





# Table of Contents

Statement of our Management	3	Product – Economic Development	13
Highlights 2020	4	Planet – Environmental Responsibility	17
About us	6	People – Social Responsibility	24
About this Report	7	Partnering – Shared Responsibility	29
Sustainable Management	9	Appendix	34





## Statement of our Management

As a leading manufacturer of premium leather for the automotive industry, we are committed to a global presence, to responding flexibly to market fluctuations and to pursuing visionary and sustainable innovations for our leather products.



## Statement of our Management

Dear Readers,

As 2019 turned to 2020, we started to focus on our annual objectives and turnover targets. We went on business trips and COVID-19 was just a story on the news. But suddenly, we were pitched into the middle of it. Pandemic was announced and we were literally put in our place. From the end of February, public life was defined by lockdowns. Business trips were as good as stopped and we had to completely shut down our operations in some locations. A comprehensive range of hygiene and other health measures were put in place at every BADER location. Income orders suddenly decreased and short-time working had to be introduced. Nobody knew how long the situation would last. Fortunately, demand picked up significantly in the second half of the year but the barriers to international travel could only be lifted for exceptional reasons in our locations. The overall situation had an obvious effect on the possibility of realising planned projects and financial objectives were redrawn even more tightly to meet the current situation.

However, we were still able to achieve acceptable results, even in a year as difficult as this:

Sewing operations started at our new factory in Bulgaria. In autumn, we brought in an external assessor to have a comprehensive life cycle assessment carried out on our leather. The results will be available in the first half of 2021. Details of this will be included in our next report. Our sites in China and Germany achieved certification to the ISO 45001 standard for Occupational Health and Safety. BADER China received the Green Partner Award from our customer FAW-Volkswagen. We are also extremely proud of the Green Factory Award which BADER China received from the city of Dalian.

But smaller sites such as Thailand and Uruguay also achieved success despite difficult circumstances during the year due to COVID-19. BADER Thailand achieved ECO<sub>2</sub>L certification. BADER Uruguay received the Circular Economy Reward, a prestigious award in the country of the River Plate. At BADER Headquarters, the board renewed its commitment to the UN Global Compact and its 10 principles. Further steps are being taken to promote these principles. Last but not least, our membership of the European Roundtable for Beef Sustainability emphasised our commitment to sustainability beyond the limits of the systems in our BADER locations.

Our holistic approach to sustainability also inspired us to create a new leather article, B-Green, which we were able to successfully launch to our customers during the year.

We hope you enjoy the read!

Yours sincerely,

Thomas Bader

Lothar Bauhofer

Bent Dreilich

Jürgen Erb

Marcus Röhling



FAW-Volkswagen Green Partner  
Award for BADER China

January

February



ECOL  
Energy  
Controlled  
Leather

ECO<sub>2</sub>L certification for BADER Thailand

Presentation of our recently  
developed B-Green leather

**B<sup>®</sup>-Green**  
By BADER

July



Start of Production at  
our new site in Bulgaria

January

February

ISO 45001  
China

ISO 45001 certification for  
BADER China



Membership in the European Roundtable for Beef Sustainability

September

Circular Economy Award for BADER Uruguay



October

October



Installation of a photovoltaic system in China

November

ISO 45001  
Germany

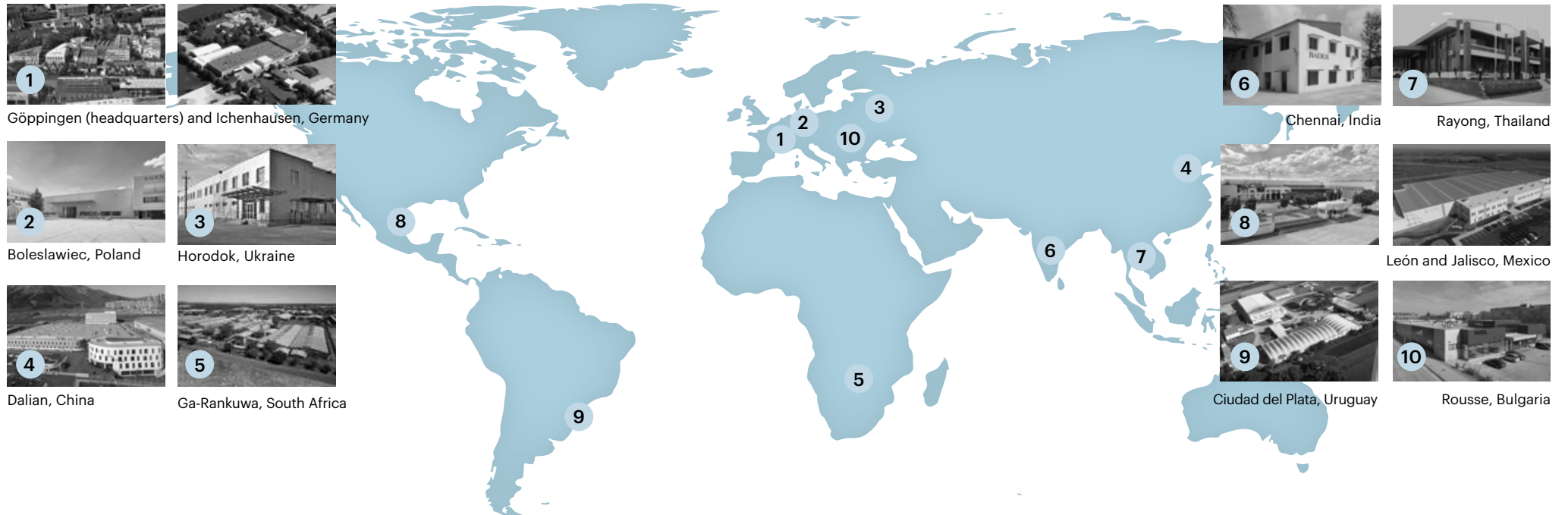
ISO 45001 certification for BADER Germany

Green Factory Award for BADER China

December







BADER is one of the leading international manufacturers of premium leather for the automotive industry. We create automotive solutions for every area of application and every type of vehicle – from leather finishing and customized cutting to finished upholstery. BADER's exclusive leathers shape mobile living spaces – as seat covers, armrests, steering wheels, door trims, instrument panels, gearshift knobs or boots.

Today we manufacture leather specifically for the automotive industry with an estimated share of the global market of 20-25%. BADER supplies all major automotive markets from local production sites in ten countries and through an international supplier and logistics network. Worldwide, we produced 80,000 m<sup>2</sup> of leather and 50,000 m<sup>2</sup> of leather cuttings as well as seat covers for 3,000 vehicles every day in 2020.



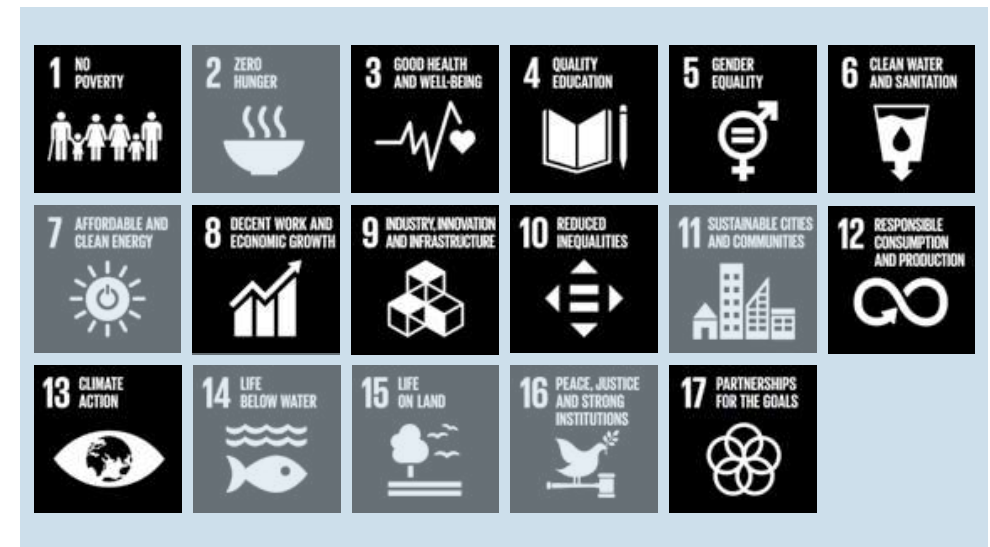
## About this Report

BADER is a signatory to the ► **United Nations Global Compact (UN Global Compact 2021)** and is committed to upholding its Ten Principles concerning human rights, labor standards, environment and anti-corruption practices as well as the 17 Sustainable Development Goals (SDGs) of the ► **2030 Agenda for Sustainable Development (UN 2018)**. The Global Compact Principles act as a “compass” to help point the way and the SDGs as a “lighthouse” for orientation.

To meet the challenges of sustainable development, companies are asked to contribute their creativity and innovation and to act in a responsible and targeted manner within their own sphere of influence. To this end, we are embedding the Global Compact Principles and the SDGs into our strategy, policies and procedures, culture and ultimately our day-to-day business.

To determine the specific topics that we can really get behind, BADER has assessed the 17 SDGs for relevance and influence. In so doing, we have taken into account the societal and environmental effects of production processes and end-products as well as our ability to influence change. The 11 goals over which we have particular influence are highlighted in the figure on the right. They are listed numerically and do not correspond to any evaluative ranking. Our sustainability report provides more details on the SDGs that we consider essential. This is our fourth annual report since 2017 covering the reporting period for the 2020 calendar year (January 1 to December 31).

### The material Sustainable Development Goals (SDGs) for BADER





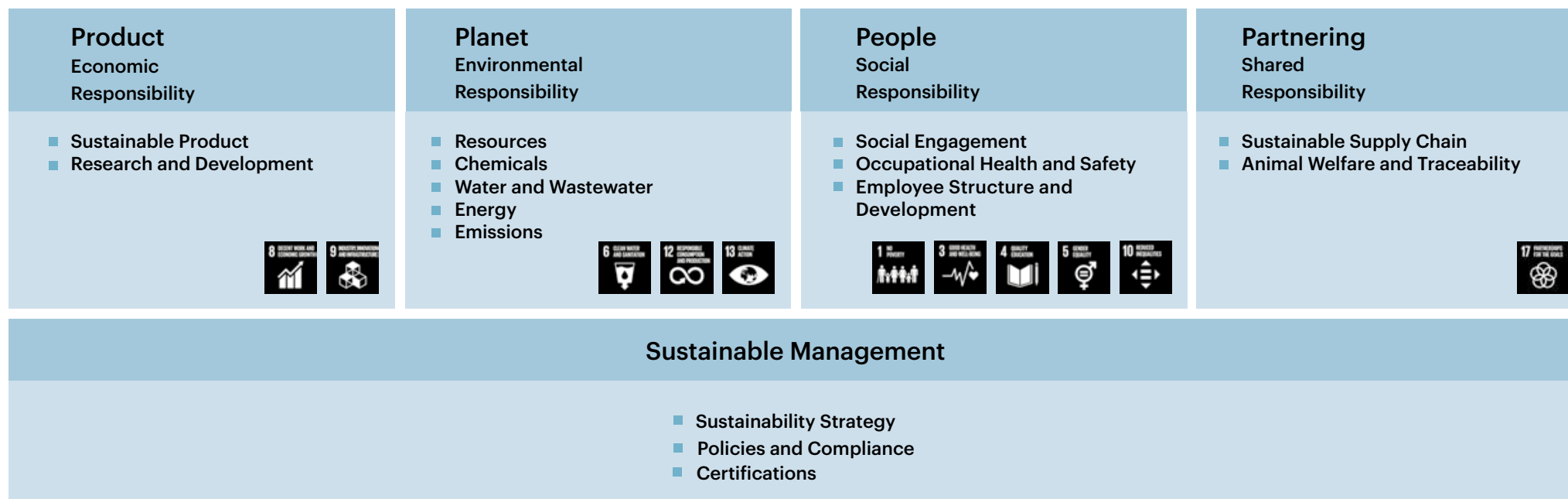


## About this Report

This sustainability report links BADER's activities to the Global Compact Principles and SDGs and assesses our contribution in the relevant areas. We have structured the report using the ► **3P concept (Elkington 1994)**, which describes the three dimensions of sustainability: product (economy), planet (environment) and people (society). We have added partnering (cooperation) to these three dimensions as it is only by working together with our customers, suppliers and other interest groups

that we can achieve the SDGs holistically across the entire value chain. Sustainable management forms the basis of our commitment in these four areas. The structure underlying the sustainability report and how it links with the SDGs is shown in the figure below. The goals and the Global Compact Principles that are addressed by our sustainability activities are also indicated on the title page of each chapter.

### Structure of the sustainability report and link to the UN goals





# Sustainable Management

Sustainable management integrates social and environmental concerns into business operations. BADER has embedded sustainable management into its strategy, goals, policies and code of conduct and has put in place structures and management systems to enable continuous assessment and improvement. The activities described in this chapter address the Global Compact Principle shown below.

■ Principle 10: Work against corruption

A photograph of a small green seedling with two leaves growing out of dark brown soil. To the left of the seedling, there are three horizontal, stacked blue rectangular boxes. The top box contains the text 'Sustainability Strategy', the middle box contains 'Policies and Compliance', and the bottom box contains 'Certifications'.

Sustainability Strategy

Policies and Compliance

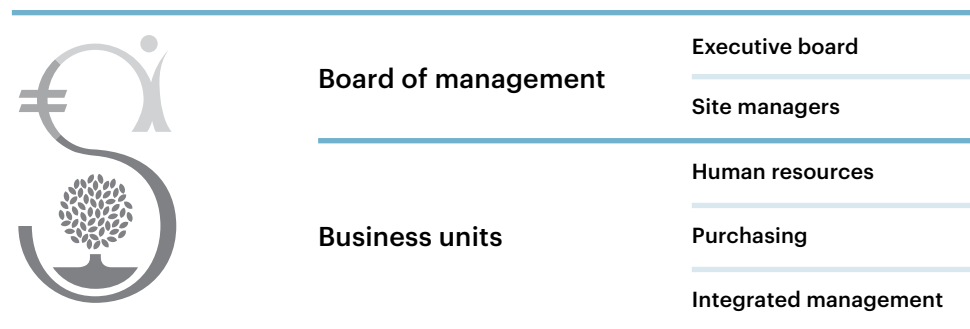
Certifications



## Sustainability Strategy

Sustainable management serves to secure the long-term survival of our company and requires company commitment at all levels. In 2010, we formed our **Competence Center Sustainability (CCS)**, comprising a dedicated inter-departmental and cross-plant team. Since then, it has been responsible for initiating and implementing our sustainability strategies and goals under the leadership of the executive board.

### Our CCS team



Our **business strategy** is based on a holistic assessment of economic, ecological, and social risks and opportunities. In this context, our strategy has four drivers:

We aim to preserve and expand our traditional company in the long term. We therefore plan and invest across all sites and divisions in a sustainable as well as an environmentally and socially responsible manner.

We are committed to maintaining human rights, fair working conditions and a culture of diversity, mutual respect and equal opportunities. To promote lifelong learning,

we invest in education and continuous professional development throughout an employee's professional career. In order to ensure the best possible health and safety conditions at work, we began incorporating ISO 45001 into our integrated management system in 2020. Certifications are planned for further sites in 2021.

We invest significant resources into researching and developing sustainable products, processes and technologies. These are assessed on a holistic and life cycle basis and further minimize resource consumption and emissions. To obtain even more accurate data, we commissioned an external institute to complete a life cycle assessment of our different leathers. Initial results are expected in mid-2021. We support this commitment with the environmental and sustainable certifications ISO 14001, ISO 50001, ECO<sub>2</sub>L and LWG.

Cooperation with our customers and suppliers is another important component of our strategy. In addition to ensuring product integrity, we pursue important goals such as testing suitable methods for traceability back to the animal owner, LWG certification of our raw and semi-finished product suppliers and the definition of minimum animal welfare standards.

### BADERS strategy drivers





## Policies and Compliance

BADER is committed to legal compliance and fair business practice and works continuously on strategies to minimize risk. Our ► **BADER Group Policy (BADER 2021a)** lays out our fundamental values and principles of conduct which significantly exceed the minimum legal requirements. It reflects our commitment to human rights protection, fair labor practices, protecting the environment and anti-corruption practices. Furthermore, our ► **Code of Conduct (BADER 2021c)** for all contract and business partners lays down basic principles of conduct for day-to-day practice and business policy.

These rules are to be understood as the framework within which we as a company operate in society. They can only be implemented through the commitment of all employees and business partners. We have made our Group Policy available to all BADER employees through the internet and our intranet and information boards. In addition, awareness is strengthened in regular training sessions. BADER's Code of Conduct has also been published on the internet. The documents are available in the specific language of our employees and business partners.

We pursue a zero-tolerance policy and do not tolerate violations of the law or our values and principles of conduct. If there is any suspicion of possible violations, or if actual violations are identified, internal and external stakeholders can contact us confidentially and anonymously if they wish to. We investigate the concerns raised, take appropriate action and provide feedback.

Implementation and monitoring of compliance are embedded in our integrated management system. Compliance itself is ensured through management reviews, regular employee training and supplier meetings and audits. We regularly review and revise requirements and clearly define responsibilities in specifications and instructions. Management at each plant monitors compliance with the relevant national and local laws and regulations with respect to all company operations and on all operational levels.

For example, we ensure the enforcement of the EU General Data Protection Regulation concerning the collection, handling and processing of personal data and train all BADER employees who are involved in digital data exchange annually. To guarantee information security, participation in TISAX enables us to independently confirm compliance with objective standards when storing and exchanging sensitive information and data.

There were and are no legal proceedings pending against BADER. No penalties have been imposed, nor are any threatened or expected.





## Certifications

At least once a year, BADER uses a range of management reports and internal audits to review aspects of sustainable management to produce measures and goals for continuous improvement. On the operational level, we support our company's sustainable development through consistent implementation of our integrated management system. It is based on a range of international standards, which we use to ► **certify our sites (BADER 2021b)** and have them regularly reviewed through external audits.

All BADER sites have a quality management certification, according to ISO 9001 and/or IATF 16949 specifically for the automotive industry – except for our new site in Bulgaria, where certification is planned for 2021. Three sites with testing and calibration laboratories are certified according to ISO 17025. All leather-manufacturing sites have the ISO 14001 certification for environmental management. Two sites have an energy management system certified to ISO 50001. The ISO 45001 standard for occupational health and safety management has been introduced at three sites already. We are gradually rolling out this certification to our other sites worldwide.

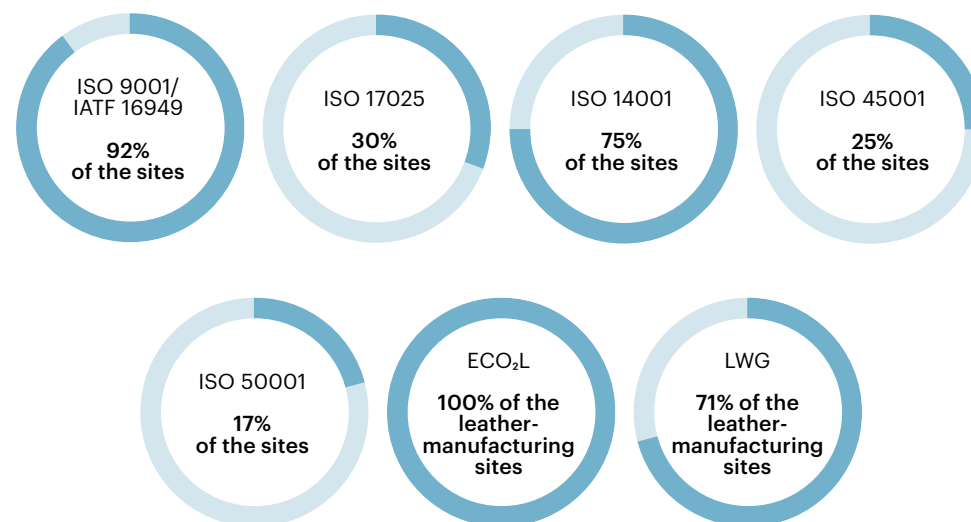
By the end of 2020, all leather-manufacturing sites had obtained the ► **Energy Controlled Leather (ECO<sub>2</sub>L) Certification (VDL 2013)**. This first international benchmark for tanneries on energy and carbon dioxide (CO<sub>2</sub>) builds on the experience and energy analyses of approximately 20 leading tanneries worldwide. At the same time, five of our seven leather-manufacturing sites were audited according to the globally valid ► **Leather Working Group (LWG) audit protocol (LWG 2020)** which sets requirements for the assessment of the environmental performance of tanneries (► **Chapter Planet**).

Since 2015, BADER has regularly completed customer sustainability questionnaires from the established providers Ecovadis and NQC with constantly increasing requirements. With Ecovadis, we achieved a silver rating on Corporate Social

Responsibility (CSR) in 2020 and are among the top 16% of the evaluated suppliers. With NQC, our reportable sites achieved between 81% and 92% (85% on average) of the total score. As part of their regular supplier management, our customers have commissioned additional audits at some of our sites, relating to sustainability issues such as human rights and environmental considerations.

### New certifications achieved in 2020

- ISO 45001 certification for BADER China and Germany
- ECO<sub>2</sub>L certification for BADER Thailand





## Product – Economic Development

Companies can effectively support the Sustainable Development Goals by also taking social and environmental concerns into consideration parallel to their economic development. As a family-owned company already in the fourth and fifth generation we plan for the long term, investing heavily in research and development of sustainable products, processes and technologies, and are committed to legal and fair competitive behavior at our sites. The activities described in this chapter address the Global Compact Principle and SDGs shown below.

- Principle 9: Develop and diffuse environmentally friendly technologies

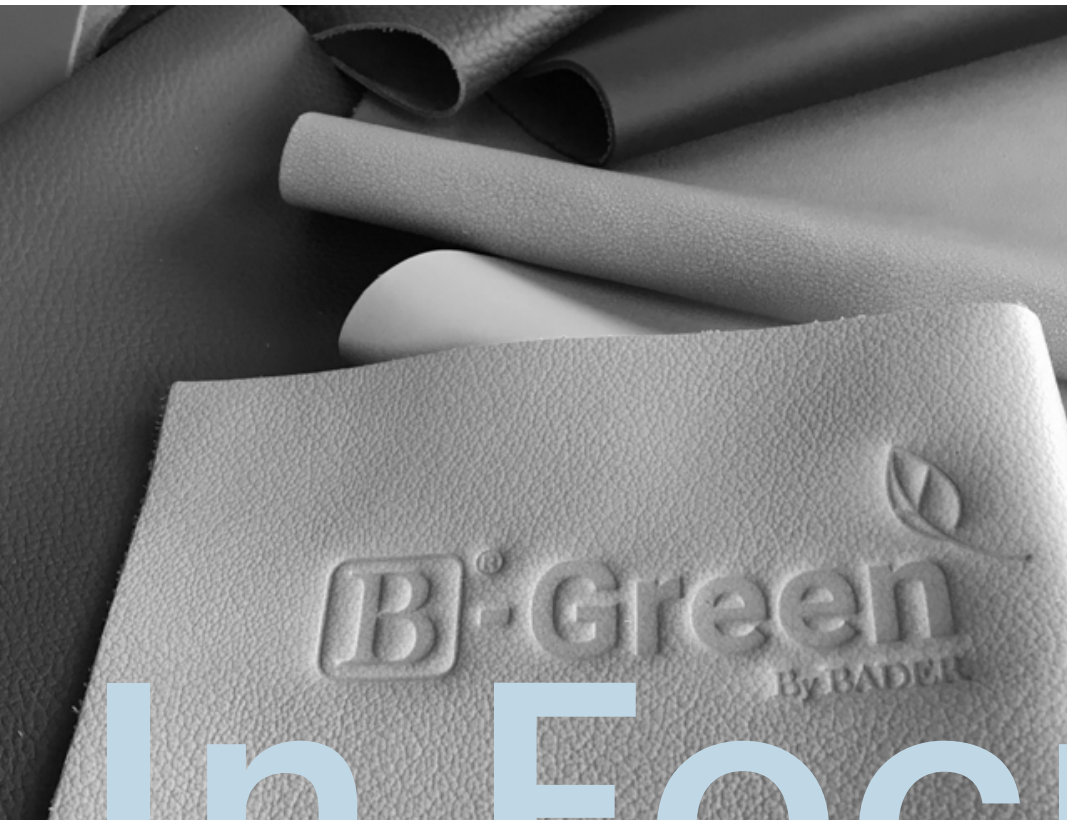


In Focus: B-Green Leather

Sustainable Product

Research and Development

## Product – In Focus: B-Green Leather



At BADER, we have always taken the utmost care to keep the impact of the tanning process on our environment to a minimum. Within three years we developed a concept of always using the latest state-of-the-art technology to ensure the most sustainable leather in the market: B-Green.

Our vision is to maintain a natural cycle by using renewable materials that come from organic and vegetable derivatives and reusing our by-products as raw materials for other industries. We have further improved the environmental impact of our B-Green leather by changing various processes. In addition to savings in water, energy and emissions, this also includes low sulfide liming, ammonium free deliming, chloride- and sulfate-free pickling as well as chromium- and glutaraldehyde-free tanning.

We use natural resources wherever possible in our production processes. We use fresh hides which do not require any salt or preservatives. Our natural tanning mix consists of natural enzymes and plant derivatives such as pods, shells and seeds. These are renewable products that do not harm any ecological system. We have made a decision to use only vegetable-based softening agents instead of synthetic oils and fats. Bio-based polymers are widely used in the finishing process which leads to a significant reduction in mineral oil-based products while still meeting customer specifications.

Our favorite ingredient in the B-Green Cascara leather is coffee husks which we use as a natural tanning powder. As these husks are of no particular interest to any industry, we are now exploiting its full potential. We are also supporting local farmers by giving them a second income.

At BADER, we believe it is vital that our environment is preserved for future generations. B-Green is helping us to make a significant contribution to this through greater sustainability in both production and the entire value chain.

## Sustainable Product

Leather is one of the oldest and most versatile materials known to mankind. At BADER, we have been working with this sophisticated natural material for over 145 years. We are convinced that properly made and sourced leather is a truly sustainable choice.

There are a number of properties that make leather such a unique material. It is highly versatile, non-flammable, flexible, easy to clean and at the same time luxurious and naturally beautiful. It is also extremely durable which is why it almost never needs to be replaced. This longevity is an important factor in leather's sustainability. What is more, if a leather product comes to the very end of its life, it is both biodegradable and compostable – in contrast to alternative materials.

As raw hides are natural ► **by-products of milk and meat production (UNIDO 2017)**, the demand for leather has no impact on the number of animals slaughtered. So, upcycling these hides into leather is not only an appropriate use of an available, renewable resource, it can also substitute products made from non-renewable raw materials such as petroleum-based plastic sheets and textiles.

In addition to this, leather production results in many different by-products (► **Chapter Planet**). Our passion for leather also means that we deal with this material responsibly. We are therefore constantly looking for new ways to use our existing products and residual materials in the widest possible range of high-quality applications.

Leather's versatility and its many natural qualities make it a remarkable material with immense potential for a sustainable future.

### The special features of leather

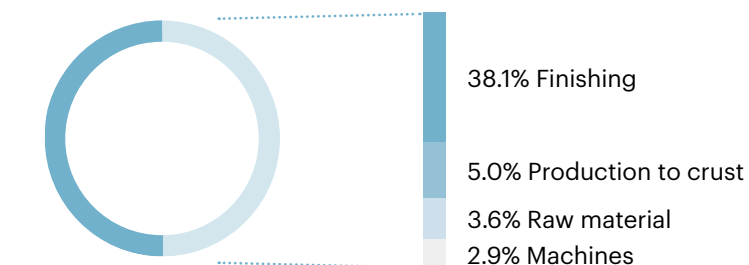
Renewable material with many different properties
Natural by-product of the meat industry
Compostable and biodegradable at end of life
High quality by-products of leather production



## Research and Development

BADER invests heavily in **research and development (R&D) of sustainable products, processes and technologies**. In 2020, 53% of our R&D projects were driven by ecological and/or social aspects in addition to technical and economic aspects. We work closely with our customers, suppliers and other stakeholders to consider their needs in addition to our sustainability considerations. That enables us to develop holistic solutions over the entire life cycle of our leather products. After successful testing, we are gradually implementing them at our sites worldwide.

### Sustainable R&D projects



50.4% ■ Technical-economic R&D projects  
49.6% ■ Sustainable R&D projects

Ideas from our employees also help us to innovate and become better at what we do. Through our globally established **company suggestion scheme**, employees contribute a wide range of suggestions that go beyond financial, technical and qualitative improvements. In 2020, sustainable suggestions included measures to improve resource efficiency and to reduce energy consumption in production.

### Sustainable R&D projects in 2020

#### Finishing

- Finishing trials based on renewable raw materials
- Reutilization trials for colorless finishing mixtures
- B-Green leather developments

#### Production to crust

- Tests for the extraction of tanning agents from shavings
- Trials of tanning and retanning agents based on renewable sources
- Trials of alternative tanning procedures that are suitable for industrial use and do not endanger the health or the environment - e.g. a new chromium-free tanning process
- Trials of light weight leather
- B-Green leather developments

#### Raw material

- Projects on the processing of split leather
- Projects on the preparation of split by-products for upgrading in a wide variety of areas
- Projects on full traceability of raw material
- Projects for the assurance of animal protection and animal welfare

#### Machines and process development

- Identification of potential energy and resource savings through analyses of our BADER SCADA system



# Planet – Environmental Responsibility

The economy and society cannot exist without functioning ecosystems and natural resources. This is why it is more important than ever that we preserve and conserve them for the present and future generations. BADER is aware of this environmental responsibility and is committed to a holistic resource management at all levels of the company and at all sites. We proactively assess the impact of our production processes and products on the environment and include them in our investment and every day decisions, in order to avoid or minimize environmental impacts. The activities described in this chapter address the Global Compact Principles and SDGs shown below.

- Principle 7: Support a precautionary approach to environmental challenges
- Principle 8: Undertake initiatives to promote greater environmental responsibility
- Principle 9: Develop and diffuse environmentally friendly technologies



## In Focus: Green Factory Award

Resources

Chemicals

Water and Wastewater

Energy

Emissions



## Planet – In Focus: Green Factory Award



As part of the Made in China 2025 initiative, BADER China was one of the first industrial companies in the city of Dalian to receive the Green Factory award at the end of 2020. The prize was awarded by the Ministry of Industry and Information Technology and recognizes successes in energy conservation, emissions reduction and environmental protection.

Our objective is to achieve green and sustainable development, for example, by strictly adhering to international environmental and energy-saving systems and standards, such as ISO 14001. Among other things, fluorescent lighting has been replaced with significantly more energy-efficient LED systems and solar heating has been installed to save energy and reduce carbon emissions. We are also reducing our manufacturing environmental impact through improved and automated production processes. As early as 2019, we replaced our old diesel fleet with modern electric buses that take around 150 employees to work and back every day on five different routes.

Recognition as a Green Factory justifies the years of effort and investment we have put into both hardware and the continuous and complete implementation of the relevant systems and standards. Yet another milestone has been passed on our path to environmentally friendly and sustainable development.

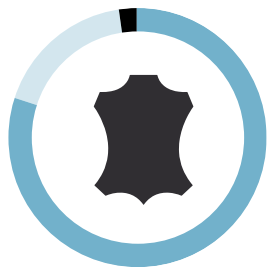
We want to continue our commitment in the future by implementing further measures. 2021 will therefore see the development of energy-saving projects such as photovoltaic power generation, installation of more LED lighting systems and the incremental purchase of energy-saving equipment and facilities.

# In Focus

## Resources

BADER is continuously optimizing its product development and production processes to ensure environmentally progressive use of resources and the reduction of subsequent emissions into water, soil and air. Innovative technologies are used to reduce, reuse, recycle and treat waste and dispose of residual materials with minimum environmental impact.

At our tannery site in Ichenhausen, we use 7-8 kg of raw material per m<sup>2</sup> leather (finished and split leather) to produce a range of products and by-products such as ► **dog chews (Frankly Pet 2021)**. More than 80% of the material input (dry substance of the raw hide) is converted into finished leather, energy and other products. We use hide sections/lime trimmings, necks and flanks for collagen or gelatin for the food industry. Shavings can be processed into leather fiber, compound material, collagen and fertilizer. The sewage sludge represents a mass percentage of 15-18%. Chromium-free sewage sludge can be materially recycled in agriculture, and sewage sludge containing Chromium is typically used as a building material in landfill site renovation in Germany. The non-usable waste from the dry substance of the hide material amounts to less than 2%.

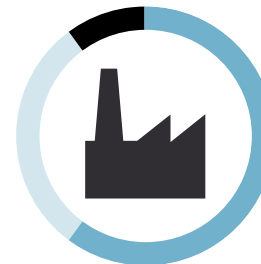


**Material input at the tannery site in Ichenhausen  
(dry substance of the raw hide)**

80% ■ from the skin (fully recovered)  
18% ■ sewage sludge (fully materially recovered)  
2% ■ waste (properly disposed of)

As far as the total amount of waste at the Ichenhausen site is concerned, these material recovery paths account for 60-70% of the total recovery and disposal balance. Thermal recycling constitutes a further 30-40%, particularly from lime fleshings for

biogas and technical gelatin. A maximum of 10% of solid materials such as coatings and paint sludge, materials contaminated with oil or used chemicals, cannot be recycled. These are disposed of in accordance with technical requirements at all our plants. Despite a long-term recovery rate of more than 98% in most cases, we continue to search for ways of improving resource efficiency and to secure existing recovery paths.



**Recovery and disposal balance at the tannery site  
in Ichenhausen**

60-70% ■ material use  
30-40% ■ thermal use  
max. 10% ■ disposal

### Activities in 2020

- Circular Economy Award for Bader Uruguay for the implementation of the foam and synthetic scrap reuse project in mattress production
- Further investigations and final preparations for the launch of ecological bricks made from leather shavings in South Africa
- Trials on using boiler ash as part of brick manufacturing as a viable recycling option in South Africa
- Manufacture of seats made from leather scraps for children with disabilities at mechanical schools in Poland
- Sale of part of our leather waste to other companies to support circular economy and reduce the amount of shavings sent to landfills in Thailand, Mexico and China
- Research on the recyclability of leather at the end of the useful life, e.g. seat covers

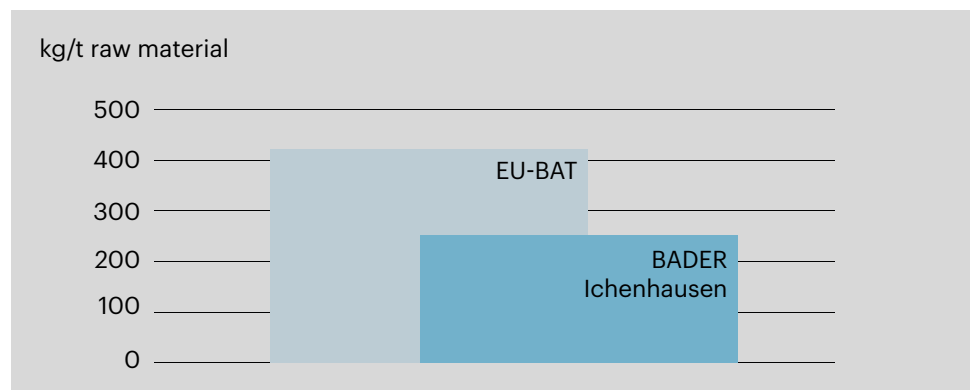


## Chemicals

Chemical management, handling and safety are key areas in our product and process development. We meet legal requirements such as REACH (EU) and customer requirements such as the Global Automotive Declarable Substance List (GADSL). We make further demands on our suppliers through our BADER Black List and security agreements. (► **Chapter Partnering**)

Our integrated management system defines worldwide procedures and work instructions for the labeling, storage, handling and transport of chemicals and specific hazardous materials. We check and document compliance with the relevant regulations worldwide through regularly updated legal registers. To minimize risks to health and the environment and to be able to make immediate amendments, we continuously monitor our chemicals. For new and test chemicals, we have a global SAP-based, four-stage approval process with regard to food suitability, customer requirements, occupational safety and effects on wastewater treatment.

### Chemical use at the tannery site in Ichenhausen 2010-2020



We have been able to significantly optimize the use and safety of chemicals over the past 30 years through various ► **process conversions (BADER 2015a)**. At our tannery site in Ichenhausen, for example, we are recovering all trivalent Chromium tanning agents contained in the tanning wastewater via a recycling plant. This means we can reduce tanning agent procurement by 25-30%. At this site, we have a chemical input of 200 to 300 kg per ton of raw material and are well below the ► **EU standard for the best available techniques (BAT) (EU 2013)** of 425 kg per ton of raw material.

We work worldwide with identical finishing formulations and systems for each article. We have been using only aqueous coating techniques for finishing leather since 1987. They are currently based on 70-85% roller application techniques (synchro and reverse process). We have thus been able to reduce the use of the previous chemical-intensive spraying technology (overspray) to 30-45%. To achieve this, we use the latest High Volume, Low Pressure (HVLP) spraying technology and volume control, as well as extremely low atomizing compressed air and a two-component dosing technology.

### Activities in 2020

- Constant dialog with our chemical suppliers to promote the development of less sensitive substances
- Achievement of a 20% reduction in the use of chemicals for sanitary purposes through adequate planning, procurement and controlled use in Ukraine

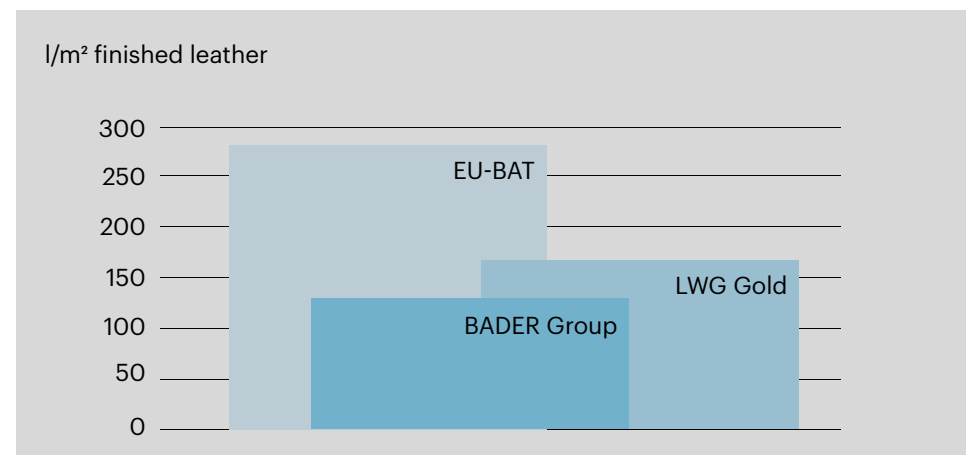
## Water and Wastewater

Water is one of the most important auxiliary materials in tanning. It serves as a transport medium and solvent for chemicals entering the hide and for decomposition products leaving the hide. Economic use of water and careful purification of the resulting wastewater are therefore two of our most important and, at the same time, quite complex environmental tasks.

We constantly monitor our water usage and take measures to detect and eliminate any groundwater contamination. Wastewater is treated in our own **wastewater treatment plant (BADER 2011)** at our tannery site in Ichenhausen so that we can discharge it back into a biologically intact body of water. Our site in Uruguay has a final wastewater purification process. Our sites in China, Mexico, Poland, South Africa and Thailand pre-treat the wastewater before municipal purification. We aim to use easily biodegradable chemicals and maximize their degradation. Our chromium salt recycling process not only reduces the consumption of chemicals but also significantly reduces the amount of trivalent chromium ions in wastewater.

We use technology that, by global standards, reduces water consumption significantly. We also ensure that the most up-to-date technologies, such as water-saving retanning technologies, are regularly transferred to all BADER plants. Through these measures, we have been able to significantly reduce our water consumption worldwide. At our leather-manufacturing sites, the aggregated water consumption between 2016 and 2020 was less than 135 l per m<sup>2</sup> finished leather. We are thus below the strictest **LWG Gold requirements (LWG 2020)** of 165 l per m<sup>2</sup> and well below the **EU-BAT standard (EU 2013)** of 285 l per m<sup>2</sup>.

Water use of our leather-manufacturing sites 2016-2020



### Activities in 2020

- Extended data collection and installation of additional water meters on site in Mexico and China and in the gardening area in South Africa to expand water consumption monitoring
- Installation of induction faucets and water-saving sprayers in the toilets and showers to reduce water consumption in China
- Construction of a special domestic sewage treatment plant in China to ensure that all wastewater in the plant is up to standard discharge

## Energy

Energy consumption is an important factor in leather manufacturing, especially due to the drying processes. We are currently in the process of completing a switch to generating heating energy directly at the point of use to avoid heat transfer and transport losses. We also carry out detailed analyses of energy consumption and consistently derive short-term and medium-term measures to reduce energy use further. We conduct regular internal and external (partly certified) energy efficiency audits at our sites worldwide as well as ISO 50001 certification for energy management at our German sites.



BADER Poland – BAD102  
BADER China – BAD103  
BADER Mexico – BAD104  
BADER South Africa – BAD105



BADER Ichenhausen – BAD101



BADER Mexico – 024  
BADER Poland – 027  
BADER China – 033  
BADER Ichenhausen – 036  
BADER South Africa – 037  
BADER Uruguay – 052  
BADER Thailand – 056

The ► **ECO<sub>2</sub>L (VDL 2013)** and ► **LWG audit systems (LWG 2020)** and their benchmarks play an important role here in improving our environmental performance, including energy efficiency (► **Chapter Sustainable Management**). Five of our seven leather-manufacturing sites are LWG audited and certified, four of them to LWG Gold level. All seven sites are ECO<sub>2</sub>L certified. The energy consumption at these sites was well below the ► **Best Energy Efficiency for Tanning (BEET) energy benchmark (Umweltbundesamt 2003, VDL 2013)**. This reflects our successful holistic optimization of energy use.

We will continue to invest heavily in technological developments and other expedient measures at our sites, for example, in Ichenhausen. Our aim is to achieve LWG Gold level at this site, as energy performance is still at Silver level, and to maintain it at our other sites despite ever stricter requirements.

### Activities in 2020

- ECO<sub>2</sub>L certification for BADER Thailand
- FAW-Volkswagen Green Partner award for environmental protection and energy performance of BADER China
- Further replacement of fluorescent lighting with LED lamps in Ukraine, Bulgaria, Poland, Germany and China
- Installation of automatic motion sensors for lighting in social and manufacturing areas in Ukraine
- Installation of translucent panels on roofs in Mexico's facilities to reduce electricity during the first shift
- Automation of water heating equipment in Mexico
- Conversion of electric heating using coal and nuclear power to gas heating in Bulgaria
- Replacement of the last circulating air dryer with a direct gas infrared dryer at our site in Ichenhausen

## Emissions

The ► **most relevant emissions (e.g. the SauerReport 2018)** into the atmosphere from a conventional tannery are odor, ammonia (NH<sub>3</sub>), volatile organic compounds (VOCs) and greenhouse gases (CO<sub>2</sub> equivalents). BADER has been consistently implementing chemical and environmental management systems to prevent or minimize the output of these emissions. The ► **ECO<sub>2</sub>L (VDL 2013)** and ► **LWG (LWG 2020)** protocols are important, science-based instruments to support our calculations. ECO<sub>2</sub>L focuses on our greenhouse gas emissions, while LWG also monitors emissions e.g. from beamhouse, boilers and spraying machines.

Greenhouse gases (CO<sub>2</sub>e) result primarily from the energy required for drying and the machines in manufacturing as well as the procurement transportations of the input materials. In recent years, we have achieved a reduction in carbon dioxide (CO<sub>2</sub>) emissions by reducing drying processes and temperatures, using state-of-the-art drying techniques and many other measures. The ► **corporate carbon footprint (BADER 2015b)** of all processes at the BADER Group amounts to 2-3 kg CO<sub>2</sub>e/m<sup>2</sup> finished leather. This includes all direct emissions from our plants and vehicles as well as indirect emissions connected with the consumption of purchased energy and thus covers all ► **scope 1 and scope 2 emissions (GHG Protocol 2004)**.

CO<sub>2</sub>-emissions **2-3**  
**kg CO<sub>2</sub>e/m<sup>2</sup>**  
finished leather of the  
BADER-group

VOCs are typically emitted from solvents used in the finishing process. Our measures described in the section on chemicals to eliminate the use of solvents, have significantly reduced VOC emissions over the past 30 years. Between 2016 and 2020, the annual mean values of VOC emissions at our five major leather-manufacturing sites were between 8 and 21 g of solvent per m<sup>2</sup> of finished leather, mostly well below the limits specified in the ► **Industrial Emissions Directive (IED) 2010/75/EU (EU 2010, 2013)**. We are working on a further reduction.

### Activities in 2020

- Installation of a photovoltaic system to power offices and lighting systems in China to increase the proportion of renewable energies and reduce CO<sub>2</sub> emissions
- Completion of a preliminary study and commissioning of a full and comparative life cycle assessment (LCA) study
- Collaboration in completing the ECO<sub>2</sub>L-tool to provide a complete overview of energy use and CO<sub>2</sub> emissions (Scope 1-3, specifically including chemical production and external preproduction) throughout the entire leather manufacturing process from raw hide (after slaughtering) to finished leather - publication in 2021





# People – Social Responsibility

Combating poverty, ensuring health, fair opportunities and living conditions and reducing disparities are the major challenges facing sustainable development today. Therefore, we firmly support the Universal Declaration of Human Rights by the UN – a universal system of values and principles of human coexistence. BADER globally supports charitable activities and initiatives and is committed to the observance of human rights, fair working conditions and life-long education and training, as well as a culture characterized by diversity, mutual respect and equal opportunity. The activities described in this chapter address the Global Compact Principles and SDGs shown below.

- Principle 1: Support and respect human rights
- Principle 2: No complicity in human rights abuses
- Principle 3: Uphold freedom of association and recognition of collective bargaining rights
- Principle 4: Elimination of all forms of forced and compulsory labor
- Principle 5: Abolition of child labor
- Principle 6: Elimination of discrimination in respect of employment and occupation



In Focus: COVID-19 Measures

Social Engagement

Occupational Health and Safety

Employee Structure and Development



## People – In Focus: COVID-19 Measures



# In Focus

The COVID-19 pandemic and its consequences have had a universal impact. BADER operations have also been affected by the coronavirus over the past year and even today the pandemic – and how to handle it – remains a defining issue.

Since the start of the pandemic, every BADER site has produced a strategy to protect its employees as best as possible and to prevent the spread of COVID-19. Extensive protective measures and hygiene regulations have been implemented, such as establishing rules for distancing, the distribution and use of protective masks and disinfectants and the provision of COVID-19 testing kits. Daily disinfection of tools, door handles, handrails, and vehicles was also introduced. At some locations, additional measures were implemented such as body temperature checks, the introduction of a third production shift and additional transport options for employees to support social distancing measures. Every location has also organized regular employee training on infection prevention and correct behavior with respect to the virus.

In addition to the health risks, the coronavirus crisis has also had a negative social impact on our employees – for example through temporary plant closures in the initial phase of the pandemic. All affected employees in the BADER Group were paid 50-60% of their average income over several weeks in order to compensate for serious income losses. This has particularly been implemented in countries without adequate social security mechanisms. BADER also topped up the state-financed short-time work allowance in Germany and we also did everything we could to support those who lost close relatives to COVID-19.

We know that these challenging times have not yet come to an end, so we are committed to continuing to work to prevent an outbreak and to take care of the health of every BADER employee.

## Social Engagement

All BADER's sites across the globe support the fight against poverty and provide local populations with access to essential resources and services. To this end, we dedicate a substantial part of our turnover to social commitment. In 2006 – after the socially committed Hans Bader died – the Bader family established the charitable “Hans Bader Foundation”. Our global commitment covers five main topics, which are shown below.

### Our social engagement

Education and employment
Health, safety and palliative initiatives
Sports
Youth and elderly care
Art, culture and history

BADER promotes global **education and employment initiatives** to improve employment prospects. In Germany, we support the promotion of employment and educational opportunities for the difficult-to-place and long-term unemployed, as well as persons threatened by exclusion from the labor market. In South Africa, we have been offering a one-year training qualification in leather for unemployed school leavers from the local community since 2007. In 2020, this program had 60 participants. In Ukraine and Uruguay, we and other companies cooperate with the local chambers of industry and commerce to promote projects in the dual vocational training scheme.

We are also committed to **health, safety and palliative initiatives**. In Germany and Mexico, we support hospitals, nursing facilities and hospices. In Poland, we run blood donation campaigns and collect goods for the needy. In South Africa, we offer medical care in our on-site clinic and donate to charitable organizations that support HIV/AIDS orphans. During the COVID-19 pandemic, we are also investing in supporting our communities – from donating to local hospitals in Poland to providing protective masks and disinfectants in Mexico and offering community testing in China.

In the area of **sport**, we rely on building partnerships with different sports clubs and associations. In Germany, we continue with the sponsorship of the Bundesliga handball team, FRISCH AUF! Göppingen. In Uruguay, Bulgaria and Ukraine, we are collaborating with local football teams and in South Africa, we are sponsoring BADER's Sports Club and local sporting events.

We are also involved in the **care of young and older people** with numerous activities in children's and senior citizens' institutions. In Germany, we promote learning initiatives in kindergartens while in South Africa and Mexico, we sponsor school equipment for children with limited resources. In Poland, we support a children's home in Bolesławiec. In Uruguay, we maintain our educational support program for children with learning difficulties in our BADER school.

In addition to the social engagement to support people in need, BADER also promotes **art, culture and history** with a range of regional projects. In Bulgaria, we attended a charity fashion show to support different vulnerable groups. In Thailand, we support the community by joining the Buddhist Kathin ceremony celebrations in the local temples, distributing new year gifts and promoting local businesses.





### Occupational Health and Safety

BADER respects and protects human dignity and observes human and labor rights, as described in more detail in our ► **BADER Group Policy (BADER 2021a)**. BADER's company and personnel management work proactively with employee representatives at individual sites. Company agreements typically cover a variety of issues such as the protection of health and occupational safety, employee development, equal treatment, wage and salary increases and other working conditions.

We actively integrate aspects of health protection and occupational safety into our integrated management system and check compliance worldwide through regular audits (► **Chapter Sustainable Management**). In line with local regulations, we have a joint labor management/health and safety committee and occupational safety experts at our sites who receive regular training.

Life-long **preservation of health and well-being** requires both BADER and every employee to take preventive measures. With the aim of raising awareness, we regularly conduct training on occupational safety risks and best working practices for all employees, including new and semi-skilled employees, trainees, temporary workers and subcontractors. We provide the relevant protective equipment as well as work, process and operating instructions, safety data sheets and risk assessments in the local language. Our workflows, processes and safety equipment are regularly assessed to anticipate health and safety risks on all our sites.

We have specific procedures for handling chemicals or hazardous substances (► **Chapter Planet**). We have also implemented measures to prevent the formation of H<sub>2</sub>S, including measuring devices in risk areas, mobile measuring devices and a UNIDO H<sub>2</sub>S online training course for employees who are regularly in tanneries and wastewater treatment plants.

There are emergency plans at all sites as well as mandatory reporting procedures in the event of serious occupational accidents. External visitors, such as suppliers, are informed about our safety rules and conduct requirements before they enter our premises.

We provide a range of **health services** on individual sites as well as preventive measures such as mandatory regular health checks, vaccination programs or measures to reduce stress and noise. We are also introducing the ISO 45001 certification for occupational health and safety management across all our sites to improve employee safety further, reduce workplace risks and create better, safer working conditions.

#### Activities in 2020

- ISO 45001 certification for Bader China and Bader Germany
- COVID-19 prevention measures at all BADER sites such as offering protective masks, disinfectants and PCR tests as well as various measures to promote health and a strong immune system
- Establishment of a support line for employees in Mexico for any complaint or psychosocial problem
- Promotion of physical fitness by having a company football team in Bulgaria that practices regularly
- Medical care in our on-site clinic in South Africa with the aim of reducing the spread of HIV and tuberculosis and enhancing the health and well-being of our employees





## Employee Structure and Development

BADER creates fair working conditions and promotes **training, career development, diversity and equal opportunities**. We unconditionally reject discrimination and harassment, whether for cultural, ethnic, religious or other reasons and this is embedded in our ► **BADER Group Policy (BADER 2021a)**. The diversity of our employees is our fundamental strength. About 11,500 employees with different backgrounds and experiences work at our 12 sites worldwide:

- The average age worldwide is 37 years (2019: 37 years)
- The proportion of female employees worldwide is 56% (2019: 56%)
- The proportion of foreign employees worldwide is 2% (2019: 2%). This fluctuates due to different regional labor market conditions between 0% in China and Mexico and 33% in Germany where we also employ recognized refugees
- The proportion of severely disabled employees in our workforce worldwide is 2% (2019: 2%)
- At the end of 2020, 5.3% of the workforce was trainees, specifically 28 trainees in various dual vocational training programs and practice-oriented higher education study programs

The process for hiring and promoting at BADER is based on clear criteria and recruitment conditions. We give priority to internal recruitment and the company covers the recruitment costs. For employees with disabilities, we pay particular attention to providing appropriate working environments with the necessary infrastructure.

BADER offers a variety of internal and external **training opportunities** to improve employment opportunities for our employees. Our targeted talent management program ensures individual training requirements are defined at least once a year. These are determined through voluntary employee appraisals or are jointly selected with supervisors. They are regularly monitored and implemented through binding training and development plans. The internal training programs include on-the-job training and various training programs for new employees and current employees. Our sustainability training courses cover the economic, social and environmental dimensions of our operations and our supply chain, e.g. energy and water conservation. We also promote extra-occupational vocational education such as foreign-language and intercultural training as well as technical training courses.

2020 employees  
**11,500**  
2019  
11,500 worldwide

Average age  
2020 **37**  
years  
worldwide

Female share  
2020 **56 %**  
worldwide

Training rate  
2020 **5.3 %**  
2019 5.5 %  
in Germany



## Partnering – Shared Responsibility

A more sustainable, long-term leather value creation is only possible if we work together with our customers, suppliers and various organizations. In this context, issues such as product integrity, traceability, animal welfare, as well as environmental aspects are becoming increasingly important in our daily decisions. The activities described in this chapter address the Global Compact Principle and SDG shown below.

- Principle 8: Undertake initiatives to promote greater environmental responsibility



In Focus: European Roundtable for Beef Sustainability

Sustainable Supply Chain

Animal Welfare and Traceability

## Partnering – In Focus: European Roundtable for Beef Sustainability



The ► **European Roundtable for Beef Sustainability (ERBS 2021)** is a multi-stakeholder platform focused on European beef sustainability from farm to fork. The ERBS is an active participant in the Global Roundtable for Sustainable Beef (GRSB), acting as a voice for the European beef value chain on the global stage. The work of the ERBS is aligned to the principles of the GRSB.

Joining the ERBS in 2020 was the logical consequence of BADER's daily efforts to secure a more sustainable leather supply chain. As a member of ERBS, BADER is able to network with the companies and organizations who are pioneering sustainable beef production. The vision of the ERBS of "[achieving] a world in which all aspects of the beef value chain are environmentally sound, socially responsible and economically viable" fits well with BADER's values and priorities. Membership of ERBS is an opportunity for BADER to work collaboratively with other organizations on the welfare of the cattle, full traceability and the reduction of the carbon footprint. Constructive dialog with all stakeholders in the beef supply chain is an absolute necessity due to the difficult and complex trade relations of the international livestock and hides trade.

As a leading leather manufacturer, BADER is keen to bring a tannery's perspective to the table. It may be that BADER's longtime slogan "Feel the Difference" could change to "Make a Difference". We have started our journey to ensuring the entire leather supply chain is sustainable.

## Sustainable Supply Chain

We are convinced that we are better able to develop solutions to global challenges by cooperating with various **interest groups**. Through a close and continuous dialog, we can identify challenges and develop forward-looking solutions and standards for a more sustainable leather industry. These include our internal and external interest groups such as suppliers, customers, employees, educational institutions and associations as well as authorities, associations, federations and certification bodies.

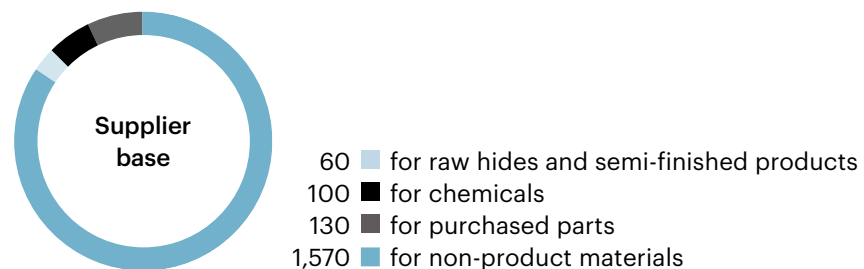
Our commitment to accountable supply chains and our requirements for sustainable procurement of raw materials is embedded in our ► **BADER Group Policy (BADER 2021a)**. We communicate our supply chain strategy and basic principles of conduct to our business partners via our ► **Code of Conduct (BADER 2021c)**, ► **Terms and Conditions of Purchase (BADER 2021d)**, contracts and security agreements. All of our suppliers of raw hides and semi-finished products have signed the Code of Conduct since 2017 and we are in the process of including other supplier groups as signatories. We refer to the Code of Conduct in our purchasing conditions and urge our suppliers to ensure that their subcontractors adhere to the same principles of conduct.



Our purchasing and supplier management teams oversee and maintain the complex supply relationships. They receive regular internal training on sustainable procurement to initiate targeted improvements, make logistics and production more efficient and the entire planning process safer and more stable.

We conduct regular supplier risk assessments and evaluations and develop risk mitigation strategies through dialog with our senior management. Our **annual supplier evaluation** includes purchasing and logistics criteria as well as quality and environmental management requirements. Our supplier base has approximately 1,860 suppliers worldwide. We conduct annual evaluations of our TOP suppliers in each category. As a result of the supplier evaluation, we demand improvement measures depending on status and hold feedback talks or conduct audits for further development. All our sites have Supplier Quality Assurance (SQA) specialists who regularly visit and audit our suppliers, such as all our major raw material suppliers, to monitor compliance with our requirements.

Our suppliers worldwide





We are committed to raising sustainability and management system standards in our supply chain, with particular regard to quality and environmental management systems. Thus, we encourage our contract tanneries and semi-finished product suppliers to have their production sites audited and certified by the LWG. Between 2012 and 2020, more than 82% of our suppliers already implemented this.

All these activities mean that we are able to address risks in the supply chain and advance important issues in our industry.

## LWG certified

2020 **82%**

2019 **74%**

of the contract tanners  
and suppliers of  
semi-finished products

## Training

on sustainable procurement

for **100%**

of raw hide buyers  
worldwide

We develop alternatives to replace harmful ingredients with alternative substances. Our **Product Safety & Conformity Representatives** (PSCRs) ensure that risks in product development and production are identified, avoided or minimized. We name PSCRs and their deputies for our sites worldwide and also request them from our suppliers.

We use the automotive industry's **International Material Data System** (IMDS) to provide our customers with information on the materials used in our semi-finished products and parts. None of our products contains conflict materials such as tin, tantalum, tungsten or gold. Our list of prohibited and declarable substances – called **BADER Black List** - as well as the chemical, quality and environmental security agreements with our suppliers ensure we meet all our customer and legal requirements. We also carry out random and periodic inspections of incoming goods, leather ingredients and emissions.

### Activities in 2020

- Inclusion of a reference to the Code of Conduct in our purchasing conditions
- Annual sustainable procurement training for all raw material purchasers
- Participation in the ► **One 4 Leather initiative (One 4 Leather 2021)**
- Membership in the ► **Leather Naturally association (Leather Naturally 2021)**

## Animal Welfare and Traceability

We maintain regular dialog with our suppliers and customers to ensure our high demands on product properties are always met. This ensures we can address challenges such as animal welfare, traceability and environmental considerations throughout the entire supply chain.

We acknowledge the ► **“Five Freedoms” of the Farm Animal Welfare Council (FAWC 2012)** and refuse raw materials from countries with insufficient controls and traceability as well as a high risk of non-compliance with animal welfare. By focusing on the main procurement markets of Australia, Europe, North America and South Africa, we ensure that cattle are bred, transported and slaughtered under the best possible conditions.

### Five Freedoms (FAWC 2012)

Freedom from hunger and thirst	Freedom from discomfort	Freedom from pain, injury and disease	Freedom to express normal behaviors	Freedom from fear and stress
--------------------------------	-------------------------	---------------------------------------	-------------------------------------	------------------------------

To evaluate animal welfare and animal protection, our raw material purchasing teams regularly visit beef processing plants and agricultural operations. They keep checklists and document the animal welfare standards, activities and developments of our suppliers. Animal welfare considerations are taken into account when we select our suppliers and play an important role in the evaluation process of raw hide sources.

Markings on every semi-finished and finished product ensure we can trace the entire production process chain in our plants back to the raw material. Further **traceability** of hides is also becoming increasingly important as it influences animal welfare and husbandry, ethically correct and transparent sources and ecology. Complete documentation and marking of the hides mean we are able to trace over 90% of the raw material back to the beef processing plant at any time in the production process.

### Activities in 2020

- Participation in the traceability and animal welfare sub-groups of the Leather Working Group
- Full membership in the European Roundtable for Beef Sustainability, a multi-stakeholder organization that unites and coordinates sustainability programs within the beef value chain
- Implementation of animal welfare projects with hide traders, slaughterhouses and farmers
- Implementation of various traceability projects in order to achieve greater transparency
- Expansion of business with meat packers





Appendix

References

Abbreviations





## References

- BADER (2011) Biologische Stickstoff-Elimination – bei gleichzeitiger biologischer Sulfidoxidation: ein Bericht nach etwa 13 Jahren Betriebserfahrung. [https://bader-leather.com/files/2011\\_10\\_biologische\\_stickstoff\\_elimination.pdf](https://bader-leather.com/files/2011_10_biologische_stickstoff_elimination.pdf)
- BADER (2015a) CCS Statement – Environment –History-Highlights. [https://bader-leather.com/files/history\\_highlights\\_environment\\_2015.pdf](https://bader-leather.com/files/history_highlights_environment_2015.pdf)
- BADER (2015b) CCS Statement. [https://bader-leather.com/files/statement-sustainability\\_2013\\_2015.pdf](https://bader-leather.com/files/statement-sustainability_2013_2015.pdf)
- BADER (2021a) BADER Group Policy – Principles and Code of Business Conduct. [https://bader-leather.com/files/bader\\_group\\_policy\\_gb.pdf](https://bader-leather.com/files/bader_group_policy_gb.pdf)
- BADER (2021b) Certificates. <https://bader-leather.com/en/certificates>
- BADER (2021c) Code of Conduct for Business Partners. [https://bader-leather.com/files/bader\\_code\\_of\\_conduct\\_for\\_business\\_partners\\_en\\_1.pdf](https://bader-leather.com/files/bader_code_of_conduct_for_business_partners_en_1.pdf)
- BADER (2021d) General Terms and Conditions. <https://bader-leather.com/en/gtcs>
- Elkington J (1994) Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development. California Management Review 36 (2):90 - 100. <https://journals.sagepub.com/doi/abs/10.2307/41165746>
- ERBS (2021) European Roundtable for beef sustainability. <https://saipatform.org/erbs/>
- EU (2010) Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32010L0075>
- EU (2013) Commission Implementing Decision of 11 February 2013 establishing the best available techniques (BAT) conclusions under Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions for the tanning of hides and skins. 2013/84/EU. [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L\\_.2013.045.01.0013.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.045.01.0013.01.ENG)
- FAWC (2012) Five Freedoms. <https://webarchive.nationalarchives.gov.uk/20121010012427/http://www.fawc.org.uk/freedoms.htm>
- Frankly Pet (2021) Quality Beef Hide Dog Chews. <https://franklypet.com/>
- FRISCH AUF! (2021) Homepage FRISCH AUF! Göppingen. <https://www.frischauf-gp.de/>
- GHG Protocol (2004) A Corporate Accounting and Reporting Standard. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>
- Leather Naturally (2021) Homepage Leather Naturally. <https://www.leathernaturally.org/>
- LWG (2020) Main Protocol. Issue 6.7.0. <https://www.leatherworkinggroup.com/how-we-work/audit-protocols/main-protocol>
- One 4 Leather (2021) Homepage One 4 Leather. <https://www.one4leather.com/>
- theSauerReport (2018) Automotive leather - a modern and sustainable industry. <https://thesauerreportssubscribe.com/subscribe/automotive-leather-a-modern-and-sustainable-industry>
- Umweltbundesamt (2003) Integrierte Vermeidung und Verminderung der Umweltverschmutzung (IVU) - Referenzdokument über die Besten Verfügbaren Techniken für die Lederindustrie. [https://www.umweltbundesamt.de/sites/default/files/medien/2503/dokumente/bvt\\_lederindustrie\\_vv.pdf](https://www.umweltbundesamt.de/sites/default/files/medien/2503/dokumente/bvt_lederindustrie_vv.pdf)
- UN (2018) Transforming Our World: The 2030 Agenda for Sustainable Development. <https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>
- UN Global Compact (2021) Homepage UN Global Compact. <https://www.unglobalcompact.org/>
- UNIDO (2017) Review of the European Standard EN 16887:20017. Leather – Environmental footprint – Product Category Rules (PCR). [https://leatherpanel.org/sites/default/files/publications-attachments/leather\\_carbon\\_footprint\\_p.pdf](https://leatherpanel.org/sites/default/files/publications-attachments/leather_carbon_footprint_p.pdf)
- VDL (2013) Handbook. <http://www.eco2l-leather.com/wp-content/uploads/2013/01/ECO2L-Leitfaden-1-2013.pdf>



## Abbreviations

BAT	Best Available Technique	SAP	Systems, Applications & Products
BEET	Best Energy Efficiency for Tanning	SCADA	Supervisory Control and Data Acquisition
CCS	Competence Center Sustainability	SDG	Sustainable Development Goal
CO <sub>2</sub>	Carbon Dioxide	SQA	Supplier Quality Assurance
CO <sub>2</sub> e	Greenhouse gases in CO <sub>2</sub> equivalents	TISAX	Trusted Information Security Assessment Exchange
COVID-19	Coronavirus Disease 2019	UN	United Nations
CSR	Corporate Social Responsibility	UNIDO	United Nations Industrial Development Organization
ECO <sub>2</sub> L	Energy Controlled Leather	VDL	German Leather Federation (German: Verband der Deutschen Lederindustrie)
ERBS	European Roundtable for beef sustainability	VOC	Volatile Organic Compound
EU	European Union		
FAWC	Farm Animal Welfare Council		
GADSL	Global Automotive Declarable Substance List		
GHG	Greenhouse Gas		
GRSB	Global Roundtable for Sustainable Beef		
H <sub>2</sub> S	Hydrogen Sulfide		
HIV/AIDS	Human ImmunoDeficiency Virus/Acquired Immune Deficiency Syndrome		
HVLP	High Volume Low Pressure		
IATF	International Automotive Task Force		
IED	Industrial Emissions Directive		
IMDS	International Material Data System		
ISO	International Organization for Standardization		
LCA	Life Cycle Assessment		
LED	Light Emitting Diode		
LWG	Leather Working Group		
NH <sub>3</sub>	Ammonia		
PCR	Polymerase Chain Reaction		
PSCR	Product Safety & Conformity Representative		
R&D	Research and Development		
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals		





## Legal Notice and Contact



Published by:  
BADER GmbH & Co. KG (BADER Group)  
Metzgerstrasse 32-34  
D-73033 Göppingen

Phone: +49 7161-6728-0

Contact:  
Head of Sustainability Management  
Lena Detel  
[lena.detel@bader-leather.com](mailto:lena.detel@bader-leather.com)

Phone: +49 7161-6728-427

Additional information on BADER and  
its commitment to sustainability is  
available here: [www.bader-leather.com](http://www.bader-leather.com)

