

# CARE BEYOND SAFETY



Dunlop ESG Report March 2022



# ESG HIGHLIGHTS FOR 2021

Delivering on our Environmental, Social and Governance pledges



## MILESTONES TOWARDS BECOMING 100% CIRCULAR

- 11% Eco-cost reduction
- 90% emission reduction scope 1 & 2
- EcoVadis GOLD rating
- ISO 14001 certification (Environmental Management)
- Joined 'Science Based Targets initiative'



## MILESTONES TOWARDS MAXIMIZING WORKER SAFETY

- ISO 45001 certification (Health & Safety)
- 4 new safety products launched
- Opened 'Slips, Trips & Falls' Innovation Center
- Bespoke customer safety consulting through STF Innovation Center



## MILESTONES TOWARDS BEING THE BEST WE CAN BE

- Enhanced Purpose Statement and Dunlop Manifest 'Care beyond Safety'
- Implemented Sustainable Procurement Process
- Code of Conduct & Compliance certification for all office staff
- Dunlop 'Principles, Values & Behaviours' Program launched
- 'Blue Culture@Dunlop' Program launched
- Joined 'UN Global Compact'



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**COLOFON**  
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## MESSAGE FROM OUR CEO

Arthur van Benthem

**“Now, more than ever,  
it’s important to invest  
in the future we want.”**

Almost a quarter into the 21<sup>st</sup> century, we’re experiencing that many aspects of our world are coming under increasing pressure. This isn’t just limited to the world’s natural eco-systems, it extends into the very fabric of our society; business as usual is no longer a viable option. Now, more than ever, it’s important to invest in the future we want. We all have to do our part.

At Dunlop, that’s exactly what we’re doing. We’ve constantly increased our efforts over the last few years. Sustainability is an integral part of our strategy and we’ve made a public commitment to work hard to take things further and faster, always.

We’ve been working incredibly hard over the years to bring our business closer and closer to being the future-proof force for good we want it to be. And by that, I mean

implementing additional changes that reduce our eco-impact, and increasing our positive societal impact, so Dunlop will remain at the forefront of our industry with regard to Environment, Social and Governance.

And our labour has paid off. In this new 2022 ESG report, we would like to share the solid progress we’ve made in our ESG journey with you. ESG initiatives have always been part of the DNA of our 130-year old company. But now, more than ever, we feel compelled to make them an even more explicit part of our company’s strategy. If you look at the cover of this year’s ESG report, you’ll see our purpose: ‘Care beyond Safety’. This updated purpose is both a reflection and a constant reminder, or call to action if you want, of how we want Dunlop to contribute to our world. We want to go further than helping the world’s workers



and doers get safely through their working days; we want to safeguard and improve the quality of the natural world and the societies where they live and work.

**It’s our turn to do good.**

Raalte, March 2022

A.A.J.M. van Benthem, MScBA



# ABOUT DUNLOP

130 years at the leading edge of innovation

WHO WE ARE

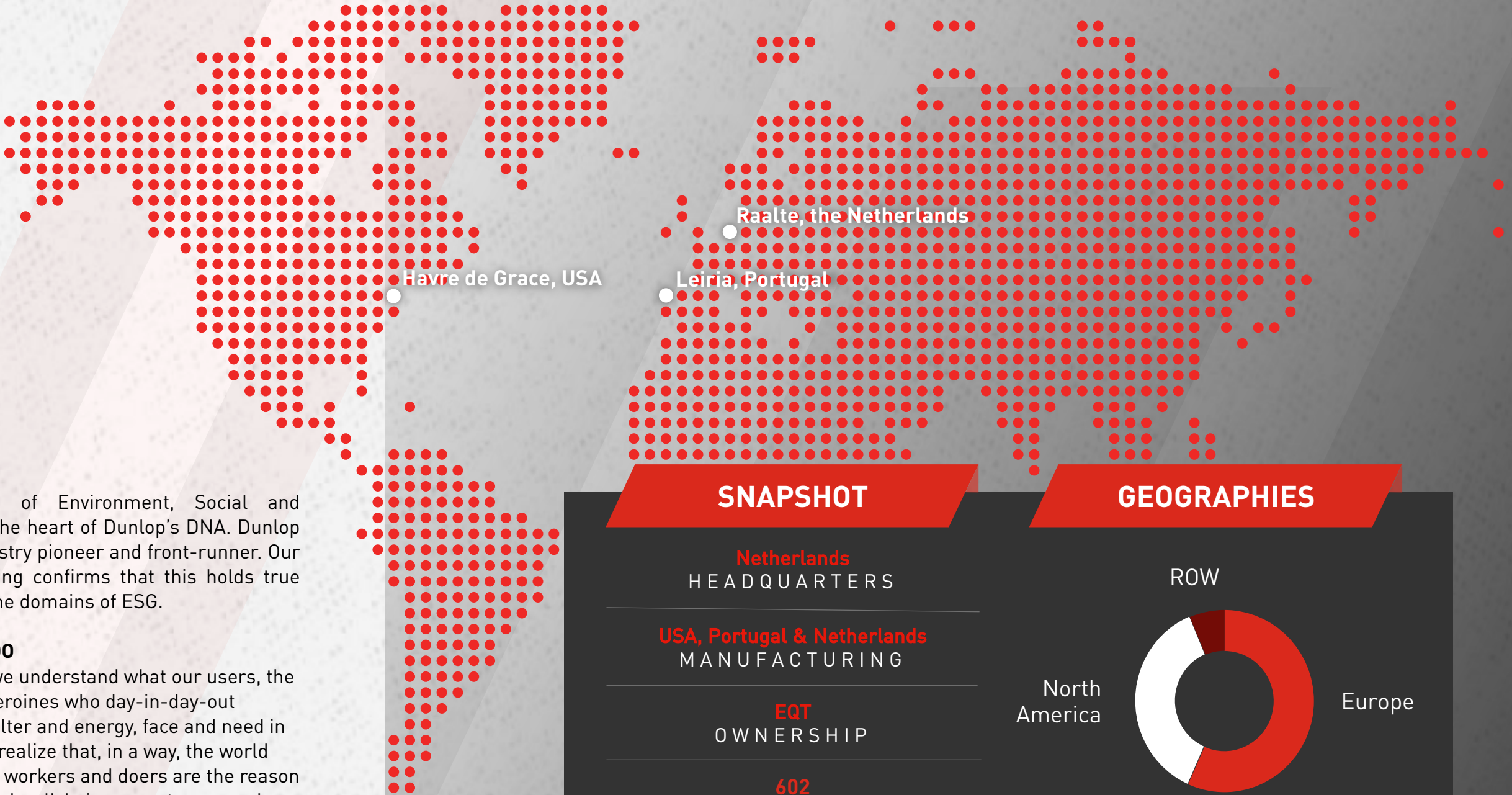
We are Dunlop Protective Footwear, the leading global manufacturer of protective footwear. In more than 50 countries worldwide, we provide safety-enhancing, comfortable and durable footwear for our users, the workers and the doers in Agriculture & Fishery, Food processing, Industry, Construction and the Oil, Gas & Mining industry. Our continuous innovation, based on end-user insight, and cutting-edge technology and data, makes for the best protective footwear in the world for the workers and doers in the segments we serve.

“Dunlop has always been an industry pioneer and front-runner. Our 2022 EcoVadis Gold rating confirms this holds true equally for our work in the domain of ESG”

Caring about matters of Environment, Social and Governance (ESG) is at the heart of Dunlop’s DNA. Dunlop has always been an industry pioneer and front-runner. Our 2022 EcoVadis Gold rating confirms that this holds true equally for our work in the domains of ESG.

WHY WE DO WHAT WE DO

Being doers ourselves, we understand what our users, the one billion heroes and heroines who day-in-day-out provide us with food, shelter and energy, face and need in their everyday work. We realize that, in a way, the world depends on them. These workers and doers are the reason we exist. As the safety and well-being experts, we are here to provide them with the best possible products and services. However, in our vision, our role doesn’t end there. The way we see it, we should not only focus on the safety of makers and doers today, but take responsibility for the bigger challenges of tomorrow as well. That’s why we choose to take responsibility for the well-being of our co-workers, our customers, our partners and the planet. We want to make Dunlop a force for good using innovation, technology and action to ‘Care beyond Safety’. This is our purpose, this is what we stand for. For the doers outside of our organization, we achieve this through our products and the way we manufacture them. For doers inside our organization, we foster a work environment that’s safe, rewarding, and rich with opportunities for personal development and professional growth. You’ll find some of their stories throughout this report.



SNAPSHOT

Netherlands  
HEADQUARTERS

USA, Portugal & Netherlands  
MANUFACTURING

EQT  
OWNERSHIP

602  
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

9/17  
SGDs IN FOCUS

SEGMENTS

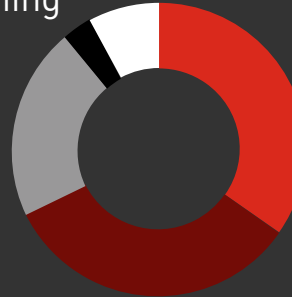
Oil, Gas & Mining

Other

Industry

Food

Agriculture





# Paula’s story

Not yet 30 years old and I was challenged to move from Sales to Logistics; so I did and managed it for so many years.

Along these years, Dunlop offered me so many opportunities involving travelling, projects, meeting customers across Europe, working with colleagues from different nationalities, enjoy wonderful ‘kickoff’ events, be part of a worldwide company that protects people! All that made me grow as a person and professionally.

Many years later, when I was again challenged to move back to Sales, once more, Dunlop offered me the best professional experience I have ever had and the opportunity to work on a beautiful area and with beautiful people.

If I had to summarize my feelings for Dunlop:  
A passion!

Paula Carriço  
Director of Sales, Portugal

## HOW WE DO WHAT WE DO

At Dunlop Protective Footwear, we aim to be the best we can be in everything we do. We do what we do in accordance with - and even exceeding - the highest applicable standards. To ensure the quality of our products and processes, we’ve put in place a number of quality, process and environmental management systems throughout our organization and, as a result, are certified according to - among other programs - ISO and IATF standards. No one has a higher standard for quality than we at Dunlop Protective Footwear do. We collaborate with the world’s leading safety organizations to ensure a safe working environment for all worldwide. Our high standards extend from our innovative footwear through to our process, but most importantly, we make sure the world’s workforce including our own gets home safe after their job is done.

## WHAT WE DO

We design, develop and manufacture all of our high-quality protective footwear ourselves. We focus on our end-user’s needs: to a farmer, safety means something else than to a construction builder. Working in a food processing plant requires other footwear than working on an oil platform. We understand that. So, we develop boots that are tailored to the task at hand. We actively engage with our customers and end-users and invest in continuous innovation, merging expertise with the latest technology. At Dunlop Protective Footwear, we design, develop and produce all our clients’ workplace safety boots in-house and, as such, can influence all processes from the outset. At our in-

house laboratories and test centers, our teams of engineers continuously work on new boot designs, making our boots even lighter as well as more flexible, non-slip, durable and sustainable. As a result, our innovative footwear delivers the highest degrees of comfort and protection available in the market.

“At Dunlop we aim to be the best we can be in everything we do.”



# CARE BEYOND SAFETY

Jessica Koortens - Global Brand Manager



Purpose is the strategic intersection between what a business does, the impact it has on people and society, and its ability to bring transformational change. Or, put more succinctly, it's the answer to the questions of why you get out of bed in the morning and why anyone should care. At Dunlop, we've put serious efforts into formulating an answer to these questions, in getting to the essence of our 'why'. And here's why.

Recent research has shown that, in our current day and age, it's no longer the government or NGO's that are seen by most people as the societal agents that are able to solve the many societal problems that we currently face. Rather, the majority of the people expect businesses to take on that important leadership role, to get us the results that we need. Increasingly, people express this view by buying or advocating brands from companies whose values and beliefs are in line with their own, or by working for one of them. Consumers, however, aren't the only people who try to act and make financial decisions that are in line with their core values and beliefs. Institutional investors invest in businesses whose values and beliefs they share. The vast majority of these investors subject ESG-related topics to the same scrutiny as operational and financial considerations. In light of these developments, it's hard to overestimate the importance of having a clear and heartfelt purpose as the basis for a business and brand.

We operate in an industry that by some may well be considered traditional, so making a difference may not have seemed that challenging. However, for us, that wasn't

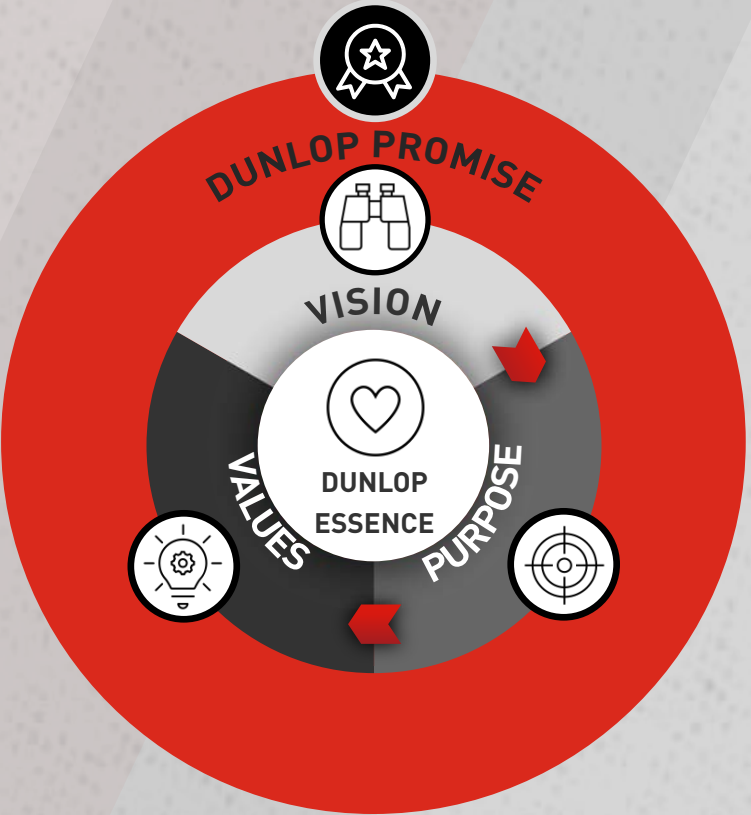
## DUNLOP ESSENCE: CARE BEYOND SAFETY

**OUR VISION:**

We believe we should not only focus on the safety of makers and doers today, but take responsibility for the bigger challenges of tomorrow as well.

**OUR VALUES:**

- Purpose driven
- Teamwork
- Ownership



**OUR PURPOSE:**

We use innovation, technology and action to Care beyond Safety.

enough. We don't merely want to stand out a little from the crowd; we want to step up to today's challenges to the max of our ability. We want to do this for our customers, our people, our business partners and, not least, our planet.

care for and help protect the world our workers, we, and our families, inhabit. That is the central belief behind our purpose 'Care beyond Safety'.

Examining our brand's DNA, we found continuous innovation in service of increasing worker safety to be at its core. Over the past 130 years, we've achieved a proven track record of putting technology in action to come up with better protective footwear solutions. We've been able to do this, because we ourselves are workers and doers. We understand what workers face and need in their everyday work. But we also realized that the future needs to be different from the past. It's no longer sufficient to limit the scope of our protective endeavours to the challenges of the job at hand; it's our responsibility as a 21<sup>st</sup> century company to address the major challenges that humanity currently faces. As we see it, we need to move beyond keeping the world's workers safe throughout their working day, and put our expertise as safety and well-being experts to work to

**“We don't merely want to stand out a little from the crowd; we want to step up to today's challenges to the max of our ability”**



# DUNLOP MANIFESTO



“We’re living in a time of great transition.  
In a way, all humanity is exploring new terrain.”

At Dunlop, we pride ourselves on our history of continuous innovation, bringing essential safety and maximum performance to the world’s makers and doers; those who solve the challenges of tomorrow.

We’re stepping up to provide safety where it’s needed the most with our unstoppable drive towards designing smarter boots with fewer slips, trips and falls, data-driven solutions, and 100% circular production.

We’re committed to care beyond the ask, far beyond safety. Care that extends to the well-being of our co-workers and our environment, making Dunlop the leader in our industry.

We’ve taken on the responsibility for keeping people safe as they carry out their important work, making the future a safe and exciting endeavour for all.”

**Dunlop. Care beyond Safety.**



# OUR APPROACH TO ESG GOALS

## ESG the Dunlop way: moving from global goals to ownable pledges

Most of us by now are familiar with the set of seventeen 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”. Together, they are intended to stimulate substantial improvements in future conditions by 2030 in the three ESG domains: Environment, Social and Governance. Although, in principle, Dunlop endorses all of the goals equally, we realize that each of these 17 goals affects our organization in a different manner, and that our level of influence and potential impact varies across these 17 goals. That is why we've gone through a process of determining and selecting those goals where we see our greatest potential impact, and turning these goals into what we consider to be ‘ownable’, and more importantly, ‘actionable’ pledges.

### MATERIALITY MATRIX

To determine which of the 17 Sustainable Development Goals (SDG's) we would need to focus our efforts on in order to maximize our potential impact, we've performed a Materiality analysis in conjunction with our key stakeholders. Together with our customers, our employees, Board members, and our management team, we assessed the 17 SDG's on their perceived relevance to, and potential for action by, Dunlop. Next, we've plotted the outcomes on a 2x2 Materiality Matrix. The resulting diagram shows the position for each of the 17 SDG's, and is

a visual representation of whether we consider a particular SDG to be ‘a goal to monitor’, ‘a goal to manage’, or ‘a goal to drive’. The four SDG's classified as ‘goals to drive’ are those where we think we can have the greatest impact. That is why they form the centerpiece of our sustainability strategy:

SDG 8: Decent Work and Economic growth

SDG 9: Industry Innovation and Infrastructure

SDG 12: Responsible Consumption and Production

SDG 13: Climate Action

### TURNING GLOBAL GOALS INTO OWNABLE PLEDGES

The 17 SDG's can be interpreted both as issues that need attention and action as well as desired end goals for those issues. They don't specify, however, how individual organizations can best take action to achieve them. That's why we at Dunlop have worked to tailor the four selected SDG's to our specific situation, viewing them through the lens of our purpose ‘Care beyond Safety’. This has resulted in three pledges that we feel have meaning in the context of our organization. We've moved from the existing ‘People, Planet & Profit’ perspective to the new ‘Environment, Social & Governance’ view on sustainability, and have formulated an environmental pledge, a social pledge and a governance pledge.

## MATERIALITY MATRIX 2021





NEXT MILESTONE TOWARDS OUR ENVIRONMENTAL PLEDGE

Reducing our Eco-cost by **50%** by 2025

NEXT MILESTONE TOWARDS OUR SAFETY PLEDGE

Reducing Slips, Trips & Falls for end-user companies by **25%**

NEXT MILESTONE TOWARDS OUR GOVERNANCE PLEDGE

**100%** suppliers committed to our sustainable procurement policy by 2025

**OUR ENVIRONMENTAL PLEDGE: BECOMING 100% CIRCULAR**

For our environmental pledge, we'll do all we can to become a 100% circular company. We're not yet sure whether this is completely achievable, but our strategy and everything we do is aimed at moving closer and closer to that ultimate goal.

To take 'Care beyond Safety' seriously, we must not only create products that keep workers safe during their working days, but we must also extend our efforts to ensure that these products are created and managed in such a way that we promote the workers' greater well-being and protect our shared natural environment.

The SDG's that we aim to address with our environmental pledge are goals 12: Responsible Consumption and Production, and 13: Climate Action.

To ensure our progress towards our long-term pledge in the short term and to help focus our actions, we've set milestones for each of our pledges. For our environmental pledge, the next milestone we want to achieve is a 50% reduction of our Eco-costs (an indicator for our environmental impact) by 2025.

**OUR SOCIAL PLEDGE: MAXIMIZING WORKER SAFETY**

Arriving at our social pledge proved more challenging. How can an organization that manufactures protective footwear







be most effective in promoting societal well-being? For us, our answer to that question came when we realized that we serve the workers and doers who, in turn, serve society. The most fitting way for us to contribute to societal well-being is to support these workers and doers that serve society the best we can. And, being workers and doers ourselves, this perspective on our social pledge also contributes to the well-being of our employees. Our social pledge is to promise to do all we can to maximize worker safety, inside and outside of our organization.

The SDG's that we address with our social pledge are goals 8: Decent Work and Economic Growth and 9: Industry Innovation and Infrastructure. The milestone set for our social, or rather, safety, pledge, is to reduce slips, trips and falls, i.e., workplace accidents, for end-user companies by 25%.

**OUR GOVERNANCE PLEDGE: BEING THE BEST WE CAN BE**  
Our third, governance, pledge pertains not only to how we function as an organizational structure, but also to how we interact with and the effect of our actions on our supply-chain organizations, both upstream and downstream. We've formulated our governance pledge, believing in leadership by example, as 'Being the Best We Can Be'. We cannot expect our supply-chain partners and customers to change their ways if we ourselves don't show them that it can be done or, at least, how hard we've tried. With our governance pledge, we touch upon all four selected SDG's as governance involves how we want to stand in the (natural) world and amidst our peers and employees.

Our governance pledge may also well be the most challenging, as we need support and commitment from our employees, supply-chain partners, and customers to achieve the goals we've committed to in our other pledges. However, in contrast to the other two pledges, we can't decide on support and commitment: we can only create the conditions for them to emerge.

The milestone we would like to achieve is to have 100% of our suppliers commit to our sustainable procurement policy that we developed and introduced in 2021.

**“We need support and commitment from our employees, supply-chain partners, and customers to achieve the goals we've committed to.”**



# TOWARDS BECOMING 100% CIRCULAR: OUR 2021 ACHIEVEMENTS

**Highlights: 11% reduction of Eco-cost, 90% reduction of scope 1 & 2 emissions, EcoVadis Gold rating, ISO 14001 certification and joining SBTi**

At the heart of Dunlop’s environmental pledge is our commitment to building a 100% circular value chain. Our business process doesn’t end after delivering our boots to our customers; in a way that’s also where it starts again. Ultimately, we want to take back every product we put out in the world after its useful lifetime and use as much of the reclaimed resources as we can to make new, superior quality, boots. Achieving this closed-loop, circular supply-chain is no small task. It requires research, innovation, action and cooperation on many different fronts. But we’ve been making solid progress.

**11% ECO-COST REDUCTION**

At Dunlop, we’ve chosen to use Eco-cost as an overall measure for our eco-impact. You can read more about the Eco-cost methodology and our reasons for selecting it later in this report (see: ‘Dunlop ESG metrics and certification’). In the past year, we’ve managed to reduce our Eco-costs by 11% - almost double our 2021 target!

**90% REDUCTION OF SCOPE 1 & 2 CO2e EMISSIONS**

By switching our factories over to 100% renewable electricity, we achieved a significant 90% reduction of our scope 1 & 2 emissions in 2021 compared to 2019. This means we’re getting close to operating as a CO2e neutral company.

**INTRODUCTION OF BIO-BASED MATERIALS**

After years of research and testing in close cooperation with our material suppliers, we finally reached the point where we feel confident that we can replace a substantial



part of the fossil-based raw materials with bio-based raw materials without compromising the superior quality of our boots. While the exact percentage of bio-based material varies slightly over the size range, on average we’ve introduced 30% bio-based material in a number of our product ranges. The first pilot with one of these novel product ranges, the bio-based FoodPRO, will start in the UK in the second quarter of 2022.

**ECOVADIS GOLD RATING**

When we communicate our environmental achievements, we want to do so knowing that our claims are solid and stand up to scrutiny. For this reason, we’ve asked EcoVadis to examine our processes, results and claims and to rank them according to their assessment methodology. This is discussed in more detail later in this report (see ‘Dunlop ESG metrics and certifications’). We were assessed by



EcoVadis with a Gold rating. From an ESG perspective, this puts Dunlop in the top 5% of all companies assessed by EcoVadis worldwide.

**ISO 14001 CERTIFICATION**

Dunlop also was certified according to ISO 14001, the international standard that describes the framework for how an effective environmental management system should be set up. This certification is important to us because it confirms that the systems we’ve put in place to manage and guide us in our environmental pledge are sound. In addition, this means that our organizational, measurement and monitoring processes in the environmental domain conform to the international standard and that outcomes can thus be legitimately benchmarked against what other businesses achieve. Together with our ISO 9001 Quality Management

(re-)certification, and our ISO 45001 Health & Safety certification, we’ve built a strong structure for our - often interlinked - ESG activities.

**JOINING THE SCIENCE BASED TARGET INITIATIVE**

Dunlop has joined the Science Based Target initiative (SBTi). In addition to our own goal of reducing our Eco-costs (including toxicity and resource depletion and CO2 equivalent emissions) we’ve effectively committed to reduce our CO2 equivalent emissions to the levels needed to limit global warming to the 1.5°C agreed at the 2015 Paris Agreement. In concrete terms, this means that Dunlop has committed to reduce scope 1 and 2 GHG emissions by 95% by 2025 (2019 as base year). The SBTi is discussed further in the report (see: ‘Dunlop ESG metrics and certification’).

**SUSTAINABLE PROCUREMENT PROCESS IN PLACE**

Although from a process point of view this item ranks under ‘governance’, the rationale behind and content of the sustainable procurement process we’ve developed is largely driven by environmental considerations. As such, we feel that our achieving this target also has a place here as one of our 2021 achievements towards becoming 100% circular. Sharing our motivation for our environmental pledge and sharing our expertise on how to deliver on that pledge with our suppliers will allow them to reap the benefits of operating more sustainably and will help us to ultimately built a 100% circular supply-chain.



# MAXIMIZING WORKER SAFETY: OUR 2021 ACHIEVEMENTS

**Highlights: ISO 45001 certification, launch of 4 new safety products, Slips, Trips & Falls Innovation Center and bespoke customer safety consulting**

**At Dunlop, we see maximizing worker safety as the most effective way to contribute to the social component of ESG. Throughout our 130-year existence, we've been using innovation and technology to move forward and stay ahead of the competition, and we'll continue to do so to deliver on our promise of 'Care beyond Safety'. This approach has resulted in a number of safety innovations in 2021.**

**INTRODUCTION: PREVENTING SLIPS, TRIPS & FALLS**

Statistics show that the primary cause of workplace accidents are 'Slips, Trips & Falls' (STF). Some of these STF incidents result in injuries that heal with time, but a significant percentage of these accidents unfortunately result in disabling occupational injuries or even fatalities. STF come at great human (physical and emotional) suffering and economic (operation downtime) cost. As such, it is clear to us that one of the most important goals for maximizing worker safety is to find ways to reduce STF in the workplace.

**MATERIAL SCIENCE: NEW PRODUCT RANGE WITH SUPERIOR GRIP ON SEGMENT-SPECIFIC FLOORINGS**

Flooring material and contamination types are different for each of the multitude of scenarios in which our footwear is used. To reduce STF, we've developed materials that provide maximum grip and slip resistance for each scenario. Where the European standard only has two, our STF Innovation Center has at least sixteen combinations of conditions for which this is tested. Whether the flooring surface is metal plates, ceramic tiles or epoxy compound,

with the help of applied material science and scenario-specific testing protocols, we've redesigned our entire product portfolio to provide maximum slip resistance in all situations. As a result, all our boots conform to, or exceed, the SRC slip resistance standard, the world's most stringent standard. Many of these newly developed products have been introduced to the market in 2021, and we've a full pipeline of new launches for many years to come.

**GEOMETRY: SNUG FIT BOOTS AS THE NEW STANDARD**

In addition to material properties, the physical fit of a boot is of major importance to STF prevention. Heel slippage, for example, can lead to insecure footing which is especially dangerous in situations where workers are exposed to rough terrains and a dynamic workplace. Our proprietary 'Snug Fit' technology provides a secure and 'true-to-size' fit, preventing heel slippage and 'wobbly' boots. 2021 marks the first year of introductions that will continue for the years to come.

**STF INNOVATION CENTER**

In line with our commitment to reduce STF by 25%, we've set up our STF Innovation Center. This is the place where we concentrate our efforts to extend our knowledge on STF prevention, develop more refined testing procedures that allow us to innovate beyond the requirements of generic standards, and to work with our customers to provide them with advice on how they can best reduce STF in their specific settings.







**CUSTOMER CASES**

From our STF Innovation Center, we provide STF consultation to our customers. By mimicking customer environments by taking a specific customer flooring type and floor contamination, we can test and compare products to determine the safest solution. In 2021, we completed two successful cases and we are looking forward to many more bespoke STF reduction consulting projects. By working closely with our customers and examining the specific situations they encounter, we identify opportunities for reducing STF incidents and risks, and collect information that we then put to work to develop safety solutions for wide-scale implementation, benefitting all our customers worldwide.

**LEADERSHIP BY EXAMPLE**

For years, Dunlop has operated according to the ISO 9001 Quality Management standard. This year, we again achieved certification according to ISO 9001. New for us, however, is that we were also certified according to the ISO 14001 Environmental Management standard. Another first that we are really proud of, especially in light of our purpose ‘Care beyond Safety’, is that we’ve received certification for the ISO 45001 Health & Safety standard. To us, this is another indication that we are making real progress towards our pledge of maximizing worker safety.

But Dunlop’s involvement with standards goes beyond compliance and certification. We are a long standing member of the Dutch European standards committee (NEN) and more recently, based on our expertise, have

**“All our boots conform to, or exceed, the world’s most stringent standards for slip resistance.”**

initiated changes to the EN20345:2021 standard.

In preparation of sharing our expertise to improve worker safety in a wider, European, or even global, context, Dunlop became a member of the UK Slip Resistance Group and is currently in the process of joining the American Society for Testing and Materials (ASTM) and of joining CSA, a worldwide organization focussing on safety, ‘Social Good’ and sustainability.



# BEING THE BEST WE CAN BE: OUR 2021 ACHIEVEMENTS

**Highlights:** Enhanced purpose statement ‘Care beyond Safety’, sustainable procurement process, Code of Conduct and Compliance training program successfully completed by all office staff, launch of Dunlop’s ‘Principles, Values and Behaviour’ program, launch of ‘Blue Culture@Dunlop’ program, and joining of UN Global Compact

With our governance pledge, ‘Being the Best We Can Be’ we aim to foster and promote an inclusive, emotionally and physically safe, professionally stimulating and exemplary company culture. At its core, ‘Being the Best We Can Be’ is about individuals and their dreams, the Dunlop team and its ambitions, and about organizational integrity.

**INCLUSION AND DIVERSITY**

At Dunlop, we actively support and promote the full inclusion and participation of ‘differently abled’ people working at Raalte, the Netherlands (5 people), Leiria, Portugal (1 person) and Havre de Grace, United States of America (1 person) factories. We work with both internal and external job coaches to help them acclimate in, and contribute to, our organization. This form of support has proven to work so well for them and for us that they rarely, if ever, miss a day of work.

In addition, Dunlop is a so-called ‘second-chance employer’, providing people (presently 2 people) with a chance to work again after having served their time in jail or detention. This also has proven to be a win-win situation: the people involved are grateful and happy to contribute, and we as a company benefit from their excellent attendance and hard work.

**EQUAL OPPORTUNITY AND LEARNING & DEVELOPMENT**

Dunlop is an equal opportunity employer. We employ people based on merit. We want to have the best person in every job position we have to offer. And, if a promising candidate needs a stepping-stone to get there, such as learning a new

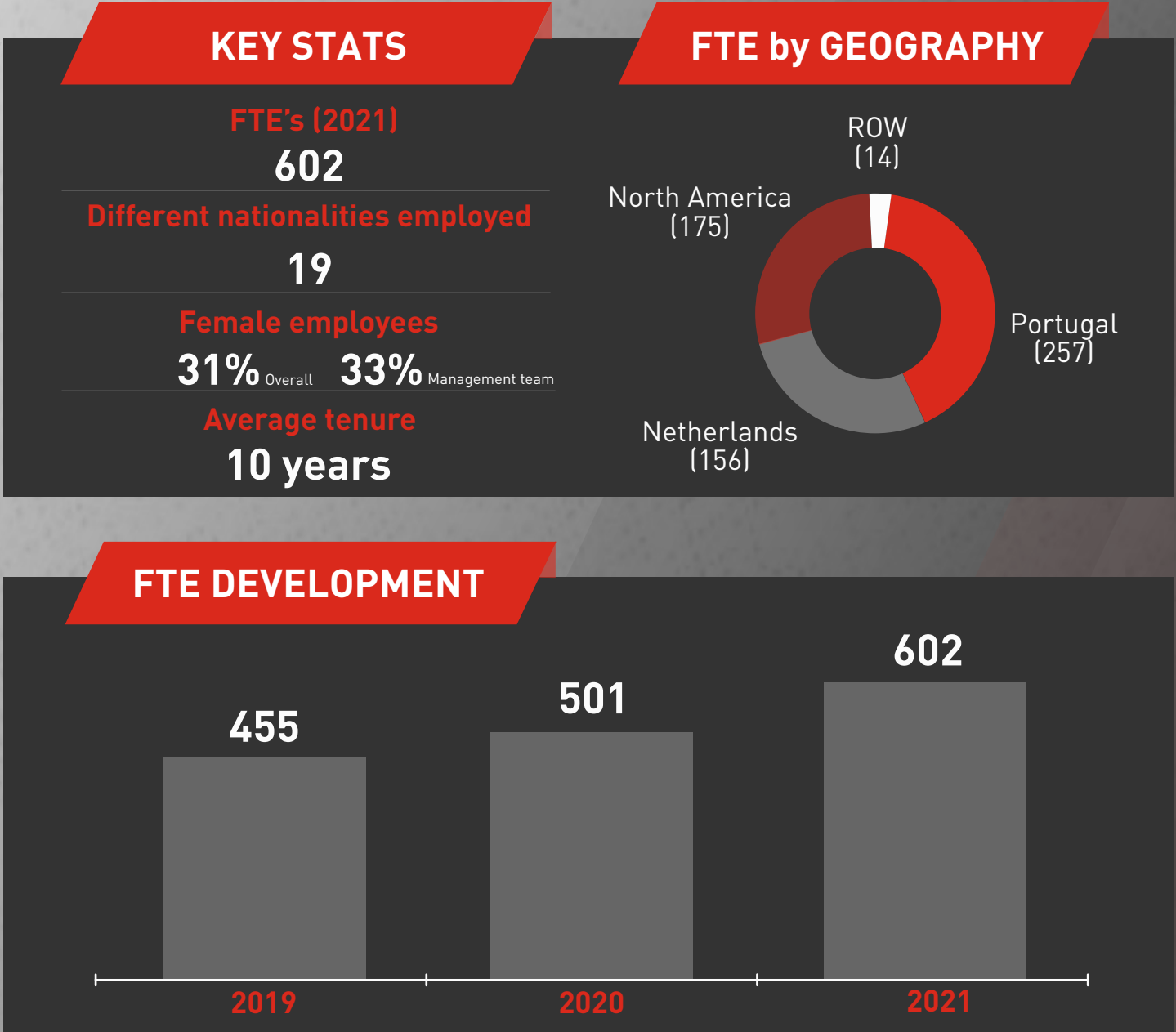
language in case of Syrian refugees, we go out of our way to provide it. This can be in the form of a Dutch or Portuguese language training course, but it doesn’t stop there. We also offer people opportunities to follow accredited operator studies, take part in university scholarship programs, and encourage them to participate in company-specific e-learning programs from an extensive ‘on-the-job’ training portfolio. When possible, we don’t hesitate to let talented people move forward to different and more challenging positions within our company (for example from Finishing to CSD, or from Injection to Innovation). We grow and learn together.

**HEALTH & SAFETY**

True to our purpose ‘Care beyond Safety’, we are committed to creating and maintaining a Dunlop work environment in which we go beyond safety. For good reasons, Dunlop is now ISO 14001 certified. Every day, our employees strive to prevent unsafe situations and create a shared safety awareness. This can literally save lives, like true heroes, which is why every period we select our very own ‘Safety Superhero’ - someone with an outstanding contribution to safety - and put them in the spotlight.

To help boost our vitality during Covid-times, a company-wide sports challenge was initiated via the STRAVA app, in which colleagues from all our factory locations participated in virtual teams to reach a specific goal, either by running, walking or cycling. This was a great and healthy way to help our employees not only keep up their physical condition, but also their spirit and motivation during the pandemic!

## EMPLOYEE OVERVIEW





# THE DUNLOP VALUES

## PURPOSE DRIVEN

- Enable end-users
- Superior quality
- Innovation leader



## OWNERSHIP

- Growth mindset
- Response-able
- Take pride

## TEAMWORK

- Ask Questions
- Listen
- Celebrate

### WE ARE A PURPOSE DRIVEN COMPANY

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've a growth mindset and learn from mistakes

We are response-able 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

As part of our Health & Safety policy, employees in Leiria (Portugal) have the opportunity to consult a company doctor - regardless of whether their health-related question or ailment is work related or not. Moreover, they are offered medical benefits with discount.

As we value taking pride in our work and celebrating accomplishments together, we investigated work engagement at Dunlop via an employee survey. An analysis of the responses showed positive results regarding our resilience, commitment, and work engagement.

### ANTI-HARRASSMENT, ANTI-DISCRIMINATION & ANTI-RETALIATION POLICY

Dunlop has a zero-tolerance policy when it comes to harassment, discrimination or retaliation. Any violation is taken seriously, and we have systems and guiding principles (Dunlop Employee Handbook) in place that assure the correct course of action is followed should a violation of our policy occur.

### TRAINING & REWARD PROGRAMS

All our office staff has completed 'Code of Conduct & Compliance' training program and received a certificate. In addition, to foster what we call 'humanistic encouraging behaviours' amongst our employees at all levels throughout our organisation, we set up two ongoing training programs, 'Principles, Values and Behaviours' and 'Blue Culture @ DUNLOP'. With these programs, we aim to inspire and empower our employees, including our management, to work together in an involved and

constructive manner, to be curious about what drives each of us, and to help develop and be willing to give and receive constructive feedback and compliments.

“We value taking pride in our work and celebrating accomplishments together.”





IT'S OUR TURN

TO DO GOOD



## DUNLOP ESG METRICS & CERTIFICATIONS

**Albert Weier - COO**

“Building on the Eco-cost methodology, we’ve developed a ‘dashboard’ that allows us to monitor our eco-impact almost in real time.”

**Dunlop has committed to the Science Based Targets initiative (SBTi) in line with the 2015 Paris Agreement to limit Global Warming to max 1.5°C. However, the SBTi initiative is but one of the many ways in which we at Dunlop take science and data as the departure points and benchmarks for our ESG activities.**

### MEASURING ECO-IMPACT: ECO-COST

When we started to seriously consider our eco-impact and ways to reduce it, the first question that entered our minds was how to measure and express our eco-impact in an objective and meaningful way. Many organizations adopt the emission of CO2 equivalents as their sole unit of measurement when determining the impact of their economic activities on the environment. Although CO2 equivalent emissions are, of course, an important measurement, they don’t paint the whole picture.

At Dunlop, we’ve therefore opted for the Eco-cost methodology developed at the Delft University of Technology in the Netherlands. There are two important characteristics that set the Eco-cost methodology apart from other approaches to determining the eco-impact of products over their entire lifecycle. Firstly, it is a prevention-based approach. With most other approaches, calculations are performed to determine the amount of damage that is done to the environment. What distinguishes the Eco-cost methodology from these other approaches is that the outcome (in Euros) represents prevention costs, i.e., the additional costs that an organization would need to take on in order to prevent the

eco-impact currently being caused by their economic activity. Secondly, the Eco-cost methodology not only considers the effects of CO2 equivalent emissions, but in addition it calculates the effects on human toxicity, eco-system toxicity, resource depletion, and fossil-based resource depletion. The latter are especially relevant in a circular economy context. As such, this methodology helps us develop a fuller picture of the effects of our actions and interventions.

Building on the Eco-cost methodology, we’ve mapped out our entire process and developed a ‘dashboard’ that allows us to monitor our eco-impact, almost in real-time. This helps us to identify ‘hotspots’, i.e., places in our process that cause the largest eco-impact, thus guiding future interventions. Moreover, it allows us to track whether these interventions have the intended effect over time.

### SCIENCE BASED TARGETS INITIATIVE

With our own system to measure and monitor the effects of our actions and interventions in place, we still felt we needed an additional compass to help us chart our course and align our interventions in the environmental realm. At present, SBTi is the global standard in terms of sustainability targets, and importantly, these standards are public to all stakeholders. Joining SBTi, that currently includes 1000 businesses world-wide, was a logical step for us as the initiative offers companies insights into and guidelines for calculating how much and how quickly they need to reduce their greenhouse gas (GHG) emissions to prevent the worst effects of climate change.





# Fadi’s story

My name is Fadi and I have been working at Dunlop since 2017. Through the municipality of Raalte, I started in the finishing department. After 6 months I got a permanent contract with Dunlop and started working in the injection department as an apprentice operator. I come from Syria and had trouble with the Dutch language. Dunlop started an in-house Dutch language course and because of this I learned Dutch well.

I want to get better at my job and have started with operator A training and have now obtained a NEN 3140 and my emergency response certificate.

Dunlop offers me many opportunities to develop myself and since October 2021 I have been an assistant shift leader. I am grateful to Dunlop for trusting me and the opportunities they give me to build a great career

**Fadi**  
Assistant Shift Leader, Raalte, the Netherlands  
(Translated from Dutch)

## ECOVADIS BUSINESS SUSTAINABILITY RATING SYSTEM

With a monitoring and measurement system in place and clear targets based both on our own ‘hotspots’ and the 2015 Paris Agreement, the logical next step for us was to select an independent institute to validate our ESG processes and methodology. This to ensure that we can be confident about our ESG approach before publishing its outcomes to the world. We selected EcoVadis, at present the world’s largest and most trusted provider of business sustainability ratings. Their sustainability ratings are not limited to environmental impact and take into account other aspect as well. The EcoVadis Sustainability Scorecard, for example, illustrates performance across 21 indicators in four main themes:

- 1. Environment
- 2. Labor & Human Rights
- 3. Ethics
- 4. Sustainable Procurement

An EcoVadis rating thus represents a comprehensive overview of an organization, viewing it as a whole, recognizing that it is virtually impossible to achieve progress in one area without accounting for other aspects. I believe this approach matches our vision and with the way we’ve formulated our purpose, ‘Care beyond Safety’.

“At Dunlop we take science and data as the departure points for our ESG activities.”

## INTERNATIONAL ORGANIZATION FOR STANDARDIZATION

Another source providing us with guiding principles for how to best run our business is the International Organization for Standardization, or ISO for short. Their international standards, or “formulas that describe the best way of doing something” as ISO put it on their website, cover a wide range of topics, ranging from quality management to health and safety issues. ISO quality management standards help organizations work more efficiently and reduce product failures, their environmental management standards help organizations reduce environmental impacts, reduce waste and be more sustainable, and their health and safety standards help reduce accidents in the workplace.





DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

### Global Reporting Initiative

GRI is an international independent standards organization that provides best practice standards for impact reporting. The GRI standards cover a wide array of topics ranging from biodiversity to waste and emissions. At present, GRI is the most widely adopted sustainability reporting standard.

Read more at: [www.globalreporting.org](http://www.globalreporting.org)



International  
Organization for  
Standardization

### International Organisation for Standardization

ISO standards are internationally agreed upon by experts and can be considered as "formulas that describe the best way of doing something". ISO standards cover a huge range of activities, such as making a product, delivering a service or supplying materials.

Read more at: [www.iso.org](http://www.iso.org)

### United Nations Global Compact

The UN Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. Their set of ten Global Compact Principles represents a non-binding pact to foster the adoption of sustainable and socially responsible policies by businesses worldwide and to report on their implementation.

Read more at: [www.unglobalcompact.org](http://www.unglobalcompact.org)

### Science Based Target initiative

The SBTi is an international partnership between CDP (formerly known as Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

The Science Base Targets initiative defines and promotes best practice in emissions reductions and net-zero targets in line with climate science and provides technical assistance, expert resources and independent validation to companies who set themselves science-based targets.

The SBTi is the lead partner of the Business Ambition for 1.5°C campaign.

Read more at [www.sciencebasedtargets.org](http://www.sciencebasedtargets.org)

ecovadis

### EcoVadis

Since its founding in 2007, EcoVadis has grown to become the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 90,000+ rated companies. The EcoVadis methodology is built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and ISO 26000, covering more than 200 spend categories and over 160 countries. The EcoVadis Sustainability Scorecard illustrates performance across 21 indicators in four main themes:

1. Environment
2. Labor & Human Rights
3. Ethics
4. Sustainable Procurement.

Read more at: [www.ecovadis.com](http://www.ecovadis.com)

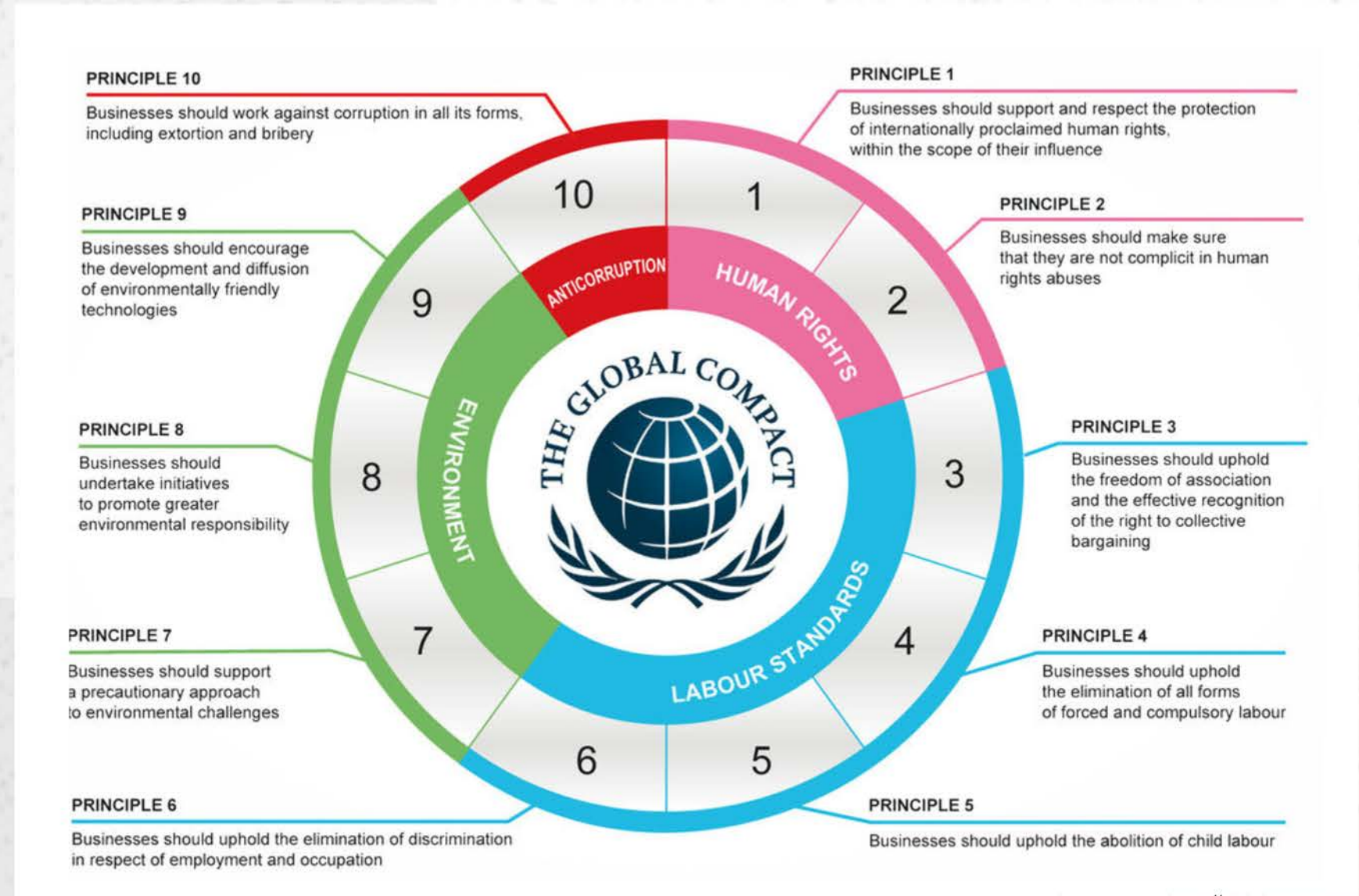


Image source: <https://globalcompact.se>

### UNITED NATIONS GLOBAL COMPACT PRINCIPLES

Another set of standards, or rather principles, that help us to give shape to our intentions is the UN Global Compact. This is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. Their set of ten Global Compact Principles represents a non-binding 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, our Ethical Guidelines and the Data Privacy policy sections of the Dunlop Employee Handbook.

### GLOBAL REPORTING INITIATIVE

The last organization from which Dunlop has adopted standards is the Global Reporting Initiative (GRI). GRI is an international independent standards organization that

provides best practice standards for impact reporting. At present, they are the most widely used sustainability reporting standard, covering a wide array of topics ranging from biodiversity to waste and emissions. By conforming to their standards, we offer insights into our sustainability achievements in the most transparent and comprehensive manner possible (See annex: 'GRI tables for Dunlop').

Working in accordance with all these standards gives us confidence that our progress towards our pledges is 'real', i.e., fully in line with the major globally accepted standards and systems of measurement.

I am proud of our ESG achievements in recent years and, no less importantly, pleased that the hard work of our people, together with our supply-chain partners, has found recognition in the form of our EcoVadis 2022 Gold rating.



## THE ROAD AHEAD

### Our 2022 plans for moving towards our pledges

**We've set ourselves a number of ambitious targets, some of which involve immediate, tangible outcomes, such as our products and services. Others will lay the foundations for ongoing developments that we trust will come to fruition in the near future. All, however, are aimed at securing a desirable long-term future, for us, for our stakeholders and for our planet.**

#### ENVIRONMENTAL TARGETS FOR 2022

Starting with Eco-costs, the overall indicator of our environmental footprint, we are aiming for a further 12% reduction in 2022 as compared to 2019. We are also working hard to change the material composition of more and more types of our boots, whilst maintaining their superior quality and properties.

The first project resulting in tangible products under this umbrella involves the market introduction of a series of new boots that include substantial percentages of bio-based materials, replacing conventional fossil-based, materials. We are careful to select bio-based materials that are not from resources in competition with human feedstocks. Rather, we focus on using left-over materials from agricultural production as the raw material for our boots. In the second quarter of 2022, we'll start a pilot in the UK with our new FoodPRO boot line that, depending on the size, contains an average of 30% bio-based material.

The second project involving actual products relates to our PVC boot lines. Towards the end of 2022, working in close cooperation with our suppliers, we'll have raised the

percentage of recycled PVC in selected models of our PVC boots to over 25%. In parallel to these product introductions, we'll continue working on several research projects, aimed at improving the composition of the materials we use in our boots from an environmental viewpoint, and modifying our production process in such a way that it results in boots with an even longer useful lifetime. Together with our suppliers, we'll continuously work to extend our knowledge of lower eco-impact materials to be confident about introducing low eco-impact boots to the market.

#### SOCIAL/SAFETY TARGETS FOR 2022

To achieve our goal of 25% reduction in Slips, Trips & Falls in the workplace for end-user companies and to deliver on the promise - embedded in our purpose statement - to care for worker health and safety in the workplace and beyond, we've set out a number of different initiatives for 2022. These range from advising customers on workplace safety interventions, to new product introductions and training programs.

The reason for this wide variety of initiatives is that we know that improving worker safety, health and well-being, both at our customers' organizations and at Dunlop, requires more than merely supplying them with the best boots. Much of what contributes to improved safety, health and well-being is virtually invisible, unless you know where and how to look for it. On average, companies see only 20% of incidents and potential safety risks on the work floor. So, in addition to upgrading our product portfolio by launching innovative

## Justyna's story

### My experience with Dunlop?

That is a story how to take a risk, change yourself and let myself grow. I moved to the Netherlands after I got my BA title in Poland. I have been collecting experience for a few years in other companies and then, in 2016 I have found a job here in Dunlop, Raalte. At first I was working via employment agency as a production worker on the finishing line. Later, my hard work was rewarded- I have received a contract with the company and I became a line leader. That was really a chance to grow, but also more responsibility! Dunlop gave me also an opportunity to improve my Dutch. Language course? By Dunlop- 'of course'! Lately there appeared another challenge for me - to work in the laboratory. Also here they gave me a possibility to get some experience.

I have decided to take all the chances that Dunlop gives. This company is really stimulating, rewarding and developing. So my advice is: take your chance!

Justyna

Line leader, Raalte, the Netherlands



“We’ll not only continue to improve on the material composition and fit of our boots, making them better than before, we’ll also make them smart.”

products all rated at, or exceeding, the highest slip resistance criteria (SRC), we’ll expand our work with our customers through our new STF Innovation Center. This is where we analyze workspace scenario’s specific to our customers and, based on our extensive experience and ever-increasing database, provide advice on products and procedures to make these workspace scenario’s as safe and healthy as they can be.

We’ll not only continue to improve on the material composition and fit of our boots, making them better than before, we’ll also make them smart. The planned introduction of our Smart boots in 2022 will allow for remote monitoring and analysis of workloads and worker posture and position. We believe this innovation can help prevent worker injuries and reduce slips, trips & falls, and we look forward to presenting the results of this exciting innovation next year. The knowledge we have and develop together with our customers through our work in the STF Innovation Center and trough data-driven research and development, will put us in a position to actively engage in the development of a new and improved global standard on STF prevention.

**GOVERNANCE TARGETS FOR 2022**

With regards to our 2022 governance targets, we’ll implement our sustainable procurement policy with even more suppliers in our supply-chain. We believe this is essential as it will not only help us to meet our goals, but will also inspire and help our supply-chain partners to drive sustainability initiatives in their respective companies.

At Dunlop, we’ll continue to support our employees in shaping their careers to help improve their professional and personal lives in 2022 and beyond. We aim to ensure that the ‘Blue Culture @ Dunlop’ program launched in 2021, will take further shape and take firm root in our organization.

**MOVING FORWARD WITH CONFIDENCE**

With our bio-based boots, Smart boots and other planned new product introductions, our plans for the STF Innovation Center, and our work with our supply-chain partners and with employees, we’ve an ESG agenda that is filled to the brim.

Looking back at what we’ve achieved, and adding the excitement and additional motivation provided by these minor and sometimes major successes, we can confidently move forward on our journey to become 100% circular, to maximize worker safety and to become the best we can be.

Because at Dunlop, we Care beyond Safety.





## Chris' story

My name is Chris Dalton, I have been a Dunlop Team Member since starting in 2008 at the age of 18. I was a new graduate from high school and had no clear path. By chance, I stumbled upon Dunlop. After applying, I was given the opportunity to be trained as an Operator on the night shift. My path was one of both personal and professional growth. We all laugh at how little I spoke to anyone in my first few years and now they probably wish I would be quiet sometimes. As for my professional growth, it was a fun journey to present date, after 3 years as an operator I achieved my first promotion to Floor Lead in PVC Injection. At 4 years another change to Assistant Supervisor again in PVC Injection. Life really changed when I was chosen to be the Assistant Supervisor PU8. This new role and Dunlop's belief in my ability allowed me the opportunity to visit Raalte in the Netherlands and learn first hand from my counterparts at the original PU manufacturing site and Dunlop's Headquarters. Since then I oversee PU Injection, Finishing, and Specialties on three shifts. After almost 14 years I am still just as proud today to be here and am very excited for the future!

Chris Dalton, Supervisor PU Injection, Finishing, and Specialties, Havre de Grace, USA

## ANNEX



# GRI DATA TABLES FOR DUNLOP

## A quantitative assessment of our Environmental, Social and Governance impact

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

The following tables lists Dunlop’s metrics for a large number of GRI topics and present a quantitative assessment of our impact on Environmental, Social and Governance topics.

Topic	GRI code number	Topic specific disclosure	Total
FTE Gender	GRI 102-7	Total number of employees 31/12/2021 (FTE)	602
	GRI 405-1	Total number of female employees 31/12/2021 (FTE)	184
	GRI 405-1	Total number of male employees 31/12/2021 (FTE)	418
	GRI 405-1	% of women on 31/12/2021	31%
	GRI 405-1	% of men on 31/12/2021	69%
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	21%
	GRI 102-8	Age population % 40-49	29%
	GRI 102-8	Age population % 50-59	27%
	GRI 102-8	Age population % 60 and above	10%
General Management Team (GMT)	GRI 405-1	Number of women in GMT 31/12/2021	3
	GRI 405-11		
	GRI 405-22		
	GRI 405-1	% of women in GMT 31/12/2021	33%
	GRI 405-11		
	GRI 405-22		
	GRI 405-1	Number of men in GMT 31/12/2021	6
	GRI 405-11		
	GRI 405-22		
	GRI 405-1	% of men in GMT 31/12/2021	66%
	GRI 405-11		
	GRI 405-22		
Occupational injury and accident	GRI 403-2	Number of workplace accidents with no lost time	17
	GRI 403-2	Number of workplace accidents with lost time	31
	GRI 403-2	Total number of lost days due to workplace accidents	664
Annual appraisal	GRI 404-3	Number of employees who completed the annual appraisal during the reporting period	602
	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	8.926
	GRI 404-3	Total number of vacation days that employees heve taken during the reporting period	8.279
Training	GRI 404-1	Number of employees who have attended at least 1 training during the reporting period	361
	GRI 404-1	Total number of training hours attended by employees during the reporting period	8.941
	GRI 404-1	Average number of training hours by employees who attended at least 1 training during the reporting period	25
	GRI 404-1	Average number of training hours by company employee during the reporting period	15



Topic	GRI code number	Topic specific disclosure	Total
Social performance	GRI 102-41	Number of employees covered by collective bargaining agreements	170
	GRI 102-41	% of employees covered by collective bargaining agreements	28%
Fair business practices	GRI 205-3	Number of breaches in ethical behaviour 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 behaviour	87
	GRI 205-2	Number of employees having successfully completed the annual on-line knowledge review on the Code of Conduct and ethical business behaviour	87
	GRI 205-2	% of employees having successfully completed the annual on-line knowledge review on the Code of Conduct and ethical business behaviour	100%
Energy consumption	GRI 302-1	Consumption of electricity [M.kWh]	14,81
	GRI 302-1	Quantity of electricity from renewable sources [M.kWh]	14,81
	GRI 302-1	Consumption of natural gas for buildings [K.m3]	290
CO2 emissions	GRI 305-1	Total CO2 emissions scope 1 [tCO2e] - direct emissions controlled sources (heating)	750
	GRI 305-2	Total CO2 emissions scope 2 [tCO2e] - electricity	173
	GRI 305-3	Total CO2 emissions scope 3 [tCO2e]	37.200
	GRI 305-1	Total CO2 emissions [tCO2e]	38.123
	GRI 305-2		
	GRI 305-3		
	GRI 305-4	Ratio of CO2 emissions per employee (scope 1&2) [tCO2e/employee]	1,53
	GRI 305-2	% Obsolete stock [obsolete stock/sold products]	0,03%
Water	GRI 305-1	Quantity of water used [m3]	4.206





[WWW.DUNLOPBOOTS.COM](http://WWW.DUNLOPBOOTS.COM)