

# code of conduct



Dear Colleagues,

As the world market leader in our industry, we continuously invest in state-of-the-art technologies and production facilities. This further development is always solidly financed from profits previously generated by the company itself. This enables us to remain independent and to react flexibly to changes in our markets. Sustainable, ethically impeccable management, honesty, a sense of responsibility, partnership and responsibility towards the environment and our fellow human beings are the maxims of our daily actions. These values are summarized in our corporate policy, our management guidelines and our Code of Conduct and have shaped us for 140 years.

Our worldwide purchasing of raw materials ensures a secure supply for our customers. We stand for a flexible and needs-based supply of nonwovens of consistently high quality at all times. A trusting partnership and a constant dialogue with our suppliers form the basis for long-term supply relationships. Like us, our partners bear social, economic and ecological responsibility for the products they supply and guarantee the sustainable use of all resources. We agree on strict economic and qualitative guidelines with each of our supply partners. Only after all specifications have been implemented is a supplier's product released for commercial processing by us.

Trouble-free transportation of goods is essential for us - from the delivery of raw materials to the dispatch of finished goods. This requires efficient service providers, functioning delivery concepts and consistent adherence to internal logistical specifications. We are a licensed economic operator (AEO-C/S) and are therefore regarded as a particularly reliable and trustworthy business partner in cross-border trade. The successful implementation of sustainability strategies and the reduction of environmental impact are also important to us.

We focus on the careful consumption of resources and the responsible use of raw materials and water. In 1998, we were the first nonwovens manufacturer to be certified according to DIN EN ISO 14001 for our environmental management system - it thus complies with globally recognised requirements and focuses on continuous improvement. But environmental management also means taking responsibility for our environment: More than 25 percent of our premises are now maintained as biotopes and offer rare animal and plant species retreat areas. We only make small interventions in the natural development, otherwise the biotopes remain natural. In addition, we work daily to reduce specific energy consumption and thus emissions in our company over the long term. The energy consumption at our production facilities and in other areas of the company is continuously monitored and recorded. This data enables us to identify potential savings and to derive measures for their realisation. In this way, we make our sustainable contribution to preserving our environment for future generations.

After all people are paramount for us: Only those who feel well can also do their daily work with vigour and motivation. The well-being and health of our team is therefore our top priority. Workstations that have been designed according to ergonomic aspects, detailed safety regulations at the plants and throughout the entire company as well as reliable emergency management create a safe and comfortable working environment.

Your



Dr. Christian Heinrich Sandler

# Sandler code of conduct

## Preamble

**Sandler is committed to its social responsibility. Our goal is to flexibly meet the demands of the market and to treat people and nature responsibly. In close cooperation with customers, suppliers and employees, we set the course for tomorrow's success. At the same time, we always uphold the principles of the respectable businessman.**

This Code of Conduct applies to our entire corporate group. We expect our business partners to respect the principles summarised here and to establish and maintain them in a comparable form in their own companies.

# 1

## Social commitment & responsibility

### **Providing help with the company and the foundation**

To give something back to our home region by supporting charitable projects and promoting young people - that is one of our greatest priority. We have always been closely associated with our locations and take it for granted that we commit ourselves with conviction and passion to our surroundings, the cities and the families.

In 2003 our senior director Dipl.-Kfm. Christian Heinrich Sandler founded the „Christian Heinrich Sandler Foundation“. Since then, the foundation and the company have been involved in various aid organisations, cultural institutions, social projects, sports clubs as well as nature conservation and the preservation of local heritage in and around Schwarzenbach. We are convinced that we have a social responsibility and want to fulfil it accordingly, without expecting any business advantage for us.

## 2 Ethically sound management

**Audits** We maintain our quality level and operational safety through regular internal and external audits. Checklists based on common management standards and audit reports document these controls and help to identify improvement potential. In addition, our partners evaluate us within the framework of customer audits and also provide impetus for the further optimisation of our processes. We also evaluate our suppliers and communicate the results.

**Customer-focused** Instead of just selling products, we establish long-term partnerships based on mutual trust. From the initial product idea through to its use in the end product, our team is at the customer's side. Together, we develop products that are precisely tailored to the respective application requirements and thus advance ourselves, our customers and the market.

**Free and fair competition**

We operate in accordance with the principles of social market economy and are convinced that the standards of fair business activity, fair advertising and fair competition must be observed. Fair competition motivates to achieve better results and always creates new incentives. It should therefore be free and unadulterated. As part of our responsible business activities, we do not manipulate prices and conditions and do not violate antitrust laws.

**Conflict of interests**

During the course of our business activities, our employees may find themselves in situations in which their personal interests collide with the interests of our corporate group. In these situations, the personal interests and those of the company must always be strictly separated from each other and it must always be in the interest of the company to act. Conflicts of interest may arise from part-time activities, commitments to competitors or business partners, and from family relationships or other personal relationships. We therefore commit our employees to transparency and demand an open approach to conflicts. They can contact their direct superiors at any time to implement the best possible solution together. In doing so, we scrutinise whether the actions of our employees and their own demands meet the expectations of their counterparts and those of the company.

# 3 Laws

## **Legal compliance**

It is a matter of course for us to observe the applicable laws and other relevant regulations in Germany and abroad. Integrity and honesty promote fair competition, also in relation to our customers and suppliers. We are fully committed to this. Furthermore, we accept the customs of the different cultures with which we do business and cooperate with the relevant authorities, with whom we maintain an open and constructive relationship.

## **Prohibition of corruption**

We distance ourselves from corruption and bribery. We will not tolerate transactions that are carried out using illegal means. Our employees may not offer any benefits or gifts to partners, nor may they accept any gifts that could interfere with an objective business decision. Benefits or gifts with a value of EUR 10 or more, as well as invitations exceeding a value of EUR 60 per individual case, must be approved of by the management in advance. In individual cases of spontaneous invitations, the management must be informed subsequently. The acceptance of cash of any amount is absolutely forbidden. The interests of the company and private interests of employees must always be strictly separated from one another.

## **Labour law**

Men and women are the prime consideration. We respect our employees and their rights. We work strictly according to the current legal systems of our societies - an obligation that we also impose on our suppliers.



# 4

## Personnel Focus

### **Designing the working environment**

In production (e.g.) crane systems facilitate the work as well as environmentally friendly E-scooters the movement between the different production plants. The latest operating systems and monitors simplify work directly on our systems, among other things. Bale lifts and conveyor belts as well as other modern equipment such as special forklifts prevent direct work with heavy loads for the benefit of our employees. These are just a few examples of optimization measures that are important to Sandler. In administration, we ensure our standard for spacious, bright offices, which are equipped according to the latest ergonomic aspects, with regular workplace analyses and appropriate optimisation measures. Our own nonwoven fabrics, used in special acoustic elements, contribute to enabling our employees to concentrate on their work in a quiet atmosphere. Through our health management and our „fit & healthy“ program, employees receive valuable tips from external experts several days a year, which can be easily integrated into everyday life and help to maintain their health in the long term. In addition, we support various sports activities or organise our own annual Sandler endurance days, where employees and outsiders come together to experience the joy of exercise together.

### **Encouraging further training**

Due to the technological development of our industry, there are always new opportunities for further education and training. We rely on internal and external training, courses and seminars so that our employees gain detailed knowledge on a wide variety of topics. New colleagues are introduced to the company with a trainee program and get to know different departments. In addition, we organise annual training courses on ISO standards, environmental protection aspects, quality and safety requirements and on the code of conduct.

### **Workplace safety**

Safety of our employees has top priority. Right from the beginning our workplaces are designed and planned according to various safety aspects. We keep our working environment safe with detailed safety regulations at the production facilities and throughout the plant, as well as regular factory inspections, during which potential hazards can be prevented. Extensive protective equipment, regular training, emergency exercises and in-house emergency management are part of our safety measures. In addition, we ourselves train first responders through regular training courses, who help immediately in emergency situations, before rescue services arrive.

# 5 Corporate security

We take plant safety very seriously. In order to guarantee the safety of our visitors and to protect our company know-how, guests on the company premises are always accompanied by Sandler employees. In addition, we have installed access controls to all rooms and especially to the computer centres. A guide for visitors and external companies summarises important rules of conduct for the stay in our company.

In addition, we will only process personal data in accordance with the principles of the German General Data Protection Regulation (DS-GVO) if consent has been obtained or if a legal regulation permits or even prescribes the processing. Our employees agree to not process personal data without authorisation, even after leaving the company. All data provided to us by customers, suppliers and other partners will be treated confidentially and used exclusively for business-related purposes in accordance with the statutory provisions. Trade secrets and business information from third parties are treated sensitively and confidentially. In order to prevent data theft and hacker attacks, we use the most modern and up-to-date operating systems. Firewalls protect us from unauthorized access by the Internet, and data transmissions are always encrypted. Furthermore, mobile data carriers are also protected by encryption and our Mobile Device Management. If a loss of data should occur nonetheless, we have a backup using various backup solutions permitting access again.

# 6

## Environmental protection & sustainability

### **Sustainable raw materials**

We prefer to use raw materials from natural, verifiably qualified sources. These account for a quarter of our starting materials already. Our viscose non-woven fabrics can be certified according to FSC and PEFC at the customer's request. Thus, raw materials used come from responsible, sustainable forestry.

We go one step further with our polyester non-woven fabrics: some of the single-variety materials are made from recycled fibres produced from recycled PET drinking bottles. The polyester nonwovens themselves are non-mixed and therefore recyclable.

### **Residual raw material management**

We are continuously reducing the amount of waste produced. Subsequently our focus is on recycling: Nonwovens residues arising in production are supplied directly for reprocessing and are reused in production. Other waste or residues from processing are recycled externally and are used to produce new nonwovens. In this way we support closed material cycles and conserve valuable resources.

## **Preserving habitats**

To preserve our biotope, which has been growing since the mid-1980s, we work closely with the responsible authorities, maintain it and promote natural development. Today, biotope areas cover more than 20,000 square metres, which corresponds to a quarter of our total land area. Extensive protective measures and emergency scenarios are designed to protect these vital resources in the event of a production accident. As a member of the Bavarian Environmental Pact, we want to provide additional environmental services and also live our commitment outside the company. The Hertelsleite Ecopark in Schwarzenbach is a pioneering example of this. The Association of Friends and Sponsors of the Ecopark, chaired by Dr Christian Heinrich Sandler, has been in existence since 1996, and to this day helpers regularly come together to promote species protection and biodiversity in the park. In addition, local trees and shrubs are used for replanting within the framework of conversions and new buildings on the factory premises in order to preserve the ecosystem. As compensation for construction measures, several areas were divided, which were also extensively maintained. With these measures we want to preserve the natural habitats around our sites and offer them space for development.

## **Perfect energy mix**

We attach great importance to the use of renewable energies. The share of renewable resources for our power supply amounts to 33 per cent, which is well above the national average. We offer the appropriate service to customers who attach importance to the fact that their non-woven fabrics are produced with green electricity.

## **Environmentally friendly transport concepts**

We minimise in-house transport of goods to the necessary extent and work on continuously optimising the in-house organisation and thus also the movement of goods. We reduce travel and transport times within the company. Primarily electrically powered conveyor vehicles are used for this purpose. We attach great importance to economically sensible transport optimisation outside the company in combination with efficient route planning.

# 7

## Implementation & enforcement

There are principles of cooperation between our managers and employees that are regularly discussed and promote an open communication culture in order to continuously implement and apply the described principles and values. Our managers exemplify the principles in the company and are the first point of contact. In addition, there are ambassadors commissioned to further develop our company and our employees with regard to risk areas.

**We pay attention to energy and the environment.**

**We promote health and safety at work.**

**We live quality and trust.**

**We stand for product safety and comfort.**

**We take responsibility.**

