



# WEAVING A SUSTAINABLE FUTURE

2024  
Sustainability

REPORT





# INDEX



## Weaving a sustainable future (CEO's letter)

3

## 2024 ESG Highlights

5

### CHAPTER → 01 Textil del Valle: Dressing the world with quality and sustainability

Page. 6

- 1.1 About Textil del Valle 7
- 1.2 Purpose and corporate values 9
- 1.3 Our business model 10
- 1.4 Our products and services 11
- 1.5 Supplying the world's leading markets 13
- 1.6 Partnerships and recognitions 15

### CHAPTER → 02 Our commitment to sustainability

Page. 17

- 2.1 Milestones in our sustainability management 18
- 2.2 Integrating sustainability into our DNA: triple impact strategy 20
- 2.3 Our positive impact as a B Corporation 22
- 2.4 Contribution to the Sustainable Development Goals 25
- 2.5 Our double materiality analysis 30

### CHAPTER → 03 Responsible governance for sustainable growth

Page. 34

- 3.1 Our governance model 35
- 3.2 Promoting ethical and responsible conduct 42
- 3.3 Comprehensive Approach to Secure Management 49
- 3.4 Our economic performance 54
- 3.5 Building a sustainable supply chain 57

### CHAPTER → 04 Innovation, quality, and excellence in every process

Page. 61

- 4.1 Operational excellence 62
- 4.2 Quality management and certifications 64
- 4.3 Innovation and product development 66
- 4.4 Use of sustainable raw materials 71
- 4.5 Building trust-based relationships with our clients 76

### CHAPTER → 05 Driving the planet's sustainability

Page. 79

- 5.1 Our environmental management 80
- 5.2 Climate strategy and decarbonization 82
- 5.3 Water management eco-efficiency 87
- 5.4 Waste management and circular economy 92
- 5.5 Chemical management 98

### CHAPTER → 06 Developing and empowering our talent

Page. 101

- 6.1 Our TDV team 102
- 6.2 Human capital development 108
- 6.3 Well-being and work environment 113
- 6.4 Commitment to occupational health and safety 114

### CHAPTER → 07 Creating value and well-being for our community

Page. 119

- 7.1 Strengthening relationships with our stakeholders 120
- 7.2 Our contribution to community development 122
- 7.3 Contributions and social programs 126
- 7.4 Commitment to human rights 128

### CHAPTER → 08 About this sustainability report

Page. 130

- 8.1 About this report 131
- 8.2 ESG indicator tables 132
- 8.3 Table of GRI content 137
- 8.4 SASB content index 148
- 8.5 DEGS content index 150

# WEAVING A SUSTAINABLE FUTURE (CEO'S LETTER)

It is with pride that I present, for the fourth consecutive year, our 2024 Sustainability Report. This report provides an account of the progress made around our three core pillars: environmental, social and governance, as well as our firm commitment to building a responsible business model aligned with the global challenges of the sector.

The results we share in this report reflect the dedication, teamwork and commitment of all those who have been part of Textil del Valle S.A. BIC throughout these 37 years. **Our mission is clear: to build a future in which fashion is not only synonymous with quality, but also with sustainability and responsibility.**

## LEADING THE TRANSFORMATION OF THE TEXTILE INDUSTRY

In 2024, we consolidated our strategy, anchored in three core pillars: circularity, resource efficiency and the well-being of our people. In a challenging context, we implemented key initiatives to optimize water and energy use, enhance our production processes and prioritize more sustainable materials, thus ensuring the quality and performance of our products.

These efforts translated into tangible results: we achieved a 22% increase in sales and a two-point improvement in EBITDA. We also optimized our cash conversion cycle by 48 days, strengthening the company's operational and financial control.

“At Textil del Valle S.A. BIC, we are convinced that the textile industry plays a key role in building a more sustainable future. Our commitment is reflected in concrete actions that promote circularity, resource efficiency, and the well-being of our people”.

## ENERGY AND WATER MANAGEMENT: TOWARDS GREATER EFFICIENCY

The transition to cleaner and more sustainable energy sources remains a priority in our strategy. We currently have 1,320 solar panels installed at our Chincha plant, marking a significant step forward in our commitment to renewable energy. Looking ahead to 2025, we plan to expand this initiative with the installation of an additional 500 solar panels, which will allow us to meet our goal of self-generating between 20% and 30% of our total electricity consumption.

In terms of efficient water management, we have made significant progress in optimizing its use. We implemented upgrades to our ultrafiltration and reverse osmosis plant, allowing us to recover 33% of treated water. By 2025, we aim to expand the capacity of our Potable Water Treatment Plant (PWTP) to further enhance the efficiency and sustainability of this vital resource.



INNOVATION AND CIRCULAR ECONOMY

The circular economy remains one of our core strategies to reduce environmental impact and promote sustainability across our entire value chain. In 2024, we recovered 893.4 tons of textile remnants and surplus materials, and 252.5 tons of other recyclable materials (paper, cardboard, plastic, and scrap metal), representing a significant step forward in our waste management efforts. In addition, through our Ica and Chinchá Recicla initiative, in partnership with Recicla Latam, we promoted the recovery of 824.74 tons of waste in Ica and 418.24 tons in Chinchá. We also contributed to the production of circular inputs by recycling 560 tons of textile remnants, which were used to manufacture blankets donated to high-Andean communities in vulnerable situations. These efforts reinforce our commitment to the circular economy, helping to minimize the environmental impact of our operations.

Looking ahead, we will move forward with the development of a recycled polyester plant, which will bring both environmental and social benefits. This project will not only contribute to sustainability, but will also promote the formalization of waste collectors, increasing their participation from 10% to 30%, improving their working conditions and providing access to new benefits.

DRIVING GROWTH AND WELL-BEING

We reaffirm our commitment to the well-being and development of our employees. In 2024, we delivered more than 8,347 hours of training, reaching 91% of our workforce. This effort was reflected in a positive organizational climate, with a satisfaction level of 72%, an indicator that highlights our teams' commitment and alignment with the company's culture and values.

In terms of social impact, we continued working to improve the quality of life in the communities where we operate. Through our social programs, we reached nearly 80,000 people, promoting education, well-being and social inclusion. Through our Abrigate Perú campaign, we distributed more than 21,000 blankets in vulnerable regions and raised awareness among 21,436 households and businesses on good recycling practices.

In the area of human rights, we developed a comprehensive due diligence process, identifying key risks and strengthening our control mechanisms to ensure our management is aligned with international best practices.

COMMITMENT TO THE FUTURE

Our purpose remains clear: to transform the textile industry by driving innovation, responsibility and, above all, the circular economy as a core pillar of sustainability.

“We invite our employees, partners and clients to join us on this path toward a more conscious future, where every action contributes to creating a positive and lasting impact on the planet and in the communities where we operate”.



Juan José Córdova Benavides  
 CEO OF TEXTIL DEL VALLE S.A. BIC

GRI 2-22



# 2024 ESG HIGHLIGHTS

## OUR ECONOMIC AND GOVERNANCE PERFORMANCE



**USD 79 million**

in economic value generated through our sales



**80%**

local sourcing



**92%**

client satisfaction



**22%**

increase in our sales



**90%**

of our employees were trained on the TDV's ethics line



**55%**

growth in R&D of textile technologies

## OUR ENVIRONMENTAL PERFORMANCE



**70%**

of the operational areas at our Chincha plant have LED lighting



**1,243 tons**

of waste collected as part of the Ica and Chincha Recycles Program



**3rd**

HC Peru Star for carbon footprint reduction in 2023



**33%**

of water recovered at our ultrafiltration and reverse osmosis plant



**1,320**

solar panels installed as of 2024



**100%**

of textile waste recycled

## OUR SOCIAL PERFORMANCE



**2nd Place**

in the Merco ESG Responsibility ranking in the textile sector



**91%**

of employees trained on human rights topics



**+21,000**

blankets donated to communities through our Abrigate Perú program



**72%**

satisfaction in our organizational climate survey



**5**

training programs delivered to our collaborators



**55,686**

people reached with recycling awareness through our Ica and Chincha Recycles program



CHAPTER →

01

# Textil del Valle: Dressing the world with quality and sustainability





# 1.1 ABOUT TEXTIL DEL VALLE

We are Textil del Valle S.A. BIC (TDV), a pioneering company in the Peruvian textile industry with over three decades of experience.

We specialize in the manufacturing of fabrics and apparel for internationally renowned brands, combining quality, innovation and a strong commitment to sustainability.

At TDV, we work every day to dress the world with quality and sustainability. We believe that fashion can and must be responsible. That is why we implement processes that protect the environment and ensure fair working conditions for all our employees and stakeholders.

Our goal is clear: **to become the world's most sustainable textile company** in the apparel manufacturing industry. We are convinced that the talent and creativity of our people can make a difference in global fashion, leading the way to a more sustainable future for the industry.

Transformation is part of our DNA. We constantly innovate, grow and evolve to remain a trusted strategic partner for our clients, offering not only high-quality products but also a positive impact in every product we produce. **GRI 2-1**



Learn more about us.





# OUR OPERATIONS IN PERU

We operate in the regions of Lima and Ica, with a key presence in the district of Chinch​a, where we drive the growth of our industry with high standards of quality and efficiency.





# 1.2 PURPOSE AND CORPORATE VALUES

## OUR PURPOSE

We inspire transformation to dress the world with quality and sustainability.



## OUR VALUE PROPOSITION

“TDV is a strategic partner with whom we develop apparel that meet the highest standards of quality and sustainability”.



### EXPERT GUIDANCE

We bring over 37 years of experience and expertise to serve our clients.



### FLEXIBILITY

We adapt to client needs and seek solutions promptly without compromising the quality of our products.



### TRACEABILITY

Real-time monitoring throughout the entire production chain, ensuring quality and sustainability at each stage.



### COMPREHENSIVENESS

Ability to provide solutions for the entire production chain, enabling our clients to address the needs of end-users.



### SUSTAINABILITY

We work with inputs and processes aimed at mitigating the industry impacts. We seek to empower our community with sustainable practices to build a better world.



### INNOVATION AND TECHNOLOGY

We are continually upgrading our industrial infrastructure and proposing new production methods. Moreover, we evolve constantly to fulfill our purpose.



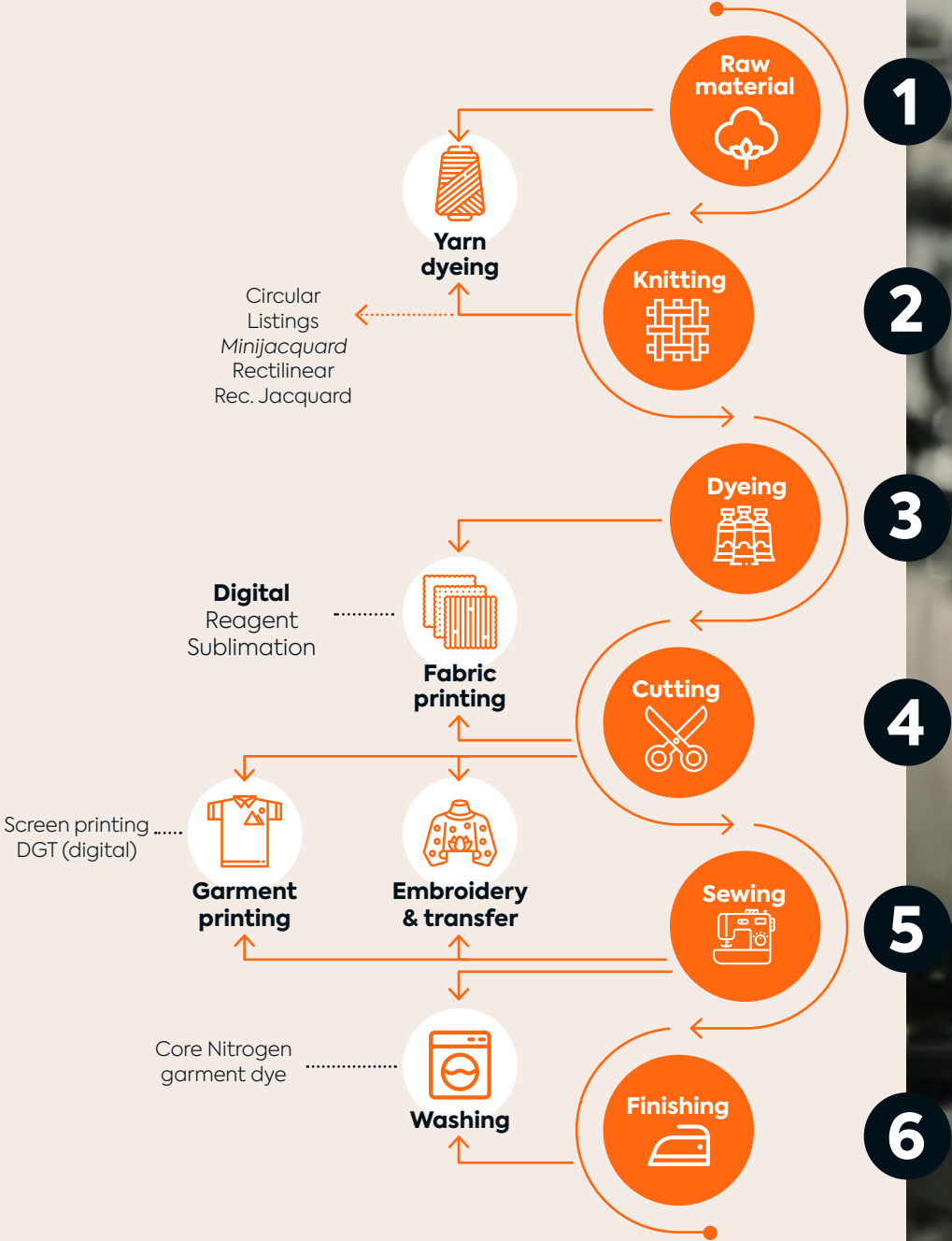
# 1.3 OUR BUSINESS MODEL

## INTEGRATED OPERATION: VERTICAL FACTORY

We are a **vertical factory** that integrates the entire textile production process, from the selection of raw materials to the manufacturing of finished apparel. Our value chain covers six key processes: **knitting, dyeing, cutting, sewing and finishing**, enabling us to offer high-quality products with full control at every stage.

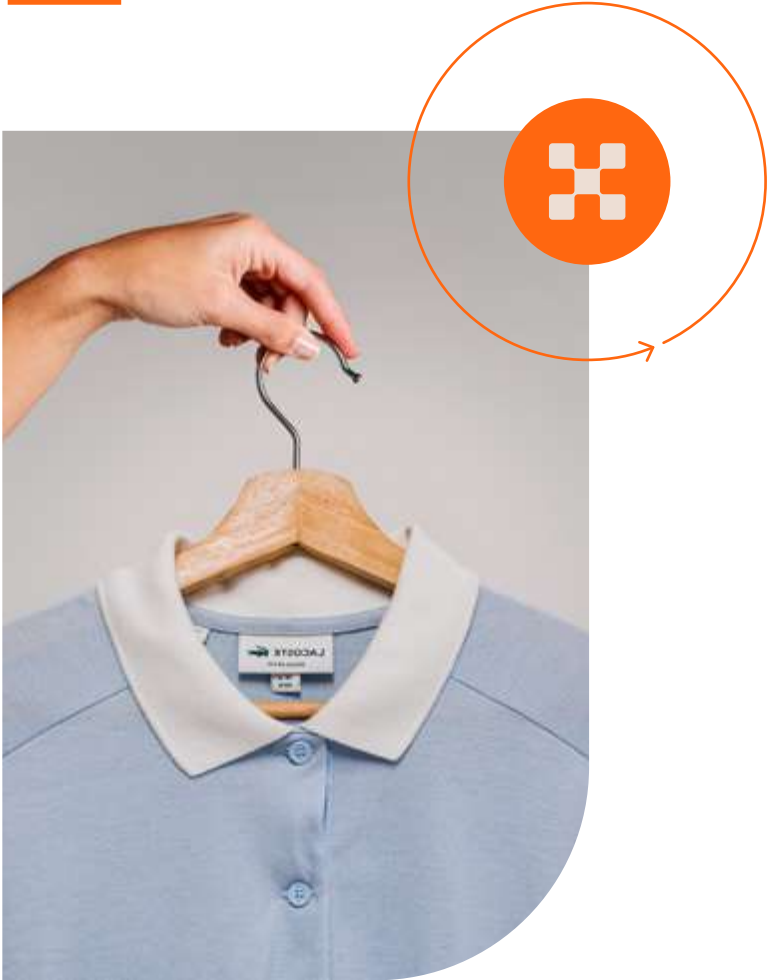
As a **certified B Corporation**, our impact goes beyond financial profitability. We are committed to generating comprehensive value that balances business growth with people's well-being and respect for the environment, incorporating high management standards to ensure a positive impact at every step. **GRI 2-6**

“Thanks to the talent and dedication of thousands of Peruvian hands, we bring to the world apparel that combines innovation, excellence and sustainability”.





# 1.4 OUR PRODUCTS AND SERVICES



## KNITTED GARMENTS

We specialize in the manufacturing of knitted garments, a process that represents the core of our business activity. We operate under a vertically integrated production model that covers everything from transforming yarn into fabric to the production of finished garments. This enables us to offer a wide range of products, such as polo shirts, t-shirts, tank tops, henleys, knit dresses, jackets and pants, ensuring quality and efficiency at every stage.



We use a variety of carefully selected raw materials to ensure optimal performance and comfort in our apparel:

- LONG STAPLE (LS)** fibers, such as tanguis and upland cotton.
- EXTRA-LONG STAPLE [ELS]]**, fibers, such as pima cotton.
- 100% COTTON** heather in long staple cotton (LS) and extra long staple cotton (ELS).
- USE OF COTTON** organic, regenerative (ROC) and recycled cotton.
- COTTON BLENDS** with modal, recycled polyester, tencel, alpaca, among others.

Our textile offering also includes a wide variety of fabrics such, as jersey, piqué, interlock, ribs, waffles, jacquards, stripes and flat knits with jacquard, allowing us to adapt to our clients' needs. We also have specialized processes in our Dyeing area, where we apply finishes such as brushing and sueding, ensuring high-performance apparel with strong market differentiation.



FABRICS

We understand that each client has specific needs, which is why we expanded our offering by incorporating fabric sales as a flexible and versatile solution. In 2024, we strengthened this business line by offering the same compositions and materials used in our knitted garments. This allowed us to provide clients with the opportunity to integrate our fabrics into their own production processes, ensuring quality, innovation and adaptability to their requirements.



As a result, we achieved the sale of over 85,700 kg of finished fabric, consolidating this alternative as a strategic option within our offering.

DESIGN AND DEVELOPMENT SERVICES

We have a highly skilled team dedicated to providing comprehensive support in product design and development. Our Development area operates independently from production, allowing us to deliver innovative and customized solutions to our clients.

We are equipped with specialized tools for sample creation, including an advanced cutting area, sewing machines, embroidery machines and steam stations for pressing. In addition, our technological infrastructure includes the Gerber Accumark system (version 9.0.0.245), with 8 PDS stations, 5 GMS stations, 5 PDS + GMS stations and 1 Accunest station, as well as Lectra Modaris stations 2 (version V6R1) and 4 (version V7R2) for pattern design and adjustment.

To optimize the modeling process and reduce development time, we use Browzwear 3D, an AI-based simulation tool that allows us to visualize garments before production. Thanks to this technology, we improve precision, efficiency and sustainability in every design, ensuring products of the highest quality.

At TDV, we transform ideas into exceptional apparel, combining talent and technology to continue leading in the textile industry.



# 1.5 SUPPLYING THE WORLD'S LEADING MARKETS

At TDV, we focus on exceeding our clients' expectations by offering products with exceptional quality, precision and on-time delivery. We stand out for our agility and our commitment to excellence in every detail.

Today, we are evolving toward a **circular and regenerative economy model**, exploring new raw materials, optimizing processes and adopting innovative practices that reduce our impact across the entire value chain. With this vision, we aim not only to meet global demand, but also to help redefine the future of the textile industry.

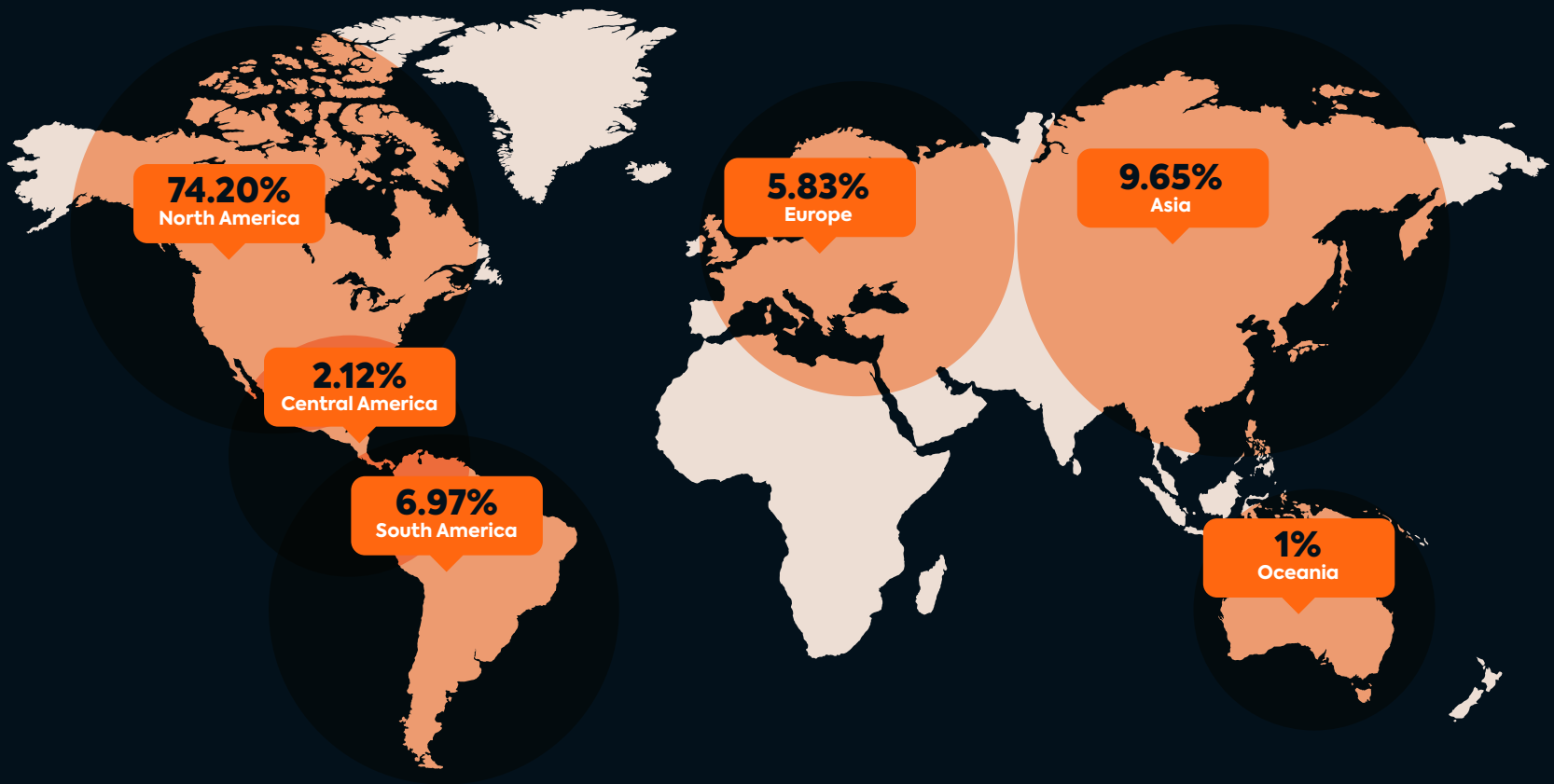




GLOBAL PRESENCE:  
BRINGING OUR  
QUALITY TO THE  
WORLD

Our presence in the international market has allowed us to deliver our apparel to four of the five continents, positioning us as a strategic partner for global brands. In 2024, we continued to strengthen our position thanks to a value proposition that combines innovation, quality, flexibility and cutting-edge technology.

Below is the distribution of our sales by region in 2024:



BRANDS THAT  
TRUST US

We are proud to serve prestigious clients in international markets, providing solutions that meet the highest standards of quality and responsibility. We seek to partner with brands that share our business vision, driving a more innovative and conscious industry together.

Below is a selection of the recognized brands we work with:



# 1.6 PARTNERSHIPS AND RECOGNITIONS

We believe that sustainability is built together. That is why we establish strategic partnerships with organizations that share our vision of a more responsible textile industry. Through innovation and continuous improvement, we aim to minimize our impact and create value throughout our supply chain. As a reflection of this commitment, by 2024 we have received various certifications and recognitions that validate our leadership and contribution to a more sustainable future.



## PERÚ SOSTENIBLE

We were recognized with the Empresa con Gestión Sostenible (EGS in Spanish) 2023 distinction, granted by Perú Sostenible.



## SEMANA ECONÓMICA

We were recognized in the "Sustainable Leadership" category at the third edition of the ESG Awards by Semana Económica.



## CONCYTEC

We were recognized as an Innovative Company 2024, in acknowledgment of our commitment and efforts to promote the innovation ecosystem within the textile industry.



## MERCO

We ranked 2nd in the Merco ESG ranking for the textile sector.



AFFILIATIONS
 GRI 2-28





CHAPTER →

02

Our commitment  
to sustainability





# 2.1 MILESTONES IN OUR SUSTAINABILITY MANAGEMENT

## 2018

- Introduction of sustainability as a strategic pillar for TDV.
- The Here 2 Be program, co-financed with Lululemon, was launched to promote yoga and nutrition.

## 2019

- Measurement of the first carbon footprint and water footprint.
- Launch of the Lulu-Chakra program, an organic crop initiative for employees.

## 2020

- Implementation of the Code of Ethics and Communication Line with EY.
- Start of operations at the ultrafiltration and reverse osmosis plant.
- Achievement of B Corporation Certification.
- The Yo ando en Bici and Life in Motion programs were launched, and psychological support was provided.

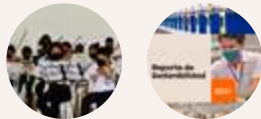


## 2021

- Recognition as a Socially Responsible Company 2020, granted by Perú Sostenible.
- First donation of recycled blankets in Cusco, Puno and Lima.
- Implementation of the B Hive chemical inventory and ZDHC water testing.
- We became a Benefit and Collective Interest Company (BIC in Spanish).

## 2022

- Launch of the Music for the Planet program, which offers classes using recycled violins for the daughters and sons of the company's employees.
- Launch of the Chinchá Recicla program, co-financed by the Lacoste Foundation, aimed at promoting a culture of recycling in Chinchá.
- Launch of TDV's first Sustainability Report.



## 2023

### January

- Start of organic and regenerative cotton cultivation in San Martín through the Algodón de Vida project.



### March

- Research trip to Spain with the fashion cluster to explore the textile industry and new regulations.



### May

- Beach cleanup volunteer initiative with the NGO Recicla LATAM.

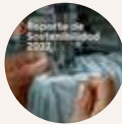


June



Launch of the Bienestar para Todos program (yoga, meditation and dance) at the Chíncha plant.

July



Launch of the second Sustainability Report.

August



Juan José Córdova elected as a member of the First Board of Directors of the UN Global Compact Peru.

September

Launch of the Well-being for All program at the Lima plant (dance).

TDV certified as a Fair-Trade USA factory.

Recognition in the “Companies that Transform” category.



October

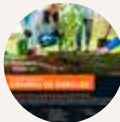
First Higg FEM verification carried out at the Lima plant.

TDV's participation in the +B Regional Gathering in Monterrey.

TDV recognized at the ESG and Sustainability Awards by RPP for Algodón de Vida project.



December



Tree planting volunteer initiative with Sembrando Vida.

2024

May

Launch of Forward Faster in Peru: Commitment to Sustainability.

Joining the Board of Directors of the UN Global Compact – Peru.

June

BASC recertification.



July

Recognized with the 2023 Sustainable Management Company (EGS in Spanish) distinction.

Recognized as an Innovative Company 2024 (Concytec).

Recertified as a B Corporation.



September



Fair Trade follow-up audit.

November



Verification of the 2023 and 2022 Carbon Footprints.

Participation in the Expotextil Peru 2024 trade fair.

December

Completion of the Ica and Chíncha Recycles program, promoting responsible waste management.

Agreement signed with Global Forest Generation (GFG) for a water harvesting and reforestation project.





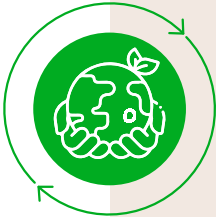
## 2.2 INTEGRATING SUSTAINABILITY INTO OUR DNA: TRIPLE IMPACT STRATEGY

At TDV, we understand that sustainability is not just a commitment, but a way of doing business. Since 2018, we have been working to build a model that balances profitability with a positive impact on people and the planet. Through our triple impact strategy: planet, people & profit, we seek to minimize our environmental footprint, strengthen social well-being, and generate economic value in a responsible manner.

As part of this commitment, we have aligned our actions with the Sustainable Development Goals (SDGs), prioritizing those where we can generate the greatest impact. In 2020, we consolidated this approach by becoming a B Corporation, reaffirming our commitment to a business model that actively contributes to addressing global challenges.

In 2021, we took a further step by becoming one of the first companies to adhere to the BIC Law, reinforcing our transparency and accountability in the creation of shared value.

Thanks to the leadership of our senior management and the commitment of our employees, today we are driving a cultural transformation that enables us to continue innovating and evolving towards a more sustainable, ethical, and competitive business model.



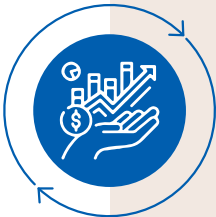
### PLANET

We are committed to protecting the planet and working to neutralize our environmental impact.



### PEOPLE

We seek to improve the quality of life of all our stakeholders by developing valuable and fair activities for everyone.



### PROFIT

We constantly innovate for our clients and invest in redesigning our production process and industrial facilities. All of this is done with a sustainability focus to attract brands aligned with our purpose.



# SUSTAINABILITY POLICY

In 2024, we updated our Sustainability Policy, reaffirming our commitment to responsible management and sustainable development. This framework guides the way we integrate sustainability across all our operations, aligning with the Sustainable Development Goals (SDGs) and promoting practices that balance economic growth with environmental and social responsibility.

Our policy is based on six key pillars: **transparency**, ensuring open communication with our stakeholders; **continuous improvement**, incorporating ESG criteria into our strategic decisions; **participation**, encouraging the engagement of management and specialized committees; **environmental management**, optimizing the use of natural resources; **engagement**, through strategic partnerships and training; and **compliance**, ensuring adherence to national and international regulations.

GRI 2-23 | DEGS 1.2.1

Click here to access our Sustainability Policy

# TDV SUSTAINABILITY COMMITTEE

Since 2020, we have had a Sustainability Committee that leads and oversees our sustainability strategy, with the support of senior management.

Through four annual meetings, we assess progress, coordinate initiatives, and ensure the integration and fulfillment of our sustainability objectives in decision-making.

In 2023, we strengthened this commitment by creating the Sustainability and Strategic Projects Department, consolidating our leadership in the industry. In 2024, we were recognized with the Sustainable Management Company (EGS in Spanish) distinction, awarded by Perú Sostenible, a reflection of our commitment to ESG best practices.

With this structure, we continue to drive ESG practices that position us as a benchmark in textile sustainability.

Composition of TDV's sustainability committee



**José Carlos Antonio Benites Colán**  
Head of Sustainability



**Juan José Córdova Benavides**  
Chief Executive Officer



**Javier Landázuri Barday**  
Chief Sustainability Manager & Strategic Projects



**Jean Bryan Iberos Jimenez**  
Sustainability Analyst



## 2.3 OUR POSITIVE IMPACT AS A B CORPORATION

In 2020, we marked a milestone in the Peruvian textile industry by **becoming the first company in the sector to obtain B Corporation certification.** This recognition reflects our commitment to a business model that balances profitability and purpose, driving a more inclusive and sustainable economic system.

Over the years, we have worked to strengthen our sustainability strategy by implementing responsible practices throughout our value chain. We are guided by high standards in governance, environmental impact, employee well-being, and community development, ensuring that every decision contributes to the well-being of our employees, clients, and strategic partners.



“In 2024, we successfully renewed our B Corporation certification, achieving a solid B Impact Score of 113.1, reflecting our ongoing commitment to sustainability, continuous improvement, and the generation of positive impact”.

During this process, we exceeded the national, industry, and company-size averages, reaffirming our leadership in sustainability. Each recertification cycle represents a valuable opportunity to strengthen our purpose and demonstrate that business success can and should go hand in hand with a positive and lasting impact.

Through a rigorous evaluation, we measure our performance in governance, workers, community, environment, clients, and disclosure, ensuring that we advance with high standards and generate a positive impact on our surroundings. This process not only validates our efforts but also drives our continuous evolution and reinforces our mission as a B Corporation.

“For us, holding B Corporation status goes beyond a certification: it is a work philosophy that guides our decisions and drives us to transform the textile industry. We will continue evolving to inspire more companies to join this transformation and build a more sustainable future together”.



As part of the B Corporation movement in Peru, in 2024 we participated in various activities:

B Day

In August 2024, we participated as sponsors of **B Day 2024**, an event that was held for the first time in the country in a conference and panel format. It brought together more than 350 people to discuss leadership, innovation, and the impact of businesses on society.

One of the event's highlights was the participation of our Chairman of the Board of Directors, **Ricardo Briceño**, in the panel **"Fearless Leadership"**, which addressed the challenges of traditional business models and strategic decision-making to drive positive change within organizations.



**B Day Peru** is a key platform for recognizing companies that aim to generate a positive impact in the country, promoting the exchange of experiences and driving new initiatives in the business sector.

B CORPS GATHERING: END OF YEAR

We participated in the B Corporation Gathering and 2024 Year-End Cocktail, an integration event that brought together companies committed to the purpose of generating positive impact. During the event, newly certified B Corp in 2024 were recognized, and projections for 2025 were shared, highlighting the growth of the movement in the country.

In addition, the new evaluation criteria for certification were presented, reinforcing the importance of adopting more responsible and transparent business practices. This gathering was a key opportunity to strengthen partnerships, exchange experiences, and continue driving positive impact from the business sector.





Testimonial:
Sistema B Perú



MARIALE SOTO
Co-founder and Executive Director of Sistema B Perú

The certification —and later recertification— of Textil del Valle as a B Corporation represents a significant milestone. From the beginning, it not only set a precedent in the Peruvian textile sector, but also inspired many other companies to take the B Movement seriously. TDV was one of the first companies in the world to score under the business model for innovative manufacturing products, and since then, it has become a natural ambassador of the movement, both in Peru and across the region.

“Whenever we are asked for recommendations of companies with a genuine approach to sustainability and purpose, TDV is always at the top of the list. I love sharing their story because it embodies the core values of the B community: purpose-driven ambition, openness, collaboration, and a generous vision of the common good”.

If I had to define TDV in a single word, it would be ‘bold’. They have dared to question traditional ways of doing business, to innovate with real impact, and to lead through action.

## 2.4 CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

At TDV, we are committed to actively contributing to the 2030 Agenda and the United Nations Sustainable Development Goals (SDGs). Our sustainability strategy is aligned with these principles, driving initiatives that generate a positive impact on our stakeholders. Through concrete actions, we contribute to the fulfillment of 9 of the 17 SDGs, promoting more equitable and sustainable development.

As part of this commitment, since 2022 we have been members of the United Nations Global Compact, an initiative that brings together companies and organizations around the world to promote responsible practices. This membership reinforces our role in sustainability, driving solutions that help address global challenges and generate value for society and the environment.



It is essential to highlight that our contribution to the SDGs is embedded in our 2025 Sustainability Plan, which allows us to manage and measure our progress in a structured manner.





Below we present the environmental objectives of our Sustainability Plan:

→ Environmental Objective 1:

Reuse water and improve the efficiency of water consumption and the quality of water generated in our processes through innovation in wastewater treatment and water management.

→ Environmental Objective 2:

Improve energy consumption efficiency through innovation and shift our energy matrix to one based on low-impact renewable sources.

→ Environmental Objective 3:

Implement a circular economy and integrated solid waste management throughout the value chain using innovation tools.

→ Environmental Objective 4:

Identify, reduce, and offset the greenhouse gas (GHG) emissions generated by the company.

To ensure the effective management of these objectives, we conduct continuous monitoring of our progress. Each year, we publicly report the results achieved and the initiatives implemented. Additionally, on a quarterly basis, we review the progress of our goals and programs during the meetings of the Sustainability Committee. This information is included in our BIC report submitted to the Ministry of Production (PRODUCE in Spanish), reaffirming our commitment to transparency, continuous improvement, and sustainable development.
 DEGS 1.2.2

The following results reflect our commitment to the 2030 Agenda and how, through our Sustainability Plan, we actively contribute to the fulfillment of the Sustainable Development Goals (SDGs):

SDG	Global Goal 2030	Our commitment	Our contribution
<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> 	Ensure access to quality health care and promote well-being for all at all ages.	<ul style="list-style-type: none"> <li>→ Prevent non-communicable diseases and promote an active, healthy lifestyle among our employees and neighbors in Chinchá and Lima.</li> <li>→ Ensure an environment free from contaminants, pollution, and hazardous chemicals.</li> </ul>	<ul style="list-style-type: none"> <li>→ We implemented two initiatives focused on employee well-being: yoga sessions and dance classes, promoting a healthier and more balanced work environment.</li> <li>→ We implement health campaigns (vaccination, disease prevention), use of EPS, among others.</li> </ul>
<div>4</div> <div>QUALITY EDUCATION</div> 	Ensure inclusive, equitable, and quality education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> <li>→ Promote educational development for employees and the community, taking gender equality into account.</li> </ul>	<ul style="list-style-type: none"> <li>→ We provided <b>4,146.6 hours of training to our employees</b>, strengthening their skills and knowledge for improved performance.</li> </ul>
<div>5</div> <div>GENDER EQUALITY</div> 	Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> <li>→ Increase the participation of women in all activities, eliminate all forms of discrimination, and promote gender equality.</li> </ul>	<ul style="list-style-type: none"> <li>→ Our workforce is made up of <b>44% male and 56% female employees</b>, reflecting our commitment to diversity and inclusion.</li> </ul>
<div>6</div> <div>CLEAN WATER AND SANITATION</div> 	Ensure the availability and sustainable management of water and sanitation for all.	<ul style="list-style-type: none"> <li>→ Promote the efficient use and recirculation of water in our processes and other activities, preventing pollution of natural water sources through proper treatment.</li> </ul>	<ul style="list-style-type: none"> <li>→ <b>100% of industrial effluents</b> are treated at our Wastewater Treatment Plant (WWTP), ensuring responsible water resource management.</li> <li>→ <b>33% of water</b> is reused through <b>ultrafiltration and reverse osmosis</b> processes, optimizing its use in our operations.</li> </ul>





SDG	Global Goal 2030	Our commitment	Our contribution
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> 	Ensure access to affordable, safe, sustainable, and modern energy.	<div>→</div> Promote the efficient use of electricity and progressively transition toward clean and renewable energy sources.	<div>→</div> <b>100 % of the electricity</b> we use comes from <b>renewable sources</b> , with <b>15% self-generated through solar energy</b> , reaffirming our commitment to energy sustainability.
<div>8</div> <div>DECENT WORK AND ECONOMY GROWTH</div> 	Promote inclusive and sustainable economic growth, employment, and decent work for all.	<div>→</div> Promote the creation of decent jobs by fostering entrepreneurship, innovation, and creativity to develop a more sustainable supply chain. <div>→</div> Separate economic growth from environmental degradation through the efficient use of resources in production and consumption.	<div>→</div> We have <b>two Training Centers (in Lima and Chincha)</b> aimed at new employees with no prior experience in the sector (both textiles and manufacturing), providing them with development opportunities and industry-specific training. <div>→</div> <b>4,293.9 training hours</b> were delivered at CENFOR, strengthening the technical skills of new talent. <div>→</div> <b>4,146.6 training hours</b> provided to our employees.
<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> 	Make cities inclusive, safe, resilient, and sustainable.	<div>→</div> Foster development and promote the reduction of negative environmental impact by prioritizing air quality, waste management, and other environmental issues in coordination with local authorities. <div>→</div> Promote and support the care, maintenance, and implementation of green areas and safe public spaces that foster a healthy environment at all of the organization's sites.	<div>→</div> We successfully completed the <b>Ica and Chincha Recicla</b> , recycling program, promoting responsible waste management. <div>→</div> <b>1,243 tons of recoverable waste</b> were collected and reintegrated into the value chain. <div>→</div> <b>21,436 households and businesses</b> were positively impacted through our recycling and environmental awareness actions.



SDG

Global Goal 2030

Our commitment

Our contribution



Ensure sustainable consumption and production patterns.

- Promote the efficient use of resources, goods, and services to achieve more sustainable management across the organization.
- Implement a circular economy and carry out more efficient integrated solid waste management throughout the entire supply chain, prioritizing prevention, reduction, recycling, and reuse.

- We operate **1 textile recycling plant for cotton and cotton blends**, promoting circularity in the textile industry.
- **100% of the polyester used is recycled**, meeting our clients' requirements and reducing the environmental impact of our raw materials.



Strengthen resilience and adaptive capacity to climate-related risks and natural disasters in all countries.

- Identify and manage the GHG emissions generated by the company and promote reduction and offsetting policies and initiatives that contribute to climate change mitigation.

- **100% of our carbon footprint is offset** through the purchase of **carbon credits**, contributing to climate change mitigation.
- We were awarded the **third star of the Huella de Carbono Perú program**, consolidating our commitment to reducing and offsetting greenhouse gas emissions.





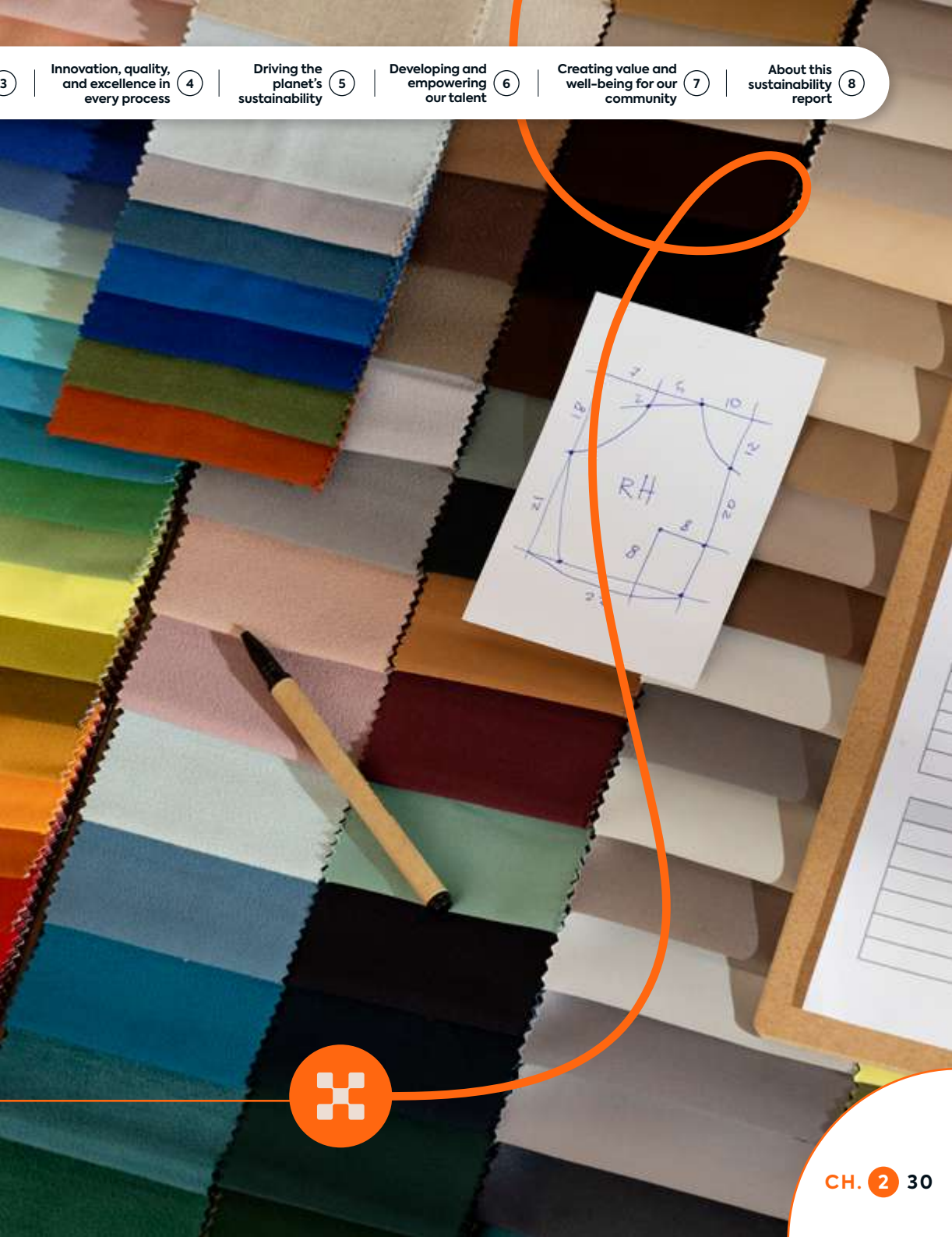
## 2.5 OUR DOUBLE MATERIALITY ANALYSIS

In 2024, we adopted a double materiality approach in our biennial assessment, which allowed us to identify the most significant ESG factors for our management. This approach enabled us to analyze both the financial impact of these factors on our organization and their influence on the economic, social, and environmental context, ensuring a strategy aligned with sustainability principles and global trends.

To carry out this analysis, we followed international reference standards such as the Global Reporting Initiative (GRI) 2021 version, the Sustainability Accounting Standards Board (SASB), and the recommendations of the International Financial Reporting Standard (IFRS), in addition to incorporating regulatory frameworks such as the European Union's Corporate Sustainability Reporting Directive (CSRD).

As part of the process, we conducted a comprehensive evaluation of our value chain, considering key information from clients, suppliers, and other strategic stakeholders.

Thanks to this approach, we strengthened our ability to manage risks, identify opportunities, and make informed decisions that contribute to the sustainability of our operations and the company's growth.
 GRI 3-1



Below, we present the methodological phases of our double materiality analysis:



ANALYSIS OF THE ORGANIZATIONAL CONTEXT

We conducted both an internal and external analysis of the environment in which our company operates. At the external level, we carried out a benchmarking of leading companies in the textile sector. We also reviewed the main sustainability guidelines and standards, with a particular focus on the SASB standard, through the apparel, accessories, and footwear industry category. We further examined the sustainability context and key sector trends, as well as the national context and the risks that could affect us.

At the internal level, we reviewed our sustainability strategy and its impact on value creation and analyzed the main policies and management documents to understand the sustainability issues we have been addressing.



IDENTIFICATION OF IMPACTS, RISKS, AND OPPORTUNITIES (IROS)

To identify impacts, risks, and opportunities, we organized a workshop with the company's management teams. In this session, we identified the impacts, risks, and opportunities across our value chain. We also used other tools such as surveys and focus groups with key stakeholders including commercial clients, employees, suppliers, and financial institutions to gather their views on the most significant aspects of our company's impact.



ASSESSMENT OF IMPACT MATERIALITY AND FINANCIAL MATERIALITY

To determine the materiality of the identified topics, we applied the following criteria:

- **Impact materiality.** We analyzed the results of surveys and interviews with our stakeholders, considering the significance of the impact based on its likelihood, severity (negative impact), and benefit (positive impact). We also incorporated expert opinions for a more precise evaluation.
- **Financial materiality.** We assessed the financial impact of each topic, its influence on business strategy, and the risks and opportunities identified jointly with the company's management teams.



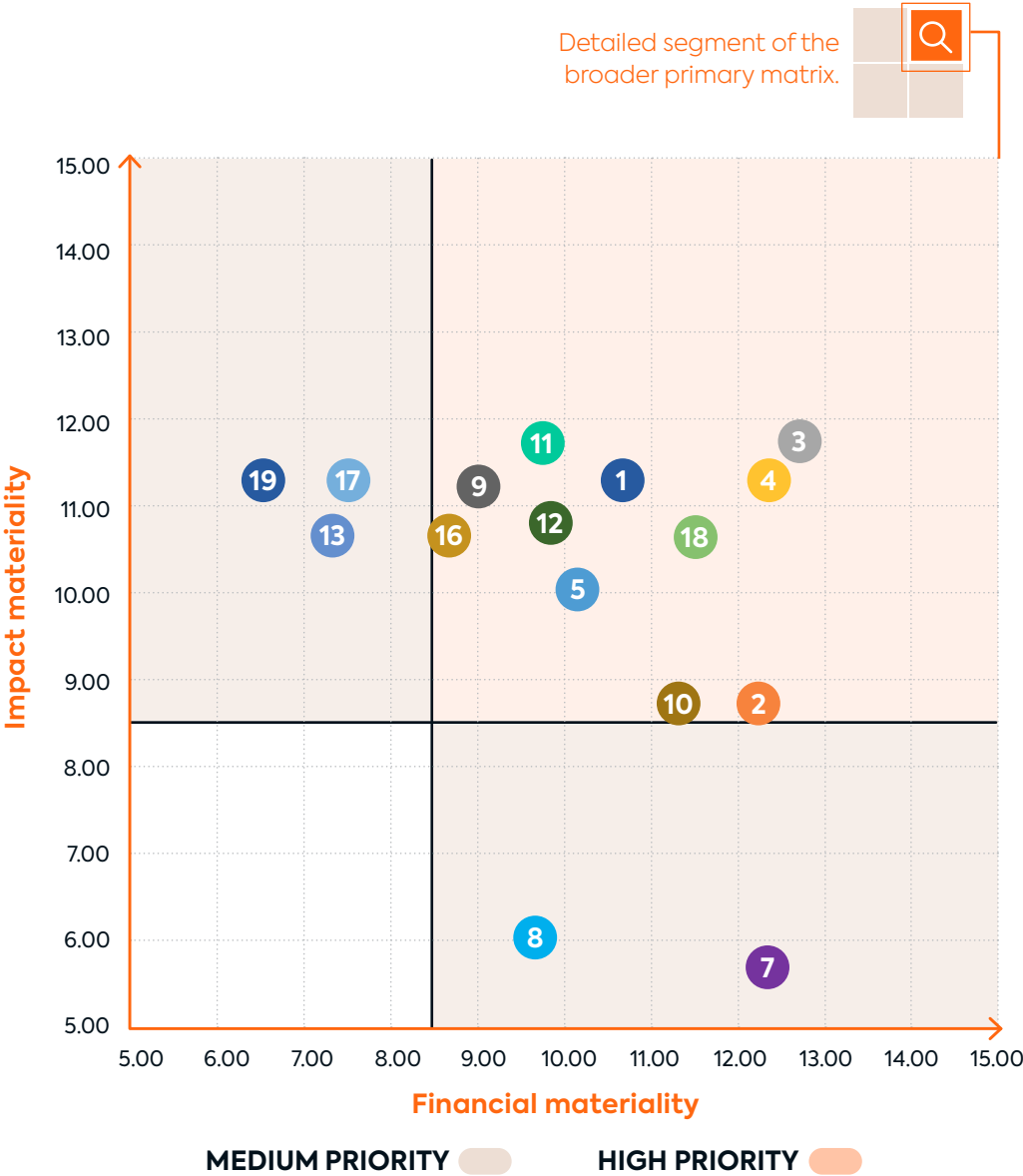
PRIORITIZATION AND VALIDATION OF MATERIAL TOPICS

Finally, after a process of grouping topics, we conducted a cross-analysis of the impacts using a two-axis matrix to develop the list of the most relevant and significant material topics for the company.

These topics were presented to the Sustainability Committee, which confirmed and approved them as the official list of material topics.



DOUBLE MATERIALITY MATRIX



HIGH MATERIALITY TOPICS

- 3 Quality management and certifications
- 4 Economic performance and sustainable financing
- 18 Compliance with human rights principles
- 1 Corporate governance and sustainability
- 12 Water and effluent management
- 5 Responsible supply chain management
- 11 Climate strategy and emissions reduction
- 10 Hazardous chemicals management
- 2 Ethics, transparency, and regulatory compliance
- 9 Waste management and circular economy
- 16 Commitment to occupational health and safety

MEDIUM MATERIALITY TOPICS




- 7 Integrated risk management
- 8 Innovation and development of sustainable products
- 17 ESG marketing and communication strategies
- 13 Use of sustainable raw materials
- 19 Promotion of community development and engagement

MATERIAL TOPICS OF TDV

Out of a total of nineteen initially identified topics, sixteen material topics were determined as essential for the management of Textil del Valle. These topics were grouped into three categories: economic and governance, environmental, and social.

Each is detailed below:
 GRI 3-2



DIMENSION		MATERIAL TOPICS	COVERAGE
	ECONOMIC AND GOVERNANCE	Corporate governance and sustainability	Internal
		Ethics, transparency, and regulatory compliance	Internal and external
		Quality management and certifications	Internal
		Economic performance and sustainable financing	Internal
		Integrated risk management	Internal
		Innovation and development of sustainable products	Internal
		Responsible supply chain management	Internal and external
	ENVIRONMENTAL	Climate strategy and emissions management	Internal
		Waste management and circular economy	Internal
		Water and effluent management	Internal
		Use of sustainable raw materials	Internal
		Hazardous chemicals management	Internal
	SOCIAL	Human capital development and employability	Internal
		Commitment to occupational health and safety	Internal and external
		Promotion of community development and engagement	Internal and external
		Compliance with human rights principles	Internal



CHAPTER 03 Responsible governance for sustainable growth



# 3.1 OUR GOVERNANCE MODEL

Our governance model is designed to ensure responsible decision-making by comprehensively addressing our environmental and social impacts and fostering the creation of shared value with our stakeholders. Thanks to the strong commitment of our Senior Management, **sustainability has become a fundamental pillar of our corporate culture**, driving us to go beyond regulatory obligations and generate lasting positive impact.

To strengthen our management, we have a regulatory framework made up of policies and codes that govern our operations and guide our decisions. These are approved by the General Management. We communicate these guidelines to our employees and stakeholders via email and, in the event of updates, we provide training sessions for operational staff to ensure correct implementation. We also conduct an annual review of these commitments and policies, or whenever changes arise from new certification requirements, ensuring continuous improvement and sustainable management in line with best practices in the sector.

As part of our commitment to transparency and accountability, we prepare our Sustainability Report annually, presenting our performance in the environmental, social, and governance (ESG) dimensions.

This report allows our stakeholders to understand our progress, challenges, and commitments, ensuring accountability and the public disclosure of our sustainability performance.
 GRI 3-3 | GRI 2-23 | GRI 2-24 | Non-GRI Governance and corporate sustainability | DEGS 1.1.5 DEGS 1.4.1 | DEGS 1.2.3

Below, we present the main policies and codes that govern our management:

## MAIN POLICIES AND CODES THAT GOVERN OUR MANAGEMENT

→ Responsible Business Conduct Policy.

→ Diversity and Inclusion Policy.

→ Sustainability Policy.

→ Integrated Management Policy.

→ Environmental and Chemical Management Policy.

→ Energy saving policy.

→ ARCO (Access, Rectification, Cancellation, and Opposition).

→ Safety Data Sheet Policy.

→ Anti-Tax Avoidance Policy.

→ Due Diligence Manual.

→ Code of Conduct and Ethics.



# CORPORATE GOVERNANCE

Our corporate governance structure is composed of the General Board of Shareholders (GBS), the Board of Directors, and the Central Management Teams, each playing a key role in the company's management.

The GBS, as TDV's highest governing body, meets annually or in extraordinary sessions as needed to review the company's overall performance, carry out the accountability process, and appoint members of the Board of Directors, among other strategic actions. In turn, the Board of Directors oversees and monitors business management, while the central management teams, led by the General Management under Mr. Juan José Córdova Benavides, execute strategies and manage day-to-day operations. This structure enables us to ensure efficient management, strengthen stakeholder trust, and generate sustainable long-term value.

GRI 2-9 | DEGS 1.1.1 | DEGS 1.1.2

## NOMINATION AND PERFORMANCE EVALUATION OF TDV'S BOARD OF DIRECTORS

Our Board of Directors is composed of five members, two independent and three non-independent, elected by the General Board of Shareholders for a two-year term. The Board is currently chaired by José Ricardo Briceño Villena, whose non-executive role ensures independence in strategic decision-making.






The Board meets twelve times a year, once per month, to address key aspects of the company, such as the approval of the annual budget, progress tracking of goals, setting objectives for the strategic and sustainability plans, and ensuring compliance with social and environmental regulatory requirements.

In addition, the members of the company's highest governing body, the General Board of Shareholders (GBS), evaluate the Board of Directors annual performance. This evaluation is conducted independently and documented in an internal report. Based on the results, the GBS decides whether to confirm or remove Board members from their positions.

As our corporate governance information and results are communicated during Board of Directors and Shareholders' meetings, there is no requirement to submit a separate report. For this reason, we do not have a formal code.

GRI 2-10 | GRI 2-11 | GRI 2-17 | GRI 2-18 | DEGS 1.1.2 | DEGS 1.1.3

### Members of TDV's Board of Directors

Full Name	Independency (Yes/No)	Executive or Non-Executive Role	Length of Tenure	Position on the Board of Directors
 <b>Diego Ricardo Briceño Clemens</b>	No	Non-executive	2 years and 2 months	Director
 <b>José Ricardo Martín Briceño Villena</b>	No	Non-executive	5 years	Chair of the Board
 <b>Luis Felipe Pinillos Casabonne</b>	No	Non-executive	9 years	Vice Chair of the Board
 <b>Pedro Enrique González Orbegoso Sanguinetti</b>	Yes	Non-executive	2 years and 2 months	Director
 <b>Roberto Leigh Raffo</b>	Yes	Non-executive	2 years and 2 months	Director

# CENTRAL MANAGEMENT TEAMS OF TDV

In addition to the highest governing bodies, **we have nine central management teams led by the General Management**, which is headed by Mr. Juan José Córdova Benavides. Additionally, the Operations Committee and the Commercial Committee support the delegation of responsibilities from the highest governing body. Looking ahead, we will also establish a Sustainability Committee by 2025. This team is tasked with guiding our company in the fulfillment of its strategic directives, building trust with our stakeholders, and thereby improving our economic and sustainability performance. In doing so, we ensure long-term value creation.

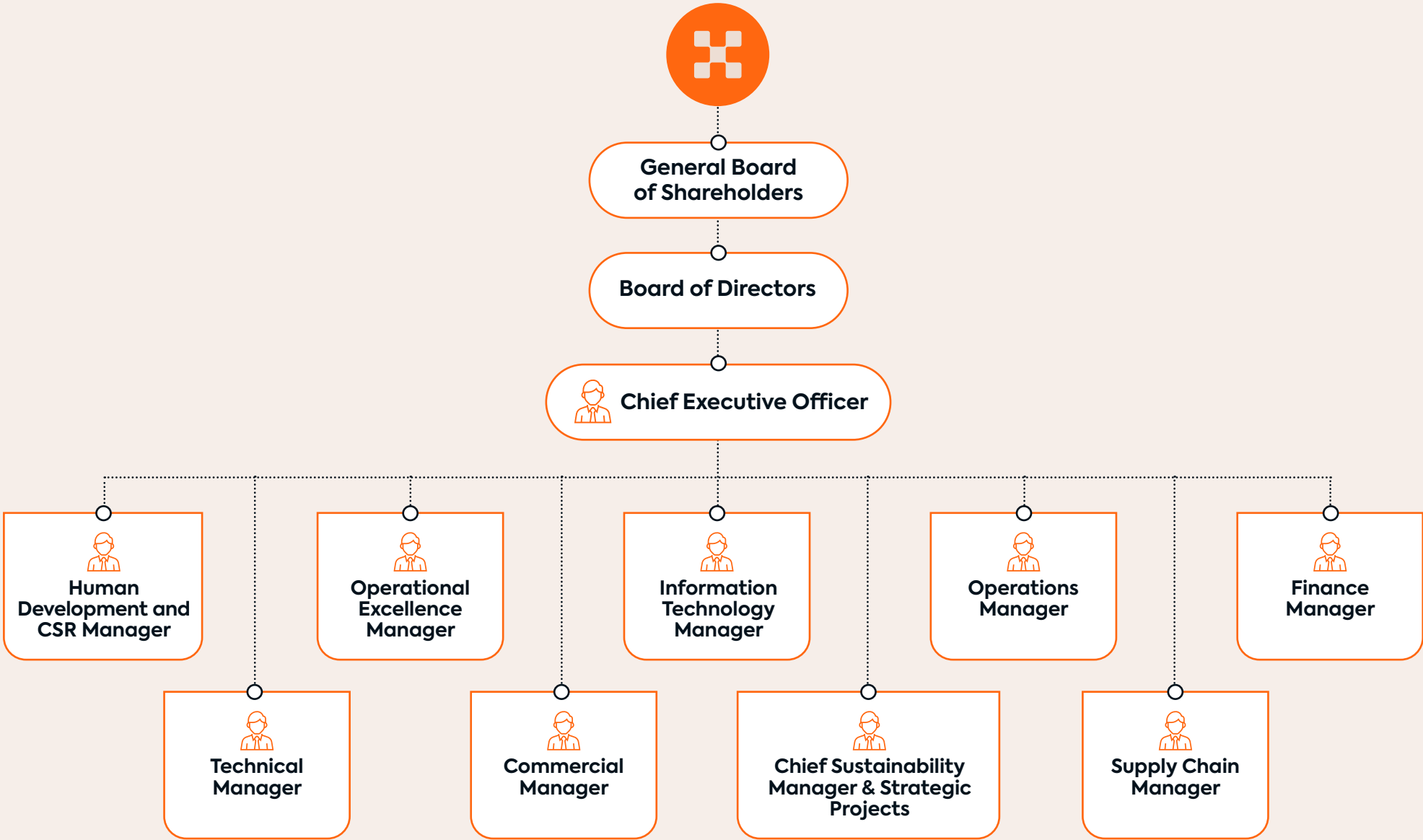
It is important to highlight that the General Management, representing the highest governing body, is responsible for managing and ensuring compliance with indicators related to economic, environmental, and social aspects.

To achieve our sustainability goals and manage ESG impacts, we are supported by our Corporate Sustainability Committee, which closely monitors the progress and implementation of our sustainability initiatives, including the company's due diligence processes, particularly with regard to human rights.

The active participation of the General Management in this committee allows us to stay informed about the progress of the proposed objectives and take appropriate action when necessary.
**GRI 2-12 | GRI 2-13 | DEGS 1.1.2**



CORPORATE ORGANIZATIONAL CHART OF TDV



# OUR COMMITTEES

We have **eight committees** that play a key role in the management and oversight of the company. These committees address issues related to strategic planning, financial and administrative management, as well as the monitoring and evaluation of the various projects we develop. **Their work contributes to our continuous improvement in environmental, social, and governance (ESG) aspects, ensuring efficient management aligned with our corporate objectives.** Each committee focuses on the specific matters within its area, ensuring a specialized and strategic approach to decision-making. This structure enables agile and efficient management while fostering communication and collaboration across different areas of the company.

GRI 2-14 | GRI 2-16 | DEGS 1.1.4 | DEGS 4.3.5

## TDV Committees

### ADMINISTRATION AND FINANCE COMMITTEE

Responsible for addressing matters related to the company's economic performance.

### COMPENSATION COMMITTEE

Oversees and coordinates daily operations to ensure efficiency, effectiveness, and quality in production processes.

### CORPORATE SUSTAINABILITY COMMITTEE

Ensures compliance with the objectives and actions of the company's sustainability strategy, including the review and approval of the contents of the Sustainability Report.

### AUDIT COMMITTEE

Oversees and ensures the integrity and transparency of reporting within the organization.

### ETHICS COMMITTEE

Monitors compliance with the company's Code of Ethics; it also follows up on cases and enforces sanctions for violations and misconduct within the organization.

### ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Identifies and evaluates environmental impacts within operations, including greenhouse gas emissions, water and air pollution, and the use of energy and natural resources.

### OCCUPATIONAL HEALTH AND SAFETY COMMITTEE (OHS)

Ensures compliance with guidelines related to health and safety in TDV's operations. It is composed on a parity basis.

### COMMITTEE FOR ADDRESSING WORKPLACE SEXUAL HARASSMENT

Promotes a work environment free of sexual harassment. It is responsible for receiving complaints, reports, and cases of harassment, and for applying sanctions.



# CONFLICT OF INTEREST

We operate under a regulatory framework that emphasizes the importance of conducting our activities ethically and transparently, ensuring that no harm is caused to third parties.

Our Code of Conduct and Ethics establishes that Senior Management and employees must refrain from engaging in negotiations that could result in direct personal benefits or compromise the company's values.

To prevent and manage potential conflicts of interest, we have an Ethics Line, a confidential channel for reporting irregularities, and an Ethics Committee, responsible for reviewing and resolving each case with impartiality. We also provide ongoing training for employees, suppliers, and senior management, promoting a culture of integrity and responsibility. It is important to highlight that TDV does not make contributions to political parties and or political representatives. This is clearly stated in our code of conduct and ethics policy. **DEGS 1.4.1 | GRI 415-1**

Through these actions, we strengthen the trust of our stakeholders and ensure management aligned with our values and corporate commitments. **GRI 2-15 | GRI 206-1**



# REGULATORY COMPLIANCE

We view regulatory compliance as a strategic pillar that strengthens our culture of integrity and sustainability. We not only comply with current regulations in labor, environmental, tax, and competition matters, but also adopt a preventive approach to anticipate legislative changes and proactively adjust our practices.

In tax matters, we work to reduce tax contingencies and minimize audit risks from the National Superintendency of Customs and Tax Administration (SUNAT, in Spanish). We have an Anti-Avoidance Policy that guides the Board of Directors in approving actions related to tax planning that may involve potential tax advantages. This planning is evaluated by the Tax Department and reviewed jointly with the Finance Management and General Management for validation and execution.

Our management is based on strong controls, internal and external audits, and continuous monitoring that ensure transparency and accountability across all our operations. More than an obligation, regulatory compliance is part of our identity and drives us to operate with the highest ethical standards, securing the trust of our employees, clients, and strategic partners. **GRI 3-3 | GRI 2-27 | GRI 207-1 | GRI 207-2 | DEGS 3.1.2**



In 2024, no significant cases of non-compliance with legislation or regulations applicable to the sector were reported in relation to quality, safety, the environment, human rights, fair competition, or other matters. Likewise, no proceedings, fines, or sanctions were recorded.

# COMPENSATION AND SALARY INCREASE POLICIES

We have a Compensation Policy that **ensures fair and competitive salary management, aligned with our principles of internal equity and talent attraction.** This policy applies to both administrative and operational staff, ensuring conditions that foster their growth and commitment to the organization.

The Human Development and Corporate Social Responsibility (HD & CSR) area defines salary bands based on market studies, labor regulations, and job profiles.

In turn, the Personnel Administration area evaluates and approves salary increases, taking into account performance criteria, promotions, and organizational needs. For senior executives, we apply a fixed and variable compensation scheme designed to align their incentives with our strategic objectives. However, for reasons of confidentiality and competitiveness, we do not disclose detailed information on compensation for the Board of Directors and General Management.

Through this policy, we strengthen our commitment to equitable and transparent compensation, promoting the well-being and development of our teams.

GRI 2-19 | GRI 2-20 | GRI 2-21





3.2

# PROMOTING ETHICAL AND RESPONSIBLE CONDUCT

We promote a culture based on integrity, transparency, and regulatory compliance. We reject any form of corruption, bribery, or illicit activity, ensuring that our operations are carried out under the highest ethical standards.

Our management in this area is guided by the Code of Conduct and Ethics, the Internal Work Regulations (RIT in Spanish), and the Anti-Corruption Policy, which establish clear rules to prevent conflicts of interest, fraud, and misconduct. We also have a risk matrix that allows us to identify and mitigate threats related to corruption.

To strengthen our commitment, we adhere to the BASC (Business Alliance for Secure Commerce) Certification, ensuring safe and responsible business practices. We also follow the FAIRTRADE model, promoting fair and equitable working conditions for our employees and suppliers. **GRI 3-3**

“These actions reinforce our social responsibility and strengthen our commitment to business ethics, sustainable development, and the trust of our stakeholders”.

## OPERATIONS ASSESSED TO IDENTIFY RISKS RELATED TO CORRUPTION

As part of the protocols established in collaboration with the Internal Audit area, during 2024 we conducted a thorough assessment of the operations carried out at our company's two facilities. **This evaluation included a total of 27 processes, 52% of which were reviewed through audits, with a primary focus on the Production and Support areas.** Throughout this process, we identified various risks that could affect compliance with established procedures, such as report falsification, attempted theft of company garments, among other incidents.

It is important to highlight that the audits revealed a series of internal control vulnerabilities that could jeopardize operations. In response, corrective and preventive measures were implemented to mitigate the identified risks and ensure that procedures are properly followed.

On the other hand, regarding reports received through the TDV Ethics Line, a complaint related to potential acts of corruption was brought to our attention. However, after conducting the appropriate investigation, it was determined that the complaint was unfounded, and the report was therefore dismissed. This process reinforces our commitment to transparency and compliance with ethical standards within the organization. **GRI 205-1 | GRI 205-3**

In 2024, thanks to our strong management in ethics and transparency, no confirmed cases of corruption were recorded at TDV. This outcome reaffirms our commitment to integrity and compliance, ensuring relationships based on trust with all our stakeholders.



# CODE OF ETHICS AND CONDUCT

Our Code of Ethics and Conduct sets out the principles and values that guide our executives, employees, suppliers, and strategic partners. This document not only defines the expected standards of behavior, but also reinforces our culture of integrity and transparency. To ensure compliance, we integrate new employees through specialized training sessions, where they gain a deep understanding of our ethical standards. Afterwards, they sign the Code as an active commitment to align their actions with our corporate values, thereby ensuring a management approach based on responsibility and mutual respect.
 DEGS 1.3.1



Click here to access our Code of Ethics and Conduct

# ETHICS COMMITTEE

With the goal of ensuring operational safety and enforcing the Code of Ethics and Conduct within TDV, we have established a committee responsible for investigating and following up on cases of violations, as well as applying sanctions based on the severity of the infractions.

This committee is currently composed of the following members:





FUNCTIONS OF THE ETHICS COMMITTEE



Propose updates to be incorporated into the Code of Ethics and Conduct.



Address inquiries regarding the scope of the code.



Provide guidance to those responsible for determining whether a situation constitutes a violation and for applying the corresponding sanctions.



Promote the values and behaviors encouraged in the code.

In 2024, the Ethics and Conduct Committee held 3 meetings to address cases related to unethical behavior, including both non-compliance with the procedures established in the Code of Ethics and Conduct and the inappropriate use of company resources.

To address this issue, we have implemented specific corrective measures, most notably the strengthening of communication within teams. Leaders of the involved areas have provided direct and constructive feedback to their staff, emphasizing the importance of strictly following procedures and using company resources responsibly and ethically. This action aims not only to correct behavior but also to raise awareness among all personnel about the importance of maintaining high standards of integrity in their daily performance.



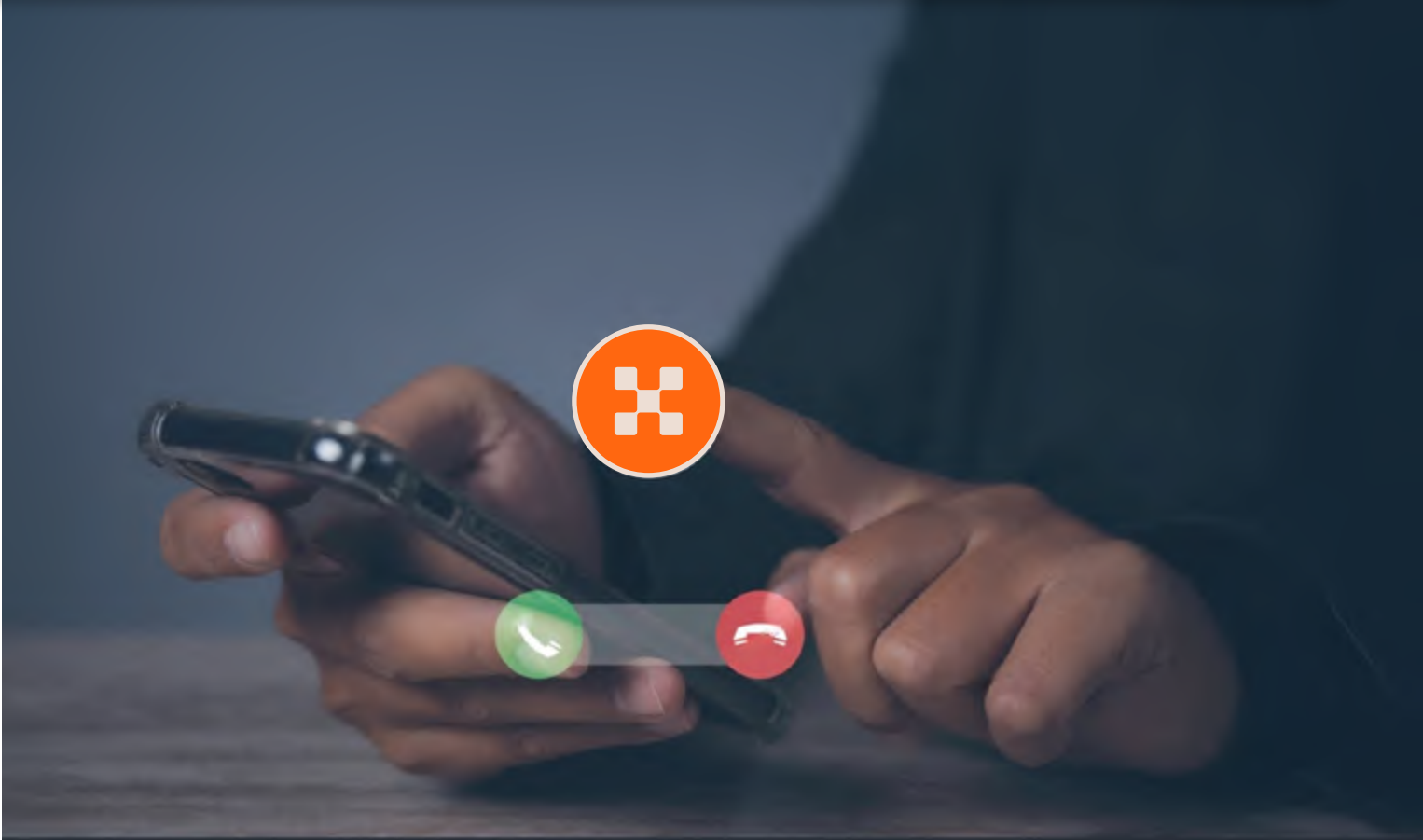
These measures are part of our ongoing commitment to fostering a safe, respectful, and ethical work environment, where all employees feel valued and motivated to give their best.

# TDV ETHICS LINE

At TDV, we believe that integrity, transparency, and mutual respect are the foundation of strong, trust-based relationships with our employees, clients, shareholders, suppliers, and other stakeholders. For this reason, we promote a culture of openness and accountability, encouraging the use of our communication channels to raise concerns, report irregularities, or denounce any potential violations of our Code of Ethics and Conduct.

As part of our commitment to continuous improvement, in 2024 we renewed our TDV Ethics Line, which is now managed by the global firm KPMG. This initiative allows us to strengthen the handling of ethical concerns and complaints by providing a modern, secure, and accessible platform where our stakeholders can ask questions, file complaints, and report violations with the assurance that each case will be addressed with impartiality, confidentiality, and rigor.

Through this approach, we reaffirm our responsibility to ensure a workplace and corporate environment grounded in strong principles, where ethics and transparency are the foundation of every decision and action we take. We offer the following channels for inquiries, suggestions, and reports: **GRI 2-26 | DEGS 1.3.3**



Toll-free hotline: 0-800-1-8106  
 M-F: 8:00 a.m. a 6: 00 p.m.

Email address:  
 lineaticatdv@kpgm.com.ar

WhatsApp channel:  
 +54 91144095782 (24 hours)

In-person interview:  
 Office of the Head of Internal Audit (Chincha office – Lima office)

Web page:  
 lineaticatdv.lineaseticas.com  
 (24 hours)



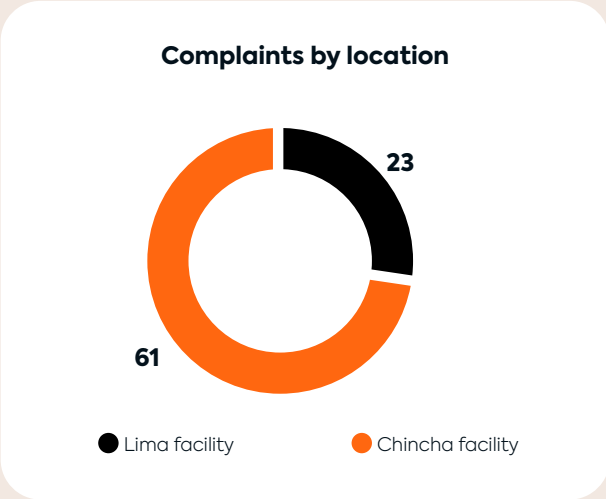
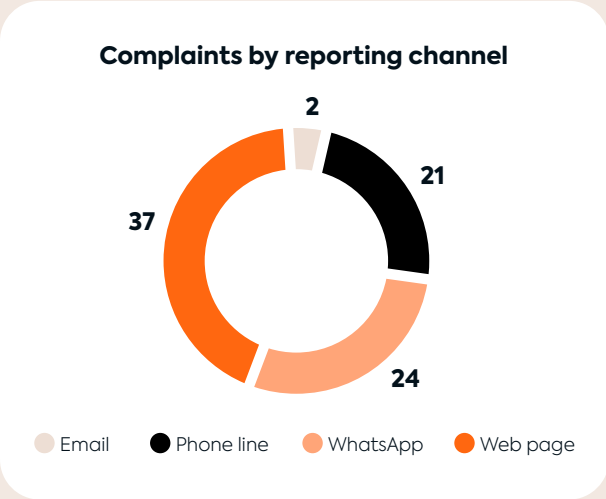
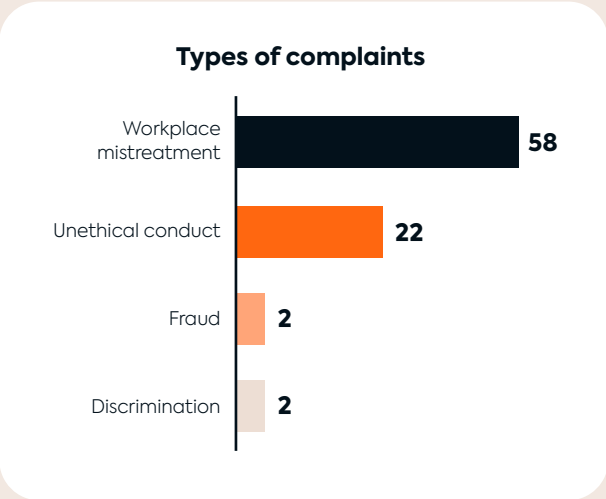
REPORTS FROM THE TDV ETHICS LINE

According to the records from our 2024 Ethics Line, a total of 84 complaints were received. Below, we outline the main critical concerns that were addressed and resolved by the Internal Audit area.
 GRI 2-16 | GRI 406-1 DEGS 1.3.4 | DEGS 4.3.4 | DEGS 4.3.5

- The first group of complaints is related to staff treatment and accounts for 58 cases (69% of the total). Of these, 24 were linked to intimidation, 15 to verbal aggression, 11 to workload-related complaints, and 6 to workplace harassment, among others. These categories mainly refer to how supervisors or area leads communicate instructions to their staff.
- The second group of complaints, classified as “unethical behavior,” includes 22 cases, representing 26% of the total number of complaints received.
- The third group of complaints includes cases of discrimination and fraud, which together account for 4% of all complaints received.

In 2024, we identified that inappropriate treatment of personnel was the most significant issue within our company, affecting the well-being of our employees. To address this situation, we worked closely with the Human Development area to strengthen the interpersonal skills of our leaders and supervisors, promoting a culture of respect and empathy at all levels of the organization.

In addition, we implemented a comprehensive approach to prevent and correct inappropriate behavior, with an emphasis on workplace mistreatment and discrimination. Through training sessions, we raised awareness among our employees and provided them with tools to identify and report these situations. We also reinforced training in ethics and transparency, addressing topics such as the prevention of corruption and fraud, in line with the principles set forth in our Internal Work Regulations (RIT in Spanish) and Code of Ethics and Conduct.



“Through these actions, we reaffirm our commitment to ensuring a safe, fair, and value-driven work environment aligned with our institutional principles”.

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

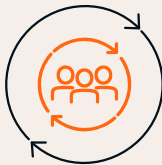
In 2024, as part of our ethics and anti-corruption management initiatives, we carried out various awareness campaigns to promote the TDV Ethics Line, targeting all our employees. During these training sessions, detailed information was provided on the new communication channels offered by the consulting firm KPMG, explaining how to use each one in an accessible and secure way.

With the goal of ensuring that the entire workforce was well informed and trained, we organized training sessions that brought together a total of 2,338 employees from both company facilities. This effort reflects our commitment to promoting an ethical and transparent work environment, as well as to effectively implementing measures that foster integrity and prevent corruption. Likewise, all new employees who join our company receive the Code of Ethics and Conduct and sign a commitment acknowledging their understanding of it.
 GRI 205-2 | DEGS 1.3.2

Communication of anti-corruption policies and procedures broken down by employee category and region



Board of Directors  
 Region: Lima and Chincha  
 Attendance: 2  
 Percentage: 33%



Employees  
 Region: Lima and Chincha  
 Attendance: 2,338  
 Percentage: 90%

TOTAL:  
 ATTENDANCE: 2,340  
 PERCENTAGE: 90%

Training on anti-corruption policies and procedures broken down by employee category and region

REGION	EMPLOYMENT CATEGORY	ATTENDANCE	PERCENTAGE
Lima and Chincha	Board of Directors	2	33%
	Management and Deputy Management	5	38%
	Division and Department Heads	27	73%
	Technicians	2,306	93%
TOTAL		2,340	90%





Additionally, in line with the principles established in our Code of Ethics and Conduct for Suppliers, it is essential that the companies with which we establish business relationships for the provision of products and services comply with the highest standards of integrity and ethics. This means that these companies must actively commit to anti-corruption practices, adopting a firm

and clear stance against bribery, fraud, and other inappropriate conduct that could compromise transparency and legality.

In this context, during 2024 we achieved a significant milestone in our ethics and anti-corruption management by training 100% of the employees of the company responsible for providing security services on the proper use of the TDV Ethics Line. This training reinforces our commitment to fostering an ethical culture, ensuring that all actors involved in our operations, both internal and external, share our core values and ethical principles.

SASB: CG-AA-430b.1 | SASB: CG-AA-430b.2





### 3.3

# COMPREHENSIVE APPROACH TO SECURE MANAGEMENT

In our organization, risk management is key to strengthening operations and ensuring business continuity.

We focus on identifying and mitigating vulnerabilities at the strategic, operational, information, and compliance levels, enabling us to make safer and more efficient decisions.

To achieve this, we rely on a specialized Internal Audit team that leads the implementation of our Audit Plan, prioritizing the most critical processes

and conducting extraordinary and unannounced reviews. Thanks to this work, we have significantly strengthened our internal controls, ensuring a more solid and reliable management system.

In 2024, we conducted 14 audits in the company's production and support areas. These audits allowed us to evaluate and optimize processes, as well as identify opportunities for improvement in key areas. The following stages were followed throughout the process to ensure a comprehensive and detailed review of each aspect evaluated:

GRI 3-3







PREVENTION OFFICER

- a. Appointment of the Prevention Officer.
- b. Design of the Compliance Model.



RISK IDENTIFICATION

- a. Identify specific risks.
- b. Incorporate internal control measures.
- c. Update the RC matrix.



EVALUATION

- a. Assess the risk impact (high, medium, low)
- b. Determine the likelihood of occurrence



IMPLEMENTATION

- a. Define the action plan
- b. Establish procedures and/or policies.



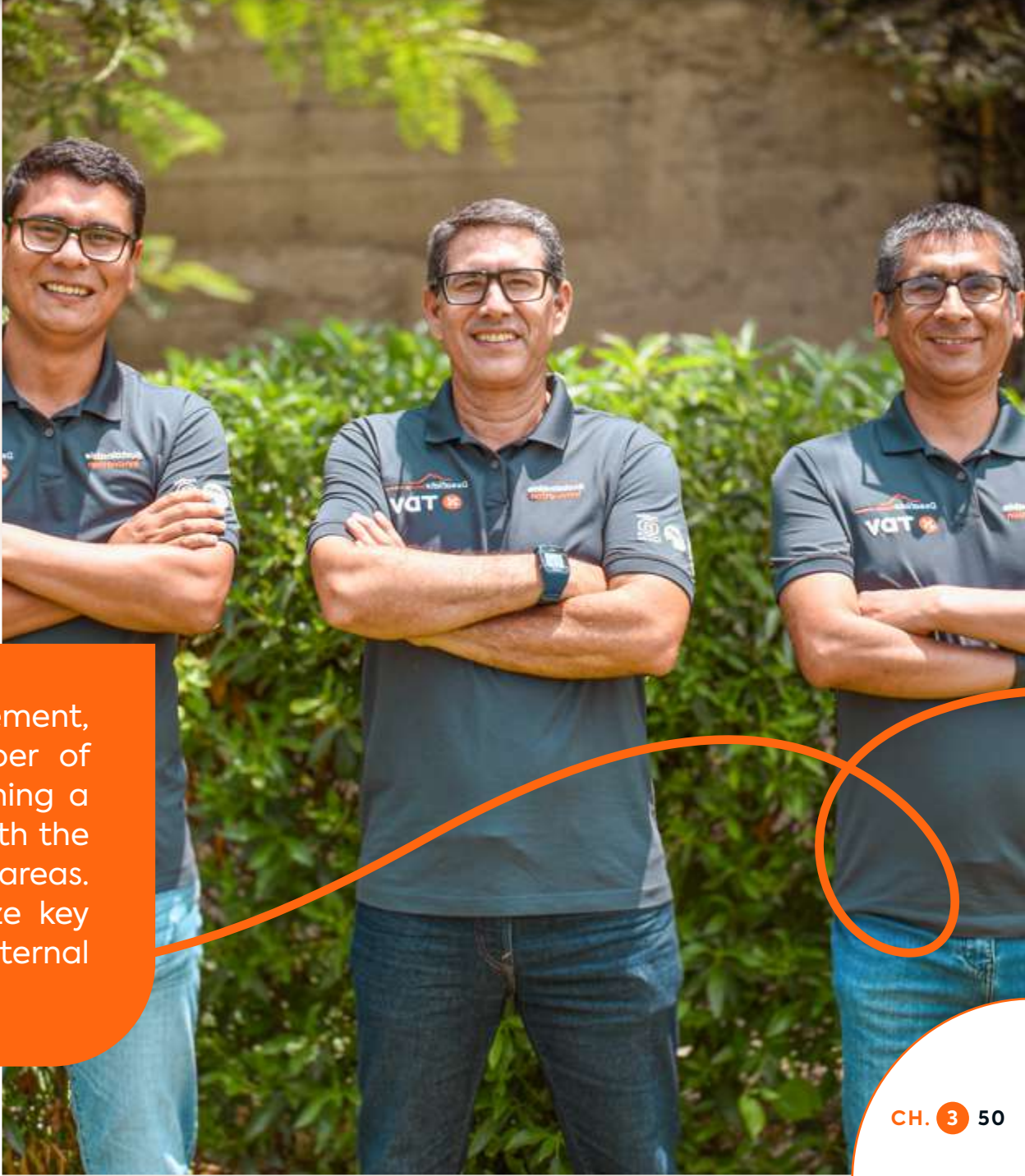
FOLLOW-UP

- a. Monitor the action plan and verify compliance with the procedures and/or policies

STRENGTHENING OUR RISK MANAGEMENT

To ensure effective risk management, we carry out continuous monitoring of the action plans developed in coordination with the relevant areas. This follow-up allows us to verify the implementation of improvements and mitigate the risks identified in each audit.

Thanks to our focus on risk management, in 2024 we increased the number of audits conducted by 16.6%, reaching a total of 14 audits that covered both the production chain and support areas. This effort allowed us to optimize key processes and strengthen our internal controls.



Looking ahead to 2025, we will continue strengthening our management through the development of a new Annual Audit Plan, designed to build on previous reviews and incorporate new strategic areas that enhance our risk management.

Our objective is to **increase the number of audits and reviews by 70%**, which will allow us to optimize processes, reinforce internal controls, and reduce vulnerabilities. With this strategy, we aim not only to minimize risks but also to improve operational efficiency and strengthen the company’s ability to face future challenges, contributing to sustainable growth and long-term value creation.
 GRI 2-25 | Non-GRI Comprehensive Risk Management

Below, we present the main risks identified at TDV, classified by category:



FINANCIAL RISKS

We conducted a comprehensive assessment of financial risks, including liquidity, profitability, solvency, credit, inventory, and legal aspects. This analysis enables us to identify vulnerabilities, strengthen decision-making, and ensure long-term financial stability.



HEALTH AND SAFETY RISKS

We prioritized the management of risks related to occupational health, safety, and the environment (OHSE), as well as Asset Protection. We evaluated working conditions, employee protection policies, and security measures aimed at safeguarding assets and facilities.



OPERATIONAL RISKS

We analyzed our production processes to ensure compliance with operational policies, procedures, and controls. This approach allows us to detect potential deficiencies that could affect the continuity and quality of our operations, thereby ensuring greater efficiency and production stability.



INFORMATION SECURITY RISKS

We assessed the management and protection of data overseen by the Information Technology department, ensuring measures are in place to prevent unauthorized access, maintain data integrity, and protect the confidentiality of sensitive information. This reinforces cybersecurity and mitigates potential cyber threats.



# CLIMATE-RELATED RISKS AND OPPORTUNITIES

At TDV, we understand that climate change is not only an environmental challenge but also a reality that impacts the economy and business competitiveness. We recognize that this phenomenon presents both risks and opportunities, which is why we work actively to anticipate and adapt to its implications. Our goal is to strengthen the management of these risks across our operations and areas of influence, minimizing negative impacts and leveraging opportunities in a constantly evolving environment.

In 2024, we took a key step in this direction by conducting a vulnerability assessment to identify the main climate-related risks that could affect the continuity of our business. This evaluation was based on the conceptual framework of the Intergovernmental Panel on Climate Change (IPCC) and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) for the management of climate-related risks and opportunities.

We also referenced the financial standards of the International Sustainability Standards

Board (ISSB), as well as technical notes and guidelines from specialized entities such as SENAMHI, CENEPRED, INGEMMET, and other institutions with expertise in risk diagnostics and multi-criteria disaster evaluation.

This analysis enables us to anticipate climate challenges and develop adaptation strategies that enhance our resilience, ensuring the long-term sustainability of our operations.



Below, we present the most relevant climate risks identified in our analysis:

Location of operations	Direct physical risks from climate change		
	River flooding	Droughts	Increase in UV radiation
Chincha Plant	Moderate	High	Moderate
Lima Plant	Low	High	Moderate
Surco office	Low	High	Moderate

Based on the geographical location of TDV's operations, the risk with the highest level of exposure was identified as drought, due to the climatic conditions of the Peruvian coast. Although this region experiences rainy seasons, such as during El Niño events, rainfall tends to be highly irregular and often insufficient to reverse long-term water scarcity (SENAMHI, 2024).



Assessment of physical climate risk trends through 2050

Location of operations	Precipitation	Minimum temperatures	Maximum temperatures
	Projection to 2050		
Chincha Plant	-(15-30%)	+(2-2.4 °C)	+(2-2.4 °C)
Lima Plant	+(15-30%)	+(2-2.4 °C)	+(2-2.4 °C)
Surco office	+(15-30%)	+(2-2.4 °C)	+(2-2.4 °C)

We also consider it essential to assess the financial implications that these risks may generate for our company. Among the main economic risks that could impact TDV, we have identified the following:
 GRI 201-2

- **Adaptation costs.** The transition toward more sustainable practices may require significant investments in technology, processes, and materials.
- **Competitiveness.** Failing to adapt quickly to climate risks could affect our market position compared to companies that have already implemented sustainable strategies.
- **Reduced production.** To meet emissions reduction targets, we may need to adjust production levels, which would directly impact revenue.

In light of this scenario, we continue to strengthen our sustainability strategy, prioritizing operational efficiency and innovation to minimize risks and seize new opportunities in a changing environment.



# 3.4 OUR ECONOMIC PERFORMANCE

We are convinced that economic growth and sustainability go hand in hand. Solid financial growth is only possible when it is managed responsibly, efficiently, and with innovation, ensuring a positive impact on the planet and society. For this reason, we have shared our financial results transparently for several years, reaffirming our commitment to responsible management aligned with our values.

Throughout 2024, we faced a challenging environment in our sector. However, we adapted and strengthened our operations through a strategy focused on efficiency, resource optimization, and sustainable growth. By reducing production seasonality, we were able to fulfill larger orders during key periods of the year, resulting in an additional 20% coverage of demand and more efficient fulfillment for our clients.

This approach enabled us **to generate an economic value generated (EVG) of USD 79 MM**, reflecting our adaptability and resilience. Our activities also benefit our stakeholders. In 2024, **the economic value distributed (EVD) reached USD 79 MM**, allocated to operational costs, wages and benefits for our employees, taxes paid to the Peruvian government, and investments in the communities where we operate. In turn, **we achieved an economic value retained (EVR) of USD 3.7 MM**, ensuring the long-term sustainability of our business.

GRI 3-3 | GRI 201-1



Additionally, thanks to the implementation of strict controls and disciplined financial management, we achieved significant results:



Our top priority was the efficient management of waste relative to standard cost and inventory optimization, which allowed us to strengthen control and visibility over our operating costs.

KEY ACHIEVEMENTS OF OUR 2024 MANAGEMENT:

Among the year’s most notable achievements, we highlight the following:

- Improved cost control in the operational process, thanks to the implementation of action plans focused on resource optimization and expense reduction.
- Achievement of the initial financial target of USD 78 MM, with a projected year-end result of approximately USD 80 MM.
- Year-end closing with an EBITDA of 13.10%.

GOALS AND PROJECTS:

Additionally, in 2024 we implemented key projects to strengthen our operational and financial efficiency:

- Strict control of material balance.
- Optimized inventory Management.
- Rigorous adherence to the established budget.

For 2025, we will continue with our optimization and growth strategy, prioritizing:

- Improved production efficiency to increase our operational capacity.
- Ongoing control of material balance as a core component of our cost Management.

While our growth has been driven by greater expansion into international markets, we continue to face challenges in generating tangible benefits in terms of cost reduction and streamlining procedures for sustainable products. Despite this, we remain firmly committed to sustainability as a key pillar of our business strategy.

“We believe in a more responsible textile industry and in sustainability as a driver of transformation. That is why we continue moving forward with the goal of becoming the most sustainable textile company in the world, generating value not only for our organization but also for society and the planet”.





**We also highlight that 100% of our revenue comes from the production and commercialization of textile products aligned with ESG criteria.**

This is because our offering includes garments made with sustainable materials; we work with 100% recycled polyester, regenerative organic cotton, and efficient processes that reduce water and energy consumption. In addition, we promote responsible supply chain management, ensuring fair labor conditions and fostering the circular economy through actions aligned with the goal of maximizing the value and lifespan of textile products, materials, and solid waste. This approach not only allows us to comply with international standards but also positions us as a leader in promoting a more responsible and sustainable textile production model. **DEGS 2.2.1**





### 3.5

# BUILDING A SUSTAINABLE SUPPLY CHAIN

We collaborate with global companies that incorporate sustainability into their business models, considering environmental, social, economic, and governance (ESG) criteria. Our clients manage and select the suppliers we work with, ensuring compliance with high technical and sustainability standards.

Our management of suppliers and contractors is guided by a Procurement Procedure that establishes minimum quality criteria and required standards. This allows us to ensure responsible business relationships aligned with our sustainability commitments. In addition, given our international reach, the majority of our buyers are based abroad, which strengthens a global supply chain with a positive impact. **GRI 3-3**





Testimonial:
Textil el Amazonas Supplier



SUSANA ZÁRATE
GENERAL MANAGER

Our relationship with Textil del Valle began before 2010 and has since evolved into a strong partnership, built not only on commercial grounds but also on a shared vision of sustainability. In addition to being their sewing thread supplier, we have collaborated on key initiatives such as the returnable cone system — a circular economy initiative that promotes the reuse and reduction of plastic cone waste, as well as reduces the resources required to produce new plastic cones for sewing threads since 2019.

“Both companies are part of the Sustainable Fashion Cluster and the B Corporation ecosystem, which has strengthened our connection and allowed us to share best practices. TDV has shown that, with vision and commitment, it is possible to lead in sustainability from Peru, inspiring other companies in the sector and demonstrating that this vision is also profitable in the long term”.

If I had to describe them in one word, it would be **leaders**. And in one phrase: “An organization that leads in sustainability and quality, inspiring other companies to do things differently.” For us, TDV is not just a client but a strategic sustainability partner with whom we hope to continue building a better future.

# SUPPLIER MANAGEMENT AND EVALUATION

To strengthen our sustainable management and ensure high standards across our supply chain, we have a **Supplier Code of Ethics and Conduct**, a document that all our suppliers are required to review, accept, and sign.

This document outlines key principles related to labor standards, business ethics, and environmental care, promoting the adoption of best practices throughout all our business relationships.

Click here to access our Supplier Code of Ethics and Conduct

Additionally, in line with our commitment, we have developed a training program for local suppliers focused on the adoption of responsible practices in environmental, social, and ethical matters. Through this initiative, we aim not only to ensure compliance with high standards but also to promote business relationships based on transparency and sustainable development.

Below, we present the segmentation of our suppliers by geographic location.

The supply chain at TDV			
	2022	2023	2024
Total number of suppliers	889	827	802
Percentage of national suppliers	82%	79%	80%
Percentage of international suppliers	18%	21%	20%
Percentage of suppliers from Ica	5%	5%	5%

## EVALUATION OF TECHNICAL CRITERIA

To ensure an efficient procurement process aligned with our quality standards, we have established three key criteria for supplier selection:



DELIVERY DATE



QUANTITIES DELIVERED



PRODUCT QUALITY CONTROL

These aspects are evaluated through a scoring system. If a supplier receives a score equal to or below 50%, they are disqualified for not meeting the established requirements. In addition, our Integrated Management System (IMS) monitors compliance with these criteria, ensuring that our supply chain maintains high performance standards.

## EVALUATION OF ESG CRITERIA

Since 2023, we have incorporated ESG criteria into supplier evaluations, analyzing their environmental, social, and governance impacts. The environmental assessment considers emissions management, the use of natural resources, and conservation practices. In the social dimension, we evaluate working conditions, respect for human rights, and contributions to local communities. Finally, in governance, we assess the supplier's actions related to business ethics, operational transparency, and leadership and control structures.

During the first phase, we conducted a thorough evaluation of 50 strategic suppliers based on ESG criteria across all three dimensions. This analysis allowed us to identify gaps and opportunities for improvement within our supply chain.

Although no new evaluations were carried out in 2024, we plan to resume them with an expanded focus. To this end, we will introduce a support program for local suppliers and extend the scope of the evaluation to a greater number of strategic partners, further strengthening our commitment to sustainable and responsible management.

GRI 308-1 | GRI 308-2 | GRI 414-1 | GRI 414-2 | DEGS 2.1.3



# LOCAL PROCUREMENT

We currently carry out our procurement process through two channels. Most of our purchases and acquisitions are made from local suppliers. However, as previously mentioned, the selection of suppliers is the responsibility of the client, who oversees the selection and approval processes.

We define local procurement as any purchasing process carried out within national territory. In this part of the process, we have control over the selection, contracting, and evaluation of the supplier.

Local procurement includes the acquisition of various products such as yarns, chemicals, dyes, and trims. It is worth noting that a large portion of our local purchases corresponds to yarns, which account for 66% of our purchases in the national market. It is also important to highlight that the international brands we work with ensure that Peruvian suppliers meet quality and supply standards and comply with ESG criteria.

GRI 3-3 | GRI 204-1

Amount and percentage of local purchases during 2024

Type of supplier	Total purchases in USD (MM)	Percentage of purchases	Number of contracted suppliers	Number of purchase orders issued
Yarn	16	66%	12	480
Chemicals and dyes	3.8	16%	42	504
Trims	4.3	18%	30	1,205
TOTAL	24.1	100%	84	2,189

In 2024, **80% of our total purchases came from local suppliers**, reaffirming our commitment to the economic development of the communities near our operations. At TDV, we prioritize the acquisition of local goods and services, strengthening our supply chain and generating a positive impact in the areas where we operate.

CHAPTER →

04

Innovation, quality, and excellence in every process





## 4.1 OPERATIONAL EXCELLENCE

We foster a culture of operational excellence, where efficiency, process optimization, and risk reduction are key pillars. Our strategy is based on continuous improvement, utilizing advanced management tools and innovative methodologies to ensure the highest performance in our operations.

To achieve this, we have implemented an **Integrated Management System (IMS)**, which allows us to monitor our processes in real time, identify improvement opportunities, and respond swiftly to our clients' needs.

The combination of technology, human talent, and world-class standards enables us to anticipate industry challenges and strengthen a sustainable and efficient operation.

In 2024, we continued to enhance our management through **the Balanced Scorecard (BSC)**, a key tool for evaluating and measuring our processes using strategic indicators. To conduct the evaluation, we consider the following steps.

GRI 3-3



The criteria used to assess enhanced operational efficiency at TDV are as follows:



“This approach allows us to align our actions with the organization’s strategic objectives, comply with the highest regulatory standards, and promote continuous improvement, thus ensuring customer satisfaction and the sustainable development of our operations”.





## 4.2 QUALITY MANAGEMENT AND CERTIFICATIONS

At TDV, we have developed an **Integrated Management System (IMS)** that enables us to ensure high standards in **quality, environment, occupational health and safety, and social responsibility**. This comprehensive approach helps us optimize our processes, minimize risks, and ensure regulatory compliance, while aligning with the industry's best practices.

As part of this commitment, we have an **Integrated Management Policy** that sets the guidelines for maintaining an efficient, safe, and environmentally responsible operation.

Through our IMS, we promote a culture of continuous improvement, where every area of the organization actively contributes to operational efficiency and sustainability. In addition, our Integrated Management System is certified, which confirms our compliance with high standards in quality and environmental management across our operations, ensuring efficiency, sustainability, and alignment with industry best practices.

GRI 3-3

### KEY ACHIEVEMENTS IN 2024

- **Implementation of the GSV Global Security Verification certification**, reinforcing our sustainability standards and best practices.
- **External SGS audit for ISO 9001/14001**, successfully completed with no non-conformities, ensuring the continuity of our certifications.
- **Integrated training sessions held in Chincha and Lima**, in June and November to strengthen IMS management across the organization.

Our ongoing pursuit of excellence has positioned us as a benchmark in the sector, strengthening the trust of our clients and stakeholders. As part of this commitment, we have obtained certifications and sustainability standards that support our responsible management across economic, environmental, and social dimensions.

Not GRI: Quality Management and Certifications



Below is a list of our main certifications:

OUR CERTIFICATIONS

ISO 9001

ISO 14001

Certified B Corporation

BIC Companies

The Higg Facility Environmental Module

Global Organic Textile Standard (GOTS)

Carbon Neutral Certification

Worldwide Responsible Accredited Production (WRAP)

Accreditation of Textile Quality Testing Laboratory

Global Recycled Standard (GRS)

Organic Content Standard (OCS)

Fair Trade Certified

Business Alliance for Secure Commerce

Global Security Verification

2024: Certification of the 3rd HC Peru star for the reduction of the carbon footprint from 2022 to 2023.

“Each certification is more than a recognition; it is a commitment that drives us to surpass our own standards and build a more sustainable, competitive, and excellence-driven future”.

To ensure optimal performance in quality management and certifications, we have established the following indicators:

Indicator	Target
Ensure compliance with processes within the Management Systems through the recertification of integrated management systems.	90%
Ensure regulatory compliance through scheduled internal audits.	90%
Develop improvement projects with measurable impact to optimize our processes.	2 projects
Strengthen the 5S culture across all areas, based on good manufacturing practices (GMP).	95%

In 2024, the lessons learned in quality management became a fundamental pillar of our organizational culture. Through the implementation of standardized procedures and the continuous training of our team, we strengthened the quality of our products and services, ensuring high levels of efficiency and compliance.

GOALS AND PROJECTS:

As part of our evolution toward more agile and innovative management, we are developing two automation projects, with deliverables scheduled for mid-2025:



Document digitization project.



Project for the automation of internal audits and findings reports.

These advancements reflect our commitment to excellence, innovation, and continuous improvement, ensuring that our quality management evolves to meet future challenges.



# 4.3 INNOVATION AND PRODUCT DEVELOPMENT

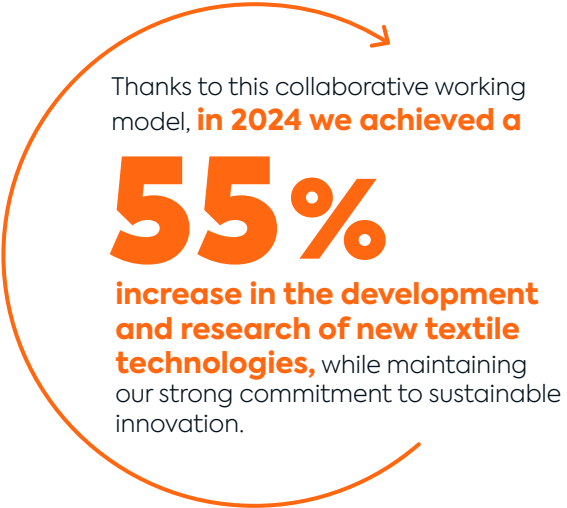
Innovation is the driving force behind our growth and reinforces our commitment to sustainability. Through the integration of new technologies and eco-efficient processes, we aim to reduce our environmental impact without compromising the quality and competitiveness of our products. To achieve this, we prioritize the use of sustainable raw materials such as organic cotton and recycled fibers, and we optimize our processes to reduce water and energy consumption.

This approach is built on three key pillars: **understanding the specific needs of our clients, promoting technological research, and developing innovative processes** that enhance our efficiency. In addition, close collaboration with suppliers who share our principles of sustainability and quality allows us to strengthen our competitiveness in international markets and consolidate responsible practices throughout our value chain.

To ensure that innovation is an integral part of our business, we have established weekly meetings between the Development, Technical, and Quality departments. In these sessions, we analyze new proposals and document strategic agreements that enable us to move forward with greater precision and agility in the implementation of innovative solutions.

Many of these advancements were presented to our clients and, in some cases, developed in collaboration with them, strengthening partnerships and enabling the creation of solutions tailored to their needs. In line with our continuous improvement strategy, we also established the position of Textile Project Coordinator, responsible for overseeing, documenting, and following up on each initiative. This role allows us to optimize resources, enhance efficiency, and ensure that every development aligns with our strategic objectives, thereby reinforcing our commitment to sustainable innovation. **GRI 3-3 | NOT GRI Innovation and Sustainable Product Development**

“At TDV we drive innovation and sustainability in the textile industry by combining advanced technology, responsible raw materials, and eco-efficient processes. The ongoing modernization of our industrial facilities and the development of innovative solutions allow us to offer high-quality products that meet the demands of the global market”.



# OUR 2024 MANAGEMENT ACHIEVEMENTS



## Safe

Ocean Safe is a textile concept designed based on the principles of the circular economy, using materials that are 100% recyclable, biodegradable, and free of toxic substances. This approach ensures that fabrics are safe for both people and the environment, promoting products that can return to the natural cycle without generating waste. It also supports sustainability, reduces the environmental impact of the textile industry, and contributes to the development of a more responsible and regenerative fashion model.

At TDV, we are constantly seeking materials and products developed with new sustainable technologies, both in their composition and in their manufacturing processes. The product is currently under development in collaboration with our client, **Ralph Lauren**.



## Clarus Zio Ray

Clarus technology uses ionic liquids to swell, mobilize, and reconstruct cellulose bonds at the molecular level (a welding method). As a result, we obtain stronger yarns and fabrics, maintaining a 100% natural fiber with performance comparable to that of a synthetic one.

In 2024, this project was developed in collaboration with **Patagonia**, a leading brand in sustainability. As part of the process, a technical visit to our facilities was conducted to support its implementation. We are currently awaiting the results of this technology, which could represent a turning point in the textile industry.



## Brown Cotton

Brown cotton is a natural variety grown in northern Peru, known for its distinctive brown color. Unlike conventional white cotton, this fiber does not require dyeing processes, which significantly reduces the use of chemicals and water in textile production.

This product is already developed and available for various clients, representing a sustainable alternative that combines tradition, quality, and a lower environmental impact.



Below are the main innovation and technology projects we are currently working on:

INNOVATION AND TECHNOLOGICAL DEVELOPMENT PROJECTS 2024

PROJECT	DESCRIPTION	BENEFITS	MAIN ACHIEVEMENTS	PROGRESS PERCENTAGE
CLARUS	Clarus technology uses ionic liquids to swell and bond fibers (welding method), creating cellulosic yarns and fabrics that retain their natural properties while offering performance similar to synthetic fibers.	Thanks to this process, we obtain stronger yarns and fabrics while maintaining a 100% natural fiber with enhanced performance.	Proposals submitted to clients Patagonia and Lululemon.	100%
QIRA	Made with 70% renewable content derived from field corn. Potentially reduces the carbon footprint of LYCRA® fiber by up to 44%, with performance comparable to original spandex fiber.	Reduces environmental impact as a sustainable product made from natural, renewable sources.	Product developed in mutual agreement with Ralph Lauren and offered to other clients.	90%
BROWN COTTON	Native cotton grown in northern Peru, recognized for its natural color. It does not require dyeing, which significantly reduces the use of chemicals, water, and energy in textile production.	This sustainable fiber eliminates the need for a dyeing process, thereby minimizing environmental impact.	Fabric approved by Patagonia for the Fall 2026 season and proposed to clients Lululemon and MHK.	100%
ZIO RAY - Clarus	Innovative textile technology that protects individuals from more than 98% of UV rays. It is made from bio-based materials and is therefore environmentally friendly.	A sustainable and functional technology that provides an effective barrier against ultraviolet rays.	Positive results in the first and second phases. Currently in the final stage of completion.	100%

PROJECT	DESCRIPTION	BENEFITS	MAIN ACHIEVEMENTS	PROGRESS PERCENTAGE
naNea - Ocean Safe Biodegradable Polyester	Next-generation biodegradable polyester developed as a replacement for traditional PES. It degrades 93% in marine environments in just 99 days.	This technology is designed based on circular economy principles, ensuring that fabrics are safe for both people and the environment.	Development completed. Meetings pending to review results.	80%
COTTON LIKE	Technology applied to polyester fiber to create volume and softness in the fabric, achieving a touch and appearance similar to cotton.	Expands our portfolio with innovative products that combine the natural look of cotton with properties such as durability, comfort, quick drying, and wear resistance.	Yarn required to initiate development.	50%
CATIONIC NYLON- brrr°	Technology that provides garments with three distinct cooling effects that work together to immediately and continuously reduce skin temperature: cooling minerals, active wicking, and rapid drying. It also features a heathered effect.	This innovation offers a competitive advantage by enabling the development of high-performance fabrics with active cooling properties, efficient moisture absorption, and quick drying. Additionally, it allows for the creation of specialty color effects.	Proposals submitted to clients using fabric sourced from Asia.  U.S.-manufactured yarn required.	100%
QR CODE	Implementation of a QR code system on our fabrics to provide clients with an interactive tool for creating personalized lists of preferred products.	This system offers detailed information on the sustainable and technological attributes of each fabric, supporting more informed and responsible decision-making.	Implementation completed for DDT. Criteria pending definition.	90%



# GOALS AND PROJECTS:

Looking ahead to 2025, we will continue implementing new projects aimed at optimizing processes, improving the circularity of our products, and strengthening the use of sustainable materials. These efforts will ensure an increasingly competitive offering aligned with global trends.

Below are the main projects we will implement in 2025:



## INNOVATION AND TECHNOLOGICAL DEVELOPMENT PROJECTS FOR 2025

PROJECT	OBJECTIVE	KEY ACHIEVEMENTS
HeiQ Lycra Technology	Implement a new technology for 100% cotton fabrics that incorporates stretch and recovery properties without compromising recyclability, thus ensuring greater durability and product circularity.	In coordination with suppliers (HeiQ).
Colored Nylon Yarn (solution dyed)	Expand our product line for strategic clients requiring specialty nylon fabrics.	Yarn dyed; fabric development (listed fabrics) in progress.
Ecocell™ (Iyocell)	Explore a new technology for regenerated cellulosic fibers, with a more sustainable production process compared to conventional fibers such as modal, tencel y Iyocell.	In coordination with suppliers (Iyocell).
CELLIANT	Implement a fiber-based technology for high-performance fabrics that transforms body heat into infrared energy, enhancing performance and becoming a key component for globally recognized brands.	In coordination with suppliers.
VIZOO	Implement the VIZOO program to digitize fabrics with high precision, optimize 3D designs, and reduce the costs and lead times associated with physical samples. This project will also enhance the customer experience through interactive visualizations, improving both product presentation and development.	Program purchase approved for 2025.
Browzwear (fabric analyzer)	Optimize product development through 3D simulations, enabling realistic fabric visualization and precise garment fitting. Its integration with digitized materials streamlines decision-making and facilitates customization for clients.	Program purchase approved for 2025.

## 4.4 USE OF SUSTAINABLE RAW MATERIALS

At TDV, we recognize that sustainability begins with the selection of our raw materials. That is why we are committed to using materials that reduce our environmental impact and promote responsible production.

Our approach is based on the following pillars:

- **Selection of natural and sustainable fibers.** We prioritize the use of sustainably produced cotton, ensuring that our products are made with raw materials that have a low environmental and social impact, thereby reducing the ecological footprint of our operations.
- **Incorporation of recycled materials.** We promote the use of recycled polyester and other innovative materials to support the circular economy, minimize the use of virgin resources, and reduce textile waste.
- **Supply chain control.** We monitor every stage of the supply chain, from the selection of raw materials to the manufacturing of final products, to ensure that each process complies with sustainability standards.
- **Collaboration and certifications.** We work with suppliers aligned with our vision and participate in international certifications, such as B Corporation, to ensure the traceability and sustainability of our raw materials.

We also have a GOTS, OCS, and GRS Process Manual, which establishes strict controls to ensure organic and recycled production in accordance with international standards: **GOTS (Global Organic Textile Standard)**, **OCS (Organic Content Standard)**, and **GRS (Global Recycled Standard)**. These controls cover the organic or recyclable composition of materials, production traceability, compliance with social and environmental criteria, and product safety. **Through these standards, we verify that raw materials are free from harmful chemicals and produced in an environmentally responsible manner.** Their application spans across textile and manufacturing processes, as well as various departments including Commercial, Logistics, Product Development, Warehousing, SSOMA, DHRSE, and Quality Management.

### GRI 3-3 | NOT GRI Use of Sustainable Raw Materials



“This approach not only allows us to minimize our environmental impact, but also enables us to actively contribute to transforming the textile industry toward a more sustainable and responsible future”.





RAW MATERIAL  
MANAGEMENT AND  
ESG RISK MITIGATION

The availability of essential inputs for the textile industry can be affected by various environmental, social, and governance (ESG) factors, such as climate change, scarcity of natural resources, labor conditions across the value chain, and emerging environmental regulations.

At TDV, we have identified our priority raw materials and assessed the main environmental and social risks that could impact their supply. This analysis enables us to anticipate challenges, identify business opportunities, and develop management strategies that strengthen the sustainability of our supply chain.
 SASB: CG-AA-440a.3

PRIORITY RAW MATERIAL	ENVIRONMENTAL OR SOCIAL FACTORS	BUSINESS RISK OR OPPORTUNITY DISCUSSION	MANAGEMENT STRATEGY
Organic Cotton	Impacts of climate change	<p>Variations in climate and the increase in extreme weather events, as effects of climate change, have the potential to significantly impact agricultural activity, affecting both the availability and quality of supply.</p> <p>Cotton, soil, and water are key components of the ecosystem that depend directly on climate conditions and can be affected by any abrupt environmental changes. This could disrupt the supply of this raw material and put TDV's business profitability at risk.</p>	Transition to regenerative cotton farming practices, strengthening supplier relationships, and close coordination from TDV.
Recycled Polyester	Raw material availability	<p>The availability of recycled polyester fibers also depends on recycling systems, which can vary based on demand and supply. This may lead to fluctuations in cost and stock levels. Additionally, as demand increases, its price could become less competitive compared to virgin polyester.</p>	<p>Our clients specify which supplier to purchase from and ensure alternative options to secure a continuous supply of this input.</p> <p>We are also currently developing a project to build and scale a recycled polyester plant, with the goal of producing this material locally.</p>
Regenerative Organic Certified (ROC) Cotton	Impacts of climate change	<p>Variations in climate and the increase in extreme weather events, as effects of climate change, have the potential to significantly affect agricultural activity, harming both the availability and quality of supply.</p> <p>Cotton, soil, and water are ecosystem components that depend directly on climate conditions and may be disrupted by any sudden environmental change. This could impact the supply of this raw material and put TDV's business profitability at risk.</p>	<p>Through the Algodón de Vida project, we ensure a continuous and sustainable supply of ROC cotton while supporting the sustainability of farmers.</p> <p>This cotton certification guarantees that production is carried out in a way that respects both people and the environment, using agricultural practices that restore and improve soil health, promote biodiversity, and help mitigate climate change.</p>
	Soil and water quality	<p>Traditional farming practices can negatively impact not only the quality of cotton but also the health of soil as a fundamental resource. In this context, adopting sustainable agricultural practices presents an opportunity to avoid the use of toxic compounds that harm soil and water, while also improving the quality of the cotton produced.</p>	





## SELECTION OF CERTIFIED RAW MATERIALS

In pursuit of excellence in our business model, we are firmly committed to offering durable, sustainable products that can be reintegrated into other production processes. This approach is fully aligned with our philosophy of dressing the world sustainably. In close collaboration with our clients, we develop circular models that incorporate certified raw materials in their composition.

Throughout 2024, the composition of our products was primarily based on organic and regenerative cotton, recycled cotton, and recycled polyester. All of these raw materials are certified under the Global Recycled Standard (GRS) and the Global Organic Textile Standard (GOTS).

These certifications ensure our strict compliance with the sustainability and environmental standards required by our clients. **SASB: CG-AA-440a.4**



Priority raw material	Purchased quantity (metrics tons)	Certified amount, by standard	
		Certification/standard	Certified quantity (tons)
ROC cotton	155.78	GOTS/OCS	100%
Organic cotton	885.3	GOTS/GRS/OCS	100%
Recycled polyester	399.47	GRS/OCS	100%

At TDV, we actively engage in the implementation of a circular and regenerative economy model, promoting socially and environmentally responsible practices. Our goal is to minimize the impact of fast fashion on the textile industry. Below, we detail the categories of sustainable raw materials used in our products during 2024:

Use of sustainable raw materials by certification			
Certification	Total	Unit	Percentage of total yarn purchased in 2024
GRS	400.33	tons	27.57%
GOTS	622.08	tons	42.84%
GOTS - OCS	14.15	tons	0.98%
OCS	415.43	tons	28.61%
Total yarn purchased in 2024		1,451.99 tons	

Use of sustainable raw materials by certification (GOTS/GRS) and yarn type (in tons)					
Certification	Natural Cotton	Recycled Cotton	Polyester	Recycled polyester	Total (tons)
GRS	0.89	0.01	0	399.43	400.33
GOTS	618.61	0.13	0	0	618.74
GOTS - OCS	14.15	0	0	0	14.15
OCS	407.43	7.96	0	0.04	415.43
Overall total	1,041.08	8.1	0	399.47	1,448.65

Use of sustainable raw materials by certification (GOTS/GRS) and yarn type (in %)					
Certification	Natural cotton	Recycled cotton	Polyester	Recycled polyester	Total (%)
GRS	0.09%	0.12%	0%	99.99%	27.63%
GOTS	59.42%	1.60%	0%	0.00%	42.71%
GOTS - OCS	1.36%	0.00%	0%	0.00%	0.98%
OCS	39.14%	98.27%	0%	0.01%	28.68%
Overall total	71.87%	0.56%	0%	27.58%	100%

## COTTON OF LIFE: A COMMITMENT TO A REGENERATIVE ECONOMY

Cotton of Life is a project developed in the department of San Martín (Lima, Peru) with the primary objective of establishing a sustainable supply chain with full traceability for organic cotton cultivation, a resource that remains scarce in the global market. The initiative ensures the availability of this sustainable raw material for the textile sector while strengthening the economic context of local producers, who are primarily engaged in subsistence-level activities and often face threats from low-income or illicit industries such as illegal mining.

Launched during the unprecedented global pandemic in 2020 and officially initiated in 2022, the project is a collaborative effort with our strategic partners: GR Algodón Orgánico Perú (cotton cultivation management), Mercantil Algodonera (ginning and baling), Filasur (spinning), and Textil del Valle (fabric production and garment manufacturing). Land previously used for coca leaf cultivation has been transformed into fields for growing organic cotton. This shift has positively impacted over 200 farming communities in the department of San Martín, now dedicated to organic cotton production.

Currently, the project spans more than 5,000 hectares of cultivated and harvested cotton across various provinces in the Peruvian Amazon, including Juanjuí, Saposoa, Bellavista, Sisa, Picota, Lamas, and Tocache. By 2025, we aim to reach 10,000 hectares of fiber, nearly doubling the average national cotton cultivation area from the past five years.

## KEY ACHIEVEMENTS IN 2024:

In 2024, we reaffirmed our commitment to the **Cotton of Life** project through the purchase of **organic cotton yarn produced in the San Martín region**. At TDV, we transform this yarn into garments that meet high standards of quality and sustainability, responding to the demands of international brands such as **Lacoste and Patagonia**, and strengthening the continuity of our supply chain.

As part of this commitment, we completed the purchase of

**830 tons of regenerative organic cotton**

from Filasur, the company responsible for yarn production, reinforcing our dedication to a more responsible textile industry with a lower environmental footprint.



# 4.5 BUILDING TRUST-BASED RELATIONSHIPS WITH OUR CLIENTS

“Our commitment to customer satisfaction is reflected in quality service, efficient support, and continuous improvement that allows us to exceed expectations and foster long-lasting relationships”.

We strive to build strong relationships with our clients, based on quality, innovation, and service efficiency. In 2024, our customer relationship management strategy focused on three fundamental pillars: **on-time delivery, fulfillment of quantity, and quality**. These pillars are reflected in the results of our satisfaction evaluations, which allow us to maintain high performance standards.

Client feedback provides valuable insights to refine our strategies and continuously improve our processes. Through this ongoing dialogue, we identify improvement opportunities and ensure stronger alignment with client expectations, enabling more informed decision-making and reinforcing trust in our operations.

A key lesson learned in customer satisfaction management during 2024 was the importance of continuous monitoring. To this end, we have implemented policies requiring periodic satisfaction surveys, along with specific procedures to analyze the results and make strategic adjustments. This continuous improvement dynamic allows us to build long-term relationships by offering solutions that meet our clients’ needs and exceed their expectations.

Non-GRI: Customer Satisfaction

WE LISTEN TO OUR CLIENTS

As part of our commitment to our clients, we conducted two satisfaction surveys in June and November 2024, sent to all our clients via email. These surveys assessed 10 key attributes focused on product quality, social and environmental impact, service and response times, and innovation.

The results were highly positive, reflecting a favorable perception from our clients:

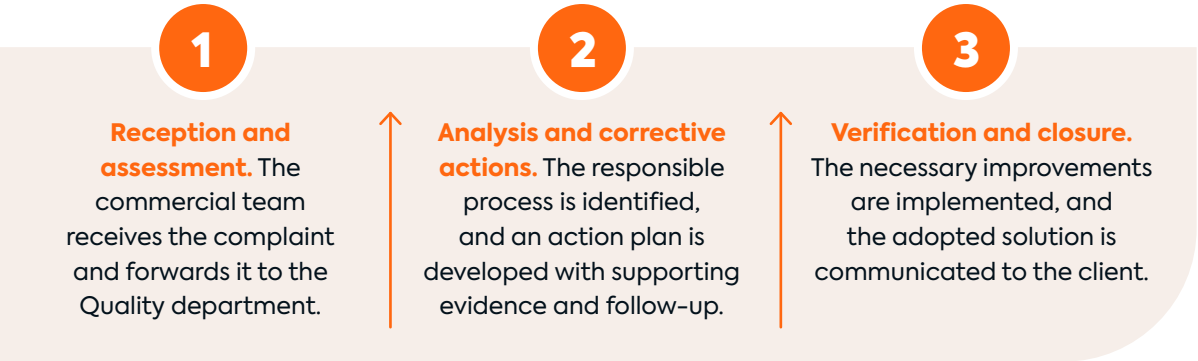


We are proud of these results, which reflect the dedication and commitment of our team at TDV to consistently deliver the highest standards of quality and service to our clients. We will continue working with the same dedication to exceed their expectations.

EFFECTIVE COMPLAINT MANAGEMENT: TRANSPARENCY AND CONTINUOUS IMPROVEMENT

We view every complaint as an opportunity to strengthen our processes and reinforce trust with our clients. Our commitment to continuous improvement drives us to address each concern through a structured approach, ensuring timely responses and effective solutions.

In 2024, we received and managed three complaints through a comprehensive process that allows us to analyze each case, implement corrective actions, and optimize our operations to continue delivering excellent service:



This approach not only allows us to resolve incidents efficiently, but also contributes to the continuous improvement of our products and services, reaffirming our commitment to quality and client trust.



Testimonial:  
Patagonia Client



THUY NGUYEN  
DIRECTOR OF SOCIAL  
IMPACT

We are proud to partner with Textil del Valle, a Fair Trade and B Corp certified organization that is deeply committed to the well-being of its workers and community.

“Partnering with companies that share our values is essential to our efforts to be a more responsible company. From projects that improve workers’ well-being to the promotion of regenerative organic agriculture, we are excited about the impact we continue to see through this strong collaboration”.



CHAPTER →

# 05

## Driving the planet's sustainability





# 5.1 OUR ENVIRONMENTAL MANAGEMENT

“We believe in a textile industry that not only dresses people but also cares for the planet. At TDV, every garment we produce reflects our commitment to a sustainable future”.

We are aware of today’s environmental challenges and the urgent need to take concrete action to reduce our impact on the environment. For this reason, we focus on optimizing our processes to use natural resources more efficiently and contribute to the preservation of ecosystems.

Our environmental management is guided by our **Sustainability Policy** and the **commitments established in our bylaws related to environmental responsibility**. Since becoming a Benefit and Collective Interest Company (BIC), we have set out to reduce our environmental impacts based on three main objectives: **DEGS 3.1.1**



**Reuse water** and improve efficiency in both consumption and the quality of water generated through our processes.



**Improve energy consumption efficiency** and transition our energy matrix to one based on low-impact renewable sources.



**Implement a circular economy** and comprehensive solid waste management throughout the value chain.

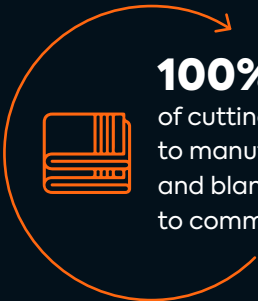
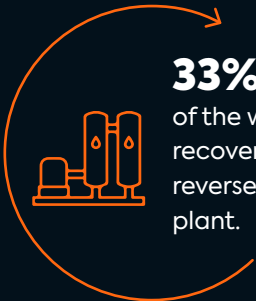
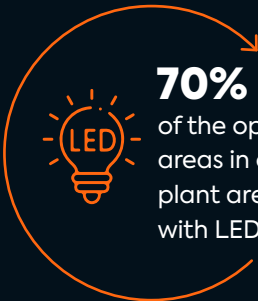
To ensure compliance with environmental regulations and reduce our impact on the environment, we have implemented an Environmental Adaptation and Management Program (PAMA in Spanish) for our Chincha facility, where 80% of our operations are concentrated. This management tool has been updated and aligned with ISO 14001 standards, strengthening our practices and identifying opportunities for environmental improvement.

In addition, in 2024 we underwent supervision by the Environmental Assessment and Enforcement Agency (OEFA), which validated compliance with the environmental commitments established in our Environmental Management Instrument (IGA in Spanish). **As a result of our responsible management, no environmental sanctions or complaints were recorded in any of our operations during the reporting period.**

GRI 2-27 | DEGS 3.1.2



# ACHIEVEMENTS IN OUR ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)





## 5.2 CLIMATE STRATEGY AND DECARBONIZATION

As part of our path toward more responsible operations, we actively work to reduce our emissions and transition to cleaner energy sources. Through our Sustainability Policy, we promote the use of renewable energy and the offsetting of our carbon footprint by purchasing carbon credits, participating each year in the voluntary carbon market. This commitment is strongly supported by our Board of Directors, General Management, and international clients, who encourage us to implement concrete actions to mitigate the effects of climate change. In addition, the Shareholders' Meeting plays a key role, directly participating in decision-making related to climate governance.

**DEGS 3.3.1**

For 2025, we have established strategic goals to strengthen our climate management:

- Reduce our carbon emissions.
- Fully offset the greenhouse gas (GHG) emissions generated by our operations.

→ Integrate climate change considerations into national policies, strategies, and plans.

In 2024, we also began developing an **Emissions Reduction Plan**, following the guidelines of the **Science Based Targets initiative (SBTi)**, with the goal of progressively reducing our GHG emissions by 2035 and achieving carbon neutrality. These guidelines will serve as a roadmap for the implementation of projects, strategies, and actions that will allow us to reduce our carbon footprint and, consequently, our environmental impact. **GRI 3-3 | DEGS 3.3.2**

## ENERGY PERFORMANCE AT TDV

We manage our energy performance strategically, in line with our Integrated Management Policy, with the goal of optimizing consumption, reducing environmental impact, and strengthening operational efficiency. Aware of the high energy demand in the textile industry, we promote initiatives that allow us to minimize our footprint and enhance the use of renewable energy sources.

To date, we have installed **1,320 solar panels**, enabling us to self-generate part of our electricity sustainably. The remaining supply comes entirely from **renewable sources**, such as hydroelectric plants, and is backed by our strategic partner through renewable energy certificates, ensuring a cleaner and more efficient operation.

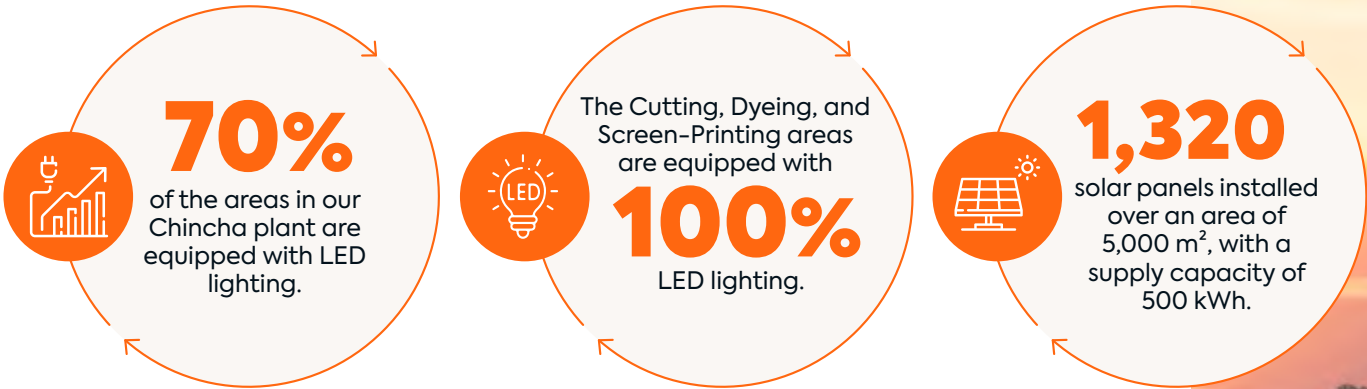
To guarantee efficient energy management, we conduct continuous monitoring of consumption at every stage of the production process. This allows us to identify areas for improvement and optimize resource use. We also foster a culture of energy efficiency across all our operations, ensuring that every action contributes to more responsible and resilient production.

In 2024, under our Energy Saving Policy, we set two key objectives: to optimize energy consumption in production processes and to maintain 13% of self-generated energy from sustainable sources. Thanks to internal audits and efficiency strategies, we successfully met these targets, achieving a 65% score in the Higg Facility Environmental Module (Higg FEM), one of the textile industry's leading environmental performance indicators.

**GRI 3-3 | GRI 302-1**



# ACHIEVEMENTS IN OUR ENERGY PERFORMANCE



## ENERGY CONSUMPTION AT TDV

In 2024, **our energy consumption reached 46,027,917 kWh**, reflecting a 4% increase compared to the previous year, driven by growth in production. This increase was accompanied by a transition toward cleaner energy sources, prioritizing the use of natural gas over more polluting fuels such as diesel, LPG, and gasoline. Electricity consumption at the plant also rose due to higher operational demand and the intensive use of equipment and facilities.

To determine our energy consumption, we use a comprehensive measurement approach that includes data collection from utility bills, direct measurements, and other operational records. We also apply conversion factors based on caloric equivalents and other energy units to ensure an accurate assessment aligned with international standards. Below is the total energy consumption at TDV: **GRI 302-1 | GRI 302-4 | DEGS 3.2.4**

Total energy consumption within the organization

Energy consumption by type	Unit of measure	2022	2023	2024
Total energy consumption from non-renewable sources	kWh	38,384,834.00	32,739,147.51	35,413,667.51
Total energy consumption from renewable sources	kWh	9,557,900.00	9,925,036.00	9,963,564.00
Total purchased energy consumption	kWh	724,188.00	691,284.00	650,686.00
<b>Total energy consumption</b>	<b>kWh</b>	<b>48,998,753.00</b>	<b>43,355,467.51</b>	<b>46,027,917.00</b>

\* For a detailed breakdown by energy source and facility, please refer to the “ESG Indicators Annex” section.



## TOWARDS A CLEANER ENERGY MODEL: USE OF RENEWABLE ENERGY

In line with our environmental objectives, we have enhanced our energy matrix by integrating renewable energy sources, specifically through the self-generation of electricity using solar panels installed at our Chinchá plant. The implementation of solar energy plays a crucial role in significantly reducing our carbon footprint, reinforcing our commitment to environmental protection and the fight against climate change.

Our facilities include 5,000 m<sup>2</sup> dedicated to housing 1,320 solar panels, which capture solar energy to supply various production areas across the company.

### GOALS AND PROJECTS:

**In 2025, we will take another step in our transition toward cleaner energy with the installation of over 500 solar panels in Hangar N.º 2 of the cutting area.** This project will help us move closer to our goal of having at least 20% of our electricity come from renewable, self-generated sources, reinforcing our commitment to energy efficiency and sustainability leadership within the Peruvian textile sector.

## EMISSIONS MANAGEMENT AT TDV

**“We move forward with a firm commitment to becoming a sustainability leader, adopting innovative strategies to reduce and offset our carbon emissions”.**



At TDV, we recognize that the textile industry plays a key role in the fight against climate change. That is why we actively work to reduce and offset our greenhouse gas (GHG) emissions, prioritizing the use of renewable energy and strategies that optimize our production processes.

Our commitment to emissions management is supported by our clients and strategic partners, who trust in our ability to deliver solutions with a lower environmental impact. Under our Sustainability Policy, we have set ambitious goals for 2025: **GRI 3-3**

- Reduce our carbon emissions.
- Fully offset the greenhouse gas (GHG) emissions generated by our operations.
- Incorporate climate change measures into national policies, strategies, and plans.

OUR CARBON FOOTPRINT

We manage our carbon footprint through a strategic approach, ensuring accurate measurement and the implementation of concrete actions to reduce our environmental impact. Each year, we conduct this assessment following the ISO 14064-1:2018 methodology, using the operational control approach and applying methods aligned with IPCC Guidelines and emission factors from recognized sources such as Infocarbono, the IPCC Sixth Assessment Report (AR6, 2021), MINAM (HdC Peru, 2023), and DEFRA.

In response to the climate emergency, this year we began developing an **Emissions Reduction Plan** aligned with the principles of the **Science Based Targets initiative (SBTi)**. This roadmap will define the strategies and actions needed to reduce our greenhouse gas emissions through 2035, setting us on the path toward carbon neutrality.

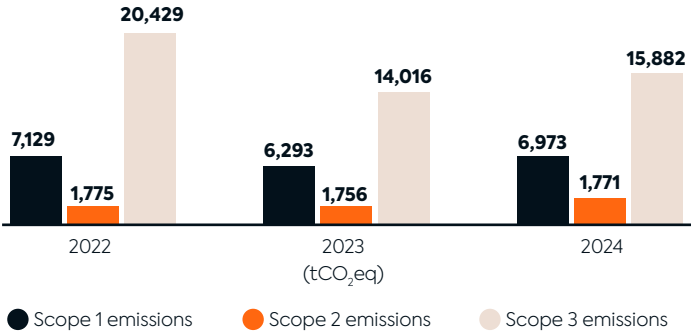
As a result of these efforts, our most recent assessment recorded a total of 24,625.37 tCO<sub>2</sub>eq, achieving a reduction in our emissions per kilogram of garment produced compared to the previous year. This analysis included our operations in Chincha, Lima, and the Surco offices, and considered greenhouse gases such as CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and hydrofluorocarbons (HFCs), all expressed in CO<sub>2</sub> equivalent. This information strengthens our decarbonization strategy and supports our ongoing transition toward a more sustainable production model.
 [GRI 305-1](#) | [GRI 305-2](#) | [GRI 305-3](#) | [GRI 305-5](#) | [DEGS 3.2.1](#) | [DEGS 3.2.2](#) | [DEGS 3.2.3](#)

Below is a breakdown of total emissions by scope:

Total GHG Emissions (tCO<sub>2</sub>eq)

Emissions by Scope	Unit of Measure	2022	2023	2024
Scope 1 emissions	(tCO <sub>2</sub> eq)	7,129	6,293	6,973
Scope 2 emissions	(tCO <sub>2</sub> eq)	1,775	1,756	1,771
Scope 3 emissions	(tCO <sub>2</sub> eq)	20,429	14,016	15,882
<b>Total emissions Scopes 1, 2, and 3</b>	<b>(tCO<sub>2</sub>eq)</b>	<b>29,333</b>	<b>22,065</b>	<b>24,625</b>
<b>Offsets applied</b>	<b>(tCO<sub>2</sub>eq)</b>	<b>29,333</b>	<b>22,065</b>	<b>24,625</b>
<b>Net emissions</b>	<b>(tCO<sub>2</sub>eq)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Total GHG emissions (scopes 1, 2 and 3) by reporting year







## OFFSET PROJECT

As part of our commitment to climate action, we have been offsetting our emissions since 2019. This year, we resumed our participation in the CDM Yunnan Lincang Zhenai Hydropower Project, located in Yunnan Province, China. Through this initiative, we offset the emissions generated in 2022 and 2023, contributing to the global reduction of greenhouse gas emissions.

We reaffirm our goal of offsetting our emissions annually, thereby strengthening our commitment to sustainability and the transition toward cleaner and more responsible operations.

## RECOGNITION FOR OUR EMISSIONS MANAGEMENT

On our path toward a more environmentally responsible industry, we have achieved key milestones in emissions management. As part of our commitment to reducing our carbon footprint, we obtained certifications from the Huella de Carbono Perú program, earning the first and second stars in 2022.

In 2023, we strengthened our leadership by obtaining three out of four stars from this important recognition.



2023 carbon footprint measurement



Verification of the 2022 and 2023 carbon footprint



Reduction of the carbon footprint from 2022 to 2023





# 5.3 WATER MANAGEMENT ECO-EFFICIENCY

Water is an essential resource for the textile industry, present in multiple processes such as sizing, mercerizing, cleaning, bleaching, printing, and finishing. At TDV, we recognize its importance and the impact of its use, which is why we have made a firm commitment to its responsible management, under the premise that without water, our industry cannot exist.

Eco-efficiency in water use is not only part of our environmental responsibility but also a key pillar of our purpose as a BIC Company. In line with this vision, we have set clear goals to continue improving our water management, ensuring a positive impact on our surroundings and the sustainability of our operation.

GRI 3-3

- Reuse water and improve efficiency in its consumption, as well as the quality of the water resulting from our processes.
- Apply biological treatment to industrial wastewater to eliminate toxic components that could negatively impact the environment.
- Reuse wastewater through ultrafiltration and reverse osmosis, following circular economy practices and contributing to Sustainable Development Goals (SDGs) N° 11 and N° 6.

## WATER SOURCES AND EFFLUENTS

At TDV, we source water from three underground wells located at our Chíncha plant. These wells are licensed and monitored by the National Water Authority (ANA in Spanish). Before use in production processes, the water undergoes a softening process through ion exchange to ensure its quality.

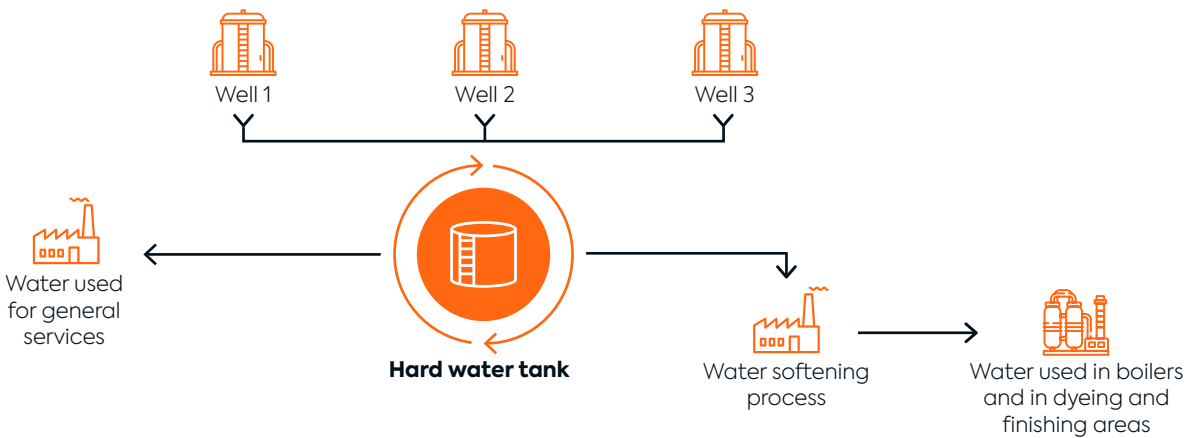
Once treated, the water is used in key stages of our operations, such as dyeing for fabric, yarn and finishing, as well as in laundry and boilers for steam generation. We also optimize its use by directing the remaining water to cleaning and general services, including hygiene, irrigation, and the cafeteria.

To monitor and manage water consumption at our Chíncha plant, we take daily readings from the extraction well meters. These data are recorded and digitized in spreadsheets for internal control, enabling us to evaluate our performance through the measurement of the company's water footprint.

GRI 303-1 | GRI 303-3



Water supply flow at our Chincha plant



Water extraction GRI 303-3

Water extraction by source	Unit of measure	2022	2023	2024
Surface water	thousands of m³	8.1	10.3	10.7
Groundwater	thousands of m³	434.7	389.4	441.3
Seawaterw	thousands of m³	-	-	-
<b>Total water extraction</b>	<b>thousands of m³</b>	<b>442.8</b>	<b>399.3</b>	<b>452.03</b>

\*For a detailed breakdown by source and location, please refer to the “ESG Indicators Annex” section.

It is worth noting that Chincha is a province in the department of Ica, an area considered to have high levels of water stress. At our Lima plant, water is supplied through the Sedapal network, which issues monthly invoices that allow us to monitor consumption.

TREATMENT OF OUR EFFLUENTS

AtTDV, we make strategic investments in advanced technology to optimize the treatment of liquid effluents generated by our operations. Through our wastewater treatment plant (WWTP), we apply biological purification processes that ensure water quality prior to discharge, in compliance with environmental standards. This allows us not only to reduce our environmental impact but also to improve water use efficiency and reinforce our commitment to sustainable water management.

Industrial wastewater treatment plant (WWTP)

The industrial wastewater generated by our operations is treated using advanced treatment systems that include primary, secondary, and tertiary stages:

- **Primary treatment:** A physicochemical process is applied, involving the homogenization and neutralization of organic matter present in the effluents.
- **Secondary treatment:** Biological processes are implemented through activated sludge, beginning with the oxidation of organic matter and ending with sludge settling.
- **Tertiary treatment:** This stage includes granular media filtration and final chlorination, ensuring that the treated water is even cleaner.

### Ultrafiltration and reverse osmosis plant

The water previously treated at the WWTP undergoes an additional purification process at our ultrafiltration and reverse osmosis plant (UF/RO). The recycled and recovered water from the Ultrafiltration/Reverse Osmosis (UF/RO) Plant is reintegrated into new production processes or, in some cases, donated to public institutions. The portion that cannot be reused is discharged either through physical means (industrial wastewater) or via the public system (domestic wastewater).

For the discharge of this wastewater, we apply high standards approved by the World Bank, in accordance with the Environmental, Health and Safety Guidelines (2007), as well as the Supreme Decree No. 004-2017-MINAM – National Environmental Quality Standards for Water. We also carry out constant monitoring to ensure that our effluents comply with the quality parameters required by current regulations.



Wastewater treatment plant (WWTP)



Ultrafiltration/Reverse Osmosis (UF/RO) Plant

100% of our industrial effluents are treated at the wastewater treatment plant (WWTP) and the ultrafiltration and reverse osmosis plant.

### Water discharge GRI 303-2 | GRI 303-4

Water discharge by destination	Unit of measure	2022	2023	2024
Surface water	Thousands of m³	434.7	316.3	346.09
Groundwater	Thousands of m³	-	-	-
Seawater	Thousands of m³	-	-	-
Water to third parties (total)	Thousands of m³	-	-	-
<b>Total water discharge: surface water + groundwater + seawater + third-party water</b>	<b>Thousands of m³</b>	<b>434.7</b>	<b>316.3</b>	<b>346.09</b>

### 2024 MANAGEMENT HIGHLIGHTS:

As part of our industrial effluent management, we have reduced water consumption by reusing treated effluents from our ultrafiltration and reverse osmosis plant.

This process allows us to recover up to
 33% of the treated water,
 contributing to a more efficient and sustainable use of water resources.



## GOALS AND PROJECTS

Looking ahead to 2025, we aim to optimize water management efficiency by **expanding the capacity of our wastewater treatment plant (WWTP)**. This improvement will allow us to increase the percentage of water recovered, promoting more sustainable use of the resource and reducing our environmental impact.

This project is part of our integrated water management strategy, aligned with our commitment to minimizing potable water consumption and maximizing reuse in our production processes.

## WATER CONSUMPTION AT TDV

To manage our water consumption, we conduct an analysis based on **ISO 14046:2014**, which allows us to measure our **water footprint** through a detailed water balance. This process involves collecting and quantifying water inputs and outputs across our operations, taking into account both direct consumption and non-metered flows using electronic meter records and internal balance tracking.

In 2024, our analysis showed a total consumption of **78.39 thousand m³** at the Lima plant. At the Chinchá plant, where water is sourced from underground wells, consumption reached **77.32 thousand m³**, reaffirming our commitment to the efficient management of water resources.

### Total water consumption at TDV GRI 303-5 | DEGS 3.2.6



\*For a detailed breakdown by source and location, please refer to the “ESG Indicators Annex” section.







## GOALS AND PROJECTS:

At TDV, we continue to strengthen our commitment to efficient water management and the responsible treatment of our effluents. Looking ahead to 2025, we will continue promoting strategic projects that optimize the use of this essential resource, reduce our environmental impact, and ensure compliance with high standards of quality and sustainability.



**Increase in reuse of treated water:** Optimization of ultrafiltration and reverse osmosis processes to reuse up to 60% of the resource in our operations.



**Improvements in water efficiency:** Optimization of formulas and modernization of machinery to reduce water consumption.



**Water use traceability:** Implementation of control points in each unit process to monitor and manage the resource more precisely.



# 5.4 WASTE MANAGEMENT AND CIRCULAR ECONOMY

We understand the environmental impact that waste generation can have in our industry and take responsibility for managing it efficiently. For this reason, we focus on maximizing its value by implementing circular processes throughout our value chain, promoting a more sustainable economy.

## WASTE MANAGEMENT AT TDV

Our waste management is aligned with the Law on Integrated Solid Waste Management (Legislative Decree No. 1278) and is supported by an Environmental Management Plan (PAMA), which enables us to control and mitigate the environmental impacts associated with our activities. Most of the waste generated at TDV consists of discarded materials with commercial value, which are recovered through specialized waste recovery companies.

To ensure proper handling in compliance with regulations, we have implemented a Waste Minimization Plan, which outlines procedures for the comprehensive management of both hazardous and non-hazardous waste.

This plan follows the classification defined by NTP 900.058-2019 and covers key stages such as segregation, storage, transportation, and final disposal in authorized sanitary landfills. Upon completion of this process, we receive certifications from the Solid Waste Management Company (EO-RS), guaranteeing proper disposal.

In addition, we reaffirm our commitment to transparency and environmental responsibility through the quarterly and annual reporting of our waste management in the Solid Waste Management Information System (SIGERSOL), further strengthening our focus on sustainability and continuous improvement.

GRI 3-3 | GRI 306-1

## TDV waste management workflow



In 2024, we conducted continuous training on integrated solid waste management and circular economy, targeting workers in production areas. These initiatives aimed to optimize resource use in alignment with our Solid Waste Minimization and Management Plan.

As part of our commitment, we promote awareness of the environmental impacts of waste generation to ensure responsible management. At TDV, we maintain efficient solid waste management by ensuring proper disposal through authorized companies, reusing industrial effluents, and recovering textile scraps, actively contributing to the circular economy.

GRI 3-3 | GRI 306-2

WASTE GENERATED AT TDV

At TDV, we implement a comprehensive process for waste management, ensuring proper handling and compliance with environmental regulations through the following procedures:

- **Segregation:** We classify waste according to NTP 900.058.2019, incorporating a dedicated blue container for textile scraps. Waste is stored in plastic bags before being transported.
- **Storage:** We have both initial storage areas (containers in each section) and a central storage area, separated for hazardous waste (HW) and non-hazardous waste (NHW). The HW area is equipped with safety measures, signage, impermeable flooring, and lightweight roofing to prevent contamination risks.
- **Recovery:** We commercialize non-hazardous waste, such as PET plastic, paper, cardboard, scrap metal, and textile scraps, through authorized companies for reuse in production processes.
- **Treatment and disposal:** We do not carry out internal waste treatment; instead, waste is managed by a solid waste operator (EO-RS). Hazardous waste is disposed of in secure landfills, and non-recoverable waste is sent to sanitary landfills.
- **Documentation and reporting:** We manage shipping guides, manifests, certificates, and weighing slips. We comply with mandatory reporting through the SIGERSOL platform and have protocols in place for environmental emergencies.

Total waste GRI 306-3

Operating site	Unit of measure	2022	2023	2024
Non-hazardous waste	Tons	908.15	891.62	1,531.14
Hazardous waste	Tons	31.88	42.514	54.60
<b>TOTAL</b>	<b>Tons</b>	<b>940.03</b>	<b>934.137</b>	<b>1,585.74</b>

\*For a detailed breakdown by type of waste and location, please refer to the “ESG Indicators Annex” section.

In 2024, we strengthened our understanding of the importance of promoting good waste management practices at the source. This commitment is reaffirmed in our Integrated Management Policy and, as part of compliance with our internal procedures, we have shared our Environmental Aspects and Impacts Matrices.

In 2024, our operations generated a total of:

54.60 tons of hazardous waste and 1,531.14 tons of non-hazardous waste

It is important to note that the calculation of non-hazardous waste includes sludge from our wastewater treatment plants (WWTP). GRI 306-1 | GRI 306-3 | DEGS 3.2.5





VALORIZATION AND WASTE DISPOSAL AT TDV

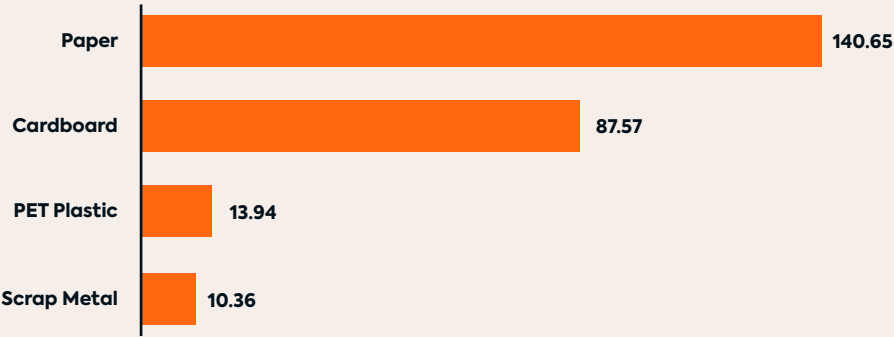
At TDV, we manage the valorization and disposal of hazardous and non-hazardous waste through certified EO-RS companies, ensuring compliance with high environmental standards and regulations. Solid waste generated in our operations is segregated at the source, transferred to an intermediate storage area, and then moved to central storage, from where it is collected by an authorized operator for commercialization and valorization.

Recyclable materials such as plastic, paper, cardboard, and scrap metal are transformed into reusable materials. Likewise, textile scraps are sold to Tejidos Celeste, a company specialized in textile recycling, which converts them into blankets donated to vulnerable communities in Peru.

In 2024, we successfully valorized a total of
 252.515 tons of waste
 generated within our facilities, as detailed below: GRI 306-4

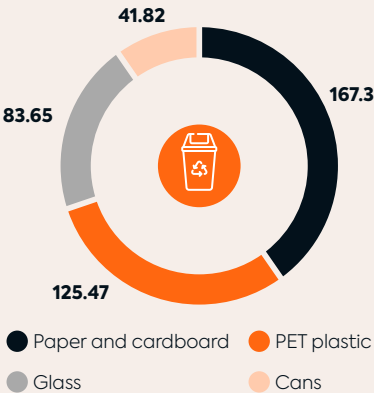
+ 893.4 tons of textile waste and remnants

Waste valorized at TDV facilities (tons)

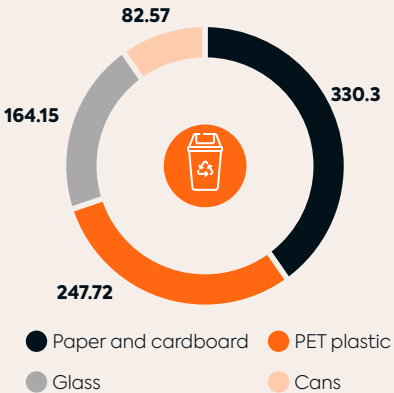


Additionally, through our strategic partnership with Recicla Latam, we promoted waste recovery in the local communities of Ica and Chincha, successfully recovering a total of 1,243 toneladas of waste:

Waste recovered in Chincha (tons)



Waste recovered in Ica (tons)



Finally, we ensure the proper disposal of all hazardous and non-recoverable waste, in strict compliance with current regulations. Non-recoverable waste, as well as the sludge generated at our wastewater treatment plant (WWTP), is managed in a conventional sanitary landfill. Hazardous waste, meanwhile, is sent to a specialized landfill. For more details on waste valorization and disposal by site, please refer to the “ESG Indicators Annex” section.

GRI 306-5

# MOVING TOWARD A CIRCULAR ECONOMY

At TDV, we are committed to applying circular economy principles at all levels of our value chain. Among our key projects, we reuse cotton, polyester, nylon, and other textile cutting waste as circular inputs for the production of blankets, which are later donated through our corporate social responsibility program Abrígate Perú.

We are also part of the “Promoting a Circular Industry” project, under the “Sustainable Businesses” program of the European Union, promoted by the National Society of Industries. We also promote reverse logistics through the reuse and life extension of materials such as plastic cones, which are returned to our supplier, generating a positive economic impact for the

company. This reuse practice also applies to the sale of fabric remnants, indirectly reducing the overuse of natural resources.

To maximize the impact of these initiatives, we actively engage our stakeholders, encouraging their participation and generating both direct and indirect benefits within our area of influence. We also measure our circularity performance through clear objectives and indicators, aligned with our corporate commitments as a Benefit and Collective Interest (BIC) organization, further reinforcing our commitment to responsible production and consumption: **GRI 3-3 | NON GRI Waste Management and Circular Economy**



Using sustainable materials and circular inputs enables the optimal and efficient use of natural resources.



Minimizing and preventing solid waste generation, as well as implementing a circular economy throughout the supply chain.

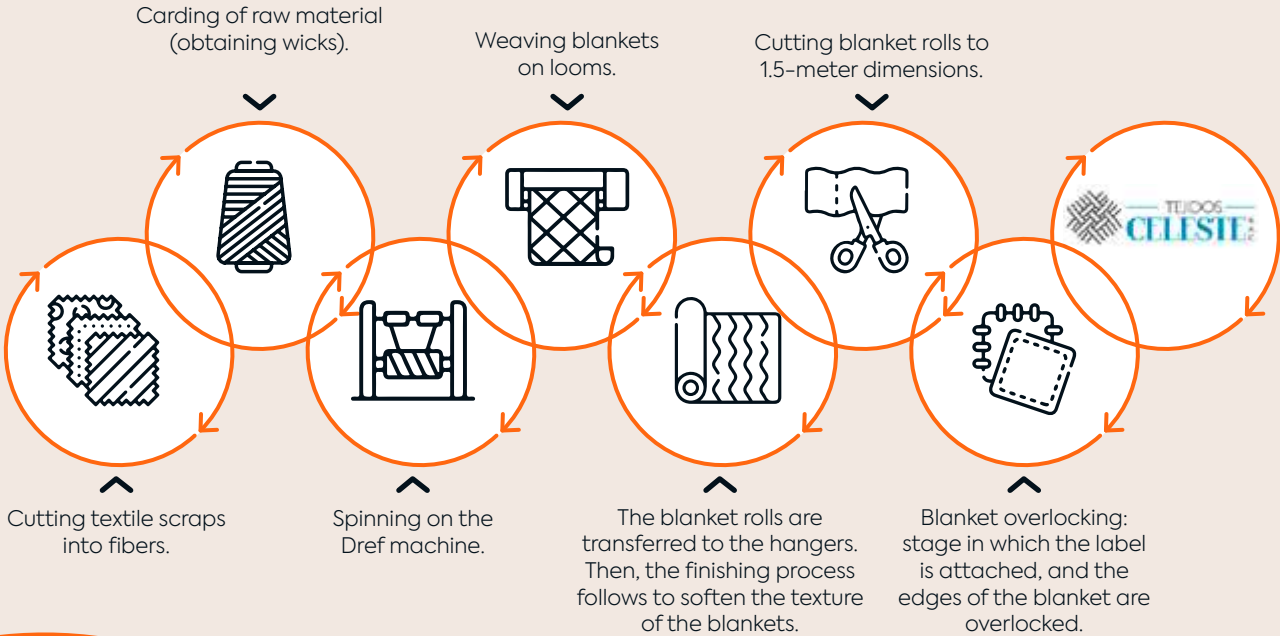
## 2024 MANAGEMENT HIGHLIGHTS

### BLANKETS MANUFACTURING AND DONATION

One of our most notable projects is the reuse of cotton, polyester, nylon, and other waste generated during the textile cutting process, which we transform into circular inputs for the production of blankets. These blankets are later donated through our corporate social responsibility program Abrígate Perú to vulnerable communities in the Peruvian highlands that face cold spells and frost during the winter season.



Below, we outline the process of manufacturing blankets made from textile scraps:

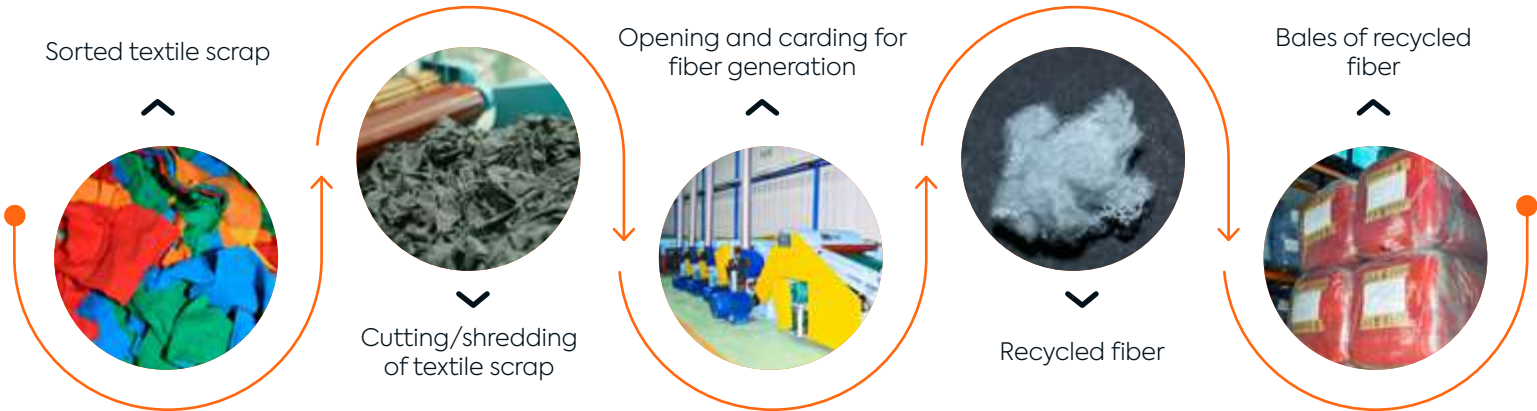


The blankets are then donated to the NGO Juguete Pendiente, with whom we have maintained a partnership since 2021. To date, we have donated over 80,000 blankets (24,250 in 2024). This organization is responsible for distributing them to vulnerable communities and maintaining a detailed record of beneficiaries through delivery logs. As part of our verification mechanism, these records are submitted to Textil del Valle, ensuring traceability and the impact of the initiative.



- Sorting of textile scraps  
 (cotton, polyester, nylon, etc.).
- Recycling and production of recycled blankets  
 (cotton, polyester, nylon, etc.).
- Donation of blankets to vulnerable high-Andean communities  
 (20,000 units per year).

Below is the internal fiber treatment process:



### RECYCLING OF SCRAPS

Another circularity mechanism focuses on the recycling of 100% cotton scraps, a process we carry out at our own recycling plant, which has been operational since 2020. In this facility, the scraps are transformed into recycled textile fibers, which are then supplied to Filasur. This company converts them into recycled yarn, which we later reintegrate into the production of our garments, thereby closing the production cycle.

### GOALS AND PROJECTS:

We are developing a project for the installation of a recycled polyester plant. This initiative will generate a positive environmental impact, as it will focus on collecting plastics and PET bottles in the Ica region, expanding our current coverage—which includes Chinchipe and part of the city of Ica—with the goal of supplying this new plant.

Recycled polyester is a key input in the production of garments made with

sustainable materials, particularly for the U.S. market, where demand for this type of yarn is high.

In addition to the environmental benefits, the project will have a significant social impact by increasing the percentage of formal waste pickers from 10% to 30% in the initial phase, providing better working conditions and access to new benefits.



## 5.5 CHEMICAL MANAGEMENT

At TDV, we understand the importance of responsible chemical management in our operations. That is why we implement strict controls, work with certified laboratories, and prioritize the use of organic products to ensure that the inputs used in our processes meet the highest environmental and safety standards.

Our Procurement Policy establishes the procedures and requirements for the acquisition of chemicals, mandating specific certifications aligned with our clients' standards. We currently hold certifications such as REACH, Bluesign, Oeko-Tex, and ZDHC MRSL, which guarantee that our raw materials and processes are free from harmful substances. Additionally, in 2024, we implemented our Environmental and Chemical Policy, which defines a comprehensive management model based on the principles of precaution and prevention, minimizing environmental impact and promoting continuous improvement.

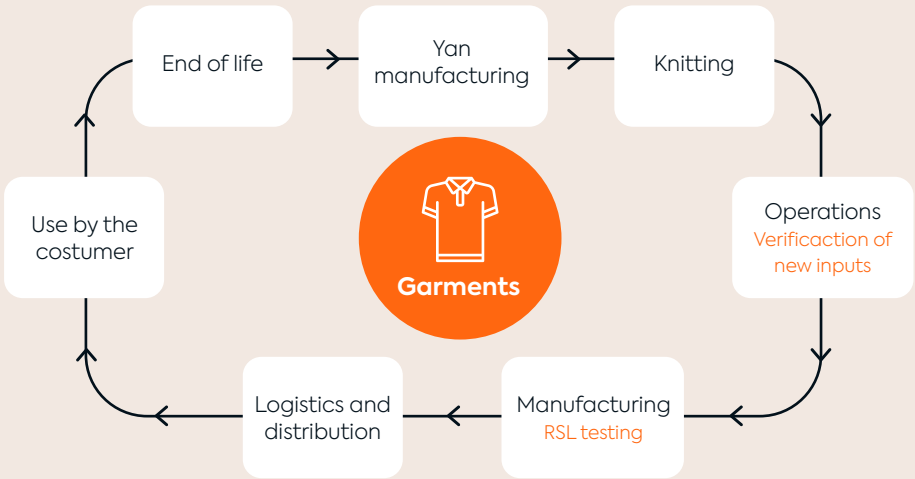
Full responsibility for this management lies with the Logistics department, which oversees the safe

procurement of inputs from certified suppliers and their proper handling within the plant. The Laboratory department then plays a key role in quality verification, the development of efficient formulas, and the promotion of environmental safety.

We have also adopted **Bhive**, an innovative platform that allows us to monitor chemical inventory and ensure that our suppliers meet the quality and sustainability standards required by the industry. This tool, widely used by international brands, helps us strengthen chemical traceability and advance our transition toward more sustainable chemistry within the textile sector.

GRI 3-3 | SASB: CG-AA-250a.2 |  
 NON-GRI Management of Hazardous Chemicals

### Chemical product management workflow in TDV



### REGULATION ON CHEMICAL SUBSTANCE USAGE

At TDV, we ensure regulatory and environmental compliance in chemical management through innovative tools and strict controls. To this end, we use BHive, a specialized software that allows us to validate, in real time, the certifications of the chemical products used in our dyeing, printing, and laundry processes. This system helps us verify that each input complies with the applicable Restricted Substances Lists (RSLs), according to the certifications required by each client. **SASB: CG-AA-250a.1**

Our chemical management is based on three key pillars:

# 1. LABORATORY TESTING AND VERIFICATION FOR FINISHED PRODUCTS AND INPUTS

To ensure the quality and safety of our products, we apply rigorous testing methods based on standards established by international organizations such as AATCC (American Association of Textile Chemists and Colorists), ASTM (American Society for Testing and Materials), and ISO (International Organization for Standardization). These tests allow us to evaluate the performance of textile materials and ensure compliance with the specific requirements of each client.

Regarding RSL (Restricted Substances List) testing, these evaluations are carried out during pre-production and/or production stages, following each client's specific protocols. The process covers textiles, prints, and trims and is conducted by third-party accredited laboratories designated by the client. For these tests, we apply recognized standards such as Bluesign and the AFIRM RSL (Apparel and Footwear International RSL Management).

# 2. RESTRICTED SUBSTANCES LISTS (RSL)

The restricted substances list (RSL) for chemical products is determined by the type of certification requested by each client. Each certification includes an assigned RSL that specifies which substances are restricted or prohibited under applicable international standards.

To ensure efficient management aligned with best practices, we consider the following when applying our RSLs:

- We apply a single or differentiated RSL depending on the markets in which we operate.
- We use industry-recognized or internally developed lists.
- We adopt the strictest global standards for manufacturing, marketing, and sales.
- We voluntarily restrict substances beyond current regulatory requirements.
- We assess the publication and accessibility of our RSLs to promote greater transparency.

# 3. INPUT MANAGEMENT AND SUPPLIER AGREEMENTS

The sourcing and handling of inputs at TDV are governed by our Procurement Policy and the Bhive Procedure, which outline the requirements and criteria for supplier selection and material purchasing.

As part of our commitment to a cleaner and more responsible industry, we require our suppliers to present up-to-date certifications that demonstrate compliance with environmental regulations. We are currently working to ensure that more than 90% of the chemical products we use are certified. Products that do not yet meet these standards are being replaced, without compromising the efficiency or quality of our processes.



Below is a list of certifications obtained as of 2024, which ensure that the use of chemicals at TDV complies with environmental protection standards:



**Global Organic Textile Standard (GOTS)**

Certifies that our yarns are organic and supported by a transaction certificate. It also ensures that the chemical inputs used in their production do not pose a risk to human health or the environment.



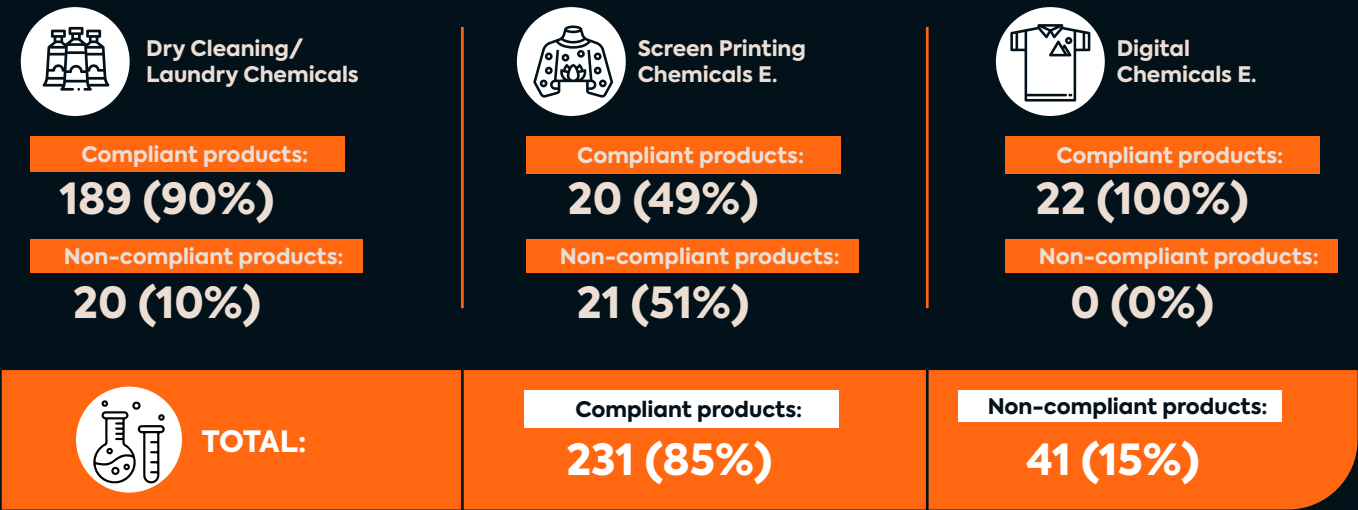
**Global Recycled Standard (GRS)**

Certifies that our yarns are recycled or partially recycled and supported by a transaction certificate. In addition, by verifying compliance with standards such as BLUESIGN and ZDHC, it ensures the production of sustainable products.

In 2024, as part of our environmental commitments, we set out to ensure that 80% to 90% of the chemical products used comply with the global ZDHC standard, following the Manufacturing Restricted Substances List (MRSL). This goal reaffirms our commitment to safety and adherence to environmental standards in the production of our garments.

Below are the results achieved in 2024 in relation to our compliance target with the ZDHC MRSL standard:

2024 MANAGEMENT HIGHLIGHTS



GOALS AND PROJECTS:

As part of our future projects, we are developing the Chemical Use Policy, based on the Bhive platform, with the goal of managing the chemical substances used in our processes more efficiently. This initiative will enable us to ensure compliance with MRSL lists, minimize environmental risks, and strengthen our commitment to safer and more sustainable production.

CHAPTER →

# 06

## Developing and empowering our talent





# 6.1 OUR TDV TEAM

“Our team is the cornerstone of TDV. Every day, we strive to provide them with the best tools to foster their development, enhance their well-being, and create a positive impact on their families and communities”.

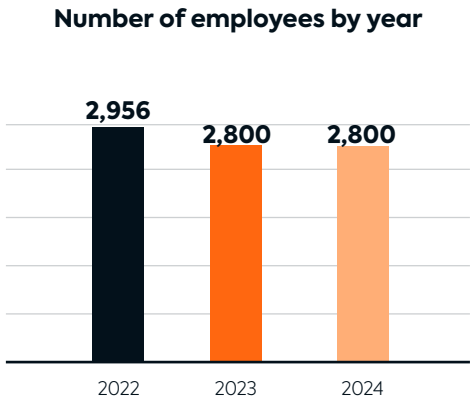
At TDV, we place people at the heart of our operations, offering job opportunities that promote their growth, well-being, and safety. Our commitment goes beyond generating formal employment. We aim to attract and retain top talent by fostering a positive work environment where personal and professional development is a constant.

In 2024, our workforce comprised 2,600 employees, with 56% women and 44% men, reflecting our commitment to gender equity and the essential role of women in advancing our industry and the Peruvian economy.

Regarding subcontracted personnel, we maintain labor relationships with companies that provide essential services for our operations. In 2024, at our Chinchá plant, we contracted services from companies in the security and food sectors, employing a total of 39 people. At our Lima plant, we had 10 subcontracted workers in cleaning and security services. Additionally, we hired one person for cleaning duties at our administrative office in Surco.

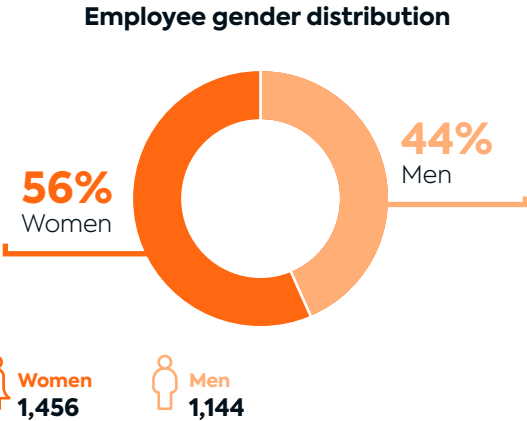
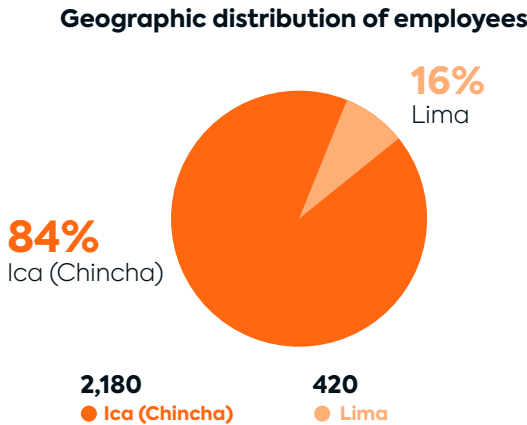
GRI 2-7 | GRI 2-8 | DEGS 4.2.1 | DEGS 4.2.2



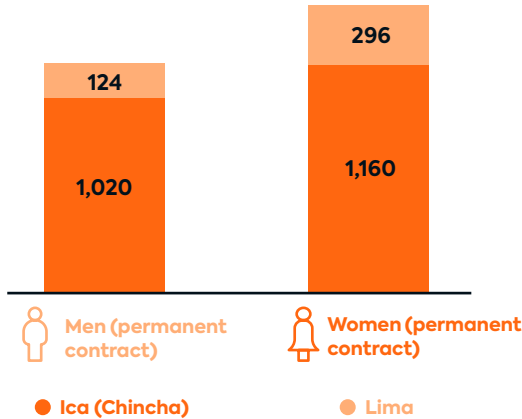


At the end of the 2024 fiscal year, we had over **2,800 employees** nationwide.

We began the year with 2,500 employees and closed it with 2,800, recording an annual average of 2,600 employees, due to increased production levels.



Workforce breakdown by contract type and gender



## NEW HIRES AND STAFF TURNOVER

2024 was a year of significant growth for TDV, driven by increased production and, consequently, the expansion of our workforce. We created more jobs through job fairs, employment platforms in institutions and municipalities, Ministry of Labor programs, partnerships with NGOs, and our own training centers.

In line with our inclusive employment strategy, we maintained collaboration with the Ministry of Labor to hire people with disabilities and individuals from low-income and extreme poverty backgrounds through the Jóvenes Productivos program. We also established partnerships with an NGO to provide formal employment opportunities for migrants.

In addition, we expanded the capacity of our training centers, allowing us to train more people and ensure a skilled workforce for our operations. These initiatives earned us recognition from various organizations for our contribution to job creation and our positive social impact.

As a result of these efforts, in 2024 we increased our hiring rate by 8%, reflecting our ongoing commitment to generating formal and quality employment. We continue to promote job opportunities that support the development of our industry and the well-being of our community. **GRI 3-3 | GRI 401-1 | DEGS 4.1.1**



Number and rate of new hires per year



\*For a detailed breakdown by age, gender, and region, please refer to the “ESG Indicators Annex” section.

Staff turnover in our industry is influenced by the wide availability of job opportunities, not only within the textile sector but also in industries such as agriculture and fishing. As a result, we have learned to manage these turnover levels and to prepare for periods when resignations tend to increase.

Beyond retention, we actively invest in the training and versatility of our team, ensuring their development and strengthening their commitment to the company. In this context, we are implementing strategies aimed at improving employee loyalty, with the goal of reducing the turnover rate to 3%, compared to the 5% recorded in the previous period.
 GRI 3-3 | GRI 401-1 | DEGS 4.1.4 | DEGS 4.1.5)

Number and turnover rate per year



PROGRAMS TO ENHANCE EMPLOYABILITY



Soft skills for employability talk

In collaboration with various universities, we delivered talks aimed at undergraduate students, providing them with essential tools to strengthen their soft skills and enhance their employability. Through these sessions, we covered key topics such as effective communication, leadership, teamwork, and problem-solving, contributing to the comprehensive development of future professionals and preparing them for the challenges of the job market.



Participation in job fairs

As part of our commitment to employability, we actively participate in job fairs organized by technical training centers such as SENATI, universities, and the Ministry of Labor. These events allow us to connect with students and graduates, offer job opportunities, and share key insights about the industry.



Partnership with the Jóvenes Productivos program

As part of our commitment to inclusive employment and talent development, we have established a partnership with the Jóvenes Productivos program to implement a Dual Training Model in Garment Manufacturing. This initiative provides young people from vulnerable sectors with the opportunity to acquire specialized technical skills by combining theoretical instruction with hands-on experience at our facilities.



Expansion of our training center capacity

With the aim of continuing to promote talent development, we have expanded the capacity of our training centers, allowing us to train more people in key skills for the textile industry. This initiative reinforces our commitment to employability by supporting the training of highly skilled workers and ensuring greater competitiveness in our production processes.



EMPLOYEE BENEFITS

We value the effort and commitment our employees demonstrate every day. That’s why we have established a range of benefits that support a healthy work-life balance. In doing so, we promote an organizational culture rooted in flexibility, belonging, and trust in the company.

It is worth noting that our **employees receive the benefits** established under the non-traditional export regime, regulated by **Decree Law 22342**, as well as additional voluntary benefits.
 GRI 401-2 | DEGS 4.1.3



PARENTAL LEAVE

In compliance with current national regulations, all our employees are entitled to maternity and paternity leave benefits. For women, maternity leave procedures follow the guidelines of Law 30367, granting 49 days of prenatal leave and 49 days of postnatal leave. Male employees are entitled to 10 days of leave in cases of natural childbirth.

Below are the figures for maternity and paternity leave granted at TDV during 2024: **GRI 401-3**

Parental leave for TDV employees

Parental leave	Men	Women	Total
Employees who qualified for parental leave	36	42	78
Employees who utilized parental leave	36	42	78
Employees who returned to work after parental leave	36	42	78
Employees who returned to work after completing parental leave and remained employed for 12 months thereafter	27	23	50
Return to work rate	100%	100%	100%
Employee retention rate	75%	54%	64%





## 6.2 HUMAN CAPITAL DEVELOPMENT

We believe in continuous learning as the foundation for the growth of our employees and the success of our company. That's why we have an Annual Training Plan (PAC) focused on strengthening both technical and soft skills across all areas of the organization. Through this plan, we provide specialized training in administrative and operational management, as well as workshops on leadership, communication, and teamwork.

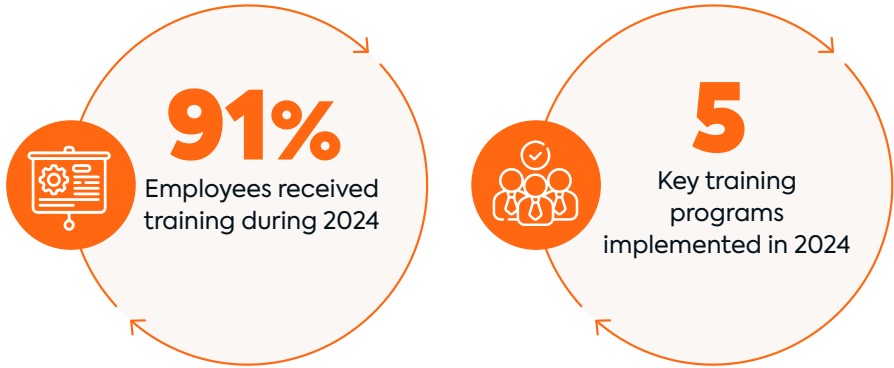
To enhance professional development, we maintain strategic partnerships with institutions such as SENATI, supporting knowledge updates and promoting internal growth. As part of our training strategy, we promote key programs such as training for future supervisors and operational training for quality inspectors, ensuring internal talent is prepared to take on new challenges. We also incorporate sessions on emerging trends like artificial intelligence, strengthening innovation within our processes.

Throughout the year, we achieved important milestones in training and leadership. Notably, our partnership with ESAN allowed our management team to access an MBA program, strengthening their strategic development. Likewise, in collaboration with the NGO Cuso International, we carried out an inclusion assessment and designed action plans to strengthen diversity within our organization.

The impact of these initiatives was reflected in a 22% increase in the execution of our training plan compared to 2023. Additionally, we delivered a total of 8,347.10 training hours dedicated to Human Rights education for our employees, reaffirming our commitment to continuous learning as a cornerstone of our organizational culture: **GRI 3-3 | GRI 404-1 | DEGS 4.3.3**

Trained employees	Unit	2023	2024
Total number of trained employees	Number	1,685	2,479
Total number of training hours	Hours	7,056.3	8,347.10
Percentage of employees who received training	Percentage	96%	91%

### 2024 MANAGEMENT HIGHLIGHTS



TRAINING  
PROGRAMS

In 2024, we reaffirmed our commitment to employee development through the implementation of five key programs focused on enhancing both technical and soft skills. These initiatives not only strengthened internal talent but also contributed to the organization’s growth and its ability to adapt to new industry trends.

GRI 404-2 | DEGS 4.4.1 | DEGS 4.4.2

Below are the main programs implemented:

English  
IN HOUSE

Since 2018, our English In House program has strengthened our employees’ English communication skills, covering speaking, listening comprehension, grammar, and reading. Thanks to this initiative, more than 250 employees have significantly improved their ability to interact with international clients.

This year, we introduced the “English for the Fashion Industry” module, designed to expand sector-specific vocabulary and facilitate communication with our global clients. At TDV, we reaffirm our commitment to team development by providing key tools that support professional growth and strengthen our international business relationships.



Technical career scholarships

In August 2024, we launched a scholarship program in partnership with SENATI, offering 38 key employees the opportunity to begin technical studies. This initiative targets leaders from our plants in Chíncha and Lima, as well as staff from administrative offices, with the goal of strengthening their technical skills and supporting their professional development within the organization. Through this program, we reaffirm our commitment to training and team growth, driving their professional advancement and contributing to the continued strengthening of our company.





### Clima que Inspira Workshops

In 2024, we continued to promote the Clima que Inspira workshops, focused on enhancing the work environment and improving team performance. These sessions were aimed at 53 supervisors from the textile and manufacturing areas and provided tools to strengthen key soft skills such as empathy, effective communication, active listening, and recognition. In addition to creating learning opportunities, the workshops also fostered team integration, significantly improving communication across departments.



### Training Centers (CENFOR)

In 2024, we strengthened our Training Centers (CENFOR), consolidating them as a key platform for talent development in the textile sector. This program offers opportunities to individuals with no prior experience, allowing them to receive training while earning an income, with the goal of integrating into the industry professionally. We also expanded our training offer with new modules in quality management and sewing, aimed at both operational and administrative staff. As a result of these efforts, we trained 985 employees, delivering a total of 157 training hours.



### Generation Z development

We successfully completed the Generation Z program, a comprehensive training initiative designed for young talents in the Garment Development area. The program aimed to prepare interns and junior staff in all key processes of garment development, combining technical knowledge with the strengthening of soft skills. A total of 21 employees participated in the initiative, guided by a team of trainers made up primarily of professionals from the Product Development department.



Testimonial:  
 TDV employee



CARLOS ÁNGEL LURITA  
 WWTP supervisor

I have been part of the TDV family for 19 years, a company that has offered me opportunities for growth and development since day one. I started as a mechanic and over time took on greater responsibilities in the water treatment area. The company’s evolution has gone hand in hand with my own professional growth, allowing me to train in new technologies and take on bigger challenges.

One of the aspects I value most about TDV is its commitment to developing its people. Thanks to ongoing training, I have been able to specialize in water treatment and reverse osmosis, and I also had the opportunity to study Business Administration at SENATI. The trust the company places in its employees creates a culture of continuous learning and the possibility of growing within the organization.

“For me, TDV is more than just a job; it is a family. Here we not only grow professionally but also develop as individuals. The support from the team, the collaboration across departments, and the opportunity to take on new challenges have made my journey in the company truly rewarding”.

Over the years I have had the opportunity to participate in machinery installation projects, which has allowed me to expand my knowledge and strengthen my skills in management and maintenance. Additionally, taking part in social initiatives such as donating jackets to high-Andean communities and participating in beach clean-up campaigns reaffirms TDV’s commitment to its community and values.



PERFORMANCE EVALUATION  
MANAGEMENT

In 2024, we strengthened our performance management and employee evaluation processes through virtual tools, implementing a structured approach across four key stages. This process not only fosters the development of our employees but also contributes to achieving our strategic objectives.

Beyond measuring current performance, our approach is forward-looking, prioritizing the identification of key talent and the implementation of succession plans. In this way, we ensure operational continuity, strengthen our organizational capabilities, and promote professional growth within the company.

GRI 3-3 | GRI 404-3 | DEGS 4.1.6

Below is our performance management cycle, structured into four strategic stages. Each stage is designed to align individual efforts with our annual objectives, fostering employee development and the sustainable growth of the organization:



Percentage of employees who receive regular performance evaluations

Job category	Number		Percentage	
	Men	Women	Men	Women
Managers	11	1	91.60%	8.30%
Sub-managers	2	0	100%	0%
Department heads	22	13	62.80%	37.10%
Coordinators	24	11	68.50%	45.80%
Specialists	82	56	59.40%	40.50%
Assistants	6	11	35.20%	64.70%
<b>TOTAL</b>	<b>147</b>	<b>92</b>	<b>61.50%</b>	<b>38.50%</b>

# 6.3 WELL-BEING AND WORK ENVIRONMENT

We are committed to fostering a workplace where our employees feel motivated, valued, and part of a team working toward a common purpose. We understand that a positive environment not only boosts individual performance but also strengthens our organizational culture and contributes to the overall success of the company.

In 2024, we reinforced our work environment management through digital tools that enabled us to measure, analyze, and act on the results strategically. Thanks to this approach, we achieved a 6-point increase in our assessment compared to the previous year, ensuring that our actions generate real impact. In addition, we established leadership responsibility for creating a healthy and motivating work environment as a key performance indicator.

Non-GRI Workplace Climate and Culture Assessment



Below are the results of our work environment indicators for 2024: **DEGS 4.1.7**

## WORK ENVIRONMENT SURVEY RESULTS



As part of our ongoing commitment to well-being, we continued delivering the “Un Clima que Inspira” workshops across various production areas, fostering a positive and collaborative work environment. In addition, we empowered our leaders to organize team-building activities for their teams when deemed necessary, with our support throughout the process. This initiative promotes leadership autonomy and strengthens the development of a solid and healthy work climate.

Through these actions, we continue to foster an organizational culture based on trust, respect, and teamwork, ensuring every employee feels valued, engaged, and motivated to reach their full potential.



## 6.4 COMMITMENT TO OCCUPATIONAL HEALTH AND SAFETY

At TDV, we are committed to creating a safe work environment that protects the life, health, and well-being of our employees. We actively work to strengthen our safety culture by promoting self-care habits and fostering accountability in reporting unsafe acts and conditions. Our goal is clear: to achieve zero accidents through the implementation of effective corrective actions.

Our commitment to the health and well-being of all TDV employees is centered on a preventive approach to occupational health and safety, aligned with national regulatory requirements such as Law No. 29783 (Occupational Health and Safety Law), Supreme Decree No. 005-2012-TR (Regulations of Law 29783), Supreme Decree No. 42-F (Regulations on Industrial Hygiene and Safety), as well as applicable international standards, including ISO 45001.

We also have an Occupational Health and Safety Committee whose mission is to strengthen the company's integrated corporate safety management. The committee is actively involved in investigating disabling accidents, continuously monitoring safety indicators, and defining improvement actions to consolidate a strong safety culture across the organization. **GRI 3-3 | GRI 403-1 | GRI 403-8**

### Objectives of Our Occupational Health, Safety, and Environmental Plan for 2024



With regard to the scope of our Occupational Health, Safety, and Environmental (OHSE) system, it covers all our employees, regardless of their role or hierarchical level. In addition, we have extended this coverage to include contractors providing specific services, such as security companies and the food service concessionaire.

### Coverage of the occupational health, safety, and environmental management system **GRI 403-8**

OHSE Management System Coverage	2024	
	Number	Percentage
N.º of employees and contractors covered by the system	2,809	100%
N.º of employees and contractors covered by the system, subject to internal audit	41	100%
Percentage of employees and contractors covered by the system	100 %	100%



## HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

To strengthen our safety and prevention culture, we have implemented robust procedures for hazard identification, risk assessment, and incident investigation. We apply the IPERC matrix, aligned with ISO 45001, ensuring a structured approach to minimizing occupational risks.

A key element of our management system is the TDV Observation Report (ROTDV), which enables employees to identify and report unsafe conditions or actions. In 2024, its use became a mandatory component of Daily Management System (DMS) meetings, allowing for immediate response to reports and enhancing safety communication across the organization.

Thanks to this initiative, we reduced the accident rate compared to 2023, closing the year with 2,210 reports of unsafe conditions and actions. We also advanced in digitizing the system, making it easier for employees to access and improving the evaluation and implementation of corrective actions, reaffirming our commitment to a safer and more efficient work environment.

GRI 403-2 | GRI 403-4 | DEGS 4.1.2

In addition, to address any incidents efficiently, we follow a structured six-stage investigation process:

### 1 Notification and initial response

In the event of an incident, immediate communication is made with the supervisor, Corporate Security, and the OHSE team. Medical attention is provided to the injured person by the Health department, and if necessary, referrals are arranged for further specialized evaluation.

### 2 Information gathering

Interviews are conducted with those involved and witnesses, key documents are reviewed, and the scene of the incident is analyzed to gain a detailed understanding of what occurred.

### 3 Hazard identification and risk assessment

In this stage, the hazards present in the workplace that may have contributed to the incident are identified, such as unguarded machinery, slippery surfaces, or exposure to hazardous chemicals. The level of risk associated with each hazard is then assessed, considering both the likelihood of occurrence and the severity of potential harm.

### 4 Root cause analysis

The causes of the incident are identified by distinguishing between immediate causes, such as unsafe acts and conditions, and root causes, which may be linked to failures in the management system, lack of training, or absence of adequate controls.

### 5 Determination of corrective actions

Based on the previous analysis, corrective measures are defined following the safety control hierarchy: elimination, substitution, engineering controls, administrative controls, and personal protective equipment (PPE).

### 6 Implementation and follow-up of corrective actions

Responsibilities are assigned for the execution of corrective actions, and deadlines are established for their implementation. Continuous follow-up is conducted to verify their effectiveness and prevent recurrence of the incident.



In 2024, we continued strengthening our prevention culture as part of our OHSE strategies. We promoted the recognition of accident-free days as an incentive for our employees to maintain safe work practices, aligned with our commitment: "Without safety, there are no garments". Thanks to this effort, we achieved 235 accident-free days at our Chinchá plant and 444 days at our Lima plant, significantly reducing our accident rate compared to 2023.

In parallel, in the management of suppliers, contractors, and visitors, we made progress in partially digitizing request and authorization processes. This improved document management and enabled online access, enhancing both efficiency and traceability of information. **GRI 403-7**



## OCCUPATIONAL HEALTH AND SAFETY COMMITTEE 2024–2026

We renewed our Occupational Health and Safety (OHS) Committee with the election of employee representatives for the central committee and the subcommittees in Lima and Surco, ensuring the continuity of a participatory and balanced approach across all our sites.

Our Occupational Health, Safety, Environment, and Corporate Social Responsibility (OHSE-CSR) team continues to provide technical support and oversee compliance with Law No. 29783, ensuring the development and monitoring of OHS plans and programs at all levels.

Throughout 2024, we held regular monthly meetings and extraordinary sessions of the central committee in Chinchá, as well as subcommittee meetings in Lima and Surco. These meetings enabled close follow-up on decisions and helped strengthen our safety and prevention culture.

### Below we present the responsibilities and functions of the OHS Committee:

- 1
 
 Review and approval of OHSE plans and programs.
- 2
 
 Review and approval of the Internal Occupational Health and Safety Regulations (RISST).
- 3
 
 Participation in occupational accident investigations.
- 4
 
 Participation in the inspection program.
- 5
 
 Promotion of a prevention culture within the organization, with the aim of reducing the accident rate.

Regarding the frequency and regularity of our OHS committee meetings, it is important to note that both the central committee and the two subcommittees in Lima and Surco hold meetings at least once a month. These meetings serve to review the agreements, commitments, and consensus reached during the month on OHS-related matters. They are part of the follow-up to the Hygiene and Safety Program.

Below are the members of the OHS Committee:



Adán Echeandía Farfan  
 Chair of the OHS Committee



Erick Ylave Ponte



Andrés Alva Novoa



Jean Paul Salas Tamayo



Geraldine Sagastegui Garcia



Gianfranco Gervasoni Florez

OHSE TRAINING

We reinforced our commitment to occupational health and safety through our OHSE Training Program, promoting a culture of accident, incident, and occupational risk prevention throughout the organization.

In 2024, we continued providing training sessions for both our direct employees and third-party personnel working at our facilities. A total of 21 training sessions in OHSE-CSR Management were conducted, distributed as follows:

- 6 training sessions for all TDV employees.
- 4 training sessions for management staff.
- 3 training sessions based on identified needs.
- 3 training sessions for the OHS Committee.
- 3 training sessions focused on TDV emergency brigades.

These actions reaffirm our commitment to achieving the objectives set out in our Training, Learning, and Development Program.



Furthermore, in 2024, we enhanced our safety communication strategy. After reaching the 100th edition of our OHSE newsletters, we introduced a new format titled The 1, 2, 3 of OHSE featuring our own employees. These short videos cover key occupational health and safety topics and are shared through our internal networks, communication channels, and cafeteria screens. This initiative encourages greater employee engagement and strengthens our preventive culture.





OCCUPATIONAL  
HEALTH AT TDV

At TDV, we ensure access to essential health services to address incidents and health-related concerns for both direct employees and third-party personnel within our facilities.

Each worksite offers primary care services to assess the health status of our employees and facilitate referrals to medical centers depending on the nature of the case, whether due to common illness or occupational injury. In addition, we conduct continuous follow-up for individuals who required medical attention, ensuring proper recovery and, in the case of accidents, supporting them through their return-to-work process.

As part of our preventive management, we carry out health and vaccination campaigns, along with occupational health monitoring aligned with preventive programs focused on significant risks. These efforts enable us to apply effective preventive measures.

GRI 403-3 | GRI 403-6

To ensure the quality of our occupational health services (OHSE), we implement:

- Qualified personnel
- Standardized protocols and procedures
- Periodic audits and evaluations
- Ongoing training for the OHSE team
- Employee participation

WORK-RELATED  
INJURIES

In 2024, we enhanced our management processes through the use of Power BI, which enabled us to monitor our preventive actions in real time and update our risk matrices. As a result, we developed and updated 470 IPERC matrices, strengthening our ability to respond to potential risks and reinforcing our commitment to a safe work environment.

Thanks to these measures, we closed the year with zero fatal occupational accidents. However, 11 recordable work-related injuries were reported, resulting in an injury rate of 0.18 and a lost-time injury frequency rate (LTIFR) of 0.18. In response to these events, we activated our investigation protocol, which begins with a preliminary report and continues with the formation of a multidisciplinary team composed of the Central OHS Committee, the process leader, and the OHSE support team, ensuring a structured and effective response.

GRI 403-9 | GRI 403-10 | SASB: CG-AA-430b.3 | DEGS 4.5.1 | DEGS 4.5.2 | DEGS 4.5.3

OHS Indicators	2022	2023	2024
Fatality rate resulting from work-related injuries	0	0	0
Recordable work-related injury rate	5.93	1.23	1.81
Lost-time injury frequency rate (LTIFR)	5.93	1.23	1.81
Total hours worked	7,077,848	6,493,448	6,084,308

To strengthen our safety culture, we share lessons learned and identified improvements during our operational DMS meetings (1.0, 2.5, 3.0, 3.5, and 4.0), as well as through our internal communication channels. In doing so, we promote continuous improvement and reaffirm our commitment to safety across the organization.

“We continue working to consolidate a culture of prevention, ensuring that safety remains a key pillar of our performance”



CHAPTER →

07

# Creating value and well-being for our community





# 7.1 STRENGTHENING RELATIONSHIPS WITH OUR STAKEHOLDERS

The success of our management relies on the close and transparent relationships we maintain with our stakeholders. For this reason, we promote active dialogue that allows us to understand their expectations and align our strategies to generate shared value.

Throughout 2024, we have strengthened our communication and engagement channels, fostering collaboration with clients, employees, suppliers, and communities. These efforts help us build trust-based relationships, drive initiatives with positive impact, and ensure responsible and sustainable business management.
 **GRI 2-29**



  
**Board of Directors**  
 Shareholders and Managers


  
**Clients**  
 International companies

  
**Employees**  
 Personnel at Chincha and Lima plants, and Surco offices

  
**Government**  
 Local governments as well as regulatory and oversight agencies








  
**Suppliers**  
 Raw material and services suppliers

  
**Competitors**  
 Textile industry companies

  
**Community**  
 Residents of Chincha Baja (Chincha Plant) and Cercado de Lima (Lima Plant)



Below are the dialogue mechanisms we maintain with our stakeholders:

Stakeholder	Dialogue mechanism	Improvement processes	Category	Stakeholder	Dialogue mechanism	Improvement processes	Category
 <p>Board of Directors</p>	<ul style="list-style-type: none"> <li>Board sessions</li> <li>Corporate mail</li> </ul>	<ul style="list-style-type: none"> <li>Materiality analysis</li> <li>Board evaluation</li> </ul>	Internal	 <p>Suppliers</p>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Emails</li> <li>Phone calls</li> <li>Web page</li> </ul>	<ul style="list-style-type: none"> <li>Human rights due diligence</li> <li>Participation in audits</li> <li>Working meetings</li> <li>Materiality analysis</li> <li>Audits and certifications</li> </ul>	External
 <p>Employees</p>	<ul style="list-style-type: none"> <li>Social media</li> <li>Corporate mail</li> <li>Physical notices</li> <li>Web page</li> <li>Wall newspaper</li> <li>Direct communication</li> <li>Ethics Hotline</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement survey</li> <li>Ongoing Feedback</li> <li>Soft skills workshops</li> <li>Materiality analysis</li> </ul>	Internal	 <p>Textile industry companies</p>	<ul style="list-style-type: none"> <li>Instant messaging groups for alliance coordination</li> <li>Meetings</li> <li>Phone calls</li> <li>Textile sector forums, seminars, and fairs</li> <li>Dialogue groups: fashion cluster and ADEX</li> </ul>	<ul style="list-style-type: none"> <li>Learning through sectoral groups</li> <li>Participation in events</li> <li>ADEX Manufacturing Committee</li> <li>Guided tours to other companies to learn about sustainability best practices</li> </ul>	External
 <p>Clients</p>	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Emails</li> <li>Telephone calls</li> <li>Surveys</li> <li>Social media</li> <li>Web page</li> </ul>	<ul style="list-style-type: none"> <li>Satisfaction survey</li> <li>Materiality analysis</li> <li>Discussion forums and dialogues of best practices</li> <li>Audits</li> </ul>	External	 <p>Community</p>	<ul style="list-style-type: none"> <li>Web page</li> <li>Social Media</li> <li>Complaints and claims mechanism</li> <li>Guided tours of the Chincha plant</li> <li>Signing of agreements</li> <li>Participation in public sustainability events</li> </ul>	<ul style="list-style-type: none"> <li>Expectations assessment</li> <li>Human rights due diligence</li> <li>Cooperation agreements</li> <li>Materiality analysis</li> </ul>	External
 <p>Government</p>	<ul style="list-style-type: none"> <li>Mail / Letters</li> <li>Directorial Resolutions</li> <li>Monitoring platforms</li> </ul>	<ul style="list-style-type: none"> <li>Tax Payments</li> <li>Working meetings with PROMPERU</li> <li>Social and environmental declarations</li> </ul>	External				

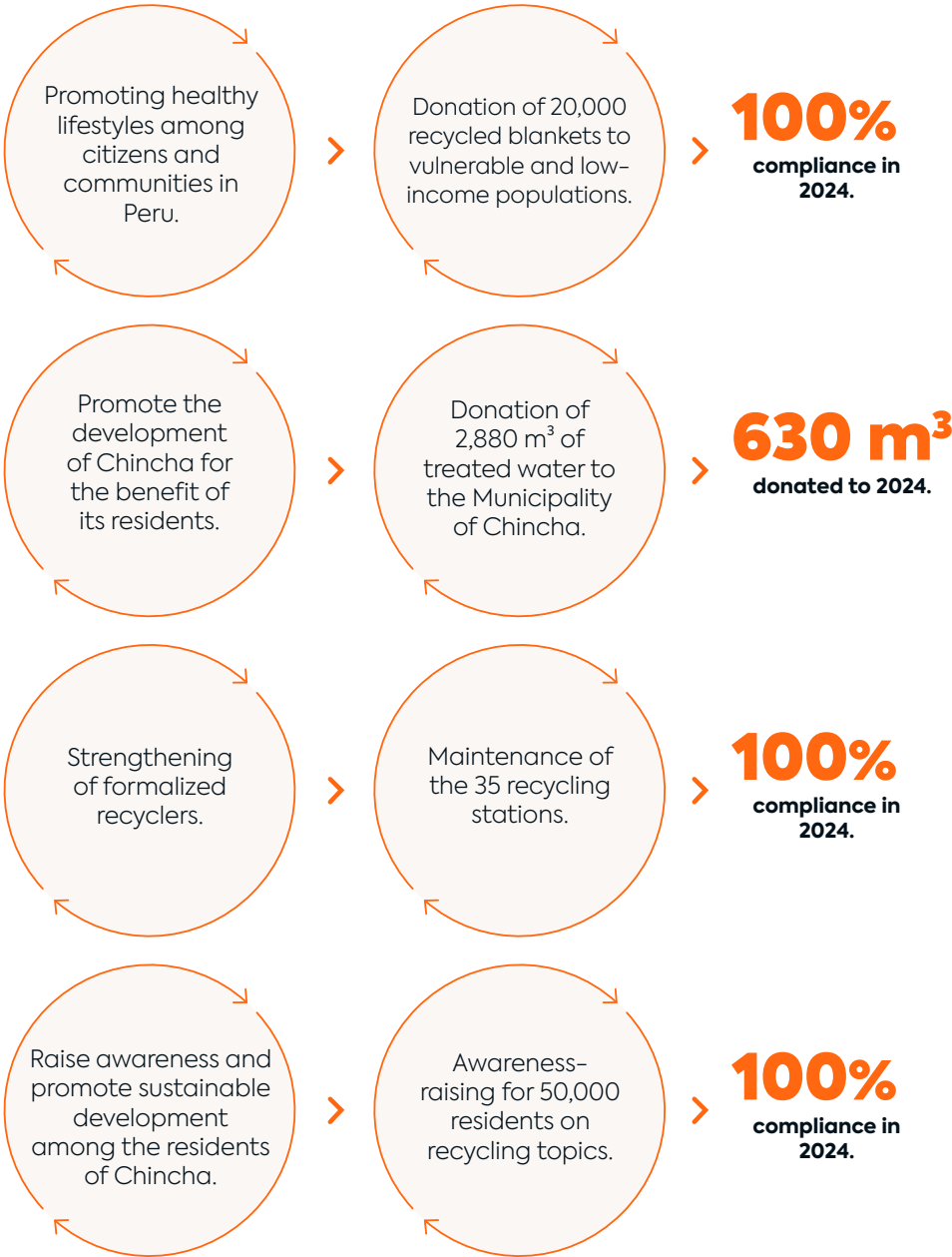


# 7.1 OUR CONTRIBUTION TO COMMUNITY DEVELOPMENT

**AtTDV, we are firmly convinced of the important role businesses play in Peru's development.** We generate formal employment and contribute to the social well-being of our communities. Our business approach aims not only to be profitable but also to create a positive social impact that reaches beyond our immediate surroundings.

Our community engagement strategies are guided by the principles outlined in our Human Rights and CSR Policy. In line with these guidelines, we are committed to building strong relationships with the communities we interact with, proactively addressing any concerns, complaints, or grievances that may arise.

Below are our objectives aligned with our social purpose and our progress as of 2024: **GRI 3-3**



## COMMUNITY ENGAGEMENT PROGRAMS

We implement projects with both our directly impacted communities and vulnerable communities across Peru. These initiatives are a key part of our sustainability strategy, focused on the “People” pillar, through which we aim to close gaps for our employees, their families, and the communities around us.

To ensure effectiveness, our Sustainability Committee conducts ongoing monitoring and evaluates the indicators of each project, reporting periodically on the progress and results achieved. This approach allows us to manage our actions transparently and efficiently, ensuring a positive and sustainable impact on the community. It is worth noting that we have not generated any negative impacts in the local communities where we operate.

GRI 413-1 | GRI 413-2 | Non-GRI: Community development and engagement



## KEY ACHIEVEMENTS IN 2024

We implemented **two social programs, benefiting nearly 80,000 people**, thanks to strategic partnerships with companies and organizations such as Lacoste, Recicla LATAM, and Juguete Pendiente, further strengthening our impact in the communities.

We raised awareness in **21,436 households and businesses** on good recycling practices, promoting responsible habits and contributing to the reduction of environmental impact in the communities, achieving the recycling of 1,243 tons of recoverable waste.



Below are the main community engagement programs implemented during 2024:

ICA Y CHINCHA  
RECICLA  
PROGRAM



34,615  
PEOPLE  
BENEFITED

Our main community program in 2024 was Ica and Chíncha Recycle, developed in partnership with Recicla LATAM and Lacoste. This project aims to establish a recycling system in the cities of Ica and Chíncha by promoting sustainable habits among the population. To achieve this, the initiative focuses on: (i) formalizing and training recyclers, (ii) raising awareness among residents, (iii) installing recycling stations in both cities, (iv) facilitating the integration of recyclers into the formal industry value chain, and (v) increasing the number of households participating in the municipal recycling program, ensuring that collected materials are delivered to formalized recyclers.

In Ica, during 2024, we recycled 825.8 tons of recoverable waste, mainly paper, cardboard, and PET plastic.

Of this total, 801 tons came from the source segregation program, and 24.8 tons were collected through recycling stations and school recycling drives. As part of our social impact, we raised awareness in 15,780 households and businesses, benefiting 34,615 people, and trained 12,519 students and teachers in good recycling practices. Additionally, 8,845 households and businesses formally joined the program.

In Chíncha, we recycled 418.1 tons of waste, of which 398 tons came from the source segregation program and 20.1 tons were collected at recycling stations.

We also raised awareness in 5,656 households and businesses, reaching 21,071 people, and enrolled 3,091 households and businesses in the program.

ABRÍGATE  
PERÚ  
PROGRAM



+21,000  
BLANKETS  
DELIVERED

Another of our flagship programs is Abrígate Perú, an initiative aimed at mitigating the effects of low temperatures in vulnerable communities through the donation of blankets. This project focuses on transforming textile remnants generated from our cutting and overlocking operations into blankets, thanks to the collaboration of our supplier, Tejidos Celeste. The initiative is also carried out in partnership with our ally, the NGO Juguete Pendiente, which supports us with the storage, transportation, and distribution of the blankets to vulnerable communities.

In 2024, we exceeded our target by distributing more than 21,000 blankets across various regions of the country.

Among the main deliveries, we donated 600 blankets to the Regálanos tu Sonrisa Perú Association, 38 blankets to EsSalud in Chíncha, and 1,850 blankets to the National Institute of Civil Defense (INDECI in Spanish). Since the beginning of this initiative, we have supported over 50,000 people, helping improve their living conditions and offering protection against extreme cold. We remain committed to the development and well-being of our communities, reaffirming our mission to generate a positive and sustainable impact on society.

Testimonial:
 NGO Juguete Pendiente



VANESSA VÁSQUEZ  
 EXECUTIVE DIRECTOR & CCO AT  
 JUGUETE PENDIENTE

The partnership with Textil del Valle began in 2020, at the height of the pandemic, when we received the invitation to work together. Since then, we have built a strong relationship based on trust and a shared commitment to social and environmental impact.

Our joint efforts focus on the donation of blankets made from textile remnants, ensuring that the most vulnerable communities receive high-quality products. In addition, TDV's corporate volunteering program has allowed its employees to witness the impact of these initiatives firsthand in regions such as Cusco, Puno, and Huancavelica.

“Working with Textil del Valle has been an enriching experience. Not only have they found a responsible way to repurpose their textile remnants, but they have done so with a focus on dignity. Each blanket delivered is a testament to their commitment to the community and the environment. Their support has been key to ensuring high-quality assistance reaches those who need it most”.

If I had to define TDV in one word, it would be “dignity”. They do not simply donate what they no longer need. They transform and invest in giving their very best. Their blankets are not waste, but valuable products that improve the quality of life for many people. Their commitment to the dignity of beneficiaries is what sets them apart and makes their work so meaningful.



# 7.3 CONTRIBUTIONS AND SOCIAL PROGRAMS

We carry out initiatives and volunteer programs under the “People” pillar, following two main areas of intervention. The first is focused on the health and well-being of our employees and stakeholders, while the second supports social and environmental development in the communities near our operations.

In 2024, with the aim of maintaining transparency with our stakeholders, we disclosed the amounts allocated to philanthropic contributions and investments in social programs. It is important to highlight the valuable collaboration of our partners, who amplify the social impact of these efforts, especially in the Chincha region:
 GRI 3-3 | GRI 203-1 | DEGS 4.6.1

Social contributions in USD

USD 71,495.81	USD 175,618.54	USD 103,819.41
2022	2023	2024

## HEALTH AND WELL-BEING PROGRAMS

### HERE TO BE PROGRAM



This program aims to provide a collective well-being space, promoting stress reduction and the care of both physical and mental health among our employees. Through activities such as yoga, meditation, and dance, we encourage a healthy balance between work and personal well-being.

In 2024, we held 24 weekly sessions, distributed across 8 daily sessions over 3 days each week. Each 30-minute session offered participants the opportunity to disconnect from their routine and focus on their well-being. On average, we recorded the participation of approximately 150 people per day, establishing this program as a key initiative for strengthening well-being within our organization.

SOCIO-ENVIRONMENTAL DEVELOPMENT PROGRAMS

CRUZADA VERDE PROGRAM



50  
TREES  
PLANTED

In 2024, we participated in the 4th Regional Forum “For a Green and Sustainable Region”, organized by the Municipality of Pueblo Nuevo. As part of our contribution, we delivered a presentation on the efficient use of water in the textile industry, carried out a reforestation day with our volunteer team —planting 50 trees— and donated T-shirts to the participants.

The forum concluded with a visit to our facilities alongside local authorities. In addition, we followed up on the reforestation activities carried out in 2023 and confirmed that 92% of the trees planted continue to grow, reflecting the community’s commitment to their preservation. DEGS 3.4.1

ALGODÓN DE VIDA PROJECT



+5,000  
BENEFITED  
FAMILIES

The Algodón de Vida project began in 2020 with the aim of generating a positive, inclusive, and equitable impact in local communities. In 2022, in collaboration with GR Algodón Orgánico, Filasur, and Mercantil Algodonera, we began transforming land previously used for coca leaf cultivation into fields for organic cotton farming. This transition has directly and indirectly benefited more than 5,000 families in the rural communities of San Martín and has engaged over 2,000 farmers who now grow organic cotton.

Currently, the project spans more than 5,000 hectares of cultivated cotton across various provinces in the Peruvian Amazon, including Juanjui, Saposoa, Bellavista, Sisa, Picota, Lamas, and Tocache. By 2025, our goal is to reach 10,000 hectares of fiber, which would mark significant progress for the country’s agricultural sector. As part of our commitment to the project, in 2024 we purchased 830 tons of natural cotton from our partner, Filasur.

This initiative is supported by key clients such as Lululemon, Lacoste, and Patagonia, who value the project’s strong social and environmental impact. It is a sustainable and regenerative model that uses rainwater for irrigation, is carbon neutral, and relies exclusively on organic fertilizers.

“This is just the beginning of a project that continues to grow and transform lives. At Textil del Valle, we remain committed to sustainability, inclusion, and the development of our communities”



## 7.4 COMMITMENT TO HUMAN RIGHTS

We ensure the respect, protection, and promotion of human rights through policies and practices aligned with international standards. Our management approach is based on the United Nations Guiding Principles on Business and Human Rights, as well as on global certifications that support our commitment. In this way, we uphold the fundamental rights of our employees, communities, and stakeholders, integrating these principles into our culture and daily operations.

As part of our human rights management, we align our processes with the following frameworks and policies:

GRI 3-3 | DEGS 4.3.1

- Code of Ethics and Conduct
- Responsible Business Conduct Policy

- Human Rights Due Diligence Manual
- WRAP Standards

We also highlight that during this period we successfully completed our human rights due diligence, which enabled us to identify the main risks and impacts associated with our operations. The 2024 Human Rights Due Diligence Report concluded that Textil del Valle demonstrates a strong commitment to human rights management through the implementation of effective policies, procedures, and controls. As a result of this assessment, it was determined that TDV has control mechanisms in place that address most of the identified risks, demonstrating a high level of proactivity in defining guidelines that respond to areas for improvement.

DEGS 4.3.2

## INTEGRATION OF HUMAN RIGHTS INTO THE VALUE CHAIN

At TDV, we are committed to promoting responsible business practices and respecting human rights throughout all our operations and across our value chain. As a B Corporation, we operate under principles of transparency and ethics, ensuring that both our employees and business partners uphold standards aligned with international certifications.

In terms of collective bargaining, we fully respect our employees' right to organize in unions or labor associations, in line with the Worldwide Responsible Accredited Production (WRAP) certification. However, TDV currently does not have internal unions, which is why we have implemented various committees to ensure the protection of labor rights and address the needs of our workers. GRI 2-30 | DEGS 4.3.6

Regarding the eradication of child labor, we have implemented a Child Labor Remediation Policy that sets out clear guidelines to prevent, identify, and address any potential cases within our operations. We strictly comply with national legislation and ensure that no child labor is employed in any position within the company. In 2024, no risks of child labor were identified in our operations or supply chain. We require our suppliers to hold international certifications, such as BASC and WRAP, which guarantee the absence of child labor and the respect for human rights. GRI 408-1

As for the prevention of forced labor, our Internal Work Regulations (RIT in Spanish) establish clear principles governing labor relations, ensuring fair and voluntary working conditions for all our employees. We categorically reject any form of forced or involuntary labor, aligning our practices with Conventions 29 and 105 of the International Labour Organization (ILO). Furthermore, our WRAP certification confirms our compliance with labor regulations and guarantees that our employees are not subject to coercive conditions. We also require all partner companies to adhere to the same standards. **GRI 409-1**

Through these actions, we reaffirm our commitment to human rights and the creation of an ethical, fair, and safe working environment for all.

Below are the main certifications that support our commitment to human rights:



Worldwide Responsible Accredited Production (WRAP)

We are certified under the Worldwide Responsible Accredited Production (WRAP) standard, complying with its 12 fundamental principles. This certification guarantees that our production is carried out ethically and responsibly, ensuring fair labor conditions, legal compliance, workplace safety, and respect for human rights at every stage of our operations.



Fair Trade Certified

Since 2023, we have held the Fair Trade Factory USA certification, a recognition that supports our commitment to social equity, employee well-being, and the sustainable development of communities. This certification validates our responsible practices throughout the entire supply chain, promoting fair working conditions and contributing to a positive impact on our surroundings. This year, we successfully passed the follow-up audit.



Global Organic Textile Standard (GOTS)

In 2024, we implemented Version 7 of the Global Organic Textile Standard (GOTS), an international benchmark that ensures our business practices align with the highest ethical and environmental standards. This certification guarantees that we avoid any action that could cause, contribute to, or support human rights abuses within our operations and supply chain.

# ACHIEVEMENTS AND PROGRESS IN OUR HUMAN RIGHTS MANAGEMENT IN 2024

In 2024, we made significant progress in our human rights management, further strengthening our commitment to responsible and sustainable labor practices: **DEGS 4.3.7**

- **We implemented the Human Rights Due Diligence Manual**, establishing a clear process to identify, assess, prevent, mitigate, and remedy potential adverse impacts in our operations.
- **We developed the Responsible Business Conduct Policy**, reinforcing our commitment to ethics and integrity in all our activities.
- **We created the Human Rights Risk Matrix**, a tool that enables us to proactively detect and address potential risks across our value chain.
- **We carried out a human rights due diligence** process through a comprehensive analysis that allowed us to identify key risks and confirm the strength of our control mechanisms, including procedures and policies that mitigate these impacts.

These achievements reflect our dedication to building a safe, fair, and ethical work environment in line with the highest international human rights standards.



CHAPTER 08 About this sustainability report





## 8.1 ABOUT THIS REPORT

At TDV, we reaffirm our commitment to transparency and sustainability through the publication of our 2024 Sustainability Report, in which we share our performance in environmental, social, and governance (ESG) dimensions with our stakeholders. This report outlines the main milestones, achievements, and lessons learned during the period from January 1 to December 31, 2024. **GRI 2-2**

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, 2021 version, and the Sustainability Accounting Standards Board (SASB) framework through the Apparel, Accessories, and Footwear sector supplement. We have also incorporated the United Nations Sustainable Development Goals (SDGs), aligning our management with global environmental and social challenges.

The information contained in this report has not been restated or verified by an external auditor. However, it has been reviewed and validated by TDV's General Management, ensuring its accuracy and relevance. **GRI 2-3 | GRI 2-4 | GRI 2-5**

For inquiries regarding this report, please contact us at: **sustainability@textildelvalle.pe**



For more information, visit:  
<https://www.textildelvalle.pe/>





## 8.2 ESG INDICATOR TABLES

### 8.2.1. ECONOMIC INDICATOR TABLES

Direct economic value generated and distributed 2024 GRI 201-1

Variables	(In million USD)
Direct Economic Value Generated (DEVG)	79,362,238
Total revenue	79,362,238
Economic Value Distributed (EVD)	79,548,782
Operational costs	47,899,676
Employee wages and benefits	23,524,251
Payments to governments (taxes and penalties)	3,082,873
Payments to capital providers (dividends to shareholders + interest on all types of debt and loans)	4,764,106
Community investments	277,876
Economic Value Retained (EVR)	3,650,799

### 8.2.2. ENVIRONMENTAL INDICATOR TABLES

Energy consumption within the organization GRI 302-1

Energy consumption by type	Unit of measurement	2022		2023		2024	
		Lima	Chincha	Lima	Chincha	Lima	Chincha
Total consumption of fuels from non-renewable sources	kWh	331,831.00	38,384,834.00	297,405.00	32,441,742.51	246,851.00	35,166,816.00
Natural gas	kWh	74,468.00	38,296,952.00	66,636.00	32,196,986.51	169,731.00	35,026,974.00
LPG	kWh	-	45,920.00	-	41,962.00	2,199.00	39,105.00
Diesel	kWh	162,961.00	41,962.00	132,618.00	202,794.00	62,228.00	100,737.00
Gasoline	kWh	94,402.00	-	98,151.00	-	12,693.00	-
Total consumption of fuels from renewable sources	kWh	-	9,557,900	-	9,925,036	-	9,963,564
ATRIA Supply 1 (electricity)	kWh	-	3,638,608	-	3,495,707	-	4,219,613
ATRIA Supply 2 (electricity)	kWh	-	5,428,222	-	6,004,060	-	5,440,602
ATRIA Supply 3 (solar panels)	kWh	-	491,070	-	425,269.00	-	303,349.00
Total consumption of purchased energy	kWh	724,188.00	-	691,284.00	-	650,686.00	-
Energy purchased from the grid (ENEL)	kWh	724,188.00	-	691,284.00	-	650,686.00	-
Total heating consumption	kWh	-	-	-	-	-	-
Total cooling consumption	kWh	-	-	-	-	-	-
Total steam consumption	kWh	-	-	-	-	-	-
Total energy sold	kWh	-	-	-	-	-	-
Total energy consumption within the organization	kWh	1,056,019.00	47,942,734.00	988,689.00	42,366,778.51	897,537.00	45,130,380.00

Total GHG emissions in (tCO<sub>2</sub>eq)
 GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305-5

GHG emissions by scope	2022			2023			2024		
	Chincha Plant	Lima Plan	Surco Office	Chincha Plant	Lima Plan	Surco Office	Chincha Plant	Lima Plan	Surco Office
Scope 1 emissions in tCO <sub>2</sub> eq	6,937	140	48	6,216	32	46	6,869	55	49
Scope 2 emissions in tCO <sub>2</sub> eq	1,637	130	8	1,612	131	13	1,650	111	9
Scope 3 emissions in tCO <sub>2</sub> eq	19,655	625	149	13,415	402	199	15,208	490	184
Total emissions scope 1,2,3 (tCO <sub>2</sub> eq)	28,229	895	205	21,243	565	258	23,727	656	242
Offset Emissions	29,333			22,065			24,625		
Net emissions	0			0			0		

Water extraction
 GRI 303-3

Water extraction source	Unit of measurement	2022	2023	2024
Water extraction by source type				
Surface water (total)				
Freshwater (total dissolved solids ≤ 1000 mg/l)	Thousands of m³	8.1	10,266	10.70
Other water (total dissolved solids > 1000 mg/l)	Thousands of m³	-	-	-
Groundwater (total)				
Freshwater (total dissolved solids ≤ 1000 mg/l)	Thousands of m³	434.7	389.04	441.33
Other water (total dissolved solids > 1000 mg/l)	Thousands of m³	-	-	-
Seawater (total)				
Seawater (total)	Thousands of m³	0	0	0
Other water (total dissolved solids > 1000 mg/l)	Thousands of m³	-	-	-
Produced water (total)				
Freshwater (total dissolved solids ≤ 1000 mg/l)	Thousands of m³	0	0	0
Other water (total dissolved solids > 1000 mg/l)	Thousands of m³	-	-	-
Total water extraction from third parties				
Surface water	Thousands of m³	-	-	-
Groundwater	Thousands of m³	-	-	-
Seawater	Thousands of m³	-	-	-
Produced water	Thousands of m³	-	-	-
Total water withdrawal: Surface water (total) + Groundwater (total) + Seawater (total) + Produced water (total) + Water from third-party sources (total)	Thousands of m³	442.8	399.30	452.03

\*Chincha is a province in the department of Ica, which is considered an area with high levels of water stress.



Water consumption at TDV
 GRI 303-5

Water consumption	Unit of measurement	2022		2023		2024	
		Chincha	Lima	Chincha	Lima	Chincha	Lima
Total water consumption	Thousands of m³	80.89	0.81	49.98	0.74	77.32	0.82
Change in water storage, where identified as having a significant water-related impact.	-	-	-	-	-	-	-

\*Chincha is a province in the department of Ica, which is considered a region with high levels of water stress.

Waste generated at TDV
 GRI 306-3

Type of waste	Category of waste*	Generated waste 2024	
		Chincha plant Total Generated (Metric tons)	Lima plant Total Generated (Metric tons)
Non-hazardous	Wastewater Treatment Plant (WWTP) sludge – solid	324.28	-
	Wastewater Treatment Plant (WWTP) sludge – liquid	-	-
	Non-recoverable waste	47.06	13.88
	Paper	138.33	2.322
	Cardboard	86.26	1.31
	Plastic	11.36	2.576
	Scrap metal	10.27	0.087
	PET bags	-	-
Textile waste		893.4	-
Total non-hazardous waste		1,510.96	20.175
Hazardous	Hazardous waste (obsolete lighting, WEEE, solid materials, contaminated containers, batteries, among others)	53.50	1.1
Total hazardous waste		53.50	1.1
Total hazardous waste		1,585.74	

Non-Disposal waste
 GRI 306-4

Non-Disposal waste (commercially recoverable)	2023		2024	
	Chincha Plant – Waste Generated (tons)	Lima Plant – Waste Generated (tons)	Chincha Plant – Waste Generated (tons)	Lima Plant – Waste Generated (tons)
Paper	86.23	1.925	138.33	2.232
Cardboard	85.28	3.335	86.26	1.31
Plastic	28.24	2.007	11.36	2.576
Scrap metal	14.19	-	10.27	0.087
PET bags	-	-	-	-
Textile waste	560.5	-	893.4	-
<b>TOTAL</b>	<b>781.7</b>		<b>1,145.9</b>	

Waste sent for disposal
 GRI 306-5

Disposal method	2024			
	Chincha plant		Lima plant	
	Hazardous waste (tons)	Hazardous waste (tons)	Hazardous waste (tons)	Hazardous waste (tons)
Wastewater Treatment Plant (WWTP) sludge – solid	-	324.28	-	13.88
Wastewater Treatment Plant (WWTP) sludge – liquid	-	-	-	-
Non-recoverable waste	-	47.06	-	-
Scrap fabric	-	-	-	-
Hazardous waste (obsolete lighting, WEEE, solid materials, contaminated containers, batteries, among others)	53.50	-	1.1	-
	<b>424.84</b>		<b>14.98</b>	
<b>Subtotal 2</b>		<b>439.82</b>		

8.2.3. SOCIAL INDICATOR TABLES

Employees by contract type and work schedule
 GRI 2-7

Job category	Contract type		Contract type	
	Permanent contract		Full-time	
	Men	Women	Men	Women
<b>Managers</b>	9	1	9	1
<b>Department heads</b>	25	14	25	14
<b>Coordinators / Analysts / Assistants</b>	141	123	141	123
<b>Production</b>	969	1,318	969	1,318
<b>TOTAL</b>	<b>1,144</b>	<b>1,456</b>	<b>1,144</b>	<b>1,456</b>

Distribution of full-time employees by level and gender
 GRI 2-7 | DEGS 4.2.2

Level	Men	Women	Proportion Men	Proportion Women
Managers	9	1	90%	10%
Department heads	25	14	64%	36%
Coordinators / Analysts / Assistants	141	123	53%	47%
Production (operators)	969	1,318	42%	58%
<b>TOTAL</b>	<b>1,144</b>	<b>1,456</b>	<b>44%</b>	<b>56%</b>



Hirings by age, gender, and region
 GRI 401-1

New hires by age, gender, and region	2024							
	Number				Rate			
	Men		Women		Men		Women	
	Lima	Ica (Chincha)	Lima	Ica (Chincha)	Lima	Ica (Chincha)	Lima	Ica (Chincha)
Under 30 years old	68	313	115	345	0.08	0.16	0.22	0.19
Between 31 and 40 years old	44	101	64	175	0.07	0.12	0.18	0.14
Between 41 and 50 years old	29	60	35	99	0.08	0.12	0.22	0.15
Between 51 and 60 years old	6	27	9	23	0.05	0.06	0.08	0.05
Over 61 years old	0	2	0	1	0.00	0.00	0.01	0.01

Turnover by age, gender, and region
 GRI 401-1

Employee turnover by age, gender, and region	2024							
	Number				Rate			
	Men		Women		Men		Women	
	Lima	Ica (Chincha)	Lima	Ica (Chincha)	Lima	Ica (Chincha)	Lima	Ica (Chincha)
Under 30 years old	17	146	45	170	0.08	0.16	0.22	0.19
Between 31 and 40 years old	15	106	37	123	0.07	0.12	0.18	0.14
Between 41 and 50 years old	17	105	45	132	0.08	0.12	0.22	0.15
Between 51 and 60 years old	10	52	16	41	0.05	0.06	0.08	0.05
Over 61 years old	0	4	3	5	0.00	0.00	0.01	0.01

Work-Related injuries among TDV employees
 GRI 403-9

Employees	Unit of Measurement	2022	2023	2024
Number of fatalities resulting from a work-related injury	#	0	0	0
Fatality rate resulting from a work-related injury	index	0	0	0
Number of work-related injuries with serious consequences (excluding fatalities)	#	0	0	0
Rate of work-related injuries with serious consequences (excluding fatalities)	index	0	0	0
Number of recordable work-related injuries	#	42	8	11
Rate of recordable work-related injuries (TRIR)	index	5.93	1.23	1.81
Lost Time Injury Frequency Rate (LTIFR)	index	5.93	1.23	1.81
Total hours worked	#	7,077.848	6,493.448	6,084.308

Work-Related injuries among TDV contractors
 GRI 403-9

Contractors	Unit of Measurement	2022	2023	2024
Number of fatalities resulting from a work-related injury	#	0	0	0
Fatality rate resulting from a work-related injury	index	0	0	0
Number of work-related injuries with serious consequences (excluding fatalities)	#	0	0	0
Rate of work-related injuries with serious consequences (excluding fatalities)	index	0	0	0
Number of recordable work-related injuries	#	0	0	4
Rate of recordable work-related injuries (TRIR)	index	0	0	31.73
Lost Time Injury Frequency Rate (LTIFR)	index	0	0	31.73
Total hours worked	#	120,000	11,520	126,048

8.3

TABLE OF GRI CONTENT

Statement of Use	At Textil del Valle S.A. BIC, the information referenced in this GRI content index has been reported for the period from January 1, 2024, to December 31, 2024, with reference to the GRI Standards.						
GRI 1 used	GRI 1: Foundation 2021						
GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
General disclosures							
GRI 2: General disclosures 2021	2-1 Organizational details	Chapter 1: Textil del Valle: Dressing the world with quality and sustainability	7, 153	-	-	-	-
	2-2 Entities included in the organization’s sustainability reporting	Chapter 1: Textil del Valle: Dressing the world with quality and sustainability	131	-	-	-	Textil del Valle S.A. BIC
	2-3 Reporting period, frequency, and contact point	Chapter 8: About this sustainability report	131, 153	-	-	-	January 1, 2024, to December 31, 2024
	2-4 Restatements of information	Chapter 8: About this sustainability report	131	-	-	-	-
	2-5 External assurance	Chapter 8: About this sustainability report	131	-	-	-	This report was not externally verified
	2-6 Activities, value chain, and other business relationships	Chapter 1: Textil del Valle: Dressing the world with quality and sustainability	10	-	-	-	-
	2-7 Employees	Chapter 6: Developing and empowering our talent	102, 135	-	-	-	-
	2-8 Workers who are not employees	Chapter 6: Developing and empowering our talent	102	-	-	-	-
	2-9 Governance structure and composition	Chapter 3: Responsible governance for sustainable growth	36	-	-	-	-



GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
General disclosures							
GRI 2: General disclosures 2021	2-10 Nomination and selection of the highest governance body	Chapter 3: Responsible governance for sustainable growth	36	-	-	-	-
	2-11 Chair of the highest governance body	Chapter 3: Responsible governance for sustainable growth	36	-	-	-	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 3: Responsible governance for sustainable growth	37	-	-	-	-
	2-13 Delegation of responsibility for managing impacts	Chapter 3: Responsible governance for sustainable growth	37	-	-	-	-
	2-14 Role of the highest governance body in sustainability reporting	Chapter 3: Responsible governance for sustainable growth	39	-	-	-	-
	2-15 Conflicts of interest	Chapter 3: Responsible governance for sustainable growth	40	-	-	-	-
	2-16 Communication of critical concerns	Chapter 3: Responsible governance for sustainable growth	39, 46	-	-	-	-
	2-17 Collective knowledge of the highest governance body	Chapter 3: Responsible governance for sustainable growth	36	-	-	-	-
	2-18 Evaluation of the performance of the highest governance body	Chapter 3: Responsible governance for sustainable growth	36	-	-	-	-
	2-19 Remuneration policies	Chapter 3: Responsible governance for sustainable growth	41	-	-	-	-
	2-20 Process to determine remuneration	Chapter 3: Responsible governance for sustainable growth	41	-	-	-	-
	2-21 Annual total compensation ratio	-	41	-	2-21	Confidentiality constraints	This is sensitive information for the competitiveness of our industry. We ensure the application of standards to estimate competitive compensation.

GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
General disclosures							
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	Chapter 2: Our sustainable business model	4	-	-	-	-
	2-23 Policy commitments	Chapter 2: Our sustainable business model	21	-	-	-	-
		Chapter 3: Responsible governance for sustainable growth	35	-	-	-	-
	2-24 Embedding policy commitments	Chapter 3: Responsible governance for sustainable growth	35	-	-	-	-
	2-25 Processes to remediate negative impacts	Chapter 3: Responsible governance for sustainable growth	51	-	-	-	-
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 3: Responsible governance for sustainable growth	45	-	-	-	-
	2-27 Compliance with laws and regulations	Chapter 3: Responsible governance for sustainable growth	40, 80	-	-	-	-
		Chapter 5: Driving the planet's sustainability					
	2-28 Membership of associations	Chapter 1: Textil del Valle: Dressing the world with quality and sustainability	16	-	-	-	-
	2-29 Approach to stakeholder engagement	Chapter 7: Creating value and well-being for our community	120	-	-	-	-
2-30 Collective bargaining agreements	Chapter 7: Creating value and well-being for our community	128	-	-	Not applicable	There is no union in place.	
Material topics							
GRI 3: Material Topics 2021	3-1: Process to determine material topics	Chapter 2: Our commitment to sustainable development	30	-	-	-	-
	3-2: List of material topics		33	-	-	-	-



GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Governance and corporate sustainability							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 2: Our sustainable business model	35	-	-	-	-
GRI 207: Tax 2019	207-1: Approach to tax		40	1, 10, 17	-	-	-
	207-2: Tax governance, control, and risk management		40	1, 10, 17	-	-	-
GRI 415: Public policy 2016	415-1: Contributions to political parties and/or political representatives		40	16	-	-	-
Economic performance and sustainable financing							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 3: Responsible governance for sustainable growth	54	8, 9	-	-	-
GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed		54	13	-	-	-
	201-2: Financial implications and other risks and opportunities due to climate change		53	-	-	-	-
GRI 203: Indirect economic impacts 2016	203-1: Infrastructure investments and services supported		126	5, 9, 11	-	-	-
Ethics, transparency, and regulatory compliance							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 3: Responsible governance for sustainable growth	42	-	-	-	-
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures		42	16	-	-	-

GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Ethics, transparency, and regulatory compliance							
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	Chapter 3: Responsible governance for sustainable growth	47	-	-	-	-
	205-3: Confirmed incidents of corruption and actions taken		42	-	-	-	-
GRI 206: Anti-competitive Behavior 2016	206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		40	-	-	-	-
Comprehensive risk management							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 3: Responsible governance for sustainable growth	51	2, 3, 12, 16	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Comprehensive risk management		51	2	-	-	-
Responsible supply chain management							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 3: Responsible governance for sustainable growth	57		-	-	-
GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers		60	8	-	-	-
GRI 308: Supplier Environmental Assessment 2016	308-1: New suppliers that were screened using environmental criteria		59	-	-	-	-
	308-2: Negative environmental impacts in the supply chain and actions taken		59	-	-	-	-



GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Responsible supply chain management							
GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	Chapter 3: Responsible governance for sustainable growth	59	5, 8, 16	-	-	-
	414-2: Negative social impacts in the supply chain and actions taken		59	5, 8, 16	-	-	-
Innovation and development of sustainable products							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 4: Innovation, quality, and excellence in every process	66	-	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Innovation and development of sustainable products		66	-	-	-	-
Quality management and certifications							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 4: Innovation, quality, and excellence in every process	64	-	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Quality management and certifications		64	-	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Customer satisfaction		76	-	-	-	-
Water and effluent management							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 5: Driving the planet's sustainability	87	-	-	-	-
GRI 303: Water and Effluents 2018	303-1: Interactions with water as a shared resource		87	6, 12	-	-	-

GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Water and effluent management							
GRI 303: Water and Effluents 2018	303-2: Management of water discharge-related impacts	Chapter 5: Driving the planet's sustainability	89	6	-	-	-
	303-3: Water withdrawal		87, 133	6	-	-	-
	303-4: Water discharge		89	6	-	-	-
	303-5: Water consumption		90	6	-	-	-
Climate strategy and emissions management							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 5: Driving the planet's sustainability	82	-	-	-	-
GRI 302: Energy 2016	302-1: Energy consumption within the organization		82, 132	7, 8, 12, 13	-	-	-
	302-4: Reduction of energy consumption		83	7, 8, 12, 13	-	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		85	3, 12, 13, 14, 15	-	-	-
	305-2 Energy indirect (Scope 2) GHG emissions		85	3, 12, 13, 14, 15	-	-	-
	305-3 Other indirect (Scope 3) GHG emissions		85	3, 12, 13, 14, 15	-	-	-



GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Waste management and circular economy							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 5: Driving the planet's sustainability	92	-	-	-	-
GRI 306: Waste 2020	306-1: Waste generation and significant waste-related impacts		92	6 3, 6, 11, 12	-	-	-
	306-2: Management of significant waste-related impacts		92	3, 6, 8, 11, 12	-	-	-
	306-3: Waste generated		93	3, 6, 11, 12, 15	-	-	-
	306-4: Waste diverted from disposal		94	3, 11, 12	-	-	-
	306-5: Waste directed to disposal		135	6, 11, 12, 15	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Circular economy		95	-	-	-	-
Hazardous chemicals management							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 5: Driving the planet's sustainability	98	-	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Management of hazardous chemical substances		98	-	-	-	-
Use of sustainable raw materials							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 4: Innovation, quality, and excellence in every process	71	-	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Use of sustainable raw materials		71	-	-	-	-

GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Commitment to occupational health and safety							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 6: Developing and empowering our talent	114	-	-	-	-
GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system		114	3, 8, 16	-	-	-
	403-2: Hazard identification, risk assessment, and incident investigation		115	8	-	-	-
	403-3: Occupational health services		118	8	-	-	-
	403-4: Worker participation, consultation, and communication on occupational health and safety		115	8, 16	-	-	-
	403-5: Worker training on occupational health and safety		137	8	-	-	-
	403-6: Promotion of worker health		118	3	-	-	-
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		116	8	-	-	-
	403-8: Workers covered by an occupational health and safety management system		114	8	-	-	-
	403-9: Work-related injuries		118	3, 8, 16	-	-	-
	403-10: Work-related ill health		118	3, 8, 16	-	-	-
Human capital development and employability							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 6: Developing and empowering our talent	108	-	-	-	-



GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Human capital development and employability							
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	Chapter 6: Developing and empowering our talent	103, 104, 136	5, 8, 10	-	-	-
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees		106	3, 5, 8	-	-	-
	401-3: Parental leave		107	5, 8	-	-	-
GRI 404: Training and Education 2016	404-1 Average training hours per year per employee		108	4, 5, 8, 10	-	-	-
	404-2: Programs for upgrading employee skills and transition assistance programs		109	8	-	-	-
	404-3: Percentage of employees receiving regular performance and career development reviews		112	5, 8, 10	-	-	-
This material topic is not associated with a specific GRI Standard	Non-GRI Workplace climate and culture assessment		113	-	-	-	-
Compliance with human rights principles							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 3: Responsible governance for sustainable growth	128	-	-	-	-
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken		46	5, 8	-	-	-
GRI 408: Child Labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	Chapter 7: Creating value and well-being for our community	128	5, 8, 16	-	-	-
GRI 409: Forced or Compulsory Labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor		129	5, 8	-	-	-

GRI Standard	Content	Chapter	Page	SDG	Omission		
					Requirement Omitted	Reason	Explanation
Promotion of community development and engagement							
GRI 3: Material Topics 2021	3-3: Management of material topics	Chapter 7: Creating value and well-being for our community	122	-	-	-	-
GRI 413: Local Communities 2017	413-1: Operations with local community engagement, impact assessments, and development programs		123	-	-	-	-
	413-2: Operations with significant actual or potential negative impacts on local communities		123	1, 2	-	-	-
	Non-GRI Promotion of development and community relations		123	-	-	-	-



8.4
 SASB CONTENT INDEX

The Sustainability Accounting Standards Board (SASB) disclosure standards identify sustainability-related risks and opportunities that may have an impact on financial statements. These standards provide sector-specific guidance on material topics that should be disclosed, offering useful information for decision making by various stakeholders. For Textil del Valle S.A. BIC, the applicable SASB guidance corresponds to the Consumer Goods sector: Apparel, Accessories and Footwear, as defined by the Sustainable Industry Classification System® (SICS®) under the oversight of the International Sustainability Standards Board (ISSB), code CGAA. The following index presents environmental, social, and governance (ESG) information for the 2024 calendar year, aligned with version 2023.12 of the SASB standards.

Topic	SASB Code	Description	Chapter	Page	Response
Chemical management in products	CG-AA-250a.1	Analysis of processes to maintain compliance with restricted substances regulations	5: Driving the planet's sustainability	98	At TDV, we ensure regulatory and environmental compliance in chemical management through innovative tools and strict controls. We use BHive, a specialized software that allows us to validate, in real time, the certifications of chemical products used in our dyeing, printing, and laundry processes. This system enables us to verify that each input complies with the restricted substances lists (RSLs) required by our clients' certifications. Our chemical management is based on three key pillars: <ol style="list-style-type: none"> <li>1. Laboratory testing and verification for finished products and inputs</li> <li>2. Restricted substances lists (RSLs)</li> <li>3. Input management and supplier agreements</li> </ol>
	CG-AA-250a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products.	5: Driving the planet's sustainability	98	Our Purchasing Policy outlines the procedures and requirements for acquiring chemical products, mandating specific certifications aligned with the standards of our clients. We currently hold certifications such as REACH, Bluesign, Oeko-Tex, and ZDHC MRSL, which ensure that our raw materials and processes are free from harmful substances. In 2024, we implemented our Environmental and Chemical Policy, which defines a comprehensive management model based on the principles of precaution and prevention. This approach aims to minimize environmental impact and promote continuous improvement. Overall responsibility for chemical management lies with the Logistics Department, which oversees the safe procurement of inputs from certified suppliers and their proper handling within the plant. The Laboratory Department plays a key role in verifying quality, developing efficient formulas, and promoting environmental safety.
Environmental impacts in the supply chain	CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that comply with wastewater discharge permits or contractual agreements.	-	-	We are a vertically integrated factory that manages the entire textile production process, from raw material selection to the manufacturing of finished garments. Our supply chain relies on a limited number of strategic suppliers, allowing us to maintain high standards of control and quality. One hundred percent of TDV-operated facilities undergo wastewater compliance assessments as part of our commitment to responsible water management. For wastewater discharge, we apply high standards approved by the World Bank, in accordance with the Environmental, Health and Safety Guidelines (2007), as well as the Peruvian Supreme Decree No. 004-2017-MINAM – National Environmental Quality Standards for Water. We also conduct continuous monitoring to ensure our effluents meet the quality parameters required by current regulations.
	CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Higg Facility Environmental Module (Higg FEM) assessment by the Sustainable Apparel Coalition or an equivalent environmental data assessment.	-	-	Thanks to internal audits and the implementation of operational efficiency strategies, we achieved a 65% score in the Higg Facility Environmental Module (Higg FEM), one of the main environmental performance indicators in the textile industry.  Although we do not currently have detailed Higg FEM data from our suppliers, we only work with partners who meet high sustainability standards and hold environmental certifications that support their responsible practices.

Topic	SASB Code	Description	Chapter	Page	Response
Labor conditions in the supply chain	CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited in accordance with a labor code of conduct, and (3) percentage of total audits conducted by a third-party auditor.	Chapter 3: Responsible governance for sustainable growth	48	This information is currently not available, as we do not conduct specific labor code of conduct audits on our suppliers. However, in line with the principles outlined in our Supplier Code of Conduct and Ethics, we consider it essential that all companies with which we maintain business relationships adhere to the highest standards of integrity, ethics, and respect for labor rights.
	CG-AA-430b.2	(1) Priority non-compliance rate and (2) corrective action rate related to labor code of conduct audits for suppliers.	Chapter 3: Responsible governance for sustainable growth	48	This information is currently not available, as we do not conduct specific audits of our suppliers regarding labor codes of conduct. However, in line with the principles established in our Supplier Code of Conduct and Ethics, we consider it essential that all companies with which we maintain business relationships adhere to the highest standards of integrity, ethics, and respect for labor rights.
	CG-AA-430b.3	Description of the most significant (1) labor and (2) environmental, health, and safety risks in the supply chain.	Chapter 6: Developing and empowering our talent	118	At present, we do not conduct a comprehensive risk assessment across our entire supply chain. Risk analysis is carried out only at each stage of our direct operations. Our activities in the textile sector include the processes of knitting, garment manufacturing, dyeing, and finishing of fibers, each with inherent risks that may result in occupational injuries or accidents. The most common risks include the handling of sharp objects, use of hydraulic manual pallet jacks, and exposure to chemical products.
Raw material sourcing	CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor(s) likely to threaten sourcing, (3) assessment of business risks or opportunities associated with those environmental or social factors, and (4) management strategy to address the business risks and opportunities.	Chapter 4: Innovation, quality, and excellence in every process	72	At TDV, we have identified our priority raw materials and evaluated the main environmental and social risks that could compromise their sourcing. For more information on this indicator, please refer to Subchapter 4.4: Use of sustainable raw materials, under Chapter 4: Innovation, quality, and excellence in every process.
	CG-AA-440a.4	(1) Amount of priority raw materials sourced, by material, and (2) amount of each priority raw material certified under a third-party environmental or social standard, by standard.	Chapter 4: Innovation, quality, and excellence in every process	73	Throughout 2024, the composition of our products was primarily based on organic and regenerative cotton, recycled cotton, and recycled polyester. All of the materials mentioned are certified under the Global Recycled Standard (GRS) and the Global Organic Textile Standard (GOTS). For more information on this indicator, please refer to Subchapter 4.4: Use of sustainable raw materials, under Chapter 4: Innovation, quality, and excellence in every process.
Activity metrics	CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	-	-	a) Tier 1 suppliers are defined as suppliers that transact directly with the entity, such as finished product manufacturers (cut and sew facilities): 807 b) Suppliers beyond Tier 1 are essential suppliers to the entity's Tier 1 suppliers and may include manufacturers, processing plants, and raw material extraction suppliers (e.g., mills, dye houses and laundries, accessory manufacturers, tanneries, embroiderers, screen printers, farms, or slaughterhouses): 0



8.5
 DEGS CONTENT INDEX

Nro.	Topic	Subtopic	Page
GOVERNANCE DIMENSION			
DEGS 1.1.1	Good Corporate Governance	Property rights	36
DEGS 1.1.2		Existence of the Governing Body or equivalent	36
DEGS 1.1.3		Functionality and evaluation of the Governing Body or equivalent	36
DEGS 1.1.4		Special committees	39
DEGS 1.1.5		Transparency policy	35
DEGS 1.2.1	Sustainability Strategy	Sustainability policy	21
DEGS 1.2.2		Sustainability plan	26
DEGS 1.2.3		Sustainability report	35
DEGS 1.3.1	Ethics and Integrity	Code of ethics	43
DEGS 1.3.2		Training on the Code of ethics or conduct	47
DEGS 1.3.3		Consultation and grievance mechanisms	45
DEGS 1.3.4		Complaints submitted through the ethics channel	46
DEGS 1.4.1	Political Influence	Political contributions, monetary or in kind	35
BUSINESS MODEL & INNOVATION DIMENSION			
DEGS 2.1.1	Responsible supply chain	Supplier code of conduct	59
DEGS 2.1.2		Supplier segmentation	59
DEGS 2.1.3		ESG risk assessment and identification for suppliers	59
DEGS 2.2.1	Product and/or service development	Products or services with an ESG focus	56

Nro.	Topic	Subtopic	Page
ENVIRONMENTAL MANAGEMENT DIMENSION			
DEGS 3.1.1	Environmental management	Environmental policy	80
DEGS 3.1.2		Environmental complaints	80
DEGS 3.2.1	Eco-efficiency	Greenhouse gas emissions (Scope 1)	85
DEGS 3.2.2		Greenhouse gas emissions (Scope 2)	85
DEGS 3.2.3		Greenhouse gas emissions (Scope 3)	85
DEGS 3.2.4		Energy consumption	83
DEGS 3.2.5		Total waste management	93
DEGS 3.2.6		Water consumption	90
DEGS 3.3.1	Climate strategy	Climate governance	83
DEGS 3.3.2		Net-zero commitment	82
DEGS 3.4.1	Biodiversity	Biodiversity commitments	127
SOCIAL DIMENSION			
DEGS 4.1.1	Labour Practices and Decent Work	Working conditions and terms of employment for employees	103
DEGS 4.1.2		Assessment of working conditions	115
DEGS 4.1.3		Employee benefits program	106
DEGS 4.1.4		Employee turnover	104
DEGS 4.1.5		Employee turnover rate	104
DEGS 4.1.6		Individual performance appraisal	112
DEGS 4.1.7		Workplace climate	113
DEGS 4.2.1	Diversity and Inclusion	Commitments to diversity, equity, and inclusion	102
DEGS 4.2.2		Gender diversity	102



Nro.	Topic	Subtopic	Page
SOCIAL DIMENSION			
DEGS 4.3.1	Human Rights	Human rights commitments	128
DEGS 4.3.2		Human rights governance	128
DEGS 4.3.3		Human rights training	108
DEGS 4.3.4		Grievance mechanisms related to human rights	46
DEGS 4.3.5		Harassment and workplace violence protocol	46
DEGS 4.3.6		Freedom of association and collective bargaining	128
DEGS 4.3.7		Risk reporting and controls	129
DEGS 4.4.1	Human Capital Development	Training and professional development	109
DEGS 4.4.2		Mentoring and coaching	109
DEGS 4.5.1	Occupational health and safety	Fatal accidents	118
DEGS 4.5.2		Lost Time Injury Frequency Rate (LTIFR)	118
DEGS 4.5.3		Total Recordable Injury Frequency Rate (TRIFR)	118
DEGS 4.6.1	Local Communities	Monetary and non-monetary costs of the social investment strategy	126

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