

Human Rights Report Karl Wörwag 2019

Preamble:

We support the implementation of internationally recognized principles on human rights and unfair working conditions along the value chain, both within the company and with business partners.

We want to contribute to a world that offers a future worth living with better development opportunities for employees and society. That is why we support our customers with coatings and films that make the best possible use of existing resources. Sustainability is an important component of our actions, a growth driver and at the same time part of our risk management.

We formulate the demands with which Karl Wörwag wants to position itself in the competition and at the same time meet the growing social challenges along the value chain.

We have defined these requirements for our organization in the following "Declaration of Principles for Compliance and Respect for Human Rights".

Declaration of Principles for Compliance and Respect for Human Rights

Karl Wörwag Lack- und Farbenfabrik GmbH & Co KG is committed to a responsible, sustainable management and supports the implementation of internationally recognized principles on human rights and fair working conditions both within the company and with business partners.

As a globally operating paint and coating company, Karl Wörwag Lack- und Farbenfabrik GmbH & Co. KG is aware of its responsibility within the global flow of goods. We can only be permanently successful if the impacts of our business activities are in harmony with people and the environment. Karl Wörwag Lack- und Farbenfabrik GmbH & Co KG is therefore committed to strengthening human rights and preventing human rights violations. This commitment applies both to our own operations and to our global supply and value chains.

Karl Wörwag Lack- und Farbenfabrik GmbH & Co KG accepts the UN Principles for Business and Human Rights and expects its business partners to respect and observe human and labor rights in their business activities.

All business partners undertake to apply and comply with the applicable legal regulations, the ETI Base Code (Ethical Trading Initiative) and to promote and demand implementation in our supply and value chains to the best of their ability.

This includes the following criteria:

- No child labor according to ILO regulations and / or national regulations.
- All forms of forced labor or other involuntary compulsory labor including human trafficking are prohibited.
- Physical punishment, psychological or physical coercion and verbal abuse are prohibited.
- Work is fairly remunerated, the salary corresponds at least to the nationally valid minimum wage. The working hours comply with the respective national legislation and are based on the international working guidelines.
- Workers' health and safety is ensured and a safe and clean working environment is provided.
- Every worker in the supply chain has the right to freedom of association and collective bargaining.
- Any form of discrimination based on age, gender, race, disability, religion, political affiliation or other criteria in recruitment, remuneration, training, promotion, termination of employment or retirement will not be accepted.
- Corruption and bribery are forbidden. For this there are regulations on anti-corruption in the Code of Conduct.
- The safety of workers shall be ensured by the company.
- Data protection and privacy are granted and regulated by the company.

Karl Wörwag Lack- und Farbenfabrik GmbH & Co KG continuously checks where particular risks of human rights violations are in the supply chains.

We rely on individual risk analyses in this respect. On the other hand, we review the impact of our actions on human rights in cooperation with internal experts. We have identified work health and safety as a particularly sensitive area.

We will continue our commitment to respect and observance of human rights and report on progress in our annual report.

Many challenges in the globally branched value chains require approaches that change entire sectors in the long term. For maintaining our standards and developing ourselves as an organization, we also work with accredited certification organizations.

Karl Wörwag Lack- und Farbenfabrik GmbH & Co. KG has installed a comprehensive information management system which enables not only employees but also third parties to report violations of human rights and applicable law at any time.

Stuttgart, 30.08.19

Georg Saint-Denis
Managing Director (CEO)

Dr. Marcus Brune
Managing Director (CFO)

2. Analysis of human rights

2.1 Fundamentals of analysis

One of the basic standards for our risk analysis is the following:

- UN Principles for Business and Human Rights
- National Action Plan Business and Human Rights (NAP)
- ILO core labour standards
- OECD Guidelines for Multinational companies
- ILO Tripartite Declaration of Principles on Multinational companies and Social Policy

The following contextual factors are considered in our analysis of human rights:

- Political and social conditions
- Legal framework
- Product and service-specific factors along the value chain

We use extensive sources of information to carry out the analysis of human rights. Data and external documents are stored in our information management system (Consense) and are evaluated and analysed by internal experts and specialist departments. In addition, discussions are held within our own organization and with affiliated companies abroad in order to determine relevant influencing factors for the observance of human rights.

The human rights analysis is updated annually by the relevant specialist department.

2.2 Results of the human rights analysis

No particularly high risks (classification A) were identified within the human rights analysis.

A sensitive field "occupational health and safety" was identified (classification B). Extensive measures are being implemented or have already been implemented in the organization for this field.

2.3 Analysis human rights

Analyse Menschenrechte Karl Wörwag																						
Standort:																						
Datum Bewertung:																						
Auswirkungen auf Menschenrechte	Standorte										Organisation	Stakeholder	Lieferant	Kunden								
	USA	China Langsheng	China Shenyang	Südafrika	Mexiko	Schweiz (Rhein)	Frankreich (Rhein)	Indonesien + Beringing	Produktion + GP	Vertrieb + Marketing	Praxis	Eigenkäufer	Geschäftsführung	Stützorten	Vertrieb	Marketing	Vertrieb	Logistik + Lagerung	Verbraucher/ Anwender			
Menschenrechte															Chancen	Maßnahme	Wirksamkeitsüberprüfung					
															Risiken							
Kinderarbeit	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Eine 100-% Prüfung aller Lieferanten ist schwierig umsetzbar.	Eine CoC Lieferanten wird von Lieferanten eingefordert.	09.09.2019
Zwangsarbeit	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Eine 100-% Prüfung aller Lieferanten ist schwierig umsetzbar.	Eine CoC Lieferanten wird von Lieferanten eingefordert.	09.09.2019
Körperlicher Zwang	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Eine 100-% Prüfung aller Lieferanten ist schwierig umsetzbar.	Eine CoC Lieferanten wird von Lieferanten eingefordert.	09.09.2019
Faire Entlohnung	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Verstöße zur fairen Entlohnung bekannt.	-	09.09.2019
Einhaltung Arbeitszeiten	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Verstöße zur fairen Entlohnung bekannt.	-	09.09.2019
Arbeitsschutz	B	B	B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Unsere Arbeitssicherheit hat den Schwerpunkt im Inland.	An den deutschen Standorten sind Sicherheitsfachkräfte, Sicherheitsbeauftragte und Ersthelfer etabliert. Durch die Herstellung verfahrenstechnischer Produkte sowie durch den Umgang mit Gefahrstoffen können Gefährdungen an den Standorten entstehen. Grundlegende Regelungen zum Umgang mit Maschinen/ Anlagen/ Stoffen und Produkten sind für die Auslandsstandorte verfügbar.	09.09.2019
Gesundheitsschutz	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Vorkommnisse bekannt.	BGM etabliert. Diverse G-Untersuchungen bei Bedarf.	09.09.2019
Vereinigungsfreiheit	C	B	B	B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Derzeit nur in China und Südafrika Abweichungen bekannt.	Lokale Regelungen zur Vereinigungsfreiheit grundsätzlich gegeben.	09.09.2019
Diskriminierung	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Vorkommnisse bekannt.	-	09.09.2019
Korruption und Bestechung	C	C	C	B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Eine 100-% Prüfung aller Lieferanten ist schwierig umsetzbar.	Eine CoC Lieferanten wird von Lieferanten eingefordert.	09.09.2019
Sicherheit der Arbeitnehmer	C	C	C	B	B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Derzeit nur in Südafrika und Mexiko bekannte Vorkommnisse.	Travel-Risk-Management in Bearbeitung und Einführung.	09.09.2019
Datenschutz und Privatsphäre	B	B	B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Derzeit nur in USA und China Abweichungen bekannt.	Konzernweite DatenschutzRichtlinie wurde gem. EU-DSGV etabliert.	09.09.2019
Umweltschutz	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Steigendes Umweltbewusstsein in der Gesellschaft und Erfüllung erhöhter regulatorischer Vorgaben.	Abdeckung der spezifischen Risiken durch das zertifizierte Umweltmanagementsystem (14001:EMAS). Weiterführende Massnahmen sind auch in der Umwelterklärung, die auch öffentlich zugänglich ist dargestellt.	09.09.2019
Bildung	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Vorkommnisse bekannt.	-	09.09.2019
Verbraucherschutz und Produktverantwortung	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	Keine Vorkommnisse bekannt.	-	09.09.2019
Landnutzung und Eigentumsrechte																				nicht relevant	nicht relevant	

2.4 Whistleblower System

Karl Wörwag Lack- und Farbenfabrik GmbH & Co. KG has installed a comprehensive whistleblower system that allows employees and third parties to report violations of human rights and applicable law at any time.

This whistleblower system has been installed since September 2019. Feedback has not yet been received.

3. Training

Wörwag has determined the scope of the training and will train this in various stages.

Level 1 includes the following group of people from different functions: Management, HR, QHSE, Purchasing, IPM, Product Management, Legal & Compliance

4. Reparation

If there are despite our Declaration of Principles on Human Rights and our procedures adverse effects on human rights, we will accept our responsibility. Wörwag will cooperate with the relevant local authorities and institutions in order to play an active role in clarifying the causes and making amends.

Wörwag will make its contribution if adverse effects have occurred that were not caused by Wörwag but are directly related to its business activities and products.