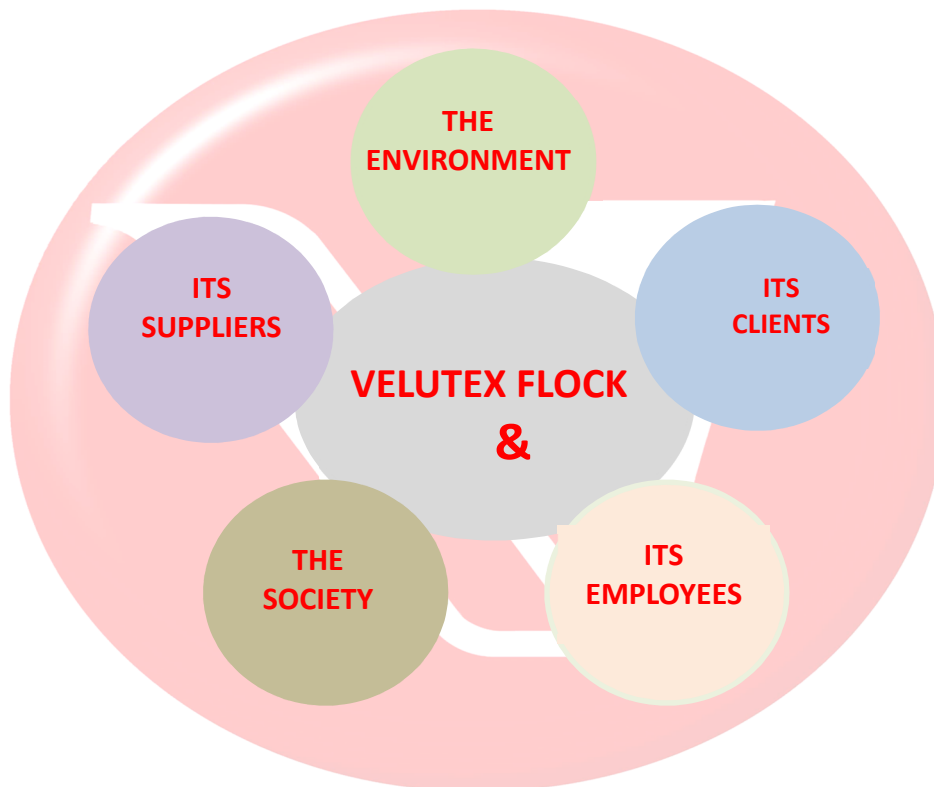


CODE OF CONDUCT VELUTEX FLOCK, S.A.

INTRODUCTION

This code of conduct sets out the ethical commitments and responsibilities, in the management of the business and business activities of Velutex Flock, S.A.

Velutex Flock is leaded by a series of principles and values that integrate the ethical code that all employees & stakeholders must follow. Acceptance of it implies adherence to a framework of values that guarantees the possibility of carrying out its work in an environment of absolute respect for the person, society and the environment.



SCOPE OF APPLICATION

This code of conduct will be applicable to Velutex's stakeholders, it will be published in our website and it will be communicated to all our employees, suppliers and customers to request for their compliance.

Velutex and the environment

At Velutex Flock we know well our special responsibility to the environment, its preservation and sustainable development and therefore it is a priority to define and implement measures that guarantee the maximum respect for it:

- Development of an environmental policy that defines Velutex's commitment for the environmental protection.
- Compliance with applicable environmental legislation.
- Compliance with the different Quality, Environmental and Product Health & Safety standards (OekoTEX Standard 100, ISO 9001, FSC®).
- Commitment to spread and promote good environmental practices among employees, suppliers and customers.
- Commitment to permanently seek ways to reduce an impact on the environment through a continuous improvement on emissions control, waste management, water treatment, energy management systems and any element that could potentially affect environment.
- Promotion among all our staff in the meticulous care of the environment and biodiversity.
- Development of new products with the aim of using materials and processes as sustainable as possible and reducing the demands made on natural resources throughout the life cycle (FSC® certified Viscose, GRS® certified cotton, polyester and new polyamide recycled), Close-the-loop projects to reuse and find new application for Post-industrial and post-consumer recyclates as well as scrap material. Promote reground and mechanical recycled products and bio-based products in our range.
- Promotion of industrial practices that reduce the carbon footprint and use of renewable energies (energy recovery in plant, installation of solar panels, program for reduction of CO2 emissions, etc.).

Velutex and its employees

Velutex grants the rights and dignity of all its employees.

- Respect for people's dignity.
- Rejection of all kind of disrespectful treatment, abuse, intimidation or harassment of employees.
- Respect for equality of people. Do not discriminate against employees on the basis of sex, race, religion, political ideas, disability, marital status or any other personal condition outside their merits and abilities.

- Ensuring compliance with the labour rights of all its employees, as well as decent, safe and healthy working conditions. We incorporate health and safety management practices, personal protective equipment appropriate to each workplace, risk assessment, as well as risk management and safety training for emergency situations.
- We exclude employment to people under 18 years of age in all our activities.
- Dignified and fair remuneration.
- Promote the development, training and promotion of employees, favouring their full development as individuals and as professionals.
- Employees, as a condition of their employment relationship, are required to maintain the strictest confidentiality with respect to the information obtained during the course of that employment relationship.

Velutex and its customers

Velutex Flock's relationship with its customers is based on care, dedication, confidentiality, traceability and advice.

- Our customers are our strategic partners and for them we are committed to continuous improvement of product quality and service and work to establish long-term business relationships.
- Our relationship is based on transparency, providing all technical, security and other information relating to each and every product supplied. Guarantee that no gifts or compensation are received as a result of business relationships.
- Total guarantee of confidentiality, indispensable for the maintenance of mutual trust.
- Velutex is committed to responding quickly and effectively to the requests, suggestions and claims of its customers.
- Customer's information systems containing information or information systems containing Velutex's confidential information or data must be properly managed and protected. All shared information must be treated in a lawful, transparent and secure form and protected in accordance with security policies.
- Commitment to responsible supply, under the ethical code and according to European standards of Product Health & Safety.

Velutex and its suppliers

Velutex treats its suppliers with respect, objectivity and transparency.

- The relationship with suppliers will be conducted in accordance with the principles of integrity and honesty. We communicate openly and fairly and always act in compliance with applicable laws. Discrimination, harassment or abuse of any kind will not be accepted.
- Guarantee that no gifts or compensation are received as a result of business relationships.
- Guarantee that the purchase of raw materials, goods and services will be made in the most advantageous way for the company, according to the needs and requirements previously defined.
- Demands on its suppliers to comply with applicable Product Health & Safety laws, as well as Velutex's code of ethics. All products are requested to communicate its Product Safety Information and related certificates. For all of this, suppliers shall acknowledge that compliance with this Code of Conduct is an essential element of Velutex's supplier qualification. In its relationships, the suppliers agree not to support any conduct that may constitute a violation of this Code.
- Suppliers' information systems containing information or information systems containing Velutex's confidential information or data must be properly managed and protected. Suppliers shall use all information in a lawful, transparent and secure form and protect it in accordance with security policies.
- Supplier must avoid any activity that involves an interference or conflict of interest.

Velutex and society

Velutex considers a key task to contribute to the health and well-being of society by:

- Compliance with commercial, labour, tax, etc. laws both state and local.
- Respect for legality. Velutex is committed to the defence, respect and protection of basic labour rights, human rights and public freedoms recognized in the Universal Declaration of Human Rights.
- Velutex subscribes to ONU Sustainable Development Goals and takes action in different projects to improve: Good Health and Well-being, Gender Equality, Affordable and Clean Energy, Decent work and economic growth, Industry innovation and infrastructure, Responsible consumption and production, Climate Action, Life Below water.
- Participation in sponsorship or sponsorship activities in accordance with applicable law in each community
- Promoting transparency and participation in all areas of our professional relationship.

Granollers, May 2023