

Statement on the publication|

THE INSIDER 17 May 2023

The management of Salamander Industrie-Produkte GmbH responds to the "THE INSIDER" publication as follows and announces the immediate discontinuation of deliveries to Russia and Belarus.

Last Wednesday, "THE INSIDER" reported on European companies that supply Russian companies which also manufacture products for the Russian war of aggression against Ukraine.

One of the companies named in the report, to the dismay of Salamander Industrie-Produkte GmbH, was its subsidiary "Salamander Premium Solutions", which specialises exclusively in leather recycling.

According to the strict EU sanctions list, leather fibre fabric is classified as a harmless material, which is used in table sets, flooring, wall coverings, packaging and ballerina shoes, and as a component for back caps and soles in everyday civilian shoes.

Salamander is clearly on the side of Ukraine and supports it with aid deliveries

Salamander strongly condemns Russia's criminal war of aggression, is absolutely on the side of Ukraine and has already organised aid convoys worth more than 100,000 euros directly through its subsidiary SIP Ukraina in Krywyi Rih to provide direct assistance. Further opportunities for support are being planned.

External and internal review processes since the start of the war

For this reason, Salamander subjected its business relations in Russia to an external and internal review process right from the start of the war between Russia and Ukraine:

Salamander has supplied recycled leather as sheet goods and for use in everyday civilian shoe components, such as back caps, shoe soles and ballerina shoes.

According to the strict EU sanctions list, leather fibre fabric is classified as a non-critical material. Internal processes and external consultants ensure compliance with EU sanctions and are audited internally.

The use of leather recycling components in combat boots can be ruled out from a technical point of view because the material properties of leather fibre are unsuitable for the extreme conditions of use of a modern combat boot, where plastics and light thermoplastics are commonly used.

In addition, the low and steady annual purchasing volume of € 57-120T gave no indication of increased input quantities and accounts for less than 0.6% of Salamander's sales of the business unit – and 0.04% of the Group's sales with these customers, and is not sufficient for industrial production on a significant scale.

Immediate introduction of additional measures: suspension of deliveries as well as discontinuation of business in Russia and Belarus

To underline Salamander's clear and unequivocal positioning on the side of Ukraine, and notwithstanding the aforementioned arguments, it has been decided to immediately stop deliveries to the two customers concerned, and furthermore, to discontinue all other business in Russia and Belarus. Difficult neighbouring countries will also be subjected to a critical review in the short term. Salamander's approach is stricter and tougher than the current EU sanctions list requires.

Salamander does not consider it acceptable to be associated with combat boots in any manner whatsoever. The company deeply regrets any irritation that may have arisen and would like to establish the necessary clarity and certainty through the measures it has taken.

This is the assessment and position jointly held by the entire management team.

About Salamander Industrie-Produkte GmbH

Salamander Industrie-Produkte GmbH, headquartered in Türkheim/Unterallgäu, is a family-run, internationally active group of companies with three business divisions. With its largest division, Salamander is one of the leading European quality providers of energy-saving, design-oriented window and door systems. Salamander supplies innovative, customisable and tangible products that are sustainable, durable and future-oriented. Together with its long-standing, official specialist partners, Salamander aligns its high-performance product range and its app-based solutions precisely to the needs of window dealers and property owners - under the banner of excellent quality "Made in Germany", sustainability, reliable service and high delivery capacity. With a group turnover of around 390 million euros, Salamander employs some 1,550 people worldwide, including over 40 trainees at several locations, and sells its profile systems in more than 50 countries around the world. The internationally active Salamander Window & Door Systems division accounts for the largest share of group sales. The other traditional division of the Salamander Group is Salamander SPS GmbH & Co. KG - the world market leader for sustainable quality leather fibre materials and vegan fibre material solutions for shoe components, interior design and premium packaging. The third business division, ttp Papenburg GmbH, is a development and implementation partner for special plastic profile solutions for selected industrial customers.

