

**INNOVATION
TECHNOLOGY
TRADITION**

THE FRAMAS WAY FOR A WORLD WORTH LIVING IN

SUSTAINABILITY REPORT 2021

framas[®]

PURPOSE

For decades the framas group has been partner of world-famous brands.

We see ourselves as a flexible think tank for creative and customer-centric solutions.

We use our strengths to develop and produce innovative products and business models across the globe.

Our actions enable us to create sustainable value for our customers, employees and shareholders alike.

while assuming social and environmental responsibility.



SUSTAINABLE

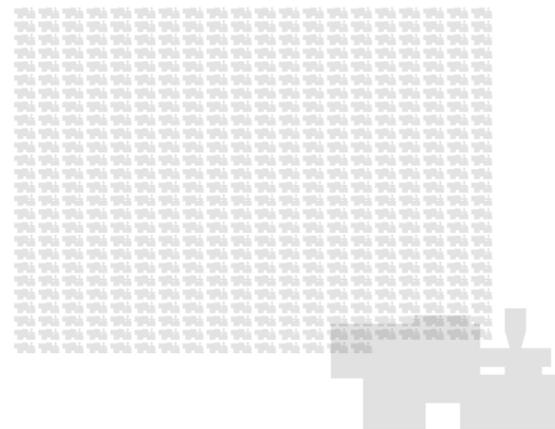
9

Locations



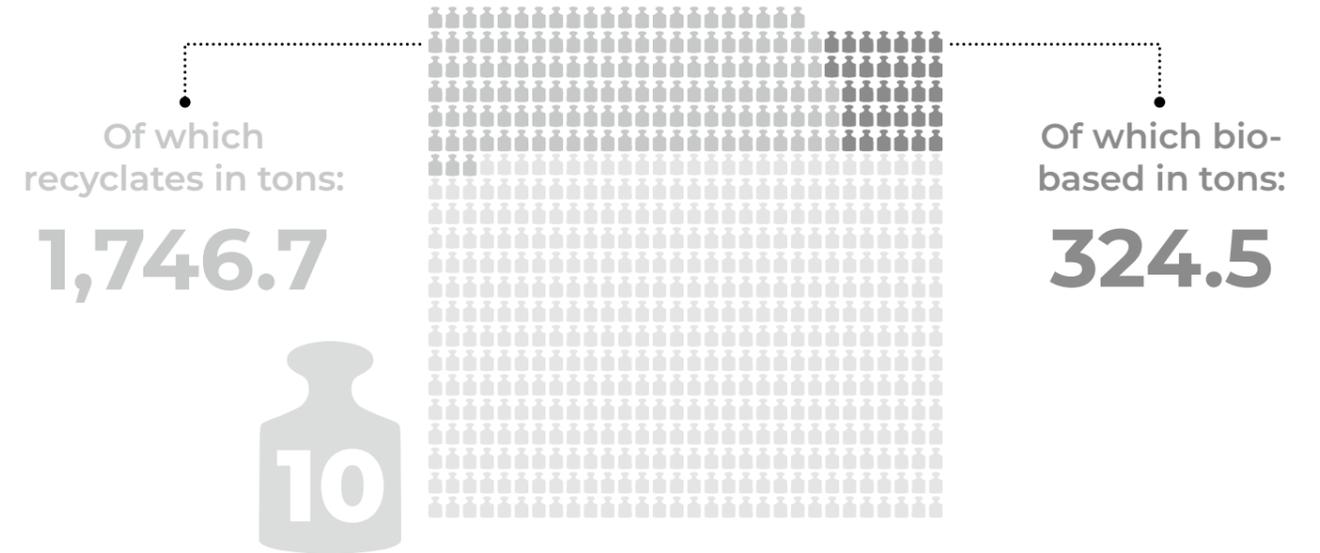
515

Injection molding machines



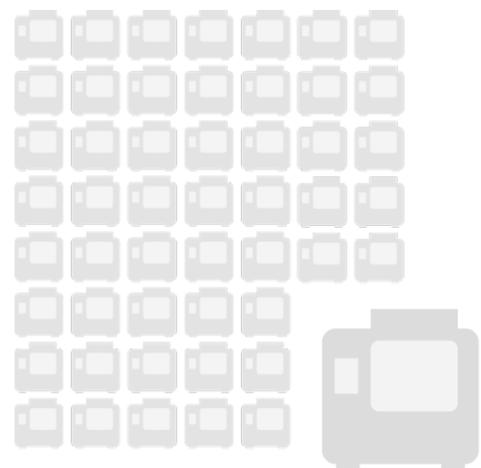
6,218.6

Processed plastics 2021 in tons



50

CNC machines



37,450

Total energy consumption in MWh



2,427

Employees



INTRODUCTORY REMARKS



ANDREAS WOLF
CEO FRAMAS GROUP



MARTIN JACHMANN
COO FRAMAS GROUP



PATRICK JANN
CFO FRAMAS GROUP

THE FRAMAS WAY FOR A WORLD WORTH LIVING IN

GRI 2-22... **Dear reader,
dear framas family,
business partners and friends,**

We are delighted to be able to present the framas Group's very first Sustainability Report to you. The preparation of this report involved a large number of discussions both within and outside of framas. The motivating factor behind every one of these discussions was the consensus that we want to leave a positive footprint for the next generation.

So why do we want to adopt a holistic approach to sustainability? First, we believe that systematically pursuing the path we have carved out for ourselves, towards a future worth living in, is the right approach. This is what drives us. This affects our employees and our partners, who can rely on us to treat them fairly in line with our values and Code

of Conduct. It affects our responsibility for the environment, which we are committed to protecting. And it affects the success of our business, without which there can be no innovation.

For decades now, framas has been a reliable partner for innovation, technology and tradition in the development of technical plastic components, tools, processes and products for the sports shoe industry.

As a family business, we focus on corporate development that is viable in the long run, combining economic interests with a secure and motivating working environment for our employees and top-notch solutions for our customers. We are determined to take our entire team on this journey with us, supporting young specialists and executives in their careers so that we can grow from within.

We believe that this puts us in a solid position to master the process of transformation and to create lasting value both today and going forward. As we see it, sustainable corporate development opens up huge opportunities in globalized markets. This goes hand-in-hand with improved corporate performance, as our moves to address new topics have clearly shown. We are operating in a fast-changing market environment and are constantly using specific projects to contribute to innovative solutions for our customers.

For us, innovation is also about working with new and more sustainable materials. We continue to invest in the ongoing development of plastics processing technology to ensure highly efficient manufacturing processes.

So is that all we want to do? Of course not, because we know that, as a company operating in the shoe and lifestyle industry, we are at the center of the social debate on resource efficiency, circular economy and climate neutrality, as well as human and employee rights issues.

From an environmental perspective in particular, we have a lot of work to do with raw materials that are largely fossil-based and with aspects relating to the circular economy at the end of the product life cycle. This is another area in which we are involved in close dialog with our customers and partners in a quest to use recycled or recyclable raw materials and, in turn, make shoes recyclable.

We have based the information set out in this Report on the latest reporting standards of the Global Reporting Initiative (GRI). To this end, we are engaged in ongoing dialog with

our stakeholders, have identified our material topics, documented our management approaches and refined our Code of Conduct. We now plan to update this Report every year.

We are and remain your innovative partner – a partner that forges ahead reliably with innovation based on its long-standing experience and highly sophisticated technology. We would like to thank all of our partners for their trust and constructive collaboration, and our employees for the commitment they have shown in times that are challenging for all of us. We hope that you find this Report inspiring and thought-provoking and look forward to your feedback and, in particular, to your support.

Best regards,


ANDREAS WOLF
CEO FRAMAS GROUP


MARTIN JACHMANN
COO FRAMAS GROUP


PATRICK JANN
CFO FRAMAS GROUP

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ABOUT FRAMAS

FRAMAS' APPROACH

The framas group acts globally in the plastic processing industry. Our high technological expertise is built upon over 70 years of experience. We think and act in an innovative way and create future-oriented products for the shoe and injection molding industry. We are aware of our social and environmental responsibility and continuously seek to develop ourselves. Our products impress in both quality and functionality.

framass was established in 1948 in Pirmasens in Germany, a town renowned for its shoe industry, and originally focused on manufacturing and modeling shoe lasts made of wood. The shoe last was the very first product that our founder Franz Martz produced. We remain true to these roots and framass does, in fact, still make the first shoe lasts for any new shoe model from wood, before preparing them digitally and reproducing them in plastic to be used to produce well-known shoe models worldwide.

With this wealth of experience behind it, framass is now the leading developer and producer of plastics components for the sports shoe industry. Its product range includes the main components for a shoe's supporting surface, i.e., soles and complete groups of supporting components, insoles, heelcounters, as well as joint and shaft components. In short, plastics components for sports footwear are framass' specialism. The production of these components using injection molding also involves making the appropriate tools for steps spanning development to manufacturing using state-of-the-art CNC technology. The customers who buy our products encompass a large number of brand names and manufacturers from the outdoor and sports shoe industry. Our main customers include virtually every one of the most renowned sportswear brands, for which framass functions as a major development partner and supplier. In addition to direct contact with these brands as part of the development process, framass maintains business relationships with the world's biggest sports shoe manufacturers as a component supplier.

INNOVATION

We are constantly evolving. Exceptional ideas for forward-looking products emerge in all departments and at all framas locations.



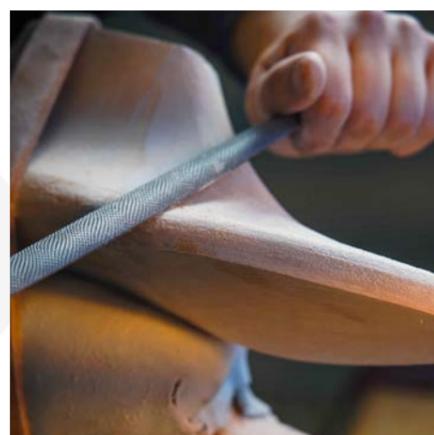
TECHNOLOGY

We work with state-of-the-art technology and machinery. Our high level of technical expertise allows us to think ahead and develop new processes and products.



TRADITION

framass is built upon more than 70 years of knowledge and tradition. We started with shoe lasts, which remains a core part of our portfolio today.



VISION STATEMENT

FRAMAS SUSTAINABLE VALUE FOR OUR PLANET, PEOPLE AND INDUSTRY

We create sustainable value for our customers, our employees, society, our investors and our environment.

For us, sustainability is about creating value for...

OUR CUSTOMERS

by offering them innovative products and services that spark their enthusiasm and ensure that they are and remain successful themselves. Unique.

OUR EMPLOYEES

by allowing people to develop further. Their skills are of fundamental importance to our quest to expand our position as a leading global supplier to the sports shoe industry. They can only unleash their full potential if we promote creativity, innovation and passion and offer them a highly motivating working environment. This is what we mean by the framass family.

OUR SOCIETY

by taking a stand against all forms of racism, unequal treatment and exclusion based on gender, skin color, social background, religion, ideology, age, disability, physical health, sexual orientation, nationality, marital status, social or ethnic origin. Welcome to framass.

OUR INVESTORS

by working to maintain and increase the value of their investment and transfer it to the next generation. Day in, day out.

OUR ENVIRONMENT

by conserving existing ecological resources through our actions. This we measure and improve. Constantly.



The company is majority-owned by the descendants of its founder. The ownership structure of framass Kunststofftechnik GmbH is as follows:

- Family of Magda Martz: 33.3%
- Family of Franz Martz: 33.3%
- Treasury shares: 23.34%
- Current and previous management: 10.0%

GROUP STRUCTURE

GRI 2-2-2-6 framass Kunststofftechnik GmbH has its registered office in Pirmasens, at Rodalber Strasse 180, and is both a production site and the group parent company. In this capacity, it also performs tasks for the entire Group.

GRI 2-2-2-6 The Group is structured into manufacturing sites and non-manufacturing units. The producing manufacturing locations are Pirmasens, Germany (framass Germany), framass Indonesia, located in the Jawa Barat Province on Jawa, Indonesia, as well as one site located in the Binh Duong Province (framass Vietnam) and one site located in the Dong Nai Province (framass Korea Vina) in Vietnam. Production at the site in Fuzhou, China, was transferred to Vietnam in 2022 and is therefore not considered further in this Report. The non-manufacturing units include the development center framass Korea, framass Hong Kong, framass China, a distribution company in the USA and a representative office in Taiwan. In 2022, an additional development center was opened in China.

framass Kunststofftechnik GmbH directly holds 100% of the shares in the subsidiaries framass Hong Kong Ltd., framass China Ltd., framass Korea Co. Ltd. and framass USA Inc., as well as 99.99% of the shares in PT framass

Indonesia. The remaining 0.01% of the shares in PT framass Indonesia and 100% of the shares in the subsidiaries framass Vietnam Ltd. and framass Korea Vina Ltd. are held via the subsidiary framass Hongkong Ltd. 100% of the shares in framass Fuzhou Ltd., whose operating business was shifted almost in full to Vietnam in May 2022, were held via framass China Ltd. In March 2022, framass Footware Technologies Co. Ltd. was established as a wholly owned subsidiary of framass Hong Kong Ltd. for this purpose. The company framass Hanoi Co. Ltd. is in liquidation as of the reporting date. This was completed in March 2022 and the company was deleted from the local company register.

The Group also includes the asset management company Franz Martz & Söhne Private Treuhand GmbH in Saarbrücken and a 50% stake in Make Work Flow GmbH in Hamburg, a company focusing on the digitalization of production processes. The last two units are not covered by this Report as they are not part of our core business and do not have any impact on the material non-financial topics addressed in the Report. Like the distributor framass USA, they are also not included in the consolidated financial statements of framass Kunststofftechnik GmbH, which are prepared in accordance with the German Commercial Code.

MANAGEMENT STRUCTURE

GRI 2-9-2-10-2-11-2-12 framass is headed by the management team consisting of Andreas Wolf, CEO, Martin Jachmann, COO, and Patrick Jann, CFO, and is supervised by its owners. The owners receive regular information on business developments from the management at the shareholders' meeting. As part of our moves to expand our reporting to also cover non-financial aspects, the owners also receive information on the material impacts covered

GRI 2-14-2-17 by this Report, the measures taken and the impact of these measures. The "Group Sustainability Manager" central function, which reports directly to the CEO, has been set up to coordinate the management of the material impacts across the Group. The individual impacts are managed on location by the individual subsidiaries, each of which has a local management team that reports, in turn, to the group management team.

GRI 2-15-2-16 The group management team is informed in the event that the local management of the subsidiaries becomes aware of critical stakeholder concerns. No critical concerns were communicated to framass during the reporting period. In accordance with the rules of procedure, each management member is required to observe the best interests of the Company and must report conflicts of interest, in particular those that may arise due

GRI 2-18-2-19-2-20 to an advisory function or position on the governing bodies of customers, suppliers, lenders or other business partners. No conflicts of interest were disclosed during the reporting period. The remuneration paid to the management is defined by the shareholders and comprises both a fixed component and a variable one that is based on the Group's long-term commercial success.

GRI 2-20 The annual total remuneration ratio (annual total remuneration of the highest-paid member of the organization divided by the average annual total remuneration of all other employees excluding the highest total remuneration) is around 33. The following were included in the calculation of the total remuneration ratio: the management, salaried employees as full-time equivalents, excluding interns, temporary staff and trainees as the average number of employees during the year. Total remuneration includes the gross wages and salaries paid out, including the bonuses paid out in the respective year, minus the total remuneration paid to the highest-paid person.

ETHICS

ETHICS & COMPLIANCE

GRI 2-23 2-27 Based on our ethical and leadership principles, we operate in a culture of communication that focuses on openness and have a compliance management system in place to ensure that statutory, administrative and internal regulations as well as the contractual obligations are adhered to. As part of this process, we have revised the framas Code of Conduct, which is based on generally accepted social, ethical and ecological standards, such as the Guidelines for Multinational Enterprises of the Guidelines for Multinational Enterprises (OECD), the labor and social standards of the International Labour Organization (ILO) and the requirements set out in the German Supply Chain Act. It is our stated aim to work with our contractual and business partners to implement the rules of conduct and principles set out in these standards. Further internal details on compliance topics are set out in binding policies and our employees are trained accordingly.

GRI 2-24 Responsibility for compliance lies with the management. Group-wide coordination of compliance management falls directly within the CFO's sphere of responsibility and is a separate function that involves close collaboration with HR. The aim is to incorporate the obligations resulting from the statutory, in-house and contractual requirements into the business processes so as to prevent any breaches of laws and regulations and create transparency, provide support and put a binding framework in place. This helps to protect our employees, agents and governing bodies from corruption and other forms of white-collar crime. It also helps to ensure



data protection and IT compliance. Controls are built into the business processes to ensure compliance with the applicable rules and regulations. For instance, all financial transactions are subject to a structured approval process and the principle of dual control.

GRI 205-1 205-3 419-1 No cases of corruption, anti-competitive behavior, violations of environmental law requirements, non-compliance with laws and provisions or any significant cases related to social, media, data protection or economic laws were reported in the reporting period. As a result, no further-reaching measures had to be taken in this regard.

RISK MANAGEMENT

Exploiting opportunities is at the core of our business activities. Nevertheless, we are also exposed to risks that could prevent us from achieving our goals, now or in the future. The management has a due diligence obligation to identify these risks early on and develop corresponding measures to control and manage them. This is a fundamental prerequisite for sustaining our successful business activities in the long term. We see risk management as a strategic success factor and an integral part of our overall planning and controlling process.

We assess the risks to which we are exposed on a regular basis, the aim being to minimize

potential risks, safeguard the Company's survival and support framas in its successful further development. For example, we have external service providers check our IT systems to identify any risks and have taken appropriate measures that we cannot disclose due to the sensitive nature of the issue.

framass' owners receive regular and, where appropriate, ad hoc reports on the current risk situation from the management. The actions taken to mitigate individual risks are described in the relevant sections on the material topics.



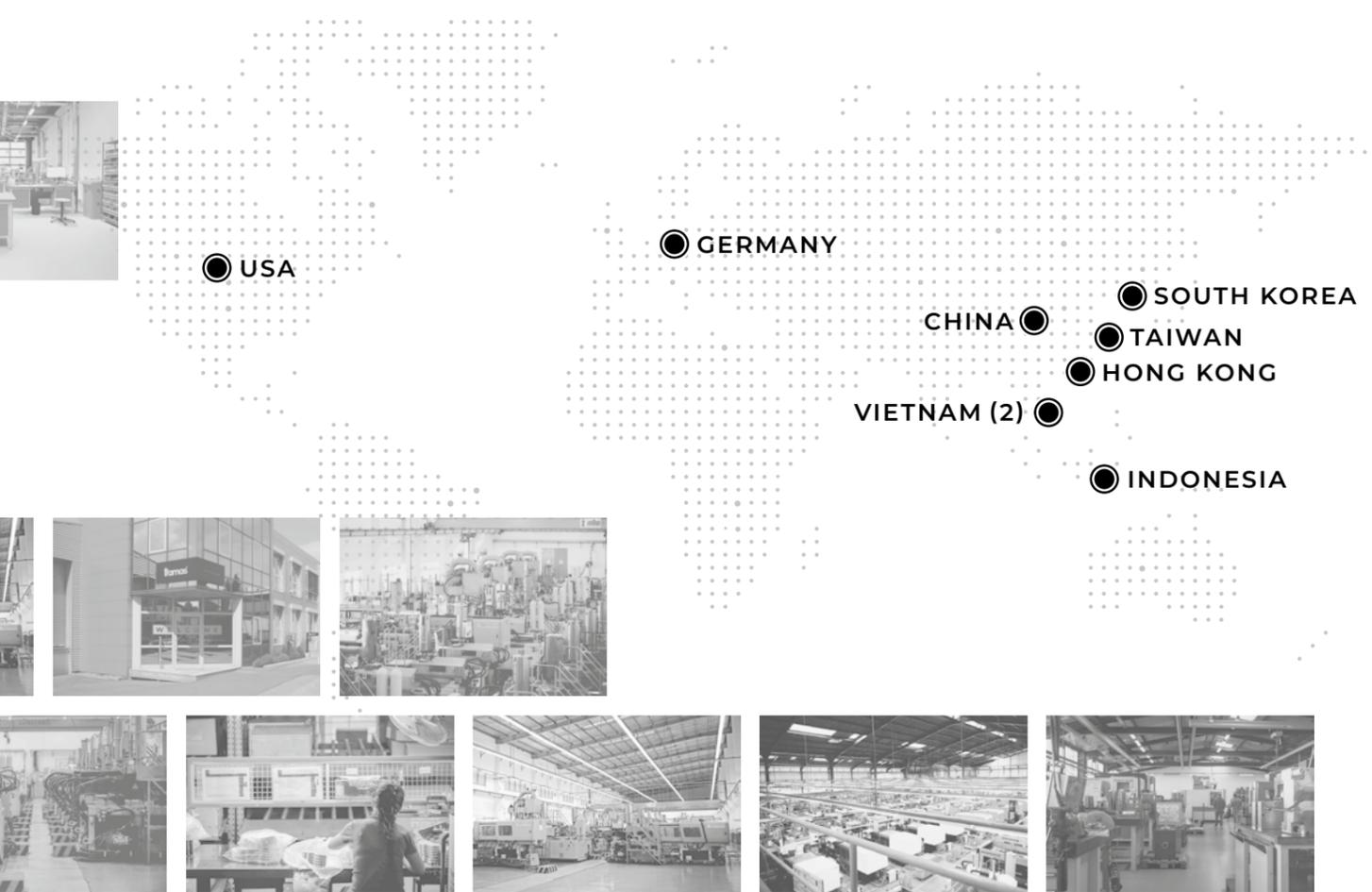
MANAGEMENT

LOCATIONS

FRAMAS LOCATIONS

GRI 2-1... In addition to the parent company, framas Kunststofftechnik GmbH in Pirmasens, framas is represented at all key development and production locations for the sports shoe industry. Our nine locations in seven countries ensure short lines of communication with

our customers. We produce plastics components for the shoe industry at our locations in Pirmasens, Germany, in the Binh Duong and Dong Nai provinces in Vietnam, and in the Jawa Barat province in Java, Indonesia.

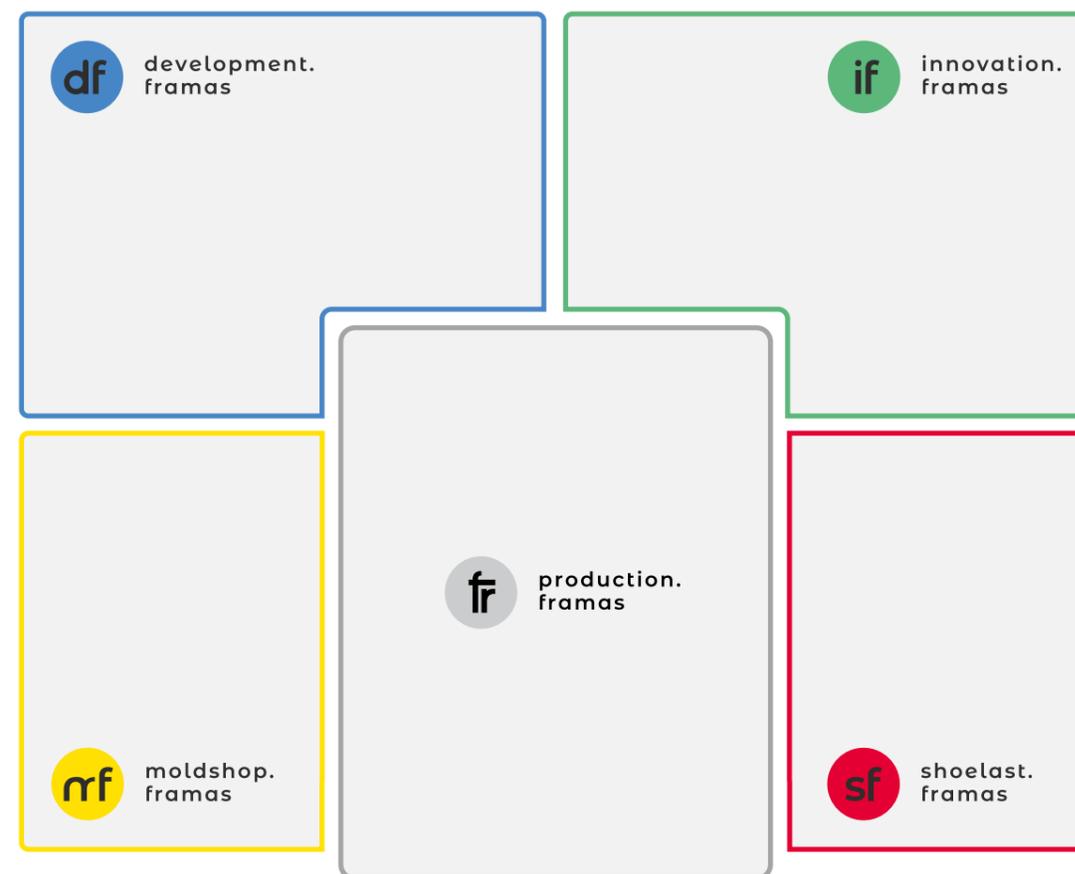


VALUE CREATION AT FRAMAS

GRI 2-1... framas is organized into five departments so that we can provide our customers with comprehensive support and advice. While each department is independent, they are all involved in close dialog and collaboration with the others.

ORGANIZATION OF OUR TECHNICAL DEPARTMENTS

High level of vertical integration for value creation



VALUE CREATION

INNOVATION

INNOVATION.FRAMAS

FORMING THE FUTURE

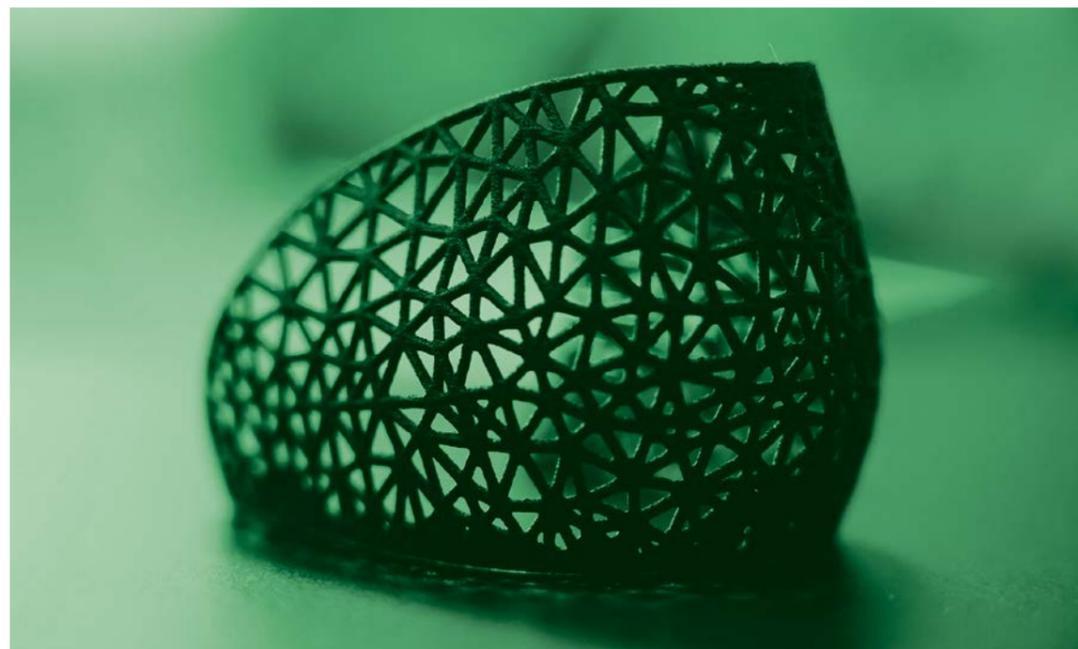
The innovation.framas teams create new and innovative products while also improving upon existing ones. Therefore, they work in the areas of product development, digitalization and rapid prototyping.



innovation.framas

We focus consistently on boosting resource efficiency, achieving the objective of recyclability and reducing product-specific carbon footprints over the product life cycle. The following services are offered:

- **Research and consultancy**
- **Workshops for the joint conception of new products**
- **Supporting our customers' development departments**
- **3D printing of prototypes**
- **Integration of state-of-the-art technologies into products (Internet of things)**
- **Process development in the course of product development**



DEVELOPMENT.FRAMAS

ROOM TO EVOLVE

development.framas is the link between customers and production.

We are on hand to advise our customers at every stage in the product development process to ensure that the product is designed as the best fit for the processes involved and is developed up until the point at which it is ready for series production. We accompany and advise our customers at every single step in the development and production process, starting with the research phase, concept development and the proof of concept process that follows. We coordinate the entire process as a service provided by our tool making and production centers at the location concerned. We consider which material composition and which structure guarantees optimal performance of the product while working closely with our in-house laboratories, moldshops, production centers and innovation departments.



development.framas

In order to optimize the products for series production and our machines, a prototype tool of the product is manufactured at our toolmaking centers. In this way, the products can be extensively tested before series production and possible modifications to the design or functionality can be made.



We examine the produced prototypes at our lab. framas departments for their mechanical, optical and thermal properties.

We also have the option of testing different materials and their properties during the sampling of the prototype tools. After all, we know that only the very best, highest quality materials can create an end product with truly compelling features. We cooperate with the most renowned plastics suppliers in order to achieve this.

DEVELOPMENT

OLDSHOP

MOLDSHOP.FRAMAS



WE FORM IDEAS

Plastic injection molding tools are created for the production process in our moldshop centers. The moldshop.frammas teams are involved in the product development process from the outset and work in close dialog with the development and production departments.



**moldshop.
frammas**

In order to produce the optimal plastic injection mold for the production process, we design products as a 3D model using state-of-

the-art CAD software. Possible sources of tool error are identified in advance with injection molding simulation software and rapid prototyping means that the products can be tested and improved in good time.

The frammas moldshop centers are equipped with the most modern and innovative 3-axis and 5-axis milling machines, which guarantee high precision of milled parts. Laser structuring machines create functional elements and surface haptics that can be directly reproduced in the plastic injection molding tool and thus integrated into the product.

PRODUCTION.FRAMAS

FINAL FUSION

At our production centers, every step from each department (development.frammas, innovation.frammas, and moldshop.frammas) comes together to bring the product to perfect form.



**production.
frammas**

The high degree of automation at our production facilities enables us to manufacture injection molded components at all our locations at a stable cost and with consistent high quality. This means that we can offer the efficiency and economy of large-scale production even for small quantities or frequent product changes.

With the help of a digital Manufacturing Execution System (MES) at all frammas production locations, we create the necessary transparency. We can plan, record, monitor and analyze our production and adjust it in response to orders received at short notice. Machine efficiency, material consumption, as well as production and delivery times are continuously optimized, the aim being to offer maximum flexibility and quality throughout the production process.

We manufacture plastic components in series production with an injection weight of up to around 500g and a clamping force of 8tn – 450tn. Full electrical injection molding machines increase the precision and thus

the quality of the injection molded parts and reduce power consumption substantially.

Our worldwide production facilities are constantly growing and updated to be equipped with the most modern machines from well-known manufacturers. Through automation processes and digital production planning, we increase efficiency and reduce costs for our customers. We think ahead and, with the support of our innovation departments, research advanced technologies that can make our productions even more efficient.

Using multi-component injection molding technology, we can functionally combine different colors and materials. These hybrid parts offer the best combination of different properties of plastic materials and create a composite that is made for new tasks.

In addition, we process a wide variety of inserts made of carbon, steel, aluminum, etc., which can be precisely over-molded with our injection molding technology. A precondition, to develop new and innovative products.



SHOELAST

SHOELAST.FRAMAS

LAST COMES FIRST

At our shoelast.framas departments, we have been creating lasts that combine functionality and design for more than 70 years. Renowned shoe companies have been producing their shoes using framas lasts ever since. Even adidas founder Adi Dassler came to Pirmasens to have Franz Martz, the founder of framas, teach him the process involved in producing lasts and to perfect his skills. We combine traditional craftsmanship with the very latest 3D technologies to produce the perfect last, – the basic structure for every shoe. After all, we know that a perfect shoe can only be created

on the perfect last. We produce lasts specifically developed for the sports, fashion, health and safety sectors. We produce lasts not only for the more common shoe models, but also for small series, custom and innovative products.



In our shoelast development centers, our experienced modelers create last models in the traditional way, using white beech, in close collaboration with the customer's design team. Our CAD teams then digitally prepare the physical last models for mass production using a 3D scan and archive them. The lasts are then produced from high-density polyethylene (HDPE) for series production by our partner Yin Hwa in Asia. With two locations, one at our headquarters in Pirmasens and another one in Portland, we are close to our customers. The development center in Portland was founded in cooperation with our partner Yin Hwa.



FRAMAS STRATEGY --- GRI 2-22

THE RIGHT PEOPLE IN THE RIGHT PLACE

.....

A WELL DEFINED CUSTOMER RELATIONSHIP MANAGEMENT AND SALES CULTURE

.....

A HIGH LEVEL OF TECHNICAL EXPERTISE AND SKILLS

.....

INNOVATION · INNOVATION DRIVER AND STANDARDIZED PROCESS

.....

TECHNOLOGY AND TRANSFORMATION FROM DEVELOPMENT TO PRODUCTION AND ITEM DISPATCH

.....

DIGITALIZATION OF WORKFLOWS AND PROCESSES

.....

SPEED (DEVELOPMENT, PRODUCTION, DELIVERY)

.....

QUALITY · ZERO CLAIM STRATEGY

.....

MATERIAL · ZERO WASTE IN PRODUCTION

.....

TRANSFORMATION TO CREATE A SUSTAINABLE ORGANIZATION AND LASTING VALUE

.....

FAIR PRICING STRATEGIES

STRATEGY

STAKEHOLDER DIALOG AND MATERIALITY ANALYSIS

PROCESS TO DETERMINE MATERIAL TOPICS

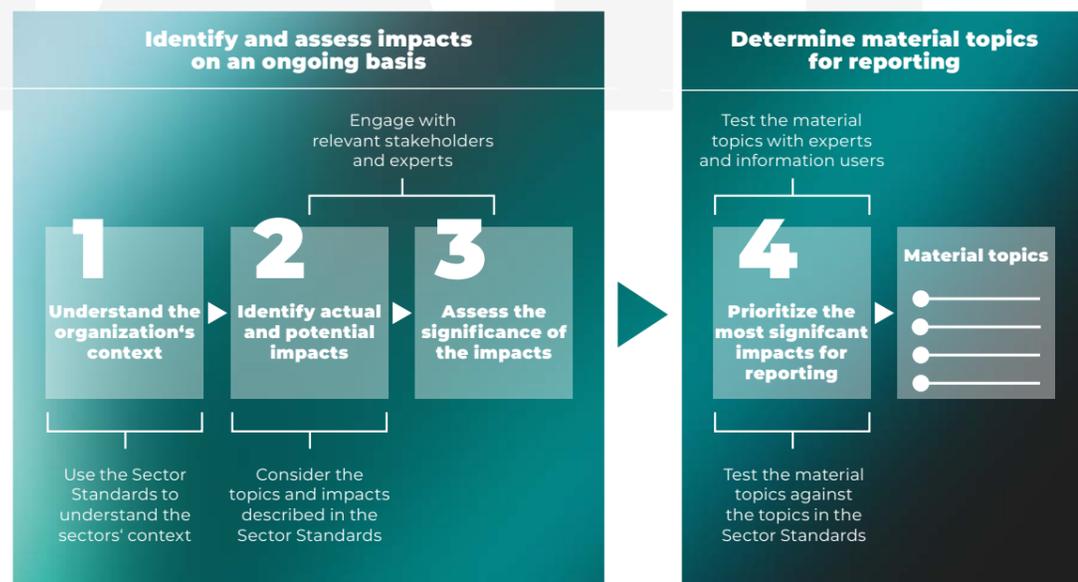
GRI 2-29-3-1 **framastofftechnik GmbH continuously seeks to engage with its core stakeholder groups: brands, shoe factories, suppliers, employees, banks, insurance companies, owners and investors, public authorities, policymakers, and the community in the region concerned. We are involved in regular dialog with our customers and suppliers regarding their expectations and opinions on general future developments, specific supply chain expectations and product-specific solutions. Thanks to their work on various boards and committees and with different associations, management and department heads can tap extensive networks of experts. As a responsible employer and corporate partner, we maintain a structured dialog with our employees' representatives.**

We communicate regularly with our banks and insurance companies regarding sustainability topics. We communicate with our owners and investors as part of an institutionalized dialog process. We also remain in contact with local and regional representatives. These and other daily discussions have shown us that the public's and companies' interest in sustainable development issues has increased significantly.

In 2021, we implemented an in-house process managed by the Group Sustainability Officer. We consulted with our internal departments and external experts to identify our current and potential impact in the context of sustainability.

In accordance with the four-step process under GRI 3 2021, our initial focus was on understanding the organization's context with regard to the social, economic, ecological and human rights-related areas of action. framastofftechnik GmbH's impact on the economy, environment and society, as well as the significance of that impact, was recorded as part of a structured process in seven workshops involving international representatives, the individual management teams and a number of relevant departments. Pre-selected aspects and their impacts were first discussed in detail and then immediately evaluated on a scale of 1 (very low) to 6 (very high). In addition, we assessed the need to act in each case in order to record specific courses of action and to assign a valid ranking for the individual aspects.

DIALOG



Aspects for the dialog process were pre-selected on the basis of various sustainability-related frameworks. These include the ten principles of the UN Global Compact, the United Nations' 17 Sustainability Development

Goals (SDGs), the 20 criteria of the German Sustainability Code, the industry-specific SASB standards and, of course, the requirements set out in the GRI standards including sector-specific supplements.

IMPACT ASSESSMENT

The aspects to be addressed as a matter of priority were classified based on the mean value of all scores, 4.3. All aspects above this threshold were also reviewed for materiality in terms of their content in consultation with the management. We used questionnaires from various institutional sustainability performance service providers such as EcoVadis and customers' Self-Assessment Questionnaires for this purpose. We tested the prioritization together with experts, information users and external ratings agencies in order to arrive at a

well-founded list of framras Kunststofftechnik GmbH's material topics. Out of the significant aspects shown below, the nine material topics were defined by clustering aspects by content. A number of aspects were included in the clustering of the nine material topics despite their impact being rated as lower than average, as the management considered them relevant for future developments.

MATERIALITY

The results were presented to the shareholders' meeting as the highest-ranking supervisory body and were adopted by the group management as the highest-ranking management body. The process resulted in the adjacent list of material topics for the framras Group. The aspects of data protection and information security, compliance, risk management and taxes are included in the General disclosures under "Ethics and compliance" and "Risk management".

GRI 3-2 - List of material topics:

1. Long-term economic success
2. An attractive and responsible employer
3. Energy efficiency and climate protection
4. Material use
5. Product responsibility
6. Sustainable supply chain
7. Protection of the environment
8. Occupational health and safety
9. Corporate citizenship

RANKING OF RELEVANT ASPECTS



SUSTAINABILITY STRATEGY

SUSTAINABILITY STRATEGY IN A CORPORATE CONTEXT

GRI 2-22...framas' sustainability strategy is implemented as a direct component of its corporate strategy in line with the top-down principle and defines the understanding and objectives of the company in a sustainability context. It applies to all functions and departments in that strategic targets, specific measures and KPIs are used to develop and continuously update an integrated action plan and roadmap.

The framas Group is just embarking on this process and will be reporting on specific steps in a sustainability roadmap in later reports. Holistic sustainability management supports the long-term development of the framas Group by developing sustainability objectives, measures and metrics in all areas, both externally and internally, as part of a collaborative process.

MAIN POINTS OF THE SUSTAINABILITY STRATEGY

As a family business, the long-term development of the framas Group is a top priority. The accelerating pace of transformation and rising social demands and customer expectations motivate us even more to actively shape our path to sustainable development. We believe that the only way to efficiently manage the requirements of the green and digital transformation is through a holistic and strategic approach. This is why we are ensuring our overall success and future performance by managing key economic, social and environmental issues in a responsible, stakeholder-oriented manner.



Thanks to continuous stakeholder dialog and a materiality analysis involving specialist experts, we have identified the nine topics described in the previous section as being material for the framas Group. Based on the assessment of the most important impacts on our environment and given our values and positions as described earlier on in this report, our focus lies in particular on the following strategic action areas:

STRATEGIC ACTION AREAS



ACTION AREAS

STRATEGIC ACTION AREAS FOR FRAMAS' SUSTAINABLE DEVELOPMENT

ENVIRONMENTAL RESPONSIBILITY

Climate protection and energy management

The objective is to make the framas Group carbon neutral (scope 1 and 2 emissions) by following a realistic reduction path. The sub-targets, measures and metrics are defined in consultation with the relevant central departments and local entities. The strategic measures include further developing energy management systems at every location, the aim being to boost energy efficiency and forge ahead with the use of regenerative energies.

We intend to use far-sighted and forward-looking energy procurement to achieve climate-neutral status in a manner that is commercially feasible. The development of a carbon compensation concept will be another milestone in our journey.

We will include the price of carbon dioxide in our decision on major investments. We develop a reduction path according to the Science Based Targets Initiative (SBTi) requirements of our scope 1 and 2 emissions by 2024, in line with the 1.5°C target for limiting global warming. In addition, we will record our scope 3 emissions in a structured manner and calculate and reduce the carbon footprint associated with our products.



Responsibility in the supply chain

Our upstream supply chain is responsible for potential and real negative ESG impacts. That is why our Sustainable Supply Chain Management (SSCM) strategy is a key part of our sustainability program. The development and implementation of an SSCM strategy ensures compliance with current and future regulations and increasing customer requirements.

We will introduce this Sustainable Supply Chain Management system in predefined steps. We will ensure that our suppliers are aligned with our value and will strive to ensure that they either accept our updated Code of Conduct (CoC) or have a comparable standard in place.

Going forward, the control measures we will develop include the systematic and efficient screening of suppliers' ESG performance, self-assessment processes and sustainability audit schemes. As a tier 2 supplier in the supply chain of the sport shoe brands, we are aware of our own responsibility and act accordingly.

Use of resources and recyclability

Product development is key to achieving framas' sustainability goals, particularly in the areas of climate protection, use of resources and the circular economy. Sustainability goals of particular importance for the framas Group and our customers are reducing the carbon footprint of our products and the consumption of primary resources. By selecting low-emission and recycled materials, Product Development reduces the carbon footprint of framas products and makes a valuable contribution to the circular economy. We pursue a zero waste strategy thanks to the establishment of a strategic waste management system.

The automatic recording of relevant sustainability data, such as material use, recycling shares, specific/machine-related energy consumption in production using software tools is part of framas' agenda. Key milestones include the definition of eco-design criteria and specifications, the integration of those criteria into the structured framas development process and the establishment of a systematic data management system. We are also contributing to solutions for a responsible circular economy scenario in the industry. In order to achieve this, we cooperate with research institutions and manufacturer on material optimization, recycling material improvement and the development of sustainable materials.



SUSTAINABLE

SOCIAL

SOCIAL RESPONSIBILITY

An attractive employer

Our employees are crucial to our success. Motivated, satisfied, highly qualified and efficient teams are key for framas. We want to allow all employees to drive forward new ideas with enthusiasm and focus, and to exploit opportunities for further development. This will require us to increase our HR capacities.

Occupational health and safety are one of our utmost priorities and a firm component of our corporate culture. Promoting health and safety at work improves employee well-being and helps to motivate the workforce. This is one of framas' main responsibilities as an employer. After all, excellent occupational health and safety management strengthens and protects our reputation as an employer on the labor market for specialists and executives, which is currently highly competitive.

Our primary objective is to manage health and safety risks proactively by avoiding occupational accidents and injuries. This applies both to our production staff and to everyone working in the office. We are aiming to establish uniform occupational health and safety standards throughout the Group.



ENVIRONMENTAL RESPONSIBILITY

Competitive edge

Sustainable development at the product and company level have become one of the most important competitive factors in the sports and shoe industry. An important success factor is the integration of eco-design criteria in the development of our products and their manufacturing processes. By anticipating our customers' requirements and working with them to develop optimized solutions, we help our customers meet their sustainability targets and strengthen our own market position.

Dialog with our customers, employees and investors when it comes to sustainability are the keys to our success. Transparent communication regarding challenges, conflicting targets and possible solutions helps to secure our current business and the future of our company. We will be using our development centers, located close to our customers, to forge further ahead with the concept of intensive dialog. We are committed to fast response times and the high degree of process transparency that our customers value and expect.

FRAMAS CONTRIBUTIONS TO THE SDGs



The United Nations Sustainable Development Goals (SDGs) set out a binding global framework and target system for sustainable development to foster peace and prosperity

for all people and our planet, both now and in the future. This is why the SDGs and their sub-targets form the basis for our materiality analysis and provide guidance for our sustainability strategy.

We contribute to the following SDGs and provide details on our contribution for each material topic:



ENVIRONMENTAL

MATERIAL TOPICS

MATERIAL TOPICS

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MATERIAL TOPICS

LONG-TERM FINANCIAL SUCCESS



GRI 3-3 The core topics of "innovation and digitalization" and "product and service quality" are key to our long-term financial success. Our mission is to further expand the position we hold as a leading supplier in the

global sports shoe industry, to create sustainable value for our customers, employees and shareholders, and to take social and environmental responsibility.

We currently have a pipeline of promising projects and are already working with our customers to ready these for production. This process is nevertheless heavily dependent on

how our customers react to disruptions in the market and on their plans for launching new collections and innovations.

INNOVATION AND DIGITALIZATION



Our extensive technical expertise and the skills of our staff are the foundation to lock in continuous development and shape groundbreaking ideas into the products of tomorrow. We offer a motivational working environment that nurtures creativity, innovation and passion. Our innovation.framas teams create new and innovative products while also improving upon existing ones.

The innovation process in itself is complex and covers design, production technology, product performance and the materials used. All this is interwoven and the process is becoming increasingly digitalized. The materials are selected in coordination with the sport shoe brand and are used to develop a prototype. On that basis, sample mold creation, sample production and mass mold production follow a standardized process featuring a high level of process and material efficiency. The use of innovative materials and leading-edge technologies coupled with efforts to digitalize workflows is revolutionizing the entire value process from development down to delivering the product.

To plan and manage our production operations, we have launched a manufacturing execution system that converts our existing big data into smart data in order to systematically monitor, manage and optimize the processes. This is the only way to unlock the potential offered by industry 4.0. We integrate ERP to optimally plan capacities for customer orders and gain key production insights in real time for the purposes of quality assurance and to avoid rejects. We are continuing to drive forward efforts to automate the production process and are building up the requisite expertise via pilot projects.

PRODUCT AND SERVICE QUALITY

framass seeks to foster a well-defined customer relationship management and sales culture. This requires excellent service and product quality, and with that in mind we follow a zero claim strategy. We launched a quality initiative in the reporting period and reworked our quality assurance standards at all locations. The production sites at framass Germany, framass Indonesia and framass Viet-

nam and our development center in Korea are ISO:9001-certified, and plans are in place to have the Korea Vina production site certified. All production locations are subject to regular internal and external quality audits, including by our customers, and no objections were raised in any of the audits carried out in the reporting period.

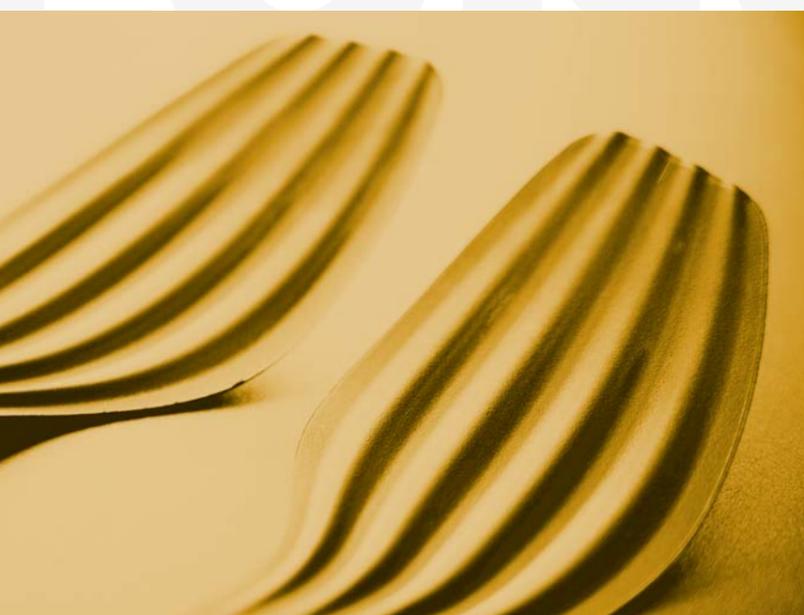
ECONOMIC PERFORMANCE

At the framass Group, business development is influenced both by the business activities of sports shoe manufacturers and by the sports shoe brands who include us in their supply chains. Consequently, the Group's business success depends not just on internal business drivers but also on consumer spending as well as on the development of the sports industry in general and the sports shoe market in particular. At the local level, plant utilization at the manufacturing sites is determined primarily by customers' allocation decisions.

As in the previous year, 2021 was dominated by the measures taken in response to the coronavirus pandemic, although there was initially a clear recovery in the global economy. Restrictions were eased and consumers were increasingly willing to spend. The spread of the omicron variant in the second half of the

year saw restrictions reimposed. In Vietnam, one of the key manufacturing locations for the sportswear industry and for framass, the government imposed a strict lockdown in and around Ho Chi Minh City, with entire factories having to close down four months (mid-July to mid-October). This had a massive economic impact on the country and in particular for the people, some of whom were prevented from working at all in this period. However, since mid-October 2021, the factories are once again running at full speed in an attempt to meet the rising demand. Coupled with the rise in demand, however, the continuing supply chain bottlenecks on the back of recurring lockdown measures in China, massive lines at the world's largest container ports and delays in clearance at the major transshipment terminals have caused skyrocketing inflation that traced back to the end of 2021.

LONG-TERM



For our customers, we are a strategic partner with decades of experience developing innovative products. The technical demands placed on new components are on the rise, as are the demands for product quality. As well as developing new ideas for series production, framas is involved in developing new concepts and manufacturing methods for product generations that are still in the pipeline. At framas, we are also pursuing the goal of digitalizing production control processes, which will enable us to rapidly address issues affecting performance and quality.

The sportswear industry places great emphasis on non-disclosure and on protecting the intellectual property behind new concepts. For this and other reasons, framas invests in its own tool manufacture as this will ensure that any new developments remain within the company. In addition, in-house tool manufacture offers the chance to develop new constructions and production methods. The reason is twofold: to systematically improve product quality and to facilitate more efficient production cycles.

For the framas Group, fiscal year 2021 was dominated by two key issues: the effects of the factory closures in Ho Chi Minh City (Vietnam) from mid-July to mid-October 2021, and the relocation of the Chinese production site to Vietnam planned for spring 2022.

The consequences of the factory closures in Vietnam were felt acutely. The two framas Group locations in Vietnam were brought to a standstill and the shoe factories in Vietnam that are also supplied by framas locations outside of the country could not receive any incoming goods. We could only make up for a

small portion of the downtime by the end of the year, and as such took a hit to revenue in 2021 as a whole, which declined by EUR 19,557 thousand (or 15.8%) to EUR 103,933 thousand. Consequently, revenue was down significantly on the previous year, which had already been impacted by pandemic-related effects.

The planned relocation of the production unit from our framas Fuzhou location to Vietnam meant that the expected cost effects were already recognized in the annual financial statements of the local company, which additionally weighed on earnings for fiscal year 2021. EBIT declined to EUR -11,780 thousand (primarily due to the non-recurring effects outlined above), which fell short of the forecast. The EBIT margin deteriorated from -4.2% to -11.3%. The cost-of-materials ratio rose from 43.2% to 45.5%. At the same time, the personnel expense ratio increased from

30.1% to 32.7%. There are two primary reasons for this: on the one hand, staff were retained during the factory closures in Vietnam when revenue was lost, and on the other, provisions were recognized for restructuring in the context of relocating production at the framas Fuzhou location.

Consolidated earnings for the year declined by EUR 6,471 thousand year on year to EUR -14,788 thousand.

REVENUE PER REGION	2021 [in EUR '000]
GERMANY	4,642
OTHER EUROPE	1,499
ASIA	97,354
REST OF THE WORLD	438
REVENUE	103,933

Europe and the US were already feeling the consequences of supply chain bottlenecks (including due to the lockdowns in Asia referred to above). It was only natural that demand would soar after the prolonged pandemic, but limited supply caused and continues to cause prices to spiral upward.

The shift from brick-and-mortar sales to e-commerce has helped cushion the adverse effects of local retail space closures, which are not as pronounced as they were at the beginning of the pandemic. Growing awareness of the importance of exercise and the sportswear fashion trend will boost demand for athletic apparel going forward. This could be buoyed by the shift towards remote working, an inevitable consequence of the pandemic. In urban settings in particular, the time saved not commuting can be used for sports and other physical activities.

GRI 201-1 VALUE CREATION PER STAKEHOLDER	2021 [in EUR '000]	
FROM CUSTOMERS	Shoe lasts	3,425
	Heelcounters	10,426
	Soles	42,484
	Other shoe parts	41,330
	Molds	512
	Other revenue	5,756
	Revenue	103,933
FROM OTHER STAKEHOLDERS	Other operating income and finance income	3,108
	Value created by stakeholders	107,041
TO SUPPLIERS AND OTHERS	Operating expenses excluding personnel expenses	-84,452
TO EMPLOYEES	Personnel expenses	-34,348
TO BANKS AND THE CAPITAL MARKET	Interest and similar expenses	-1,288
TO OTHERS	Write-downs on long-term financial assets	-400
TO THE GOVERNMENT	Taxes on income and other taxes	-1,341
	Value created for stakeholders	-121,829
	Consolidated earnings for the year	-14,788
TO EQUITY INVESTORS	Distributions	0

SUCCESS

AN ATTRACTIVE AND RESPONSIBLE EMPLOYER



GRI 3-3...The only way for us to achieve our goals and realize our ambitions is to operate in dynamic unison, on the basis of shared principles. We aim to recruit and cultivate qualified employees whose values align with ours and who envisage their future

with us. The way we treat each other every day reflects this attitude. We offer our employees a path to development that is rewarding – not only professionally but also personally. This is the culture that we foster and promote.

EMPLOYMENT



GRI 401-2...We offer motivated and reliable employees a range of interesting and varied jobs throughout the different divisions of the company in an environment that is as international as it is close-knit. We systematically offer our employees ongoing development opportunities and working conditions that keep them motivated, as well as flexible working arrangements – although part-time work is not as commonplace an element of the working culture at our production facilities in Vietnam and Indonesia. Our focus is on high levels of employee satisfaction. We promote diversity, equal opportunities and inclusion, and respect human rights in every aspect.

At framas, our remuneration structure is performance-based and thus gender-neutral. As a matter of principle, the wages, salaries and fringe benefits we offer our employees make for more than just a living wage – they enable them to set aside savings after they've paid their bills. What we pay at our various locations is determined based on the respective local standards of living and market conditions. As a relatively smaller employer in the markets where we operate, we depend on well a educated and motivated workforce and must therefore exhibit a greater level of commitment and dedication than our competitors. We offer compensation that as a rule exceeds the statutory minimum wage, as well as annual paid vacation, paid holidays, paid overtime and statutory severance pay upon termination of employment.

We explain the remuneration system to our employees. We do not practice wage dumping, nor do we have any involvement with bogus training or apprenticeship schemes that serve to enable employers to avoid paying people appropriate compensation for their work.

framas takes care to ensure that human rights and workplace standards are upheld along the entire supply chain. To that end, we have revised our Code of Conduct, aligning it with the provisions of the German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz*), the United Nations Global Compact and Sustainable Development Goals (SDGs), the standards of the International Labour Orga-

nization (ILO) and the OECD Guidelines for Multinational Enterprises.

As a Tier-2 supplier, the major athletic footwear brands regularly audit our compliance with requirements with regard to working conditions. We have passed every customer audit with flying colors. Tables on page 46 offer further employment-related disclosures.

DIVERSITY AND EQUALITY OF OPPORTUNITY

framas promotes diversity, equality and integration, and prohibits any and all forms of discrimination, racism, unequal treatment and marginalization. We promote an atmosphere of dignity and respect in which nobody is subjected to physical, verbal, sexual or psychological harassment or abuse of any kind.

Our hiring and employment practices guarantee equal treatment regardless of gender, race, social background, religion, ideology, age, disability, health status, sexual orientation, nationality, civil status, pregnancy, trade union membership, social group or ethnic background.

framas employees hail from 19 different countries: Austria, China, Colombia, Germany, Greece, Hong Kong, India, Indonesia, Iran, Italy, Kazakhstan, Mauritania, South Korea, Portugal, Russia, Taiwan, Thailand, the United States and Vietnam.

Please refer to the disclosures on page 46 for details on the employee age structure as well as a breakdown by gender and function for each region.

FRAMAS EMPLOYEES

1.676
MEN



751
WOMEN

WORLDWIDE

As at 12/31/2021

TRAINING AND EDUCATION

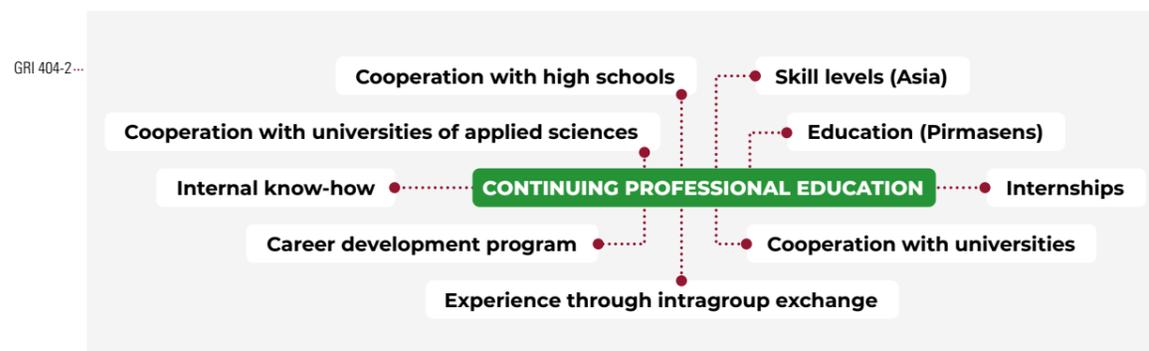
GRI 404-1... Regular training and continuing professional education are major competitive factors that enable us to stand out as an attractive employer, thereby securing the future of our Company. We offer internships at our manufacturing facilities, provide training and education, maintain close partnerships with local colleges and universities and offer not only the mandatory management systems training, but also an internal career development program for middle management and production employees. In addition, we make it possible for our talented employees to gain experience at other sites throughout the Group.

All new employees undergo our onboarding process, where they are briefed and instructed on their duties. As a matter of course, employees who move to a different job within the Group or take on new responsibilities also undergo this process. In Asia, training is organized according to skill levels. However, the training hours have not yet been uniformly recorded, and we are well aware that we still have our work cut out for us in the area of training and professional education. On top

of this, the restrictions imposed in the wake of the coronavirus pandemic have caused a steep decline in international exchanges.

In Pirmasens, we offer training in commercial management, process mechanic, toolmaker, electronics technician for industrial engineering, IT specialist for system integration and technical product designer. We also offer students pursuing twin-track studies the opportunity to complete their practical module with us in partnership with the Kaiserslautern University of Applied Sciences and the Plastics Institute in Lüdenscheid. In Asia, we have initiated partnerships with high schools that include injection molding in their curriculum.

Because many jobs at framas require highly specialized skills that are not widely taught in technical training courses or degree programs, we depend on our ability to pass on – and refine – this expertise internally. We have become highly successful at accomplishing this, with the added benefit that this increases staff retention in these areas. Training requirements are discussed at annual employee reviews.



MANAGEMENT PRINCIPLES

WHO WE ARE AND HOW WE CONDUCT OURSELVES

TRANSPARENT

We are a transparent company. This is embodied in the way we communicate with one another and in our regular team and one-on-one meetings to discuss projects and progress – where everyone is encouraged to speak freely and offer feedback.

DEDICATED

In our work, we are prudent and dedicated. We strive to always keep the interests of all stakeholders in our sights. We give everyone access to the available opportunities and resources so they can achieve optimal outcomes.

FOCUSSED

In our work, we are concentrated and conscientious.

COOPERATIVE

We rely on one another. If a colleague needs help, we assist them and work together to find a solution.

GOAL-ORIENTED

We are passionate about our goals and are constantly on the lookout for ways to better ourselves and optimize our processes.

CONSIDERATE

We are considerate of one another and do our best to act in everybody's best interests. Whenever we set a goal, we try to keep our eye on the big picture and keep in mind how our actions might affect those around us.

OPEN TO FEEDBACK

We welcome constructive feedback and appreciate new ideas and perspectives. Whenever we encounter an obstacle, we try to overcome it as quickly as possible.

RESPECTFUL

We value mutual respect. It is important to give colleagues feedback on their work.

EMPLOYEES IN 2021

		framagroup	framagermany	framaindonesia	framavietnam	framakoreavina	Administrative and sales units
1st level management	Female	0	0	0	0	0	0
	Male	3	2	0	0	0	1
2nd & 3rd level management	Female	45	3	8	9	16	9
	Male	128	12	37	18	19	42
Office employees	Female	179	13	27	65	64	10
	Male	308	53	96	90	36	33
Shop-floor workers	Female	527	9	99	176	242	1
	Male	1,237	37	382	433	375	10
Total	Female	751	25	134	250	322	20
	Male	1,676	104	515	541	430	86
	Total	2,427	129	649	791	752	106

NEW HIRING AND EMPLOYEE TURNOVER

		Unit	framagermany	framaindonesia	framavietnam	framakoreavina
Turnover	Office	%	7	4	5	21
	Shop-floor	%	6	0	8	46
Newly hired employees	Female	Number	1	4	62	100
	Male	Number	22	21	214	233
	Total	Number	23	25	276	333
New hires office	Female	Number	1	4	14	19
	Male	Number	7	4	16	21
	Total	Number	8	8	30	40
New hires shop-floor	Female	Number	0	0	48	81
	Male	Number	15	17	198	212
	Total	Number	15	17	246	293

FEMALE / MALE (%)

		framagroup	framagermany	framaindonesia	framavietnam	framakoreavina	Administrative and sales units
1st level management	Female	0.0	0.0	0.0	0.0	0.0	0.0
	Male	100.0	100.0	0.0	0.0	0.0	100.0
2nd & 3rd level management	Female	26.0	20.0	16.0	29.4	38.6	23.3
	Male	74.0	80.0	84.0	70.6	61.4	76.7
Office employees	Female	36.8	19.7	20.8	40.2	63.1	33.3
	Male	63.2	80.3	79.2	59.8	36.9	66.7
Shop-floor workers	Female	29.9	19.6	20.6	28.9	39.2	9.1
	Male	70.1	80.4	79.4	71.1	60.8	90.9
Total	Female	30.9	19.4	20.3	31.2	42.4	24.6
	Male	69.1	80.6	79.7	68.8	57.6	75.4

AVERAGE PAY RATIO OF WOMEN TO MEN

		framagermany	framaindonesia	framavietnam	framakoreavina
Office employees (f/m)	%	89 %	101**	88**	101**
Shop-floor workers (f/m)	%	88 %	101**	96**	100**

* exclusive management and trainees, students and temporary workers ** excluding expatriates

AGE STRUCTURE (%)

		framagroup	framagermany	framaindonesia	framavietnam	framakoreavina	Administrative and sales units
1st level management	> 50 years	100.0	100.0	0.0	0.0	0.0	100.0
	< 30 years	0.0	0.0	0.0	0.0	0.0	0.0
2nd & 3rd level management	> 50 years	11.6	0.0	6.7	7.4	2.9	27.5
	30 - 50 years	79.8	86.7	77.8	77.8	91.4	72.5
	< 30 years	8.7	13.3	15.6	14.8	5.7	0.0
Office employees	> 50 years	4.1	15.2	6.5	0.6	0.0	2.3
	30 - 50 years	59.3	60.6	65.0	51.0	62.0	65.1
	< 30 years	36.6	24.2	28.5	48.4	38.0	32.6
Shop-floor workers	> 50 years	3.9	32.6	2.1	3.9	2.8	27.3
	30 - 50 years	56.6	32.6	58.8	56.8	56.2	72.7
	< 30 years	39.5	34.8	39.1	39.2	41.0	0.0
Total	> 50 years	4.6	20.9	3.5	3.8	2.8	10.4
	30 - 50 years	58.8	52.7	62.2	57.8	59.8	44.3
	< 30 years	36.6	26.4	36.1	40.5	39.1	6.6

13

Trainees and students in dual studies.

(framagermany: f: 3 / m: 10)



100%

All employees in Germany receive a regular performance feedback as part of structured appraisals.

GRI 404-3...



0

Cases of discrimination.

In 2021 group wide no cases of discrimination became known.

GRI 406-1...

ENERGY EFFICIENCY AND CLIMATE PROTECTION



Climate change represents one of the greatest challenges of our time, posing an existential threat to society and businesses. Energy-related greenhouse gas emissions are responsible for a considerable share of the detrimental impacts on the environment that are caused by our activities as well as the activities of others along the entire value chain. Because the actual plastic injection molding production process is electricity-based, electricity

accounts for the greatest share of the overall energy mix consumed. That – and the fact that energy has become more scarce and expensive in the wake of Russia's invasion of Ukraine, thereby increasing the urgency and volatility of the situation – is why framas has declared energy management to be a key action area in the interest of increasing energy efficiency and reducing costs.

ENERGY CONSUMPTION IN 2021 [MWh]	framass Group		framass Germany	framass Indonesia	framass Vietnam	framass Korea Vina	Non-production facilities
	MWh	in %					
Electricity consumption	34,550.7	92.3%	1,811.8	13,885.0	8,984.0	9,138.0	732.0
of which renewable	5,315.70	15.4%	1,186.7	0.0	2,036.0	2,071.0	22.0
Gas consumption for own or leased vehicles	1,349.7	3.6%	25.9	675.9	226.5	316.1	105.4
Diesel consumption for own or leased vehicles	1,103.1	2.9%	87.5	822.4	142.3	39.3	11.6
Gas consumption (heating)	400.6	1.1%	365.3	0.0	34.3	0.0	1.0
Oil consumption (heating)	43.5	0.1%	0.0	43.4	0.0	0.0	0.0
District heating/cooling	2.3	0.0%	0.0	0.0	0.0	0.0	2.3
Total	37,449.9	100%	2,290.5	15,426.7	9,387.1	9,493.4	852.3

ENERGY EFFICIENCY

The responsible consumption of energy and our contribution to environmental protection are fundamental principles for framass. The ability to add energy-efficient value for our customers represents a vital competitive advantage because although plastic injection molding processes require energy, they are much less wasteful than other production techniques. The energy-efficient solutions offered by framass thus have a direct impact in the form of cost-reducing climate protection at shoe factories.

Our sustainable development objective focus on becoming more energy efficient, reducing harmful emissions and using renewable energy.

framass tracks and analyzes its own energy use in order to gain a transparent picture of its consumption patterns and – where relevant – to systematically boost energy efficiency. We purchase "green" electricity in order to increase the use of renewables at our sites. However, this is not so easily done in Vietnam and Indonesia at the moment, but we are working on it.

The introduction of a recognized and ISO 50001-certified integrated energy management system at every production facility is a hard and fast objective. By introducing solutions to enhance energy efficiency, we aim to meet the expectations of our stakeholders.

GRI 302-1 – Energy consumption

framass' total energy consumption across all production and non-production sites in 2021 was approximately 37.4 GWh. The largest share of that amount (34.6 GWh or 92.3%) was attributable to electricity, of which 15.4%, or 5.3 GWh, came from renewable sources. The table and graphic on page 49 present a breakdown of energy consumption by source.

GRI 302-3 – Energy intensity

Given the large number of extremely diverse products and components to be considered, energy intensity can be expressed most meaningfully in terms of total energy consumption per unit of revenue. In 2021, that figure amounted to 360.3 MWh per million euros of revenue.

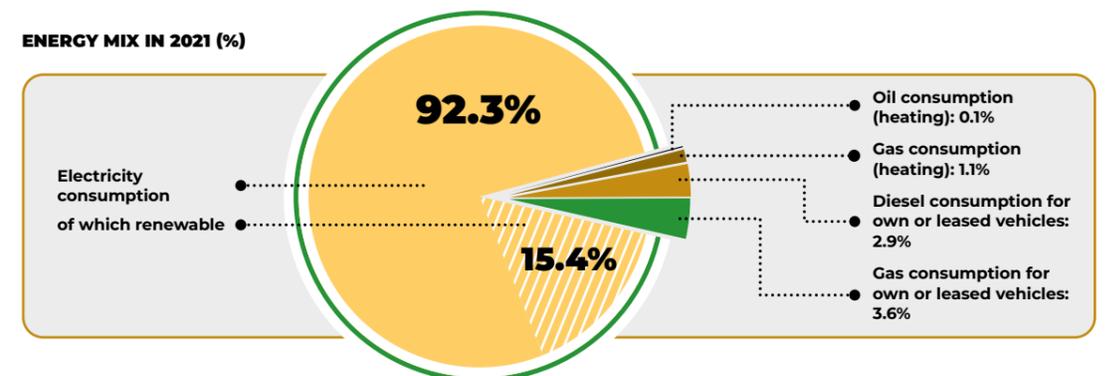
Reduction of energy consumption

Continuously increasing energy efficiency is at the heart of framass' strategy. The solutions offered by framass already have a reputation on the market as being particularly energy-efficient – an essential competitive advantage in times of rising energy costs. In order to further decrease energy consumption per unit of output, we have launched a program to track precisely how energy is used at each production facility. This will provide us with the necessary basis from which to continually

optimize our production processes. In addition, the rising degree of production automation is helping to increase energy efficiency.

We have nearly completed our efforts to replace conventional lighting with LED technology. Although we have begun to look into whether it would be technically feasible to install photovoltaic systems at our sites, the implementation is pending.

ENERGY MIX IN 2021 (%)



CLIMATE PROTECTION



Our commitment to transitioning to a low-carbon economy manifests itself at every link in our value chain. At less than 1%, direct (scope 1) emissions account for the smallest portion of our harmful emissions. Approximately 27% of our emissions are caused by the use of energy (scope 2), while the greatest share (approximately 72%) is attributable to the upstream and downstream value chain (scope 3). This in turn is accounted for by purchasing of raw materials and materials approx. 58% the investments in our systems approx. 23% and about 8% on disposal at the end of the use of our products.

One element of our Group-wide sustainability strategy is to position ourselves as the leading provider of bespoke, resource-efficient plastic injection molding technologies in the athletic

footwear segment through our products and solutions. We aim to achieve climate-neutral production (scope 1 and 2). Environmentally friendly product design uses solutions rooted in the circular economy.

To reduce its carbon footprint, framas continuously refines its standardized energy management approach. During the period under review, it evaluated the Group's carbon footprint for the first time and conducted a comprehensive screening of scope-3 emissions with the assistance of third-party consultants. Updates on progress made in these areas will be published in subsequent annual sustainability reports.

calculated using DEFRA and Ecoinvent 3.8, and amounted to approximately 20,666 t CO_{2eq} (market based) and 21,600 t CO_{2eq} (location-based) in 2021.

GRI 305-3 Scope 3:

The Group-wide scope-3 emissions were calculated on the basis of a screening process. The objective of that process was to perform an initial analysis to derive a base value for systematically tracking scope-3 emissions going forward. According to the GHG Protocol, scope-3 emissions cover eight upstream and seven downstream categories.

First, the categories relevant to framas were identified and an initial estimate of scope-3 emissions was made based on the information available. This approach is in line with the usual procedure, which adequately captures the complexity of the matter and provides a meaningful basis for detailed future analyses.

Six of the eight upstream categories were identified. Category 3.8 (upstream leased assets) bears no relevance to the framas business model. Category 3.7 (employee commuting) was not analyzed because employees in Asia are bussed in and offered rides by framas (included in scope 1) and employee commuting to Pirmasens has yet to be assessed.

Of the seven downstream categories, only emissions in category 3.12 (end-of-life treatment of sold products) were calculated. It was assumed that the share of incineration/landfilling/recycling corresponded to that prevalent for residential waste disposal. Categories 3.9 (downstream transportation and distribution) and 3.10 (processing of sold products) fall under the responsibility of the shoe factories

and athletic footwear brands receiving delivery and are subject to only limited influence by framas. The remaining downstream categories are either not relevant to framas' business model or no information was available. The scope-3 emissions were calculated using Ecoinvent 3.8, DEFRA and Quantis Scope 3 Evaluator (category 3.2), as well as on the basis of manufacturer information for selected plastics.

GRI 305-4 Emissions intensity

The emissions intensity for scope 1 and 2 per kWh of electricity consumed is 619 g CO_{2eq}/kWh, and for scope 1, 2 and 3 per kWh of electricity consumed is 2,210 g CO_{2eq}/kWh.



EMISSIONS

framass' emissions are tracked and classified into three categories in accordance with the principles of the Greenhouse Gas Protocol (GHG Protocol).

Scope 1: direct emissions from owned or controlled sources; scope 2: indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company; scope 3: all other indirect emissions that occur in a company's upstream and downstream value chain. All amounts are reported in CO₂ equivalents (CO_{2eq}) in line with the GHG Protocol. Energy consumption is calculated based on the period from January 1, 2021 to December 31, 2021.

GRI 305-1 Scope 1:

Scope-1 emissions include harmful emissions due to the consumption of gas and oil by heating systems and generators as well as emissions resulting from the use of fuel by the vehicle fleet. Scope-1 emissions were calculated using DEFRA and Ecoinvent 3.8, and amounted to approximately 708 t CO_{2eq} in 2021.

GRI 305-2 Scope 2:

Scope-2 emissions include CO_{2eq} emissions resulting from the use of electricity at the production and non-production sites. They also include CO_{2eq} emissions from the district heating plant. Scope-2 emissions were

MATERIAL USE



GRI 305-5 Reduction of greenhouse gas emissions
 Following implementation of ISO 50001 at Pirmasens in 2022, the aim is now to also implement the management system at the locations in Asia. Currently, as part of efforts to introduce a new production process, the

product line's carbon footprint is being assessed. This approach is being integrated with our new product development processes in order to continue to realize potential energy and resource efficiency during the life cycles of our new products.

GRI 3-3 For frames and the footwear industry as a whole, the materials used in products are a key issue. In 2021 frames used 6,218.6 tons of plastic material for production.

Plastics represent the lion's share of materials used, and are found in products, as well as in transportation and secondary packaging materials. In addition, metals are used to make the injection molds, packaging materials are made of paper and cardboard, and lasts and pallets are fashioned out of wood. Consumables and supplies also contain chemicals and textiles.

In order to reduce our environmental footprint, we use recycled materials and materials made from renewable resources. Externally sourced recycled plastic already accounted for 28.1% of production inputs during the reporting year. The aim is to gradually increase this share over the coming years, particularly as customer demand for such products is also on the rise. To that end, we are researching new material combinations and aiming for certification under the Global Recycling Standard. By doing so, we hope to set out in greater detail our requirements for the substances and materials used and minimize environmental and chemical risks. Specifically, we have already developed five groundbreaking plastic composites.

frames is serious about its responsibility, as a company that processes plastics, to make the most sustainable and efficient use of materials as possible and to contribute to sustainable development.

GRI 201-2 materials used and minimize environmental and chemical risks. Specifically, we have already developed five groundbreaking plastic composites.

FRAMAS GROUP EMISSIONS		Emissions in t CO _{2eq}	Share of emissions (%)
Scope-1 emissions		708	0.9
Scope-2 emissions (market-based)		20,666	27.1
Total scope 1 and 2 emissions (market-based)		21,374	
Scope-2 emissions (location-based)		21,600	
Scope-3 emissions		54,979	72.0
Total scope 1, 2 (market-based) and 3 emissions		76,353	100

SCOPE 3		Scope-3 emissions in t CO _{2eq}	Share of scope-3 emissions (%)
Scope 3.1	Purchased goods and services	31,937	58.0
Scope 3.2	Capital goods	12,623	23.0
Scope 3.3	Fuel- and energy-related activities (not included in scope 1 or 2)	4,497	8.2
Scope 3.4	Scope 3.4 Upstream transportation and distribution	347	0.6
Scope 3.5	Waste generated in operations	907	1.7
Scope 3.6	Business travel	15	0.0
Scope 3.7	Employee commuting	Not covered	Not covered
Scope 3.8	Upstream leased assets	Not relevant	Not relevant
Scope 3.9	Downstream transportation and distribution	Not covered	Not covered
Scope 3.10	Processing of sold products	Not covered	Not covered
Scope 3.11	Use of sold products	Not relevant	Not relevant
Scope 3.12	End-of-life treatment of sold products	4,652	8.5
Scope 3.13	Downstream leased assets	n/a	n/a
Scope 3.14	Franchises	n/a	n/a
Scope 3.15	Investments	Not relevant	Not relevant
Total scope-3 emissions		54,978	100

ENERGY INTENSITY	MWh/million euros of revenue	EMISSIONS INTENSITY	g CO _{2eq} /kWh electricity consumed
Total energy consumption per unit of revenue	360.3	Scope 1 and 2 emissions intensity	619
		Scope 1, 2 and 3 emissions intensity	2,210



IN FOCUS: SUSTAINABLE SOLUTIONS – MADE OUT OF PLASTIC

GRI 301-2...framaprene is a heel counter material in three versions, each of which contains at least 50% recycled input materials. framapur is a plastic we developed ourselves that consists of 100% recycled input materials. framamid, framafine and framapex are three other material composites we offer that consist largely of recycled material and have different types of plastic as a base. Another step in the process of decarbonization is the substitution of mineral oil-based plastics with materials made from natural, renewable raw materials. In this area, framas is cooperating with the major manufacturers of input materials. Bio-based plastics accounted for 5.2% of the total plastics used during the reporting period. The fundamental objective here is also to increase this share, although our ability to do this is limited due to low availability and persistently higher costs. In this context, it is important to ensure that the renewable input materials do not compete with food production.

GRI 201-2...Part of the process involves the development and refinement of completely new products from internally and externally generated production residues, as well as the reuse of already recycled material. We recycle various types of internal and external product residues ourselves and create innovative ideas for reusing them. The close cooperation between our innovation.framas departments and our in-house materials research units enables us to develop innovative ideas and designs and to provide our customers with competent, comprehensive advice. In addition, we continue to develop recyclable plastics and biodegradable substances and materials together with our partners from the materials manufacturing sector. The aim is to enable their use in mass production. However, the traceability of materials in the recycling process represents a challenge. We have launched a pilot project in this area.



Packaging material

The cardboard and paper packaging material used is made entirely from recycled materials. In Vietnam, a project has been implemented in which plastic transport packaging is returned from the shoe factories to the two framas production sites. A separate returns system for secondary transport packaging has been developed with adidas.

Toolmaking

We also value sustainability at our toolmaking centers. Automation processes are making production increasingly efficient and faster. This helps us to save energy. Furthermore, laser structure technologies reduce the use of environmentally harmful chemicals used in the conventional etching process. Another innovative approach to resource efficiency is the structured detailing of injection molds in the product life cycle.

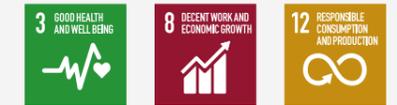
Circular economy

One challenge for, and a key to, a circular-economy focus for the entire industry lies in the recycling of shoes and textiles. framas is currently developing strategies for mono-material products and improved materials separation as studies at its development centers, which still require joint development work with our customers and suppliers until they are ready for the market. However, we already offer responsible outcomes through optimized material use. Nonetheless, solutions for a product end-of-life scenario pose particular challenges.

Specifically, we are currently determining the carbon footprint of selected products in comparative pilot projects at our development centers to provide a basis for comparability and further optimization of our products.

GRI 301-1... USE OF MATERIALS	framass Group	
	Tonnen	IN %
Plastics	6,218.6	80.9
<i>of which recycled (recyclates)</i>	1,746.7	28.1
<i>of which bio-based</i>	324.5	5.2
Paper/cardboard (100% recycled)	659.2	8.6
Metals	499.6	6.4
Wood	143.6	1.9
Chemicals	96.4	1.3
Textiles	66.1	0.8
Other/not categorized	4.0	0.1
Total	7,687.5	100
Total/share of recycled materials*	2,405.9	31.3
Total/share of bio-based materials	1,127.4	14.7

* Excl. share of recycled metals



PRODUCT

GRI 3-3...Customer satisfaction, one of the most important factors for framas' success, is directly correlated with what our customers, the athletic footwear brands and users expect in terms of products and services. framas' notion of product responsibility focuses on user health and safety as well as product and service quality.

In a world marked by unrelenting economic competition, products known for quality and safety stand apart from the rest. Our

many years of experience enable us to deliver innovative designs while standing true to our high standards of quality. Product and service quality must go hand-in-hand with customer and user requirements and expectations. Environmental and social aspects also play an increasingly important role. Every product is subjected to quality control as part of our ISO 9001-certified quality management system, which has been implemented at each and every one of our production facilities.

PRODUCT AND SERVICE QUALITY

As an innovator, we do our best to create products that inspire through their outstanding function and quality. To that end, we continue to expand our expertise in our core competencies. By constantly improving and refining our products, our service orientation and our standard of quality, we have been successful in establishing our products on the market, thereby establishing lasting and trusting partnerships with our customers.

We pursue a zero-claims strategy and follow up on every single complaint concerning the quality of our products. Thanks to state-of-the-art machines at all framas facilities and the high degree of automation of our production activities, we guarantee consistently high quality at every location. This enables us to offer the quality, efficiency and cost-effectiveness of large-scale production, even with

small quantities and frequent mold changes on our machines.

We use a manufacturing execution system to plan and increasingly steer production. This provides us with real-time ERP-integrated insight into key production processes, thereby enabling us to ensure quality and avoid unnecessary waste. During the reporting period, we updated the quality assurance standards at every location and performed quality audits.

framass is proud of its high-quality service attitude: We have the know-how, the service and the product. The key factors are speed, technical expertise and reliability, and thus the proximity of our competence and development centers to our customers.

PRODUCT SAFETY



GRI 417-1... We provide the required certifications and safety information for all products. To protect the health and safety of our customers and users, outgoing products are scanned for metallic contaminants. The materials, fabrics and colors used are tested for their composition and compatibility in our own laboratories, by our customers and by external third parties.

Our goals are: Zero health or safety incidents in connection with our products, 100% coverage of our products with the required certifications and safety information, 100% compliance with customer health and safety requirements for our products. During the reporting period, we received zero complaints regarding hazards to customer health or safety or in connection with how any of our products are labeled.

GRI 416-1... The environmental and health compatibility of our products has absolute priority for our customers in terms of marketing and product liability. We require our suppliers to submit transparent data sheets disclosing the full make-up of the substances contained in the raw materials they supply us with. Independently of this, our products are continually tested for harmful substances by laboratories operated by us as well as by neutral third parties, and certified in accordance with the specifications.



RESPONSIBILITY

SUSTAINABLE SUPPLY CHAIN



GRI 3-3...Consumer expectations for ethically and ecologically sound products is also a major issue in the athletic goods industry. Moreover, companies face increasingly strict statutory obligations to perform supply chain due diligence. framas implements measures locally in the countries where it operates to increase transparency while reducing negative environmental and social impacts caused by supply chains.

This is due not only to social and environmental risks but also to supply chain management challenges. For framas, a sustainable supply chain offers a range of advantages, enabling it to create value: for the Company, for its customers and for society. By consistently improving and refining its sustainable supply chain management strategy, framas ensures that the expectations of consumers and customers are met, and makes its contribution to the sustainable supply chain strategies of the athletic footwear brands.



ENVIRONMENTAL PROTECTION



GRI 3-3...Because natural resources and ecosystems are under intense pressure locally and globally, environmental protection is a major concern in modern society. framas is conscious of its responsibility to the environment and its duty to protect our natural resources. We consistently strive to manage and mitigate our impact by leveraging lean production, innovation and efficient systems. framas encourages its employees to adopt a mindset of heightened environmental awareness in their everyday lives. We regularly measure and monitor our environmental footprint.

At framas, we are constantly seeking out opportunities and looking to implement measures to reduce waste, conserve energy and cut water consumption, as well as to prevent all forms of harmful emissions and pollution. We comply with applicable local and international laws and regulations, and are regularly audited by athletic footwear brands and independent third parties. By recycling production scraps and integrating recycled materials as well as bio-based alternatives into our products, we help our customers achieve their goals and offer sustainable products.

Our efforts concerning "waste", "water and wastewater" and "biodiversity" are presented together under the material topic of environmental protection, although water consumption and handling of wastewater are of less pronounced relevance and it was concluded that there is little opportunity to actively manage the impact on biodiversity.



framas' aim is to supply our customers and end consumers with products that are developed, manufactured and used with an eye on nature conservation and environmental protection. We are well aware of our responsibility within the supply chain when selecting materials. After all, framas processes roughly 6,218.6 tons of plastic annually, of which 1,746.7 tons represent already recycled plastics (28.1%) and 324.5 tons are bio-based (5.2%).

ENVIRONMENTAL

WASTE GENERATED IN OPERATIONS



GRI 306-1... 306-2 Waste prevention is an important consideration. This affects that production waste which we are able to control, the useful lives of our products in customer applications, and finally the end of product life. At framas, around 1,612.7 tons of waste is generated annually throughout the Group, consisting of plastic waste from production and packaging (792.7 t; 49.2%), metal waste from metal processing (partly hazardous waste), used moulds and other scrap (396.1 t; 24.6%), household-type waste (298.5 t; 18.4%), paper and cardboard (27.0 t; 1.7%), wooden waste from packaging and used pallets (13.7 t; 0.9%) and waste from electrical and electronic devices, lamps and batteries (electronic waste: 0.4 t). Additionally there are another 84.3 t (5.2%) of hazardous waste. These consist of used chem-

icals, oils, emulsions and contaminated resources. Metal scrap and certain types of plastic waste are sold and recycled.

The design of our products greatly influences our environmental performance and the corresponding impact. Product quality, durability and functionality translate to a high level of resource efficiency in the materials used. This is something we consider right from the product development stage. We do what we can to reduce the negative environmental impact of our products by sourcing components responsibly, by considering ways to leverage the circular economy, and by implementing resource-efficient manufacturing processes.

framass' goal is to minimize as much as possible its ecological footprint and thus its adverse impact on the environment. Key considerations that essentially determine our ecological actions include the environmental impact of our products, the definition and use of responsible materials, and the recyclability of those materials. The environmental management systems at every production site have achieved ISO 14001 certification as at the publication date of this report.

It is our goal to protect the environment by actively avoiding waste. To that end, we have adopted a "zero waste initiative" at our production facilities. We systematically separate waste by types of material, track the quantities produced and have established an effective waste management system at the production facilities. Our new product development processes will give even greater consideration to environmental impacts.

TOTAL WASTE

GRI 306-3...	TYPES OF WASTE	Quantity [t]	Share [%]
	Plastics	792.7	49.2 %
	Metals*	396.1	24.6 %
	Household	298.5	18.4 %
	Paper and cardboard	27	1.7 %
	Wood	13.7	0.9 %
	Electronics*	0.4	0.0 %
	Hazardous waste	84.3	5.2 %
	Total	1,612.7	100.0 %

*including shares of hazardous waste

We operate in accordance with statutory and regulatory environmental requirements, and no reports or complaints concerning relevant violations have come to our attention during the reporting period. We also intend to monitor their implementation within the supply chain and have revised our Code of Conduct accordingly.

WASTE BY LOCATION AND DISPOSAL

GRI 306-4... 306-5	WASTE GENERATED	Quantity [t]	Share [%]	Disposal method		
				Recycling	Incineration	Landfill
framass Germany	Non-hazardous	70.8	67.4 %	12.0 %	88.0 %	0.0 %
	Hazardous	34.3	32.6 %	94.8 %	5.2 %	0.0 %
	Total	105.1				
framass Indonesia	Non-hazardous	540.7	97.1 %	56.0 %	0.0 %	44.0 %
	Hazardous	16.0	2.9 %	78.5 %	20.2 %	1.3 %
	Total	556.7				
framass Vietnam	Non-hazardous	442.8	91.4 %	86.6 %	7.9 %	5.5 %
	Hazardous	41.5	8.6 %	26.7 %	72.8 %	0.5 %
	Total	484.3				
framass Korea Vina	Non-hazardous	409.7	87.8 %	91.6 %	8.4 %	0.0 %
	Hazardous	56.9	12.2 %	25.8 %	74.1 %	0.1 %
	Total	466.6				
framass Group	Non-hazardous	1,464.0	90.8 %	73.7 %	6.5 %	19.8 %
	Hazardous	148.7	9.2 %	32.9 %	66.6 %	0.5 %
	Total	1,612.7				

ENVIRONMENTAL

WATER AND WASTE WATER

GRI 303-1... WATER USAGE	framass Group	framass Ger- many	framass Indo- nesia	framass Viet- nam	framass Korea Vina
[m ³ /year]	77,704	1,038	20,569	25,313	30,784

Our water consumption of around 77,704 m³ and low environmental impact in terms of wastewater are not classified as a significant consideration in the environmental context. We use water from the public supply networks without accessing our own wells. At framass, water is essentially used in the sanitary facilities and kitchens for our employees. Moreover, we use water in the production area only in closed cycles with secured disposal paths.



BIODIVERSITY

framass is generally unable to actively exert any direct influence over biodiversity. Critical issues arise in the upstream and downstream value chain. These are related on the one hand to the extraction of raw materials used and on the other to the disposal of the products at the end of their life. framass is able to exert only a limited influence in this respect. The input materials used in plastic injection molding are sourced from well-known international manufacturers, who in turn have systems in place to ensure responsible supply chain management. To date, no suitable mass-market solutions have been developed for returning products to the material cycle at the end of their useful life, and the return and recycling of used athletic footwear is currently still in its infancy.

Another critical consideration involves waste disposal in Vietnam and Indonesia, where the majority of waste is still landfilled and it is not always possible to clearly trace disposal routes. In this area, either framass works directly with appropriately licensed and certified waste disposal companies or the industrial park operator takes care of this on a contractual basis. However, securing disposal routes for specific waste in Asia will remain a challenge.

OCCUPATIONAL HEALTH AND SAFETY



GRI 3-3... Employee health and safety are integral parts of framass' corporate culture. Our responsibility for the wellbeing of our workforce is rooted in our corporate ethics and represents a top priority. Economic success is impossible without a vital and committed workforce.

After all, effective occupational health and safety management strengthens and protects our reputation as an employer on the highly competitive labor market. This applies in particular to our production sites in Asia and includes not only our own employees but also all those who work on our behalf.

We have developed guidelines to that effect in the form of the framass Code Conduct, "The framass Code", which is based on generally accepted social, ethical and ecological standards, such as the Guidelines for Multinational Enterprises of the Guidelines for Multinational Enterprises (OECD) and the labor and social standards of the International Labour Organization (ILO).

As part of our Group-wide sustainability strategy, one of our primary objectives is to proactively manage health and safety risks in order to prevent occupational accidents, injuries and lost working days. This applies to production employees as well as to administrative staff – regardless of their contractual basis.

Achieving this central objective in full is no mean feat in an environment of extensive production activity, and therefore requires daily effort in the management process. In conjunction with this, we promote health and safety aspects at every workplace and continue to raise awareness of these issues. Every workplace is regularly audited for health and safety risks, and every newly hired employee receives comprehensive instruction regarding their duties and workspace.



HEALTH

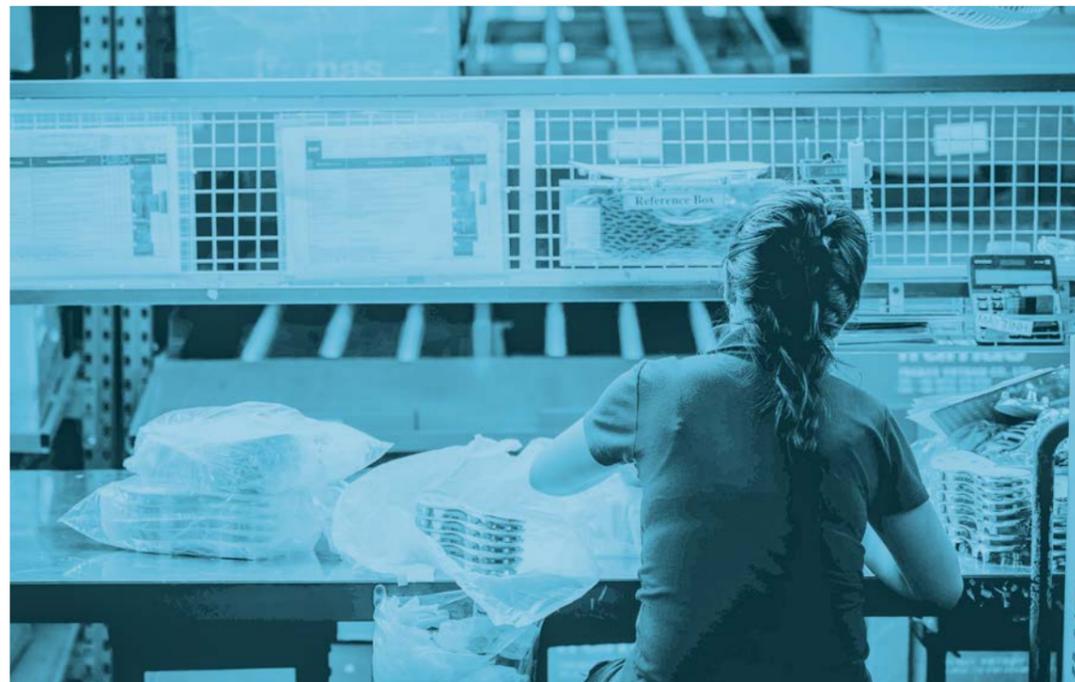
Safe and healthy working conditions are a fundamental prerequisite for the Company's success.

Occupational health and safety are embedded in our management processes. They occasionally vary depending on the location, but are subject to strict regulatory requirements and are regularly the subject of audits by customers and independent third parties. framas passed every external audit with flying colors during the reporting period. The aim is to standardize occupational health and safety management throughout the Group.

We promote occupational health and safety at every workplace and are driven to identify room for improvement, to the benefit of everyone working for us. We rigidly enforce

GRI 403-2
403-3
403-4 the various legal requirements for occupational health and safety and workplace safety audits – either through in-house specialists or external service providers. The relevant committees discuss the efficiency and effectiveness of existing measures, any necessary statutory adjustments, and the findings of regular workplace inspections together with HR management, employee representatives, our internal safety officers and our service providers.

Throughout the Group, a total of 19 reportable workplace accidents resulting in more than one day of lost work were reported in 2021. The number of days lost due to injury or illness and the key figures derived from them will be determined systematically throughout the Group going forward.



GRI 403-6 In addition, the following occupational safety-related matters are addressed: disaster prevention, incident and accident management, fire protection, handling of chemicals and hazardous substances, machine and plant safety, personal protective equipment, workplace ergonomics, first aid measures and medical care in emergencies. On-site risk assessments for work processes and workplaces are carried out by local management. Appropriate measures are put in place to minimize risks.

GRI 403-5
403-7 Managers are expected to lead by example. They assume responsibility for occupational health and safety. We involve our employees in decisions relating to occupational health

GRI 403-8 and safety. Through regular updates and training, we promote the skills and awareness of our employees in context and actively encourage them to help create safe working conditions throughout the Company.

Due to the pandemic-related effects, such as the officially imposed plant closures in Vietnam from mid-July to mid-October 2021, it was not possible to determine the days lost due to illness in a meaningful way. Accordingly, no meaningful sickness rate can be reported.

We employ technical and ergonomic measures to prevent occupational illness. The number of confirmed occupational illnesses and associated days lost is not currently recorded, as no particular problem has been identified to date.

For our partners and service providers, the same safety standards apply as for our employees. Safety instructions are provided at all sites for employees of third parties who work in the production area, including the obligation to wear personal protective equipment, such as safety shoes, safety glasses, hearing protection or high-visibility vests, in the correspondingly marked areas.

OCCUPATIONAL HEALTH AND SAFETY

	framass Group	framass Germany	framass Indonesia	framass Vietnam	framass Korea VINA	Non-production facilities
GRI 403-9 403-10 Reportable work-related accidents [number]	19	2	5	11	1	0
Occupational illnesses [number]	4	2	0	0	0	2

SAFETY



SOCIETAL SUCCESS ON SITE

GRI 3-3... In the "Corporate Citizenship" material topic, we provide an overview of our commitment to social progress in and around our development and production sites. framas is a socially responsible actor that supports local social projects that directly benefit people. We don't have an overarching Group corporate citizenship strategy in place just yet. Developing and implementing one is part of our sustainable development agenda, in which our areas of engagement are aligned with the overarching corporate objectives so that corporate citizenship outcomes are optimized – not only for framas but also especially for the local community. We hope to make a lasting difference for the common good over the medium to long term.

By offering its employees attractive, safe jobs, adequate wages and salaries, equal treatment and training opportunities, framas plays a major role in lifting the standard of living in and around its locations. In addition, we aim to make an effective contribution to society through targeted action.

One important way it does this is by pursuing a transparent and fair tax policy that does not focus on tax avoidance practices. It is our firm conviction that, as a guest in the respective countries outside Germany, we can contribute to the further development of social structures by paying our fair share of taxes.

Our specific commitment in the area of in-house development of skilled workers and cooperation with educational and research institutions is described in the material topic

"An attractive and responsible employer". The transfer of knowledge in special pre-vocational school programs, via internships and in cooperation with technical schools and institutes is noteworthy in that regard.

Although framas, as a Tier 2 supplier in the supply chain of the athletic footwear industry, is not one of the largest local employers, we recognize our responsibility and live up to it by lending support for social action that directly affects our employees where they live. Examples of such action include donations, sponsoring and helping out in acute emergency situations, as well as the promotion of voluntary charitable work by employees. We have offered such occasional local support consistently and reliably for many years now. We outline some of these actions below.



framass Germany:

framass has long had deep ties with sports, especially soccer. It has supported the local soccer club FK Pirmasens for many years, is the stadium's namesake, and thus contributes to social cohesion through sports. In 2021, an additional €2,200 was donated to local schools to provide targeted support during the particularly challenging times of the pandemic.

framass Indonesia:

Indonesia is heavily affected by natural disasters such as floods, storms and earthquakes every year. We support our employees who face hardship with their families and communities as a result. In 2021, €4,263.08 was transferred to employees affected by flooding. In addition, a secondary school was provided with an injection molding machine including tools with a total value of around €69,700.

framass Vietnam and framass Korea Vina:

framass donated a total of €14,518.96 in support of a number of worthy initiatives. These include the "Breathe Again Vietnam" campaign launched by EuroCham – an association of all European foreign chambers of commerce in Vietnam – and the Vietnamese government's vaccination fund to contain Covid-19. This helped foster intercultural understanding between European employers

and the local population. Furthermore, local and international universities were promoted in student competitions and events.

framass Vietnam has sponsored 15 orphaned children at Thanh Quang Monastery in Tam Phú for many years. On special occasions throughout the year, monetary and in-kind donations amounting to around €900 per year are made available here.



Sponsored children at Thanh Quang Monastery

GRI

STANDARDS

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	201-4	Financial assistance received from government		None
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	16	
	205-2	Communication and training about anti-corruption policies and procedures	16	
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GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		None
GRI 415: Public Policy 2016	415-1	Political contributions		None
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		None
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GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		None
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor		None
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		None
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria		In progress
	414-2	Negative social impacts in the supply chain and actions taken		None
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Notes:

GRI 1... This Sustainability Report was prepared in accordance with the GRI Sustainability Reporting Standards 2021. The report was presented in accordance with the principles set out in GRI 1 2021 "Foundation". This report is framass Kunststofftechnik GmbH's first sustainability report, and will be updated annually. Please see pages 69-72 for an overview of the relevant GRI disclosures.

The period under review is the 2021 fiscal year. Unless explicitly stated otherwise, all information pertains to the 2021 fiscal year.

This is a translation of the German original, which is the sole authoritative version.

External consultants:

GRI 2-5... Sebastian Reich Consult GmbH/RKDS Partners assisted in the preparation of this report and the associated internal processes related to the materiality analysis, sustainability strategy, management approach and generation of data. The report was not subject to third-party audit.

Editorial notes:

The copy deadline for this report was 30 November 2022.

System limitations:

The key financial indicators were calculated on the basis of the figures reported for the framass Kunststofftechnik GmbH as presented on page 14.

