

Sustainability Report 2014



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Statement of the CEO



Huub van Beijeren

Sustainability as a driver of innovation

Sustainability is a major challenge in our industry. We want to ensure that our planet remains a pleasant place to live. Not just for ourselves, but also for our children and our grandchildren in the future. That is why we at Stahl take our responsibility seriously. We see it as a 'must' that we take the lead in the field of sustainability. Not just by looking at what is happening in our company, but throughout the entire supply chain. Of course, we want people to process our chemicals in a safe and responsible manner and in a way that causes the least environmental impact possible. This raises many questions - for us and our customers. How can we ensure less energy and water is consumed by tanneries? How can we stimulate the reuse of water during the production process? How can we further contribute to the reduction of a cars' fuel consumption? These are subjects we are discussing with our clients and we work together to find solutions.

Reduce, Reuse, Recycle

However, sustainability throughout the supply chain goes beyond that. How can leather waste pieces and coated fabrics, that are left over after the production of a jacket or sofa, be reused? Should they be simply thrown away, or can new products be made from them? What is the environmental impact if a shoe with our coating is incinerated or disposed of? Can we reduce the environmental impact? These are also questions for which we try to define solutions. Sustainability is the key driving force for innovation. By creating increasingly sustainable production processes, we can develop a competitive advantage. This is not only a task for our colleagues in R&D, but for all of us. Every step takes us closer - a step further to an even more sustainable future.

Huub van Beijeren
CEO



About Stahl

Stahl is leading in process chemicals for leather products, performance coatings and polymers used for and applied to automotive, industrial applications, home furnishing, leisure and lifestyle and apparel & accessories industry amongst others. Since the 1930's we are looking to realize the best possible solutions. Partnerships are vital to us, as we believe that working side-by-side offers the best possibilities to produce success-stories. Setting an example ourselves, we aim for a transparent and sustainable supply chain.

Expertise and proximity

Stahl employs more than 1.800 employees at 11 manufacturing sites and 38 laboratories in 23 countries. This world coverage makes Stahl a leading player within the field of chemicals for leather products covering the whole leather processing chain and performance coatings. As the market of performance coatings is growing every day, Stahl is determined to keep playing a prominent role in this rapidly growing sector. Today and tomorrow, from Brazil to the Netherlands, from the USA to Singapore and from Italy to India: Stahl always brings the best in smart and sustainable solutions in specialty chemicals. In each region we have the possibility to carry out the physical test requirements for the OEM's, their tiers and fashion brands. With our latest technologies, innovations and the most up-to-date testing equipment, we can always assure the best application possible, a whole life long.

Research

At Stahl, we strongly believe that research is a sound base for the future. That is why we invest more in R&D than any other company in our industry. Stahl's success in adapting product mix to the changing customers' needs and market dynamics is largely attributable to the innovativeness of its product and application development teams. Stahl is committed to invest in products, services and business development to meet the needs of customers and ensure a strong local presence in each market. Research and product application are customer oriented with high tech equipment simulating production conditions.

Stahl Organization

Wet-End Division (Leather Chemicals)

In our Wet-End Division the latest technologies from rawhide treatment to crust are all available. Dedicated experts make sure customers have exactly the products they need all along the way of leather manufacturing. On top they will get all our knowledge: recipes, application tips, problem solvers, emergency teams, etc. Stahl experts are always at ready to assist customers in achieving exactly the leather needed for each possible application.

Automotive Leather Chemicals (Leather Chemical)

Stahl is the market leader for both process chemicals and finishes for automotive leather. In close co-operation with our customers our automotive specialised leather technicians develop custom made leather tanning, coloring systems and finishes. The combined expertise in application and formulation technologies provides a balanced fundament for the creation of a wide range of customized leather finishes that cover a broad spectrum of touch, aesthetics and durability, versatile enough to allow the various OEM's present in the luxury car market to create a 'personalized' interior car impression.

Leather Finish Division (Leather Chemicals)

Stahl is the world's leading company in the treatment of leather and related products with nearly a century of experience in leather applications. Leather finishes add value to customers' leather by their technical and aesthetic superiority and by tailor making leather finishing processes. At Stahl, the world's best leather technicians work side-by-side with leading fashion experts to develop leather articles of superior quality and design, much appreciated by leading fashion and interior design brands worldwide.

PielColor

PielColor is the second brand within the Stahl Group. Since 1977, PielColor has been providing high quality leather finish products and expert technical knowhow. PielColor understands that fashion changes from season to season and is fully committed to changing with the needs of the industry. With a strong presence in the Spanish, South American and Chinese market, PielColor is now counted as one of the top 10 companies in the world in the leather finishing chemicals manufacturing industry.

Performance Coatings

Performance Coatings is a fully integrated business unit within Stahl, focused on special top coats and finishes for flexible and non-flexible substrates. We develop custom-made coating solutions, finishing and upgrading for virtually any type of synthetic surface, both flexible and rigid. The range of coatings covers many different industries and areas of application: automotive, apparel and accessories, home furnishing, industrial application and leisure and lifestyle.

Stahl Polymers

Picassian® has been Stahl's polymer brand since 2006. In 2014, Stahl acquired Clariant's Advance Surface Coatings Division and the renowned Relca® product range. Stahl Polymers develops high-quality coatings and inks that have less impact on the environment. The portfolio offers high-performance polyurethanes to specialty acrylic emulsions and carbodiimide crosslinkers for architectural coatings, the metal industry, graphic arts, electronics, automotive or fashion. The Polymers will meet the most stringent coatings requirements.

Sustainability Champions

Stahl established a Sustainability Champions Team, which will help to integrate sustainability throughout the organization by means of their specialized understanding of the Stahl sustainability vision and strategy and their influence in the business lines. The Champions are ambassadors within the company and within their Business Lines. They heavily support junction between every business lines and the other business service functions.





Sustainability Vision & Strategy

Our vision

“We are not only concerned with our performance today, but also with the lasting impact we have on the planet.”

At Stahl we strongly believe in taking responsibility. We not only want to be leader in terms of our solutions. We also see it as our obligation to take a leading role in the move to higher environmental standards within the chemical and leather industry. Our goal is to provide top-quality products and services to our customers that minimize the environmental impact and do not violate human rights. This mentality is felt throughout our whole organization and manifests itself in all our daily businesses and operations.

Our Sustainability Vision:

- We take a leading role in sustainability as market leader
- We commit to UN Global Compact
- We ensure sustainability is an integral part of our daily operations

Being market leader brings an obligation to act responsibly and secure a sustainable future for the industry, our people and the rest of our world. In the long run healthy ecosystems, social equity and good organizational governance ensures a desirable future for each and every one of us.

Leading role in sustainability

The environmental aspects of sustainability are very important, such as safeguarding natural resources, minimizing pollution and reducing and eliminating waste. In fact, leather is a natural product and has been used since man first walked the earth. Hides from hunted animals or slaughtered cattle were used for clothing and housing to protect from the harsh climate. Since then leather has developed into an article that is used all over the globe. However, with increasing technology and use of chemicals, sustainability did become a major challenge in our industry. We are confronting this issue seriously and the importance of sustainability is felt throughout our whole organization. We also see it as our obligation to take a leading role in contributing to higher environmental standards within the entire supply chain.

Sustainability in all our daily business

We are convinced that only a commitment from the highest level ensures that sustainability becomes integral part of our daily business and operations. That is why we appointed a Director of Sustainability in Stahl's Management Team in 2012. This pushes the development and sales of more sustainable products and guarantees that we can really make a difference. In 2014, a second person joined the sustainability team. In addition, at Stahl every employee is responsible for sustainability. It is not a one-man job. So we have established a Sustainability Champions Team which signals, develops and monitors projects that can take us further ahead.

Strategy

“When it comes to corporate responsibility we take a frontrunner position in the market by initiating transparency in the supply chain.”

We are not only concerned with our performance today, our

scope is broader than that. We are committed to the guiding principles of UN Global Compact and work side-by-side with the international NGO 'The Natural Step' to ensure sustainability is in our DNA. We constantly monitor our key products from a sustainability- perspective and examine our supply chain. We try to inspire other companies in the industry to act in the same responsible manner as we do.

Our Sustainability Strategy:

- Creating awareness and cooperation within the industry
- Investing in local communities & education
- Investing in R&D to stimulate sustainability
- Working side-by-side with The Natural Step

As the global market leader in chemicals for the leather processing chain, we see it as an obligation to take a leading role to contribute to higher environmental standards and better working conditions within the industry.

Sustainable Development

In 2012 Stahl began a new journey to make sustainable development much more integrated and effective for us as a core business strategy. The focus in 2014 Stahl had to include dealing with the acquisition of a new business, almost doubling the size. During that time our sustainability efforts continued as you will see in the following chapter.

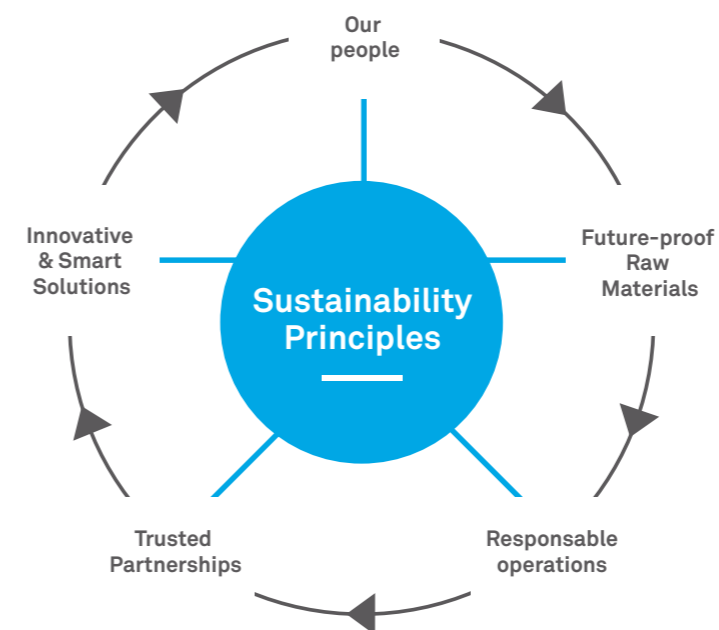
We engaged an international NGO - The Natural Step (TNS)* - to help guide us in our work on sustainable development. We use the TNS System Conditions for a Sustainable Society to guide us.

* www.naturalstep.org

In a Sustainable Society, nature is not subject to systematically increasing:

- 1 ... concentrations of substances from the Earth's crust,
- 2 ... concentrations of substances produced by society,
- 3 ... degradation by physical means, and people are not subject to conditions that systematically,
- 4 ... undermine their capacity to meet their needs.

As we proceed on our sustainability journey, these principles will guide us and help to anchor our commitments.



To help us coordinate and communicate our Sustainable Development we are using five key aspects of Stahl's business – future-proof raw materials, responsible operations, innovative & efficient solutions, trusted partnerships and our people.



Future-proof Raw Materials

Renewable/Bio-based raw materials

With the help of a Sustainable Lifecycle Analysis (SLCA), which was developed by TNS, we started to have a deeper look into every single ingredient of our products. Out of this it is possible to identify the sustainable attributes of the product. In future we will even more investigate to increase the degree of renewable and bio-based raw materials in our products.

Procurement

In order to adhere to a corporate code of conduct in which the principles on human rights, labor, environment and anti-corruption are well respected, Stahl pays close attention to the companies with whom we cooperate. Responsible sourcing is pivotal for us and we ask for declarations from our global suppliers that they do not solicit in force and compulsory labor and/or child labor. As Stahl operates

in more than 23 countries this is not an easy task, but as it is an important issue. We conscientiously follow the guidelines of fair-play.

REACH

Stahl informs and shares data with the suppliers of raw materials, as well with its customers from whom a description is expected on how they use Stahl products on their sites. These communication requirements by REACH should avoid interruptions of the supply between suppliers and customers. As an organization within the supply chain in different REACH roles and responsibilities (manufacturer, importer, supplier, distributor and end-user) Stahl receives an increasing number of requests for information. Stahl ensures that all information required for its REACH compliance is made available on a timely basis.

Responsible Operations

SHE

Safety, Health and Environment is pivotal to a chemical company such as Stahl. Central to our extensive SHE-policy is that we protect our colleagues, our fellow-men and the environment. SHE is responsibility, SHE is caring. In pursuit of our business objectives, Stahl gives safety, health and environment the first priority.

Our motto:

“Prevention is better than cure and this is felt throughout our whole organization. We protect our colleagues and each other. Stahl has no history of severe incidents and a very good track record when it comes to safety”

Safe teamwork starts with making an effective safety plan that is followed by everyone. Safety is ultimately about behavior, sticking to agreements and addressing each other in matters of poor conduct. At Stahl, we are always focused on paying sufficient attention to all potential risks and continue to improve and optimize our safety. It is our SHE-policy to manage all our activities to give benefit to society. We adhere to the SHE Value to ‘not hurt anyone, annoy or alarm our neighbors or harm the environment’.

At Stahl, we:

- Give safety, health and environment the first priority.
- Identify hazards and establish appropriate controls for risks, potential adverse environmental impacts and regulatory requirements in the invention, manufacture, sale and use of its products.
- Provide customer care with all products throughout the supply chain.
- Aim to eliminate all injuries, occupational illnesses and environmental incidents.
- Report and investigate all incidents, then take corrective action and share learning.
- Assure that employees and agents have appropriate competencies for their roles.
- Define SHE requirements in simple, clear terms, communicate them to all employees and secure their involvement.
- Report, monitor and audit all aspects of SHE performance to confirm compliance and planned continual improvement.
- Celebrate and reward excellence in SHE Performance.
- Require all employees to accept personal responsibility for their own safety and health and that of their colleagues.

ISO Norms

We act according to these external systems, as most of our production locations are ISO 9001 and ISO 14001 certified.

UN Global Compact

We have committed to the guiding principles of UN Global Compact. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate policies and practices in the field of human rights, labor, environment and anti-corruption. With this commitment we take a standpoint that we will live up to the ten principles in the field of human rights, labor, environment and anti-corruption.

We do everything possible not only to reduce our impact on the planet, but also to improve the working conditions within our industry. Everyone deserves a chance to earn a decent living and work in a safe environment. With offices around the globe, we are doing all we can to improve working conditions and prevent child labor throughout the supply chain. This is a responsibility that does not start and end at our own factory gates. We are talking with both suppliers and customers on this subject. We stimulate them to follow our example by choosing for a better future for each and every one of us. Please find our Letter of Commitment on Annex 6.1.

Continuous Improvement of Environmental Performance

In environmental management, Stahl has outlined clear reporting criteria in order to determine how to reduce the negative impacts of our organizations' actions on the environment. Here, the conservation of natural resources, emission of pollutants, environmental hazards and the conditions of a safe working environment are being described. The aim of the environmental management strategy is to continuously improve the environmental performance of the organization. This reporting system is the outcome of the daily practice of consistent operations in line with strict safety, health and environmental guidelines. It is fully integrated in the organizational structure and part of our planning of activities and official annual reporting cycle. It is central to the processes and resources used within the organization as well as in the development, implementation and review of our environmental policy.



Innovative & Smart Solutions

R&D

Stahl maintains technological edge through continuous R&D investments for increasing demands from clients. This includes sustainable investment in R&D to continuously improve specifications and product ranges.

Cost and environmental pressure also drive technology development towards new chemicals:

- Strong portfolio of green chemicals with 95% water-based or solvent free solutions.
- Stahl operates 9 R&D centers coupled with production sites
- Key R&D facilities are in Waalwijk (Netherlands), Parets (Spain) and Leinfelden (Germany).
- R&D department employs c.90 FTEs, representing c.5% of total FTE.
- Most products developed by the R&D department are tailor-made solutions difficult to copy.

Trusted Partnerships

Stahl Campus

Knowledge and cooperation are key to create a supply chain that is both more sustainable and more transparent. At Stahl Campus - a global knowledge center for the leather industry - we invite tanners, manufacturers, OEM's and others to join and to strengthen their knowledge through training. Stahl has the experience, the know-how, the facilities and instruments to create first-class educational surroundings. So that's exactly what we do, guided by the motto: Let's learn to create a better future together!

Creating awareness and cooperation within the industry

Responsibilities do not start and end at our own factory gates. We are talking with both suppliers and customers on this subject. We have signed up to the United Nations Global Compact to ensure we meet certain standards and show constant improvement. We stimulate suppliers and customers to follow our example by making similar commitments.

- We organize 'Sustainability Road Shows' in countries like India, Mongolia, Bangladesh and so on to spread the message of the importance of sustainability.
- We support the establishment of a sustainable leather industry in cooperation with the Mongolian Government, Dutch government, Dutch NGO (MVO), MIM (Made in Mongolia) and others.
- We are part of the Leather Working Group, a worldwide group of enterprises active in the entire leather supply chain: from leading consumer brands, tanneries and chemical companies. Together we want to find more sustainable solutions within the industry itself.
- We raise the child labor issue whenever possible with our customers in countries where this is known to still exist. We walk away from customers and markets where we are not allowed to bring about improvements in this area.

Investing in local communities & people

As a multinational company with a presence in all corners of the world, Stahl has taken on the responsibility to work in local communities and establish good relationships within those communities. Stahl sees it as its responsibility to support local communities to increase employment, skills and economic activity. For more information, please have a look at our Sustainability Projects, Annex 6.2.

Transparent Supply Chain

At Stahl, we aim for a totally transparent supply chain. We adhere to a corporate code of conduct in which the principles on human rights, labor, environment and anti-corruption are paramount. Our suppliers are obliged to declare that they do not solicit in force and compulsory labor and/or child labor.

In order to be true to our own guidelines, we established a Stahl Procurement Team. This team of dedicated professionals is responsible for the procurement of all products and services from reliable suppliers, who can meet our high standards. Always striving to develop positive, open and long-term relationships with our suppliers, we encourage them to seek continuous improvements in all aspects of production. These aspects encompass quality, costs, processes, manufacturing, but equally important are issues such as sustainability and human rights.

Our People

Stahl employs more than 1,800 employees in 23 countries at 11 manufacturing sites and 38 laboratories. While having a global reach we always act on the premise: think global, act local. All our people are simultaneously creating, experiencing and sharing the Stahl story, which is essentially a strong belief in cooperation. That is why we prefer to work closely together with our colleagues and clients. Together we spark innovation that opens up endless possibilities. New possibilities that help to create a better future, for our clients, our colleagues and the environment.

At Stahl, we encourage:

- teamwork
- initiative
- personal growth
- innovation
- creativity

Communication

The entire organization is aware of the importance of our mission. Employees come up with ideas and proposals themselves - through the Green Ideas project, for example, which has resulted in a hundred entries and hundreds of inspiring thoughts about how Stahl can promote sustainability. Additionally, in February 2014, our second official CSR report set an important benchmark because we intend to use this report as the basis for our annual improvements.

Stahl's internal magazine, World of Stahl, which is available for every Stahl employee, had one full edition about Stahl Sustainability achievements and how everyone in the company can contribute to a more sustainable future. Not only in this edition, but also in all others you can always find something about sustainability.

Together with The Natural Step Stahl provided an E-learning course for everyone in Stahl, to provide a deeper knowledge about what sustainability means and how sustainable behavior can be translated to daily business activities.



Sustainability Projects

Mongolian tanneries

Stahl is investing time and expertise in the Mongolian leather industry. The goal is threefold - to make local production processes more sustainable, to better the working conditions for the local workers and to improve the quality of leather. The first concrete result is the creation of a sustainable clothing and accessories line from Mongolian leather with the label ADUU MAL. This label signals Dutch consumers that leather shoes, bags or jackets from Mongolia are produced in the most sustainable manner. For more information visit: www.aduumal.com

Stahl has teamed up with the Mongolian Government, Dutch government, Dutch NGO (MVO), MIM (Made in Mongolia) and other companies to support Mongolian tanneries in establishing a more sustainable industry. The first concrete

project is help setting up of Mongolia's first sustainable tannery. Apart from providing advice and assistance to make Mongolian tanneries sustainable, we do the same at sites where footwear, bags and clothing are produced.

Mongolian leather sector

Since the fall of the Soviet Union in 1991, the Mongolian leather industry saw very little development. The tanners mainly use local chemicals, which means international safety and environment standards were not always respected. As the economy in Mongolia is growing and the government encourages green development, the spotlight has started to shine on sustainability in recent years.

Along with the famous Dutch fashion designer Hans Ubbink, MVO Nederland and other Dutch companies in the leather industry, we want to do our part. Together we initiated a

project to help tanners develop their production processes and improve the quality of their leather. This will quickly help the tanners to offer products to the global market and provide them with more opportunities to take matters into their own hands.

Sustainability label: ADUU MAL

Since the partnership started in 2013, more and more Mongolian tanners are using new technologies and products that are less harmful to the environment. Tanners who participate in our project are particularly well rewarded with a certification, which allows them to annotate their products with a Mongolian sustainability label: ADUU MAL. This label helps them to increase their market share. At the same time, the label signals Dutch consumers that leather shoes, bags or jackets from Mongolia are produced in the most sustainable manner.

The production process of products with the ADUU MAL label is as sustainable as possible. Firstly, we have educated Mongolian tanneries on the production of chrome-free leather and on the processing of those specific horse hides that would not have been tanned otherwise. Secondly, any wastewater is purified and reused. Finally, tanners, tailors and shoemakers are assured of good working conditions and earn fair wages.

Apart from Stahl, the following Dutch companies are involved in the initiative: OAT Shoes - a company that has brought fully biodegradable shoes to the market; MYOMY - a sustainable bag brand; the DNR brand from Donders that offers sustainable leather jackets; and the clothing brand, Traced Good - that strives for transparency in the supply chain.



Sustainability Roadshows

Sustainability for Leather conferences in places most needed

In countries like India, Pakistan, Mexico and Bangladesh methods are passed over from father to son. Environment-wise these are not always the best solutions, so Stahl organizes Sustainability for Leather conferences with spokesmen who are well respected in the local community. They stress the benefits of modernizing the leather industry.

The Stahl Sustainability for Leather conference in Pakistan

Sustainability forms the foundation of Stahl's vision for the future and using that concept we organized the Sustainability for Leather conference in Pakistan's second city, Lahore.

With a presence of over 200 tanners, academics and other Pakistanis connected to the leather industry, the conference had a wide scope. The Minister of Environment from the Pakistani province of Punjab was one of the prominent speakers.

Call to action: stop using harmful chemicals

In Punjab, you'll find many active tanners. At the conference, Minister Shuja Khanzada called on them to stop the use of harmful chemicals in their daily routines. A lot of these chemicals are not only bad for the health of the workers themselves, but also for the world in which we all live. The Minister pointed out the alternatives, telling them about the many water-based, environmentally friendly chemicals

that are available. Another major theme touched upon by Minister Shuja Khanzada was the processing of waste. For generations tanning-methods in Pakistan are passed over from father to son and the Minister stressed the benefits of modernizing the leather industry so that both people and the environment can benefit.

Cooperation within the entire supply chain

Everyone at the conference agreed that only through cooperation within the entire supply chain of the leather industry, real and lasting effects in regard to sustainability can be achieved. With that message ringing in their ears, all the attendees left the Stahl Sustainability for Leather

conference in Lahore with a positive and inspired feeling. Previously, Stahl organized similar conferences in India and Bangladesh. The attendance in Pakistan, just like India and Bangladesh earlier, demonstrates that the entire chain is open to sustainability. As Stahl, we think that it is our responsibility to accelerate the process. In the near future Stahl is going to organize Sustainability for Leather conferences in other countries. All these conferences will be held in the local language to increase the impact amongst local tanners and other visitors. Besides visiting new countries with Sustainability for Leather, we will also return to Pakistan, India and Bangladesh to reinforce the message of sustainability.



Supporting local communities

As a multinational company with a presence in all corners of the world, Stahl has taken on the responsibility to work in local communities and establish good relationships within those communities. We see it as our responsibility to contribute to the development of the communities in which we are present.

Stahl Holdings / Stahl Europe

Stahl Holding supports SLEM (Shoe Leather Education and Museum) and contributes yearly to two scholarships for their Master of Footwear and innovation. In addition, Stahl Europe supports the Shoe and Leather Museum in Waalwijk.

In addition, Stahl Holding supports 'Move'. Move is an initiative of Stichting Donna-e-Mobile: a network of Automotive Woman Designers. Move invites design students to join in their search of what the future could look like by organizing

a yearly international design competition. When it comes to sustainability, Donna-e-Mobile feels the responsibility to support and involve design students in their path of creating sustainable designs.

Stahl India

Stahl India has provided employment opportunities to inhabitants of the neighboring settlement. Every year these employees are examined medically. Opportunities in Stahl enhance their economic stature in the society and also uplift the standard of their lives.

Stahl India is also a member of the National Safety Council. This organization deals with overall safety awareness in industries and they organize camps, lectures, visits, et cetera. In addition, Stahl India sponsors the fight against leprosy.

We have organized medical camps for women and children and donated medicines to children's home. We also donate to an orphanage in the name of Sri Ramakrishna Mission.

Stahl China

Stahl China was rewarded with the 2013 Economical Contribution Award. This recognition is for advanced enterprises that have made outstanding contributions to the economic and social development for the Xuquan Township of the Suzhou New District. Stahl established a typical good example for optimizing development of the environment, upgrading the industrial structure and enhancing economic efficiency. Stahl China received the Certificate of Clear Production from EPM.

Stahl China has an agreement with Sichuan University to offer scholarships and internships. This university specializes in educations for the leather and textile industry. We offer donations to the Suzhou orphanage society as well as the local red cross.

Stahl Asia Pacific

Stahl Asia works closely together with local institutions on student internship placement, in particular in the area of Chemical Process Technology. This offers the younger generation a broader perspective of our industry. Furthermore, it provides opportunities to apply their academic knowledge in a real world environment relevant to their field of study, plus it stimulates personal growth.

High fashion heels with STAHL EVO



Fashion and sustainability go hand in hand

To support fashion brands in lowering the environmental impact of their products, we developed a complete STAHL EVO range. The next generation polyurethane coatings for shoes, bags and other fashion items. Belgian designer Katrien Herdewyn designed fashion heels by using STAHL EVO shoe upper. The result? A high fashion item inspired by and with respect for nature.

Enchanting and delicate, yet edgy and sharp. That is how you can describe the style of footwear designer Katrien Herdewyn. Katrien used our sustainable STAHL EVO to create these high fashion heels.

The inspiration for the design comes from the lotus-flower and the anatomy of the human hand. The heel holds the shoe delicately like humanity should do with nature. The design is asymmetrically wrapped around the foot. The name for the shoe 'Avarizia' refers to the human greed to take what we can from nature, but realizing we can only do this in a respectful and synergetic way.

Katrien graduated in 2010 as a civil engineer with a master in Nanoscience and Nanotechnology at the University of Leuven. After her studies, she started a PhD in Sciences in combination with a study in Footwear Design at the Academy of Fine Arts of Sint-Niklaas.

In addition, she took specialized classes in Fashion Footwear Design at London College of Fashion (UK), Polimoda (Italy), Prescott & McKay (UK) and at our partner SLEM. In 2013 she was nominated for the Global Footwear Design Award. In 2014 she became the Belgian finalist in the prestigious Muuse x Vogue Talents - Young Vision Award Accessories. In November 2014, she started her own shoe label: Elegnano.



Annex

UN Global Compact



Statement of Continued Support

Waalwijk, February 2015

To our stakeholders,

I am pleased to confirm that Stahl Holdings BV reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human rights, Labour, Environment and Anti-Corruption.

In this annual Communication of Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

H.J.J. van Beijeren
Chief Executive Officer
Stahl Holdings BV

Stahl's Code of Conduct



STAHL GROUP S.A.

BUSINESS PARTNER CODE OF CONDUCT

Introduction

STAHL is committed to the highest standards of social and environmental responsibility and ethical conduct as described in the STAHL Group S.A. Code of Conduct. STAHL requires its business partners to comply with the same or at least equal ethical standards and operate in accordance with the principles in this Code of Conduct ('Code') and in full compliance with all applicable laws and regulations. STAHL expects suppliers and/or business partners to use a proactive approach in establishing and maintaining the standards set forth in this Code and conduct themselves with responsibility and integrity. The business partner states to agree to the conditions in this Code and acknowledges that any deviations found can have an adverse effect on the relation with STAHL including an immediate discontinuation of the business relationship.

The business partner commits, in signing this Code, to all applicable legislation and regulations. This Code therefore forms an integral part of the agreement between the business partner and STAHL. To verify compliance with the Code, STAHL shall consult with the business partner from time to time. STAHL has the right to speak and to train employees of the business partner directly in order to fully comply with the Code. If this is deemed appropriate, STAHL can request that an audit can be conducted by a third party to be appointed by STAHL. The business partner states to fully cooperate in this investigation.

STAHL expects his business partner to comply with the UN Global Compact Guiding Principles in the areas of human rights, labour, the environment and anti-corruption and wishes to emphasize the following specific areas of interest.

Ethical/Integrity

Laws and regulations

The business partner operates in full compliance with international, national and domestic laws and regulations that are applicable to their business operations, and obtain all necessary permits.

Business integrity

The business partner shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. The business partner shall abide by all applicable anti-corruption laws and regulations of the countries in which it operates including all applicable international anti-corruption conventions.

Free and fair competition

STAHL will compete for business. The business partner also value free and fair competition throughout the world and comply with anti-trust and competition laws.

Confidentiality

The business partner protect all confidential information provided by STAHL and its respective business partners.

Protection of Intellectual Property



The business partner shall respect intellectual property rights and safeguard customer information. The business partner shall manage technology and know-how in a manner that protects intellectual property rights.

Environmental

The business partner shall respect the environment and comply with all (supra) national environmental, health and safety legislation and regulations. The business partner shall conduct his business processes in such a manner that compliance is guaranteed.

Social

Human Rights

The business partner shall conduct their activities in a manner that respects human rights as set out in The United Nations Universal Declaration of Human Rights.

Discrimination

The business partner shall unconditionally respect all anti-discrimination conditions in (supra) national legislation and regulations.

Working hours

The business partner shall not force their employees to work excessive hours and shall comply with all (supra) national legislation and regulations concerning labour and labour conditions. In case employees are asked to work overtime, their extra work is compensated in line with local legislation.

Child and forced labour

The business partner shall respect all (supra) national legislation and regulations applying to child labour in line with Convention 138 (Minimum Age) and Convention 182 (Worst forms of Child Labour) of the International Labour Organisation. The business partner shall not use work that is performed involuntarily under threat of penalty.

Health and safety

The business partner shall implement strict policies with the aim of creating an incident and injury free work environment. At all levels, the business partner will play an active role in identifying and rectifying unsafe (health) situations.

Business partner representative

Date

Signature

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