

# Sustainability Policy

## Introduction

AAC Têxteis recognises that as a manufacturer, it is directly responsible for causing harm to the environment and is totally committed to reducing this impact at every possible opportunity. The unprecedented environmental crisis we, as a global society, are facing, requires radical collective action and AAC Têxteis' approach to being part of the solution, relies on an overarching focus on kindness to both the environment and people. As a business, the company's economic performance, interests and desires are hugely important, but that does not have to be at odds with a business conduct that values the common good and promotes prosocial behaviour. This Sustainability Policy outlines those fundamental principles that underpin AAC Têxteis' efforts to reduce the impact it has, create a fairer society and enact positive change.

## Environment

- To understand exactly where and how we cause harm using Life Cycle Assessment methodology, with the aim of identifying strategic focus areas and accurately tracking what progress is actually being made.
- To prevent environmental pollution, at every opportunity, using resources: rationally; reducing the consumption of water and chemical substances; the production of waste and investing in renewable energy sources.
- To identify opportunities to close the loop on linear supply chains and take the necessary action to move towards more circular, closed-loop systems.
- To establish and nurture partnerships with those organisations and people contributing to positive environmental and social change.

## People

- Create, promote and reinforce, at every opportunity, an organisational culture, based on AAC Têxteis' most basic responsibility: to deal at all times, with compassion, empathy, awareness and trust. This translates to the provision of a safe, supportive and healthy working environment, where all people are treated with ultimate respect and every employee can benefit from and enjoy a healthy balance between work and home life.
- To be held completely accountable to guaranteeing those commitments outlined in the code of ethics, whether that be: the promises of equality and anti-discrimination; absolute rejection of child, forced or compulsory labour; or assurance of the freedom of association and right to collective bargaining.
- Take all necessary and additional measures to protect the health and physical, psychological and social well-being of employees, subcontractors, customers and visitors. Through regular risk assessments, risk mitigation and prevention planning, emergency response and contingency planning.
- Provide a remuneration system that, at the very least, provides a living wage (the minimum income necessary for a worker to meet their basic needs) and respects minimum wage law, as well as normal working hours in accordance with Portuguese law.
- To always act ethically and provide a framework for those who work with AAC Têxteis, to make being ethical as easy as possible. This ethical culture must be built on mutual trust, which has to be earned through honesty and transparency.
- To foster an open environment that encourages and promotes the diversity of all people.
- To nurture and work with each employee, so that they are provided with the conditions needed to flourish and opportunities for continued personal and professional development.
- Continuously reviewing and analysing current organisational systems and practices, to identify any current or future opportunities for improving the work-life balance on offer and the health and well-being of all employees.

- Facilitate inclusive communication, so all voices are heard and those working with AAC Têxteis have the necessary knowledge and opportunities to both, be actively involved in company decisions and contribute to the continued development of all company processes.
- AAC Têxteis' conduct is informed by full compliance with all applicable international laws, regulations and policy relating to human rights, diversity, anti-discrimination, gender equality and worker rights.

## Product & Service

- To ensure a consistent level of excellence in the quality of the products and services offered to all customers.
- To reduce the impact it has and ultimately, contribute to positive change, AAC Têxteis must offer products made with the most responsible materials possible, produced in an ethical way, with an efficient life cycle.
- To provide a diverse product offering that presents viable sustainable solutions and options to the brands AAC Têxteis works with and allows their designers to work with materials that are more responsibly produced. This can only have a positive impact on the environmental impact of the collections AAC Têxteis produces for its customers.
- To build mutually-beneficial relationships with those suppliers, throughout the supply chain, operating at the very best level of sustainable performance.
- Investing in the very latest technology, that will guarantee significant improvements in product and process efficiency and quality.
- To determine the best opportunities to extend the positive impact the company has by encouraging the active participation of an extended range of different stakeholders, with the fundamental aim of improving society and the planet.
- Promoting the continuous improvement of the Management System, informed by the honest feedback provided by those who work with AAC Têxteis.
- Comply with legal and regulatory conventions, guidelines, policies and principles applicable to the activities within the scope of the Management System.
- Ensure environmental and chemical safety across its operations. AAC Têxteis adheres to the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation's Manufacturing Restricted Substances List (MRSL) policy; suppliers are required to familiarize themselves with the MRSL initiative, commit to eliminating hazardous chemicals, and engage in collaborative efforts to create a safer and more sustainable manufacturing ecosystem.

### Contacts:

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