

# AQC COMMUNICATION ON ENGAGEMENT























MULTICUIRS GENEVE

This Communication on Engagement (COE) shares a statement from the President of AQC, outlines the actions undertaken to support the Principles of the Global Compact, and reviews the initiatives AQC has implemented to support its membres' commitment since the first COE published in March 2021.

As a member of the Global Compact Network Switzerland & Liechtenstein, AQC is required to submit a COE every two years.



Neuchatel, May 23rd 2025

# COMMUNICATION ON ENGAGEMENT (CoE)

Period covered from: 1st January 2023 to 31st December 2024

#### Dear Stakeholders,

It is already two years since the second communication about the AQC engagement. L'Association pour l'Assurance Qualité des Fabricants de Bracelets cuir and its members now have the pleasure of sharing with you concrete news about our progress on sustainability matters. One of the major tasks was, and still is, to prepare a highly regulated environment, especially on chemical compliance and traceability of leather. The other is to measure the full impact of luxury leather bracelets together with all stakeholders involved in a harmonised, science based, and primary data driven way.

Global Compact is an important and valuable partner in this process. AQC reaffirms its full support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this Communication on Engagement, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy.

We also commit to sharing this information with our stakeholders using our primary channels of communication. Furthermore, we organise annually a multistakeholder event with representatives of all actors of our value chain. During this meeting it is always an honor to give Global Compact the stage to share its message.

Sincerely yours,

Angelika Duckenfield

President

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# 1. INTRODUCTION

# 1.1. About AQC

AQC stands in French for « Association pour l'Assurance Qualité des Fabricants de Bracelets Cuir », Association for Quality Assurance of Leather Bracelets Manufacturers. The association has been officially established in June 2014 by the five main leather bracelet manufacturers: Brasport, Camille Fournet, Hirsch, Interstrap and Multicuirs. Together, the founding members of the AQC represent more than 80% of the world's premium production.



AQC was created to provide an additional service to all stakeholders in the industry, particularly watch brands companies and tanneries. It helps meet the traceability and compliance requirements for leather bracelets and the materials used in their manufacture. Furthermore, the association implements and promotes corporate social responsibility projects. Measuring the overall impact, both positive and negative, of our product has become an important pillar.

The five AQC founding members have joined forces with the following objectives:



In support of its mission, and to meet the requirements of watch brands, AQC certifies its members to ensure that the manufacturing of leather bracelet reaches the highest possible quality standard.

Before the introduction of the AQC certification, nothing was specifically dedicated to this sector. Today, it is the only CSR certification for leather bracelet manufacturers. The certification criteria are regularly updated to reflect the demands of the industry.

To be certified, the production sites of bracelet manufacturers are audited every two years by a third party: Société Générale de Surveillance (SGS). The certificates are available on the <u>AQC website</u> in full transparency.

With regard to the leather supply chain, the AQC relies on relevant and recognised certification bodies, such as the Leather Working Group (<u>LWG</u>), the International Crocodilian Farmers Association (<u>ICFA</u>), and the Standard for Responsible Crocodilian Production (<u>SRCP</u>).



# 1.2. Implementation of the Sustainable Development Goals (SDGs)

The AQC and its members are committed to sustainable development by engaging the entire leather bracelet supply chain. As part of its efforts to implement the principles of the Global Compact, the association has identified the six most relevant SDGs for this sector.

#### **GOAL 6: CLEAN WATER AND SANITATION**

Goal 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

Goal 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

#### **ACTION DE L'AQC**

Tanneries require water to carry out the tanning process. AQC relies on the expertise and certification of the Leather Working Group (LWG), which verifies water management and the effective treatment of effluents by leather suppliers. In addition, AQC encourages its members to source leathers exclusively from alligator farms certified by ICFA or SRCP, whose scope includes water management.

Bracelet manufacturers, for their part, do not use significant quantities of water in their production processes. Nevertheless, water usage has been included as a scope in our Life Cycle Assessment (LCA), given its significant use at level 1 of our supply chain: tanneries.

# **SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION**

Goal 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

# **AQC ACTION**

The annual supply chain mapping of leather sourcing by AQC members provides visibility and traceability of the leathers used.

# **Bovine leather**

For bovine leather, 87% of slaughter countries and 62% of breeding countries have now been identified. They are mainly located in Europe. Bovine leather, as a co-product of the agri-food industry, presents challenges in mapping the supply chain. AQC is working in collaboration with all sector stakeholders to enhance traceability of hides.

If hides are not processed into leather, they end up in landfill and generate greenhouse gases. Each year, <u>up to 40% of bovine hides</u> – amounting to 134 million – are thus wasted worldwide.

# Alligator leather

The mapping of the alligator leather supply chain is facilitated both by its transparency and the CITES tag.

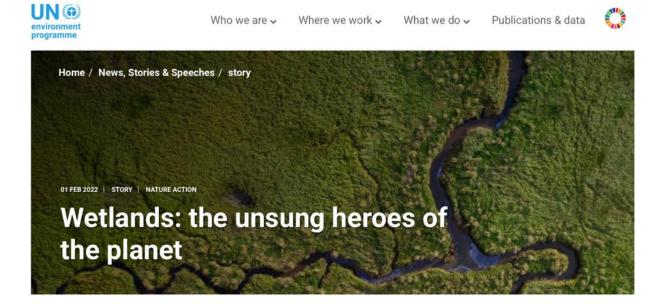
The hides of *Alligator mississippiensis*, which represent more than 98% of the exotic skins delivered to AQC members, all come from audited or certified farms located in the southeastern United States, primarily in Louisiana. In that state, approximately 3,000,000 alligators live, more than <u>2,000,000 of which live in the wild</u>, in wetland areas.

Alligators reproduce solely in their natural habitat. The collection of their eggs is regulated by the <u>Louisiana Department of Wildlife and Fisheries</u>, which issues annually reassessed regulations based on population demographics. This is an essential conservation effort for the preservation of this natural

resource, which is not only valued for its skin but also for its <u>meat</u>, sold in supermarkets. Moreover, the pharmaceutical industry makes use of various parts of the animal post-slaughter, including the bones.

85% percent of Louisiana's wetlands are privately owned. Hurricanes cause erosion and hydrological disruptions, threatening these habitats. The sale of eggs enables landowners to maintain and restore the bayous. In addition, alligator farmers—who rely on the health of these ecosystems—are actively involved in their restoration, either independently or in collaboration with conservation organisations.

Wetlands are also among the world's most effective ecosystems for carbon storage.



Goal 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.

#### **AQC ACTION**

AQC is committed to facilitating its members' compliance with existing and upcoming chemical regulations, such as REACH. A regular testing programme (AQC Chemical Testing Scheme) has been established, and over a period of ten years, nearly 100,000 test results on finished bracelets and their components have been obtained. This initiative includes the monitoring of more than 200 suppliers of leather bracelet components.

For several years, the AQC has been promoting chemical compliance at an international level during multistakeholder meetings (bringing together leather bracelet manufacturers, watch brands, tanneries, farmers, chemical suppliers, associations, and commercial intermediaries).

As a reference tool for chemical substances, AQC recommends that all its partners comply with the manufacturing Restricted Substances List published by the <u>Zero Discharge of Hazardous Chemicals programme</u> (ZDHC).

In alignment with the Partnership for the Goals, and in order to ensure the chemical compliance of materials, the <u>technical working group of AQC</u> defines and regularly updates the lists of regulated chemical substances (<u>RSL</u>). Quality control is carried out by <u>several laboratories referenced</u> by the association, using selected and standardised analytical methods.



Proactive and preparatory actions in anticipation of new regulations are initiated and shared with the relevant stakeholders.

Goal 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

#### **AQC ACTION**

Through its <u>certification</u>, AQC raises awareness among its members about implementing waste management and circularity in production.

At the beginning of 2023, AQC also committed to conducting a life cycle analysis (LCA) of the bracelets, with the aim of improving their environmental impact. By 2025, this analysis has been completed and is undergoing a sectoral review; the results will be published at the end of the year.

#### **SDG 13: CLIMATE ACTION**

Goal 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

#### **AQC ACTION**

Bracelet Manufacturers, members of AQC, are committed to assessing and reducing their greenhouse gas (GHG) emissions.

AQC also encourages the reduction of GHG emissions throughout the supply chain, particularly in tanneries, through the organisation of events and its active participation in working groups and consultations held by the Leather Working Group (LWG).

As an employer, the AQC is committed to a sustainable development policy aimed at drastically reducing the climate impact of its activities. Furthermore, all employees are strongly committed and encouraged to support this policy, for instance through financial incentives to use public transportation.

# **SDG 14: LIFE BELOW WATER**

Goal 14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.

# **AQC ACTION**

As highlighted in SDG 6, tanneries require water to carry out the tanning process. AQC relies on the expertise and certification of the Leather Working Group (LWG), which verifies water management and the effective treatment of effluents by leather suppliers. In addition, AQC encourages its members to source leathers exclusively from alligator farms certified by ICFA or SRCP, whose scope includes water management.

Bracelet manufacturers, for their part, do not use significant quantities of water in their production processes. Nevertheless, water usage has been included as a scope in our Life Cycle Assessment (LCA), given its significant use at level 1 of our supply chain: tanneries.

#### **SDG 15: LIFE ON LAND**

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

# **AQC ACTION**

Thanks to an annual supply chain mapping (AQC Supply Chain Mapping), the AQC identifies, on behalf of its member houses, the risks related to the degradation of life on land (deforestation, lack of traceability, wild-caught species, etc.), for both exotic and bovine leathers.



The sourcing of alligator leather — with all animals farmed in the southeastern United States — is fully compliant with CITES regulations<sup>1</sup>.

In addition, the AQC implements several LCA initiatives bringing together stakeholders from the bovine and alligator leather value chain, with the aim of raising awareness of environmental responsibility based on scientific data.

#### SDG 17: PARTNERSHIPS FOR THE GOALS

Goal 17: Strengthen the means of implementation and revitalise the global partnership for sustainable development.

#### **AQC ACTION**

In order to ensure that leather watch bracelet meet the highest possible safety standards and to promote a responsible global supply chain, one of the AQC's main roles is to strengthen collaboration between leather bracelet manufacturers, watch brands, tanneries, farmers, chemical suppliers, associations, experts, and commercial intermediaries. To this end, the association organises dedicated working groups and multistakeholder meetings. In November 2024, the 7th Multistakeholder Meeting in Geneva brought together nearly 100 representatives from across the global value chain.

In addition, the AQC maintains numerous contacts and regularly shares information with the industry through various communication channels.

<sup>&</sup>lt;sup>1</sup> Alligator mississippiensis are listed in <u>CITES appendix II</u>, which lists species that are not necessarily now threatened with extinction, but that may become so, unless trade is closely controlled.

# 1.3. AQC Members' Pledge

As of 2022, AQC member houses strengthened their commitment to a responsible global supply chain through the AQC Pledge. They officially formalised this commitment as outlined in the document copied below.



# **PLEDGE**



The members of AQC are contributing transparently and collaboratively to the European Green Deal and the United Nations 2030 Agenda.



#### E - ENVIRONMENTAL COMMITMENT

- Measure, monitor and reduce scope 1, 2 and 3 leather bracelet impact
- $\bullet$  Support the circular economy, renewable energy, and reduce pollution
- Develop strategies to preserve natural resources and biodiversity
- · Limit chemical risks and ensure chemical compliance





- Cooperate transparently and share knowledge pro-actively with all
- Fulfil their legal responsibility for working conditions within their own workforce and monitor their value chain
- · Contribute to the transmission and preservation of the leather bracelet artisanal craft
- Respect data protection policies and encourage feedback to manage risks and opportunities for the product



# **G - GOVERNANCE COMMITMENT**

• Implement governance within their own organisation





















# 2. COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT

# 2.1. The beginnings



It all began on June 21, 2018, when Antonio Hautle, CEO of the UN Global Compact Network Switzerland and Liechtenstein, participated as keynote speaker at the first AQC multistakeholder meeting in Neuchâtel.

Thanks to Mr. Hautle, nearly 100 representatives from the leather bracelet supply chain had the opportunity to learn more about the Ten Principles of the United Nations and the Sustainable Development Goals.

Following this important meeting, AQC's membership and commitment to the Global Compact were formalised on February 27, 2019 (see letter below).

Since then, the collaboration between AQC and the UN Global Compact Network Switzerland and Liechtenstein has been excellent. AQC closely

follows Global Compact communications and regularly participates in its online events. In November 2024, Mr. Hautle once again spoke at the 7<sup>th</sup> AQC Multistakeholder Meeting in front of nearly 100 participants.

AQC's commitment to the Ten Principles of the United Nations Global Compact:



ASSOCIATION POUR L'ASSURANCE QUALITÉ

H.E. António Guterres Secretary-General United Nations New York, NY 10017 USA

Neuchâtel, February 27th, 2019

#### AQC's commitment

Dear Mr. Secretary General,

I am pleased to confirm that AQC supports the ten principles of the UN Global Compact with respect to human rights, labor, environment and anti-corruption.

With this commitment, we express our intent to support the Global Compact advancing these principles and will make a clear statement of this commitment to our stakeholders and the general public.

We also pledge to participate in and engage with the UN Global Compact in the following way(s):

- Encourage our members to join the UN Global Compact
- Promote the UN Global Compact Ten Principles within the Leather Bracelets Supply Chain
- Support UN Global Compact business participants in implementing and reporting on their sustainability efforts.
- Organize dialogue events, workshops and training for your members on the UN Global Compact and specific topics relevant to corporate sustainability.
- Provide expertise and/or be the voice of our members to UN Global Compact working groups and special initiatives;
- Support the development and activities of a Global Compact Local Network

We recognize that a key requirement for participation in the Global Compact is the submission of a Communication on Engagement (COE) that describes our organization's efforts to support the implementation of the ten principles and to engage with the Global Compact.

We support public accountability and transparency, and therefore commit to report on progress within two years of joining the Global Compact and every two years thereafter according to the Global Compact COE policy.

Sincerely yours,

Angelika Duckenfield President of AOC

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#### 2.2. From words to actions

This sub-chapter outlines the concrete actions undertaken in support of the Global Compact, from January 2023 to December 2024.

## **Encourage our members to join the UN Global Compact**

- Promotion of UN Global Compact on AQC website www.aqc-asso.ch
- Promotion of UN Global Compact in the AQC presentations to our members

# Promote the UN Global Compact Ten Principles within the Leather Bracelets Supply Chain

- Integration of the Ten Principles and reference to UN Global Compact into all AQC specifications
- Promotion of the SDGs in all AQC presentations to its members
- Promotion of the SDGs in all AQC presentations to the leather bracelet stakeholders
- Promotion of the SDGs in LinkedIn posts
- Support of the SDG Flag Day on LinkedIn

# Support UN Global Compact business participants in implementing and reporting on their sustainability efforts

• Three reports "Commitment on Engagement" (2021; 2023; 2025)

Organise dialogue events, workshops, and training for our Members on the UN Global Compact and specific topics relevant to corporate sustainability

- 2023-2024: Online
  - 1 AQC Laboratory working group
  - o 1 AQC RSL & monitoring pack
  - o 6 AQC PODs on chemical compliance and transparency
- 2023-2024: In person
  - June 23, Geneva, LCA+ Kick off meeting (~85 participants).
  - July 23, Milan, Tanners working group (~30 participants)
  - December 23, Neuchâtel, Watch brands working group (~40 participants)
  - o November 24, Geneva, AQC Multi-Stakeholder Meeting (~80 participants).
  - o 2023-2024: AQC Member's Tour (~100 participants in Austria, France, Switzerland).



Provide expertise and represent the voice of our members within United Nations Global Compact working groups and special initiatives.

Participation in webinars hosted by the United Nations Global Compact:

- 2023 January 24: "Regulatory Trends"
- 2023 April 24: "Regulatory Trends"
- 2023 August 28: "Regulatory Trends"
- 2023 December 11: "Regulatory Trends"
- 2024 February 13: "TNDF Framework"
- 2024 March 18: "Regulatory Trends"
- 2024 May 7: "CSRD/ESRS Series: Understanding the Directive"
- 2024 May 23: "CSRD/ESRS Series: Cross-cutting and Governance Standards"
- 2024 June 4: "CSRD/ESRS Series: Environmental Standards"
- 2024 June 18: "CSRD/ESRS Series: Social Standards"
- 2024 June 24: "Regulatory Trends"
- 2024 July 4: "CSDDD"
- 2024 September 23: "Regulatory Trends"
- 2024 October 10: "Role of communication and reporting in ethics and compliance"
- 2024 December 16: "Regulatory Trends"

# Support the development and activities of a Global Compact Local Network

- · Payment of Membership fee
- Promotion of global compact events to members and stakeholders





# 3. THE TEN PRINCIPLES & PRACTICAL ACTIONS OF AQC

## **DEFINITION OF THE SCOPES OF APPLICATION OF AQC**

#### A. AQC ORGANISATION

AQC's 4 collaborators

#### **B. LEATHER BRACELET SUPPLY CHAIN**

- The 5 leather bracelet manufacturers members of AQC
- The leather suppliers within the scope of AQC

# 3.1. Actions related to the human rights principles

Respect for human rights is an integral part of AQC's activities and organisational management.

The internal rule of AQC and the specifications provided to stakeholders cover principles of integrity, ethical behavior, anti-corruption, respect for individuals and their dignity (including the prohibition of all forms of discrimination or harassment), as well as the prevention of conflicts of interest.

# **HUMAN RIGHTS**

## Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

#### Principle 2

Make sure that they are not complicit in human rights abuses.

#### A. AQC ORGANISATION

Since 2019, AQC has been ISO 9001 certified and undergoes periodic recertification. Control, measurement, and continuous improvement of professional practices are in place and regularly audited by independent evaluators as part of the certification process. In addition, 100% of AQC employees have signed the internal rule.

#### **B. LEATHER BRACELET SUPPLY CHAIN**

#### **Leather Bracelet Manufacturers**

Since 2017, the specifications for bracelet manufacturers have required compliance with human rights, fundamental freedoms and inclusion, notably through the implementation of an internal company code of conduct.

**Indicator to measure actions (status 31.12.24):** All sites of AQC bracelet manufacturers, as well as those of their subsidiaries, are audited by third parties and certified by AQC.

#### **Leather Suppliers**

Today, AQC acknowledges and supports the evolution of the LWG certification standard for leather suppliers.

# 3.2. Actions related to the labour principles

AQC strongly encourages the preservation of life and physical integrity in the workplace, both among its staff members and its stakeholders.

#### A. AQC ORGANISATION

**From May 2019:** Implementation of AQC's Health and Safety Policy

By implementing its Health and Safety Policy, AQC affirms its commitment to providing a safe and healthy working environment for all, as well as its intention to comply with occupational health and safety laws and regulations.

# **LABOUR**

#### Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

# Principle 4

The elimination of all forms of forced and compulsory labour:

#### Principle 5

The effective abolition of child labour; and

#### Principle 6

The elimination of discrimination in respect of employment and occupation.

This policy also outlines how to achieve a safe and healthy workplace, along with the roles and responsibilities of everyone involved, including those of the workers.

# Objectives of AQC's Health and Safety Policy

- To ensure full compliance with legal obligations
- To provide all individuals with a high-quality working environment and conditions that optimally safeguard their health and safety
- To maintain a low incidence of workplace accidents and occupational illnesses by conducting accident and near-miss analyses and implementing corrective or preventive measures
- To reduce the frequency of non-occupational accidents through prevention campaigns or awareness-raising actions

# From 2019 onwards, the implementation of the human resources policy includes

- Respect for individuals
- Non-discrimination
- Transparency and honesty
- Team spirit
- Breaks and holidays
- Workers' health and safety
- · Protection of personal data
- Onboarding of new employees
- Training plan

#### Indicator to measure actions (status 31.12.24)

- Annual monitoring of employee absence rates
- Annual monitoring of employee accidents
- Annual staff appraisal interviews

# **B. LEATHER BRACELET SUPPLY CHAIN**

# The certification of AQC members and recognised certifications cover:

- Occupational health and safety: equipment, clean workplaces
- General conditions of employment
- Workers' organisation
- Non-discrimination and inclusion
- Child labour / Young female and male workers
- Discipline

# Indicator to measure actions (status 31.12.24)

Bracelet Manufacturers: All sites operated by AQC leather bracelet manufacturers, as well as their subsidiaries, are audited by third parties and certified by AQC.

# 3.3. Actions related to the environment principles

AQC members uphold and promote best practices to reduce the environmental impact of all their activities and to assist their clients, partners, and stakeholders in doing the same.

Environmental protection and the advancement of a broader sustainability agenda, such as traceability, are integral to the activities of AQC members and the organisation's management.

#### **ENVIRONMENT**

#### Principle 7

Businesses should support a precautionary approach to environmental challenges;

#### Principle 8

Undertake initiatives to promote greater environmental responsibility; and

#### Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

#### A. AQC ORGANISATION

In 2022, implementation of a sustainability policy for the internal activities of the Association.

#### Scope

- Use and reuse: paperless alternatives, recycling, reusable crockery
- Employee engagement: education, feedback
- Transport: public transport is prioritised for both internal and external meetings.
- Financial incentives are offered to employees for using public transport.
- AQC events are located close to public transport links and all necessary information for their use is provided to attendees.

**Indicator to measure actions (status 31.12.24):** Annual monitoring report and corresponding action plan (if objectives are not met)

# **B. LEATHER BRACELET SUPPLY CHAIN**

# The specifications for bracelet manufacturers and leather suppliers include:

- Regulations on the trade in endangered species of wild fauna and flora (CITES)
- Compliance with regulations on hazardous substances
- Management of waste and waste emissions

#### For bracelet manufacturers only:

- Use of renewable energy sources
- Life cycle analysis of leather bracelets and reduction of negative impacts

#### For tanneries:

AQC members fully recognise the LWG certification under Protocol P7 as satisfactory to ensure environmental compliance.

# For alligator farms:

Since 2022, AQC has verified that the ICFA and LVMH/SRCP certifications, along with the Hermès precious leather audit (Hcp), comply with the international standard on animal welfare applicable to the slaughter of reptiles (OIE Chapter 7.14).

Currently, AQC members source their leather exclusively from tanneries supplied by certified alligator farms.

# Indicator for measuring leather supply (status 31.12.24)

#### LEATHER DELIVERIES AT AQC MEMBERS

#### **Deliveries 2018**

- 56% of alligator farms known
- 0% of alligator farms ICFA certified
- 50% of countries of bovine slaughter known

#### **Deliveries 2020**

- 100% of alligator farms known
- 61% of alligator farms ICFA certified
- 88% of countries of bovine slaughter known

#### **Deliveries 2022**

- 100% of alligator farms known
- 87% of alligator farms ICFA certified
- 13% of alligator farms SRCP certified
- 84% of countries of bovine slaughter known
- 42% of bovine slaughterhouse names known
- 64% of countries of bovine rearing known

#### **Deliveries 2019**

- 90% of alligator farms known
- 3% of alligator farms ICFA certified
- 65% of countries of bovine slaughter known

#### **Deliveries 2021**

- 100% of alligator farms known
- 78% of alligator farms ICFA certified
- All other alligator farms are either LVMH (SRCP) certified, or Hcp audited
- 77% of country of bovine slaughter known
- 55% of bovine slaughterhouse known

# **Deliveries 2023**

- 100% of alligator farms known
- 89% of alligator farms ICFA certified
- 11% of alligator farms SRCP certified
- 87% of bovine slaughter countries are known
- 38% of bovine slaughterhouse names are known
- 62% of bovine rearing countries are known

It is worth noting that, as bovine leather is a by-product of the food industry, mapping its supply chain remains a complex task. AQC and the leather industry are aware of the need for traceability and are actively seeking solutions.

The mapping of the alligator leather supply chain is facilitated both by its transparency and the CITES tag.

# 3.4. Actions related to the anti-corruption principles

AQC's reputation and that of its members is one of its most valuable assets; it must be maintained and protected.

AQC's specifications set out how members, suppliers and collaborators are expected to behave not only in general terms, but also in situations where certain actions could have serious repercussions on the reputation of the association, its members and relevant stakeholders.

# **ANTI-CORRUPTION**

Principle 10

Businesses should work against all forms of corruption, including extortion and bribery.

At every event organised by AQC with stakeholders, an antitrust statement is presented (online) and signed (in person).

# **AQC** organisation

# The AQC internal rule takes into consideration

- Integrity and ethical behaviour : good faith, honesty, integrity, due diligence
- Anticorruption measures: avoid conflicts of interest and limitation of gifts or advantages

**Indicator to measure actions (status 31.12.24):** 100% of AQC employees have signed the internal rules



# The leather bracelet supply chain

Since 2017, the specifications for bracelet manufacturers who are members of AQC have included requirements related to anti-corruption measures. This aspect is verified during AQC certification audits carried out by SGS.

**Indicator measurement (status 31.12.24):** All sites of AQC bracelet manufacturers are audited by third parties and certified by AQC.

In 2020, these requirements were also implemented in the specifications for leather suppliers.

# 4. CONCLUSION

Efforts are being made by AQC members, as well as supply chain stakeholders, to implement the ten principles of the United Nations Global Compact. Protecting our planet, its people and its biodiversity in a sustainable manner fully justifies these investments.

By fostering strong collaboration among industry players, and through meaningful projects, AQC continues to take active steps towards a responsible global supply chain.

We sincerely thank the team at Global Compact Network Switzerland & Liechtenstein for their important and dedicated work, as well as for the excellent collaboration over the years.