

A close-up photograph of a person operating a green tractor. The person is wearing light blue denim jeans and dark green Dunlop safety boots. The boots have a red circular logo on the side and a white label with the Dunlop logo and the text 'DUNLOP F11200' and 'EN ISO 20345:2011'. The tractor is green and has a yellow pedal. The background is slightly blurred, showing the interior of the tractor.

SUSTAINABILITY REPORT 2020



We are ALWAYS pushing forwards to ensure that you, the world's makers and doers, ALWAYS get home safely.



**1 BILLION
Working Heroes**

The best a PRO can get. Always DUNLOP.

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MESSAGE FROM OUR CEO

Arthur van Bentem

I have always believed that every journey worth taking starts with a single step, and as I look back, I am proud of the steps we have taken to build on our 130-year history.

My first step as CEO has been to enable a growth mindset at Dunlop and empower this talented team to expand the boundaries of what is possible. We started by reconfirming our values and principles around the theme 'growing together sustainably'. With this fresh focus, we took a look at where we want the Dunlop brand to be. We made a bold promise regarding sustainability and reducing our carbon footprint by 50% by 2025 on our way to becoming a fully circular company.

The next step took us to the professional who relies on Dunlop Protective Footwear every day to get the job done and get home safely.

We aligned on an innovation program to provide new products and services based on a robust innovation pipeline.

“I am proud of the steps we have taken to build on our 130-year history.”

We launched a ReBoot© program to help our B2B customers lower their total costs, improve sustainability, and increase worker safety and productivity. We also just opened the doors to the ‘Dunlop Slips, Trips & Falls Center’ and ‘Dunlop SMART Lab’ with the goal of eliminating preventable workplace accidents through innovation.

In addition to these steps, in the next year you will see us take steps to re-invent our digital approach to the market in both the B2C and B2B channels, re-image our route to market, and continue to expand the power of Dunlop Purofort® boots into new markets across the globe.

We are excited about these first steps, and what we are about to learn along the way will ensure that our next 130 years are even more exciting than our first. We hope you’re ready to put your boots on and go to work with us!

Raalte, February 2021

A.A.J.M. van Benthem MBA

YEARS OF
EXCELLENCE

130

DUNLOP BY NUMBERS

Our strategy is simple: empower the makers and doers of the world to get the job done, and most importantly, ALWAYS help them get home safely.

That's why we're ALWAYS working to innovate our products and services to increase worker safety, lower the total cost of ownership, and help reduce the global workforce's carbon footprint.

After 130 years we know that to prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society.

That's why we're ALWAYS investing in our team, investing in the communities that we call home around the globe, and investing in operational, product and services innovations to reduce our eco-impact by 50% by 2025.

SNAPSHOT

Netherlands
HEADQUARTERS

USA, Portugal & Netherlands
MANUFACTURING

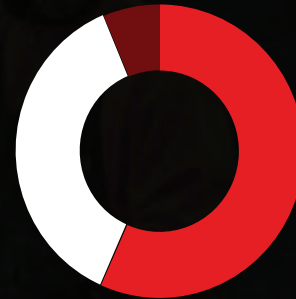
EQT
OWNERSHIP

500+
EMPLOYEES

GEOGRAPHIES

ROW

North
America



Europe

SUSTAINABILITY

-50% ECO-costs by 2025
CIRCULARITY

Quarterly
LIFE CYCLE ANALYSIS

100% Electricity
RENEWABLE

90% TO 100% IN 2021
CO2 NEUTRAL

12/17
SGDs IN FOCUS

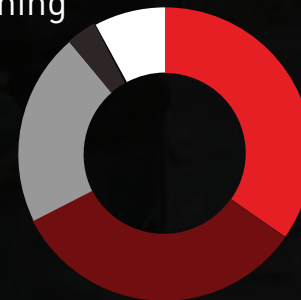
SEGMENTS

Oil, Gas
& Mining

Other

Industry

Food



Agriculture

MISSION STATEMENT

Why we do what we do

You're the world's makers and doers.
The power behind the economy.

The (re)builders, the growers,
the movers and the diggers.
We depend on you
for food and shelter,
roads and bridges,
warmth and energy,
safety and security.

Our world depends on you.
Day-in and day-out, you work with care and dedication.
That's why, day-in and day-out, we work for you.
By innovating to make the best products.
For you.

That's why we reinvented rubber
and made a boot out of Purofort®.
To give you the safety and comfort you deserve.
We salute you.






Watch the brand movie:







*Because you are **ALWAYS**
there to get the job done.*

Always **DUNLOP.**

We are Dunlop Protective Footwear
ALWAYS innovating what's next
ALWAYS rebooting our carbon boot print
ALWAYS leading the industry onwards
And ALWAYS pushing ourselves
each day with one simple purpose
to make sure the makers and doers of the world
ALWAYS get home safely

Our reason for being is to make the best work boots in the world for you.

INTRODUCTION

WHAT YOU SHOULD KNOW ABOUT US

We are Dunlop Protective Footwear, the world's leading manufacturer of protective footwear. In more than 50 countries worldwide, we provide comfortable and protective footwear for you, the workers in Agriculture & Fishery, Food processing, Industry and the Oil, Gas & Mining industry. Our continuous innovation combined with a solid dose of handcraft makes the best work boots in the world. Our aim: to give you the safety and comfort you deserve.

WHAT WE DO

At Dunlop, we design, develop and manufacture all of our high-quality waterproof boots ourselves. In this process, we depend on you. If you are a farmer, safety means something else than if you are a construction worker. Working in a food processing plant requires other footwear than working on an oil platform. We understand that. So we have developed our boots especially for each of you. We look at you, listen to you, and invest in continuous innovation, embracing original expertise with new technology. Our boots are characterized by comfort, innovation, and protection. We bring these three key features together to bring you unique, professional footwear that gives you the safety and comfort you deserve.

At Dunlop Protective Footwear, we design, develop and produce all our workplace safety boots in-house and, as such, can influence all processes from the start. At our in-house laboratories and test centers, our teams of engineers continuously work on new boot designs, making them lighter, more flexible, non-slip, durable and sustainable.

WHY WE DO WHAT WE DO

You are the one billion heroes who day-in and day-out provide us with food, shelter and energy. We depend on you. That's why we're always there for you, we won't rest until you are safe and secure wearing a pair of Dunlop boots. You are the reason we get out of bed in the morning, and that's why we salute you in our mission statement.

HOW WE DO WHAT WE DO

At Dunlop Protective Footwear, a number of quality and management systems guide our manufacturing processes. To guarantee quality, we're certified according to, amongst others, ISO and IATF standards and we collaborate with the world's leading safety organizations to ensure safe working environments for all worldwide.

No one has a higher quality standard than we do: from our innovative footwear to our processes, and most importantly, to make sure our own and the world's workforce get home safely after the job is done.



PURPOSE-DRIVEN

- Enable end-users
- Superior quality
- Innovation leader



OWNERSHIP

- Growth mindset
- Respons-able
- Take pride

TEAMWORK

- Ask questions
- Listen
- Celebrate

Always ONWARDS.

At Dunlop, our success has ALWAYS been driven by our relentless pursuit of innovation and by ensuring we empower the end-user and our team to get the job done safely.

AS A COMPANY WE ARE PURPOSE-DRIVEN

Everything we do is done to enable end-users.

Our products offer end-users superior quality.

We lead by example as the innovation leader.

AS INDIVIDUALS WE DEMONSTRATE OWNERSHIP

We have a growth mindset and learn from mistakes.

We are responsible for our actions.

We take pride in our work.

AS A TEAM WE COLLABORATE

We ask questions to learn from each other.

We listen and collaborate with each other to grow.

We celebrate our accomplishments together.

A legacy of and a relentless pursuit of innovation.

Always INNOVATING.

From the moment John Boyd Dunlop innovated the tire, allowing people to explore further than ever before, Dunlop Protective Footwear has been innovating the protective footwear industry, to help further our simple cause of keeping people safe.

For over a 130 years, we have strived to shape the future of the footwear industry, be it pioneering PVC boots at the turn of the 20th century, creating the first ever Purofort® boot, to launching the Hazmax boot to protect those brave enough to put their boots on and go to work in the harshest elements on the planet.

We are working on the next wave of innovation with new products, services and programs that extend beyond the boot. Our aim is to make our world a greener and safer space and continue to have Dunlop leading the industry onwards.







Always **GROWTH** **THROUGH INNOVATION.**

We are a growth company with a growth mindset, and we have a team of people pushing themselves forwards to fuel this growth through innovation. Our Full Potential Plan will see us doubling our business through innovation:

1. A new route to market
2. Opening new geographies
3. Launching innovative safety solutions beyond the boot
4. Launching new products
5. Always rebooting our carbon 'boot'-print
6. Growing together sustainably
7. Cut our ECO-costs in half

Our plan will double the business, but better yet, it will make the world's work force safer than ever, and help reduce their and our carbon 'boot'-print.



 **DUNLOP**
FieldPRO



EN ISO 20347:2012 04 FO CI SRC

***“Working to help achieve
a better and more sustainable
future for all.”***

SUSTAINABLE DEVELOPMENT GOALS & GLOBAL COMPACT

DUNLOP AND THE SUSTAINABLE DEVELOPMENT GOALS

At Dunlop, we fully underwrite the 17 Sustainable Development Goals put forward by the United Nations General Assembly in 2015. Each of these 17 interlinked, global goals highlights a pressing issue that needs to be addressed in order to “achieve a better and more sustainable future for all”¹. Together, they are intended to stimulate substantial improvements in future conditions by 2030 in three domains: Planet, i.e., good for the environment, People, i.e., social well-being, and Prosperity, i.e., long-term wealth and welfare for all.

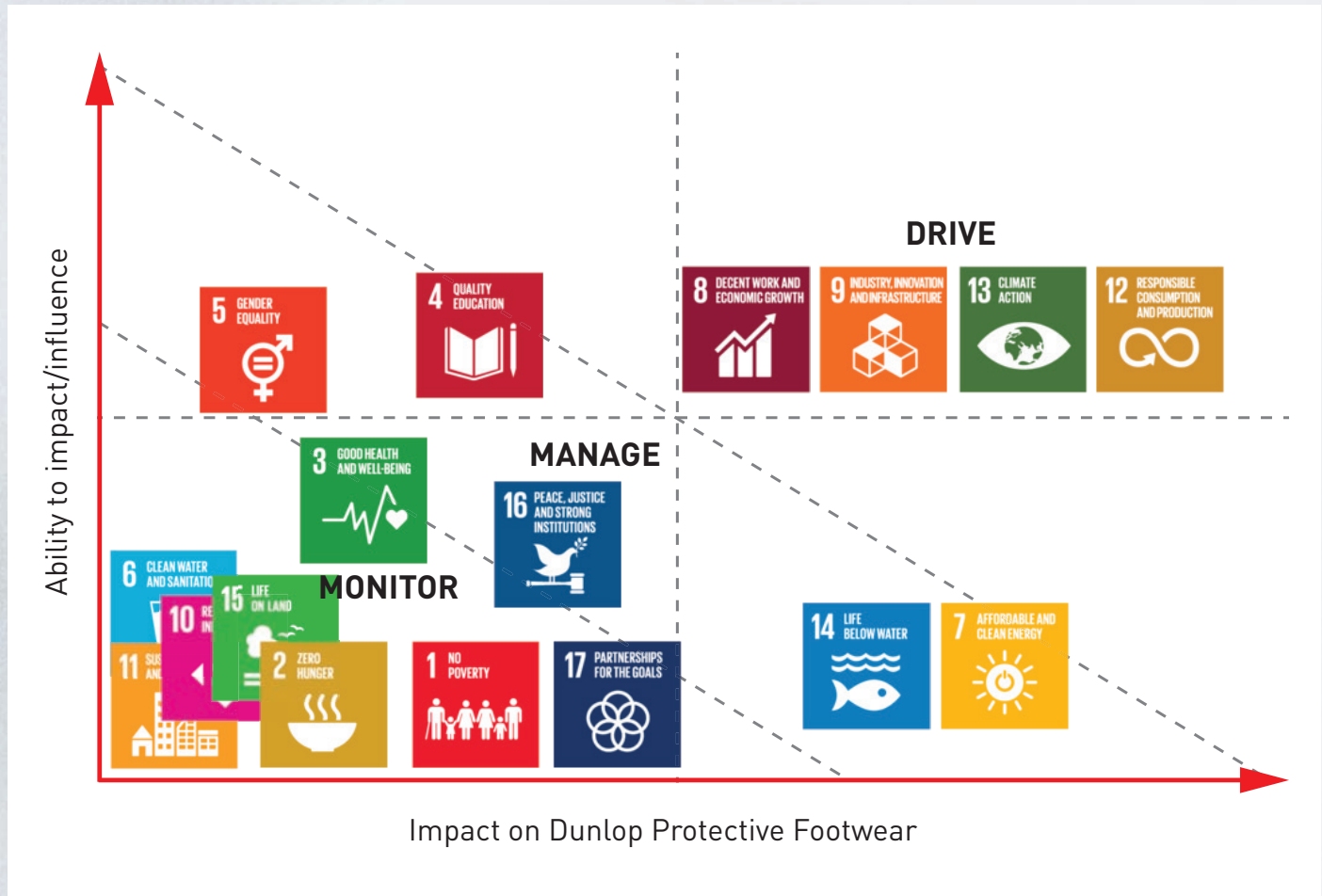
Although, in principle, Dunlop endorses all of the goals equally, it is clear that each of them affects our organization differently and that our level of influence and potential impact will vary across these 17 goals.

¹ www.un.org/sustainabledevelopment/sustainable-development-goals



DUNLOP MATERIALITY MATRIX

To determine how to best navigate these 17 SDGs, both from a backward-looking, reporting perspective and from a forward-looking, strategy perspective, Dunlop evaluates relevant aspects of the SDGs with key stakeholders. After this annual evaluation, the outcomes from our customers, employees, board members and management team are thoroughly discussed with our Board and plotted on a 2x2 Materiality Matrix. The resulting position for 2020-2021 of each of the 17 SDGs in the Materiality Matrix diagram shown below provides an overview of how our stakeholders view their priority with regard to reporting and the nature and intensity of future actions required to address them. It is this difficult but necessary ranking that guides all our programs for working towards a sustainable future for all.



DUNLOP AND THE GLOBAL COMPACT PRINCIPLES

Our Global Compact is linked to all 17 UN SDGs, with an emphasis on goals 1, 3, 4, 5, 8 and 16, as these are more directly oriented towards business. The ten Global Compact principles represent a non-binding United Nations pact to foster the adoption of sustainable and socially responsible policies by businesses worldwide and to report on their implementation.

In line with the commitment of Dunlop's parent company EQT, Dunlop strongly adheres to these principles. As such, the Global Compact principles are incorporated in our Code of Conduct, Ethical Guidelines and Data Privacy policy sections of our employee handbook. They are manifested throughout our company's approach to sustainability: our Materiality Matrix evaluation, our SCORE model for reviewing environmental impact, to the Dunlop 100% Circular and ReBoot© programs discussed in later chapters.

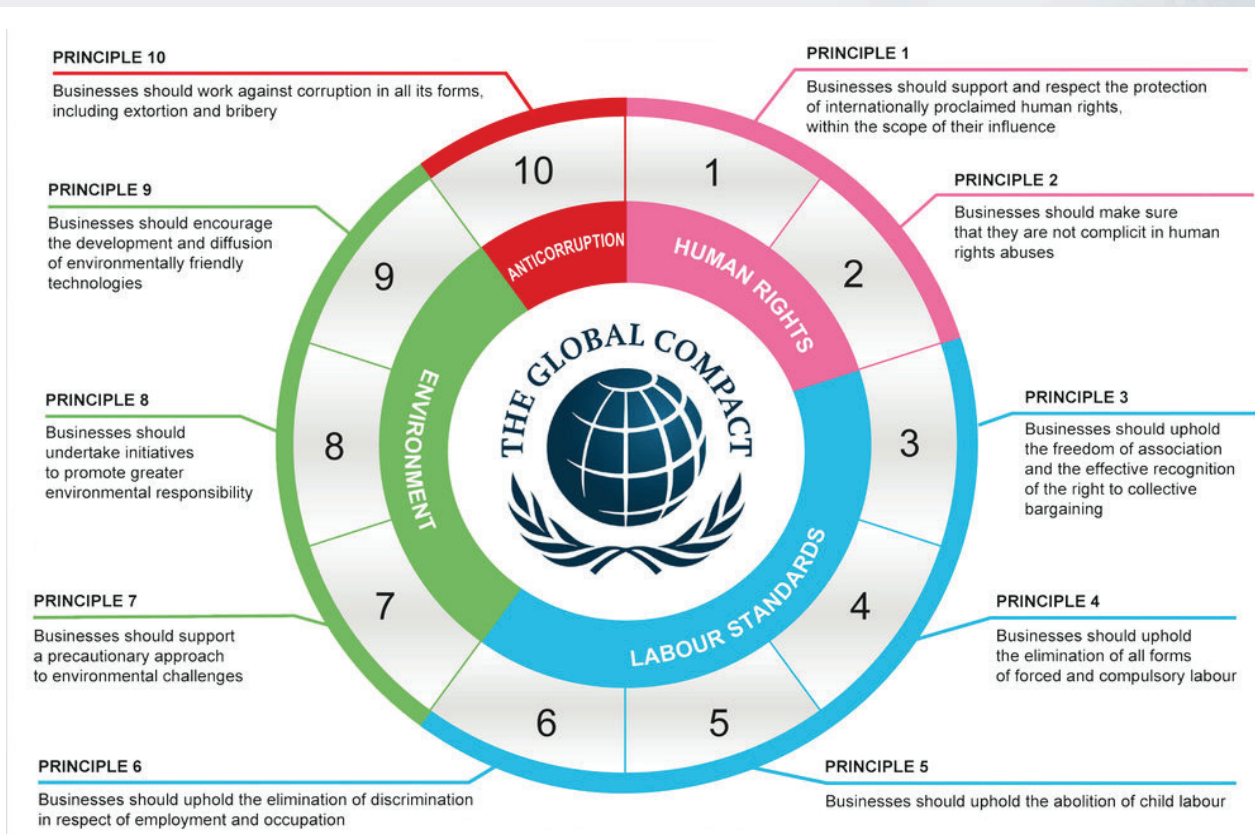


Image source: <https://globalcompact.se>



PEOPLE

To empower the makers and doers of the world to get the job done safely



PLANET

To reduce our ECO-costs by 50%



PROSPERITY

To enrich the communities that we call home around the world by permeating prosperity through growth and innovation



*To ALWAYS make the world
we live in and planet we
live on a better place.*

OUR JOURNEY TO BECOME 100% CIRCULAR

begins with the first step on the paths below:

ENERGY AND CLIMATE

To primarily produce near to market and use renewable energy to be carbon neutral.

RECOVERY & RECYCLING

Extend our zero-waste mindset from our production floor to the work site and beyond.

CIRCULAR SUPPLY CHAIN

Responsibly source sustainable materials and advocate our strong commitment to human rights and worker safety.

BOOTS AS A SERVICE

ReBoot© your footwear program that increases worker safety and enriches your sustainability program.

MATERIALS & SOURCING

Invest in innovating our Purofort® and PVC materials to reduce their ECO-cost by 50%.

PRODUCT LIFE EXTENSION

Product innovation that extends the life of our boots and enhances wearers' health and safety.



MESSAGE FROM OUR COO

Albert Weier

Looking back, it pleases me to see how far we have managed to come in our efforts towards a 100% circular Dunlop. Although at Dunlop, we've always strived to work as safely and cleanly as possible, our relatively recent exploration of, and commitment to, circularity has really shifted things into higher gear as you will see in the following pages. Don't get me wrong, I am not saying that we are there yet; we still have quite a way to go. But if you look at the different initiatives that have been successfully set in motion already, you can surely sense the larger circular potential within Dunlop. At the start of our journey towards circularity, we have mapped and analyzed the full lifecycle of our products to gain insights into where in the value chain added economic value is lost and where eco-impact, i.e., a negative effect on the environment, is created. We now know where best to start with our interventions, and which need to come next and which come after that. In addition to this roadmap, we have also created a measurement and monitoring system that allows us to keep track of improvements in our level of circularity as a result of everything we try and do, on a monthly basis.

“Many opportunities for eco-impact reduction are hiding in plain sight in the later stages of the product lifecycle.”

As with practically any manufacturing company, at Dunlop, operations is the part of the organization where energy and raw materials actually meet and where, as a result, our eco-impact appears most tangible. It may surprise you, however, how many opportunities for eco-impact reduction are hiding in plain sight in the later stages of the product lifecycle, such as premature or uncontrolled disposal without recovery, especially once you know how and where to look.

In the past year, we have made many changes to our manufacturing operations that substantially contribute to reducing eco-impact. With regard to our energy consumption, for example, by switching to renewable energy we achieved a 100% reduction in our emissions compared to 2019. Our circular analysis and resulting roadmap indicate there certainly are also substantial gains to be made in the materials department of our production process, but these are more challenging. For one, we have developed a process that enables us to reuse materials previously lost in the manufacturing process in the soles of our boots. However, switching from one material to another, with the aim of reducing our eco-impact, is more complex than changing energy sources or reducing production waste: many of the functional advantages of our Dunlop boots stem from the unique properties of our proprietary Purofort® material. Should we change to a different type - or formula- of material with less eco-impact and a higher degree of recyclability, it's really important for us at Dunlop that the unique Purofort® properties are preserved. To achieve that, we've started the conversation with our material suppliers and invited them to help us solve this challenge. Things are currently underway and we see promising prospects for reducing our environmental footprint by using recyclable materials.

“As the largest manufacturer of boots, we have a responsibility to show leadership in our industry.”

THE WHY OF SUSTAINABILITY

At Dunlop, we feel strongly about sustainability being a priority and therefore we work hard to make it an integral part of our corporate culture. We do so for a number of very good reasons:

BECAUSE OF WHO WE ARE

It's in our DNA to care for our people, our planet and our profit. At Dunlop, we aim to be a Triple-P company and therefore we take the Sustainable Development Goals seriously. As the largest manufacturer of boots, we have a responsibility to show leadership in our industry. In the short term, every boot we make is there to protect people. But in the longer term, everything we do should also protect our planet.

BECAUSE OF THE NEXT 130 YEARS

Dunlop Protective Footwear has been around for more than 130 years. The time has come to decide what the next 130 years will look like. We want to be the company that actively develops solutions for high performance boots that will leave our planet a better place than it was before. Originally boots were made from natural rubber. We have improved the quality and functionality with our unique Purofort® innovation. We have drastically improved efficiency with the production of PVC boots. Now, the challenge is to minimize the impact of these Polyurethane and PVC products on our environment.

BECAUSE OF OUR SCALE

With three production locations in the Netherlands, Portugal and the United States of America, Dunlop manufactures and sells more than 150,000 pairs of boots every week. As an image, this is enough to fill up the Bernabeu football stadium in Madrid, so we really have to make sure that all of that Purofort® and PVC doesn't end up in our oceans, in landfills, or gets burnt. We believe that closing the loop for the materials in our supply chain is the Dunlop way forward.

BECAUSE AT HEART WE ARE DUTCH

Our sustainable objectives have been developed to have real impact; we're not doing this to make ourselves look good. Circularity and profitability can go hand in hand. The Dutch are known for not wasting a cent, therefore we don't want to let any of our precious materials go to waste; not in production and not after our boots have reached the end of their useful lifetime. Re-using and recycling used boots is not only good for the planet, it is common sense and it saves money!

BECAUSE CIRCULARITY IS A 'NEED-TO-HAVE'

There is a clear trend showing that non-sustainable products will eventually become obsolete. For the next generation, circularity is not just a 'nice to have' but a 'need to have'. If we want people to keep on buying our products, they must be sustainable. If we want to remain the preferred brand for our distributors, we must have a good answer to the question of how we deal with waste. If we want the most talented people to work for Dunlop, we have to be clear in our sustainability objectives. Finally, if we want to continue to be the leader in our markets, we must start the transition towards circularity today.

THE WHAT OF SUSTAINABILITY

For over 250 years, businesses built around physical products have operated in much the same 'take-make-waste' way, the world over. We aim to change that by taking these actions:

GAIN CONTROL OVER POST-USE WASTE

One of our greatest challenges is to find ways to regain control over our boots once users discard them as obsolete. We want to implement end-of-life programs and new solutions for the logistics of returning old boots. We intend to do this in close cooperation with our distributors, with customers and with retailers. Dunlop will create a system that will get both the Purofort® and the PVC boots back to our production facilities. Once there, we can disassemble them and re-use and recycle the various components.

IMPLEMENT NEW BUSINESS MODELS

We will build new types of relationships with our customers. Because discarded boots must return to our factories, it makes sense to investigate alternative business models in which ownership of boots may be replaced by access to the use of boots. We will implement pilot programs to test these new business models. Our research into other industries that have replaced ownership by access has given us the confidence that we can prove that value is added and costs are reduced for our customers and ourselves.

INNOVATE PRODUCTS

Another major challenge is the question of how we can effectively re-use, re-purpose and recycle old boots. We are looking into various changes in the construction of our boots to allow for upgrading, efficient repairs or easy disassembly to maintain the value and manage obsolescence. Our aim is, of course, to do this cost effectively without compromising on quality.

INNOVATE PACKAGING

Our boots are delivered in packaging that ensures that they get to the user in perfect condition. Dunlop will develop alternatives for the plastics currently used in packaging. We will also ensure that every element in our packaging is made from biodegradable material and/or renewable resources. As packaging generally has a very short life-span, we may even try to find ways of giving packaging a second life.

RE-PURPOSING PUROFORT® AND PVC

We will be responsible for finding a new purpose for discarded boots. Purofort® is a material that cannot easily be re-used or recycled. However, we are determined to find valuable applications and technologies in which it can be used. This could perhaps be in our own boots, but there are likely to be other applications beyond our own industry. PVC, on the other hand, can be recycled effectively and there are many opportunities to re-use it in our own boots as well as in third party applications.

RESEARCH MATERIALS

The materials we use for our boots, Purofort® and PVC, are the most essential material resources. They have a great impact on many of our circularity key performance indicators (KPIs). Therefore we have started researching how we can re-cycle these materials in various ways. We are also looking into future alternatives for Purofort® and PVC that may have less of a footprint. Some current ideas are they should contain a large degree of recycled content, are biodegradable or made from renewable resources.

CREATION OF A HASSLE-FREE & CIRCULAR CUSTOMER JOURNEY

With our circular solutions, Dunlop will continue to offer customers and end-users the best possible products and the best possible service. We will ensure Reach compliance even though alternative material resources are used. We will make cost (of ownership) transparent even though business models may change. We will make sure all our stakeholders are rewarded for their efforts to close the loop. We will take a systemic approach to make something complex completely 'hassle-free' for our customers. The only thing they will then need to consider is the number of steps they take with our boots.

“Collaboration between all stakeholders is essential.”

THE HOW OF SUSTAINABILITY

At Dunlop, we firmly believe implementing sustainability is a team effort. We need to work with all our stakeholders to get to optimal solutions and, once we have found these, share our learnings with all our stakeholders. We can only achieve our objectives together:

THROUGH NEW SOLUTIONS FOR OUR PRODUCTS AND OUR CUSTOMERS

In our quest as a triple-P company we will take all kinds of measures. Of course we will make the transition to the use of green energy and electric vehicles for transportation. We will reduce water consumption and make sure it is clean when it leaves our factories.

But the core of this mission is to find answers to two fundamental questions. How can new solutions for our business-models in B2B and B2C support circularity? And, how should we innovate our products in Purofort® and PVC for a 100 % circular supply chain?

THROUGH COMMITMENT

Meeting our circular objectives is an ongoing journey. We will demonstrate leadership, showing the industry that Dunlop is committed to this journey - both in the short term and long term. We know there will be many obstacles to overcome and we will have to navigate some rough seas. Perhaps the exact destination is uncertain but our goals are clear: minimize emissions and minimize post-production waste as well as post-user waste. Dunlop is determined to change the 'take-make-waste' model of the industry into a closed loop system.

THROUGH COLLABORATION

Collaboration between all stakeholders is essential if we want to meet our objectives. Material suppliers, equipment manufacturers, distributors, retailers (both on-line and off-line), component manufacturers, customers, and end-users: all play a vital role in the co-creation and implementation of solutions. Benefits will be created for everyone who is willing to join us. We are looking for partners that want to get on board for the journey towards a closed loop supply chain for protective footwear.

THROUGH HARNESSING OUR CREATIVE POWER

We are determined to tap into all the creativity within Dunlop Protective Footwear. Every layer and every department of our organization contains a huge potential of ideas on how to improve our performance. We will ask everyone how we can make re-use, re-purpose and recycling possible. We believe this challenge will unleash a new kind of creativity. We will provide an enabling environment for everyone in our organization that will make circularity part of our DNA. It should offer guidance to everyone's day to day activities and we are convinced that this will help us meet other objectives like profit and growth.

THROUGH MEASURING AND MONITORING OUR PROGRESS

Dunlop has identified a set of key performance indicators (KPIs) to measure how close we are today to being a 100% circular company. With these, progress made at each of our production locations is assessed on an ongoing basis and, whenever possible, new learnings and best practices are adopted company-wide. We trust we are already on the right track, but comparing results continuously with our baseline metrics deepens our understanding of where in our processes the biggest gains can be found, and in that way help us to select and prioritize possible interventions. Monitoring these KPIs over time will enable us to keep track of the reductions achieved and total impact made after implementing various solutions.

*Dunlop is creating
the workplace of tomorrow;
smarter, safer and more
productive than ever before.*

Always THINKING AHEAD.

SMART

RFID and Sensor technology which identifies risks, hazards and manages product usage, upkeep & lifecycle.



PREVENTION

Customized 'Slips, Trips & Falls' reduction based on specific Flooring, Contamination and Usage conditions.



CIRCULAR

Energy recovery and/or recycling of materials from on-site collected used boots for use in new products.



BAAS

ReBoot©, a monthly subscription service which lets users swap used, recyclable safety boots for new ones.



THE WHERE OF SUSTAINABILITY

At Dunlop, we find it valuable to check our current position in respect to our plotted sustainable course towards 100% circularity and a sustainable future for all, both qualitatively and quantitatively. The qualitative perspective helps us determine whether we have addressed all the Sustainable Development Goals (SDGs) from the DRIVE and MANAGE regions of our 2020 Materiality Matrix (see page 22), whereas the quantitative perspective tells us to what extent we are or have been successful in addressing those goals.

QUALITATIVE ASSESSMENT

In the diagram on the facing page, we have mapped the SDGs from the DRIVE and MANAGE regions of the Materiality Matrix and the various initiatives and interventions discussed in the previous pages to our triple-P, or People, Planet and Prosperity, approach. As can be seen in the diagram, the initiatives and interventions implemented in 2020 address all of the SDGs from the DRIVE and MANAGE regions of our 2020 Materiality Matrix, with some of the SDGs, such as goal 8, Decent work and Economic Growth, and goal 9, Industry Innovation and Infrastructure, covered by multiple initiatives across different domains.

QUANTITATIVE ASSESSMENT

To determine to what extent we have been and are successful with our interventions, we make use of Global Reporting Initiative data tables (see page 44) in conjunction with a monitoring system with which we measure and calculate the reduction of our eco-impact as a result of our interventions. Our monitoring system provides us with almost real time data and is based on Life Cycle Assessment according to the ECO-cost methodology. In addition to CO₂e emissions, the ECO-cost methodology accounts for three additional aspects of eco-impact: Eco-toxicity, Human health and Resource Depletion, allowing us to make a more balanced evaluation of the eco-impact of our actions than more traditional approaches that focus on CO₂e emissions only.

Based on the information from our monitoring system, we have calculated that through our combined actions, such as switching the manufacturing processes in all our plants to renewable energy, we have managed to reduce our ECO-cost in 2020 by 6,7% as compared to 2019.

FUTURE OUTLOOK

For 2021, we expect our eco-impact to decrease even further as many of our circular programs only started in 2020 and have thus not come up to full capacity. As of 2021, we will also completely abandon the practice of landfill as a method for handling waste.

By April 2021, we expect to have the results of the EcoVadis sustainability rating, an assessment of Dunlop's environmental, social and ethical performance that will replace customer surveys and will help us monitor and further improve our performance in the domain of sustainability.

Qualitative Assessment



- Principles, values & behaviors
- Training
- Safety program



- Landfill free as of 2021
- Life Cycle Assessment-based monitoring
- ECO-cost multi-dimensional indicator
- 100% renewable energy



- NPS
- REBOOT
- SMART
- STF
- BAAS

ISO certifications

- ISO 9001 certified
- ISO 45001 & ISO 14001 by June 2021

ISO 9001

Quality Management Systems

ISO 14001

Environmental Management Systems

ISO 45001

Occupational Health and Safety Management Systems

AUDITING

EcoVadis - the world's most trusted sustainability rating

- Audit results in April 2021
- Rates Dunlop's Environmental, Social and Ethical performance
- Replaces customer surveys
- Helps to improve & monitor

ANNEX

“We hope you are as determined as we are to bring about sustainable change, and perhaps see opportunities to join forces with us.”

SUSTAINABILITY DEFINITIONS

We at Dunlop hope that by now you are as determined to bring about sustainable change in the world as we are, and perhaps see opportunities to join forces with us. As every business will encounter its own specific challenges, you'll most likely find yourself wanting to acquire additional information to help determine what your business' sustainability challenges and opportunities are. To support you in this quest, we have added a glossary of basic sustainability concepts and terms that we have found you are likely to encounter when navigating the countless online and offline publications. Some of these will already be familiar to you, others perhaps less so.

Audit: An audit is a systematic and documented process for obtaining evidence and evaluating it objectively to determine the extent to which predetermined criteria are fulfilled.

Bio-based: A bio-based material is a material intentionally made from substances derived from living (or once-living) organisms.

Bio-degradable: Bio-degradable materials can be decomposed by the action of living organisms, usually microbes, into water, carbon dioxide, and biomass. Biodegradable plastics are commonly produced with renewable raw materials, micro-organisms, petrochemicals, or combinations of all three.

CDP: The Climate Disclosure Project is an international non-profit organization which assesses and scores companies annually based on their performance in the areas of climate change, forestry, and water.

CO2e: The universal unit of measurement to indicate the global warming potential (GWP) of each greenhouse gas, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.

CSR: Corporate Social Responsibility refers to a form of corporate self-regulation in which a business embraces responsibility for its actions and encourages positive economic, social and environmental impacts through its activities on the environment, consumers, employees, supply chain, communities, and other stakeholders.

ECO-costs: ECO-costs are a measure for expressing the amount of environmental burden of a product on the basis of prevention of that burden. ECO-costs represent the costs (in Euros) that should be made to reduce the environmental pollution and materials depletion associated with a particular product or production process to a level that is in line with the carrying capacity of our Earth.

Eco-design: Eco-design refers to the use of specific product design principles with the aim of minimizing the negative environmental impact of products. Examples include product manufacturing that requires less energy and resource consumption, use of more durable materials to extend product lifespan, or designing products that are easily disassembled to promote recycling when the product is no longer in use.

Emission factor: A factor that converts activity data into GHG emissions data (e.g., kg CO2e emitted per liter of fuel consumed, kg CO2e emitted per kilometer traveled, etc.).

EPR: Extended Producer Responsibility is a policy approach under which producers are given a significant responsibility – financial and/or physical – for the treatment or disposal of post-consumer products.

ESG: Environmental, Social, and Governance refers to the three central factors in measuring the sustainability and societal impact of a company or business.

External assessor: An external assessor is an organization that analyzes corporate sustainability work and provides a score or rating. Examples include CDP, MSCI, ISS, and Sustainalytics.

GHG emissions: Greenhouse gas emissions refer to the six greenhouse gases covered by the UNFCCC Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).

GHG inventory: A quantified list of an organization's GHG emissions and sources.

GHG Protocol: The Greenhouse Gas Protocol is the most widely used international accounting tool for government and business leaders to understand, quantify, and manage greenhouse gas emissions.

GRI: The Global Reporting Initiative is an international and independent non-profit standards organization that provides a reporting framework for companies to communicate their impacts on sustainability issues such as climate change, human rights and corruption.

ISO: ISO refers to the International Organization for Standardization, which establishes requirements, specifications, and guidelines for a range of management standards. For example, the ISO 14000 standards for Environment, the ISO 9000 standards for Quality, and the ISO 45000 standards for Occupational Health and Safety.

LCA: A lifecycle assessment is a compilation and evaluation of the inputs, outputs, and the potential environmental impacts of a product throughout its lifetime. This comprehensive examination of environmental impacts throughout a product's lifetime includes raw material extraction, transportation, manufacturing, use, and disposal.

Paris Agreement: The Paris Agreement refers to a 2016 agreement within the United Nations Framework Convention on Climate Change (UNFCCC), which aims to limit the global average temperature increase to 1.5°C through greenhouse gas emissions mitigation, adaptation, and finance.

Renewable electricity: Renewable electricity refers to purchased electricity that is generated from renewable sources such as wind, hydro, or solar and/or is certified with a Renewable Energy Certificate (REC), Guarantee of Origin (GoO), or equivalent.

Renewable energy: Renewable energy refers more broadly to purchased fuel, heating, and electricity generated from renewable sources.

RoHS Directive: The Restriction on Hazardous Substances Directive is an EU regulation which bans the use of specific hazardous substances in electrical and electronic goods.

Scope 1 emissions: Scope 1 emissions are direct greenhouse gas emissions from owned or controlled sources. For example, the greenhouse gas emissions from fuel burned in a manufacturing facility or from diesel used in a company car.

Scope 2 emissions: Scope 2 emissions are indirect greenhouse emissions from the generation of purchased electricity, heating and cooling. For example, the greenhouse gas emissions from burning coal to create electricity used at a manufacturing site, or from burning natural gas to create heating used at an office.

Scope 3 emissions: Scope 3 emissions are all indirect greenhouse gas emissions (not included in scope 2) that occur in the value chain, including both upstream and downstream emissions. For example, the greenhouse gas emissions from raw materials and other goods from suppliers, purchased logistics services, business travel, product use, and employee commuting.

SDGs: The United Nations Sustainable Development Goals are 17 goals covering the sustainability areas of economy, environment, and society, providing a framework for companies to set targets to support these goals.

Supply chain: A network of organizations (e.g., manufacturers, wholesalers, distributors and retailers) involved in the production, delivery, and sale of a product to the consumer.

Tier 1 supplier: A supplier that provides or sells products directly to the reporting company. A tier 1 supplier is a company with which the reporting company has a purchase order for goods or services.

Tier 2 supplier: A supplier that provides or sells products directly to the reporting company's tier 1 supplier. A tier 2 supplier is a company with which the reporting company's tier 1 supplier has a purchase order for goods and services.

UN Global Compact: The United Nations Global Compact is an international and voluntary initiative that companies can join to support and report on 10 sustainability principles in the areas of human rights, labor, environment, and anti-corruption.

Value chain: A value chain refers to all of the upstream and downstream activities associated with the operations of the reporting company, including the purchased materials, logistics, use of sold products by consumers, and the end-of-life treatment of products after consumer use.

WEEE Directive: The Waste of Electrical and Electronic Equipment Directive is an EU legislation which requires the creation of collection systems where consumers return their waste free of charge and companies selling electronic goods pay fees to support such systems.

Sources: Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, Greenhouse Gas Protocol Corporate Value Chain (Scope3) Accounting and Reporting Standard, GRI Standards, Naturskydds-föreningen, Presidio University, USA EPA, Wikipedia.

GRI DATA TABLES FOR DUNLOP

The **Global Reporting Initiative** (known as **GRI**) is an international independent standards organization that helps businesses understand and communicate their impacts on issues such as climate change, human rights and corruption.

Topic	GRI code number	Topic specific disclosure	Total
FTE Gender	GRI 102-7	Total number of employees 31/12/2020 (FTE)	556
	GRI 405-1	Total number of female employees 31/12/20 (FTE)	191
	GRI 405-1	Total number of male employees 31/12/20 (FTE)	365
	GRI 405-1	% of women on 31/12/2020	34%
	GRI 405-1	% of men on 31/12/2020	66%
Origin	GRI 405-1	Number of Nationalities	19
Age	GRI 102-8	Age Population % 29 years and below	13%
	GRI 102-8	Age Population % 30-39	22%
	GRI 102-8	Age Population % 40-49	26%
	GRI 102-8	Age Population % 50-59	27%
	GRI 102-8	Age Population % 60 years and above	12%
General Management Team (GMT)	GRI 405-1	Number of women in GMT 31/12/2020 (FTE)	2
	GRI 405-11		
	GRI 102-22		
	GRI 405-1	% of women in GMT 31/12/2020	25%
	GRI 405-11		
	GRI 102-22		
	GRI 405-1	% of men in GMT 31/12/2020	6
	GRI 405-11		
GRI 102-22			
Occupational injury and accident	GRI 403-2	Number of workplace accidents with no lost time	13
	GRI 403-2	Number of workplace accidents with lost time	16
	GRI 403-2	Total number of lost days due to workplace accidents	263
Annual appraisal	GRI 404-3	Number of employees who completed the annual appraisal during the reporting period	516
	GRI 404-3	% of employees who have received an annual appraisal	100%
Vacation	GRI 404-3	Total number of vacation days that employees can take during the reporting period. i.e. holiday entitlement in the reporting period	10.456
	GRI 404-3	Total number of vacation days employees have taken during the reporting period	10.297
Training	GRI 404-1	Number of employees who have attended at least 1 training during the reporting period	359
	GRI 404-1	Total number of training hours attended by employees during the reporting period	5082
	GRI 404-1	Average number of training hours by employees who attended at least 1 training during the reporting period	14
	GRI 404-1	Average number of training hours by company employee during the reporting period	13
Social performance	GRI 102-41	Number of employees covered by collective bargaining agreements	129
	GRI 102-41	% of employees covered by collective bargaining agreements	25%

Topic	GRI code number	Topic specific disclosure	Total
Fair business practices	GRI 205-3	Number of breaches in ethical behavior policies	0
	GRI 205-2	Number of employees having participated in the annual on-line knowledge review on the Code of Conduct and ethical business behavior	as of 2021
	GRI 205-2	Number of employees having successfully completed the annual on-line knowledge review on the Code of Conduct and ethical business behaviour	as of 2021
	GRI 205-2	% of employees having successfully completed the annual on-line knowledge review on the Code of Conduct and ethical business behaviour	as of 2021
Energy consumption	GRI 302-1	Consumption of electricity (M. Kwh)	13,39
	GRI 302-1	Quantity of electricity from renewable sources (M. kWh)	3,36
	GRI 302-1	Consumption of natural gas for buildings (K. m3)	204
CO2 emissions	GRI 305-1	Total CO2 emissions scope 1 (tCO2e) – direct emissions controlled sources (heating)	385
	GRI 305-2	Total CO2 emissions scope 2 (tCO2e) – electricity	5.614
	GRI 305-3	Total CO2 emissions scope 3(tCO2e)	42.000
	GRI 305-1	Total CO2 emissions (tCO2e)	47.999
	GRI 305-2		
	GRI 305-3		
	GRI 305-4	Ratio of CO2 emissions per employee (scope 1 and 2) (t CO2e/employee)	10,79
GRI 305-2	% obsolete stock (obsolete stock/sold products)	0,34%	
Water	GRI 305-1	Quantity of water used (m3)	492,000

COLOPHON

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