



***velutex flock***

## **VELUTEX FLOCK S.A. ENVIRONMENTAL POLICY ACTION PLAN AND OBJECTIVES YEAR 2025**

VELUTEX FLOCK S.A. establishes an Environmental Policy to contribute to the sustainable economic development and environmental conservation with specific milestones for year 2025 that are subject to continuous monitoring.

For this reason, the following **action plan 2025** has been defined:

### Seek a range of products as Sustainable as possible

- Promoting new regenerated cellulose materials with a positive environmental impact ( FSC® certified viscose, Lyocell, GRS recycled cotton pre and post-consumer)
- Artificial fibers used are coming from responsible resources warranting the chain of custody
- Polyester fibers & flocks that we commercialize are recycled from post-consumer sources.
- Recycled PA 6.6 flocks also available with performance as close as possible as virgin polyamide.
- Developing alternative products such as biodegradable polyamide, bio-based materials or biodegradable polyester under certain conditions acceptable for the industry
- Suggesting closed-the-loop products by giving a second-life to fibers already existing

### Reduce an impact in waste management

- Reduction of scrap both, internal, or from clients, by applying special closed-the loop products and processes.
- Solid waste classification in all factory areas
- Change to all containers (boxes, bags, labels, etc) made now of recycled material.
- Re-use of boxes, pallets and other materials received from our suppliers

### Comply with the current legislation applicable to Environmental & Product Health and Safety regulations

- Having a Regulatory Affairs responsible that motorize and update the current regulations
- Target for the compliance to the most exigent certificates :
  - Oeko-tex class 1 (includes products for babies and has the strictest requirements and limit values),
  - Request to our chemical suppliers to comply with ZDHC MRSL Conformance Level 3 – the highest level in the current program for Eco Passport certified chemical substances meet the ZDHC's guidelines for safer textile chemistries.
  - Factory management to comply with FSC® & GRS® certified products.
  - Reduce greenhouse gas emissions by specific year milestones described later in this document



## Continued reduction of the impact of our activity on the environment

### Water

- Use of water reuse systems in dyeing-finishing programs
- Level water consumption by sensor applications when dyeing
- Special process to adjust color matching avoiding redyes or reprocessing
- Complete waste water treatment plant
- Production of osmosis water

### Energy

- Heat recovery system and compressors program
- Low temperature dyeing programs in place
- Electric energy with photovoltaic panels: year 2019 (+198 kW) , year 2022 (+106 kWpico)
- Updating the gas boiler (insulation, burner, etc.) to improve the current performance.
- Contracting of 100% renewable electrical energy
- Annual technical-economic assessment of a possible implementation for a self-production of green hydrogen with plant surpluses from photovoltaic.
- Carry out the carbon footprint calculation including Scope 3. for each family products
- R&D projects to reduce the footprint for some materials
- Include in the assessment of raw material suppliers the impact associated with transportation of goods: selection of the supplier closest to equality of conditions of the rest of the parameters.
- Focus the actions to achieve the climate neutrality of the organization:

## MILESTONES

	YEAR 2025	YEAR 2030	YEAR 2045
<b>VELUTEX FLOCK FOOTPRINT RESULTS</b>	<b>Reach net-Zero GHG-operations</b>	<b>Reach a 50% reduction Total emissions</b>	<b>Reach net-Zero GHG-emissions</b>
<b>units ( Kg CO2/Kg flock)</b>	1. Reduction of a 40% footprint A1+A2 since year 2018. 2. The result obtained in A1+A2 operations will be compensated in mitigation projects.	1. Reduction of a 50% footprint A1+A2 since year 2018. 2. The result obtained in A1+A2 operations will be compensated in mitigation projects. 3. Reduction of a 50% GHG total emissions (A1+A2+A3).	

Starting in year 2025 and in subsequent years, the result obtained for the operation by Velutex Flock, S.A. (A1+A2) will be compensated in projects of mitigation. Specifically, the value resulting from the total emissions of Scope 1 + Scope 2 will be compensated with the purchase of emissions in projects accredited by entities such as ceroCO2 [<https://www.ceroco2.org/> ].