

-since 1903-

**BO
YO**

MADE IN SPAIN

Conscious Actions

SUSTAINABILITY REPORT 2016



-since 1903-



MADE IN SPAIN



RESPONSABILITY
& RESPECT
FOR PEOPLE
& OUR PLANET

Building social and economic

About us

Tejidos Royo is a Spanish family owned company founded in 1903, with a clear international vocation, having customers worldwide, currently in more than 30 countries.

Our company is vertically structured, with a yearly capacity of 20 million meters (Spinning - Indigo - Weaving - Piece Dyed /PPT- Special Coatings)

The philosophy of the group is creating added value sustainable products (Comfort, Stretch and Bistretch textiles with a high technical development)

Sustainability as business model and continuous improvement:

Certified by Oeko-tex STeP
Certified by Textile Exchange
Certified by the Better Cotton Initiative
They are the proof of our commitment

Our strengths

Innovate products

Tejidos Royo offers unique and innovative products thanks to the research and development with the fibers, materials and finishings:

- Leading mill.
- Broad portfolio of products, casual-denim and finishings.
- New developments in each collection.

High added value

Tejidos Royo offers their customers value-added fabrics, with an ongoing improvement spirit. Our aim is adding value to the brands through research and development processes, with a high level of technical knowledges and trends.

Objective: Help customers to get special products in order to go ahead of the market trends.

Well-known brand

Tejidos Royo is a well known and appreciated brand in the sector, because of its quality, innovation, customer service and its environmental and social care.

Excellent customer care

One of the main goals of Tejidos Royo is the satisfaction of our customers covering their expectations and needs.

Sustainability

Continuous improvement policy concerning sustainability in 3 different ambits:

Social

Environment

Labour conditions

Our priorities

High quality
products

Efficient use
of resources

Promoting
team
motivation

Innovation in
customer care

Contribution
to general
well-being

Sustainability

"Meet i n g the **needs of the present** without compromising the
abilities of future generations to meet their needs"

Fashion and quality in a sustainable way: **Taking care the people & our planet**

Everything we do must be socially and environmentally sustainable. It is all highly connected and equally important for our future growth.

By making conscious choices throughout the life of a garment, we can make a huge difference to our planet.

Our global target is to increase the share of more sustainable fabrics and materials every year. We are constantly in search of innovate materials and processes that can make our products more sustainable.

Be ethical. Every single interaction should be guided by mutual respect, integrity, transparency and honesty. This applies to everyone in either you are a customer, colleague, business partner or any other stakeholder.

For us this means respecting human rights, taking a clear stand against corruption and embracing diversity and inclusion.

Sustainability certificates

The objective of STeP certification is the permanent implementation of environmentally friendly production processes, optimum health and safety and socially acceptable working conditions.

The dynamic further development of the STeP standard and the benchmarks allows certified companies to continuously improve their environmental protection achievements and their social responsibility as well as their efficiency.

ENVIRONMENTALLY
FRIENDLY
PROCESSES

OPTIMUM
HEALTH & SAFETY

SOCIALLY ACCEPTABLE
WORKING
CONDITIONS

Sustainability certificates

The OEKO-TEX® label indicates the additional benefits of tested safety for skin-friendly clothing and other textiles to interested end users. The OEKO-TEX® tests for harmful substances are fundamentally based on the respective purpose of the textiles and materials. The more intensive the skin **contact of a product and the more sensitive the skin**, the stricter the human-ecological requirements that need to be complied with.

HARMFUL
SUBSTANCES

REACH
REGULATION

CPSIA
REGULATION

FORMALDEHYDE,
HEAVY METALS, PCP,
APEOS...

ENVIRONMENTAL
FOCUS

Sustainability certificates

Textile Exchange provides the knowledge and tools this industry needs to make significant improvements in three core areas:

Fiber and Materials, Integrity and Standards, and Supply Chain.



FIBERS
&
MATERIALS



INTEGRITY
&
STANDARDS



SUPPLY
CHAIN

Sustainability certificates

The Better Cotton Standard System is a holistic approach to sustainable cotton production which covers all three pillars of sustainability :

environmental, social and economic.

BCI and its partners are working with over a million cotton farmers in 2015. That's a million families better off, and helping to care for our planet.

A green arrow pointing to the right, containing the text "ENVIRONMENTALLY FRIENDLY PROCESSES".

ENVIRONMENTALLY
FRIENDLY
PROCESSES

A green arrow pointing to the right, containing the text "OPTIMUM HEALTH & SAFETY".

OPTIMUM
HEALTH & SAFETY

A green arrow pointing to the right, containing the text "SOCIALLY ACCEPTABLE WORKING CONDITIONS".

SOCIALLY ACCEPTABLE
WORKING
CONDITIONS



Network Spain
WE SUPPORT



Sustainability certificates

A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.

LABOURS
&
HUMAN
RIGHTS

ENVIRONMENT
&
ANTI-CORRUPTION

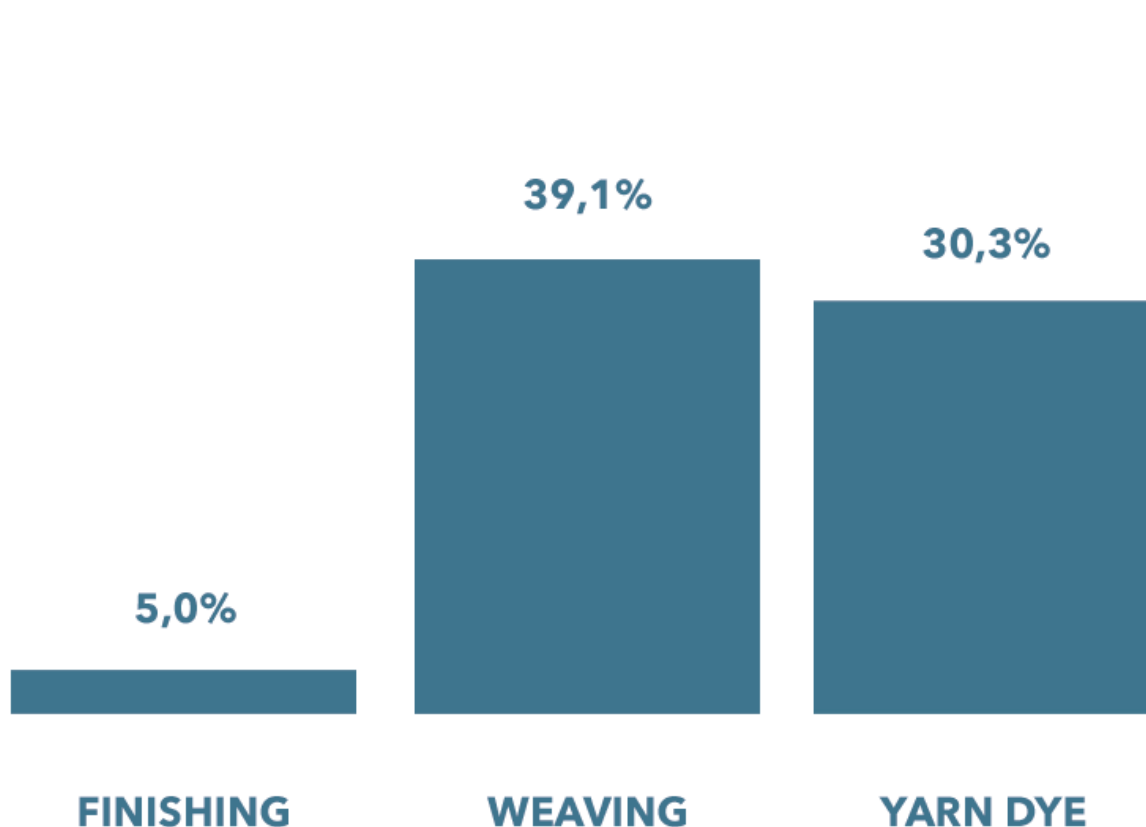
ACTIONS
SOCIAL

KEY PERFORMANCE EVOLUTION LAST 7 YEARS

All plant systems are designed for maximum possible efficiency

ROYO reduces heat consumption
in all different processes

Heat consumption: % OF SAVINGS (2009-2016)

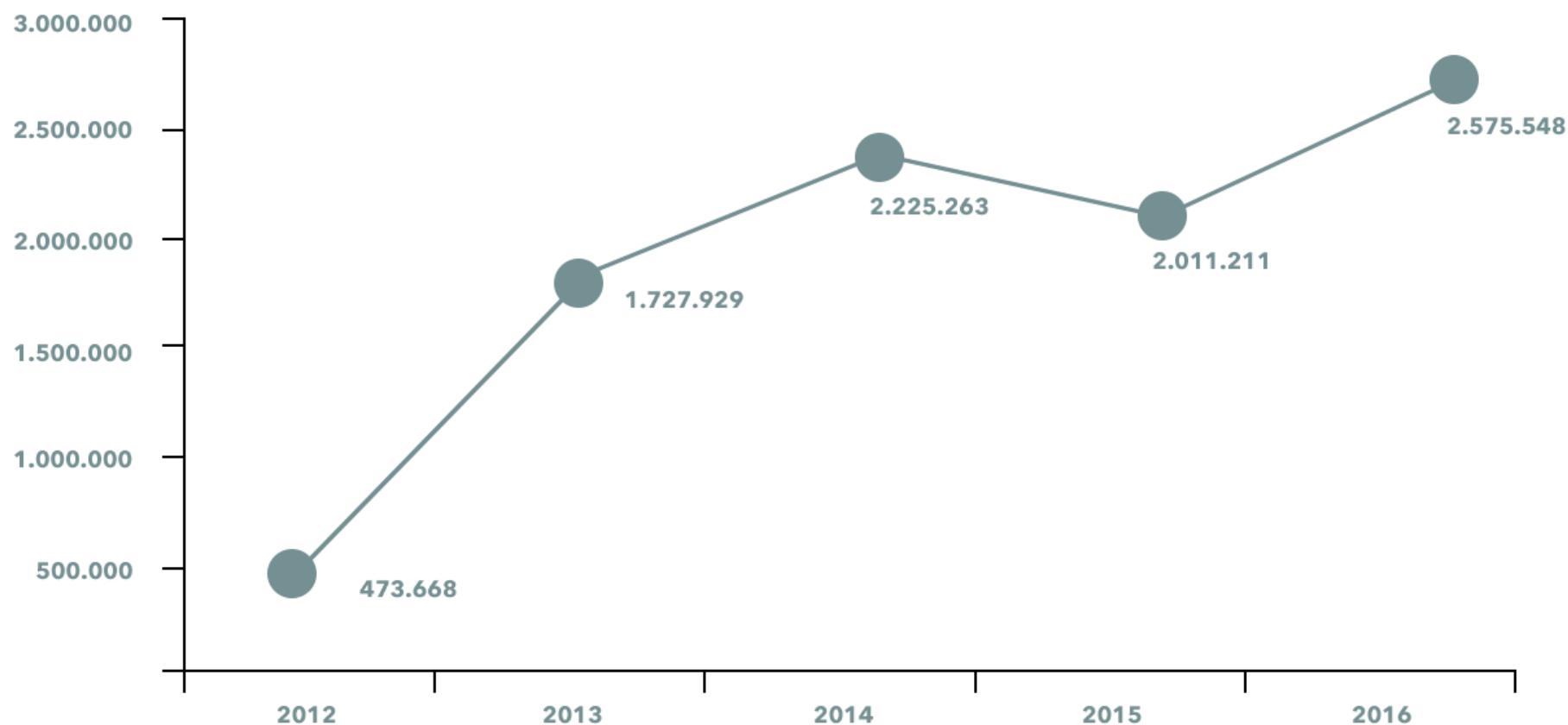


ROYO reduced in the last 7 years
25% heat consumption

In finishing area, the company has installed Cogeneration facilities to save primary energy

Finishing (Cogeneration Facility 2012) ;
Primary Energy Savings kWh / year

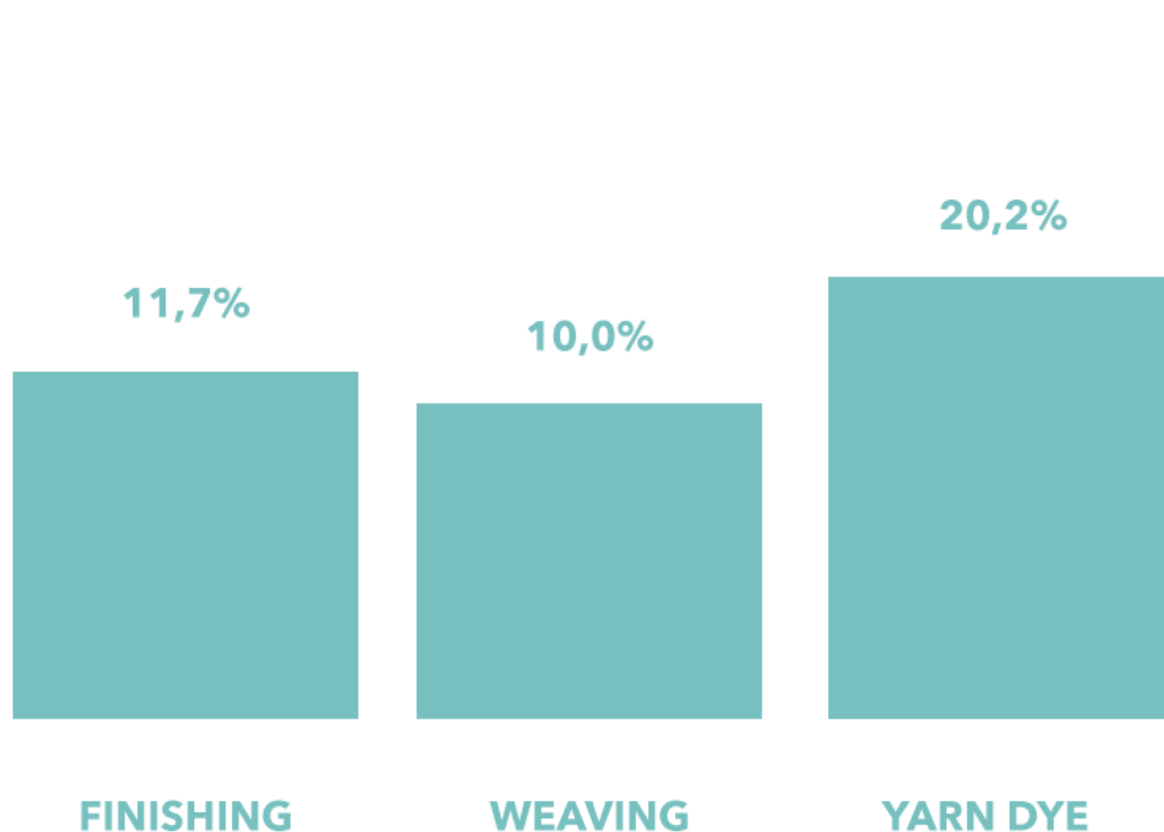
ROYO reduces primary energy
in all different processes



Accordingly all processing phases from the raw materials to the finished fabric are carried out under the company's own management control. All processes in the spinning mill, weaving mill, dye works and textile finishing are subject accordingly to the requirements of the STEP Certificate by OEKO-TEX®, an extremely effective quality and environmental management system.



Electricity consumption: % OF SAVINGS (2009-2016)



ROYO reduces electricity consumption in all different processes

15%
OFF



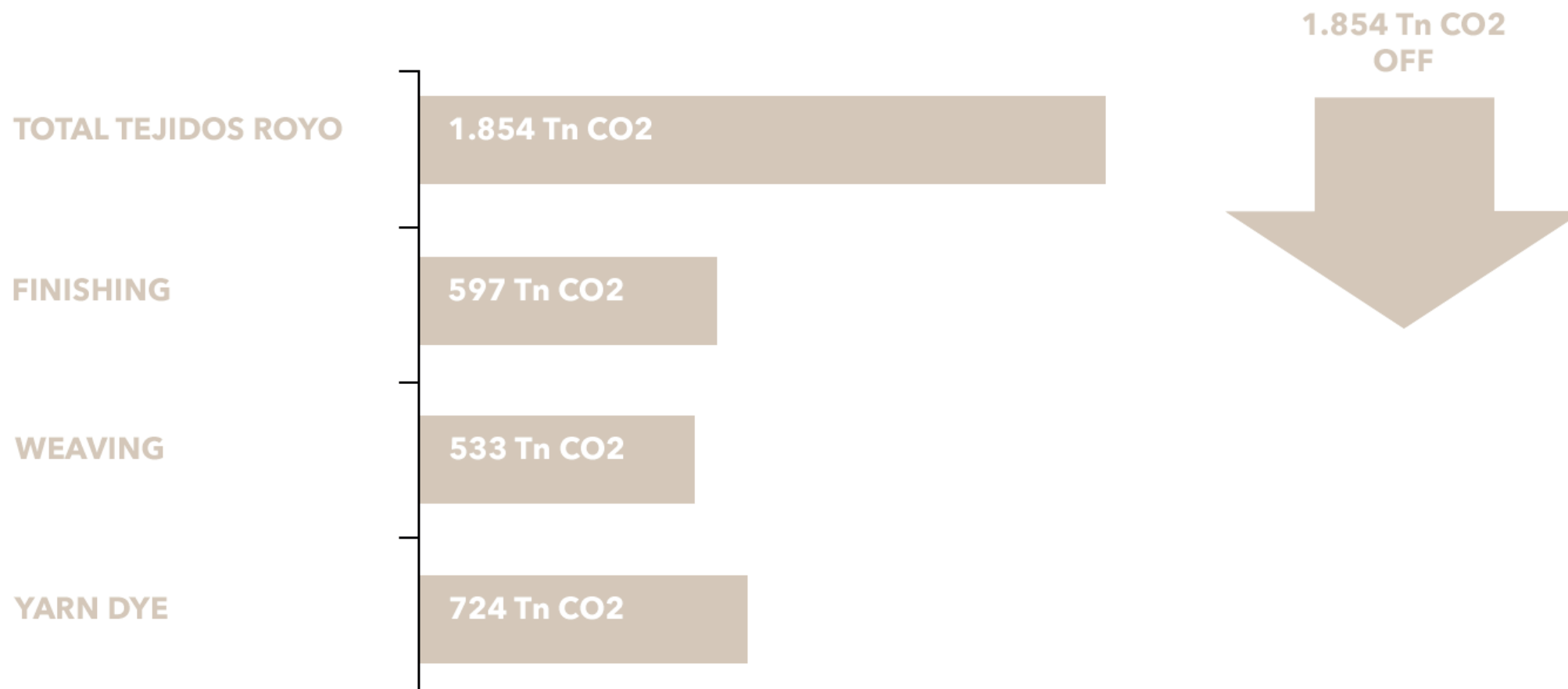
ROYO reduced in the last 7 years 15% electricity consumption

The company has adopted new measures in the last 7 years, including goals to reduce CO2 emissions.
One of the measures carried out has been the use of high temperature emissions to heat the
water needed in the some processes.



CO2 EMISSIONS. % OF SAVINGS 2009-2016

ROYO reduces CO2 EMISSIONS
in all different processes



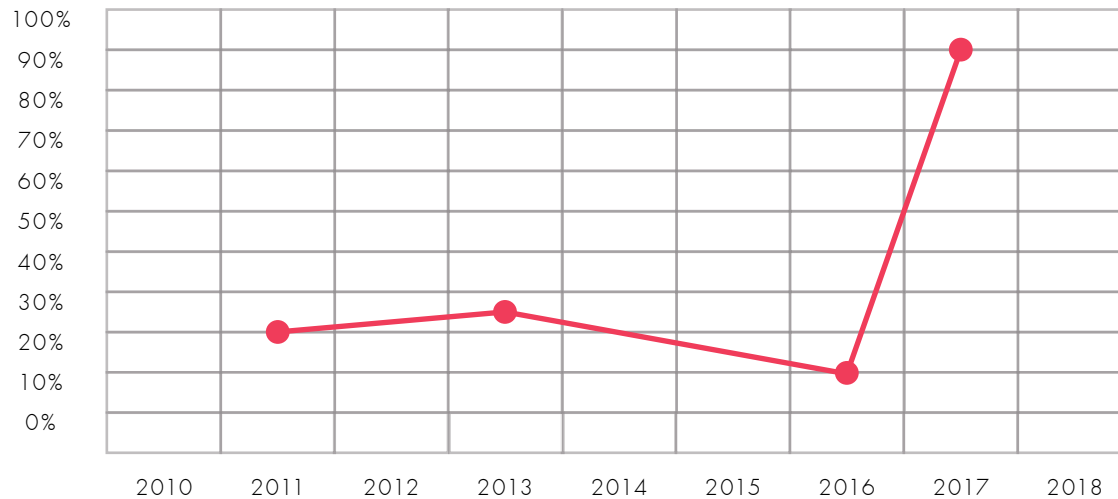
A modern waste gas heat exchanger in the dye works ensures a reduction of gas consumption by a further 15%. Additional resource savings are achieved through the use of processes developed in-house.

In line with its corporate social responsibility Tejidos Royo is also investing for the future in the areas of occupational health and safety, plus in vocational training and development.

All of our Denim Products are development by the Enviromental Impact Measurement

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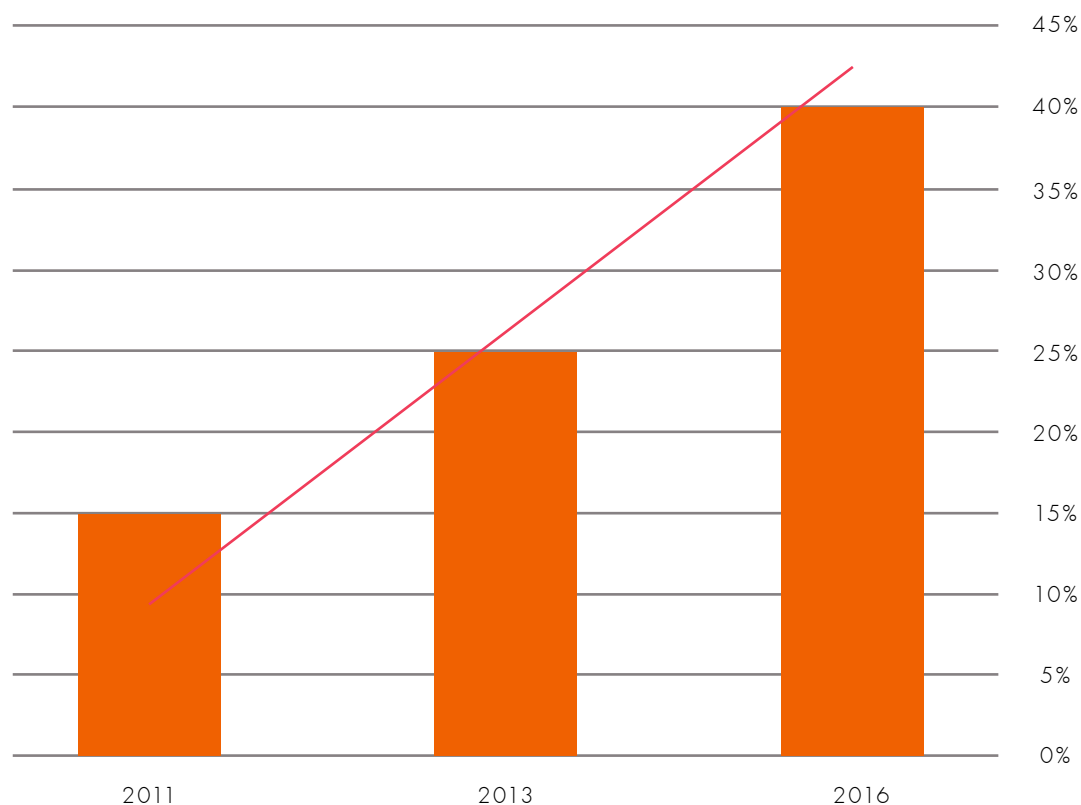
%ORG



COTTON ORGANIC now
represent **94%**
of our total Cot ton use in our
DENIM VALLEY Collection

All of our Denim Products are development by the Enviromental Impact Measurement

% RECYCLED COTTON



COTTON RECYCLED now
represent **40,6%**
of our total Cot ton use in our
DENIM VALLEY Collection

THE ADVANTAGES OF RECYCLED COTTON

By producing one tonne of recycled cotton yarn instead of conventional cotton yarn, we can achieve the following advantages:

1. Saves 4,817.6 litres of water.
 2. Saves 16.5 kg of chemical products.
 3. Avoids the emission of 233.8 kg of CO₂ into the atmosphere.
 4. Avoids the dumping of 3,574.4 litres of contaminated wastewater.
 5. Saves 512.5 kW/h of energy.
 6. Recycles textile garments or clips that would otherwise be treated as waste.
 7. Saves a 1990.1-m² surface area of cotton-growing land per tonne of yarn, which can be used to grow other crops.
-

Royo company collaborates with Jose & Ana foundation to further develop social projects

Since 1998 we have carried out the activities below as part of our company's ongoing commitment to ethical operations and its contribution to economic development on the improvement of quality of life for its employees and their families as well as of its suppliers, customers and society at large.

Royo cares about employees & their families



Employees & their Families

- Charitable, social aid and relief.
- Research, science and culture in health, technology and humanities.
- Training and development in business.
- Recognition of the efforts of Royo Textile's female employees with children under 6 years old.
- Recognition of the efforts and loyalty of the company's staff.
- Scholarships for young university students.
- Internships for university graduates at the company.

Royo cares about society at large



Society at large

- Caritas Association.
- Cancer Association.
- Asindown Association.
- The Foundation collaborates in Projects developed by Christian Organization.
- The Foundation collaborates with a Franciscan mission in Mazamari , Peru. The foundation has funded the construction of a school, adining room and a chapel among other projects.

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