

TEXTIL SANTANDERINA, S.A

Sustainable consumption pledge

Textil Santanderina, S.A. is a leading European textile industry company with a complete, traceable, vertical production system, included Spinning, Design, Weaving, Dyed, Printing and Finishing facilities.

Thanks to great innovation and product development capacity, we can offer a wide range of textile solutions via an effective commercial network with powerful logistics management that responds to our customers' needs.

In times of change, being flexible and resilient helps with adaptation to new scenarios, Textil Santanderina has had to adapt, we have built a brand committed to quality, innovation and sustainability, and, above all, to its customers, who are always at the center of all its processes, based on the circular economy.

All the company's gestures, actions, processes and products are shot through with green: creating value in a sustainable way. Competitiveness and profitability are meaningless if they are not aimed at maximising the positive impact of the business on all aspects of the environment. The goal is always to improve, making the sustainability chain stronger and stronger.

The company's trademark is to generate value for employees, suppliers, customers and, ultimately, for society.

The company has signed the UN Global Compact. It knows this is part of an overall approach and its aim is to get closer to people and customers and to generate more value. Its goal is to be working within the framework of a digital circular economy by 2030. In recent years, Textil Santanderina has developed many initiatives along these lines. And now on the table is an ambitious Green Transition and Digital Transformation Plan that will allow further progress towards a more responsible industry. It includes actions aimed at achieving greater efficiency in resource management and improved traceability and flexibility. Customer satisfaction and generating business by and for people are Santanderina's priorities. It is a long road that requires investing in innovation, human resources, talent and technology, in an orderly and profitable way.

We belong to FICCA¹ (Fashion Industry Charter for Climate Action) from United Nation Climate Change, and we share the same commitments of this organization, so we share and assume their commitments, mainly, (1) to achieving net zero emissions no later than 2050, and (2) Setting at least 50 per cent absolute aggregate GHG emission reductions in scope 1, 2 and 3 of the Greenhouse Gas Protocol Corporate Standard, by 2030 against a baseline of 2019

Innovation and research are intrinsically related to the company's three strategic Rs: reduce, regenerate and recycle. Everything we do has a direct impact on CO2, emissions, energy and water savings, the reduction of chemical products and the Better use of raw materials.

¹ See <u>https://unfccc.int/climate-action/sectoral-engagement/global-climate-action-in-fashion/about-the-fashion-industry-charter-for-climate-action?gclid=EAIaIQobChMIqdHah8qj_QIVJpBoCR2giQQcEAAYASAAEgLvP_D_BwE</u>









1. Carbon footprint reduction

By 2025, Textile Santanderina commits to reducing its scope 1 and 2 emissions from the baseline of 2019 (27.500 t of CO^2 equivalent) to 16.500 t of CO^2 equivalent. To do so our company is following the HIGG FEM methodology, and is audited annually by EQA, European Quality Assurance².

Concerning scope 3 emissions, our company is currently considering to also monitor scope 3 emissions. We are right now in the first step, to know and measure our Scope 3 emissions. Target to 2025/2030 would be the next step.

3. Demonstrate the increase in the circularity

Textile Santanderina is certified in the main recycled certificates, such as Global Recycled Standard (GRS), Recycled Claim Standard (RCS), from Textil Exchange³, and has several projects underway to reach a Circular Economy.

Our commitment for 2025 is to exceed 60% of preferred fibers compared to the total supply of fibers, and 30% of sales under any of the sustainable certifications, compared to the 2019 baseline.

Our forecast is, within the purchases of raw material, to maintain the total volume of fiber purchases, but increasing preferred fiber purchases (from 170 tons in 2019 to 1.000 tons in 2025), and a decrease in standard fibers, until reaching that 60% of preferred fibers on the total.

Regarding sales, our forecast is to maintain the current volume, or a slight increase, but increasing the billing volume of certified yarn or fabric (from 600 tons in 2019, to 2.000 tons in 2025).

4. Demonstrate respect of social sustainability

Our annual report collects the most outstanding aspects within the Social field towards the community, in cultural, sports and educational fields, as well as collaboration with NGOs, and Human Rights.

The most important aspects within the workplace are also collected, such as prevention of occupational risks or equality.

Since 2019, in our approval process for new suppliers, human rights or working conditions clauses are included. We are in the process of implementing an evaluation system based on HIGG/SAC criteria and/or on the UN Global Compact questionnaire. We plan to implement an evaluation system, so we are going to Increasing the number of social audits to (please specify target number) suppliers and increasing the value obtained by suppliers in Higg-FSLM.

5. Ensure that information provided to consumers (reporting)

A sustainability report is published every year in Global Compact - UN website (COP, Comunication In Progress) and on the company website (Memoria Información No Financiera). We will publish our report on the Commission website.

² See link <u>https://eqa.es/</u>)





³ See link <u>https://textileexchange.org/about/</u>