



Tecnochimica S.p.A.

Sede legale in Via del Salice 16/18 -
56022 Castelfranco di Sotto (PI)

**Sustainability and
Company Ethics**

1. Sustainable Development Goals

The producing industry has an important role in the achievement of the Sustainable Development Goals (SDGs) of the United Nations for 2030. It is a driver of change through sustainable business practices and models, integrating innovative and future-oriented technologies and operations into the business plan. This should not only be limited to the production of goods, but also include internal company standards and services. We identified the most relevant SDGs for our Sustainability road map, looking at existing practices and planning future implementations to meet the goals we have set ourselves for the upcoming year of 2021.



SDG 3: Good health and wellbeing

We constantly train our staff on health and safety measures and ensure a safe workplace as it is amongst the sector's highest priorities to minimize negative health impacts. In our belief health is one of the most important goods we have and therefore we plan to incorporate also personal health topics into a regularly sent newsletter, talking about the importance of health, physical movement, good nutrition and similar topics.

Related SDGs to that topic: SDG 8 (Decent work and economic growth) and SDG 12 (Responsible consumption and production).



SDG 4: Quality education

It is proven that well trained employees increase a company's value and economic growth. For us this does not only mean industry related formation, but also personal further education and fostering interests. Technical apprenticeships and programs build the base of good education and decent work, but we strongly believe that giving employees the possibility to attend courses and workshops of their interest is of value for the company's performance as well. A monthly theme sets the tone for a series of internal informations, newsletters and workshops and a philanthropic investment by the company. This enables the employees to attend classes of their choice for personal growth.

Related SDGs to that topic: SDG 3 (Good health and wellbeing), SDG 8 (Decent work and economic growth).



SDG 6: Clean water and sanitation

Water is essential for life and a precious resource. That is why it is crucial to have integrated a plan to optimize its use and ensure a proper effluent treatment. We applicate an advanced water management and efficiency in order to reduce pollution, eliminate hazardous chemicals from the water and reduce water wastage. Litehide, a new technology to preserve hides in a dried stage, helps us to eliminate salt in preservation, which drastically lowers the level of TDS and also eliminates the step of washing the salt off before the beamhouse process.



SDG 7: Affordable and clean energy

It is in our interest to accelerate energy efficiency of our processes and also the internal use of it by our employees. Not only are we shifting towards a supplier for renewable energy, but we are also in planning phase of solar panels on our office building. A workshop for our employees on energy saving methods and renewable energy will integrate sustainable use of energy into our daily business.

Related SDGs to that topic: SDG 12 (Responsible consumption and production) and SDG 13 (Climate action).



SDG 8: Decent work and economic growth

Through all our initiatives we are offering decent working conditions for our employees as well as a save environment, fair income and an inclusive working culture. Economic growth of our company can't be only achieved by a purely numeric focus on sales, but needs a holistic approach of employee satisfaction, education, innovation, communication and collaboration. Those are key words of our ethical code and are integrated in the company's daily business.



SDG 9: Industry innovation and infrastructure

Tecnochimica's mission is it to provide quality products which are meeting our clients needs. This implicates constant research and development for more effective, efficient and sustainable products. Well equipped laboratories and an experimental tannery help us to meet those set targets and, together with our partners, surpass them.



SDG 10: Reduced inequalities

Equality of our employees and their integration in decision making processes has always been a practice in our company. The next steps will include the introduction of formal and anonymous feedback and survey forms to foster even more the integration of ideas, needs and preoccupations into our decision making processes.



SDG 12: Responsible consumption and production

As a supporting industry for various different industries we see our chemicals as an opportunity to improve the efficiency and quality of production processes and finished goods. We constantly improve our portfolio in order to ensure the highest quality standards and a respectful use of resources. Research and development are fundamental pillars of our work and part of our company's DNA.

Related SDGs to that topic: SDG 9 (Industry innovation and infrastructure).



SDG 13: Climate action

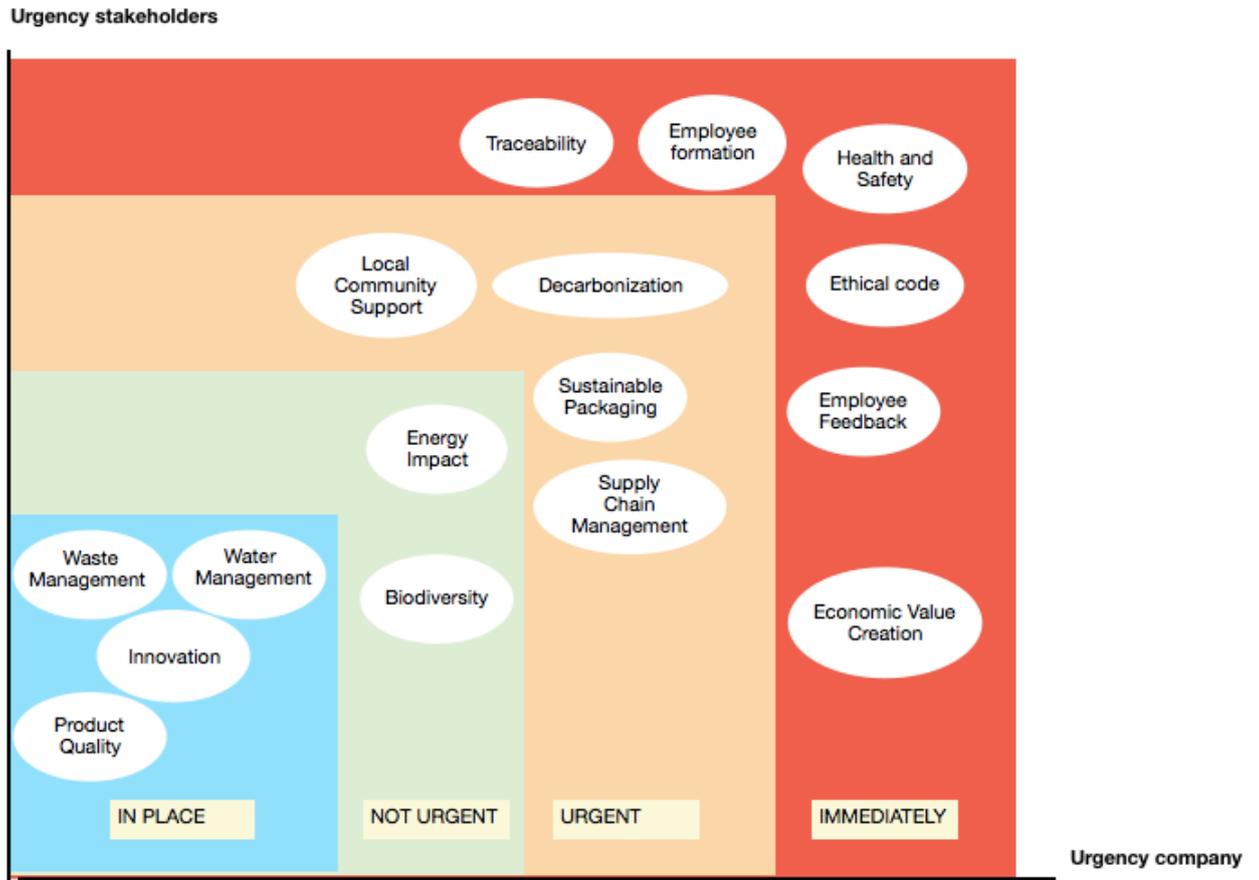
Tecnochimica is taking urgent action to help combat the climate crisis and reduce the industry's impact. We are striving for products based on natural derivatives and those who help us reduce the overall impact of products. We have low-carbon goals in place, reduce pollution and increase efficiency in production in order to meet the goals of the 2030 Agenda. Throughout our production, including packaging, we follow the credo: Reduce, Reuse and Recycle. Also internally we follow the same objective using recycled paper, refills and LEDs.



SDG 17: Partnerships for the goals

Stakeholder engagement has always been part of our philosophy and is also be part of our sustainability communication. Together with other players from the leather supply chain and official institutions such as universities, we are guests at panels, interviews and public events, talking about sustainability and innovative technologies. We strongly believe in the next generation, which is why we do not only focus on the education of our employees, but also of students from various schools and universities across the EU.

2. Materiality



Tecnochimica takes its responsibility to shift towards a fully sustainable and transparent company very seriously. We have identified a number of materialities, important for our organizations economic growth and long-term projects and ordered them according to their urgency and importance for the company and the stakeholders.

Our all-time present key strategy is transparency which is interconnected with all the other points of the Matrix. We regularly re-do this exercise and evaluate if any of the points have changed its position or have been fulfilled. The analysis was performed through an identification and prioritization phase together with an external consultant then used for our internal and external reporting.

- Environment: We identified Decarbonization and Sustainable Packaging as our main objectives for the year 2021.
- Society: Our employees should have the possibility of work related formation, but also be able to follow their personal interests. On a basis of 1:1 meetings we try to organize internal workshops based on requests, but give also the opportunity to attend external courses. Another important topic is health and safety, which we regularly address during our meetings and through internal information leaflets. A third pillar for a good working environment is to get feedback directly from our employees. This makes it easier to react to issues or suggestions.

- Traceability: This factor connects all three pillars of sustainability and is strongly interlinked with transparency. 2021 we will focus on a project of sustainable and fully traceable products in our SYPLine.

3. Employee Code

Sustainability is not limited to the environment. It also includes the economy of a company and the social responsibility.

Our employees build the foundation of our business, which is why it is of our utmost importance to ensure their health and safety, professional and personal education and equality and inclusion. We invite conversation and inputs to create a fair and respectful environment which helps us to attract and retain especially young talents. Furthermore, we believe in the major benefit of on-hand experience. We enable all our employees to work on projects independently, having a maximum of responsibility, always backed-up by our more experienced staff.

Health and Safety

It is our responsibility to ensure our employees health and safety and we take this responsibility very seriously. To protect them we implemented a standardized health and safety format including regular team meetings, a health and safety code, as well as internal communication through visible hangouts. Our regulations comply to the ISO standards.

Tecnochimica strongly promotes the use of bikes to come to work and organizes open bike tours for interested employees.

Diversity and Integration

Discrimination and negative attitudes are not part of our company culture and we expect our team to be inclusive in all aspects. Respect and appreciation throughout the whole company, including every department and position is important to us and the management team is treating every employee with the same values they are requesting from them. Also in the recruitment process the focus lies exclusively on qualification of the applicant.

Internal Formation and Education

To enhance the importance of education and personal development at Tecnochimica, we are organizing workshops and trainings on important topics. Furthermore, our employees have the possibility to suggest topics through our internal feedback form.

Topics of our employee workshops:

- Sustainability and the art of caring
- Health and safety at work
- Health and work-life balance
- Inclusion and Belonging
- Teamwork and Collaboration
- Feedback and engagement at work

4. Traceability and Transparency



With our SYPLine (Save your Planet) we started in 2021 a new project on traceability and transparency of our products. Because sustainability can only be achieved when the origin of the raw materials is known, how they were produced and what components are in there. This project is in a starting and testing phase and we are closely working together with external consultants and our suppliers to reach our traceability objectives.

We are closely working together with other stakeholders of the leather value chain, who are also committed to the goal of traceability and can offer a solution for all steps of the leather production.

5. Relations with suppliers and customers

The relations to our suppliers and clients are crucial for us and part of our DNA, which is why we primarily have longtime collaborations with our suppliers. We practice an intensive exchange and inclusion approach with all our stakeholders and regularly communicate and report to one another. Based on an intensive dialogue culture we can easily identify challenges and resolve them with a collaborative approach. A sustainable supply chain for us means transparency in all regards and collaboration and communication throughout all the players.



6. Give back to the community

Even during a difficult period such as Covid, we want to give something back to the community. We have a strong relationship to a group of young people who is enthusiastic about football. The organization *APD Calciando Insieme* supports young athletes, who are suffering cognitive disabilities to express themselves on the field and grow together as a team. This inspiring purpose reflects our own objective of teamwork and personal growth, which is why we support them financially on a regular basis.

7. Ethical Code

Our ethical code is based on national and international standards and is the basis for a morally, ethically and legally impeccable working behavior at Tecnochimica. It includes human rights, working ethics and legal norms to be followed by every individual of the company, without exceptions. Fair operating practices and zero-tolerance towards corruption or anti-competitive practices are an inherent part of our self-conception as a company.

All our employees are trained to avoid any risks in those regards and regularly reminded of the internal regulations. Our company's ethical code can be received on request.