

# face the future

2021 SUSTAINABILITY REPORT

ATOSS 



# Sustainability Report





Creating lasting value. We perceive sustainability as our commitment to achieving our growth targets in line with the needs of employees, society at large, and the environment. We are firmly convinced that responsible conduct and societal acceptance are essential for our success.

## 1. Sustainability at ATOSS

### 1.1. About this report

The separate, non-financial Group report (for short: non-financial Group report) of ATOSS Software AG was prepared in compliance with Sec. 315c in conjunction with Secs 289c to 289e of the German Commercial Code (HGB) as well as Article 8 of Regulation (EU) 2020/852 of the European Parliament and Council dated June 18, 2020 on the establishment of a framework to facilitate sustainable investments and amend Regulation (EU) 2019/2088 (hereinafter referred to as the EU Taxonomy Regulation) and relates to the financial year from January 1, to December 31, 2021.

In accordance with Sec. 289c of the German Commercial Code (HGB), the separate, non-financial Group report is to contain disclosures required to understand the company's business performance, results and position as well as the impact of its activities on the aspects specified in Sec. 289c (2) HGB. In preparing the separate, non-financial Group report, ATOSS Software AG made use of the option offered in Sec. 289d HGB and with regard to the materiality analysis, the management approach and presentation of individual key figures, it relied primarily on the international framework of the Global Reporting Initiative (GRI), as well as the industrial standard of the US Sustainability Accounting Standards Board (SASB) (see also Table in 1.4.).

The contents of the separate, non-financial Group report relate to the ATOSS Software AG Group. The underlying data on which the Group's key non-financial figures are based correspond to the consolidation group used for the financial reporting. In the event of a divergent inclusion, a corresponding explanation is provided. The timeline of the measures presented with respect to the relevant aspects is continuous unless otherwise specified.

For reasons of linguistic simplicity and enhanced readability, the masculine form is used in the separate, non-financial Group report. This includes all genders.

#### **External audit of the separate non-financial Group report**

The separate, non-financial Group report of ATOSS Software AG was subjected to an independent audit with limited assurance by the auditors PricewaterhouseCoopers GmbH, Munich (PwC) using the auditing standard "International Standard on Assurance Engagements (ISAE) 3000 (Revised)" relevant for sustainability reporting. Their opinion can be found at the end of this report.

## 1.2. Description of the business model

ATOSS Software AG supplies technical and consulting solutions for professional workforce management and demand-driven workforce deployment. From time recording to strategic capacity planning, ATOSS wins customers with its product suites thanks to their extensive functionality, maximum scalability and high end technology.

Further information on ATOSS Software AG's business activities and business model can be found in the Chapter "Group Basics" in the Group management report.

### **Entrepreneurial responsibility and sustainability**

Sustainability is a key pillar of ATOSS Software AG's business activities. It represents the company's commitment to reconciling the needs of employees, customers, society and the environment with the achievement of its short and long-term growth targets. For ATOSS, responsible conduct and social acceptance are fundamental to its ability to operate successfully in the market.

At the same time, ATOSS is making a valuable contribution to a more sustainable world with its workforce management solutions by helping companies to work more creatively, more intelligently and more humanely. ATOSS is thereby revolutionizing the interplay of cost-effectiveness and humanity. Effective, highly efficient digital solutions for demand-optimized workforce scheduling are indispensable for companies, and even more so in times of volatile market movements - as currently demonstrated by the coronavirus pandemic. This is the only way to create transparency and efficiency in the process of managing short-time working, reducing and flexibilizing working time triggered by fluctuations in the utilization of capacity and the gradual resumption of production, distribution and workflows in other sectors under totally new conditions. Based on its product range of highly flexible tools, ATOSS is helping companies to implement control systems transparently, efficiently and promptly. This not only makes them more competitive but also secures their financial base and jobs. ATOSS solutions also support companies' innovative capabilities, boosting motivation and enhancing our customers' employee satisfaction. ATOSS Software AG is firmly convinced that technological innovations hold the key to guiding society to a more sustainable way of life and ways of working.

The ATOSS values, enshrined in the ATOSS Code of Conduct since July 2021, underpin the respectful interactions of ATOSS employees in the Group and their daily dealings with external stakeholders.

### 1.3. Stakeholders

ATOSS Software AG divides its stakeholders into internal and external participants. The internal groupings comprise the company's employees, Management Board, Supervisory Board, Compliance Management Committee and Works Council. The external groupings are made up of customers, suppliers and service providers, the partner network, shareholders and investors, (potential) future employees as well as important multipliers such as analysts and the media.

ATOSS Software AG attaches great importance to maintaining a continuous dialog with these stakeholders. This is also reflected in the structure of the departments at ATOSS which focus on dialog with these stakeholder groups. For example, they include the departments of Sales, Customer Support, Human Resources, Marketing and Investor Relations.

Investors and ATOSS' shareholders make up a key stakeholder group in addition to customers and employees. The Group uses various communication channels to engage in regular dialog with these stakeholders and it values one-on-one conversations. As well as participating in investor conferences, the company also conducts telephone calls and personal conversations with investors on a regular basis. The business performance of ATOSS Software AG is communicated via quarterly bilingual press releases, the half-yearly report and the annual report.

In the 2021 financial year, ATOSS Software AG once again maintained an intensive dialog with all the relevant stakeholders. On the one hand, to promote mutual understanding in an open, constructive exchange, and establish trust. On the other, to continuously identify themes of significance from ATOSS' perspective in terms of its entrepreneurial responsibility. Besides holding its regular Annual General Meeting at the end of April, participating in a virtual analysts' conference at the end of November and various investor conferences, the company made time for its investors in numerous personal conversations.

Feedback was also actively solicited from employees in 2021 in the form of surveys and annual interviews. Employees were also involved through regular staff meetings – organized for the German facilities by the Works Council.



















The Management Board also worked very closely with the company's Supervisory Board in a relationship marked by constructive dialog and mutual trust. The Management Board also kept the Supervisory Board regularly, comprehensively and promptly up to date on key aspects of the business in writing and verbally.






## 1.4. Key subjects





### **Materiality analysis**

ATOSS Software AG conducted a materiality analysis for the first time in 2021 in which it explored the non-financial subjects of relevance to the company.

The materiality analysis was conducted in two stages in order to identify the key issues for the non-financial report. In the first stage, qualitative interviews were held with selected, internal stakeholders from departments of ATOSS Software AG of relevance to sustainability. The second stage consisted in preparing a preliminary analysis on the subject of materiality at ATOSS Software AG. This preliminary analysis comprised an evaluation of the GRI's standards for sustainability reporting, the SASB's industry recommendations for software companies as well as the non-financial reporting of other companies in the sector. This process resulted in 12 key subjects for the company (i.e. key with regard to the effect of these subjects on ATOSS Software AG's future growth, earnings and position and/or with respect to the impact of ATOSS' business activities on sustainability aspects). These subjects were then allocated to the 4 spheres of Integrity and Compliance, Customer and Society, Employees and the Environment. Representatives from the departments of Human Resources, Finance, Administration, Legal, Compliance as well as Investor Relations validated the subjects previously identified as part of a joint workshop, and evaluated them with respect to their materiality. The results of the analysis and the main subjects were confirmed by the Management Board. The aspect of "Respect for Human Rights" from the HGB's list of minimum requirements in accordance with Sec. 289c (2) HGB was classified as non-material in the materiality analysis as the activities of ATOSS Software AG have and will continue to have no negative impact on the observance of human rights. Nevertheless, respect for human rights, the rights of children and working rights are covered in detail in the company's Code of Conduct.

Key subjects	GRI	SASB	SDGs	Minimum content under HGB and further aspects regarded as material
<b>Integrity and compliance</b>				
Information security		SASB TC-SI-230a		
Compliance, ethical conduct and competitive behavior	GRI 205/206	SASB TC-SI-520a		Combating corruption and bribery (Sec. 289c (2) No. 5 HGB)
<b>Customers and society</b>				
Protection of customer data	GRI 418	SASB TC-SI-220a		Customer concerns
Innovation and value added for customers			  	Customer concerns
Social value added				Social concerns (Sec. 289c (2) No. 3 HGB)
<b>Employees</b>				
Transparent and trusting corporate culture and employee satisfaction	GRI 102-8, GRI 401; GRI 402	SASB TC-SI-330a		Employee concerns (Sec. 289c (2) No. 2 HGB)
Diversity and antidiscrimination	GRI 102-16, GRI 405, GRI 406		 	Employee concerns (Sec. 289c (2) No. 2 HGB)
Health, well-being and occupational safety	GRI 403		 	Employee concerns (Sec. 289c (2) No. 2 HGB)
Staff recruitment and retention	GRI 405, GRI 406		 	Employee concerns (Sec. 289c (2) No. 2 HGB)
Staff training and development	GRI 404		 	Employee concerns (Sec. 289c (2) No. 2 HGB)
<b>Environment</b>				
Carbon footprint	GRI 302, GRI 305	SASB TC-SI-130a	 	Environmental concerns (Sec. 289c (2) No. 3 HGB)
Resource efficiency	GRI 301, GRI 306	SASB TC-SI-130a	 	Environmental concerns (Sec. 289c (2) No. 3 HGB)

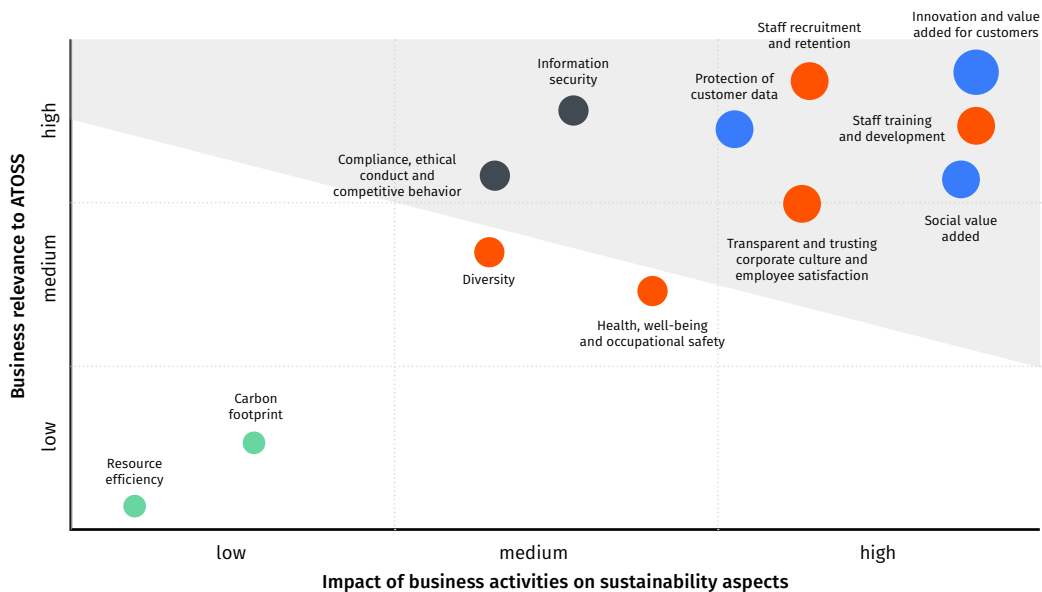
 Peace, justice and strong institutions (No. 16)  
 Decent work and economic growth (No. 8)  
 Gender quality (No. 5)  
 Affordable and clean energy (No. 7)  
 Responsible consumption and production (No. 12)

 Industry, innovation and infrastructure (No. 9)  
 Good health and well being (No. 3)  
 Quality education (No. 4)  
 Climate action (No. 13)



### Prioritization of key subjects

The following materiality matrix shows how ATOSS Software AG prioritizes the issues that feature in the list of key subjects. Firstly, the effect of these subjects on ATOSS Software AG's future development, earnings and position was analyzed. Secondly, the impact of business activities on sustainability aspects was examined. The subjects in the greyed-out area were given high priority with respect to their business relevance and the effects of business activities on the relevant sustainability aspects.



The following comments relate to all sustainability issues identified as material by ATOSS Software AG.

The sustainability subjects, including key non-financial indicators, are becoming increasingly relevant to ATOSS Software AG's business, but are currently not yet part of the Group's value-driven management system. No directly quantifiable statements of relevance to the Group can be made on causal relationships and increases in value due to their limited measurability to date. The non-financial indicators are therefore not used to manage the Group.

## 2. Integrity and compliance

Actual or suspected infringements of current legal provisions, internal rules or ethical standards might have negative financial consequences for ATOSS Software AG and its reputation. For this reason, the avoidance of critical compliance incidents is given top priority.

The Integrity and Compliance sphere at ATOSS covers the subjects of information security, compliance, ethical conduct and competitive behavior and corresponds to the aspect of combating corruption and bribery in accordance with Sec. 289c (2) No. 5 HGB.

### 2.1. Concepts and due diligence processes

#### **Information security**

ATOSS Software AG has implemented various measures and checks in the company to ensure information security. The aim of these measures is to prevent attacks or unintended activities that violate the confidentiality, integrity or availability of data. Attacks and unintended activities include both the theft and manipulation or sabotaging of data. The key measures implemented in 2021 by the IT Department in close cooperation with the responsible divisional management board and the CFO include both preventive and responsive, mitigating measures as well as control actions:

- Preventive controls, for example, involve the secure configuration of hardware and software, controlled access to devices and identities on a need-to-know basis, software updates, vulnerability management, defense against malware as well as educational inputs for users and obligatory annual online training for all ATOSS employees on the subject of information security.
- Detective controls, for example, include the collection and verification of data, incident handling, the measurement of external risk potential, but also site inspections, service audits and penetration tests.
- Responsive controls cover incident handling, protective system changes and emergency management.

#### **Compliance, ethical conduct and competitive behavior**

ATOSS Software AG's goal is to ensure that all employees act responsibly, with integrity and in an ethically correct manner and also conduct themselves in compliance with statutory regulations – particularly competition law and antitrust legislation. The corresponding principles are defined in the Code of Conduct, a written copy of which was sent to all employees by the Management Board in July 2021. ATOSS' ethical principles are imparted to all new employees as part of corresponding onboarding events (ATOSS Values Days). The aim is for all employees to know the ATOSS Code of Conduct, incorporate it into their everyday working life and follow it.

The ATOSS Code of Conduct is currently available in three languages and it covers the following subject areas, among others:

- **Basic values of ATOSS Software AG:**

- **Credibility:** The Group discharges its assignments with authenticity, a sense of responsibility and commitment.
- **Revolutionizing:** ATOSS acts flexibly, constantly generating new opportunities for the working environment of tomorrow.
- **Reliability:** Stakeholders can rely on the expertise, continuity and quality of ATOSS' services.
- **Fairness:** ATOSS plays by the principle of win-win. Clarity and mutual respect are the cornerstones of the ATOSS value culture.
- **Pleasure in success:** ATOSS employees are part of a team, are enthusiastic about hitting their targets and take pleasure in their joint success.

- **Fair competition and antitrust law:**

ATOSS subscribes unreservedly to competition by fair means and strict observance of antitrust law.

- **Compliance and anti-corruption:**

All ATOSS employees must respect all the laws and regulations relevant to their working environment as well as internal instructions and guidelines. ATOSS will not tolerate any form of corruption, bribery, venality or other unlawful inducements. Respect for human rights, children's rights and labor laws is non-negotiable and unconditional, encompassing observance of the United Nations' charter on human rights and children's rights as well as the recognized standards of the International Labor Organization (ILO).

- **Occupational health and safety:**

ATOSS aims to conduct its business in a sustainable, healthy and safe manner, and it strives for continuous progress in the health and safety of its employees.

- **Equal rights and non-discrimination:**

The ATOSS culture is characterized by equal opportunity as well as mutual trust and appreciation. ATOSS can only systematically and successfully advance its vision of making sustainable improvements to the working environment for all stakeholders if people of varying identities, backgrounds and perspectives make a contribution toward these aims on a daily basis.

- **Protection of the environment:**

ATOSS' aspiration is to be mindful every day of the impact of its own actions on the environment, minimize unnecessary pollution of the environment in a business context and always make decisions with the sustainability perspective uppermost in its thinking.



- **Data protection and trade secrets:**

All data protection provisions and specifications must be observed. Trade secrets must be treated confidentially. This also applies to other information where ATOSS, its contractual partners and customers have or might have an interest in keeping such information confidential.

ATOSS Software AG has introduced various mechanisms to help its employees meet the requirements of the ATOSS Code of Conduct. They include online training sessions on the Group's learning management system which employees must take every year. In 2021, these training sessions covered the areas of occupational health and safety, data protection and information security. With a look to the 2022 financial year, the plan is to also introduce online training on the subjects of the General Equal Treatment Act (AGG) and compliance.

ATOSS Software AG has also implemented a compliance management system to ensure that conduct throughout the Group is characterized by integrity and compliance with the law. This system represents an integrated approach to reducing risks and ensuring that rules are complied with in the company. The Compliance Committee is responsible for implementing and monitoring the compliance program. This committee tests and evaluates compliance issues and concerns, ensuring that employees comply with the law, internal rules and procedures are followed and conduct lives up to the ATOSS Code of Conduct.

The main duties and tasks of the Compliance Committee comprise the following:

1. making all ATOSS employees aware of the subject of compliance and providing them with training
2. implementing compliance regulations
3. informing the Supervisory Board and Management Board on compliance issues
4. advising managers and employees on questions regarding the Code of Conduct
5. regularly updating the Code of Conduct and all further compliance rules to adapt them to the current legal position
6. reporting regularly to the Management Board and Supervisory Board as part of the half-yearly risk and compliance management surveys.

Besides internal guidelines such as the Code of Conduct, external guidelines also govern the actions of ATOSS Software AG. For example, the Group uses the recommendations of the German Corporate Governance Code for good, responsible corporate governance as a guide. The code aims to make the German corporate governance system transparent and clear in order to thereby boost the confidence of investors, customers, employees and the public in the management and supervision of listed companies. Deviations from the recommendations and specifications of the German Corporate Governance Code are communicated in the declaration of conformity submitted annually by the Management Board and Supervisory Board; this declaration is available on the company's homepage.

## 2.2. Results of concepts pursued and key indicators

### **Information security**

For ATOSS Software AG, the realization of a comprehensive security strategy means proactively guaranteeing the security of data critical to the business and important information resources. For this reason, the implementation of various information security measures was maintained in the whole company in the 2021 financial year. Besides extensive IT control mechanisms and penetration tests, these measures also include the obligatory annual online training of all ATOSS employees on the subject of information security.

### **Compliance, ethical conduct and competitive behavior**

ATOSS offers employees across the Group the option of reporting breaches of the Code of Conduct and/or guidelines implemented in the company anonymously and without fear of repercussions. Two surveys on compliance management were also conducted by the Compliance Management Committee in 2021. No violations of the Code of Conduct or guidelines implemented in the company were reported or became known either through the two surveys or the anonymous whistleblower system.

## 2.3. Material risks

Risks in the area of information security, compliance, ethical conduct and competitive behavior are presented on the risks and opportunities report in the group management report.

## 3. Customers and society

ATOSS Software AG attaches great importance to long-term customer relationships. These are based on mutual trust and the ability to recognize and understand customer demands and requirements and finding ways of meeting them. The subject of data protection is growing in significance and is especially important for ATOSS as a technology company. For this reason, the Group also places the most stringent demands on the protection of personal data.

Besides the protection of customer data, the Customers sphere also comprises the subjects of innovation and value added for customers and was defined by ATOSS Software AG as material above and beyond the aspects specified in Sec. 289c HGB.

The Society sphere corresponds to the aspect of social concerns in accordance with Sec. 289c (2) No. 3 HGB and it includes ATOSS' social value added as a material issue.

### 3.1. Concepts and due diligence processes

#### **Protection of customer data**

The protection of personal data is a fundamental right of all natural persons. The protection of personal data is defined as a fundamental right in Article 8 of the European Union's Charter of Fundamental Rights; according to the EU General Data Protection Regulation (GDPR), it also forms part of EU data protection laws. ATOSS Software AG respects the protection of personal data and implements appropriate measures for this purpose.

This includes only handling personal information in accordance with statutory regulations, protecting such information appropriately against unauthorized access and giving data subjects the opportunity to exercise their rights prescribed in law. Data subjects have various options for establishing contact with ATOSS, including via the email mailboxes set up for this purpose. In addition to the ATOSS Code of Conduct, customer data protection in the company is also governed by a data protection guideline, among other things. This guideline takes account of the latest framework conditions applicable to ATOSS data protection law on the basis of the General Data Protection Regulation in force in the EU. It is backed up by a Group-wide data protection management IT system that in particular addresses the implementation of documentation and accountability obligations under the GDPR.

In addition, ATOSS Software AG has appointed a data protection officer to advise the divisions on data protection. The data protection officer undergoes further training on a regular basis with regard to the latest legislation, case law and the customary implementation of data protection.

An Information Security Management System (ISMS) which includes the regular, structured survey of relevant processes, a procedure for observing statutory requirements on information security, the systematic registration of risks and for deriving and monitoring associated mitigation measures, is currently being set up.

#### **Innovation and value added for customers**

Innovation represents a core value for ATOSS Software AG and is essential for the company's long-term viability and the satisfaction of its customers. Consequently, ATOSS Software AG strives continuously to expediently incorporate constantly shifting customer demands in its products and processes in the best possible manner. The annual releases containing numerous new functions and features also serve this purpose.

ATOSS solutions add significant value for its customers by allowing them to deploy their existing personnel capacity more intelligently as well as enabling rapid and agile adaptation at any time. Fluctuations in demand, for example, can occur in companies at short notice due to volatile order books in industry, changing footfall in the retail trade, call volumes in call centers, fluctuating patient admissions in the health sector or seasonal peaks in logistics.

The core task of ATOSS software solutions is to synchronize working time with workload to the best possible degree at all times and generate cost optimized deployment plans. This creates a sustainably productive, viable working environment which actively involves employees in the



organization of their working time and contributes to greater employee satisfaction and productivity through its transparency. Moreover, this raises productivity, efficiency and the service level and/or product quality. In this way, companies can respond rapidly to market changes.

Innovative working time concepts also create the platform for a better work-life balance and support effective employer branding — issues that are gaining in importance in times of skills shortages. Intelligent time and attendance management, demand-optimized deployment planning and exact workforce forecasting also prevent expensive overtime and unoccupied time. Integrated workforce management thereby creates the foundation for a living and breathing organization that can respond at any time to fluctuating requirements while optimizing costs and demands. In this way, ATOSS makes an important contribution to its customers' innovations, digital transformation and their ability to stand out from their competitors.

Technological advances in ATOSS solutions are driven by the three departments, Product Management, Technology & Development and Cloud Operations, which have formed part of the remit of the new member of the Management Board and CTO Pritim Kumar Krishnamoorthy since July 1, 2021.

#### **Social value added**

ATOSS Software AG addresses the Society sphere primarily on a regional level by contributing to the public good as an upstanding corporate citizen at its various facilities. In this context, ATOSS contributes in many ways, providing value added primarily by creating jobs, through its innovative workforce management solutions, through the taxes it pays as well as its financial support of local associations, clubs and initiatives.

### **3.2. Results of concepts pursued and key indicators**

#### **Protection of customer data**

No violations of current data protection laws became known or were uncovered in the 2021 financial year. By according this subject such a high priority, ATOSS Software AG has to date been able to guarantee a high level of data protection at all times. This is also confirmed by the annual external IT and systems audit which verifies the appropriateness of the technical and organizational measures set up with respect to observing the EU-GDPR and the BDSG and which also confirmed a suitable level of data protection in 2021.

#### **Innovation and value added for customers**

ATOSS Software AG evaluates the success of its innovations on the basis of the number of customers won in the financial year and the level of R&D spending. Today, around 12,000 customers plan and manage their employees with innovative software solutions from ATOSS. Around 17 percent of Group sales or EUR 16.9 million was spent on refining and further developing ATOSS products and solutions. Overall, 1 major release and 2 minor releases were rolled out. Given the level of its development expenditure, ATOSS is once again ranked among the top 100 European software manufacturers with the highest R&D expenditures in 2021 according to "The 2021 EU Industrial R&D Investment Scoreboard" study; this puts the company at first place among Europe's workforce management software suppliers.

The value added from ATOSS solutions for customers and society was also recently underlined in a study by the newspaper “Die Welt” which counts ATOSS alongside prestigious global enterprises such as Microsoft or Adobe among the companies that are shaping working life and experience in the 21st century. This value added and the high level of customer satisfaction it engenders is also documented by the company’s consistently low churn rate. This rate stood at around 1 percent in 2021 both in Maintenance and in the Cloud where the company is expecting a strong, sustainable boost to growth in the coming years.

#### **Social value added**

As an employer and tax-payer, ATOSS Software AG makes a vital economic contribution at its 14 locations in Germany, Austria, Switzerland, Netherlands, Sweden and Belgium. Across the Group, the company employs 630 staff of whom 427 are active in Germany as of 12/31/21. Social engagement has always been an important priority for ATOSS. For this reason, the Group has long lent financial support to “Freunde der Pinakothek der Moderne e.V.” (Friends of the Pinakothek of Modern Art) as a member of the Board of Trustees. One cause particularly close to the company’s heart was its contribution to the Christmas campaign “I make Children’s Eyes Shine” in collaboration with KinderuniKlink Ostbayern (KUNO - Children’s University Hospital East Bavaria) in which children and adolescents with serious chronic illnesses and cancer were surprised by gifts from ATOSS employees.

### **3.3. Material risks**

Risks in the Customers sphere are outlined in the risks and opportunities report. With regard to the Society sphere (corresponding to the social concerns aspect in accordance with Sec. 289c (2) No. 3 HGB), ATOSS Software AG did not identify any material, reportable risks. Rather, the company sees an opportunity to acknowledge its entrepreneurial responsibility and contribute to economic and social development at its locations as an employer and supplier of innovative software solutions.

## **4. Employees**

The key to success is to attract highly qualified, motivated employees and retain them in the company over the long term.

The Employees sphere, attended to by the Human Resources Department in close collaboration with the responsible divisional management board and the CFO, comprises the key subjects of a transparent, trusting corporate culture. This comprises employee satisfaction, diversity and non-discrimination, health, well-being and occupational safety, staff recruitment and retention as well as employee training and development. This sphere corresponds to the aspect of employee concerns in accordance with Sec. 289c (2) No. 2 HGB.

## 4.1. Concepts and due diligence processes

### **Transparent and trusting corporate culture and employee satisfaction**

ATOSS Software AG sets a strong store by a transparent, respectful and trusting corporate culture. Employees represent the key factor in successfully achieving the company's targets. The corporate culture at ATOSS Software AG is distinguished by flat organizational structures, co-determination (via the Works Council at German locations) and an open relationship between the company management and employee representatives. The success of the company depends more than ever on its ability to attract highly qualified, motivated staff – who fit in with the ATOSS corporate culture – and develop their skills and retain them in the company.

In a challenging year for everyone, the five ATOSS values – reliability, credibility, fairness, pleasure in success and enthusiasm for revolutionizing – and the way they are embraced in daily interactions, combined with the strong sense of cohesion among employees, have made a significant contribution to the company's entrepreneurial success.

Besides measuring employee satisfaction, the annual employee surveys (departmental surveys and Pulse Surveys Connect@ATOSS) support the focus of ATOSS human resource management, driving its development by targeting the issues that reflect the company's priorities and strategies.

### **Diversity and antidiscrimination**

The Management Board of ATOSS Software AG regards diversity and inclusion as elemental components of open, innovative corporate culture, and it is determined to maintain a working environment that encourages employees to contribute their differing perspectives. Every employee – irrespective of their age, ethnic origin and nationality, gender, physical and mental abilities, religion, ideology as well as their sexual orientation and identity – must be able to contribute to the success of the company with their individual personalities and strengths, thereby unfolding their full potential. ATOSS is convinced that employee diversity boosts the company's agility and innovative capabilities as different perspectives are the breeding ground for new ideas. By signing the Diversity Charter in 2021, ATOSS is demonstrably advocating for a respectful working environment free of prejudice.

In addition, the ATOSS Code of Conduct defines what ATOSS Software AG regards as ethically correct conduct in everyday working life. Among other things, it also covers the subjects of equal rights and non-discrimination. For example, ATOSS is guided by the principle of equal opportunities as well as qualification-led and performance-related criteria in its personnel decisions such as the selection, appointment, promotion, remuneration and training of staff as well as when changing jobs. Gender-specific and ethnic differences do not enter the picture.

### **Health, well-being and occupational safety**

The health of its employees is a top priority for ATOSS Software AG. Measures to promote good health in companies not only assist and support individual employees and secure the long-term success of the business, but also have a positive effect on society over and beyond the company. Successful company health management boosts the health of employees, reduces the physical and mental stresses and strains of work, while preventing illness and enhancing employees' commitment. Not least, the attractiveness of the employer for employees and applicants also



gains a welcome boost. ATOSS is therefore implementing various company health promotion measures at its facilities across the Group aimed at motivating employees to adopt a healthy lifestyle and strengthen their sense of personal responsibility in health matters.

For example, ATOSS Software AG's health management measures include a company doctor as well as various health measures such as COVID-19 tests, flu vaccinations, massages, health check-ups, counseling offerings and the opportunity to train as a first aid officer. There are also fruit and vegetable baskets or vitamin bombs available to employees free of charge for their daily helpings of vitamins.

#### **Staff recruitment and retention**

The professional and personal skills of ATOSS Software AG employees are game-changers in persuading customers, investors and business partners to choose the company and thereby play an important part in the success of the business.

To this end, the Talent Acquisition Department has been pursuing an Active Sourcing concept very successfully for several years in order to identify qualified external candidates and proactively make them aware of vacant positions.

Besides recruitment, employee loyalty is a significant factor in the successful implementation of ATOSS' growth plans. For this purpose, the company offers competitive remuneration and further benefits for employees, flexible employment contracts, a positive, dynamic working environment as well as opportunities for personal growth and development.

The demand for flexible employment contracts has exploded recently, not least due to the COVID-19 pandemic. Thanks to its excellent technical infrastructure, ATOSS Software AG was immediately ready to allow all its staff to work from their home offices in 2020 and 2021 and bring them back on site when the opportunity arose. As a result, the existing home office guidelines were adapted going forward to reflect employees' new expectations and allow them greater flexibility to cater for their personal needs. To this end, a hybrid working time model was introduced enabling 50 percent "Work from Home" and 50 percent "Work in the Office".

ATOSS Software AG is thereby ideally positioned to offer its employees secure jobs with an attractive remuneration and pension package as well as flexible working options in the workforce management growth market.

#### **Staff training and development**

Training sessions and further education play a definitive role in achieving the budgeted sales growth, expanding the ATOSS product range and continuing to meet customers' expectations. For this reason, regular interviews focusing on performance and career development represent a vital tool for ATOSS Software AG for motivating and retaining staff. In these interviews, employees explore with their supervisor how they can achieve professional and personal growth

and the opportunities at ATOSS for doing so. Interviews are documented, targets defined and measures derived for the coming year. ATOSS offers an overview of possible further training measures, adapted to fit each department and role, in the shape of the so-called Learning Compass. The ATOSS Career Development Charter supports the professional and personal growth of employees and managers by means of numerous online and face-to-face offers in the areas of soft skills, leadership and technical product expertise. New joiners to ATOSS undergo an extensive training program in the first few weeks consisting of a mixture of on-site seminars, webcasts, self-learning and e-learning, offering them further training in professional skills, methodological approaches and personal growth.

## 4.2. Results of concepts pursued and key indicators

### **Transparent and trusting corporate culture and employee satisfaction**

The Management Board announced the ATOSS Code of Conduct in the 2021 financial year in order to foster sustainable development in the ATOSS Group. These behavioral principles help each ATOSS employee to conduct themselves correctly and responsibly and serve as a binding guideline in their everyday professional life throughout the Group. They are complemented by internal guidelines as well as employment contracts.

ATOSS Software AG enjoyed a close, trust-based working relationship with the Works Council in Germany. The measures required as a result of the COVID-19 pandemic were top of the agenda in the 2021 financial year. Here, the company, in close consultation with the Works Council, was able to respond very quickly to the constantly shifting danger. The introduction of new IT systems was a further priority in committees. Negotiations on these issues were concluded on schedule and the corresponding systems implemented.

ATOSS Software AG was awarded with “Top Employer” by the Top Employers Institute for the second time in succession in 2021. This positions the company as one of the best employers in the world. This repeat award to ATOSS of “Top Employer” underlines the high level of contentment and satisfaction that ATOSS employees experience, showing that the Group offers forward-looking refinement, further development and continuous optimization of the working environment. The certification program analyses the personnel strategy in practical employee offerings such as the talent strategy, personnel planning, onboarding, training and manager development as well as career and succession planning and the corporate culture. In addition, ATOSS featured in the LinkedIn Talent Awards for the first time in 2021. This award crowns companies and people that have excelled through their commitment to talent, in creating integrated workplaces, building strong employer brands, promoting learning and development and focusing on employee loyalty. The methodology is based on data analysis by the LinkedIn’s Insights Team which evaluates every company’s usage and commitment data on the LinkedIn platform to find out to what extent they are able to use LinkedIn talent solutions and benefit from a significant effect on their company.

### Diversity and antidiscrimination

Various measures were enacted in the 2021 financial year to boost employee diversity such as the introduction of a Diversity Day on which employees were able to learn more about the 33 different nationalities of their fellow colleagues.

In addition, the following demographic and gender-specific employee details have been published for the first time in this non-financial report based on GRI 405-1.

#### Gender and age group distribution of the Supervisory Board in percentages

12/31/2021	<30	30-50	>50	Total
Male	0	33	67	100
Female	0	0	0	0
Diverse	0	0	0	0
<b>Total</b>	<b>0</b>	<b>33</b>	<b>67</b>	<b>100</b>

#### Gender and age group distribution of the Management Board in percentages

12/31/2021	<30	30-50	>50	Total
Male	0	50	50	100
Female	0	0	0	0
Diverse	0	0	0	0
<b>Total</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>100</b>

#### Total number of employees by gender

12/31/2021	<30	30-50	>50	Total
Male	104	222	40	366
Female	101	140	23	264
Diverse	0	0	0	0
<b>Total</b>	<b>205</b>	<b>362</b>	<b>63</b>	<b>630</b>

### Health, well-being and occupational safety

ATOSS Software AG has a management system for occupational health and safety which covers all employees at facilities in Germany, Austria and Switzerland. The occupational safety committee meets every quarter. The occupational safety officer is the point of contact for employees in all questions of occupational health and safety and they advise the departments accordingly. Risk assessments are carried out every year. Moreover, all employees in the DACH region (Germany, Austria, Switzerland) receive training once a year on the subject of occupational health and safety as part of an online event.

Since the outbreak of the COVID-19 pandemic, all employees in the Group have had the option of working partially or entirely from home. There is also a COVID-19 taskforce which enables the company to respond immediately to global developments, take the necessary safety measures and keep staff informed. Hygiene rules were immediately reinforced in all facilities on the outbreak of the pandemic. Further initiatives covered the organization and free provision of masks and daily self-testing at all ATOSS facilities.



Also during the challenging period when contact was restricted due to the pandemic, ATOSS Software AG was particularly concerned to maintain the health and work-life balance of its employees and make working from home as pleasant as possible. For this reason, new virtual fitness and exercise offers were introduced (e.g. gym passes) and employees were encouraged to use various virtual or online events to nurture social contact (online beverage tasting, pub quizzes, Mystery Coffee).

#### **Staff recruitment and retention**

The company succeeded in realizing its plans for staff growth - also in the 2021 financial year thanks to the successful recruitment of employees in all departments of the ATOSS Group.

The Group switched the application process at short notice in response to the COVID-19 pandemic and carried out application interviews online. The onboarding of new members of staff was also largely carried out online.

The staff turnover rate is an important metric for determining employee satisfaction and the attractiveness of ATOSS Software AG for talented individuals and skilled personnel. It is therefore regularly analyzed for the various departments to enable counter-measures to be initiated if the rates are too high.

In addition, the following key indicators on employee recruitment and retention are published for the first time in this non-financial report:

<b>12/31/2021</b>	<b>Employees by gender</b>
Male	366
Female	264
<b>Total</b>	<b>630</b>

<b>12/31/2021</b>	<b>Employees by region</b>
Germany	426
Austria	19
Switzerland	10
Romania	158
Sweden	5
Belgium	2
Netherlands	10
<b>Total</b>	<b>630</b>

#### **Staff training and development**

In the context of the COVID-19 pandemic, ATOSS staged all its in-class training offers remotely in order to maintain the personal and professional further training of its employees. In the 2021 financial year, all employees received an assessment of their performance and professional development through the ATOSS Annual Review. The training offerings in 2021 covered a multitude of courses.

The average number of hours spent on training and further education in the 2021 financial year by gender and employee category was as follows:

Category	Average number of hours
Employee category Managers	25
Employee category Staff	46
Sales	56
CSS	20
G&A	14
Marketing	17
PM	47
I&D	76

### 4.3. Material risks

#### Material risks

Risks in the Employees sphere can be taken from the risks and opportunities report.

## 5. Environment

Intact ecosystems form the basis for a healthy life and sustainable economic activity. Consequently, ATOSS sees it as a responsibility to be as efficient as possible from an ecological perspective. The Group therefore complies with all standards and rules of conduct relating to environmental protection and strives to continuously improve its internal eco-footprint. The subject of sustainability in relation to environmental protection lies within the purview of the responsible divisional management board and the CFO, as well as the Human Resources and Facility & Office Management Departments charged with implementation and compliance within Admin.

The Environment sphere comprises the carbon footprint as well as resource efficiency and it corresponds to the aspect of environmental concerns in accordance with Sec. 289c (2) No. 1 HGB.

### 5.1 Concepts and due diligence processes

#### Carbon footprint (Scopes 1 and 2)

The priority in the Environment sphere lies in reducing CO<sub>2</sub> emissions as these represent the main ecological impact of ATOSS Software AG. ATOSS Software AG takes responsibility for the environmental impact of its own operations. In ATOSS Software AG's line of business, CO<sub>2</sub> emissions occur primarily due to the energy consumption of buildings, running its own server rooms and the mobility of employees. The largest consumption of resources to date is caused by fuel

requirements within the ATOSS vehicle fleet. Here, the outbreak of the coronavirus pandemic led to a sudden, unscheduled reduction in consumption due to lower use of cars and the cancellation of many business trips. The result was remote working from home and video calls with staff, customers and partners. The future will show how and to what extent pandemic-related changes in working behavior will be maintained going forward. In this context, however, the company also sees the coronavirus crisis as an opportunity for greater sustainability. The Group-wide rollout of a new collaboration tool means that the technical structures for new kinds of digital communication are already in place and enjoying successful use.

In order to reduce its energy consumption, ATOSS Software AG views the aspects of energy management, energy requirements and energy procurement holistically at all its facilities. ATOSS Software AG aims to further reduce its carbon footprint in future by making greater use of renewable energies. To this end, it will convert its entire electricity consumption at its Munich headquarters to green electricity from 2022 as this is where the largest electricity consumption currently occurs in the whole Group due to the IT infrastructure. Further offices at home and abroad will follow. Further climate-related projects in the 2022 financial year concern the testing and evaluation of charging infrastructure for electric vehicles at our Group facilities. The company is also committed to achieving maximum energy efficiency in its rented office space. This applies not only to the German headquarters at the Munich location – which won gold certification from the German Society for Sustainable Building (DGNB) – but also to all newly rented space. However, energy efficiency is also the top priority, wherever possible, when it comes to capital expenditure for new or replacement technical equipment in the Group. The company is also careful to ensure that all its facilities enjoy optimal transport connections. This enables employees in many towns to use the carbon-neutral option of traveling to and from work with both local and long-distance public transport.

As ATOSS Software does not use any data centers of its own to host its cloud solutions, it is dependent on the sustainability commitment of its suppliers. Ensuring that the data centers used are highly efficient in terms of their electricity consumption is a top priority. For example, a study in 2020 shows that cloud solutions are between 22 and 93 percent more energy-efficient than traditional company data centers, depending on the specific comparison. Factoring in the use of renewable energies, cloud solutions are between 72 and 98 percent more carbon-efficient\*. These savings are due to four main characteristics: IT operating efficiency, IT equipment efficiency, data center infrastructure efficiency and green electricity. By offering its software solutions in the cloud, ATOSS is able to ensure lower energy consumption for many of its customers.

### **Resource efficiency**

ATOSS Software AG also greatly values the protection of natural resources above and beyond carbon efficiency. The company needs furniture, IT equipment, paper and other office materials to run its offices, and due attention is paid to sustainability in their procurement. Waste is also generated, consisting principally of obsolete IT hardware from offices and mobile phones which are recycled.

\*Microsoft: The carbon benefits of cloud computing – A study on the Microsoft Cloud in partnership with WSP (2020), page 4..

## 5.2. Results of concepts pursued and key indicators

### Carbon footprint

#### Energy consumption

Electricity tops the list in terms of energy sources used. The Group publishes its energy consumption at its two largest facilities for this purpose.

#### Energy consumption – key figures for electricity consumption<sup>1</sup> at the two largest facilities in Munich and Timisoara (Romania)

Year	Employees	m <sup>2</sup>	kWh/year	kWh/m <sup>2</sup> /year	kWh/employee/year
2020 <sup>1</sup>	370	5,992	427,175	71	1,155

<sup>1</sup> The data recorded represent approx. 67 percent of ATOSS Software AG's total usable space in 2020. The data for the 2021 financial year were not yet available due to the early reporting date.

#### Scope 1 CO<sub>2</sub> emissions

#### CO<sub>2</sub> emissions from gas consumption at the second largest facility of Timisoara (Romania) – key figures for gas consumption: Direct greenhouse gas emissions<sup>1</sup> of ATOSS Software AG from heating buildings with gas (Scope 1)

Year	Employees	m <sup>3</sup> /year	m <sup>3</sup> /employee/year	t CO <sub>2</sub> /year	t CO <sub>2</sub> /employee/year
2020 <sup>1/2</sup>	156	17,427	112	35	0.22

<sup>1</sup> Conversion of gas/m<sup>3</sup> to tons of CO<sub>2</sub> (by means of CO<sub>2</sub> calculator from klimaneutral-handeln.de).

<sup>2</sup> The data recorded represent approx. 25 percent of ATOSS Software AG's total usable space. The data for the 2021 financial year were not yet available due to the early reporting date.

#### Scope 2 CO<sub>2</sub> emissions

#### CO<sub>2</sub> emissions from electricity consumption – key figures for energy consumption: Indirect, energy-related greenhouse gas emissions<sup>1</sup> of ATOSS Software AG from electricity consumption at its two largest facilities in Munich and Timisoara (Romania) (Scope1)

Year	Employees	m <sup>2</sup>	t CO <sub>2</sub> /year	t CO <sub>2</sub> /employee/year
2020 <sup>1/2</sup>	370	5,992	171	0.46

<sup>1</sup> Conversion of KW/h to tons of CO<sub>2</sub> (by means of CO<sub>2</sub> calculator from klimaneutral-handeln.de).

<sup>2</sup> The data recorded represent approx. 67 percent of ATOSS Software AG's total usable space. The data for the 2021 financial year were not yet available due to the early reporting date.

#### Scope 3 CO<sub>2</sub> emissions – CO<sub>2</sub> emissions from business travel

#### Key figures by means of transport<sup>1</sup>: Further indirect greenhouse gas emissions<sup>2</sup> of ATOSS Software AG from business travel

Year	Flights (t CO <sub>2</sub> )	Rail (t CO <sub>2</sub> )
2021 <sup>2</sup>	57	0 <sup>4</sup>

<sup>1</sup> Key figures based on means of transport booked by all employees in Germany.

<sup>2</sup> Key figures in accordance with GHGP: GHGP is the "Greenhouse Gas Protocol".

<sup>3</sup> The figures shown here are not representative for the CO<sub>2</sub> emissions of ATOSS Software AG, as the restrictions due to the coronavirus pandemic resulted in considerably less business travel.

<sup>4</sup> Deutsche Bahn has been running all its local and long-distance trains on 100% green electricity (CO<sub>2</sub>-free) since 01/01/2020.

#### Water consumption at the two largest facilities<sup>1</sup> Munich and Timisoara (Romania)

Year	Employees	m <sup>3</sup> /year	m <sup>3</sup> /employee/year
2020 <sup>2</sup>	370	2,098	5.67

<sup>1</sup> The data recorded represent approx. 67 percent of ATOSS Software AG's total usable space. The data for the 2021 financial year were not yet available due to the early reporting date.

#### Resource efficiency

Washable, reusable dishes, cutlery, cups and glasses are available at all facilities to avoid disposable plastics. Some facilities also have water dispensers that replace the logistically more complex reusable water containers.

Obsolete IT hardware from offices and mobile phones are recycled in order to reuse the respective raw materials. These items are first collected Group-wide in accordance with statutory requirements and for data protection reasons, and then handed over in their entirety to an IT remarketing supplier and certified waste disposal company. The latter takes charge of erasing the data in compliance with the law, with a full, certified audit trail as well as destroying data carriers taking account of all data protection and data security aspects. In this way, ATOSS Software AG is supporting the circular economy and the associated protection of resources by extending the life cycles of hardware products.

In addition, progress was made on further digitalization projects in Admin in the 2021 financial year, which also contributed to the promotion of paperless processes. For example, customer invoices are now increasingly sent digitally. Various measures for more sustainable printing in the company were also rolled out across the Group: e.g. double-sided printing, greyscale printing.

### 5.3. Material risks

With regard to the Environment sphere (corresponding to the environmental concerns aspect in accordance with Sec. 289c (2) No. 1 HGB), ATOSS Software did not identify any material risks.

## 6. Information on the EU Taxonomy Regulation

The EU Taxonomy Regulation is a key element in the European Commission's action plan to direct capital flows towards a more sustainable economy. As a classification system for ecologically sustainable economic activity, it represents an important step towards achieving climate neutrality by 2050 in line with EU targets.

As a company obliged to submit a non-financial Group statement in accordance with Sec. 315b (3) HGB, ATOSS Software AG is for the first time reporting on the proportion of its Group sales, capital expenditure (CapEx) and operating expenses (OpEx) to be regarded as taxonomy-eligible for the 2021 reporting period with regard to the first two environmental targets (climate protection and adaptation to climate change) in accordance with Article 8 of the EU Taxonomy Regulation and Art. 10 (2) of the Delegated Act supplementing Article 8 of the EU Taxonomy Regulation.



### **Our economic activities**

ATOSS Software AG has analyzed its economic activities in accordance with the Delegated Act regarding the climate targets in the EU Taxonomy Directive. According to the current definitions in the EU Taxonomy Regulation, however, the company's activities are not to be classified as an ecologically sustainable economic activity. This is due to the fact that they cannot make a material contribution to the realization of the two environmental targets defined by the EU (climate protection, adaptation to climate change). As a supplier of on-premise and cloud software solutions as well as services for professional workforce management and demand-optimized staff deployment, its business activities do not fall within the economic activities listed in Annexes I or II of the Delegated Act supplementing the climate targets of EU Taxonomy Regulation and are therefore not taxonomy-eligible.

## **6.1 ATOSS KPIs**

The Key Performance Indicators (KPIs) comprise the Sales KPI, CapEx KPI and OpEx KPI. For the 2021 reporting period, the KPIs must be disclosed with regard to economic activities that qualify and those that do not qualify (Art. 10 (2) of the Delegated Act supplementing Article 8 of the EU Taxonomy Regulation).

As the economic activities of ATOSS as a software company are not covered by the Delegated Act on climate targets, the proportion of taxonomy-eligible economic activities in ATOSS' total sales is 0 percent and consequently associated capital expenditure and operating expenses are also 0 percent. Conversely, the proportion of ineligible economic activities in ATOSS' total sales is 100 percent and consequently associated capital expenditure and operating expenses are also 100 percent.

Moreover, the capital expenditure and operating expenses to be reported also cover any such expenditure resulting from the purchase of products from classifiable economic activities and certain individual measures enabling companies to become low carbon or contribute to reductions in greenhouse gases. No such capital expenditure or operating expenses were incurred in financial year 2021. However, they are planned for financial year 2022.

## **6.2 Accounting policies**

The KPIs are determined in compliance with Annex I of the Delegated Act to Article 8 of the EU Taxonomy Regulation. ATOSS Software determines its taxonomy-eligible KPIs in accordance with statutory requirements and describes its accounting policy in this regard as follows:

## **Sales KPI**

### **Definition**

The proportion of qualifying economic activities in total sales is calculated as the part of net sales generated from products and services in connection with taxonomy-eligible economic activities (numerator) divided by total sales (denominator). The denominator for the sales KPI is based on consolidated net sales in compliance with IAS 1.82(a). Further details on ATOSS' accounting policies for its consolidated net sales can be found in the Notes to the consolidated financial statements in Section II of our Annual Report, Accounting and valuation methods.

### **Reconciliation**

Our consolidated net sales can be checked against our consolidated financial statements, see Income Statement in our Annual Report 2021 ("Sales revenues" item in the P&L).

With regard to the numerator, as explained above, ATOSS has not identified any qualifying economic activities.

## **CapEx KPI and OpEx KPI**

### **CapEx KPI**

#### **Definition**

The CapEx KPI is defined as taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator). With regard to the numerator, we refer to the explanations below.

Total CapEx comprises additions to property, plant and equipment and intangible assets during the financial year before depreciation and amortization and revaluations, including any resulting from revaluations and impairments for financial year 2021 and not including changes to fair value. It comprises additions to fixed assets (IAS 16), intangible assets (IAS 38) and rights to use assets (IFRS 16). You can find further details on our accounting policies with regard to our capital expenditure in the Notes to the consolidated financial statements in Section II of our Annual Report, Accounting policies.

#### **Reconciliation**

Total CapEx can be taken from the Changes in fixed assets presented in the Notes to the consolidated financial statements in our Annual Report (Section III. 27) (Total additions (at cost) and rights of use (Section III. 28)).

## **OpEx KPI**

The OpEx KPI is defined as taxonomy-eligible OpEx (numerator) divided by total OpEx (denominator). With regard to the numerator, we refer to the explanations below.

Total OpEx consists of direct, non-capitalized costs relating to research and development, building refurbishment measures, short-term rental contracts, maintenance and servicing as well as all other direct expenses in connection with the ongoing upkeep of tangible assets. These include:

- Research and development expenditure recognized as expenses in the consolidated income statement in the reporting period. It includes all non-capitalized expenses directly allocable to research or development activities in line with the consolidated financial statements (IAS 38.126).
- Maintenance and repair costs as well as other direct expenditure in connection with the daily maintenance of property, plant and equipment assets were determined on the basis of internal maintenance and repair costs allocated to internal cost centers. The corresponding cost items can be found in departmental costs in the income statement.

### **Remarks on the numerator for the CapEx and OpEx KPIs**

As ATOSS Software AG has not identified any taxonomy-eligible economic activities, the company does not recognize any CapEx/OpEx in the numerator of the CapEx and OpEx KPIs relating to assets or processes associated with taxonomy-eligible economic activities.

Only “Category C” CapEx and OpEx can therefore be classified as taxonomy-eligible, i.e. CapEx/OpEx in connection with the acquisition of products or services enabling the company to become low carbon or which lead to greenhouse gas reductions (Section 1.1.2.2. (c) of Annex I of the Delegated Act supplementing Article 8 of the EU Taxonomy Regulation). Here, too, there were no such expenses in financial year 2021. However, they are planned for financial year 2022.

We were not able to take account of the “Draft Commission Notice” published on February 2, 2022. This specifies the definition of investment and operating expenses (Category C of Section 1.1.2.2. or 1.1.3.2. of Annex 1 to the Delegated Act supplementing Article 8 of the EU Taxonomy Regulation). The details required for this will only be collected and verified with the requisite quality control for the coming financial year due to the publication date.

As we state the numerator for all KPIs as zero, there is no risk of double-counting any economic activities.

## 7. Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting<sup>1</sup>

To ATOSS Software AG, Munich

We have performed a limited assurance engagement on the separate non-financial group report of ATOSS Software AG, Munich, (hereinafter the "Company") for the period from 1 January to 31 December 2021 (hereinafter the "Separate Non-financial Group Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Separate Non-financial report.

### **Responsibility of the Executive Directors**

The executive directors of the Company are responsible for the preparation of the Separate Non-financial Group Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section 6 of the Separate Non-financial Group Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a Separate Non-financial Group Report that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section 6 of the Separate Non-financial Group Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

<sup>1</sup> GmbH has performed a limited assurance engagement on the German version of the separate non-financial group report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.

**Independence and Quality Control of the Audit Firm**

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors (“Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer”: “BS WP/vBP”) as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Responsibility of the Assurance Practitioner**

Our responsibility is to express a conclusion with limited assurance on the Separate Non-financial Group Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company’s Separate Non-financial Group Report, other than the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, are not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section 6 of the Separate Non-financial Group Report.

In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group’s sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Separate Non-financial Group Report about the preparation process, about the internal control system relating to this process and about disclosures in the Separate Non-financial Group Report
- Identification of likely risks of material misstatement in the Separate Non-financial Group Report
- Analytical procedures on selected disclosures in the Separate Non-financial Group Report

- Reconciliation of selected disclosures with the corresponding data in the financial statements and group management report
- Evaluation of the presentation of the Separate Non-financial Group Report
- Evaluation of the process to identify taxonomy-eligible economic activities and the corresponding disclosures in the Separate Non-financial Group Report

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

### **Assurance Opinion**

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Separate Non-financial Group Report of the Company for the period from 1 January to 31 December 2021 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section 6 of the Separate Non-financial Group Report.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group.

### **Restriction of Use**

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Munich, 25 February 2022

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Hendrik Fink  
German public auditor

ppa. Felix Wandel  
German public auditor



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# Imprint

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## **PHOTOGRAPHY**

ATOSS Software AG  
Customers of ATOSS Software AG

P. 01 © Tigran Tsitoghdzian | Mirror Painting

## **DESIGN**

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**ATOSS.COM**