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Our ambitions are crystal clear: we aim to annually reduce the Footprint of the ATAG Benelux organisation in line with the Paris Proof climate targets.

This requires a strong and sustainable strategy with clear guidelines. To promote and enable corporate social responsibility, initiatives are continuously being developed, in consultation with stakeholders, in the areas of People (social), Planet (environment) and Prosperity (economic).

In order to achieve our goals, we implement the United Nations' Sustainable Development Goals. The sustainability goals we set are subsequently concretised in a CSR dashboard. This allows us to monitor developments quarterly and to sustain our commitment to achieving our ambitions.

In March 2022, we officially obtained a level 3 CSR Performance Ladder certificate. This certification indicates that ATAG Benelux has a verified CSR management system in place that demonstrates our sustainable development concretely and objectively.

For social issues such as climate issues, the development of circular economy, the declining biodiversity, and good employment practices, we need to find practical solutions and to inspire and motivate our employees to make changes together.

Jeroen van Benthem

- CEO ATAG BENELUX

Over ATAG Benelux



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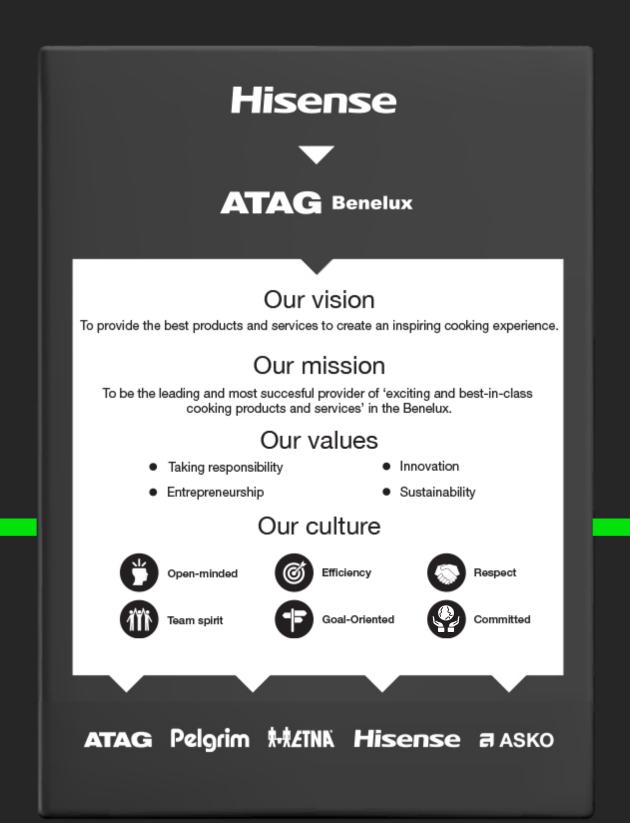
ATAG Benelux is a leading Dutch supplier of kitchen appliances and TVs with the brands ATAG, Pelgrim, ETNA, Hisense and ASKO. Brands with high levels of brand awareness, a long history and sincere, sustainable ambitions. Kitchen appliances and TVs are sold through kitchen and electrical specialist shops, electrical chains, online retailers and through the kitchen industry. In 2022, there were over 450 people employed at the Duiven site and 45 in Denderhoutem, Belgium.

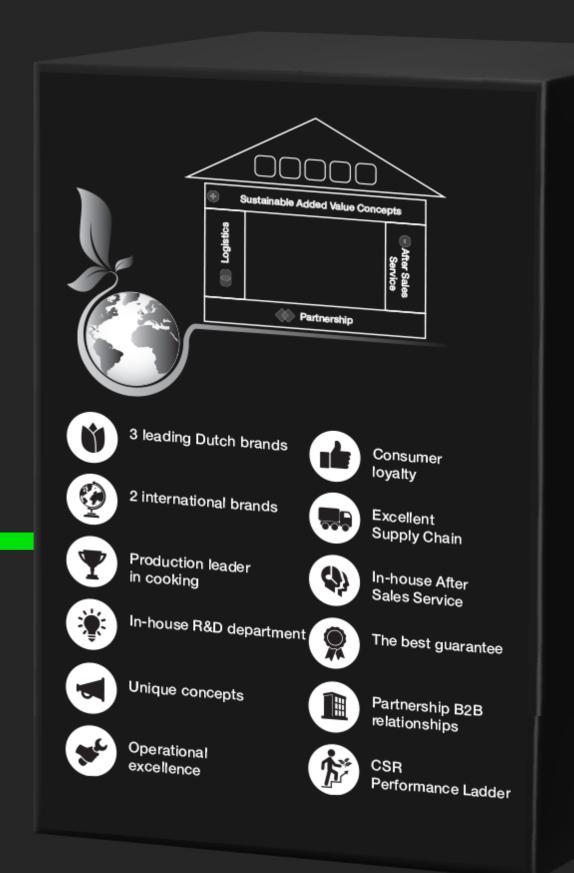
Since 2018, ATAG Benelux has been part of Hisense Group, a multinational company with annual sales of over €25 billion in 2022, and more than 90,000 employees in over 130 countries. Hisense Group has 15 R&D centres worldwide, one of which is the R&D centre at ATAG Benelux in Duiven. Through this R&D centre, ATAG Benelux can share and deploy its knowledge and experience in both cooking appliances and kitchen retail worldwide.

ATAG Benelux endorses the principles of corporate social responsibility. We therefore commit to such valuable and important principles as:

- Accountability: taking responsibility
 for the impact of our activities on
 the community, the economy and
 the environment;
- **Transparency**: being open about our decisions and activities that impact the community and the environment;
- Ethical behaviour: demonstrating ethical behaviour at all times with regard to corruption, bribery, conflicts of interest, intellectual property, money laundering and fraud, confidential information, information security and anti-competitive practices;
- Respect for human rights: respecting human rights and recognising both their importance and comprehensiveness.











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SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are 17 goals to make the world a better place. These have been agreed by the member states of the United Nations, including the Netherlands. ATAG Benelux endorses this and, based on the stakeholder analysis, has embraced five SDGs and incorporated them in its CSR policy.

SDG3 - GOOD EMPLOYEE HEALTH

In 2022, ATAG Benelux worked on SDG3, which focuses on good employee health and well-being, through People and Prosperity project initiatives. People are encouraged to take a walk outside and extra attention is paid to a healthy indoor climate.

De **5 doelstellingen** waarop op dit moment de focus ligt zijn:











CSR dashboard



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SDG7 - AFFORDABLE AND SUSTAINABLE ENERGY CONSUMPTION

SDG7 falls under Planet, where project initiatives have been developed to generate and use affordable and sustainable energy at various levels. In 2022, ATAG Benelux installed solar panels in Duiven, employees drive electric vehicles and new products use energy smartly.

SDG11 - SUSTAINABLE CITIES AND COMMUNITIES

Another important Sustainable
Development Goal is SDG11, which focuses
on sustainable cities and communities
through circularity and energy transition.
ATAG Benelux is working towards this
goal by promoting cooking on induction
hobs, instead of gas. By 2023, for example,
Pelgrim will be the first kitchen appliance
brand to say goodbye to gas hobs.

SDG12 - RESPONSIBLE CONSUMPTION AND PRODUCTION

To achieve responsible consumption and production, which falls under SDG12, ATAG Benelux ensures that products are repaired to extend their lifespan. It also researches the reuse of parts and materials.

SDG17 - PARTNERSHIP

Finally, ATAG Benelux has chosen SDG17, which involves making agreements with partners to work more sustainably. These include partnerships with the municipality, customers, material suppliers and recycling companies.

CSR dashboard

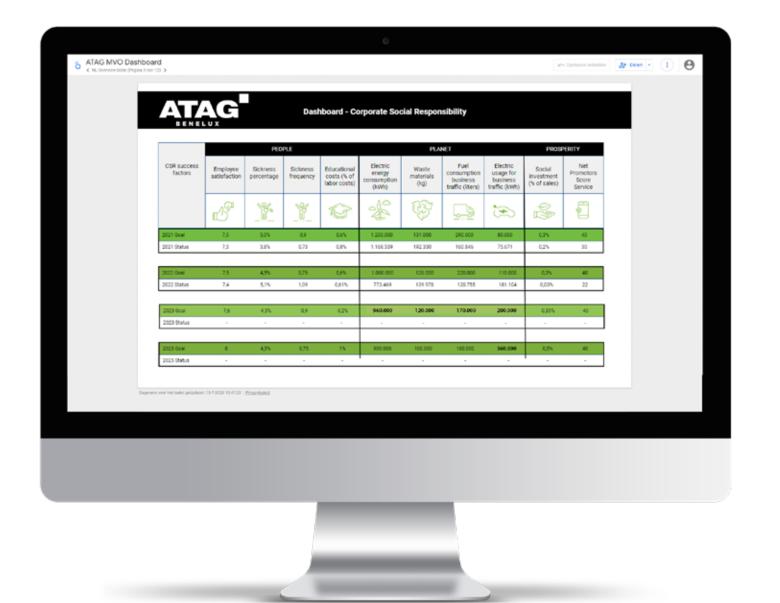




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CSR DASHBOARD

The 3 Ps (People, Planet and Prosperity) are broken down into sub-objectives, which can be viewed in the CSR dashboard. This dashboard always shows the current figure and the target for that year. It also shows at a glance what the objectives are for the coming years.



The **sub-objectives** are:

PEOPLE

- Employee satisfaction survey score
- Sickness absence (as %)
- Frequency of sickness absence
- Training costs incurred(as % of total labour costs)

PLANET

- Electric energy consumption (kWh)
- Residual waste (in kg)
- Fuel consumption commercial transport (in litres)
- Commercial transport (kWh)

PROSPERITY

- Social investments (as % of turnover)
- Net Promotor Score Service (NPS)



BACK TO THE OFFICE

Back to the office after the COVID-19 pandemic. Finally being able to see and talk to each other again in person, rather than online via Teams, and chat over coffee or in the corridors. All this contributes to good communication, a pleasant working atmosphere and bonding with the company and colleagues.

One of the things that has changed permanently is the emergence of hybrid working; workplaces both at home and in the office. Working from home, for example, can be very productive when something needs to be completed. This has the added advantage of less commuting time for employees and them using the car less often.

ATAG FIT: COLLEGIALITY & TEAM SPIRIT

Since 2020, the ATAG Fit Team has organised an annual virtual running or cycling activity to one of the branches of Hisense Europe Group. The challenge to run 1,034 km from Duiven to Lidköping, which started in December 2021, was achieved in March 2022. Over a period of 10 weeks a total of 24 teams (118 runners) covered more than 25,000 kilometres. Several former employees even took part. A new challenge was launched in 2022: the 'Walk2Valjevo' which entailed 146 participants, in 25 teams, virtually walking the 1,567 km from Duiven to Valjevo in Serbia in 12 weeks. Between them, they covered a total distance of more than 40,000 kilometres, the circumference of the world.



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MOOD INDICATOR

Throughout the year, the Mood Indicator provides insight into employee satisfaction on various topics. The overall employee satisfaction score in 2022 was 7.4 (2021: 7.3). The aim is to achieve a score of 7.5.

VACANCIES

The total number of FTEs rose again in 2022, mainly due to the sales growth. The growth has increased the workload especially in the operational departments, such as Logistics and Service. To manage the workload in these departments, additional manpower was brought in. Finding qualified staff, especially for technical positions, remains a challenge.

SICKNESS ABSENCE/ ABSENCE FREQUENCY RATE

The downward trend in sickness absence that had started in 2020 was not continued in 2022. The average absence rate reached 5.1% (2021 3.8% compared to the target of 4.5%). This is mainly due to the fact that we are working in the office more often. The absence frequency rate rose over 2022: 1,09 (2021 0,73). The target for 2022 was a frequency of 0.75.

TRAINING

2022 saw the launch of the ATAG Academy. This learning portal gives all employees access to a large online training library and in-house training courses. In 2022, the ATAG Academy organised English courses and ATAG Experience Days, which are induction days for employees who joined the company during the COVID-19 pandemic.



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ATAG TALENT PROGRAM

ATAG Benelux is enthusiastically committed to young talent development. The participants in the ATAG Talent Team were each offered a range of individual growth and development opportunities with support from an experienced ATAG manager.

Reported sickness absence (as a %)

Absenteeism 2022

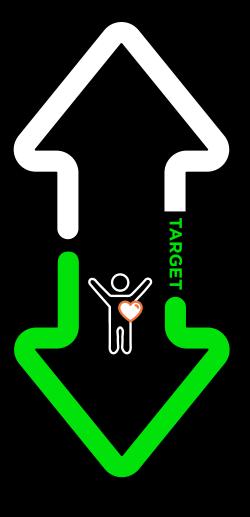
5,1%

Target 2022

4,5%

Target 2023

4,5%



Target 2025

4,5%



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MT - CSR SIMULATION SESSION

In May 2022, the ATAG Benelux CSR team organised a CSR simulation session with the full Management Team (MT). This resulted in the definition of a number of projects that contribute to sustainability and which will be taken up by the relevant MT sub-teams:

- 1. The ATAG brand will no longer use EPS packaging. EPS, such as Styrofoam, will consequently no longer be used in packaging. This change will be implemented per product group.
- 2. Employee health and vitality remains a priority. We focus on the benefits of exercise and a healthy diet. We encourage people to take a walk during their lunch break and the company restaurant has healthy choices on the menu. In addition the ATAG Fit Team annually organises a

- virtual walking or cycling activity to one of Hisense Europe Group's sites.
- 3. Several steps have been taken to reduce energy consumption. For example, the temperature in the offices is routinely set to 20 degrees during the winter season. Together with the IT department, the energy consumption of the office equipment was also examined. We documented the current consumption and what concerns and conditions should be taken into account when purchasing new equipment.
- 4. Another project aims to reduce paper consumption, especially that used for the consumer and dealer brochures of the various brands. The Sales department came up with the idea of no longer printing brochures for Pelgrim, for example, and ATAG now uses leaflets in limited editions.



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RELATIONSHIP WITH SUPPLIERS

ATAG Benelux has incorporated a Code of Conduct into all purchasing contracts with suppliers. This Code of Conduct states that the Universal Declaration of Human Rights of the United Nations, and the International Labour Terms and Conditions, as formulated by the International Labour Organisation (ILO), must be respected.

CSR is also discussed specifically during supplier talks. Important topics of discussion include, for example, the supplier's own approach to CSR and how it can contribute to the policy of ATAG Benelux. There is also active collaboration with suppliers, with regard to overhauling returned products, for example.







RECYCLING EPS (STYROFOAM)

In the 2021 annual report, we reported on the collaboration with Groene Allianties de Liemers, Municipality of Duiven, GoClean de Liemers, Wageningen University & Research and EPS Nederland to collectively collect and reuse EPS. This pilot is now running satisfactorily and we will work to minimise the use of EPS in packaging for the ATAG brand, such as things by using honeycomb cardboard. The goal is for all packaging to eventually be completely polystyrene free.

ELECTRIC DRIVING

We also reported in the previous annual report that 30 electric buses were to be ordered. These were put into service in early 2022. They are fully electric buses with a range of up to 330 km and zero emissions. In addition, the policy on employee car leasing has been modified. Lease cars under contracts due to expire from January 2023 are to be replaced by all-electric lease cars.

LIGHTING

Having changed the lighting in the offices and warehouses at Impact 83 in Duiven to LED in 2021, the lighting at Impact 54 in Duiven was also replaced in 2022.

Planet



SOLAR PANELS

In 2022, a major target was achieved with the installation of 3,210 450 Wp solar panels on the building at Impact 83 in Duiven. These are expected to generate approximately 1.2 million kWh per year, enough for 400 households. Following completion in May 2022, a screen at the main entrance allows us to monitor daily how many kWh are generated. In 2022, we were able to generate 90% of the energy needed. In 2023, we expect to generate even more than we consume, so that the excess will be exported back to the grid and can be used by adjacent properties and nearby neighbourhoods.

ENERGY SAVING TIPS

In November, a flyer was posted on all floors reminding employees to use energy more efficiently. Our aim is to make everyone more energy aware and to encourage them to contribute to a lower carbon footprint. We ask colleagues to turn off their laptops when they leave their workstations and to turn off the heating, if it is on. Things that only require a little effort, but a little effort can make a big difference.

PREVENTIVE MAINTENANCE

In 2022 and 2023, a pilot is being carried out to extend product life cycles. Together with the customer, we perform preventive maintenance on household appliances in several homes owned by the customer. The objective of the pilot is twofold: extending a product's life cycle and keeping residents happy.







ENERGY TRANSITION

How do we deal with the increasing scarcity of electricity? That is a question that has occupied ATAG Benelux for some time and has inspired some wonderful innovations. In June 2022, during PROVADA, the largest real estate fair in the Netherlands, students from The Hague University of Applied Sciences were at the DKG stand to demonstrate the transition from cooking with alternating current (AC) to cooking with direct current (DC). Because direct current is more economical, safer and more sustainable. A beautiful and sustainable partnership that contributes to the development of new energy ECO systems.

SOLAR DECATHLON EUROPE

Team VIRTUe, from Eindhoven University of Technology, won second place at the Solar Decathlon Europe in Germany, an international competition in which students from all over the world search for sustainable lifestyles. VIRTUe packed

a big punch in Wuppertal with 'Ripple', a concept that reduces environmental impact and consists of a self-sufficient sustainable home and a fun coaching app that encourages people to adopt a more conscious and energy efficient lifestyle. ATAG Benelux is a partner of TU Eindhoven and supervises a number of students who participated in the Solar Decathlon Europe challenge.

ATAG CELSIUS°COOKING ™

In cooking, technology should be all about the product and the chef, not the other way around. This is why, in 2022, ATAG introduced the Celsius°Cooking™ induction hobs that enable temperature-controlled cooking per zone. This allows every dish to be prepared with perfect accuracy, to the degree and second. The right temperature ensures an ingredient has the intended flavour and texture and preserves the vitamins. This cooking technology maximises energy efficiency and minimises particulate emissions.

Planet



'PELGRIM GROENE KEUZE'

Practically every household in the Netherlands is facing the same question: how can we live sustainably and comfortably, without energy costs skyrocketing? Pelgrim has responded by launching its 'Groene Keuze' label in combination with education on how to save both energy and money in the kitchen. The idea behind the Groene Keuze label is that the sustainability of a kitchen appliance is determined not only by its energy label, but also by its CO₂ emission. This is why more and more, but not yet all products carry the Groene Keuze label. When determining the CO₂ emission of a product, not just the materials are taken into account. but also the route a product has to take before it reaches the kitchen at home. For example, most Pelgrim appliances are made in Europe.

ATAG PREMIUM GREEN DISHWASHERS

With an ATAG Premium Green dishwasher, sustainable chefs no longer have to compromise with regard to planet and performance. The new ATAG dishwashers are efficient in terms of energy, water and detergent but generous when it comes to space, convenience and quality. The Premium Green line consists of nine dishwashers with Green Mode: this lowers the temperature and extends each stage of the cycle to save water yet still achieve the best cleaning result. The auto-dose function the dishwasher selects exactly the right amount of detergent, thus avoiding waste. The 3-in-1 dishwashing gel carries the Nordic Swan EcoLabel, a Scandinavian eco-label for ecological products, and only needs to be refilled once a month.









INCLUSIVITY

ATAG Benelux is committed to helping various individuals and groups to feel more at home and function well in a particular environment. For example, a number of studies are currently running to develop cooking concepts for the visually impaired and people with such conditions as dementia and autism.

In the second half of 2022, students from the HAN University of Applied Sciences conducted research into how people with severe autism can be helped to cook. ATAG cooperated with the project by providing ATAG Celsius°Cooking™ induction hobs, which enable temperature-controlled cooking per zone. With this cooking technology, temperatures and cooking times can be set to the degree and second. This allowed the students to describe the cooking process very specifically and clearly for people with autism. They created a cookbook which described

each step in detail. From turning on the hob and positioning the pan to setting the exact temperature and time needed to cook a recipe. The next step is to elaborate it further and, at a later stage, to make it more widely available; not just online but also in ATAG's ConnectLife app. After all, this way of cooking could also be a great help to people who have never cooked before and suddenly find themselves on their own, due to the loss of a partner for instance.

Planet



WASTE SEPARATION

The waste separation project is scheduled for 2023. The plan is for various waste separation bins to be installed in all pantries at Impact 54 and 83 in Duiven, i.e. the offices as well as the logistics departments. These bins should contribute to better recycling and less waste production so that we also become more sustainable in that respect and ensuring the various waste streams are disposed of properly.

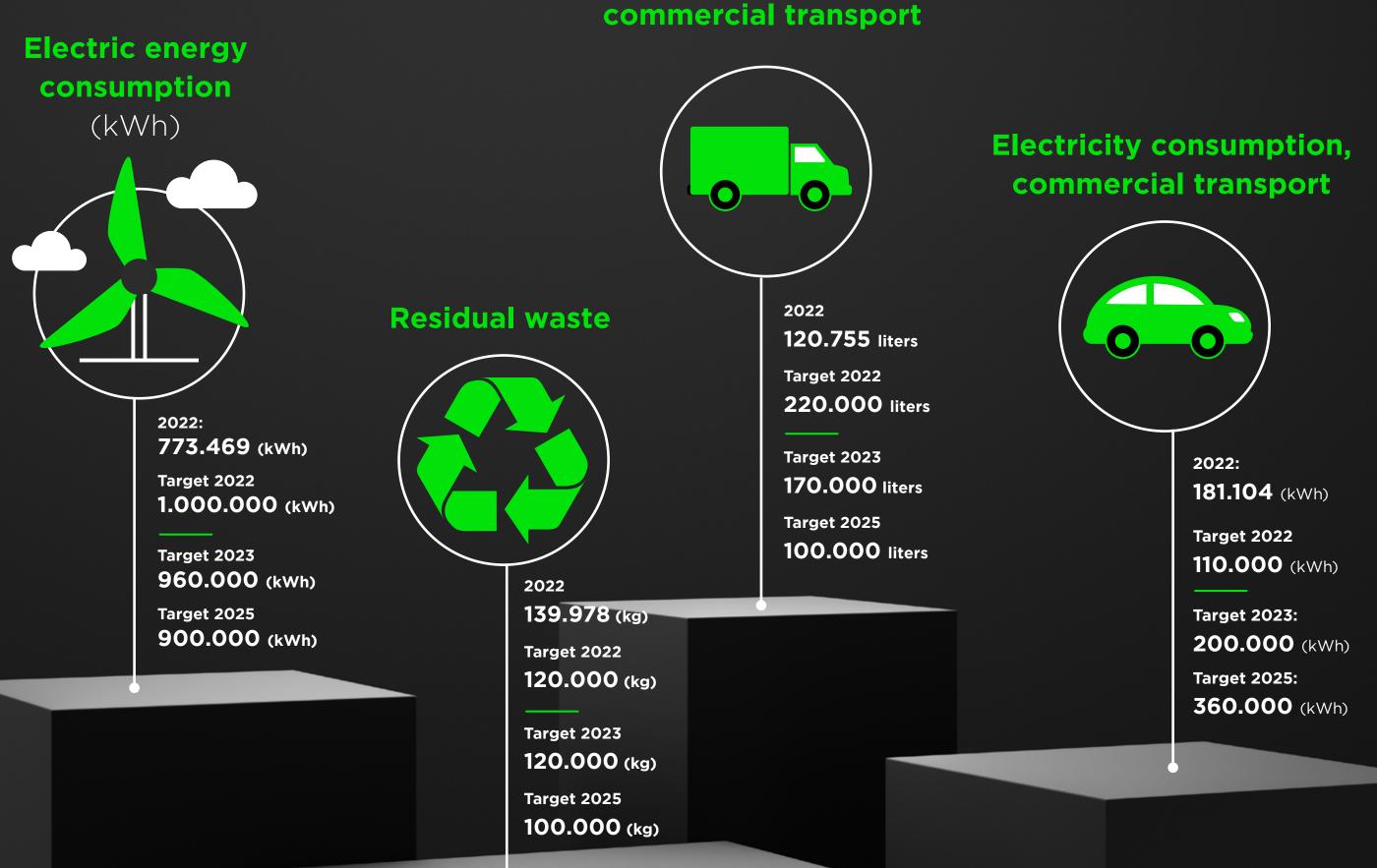
ECOVADIS SUSTAINABILITY RATING

In 2022, Hisense Europe worked towards obtaining the ECOVADIS label. This is an international rating of a company's sustainable business practices to reduce impact on the planet and promote social responsibility.

Planet



Fuel consumption, commercial transport







DIABETES LIGA

In Flanders, more than 500,000 people have diabetes. That is 1 in 10 people, 1 in 3 of whom don't even know they have diabetes yet. To highlight the importance of healthy cooking and eating ATAG Belgium entered into a five-year partnership with the Diabetes League in early 2022.

Healthy eating starts at home, in the kitchen, which is why ATAG enables the correct use of appliances and cooking techniques to preserve nutrients, resulting in pure ingredients that are both healthy and tasty.

That is why, among other things,
ATAG have provided the Open House
opened by the Diabetes League with
their Celsius°Cooking™ induction hobs
(cooking accuracy to the degree)
and ovens with steam and sous-vide
functions to. At this Open House, people
are welcome to be educated about
diabetes but also to watch cooking
demonstrations, either live or online.
Chefs from ATAG and the Diabetes

League will jointly prepare the healthiest dishes in the ATAG kitchen to inspire and inform people about healthy cooking and eating.



'STICHTING NATUURMONUMENTEN'

The kilometres covered by both Walk2Lidköping and Walk2Valjevo have been converted into a donation of €2,400 to 'Stichting Natuurmonumenten', the Foundation for Preservation of Nature in the Netherlands. The donation is for the purchase of a Hippocampe wheelchair, to enable disabled children to enjoy nature.





INDOOR CLIMATE NETHERLANDS MEMBERSHIP

ATAG Benelux has been a member of 'Binnenklimaat Nederland' (Indoor Climate Netherlands). This umbrella organisation for ventilation companies puts the importance of a healthy indoor climate first and lobbies for good ventilation. Supply chain cooperation is essential in that respect. For instance, kitchen ventilation is always part of a house's indoor climate system. If a recirculating kitchen extraction system is used, good filtering of grease, fine dust and timely maintenance is of great importance.

Together with TNO, ATAG Benelux has developed special combination filters that filter both smells and fine dust. ATAG's latest cooker hoods, with no motor, can also be connected to the central ventilation system. Regulating these central ventilation systems via the extractor hood, ensures the ventilation system is always used at

maximum capacity while cooking. This allows cooking vapours to be extracted and discharged outside the building more efficiently, with heat recovery as a benefit.

ATAG Benelux plans to form a working group with several members of Binnenklimaat Nederland in 2023. Together with parties from the ventilation technology sector, they want to work on solutions that meet the kitchen ventilation guidelines of the schedule of requirements for Healthy Homes. To this end, scenarios and calculations can be worked out for various housing situations such as renovation projects, new buildings, ground-level or multistorey buildings. These scenarios enable collective engagement with investors, managers, investors and housing associations to raise awareness and present the available solutions that already meet the future requirements. Cooperating and realising pilot projects is an important goal in this respect.

Prosperity



Social investments



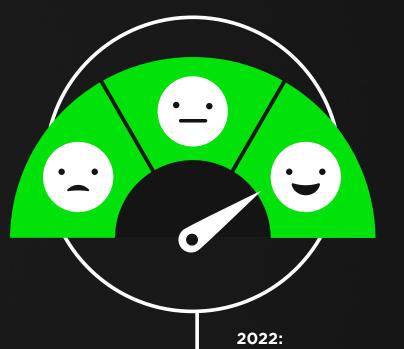
2022: **O,O3**%

Target 2022 **O,30%**

Target 2023: **O,35%**

Target 2023: **0,50%**

Net Promotor Score Service



22

Target 2022 40

Target 2023:

40

Target 2025:

40



Contact





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