

# Stahl Statement on Modern Slavery

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The Stahl Group (“Stahl”) strives to conduct its business with the highest standards of integrity and ethical behavior. This statement sets out the steps taken by us to reduce the risk of slavery and human trafficking (“Modern Slavery”) taking place within our supply chain and in any part of our own Business. This statement is made in relation to section 54 of the UK Modern Slavery Act 2015.

## 1. Stahl's Business and Supply Chain overview

Stahl Lux 2 SA is the parent company of the Stahl Group with its Headquarters in the Netherlands. As of 29 September 2017, we employ more than 2,100 employees at 13 Manufacturing Sites and 37 Application Labs in 24 countries. This world coverage makes us a leading player within the field of process chemicals for leather and other substrates for the automotive (and other transportation), industrial application, interior design, leisure & lifestyle and apparel & accessories industry amongst others. Stahl's Business is divided in the following areas: Wet-End Chemicals & Dyes, Leather Finish, Automotive Leather Chemicals and Performance Coatings & Polymers.

In 2016 the Stahl Group reported net sales of € 656 mln.

The Stahl Group has manufacturing sites in Brazil, China, France, Germany, India, Italy, Mexico, The Netherlands, Singapore, Spain and the USA. The Stahl Group has organized a central procurement team, steered by the group director Procurement. The regional purchasing managers report to the central team. The central procurement team sets and monitors the purchasing strategy, selects suppliers and negotiates the prices for the Stahl Group globally. Local sites may take responsibility for procurement in case of certain small volumes, which is monitored by the central team.

Stahl has furthermore sales (support) offices/representatives offices, application labs and warehouses to support the sale of its products to customers.

## 2. Stahl's Policy on Modern Slavery

Modern slavery, or any form of forced or compulsory labour, is a violation of human rights. We take a strong stance against modern slavery and work to ensure high labour rights standards. We condemn any form of modern slavery and child labour, and shall not participate in the trafficking, recruitment, or receipt of any persons, by means of threat or abuse of power. We allow employees to resign from their position at any time. By behaving ethically and honestly with all its partners, we are committed to ensuring that modern slavery does not occur elsewhere and strives only to do business with organizations who uphold similar principles.

We commit to the UN Global Compact's Ten Principles and strive to conduct its business with the highest standards of integrity and ethical behavior. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption.

We have a Code of Conduct and Whistleblower rules reflecting these high standards of integrity and ethical behavior and appointed a Compliance Officer. The Code of Conduct and Whistleblower rules apply to all to its employees. These Code of Conduct and Whistleblower Rules are distributed through the local HR departments. Every new employee needs to sign this Code of Conduct and Whistleblower rules.

We pay close attention to the companies with whom we cooperate, such as agents, distributors and suppliers and require these business partners to sign the Business Partner Code of Conduct or, if the business partner has its own similar Code of Conduct, to provide a copy of such Code of Conduct. In case we find out that the business partner does not comply with the Code of Conduct, we can, if necessary, immediately discontinue the business relationship with such business partner.

In the fourth quarter of 2017, we modified the Stahl Code of Conduct for our employees and business partners with more specific wording on Modern Slavery and these versions will be signed by employees and business partners.

### 3. Due diligence Processes for Modern Slavery

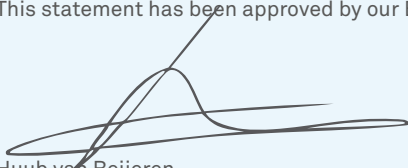
The Stahl Code of Conduct is regularly discussed during meetings with the respective business partners. Such discussions are written down in reports and/or e-mails. Furthermore, the Code of Conduct is regularly mentioned and discussed during the Quarterly Executive Control Group meetings.

Every year, the respective business directors and local regional managers need to complete a Code of Conduct compliance questionnaire about the Code of Conduct with respect to employees and business partners. We refer to the Stahl Compliance Report as published on the Stahl website ([www.stahl.com](http://www.stahl.com)).

To ensure a high level of understanding of the risks of modern slavery and human trafficking and to strengthen the awareness and fortify integer behavior of our employees, we require the relevant Stahl employees to complete e-learning courses about modern slavery, anti-bribery and corruption in the fourth quarter of 2017.

We will continuously work to further develop and strengthen our efforts to promote the UN Global Compact's Ten Principles, including the elimination of all forms of forced and compulsory labor.

This statement has been approved by our Board of Directors.



Huub van Beijeren  
Chief Executive Officer