



SUSTAINABILITY REPORT

2022

fram^{as}

THE FRAMAS WAY
FOR A WORLD WORTH LIVING IN

PURPOSE



For decades the framás 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.

THIS IS FRAMAS

KEY FACTS

11

Locations

3,166

Employees

536

Injection molding machines

44

CNC machines

799.3

t CO₂e-emissions | scope 1

23,372.0

t CO₂e-emissions | scope 2

9,152.3

Processed plastics in tons
of which recycles 2,522.0 / bio-based 544.0

48,615.3

Total energy consumption in MWh

INTRODUCTORY REMARKS

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

welcome to the second sustainability report of the framas group!

It is with great pleasure that we can present to you our progress for the past year, which was full of global challenges but also significant developments in our sustainability efforts. As part of our responsibility towards a sustainable future, we increased our focus on establishing viable processes that would lay the foundation for our sustainability initiatives and reporting.

While our first report was a baseline document, our central focus in 2022 and in the preparation of this report was to further develop our management approaches on material topics. Through careful planning, we ensured that our efforts this year were aimed at deepening and advancing data management of respective topics and to enhance a widened consciousness of critical ecological and social aspects. Next year, we will work on more specific goals to create a clear roadmap.

To this end, we have stepped up Group-wide communication and employee engagement to strengthen collaboration and emphasize the individual accountability of each team member. This is because we are convinced that true change is best achieved in an environment of shared commitment and networked efforts.

The focus is on climate-related issues in order to sustainably reduce emissions. For this reason, we have been working intensively on setting up our internal carbon accounting system. This will enable us to calculate not only the environmental footprint of our company, but also that of our products. This is because we firmly believe that taking a comprehensive view of all aspects of our actions is the key to an effective sustainability strategy.

Another important step is to promote further transparency within our supply chains. We are committed to learning more about the origins and pathways of our raw materials and inputs so that we can make responsible choices.

With this report, we not only want to give you insights into our efforts, but also offer inspiration and stimulation. We invite you to get carried away by our commitment and hope to receive valuable feedback from you.

We are proud of what we have accomplished in the past year and look forward to this new chapter with drive and enthusiasm. Many thanks to our partners and employees who accompany and support us on this journey.



ANDREAS WOLF
CEO FRAMAS GROUP

MARTIN JACHMANN
COO FRAMAS GROUP

PATRICK JANN
CFO FRAMAS GROUP

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ABOUT FRAMAS

The image shows the exterior of a modern building with a grey facade. The word "framás" is mounted on the wall in large, white, three-dimensional letters. A white pillar is visible in the foreground, and there are green plants and a palm tree in the background.

FRAMAS APPROACH

GRI 2-6... The framás group acts globally in the plastic processing industry. Our high technological expertise is built upon over 75 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.

framás 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 framás 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, framás 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 framás' 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 framás functions as a major development partner and supplier. In addition to direct contact with these brands as part of the development process, framás 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.



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...

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.



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 framas family.

TRADITION

framass is built upon more than 75 years of knowledge and tradition. We started with shoe lasts, which remains a core part of our portfolio today.



OUR SOCIETY

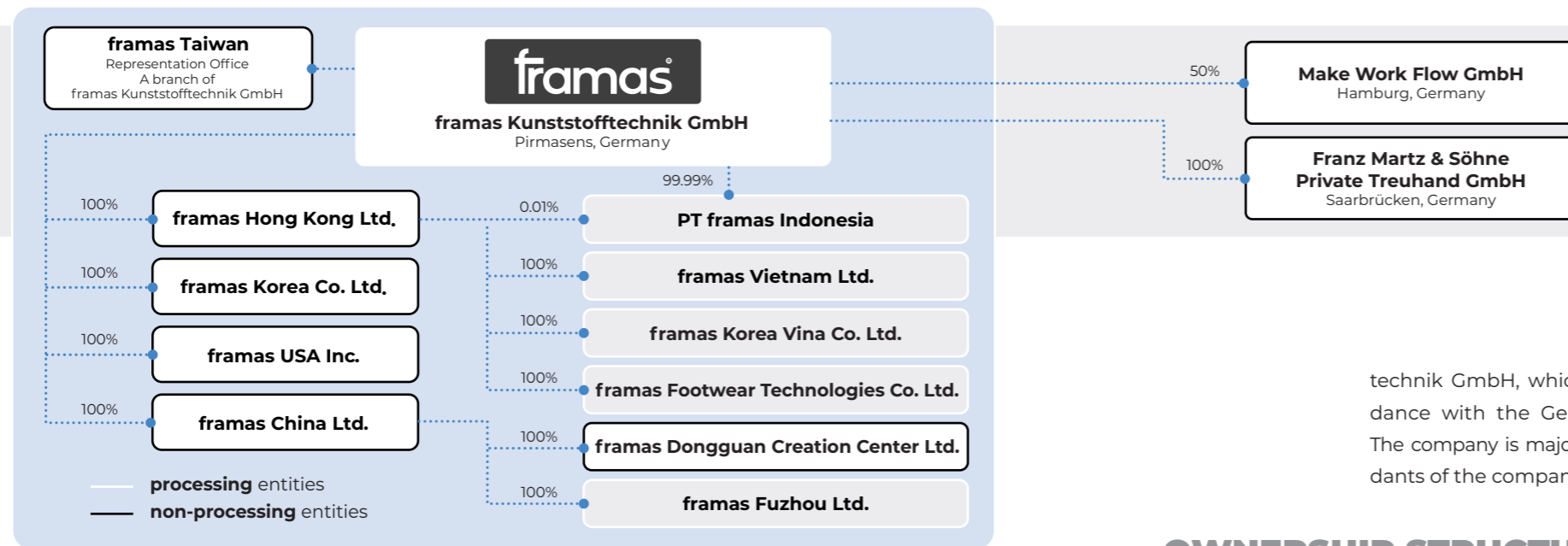
by taking a stand against all forms of racism, unequal treatment and exclusion based on gender, skin color, social background, religion, ideology, age, disability, physical health, sexual orientation, nationality, marital status, social or ethnic origin. Welcome to framass.

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.



- 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... **fram as 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 2-6... The Group is structured into manufacturing sites and non-manufacturing units. The producing manufacturing sites are Pirmasens, Germany (fram as Germany), fram as Indonesia, in the Jawa Barat Province on Jawa, Indonesia, as well as one site in the province of Binh Duong (fram as Vietnam) and two sites in the province of Dong Nai (fram as Korea Vina and fram as Footwear Technologies) in Vietnam. Production at the site in Fuzhou, China, was relocated to Vietnam in 2022 and is therefore not considered further in this report. The non-manufacturing units include the development center fram as Korea, fram as Hong Kong, fram as China, a sales company in the USA and a representative office in Taiwan. In 2022, an additional development center was opened in South China (Dongguan).

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

The remaining 0.01% of the shares in PT fram as Indonesia and 100% of the shares in the subsidiaries fram as Vietnam Ltd. and fram as Korea Vina Ltd. are held via the subsidiary fram as Hong Kong Ltd. 100% of the shares of fram as Fuzhou Ltd. were held via fram as China Ltd. The operating business of this company was almost completely relocated to Vietnam in May 2022. For this purpose, fram as Footwear Technologies Co. Ltd. was founded in March 2022 as a 100% subsidiary of fram as Hong Kong Ltd. Furthermore, fram as Dongguan Creation Center Co. Ltd. was established in May 2022 as a wholly owned subsidiary of fram as China Ltd. The company fram as Hanoi Co. Ltd. is in liquidation at the reporting date. This was completed in March 2022 and the company was deleted from the local company register.

The Group also includes an asset management company, Franz Martz & Söhne Private Treuhand GmbH in Saarbrücken, and a 50% shareholding in Make Work Flow GmbH, a Hamburg-based company specializing in the digitization of production processes. However, these two companies are not part of this report as they are not part of the core business and have no influence on the material non-financial topics covered in this report. Like fram as USA, they are not included in the consolidated financial statements of fram as Kunststoff-

technik GmbH, which are prepared in accordance with the German Commercial Code. The company is majority owned by the descendants of the company founder.

OWNERSHIP STRUCTURE

fram as Kunststofftechnik GmbH is majority owned by the descendants of the company founder. A member of the current management and two members who have already left the company hold 10 % of the shares.

MANAGEMENT STRUCTURE

GRI 2-9... fram as is managed by the management consisting of Andreas Wolf (CEO), Martin Jachmann (COO) and Patrick Jann (CFO) and supervised by the owners. The owners are regularly informed by the management about the business development. As part of the expansion of reporting to include non-financial aspects, the owners are also informed about the material effects, the measures taken

GRI 2-14... and their impact as presented in this report.

GRI 2-13... To coordinate the management of material impacts across the Group, the existing staff unit was expanded into a sustainability department in 2022. It reports to the COO and ensures company-wide coordination. In addition to the previous tasks, further functions have now been taken on, such as setting up a carbon accounting system or advising local site management. 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 2-16... In the event that the local management of the country companies becomes aware of critical stakeholder concerns, the Group's management is informed. No critical concerns were addressed to fram as in the reporting period. In accordance with the rules of procedure,

each member of the management is obliged to act in the best interest of the company. Conflicts of interest, in particular those that may arise due to an advisory function or position on the governing bodies of customers, suppliers, lenders or other business partners, must be disclosed. No conflicts of interest were disclosed in the reporting period. The remuneration of the management is determined by the shareholders and comprises a fixed and a variable component which is based on the long-term business performance of the Group.

GRI 2-21... The annual total compensation ratio - annual total compensation of the highest paid person in the organization divided by the average annual total compensation of all other employees excluding the highest total compensation - is 53.6 (2021: 33). The fluctuations compared with the previous year can be disproportionately influenced by variable compensation components. The following were included in the calculation of the total compensation ratio: the management, permanent employees as full-time equivalents, excluding interns, temporary staff and trainees as the average number of employees during the year. Total remuneration includes gross wages and salaries paid out, including bonuses paid in the respective year, minus the total remuneration of the highest-paid individual.

COMPLIANCE

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

GRI 2-25...
2-26 management system in place to ensure that statutory, administrative, and internal regulations as well as the contractual obligations are adhered to. The updated Code of Conduct was published on Group level communicated through various channels such as e-mail updates, intranet announcements or workshops to create broader awareness. 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. In addition,

GRI 2-26... comprehensive training programs have been developed in several languages to ensure that all employees are equipped with the necessary knowledge and understanding. Furthermore, we have established a whistleblower system

GRI 2-24... that enables anonymous reporting. As soon as a report is received, it is reviewed by the Compliance team.

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



GRI 2-25... 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

GRI 2-25... 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 sur-

vival 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.

framas' 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.

For further information on opportunities and risks, please refer to our Annual Report.



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 eleven locations in seven countries ensure short lines of communication with our cus-

tomers. 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

- 
innovation.
framass
- 
development.
framass
- 
moldshop.
framass
- 
shoelast.
framass
- 
production.
framass

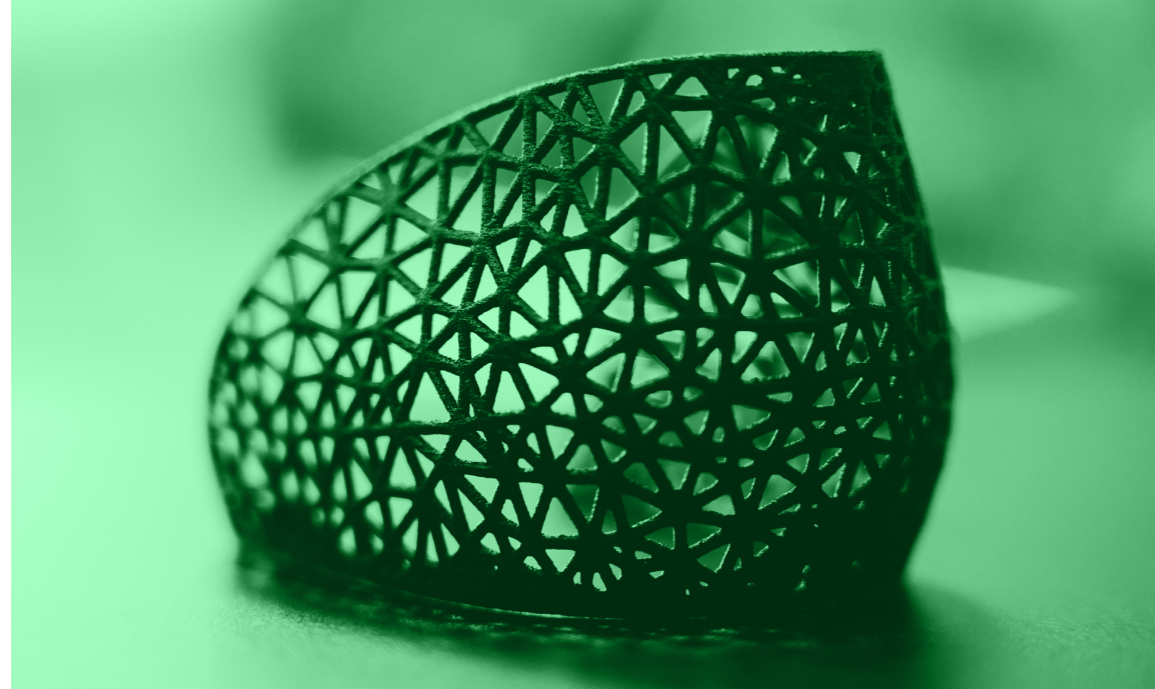
INNOVATION

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. 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.

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.

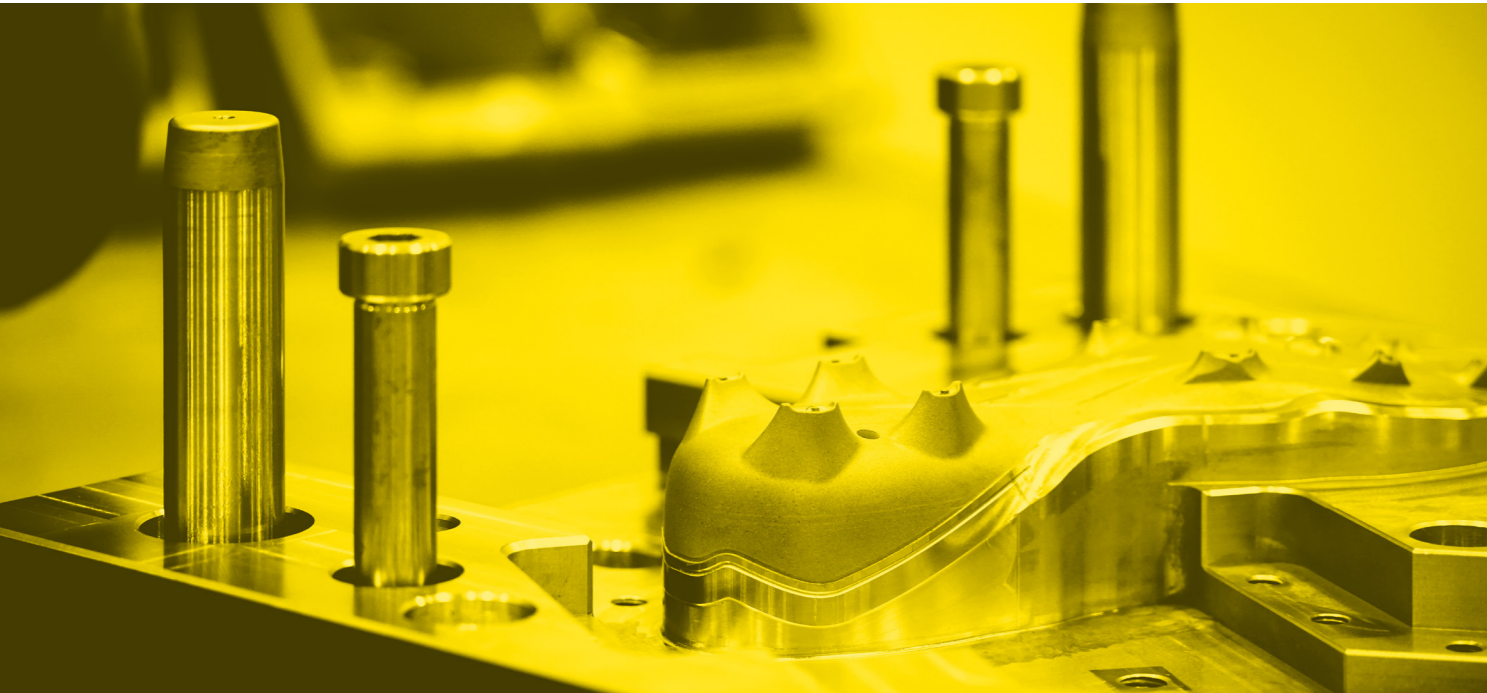


We also have the option of testing different materials and their properties during the sampling of the prototype tools. After all, we know that only the very best, highest quality materials can create an end product with truly compelling features. We cooperate with the most renowned plastics suppliers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

DEVELOPMENT

MOLDSHOP

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.

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 proto

typing 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. 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.



PRODUCTION

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 per-



fect 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

STAKEHOLDER DIALOG & MATERIALITY ANALYSIS

OUR PROCESS TO DETERMINE MATERIAL TOPICS

Materiality analysis is a central process in sustainable corporate development. It involves identifying and evaluating environmental aspects, social issues, and economic factors that are of importance to a company or have a significant influence on its surrounding. For this purpose, we are in close contact with our most important stakeholder groups: the brands, shoe factories, suppliers, employees, banks, insurance companies, owners, investors, authorities, political decision-makers and representatives of civil society.

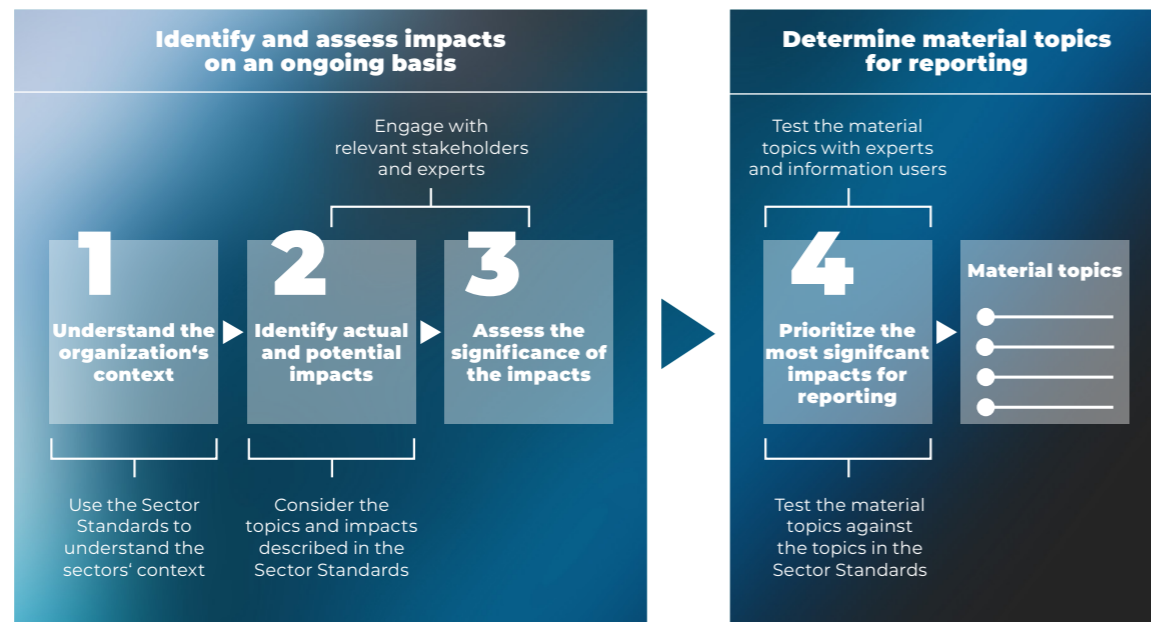
GRI 2-29...
3-1 framas actively engages in ongoing dialogues with customers and suppliers to understand their expectations and opinions regarding future developments, supply chain requirements, and product-specific solutions. framas representatives contribute to various boards, committees, and associations, enabling us to access extensive networks of experts. As a responsible employer and corporate partner, we maintain a structured dialogue with employee representatives, ensuring their voices are heard and taken into consideration. By encouraging continuous and transparent communication, we gather valuable insights, address concerns, and incorporate diverse stakeholder perspectives. This approach enables us to make informed decisions and ensures that our actions align with the needs and expectations of our stakeholders.

In 2021, we started an internal process led by the Group Sustainability Manager and assessed our impacts on the economy, environment, and people, including impacts on their human rights in 2022. Through collaboration with internal departments and external experts, we identified our current and potential impact in those areas.

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. framas Kunststofftechnik 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.

MATERIALIALITY



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

Based on a mean score threshold of 4.3, aspects above this level were prioritized and reviewed for materiality in consultation with management. Some aspects with below-average impact were included based on their relevance for future developments. This led to the identification of nine material topics through clustering of aspects.

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 framas 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".

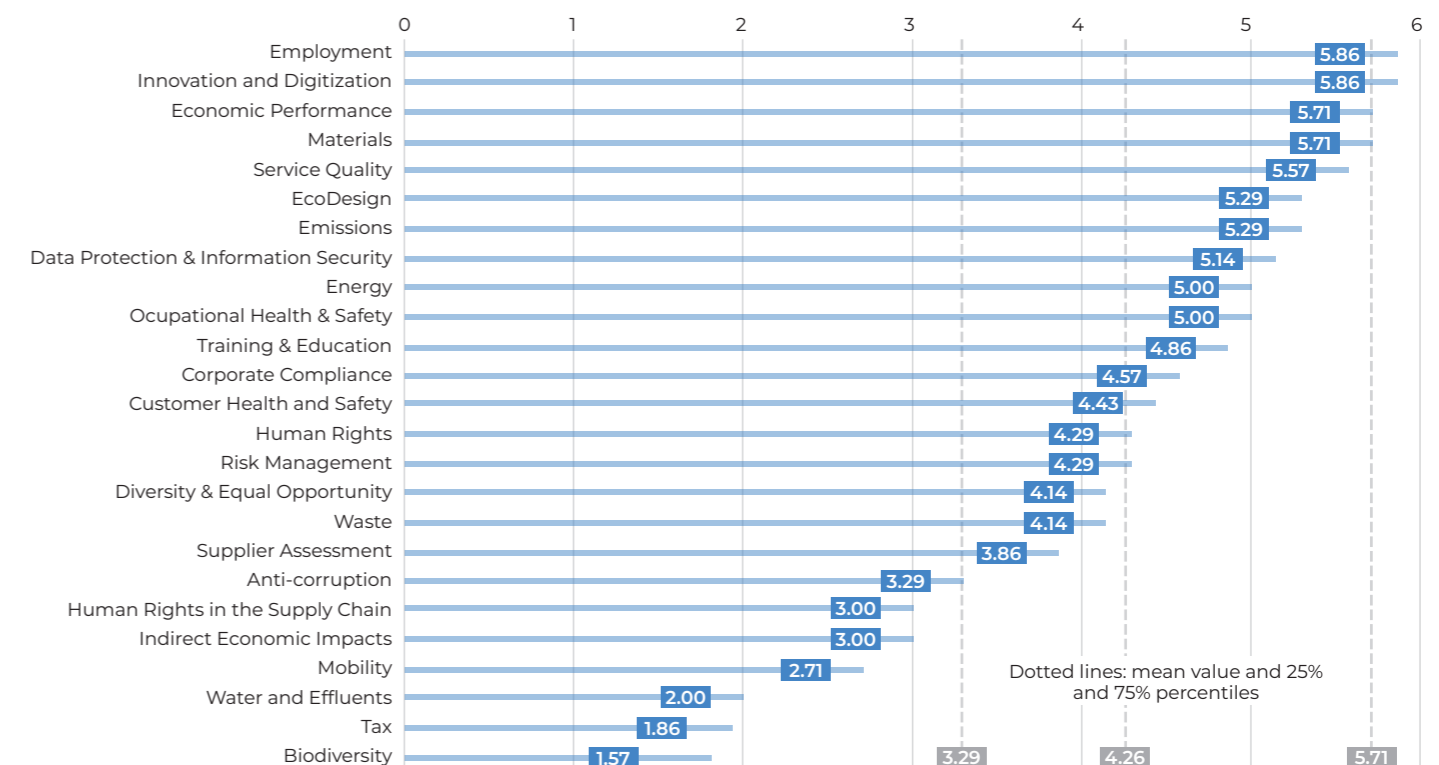
Annual review

Regularly reassessing materiality in sustainability reporting is crucial for aligning with evolving challenges and stakeholder expectations. As part of the annual review process, framas conducted interviews with internal experts, considered customer trends and external factors. The assessment affirmed the ongoing significance of previously identified material topics for the company and stakeholders.

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

DRIVING CHANGE FROM WITHIN: FRAMAS SUSTAINABILITY STRATEGY

GRI 2-22... Embracing "The frames way for a world worth living in" means to us, integrate sustainability into our corporate framework with a top-down and bottom-up approach. This embeds our goals and our decisions in a sustainability context and involves every member of our organisation.

Our first sustainability report in 2021 marked a crucial milestone, where we assessed sustainability contributions across our group and gained comprehensive insights. In 2022 and

2023, we focus on establishing robust processes to lay the groundwork for the future. By automating data collection, thorough data analysis and fostering appropriate awareness in the organisation, we develop sustainable growth.

Looking ahead, we eagerly anticipate 2024 as a year to solidify progress, set ambitious targets, and establish key performance indicators (KPIs) that propel our sustainability journey forward.

MAIN POINTS OF THE SUSTAINABILITY STRATEGY

As a midsize family-owned business and tier 2 supplier we face several challenges to implement sustainability. This includes but is not bound to resource constraints, balancing costs and limited influence on industry and customer standards. Striking a balance between eco-friendly practices and cost considerations is crucial in a competitive market.

Nevertheless, in response to the accelerating pace of transformation, growing societal demands, heightened customer and regulatory expectations, and our own values we see it as imperative to act. We are convinced that we can only efficiently manage these require-

ments in the context of the green and digital transformation through a holistic and strategic approach. Therefore, we ensure overall success and future performance by managing key economic, social and environmental concerns in a stakeholder-oriented and responsible manner.

Through continuous stakeholder dialogue and a thorough materiality analysis involving experts, we have identified nine material topics as described in the previous chapter. Building upon our values and positions outlined in this report, our strategic action areas focus on the following key priorities:

STRATEGIC

STRATEGIC ACTION AREAS FOR FRAMAS' SUSTAINABLE DEVELOPMENT

ENVIRONMENTAL RESPONSIBILITY

Climate protection and energy management

Energy management and climate protection are indispensable strategic components in the overarching framas management approach. Innovative solutions in this field are crucial success factors to meet future customer expectations and legal requirements. Our objective is carbon neutrality (scope 1 and 2 emissions) through a realistic reduction path. To reach this goal we need strong collaboration to set the right sub-targets, measures, and metrics with relevant departments and local entities. Strategic measures encompass enhancing energy management systems, improving efficiency, and embracing renewable energy sources. Additionally, we prioritize commercially feasible and forward-looking energy procurement practices.

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 in 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

As a tier 2 supplier in the supply chain of the sport shoe brands, we are aware of our own responsibility and act accordingly.

Our upstream supply chain is responsible for potential and real negative ESG impacts. That is why our Sustainable Supply Chain Management (SSCM) system plays a crucial role in our sustainability program. The SSCM system shall ensure compliance with regulations and meets evolving customer requirements.

The introduction of our SSCM system occurs in defined stages, aligning our suppliers with our values through the acceptance of our updated Code of Conduct (framas Code) or an equivalent standard. Moving forward, our control measures will include efficient screening of suppliers' ESG performance, self-assessment processes, and sustainability audits.

Use of resources and recyclability

Product development is key to achieving framas' sustainability goals, especially 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.

To support sustainable business development, we use software tools to automatically collect relevant data, including for example material consumption, recycling rates, waste and energy consumption. Important milestones are the definition of eco-design criteria, their integration into our development process and the introduction of systematic data management.

Collaboration with research institutions and manufacturers is vital in advancing responsible circular economy solutions. Together, we focus on material optimization, improving recycling materials, and developing sustainable alternatives.



ACTION AREAS

SOCIAL RESPONSIBILITY

An attractive employer

Our employees are fundamental to our achievements. Motivated, highly qualified, and efficient teams are essential for framas' success. We prioritize fostering an environment where employees can contribute innovative ideas and seize growth opportunities. To achieve this, we are committed to enhancing our HR capacities.

Occupational health and safety stand as a top priority and integral components of our corporate culture. By promoting a safe and healthy work environment, we improve employee well-being and drive motivation. Our primary goal is proactive risk management, preventing workplace accidents and injuries across all departments. Establishing consistent occupational health and safety standards throughout the group remains a key objective.

ECONOMIC RESPONSIBILITY

Competitive edge

Sustainable development has emerged as a critical competitive factor in the sports and shoe industry. By incorporating eco-design criteria into our product development and manufacturing processes, we address customer requirements and enhance our market position. Meaningful dialogue with customers, employees, and investors is pivotal for success, enabling transparent communication on challenges, conflicting targets, and solutions.

Our development centers, strategically located near customers, facilitate intensive dialogue to stay at the forefront. We are committed to rapid response times and process transparency to meet our customers' expectations. These collaborated efforts are essential for securing our current business and ensuring a sustainable future.

DRIVING IMPACT - FRAMAS CONTRIBUTIONS TO THE SDGs



The UN Sustainable Development Goals (SDGs) provide a vital framework and target system for fostering global sustainable development. With the aim of promoting peace, prosperity,

and environmental well-being, the SDGs address pressing challenges faced by the global community. Therefore, the SDGs and their sub-targets shape our materiality analysis and guide our sustainability strategy.

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



MATERIAL TOPICS

MATERIAL TOPICS

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LONG-TERM FINANCIAL SUCCESS

SUCCESS



GRI 3-3... **We see innovation and digitalization as well as product and service quality as cornerstones to long-term financial success. As we strive to expand our market share and maintain our position as a global leader and sup-**

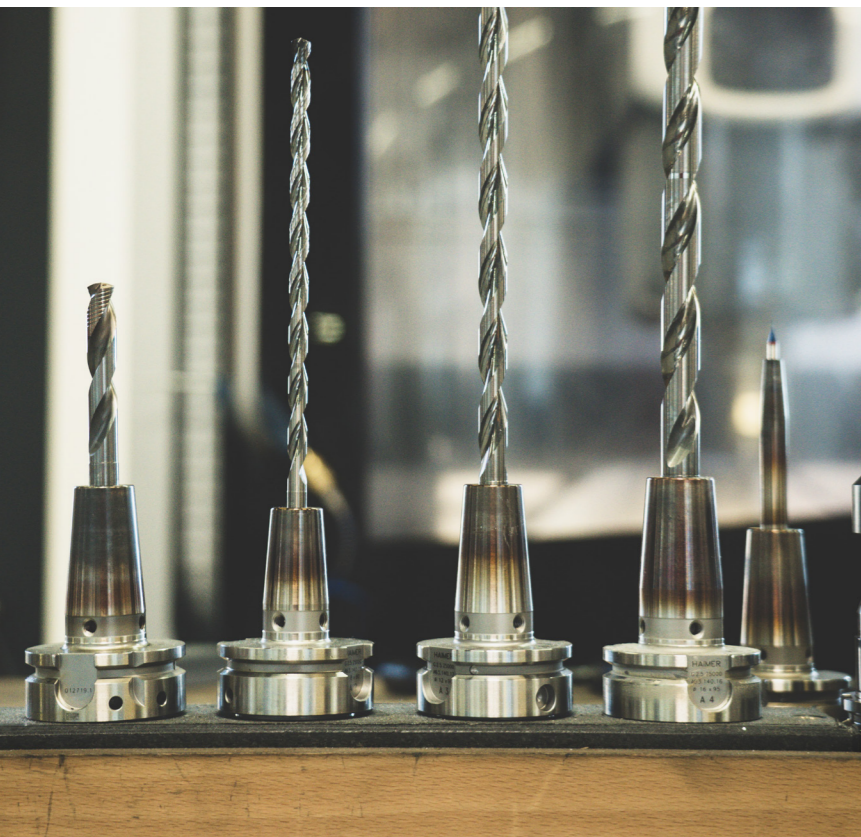
plier in the sports shoe industry, we remain dedicated to creating sustainable values while upholding social and environmental responsibilities.

INNOVATION AND DIGITALIZATION

In response to supply chain challenges, rising energy costs and travel restrictions following the COVID-19 pandemic, our innovation team has made major changes. Our goal is to optimize processes, strengthen collaboration and improve resource efficiency.

By restructuring the team and adding cross-functional experts, we are fostering closer collaboration within the organization. This allows us to better network and coordinate with development teams at different sites. Our main focus is on the areas of product development, sustainability, digitalization, 3D printing, research and technology. To grow and innovate in these areas, we have established additional external partnerships and collaborations to benefit from expertise and resources.

Our focus is on resource efficiency and responsible practices. By using digital technologies, we optimize processes, minimize waste and reduce our environmental impact.



ENHANCING SHOE MOLD TRACKING THROUGH INNOVATIVE SOFTWARE TECHNOLOGY

We have successfully implemented a workflow software solution to optimize the tracking of our injection molds during new production. The goal is to improve operational efficiency, detect delays early and ensure planned manufacturing deadlines. The software provides

real-time visibility and enables effective and timely response to changes to make the best use of resources. Clarity is provided through visualization of who has to complete which tasks.

PRODUCT AND SERVICE QUALITY

framas stands for a distinctive customer relationship management and sales culture. This requires excellent service and product quality. For this purpose, we aim for a zero-claim strategy. In 2022, our plant in Korea Vina was ISO 9001:2015 certified, joining our already certified sites in framas Korea, framas Indonesia, framas Vietnam and framas Germany. Furthermore, we regularly conduct internal and external

quality audits at all production sites. All inspections in the reporting period were successfully completed without any complaints. Moreover, our production sites embrace a LEAN culture, fostering continuous improvement. Through waste reduction, process standardization, and early defect identification, we enhance product quality and boosts customer satisfaction.

ECONOMIC PERFORMANCE

The economic development of the framas Group is influenced by the business activities of both the sports shoe manufacturers and the sports shoe brands in whose supply chain the Group is integrated. Therefore, private consumer spending as well as the development of the sports industry in general and the sports

shoe market in particular have a decisive impact on the economic success of the group of companies - in addition to the internal business drivers. Locally, the capacity utilization of the production sites is essentially determined by the allocation decisions of customers.

GENERAL ECONOMIC CONDITIONS MARKET SITUATION

The global economy was severely shaken as a result of the war in Ukraine. Significant increases in energy costs have significantly reduced household purchasing power. Inflation has risen notably since the outbreak of the war in the first quarter of 2022, prompting monetary policy measures to curb the progressive rise in prices. The result has been gradual interest rate hikes at short intervals by central banks, with a corresponding impact on investment propensity, and considerable fiscal support measures by the most important industrialized nations. In addition, the global economy was strongly

impacted by the continued severe restrictions on public life in China due to persistent Corona infection figures. While a gradual return to normalcy in terms of contact restrictions and mask-wearing was evident worldwide, the government in Beijing persisted with its strict zero covid policy. It was not until the end of 2022 that restrictions were relaxed. As the world's second largest economy, China has a significant impact on supply chains and is a strong trading partner of other major nations, so the impact of the continued lockdowns has been therefore large.

Accordingly, EBIT in 2022 improved significantly year-on-year to EUR +8,374k, but was below expectations due to the aforementioned challenges during the relocation process, in particular the rebuilding of the factory in Vietnam.

The EBIT margin increased from -11.3% to +5.2%. The cost of materials ratio decreased from 45.5% to 43.1%. At the same time, the personnel expense ratio fell from 32.7% to 26.1%.

The consolidated net result for the year improved notably by EUR 17,549k compared to the previous year and amounted to EUR +2,761k.

In view of the challenges that had to be overcome in 2022 during the relocation of the production site from China to Vietnam, the management is satisfied with the operating business performance in 2022.

SECTOR-RELATED GENERAL CONDITIONS

Despite supply chain disruptions as a result of the COVID 19 pandemic and associated restrictions, high procurement costs and overall subdued household demand due to high inflation, the sporting goods industry grew in 2022. This was driven by major events such as the Winter Olympics in Beijing in early 2022, the Women's European Football Championship in England and the FIFA World Cup in Qatar, which was

held in winter for the first time in 2022. Contrary to the general trend, demand for sporting goods is expected to remain high in view of the ongoing health-oriented and sustainable lifestyle. In addition, the image of workwear is changing in various industries away from prescribed dress codes towards wearing of sports/leisurewear.

Both effects are attributable to the comparatively high ratios from 2021, which are related to the temporary closure of the factories in Vietnam and the associated slump in sales.

REVENUE PER REGION	2022 [in EUR '000]	2021 [in EUR '000]
GERMANY	6,731	4,642
OTHER EUROPE	2,318	1,499
ASIA	150,939	97,354
REST OF THE WORLD	450	438
REVENUE	160,438	103,933

BUSINESS PERFORMANCE

The Framas Group's financial year was significantly influenced by the relocation of the Fuzhou production site from China to Vietnam, which was completed in spring 2022 after the landlord of the property in Fuzhou no longer extended the lease for the site beyond May 2022. Provisions were already recognized in the 2021 financial statements for measures related to the relocation. Nevertheless, circumstances arose in the course of the relocation

process that also had a negative impact on the 2022 annual results. Customer demand recovered more strongly than expected after two pandemic years, resulting in an increase in sales of EUR 56,505 thousand or +54.4% to EUR 160,438 thousand compared to the previous year. A significant increase was recorded in the "soles" (+75.4%), "heel counter" (+60.7%) and "molds" (+57.8%) areas.

GRI 201-1...

VALUE CREATION PER STAKEHOLDER		2022 [EUR '000]	2021 [EUR '000]
FROM CUSTOMERS	Shoe lasts	5,009	3,425
	Heel counter	16,753	10,426
	Soles	74,499	42,484
	Other shoe parts	57,803	41,330
	Molds	808	512
	Other revenue	5,567	5,756
	Revenue	160,438	103,933
FROM OTHER STAKEHOLDERS	Other operating income and finance income	3,100	3,108
	Income from investments	595	0
Value created by stakeholders		164,134	107,041
TO SUPPLIERS AND OTHERS	Operating expenses excluding personnel expenses	-113,232	-84,452
TO EMPLOYEES	Personnel expenses	-41,908	-34,348
TO BANKS AND THE CAPITAL MARKET	Interest and similar expenses	-2,773	-1,288
TO OTHERS	Write-downs on long-term financial assets	-200	-400
TO THE GOVERNMENT	Taxes on income and other taxes	-3,260	-1,341
Value created for stakeholders		- 161,373	-121,829
Consolidated earnings for the year		2,761	-14,788
TO EQUITY INVESTORS	Distributions	0	0

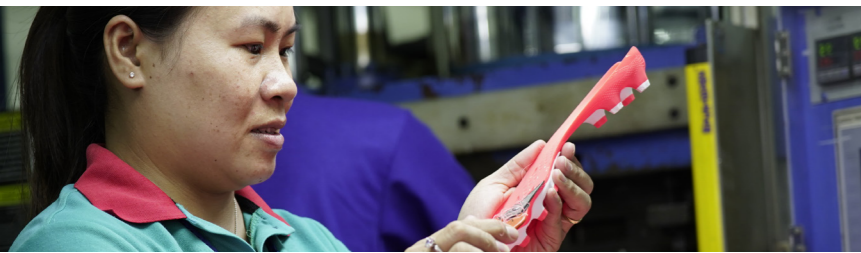
AN ATTRACTIVE AND RESPONSIBLE EMPLOYER



GRI 3-3... **The only way for us to achieve our goals and realize our ambitions is to operate in dynamic unison, based on shared principles. We aim to cultivate qualified employees and recruit those 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. We prioritize high employee satisfaction, promote diversity, equal opportunities, inclusion, and uphold human rights in all aspects.

At framas, the remuneration structure is performance-based and thus gender-neutral. As a matter of principle, the wages, salaries, and fringe benefit we offer our employees make for more than just a living wage – they enable them to set aside some savings. What we pay at our various locations is determined based on the respective local standards of living and

market conditions. As a relatively small employer in the markets where we operate, we depend on a well-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.

framass 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 Organization (ILO) and the OECD Guidelines for Multinational Enterprises. More details can be found in the compliance chapter (page 16).

Obtaining successful audits from athletic footwear brands, ensuring compliance with working conditions, is an essential requirement for our designation as a Tier 2 supplier. All social audits conducted in 2022 have been passed successfully by each location. Tables on page 46-47 offer further employment-related disclosures.

Following the relaxation of COVID-19 lockdown measures, there has been a notable increase in our workforce. This expansion can be attributed to multiple factors, including the resumption

of regular operations, an upsurge in customer orders, and the establishment of a new manufacturing facility.

To understand the data on employee turnover, it is important to mention that both the unusual volatility in our industry 2022 and the start of production at the new framass Footwear Technologies site have played an exceptional role in the fluctuations. These are most noticeable in manufacturing, where the impact of these fluctuations is greatest.

DIVERSITY AND EQUALITY OF OPPORTUNITY

framass promotes diversity, equality and integration, and prohibits 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.

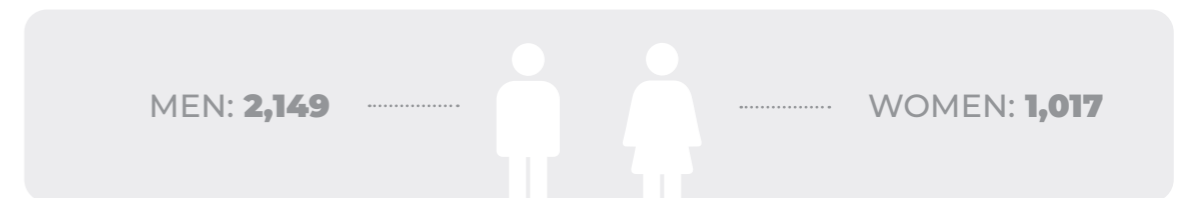
Our hiring and employment practices guarantee equal treatment regardless of gender, race, social background, religion, ideology, age, disability, health status, sexual orientation, nationality, civil status, pregnancy,

trade union membership, social group or ethnic background.

framass has a diverse workforce, comprising employees from 17 different countries: Austria, Bulgaria, Chile, China (Mainland), Colombia, Germany, Greece, Hong Kong, India, Indonesia, Italy, Portugal, South Korea, Taiwan, Thailand, USA, Vietnam.

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

FRAMASS EMPLOYEES WORLDWIDE



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. The recording of training hours is not yet uniform, and there are differences in the training programs. Training sessions are increasingly offered at production-related sites, as there is a greater complexity in operations, which requires specific expertise and training. Training includes mandatory sessions for induction, social and environmental awareness and regulations, occupational health and

safety, ISO - training, fire safety, IT security and Code of Conduct training. In addition, all employees are given the opportunity to develop their skills through technical and leadership training and English courses. We are actively working to improve our system for recording training hours to ensure more accurate and efficient monitoring of our employees' training activities.

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 frames 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.

GRI 404-2...



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

EMPLOYEES IN 2022 | GENDER ...GRI 2-7

		framap Group		framap Germany		framap Indonesia		framap Vietnam		framap Korea Vina		framap Footwear Technologies		Non production units	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1 st level management	Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	3	3	2	2	0	0	0	0	0	0	0	0	1	1
2 nd level management	Female	1	1	0	0	0	0	0	0	0	0	0	0	1	1
	Male	12	11	4	3	0	0	0	0	0	0	0	0	8	8
3 rd level management	Female	32	25	2	3	2	2	6	5	6	8	3	0	13	7
	Male	101	82	8	8	10	6	12	12	7	8	9	0	55	48
Other office employees	Female	246	185	18	13	41	32	73	62	68	72	34	0	12	6
	Male	296	233	54	45	70	65	76	66	49	47	28	0	19	10
Shop floor employees	Female	703	509	10	7	102	99	203	170	275	232	112	0	1	1
	Male	1,577	1,201	41	44	405	404	497	401	354	342	270	0	10	10
Other employees	Female	35	23	5	2	1	1	10	10	11	10	7	0	1	0
	Male	160	124	2	2	46	41	48	48	34	33	28	0	2	0
Total	Female	1,017	743	35	25	146	134	292	247	360	322	156	0	28	15
	Male	2,149	1,654	111	104	531	516	633	527	444	430	335	0	95	77
	Total	3,166	2,397	146	129	677	650	925	774	804	752	491	0	123	92

In the absence of any reported information, "0" is used, whereas "-" indicates, not tracked in 2021, therefore no data available. In comparison to the 2021 data collection, we enhanced the framework for 2022 and implemented it retrospectively to the 2021 dataset. Summary of organization levels: 1st management level: CEO, COO, CFO | 2nd Management level: Business Unit, General Directors | 3rd Management level: Department and factory heads, other Managers | Shopfloor employees: Project/shift/ senior team/team leader, technician, worker | Other shopfloor employees: Kitchen worker, driver, cleaning, maintenance.

AGE STRUCTURE | % ...GRI 405-1

		framap Group		framap Germany		framap Indonesia		framap Vietnam		framap Korea Vina		framap Footwear Technologies		Non production units	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1 st level management	> 50	3	3	2	2	0	0	0	0	0	0	0	0	1	1
	30 - 50	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	< 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 nd level management	> 50	3	3	0	0	0	0	0	0	0	0	0	0	3	3
	30 - 50	10	9	4	3	0	0	0	0	0	0	0	0	6	6
	< 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 rd level management	> 50	13	11	0	0	1	0	1	1	2	1	0	0	9	9
	30 - 50	105	81	9	9	11	8	15	11	11	15	12	0	47	38
	< 30	15	12	1	2	0	0	2	2	0	0	0	0	12	8
Other office employees	> 50	12	14	9	9	3	4	0	1	0	0	0	0	0	0
	30 - 50	286	224	42	20	66	62	65	48	74	79	15	0	24	15
	< 30	244	180	21	29	42	31	84	79	43	40	47	0	7	1
Shop floor employees	> 50	45	46	16	13	16	13	5	11	4	5	0	0	4	4
	30 - 50	1,199	952	22	19	318	295	382	311	343	320	127	0	7	7
	< 30	1,036	715	13	19	173	195	313	252	282	249	255	0	0	0
Other employees	> 50	39	31	4	1	4	4	15	14	12	12	3	0	1	0
	30 - 50	124	96	3	0	35	34	37	35	28	27	19	0	2	0
	< 30	32	20	0	3	8	4	6	9	5	4	13	0	0	0
Total	> 50	115	108	31	25	24	21	21	27	18	18	3	0	18	17
	30 - 50	1,724	1,362	80	51	430	399	499	405	456	441	173	0	86	66
	< 30	1,327	927	35	53	223	230	405	342	330	293	315	0	19	9

GENDER RATIO | % ...GRI 2-7

		framap Group		framap Germany		framap Indonesia		framap Vietnam		framap Korea Vina		framap Footwear Technologies		Non production units	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1 st level management	Female	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Male	100.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
2 nd level management	Female	7.7	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.1	11.1
	Male	92.3	91.7	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	88.9	88.9
3 rd level management	Female	24.1	23.4	20.0	27.3	16.7	25.0	33.3	29.4	46.2	50.0	25.0	0.0	19.1	12.7
	Male	75.9	76.6	80.0	72.7	83.3	75.0	66.7	70.6	53.8	50.0	75.0	0.0	80.9	87.3
Other office employees	Female	45.4	44.3	25.0	22.4	36.9	33.0	49.0	48.4	58.1	60.5	54.8	0.0	38.7	37.5
	Male	54.6	55.7	75.0	77.6	63.1	67.0	51.0	51.6	41.9	39.5	45.2	0.0	61.3	62.5
Shop floor employees	Female	30.8	29.8	19.6	13.7	20.1	19.7	29.0	29.8	43.7	40.4	29.3	0.0	9.1	9.1
	Male	69.2	70.2	80.4	86.3	79.9	80.3	71.0	70.2	56.3	59.6	70.7	0.0	90.9	90.9
Other employees	Female	17.9	15.6	71.4	50.0	2.1	2.4	17.2	17.2	24.4	23.3	20.0	0.0	33.3	0.0
	Male	82.1	84.4	28.6	50.0	97.9	97.6	82.8	82.8	75.6	76.7	80.0	0.0	66.7	0.0
Total	Female	32.1	31.0	24.0	19.4	21.6	20.6	31.6	31.9	44.8	42.8	31.8	0.0	22.8	16.3
	Male	67.9	69.0	76.0	80.6	78.4	79.4	68.4	68.1	55.2	57.2	68.2	0.0	77.2	83.7

AVERAGE PAY RATIO OF WOMEN TO MEN | % ...GRI 401-1

		framap Group		framap Germany		framap Indonesia		framap Vietnam		framap Korea Vina		framap Footwear Technologies		Non production units	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Office employees (F/M)		95.2	93.6	90.0	89.5	99.4	97.0	98.0	99.7	81.9	91.8	108.0	N/a	93.8	90.2
Shopfloor employees (F/M)		87.5	88.6	88.0	87.0	100.9	96.0	99.0	100.0	96.0	101.1	82.0	N/a	58.9	59.0

framap Germany exclusive management, trainees and students. Manufacturing sites exclusive expatriate employees. Shopfloor employees, exclusive other employees. Due to the different categories being solely either female or male only (kitchen staff - female, maintenance staff and drivers - male) as well as the different salary structures, this cumulative category, cannot be directly compared with each other in terms of gender pay ratio.

NEW HIRING AND EMPLOYEE TURNOVER ...GRI 401-1

		framap Group		framap Germany		framap Indonesia		framap Vietnam		framap Korea Vina		framap Footwear Technologies		Non production units	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fluctuation (%)	Office employees	15.5	12.2	2.5	5.6	6.1	6.1	16.7	19.0	34.0	21.0	N/a	N/a	10.4	0.0
	Shopfloor employees	31.1	27.0	21.2	19.3	2.0	0.2	31.3	32.9	57.0	46.1	N/a	N/a	0.0	0.0
New hires employees (number)	Female	711	173	23	4	28	5	108	61	213	100	327	0	12	3
	Male	1,437	550	40	47	166	33	337	232	252	233	613	0	29	5
		2,148	723	63	51	194	38	445	293	465	333	940	0	41	8
New hires management + office employees	Female	129	45	4	2	19	4	22	17	20	19	53	0	11	3
	Male	147	66	11	7	15	7	26	26	20	21	48	0	27	5
New hires shopfloor + other employees	Female	582	128	19	2	9	1	86	44	193	81	274	0	1	0
	Male	1,290	484	29	40	151	26	311	206	232	212	565	0	2	0

15
Trainees and students in dual studies (framap Germany: f: 3 / m: 12).

100%
All employees in Germany receive a regular performance feedback as part of structured appraisals.

0
Cases of discrimination In 2022 group wide no cases of discrimination became known.

Fluctuation: The rate of who leaves the organization voluntarily or due to dismissal, retirement, or death in service. Could not be assessed for Footwear Technology as the factory was only established in 2022, therefore not added into group rate. The turnover rate in each category = the number of resigned employees in each category / the total number of resigned employees. In this report, the average monthly turnover rate was replaced with the turnover rate calculated by this formula to reveal the turnover rate for the whole year. Fluctuations in shop floor hires are influenced not solely by the inherent volatility of our business operations, but also by our comparatively smaller scale in contrast to larger factories. Moreover, the prevalent shortage of skilled workers, coupled with an elevated demand that surpasses the available workforce, contributes significantly to this fluctuation. This worker segment tends to experience a higher turnover rate, a phenomenon that is prevalent within the industry, as workers often seek varied opportunities and frequent transition between roles.

...GRI 404-3

...GRI 404-3

ENERGY EFFICIENCY AND CLIMATE PROTECTION



Climate change is undoubtedly one of the most pressing challenges of our time, posing an existential threat to society and businesses. One significant contributor to the detrimental impacts on the environment are energy-related greenhouse gas emissions, which are pervasive throughout the entire value chain, stemming from our activities and those of others. As the plastic injection

molding production process heavily relies on electricity, making it a major consumer of energy resources. Electricity use is a major factor, especially with energy becoming scarcer and more expensive due to geopolitical events. To address this, framas prioritizes energy management, aiming to enhance efficiency, reduce costs, and lower our environmental impact.

ENERGY EFFICIENCY

GRI 3-3... The responsible consumption of energy and our contribution to environmental protection are fundamental principles for framas. 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 framas thus have a direct impact in the form of cost-reducing climate protection at shoe factories.

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 an energy management system according to ISO 50001 at all production sites as part of an integrated management system (IMS) is our goal by 2026. 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 2022 was approximately 48.6 GWh (2021: 33.0 GWh). The largest share of that amount 45.4 GWh or 93.3% (2021 30.2 GWh or 91.5%) was attributable to electricity, of which 31.8%, 14.4 GWh (2021: 23.8%, or 7.2 GWh) came from renewable sources. The table and graphic on page 49 present a breakdown of energy consumption by source. Following the establishment of our status quo we realigned our data collection process. Consequently, we recalculated our figures accurately represent the data for 2021 as in the table on page 49.

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 2022 that figure amounted to 303.0 MWh per million euros of revenue (2021: 317.5 MWh per million euros of revenue).

GRI 302-1...

ENERGY CONSUMPTION [MWh]	framass Group MWh / %			framass Germany		framass Indonesia		framass Vietnam		framass Korea VINA		framass Footwear Technologies		Non-production facilities	
	2022	2022 [%]	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Electricity consumption	45,359.7	93.3	30,181.7	2,183.0	1,811.7	11,291.0	9,517.0	12,493.2	8,984.0	12,288.3	9,138.0	6,248.9	0.0	855.3	731.0
of which renewable	14,427.8	31.8	7,168.2	1,073.2	896.3	120.8	72.3	5,292.1*	3,042.9	5,205.3*	3,095.0	2,647.0*	0.0	89.3	61.7
Gas consumption for own or leased vehicles	1,707.3	3.5	1,343.0	16.6	25.9	765.7	675.9	358.1	226.5	390.2	316.1	14.5	0.0	162.2	98.7
Diesel consumption for own or leased vehicles	1,233.7	2.5	1,103.1	79.8	87.5	796.6	822.4	300.3	142.3	47.1	39.3	0.0	0.0	9.9	11.6
Gas consumption (heating)	297.3	0.6	372.2	293.5	365.3	0.0	0.0	3.8	6.9	0.0	0.0	0.0	0.0	0.0	0.0
District heating/cooling	17.3	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.3	2.0
Total	48,615.3		33,002.0	2,572.9	2,290.5	12,853.3	11,015.3	13,155.4	9,359.7	12,725.6	9,493.4	6,263.4	0.0	1,044.7	843.2

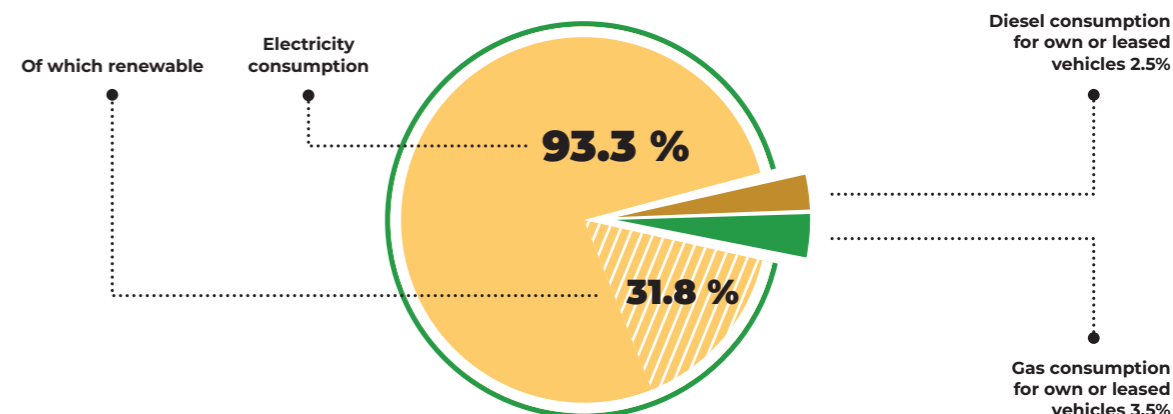
*Based on the 2021 electricity mix published by The Ministry of Natural Resources and Environment of Vietnam. The 2022 electricity mix has not yet been made public at the time this report was published.

Reduction of energy consumption

The continuous increase of energy efficiency is core of the framass strategy and framass solutions are already considered as particularly energy efficient in the market - an important competitive advantage in times of rising energy costs. In order to further reduce the energy consumption per output, we have rolled out a program to precisely record the energy consumption in detail on the level of the production facilities. In this way we are creating the necessary basis for the conti-

nuous optimization of production processes. The increasing automation of production is also helping to increase energy efficiency. The technical review into the feasibility of installing PV systems at our sites has revealed a number of issues that require further clarification. As a result, the progress of implementation is slower than expected. We are committed to overcoming the hurdles associated with local legal requirements, building restrictions and plant owner decisions.

ENERGY DISCLOSURE 2022



PROTECTION

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 20.0% (2021: 23.8%) of our emissions are caused by using energy (scope 2), while the greatest share approximately 79.3% (2021: 75.3%) 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. 53.8% (2021: 58.8%) the investments in our systems approx. 28.7% (2021: 23.2%) and about 7.8% (2021: 8.6%) 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 second time and further developed 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.

EMISSIONS

framas 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 (CO₂e) in line with the GHG Protocol. Energy consumption is calculated based on the period from January 1, 2022, to December 31, 2022.

GRI 305-1-- Scope 1:

Scope 1 emissions include harmful emissions due to the consumption of gas and oil by heating systems and generators and emissions resulting from fuel use by the vehicle fleet. Scope-1 emissions were calculated using DEFRA and Ecoinvent 3.8 and amounted to approximately 799.3 t (2021: 700 t) CO₂e in 2022.

GRI 305-2-- Scope 2:

Scope 2 emissions include CO₂e emissions resulting from electricity use at production and non-production sites. They also include CO₂e emissions from the district heating plant. Scope 2 emissions were calculated using DEFRA and Ecoinvent 3.8 and amounted to approximately 23,372.0 t CO₂e (2021: 17,148 t CO₂e) market-based and 24,201.4 t CO₂e location-based (2021: 17,554 t CO₂e) in 2022.

GRI 305-3-- Scope 3:

The Group-wide scope 3 emissions in 2022 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.

In 2021, we assessed only one downstream category, namely 3.12, which pertains to the end-of-life treatment of sold products. It was assumed that the share of incineration/landfilling/recycling corresponded to that prevalent for residential waste disposal. The coverage of category 3.9, which includes downstream transport and distribution, is planned for the following year, as the underlying data still needs to be structured for its coverage. The processing of sold products (3.10) falls 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 emission intensity for scope 1 and 2 per kWh of electricity consumed is: 532.9 g CO₂e/kWh (2021: 591.4 g CO₂e/kWh) and the emission intensity for scope 1, 2 and 3 per kWh of electricity consumed is 2,570.8 g CO₂e/kWh (2021: 2,390.8 g CO₂e/kWh).





GRI 305-5... Reduction of greenhouse gas emissions

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 deve-

lopment processes in order to continue to realize potential energy and resource efficiency during the life cycles of our new products.

EMISSIONS OF THE FRAMAS GROUP	2022		2021	
	Quantity [t CO ₂ e]	Part [%]	Quantity [t CO ₂ e]	Part [%]
Scope 1 emissions	799.3	0.7	700	1.0
Scope 2 emissions				
market-based	23,372.0	20.0	17,148	23.8
location-based	24,201.4	20.8	17,554	24.3
Scope 3 emissions	92,437.9	79.3	54,311	75.3
Total (scope 1 + 2 market-based + 3)	116,609.2		72,159	

EMISSION INTENSITY		2022	2021	ENERGY INTENSITY		2022	2021
Emission intensity scope 1 + 2	g CO ₂ e/kWh consumed electricity	532.9	591.4	Total energy consumption per unit of sales	MWh/Mio. € revenue	303.0	317.5
Emission intensity scope 1 + 2 + 3		2,570.8	2,390.8				

SCOPE 3	2022		2021	
	Quantity [t CO ₂ e]	Part [%]	Quantity [t CO ₂ e]	Part [%]
3.1 Purchased goods and services	49,753.4	53.8	31,937	58.8
3.2 Capital goods	26,502.2	28.7	12,623	23.2
3.3 Fuel- and energy-related activities	5,295.5	5.7	3,830	7.1
3.4 Upstream transportation and distribution	2,441.6	2.6	347	0.6
3.5 Waste generated in operations	1,084.1	1.2	907	1.7
3.6 Business travel	136.9	0.15	15	0.0
3.7 Employee commuting	Not covered			
3.8 Upstream leased assets	Not relevant			
3.9 Downstream transportation and distribution	Not covered			
3.10 Processing of sold products	Not covered			
3.11 Use of sold products	Not relevant			
3.12 End-of-life treatment of sold products	7,224.3	7.8	4,652	8.6
3.13 Downstream leased assets	Not available			
3.14 Franchises	Not available			
3.15 Investments	Not relevant			
Total (scope 3)	92,437.9		54,311.4	

GRI 3-3... For framas and the footwear industry as a whole, the materials used in products are a key issue. In 2022 framas used 8,685.9 tons of plastic materials for production (2021: 5,620.8 tons). The increase in plastic material consumption can be attributed primarily to an upsurge in incoming orders.

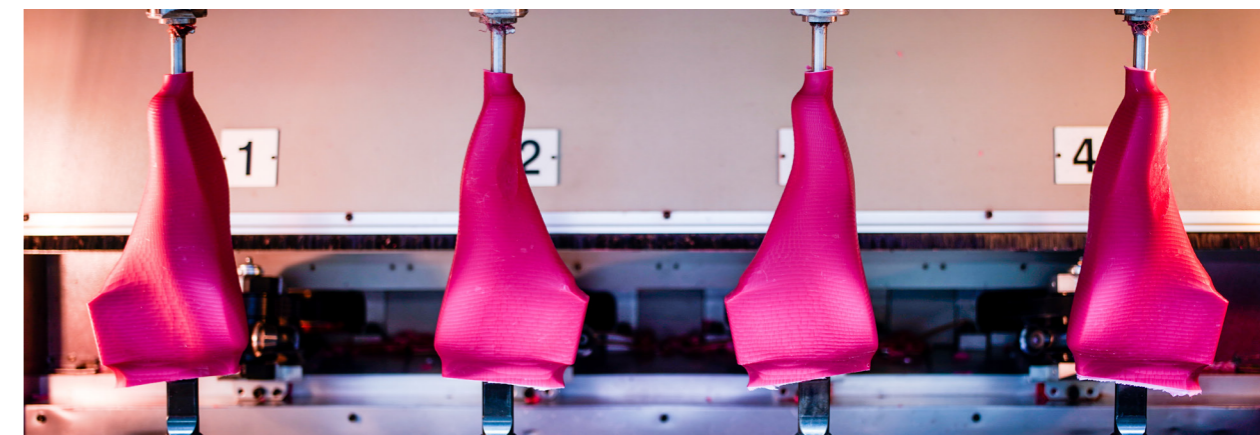
Plastics represent the lion's share of materials used, and are found in products, as well as in transportation and secondary packaging materials. In addition, metals are used to make the injection molds, packaging materials are made of paper and cardboard, and lasts and pallets are fashioned out of wood.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

framas 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.

The discernible elevation of wood consumption of 236.4 tons (2021: 143.6 tons) can be traced back to the method of delivery employed for incoming materials. New machinery integra-

tion with shifting mold-cleaning methods led to higher chemical use (2022: 261.1 tons | 2021: 158.8 tons). In addition, material categorization was adjusted, and the data collection method was refined, which also contributed to higher figures in this regard. "Other/unclassified materials" refer to consumables, supplies and tools whose use is mainly due to the construction of the new factory (2022: 12.9 t | 2021: 2.3 t).

In order to reduce our environmental footprint, we use recycled materials and materials made from renewable resources. Externally sourced recycled plastic (polymer-based) accounted for 29.0 % (2021: 32.0 %) 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 in 2022 our locations framas Vietnam and framas Indonesia were successfully GRS (Global Recycling Standard) certified. 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.



GRI 201-2... and minimize environmental and chemical risks.

MATERIAL USE

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 material accounted for 6.3% (2021: 2.9%) of the polymer-based 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.



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 Nike.

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. In its development centres framas works out innovative approaches for mono-material products and for improved material separation, 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	Tons & in %			
	2022		2021	
Plastics	9,152.3	83.9	5,943.7	79.5
of which are polymer-based	8,685.9	94.9	5,620.9	94.6
GRI 301-2... of which recycled (recyclates)	2,522.0	29.0	1,800.4	32.0
of which bio-based	544.0	6.3	165.3	2.9
Paper/cardboard (100% recycled)	638.4	5.9	659.2	8.8
Metals	505.6	4.6	501.3	6.7
Wood	236.4	2.2	143.6	1.9
Chemicals**	261.1	2.4	158.8	2.1
Textile	98.0	0.9	66.1	0.9
Other/not categorized	12.9	0.1	2.3	0.0
Total	10,904.7	100	7,475.0	100
Total/share of recycled materials*	3,160.4	29.0	2,459.6	32.9
Total/share of bio-based materials	1,418.8	13.0	968.1	13.0

*Total/share of recycled materials is excl. share of recycled metals. **Chemicals: the new categorization and methodology introduced in 2022 was applied retroactively to 2021 data, resulting in differences in 2021 figures for plastics and chemicals.



GRI 3-3... **One of the key factors for our success is customer satisfaction, and this is directly related to the experience customers and end users have with our products and services. Furthermore, the expectations of athletic footwear brands and footwear factories in terms of products and services are challenging. framas idea of product stewardship therefore no longer focuses only on user health and safety and product and service quality, but incorporates innovation cycles, joint development processes and speed in customized solutions.**

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 9001:2015-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.

Typical KPIs for Product and Service quality include among many ratios on customer return, on time delivery and color variation. Furthermore, we look into the claim rate, and ensure that all employees have undergone training on ISO 9001:2015 quality management standards. 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.

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.

framas 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 GRI 417-1 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.

80%

OF PRODUCTION FACILITIES
(4 OF 5)

ISO 9001:2015

CERTIFIED

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.

framas procures the vast majority of the raw materials used in plastic injection molding from international companies, each of which demonstrably fulfills high standards in the area of social and environmental responsibility. It has partnered with some of these companies for decades. One challenge faced by framas is to ensure compliance with its self-imposed high standards throughout the local supply chains as well. framas has thus already revised its Code of Conduct to reflect the legal requirements soon coming into force in Germany and Europe with respect to sustainable supplier management; the revised CoC has already become binding on all employees and business partners.

For its part, framas is a tier 2 supplier within the athletic footwear brands' supply chain and is thus subject to regular customer audits and audits by neutral third parties to assess compliance with labor and environmental standards.

GRI 308-1... By that same token, we are in the process of examining our own supply chain for sustainability risks – in which we analyze the goods and services we procure and develop specific requirements and criteria for our suppliers.

framas is currently engaged in the implementation of a standardized approach to local supply chain audits across its global operations. This initiative seeks to harmonize audit processes while accommodating varying customer requirements and optimizing our internal supply chain procedures. Ongoing annual audits of the local supply chain include comprehensive assessments of documentation, licensing and social and environmental compliance. These assessments help to promote the establishment of safe, compliant and ethical workplaces in our supply chain.

Within the social realm, the audits are geared towards employee well-being, working hours, payroll practices, the provision of a secure working environment, training initiatives, and adherence to health and safety standards. The environmental dimension of these audits' addresses, among other things, waste management protocols and the proper handling of chemicals.

ENVIRONMENTAL PROTECTION



GRI 3-3... **Given the mounting pressures on natural resources and ecosystems both locally and globally, environmental protection emerges as a paramount concern in modern society. We acknowledge our responsibility to safeguard natural resources and actively manage and mitigate our impact through lean production, innovation, and efficiency. Therefore, we are regularly measuring and monitoring our ecological footprint. Furthermore, we encourage employees to embrace heightened environmental awareness in their daily lives.**

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.

During the reporting period, high efforts were put into local HSE audits. In coordination with the responsible teams, progress was made in understanding the waste streams. Waste categories could be determined more precisely, optimized clusters could be formed, and the corresponding quantities could be better allocated. Preparatory steps were taken to automate the recording of waste flows. In the next step, we want to enable the recording via the framas ERP system, assign the control relevant KPIs and derive concrete measures.



Our efforts on "waste," "water and wastewater," and "biodiversity" are addressed under environmental protection. While water consumption and wastewater handling are less relevant, managing the impact on biodiversity was deemed challenging due to limited opportunities.

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 9,152.3 t (2021: 5,943.7 t) of plastic annually, of which 2,522.0 t (2021: 1,800.4 t) represent already recycled plastics and 544.0 t (2021: 165.3 t) are bio-based.

OCCUPATIONAL HEALTH AND SAFETY



WATER AND WASTEWATER

GRI 303-1...	Water usage m ³ /year	framass Group	framass Germany	framass Indonesia	framass Vietnam	framass Korea Vina	framass Footwear Technologies
	2021	77,704	1,038	20,569	25,313	30,784	–
	2022	93,953	1,487	21,579	34,876	31,430	4,581

Our water consumption of around 93,953 m³ (2021: 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. After overcoming the 2022 pandemic's impacts, our production expansion led to a corresponding increase in water consumption.

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.

GRI 3-3... **The protection of our employees' occupational health and safety is an integral part of the framass value system and deeply ingrained in our corporate culture. Our responsibility for the wellbeing of our workforce is rooted in our corporate ethics and represents a top priority for us as a business. This commitment is driven by the understanding that success is unattainable without the dedication and productivity of fit, healthy, and committed employees.**

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 of 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 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 conjunc-

tion 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. 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. framass again passed every external audit during the reporting period. The aim is to standardize occupational health and safety management throughout the Group.

In the reporting period, the interface between the corporate sustainability function and the EHS site functions and between the EHS site units were improved. Data acquisition was unified, and the calculation of key figures was standardized. As a result, we report the lost time injury rate (LTI rate) on the basis of 200,000 hours worked, the days lost due to illness and the sickness and absence rate per site. The results are summarized in the table on page 65.

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 the various legal requirements for occupational health and safety and workplace safety audits – either through in-house specialists or external service providers. The relevant commit-

GRI 403-2-
403-3
403-4



tees 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 74 (2021: 19) reportable workplace accidents resulting in more than one day of lost work were reported in 2022. These accidents often fall into two categories: commuting accidents and those that occur while working with tools and equipment of the company. To address this concern and prioritize the safety of our employees, we have taken significant steps to improve our training programs. Our focus has been on ensuring that all employees understand and adhere to the Standard Operating Procedures (SOP) and security measures in place.

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.

Managers are expected to lead by example. They assume responsibility for occupational health 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.

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.

In 2022, the German site logged a total of 186,782 working hours, resulting in a Lost Time Injury Rate (LTIR) of 4.3 per 200,000 working hours. In this position framas is in line with the industry benchmark of 4.1 reported by the German Employers' Liability Insurance Association for Wood and Metal for the same year, also based on 200,000 working hours.

The absence of sickness cases in the non-production entities can be attributed to various factors. In Korea, strict law restrictions related to COVID-19 resulted in cases not being reported due to mandatory 7-day quarantine periods, which did not necessarily reflect the actual days of sickness. On the other hand, Hong Kong and Taiwan reported no cases of sickness during the specified period.

OCCUPATIONAL HEALTH AND SAFETY

GRI 403-9-403-10	Unit	framass Group		framass Germany		framass Indonesia		framass Vietnam		framass Korea VINA		framass Footwear Technologies		Non-production facilities	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total hours worked in whole year	hours ['000]	5,528.8	-	186.8	-	1,349.2	-	1,998.3	-	1,844.0	-	44.7	-	105.8	-
Reported occupational accidents	No.	74	19	38	2	20	5	7	11	6	1	3	-	0	-
Recordable work-related illness cases	No.	8	2	1	2	7	0	0	0	0	0	0	-	0	-
Recordable work-related injury cases	No.	66	17	37	0	13	5	7	11	6	1	3	-	0	-
Total recordable incident rate (TRIR)		2.7	-	40.7	-	3	-	0.7	-	0.7	-	13.4	-	-	-
Lost time injuries rate (LTIR)		1.2	-	4.3	-	2.1	-	0.7	-	0.4	-	13.4	-	-	-
Number of lost time illnesses cases	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Number of lost time injuries cases	No.	32	-	4	-	14	-	7	-	4	-	3	-	-	-
Lost workdays	Days	474	-	109	-	159	-	67	-	123	-	16	-	-	-
Lost workday rate (LWR)		17.1	-	116.7	-	23.6	-	6.7	-	13.3	-	71.5	-	-	-
Sickness	hours ['000]	132.3	-	15.7	-	22.8	-	58.4	-	30.6	-	4.2	-	0.6	-
Sickness rate	%	2.4	-	8.4	-	1.7	-	2.9	-	1.7	-	9.4	-	0.6	-
Absence	hours ['000]	47.9	-	3.9	-	1.6	-	13.7	-	16.9	-	11.3	-	-	-
Absenteeism rate	%	0.9	-	2.1	-	0.1	-	0.7	-	0.9	-	25.3	-	-	-

In Germany, cases resulting in higher numbers of incidents are attributed to variations in local law reporting regulations. While occupational health and safety (OHS) remains a top priority, reporting standards differ at the local level, contributing to variations in reported incident numbers.

TOTAL AMOUNT OF DONATIONS IN 2022

6,453 €



BEYOND BUSINESS: STRENGTHENING COMMUNITIES

We see corporate citizenship as a responsibility towards society and the environment, extending beyond our core business and playing a part in creating a positive impact. It includes ethical behavior, societal engagement, environmental sustainability, and community involvement. Through initiatives and sustainable practices, it is our goal to actively address social, environmental, and economic issues to create positive impact for our society.

GRI 3-3... This section highlights our involvement with the community. 2022 was marked by significant efforts in establishing efficient processes for sustainability. While setting up foundational frameworks, a dedicated strategy solely for community involvement and employee engagement in corporate citizenship had not yet been developed during this period.

GRI 203-2... In 2022, we contributed a total of 6,453 EUR (2021: 91,600 EUR difference results from a donated injection machine) in direct monetary donations, along with in-kind support consisting of essential items such as food, furniture, and other necessities and beyond local sponsoring. Our support reached out to organizations in sports, culture, and the social sector, reflecting our dedication to making a positive impact in the community.

Empowering Workers and Strengthening Communities: Labor Union Activities in Vietnam and Indonesia

Labor unions in Vietnam and Indonesia play a crucial role in safeguarding workers' rights and fostering community well-being. Yearly activities encompass local celebrations and initia-

tives focused on occupational safety, health education, skills training, cultural exchanges, sports competitions, and charity events, enhancing both workplace harmony and social cohesion.

framam Germany

Framam Germany dedicated their social activities to primarily supporting sports and cultural initiatives as well as educational institutions fostering physical well-being and academic and cultural development within the community.

They sponsored the soccer club Pirmasens and the local golf club and supported civil organizations such as the kid's endurance team and the Youth Firefighters, aiming to cultivate a sense of responsibility and community service. Additionally, framam collaborated with the Friends' Association School Thaleisweiler, a community-based association devoted to supporting local school activities, and partnered with the esteemed College of Kaiserslautern, an institution of higher education.

framam Indonesia – Extending a helping hand in the wake of the Cianjur earthquake

Framam Indonesia's primary focus lies in supporting causes related to disaster relief and mitigation due to the country's vulnerability to frequent natural disasters.

Aligned with our purpose, we have provided financial support to aid the earthquake relief efforts in the town of Cianjur, in collaboration with APINDO, the Indonesian Employers Association.

This crucial donation will help provide essen-

tial provisions such as food, water, shelter, and medical support to those affected by the catastrophic earthquake that struck West Java on November 21, 2022. Additionally, we extend our support to local schools, ensuring access to quality education and necessary resources for students in need. 2022.



Ade Herdiana, Senior HR Manager framam Indonesia

"In Indonesia, we live in the spirit of "Gotong royong". It's all about coming together and helping each other out for the greater good. It's simply how we do it here."

In Cianjur, I distributed school supplies to the children as the school building was destroyed. It was so heartwarming to see this young girl's eyes light up with hope as she held onto her shiny new backpack. As we chatted, her dreams started pouring out, making me realize how education can truly change the game for a brighter future."

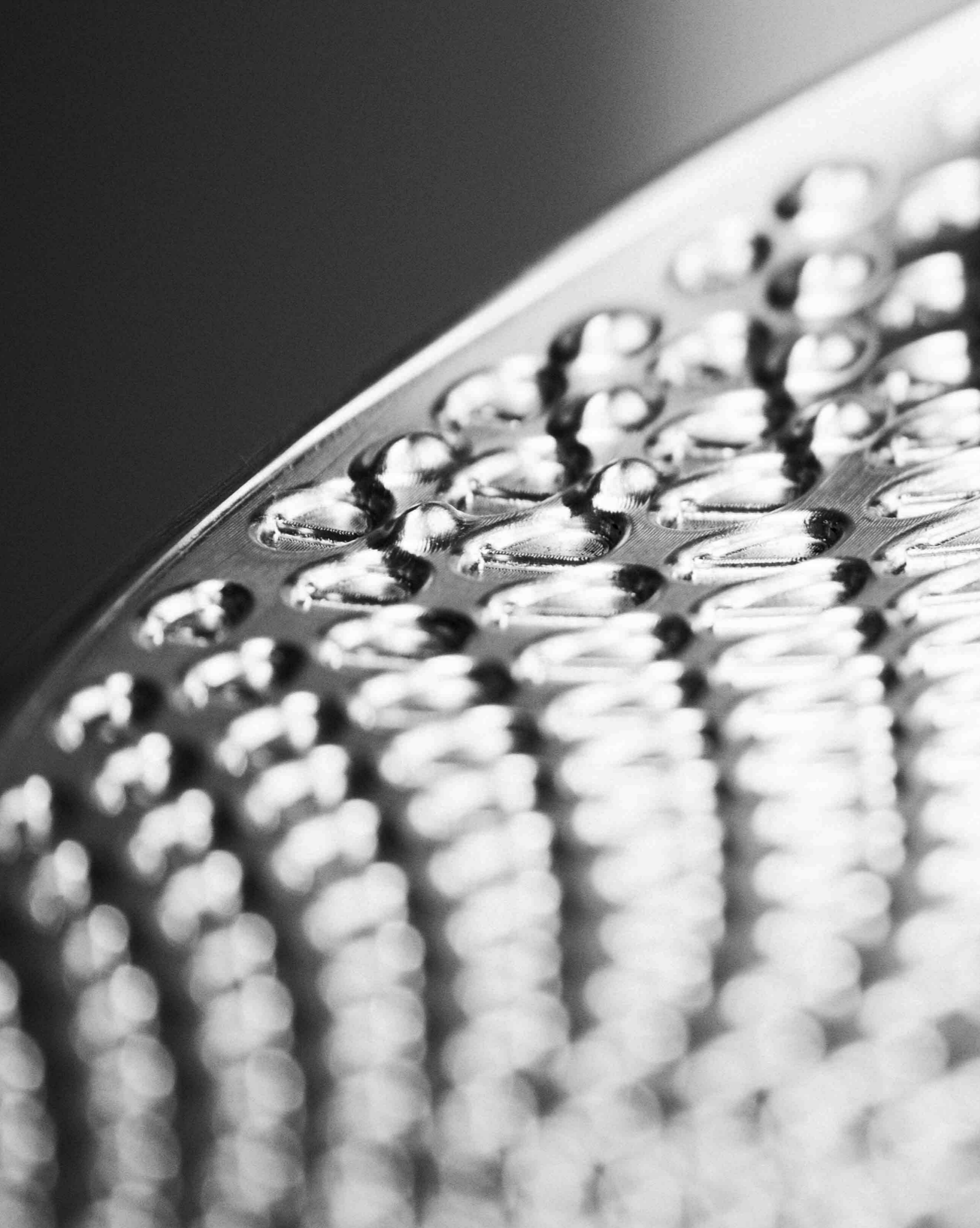
framam Vietnam – Cultivating Compassion: Supporting Children at the Thanh Quang Monastery

Framam Vietnam remains dedicated to supporting Thanh Quang Monastery in Tam Phú, providing ongoing aid and essential support to the orphaned children. Through our contributions, including quarterly donations of rice (240kg), we strive to make a positive difference in their lives. Additionally, in-kind donations fulfill essential needs during special occasions like the lunar new year and the lantern festival. The orphans' lives at the Monastery are made possible through a modest income from the nun's small home-made snacks business and outside donations, including support from framam Vietnam.

Lê Quốc Khang, 16 years old was taken in by the nuns when he was a newborn



"I have to say, I'm really grateful for all the love and support I've gotten from everyone. Life at the Monastery is pretty good. We've got what we need, and I couldn't ask for more. But hey, if you wanna know my dream, it's all about chasing my passion for IT and getting more education in that field."



	Disclosure	Page	Comment	
GRI 1: FOUNDATION 2021				
	1	Foundation	75	
GRI 2: GENERAL DISCLOSURES 2021				
	Disclosure	Page	Comment	
The organisation and its reporting practices	2-1	Organizational details	18, 19, 74	
	2-2	Entities included in the organization's sustainability reporting	14	
	2-3	Reporting period, frequency and contact point	75	
	2-4	Restatements of information	75	Second report
	2-5	External assurance	75	
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	2-7	Employees	46	
	2-8	Workers who are not employees		None

GRI-STANDARDS

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	2-10	Nomination and selection of the highest governance body	15	
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	2-13	Delegation of responsibility for managing impacts	15	
	2-14	Role of the highest governance body in sustainability reporting	15	
	2-15	Conflicts of interest	15	
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	2-20	Process to determine remuneration	15	
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	2-23	Policy commitments	16	
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	2-27	Compliance with laws and regulations	16	
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Stakeholder engagement	2-29	Approach to stakeholder engagement	27	
	2-30	Collective bargaining agreements		In Vietnam and Indonesia
GRI 3: MATERIAL TOPICS 2021				
GRI 3: Material topics 2021	3-1	Process to determine material topics	27	
	3-2	List of material topics	29	

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GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	41	
	201-2	Financial implications and other risks and opportunities due to climate change	53	
	201-4	Financial assistance received from government		None
GRI 205	205-1	Operations assessed for risks related to corruption	16	
	205-2	Communication and training about anti-corruption policies and procedures	16	
	205-3	Confirmed incidents of corruption and actions taken	16	None
GRI 206:	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 401: Employment 2016	401-1	New employee hires and employee turnover	46	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	42	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	44	
	404-2	Programs for upgrading employee skills and transition assistance programs	45	
	404-3	Percentage of employees receiving regular performance and career development reviews	47	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	47	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	47	None
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GRI 3: Material topics 2021	3-3	Management of material topics	56	
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	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		None
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	56	
	417-2	Incidents of non-compliance concerning product and service information and labeling		None
	417-3	Incidents of non-compliance concerning marketing communications		None
SUSTAINABLE SUPPLY CHAIN				
GRI 3: Material topics 2021	3-3	Management of material topics	58	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	58	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	58	In progress
	308-2	Negative environmental impacts in the supply chain and actions taken	58	In progress
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

	Disclosure		Page	Comment
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
PROTECTION OF THE ENVIRONMENT				
GRI 3: Material topics 2021	3-3	Management of material topics	59	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	62	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	60	
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GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	66	

ABOUT THIS REPORT

ABOUT THIS REPORT/PUBLICATION DETAILS

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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 2-3... GRI 1 2021 "Foundation". This report is framass 2-4 Kunststofftechnik GmbH's second sustainability report and will be updated annually.

Please see pages 69-73 for an overview of the relevant GRI disclosures. The period under review is the 2022 fiscal year. Unless explicitly stated otherwise, all information pertains to the 2022 fiscal year.

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

External consultants:

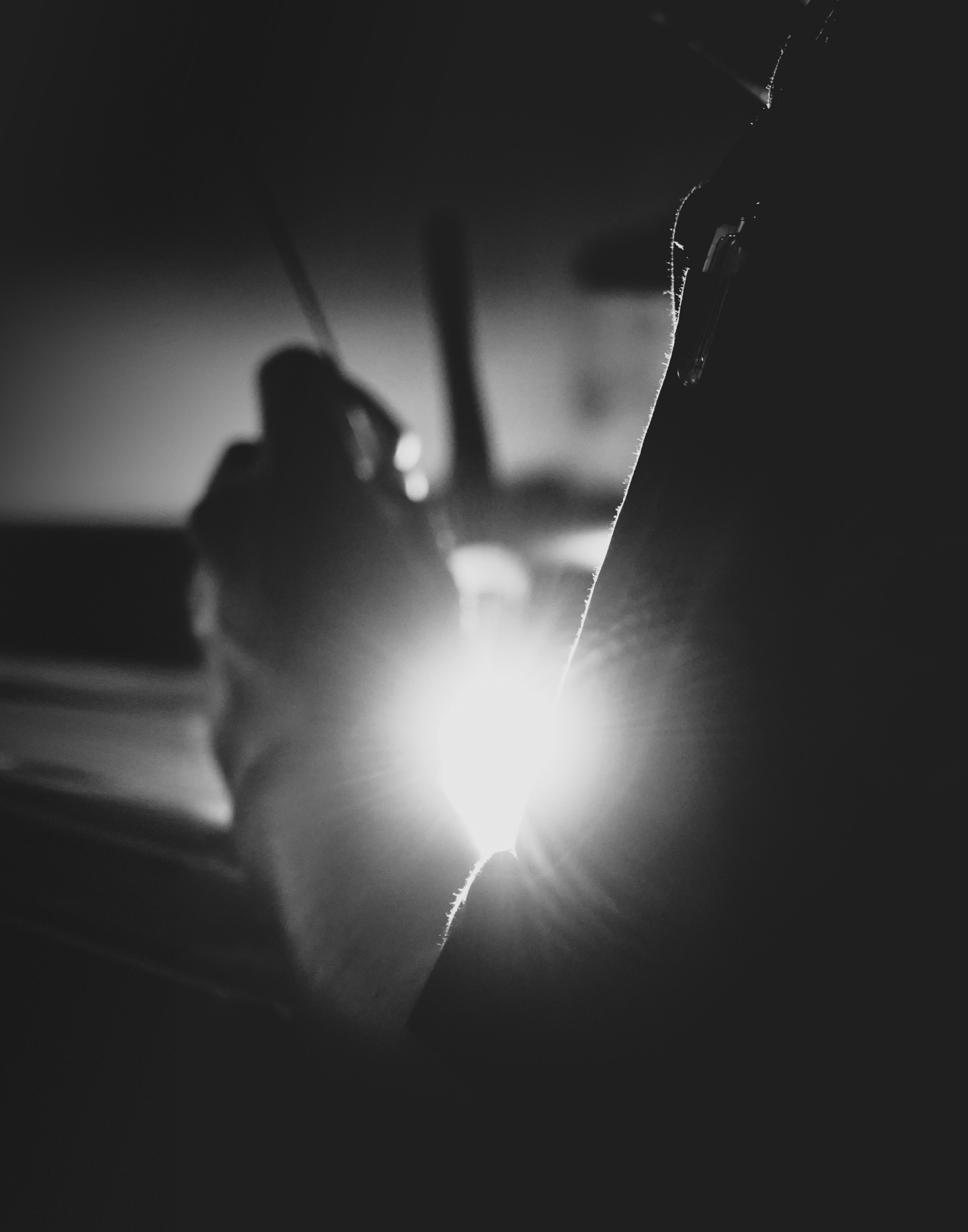
GRI 2-5... Sebastian Reich Consult GmbH/RKDS Partners assisted in the preparation of this report and the associated internal processes related to the materiality analysis, sustainability strategy, management approach and generation of data. The report was not subject to third-party audit.

Editorial notes:

The copy deadline for this report was 30. September 2023.

System limitations:

The key financial indicators were calculated on the basis of the figures reported for the framass Kunststofftechnik GmbH as presented on page 41.



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