

TANATEX 2021 Sustainability report

ADDING PASSION TO TEXTILES.



Introduction by the CEO

This is our first sustainability report offering insights into our activities and processes. We see this report as an informative means to further shape a sustainable future together with our stakeholders.

To remain a high-performance solution provider for the textile industry, we seek sustainable solutions in our business decisions which incorporate high-standard environmental, societal and governance conditions.

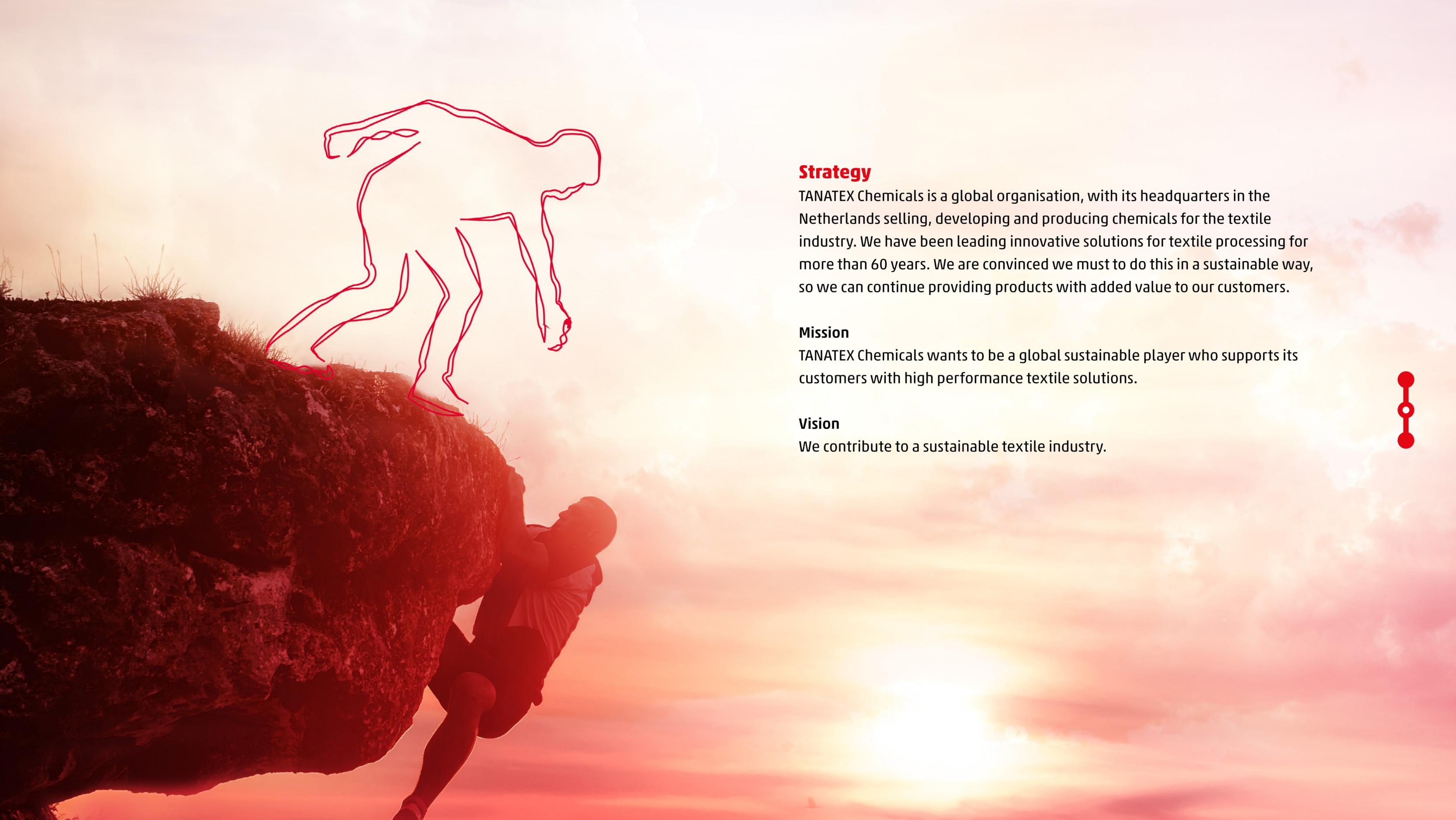
Resilience was our essence in 2021. The global pandemic was decisive and, contrary to expectations, market demand increased strongly and our dependence on the global supply chain came under considerable pressure. It was under these conditions that we successfully launched two major sustainable breakthroughs for our industry. Our newest TANADYE concept is the answer to reduce water and energy consumption while our Spiro-TEX concept offers the state-of-the-art answer for sustainable breathable substrates.

All in all, 2021 has brought us useful new insights which contributed to a successful closure of the year. In order to sustain, it is well known that the global textile supply chain needs to become more circular, abandon dependence on fossil-based resources and consume less energy and water in its processes. It has been our ongoing purpose for years to continuously contribute to a sustainable global textile industry. We consider transparency about our actions and close cooperation with our stakeholders to be essential conditions to forward our sustainability endeavors in a meaningful way. We are reaching out to all our customers, business partners, employees and interest groups to continue an open conversation on how we can take the next steps together to a sustainable future and industry.



Dennis L. Dalton
President TANATEX Chemicals





Strategy

TANATEX Chemicals is a global organisation, with its headquarters in the Netherlands selling, developing and producing chemicals for the textile industry. We have been leading innovative solutions for textile processing for more than 60 years. We are convinced we must do this in a sustainable way, so we can continue providing products with added value to our customers.

Mission

TANATEX Chemicals wants to be a global sustainable player who supports its customers with high performance textile solutions.

Vision

We contribute to a sustainable textile industry.



Operating year 2021

Main figures

At the end of 2021 TANATEX produced 32.475 tons of goods, achieved net sales of € 108 million and employed an average of 298 people in 14 countries around the globe.

The COVID-19 pandemic continued to shape our operating environment in 2021. Minimizing the risks and impact of the pandemic was at the core of our operations, aiming at safeguarding the health and safety of our employees and customers, as well as the continuity of our business. We continued to enforce and adapt a COVID-19 policy with specific instructions on hygiene, access to sites and work from home whenever possible. A quick response team composed of sales, supply chain, operations and purchase specialists, set up one year prior, continued to match supply and demand in order to fulfil our customer demands.

Steep recovery and disturbed supply chain

While the world was bracing for an economic slowdown, we saw an exceptional growth in demand. Subsequently, TANATEX was challenged to obtain raw materials, as many suppliers declared force majeure or deliveries were rationed.

Additionally, shipping capacity dropped dramatically, freight costs highly increased adding an extra challenge to supply our customers on time in full.

Cost price increase

The disruptions in the raw materials supply chain caused severe price increases in raw materials and utilities, to which TANATEX promptly responded in order to secure profitability and cash flow position.

Chemical Sustainability Strategy

Launched in October 2020 by the European Commission, the Chemical Sustainability Strategy (CSS) is of key importance to the TANATEX sustainability agenda. The sourcing and R&D program of TANATEX is strongly focussed on building blocks and solutions from bio-based and renewable origins. Driven by the Energy Efficiency Directive (EED), TANATEX identified energy saving projects with a return on investment shorter than five years.

The **TANATEX Management System**, based on ISO 9001 and ISO 14001 is fundamental to our high standards in quality and the environment. In 2021 TANATEX was successfully recertified for both these ISO standards.



At a glance...



298 TANATEX employees

- | | |
|-----------|-------------|
| Argentina | Indonesia |
| Belgium | Japan |
| Brazil | Netherlands |
| China | Spain |
| Colombia | Taiwan |
| France | Thailand |
| Germany | Turkey |
| India | USA |
| | Vietnam |



TANATEX was successfully recertified for ISO 9001 and ISO 14001



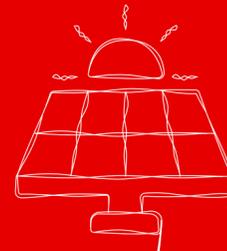
TANATEX achieved net sales of **108** million euro



TANATEX produced **32.475** tons of goods

16%

of the Dutch site's energy use is locally produced solar based



CO₂

1.567
ton CO₂

TANATEX was rated level 3 - Progressive status



74,4%

of the total sold volume by the production sites Ede and Rayong, was made with products which are bluesign approved

26,7%

of the total product portfolio is GOTS approved | 173 TANATEX products are GOTS approved



ROADMAP TO **ZERO**

777

TANATEX products are listed in the ZDHC gateway

ADDING PASSION TO TEXTILES.

Roadmap

We are currently working on our dot on the horizon regarding sustainability. In this we are guided by our three core principles, the United Nations (UN) Sustainable Development Goals (SDGs) and our Code of Conduct.



If you are interested to engage with us in an open conversation about sustainability, please contact our Vice President R&D, **Paul Oude Lenferink**
CTO / Vice President R&D

CORE PRINCIPLES:



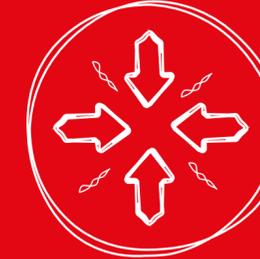
INDEPENDENT

It typifies TANATEX that we make our independent assessment of how we do our business, that also applies to how we set our path towards sustainable business. It serves our intrinsic motivation to bring us where we need to be.



EVIDENCE-BASED

Our solutions and actions contributing to sustainability should be based on reliable evidence.



IMPACT

Our solutions and actions should have a significant effect for our stakeholders in achieving their sustainability goals.

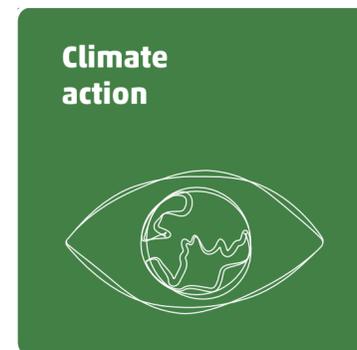
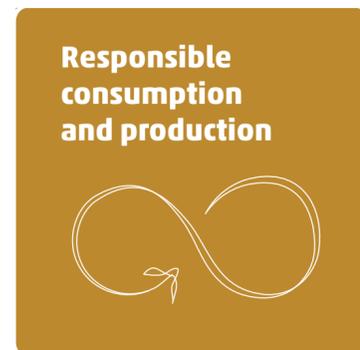
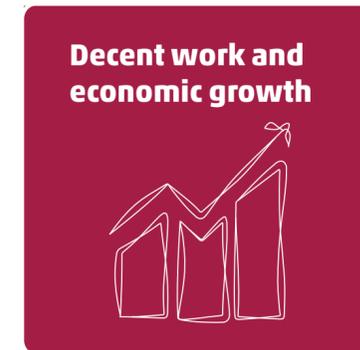


Commitment to UN Sustainable Development Goals

At TANATEX we believe the work aimed at fulfilling the United Nations (UN) Sustainable Development Goals (SDGs) will help make the world a better place and at the same time create good business opportunities for companies around the world. We have outstanding expertise in the fields of production of chemical auxiliaries and wet textile processing. Within our business activities, we see specific opportunities in line with these highlighted UN SDGs. We at TANATEX are determined to make our contribution in achieving the SDGs.

Code of Conduct

Our Code of Conduct sets out our legal and ethical principles and guides us in our enduring endeavour reflected in our mission and vision. We keep challenging ourselves to improve and develop our code of conduct with a continuously changing environment in mind. Our code of conduct is our basis for contributing to a business practise respecting safety, health and justice.



A comprehensive perspective

Although still subject to debate, it is becoming increasingly important to assess focus points arising from environmental and social actions. In 2021, TANATEX started the process of assessing such focus points with a more comprehensive environmental, social and governance (ESG) perspective. While still in the process of further refinement, TANATEX sees the following main focus points:



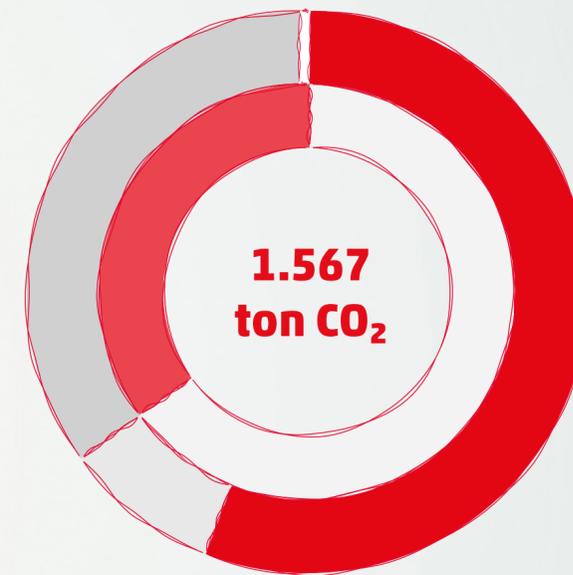
CO₂ footprint

TANATEX strives to make people's lives better in any way we can. Not only via our products, but also by considering the energy consumption and CO₂ footprint of these products. By focusing on energy consumption, we automatically improve the footprint of our products.

To know whether we are on the right path we keep track of different (Key) Performance Indicators (KPI's) such as the energy used on and in our buildings, transportation and production related activities. With those figures we can determine our scope 1 and scope 2 related CO₂ footprint.

As we are fully aware of the greenhouse gas emissions generated by our production activities we are constantly aiming to bring our emissions to levels in line (and beyond) with the UN Paris climate agreement.

TANATEX is actively identifying and realizing energy savings with a return on investment of less than five years. Future actions are aimed at identifying more detailed insights on our scope 1 and 2 and determining our scope 3 emissions (in line with the Greenhouse Gas Protocol).



To share your insights on energy reductions or to learn more about our projects, please contact our Plant Manager, **Eric Druijff**.



Impact Story

Solar Roof Top Project

Green production starts with the reduction of energy use. In addition, we also maximized the use of local green energy sources as much as possible. In 2020 we completed our 'Solar Rooftop Project' at our headquarters in Ede, the Netherlands. A total of 850 solar panels were installed on the rooftop of our production site building resulting in approximately 16% of the site's energy use being locally solar based produced. That is equal to the energy consumption of 85 Dutch households. An important step forward as using locally generated green energy is key for TANATEX.

Our production site in Rayong, Thailand is currently examining the possibilities to incorporate solar panels on the roof top of the manufacturing building. The execution of this project is expected to be finalized in 2022.

ADDING PASSION TO TEXTILES.

TANATEX
CHEMICALS 

Sustainable products

Sustainable TANATEX products are products which are evaluated and approved by bluesign®, which certifies the products are safe for the environment, workers, and customers. These products are automatically approved by ZDHC (Zero Discharge of Hazardous Chemicals) under level 3 which is currently the highest achievable level.

In 2021, 74,4% of the total sold volume by the production sites Ede and Rayong, was made with products which are bluesign® approved. TANATEX wants to increase the share of sustainable products in our portfolio from 74.4% in 2021 to more than 95%. Read more about: [Sustainable products](#) or [Sustainable products](#)



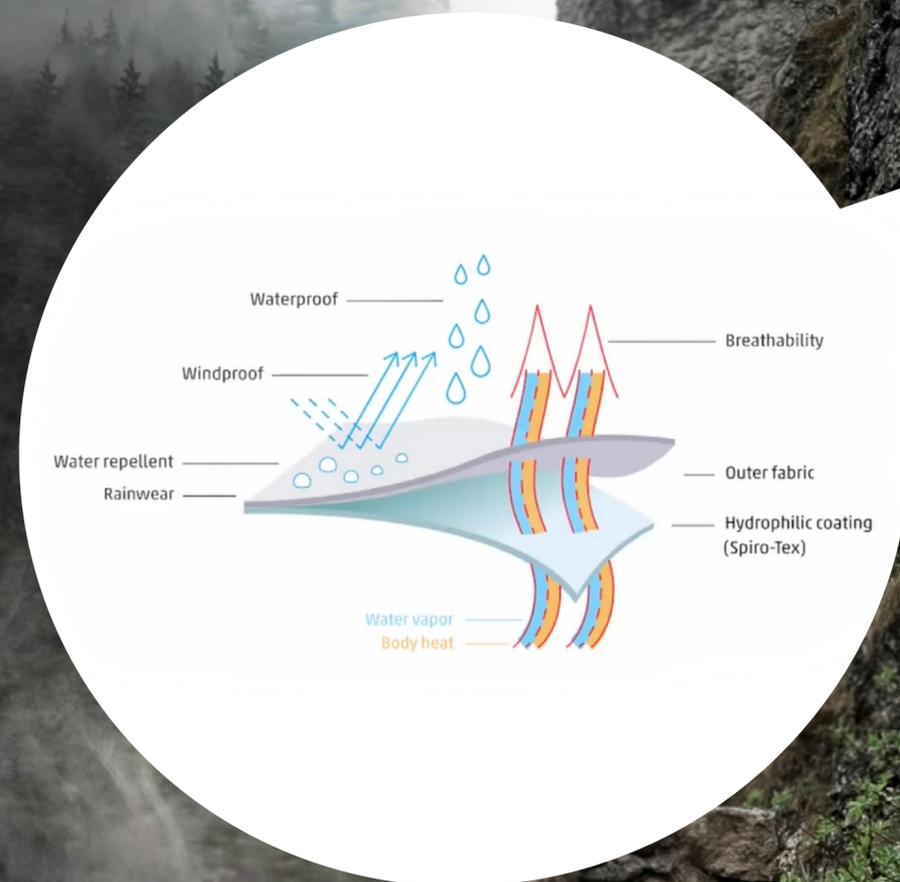
To learn more about our sustainable products or certifications, please contact our Business Unit Manager Classical Textile Solutions, **Francisco Bravo**.



Impact Story

Bringing the newest way of thinking to the world's oldest industry

Spiro-Text™ is one of our latest innovations with which we are proudly driving sustainability through value co-creation. This is a waterborne, solvent-free coating concept allowing our customers to meet performance levels whilst complying with increasing environmental regulations. Spiro-Text™ technology combines breathability, waterproofness and windproofness. The solvent-free element of this concept ties in all capitals of sustainability. The success of Spiro-Text™ is the result of a collaboration between TANATEX and its customer. Knowledge sharing among the two parties is needed in order to find the best possible process and optimization. Once Spiro-Text has successfully been implemented in the production process, it allows our customers to decrease their emissions as well as reducing the use of fossil fuels. Consequently, the health and safety of our customers' workers is safeguarded through the elimination of solvents. Spiro-Text™ represents the current state-of-the-art in sustainable breathable fabrics. And the ZDHC and bluesign® certifications



demonstrate to our customers and their customers that this innovation is safer and more sustainable than the older generation products containing solvents. This is the current state-of-the-art regarding sustainable breathable fabrics. We keep on developing to maintain our contribution to making the textile industry more sustainable. To learn more about Spiro-Text™, or contact the concept developer of Spiro-Text™ [Mark Loodewijk](#).

ADDING PASSION TO TEXTILES.

TANATEX
CHEMICALS



Employee health & well-being

With the ongoing pandemic, in 2021, TANATEX successfully managed to keep both of its plants running to fulfil our customer demand. The presence rates within both plants were only slightly impacted during the COVID-19 peak in October and November with the arrival of the Delta variant. Fortunately, this had no effect on the output of both plants.





Impact Story

Learning from COVID-19

Despite the development and wide use of vaccines, the COVID-19 virus continued to spread in 2021 and mutate throughout the year. As our plants were designated 'essential businesses' it was even more important to follow our COVID-19 policy and measures to keep production running. Our employees had to adapt to comply with the restrictions and consequently our plants successfully continued their operations throughout the pandemic. However, this has taught them some important lessons about themselves and their day-to-day work.

"As many colleagues had to work from home, fewer opportunities took place to physically sit down and discuss running projects. In times like these I was taking more responsibility and relying heavily on my own intuition to consequently make decisions myself. This has made me stronger and more independent."

Floris van der Linden, Coordinator Business Support Laboratory



Impact Story

Learning from COVID-19

"I would normally be working full-time on the reaction section. However, to prevent a shutdown of departments, my colleagues and I had to be stationed in a different area, this way we could be flexible in case of infection so production could continue. Those changes have taught me to be very flexible and more responsive."

Willem Jonker, Sr. Process Operator



ADDING PASSION TO TEXTILES.

TANATEX[®]
CHEMICALS 

Safe working environment

A safe working environment is key for the people working on our production sites and at the factories that supply TANATEX products. Therefore we, firstly, make sure all relevant data on used raw materials and products is up-to-date and distributed to our employees and customers.

Incidents and accidents are investigated, root-causes are identified, and mitigating measures are implemented to prevent reoccurrence.

To continuously improve safe working conditions, we monitor on a monthly basis our Safety Performance Indicators (SPI's), (e.g., Near Miss and Loss of Containment are important indicators for TANATEX) to ensure a timely readjustment of the course taken for reaching our predefined goals.

The reporting and evaluation of the safety goals and objectives is done on a yearly basis by TANATEX' senior management.

ADDING PASSION TO TEXTILES.

TANATEX[®]
CHEMICALS 



ESG Alliances

bluesign®

bluesign® is one of the major standards for sustainable manufacturing in the textile industry. It is not only a system to have chemical inputs evaluated on their health and environmental impact but covers also the complete production process and challenges companies to go beyond the standard legal requirements.

TANATEX already recognized the importance of bluesign® in 2012 when our cooperation first started. By having an independent trusted third party to evaluate our working methods and products on health, environment and safety, it provides us with the confidence to market our products and the TANATEX brand as sustainable within the textile industry.

In 2021, the periodic bluesign® audit of our production site in Ede reported zero major non-conformities and TANATEX was given a level 3 rating – Progressive status.



GOTS

The GOTS certification system was developed to reduce the use of hazardous chemicals such as pesticides in the cultivation of cotton. It was extended to include the production process of cotton and its blended products. This way, chemical textile auxiliaries were included in the certification process. Products which are GOTS approved, can be used on articles which have to comply with the requirements for Organic Cotton certification.

In 2021, 40 TANATEX branded products have been added to the GOTS 6.0 positive list. In total, 173 TANATEX branded products are now GOTS approved.

ZDHC

ZDHC or Zero Discharge of Hazardous Chemicals was founded by the biggest fashion brands in response to the Greenpeace Detox campaign aimed to create awareness among consumers about the usage of hazardous chemicals in the production of textiles. A system based on a Manufacturers Restricted Substance List (MRSL) has been developed, to reduce or phase out the use of certain chemicals.

As a ZDHC member, TANATEX products are included in the list of approved chemical auxiliaries which can be found on the ZDHC Gateway. New products are continuously added in cooperation with bluesign®. At the end of 2021, 777 TANATEX branded products are listed in the ZDHC gateway.





Water.org

At TANATEX, we take a holistic approach – developing and achieving new solutions that incorporate ecological, environmental, societal and governance principles. This is reflected in how we have dealt with the current water crisis. The apparel and textile sector are seen as a major contributor due to water usage which is widely viewed as excessive. In addition to supporting our customers with water optimization solutions, we've teamed up with Water.org to make a much needed impact now.



To learn more about our collaboration with our partners and Water.org, please contact our Global Brand & Retail Manager **Ged Doyle**.



Impact Story

Saving water = saving lives

With the launch of the TANADYE intelligent water saving system we are able to help our customer save up to 40% water, 40% energy usage and 30% of processing time making it possible for them to reach their sustainability goals. However, we additionally wanted to make a direct impact on the current water crisis. As a result, we teamed up with Water.org, an international non-profit organization that provides access to safe water and sanitation to people around the world in places where water is scarce. A majority of such places is home to The booming textile industry in the Far East and South America.

Water.org gives out loans for water and sanitation solutions. People living in poverty use these loans to put a tap or toilet in their homes. This gives them the ability to shift their time and energy towards work or school, which was, previously spent to go and collect water. Especially girls and women are impacted by this change. Whenever a family repays their loan, this provides another family the opportunity to get a loan and receive access to water and sanitation. So far, our donation has changed the lives of 292 people around the world. We aim to inspire others to do the same, because **saving water = saving lives**.



ADDING PASSION TO TEXTILES.

TANATEX[®]
CHEMICALS

The logo for Tanatex Chemicals, featuring a stylized red molecular structure with four atoms connected by lines.

Impact Stories

ADDING PASSION TO TEXTILES.



TANATEX 2021 Sustainability report

You can contact us for more information at

ADDING PASSION TO TEXTILES.

