageable number of suppliers who have had business relationships with the company for many years. We see ourselves as equal partners. Accordingly, we work hand in hand with our suppliers to implement the Dibella quality and environmental standards. New suppliers are selected according to specified criteria and we personally visit the production

site. With our on-site visits we are able to satisfy ourselves that our requirements are being observed. In addition, compliance plausibility checks are performed via the certification audits (e.g. GOTS & Fairtrade Cotton, CmiA, STeP, SA8000). Ten of our strategic suppliers have at least one of the following social/environmental certificates: GOTS, Fairtrade, BSCI, SA 8000, WCA. These partners account for 90 percent of our procurement volumes, up from 62 percent in 2017. We pool our production quantities and preferably award them to partners who actively address the SDGs.

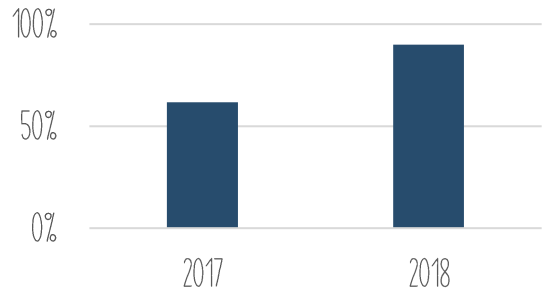


Figure 4: Volumes sourced from suppliers who have an environmental or social certificate (percentage)

Code of Conduct

All our suppliers are obliged to pay the national minimum wage in order to safeguard the livelihoods of the workers and their families. In addition, exploitative child labour is prohibited. Compliance requirements are enshrined in Dibella's sustainability guidelines. Among other things, these stipulate that suppliers must accept the Dibella Code of Conduct in writing and display it visibly for all employees in the local languages and with pictures at their plants. In addition, compliance plausibility checks are performed via the certification audits, e.g. GOTS, Fairtrade Cotton or CmiA.

Dibella has also set itself a target to increase its proportion of GOTS & Fairtrade certified cotton to 25 percent by 2025.

Many hurdles still have to be overcome in order to pay a living wage. In our opinion, this can only be achieved through higher product prices. At the same time, market participants who do not pay these higher prices must be denied access to the markets. Unfortunately, we do not see this happening over the next few years. Consequently, products for which living wages are paid compete directly with conventionally manufactured products. Our experience in recent years shows that the majority of products are not procured in accordance with the principles of sustainability and that higher prices are difficult to achieve in the market.

Supplier contracts

In 2018, the supplier contracts were amended to include social and ecological criteria.

Private-Public-Partnership Project

One of our major suppliers is benefiting from a customised training and support program. In this connection, a two-year pilot project was initiated in 2017 in conjunction with the develoPPP.de funding program organised by the German Federal Ministry of Economic Cooperation and Development. STeP certification was achieved at the end of 2018, increasing the proportion of STeP-certified products.

In 2018, several measures were taken under this project to improve the supplier's social and environmental standards and chemical management. For example, solar capacities were installed, a waste disposal policy was adopted and comprehensive availability of drinking water ensured on the entire company premises. In addition, extensive training and further education were carried out at the supplier's premises. The 2019 sustainability report will describe the entire project in detail.



New solar capacities at our supplier's plant.



Continuing education under the develoPPP project.

Manuals for suppliers

The environmental and social knowledge that a producer receives via the develoPPP.de project is scalable and will be shared with all other Dibella suppliers that do not yet meet the standard after the completion of the project. As a result, the following four manuals for suppliers were produced in 2018: Chemical Management Guideline, Grievance Management and Best Practise Health Manual. The manuals are being sent to all Dibella suppliers in 2019. Dibella's purchasing and CSR department is overseeing compliance with these manuals.

Joint activities with the Chetna Cooperative

Dibella sources organic Fairtrade cotton in India exclusively from members of the *Chetna Organic Farmers Association (COFA)*. Chetna organic cotton has been certified to meet GOTS and Fairtrade requirements. In addition to satisfying the strict guidelines for these two certificates, the cotton grown by Chetna fulfils another important criterion: it is farmed during monsoon rains and therefore requires no additional artificial irrigation. This preserves vital water resources and makes them available to local people as drinking water. The other three core aspects that we have defined for our organic Fairtrade cotton are also satisfied by Chetna cotton.

Farmers receive a minimum price for certified cotton, which is often higher than the market price, as well as additional Fairtrade premiums. These are invested in local infrastructure projects, such as educational institutions or the construction of water wells. Remote villages gain access to education – an important basis for the organic farmers' self-sufficiency. In addition, there is a purchase guarantee of 90 tons of organic Fairtrade cotton via the Fairtrade Sourcing Program (FSP). This gives the farmers a reliable basis for planning.

In 2018 Dibella decided to grant the organic cotton farmers of the Chetna Organic Cooperative further planning security for the ecological cultivation of their fields going beyond the minimum purchase guarantee. In this connection, an interest-free sum of 25,000 euros is being made available in 2019 to pre-finance the purchase of organic seeds. From the purchase of the organic

seeds to the final sale of the cotton at guaranteed Fairtrade prices, farmers can manage their activities with foresight and earn higher incomes to improve their standard of living.

In addition, the members use traditional farming practices, such as natural fertilisers and non-GMO seeds. In this way, they protect the biodiversity of the cultivated areas. The cotton is harvested manually without the use of any chemicals.

As well as this, Dibella is working with customers to promote the sustainable development of cotton farming and social projects. More details can be found on page 32.

By purchasing organic Fairtrade cotton directly, Dibella ensures full traceability of its entire supply chain back to the farm. In this way, we minimise ecological and human rights risks in our supply chain and contribute to sustainable development in India.

"The partnership with Dibella has helped Chetna Organic in many ways: from increasing the yield of organic and Fairtrade cotton harvests to selling them at a higher premium including the receipt of Fairtrade and social premiums from Dibella and its partners. These premiums are then invested in school education programmes, infrastructure development and other community development schemes."

- Arun Ambatipudi, managing director of the Chetna Organic Farmers Association

In 2018, Dibella was nominated for the 2019 German Sustainability Award for Corporate Partnerships in recognition of its partnership with the Chetna Cooperative.

Training at Chetna

5,000 Indian organic Fairtrade farmers are being trained. In cooperation with the Chetna Organic Cooperative, Dibella has initiated various training programmes. One of these is teaching around 5,000 Indian organic Fairtrade cotton growers how to rear goats. By keeping animals, the farmers secure another source of income in addition to their work in the cotton fields. This



Conveying basic goat-rearing skills opens up a further source of income.



One participant in the training course with a new-born goat.

creates a solid basis for ensuring the farmers' self-sufficiency.

This alongside other forms of training, such as organic farming of crops and cotton, is provided at the training centre of the Adilabad region. Built in 2017, a good 70 percent of it was funded from donations provided by the GoodTextiles Foundation.

With the payment of fair wages, the purchase guarantee and the measures aimed at ensuring farmers' self-sufficiency, Dibella addresses SDG 1 (No poverty), SDG 2 (Zero hunger) and SDG 8 (Decent work and economic growth). Investments in seed research covers SDG 9 (Industry innovation and infrastructure). With its nomination for the German Sustainability Award, Dibella also meets SDG 17 (Partnerships for the goals).



We visited the Chetna experimental fields in 2018. This is where the seeds are tested for drought or flooding resilience.



The way to the experimental farm.



The seed bank.



A cotton field at the experimental farm.



The seed bank at the experimental farm.

Raising awareness

Dibella goes far beyond merely paying lip service to transparency along the supply chain. This is an underlying principle, which Dibella renders tangible for its customers in the truest sense of the word, namely in the form of a business trip. This trip takes the participants to India to track the production of Fairtrade organic cotton from the field to the finished product.

At the same time, Dibella+ customers who are involved in sustainable projects in India through the GoodTextiles Foundation have the opportunity of visiting them and of planning further measures if necessary

This trip took place for the second time in December 2018, the classic cotton harvest season in India. During their trip, the participants visited the *Kasturba Gandhi Balika Vidyalaya School* in Bandhpuri and the *Seva Ashram School* in Madhupadar, where they were able to see with their own eyes the steps that have already been taken but also the areas requiring further attention. More information on the various activities can be found on page 32 of this report.

They also visited the village of Lebed, where they had the opportunity of harvesting organic Fairtrade cotton on their own under the guidance of the experienced farmers. At a meeting of the village community convened in honour of the group of travellers, Ralf Hellmann showed the villagers a pillowcase and a towel made from the village's organic Fairtrade cotton. This also happens to be the origin of the photo adorning the title page of this report: the villagers saw the results of their work for the first time and were absolutely delighted.

In addition to inspecting the schools and the village of Lebed, the travellers went to the Chetna Organics experimental farm and visited a producer before moving on to Nachikuppan to see the Dibella Forest.

With this seven-day business trip, Dibella delivered on its promise of ensuring a traceable, transparent supply chain from the cotton field to the factory. Interested parties are always welcome to join us: the next trip to India is already being planned.



The villagers are delighted with the Dibella pillowcase, which is made from their organic Fairtrade cotton.

Customer training

We want to raise sustainability awareness in the textile industry. To this end, we offer our customers free training courses which we conduct in the form of telephone conferences or in person.

Dibella inside

In this section we want to show what we do to promote our employees' well-being.

Dibella committed to good health

To prevent illnesses at work, all workplaces are fitted with thera bands, while selected instructions for exercises are on display in the individual offices. If a member of the team starts feeling pain in their back or shoulders, they can use the elastic band to alleviate the strain. An ergonomics expert regularly inspects the workplaces and identifies scope for improvements. Thus, five standing desks were bought in 2018 for testing by our employees. Following the test phase, we will be conducting a survey to determine additional requirements for such adjustable desks.

There are also regular fruit and vegetable days, during which employees can help themselves to a rich buffet free of charge. In addition, our employees have access to free mineral water, which is bottled in returnable glass bottles and comes from the region. Tea and coffee, which are organic in origin and, in some cases, Fairtrade-certified, are also available to employees free of charge.



The buffet on fruit day

Management-Employee Dialogue

An annual Management-Employee Dialogue is held during which management and employees discuss matters on an equal standing. During these meetings, employee can request further

training or discuss their professional development as well as making suggestions and giving constructive criticism.

Parental leave

Two employees took parental leave in 2018. No employees returned from parental leave in 2018. The retention rate for employees returning after parental leave is 100%. This means that all five employees who returned from parental leave in earlier years were still employed twelve months after returning.

These offers for staff address SDG 3 (Good health and well-being). The high retention rate after parental leave covers SDG 5 (Gender equality), while regular further training covers SDG 4 (Quality education).



Employees - overview and development

Three new employees were recruited in 2018. One of them is a trainee, reflecting the great importance that we attach to developing junior staff from our own ranks. Two room attendant positions that had become vacant were immediately filled again.

After successfully completing his training, our male apprentice left the company to begin his studies. This puts the fluctuation rate at eight percent and, thus, well below the German average.

This low fluctuation means that our stakeholders have the same contact partner over an extended period of time. It also testifies to the positive employee environment and the good working atmosphere.

Absences

Absences came to 2.48 percent in the year under review, an increase over the previous year. However, absences at Dibella are still far below the German average.

In 2018 a survey was conducted to determine whether employees wanted a reduction in working hours. However, this was not the case.

Vocational training and advanced education

We attach great importance to continuous further development, which is why we expect and encourage ongoing training. In our management/employee dialogues, we find out how the employee concerned views his or her own career development and prepare a further education plan on this basis. Each employee may also submit a request at any other time of the year for training or advanced education. In addition, cer-

tain types of training are compulsory for all employees. In 2018, our employees underwent a total of 291 hours of training. On the basis of 39 employees, this is equivalent to an average of 7.46 hours per employee.

Employee diversity

Dibella employs a total of 39 people. Of these, 26 are female and 13 are male. It goes without saying that men and women are treated and paid equally at Dibella.

A large number of the employees (20) are aged between 30 and 50 years. Eleven are aged below 30 years and eight above 50 years.

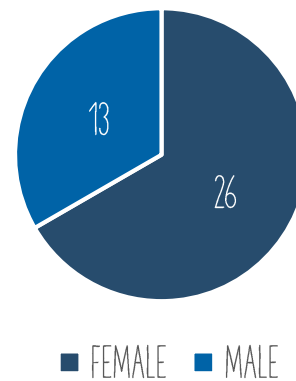


Figure 5: Our workforce by gender.

Dibella does not employ people with disabilities, as no suitable applicants have applied for the advertised positions.

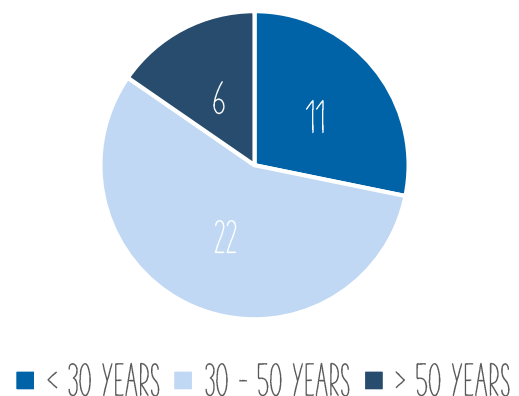


Figure 6: Our workforce by age group.

Our network

We are affiliated with a number of initiatives, associations and organisations within and outside the industry. As a member of various networks, we are additionally committed to responsible corporate governance and fair and sustainable activity.

MaxTex

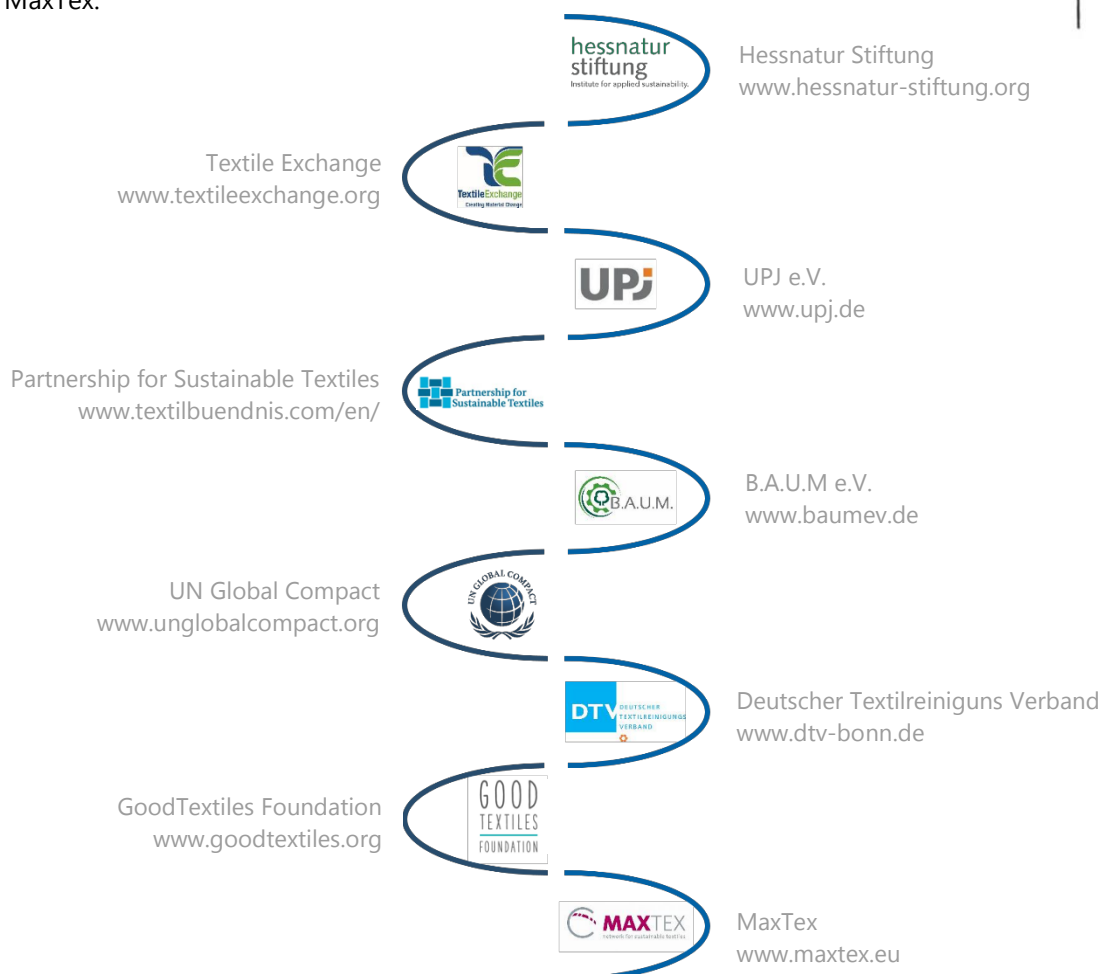
Dibella is a founding member of the MaxTex association. MaxTex is an association of companies from the textile and clothing industry, textile service, suppliers and important customer groups as well as young start-ups. It pursues the goal of reinforcing the sustainable development of the industry in the light of the special requirements of customers and final consumers with regard to sustainable production and services. Dibella employees regularly take part in training courses offered by MaxTex.

It received the 2018/2019 Award for Ethical Corporate Activity in recognition of its outstanding commitment.

With its membership in MaxTex, Dibella satisfies SDG 4 (Quality education) and SDG 9 (Industry innovation and growth). SDG 17 (Partnerships for the goals) is covered through the entirety of all the networks (including MaxTex).



(www.maxtex.eu)



GoodTextiles Foundation

We are committed to human rights, environmental protection and health so that everyone is able to benefit from equal opportunities. For all those who wish to participate, GoodTextiles Foundation (GTF) offers a variety of avenues for achieving greater social equity and the protection of our environment. Project work in the developing countries is overseen by experts in sustainable textile production, environmental development and CSR initiatives. In this way, Dibella has various opportunities for participating in projects that promote fairness and the protection of our environment.

With the school projects and the various measures that are taken in connection with them, Dibella covers SDG 4 (Quality education), SDG 5 (Gender equality), SDG 6 (Clean water and sanitation) and SDG 7 (Affordable and clean energy).



Reception at the Kasturba Gandhi Balika Vidyalaya School.

School education



School children at the Kasturba Gandhi Balika Vidyalaya School.

With the assistance of the GoodTextiles Foundation founded by Dibella, customers, associations, partners and other interested parties can set up their own school project. Thus, the school development project for **Madingpadar, Seva Ashram School, Kalahandi, Odisha, India** was launched in 2018 by Dibella in conjunction with a customer and its own hotel customers. The school is currently attended by 330 students, 271 of whom stay overnight in the school hostel as boarding students. The initiators of the project visited the school in December 2018 and drew up an action plan. In a preliminary step, the classrooms were furnished with 85 tables and benches as the school children had previously sat on the bare floor. The furniture was purchased from local producers with the support of the Chetna Organics Cooperative, which promotes organic farming. This not only supported the local industry but also ensured fast delivery.

During the project a photovoltaic system with a lithium battery will also be installed to ensure continuous power supplies for the school. As well as this, a drinking water filter system is being

purchased to supply the pupils with clean drinking water. Plans are also underway to renovate the sanitary facilities for the school children and to build 13 new toilets for schoolgirls.



What the classroom was like before: the children sat on the bare floor.



New tables and benches for the classroom. The newly laid power lines can be seen above the blackboard.



The girls' dormitory: the girls previously slept on the wooden boards of the beds.



Now the dormitories have been fitted with mattresses.

Under a further school project sponsored by the GoodTextiles Foundation, Dibella supported another school in 2018: **Kasturba Gandhi Balika Vidyalaya (Residential School) Bandhapari, Lanjigarh, Kalahandi, South Odisha, India**. The school has a total of 532 pupils, a large number of whom are boarders.

The following measures have been taken or are planned:

- Renovation of the existing seven toilets
- Acquisition of 100 new tables with benches for three pupils each
- Installation of a new drinking water system
- Acquisition of 275 cotton mattresses
- Installation of a solar system
- Construction of six new toilets

The aim of these measures is to improve living and learning conditions for the school children and to improve their access to education.

In addition, Dibella is continuing to support the **Ashram School, Mahagaon Village, Telangana, India**, through the GoodTextiles Foundation. This project was launched back in 2016 in conjunction with two customers. In 2018, a further EUR 15,000 was spent on renovating the school, with Dibella contributing EUR 5,000. As the school has fortunately now reached a good standard, the school project was completed in 2018.

Cotton Bags

To avoid contamination of cotton harvests with dust, small stones or insects, for example, organic Fairtrade farmers are given reusable cotton bags that keep their harvests clean.

The durable big bags are used for harvesting, transporting and storing the raw cotton. Thanks to the higher quality of the clean raw cotton,

- the organic cotton farmers can achieve higher incomes,
- a correspondingly high-quality, durable final product is available for textile rental service

Via GTF, Dibella distributed 1,000 sacks last year and these were also used again in 2018. They all exhibit the Dibella logo because personalisation is also part of the project.

Participation welcome: Any company that wants to participate in this project can incorporate its

With this project, Dibella complies with SDG 1 (No poverty) and SDG 12 (Responsible consumption and production).



involvement in its advertising. With the assistance of the GoodTextiles Foundation, customers, associations, partners and other interested parties can set up their own cotton sack project. With a donation of 500 cotton sacks at a price of 6 euro each, the sacks feature the company's own logo. (www.goodtextiles.org)



A cotton bag sponsored by Dibella.

Forest participation model

As already described on page 21, the Dibella Forest was launched this year in a project in which Dibella customers and partners can also participate. There is one main reason for this: we want to give other companies the opportunity of taking uncomplicated measures to advance and to participate in climate protection.

The smallholder family earns extra income. Accordingly, this covers SDG 15 (Life on land) and also SDG 1 (No poverty).



The Bareshan smallholder family, who have looked after the Dibella Forest for the first few years.



This is where the seedlings are planted.

5.GOTS and Fairtrade supply chain



Our transparent supply chain is listed separately here because it covers both environmental and human aspects. We are able to trace the cotton used in our GOTS and Fairtrade certified textiles back to the field. Both social and environmental aspects of sustainability are covered by the supply chain. This is the reason why this supply chain is shown here separately. In this way we can improve the living and working conditions of many people and protect the environment with our sustainable textiles.

Fair trade allows small farmers in the southern hemisphere to achieve greater income. Particular attention is paid to observing social standards in

the processing of cotton to produce textiles. Child and forced labour are prohibited at the factories; high safety levels are implemented, and fire prevention and evacuation drills must be performed.

Sustainable textiles protect health and the environment in our own country and also at the source. Smallholders tend to their fields ecologically without using dangerous pesticides or genetically manipulated seeds. Strict environmental standards are observed at the factories. Thus, the use of hazardous chemicals is prohibited, and wastewater must be filtered.



Respect Code

The Respect Code maps the entire manufacturing process of a Dibella product and ensures the end-to-end traceability and transparency of our textile supply chain. Our textile service customers can rest assured that they are buying responsibly produced textiles and are able to demonstrably stand apart from their competitors.

Each product batch receives a specific code, for example 155NAXM for the Dibella napkin "Valencia".

Simply enter the code at www.respect-code.org to gain detailed information on the supply chain for the product batch of the "Valencia" napkin.

The Respect Code is an independent platform that permits product traceability (www.respect-code.org.) It decodes supply chains and checks them for social and ecological aspects.



DIBELLA

- Products selected in accordance with ecological, social and quality-based criteria
- Provides sustainable, fair and durable textiles for the European market

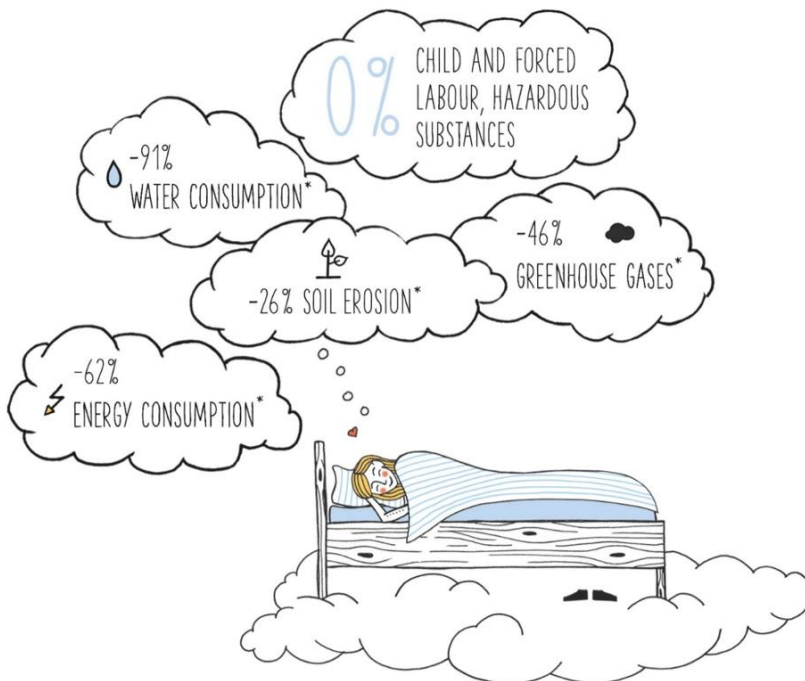
LAUNDRY

- Environmentally friendly laundry process
- Sustainable products for textile leasing
- Laundry leasing supports multiple-use cycle



HOTEL

- Offers fair and eco-friendly products for guests
- Creates a good feeling and experience during hotel stay



GUEST

- Uses textiles that are free from harmful residues
- Receives ethical added value via the fair textile value chain all the way to the small farmers

We are aware of our responsibility towards people and the environment and will continue to implement extensive measures for the sustainable development of the textile industry in the coming financial years.



Appendix

GRI content index

GRI 102: General disclosures

GRI	Beschreibung	Verweis	Seite
102-1	Name of the organization	Facts and figures	p. 4
102-2	Activities, brands, products, and services	Facts and figures	p. 4
102-3	Location of headquarters	Facts and figures	p. 4
102-4	Location of operations	Facts and figures	p. 4
102-5	Ownership and legal form	Facts and figures	p. 4
102-6	Markets served	Facts and figures	p. 4
102-7	Scale of the organization	Facts and figures	p. 4
102-12	External initiatives	Unser Netzwerk	p. 31
102-14	Statement from senior decision-maker	Foreword	p. I
102-16	Values, principles, standards, and norms of behavior	Sustainability at Dibella; Success backed by strong corporate values	p. 1; p. 5
102-18	Governance structure	Our team	p. 6
102-40	List of stakeholder groups	In dialogue with our stakeholders	p. 7
102-42	Identifying and selecting stakeholders	In dialogue with our stakeholders	p. 7
102-46	Defining report content and topic Boundaries	About this report	p. 2
102-48	Restatements of information	About this report	p. 2
102-50	Reporting period	About this report	p. 2
102-51	Date of most recent report	About this report	p. 2
102-52	Reporting cycle	About this report	p. 2
102-53	Contact point for questions regarding the report	About this report	p. 2
102-55	GRI content index	GRI content index	p. 41 ff.

GRI 103: Management Approach

GRI	Beschreibung	Verweis	Seite
103-1	Explanation of the material topic and its Boundary	About this report, Reference to the report 2016	p. 2

GRI 201: Economic Performance

GRI	Beschreibung	Verweis	Seite
201-1	Direct economic value generated and distributed	Facts and figures, Reference to the respective register	p. 4

GRI 301: Materials

GRI	Beschreibung	Verweis	Seite
301-1	Materials used by weight or volume	Materials; Consumption of materials; Secondary raw materials and packaging material	p. 14 ff.
301-2	Recycled input materials used	Consumption of materials	p. 15

GRI 302: Energy

GRI	Beschreibung	Verweis	Seite
302-1	Energy consumption within the organization	Energy consumption	p. 18

GRI 401: Employment

GRI	Beschreibung	Verweis	Seite
401-1	New employee hires and employee turnover	Employees – overview and development	p. 30
401-3	Parental leave	Parental leave	p. 29

GRI 404: Training and Education

GRI	Beschreibung	Verweis	Seite
404-1	Average hours of training per year per employee	Vocational training and advanced education	p. 30

GRI 405: Diversity and Equal Opportunity

GRI	Beschreibung	Verweis	Seite
-----	--------------	---------	-------

405-1	Diversity of governance bodies and employees	Employees – overview and development; Employee diversity	p. 30
-------	--	--	-------

GRI 412: Human Rights Assessment

GRI	Beschreibung	Verweis	Seite
412-1	Operations that have been subject to human rights reviews or impact assessments	Suppliers	p. 23 f.

Sources

Icon Banks p. 7: <div>Icons made by Kiranshastry from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Authorities p. 7: <div>Icons made by surang from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Business partners p. 7: <div>Icons made by Kiranshastry from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Neighbours p. 7: <div>Icons made by itim2101 from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Municipality p. 7: <div>Icons made by Eucalyp from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Customers p. 7: <div>Icons made by Freepik from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Suppliers p. 7: <div>Icons made by Freepik from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Employees p. 7: <div>Icons made by surang from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon NGOs p. 7: <div>Icons made by OCHA from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com

Icon Associations p. 7: <div>Icons made by Pixel perfect from www.flaticon.com is licensed by CC 3.0 BY</div> von www.flaticon.com



Corporate Carbon Footprint 2018

Successful with climate protection

Dibella

Overview

ClimatePartner GmbH („ClimatePartner“) has calculated the Corporate Carbon Footprint („CCF“) for Dibella GmbH and Dibella b.v. consolidated („Dibella“) for 2018 based on the standards defined in the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

The Corporate Carbon Footprint is an important component for the development of a climate protection strategy. By analyzing the carbon footprint, it is possible to identify reduction potentials, develop appropriate measures and define climate protection goals.

This report provides an overview of the calculated emissions for the company's business activities in 2018.

Overall result (t CO ₂)	
2018	1,884.91

The amount corresponds to ...



... a distance of

5,853,791

km driven with a
passenger car



... the yearly carbon
footprint of

224

European citizens



... the yearly carbon
sequestration of

150,793

beech trees

Carbon footprint 2018

The company's business activities generated a total of 1,884.9 t CO₂.

38.6 t CO₂ (2.0 %) are direct emissions (Scope 1). Indirect emissions from purchased energy (Scope 2) amount to 16.4 t CO₂ (0.9 %). Other indirect emissions (Scope 3) generated 1,829.9 t CO₂ (97.1 %).

The largest source of emissions is inbound logistics (88.9 %). The second largest item is flights at 4.7 %. In third place are emissions from vehicle fleet with 2.0 %.

Below is an overview of the Corporate Carbon Footprint.

Table 1: Corporate Carbon Footprint 2018 for Dibella

Emission source		t CO ₂	%
Scope 1	Vehicle fleet	38.6	2.0
	Heating	0.0	0.0
<i>Subtotal Scope 1</i>		<i>38.6</i>	<i>2.0</i>
Scope 2	Electricity	16.4	0.9
<i>Subtotal Scope 2</i>		<i>16.4</i>	<i>0.9</i>
Scope 3	Inbound logistics	1,675.2	88.9
	Flights	87.8	4.7
	Packaging materials	28.2	1.5
	Employee commuting	26.1	1.4
	Upstream emissions of fuel	6.9	0.4
	Upstream emissions of electricity	2.9	0.2
	Train trips	2.0	0.1
	Office paper	0.6	0.0
	Waste treatment	0.2	0.0
	Water	0.1	0.0
	<i>Subtotal Scope 3</i>		<i>1,829.9</i>
Total		1,884.9	100.0

When offsetting emissions, a safety margin of 10% is applied to the carbon footprint. This covers uncertainty in the data used in calculating the carbon footprint and thus ensures that the company is climate neutral. The quantity of carbon emissions to be offset amounts to 2,073.4 t CO₂.

Figure 1: Percentage share of emissions per scope

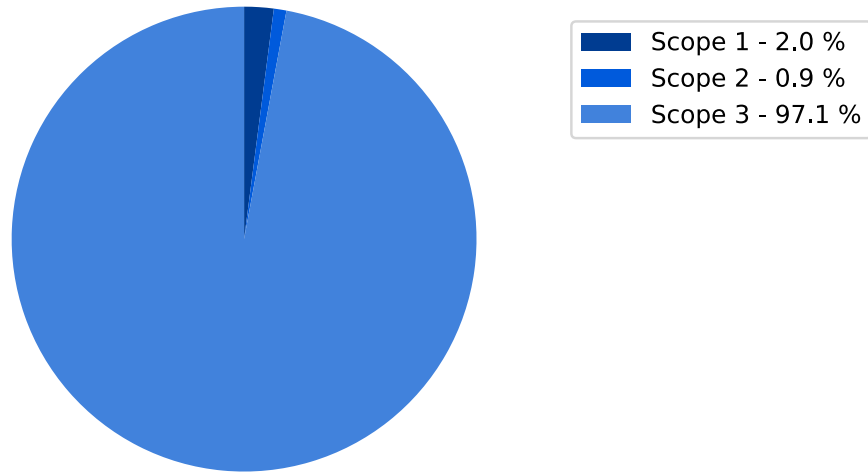
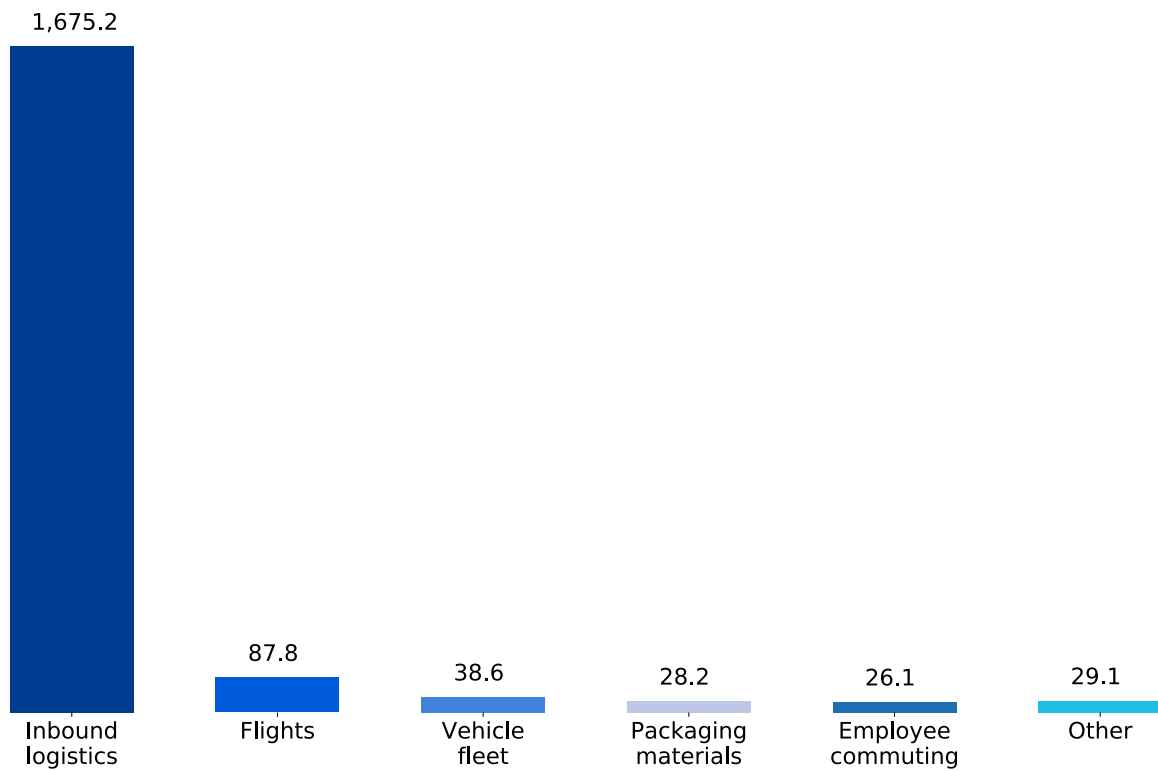


Figure 2: Most significant emission sources in t CO₂



Emission source		2017	2018	Difference	
Scope 1	Vehicle fleet	42,7	38,6	-4,1	
	Heating	0,0	0,0	0,0	
<i>Subtotal Scope 1</i>		42,7	38,6	-4,1	
Scope 2	Strom	16,3	16,4	+0,1	
<i>Subtotal Scope 2</i>		16,3	16,4	+0,1	
Scope 3	Inbound logistics	1.411,8	1.675,2	+263,3	
	Flights	46,1	87,8	+41,7	
	Employee commuting	33,8	26,1	-7,7	
	Packaging material	30,6	28,2	-2,4	
	Upstream emissions of fuel	7,4	6,9	-0,5	
	Upstream emissions of electricity	2,8	2,9	+0,1	
	Train trips	1,7	2,0	+0,3	
	Office paper	0,6	0,6	+0,0	
	Waste treatment	0,2	0,2	+0,0	
	Water	0,1	0,1	+0,0	
	<i>Subtotal Scope 3</i>		1.535,2	1.829,9	+294,7
	Sum		1.594,2	1.884,9	+290,7

Appendix

Climate protection and climate neutrality

Integrated climate protection follows the principle: avoid unnecessary emissions, reduce existing emissions, and offset unavoidable emissions.

A regularly updated carbon footprint is a crucial tool for companies and organizations to identify significant emissions mitigation and reduction potential and to track the effectiveness of climate protection measures over time.

Companies, processes or products are climate neutral when all carbon emissions have been calculated and offset by supporting carbon offset projects.

The mechanism of carbon offsetting is based on the fact that greenhouse gases are evenly distributed in the atmosphere and greenhouse gas concentration is therefore approximately the same throughout the world. Therefore, for global greenhouse gas concentration and the greenhouse effect, it is irrelevant where on Earth emissions are caused or avoided. Emissions that cannot be avoided locally can therefore be mathematically offset by climate protection measures at another location. This offset is rendered possible by carbon offset projects.

By offsetting the emissions generated at the site 2018 (for manufacturing companies, emissions excluding raw materials, packaging and logistics), Dibella GmbH has the opportunity to become a climate neutral company and draw attention to its commitment to climate protection.

If a manufacturing company offsets all emissions, including raw materials, packaging and logistics, the manufactured products can also be labelled as climate neutral.

Thanks to the availability of climate neutral products, customers become increasingly aware about climate protection. In addition, customers are given the opportunity to make a conscious decision for climate protection by purchasing climate neutral products.

When offsetting emissions, a safety margin of 10% is applied to the carbon footprint. This covers uncertainty in the data used in calculating the carbon footprint and thus ensures that the company is climate neutral. The quantity of carbon emissions to be offset amounts to 2,073.4 t CO₂.

Description of methodology

In the following sections the procedure and underlying principles for calculating a Corporate Carbon Footprint in accordance with the guidelines of the GHG Protocol Corporate Accounting and Reporting Standard ("GHG Protocol") are described.

Reporting Standard

The GHG Protocol is the internationally recognized standard for greenhouse gas accounting on the corporate level. It was developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

It defines five fundamental principles for the calculation of carbon footprints:

- **Relevance:** The principle of relevance requires that all major emissions sources be considered in calculating a company's carbon footprint, and the report should be useful for internal and external decision making.
- **Completeness:** The principle of completeness means that all relevant emissions sources within the boundaries must be respected.
- **Consistency:** To facilitate the comparison of results over time, accounting methods and boundaries must be documented and maintained in the following years. Any changes in methodology and boundaries must be mentioned and justified.
- **Accuracy:** Distortions and uncertainties should be reduced as much as possible so that the results offer a solid basis for decisions by stakeholders.
- **Transparency:** The results should be presented in a transparent and comprehensible manner.

Process steps

The following steps are necessary to calculate a carbon footprint:

- Definition of goals
- Definition of boundaries
- Data collection
- Calculation of the carbon footprint
- Documentation of results

Goals

The Corporate Carbon Footprint serves to identify the largest sources of emissions within the company and along the upstream and downstream value chain. It thus forms the basis for the development of a climate protection strategy in which targets, measures and responsibilities for the reduction of greenhouse gas emissions are defined. In subsequent years, it serves to check whether the goals have been achieved, in which areas progress has been made, and in which areas there is a need for action to reduce CO₂.

Definition of boundaries

Carbon accounting requires a clear determination of the inventory boundaries. This includes organizational and operational boundaries.

The organizational boundaries describe the organizational unit and the timeframe to which the Corporate Carbon Footprint refers. The system boundaries may be drawn according to operational or financial control ¹ or according to equity share.

¹ For most companies, system boundaries according to operational or financial control are identical.

The operational boundaries describe the emissions sources that are considered within the organizational boundaries. For the classification of different emissions sources, the Greenhouse Gas Protocol differentiates between three categories (“Scopes”), which are the basis of each Corporate Carbon Footprint:

Scope 1

Scope 1 includes all carbon emissions that can be directly managed by the accounting corporation (direct carbon emissions). This includes emissions generated by the combustion of fossil fuels (mobile and stationary), chemical and physical processes, and the use of refrigeration and air conditioning equipment.

Scope 2

Scope 2 represents indirect carbon emissions from purchased electricity, steam, district heating and cooling. All emissions that are caused by fossil fuel combustion by external energy providers are listed here. The identification in a separate category avoids double counting when comparing CO₂ emissions from different companies.

Scope 3

All remaining carbon emissions that cannot be directly managed by the company belong to Scope 3 (other indirect carbon emissions). This includes all carbon emissions that are related to products and services used or processed by the accounting corporation. Carbon emissions that are associated with the use of sold products and services are also included if direct carbon emissions are generated.

According to the Greenhouse Gas Protocol, the calculation of carbon emissions is mandatory for Scope 1 and Scope 2 but voluntary for Scope 3.

Data collection and calculation

For the calculation, consumption data and emission factors are translated into carbon emissions. The data collected and evaluated are classified as primary and secondary data.

Primary data are data that are collected in direct relation to an object of investigation. Secondary data represent data obtained by the processing and modelling of primary data.

For the conversion of consumption data into carbon emissions, primary as well as secondary data from lifecycle analysis databases (e.g. ecoinvent or GEMIS) are used.

Disclosed Greenhouse Gases

The present Corporate Carbon Footprint discloses all emissions as CO₂ equivalents (CO₂e). This means that in addition to CO₂, the calculation also includes the six other greenhouse gases regulated by the Kyoto Protocol: methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and nitrogen trifluoride (NF₃). These gases are all converted into the global warming potential of CO₂ and thus represent CO₂ equivalents (CO₂e). For better legibility, the emissions are simply referred to as carbon emissions or “CO₂”.

Improving lives

About ClimatePartner

ClimatePartner is a leading solutions provider for corporate climate protection. We advise companies on climate protection strategies and on the reduction and offset of carbon emissions.

Founded in 2006 in Munich, we have 50 staff members at sites in Germany, Austria and Switzerland, as well as over 1,600 clients in 35 countries. We work closely with environmental associations and provide expert opinions on various international committees.

Publisher

Dibella GmbH
Hamelandroute 90
7121 JC Aalten

Tel.: +31 543 477684
info@dibella.de
www.dibella.de

Contractor

ClimatePartner Deutschland GmbH
St.-Martin-Str. 59
81669 Munich

Tel.: +49 89 1222875-0
support@climatepartner.com
www.climatepartner.com

August 2019

Copyright

The copyright remains with the publisher. Full or partial reproduction of this report in any other manner is solely permitted with the written consent of the copyright holder.

www.climatepartner.com