

INTRODUCTION

The Organizations, as NEXTIL GROUP's subsidiaries, adhere to the commitment and comply with NEXTIL GROUP's Sustainability and Environmental Policies, approved by the Board of Administration, and documented in NIG.01 Política de Sostenibilidad and NIG06 Environmental Policy, respectively. Both communicated through NEXTIL GROUP's communication channels.

GOAL

Through this Policy we adopt a set of commitments that guide our strategy and sustainability practices, guarantying full integration of environmental, social and human rights, and governance topics in our daily operations and decision making. We will implement this Policy in the Organizations with other applicable complementary Policies and Codes.

SCOPE

The Policy applies to all Organizations' employees, regardless of their position or role they perform. It is also applicable to any third party linked to the Organizations' operations throughout the supply chain.

POLICY

In all our daily operations, decision making, products and services, we subscribe the following commitments:

- Guide all our efforts to meet customer's requirements and expectations, offering high added value, sustainable, differentiated, and innovative solutions to ensure customer loyalty.
- Establish and manage an adequate integrated management system (environmental, social, and governance), that encompasses the identification, evaluation, control, review of the environmental aspects and impacts, and social and governance risks, aiming to mitigate or reduce them, when they are inevitable.
- Define quantifiable targets and objectives related to the integrated management system performance improvement, aligned with international commitments, monitoring, controlling, and reviewing its compliance.
- Ensure top management's commitment to provide a framework for setting and attaining strategic objectives, ensuring employees engagement through qualification and training, promoting best practices-based knowledge sharing.
- Promote integrated management system's continuous improvement.
- Support environmental protection, preventing all forms of pollution, promoting the responsible use of resources, the control of hazardous chemical substances wastewater discharge, and climate change mitigation and adaption, advocating biodiversity and ecosystems preservation.
- Pursue decarbonization solutions through greenhouse gas emissions and carbon footprint reduction, paramount to mitigate the effects of climate change.
- Ensure progressive elimination of the use of hazardous chemicals in manufacturing processes or, when not possible, its replacement for safer alternatives to protect the environment and guarantee employee, communities, and consumer health and safety, progressing towards green chemistry.
- Strengthen a traceable and responsible supply chain, promoting, to the extent possible, the use of more sustainable raw materials.
- Provide continuous training to employees in environmental and health and safety topics, including chemical handling, necessary for adequate health physical risks identification and response and environmental accidents prevention.
- Respect and protect internationally recognized Human and Labour Rights, according to the main treaties and covenants, including the Universal Declaration of Human Rights, UN Guiding Principles on Business, and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO).

- Avoid causing negative impacts on Human Rights, ensuring that we do not violate them nor are complicit in their violation, assuming the responsibility to identify, prevent, mitigate, and repair real or potential negative impacts on Human Rights, directly linked to our operations.
- Encourage an inclusive work environment, based on the principles of respect for human dignity and equality of opportunities and fight all forms of discrimination and harassment.
- Provide safe and healthy workplaces, prevent work-related injury and occupational diseases by promoting occupational health and safety, ensuring hazard elimination and risk reduction. Consult and involve workers and/or their representatives.
- Establish mutually beneficial partnerships with stakeholders with the aim of improving organizational governance, community engagement and growth in the context of sustainable development challenges.
- Comply with all legal, regulatory, and normative requirements, continuously seeking opportunities to exceed mere compliance.
- Apply the highest international standards of corporate governance, including those defined by the Organisation for Economic Cooperation and Development (OECD), promoting transparency, accountability, and responsible corporate governance.
- Implement risk-based due diligence processes to identify and assess adverse impacts and risks related to human rights, including labour, environmental, bribery and corruption, information disclosure, and consumer interests, associated with our operations, supply chain and business relationships.
- Assume the responsibility of our decision making, activities and products related impacts, promoting ethical conduct, transparency, and fair practices, continuously ensuring the needs and expectations of stakeholders are met.

We believe we should actively engage all stakeholders in the apparel and textile industry, encouraging sustainable development practices.