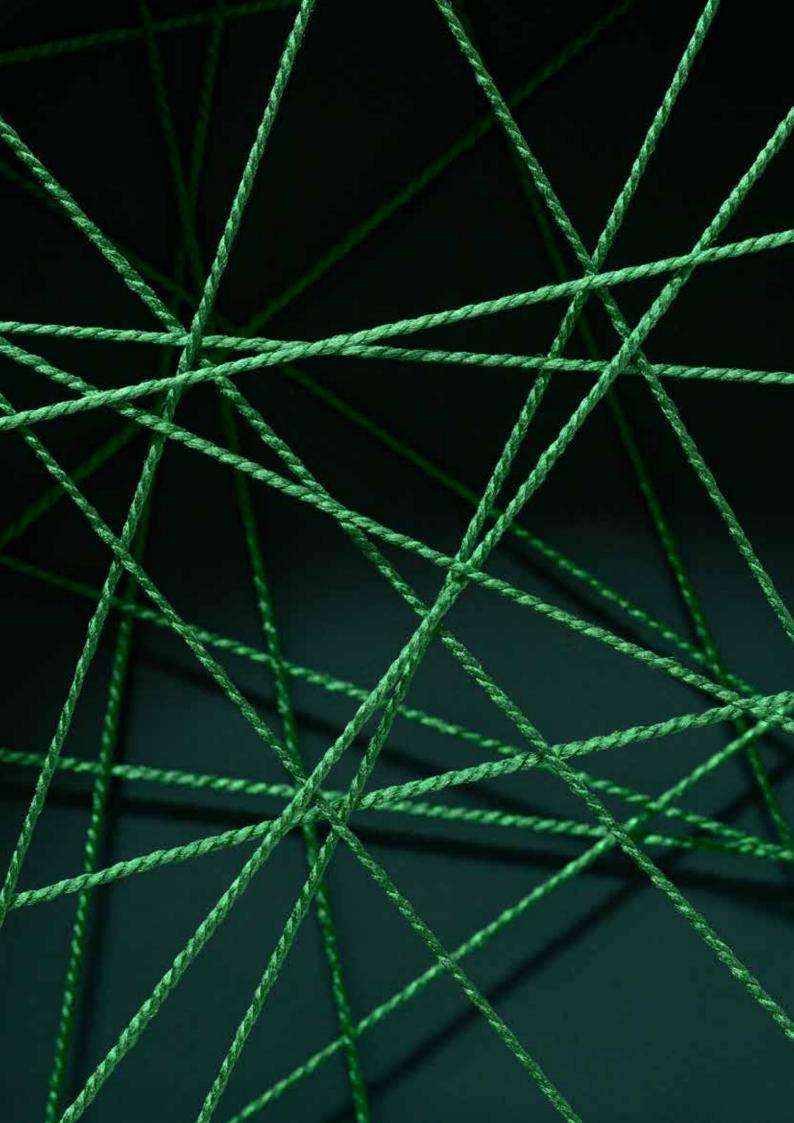




Introducing





THE GREEN THREAD

A green thread runs through everything we do. It has for decades and will continue into the future. We believe that every carpet is an opportunity to improve the sustainability of our environment and the wellbeing for people.

We challenge the industry standards and rethink how aesthetics, quality and sustainability can be one. Not only in terms of materials but in everything we do, and we invite you to follow The Green Thread with us. Read more about our sustainable achievements and ambitions for the future.



DO YOU WANT A GOOD STORY TO TELL THE WORLD? TELL THEM ABOUT YOUR CARPETS

We see more and more examples of customers highlighting in articles, reports and their communication that they have chosen sustainable interior. It works for them, simply because it is a good story that supports the worldwide agenda about the increasing need for sustainability.

WE EXIST TO DESIGN BEAUTIFUL CARPETS FOR A SUSTAINABLE FUTURE

LEARN MORE ABOUT OUR SUSTAINABILITY STRATEGY

While it is our business to create exceptional carpets, we have always considered it our ethical duty to help inspire progress in our society. By constantly challenging the conventions of production, we impatiently demand more of today to ensure that we create a better tomorrow – one carpet at a time.

As a carpet manufacturer, it is impossible not to have a production footprint, but for years we have strived to reduce the negative and increase the positive factors. And this approach continues into the future with our ambitious 2030 sustainability strategy, focusing on four key areas where we aim to make an even more positive difference.

OUR 2030 TARGETS

All ambitious goals, but we believe with hard work it is possible to achieve our vision.

FROM WASTE TO RESOURCE

All our carpets are produced with yarn from recycled or renewable materials

All our waste is reused, recycled or composted

SUSTAINABLE CARPETS

All our carpets are Cradle to Cradle Certified™ at Platinum level

75% of all the raw materials we use are recycled

NET CARBON POSITIVE

We are a net positive producer of green energy

All our road, rail, sea and air transport are carbon neutral

CLOSING THE LOOP

A sellback system for used carpets is established

All our carpets are recyclable, reusable or compostable

WASTE TO RESOURCE



YARN FROM USED FISHING NETS

Many of our carpets are made using regenerated yarn, created from abandoned fishing nets that account for 10% of all the waste in the oceans. The yarn is regenerable so it can be converted into new nylon products after use.



BACKINGS FROM USED PLASTIC BOTTLES

One million plastic bottles are used every minute worldwide. Our carpets are available with patented Ecotrust or acoustic backing made from used plastic bottles containing between 15-37.5½-litre bottles per m² depending on the type of backing. With all our recycled backings, we keep 73.5 million bottles in circulation instead of them ending up as waste.



RECYCLED YARN RESIDUES

One yarn cone weighs between three and five kg. As the length of yarn varies from cone to cone there is always leftover yarn on each cone after tufting. Our new production line removes any leftover yarn and returns it to the supplier. 44 tonnes of yarn residue was recycled in 2019/20.



RECYCLED CARDBOARD CONES

The cardboard cones with yarn are made from recycled cardboard. After use in our tufting facilities, 49 tonnes of cardboard cones are recycled annually.



100% RECYCLED PLASTIC IN CARPET TUBES

Our carpets are rolled onto tubes that are made from 100% recycled plastic.



DISPOSABLE PALLETS BECOME NEW PALLETS

As a production company, we receive many raw materials on disposable pallets. Therefore we have started to work with a company that buys and sells the pallets that can still be used. This means that 18% of our disposable pallets are reused while the rest are chipped or used as biofuel.

SUSTAINABLE CARPETS



CRADLE TO CRADLE ON ALL OUR CARPETS

Cradle to Cradle is the vision of a world in which humankind does not adversely affect the environment. It makes us do our utmost to keep valuable materials in circulation, cut down on waste and harmful substances, take care of our scarce resources, sustain precious groundwater, reduce CO₂ emissions and ensure social fairness in our operations and value chain.



WE CLEAN AND REUSE WATER

Most of our carpets are born with non-coloured yarn. The beautiful designs appear when the tufted carpets run through our enormous dye facility that injects colour into the yarn. When changing colours the facility must be cleansed of any colour residue, which requires a lot of water. We have developed our own way to clean and reuse the water so that up to 70% of the water is reusable.



WE RECIRCULATE THE DYE

We can create carpets in the most amazing colours, which are injected into the yarn from 40,000 spray nozzles. Behind the nozzles, there is a complex web of tubes where the colours are constantly recirculated to prevent the nozzles from clogging and ensuring that 88% of the colour dye is reused.



RECYCLED THICKENING SOLUTION

We add a thickening solution to our beautiful colours, which ensures a perfect texture. Afterwards, we extract the solution from the water during the washing process in the dyeing plant. We recycle more than 1,000 tonnes of thickening solution every year.



NET CARBON POSITIVE



RENEWABLE ENERGY

Each year, we invest an ever-increasing ratio in energy from offshore wind turbines. Since 2018, the electricity consumption of all our Danish production sites has been covered by investments in 100% renewable energy. This significantly reduces our environmental footprint and supports the global agenda for a sustainable future.



SURPLUS HEAT FOR LOCAL HOUSES

We have conducted a major heat recovery project whereby the surplus heat from some of our production facilities is channelled into the district heating system for houses in the local area or used as space heating in our own buildings.



SUSTAINABLE BIOFUEL

While 28% of our current biofuel consumption is off-set by investments in certificates supporting sustainable biofuel production, it's our goal to increase this number to 100% by 2025.



CLIMATE PARTNERSHIP WITH THE DANISH GOVERNMENT

In 2019, Ege Group CEO John Vestergaard, was appointed deputy chairperson of the Danish government's climate partnership for manufacturers, one of 13 partnerships to secure a 70% reduction in CO_2 emissions by Danish companies. The appointment follows the increased focus on our many years of ambitious sustainability work.



WE ARE ON OUR WAY TO CO2 NEUTRAL TRANSPORTATION

Today, as we are responsible for the transportation of our carpets to our customers, we specify that our distributors must use the best-classified trucks and vans. In 2030, our ambition is for all our transportation to be completely CO_2 neutral, no matter if it is by road, train, sea or air.



REUSED HEATED WATER

Heated water generated by our backing machine is reused to clean the large dyeing facility in one of our Danish factories. This reduces our water and energy consumption as well as CO2 emissions.



WE DRIVE THE TALK

We are replacing our company cars and vans with environmentally-friendly alternatives, starting with hybrid cars. By 2030, all our company cars must be $100\%\ CO_2\ neutral.$

CLOSING THE LOOP



REUSE IS THE FUTURE

A carpet has more than 200 different components. Apart from yarn and felt, where we already use recycled materials, there are many other ingredients, including dye, glue and limestone. We are working hard to replace these with recycled materials. Our 2030 target is clear: 75% of raw materials must be recycled.



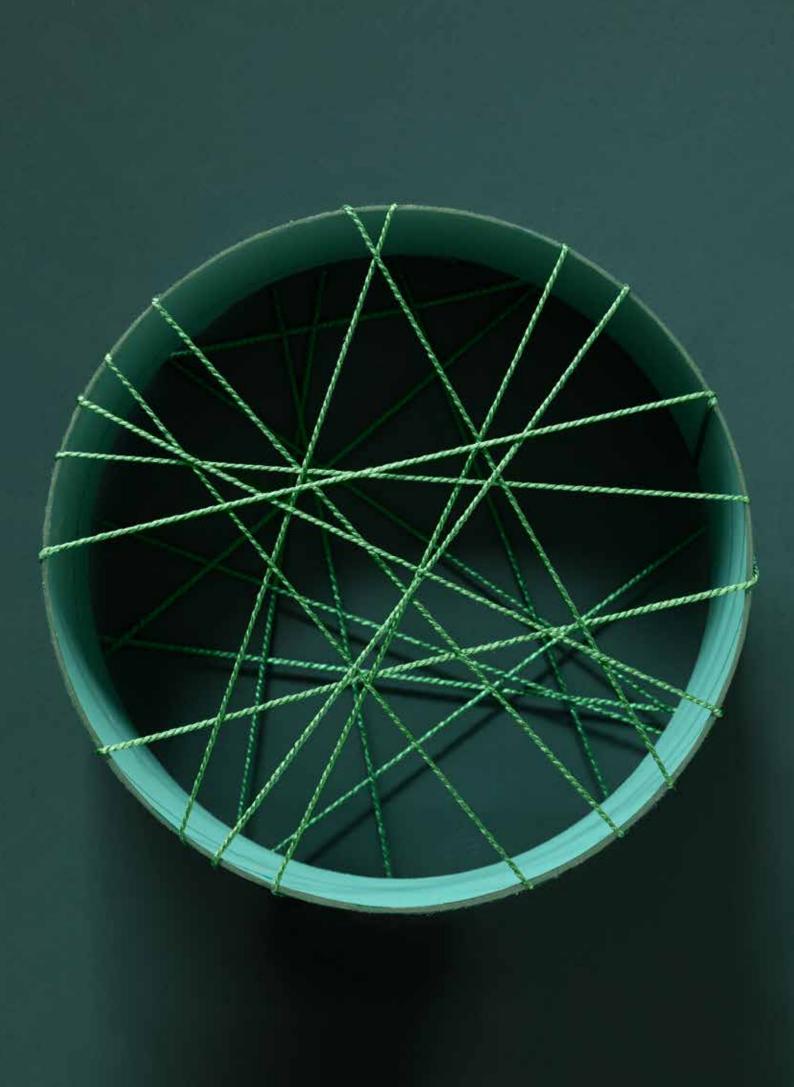
SELL YOUR USED CARPET FOR RECYCLING

At the moment, there are no official collection systems for carpet waste in place but we work closely with a number of partners to make this happen. When we succeed in making carpets with components that are easy to separate and reuse, used carpets will become valuable assets for manufacturers. So you will not only be able to return your used carpet, you will be able to sell it for recycling.



TOTAL REUSE OF CARPETS IN THE FUTURE

Our carpets last for many years but not forever. At one point, they become waste. We are developing processes to enable recycling of carpets after use. One of the biggest tasks is to separate carpet material so the different components can be reused. A way to solve this is to create a carpet made from a single material and we are making great progress.



GUIDED BY THE UNITED NATIONS

THE GLOBAL COMPACT

At Ege Carpets, we never do anything half-heartedly. In 2010, we decided to endorse the UN Global Compact – the UN guidelines for working for a higher degree of sustainability. The UN Global Compact consists of 10 principles on human rights, labour, environment and anti-corruption.

PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

Human rights are a key aspect of our focus on social responsibility, starting with our employees and extending to the people in our supply chain. We have included UN's Guiding Principles on Business and Human Rights in our specifications to our suppliers to prevent child or forced labour, differential treatment and discrimination and to support freedom of association.



SUSTAINABLE DEVELOPMENT GOALS

In 2015, the UN launched its 17 Sustainable Development Goals (SDG). We support many of the SDGs through targeted efforts to create sustainable carpets, good workplaces and decent conditions throughout the value chain. However, we have chosen to dedicate our focus on three of the 17 SDGs directly linked to our core business: carpets. This is how we can make the biggest difference.



SDG NO. 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

We use Cradle to Cradle product certification as a sustainability framework for our entire business. The idea is to manufacture products consisting only of healthy materials. The products must be designed to be incorporated into a biological or technical lifecycle after use. The company must endeavour to become carbon neutral and use 100% renewable energy, and the processed wastewater must, in principle, be clean enough to drink. Finally, the company must be assessed for compliance with internationally recognised social responsibility standards. Ege Carpets is the only carpet manufacturer worldwide with a 100% Cradle to Cradle Certified™ assortment, making sustainability and responsible consumption an important part of our business strategy.



SDG NO. 14: LIFE BELOW WATER

One of the world's major challenges is plastic waste. Plastic degrades very slowly and poses a major threat to the environment, not least to marine life. At Ege Carpets, we use large quantities of plastic waste in our carpets and packaging. The yarn used in most of our carpets consists of regenerated fishing nets and other industrial nylon waste. The felt backing on our carpet tiles consists of 100% recycled plastic bottles. The carpet base between the pile and the backing of the carpets also consists mainly of recycled industrial waste. The same applies to the carpet tubes, which are 100% recycled plastic. Overall, a huge amount of plastic is recycled in our products every year rather than ending up as waste in the natural environment.



SDG NO. 7: AFFORDABLE AND CLEAN ENERGY

100% of our electricity consumption is covered by investments in renewable energy, which we purchase from offshore wind farms. We are also in the process of switching from natural gas to biogas and have an ambition of becoming CO_2 positive in 2030.

DOCUMENTED AND RECOGNISED RESPONSIBILITY

Each of us shoulders responsibility for the world around us. When you trade with us, your company is also helping to respect and care for the natural resources, people and communities that help create our products. Our goal is to be the best carpet manufacturer in the world in terms of our approach to corporate social responsibility, and we believe it is right that we consistently strengthen our environmental and social endeavours, at the same time improving yours.

THE ONLY CSR CERTIFIED CARPET MANUFACTURER

DS 49001 certifies that the company works responsibly in the areas of: human rights, the environment, working conditions, consumer issues, sound business ethics and local community involvement. DS 49001 is your guarantee that you are dealing with a socially and environmentally responsible company.

ISO 14001 is one of the most common environmental certifications. In order to be certified, the company must develop policies and processes with the environment as the focal point. Targets for improvements and developments must always be documented

ISO 45001 was implemented in our factories in 2006 with the aim of improving the working environment. This is an integral part of our environmental work at Ege Carpets and we have developed policies and objectives for both health and safety at work.

PROUD TO BE LEADING THE WAY

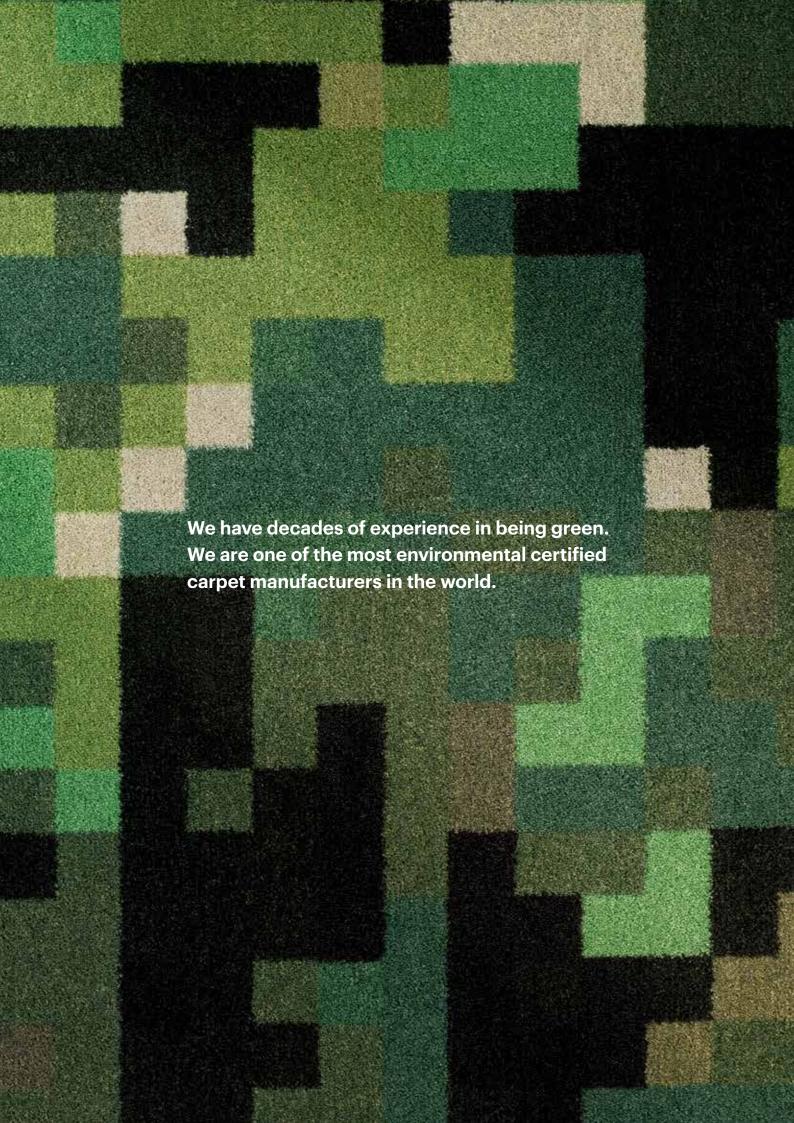
Our sustainable efforts have led to many fine acknowledgements and we are proud to be leading the way and help to inspire others to move in a more sustainable direction. We have taken first place twice in a CSR rating created by Danish top management publication: Økonomisk Ugebrev Ledelse. Likewise, KPMG, Scandic Hotels and Danish Design Award have awarded our green achievements. In addition, we have also won the EU's Management Award for Sustainable Development.

Winning the Circularity City Product Award by EIT Climate KIC, resulted in Ege Carpets garnering international speaking time at C40 Worlds Mayors Summit 2019.

And most recently, our sustainability excellence has been recognised at the Eco-Vadis Sustainability Leadership Awards 2020 with the highest score in its class. EcoVadis is the world's leading sustainability rating agency and they rank the CSR performance of 65,000 companies in 160 countries each year. The ranking puts us in the top 1% recognising Ege Carpets as one of the most advanced companies in terms of CSR practices.







OUR CARPETS ARE GREEN AND HEALTHY

Our numerous certificates are your guarantee that your new carpet from us is produced with optimum regard for the environment, safety and quality. Here are some of the most important certificates and a brief explanation of their meaning.

ALL OUR CARPETS ARE CRADLE TO CRADLE CERTIFIED™

The idea behind Cradle to Cradle is that the Earth's finite resources should not go to waste. They must be used simply in new contexts, with no detrimental effects on people or the environment. All our carpets are Bronze Cradle to Cradle Certified and we are working towards certification at the Platinum level in 2030.



EPD is an environment product declaration that is available for many carpets from Ege Carpets. It is a brief document, which sums up the environmental profile of a product or service in a standardised and objective way. An EPD is made on the foundation of a lifecycle analysis (LCA). The standardised method ensures that the information is adapted to each product category making comparisons from product to product possible regardless of borders from country to country and can be used when a building is environmentally classified. Our individual carpet product specifications state if the product has an EPD.

EGE CARPETS IMPROVE YOUR DGNB SUSTAINABILITY SCORE

DGNB is a holistic approach to sustainability where the total sustainable performance of a building project is scored based on fulfilment of up to 50 sustainability criteria such as ecology, economy, socio-cultural aspects, technology and process. With our many environmental, quality and safety certifications as well as documented maintenance and cleaning instructions, we can help improve the DGNB score of your building.

LIFECYCLE ANALYSIS OF OUR CARPETS THROUGH BRE CERTIFICATE

The BRE certificate documents how much the carpet affects the environment. The British consultancy firm BRE Certification Ltd. prepares environmental profiles that make it possible to list building materials in a universal measurement system that describes building materials' impact throughout their lifecycle. The profiles enable architects, designers, buyers, etc. to select carpets accordingly. The BRE certificate provides information on the environmental characteristics of an individual carpet in relation to a series of predefined requirements. Points are given to products where the manufacturer has succeeded in using low-impact materials at every stage of their lifecycle. Our individual carpet product specifications state if the product is BRE certified.











LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED)

A voluntary certification system developed by the U.S. Green Building Council, which works to promote sustainable construction worldwide. LEED stands for Leadership in Energy and Environmental Design. The programme provides architects, designers and purchasers with concrete, practical ratings for design and product characteristics. Buildings constructed according to LEED use resources more efficiently than conventional buildings. In addition "green buildings" provide healthier working and living environments because the building materials used have a low impact on both the environment and indoor climate. Our individual carpet product specifications state if the product is LEED certified.



WE ARE BEST-IN-CLASS FOR LOW EMISSIONS

All our carpets are Indoor Air Comfort Gold certified showing compliance of product emissions with the criteria of many of the voluntary specifications issued by the most relevant ecolabels and similar specifications in the EU. Gold certified products are best-in-class for low emissions and therefore good for indoor air quality.



ÆGIS PROTECTS YOUR CARPETS FROM MICROBIAL DAMAGE

ÆGIS Microbe Shield provides protection and safe, effective solutions to microbial contamination. In contrast to the conventional weapons you use in the unending battle with microbial contamination (sanitisers, disinfectants, bleach and biocides), it is odourless, durable, professionally applied – and effective. ÆGIS Microbe Shield is applied in aqueous solution during manufacturing at Ege Carpets. The anti-microbial treatment is an optional application for all our carpets from 200 m².

Sustainability is not an option. It is weaved into everything we do.

