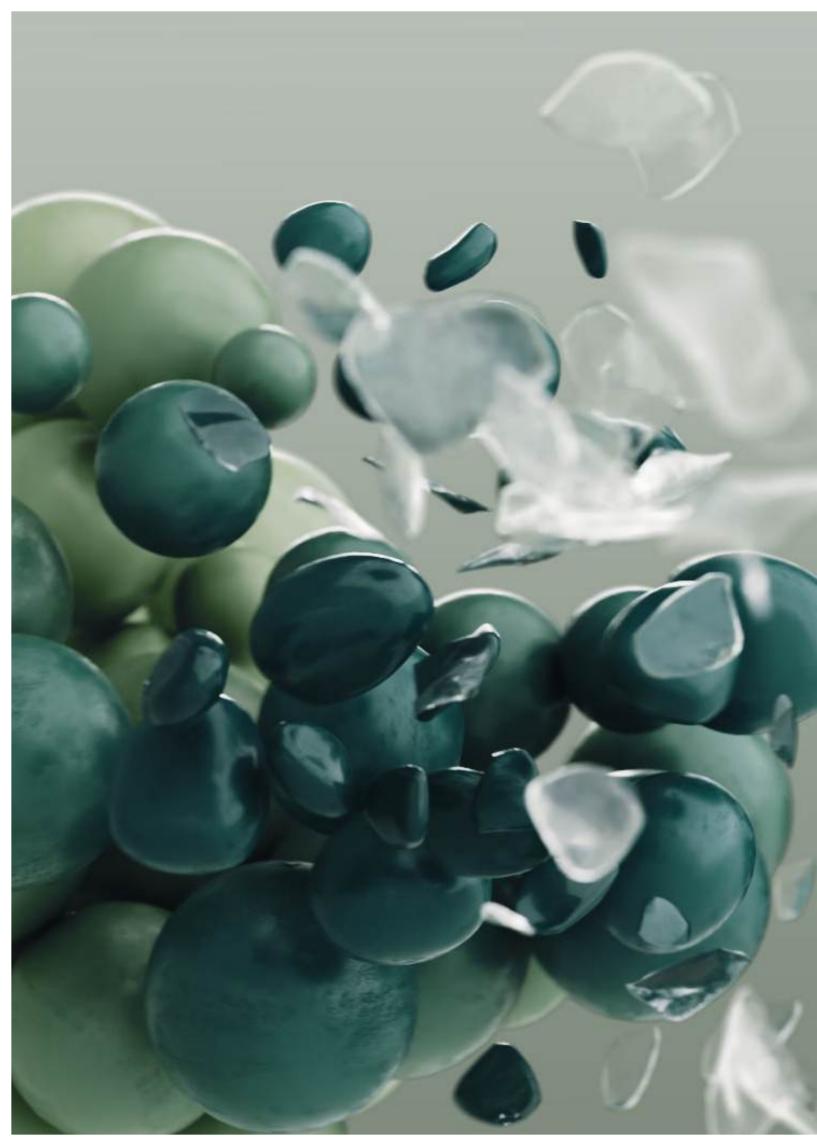
CITICIS®

CSR REPORT

future is now.



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Dear Readers,

For over 114 years, we have been producing innovative and durable safety shoes in our own modern production facilities. But we are much more than just a shoe manufacturer. We think beyond shoes. Our products stand not only for protection and safety but also for health and a conscious approach to the planet's resources. In a time when stability and security are indispensable, our deep commitment to sustainability is more important than ever. Our shoes embody our responsibility for a healthier future for our wearers and our planet.

We look back on a successful year 2023. Even in light of the economically and politically tense situation caused by supply bottlenecks and global uncertainties, we were able to achieve remarkable success thanks to our corporate strategy and the tireless dedication of our team. Our investments in sustainability and innovation have proven particularly valuable. With our holistic approach to foot health and the personalization of our safety shoes—from the fit to the out- and midsoles to the individual insoles—we are rethinking safety shoes and continuously invest in innovative solutions that improve the lives of those who wear our shoes.

For us, sustainability is not a state but an ongoing process of continuous improvement.

This conviction is reflected in our sustainability strategy, which is based on our core values: quality, innovation, responsibility, sustainability, transparency, and teamwork. These values have been deeply embedded in our corporate philosophy since the company was founded by my great-great-grandfather.

Our sustainability strategy, which we elevated to a new level in 2023, aims to make a decisive contribution to a resource-conscious and environmentally friendly future. We develop innovative solutions and consolidate sustainable methods and processes across all company areas. Starting with our employees, through our products and supply chains, to our business partners, we prioritize the highest standards and responsibility at every step.

We remain consistent in being aware of the consequences of our actions and always finding new ways to strengthen our commitment to a sustainable future.

We take responsibility and stand by our values.

As a responsible company, we distinguish ourselves through the production of reliable and forward-looking products that are always tai lored to the needs of our customers. It is essential to keep the social and ecological impacts of our actions in mind and seamlessly integrate new requirements into the performance process. Through our activities in the area of sustainability, we have created awareness both internally and externally in 2023 and firmly placed the topic on our agenda. This also includes our detailed and transparent Sustainability Report, which challenges us to achieve even more.

Taking responsibility today is the key to shaping tomorrow.

In addition to the increasing demands on



our products, we must also keep track of the energy consumption for their production and their entire lifecycle. It is crucial to treat resources carefully and to use materials that can be more easily returned to the cycle to reduce environmental impact. This applies to both our products and their packaging.

I would like to thank all the employees and partners of ATLAS for their dedication and commitment. Together, we are committed to sustainable action and shaping a world where a safe and healthy future is not a question, but the answer.

Hendrik Schabsky | CEO ATLAS





WE ARE ATLAS

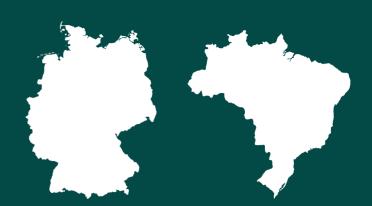
At ATLAS, we are proud to be one of the leading manufacturers of safety shoes in Europe. With our headquarters in Dortmund, Germany, and a production capacity of 2.7 million pairs of shoes per year, we set standards in the industry. Our extensive experience and continuous drive for innovation enable us to develop high-quality safety shoes that meet the highest demands.

Data and Facts

As a company aware of its responsibilities, we place great emphasis on quality, sustainability, and social responsibility. Our goal is not only to provide the best protection and comfort for our customers but also to make a positive contribution to society and the environment.

2





EMPLOYEES IN GERMANY

287



EMPLOYEES IN BRASIL

1,200

PU INJECTION SYSTEMS

8

PAIRS PRODUCED PER DAY

12,500

UPPERS IN STOCK

500,000

PAIRS IN STOCK

300,000



AMOUNT OF SHOES PRODUCED PER YEAR

2.7 MIO.



WORKING HEALTHIER

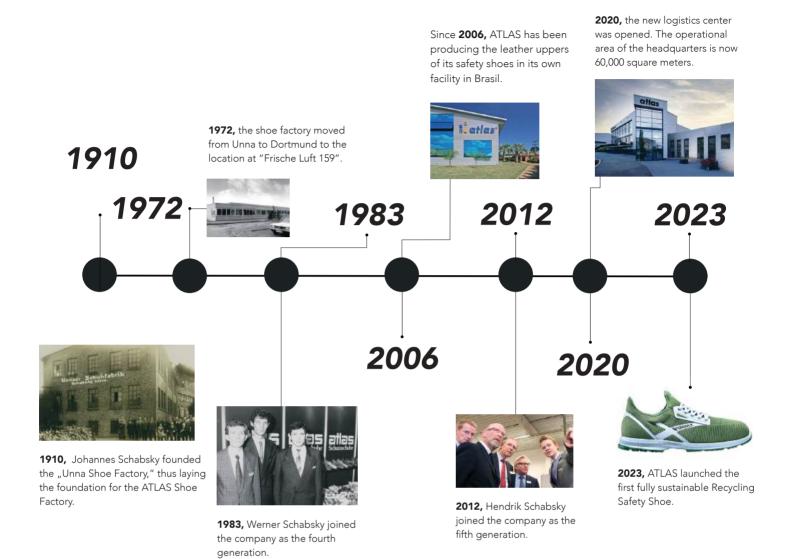
EXPERIENCING INNOVATIONS

In 1910, Johannes Schabsky founded the "Unna Shoe Factory". At that time, 16 employees produced protective footwear mainly for the local mining and steel industries. The daily production was around 80 pairs of shoes.

Since then, much has changed. With the decline of coal and steel, the company evolved and focused on the needs of the manufacturing industry in other sectors. New products were developed for customers in the automotive, construction, and chemical

industries. In 1972, we moved from Unna to Dortmund, where we are still located today. Since our founding, we have grown into one of the leading safety shoe manufacturers in Europe. From the early days of handcrafted mining boots to today's high-end safety shoes, we have remained true to our values: responsibility, quality, innovation, sustainability, transparency, and teamwork.

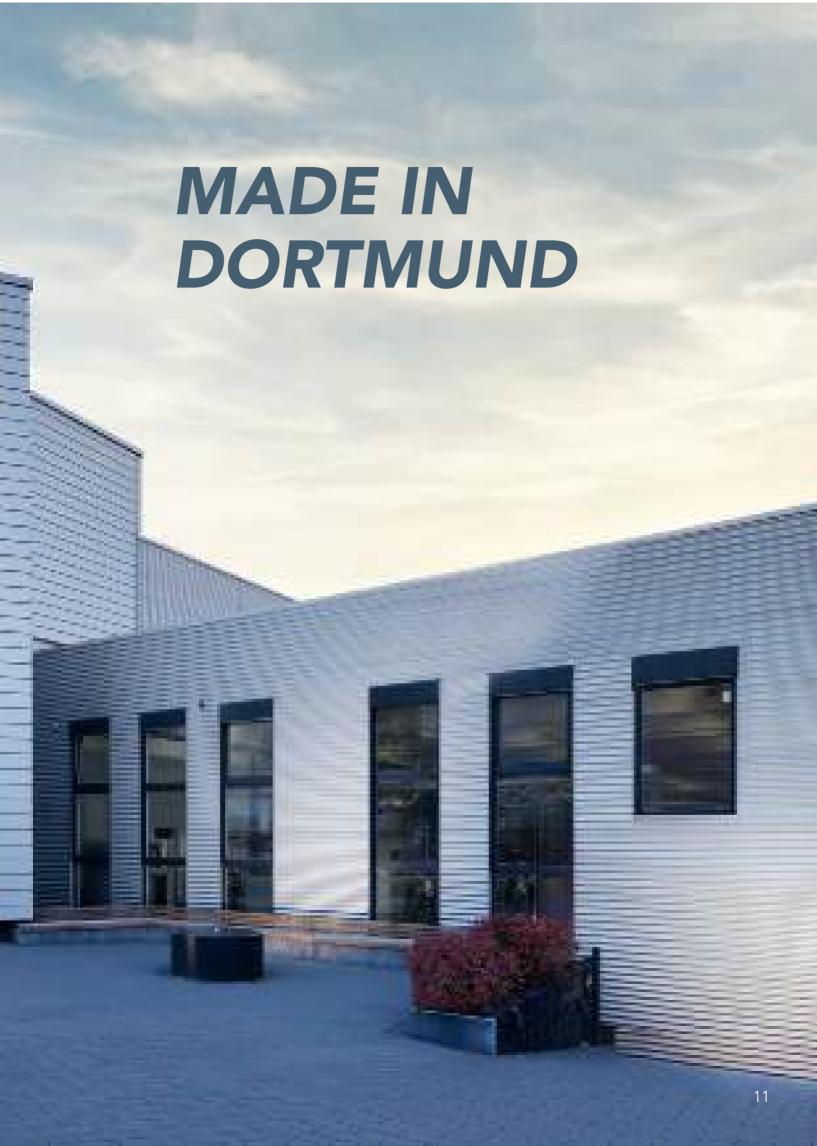
What makes us unique is our family leadership in the fifth generation. This allows us to pursue a long-term vision and make decisi-



ons that consider not only short-term profit but also sustainability and the company's long-term success. Thus, we have already succeeded in setting unique standards: whether it is our custom-developed technologies to save primary raw materials, the first holistic Recycling Safety Shoe, or the ongoing manufacturing in our own facilities to reduce CO_2 greenhouse gas emissions and ensure quality standards. In addition to the ecological aspect, social responsibility is also a key focus. For this reason, we keep almost all production in-house and support

various charitable organizations. We are also continuously working to raise awareness about foot health in the safety industry, so that those 2.7 million pairs of shoes produced annually not only increase safety but also contribute to preserving health.





We connect

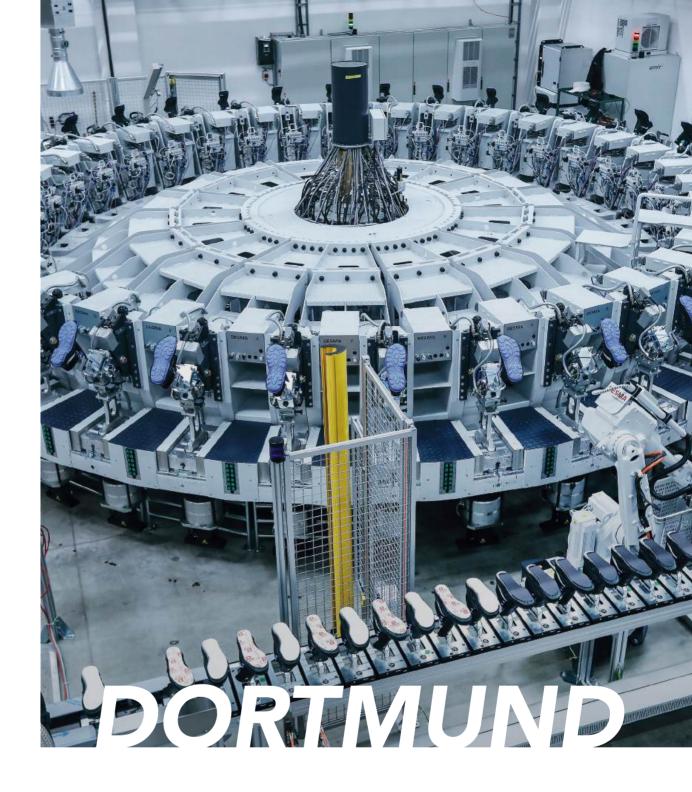
TRADITION WITH INNOVATION

The decision to establish our location in the Ruhr metropolis of Dortmund is not only shaped by our history but also a conscious choice in favor of the region. Dortmund is known as an emerging technology and science hub, which allows us to recruit highly qualified spe-





cialists directly at the location. Due to our history, we also have a special connection to the Ruhr Area and aim to strengthen this through local partnerships.





With state-of-the-art technology and decades of experience, we manufacture products that not only meet the highest safety standards but also impress with their comfort and durability. Our products show the highest level of quality and trust from our customers through the "Made in Germany" label.

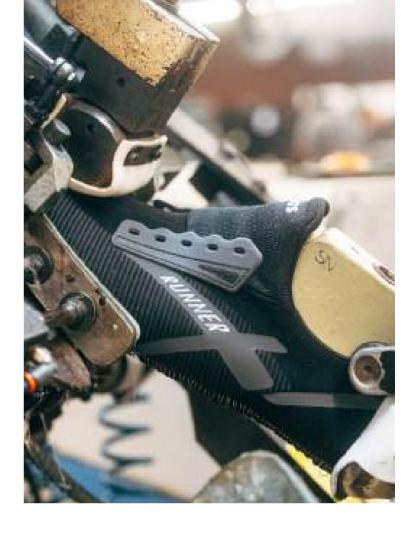




A UNIQUE SELLING

POINT is that we keep production in-house, specifically in Brasil. In the state of Rio Grande do Sul, near the Argentine border, in the university town of Lajeado and in Bom Retiro, are the production facilities of ATLAS Brasil Calçados Ltda., our 100% subsidiary.

Here, we manufacture our leather and high-tech microfiber uppers. The quality, high standards, and durability are ensured by our 1,200 employees on-site. We place particularly high demands on our products to ensure that people in the work environment are well-protected while guaranteeing a high level of wearing comfort. Therefore, we process high-quality leather, which we source from long-standing partner tanneries in southern Brasil. This ensures consistent material quality.





The modern equipment in the buildings and the use of advanced technologies provide excellent working conditions for the staff. Additionally, the free daycare center for children, with full-day care and meals, offers special benefits for employees in Bom Retiro.

Keeping production in-house enables us to maintain a favorable market position from several perspectives: It ensures consistent quality, high flexibility, and, with ATLAS Brasil as our primary supplier, a transparent supply chain from start to finish.



"Our high flexibility in production and logistics is unique in the industry and forms the basis for the satisfaction of our customers in our joint collaboration."

HENDRIK SCHABSKY

CEO ATLAS

ANDREAS PRENTKI

Managing Director at ATLAS Brasil

Andreas Prentki has been with ATLAS since the beginning of his career – he now looks back on a proud 25 years. As Managing Director of ATLAS Brasil, he has been with the company for 14 years. With his experience and knowledge, he has brought the subsidiary to where it is today.

While other shoe brands often outsource production, ATLAS opts for "Do It Yourself." Why do you see in-house production as having so many advantages, and why did you choose this path?

The decision to focus on in-house production brings a multitude of advantages. First, it allows us full control over the entire production process, ensuring the highest quality standards and the flexibility to respond quickly to market demands and customer wishes. Second, in-house production promotes a more sustainable supply chain. We can more easily integrate recycled materials and minimize our ecological footprint. A further significant advantage is the reduction of dependencies on external suppliers and their

"Our strength lies in the combination of German precision and Brazilian innovation – this makes our products unique."

production conditions. This not only shortens delivery times but also increases transparency and fairness within our value chain. Ultimately, this approach strengthens our innovative capacity and our ability to continuously implement improvements in the production processes.

From the first idea to today – you are responsible for ensuring that ATLAS Brasil has always remained on a successful path. What was the key idea that led to expanding shoe production to Brasil?

Brasil offered immense opportunities, and the idea of writing a new chapter for the compa-

ny was tempting. The ability to implement innovations more flexibly and shorten communication channels was the key factor for me to accept this challenge.

Brasil is particularly important to us due to the high quality of leather and the strong regional shoe industry in the state of Rio Grande do Sul. This means we have skilled workers here as well as the best possible material quality due to the proximity to our raw material sources.

Germany and Brasil – how do these two culturally and economically very different countries fit together?

What many do not know is that the state of Rio Grande do Sul has a strong European influence, and many people there speak German. This historical connection creates cultural commonalities and significantly eases collaboration.

Through state-of-the-art facilities and the use of the latest technologies at our locations in Brasil, we are able to produce innovative and high-quality products that reflect the strengths of both cultures.



TEAM MEETING ATLAS BRASIL

Give us some insight: What exciting challenges and tasks fill your workday in Brasil?

One of my main tasks is to maintain good and long-term relationships with our local suppliers. A close, trusting relationship is essential in this regard. The local proximity and close cooperation enable us to have short service and coordination paths, as well as transparent insight into working conditions on-site. This is particularly important to us, as we want to meet our due diligence obligations to our stakeholders in the most transparent way possible.

ATLAS stands not only for quality but also for social commitment. What initiatives have you launched to underline your social responsibility in the country?

Social commitment is a central part of our corporate philosophy. In Brasil, we have launched various initiatives, including a daycare center for the children of our employees, a canteen offering healthy meals daily, and a bus transfer system ensuring safe and comfortable work commutes. These measures highlight our commitment to the welfare of our employees and their families.

PRODUCTS AND TECHNOLOGIES

For a healthier tomorrow





UPPER MATERIAL

92 % from recycled PET bottles.



MIDSOLE

Adding solids in the production cycle.



RECYCLING INSOLE

Made from environmentally friendly materials.

We strive for solutions that are innovative yet impress with their simplicity. Our focus is on transitioning from being a footwear manufacturer to becoming a digital leader and integrated solution provider for foot health. Holistically sustainable and all from one source.

We are setting new standards for products. We are investing in research into new technologies. We are working daily to make our business processes more sustainable.

Since our founding, our priority has been developing new, sustainable technologies for the safety shoe industry. As customer requirements are highly individual, we continuously test new upper and sole materials and evaluate their processing methods.

Thus, our new Recycling Safety Shoe is not only made of recycled materials. Every part of this safety shoe has been holistically and sustainably designed. The shaft consists of

92%

recycled PET bottles.



For the midsole, we optimized the in-house production process of MPU[®]. During the manufacturing of conventional midsoles in the direct soling plant, production waste naturally occurs. We collect this polyurethane residue, granulate it, and return it to the production cycle.

20%

of the midsoles of the Recycling Safety Shoe consists of added solids instead of primary raw materials—a novelty in the safety shoe industry.



The Recycling Safety Shoe is completed with the Recycling Insole Clima-Comfort, made from

86%

recycled Ecofoam. The composition of Ecofoam is based on the complete reuse of waste, including that which arises from the production of our own foamed materials and insoles.

THE FEET AS THE FOUNDATION OF OUR BODIES.



We want to consider safety shoes not in isolation but rather account for foot health in all aspects—from anatomy to foot geometry to the condition of the skin. This is why we have developed a holistic system for the prevention, care, and enhancement of foot health. We use 3D technology to precisely measure feet to determine the correct shoe size and width, optimize outsoles and midsoles, and ensure a pleasant foot climate with matching insoles and socks. Our goal is always to develop the best product for each need and use case.

The **FIT INSOLE** is a semi-orthopedic insole that can be tailored to the wearer within four minutes. This technology is unique in the market. In collaboration with the company Lenz Ges.m.b.H., we developed a proprietary scanner called flowmould technology. This adjusts the fit of the insole to the wearer's personal footprint via heating and cooling of the thermal core. The result is insoles that can be used preventively and reactively to evidently reduce foot, knee, and back pain.

Every foot is as individual as we are. Needs are individual. We believe that products should be as well. To address customization, we developed the **FIT INSOLE**, an individually adjustable insole.



Innovation is in our DNA.

With our innovative high-tech scanning technologies, we can not only analyze foot size and width but also determine the necessary support for the foot. Additionally, with our self-developed "Scan your feet" App, foot size and width can be measured using a smartphone.



Digitalization is an integral part of our strategy to continuously improve both the efficiency of our logistics and the quality of our customer service and communication. This enables us to achieve low-error order management, improved response processes, and short delivery times in customer communication.

Our decision to embrace innovative technologies is deeply rooted in our commitment to always developing the best and most advanced solutions for our customers. Through continuous investment in research and development and close collaboration with leading technology partners, we ensure that our products not only meet the highest standards but also adapt to the ever-changing requirements and needs of our customers. We believe that innovation and sustainability must go hand in hand to achieve

long-term success and make a positive contribution to society and the environment.

Material Research

The processing of high-quality materials plays a central role for us. For upper materials, we rely on the latest technologies and durable materials. In collaboration with W. L. Gore & Associates GmbH, we launched an entirely new product series in 2023. With the innovative **EXTRAGU-ARD® upper material technology** we focus on extreme robustness and lasting lightness. This durable and water-repellent material is 40% lighter than leather and allows for significantly faster drying times compared to safety shoes with conventional upper materials.





Shared Values as the Foundation for Strong Partnerships

Raising brand awareness sustainably means primarily relying on long-term partnerships that share our values. This year, we not only established new collaborations but also expanded existing ones. To achieve our corporate goal of brand awareness, we rely particularly on high-reach partners as catalysts. These strategic partnerships enable us to present our brand to a broader audience and strengthen our presence in relevant markets. By collaborating with established and well-connected partners, we can spread our marketing messages more effectively and achieve greater visibility for our products and services. We present our 2023 highlights.





SPORTS SPONSORSHIP



FROM LEFT TO RIGHT: HANS-JOACHIM WATZKE, HENDRIK SCHABSKY, CARSTEN CRAMER

We are proud to have been a premium partner of Borussia Dortmund (BVB) since 2016. This partnership demonstrates what is possible when two organizations with the same values come together: Tradition, authenticity, responsibility, passion, teamwork, and quality shape the collaboration between ATLAS and BVB—a partnership that goes far beyond sponsorship. With our products, we ensure maximum safety and comfort, both on and off the pitch.

Both organizations are deeply rooted in the Ruhr Area and share a strong connection to the region. Our safety shoes are developed and manufactured in Dortmund with an unwavering pursuit of the latest innovations and the highest quality. Like BVB, we at ATLAS strive for perfection and excellence, working as a team to achieve our goals. The corporate culture of both companies stands for respect, equality, and mutual understanding among all employees, regardless of origin, gender, religion, or other personal characteristics. Together, we promote young talents and foster a climate that views individual differences as an asset, strengthening our team even further.



"True Love" for ATLAS

With an exceptionally high reach of 70 billion advertising contacts and worldwide TV coverage of more than 5,600 hours per season, Borussia Dortmund is an attractive partner for us, significantly expanding brand awareness both nationally and internationally.





"Ensuring the safety of our employees and, therefore, our fans is a key factor for the successful execution of our home games at SIGNAL IDUNA PARK.

With ATLAS, we have a partner that, as a company with a strong tradition, shares our values and supports us in meeting the highest safety standards. Through our collaboration, we are committed to responsible, reliable, and forward-thinking solutions."

CARSTEN CRAMER

Managing Director Borussia Dortmund



FIS SKI JUMPING WORLD CUP IN WILLINGEN

Since 2021, we have been involved in winter sports and support the FIS Ski Jumping World Cup in Willingen as a sponsor. Our strategy: strengthening emotional connection to the brand through our presence at popular and emotional events, and positioning the brand in a target-group-relevant environment.

FOOTBALL BUNDESLIGA

We generate visibility through perimeter advertising by sponsoring various clubs in the 1st and 2nd German Football Bundesliga (national league). These include 1. FC Köln, Bayer 04 Leverkusen, 1. FSV Mainz 05, Werder Bremen, SC Freiburg, Fortuna Düsseldorf, Hertha BSC Berlin, and SC Paderborn 07. For 2024, the support of at least one women's team and one female athlete is also planned in the interest of gender equality.





ATLAS PERIMETER ADVERTISING AT WERDER BREMEN



TESTIMONIAL BRANDING

JOEY KELLY

In 2023, Joey Kelly joined our pool of brand partners. With the extreme athlete, who regularly surpasses all physical limits, we want to emphasize what it is really about: persevering where others fail. What makes this partnership particularly sustainable are, above all, shared values: a strong family foundation, discipline, perseverance, and the ambition to master even the toughest extreme situations. In October 2023, Joey Kelly and we participated in the TV Total Wok World Championship and celebrated first place.



MARIE HOFFMANN

We have continued our collaboration with content creator Marie Hoffmann for the second year. The 27 year-old studied agriculture and is not only regularly out in the fields and barns but is also very active on Instagram (@marie_hfmn97). With about 550,000 followers, she shares her everyday life in the countryside, informs about innovations in agriculture, and recommends products that she uses daily—such as our safety shoes. Through this collaboration, we fully focus on the truly "green" content for the target group and, with Marie Hoffmann, emphasize diversity in the pool of ambassadors and the further target group of farmers.

LUIS TEICHMANN

In 2023, ATLAS brand ambassador Luis Teichmann was newly added. He is studying rescue engineering, works as a passionate paramedic, and takes over 440,000 fans on Instagram through his professional everyday life: from absurd operations and curious facts to exciting knowledge about our safety shoes. His book, "Einsatz am Limit: Was im Rettungsdienst schiefläuft – und warum uns das alle angeht" ("Duty at the Limit: What Goes Wrong in Emergency Services - and Why It Concerns Us All"), became a SPIEGEL bestseller. In the long-term collaboration with @5_sprechwunsch, we aim for broad brand awareness on the one hand and particularly high attention and relevance in the target group "emergency and rescue services" on the other hand.



TAKING RESPONSIBILITY

Sustainability is anchored throughout the whole company, right up to top management. The CEO and executive team are particularly committed to strategic questions as well as the development and implementation of our sustainability goals. To give sustainability a face and even greater importance within the company, a new CSR Manager was hired in 2023. The department's primary focus is on the impacts of business activities on people, the environment, and the economy, including preventive measures that foster positive effects and mitigate negative ones. Regular meetings between the management and the CSR Manager are held to discuss various developments and results in different company areas. The effectiveness of measures is also reviewed, and strategies for achieving goals are adjusted if necessary.

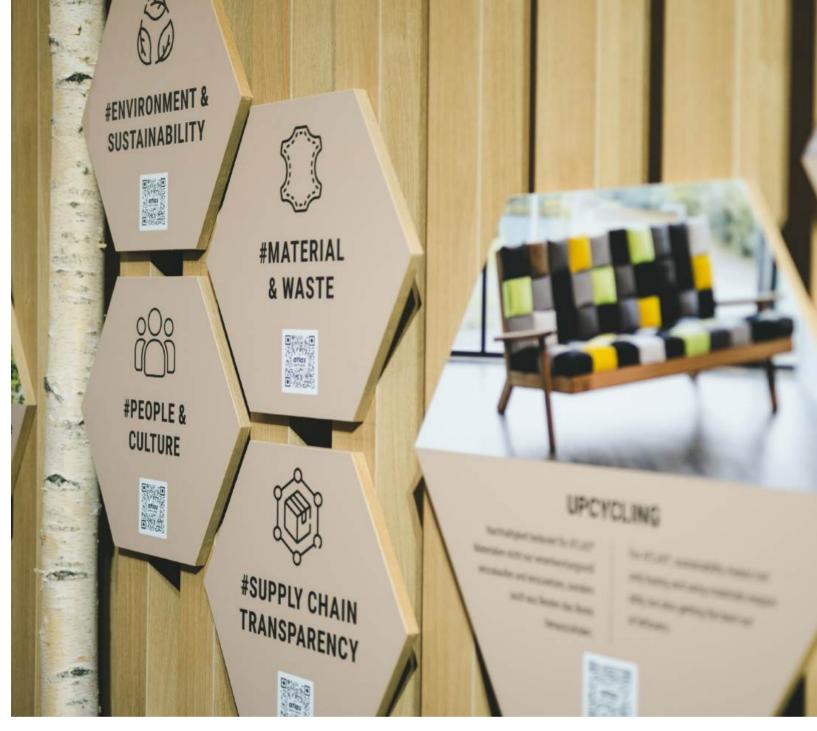
The Sustainability Report at hand has been shaped and approved by the management and CEO. CEO Hendrik Schabsky not only took on the initial task allocation but also oversaw the process in coordination with our CSR Manager and the CSR report team.

The general sustainability goals are under the responsibility of the executive team and the CEO, who must be accountable for the goals

achieved or not achieved. Whether goals have been met is analyzed using an evaluation system that is reviewed through regular external audits. Critical issues revealed through the whistleblower protection mechanism established under the Whistleblower Protection Act are immediately reported to the management.

To fulfill all corporate due diligence obligations and continuously advance our sustainability strategy, we also collaborate with our external stakeholders:

- External consultants and experts
- International organizations focused on social compliance
- Trade unions
- Local and national NGOs
- Ministries
- Industry and trade associations



ATLAS TRADE FAIR BOOTH | SUSTAINABILITY YOU CAN TOUCH



RUNNER 75 RECYCLING SAFETY SHOE



ATLAS TRADE FAIR BOOTH CSR CORNER A+A 2023



ATLAS STAGE
MARIE HOFFMANN

SUSTAINABILE **MILESTONES**

2001

Participation in the ÖKO-PROFIT® process



1998

2002

2016

Go-live of a 3D printer for spare parts management in our production facility in Dortmund



2008

2019

Acquisition of hybrid

cars as the start of

e-mobility in the company

2019

2018

2020

Introduction of our own quality management system based on DIN ISO 9001



Completion of the new logistics center at the Dortmund location



Start of the new administrative center construction in Dortmund and installation of two underground tanks, each with a capacity of 8,000 liters, for collecting rainwater for WC facilities



Membership in the Leather Working Group



Environmental information available for employees and customers





Obtaining certifications for DIN ISO-14001 and **DIN ISO-9001**

Transition to climate-neutral electricity consumption with the installation of the first photovoltaic system on our production building, generating 530 kWh



2022

Launch of the employee app, IK-Up!



2022

Introduction of the new corporate strategy and overarching goals to be a leader in technology, quality, service, sustainability, and brand awareness

2023

Ecovadis Silver Award

2023

Launch of the triplesustainable Recycling Safety Shoe made from recycled materials and featuring technology unique in the safety shoe industry

2020 2020

2022

2023 2023

Solar thermal energy: Installation of 500 m² of solar panels on the roofs of the production halls to regulate the temperature of the molds for our MPU® sole production



Expansion of photovoltaic systems on the main building and logistics center from 3,000 m² to 5,000 m² with a capacity of 290 kWh



2023 ecovadis Sustainability Rating

Adding recycled solid material in the production cycle to reduce raw material usage



Conversion of the heating system to an air-source heat pump and solar technology system that operates without fossil fuels



Membership in amfori BSCI



OUR STRATEGY

Step by step into a sustainable future

OUR VISION

We strive for a world in which every effort is made to protect health: both the physical health of people in the workplace and the health of our planet with its limited resources. We believe that safety, as a fundamental need, is one of the highest goods to be protected. Therefore, we develop products that protect people from danger. At the same time, we aim to prevent threats to our planet through economically, ecologically, and socially responsible actions, securing the future for future generations. Our vision is to make people's everyday work life safer, healthier, and more responsible, paving the way for a sustainable, livable future—step by step.

OUR MISSION

We work daily to produce the most stable, safest, highest-quality, and most durable safety shoes that protect both people and the environment. On our way forward, we defined six strategic goals in 2023. We prioritized these areas because we saw the greatest need for action here to realize our vision.



GOALS

1. QUALITY

We manufacture high-quality safety shoes that meet the highest standards. Every shoe undergoes strict controls and tests to ensure it is robust, durable, and comfortable. Our focus on quality means that we use only the best materials and dedicate the utmost attention to every phase of production.



2. BRAND AWARENESS

We are the strongest digital brand in the shoe industry and continuously increase our international recognition. Through targeted marketing strategies and a strong online presence, we are building a global community of satisfied customers. Our goal is to be globally recognized as a synonym for quality and innovation in safety footwear.

3. INNOVATION

We believe that embracing the opportunities of digitalization is the best way to unlock the full potential in product innovation. In 2023, we not only improved our foot scanning technology but also, as our highlight of digitalization,

developed the first semi-orthopedic insole, the ATLAS FIT INSOLE, which can be individually tailored to the foot in under four minutes thanks to smart technology.

4. SUSTAINABILITY

We will be climate-neutral by 2035. Our commitment to sustainability is reflected in all aspects of our business, from sourcing environmentally friendly materials to implementing energy-efficient production processes. We are actively working to minimize our ecological footprint and secure a sustainable future.

5. SERVICE

We stand for the best service—close, competent, and fast. Our dedicated customer service team is always ready to help with any concerns and ensures that requirements are met promptly and efficiently. We offer tailored solutions and personal advice to guarantee our customers' satisfaction.

6. TECHNOLOGY

We rely on the latest technologies. With modern production methods and smart features in our products, we ensure that our safety shoes meet the demands of today's working world. Technology is the key to constantly improving our products and making everyday work safer and more comfortable.

OUR CORE VALUES



OUR DRIVE

WHY?

We want to pave
the way for a
sustainably livable
future by providing
people with a safer
working environment.

HOW?

We create durable products that protect both people and their health, as well as the well-being of our planet.

WHAT?

We manufacture
extremely stable
safety shoes
of the highest
standards of innovation
and quality.

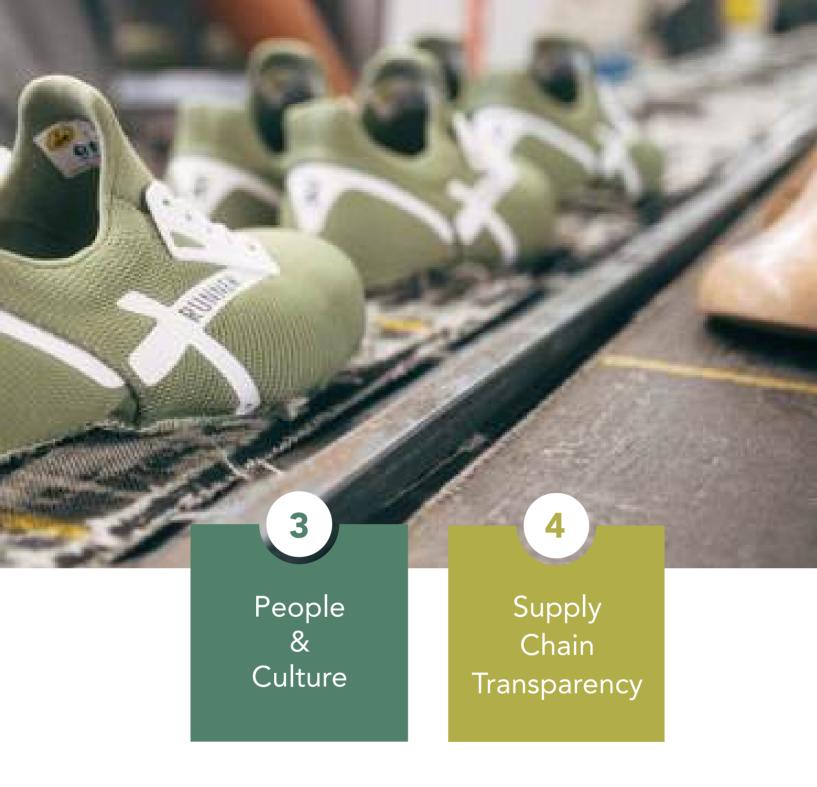




Based on our mission and our six strategic goals for 2023—Quality, Brand Awareness, Innovation, Sustainability, Service, and Technology—the most important topic for this CSR Report emerges: How, at ATLAS in 2023, we succeeded in making sustainability tan-

gible for everyone within the company and took important "Next Green Steps."

Corporate Social Responsibility (CSR) has long been embedded in our company's DNA, as we have always lived by the motto:



Future is now. Understanding the issues of tomorrow today is something we consider essential. In order to move from a dedicated understanding to powerful implementation, we strengthened our team in 2023. Thanks to the CSR focus of our new CSR Manager,

Greta Sommer, we were able to develop an even more concrete sustainability strategy in 2023, which is built on four pillars.

QUALITY IS THE FOUNDATION FOR SUSTAINABILITY

Interview with CSR Manager Greta Sommer

She is the main driver of all CSR activities at ATLAS: Greta Sommer, as an experienced sustainability specialist, is responsible for the "Next Green Step". Due to the high relevance of the topic, she is directly connected to the management to integrate ESG-relevant impulses into all central decision-making processes.

Greta, you started at ATLAS as the new CSR Manager in 2023. What exactly does your role entail?

My job at ATLAS is to put our sustainability efforts into practice and take them to the next level. I am strategically involved, for example, in prioritizing plans or setting CSR goals, but also operationally. Many people imagine me as a lone warrior who dedicates herself entirely to the topic of sustainability every day. In reality, I ensure that all relevant departments and stakeholders in the company are working together. The goal is always: to make our safety footwear company more sustainable..

What is it that makes a company more sustainable?

A company becomes more sustainable when it not only looks for green island solutions but also adjusts every possible lever. The first step is to instill a sustainable mindset within the company—at the management level but also with every single employee. Second, it is essential to implement intentions as quickly as possible. We want to be a company that actively contributes to the United Nations' SDGs (Sustainable Development Goals). In my experience, all companies that achieve a lot in sustainability have in common that they place the relevance of the topic at the top of the company and take all employees along on the journey. Being involved and gaining a better understanding increases the willingness to participate and contribute. We view our work on the sustainability report not only as a dutiful summary of what we have already achieved but primarily as a mirror and guide to where we can further develop.



What does CSR at ATLAS include?

An important factor for us as a producer of over 2.7 million pairs of safety shoes per year is renewable energy in production. The sustainable use of raw materials is also a key focus for us, especially the use of recyclates and a potential return system. Supply chain transparency is extremely important to consistently exclude inhumane working conditions—both with us and our suppliers. And last but not least: the high quality of our products.

What exactly does quality have to do with sustainability?

Given the quantity of shoes that ATLAS sells, it makes a massive difference whether the shoe can be worn for a long time or if it deteriorates quickly and needs to be replaced. From material selection to processing and assembly, we fully focus on durability and responsible material usage. Quality is the foundation for sustainability. We want to move away from the "throwaway society". Instead of submitting to short-lived trends, we produce high-quality shoes that are both classic and modern.

Honestly, what big question in the CSR area are you still seeking an answer to?

Honestly? Countless ones. The ESG (Environmental, Social, and Governance) field is vast, and I am convinced: Anyone who feels they have already reached their maximum impact potential today has either overlooked something or has not looked closely enough. One major challenge I am currently working on is not only gaining acceptance but also motivating people to invest their energy and resources in the area of sustainability. This applies to companies, but also to society in general. Increasing motivation requires a lot of communication, discourse, and education. This is precisely what we aim to drive forward with our CSR Reporting.

OUR FOCUS

To Achieve the Goals

In 2015, the United Nations adopted 17 Sustainable Development Goals (SDGs) for sustainable development by 2030. These goals form a global plan to promote sustainable peace and prosperity and to protect our planet. They are applicable to the activities of various societal actors and, grouped into sub-goals, support social, ecological, and economic sustainability. As a manufacturing and trading company, we focus on the following five goals, where ATLAS has the greatest impact and where we can contribute the most to their achievement.



Goal 1 - No Poverty

As an employer for our own employees and as a business partner to numerous suppliers, we contribute to the creation of jobs and income generation. This helps reduce poverty while simultaneously increasing prosperity. Childcare options in the production facilities of our largest suppliers enable parents to continue working and earn a stable income despite family obligations.



Goal 8 - Decent Work and Economic Growth

As a globally active medium-sized enterprise, we continually create new jobs where decent working conditions are a given. We open job opportunities and provide young people with the chance to start their careers through apprenticeships or dual study programs.

Since our products will always be in demand regardless of external circumstances, our company continues to grow sustainably even in difficult times. Our innovative and sustainably focused product innovations contribute to resource efficiency in production, thus supporting sustainable economic growth.



Goal 9 - Industry, Innovation, and Infrastructure

We drive innovations forward to continuously find more sustainable ways to produce our shoes. This applies to both production processes and the materials we use. With our new Recycling Safety Shoe, we have already celebrated initial successes, which motivate and encourage us to apply more sustainable materials in larger parts of our portfolio.



Goal 12 – Responsible Consumption and Production

We have already taken many steps to make our production more sustainable. These include the installation of photovoltaic and solar systems, the responsible use of collected rainwater, the processing of leather scraps from production into carrier materials for fertilizers, and research into materials made from renewable raw materials. The recycling of PU production waste in our self-developed solid material adding process reduces the use of new materials and simultaneously the amount of waste generated.



Goal 13 - Climate Action

As a manufacturing company, we take responsibility for keeping our carbon footprint as low as possible and continuing to reduce it to minimize negative impacts on the climate. The use of renewable energy is an important focus for us, which we have been committed to for some time, significantly reducing our CO2 emissions. Our current and planned activities—particularly in the area of resource efficiency—help us contribute to climate protection while operating a thriving business.



At ATLAS, we take social responsibility for people and the environment.

We are committed to fair and socially responsible corporate governance by adhering to the requirements based on the principles of the relevant international agreements of the International Labour Organization (ILO), the Universal Declaration of Human Rights, and the UN Human Rights Conventions.

This Code of Conduct serves as a binding guideline for ethical behavior and responsible business practices. Our code of conduct ensures that all employees, as well as our business partners, act in accordance with our high standards and values. The protection and promotion of the rights of all employees are our top priority.

Prohibition of Child Labor and Protection of Young Workers

We are committed to the effective elimination of child labor in accordance with ILO Convention 182 and expect the same from our business partners. The applicable legal minimum age for employment or work, which under ILO Convention 138, ILO Recommendation 146, and the United Nations Convention on the Rights of the Child, must not be below the age at which school attendance ends and must not be under 15 years old.

Prohibition of Forced or Compulsory Labor

ATLAS does not accept any economic activity based on forced or compulsory labor, debt bondage, or serfdom. This includes any type of work or service that is required of a person under the threat of punishment and for which they have not voluntarily offered their services (compliance with ILO Convention 29, ILO Convention 105, and the Universal Declaration of Human Rights).

Health Protection and Safety

Valid local regulations regarding occupational health and safety, as well as building safety and fire protection, are complied with to minimize the risk of accidents and occupational diseases. Where necessary and appropriate, employees are provided with suitable personal protective equipment. In immediate danger situations, employees have the right and duty to leave their

CONDUCT

workplace immediately and without permission. Vulnerable individuals, such as young workers, young mothers, pregnant women, and people with disabilities, are provided with special protection.

Freedom of Association & Right to Collective Bargaining

All ATLAS employees, as well as employees of business partners, have the right to association, open communication, direct confrontation, and humane and just treatment in accordance with ILO Convention 87 (Freedom of Association), ILO Convention 98 (Right to Organize and Collective Bargaining), and ILO Convention 135 (Workers' Representatives).

Prohibition of Discrimination in Employment and Occupation

Any form of discrimination, exclusion, or favoritism in employment (including hiring, pay, benefits, promotion, discipline, dismissal, or retirement) based on gender, origin, religion, age, disability, sexual orientation, nationality, or social or ethnic origin, which results in undermining or impairing equality of opportunity or treatment in employment or occupation, is prohibited.

Disciplinary Measures

Employees must be treated with dignity and respect. Guidance is provided by the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights. Any form of undignified treatment, abuse, harassment, intimidation, and illegal punishment of employees is prohibited and will not be tolerated. Any disciplinary measures will be documented in writing and in a manner that is understandable to the employee.

Working Hours

ATLAS and all our business partners comply with the respective national legislation, current collective agreements, and industry standards concerning regular working hours, break times, rest days, and overtime. The right of employees to terminate their employment in accordance with the respective notice period is also protected. Our actions are guided by ILO Convention 102 (Social Security – Minimum Standards), ILO Convention 1 (Hours of Work – Industry), and ILO Recommendation 116 (Reduction of Working Hours).

Compensation

ATLAS and all our business partners must comply with the respective legal provisions or applicable collective agreements concerning wages and benefits, as well as ILO Convention 131 (Minimum Wage Fixing). Minimum wages must not be undercut. Wages are not withheld and are regularly paid in a form suitable for the employee. Deductions from wages are only allowed within the legal or collective agreement framework and must be documented. Employees are regularly informed about the composition of their wages. Employees are provided with clear information about key employment conditions, including working hours, compensation, and payment and billing modalities. Deductions from wages are in no case permitted as disciplinary measures.

Management System

We have implemented a management system that supports the content of this Code of Conduct. We also advise our business partners to do the same. This management system helps fulfill all the aforementioned requirements. It is designed to ensure compliance with applicable laws, regulations, and customer requirements regarding the operations and products of our business partners, adherence to this Code of Conduct, and the identification and minimization of operational risks in the areas covered by these requirements.

Environment

Our integrated management system also includes certification according to ISO 14001. Accordingly, we also require our business partners to have an environmental management system or corresponding standard in place. An external audit is strongly recommended but not mandatory.

Ethics

We are committed to combating corruption and conducting our business without engaging in corrupt practices, including bribing public or private officials or paying bribes to such individuals. We operate lawfully and with integrity, adhering to legal regulations regarding fair competition, antitrust laws, and honest and truthful marketing. We commit to the proper handling of competitive data, protected company information, and other intellectual property. We expect our suppliers to follow the same ethical practices we apply in our business dealings.





You can find the complete CoC here.

Communication and Enforcement

We and our business partners adhere to the Code of Conduct in all actions. We expect our business partners to encourage their own stakeholders to apply the Code of Conduct in its intended manner. They support their partners in shaping their supply chain to respect human and workers' rights and continuously improve working conditions. Any material violation of the aforementioned obligations is considered a breach of contract by the business partners. If possible, we provide business partners with the opportunity to implement corrective measures.

WE LEARN FROM EACH OTHER

Stakeholder Management

The more people contribute their own experiences and qualifications to a topic, the more we as a company can gain from it for our solutions. In some areas, it may even be essential that different people share their opinions—especially when they are involved in our business activities.

Our stakeholders and their interests have been a key benchmark for our daily work for years. As part of our management system, we have defined all parties interested in our company. Aligning with the interests of these internal and external stakeholders enables us to maintain a clear focus.

Internal Stakeholder

- ATLAS employees, who are involved through internal participation and communication
- Sales companies



External Stakeholder

- Business partners
- International, local, and national community groups
- External consultans and experts
- International organizations with a focus or employee issues
- Trade unions
- Local and national NGOs
- Ministries
- Industry associations
- Trade associations
- Insurance companies and professional associations

Excerpt from the ATLAS Management System of our Stakeholders



Growth only happens when everyone with ideas for improvements is allowed to contribute. Quality and sustainability in the company can only be implemented when everyone pulls together. For this reason, we actively seek regular feedback from our employees. On the one hand, this allows us to identify areas with potential for optimization, and on the other hand, it shows us how we can become an even better employer. At the same time, employees who do not regularly engage with the topic of sustainability in their daily work enrich the entire company with their objective and personal experiences, as well as the ideas that arise from them.

"Involving employees should, from our perspective, be a natural part of every company, because it not only ensures that they feel seen and heard, but also leads to increased loyalty and acceptance of changes within the com-

pany," says Dominik Berndt, Chairman of the Works Council.

Together, we grow faster and more sustainably.

In our daily pursuit of improvement, we do not only look inward. We are also in constant communication with our external stakeholders regarding potential optimizations. This is an ongoing, reciprocal process: Our partners point out areas where we can do more. In return, we provide tips and improvement suggestions that we believe are valuable. This ensures that we continue to grow together in the long term, continuously adjusting and expanding our sustainability goals.

7 ESSENTIAL TOPICS FOR SUSTAINABILITY

Our Essentiality Analysis

We define "essential" areas or topics as those that address challenges for the environment and people along our value chain, offer leverage for sustainably positive change, and present opportunities and risks for our business model and strategy. To identify these essential topics, which we as a company want to focus on first in the area of sustainability, we conducted a double essentiality assessment with our corporate consultant—in preparation for the mandatory reporting requirement starting in 2026 under the CSRD (Corporate Sustainability Reporting Directive). This complies with the GRI (Global Reporting Initiative) standards. In both analyses, we focused on social, environmental, and economic aspects.

At the beginning of the essentiality analysis, we created a list of potentially relevant sustainability topics along with their impacts, opportunities, and risks. These topics stem from our existing management system and were reviewed under the requirements and standards of the GRI.

For the Outside-In analysis, the team defined the relevant sustainability topics based on ESG criteria. In particular, the long-identified external factors of our management system helped in this process. A prioritization of the topics with the most significant impacts, risks, and opportunities for ATLAS from the outside

followed. Simultaneously, a second comprehensive analysis was conducted, focusing on the essential expectations our stakeholders have regarding our sustainability efforts.

In the second analysis, the significance of the economic, environmental, and social impacts of our organization on the world was determined. Based on this, a prioritization was created for the areas where ATLAS causes the most significant negative external impacts. The topics consolidated from both analyses were then prioritized one last time and rated according to their degree of impact.

As a result, our first double essentiality analysis identified seven highly relevant topics, which we assigned to our four sustainability pillars. We plan to conduct a further analysis in 2024, particularly to consider the European standards (ESRS). Where you can read more about each topic in this CSR Report is detailed in the tabular overview.

Outside-In Analysis (DNK) Sustainability Context (GRI)

Stakeholder Expectations (DNK) 2nd Dimension of Essentiality (GRI)

Inside-Out Analysis (DNK) 1st Dimension of Essentiality (GRI)

Opportunities-Risk Analysis (DNK) Completeness Concept (GRI)

Preliminary Action Determination

Essentiality Analysis Topics	GRI Requirement	Chapter in the CSR	Page in the Report
Climate Change, Climate Strategy and Goals & Climate Adaptation Measures	GRI 305: Emissions 2016	Environment and Sustainability - Corporate Carbon Footprint	P. 62 & 63
2. Circular Economy (Focus on our own waste in the form of PU scraps and recycling of used safety shoes)	GRI 301-2: Materials 2016	Material and Waste	P. 66
3. Training/Strengthening Sustainable Awareness among Employees	GRI 404-2: Programs for Improving Employee Skills and Transition Assistance	People and Culture	P. 74
4. Corporate Culture and Appreciative Collaboration	-	People and Culture	P. 74
5. Supplier Management	GRI 204: Procurement Practices 2016	Supply Chain Transparency	P. 86
6. Consumer/Customer Health and Safety	GRI 416: Customer Health and Safety	Mission and Strategy	P. 36
7. Work Organization and Digitalization	-	Products and Technology	P. 20

FOUR STRONG PILLARS

The Foundation of Our Strategy

To strategically organize our sustainability efforts within a system, we have categorized them into four pillars. These four pillars form the cornerstone of our sustainability strategy.



We are committed to continuously improving our energy efficiency and reducing our CO_2 emissions in order to fulfill our corporate responsibility to the environment as part of our CSR initiatives.

As part of our CSR strategy, we aim to source a significant portion of the raw materials used in our shoe production from renewable sources. This is intended to help reduce our dependence on non-renewable resources and promote the use of sustainable materials.



On the following pages, we describe the individual pillars and the associated measures in detail.



Our employees are the heart of our company. Together, we are passionately committed to social responsibility to make a positive contribution to society and the environment.

By manufacturing our safety shoes in our production facilities in Brazil and Germany, we have a large part of our supply chain in our own hands. With our suppliers in Brazil and Europe, we have long-standing business relationships, which also create transparency and trust.



ENVIRONMENT & SUSTAINABILITY

Energy | Mobility | Water

Under our first pillar, "Environment & Sustainability", we bring together all areas that concern the consumption of environmental resources: Our focus is on energy management, mobility measures, and the responsible sourcing and usage of water. Below, we provide an overview of our current status and highlight the plans and goals we aim for in the future.

Self-Generation through Photovoltaic Systems

654,258 kWh

Of which for own use:

579,914 kWh

Of which fed into the electricity grid:

74,371 kWh

Percentage of self-supply

18%

Vehicles in the Fleet



69

Of which fully electric vehicles: 4

Of which hybrid vehicles: 14

4

14

Energy Consumption Electricity

2,622,481 kWh



Energy Consumption Natural Gas

779,627 kWh

Water Consumption

1,656 i

Hybrid + Fully Electric
Vehicles

26.09%



As a manufacturing business, energy is one of our most utilized resources and has the greatest impact on our environment. Therefore, we have set ourselves the goal of both saving energy and utilizing alternative energy sources to sustainably manage our resource use.

ATLAS is a rapidly growing brand. We have consistently expanded our headquarters in Dortmund, both technologically and structurally. When deploying new machines and technologies, energy efficiency is a top priority. All of our buildings, production, and logistics halls are equipped with the latest LED technology.

In 2020, after 18 months of construction, a **3,500 m²** production and logistics hall was built with state-of-the-art technology. Special attention was paid to

the sustainable operation of the building. All rainwater from the roof surfaces is collected and used for the operation of the toilet facilities. Solar energy is converted into electrical power through **photovoltaic** panels, covering the entire electricity demand of the building. The heating system is based on the latest heat pump technology. Two air-source and four ground-source heat pumps, in combination with 48 solar modules, guarantee heating without fossil fuels.

Our most important contribution to reducing reliance on external traditional energy sources is the generation of our own electricity through our photovoltaic system. The installation of the photovoltaic system on the roofs of our production and office buildings at the Dortmund site took place in 2020, and it was expanded in 2022 from 530 kWp to 746.82 kWp. In 2023, we produced

about 654,285 kWh of electrici-

ty, covering approximately 18% of our energy needs with self-generated power.

The surplus was fed into the local grid. By 2028, we aim to offset 50% of our CO2 emissions independently, and by 2035, the full 100%.

In the production of ATLAS polyurethane outsoles, the molds for the foaming process are preheated. In the shoe industry, this is conventionally done using thermal oil, which flows through an electric flow heater and is then directed into the mold. ATLAS, in collaboration with a German **solar technology** manufacturer, has developed a unique solution that reduces electricity consumption and sustainably protects the environment. For this,

 $300 \, m^2$ of solar panels were installed

on the production roof, which are circulated with a carrier medium.

This carrier medium is heated to up to 100°C by even minimal sunlight and then stored in a thermal reservoir. This heat reservoir is connected to our production machines and directly heats the heat exchanger of the thermal oil at the machine. The required 60°C supply temperature can thus be supplied to the machines for 24 hours, thanks to the heat reservoir.



MOBILITY

Our location in Dortmund is the hub of our operations in Europe. More than 200 employees work at our campus in Dortmund daily. Mobility is an important topic that significantly influences our ecological footprint, which is why we are transitioning to sustainable solutions in the short and medium term.

One of our goals is to completely transition our fleet from petrol- and diesel-powered vehicles to electric and hybrid cars. Last year, we added three fully electric and six hybrid vehicles to our fleet. Additionally, we installed four wall boxes for charging the vehicles, which are connected to our photovoltaic system. The fleet concept is continuously being developed and implemented with new contracts.

We aim to raise awareness about the management of our resources, which is why we place particular emphasis on creating incentives for our employees to reduce their own CO_2 footprint. Alongside our fleet transformation, we encourage our employees to switch to public transport whenever possible. To support this, we subsidize half of the Deutschlandticket (public transport ticket). We not only support a more sustainable mode of transport for commuting but also for leisure, as the ticket can be used for both. Since the launch of this offer last year, 26 employees have already taken advantage of it.

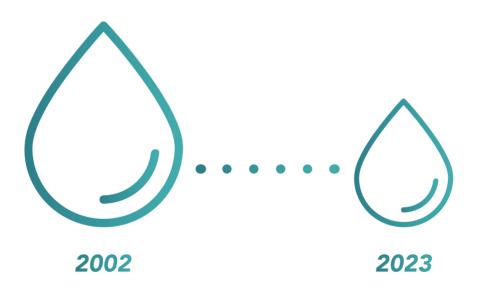


GOODS TRANSPORT

The 2.7 million pairs of safety shoes we produced in 2023 are distributed across 37 countries, making transport and logistics a significant factor in our footprint. For this reason, we place great importance on shipping our goods CO_2 neutrally. We have been using CO_2 -neutral shipping with our main shipping partner for several years. In 2023, we were able to offset

537,611 kg of CO₂ emissions.





WATER USAGE

No fresh water is required for our production. To avoid unnecessary water consumption, we installed a rainwater harvesting system in Dortmund back in 2002, which collects rainwater for use in sanitary facilities. The same system was installed in our new 4.0 building in 2020 and at the sites of our largest supplier, ATLAS Brasil. This system ensures that we use little valuable drinking water in our sanitary facilities—a responsible approach that has even been awarded in 2023.

CORPORATE CARBON FOOTPRINT

In addition to the greenhouse gas emissions at its own sites, ATLAS considers the emissions that occur across the entire value chain as another essential topic. Particularly, the reduction of emissions in upstream and downstream processes of the company's Scope 3 can make a significant contribution to decarbonization.

For the first time, we have created a comprehensive, certified Corporate Carbon Footprint for our company in 2023. The calculation is based on the Corporate Accounting and Reporting Standard of the Greenhouse Gas Protocol. The "Operational Control" approach was chosen as the consolidation method for the accounting framework. The operational boundary includes Scope 1, Scope 2, and Scope 3 for the reporting period from January 1, 2023, to December 31, 2023.

When selecting the emissions sources to be accounted for, all basic guidelines of the Corporate Accounting and Reporting Standard of the Greenhouse Gas Protocol were taken into account:

SCOPE 1 includes all direct greenhouse gas emissions, such as primary energy carriers (natural gas, heating oil, gasoline, diesel, etc.) directly consumed by the company.

SCOPE 2 includes indirect greenhouse gas emissions resulting from the generation of

energy purchased by the company, such as secondary energy carriers (electricity, district heating, steam, cooling energy, etc.) consumed by the company.

scope 3 includes other indirect greenhouse gas emissions primarily associated with the company's activities. These occur in the upstream and downstream supply chains of the company. Scope 3 emissions also represent Scope 1 and Scope 2 emissions from other emitters.

The assignment of emissions sources was carried out according to the Operational Control approach of the Greenhouse Gas Protocol. The methodology used for calculating and creating the Carbon Footprint by Green Vision Solutions GmbH was reviewed and certified by TÜV Rheinland.

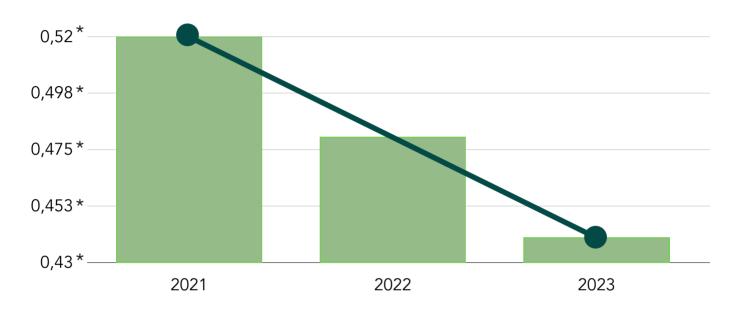


We have been working for many years to reduce our emissions in Scope 1 and Scope 2. Using the levers within our own company and further differentiating our strategy in the Environment & Sustainability pillar is a core part of our daily work to save primary energy.



ATLAS KEY FIGURES IN A THREE-YEAR COMPARISON

SCOPE 1 & SCOPE 2



*kg CO, per sold ATLAS pair on average

In the area of Scope 3 emissions, the major emissions of our company occur in the upstream and downstream value chains. As a shoe manufacturer with a large portfolio of high-quality leather products, we face significant challenges. The properties of this natural product are unique and indispensable in many working environments. On the other hand, there are emissions generated through cattle breeding, farming, and their value chain processes.

We use only leather from certified operations of the Leather Working Group (LWG) to keep the environmental and natural burdens as low as possible. For sustainability reasons, we are also increasingly relying on alternative materials and are continuously researching resource-efficient solutions to significantly reduce CO₂ emissions.





OUR GOALS

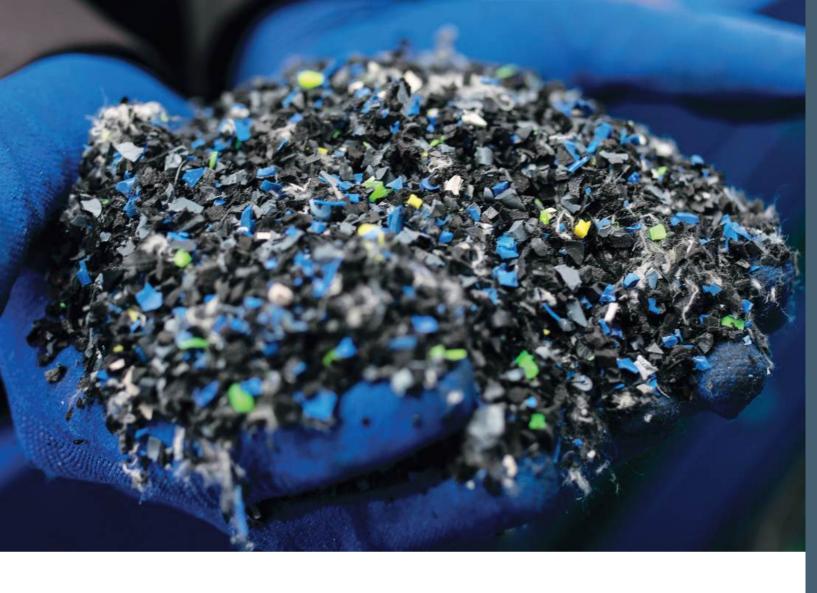
Strategic Goal

CO₂ Emissions | Reduction & Compensation in Scope 1 & 2

By 2028 50% By 2035 100%

Sub-goals/Measures

By 2024	Determining the Carbon Footprint	
By 2024	Use of 100% CO ₂ -neutral electricity for our production through the procurement of CO2-neutral electricity	
By 2024	Planting 30 deciduous trees at the Dortmund site and supporting local insect populations	
By 2025	Increased $\rm CO_2$ -free transport through renewed contracts with out transport service providers regarding the switch to $\rm CO_2$ -neutral transport	
By 2025	Replacement of fossil fuels for heating systems through the installation of air-source heat pump systemsn	
By 2026	Planting regional mixed forests in PEFC-certified forestry operations within a 50-kilometer radius	
By 2028	100% of the car fleet consists of hybrid or fully electric vehicles. All new vehicles will be switched to e-mobility. Expansion of charging infrastructure at the Dortmund site with superchargers and charging management for electric and hybrid vehicles.	



MATERIAL & WASTE

Towards a Circular Economy

Our second pillar of sustainability encompasses all activities related to the responsible use of materials, the handling of production residues, as well as our efforts for the reuse and recycling of waste or product parts – on the path to a production process that requires as few new resources as possible. Waste Generation

722 t

Recycling Rate

30.23%

Reuse Rate of Transport Packaging

83.05%

Leather Scraps Reused in Brasil with ILSA

155 t

Recycling Safety Shoe

➤ PET-Upper:

92%

Added Solid Materials

20%



60,000

Recycled Insoles Sold

made from 86% Recycled Ecofoam

SUSTAINABLE MATERIALS

For our more than 450 different shoe models, we use a variety of materials that are either already sustainably designed or that we are currently replacing with more sustainable solutions. One of the most commonly used materials is mesh, which can be used both as an upper material and for the lining. Here, we only use materials that are OEKO-TEX® STANDARD 100 certified.

We are particularly proud of a milestone we achieved in 2023: We made sustainability tangible for the first time in our product portfolio through our first fully sustainably designed Recycling Safety Shoe.







Recycling Safety Shoe

The upper material of the RUNNER 75 consists of **92** % recycled PET bottles. The material is called REPREVE® Polyester and is already used by many well-known brands. To make REPREVE® Polyester, collected plastic bottles and post-industrial waste are shredded, washed, and processed into high-quality flakes. These flakes are then melted into liquid polymer and extruded through tiny openings in a spinning nozzle, creating filaments that form the REPREVE® fiber. The company Unifi spins the fiber into yarn, which is woven into fabric - the REPREVE® polyester that we use for the upper of our Recycling Safety Shoe. In an extensive process, we are regularly awarded the U Trust® Certification, which confirms that we comply with the REPREVE® certification standards.

During the production of the midsole in the direct molding plant, production waste is generated. We collect these PU scraps, granulate them, and reintroduce them into the production cycle. As a result of this process, 20 % of the midsole of the Recycling Safety Shoe consists of added solid materials. We call this process solid material adding.

CERTIFIED BY



RECYCLING PROCESS











 \rightarrow

REPREVE® RECYCLED FIBERSRepreve® resin is melted and processed into Repreve® yarn

FLAKES

Bottles are getting washed and crushed into flakes

In the midsole production of a single shoe, we can save one-fifth of primary materials, thus reducing the use of raw materials (polyol and isocyanate). Wherever ATLAS achieves successes, the company always ensures that its added value is applied in as many places and steps in the value chain as possible.

Product Innovations to Prevent Resource Consumption

rial will be adapted in all models of the RUN-NER S1P series in the future to switch to recycled materials. Additionally, the ATLAS Clima-Comfort Insole was switched to recycled material in 2023. As a result, we will be able to produce 60,000 insoles of the RUN-NER 75 from recycled materials in the future.



Granulated PU Scraps



Clima-Comfort Insole

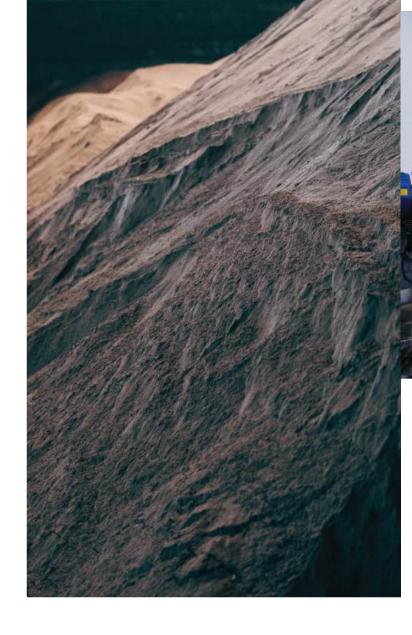
REUTILISE & RECYCLE

As a manufacturing company, we are aware of the amount of waste generated during the production of our shoes – in 2023, this amounted to 722.11 tons. We minimize waste by following three key principles:

- 1. We only purchase the material we actually need, in order to avoid unnecessary material scraps.
- 2. We invest in technologically advanced cutting machines that do not produce unnecessary waste.
- 3. We find ways to recycle production waste that cannot be avoided as much as possible.

An example of the latter process is the handling of leather scraps. When cutting the leather parts for the shoes, scraps are generated, which were previously disposed of as waste. Since 2016, these leather scraps have been shredded, washed, and used as a carrier substance for fertilizers in cooperation with the organization ILSA.

For seventy years, ILSA has supported agricultural businesses worldwide to improve their yields. In 2023, in collaboration with ILSA and our subsidiary in Brasil, we were able to process a total of **155,000 tons** of leather scraps into fertilizer carrier material, thereby saving new materials.





LEATHER SCRAPS ARE PROCESSED INTO FERTILIZER CARRIER MATERIAL





At our main location in Dortmund, we recycle PU scraps from our own production by granulating them and adding them to the midsole material of our Recycling Safety Shoe. This allowed us to separate 34.42% of the waste from production and to make it available for recycling. Pilot projects already exist with buyers who can further use the PU granulate for their own products on a larger scale.

REUSE

We also act sustainably by reusing materials. All shoes are packaged in cartons by our subsidiary ATLAS Brasil and sent to our production facility in Dortmund. Instead of disposing of these cartons after the products are removed, they are folded and passed on internally. This allows them to be reused as packaging for shipping the finished shoes to our end customers, resulting in a reuse rate of \$3% of our total packaging material.

Number of reused cardboard boxes 2023: 169,227





OUR GOALS

Strategic Goal

By 2028 30% of the raw materials used in shoe production from renewable

raw materials or recyclates

By 2035 50% of the raw materials used in shoe production from renewable

raw materials or recyclates

Sub-goals/Measures

By 2025 Research & development of materials from renewable raw materials,

including both upper materials and sole materials

By 2025 Introduction of additional Recycling Safety Shoe models

By 2028 Reduction of production waste through technical measures

By 2028 Recovery of recyclates or raw materials from our own prodution waste for

third-party recyclers, while simultaneously reducing our own waste

By 2028 Introduction of a take-back system for used safety shoes and the

subsequent recovery of recyclates or raw materials for our own production

and third-party recyclers



PEOPLE & CULTURE

The Health of Society at the Core

For us, employees are the heart of the company, as they are the ones who drive our mission forward every day. As a family business, it is important to us not only to be a good and reliable employer but also a strong partner to all the people we interact with: our customers, retailers, end consumers, and suppliers. In our Code of Conduct, we have also established the values and rules that take priority in our actions.

Employees

287

of which are male:

Of Willelf are Illale.

175

of which are female:

112



Full-time employees

268

of which are male:

173

of which are female:

95

► Part-time employees

19

of which are male:

of which are female:

7

17

Nationalities

21

Training hours

>2,500

Employees in our global production facilities:

1,487



HEALTH PROMOTION

ZUMBA CLASS AT ATLAS

As a safety shoe manufacturer, the safety of our employees is a top priority. We make every effort to protect them in their daily work, minimize risks, and provide them with the necessary knowledge to perform their tasks well and safely.

Promoting and maintaining the health of our employees is also a primary concern. Our company's health management includes offering ways to improve posture and ergonomic sitting and standing. To this end, an exercise device is available to employees. All workplaces are designed with special attention to ergonomics and physical health. Providing fresh fruit, coffee, and water at the site is a given for us. We believe that a healthy work environment is crucial for the satisfaction and productivity of our team. Our goal is to create a culture where every employee feels valued and supported.

We strengthen cohesion at work by boosting team spirit. We regularly organize employee events where everyone comes together to get to know each other better, improving the atmosphere in daily work. To encourage exchange and networking among colleagues, we developed the employee app IK-up, whose newsfeed we continuously update with news and current information from the company, further strengthening the sense of community within the organization.

OUR COMPLAINT MECHANISM

Since open communication is key to healthy collaboration, we encourage addressing any difficulties directly in order to resolve them together. This can be done either directly or with the help of internal mediators. Our Code of Conduct has been designed based on our values, and it is clearly communicated that all employees are expected to adhere to it. Should this not be possible, both employees and external partners have the option to use our internal complaint mechanism. This mechanism allows complaints regarding serious violations of legal and company internal rules to be submitted in the following areas:

- Corruption/Bribery
- Competition violations/Antitrust violations
- Theft/Fraud
- Violations of data protection regulations
- Discrimination/Harassment/Bullying
- Money laundering
- Conflicts of interest
- Human rights/Work health and safety

The mechanism is integrated into the ATLAS website, where reports of potential compliance violations can be submitted anonymously. The reports are automatically forwarded to an external ombudsman, who verifies the credibility of the complaints. If necessary, the ombudsman contacts the reporting individual to gather further information. At the request of the involved party, the ombudsman will then arrange a meeting with all relevant parties. Employees have been informed about this complaint mechanism via mail; however, no complaints were received through this channel in 2023. We will continue to highlight the complaint mechanism in personal conversations and through our employee app.

Link to the anonymous reporting channel:



www.atlasschuhe.de/hinweisgebersystem.html



EQUITY & GROWTH OPPORTUNITIES

For us, it is a given to provide all employees with equal opportunities and to promote talent – regardless of secondary characteristics such as nationality, gender, religion, age, disability status, sexual orientation, or social or ethnic background. We are firmly committed to equality of opportunity. The fact that these opportunities are used is reflected in the high number of employees who have worked with us for many years – some for over 30 years – and have continuously developed in various roles.

Our company places great importance on equal opportunity and offers all employees the chance to achieve their professional goals. We are particularly proud of the success stories of our long-term employees who started their careers with us and have continuously developed.

Maren Uhe, who began with us 29 years ago after completing her training and is now part of the management team, says: "The support and flexibility I have experienced here have enabled me to grow both professionally and personally. After my parental leave, I was able to not only maintain my career but also expand it."

Similarly, Justyna von Prodzinski, who started her career in the finishing department and is now a product manager, says: "The opportunities I've had here are great. I've been able to develop both professionally and personally, and I feel that my work

is truly valued. The support and trust that I've received have helped me fully utilize my skills and succeed in my role."

These examples highlight our commitment to creating a work environment that fosters both personal and professional development. We believe that diversity and equal opportunity are crucial for the long-term success of our company.





Maren Uhe

Justyna von Prodzinski

We offer various work models so that employees, regardless of their life model, can reach their potential with us. These include part-time models, mobile and flexible working, as well as apprenticeship and dual study opportunities. Our supplier ATLAS Brasil has an on-site daycare center, allowing parents to focus on their work while knowing their children are safely cared for.



WE HELP

Support in Emergency Situations



RTL DONATION MARATHON 2023

As a family-owned business in its fifth generation, we are deeply rooted in our hometown of Dortmund. We take our responsibility as an important employer and economic driver in the region seriously by giving back.

We did this again in 2023 with in-kind and financial donations to local organizations such as Dortmunder Tafel e.V., Kinderlachen e.V., Zoo Dortmund, and local workshops. On a national level, we supported Ukraine relief efforts with financial donations and our participation in the RTL Donation Marathon 2023. ATLAS brand ambassador Joey Kelly

and his team completed the "24h American Football Challenge," covering 4,454 kilometers, not only setting a world record for the "longest relay distance in football (24 hrs, team)" but also raising

1,033,851 €

in donations.





UKRAINE

In 2023, we supported a relief organization and the people in the crisis areas of Ukraine with a donation of 5,700 pairs of safety shoes.





RIO GRANDE DP

In September 2023, devastating storms and flooding struck the state of Rio Grande do Sul, disrupting the lives of many colleagues. From new purchases like household appliances to financial assistance and smaller in-kind donations, we supported those employees whose homes were affected by the floods.



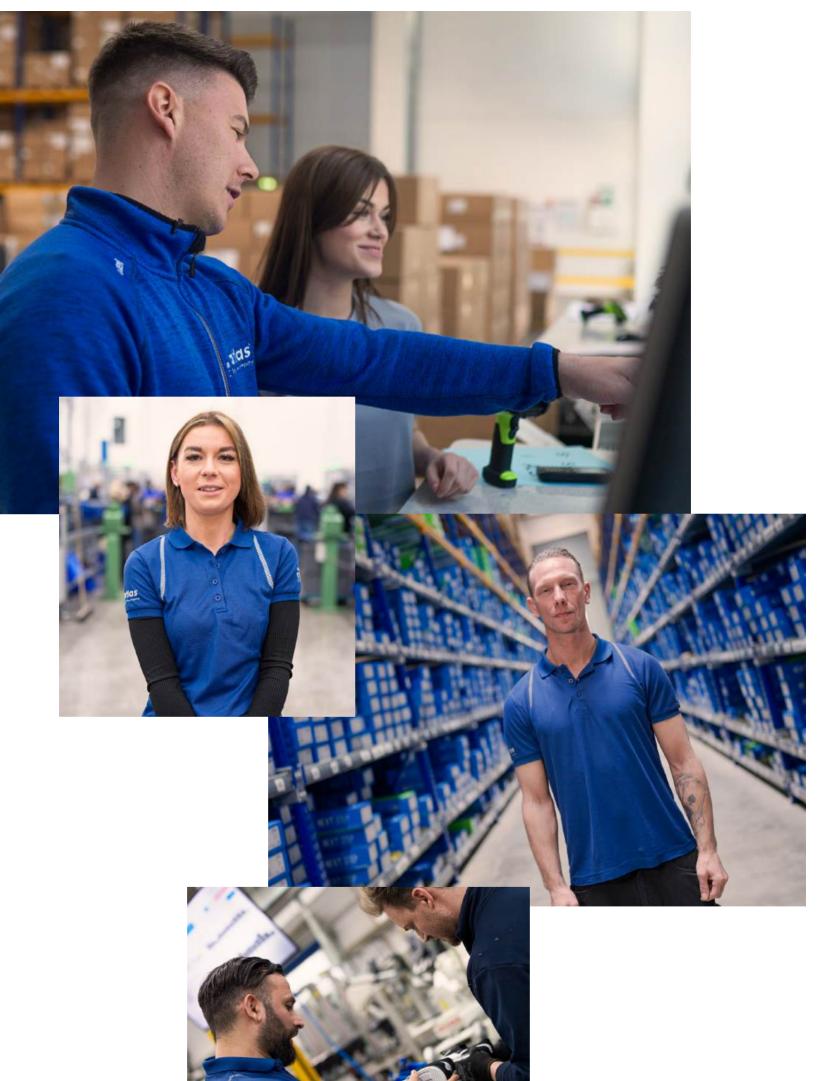
DORTMUNDER TAFEL

Since 2016, ATLAS, as a family business, has supported Dortmunder Tafel. What started with a donation of safety shoes has developed into a valuable partnership, enabling the Tafel to efficiently process large food deliveries and help even more people in the region.



WERKSTATT UNNA

We supported Werkstatt im Kreis Unna GmbH (workshop in Unna) with an inkind donation of safety shoes. We are happy to have brought smiles to the faces of all those involved.



BECOMING PART OF US

Transparent Recruiting Process

To ensure that everyone feels addressed by our job advertisements, we write them as inclusively as possible. We do not care about gender, origin, sexual orientation, or any other characteristics someone may have. By directly addressing potential candidates in our job postings, we make no distinctions and avoid making certain groups feel excluded. However, it is worth noting that for some positions in specific departments, we receive disproportionately more applications from male or female candidates. This is particularly true in production areas, where the PU sector mainly attracts male applicants, while the finishing sector mainly attracts female applicants. This is primarily due to the physical demands of the respective job processes and does not reflect any discriminatory practices on the part of the company.

SELECTION PROCESS

After the application deadline, we review all applications internally. Based on the qualifications and experience provided, we make a preliminary selection of potential candidates. We then invite them for an interview. Afterward, we evaluate who is the best fit for the position, and if both sides are interested, we hire the person at the specified time. The contacts we provide from our HR department ensure that applicants can always reach out to us with any questions.



karriere.atlasschuhe.de





OUR GOALS

Strategic Goal



By 2028

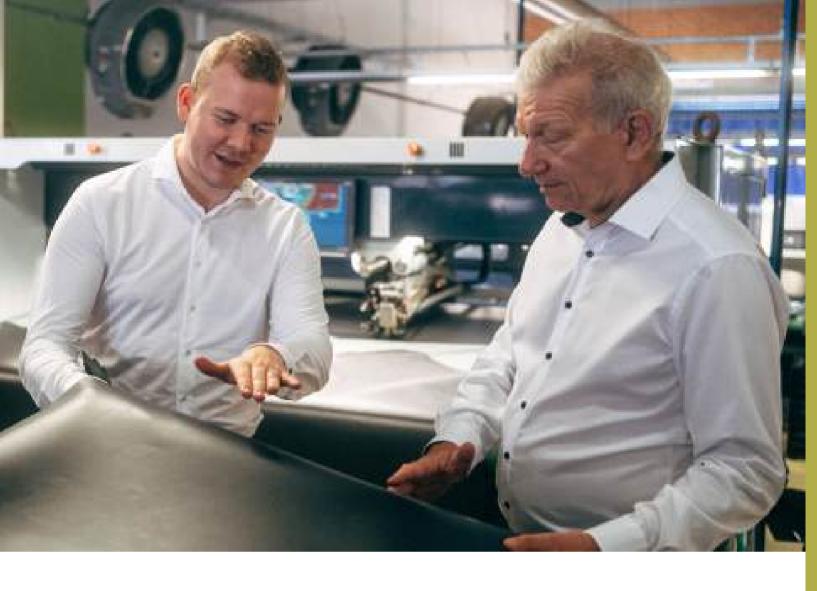
30%

Women in Leadership Positions

- Employee loyalty
- Skill development

Sub-goals/Measures

- Continuous and individual employee development
- Expansion of promotion opportunities and establishment of individual KPIs
- Increased health promotion
- Offering language courses
- Increased frequency of campus and employee events



SUPPLY CHAIN TRANSPARENCY

Responsibility at Every Stage of the Supply Chain

Supply chain transparency, respect for human rights, and all related issues form the fourth pillar of sustainability: "Supply Chain Transparency". And this has been the case long before the Supply Chain Due Diligence Act (LkSG) came into effect on January 1, 2024. We are proud to have always taken significant responsibility for our employees and our supply chain, as we manage many steps of the value creation process ourselves and maintain close, long-standing relationships with our suppliers.

Production countries

- - Germany
 - Brasil



Own Production Facilities

3

Dortmund, Germany Lajeado, Brasil ► Bom Retiro, Brasil

Number of suppliers - Tier 1

166

Of these in South
America - Tier 1

3

Of these in Europe - Tier

8

Of these in Germany - Tier

155



With regard to supply chain transparency, we have enjoyed a decisive advantage for many years: At the Dortmund site, we operate our own shoe production. Both the research & development, sole final assembly, logistics, sales, administration, marketing, and management are located on the Dortmund-Wickede campus, which ensures maximum transparency about working conditions. From here, we rely on the OECD Guidelines for Responsible Business Conduct, the United Nations International Bill of Human Rights, and the relevant ILO conventions to fulfill our due diligence obligations. Based on these, we have also built our Code of Conduct, which has been approved at the highest level of the company and applies to both internal and external stakeholders.

TIER 1 – DIRECT SUPPLIERS

For value-added steps that we cannot perform at the headquarters in Dortmund, we rely on close and, above all, long-term sustainable partnerships. We have often maintained relationships with our suppliers for decades, which brings a great deal of trust and the motivation to continuously improve. One of the most important Tier-1 suppliers is our subsidiary ATLAS Brasil, which manufactures the shoe uppers from primary materials and delivers them to Dortmund for final assembly. We also maintain long-standing close business relationships with our European Tier-1 suppliers, who provide us with chemicals for sole production, shoe boxes, or shoelaces, giving us deep insight into their business practices.

TIER 2 – INDIRECT SUPPLIERS

Our Tier - 2 suppliers, such as tanneries, whose leather or other materials we use in the production of shoe uppers, have also been our business partners for many years. Here, we focus on geographical proximity to our Tier-1 supplier, ATLAS Brasil, to enable regular visits where both the quality of materials and products, as well as the working conditions, can be checked.

CAREFUL SUPPLIER SELECTION

When we work with new suppliers, they undergo strict evaluation processes. We prioritize providing them with the Code of Conduct mentioned above, with the clear expectation that suppliers integrate it into their operations. In 2024, our Code of Conduct will also be publicly accessible on our website. We value certifications from our partner companies to ensure compliance with the guidelines we voluntarily impose to make our company more sustainable. For example, tanneries wishing to work with us must be audited by the Leather Working Group (LWG) and achieve a minimum result of "Silver".

When reviewing suppliers, our main focus is on the weakest and most vulnerable groups within the companies. Defining a generally applicable standard is difficult due to the individual circumstances of each supplier, so we make decisions based on experiences, interactions, and careful visits. This respon-

sibility lies with various trained employees of our company, primarily from the procurement department, as most experiences are gathered through frequent exchanges with suppliers, in cooperation with our CSR Manager, who coordinates relevant audit aspects.

To work more formally in the area of supply chain transparency, we became a member of amfori BSCI in November 2023. Through this membership, we will advance our supply chain transparency further by conducting risk analyses, social audits, and implementing improvement measures.







OUR GOALS

STRATEGIC GOAL

Continuously improved supply chain transparency – further development of transparency and insight into our supply chains; assessment of risks, the possibility of their preventive mitigation, and the ability to respond quickly.

Sub-goals/Measures

- Conducting risk analyses to prioritize planned activities
- Conducting thirt-party audits at company-owned production facilities and those of our suppliers
- Implenting improvement measures
- Further developing our business relationships with our suppliers
- Expanding internal training for ATLAS employees on the topics of supply chain transparency and human rights

SUSTAINABILITY CERTIFIED

Our Sustainability Ratings

Taking responsibility for our society and our planet is an integral part of our corporate culture. To have our current status independently assessed and to identify areas where we still need to develop in terms of sustainability and transparency, and also to provide our customers with insights into our progress, we have had our commitment evaluated on various platforms. Our selection was based on several criteria, leading us to choose the most frequently requested and internationally renowned partners.



EcoVadis

EcoVadis SAS is a company based in Paris that conducts globally recognized, independent sustainability assessments to rank the business practices and sustainability impacts of companies and their supply chains. In June 2023, we achieved the status of a Silver Medal – only a small step away from the "Gold" status. This is both a source of pride and motivation for us to achieve a higher ranking in the future. An overview of our EcoVadis results can be requested through the EcoVadis platform or directly via email: csr@atlas-schuhe.de





IntegrityNext

IntegrityNext provides a software platform that allows companies to publish information about their activities in the areas of human rights, environmental protection, supply chain responsibility, occupational safety, ethical conduct, energy management, and product compliance online, making it visible to their customers and other stakeholders.





DIN EN ISO 9001 and DIN EN ISO 14001

Since 2018, we have been certified according to DIN EN ISO 9001 and DIN EN ISO 14001. The ISO 9001 standard is a globally recognized standard for quality management systems, while the ISO 14001 standard refers to environmental management systems. During the preparations and certification processes, we were able to identify areas for improvement in the system and elevate our practices to an even higher level.





GREENER AND FAIRER TOGETHER

Our Memberships

One of our many stakeholder groups includes a pool of organizations committed to sustainability. We actively participate in memberships with these organizations to network with other market members, engage in dialogue, gain insights into best practice models, and promote sustainable improvements. Below is an overview of these organizations:

Leather Working Group

The Leather Working Group (LWG) is an international multi-stake-holder organization that brings together companies and NGOs to work on social and environmental improvements in the leather industry. To ensure that the leather we purchase meets our sustainability standards and expectations, we exclusively collaborate with local tanneries for the upper production at our subsidiary ATLAS Brasil. All partners must be audited by the LWG and achieve a minimum result of "Silver."







cads e.V.

The association cads – Cooperation for Secured Defined Standards in Footwear and Leather Goods promotes the production of pollutant-free shoes and shoe components as well as environmentally friendly shoe manufacturing. It awards a quality seal to footwear and leather goods whose quality is guaranteed and engages in public relations to promote the manufacture of sustainable products. We also support innovative, responsible, and sustainable ideas in shoe manufacturing, which is why we have been a member of cads e.V. since 2022.





amfori BSCI

amfori BSCI (Business Social Compliance Initiative) is an international business association dedicated to promoting sustainable supply chains, fair working conditions, and sustainable trade in the global value chain. Through membership in amfori BSCI, companies can make their supply chains more transparent, including through third-party audits, training, and workshops for their own employees, producers, and suppliers. A program used by more than 2,400 members from over 40 countries, generating a total annual revenue of over 1.8 trillion euros. Thanks to our own production facilities, we already enjoy very high transparency regarding internal working and production conditions. However, this is no reason for us to rest on our laurels. Since November 2023, we have been a member of amfori BSCI with the aim of making the supply chains of our products even more transparent.





EXCEPTIONAL ATLAS

Awards Won

We are very pleased with the numerous awards we received in 2023. With the attention this has brought us, we aim not only to showcase what we have already achieved to ourselves and our customers but also to inspire others to continue down the sustainable path with innovative ideas and products.

German Brand Award

The German Brand Award recognizes individuals and companies who are pioneers in the world of brands. It discovers and presents unique trends, advancing not only the winners but also the entire branding industry. In the German Brand Award 2023, we were doubly successful: In the category "Excellence in Brand Strategy and Creation", we won both the award for "Branded CSR Activities Social" and in the category "Lighthouse Project of the Year" for the Recycling Safety Shoe.





German Innovation Award

In the category "Excellence in Business to Consumer", we won the German Innovation Award in 2023 for the Recycling Safety Shoe. The German Innovation Award recognizes products, projects, and pioneering achievements that sustainably improve lives through innovation and progress. Positive changes that enrich the lives of various target groups have always been driven by innovations.





International CSR Excellence Award

In 2023, we were proud to receive the Silver Medal in the "Water Management" category at the International CSR Excellence Award. This award, presented by the non-profit The Green Organisation, headquartered in the United Kingdom, recognizes brands and companies worldwide for their sustainable efforts. This year, we were particularly praised for our innovative water recycling system and our sustainable wastewater management.



for companies that have a heart



TOP 100 Award

We are also proud to be named TOP Innovator 2023. In the Fashion/Textiles category, we won two awards for safety with our Recycling Safety Shoe. Since 1993, the TOP 100 Innovation Competition has brought together Germany's most innovative medium-sized companies from all industries and sectors. The winners are selected through independent scientific benchmarking.







FURTHER KEY FIGURES

AREAS	UNIT	2021	2022	2023
Corporate Governance				
Produced Pairs	Pairs	2,559,055	2,481,146	2,737,773
Environment & Sustainability				
Energy Consumption - Electricity	kWh	3,059,846	3,158,739	3,202,395
Own generation through photovoltaic systems (LH7 530 kwp) u. (LH2 216,82 kwp)	kWh	440,940	606,573	654,285
- Of which self consumption	kWh	440,940	542,118	579,914
- Of which feed-in to the power grid	kWh	0	64,455	74,371
- Percentage of own demand	%	14	17	18
Energy Consumption - Natural Gas	kWh	867,148	869,365	779,627
Water Consumption	1	2,664	1,633	1,656
Corporate Carbon Footprint				
Scope 1 GHG Gross Emissions Scope 2 GHG Gross Emissions	t CO ₂ e t CO ₂ e	1,312	1,249	429 717
Scope 3 GHG Gross Emissions	t CO ₂ e	not determined	not determined	48.219
Share of Scope 1-2 GHG Gross Emissions per pair Share of Scope 1-3 GHG Gross Emissions per pair	kg CO ₂ e kg CO ₂ e	0,51	0,50	0,42 18,03
CO ₂ Share without upper	kg CO ₂ e	not determined	not determined	6,05
Mobility - Vehicles Number of Vehicles				
Vehicles in the fleet	Amount	47	65	69
% of vehicles with internal combustion engines	%	95.74%	86.15%	73.91%
Fully electric vehicles	Amount	0	1	4
% of vehicles fully electric	%		1.54%	5.80%
Hybrid vehicles	Amount	2	8	14
% of hybrid + fully electric vehicles	%	4.26%	13.85%	26.09%

AREAS	UNIT	2021	2022	2023
Material & Waste				
Waste Generation	t	676.28	713.19	722.11
Recycling Rate	%			30.23%
Leather Scraps Reused in Brasil with ILSA	t	140	140	155
Packaging Material Recycled or Reused	units	127,953	124,057	176,139
Reuse Rate of Transport Packaging	%			83.05%
Transport Packaging	t			40
Transport Packaging Recycled	t			196
People & Culture				
Number of Employees (as of 31/12 of the respective year)	Amount	241	272	287
Of which are male	Amount	155	170	175
Of which are female	Amount	86	102	112
Of which are full-time	Amount		258	268
Of which are part-time	Amount		14	19
Of which are trainees	Amount	3	3	3
Of which are on parental leave	Amount	10	14	16
Of which women	Amount	10	14	16
Of which employees with disabilities	Amount	-	-	-
Of which are in field service	Amount	38	38	39
Nationalities in the Team	Amount	-	-	21
Employee Turnover	%	-	-	28
Turnover Rate	Amount	-	-	9.7
New Hires	Years	-	-	59
Average Length of Service	h	-	-	9
Training Hours	%	-	-	> 2,500
Training Rate	%	-	-	2.21
Health Rate	%	-	-	94.92
Accident Rate (per 1 million working hours)	%	-	-	16.08
Employees Covered by Collective Agreement	Amount	-	-	99
Number of Employees in Brasil				1,200
Supply Chain Transparency				
Production Countries		2	2	2
Production Facilities	Amount	3	3	3
Number of Suppliers	Amount	171	169	166
of which in South America - Tier 1	Amount	3	3	3
Number of Suppliers in Europe - Tier 1	Amount	8	8	8
Suppliers in Germany - Tier 1		160	158	155

www.atlas-safetyshoes.com