

## Walter Knoll Code of Conduct

Version April 2025

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## GENERALLY

### Everything we do must prove to be meaningful tomorrow as well.

Walter Knoll is a globally active family business with products and processes of the highest standard - in a sustainable way, with the best in their field. As a family business, we act in a socially and environmentally conscious manner. In our processes, products, projects and in the operation of our buildings, all resources are used optimally, i.e. as little as possible. Sustainability is the central benchmark for all areas of the company. We support our customers and partners from the fields of architecture and interior design in implementing their own sustainability goals and projects.

### The values of our company

Our corporate identity is based on values, and these values guide our strategic goals and activities:

<b>Overall Excellence</b>	What we do is of high quality. We cultivate and nurture excellence. Performance and craftsmanship –full of precision and from deep passion. We strive to exceed expectations.
<b>Customer Centricity</b>	People are at the center of what we do. Being able to offer inspiring experiences and tailored solutions means understanding and delivering what our customers need.
<b>Global Presence</b>	We accompany people on their journey. Our goal is to provide a home for individuals from all cultures. We are visible all over the world and accessible locally.
<b>Elevated Design</b>	Our aesthetic is rooted in a long tradition that originated from the Bauhaus. It is both the result and foundation of our work. Shaped by minimalism and timelessness, we have created classics and modern icons.
<b>Advanced Sustainability</b>	Everything we do must prove to be meaningful tomorrow as well. This is how we think from our self-understanding – always responsibly and with a long-term perspective. Our products are lifetime companions.
<b>Mutual Respect</b>	Valuing one another and living together means appreciating contributions, showing respect, and receiving recognition. Trusting each other – person to person.

### Connected to the ideals of the Bauhaus

The roots of modern furniture can be found at Walter Knoll. Wilhelm Knoll founded his "leather store" in Stuttgart in 1865. In 1907, his sons Willy and Walter Knoll took over and introduced the first club chair. In 1927, Walter Knoll furnished several apartments in the Stuttgart Weissenhof Estate - including five designed by Ludwig Mies van der Rohe, who later became the director of the Bauhaus. As a pioneering exhibition of residential architecture, the Weissenhof Estate introduced the ideas of Neues Bauen and modernism.

The principles of the Bauhaus were right a hundred years ago and still shape us today:

1. The aim of the furniture is the human being.
2. Beauty knows no time.
3. Craftsmanship is the refinement of design.
4. A product is good when it becomes valid.
5. The more we leave out, the more sustainable we are.

Reduction and simplicity are key concepts of the Bauhaus philosophy. Less is often more. By reducing things to the essentials, we are able to create durable products that last. Because minimal design is sustainable design.

## **Tradition and evolution**

Our furniture is created by people and for people. Our products are created together with our team of specialists, architects and designers. They are part of our cultural and craft tradition, through which we preserve our traditional knowledge and culture.

In line with this understanding, we continue to evolve our products according to the latest findings in sustainability, production technology, usage behavior and design.

Our collection includes products for living, working and public spaces. We regard all spaces in which people spend time as living spaces. Using the finest materials, sophisticated colors and sensual surfaces, we work in partnership with and for our customers to create spaces with an aura of something special.

## **Mission and purpose**

We see it as our mandate to elevate brands, companies and personalities by expressing their culture and Individuality through unique interiors that inspire people and drive sustainable business success.

We are driven by the idea that rooms furnished with Walter Knoll promote people's well-being and performance. With each of our pieces of furniture, we want to contribute to creating spaces that feel good and remain aesthetically pleasing and functional in the long term. We have defined our purpose as bringing quality into the room and thus strengthening personal well-being.

## **Framework for responsible action**

The United Nations was founded after the end of the Second World War with the central mission of establishing and maintaining peace and security in the world. Today, as the largest international organization, it is the forum for discussing and developing solutions to our global challenges. Our actions are also guided by the principles and guidelines that emerged from this.

*The United Nations' Universal Declaration of Human Rights*<sup>1</sup> sets out the fundamental human rights and freedoms to which all people should be entitled, regardless of their nationality, race, religion, gender or other characteristics. We also respect human rights and support their protection and preservation.

Where possible, we support the *Sustainable Development Goals of the United Nations*<sup>2</sup> - 17 goals that serve the sustainable development of global prosperity and the protection of the planet. We have a particular focus on our direct sphere of activity:

- Good health and well-being for all (goal 3).
- Sustainable growth and decent work (goal 8).
- Responsible consumption and sustainable production (goal 12).

The *United Nations Global Compact*<sup>3</sup> pursues the vision of a more inclusive and sustainable economy for the benefit of all people. It sets out principles in the form of guiding principles for companies on how they should act responsibly and support the implementation of the *Sustainable Development Goals*. We follow these.

In addition to the United Nations, the *Organization for Economic Cooperation and Development* has also developed Guidelines for Multinational Enterprises, which describe and explain the key elements of responsible business conduct. These principles are also binding for us.

**Based on our very own understanding of entrepreneurship, we focus on solutions that apply generation after generation. In doing so, we are guided by the ESG criteria.**

## ENVIRONMENTAL

Ecological sustainability in terms of the environment

See chapter: [Ecological responsibility](#)

## SOCIAL

Social sustainability in the sense of ethically justifiable, responsible

See chapter [Social](#)

## GOVERNANCE

value-based, sustainable corporate governance

See chapter [Ethical business conduct](#)

<sup>1</sup> See: <https://www.ohchr.org/en/human-rights/universal-declaration/translations/english><https://www.ohchr.org/en/human-rights/universal-declaration>

<sup>2</sup> See <https://sdgs.un.org/goals>

<sup>3</sup> See <https://www.globalcompact.de/en/about-us/united-nations-global-compact>

## Purpose of the Code of Conduct

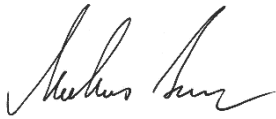
As an internationally active company, we are committed to complying with applicable laws and regulations and to observing and safeguarding international ecological, social and ethical standards.

With this Code of Conduct, we would like to concretize our commitment and explain our understanding of ecologically, socially and ethically sensible action in more detail.

The Code of Conduct should also form the basis cooperation with our business partners. It follows a culture of trust, mutual respect, openness and a balance of mutual interests. We want to ensure that all other stakeholders along the entire supply chain also comply with our Code to the best of their ability. We conclude specific agreements with our specialist retailers and suppliers.

We are convinced that responsible action and economic success are not mutually exclusive but rather promote each other.

Herrenberg, April 2025



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Markus Benz  
CEO



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Mara Benz  
CFO



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Werner Maier  
CM&SO

# 1. ECOLOGICAL RESPONSIBILITY

## 1.1. GENERAL

We are aware of the ecological challenges of our time and consider the protection of the environment to be one of the central pillars of our corporate responsibility. Through our behavior, we want to help preserve our natural resources and protect our environment from harmful influences.

Only intact ecosystems and a high level of biodiversity can ensure a high quality of life for present and future generations. This also means the preservation of biodiversity.

We are committed to complying with the highest possible environmental standards. In doing so, we are guided by recognized standards and recommendations and go beyond the minimum legal requirements.

We have been a member of the *German Furniture Quality Association* since 1985. Together with other companies in our industry, we have set ourselves the goal of quality assurance for our products and services and accept the associated obligations and requirements. These requirements relate not only to durability and flawless function, but also include the safety of users, their health and the environmental compatibility of production.

## 1.2. CERTIFIED ENVIRONMENTAL MANAGEMENT IN ACCORDANCE WITH DIN EN ISO 14001

We measure and monitor our impact on the environment through our certified environmental management system. This ensures that the development and manufacture of our products is as sustainable and environmentally friendly as possible and that we promote sustainable behavior among our employees.

We have opted for the environmental management system in accordance with the widely used, strict DIN EN ISO 14001 standard. This precisely defines the responsibilities and processes for our operational environmental protection.

Environmental emissions are low throughout the company. Our production is dominated by manual work, and the machines and systems used are not very energy-intensive. We strive to continuously reduce the ecological footprint of our company.

## 1.3. CLIMATE AND ENVIRONMENTAL PROTECTION MEASURES

### **We act in an environmentally conscious manner and prevent environmental hazards.**

We promote a high level of environmental awareness throughout the company. We inform our employees and motivate and empower them to take responsibility for their own activities. We are committed to the development of environmentally friendly products and production methods.

### **We use resources responsibly and sparingly.**

Material avoidance is one of our most important design principles. When developing new furniture, we always try to use as little material as possible and only as much as necessary. We give priority to renewable raw materials. Where possible, we use recycled materials rather than new materials. We value procurement and processing practices that protect the environment while ensuring the highest quality.

### **We continuously optimize our processes.**

We are committed to the continuous improvement of our corporate processes in order to improve our environmental performance in a targeted manner. Risks are constantly monitored through precautionary and hazard prevention measures and further reduced where possible. Where it is possible to switch to more environmentally friendly methods, we do so.

### **We practice waste management and promote a circular economy.**

We reduce our amount of waste and residual materials with targeted organizational measures and consistently separate the waste we produce. We promote the principle of the circular economy by using high-quality and durable materials and increasingly integrating recycled materials into our products.

### **We practice energy efficiency and reduce our emissions.**

We continuously monitor our emissions and our environmental impact. We rely on modern, energy-efficient technologies to reduce energy consumption. We take measures to minimize emissions and are actively committed to the use of renewable energies.

### **We buy wood selectively.**

As a German company, we comply with European standards and support efforts to increase transparency in the production chain. We source wood products exclusively from specialist wood traders in Germany and the EU.

### **We are FSC® certified as a company.**

To support sustainable forest management, we have been certified by FSC® (*Forest Stewardship Council*). With the so-called chain of custody certification, we ensure that all steps in the production chain are traceable, and that the origin of the wood remains transparent. With this certification, we are authorized to sell FSC® certified products. We use FSC® wood for certain products. Our license number: FSC-C168879.

## 2. SOCIAL RESPONSIBILITY

### 2.1. GENERAL

Our social responsibility relates primarily to the organization of working conditions and the protection of employees in the global production and supply chain. To this end, we are primarily guided by the numerous and comprehensive conventions of the *International Labor Organization (ILO)*<sup>4</sup>. The ILO is a specialized agency of the United Nations and is committed to decent working conditions worldwide.

### 2.2. WORKING CONDITIONS

#### **We ensure good working conditions and fair pay.**

We want to offer our employees a secure, reliable livelihood and rewarding work. We are committed to ensuring that they can work in a respectful and fair working environment. We offer a fair wage level appropriate to the respective activities. We are guided by regional collective agreements. We have established a values-based leadership program for our managers.

#### **We exclude forced, compulsory or child labor.**

We are strictly against any form of exploitation, (modern) slavery, human trafficking or torture and ensure that we are not complicit in human rights abuses. We do not engage in, support or tolerate physical or psychological punishment, inhuman or degrading treatment, mental or physical coercion, verbal abuse, harassment or threats. We reject all forms of forced and compulsory labor, in particular physical and sexualized violence, withholding wages, restricting the mobility of workers or withholding identification documents.

#### **We do not employ anyone under the age of 15 and protect underage employees.**

No person under the age of 18 is employed in hazardous or heavy work unless it is training under approved national laws and regulations. Employment does not interfere with schooling, nor is it harmful to the health or development of children. Underage pupils can do taster placements with us, they do not do any heavy work as part of their placement.

#### **We ensure that employment and professional practices are not discriminatory.**

We do not tolerate any form of discrimination. We treat every person equally regardless of gender, skin color, ethnic or social origin, genetic characteristics, language, religion, political or other ideology, membership of a national minority, wealth, birth, disability, age or sexual orientation. Diversity and equal opportunities are important to us.

#### **We respect the freedom of association and the right to collective bargaining.**

Our employees have the freedom to organize themselves at any time and negotiate working conditions together. We attach great importance to open dialog and cooperation based on trust in order to ensure fair and safe working conditions. Employees can form or join employee organizations of their choice. We

<sup>4</sup> See <https://www.ilo.org/international-labour-standards>



respect the freedom of employee organizations to establish their own statutes and rules. Employees will not be discriminated against or penalized for exercising these rights.

Our company has a works council that is freely elected. We work together with the works council in a spirit of partnership.

## 2.3. OCCUPATIONAL PROTECTION

### **We ensure a safe and healthy working environment.**

The health and safety of our employees is our top priority. Our aim is to reduce the risk of injuries, accidents and work-related illnesses among our employees and to ensure continuous improvement in occupational health and safety.

We are committed to complying with and monitoring the relevant occupational health and safety guidelines and continuously develop measures to prevent accidents at work and promote physical and mental health. Personal protective equipment is provided for our employees. Workplaces are adapted to the needs of employees to prevent health problems and support performance.

### **We act preventively and continuously improve our processes.**

We take a preventative approach to occupational safety. For the safe handling of machines and equipment, we ensure that work equipment is operated as intended and that protective equipment is functional. Systems and work equipment are designed, operated and maintained in such a way that hazards and risks are minimized, and operational disruptions are avoided as far as possible.

We observe the applicable fire protection regulations and review them regularly; fire drills are carried out on a regular basis. We have defined effective protective measures for activities involving chemicals.

### **We promote safety-conscious and responsible behavior.**

We train our employees and motivate them to take responsibility and behave in a safety-conscious manner in the workplace.

## 2.4. EDUCATION CONCEPT

Training and qualifying young people ourselves is an important pillar of our company. Our trainees learn traditional craftsmanship and techniques that have been developed over many generations. Our company history began with leather processing and upholstery. This tradition and the high quality of our products are reflected in our training. Over the years, we have developed our own manufacturing processes to be able to produce complex, unique products.

In line with the dual training concept, our junior staff are trained both in the company and at vocational school or technical college. The apprentices acquire practical skills directly in the working environment and at the same time gain theoretical knowledge in a state-certified training center. Our apprentices and dual students work on real projects and in the production of furniture. This gives them a practical insight into the company's workflows and processes. The trainees are individually supervised and supported by experienced colleagues. This promotes professional and personal development.

We offer specialized apprenticeships and courses of study in the commercial and industrial sectors. Our trainees are guided by our own master craftsmen. Many of them have already completed their training in our company. Our qualified specialists help to uphold the values and quality standards of our company.

## 2.5. SUPPLY CHAINS

In addition to the direct processes within the company, the supply chain also considers all the steps required in Germany and abroad to manufacture the products and provide the services, from the extraction of raw materials to delivery to the end customer.

To implement the legal requirements, we are guided by the sector concept of the German furniture industry associations, which have developed guidelines in collaboration with the *German Furniture Quality Association* and the *German Institute for Furniture Technology*. These guidelines include templates for risk analyses and self-disclosures by suppliers.

Based on the most comprehensive risk assessment possible, we take appropriate measures to prevent and minimize human rights or environmental risks at our direct suppliers and, if we have substantiated knowledge, also at our indirect suppliers.

If violations of human rights or environmental obligations are identified as part of risk management, we immediately define individual measures to end or minimize the violations.

## 2.6. FAIR-TRADE CARPET PRODUCTION

Our rugs are handmade in local factories in Nepal - according to the rules of STEP, a non-profit organization for fair trade and fair production dedicated to the well-being of weavers.

STEP pursues fair trade solutions that take social, ecological and economic aspects into account. As not all countries or companies are the same, the rules for fair trade enshrined in the STEP standard are adapted to individual production conditions - from looms and factories to homework.

STEP's 10-point standard comprises the most comprehensive and strictest labor, health, safety, social and environmental regulations in the carpet industry. STEP monitors up to 90 measures to ensure compliance with the standard. In the event of non-compliance, STEP initiates cooperative measures to improve conditions step by step.

## 3. ETHICAL BUSINESS CONDUCT

### 3.1. GENERAL

Ethical business conduct primarily refers to the company's respectful treatment of its business partners and employees, other market participants, government agencies and society as a whole. It is about acting fairly, transparently and responsibly and promoting long-term, positive relationships in the tradition of a family business. Compliance with laws and regulations and the avoidance of discriminatory behavior are a matter of course.

### 3.2. RULES OF CONDUCT

#### **We respect fair competition.**

We are opposed to all forms of corruption, including extortion and bribery. We do not obtain any undue advantages and do not offer them ourselves. In particular, we do not enter into any market or price agreements.

#### **We avoid conflicts of interest.**

We separate business and private interests. We make our decisions on an objective basis.

#### **We protect consumer interests**

We ensure that the goods and services we offer comply with all agreed or legally prescribed or legally prescribed standards with regard to the health and safety of consumers.

#### **We communicate openly and transparently.**

We provide comprehensive information for our stakeholders. We comply with the statutory reporting and disclosure obligations. We provide regular information on the business situation within our company.

#### **We act as prudent business people.**

We do not take any incalculable financial risks. We adhere to generally accepted accounting principles (In German: GoB) and ensure that our accounting is correct, transparent and comprehensible.

#### **We pay government levies and comply with regulatory requirements.**

We comply with the relevant local, national and international tax laws and regulations. We reject abusive legal arrangements for tax avoidance or tax evasion. We comply with the applicable import and export control laws and sanctions, embargoes or restrictions on export or re-export and respect the customs regulations applicable to our business relationships.

#### **We respect data protection.**

The processing, storage, transmission and disclosure of personal data is carried out in accordance with the applicable data protection laws. We guarantee the protection of privacy and the safeguarding of information security and ensure appropriate technical and organizational protective measures. We are supported in this by an external data protection officer.

**We respect intellectual property.**

We do not use or publish the intellectual property of other persons or companies without authorization and speak out against the dissemination of plagiarism and counterfeit material.

**We protect whistleblowers from disadvantages.**

We create conditions under which people in our working environment are able to report known or suspected misconduct of any kind without suffering any disadvantages, for example in the form of retaliation or reprisals.

**We use AI tools in an appropriate and controlled manner.**

We have created a special usage policy for the use of tools that use artificial intelligence (AI). With this policy, we ensure that all employees who use AI tools in the course of their work do so in accordance with data protection laws and our company guidelines. Personal data and sensitive company information are protected appropriately. Our IT department is responsible for reviewing and approving suitable AI tools. All employees who wish to use AI tools are required to participate in training provided by the IT department or AI officer to promote understanding of the safe use of AI.

## REFERENCES

In addition to country-specific laws and regulatory requirements, the following overarching agreements and target agreements serve to reinforce and interpret our principles.

### UN GLOBAL COMPACT

The *UN Global Compact* pursues the vision of a more inclusive and sustainable economy for the benefit of all people, communities and markets, today and in the future.

#### The principles of the UN Global Compact:

- Companies should support and respect the protection of international human rights.
- Companies should ensure that they are not complicit in human rights violations.
- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Companies should advocate the elimination of all forms of forced labor.
- Companies should stand up for the abolition of child labor.
- Companies should advocate the elimination of discrimination in employment and occupation.
- Companies should follow the precautionary principle when dealing with environmental problems.
- Companies should take initiatives to promote greater environmental awareness.
- Companies should accelerate the development and dissemination of environmentally friendly technologies.
- Businesses should work against corruption in all its forms, including extortion and bribery.

### UN SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations adopted a global treaty for a fairer and more sustainable future. The *Sustainable Development Goals* contained therein are intended to provide a common language and a compass for the challenges of the 21st century as a global system of goals.

#### The 17 goals:

1. end poverty
2. secure nutrition
3. healthy living for all
4. education for all
5. gender equality
6. water and sanitation for all
7. sustainable and modern energy for all
8. sustainable economic growth and decent work for all

9. resilient infrastructure and sustainable industrialization
10. reduce inequality
11. sustainable cities and settlements
12. sustainable consumption and production methods
13. take immediate action to combat climate change and its effects
14. conservation and sustainable use of the oceans, seas and marine resources
15. protect terrestrial ecosystems
16. peace, justice and strong institutions
17. strengthen means of implementation and global partnership

## **STEP - FAIR TRADE CARPETS**

The non-profit organization STEP campaigns worldwide for fair trade and the well-being of weavers and workers in the handmade carpet industry.

### **The STEP standard includes:**

- §1 Protection of the health and safety of employees.
- §2 Payment of fair wages and protection of agreed wages.
- §3 Prohibition of child labor.
- §4 No forms of discrimination.
- §5 Freedom of association and the right to collective bargaining.
- §6 No forced or compulsory labor.
- §7 No harsh or inhumane treatment, no sexual harassment.
- §8 Limitation of working time and application of weekly rest periods.
- §9 Identification of environmental risks and minimization of their impact.
- §10 Acceptance of the STEP audit: Transparency and access to information.

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