

# SOZIALE UNTERNEHMENSVERANTWORTUNG

## CORPORATE SOCIAL RESPONSIBILITY

### WOLLSDORF GROUP

#### **PREAMBLE**

Wollsdorf Leather is an international company with headquarters in Wollsdorf – Austria. As a global enterprise with sites in Europe (Austria-Wollsdorf and Croatia-Varaždin), Asia (China-Fuzhou), Central America (Mexico-León) as well as logistics and sales sites in South America (Uruguay-Montevideo) and in the U.S. (High Point), we are committed to corporate social responsibility at all our locations. CSR is an integral part of our daily practice and our company policy when dealing with employees, customers, and suppliers.

#### **BEHAVIOURAL AND ETHICS CODE OF CONDUCT**

Wollsdorf is committed to conducting our business in all countries in which we are represented with integrity, fairness, and respect. Our employees will neither directly nor indirectly offer bribes or other monetary incentives with the intent to influence business decisions.

We act in good faith toward our suppliers and expect a similar conduct from our suppliers and subsuppliers with respect to our business relationships.

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#### **SOCIAL SUSTAINABILITY**

Wollsdorf accepts its responsibility and lives out practices that contribute to the advancement of the quality of life of employees and society.

##### **Appropriate remuneration & compliance with minimum wage requirements**

Remuneration levels at individual sites are based on local standards whereas minimum wage standards are observed or even exceeded.

##### **Child labour – Forced labour – Human trafficking**

Wollsdorf unconditionally rejects these practices as all Wollsdorf employees worldwide perform their services on a voluntary basis.

##### **Suitable working hours – Compatibility of family and career**

It is important for Wollsdorf to ensure a suitable balance between work and leisure, and we take these considerations into account when creating working time models.

### **Employee representation & collective bargaining**

Good cooperation between management and employee representatives (works council, trade union) at the individual sites is the basis for a lived out internal social partnership and substantially contributes to satisfactory results of collective bargaining for both sides within the framework of applicable legal regulations.

We support employee representation by providing benefits such as work exemptions, further training, facilities, etc.

### **Observance of human rights – Prohibition of discrimination**

Wollsdorf is strictly opposed to human rights violations of any kind since respect and human dignity are our top priority when dealing with employees.

Wollsdorf unconditionally rejects discrimination of any kind (discrimination based on gender, skin colour, ethnic or social origin, age, disability, language, religion, political or other views, affiliation with a national minority, sexual orientation, etc.).

Wollsdorf penalises discriminatory statements or actions according to the due diligence of employers with all legal consequences available under labour law.

### **Employee training**

Our employees are the basis for the success of Wollsdorf. Wollsdorf Academy (talent pool) provides training and further training for our employees worldwide as standardised training standards ensure quality at all sites.

Young employees are to be introduced to professional life through technical and commercial vocational training and continuously share in the current state of scientific knowledge by means of internal development programmes until they enter retirement. Employees should be given opportunities for internal development and priority over external applicants when filling positions.

### **Respect & error culture**

Respect for employees is important at Wollsdorf. Further development is to be based on our history as well as on gained experience.

Maintaining an error culture and properly dealing with deviations provide the basis for further development. We should learn from our mistakes, and pointing out deviations should not to be suppressed but rather encouraged. This is not about finding someone to blame, but about solving problems.

## **Occupational health and safety**

The physical and psychological health of our employees is important to us. We regard legal demands and obligations as a minimum requirement and commit to abide by these as well as to consistently improve and further develop safety and health measures throughout our continuous improvement process. We pursue this goal based on ongoing employee training within the context of occupational health and safety management.

The SGU team consisting of safety officers, safety experts and safety counsellors, occupational physicians as well as environmental and waste management officers provides consultation services for management and employees with respect to workplace evaluations and all other relevant matters.

Drugs and alcohol are strictly prohibited at all sites and throughout all facilities; nicotine is permitted in designated (separate) areas. Employees have the option to consult addiction counsellors within the context of our internal addiction prevention and assistance programme.

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## **COMPLIANCE**

Wollsdorf strictly complies with the principles of entrepreneurial conduct in relationships with business partners and customers. We maintain ambitious integrity standards throughout the entire supply chain in compliance with respectively valid national laws and business practices.

### **Legality as the basis for entrepreneurial activities**

Every Wollsdorf site is committed to observing local and national laws, stipulations and guidelines within the context of all organisational procedures and areas. This obligation applies both to management and to all employees at all sites, and we also expect this commitment from our customers and suppliers.

### **Anti-corruption policy**

Our commitment to anti-corruption applies without exception to all business areas and plants independently of local cultural practices. We also expect everyone acting on our behalf to abide by this principle.

Wollsdorf prohibits bribery and improper payment practices for all business transactions in every country. The present guideline applies to the entire Wollsdorf Group and its joint ventures as well as to all persons who act on behalf of Wollsdorf, i.e. employees, functionaries, consultants and authorised agents.

### **Financial responsibility and disclosure of information**

We are responsible for ensuring transparency toward our stakeholders (customers, government agencies, neighbours, ...) with respect to our legal obligations and duty to provide information in the areas of finances, environment and society.

### **Communication and transparency**

We greatly value ongoing dialogue and good relationships with our stakeholders, which includes ensuring transparency and providing information about our social and ecological responsibility as well as with respect to our legal obligations.

### **Fair competition and anti-trust**

Wollsdorf avoids business practices that illicitly limit competition. The improper exchange of competitive information, price fixing and bid rigging are prohibited in all company areas.

### **Conflicts of interest, plagiarism and intellectual property**

Conflicts of interest are prevented by means of training and the dual control principle. Products are developed with suitable methods and processes so that the risk of introducing plagiarised and counterfeit materials in products is reduced. Utilised intellectual property is acknowledged and compensated appropriately – patents, licenses, copyrights.

### **Conflict resources**

Wollsdorf confirms that all raw materials and chemicals that are used in production are free of conflict resources. Our suppliers are admonished to only use legally sourced raw materials so that Wollsdorf does not indirectly support belligerent parties in crisis regions.

### **Whistleblower channel**

Wollsdorf has set up a confidential whistleblower channel to prevent potential damage to the company and individuals as well as to the public and to identify grievances and legal violations at an early stage. The protection of whistleblowers from negative consequences of a report is an important target in this context. The channel is available to customers, suppliers, the public and employees.

### **Public relations – Contact with local representatives**

Regular visits foster close relationships with local representatives and ensure that information is forwarded in a prompt, competent and comprehensible manner.

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## **ECOLOGICAL SUSTAINABILITY**

Wollsdorf proactively accepts its responsibility for the environment and relies on practices and processes that have a positive medium-term impact on the environment. This includes conserving resources and reducing environmental pollution caused by production and waste.

### **Environment**

The continuous improvement of our processes for the purpose of conserving resources is an essential component. We regard legal stipulations as a minimum requirement.

Consumption is continuously evaluated as goals and measures for reduction are implemented by means of our environmental management system based on key figures for energy and resource consumption. We are consistently improving our carbon footprint by increasingly using renewable energies and through resource-conserving procurement.

New chemicals are evaluated with our chemical management system (improvement requirement) as we take customer restrictions as well as restrictions based on REACH and other guidelines into account.

New products are developed with consideration for sustainability, product recovery and environmental compatibility aspects, and existing products are improved if possible.

Waste and by-products are reduced, utilised as recycled materials or ultimately disposed of in an environmentally friendly manner by certified companies.

### **Sustainability in supplier management**

Wollsdorf successively passes on sustainability requirements to its suppliers and demands adherence to these. The goal is to promote healthy working conditions and ecological responsibility throughout the entire supply chain.

### **Animal welfare**

Species-appropriate animal husbandry is a matter of course for Wollsdorf. We regard the “Five Freedoms” of livestock (a concept for evaluating the well-being of farm animals as defined by FAWC – Farm Animal Welfare Council) as the basic requirement for fulfilling our responsibility toward these animals. Moreover, species-appropriate animal husbandry is also critical for ensuring the quality of hides. Therefore, Wollsdorf regards compliance with the highest European standards as a minimum requirement for suppliers in all reference markets. Suppliers are regularly audited with respect to their practices up to the slaughterhouse. A prospective expansion of audits to include animal husbandry is our declared goal.

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### **Support for social projects**

Wollsdorf regularly takes part in local projects whereas the emphasis is on supporting children and adolescents.

### **Innovation & continuous improvement – Cooperation with external partners**

It is our claim to continuously improve our processes and products. Wollsdorf is the technological leader in leather manufacturing. We maintain our advantage and secure it for the future through innovations. We want to bring innovations to market maturity each year. Wollsdorf Leather develops new processes, formulas and products from the raw material to the sewn component together with our partners from the chemical industry as well as from tool and mechanical engineering. Collaborations with research institutes are to be promoted and expanded further.

### **NON-COMPLIANCE WITH THE CODE OF CONDUCT**

All violations of the code of conduct must be reported without exception to superior officers so that appropriate countermeasures can be implemented.

Wollsdorf, 23.06.2022

Michael Schmidt

Ulrich Schmidt

Details and other notices as well as attained certificates are stated on our homepage [www.wollsdorf.com](http://www.wollsdorf.com).