

# MOVING THE FUTURE

Corporate Social Responsibility (CSR)  
Report 2022/2023





# THE PRINCIPLE OF SUSTAINABILITY

Sustainability is our overarching corporate goal at Maier Sports, driving our conscious action.

By committing ourselves to "Moving the Future" in this CSR report, we embrace a proactive mindset to foster positive change.

Sustainability permeates our inner attitude, passion, and conviction, guiding all our decisions. We consider the potential effects on the environment, customers, partners, and our employees, aligning our actions with a vision of a sustainable future.





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# FINDING THE RIGHT PATHS DURING DYNAMIC TIMES

## Foreword



*Simone Mayer, CEO Maier Sports GmbH*

At Maier Sports GmbH, we are aware that we live in a constantly changing world. Technological advancements, social developments, and environmental challenges present us with new tasks every day. However, one thing that has become deeply rooted in the ethos of our company over the past years is our ability to respond to changes with flexibility, resilience, and unity.

When all employees are convinced of our actions and embody our values of responsibility and mindfulness, we can drive change from within. Therefore, our corporate culture is characterized by openness, innovation, and the shared goal of moving the future.



We aim to extend this impact beyond our company and, together with our producers, create a sustainable value chain. With our long-standing partners, we share a common set of values that allow us to establish a responsible supply chain through trusted collaboration.

In the past business year 2022/23, our focus was on establishing a foundation that not only enables compliance with emerging regulatory demands but also provides space and opportunities to embody our own guiding principles at Maier Sports. Among other things, this includes the formulation of a Responsible Business Conduct Policy (RBC), in which we outline how we intend to achieve and ensure our principles. This document serves as a guide for our operational actions. We hold ourselves accountable to the commitments stated in it going forward. You can find the policy publicly available on our website.

We firmly believe that we can drive innovations and, thanks to our outdoor-DNA, find the right paths even in uncertain terrain. In this CSR report, we share the challenges and successes we’ve experienced on this journey in the past year.

# THE MAIER SPORTS GMBH COMPANY

Structure Maier Sports  
Business year 2022-2023

<div><div></div><div>Brands</div></div> <div><div></div><div>Cycling pants/fitting specialist</div></div>						
<div><div>Outdoor pants-/fitting specialist</div><div>Cycling pants/fitting specialist</div></div>						
Maier Sports GmbH						
Companies	High International Co. Ltd.		Germatürk Sport Ltd.		Sino Champ Inv. Ltd.	
Mission and Fundamentals	Customized VAS		Customer Ausrichtung zum Konsument Partner im Handel		Community Recycling	
Technical topics, processes, concepts	Logistics	Product	Production	Sales	Finances	Communication
Strategic foundation, management processes	Controllable complexity	Standardization	Employee	Sustainability	Digital efficiency	





# MAIER SPORTS – THE TROUSERS SPECIALIST FOR YOUR OUTDOOR EXPERIENCE



**maier**  
sports

**The movement outdoors stirs something within us,  
and Maier Sports firmly believes in that.**

At the core of the brand are outdoor trousers that effortlessly accompany every movement during hiking, trekking, touring, and skiing adventures. Divided into multiple trouser families and available in 61 sizes with special cuts, everyone can find the perfect-fitting trousers. Maier Sports precisely harmonizes materials, cuts, functionality, and details, knowing exactly where a millimeter more or less on the trousers can make a difference. This attention to detail is equally applied to the jackets and tops of the brand.

**MAIER SPORTS MOVES YOU!**





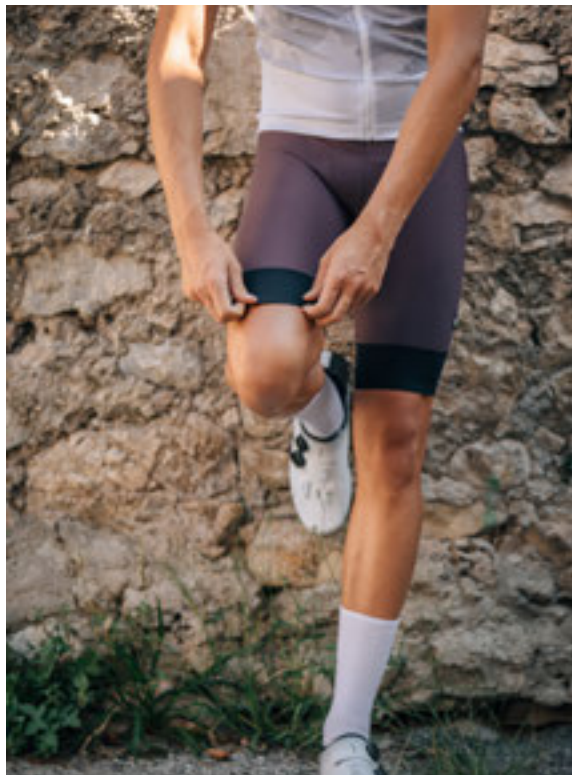
# GONSO FORM FOLLOWS YOU.

## At Gonso, we believe in diversity.

That's why we choose individual cuts for our cycling wear that are not only made for professionals, but for all body types. The focus is always on the bike shorts. Because we, as cycling shorts pioneers, are always looking for new ideas on how to make the most complex piece of cycling clothing even better. Our almost 100 years of experience and our special fit expertise help us to do just this. Our cuts adapt to our customers, not the other way around.

Everything for the perfect fit so that you feel good in your own skin.

## RIDE WITH GONSO

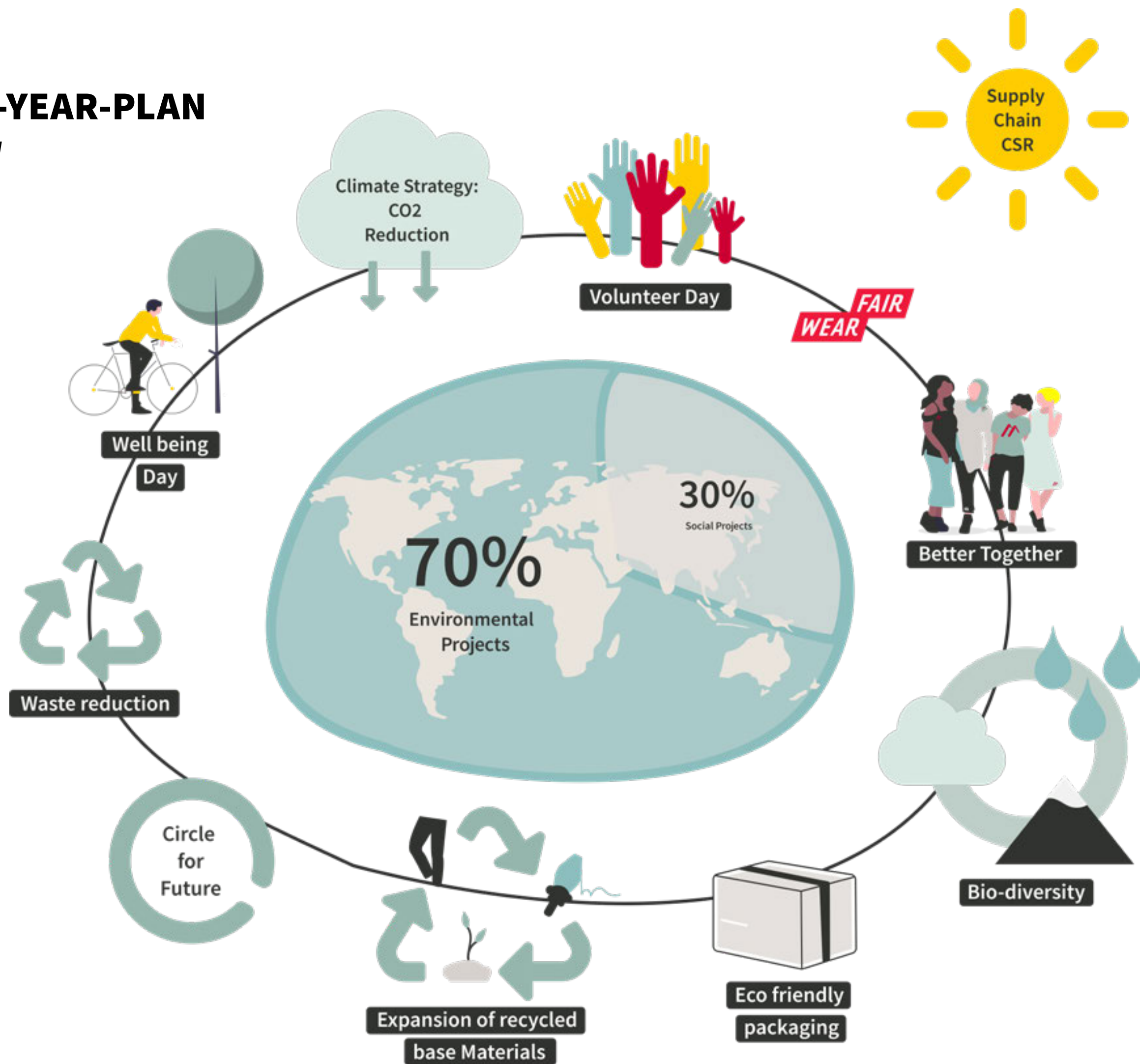


**GONSO**<sup>®</sup>





THREE-YEAR-PLAN  
OVERVIEW

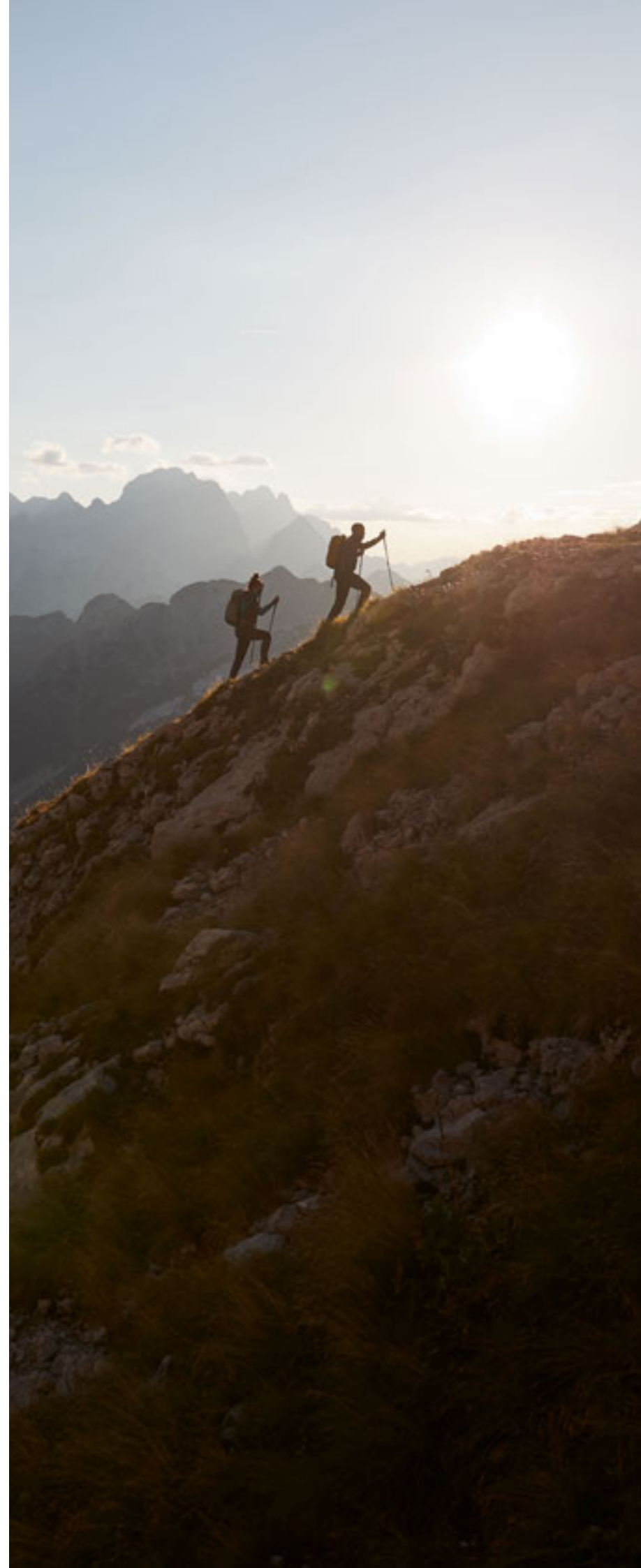


# THREE-YEAR-PLAN

## Introduction

### until 2023:

- 1.**  
**Better Together** is our approach to enhance the relationship and communication with our suppliers. Through regular meetings, we engage in open dialogue with our key suppliers, aiming to foster a close and trusting relationship and to avoid misunderstandings.
- 2.**  
Our **Climate Strategy** aims to actively reduce our emissions. We approach this systematically by first identifying our sources of emissions, defining possible measures, and ultimately developing a comprehensive action plan. In the end, we reduce our emissions initially at our locations and ultimately throughout the value chain.
- 3.**  
**Transparency Project:** Our Transparency Project, focuses on traceability and disclosure of our supply chains. By implementing tracking systems and fostering transparent communication with our suppliers, we want to ensure that every stage of our supply chain can be traced, from raw materials to the final product. This commitment to transparency enables us to identify and address potential risks, uphold ethical standards, and promote sustainable practices throughout our operations.

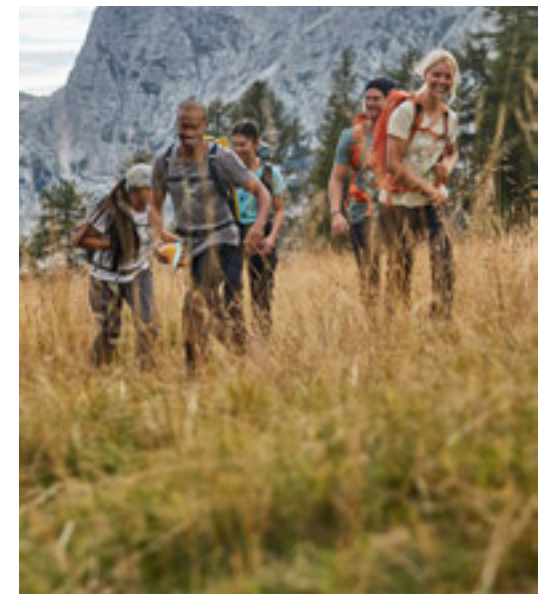


### until 2024:

- 1.**  
**Waste Reduction:** We will be launching a Waste Reduction Project in the future to minimize waste in our supply chain. This project is crucial as it aims to conserve resources, reduce pollution, and meet consumer demands for sustainability.
- 2.**  
**Volunteer Day:** The “Volunteer Day” is both social and ecological. The concept of Volunteer Day is based on the idea that for an organization to have the greatest impact on society, it must first encourage and demonstrate positive change in its own community.

### until 2025:

- 1.**  
**Biodiversity Project:** Biodiversity Project: Biodiversity has many faces, but at Maier Sports the Biodiversity Project refers to the conservation of natural resources and the protection of plants, animals, and the entire ecosystem.
- 2.**  
**Eco-friendly packaging:** The packaging of our products was already switched to eco-friendly packaging in 2021. With this project we want to focus on the remaining packaging/materials that we are currently using along our supply chain but which have not yet transitioned to eco-friendly packaging.



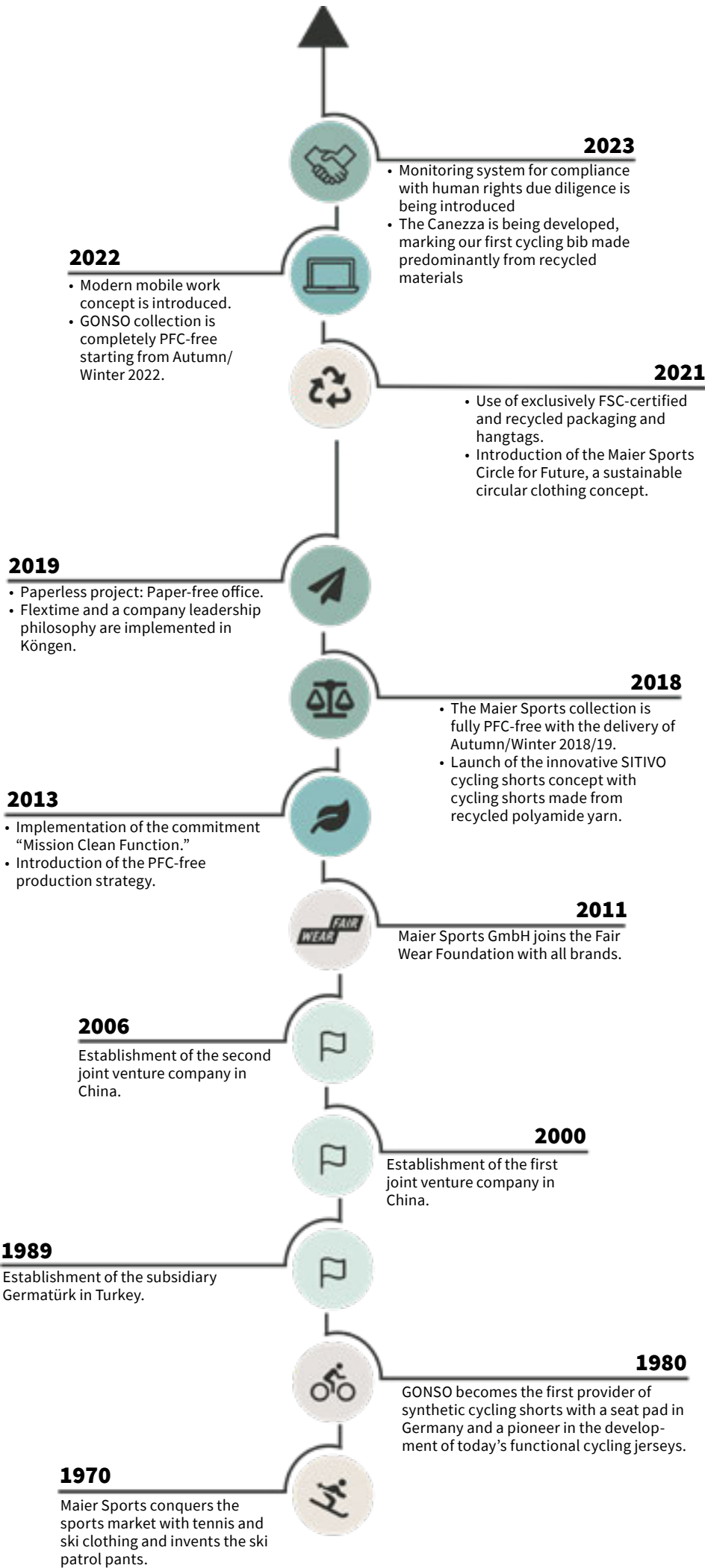


# TIMELINE

## Sustainable to pioneer – Moving contemporary history at Maier Sports and Gonso.

Rooted at the foot of the Swabian Alps, at Maier Sports and Gonso, we have always had an eye on the future. Throughout the years, we have implemented sustainable initiatives, practices, and innovations, becoming an indispensable player in the functional sports market. With unwavering passion, a commitment to sustainable location policies, and an adventurous spirit, we always perceive global trends and developments as opportunities for growth and progress.

We move with the times!





# CIRCLE FOR FUTURE

## Reuse, Repair, Refurbish

Our vision is to optimize the lifecycle of our products and use resources more efficiently. Our goal is to create a system where resources are not discarded but kept in use for as long as possible, with the highest possible value. Circular economy involves not only the question of how waste can be reused but ideally, how waste can be prevented in the first place.

### DESIGN2RECYCLE

Material selection and circular design are prerequisites for a circular value chain that includes repair, reuse, and refurbishment.

### REPAIR

We strongly believe that repair should be the first choice, as this approach has the least impact on the environment. Our products are designed and manufactured to be durable and easily repairable. If a product is damaged, we repair it at our facility in Köngen.

### REUSE

By creating high-quality products and establishing appropriate infrastructure, we aim to ensure that our items can be used multiple times.

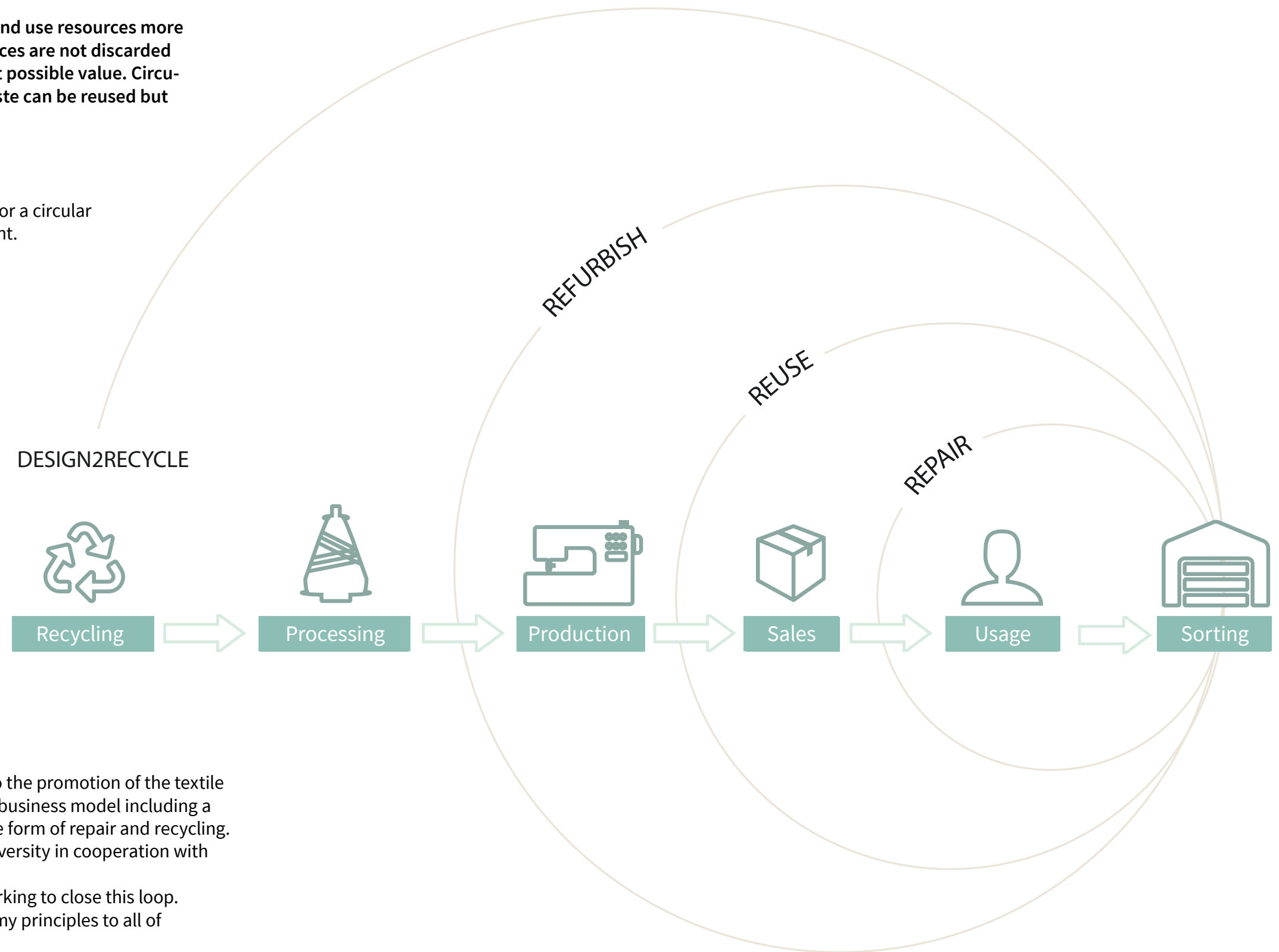
### REFURBISH

Products are refurbished after their useful life and reintroduced into the circular cycle. We are confident that our efforts in the circular economy will contribute to reducing the ecological footprint in the textile industry, creating a more sustainable future for generations to come.

### RE3TEX-PROJECT

The RE3Tex project (repair, reuse, recycle) contributes to the promotion of the textile circular economy. The aim of the project is to develop a business model including a logistics concept for the sustainable use of textiles in the form of repair and recycling. The Re3Tex project is being carried out by a German university in cooperation with Maier Sports.

Through the RE3Tex project, Maier Sports is actively working to close this loop. We actively pursue the goal of extending circular economy principles to all of our products.





# CIRCLE FOR FUTURE

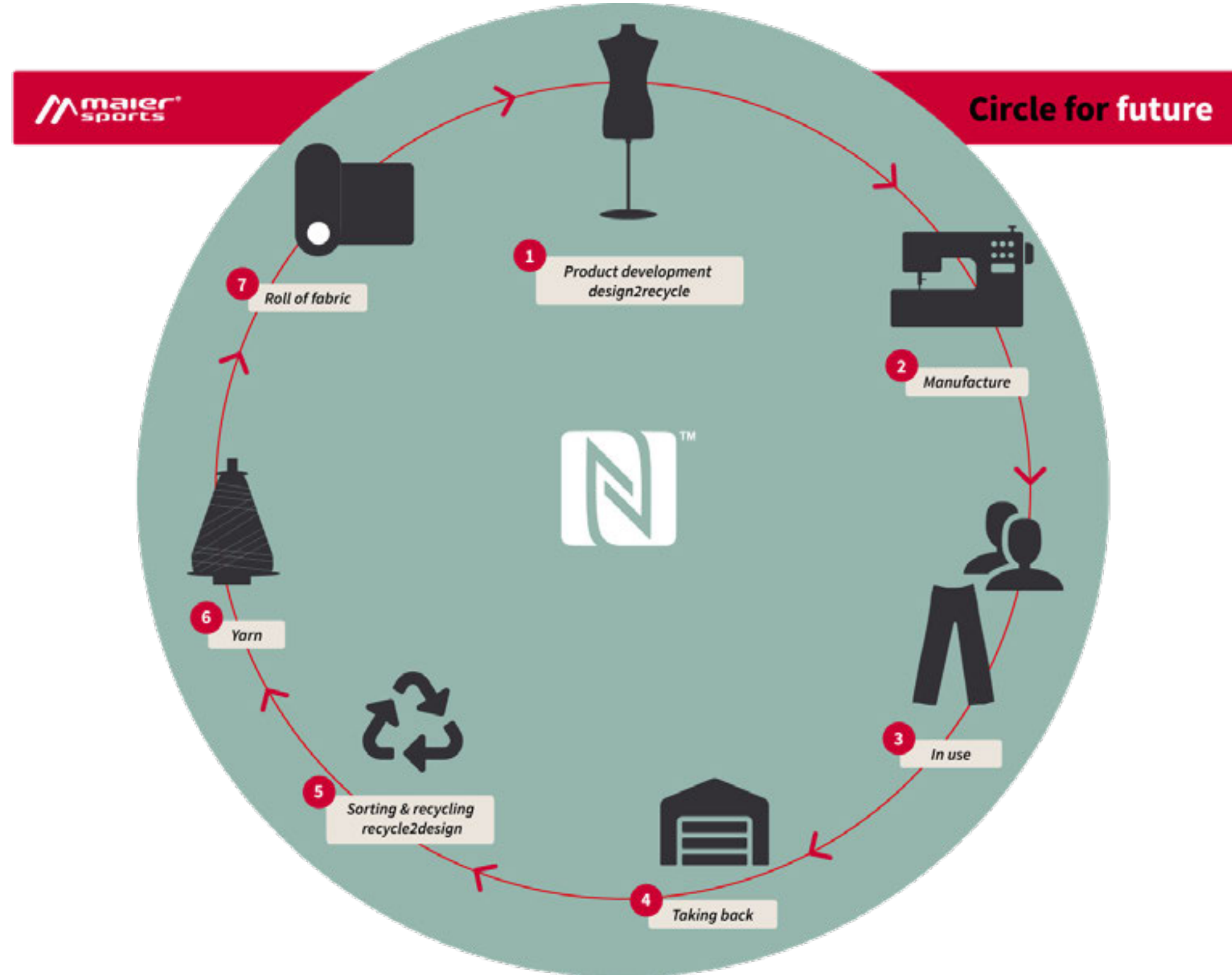
## Recycling

We are currently working hard to develop a 100% sustainable clothing concept called design2recycle-recycledesign (D2R-R2D).

The idea behind it is to enable our products to be recycled at the end of their lives and upcycled into high-value items. We will be adopting a fully circular model for our pants, jackets and t-shirts that will see old Maier Sports products reincarnated as new ones.

Our goal is to drastically reduce our consumption of fossil fuels while massively increasing the amount of recycled raw materials we use. The most sustainable way to do this is to recycle our clothing and use the recovered fibres in our own supply chain.

Our graphic shows the life cycle of a sustainable product from beginning to end: from manufacture and use to being returned to the factory for recycling, thread recovery, fabric production and finally, being transformed into a new Maier Sports product. At the same time, Near Field Communication technology (NFC) will allow us to capture information about materials on tags, making our separation, sorting and recycling processes much more effective. Sustainable Products are for example the LATIT-pants.



100% Maier Sports becomes 100% Maier Sports again



# GONSO CANEZZA PRODUCT LINE

We don't buy ready-made products. We aspire to develop our collections ourselves and produce them responsibly and fairly in our own production facilities. Motivated and driven, we continually set new goals that we passionately pursue, leading us to great results. For example, our CANEZZA product line, which is made almost entirely from recycled materials, is a testament to this commitment.

The GONSO team set itself a challenging goal: to create a new line of cycling bibs that not only fit perfectly, meet stylish demands, and perform flawlessly on the bike but also to make the new CANEZZA products entirely from recycled materials.

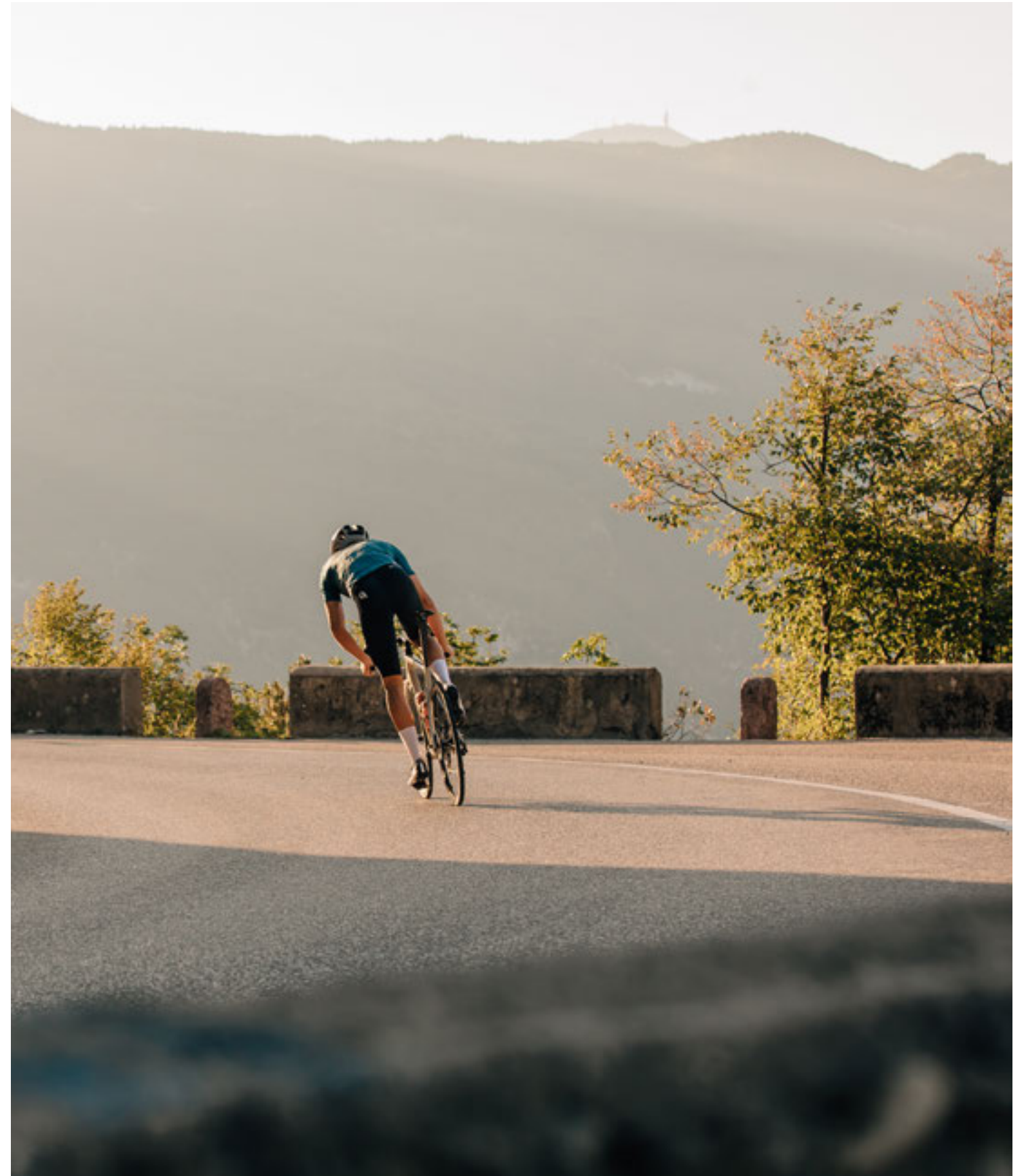
Throughout the entire supply chain, our product development and sourcing teams searched for high-quality, durable fabrics, yarns, and details that would meet these ambitious requirements. Samples were requested, which we cleverly combined, processed, and tested. The results were impressive. We were able to find sustainable alternatives for almost all traditional materials. The only hurdle were three highly elastic sewing and filling yarns that couldn't withstand the rigorous demands. Although their proportion in the overall products is minimal, they are essential for the longevity and high quality of the end products.

At GONSO, functionality always comes first. We firmly believe that responsibly produced, long-lasting products are the most sustainable. Therefore, for sustainability reasons, we made the consistent decision to continue using traditional yarns.

Whether it's the outer fabric, mesh inserts, or padding, the CANEZZA product line achieves a very high percentage of recycled material content, just below the originally targeted one hundred percent. This allows us to maintain our commitment to comfort, pilling resistance, fit, breathability, and the high quality standards we have set for ourselves without making any compromises.

We are confident that further ecological and innovative materials will be developed, and we work, explore, and source collaboratively with both existing and new innovative suppliers to find various sustainable alternatives. Sustainable in terms of materials and manufacturing processes. We remain uncompromising when it comes to the high functionality and quality promise of the finished product.

**Because every team member is highly motivated and enthusiastic about the products in our new CANEZZA product line.**





## CANEZZA M LONG – the most sustainable cycling shorts in the GONSO collection.

The CANEZZA M LONG meets the current zeitgeist: Sustainability focus, extended legs and simple design. The CANEZZA M LONG Endurance Bib hugs the body in a sporty way. The new strap construction with extended pad attachment holds the ergonomically shaped MANTA REC M seat pad securely in position. The extended legs are also held in position – by non-slip, wide cuffs.

**What makes these GONSO cycling shorts so sustainable, what was the idea behind them? We asked product manager Mara Rasper:**

We wanted more! We didn't just aim to develop a pair of cycling shorts that look good and work uncompromisingly on the bike. We wanted to make a performance-oriented endurance bib from completely recycled materials.

**Were you able to achieve this ambitious goal?**

The results are truly impressive; we are thrilled because we've reached nearly 100 percent. In addition to the recycled outer fabric of the CANEZZA Endurance Bib the super-light micro-polyester knit construction of the mesh back is also predominantly made from recycled PET bottles, boasting incredibly fast drying times. And the outer fabric of the specially designed MANTA REC M seat pad, tailored for long endurance rides, is made to a significant extent from SEAQUAL polyester (ocean plastic).

Functionality and durability are crucial to us, especially from a sustainability perspective – something our customers also appreciate about our products. We would have had to compromise in both areas if we had gone with 100 percent recycled materials. Therefore, we made minimal adjustments to our original goal.

With these minor adaptations, we can guarantee the comfort, pilling resistance, fit, breathability and most importantly, the durability of the new CANEZZA M LONG.

**What was the biggest challenge?**

After researching numerous international yarn manufacturers, we came to the following conclusion: there are currently no recycled, equivalent alternatives for the three highly elastic sewing and filling threads used in these shorts. To maintain durability, we decided to continue using traditional threads.



**So, is it unrealistic to expect a fully recycled garment in the GONSO collection in the future?**

Certainly not; it's a priority for us. We're committed to ongoing research in collaboration with our suppliers across the entire value chain. It's an ongoing, exciting process. In the near future, we will achieve this goal without compromising functionality or quality.

**And where is the CANEZZA M LONG manufactured?**

In our own facility in Turkey.

### CANEZZA M LONG

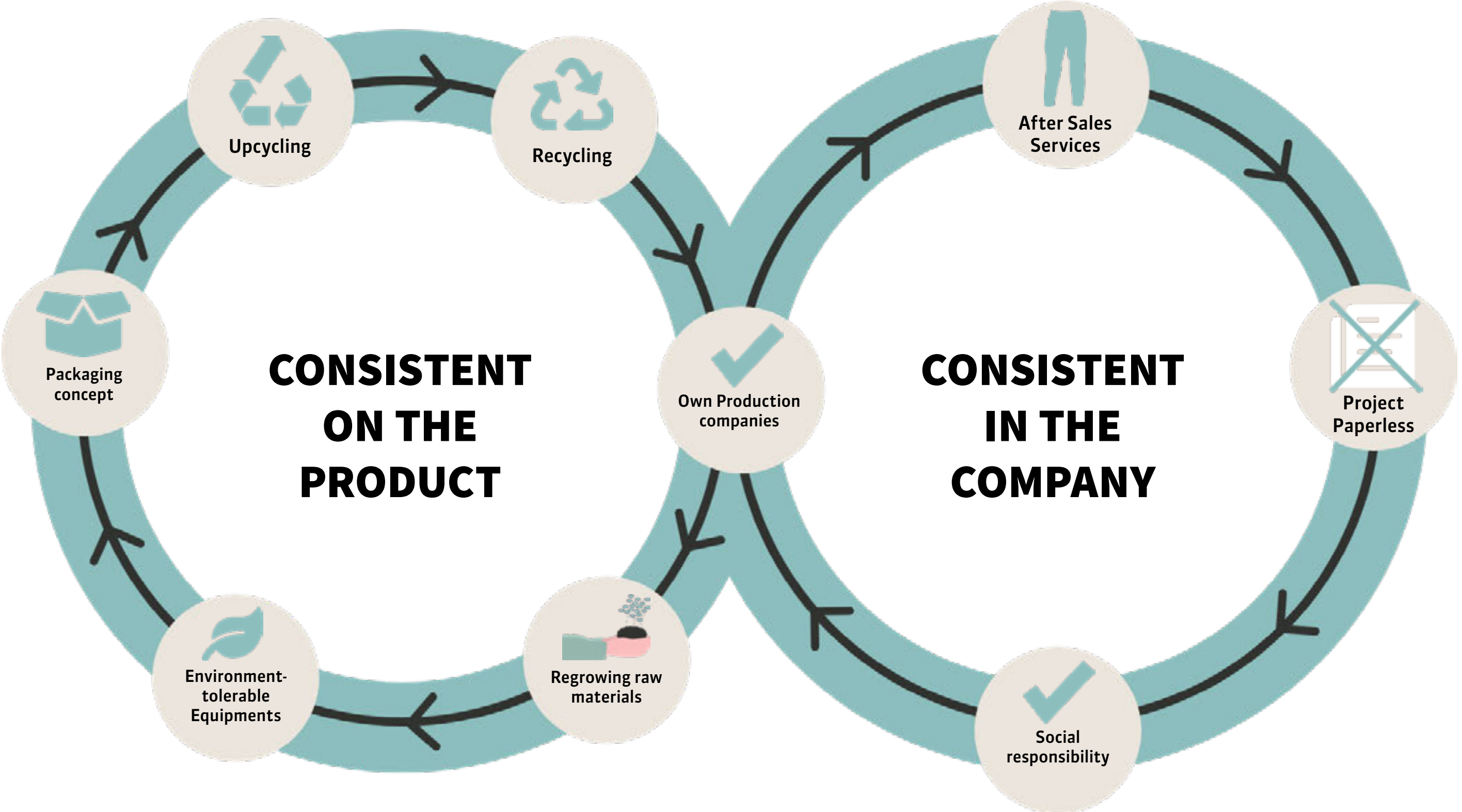
**Material:** 80% polyester,  
20% spandex  
(both materials are  
mostly recycled)



# SUSTAINABLE PRODUCTS AND PROCESSES

Future requires sustainability

Corporate Social Responsibility means much more than just good working conditions at Maier Sports GmbH. Below, we have summarized points that are also in focus and important within the scope of our Corporate Social Responsibility.





# THE FUTURE REQUIRES SUSTAINABILITY

At Maier Sports GmbH, Corporate Social Responsibility means much more than good working conditions. In the following, we have summarised points that we also focus on and consider important within the scope of our Corporate Social Responsibility, whereby our "principle of sustainability" plays a central role.

## SOCIAL RESPONSIBILITY

**Mission Clean Function:** We believe that sustainability starts with small steps and is an ongoing commitment. We are dedicated to the responsible use of resources, ensuring that functional clothing not only protects outdoor enthusiasts but also nature and the environment. Our commitment to people and nature is reflected in various projects, actions, products, and services that we have compiled below.

## ENVIRONMENT-TOLERABLE EQUIPMENT

**PFC-free:** Conserving water as a resource is very important to us. As a pioneer in the field of PFC-free finishes for functional clothing, we at Maier Sports have succeeded in completely banning perfluorinated and polyfluorinated chemicals (PFC), which are hazardous to our environment, from our clothing. At GONSO we also reached that goal and produced the entire collection PFC-free impregnation with the autumn/winter collection 2022/23.

## AFTER-SALES SERVICES

**Guaranteed Durability:** We prioritize the production of high-quality and durable products because we believe that longer-lasting items have a more sustainable impact. By using the best materials and employing meticulous craftsmanship, we are confident in the quality of our products. Therefore, we offer a voluntary 5-year guarantee on materials and workmanship for all Maier Sports products and a 2-year warranty for GONSO products.

**Repair Instead of Throwing Away:** In the event of a complaint, we don't simply discard the products. Instead, we professionally repair them in our sewing room at our headquarters in Köngen and return them to the consumer in perfect condition. Our in-house repair service is an integral part of our sustainability concept, allowing us to extend the useful life of GONSO and Maier Sports clothing by repairing almost all damaged or defective items.





RECYCLING

**Recycled materials:** We prioritize recycled materials in our production, incorporating polyester yarns made from recycled PET bottles into various products. The PrimaLoft® Silver Eco Insulation used by GONSO and Maier Sports contains 70% recycled PET bottles. GONSO also utilizes recycled polyamide yarn from sources like fishing nets, fabric scraps, and industrial plastics in select trouser models. Our goal is full textile recycling, and we promote durability, repair initiatives, and increased use of recycled materials to reduce waste and extend product lifecycles



PROJECT PAPERLESS

Paper and printer cartridge consumption was massively reduced at the company headquarters in Köngen. User behaviour was analysed, new processes initiated, digital solutions implemented and employees sensitised. A stylised tree serves as a visible symbol of our paperless project. And where we do use paper, we try to act in a very sustainable way. For example, the printed workbooks of both brands are produced climate neutrally.

SAVING PAPER FROM 2020 - 2022  
AT MAIER SPORTS:

From 2020 to 2021

**111,450 pages  
saved**

From 2021 to 2022

**additional  
1,150 pages  
saved**



# WOOL FROM THE SWABIAN ALPS

lavalan® wool insulation in our products



Lush grasses, expansive meadows, fresh winds. The everyday life of Merino sheep in the Swabian Alps remains very traditional. Responsible for this is wandering shepherd Otto Fehrenbacher, who has been roaming southern Germany with his large flock of sheep for over 50 years. He and his companions reside on the former military training grounds in Münsingen. From there, the procession covers distances of up to 15 kilometers on some days, regardless of weather conditions. For the sheep, this poses no problem. They can rely on their natural protection: wool.

Wool functions as an insulating layer, retaining body heat and having the ability to release moisture to the outside. This makes wool an ideal temperature regulator for changing climatic conditions, with water-repellent properties. Due to its odor-neutralizing effect, products containing wool also require less frequent washing.

Since our Fall/Winter Collection 2022/2023, Maier Sports customers can also experience these advantages during their outdoor activities. The reason behind this is our

collaboration with lavalan®. A company specialized in high-functional wool padding. When deciding to incorporate wool into our collection, it was important for us to have a transparent supply chain that ensures animal welfare, keeps supply routes short, and maintains product quality.

lavalan® sources the wool for Maier Sports from Shepherd Fehrenbacher, has it professionally washed in Belgium, and finally processes it at the company's own location in Dinkelsbühl. Sustainable, local value chains - that's what we emphasize.

## PROCESSED WOOL QUANTITIES FOR MAIER SPORTS:

2022: 80.76 kg

2023: 316.56 kg

As a company that consistently embraces its Swabian roots, we are delighted that we can source materials from our neighborhood and are looking to further expand our collaboration with lavalan® in the future. In fact, we have nearly quadrupled the ordered wool quantities for the year 2023. The wool from a single sheep is sufficient for up to 30 Maier Sports outdoor jackets.

We use lavalan® wool in areas where comfort matters and where the well-being factor is paramount. For those who hike, comfort, quality, and sustainability are essential. In this context, wool, with its natural functional properties, provides the ideal foundation.

The origin of lavalan® wool in our products can be traced through a QR code. This code is located on each item.





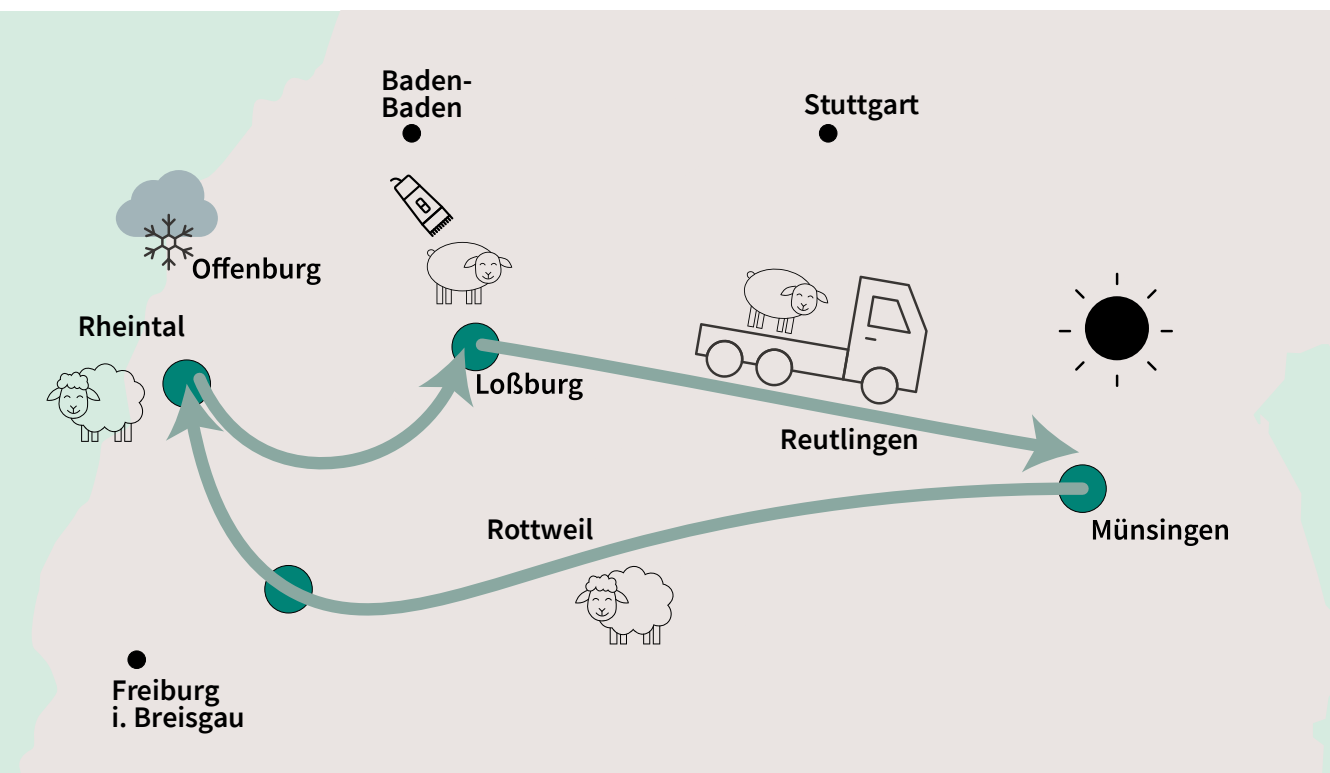


Naturalness – that’s something Otto Fehrenbacher values as well. He wants his sheep to stay as close to their traditional way of life as possible. In his opinion, only a healthy and content sheep can provide high-quality wool. The experienced shepherd’s greatest concerns revolve around the climatic changes he observes daily:

*“We used to have dry summers occasionally in the past as well. But nowadays, I regularly witness extremely parched grazing areas.”*

Fortunately, in April of 2023, there was a lot of rain, which bodes well for the exceptional quality of wool. A portion of this wool will also find its way into our products. However, until that happens, the sheep and their shepherd will continue their journey. They will make their way to the Rheintal near Offenburg, where they’ll spend the cold season on their familiar winter pastures.

## THE SHEEP’S ROUTE



In late spring, the sheep are driven to Münsingen. They spend the summer months on the former military training grounds. In late summer, the herd migrates across Rottweil and the Kinzigtal to their winter pasture in the Rheintal near Offenburg. Once the cold winter months are over, the procession sets off again. The destination: Loßburg. Here, the sheep are sheared before the route starts anew.





# PURCHASING PRACTICES, SOURCING, STRATEGY & PRICING

## The strategy of Maier Sports GmbH

**Finding a balance between procurement requirements and sustainability criteria is our top priority.**

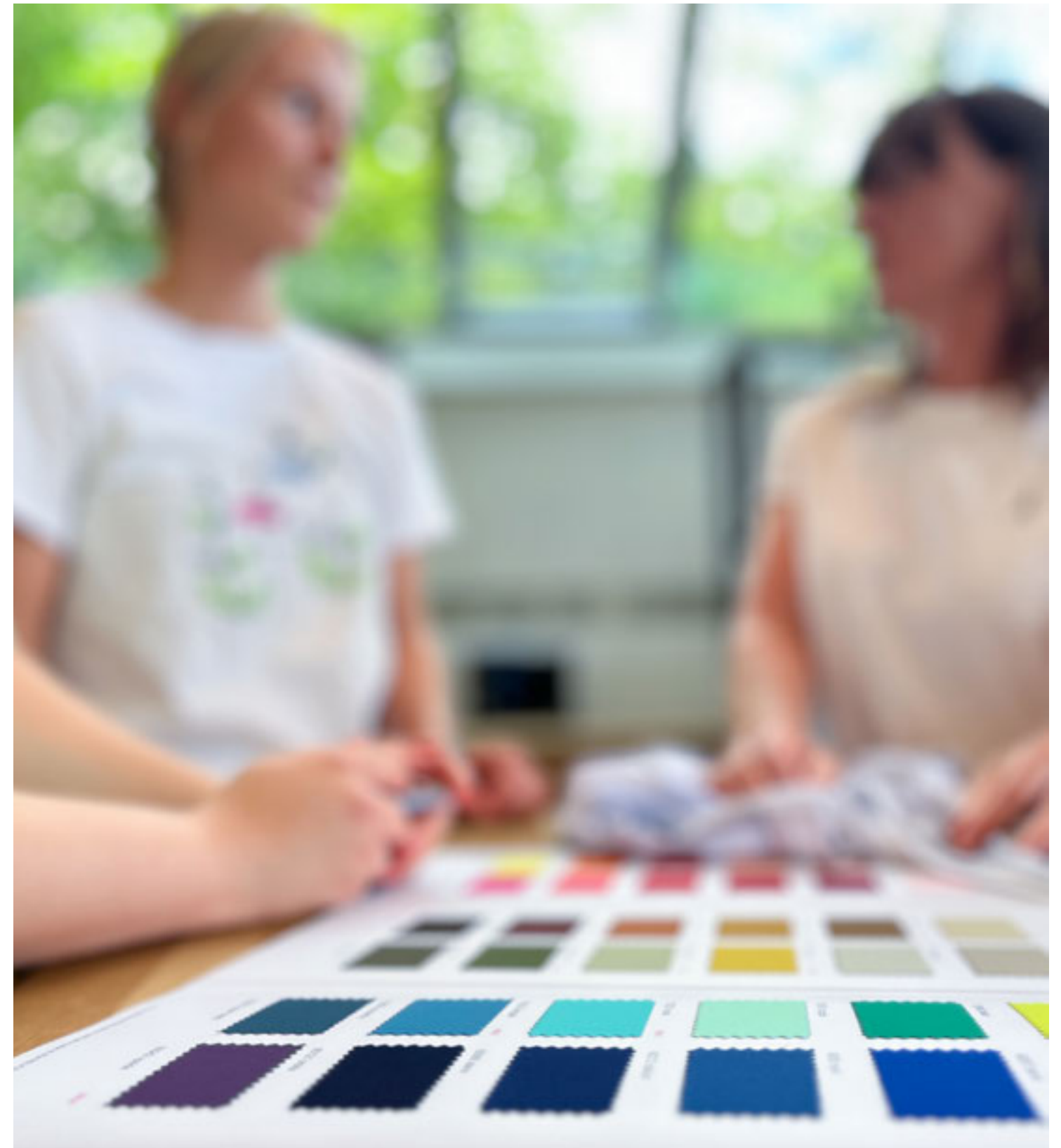
The production cycle at Maier Sports and GONSO involves transparent scheduling, with two main collections per year and additional individual programs and seasonal reorders. It begins with collection planning, followed by the creation of prototypes and sample collections. Series production orders are placed after the order season ends, with close involvement from the technology and pattern departments. Effective communication with producers, helps ensure quality control and timely returns. Planning and ordering processes have been optimized to reduce time pressure in production. **The aim is to minimize the need for overtime and consider longer delivery times for supplier parts in production planning.**

Our **Human-Rights-Due-Diligence-system** works as the basis for monitoring potential social and environmental risks and has been optimized to track the progress in implementing the Code of Labour Practices (CoLP) and legal requirements of the German Supply Chain Due Diligence Act.

The **production management**, in collaboration with the CSR department, ensures compliance with the CoLP and the company's own Code of Conduct in the production facilities. Through our "Better Together" project, we strive for effective and trustworthy communication with our suppliers.

Our **procurement strategy** focuses on sourcing materials and raw materials directly in the relevant production countries to reduce transport routes, save resources, and enhance planning security. New production facilities are selected based on expert appraisal and personal evaluation, and contracts are awarded based on technical requirements, capacities, compliance with social standards, quality, delivery punctuality, and price.

Overall, Maier Sports GmbH strives to integrate sustainability and social responsibility into its purchasing practices, sourcing strategies, and pricing decisions, aiming for ethical production and efficient supply chain management.





**Methods and processes for ensuring compliance with social standards, quality, and on-time delivery:**

**1. Informing Manufacturing Companies:**

Maier Sports GmbH ensures that all clothing companies we work with are fully informed about their partnership with the Fair Wear Foundation (FWF) and the obligations they have regarding quality, price, delivery dates, and social standards.

**2. Displaying Code of Labour Practices:**

The principles of the FWF's Code of Labour Practices are translated into the local language and displayed in a visible place at the production facilities where all employees can see them. This promotes awareness and adherence to the social guidelines.

**3. Independent Audits:**

In addition to FWF audits, the production facilities also undergo independent audits conducted by the Business Social Compliance Initiative (BSCI).

**4. Transparency Policy:**

Maier Sports GmbH has signed the "Confidentiality and Disclosure Agreement" of the Fair Wear Foundation. While Turkish and Chinese production sites are not published on the FWF website for political reasons, the data is made available to local stakeholder organizations.

**5. Involving Subcontractors:**

Maier Sports and GONSO strive for strategic and long-term collaborations with partners. When additional subcontractors are involved, joint venture and subsidiary companies select them based on adherence to Maier Sports GmbH's standards and the FWF Code of Labour Practices.

**6. Trust and Long-term Relationships:**

Maier Sports and GONSO value trusting and long-term relationships with suppliers and subcontractors. We believe that high-quality products and processing can only be achieved through constant experience sharing and expertise exchange.

**7. Social Responsibility:**

Maier Sports and GONSO are committed to fair working conditions and social standards in the countries where our production facilities are located. We view the clothing industry as a potential driver of development and strive to promote basic social requirements and the advancement of production processes.

**8. Evaluation and Maier Sports GmbH Supplier Award:**

We conduct an annual survey across all departments in contact with suppliers. This provides us with an overall assessment of supplier performance. The supplier with the highest rating is granted our Supplier Award



# HUMAN RIGHTS DUE DILIGENCE PROCESS

## Our system for ensuring due diligence compliance

The evaluation of our suppliers regarding their compliance with environmental and social standards is a central component of our HRDD process. For this purpose, we have developed an in-house methodology based on the recommendations of the OECD, with the aim of identifying and, if necessary, minimizing potential human rights violations in our supply chains.

### HOW WE ARE PROCEEDING:

1. We capture master data, procurement volume, and our share of the supplier's total production
2. We make initial assessments of production countries based on the Sustainable Development Report and the amfori BSCI classification.
3. We research and assess subsequent country-specific production risks in Tier 1 and 2 on a scale of 1 (very low) to 5 (very high)
4. We review the identified risk areas for our suppliers
5. If the risks cannot be mitigated through the review, measures to reduce the risk are developed in collaboration with the suppliers

Research results on country-specific production risks:

### TURKEY

- **Poor working conditions along the supply chain**, especially in small and medium-sized factories.
- **Illegally employed Syrian refugees** exposed to hazardous working conditions.
- **Lack of information** about the working conditions of employees, particularly for women.
- **Restrictions on union formation**, violation of international standards of freedom of association and the right to collective bargaining.
- **High inflation** leading to underpayment, with women being particularly affected (20% gender pay gap).
- **Corruption** manifesting in various forms such as bribery, embezzlement, or nepotism, impacting compliance with regulations, transparency, and fair business practices.

### CHINA

- **Changes in the Chinese manufacturing landscape**, including labor shortages, rapidly changing workforce
- **Human rights issues**, with limited government transparency and restrictions on freedom of association, independent unions, and the right to collective bargaining or strikes. Other labor rights problems include low wages, excessive overtime, lack of social security, and issues faced by migrant workers from rural areas, including separation from their children.
- **Use of temporary workers:** Despite attempts to limit it, the utilization of temporary workers and short-term employment contracts is increasing. Successful resolution of workplace disputes is rare, and workers often solve workplace issues by resigning and seeking employment elsewhere.



## BANGLADESH

- **Working conditions and safety:** After the collapse of the Rana Plaza building in 2013, working conditions in Bangladesh gained international attention. Safety standards in many factories are still inadequate, increasing the risk of workplace accidents, fires, and building collapses.
- **Labor rights:** Freedom of union formation is insufficiently protected, making it difficult to fight for better working conditions and higher wages.
- **Wage and working hours:** Forced overtime and low wages remain a problem in the industry. Many workers are subjected to excessive hours of work without receiving adequate pay.
- **Gender inequality:** Approximately 60% of the workforce in Bangladesh's garment industry are women. They often face discrimination, sexual harassment, and other forms of exploitation.
- **Lack of adherence to the rule of law:** Bangladesh ranks low in the World Justice Project's Rule of Law Index (102 out of 113 countries), indicating weak adherence to the rule of law, which can affect legal certainty and enforcement of laws.

## INDIA

- **Exploitation of labor:** Due to high demand and pressure to produce large quantities of products quickly, many workers are forced to work overtime, often unpaid.
- **Informal employment relationships** are also widespread, particularly among seasonal and migrant workers.
- **Workers are often discouraged from joining trade unions,** making it difficult to improve their situation.
- **Fair wages are rare,** as most minimum wages in the country do not meet estimates for a monthly livelihood.
- **Gender inequality:** India has a significant gender wage gap of approximately 34%. Women are often limited to low-skilled jobs in agriculture, sales, and artisanal manufacturing.
- **Sexual harassment** is also a major problem that is usually underreported. While certain measures exist, most garment factories lack functioning mechanisms to address and handle gender issues.





COUNTRY-SPECIFIC RISK ASSESSMENT FOR CUT-MAKE-TRIM-SUPPLIER

	TURKEY	CHINA	INDIA	BANGLADESH
Climate & Energy	3	3	3	3
Water consumption & pollution	2	1	4	3
Waste generation	3	2	2	3
Air pollution	3	2	3	2
Corruption	4	4	3	4
Freedom of employment	3	4	4	3
Freedom of association	4	5	4	2
Discrimination	2	3	4	2
Child labour	3	4	3	4
Living wage	5	5	5	5
Reasonable working hours	4	5	4	5
Safe & healthy working conditions	5	4	4	5
Legal employment relationship	4	4	4	3

- Legend
- 1 very low risk
  - 2 low risk
  - 3 medium risk
  - 4 high risk
  - 5 very high risk

Production risks with a rating of at least 3 are followed up by conducting a separate assessment with all relevant suppliers. This risk assessment is divided into severity and likelihood dimensions, which ultimately determines the individual risk with a specific supplier.

Identified risks at a specific supplier with a rating of 4 or 5 require immediate action.

We are currently working with our suppliers on the following risk areas:

SUPPLIER'S RISK AREAS

	TURKISH PRODUCTION	CHINESE PRODUCTION	INDIAN PRODUCTION	BANGLADESHI PRODUCTION
Climate & Energy				
Water consumption & pollution			X	
Waste generation				
Air pollution				
Corruption	X	X		X
Freedom of employment				
Freedom of association		X	X	
Discrimination				
Child labour				
Living wage	X	X	X	X
Reasonable working hours		X		
Safe & healthy working conditions	X	X	X	X
Legal employment relationship				

# TRANSPARENCY



Supply chain transparency is of great importance for textile companies in today's world. It allows us to trace the origin and path of our materials and ensure that social and environmental standards are upheld.

Creating transparency in supply chains comes with various challenges. The complexity and diversity of supply chains, particularly in the textile industry, can make tracking difficult. It requires continuous efforts to ensure that all partners along the supply chain adhere to our high standards. In the past fiscal year, at Maier Sports, we have taken a significant step:

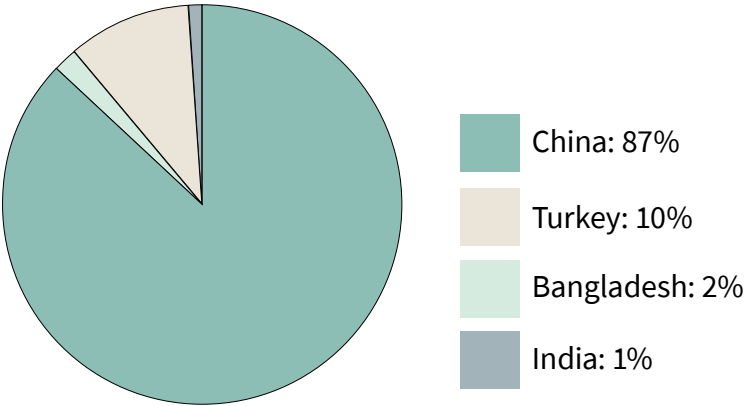
*We have successfully identified all subcontractors of our finished goods producers and have assessed their compliance with our strict social standards.*

Furthermore, we have systematically listed our direct fabric Tier-2-suppliers and will contractually require them to uphold our human rights requirements in the next phase. Overall, this approach provides us with a comprehensive overview of our supply chain and enables us to specifically verify the adherence to human rights and environmental protection.

We are committed to continuing our work in improving supply chain transparency and identifying suppliers further up the value chain. By actively communicating our social standards to our partners and collaborating closely with them, we contribute to building a responsible supply chain and fostering trust among our customers.

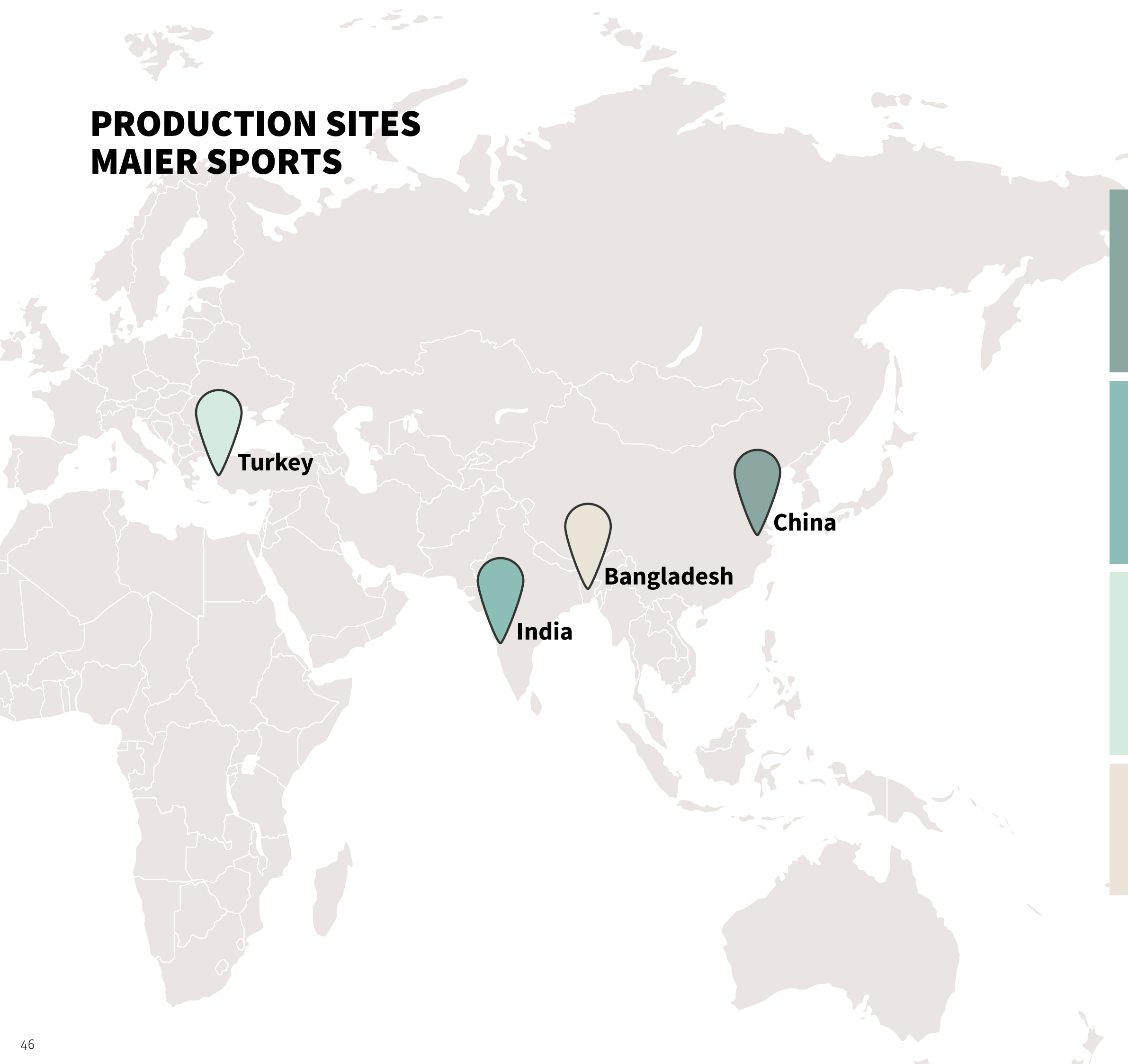
Through these efforts, we not only strengthen our ethical principles but also support the overall development of a sustainable textile industry.

## PRODUCTION VOLUME BY COUNTRIES





# PRODUCTION SITES MAIER SPORTS



### China

Winter collection 2022/23:  
111 models

Summer collection 2023:  
107 models



### India

Winter collection 2022/23:  
2 models

Summer collection 2023:  
12 models



### Turkey

Winter collection 2022/23:  
24 models

Summer collection 2023:  
18 models



### Bangladesh

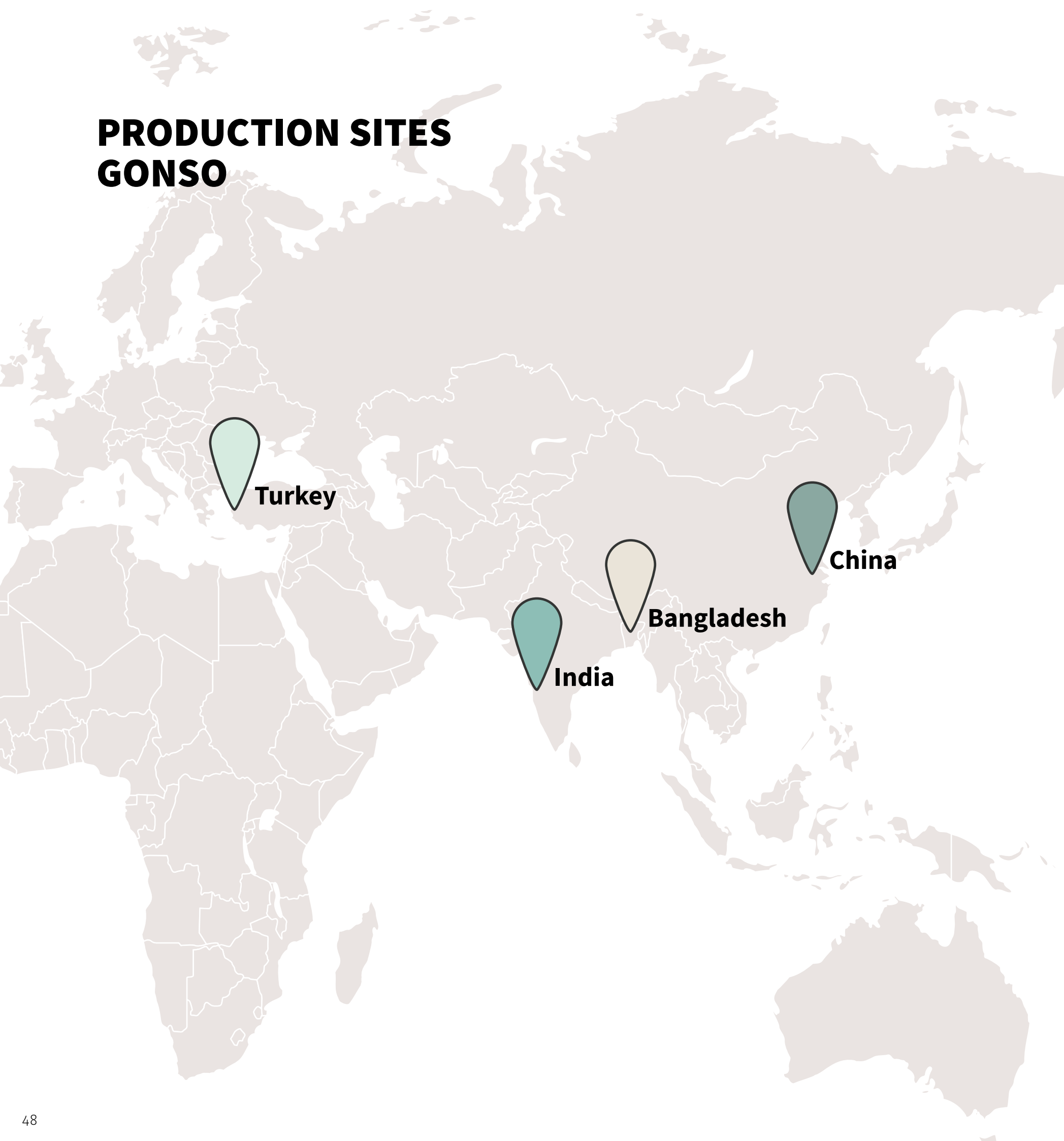
Summer collection 2023:  
5 models



*as of July 1, 2023*



**PRODUCTION SITES  
GONSO**



**China**

Winter collection 2022/23:  
68 models

Summer collection 2023:  
87 models

The icons for China's collections include: a quilted jacket, a hooded vest, a pair of shorts, a pair of trousers, a long-sleeved shirt, a pair of shorts, and a pair of overalls. These icons are repeated for both the winter and summer collections.

**India**

Winter collection 2022/23:  
2 models

Summer collection 2023:  
3 models

The icons for India's collections include: a long-sleeved shirt for the winter collection and a long-sleeved shirt for the summer collection.

**Turkey**

Winter collection 2022/23:  
58 models

Summer collection 2023:  
55 models

The icons for Turkey's collections include: a pair of trousers, a quilted jacket, a long-sleeved shirt, a pair of shorts, and a pair of overalls for the winter collection; and a pair of trousers, a quilted jacket, a hooded vest, a long-sleeved shirt, a pair of shorts, and a pair of overalls for the summer collection.

**Bangladesh**

Summer collection 2023:  
5 models

The icons for Bangladesh's collection include: a quilted jacket and a pair of shorts.

*as of July 1, 2023*



# PRODUCTION SITE TURKEY

## Germatürk: A Reliable Partner in Every Situation

They are a little nervous at the beginning, and understandably so. The situation is unusual. This is Serpil and Hüseyin, both employees at our subsidiary in Izmir, Turkey – Germatürk. We meet them for a virtual conversation about their work, their daily lives influenced by high inflation, and their hopes for the future.



Serpil has been working at the company for 26 years.

*„Germatürk feels like a second family to me“*



### Top-Quality made in Turkey

Serpil has been working at the company for 26 years and says, that she is still happy working here. She has been there almost from the beginning since Maier Sports established the subsidiary just four years earlier. The decision to establish the subsidiary in Turkey was made by the management at that time due to the highly developed textile industry in the country, with numerous well-trained professionals. The success of this decision is evident not only in the high quality of the products but also in the exceptional level of trust in the collaboration.

*„Germatürk is like a second family to me.“*

As we discuss the work environment, the initial nervousness dissipates. Serpil particularly praises the morning atmosphere at her workplace: "Everyone starts the day in a good mood." There are many employees who have been with the company since its establishment. "Since many colleagues have also been employed here for so long, it feels like a second family," says Serpil. She works in the cutting department and is responsible for ensuring that the ingredients, colors, and fabrics are properly prepared for the upcoming production. "I especially like that moment when I can hold the finished product in my hands after a long process."

This sets the stage for Hüseyin's task. He is responsible for the sewing work. "I especially like that moment when I can hold the finished product in my hands after a long process." Precision, open communication, and solution-oriented work are crucial in this role.



Hüseyin is responsible  
for the sewing work



*”I especially like that moment when I can hold the finished product in my hands after a long process.“*

His colleagues’ appreciation for him is evident by the fact that, despite being with the company for only two and a half years, they have already elected him as a workers’ representative.

From the beginning, Maier Sports has been committed to ensuring good and safe working conditions at the production facility. Germatürk shares this commitment, leading to a fruitful collaboration. This is particularly evident in exceptional situations such as the challenging economic situation in Turkey.

Share of total production	10%
Last audit	2021
Most important result of the audit	Workers were paid below living wage
What we have improved in the past year	Due to the high inflation, wages were regularly adjusted, and the financial needs of the employees were assessed through a survey.
Training	Workplace Education Programm Basic training at subcontractor

**High Inflation: ”It is getting more difficult day by day.“**

With inflation still hovering over 55 percent as of February this year, it continues to have significant impacts on the daily lives of Serpil and Hüseyin. ”It has become very difficult to make ends meet with just one salary,“ says Hüseyin. Leisure activities have become scarce. They used to do something every weekend. ”Now it might happen once a month,“ they explain. When Serpil goes grocery shopping, she has to deal with weekly price increases: ”It is getting more difficult day by day.“

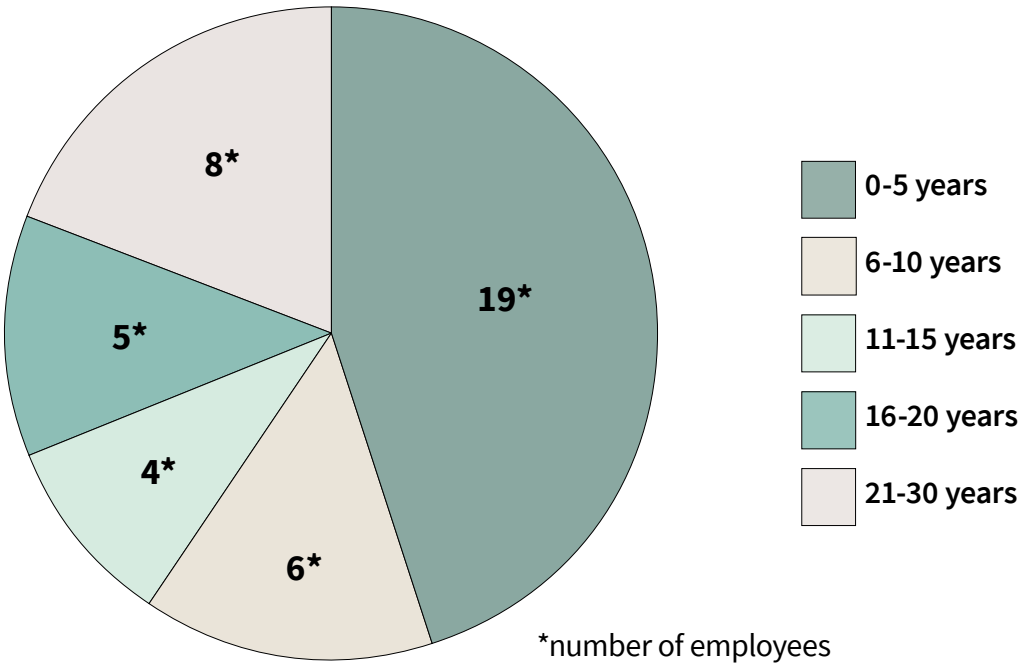
**Unity and Optimism in Every Situation**

Maier Sports is in constant contact with Germatürk’s management to increase the workers’ wages and keep up with the rising prices. However, we have realized that increasing wages alone is not enough. That’s why we have also provided food vouchers. Additionally, at the beginning of the year, the retirement age was abolished. As a result, in many cases, employees as young as in their early 40s can now apply for retirement benefits. Germatürk suddenly had to come up with a six-figure sum to meet these demands, all within a challenging economic environment. In this situation, Maier Sports made the decision to support both its employees and the company by providing the necessary funds.

Unity and optimism foster a positive mindset, no matter what challenges arise. This becomes evident in the conversation with Serpil and Hüseyin. When an earthquake struck the south of Turkey on February 6, burying thousands of people, Germatürk acted quickly and selflessly. Warm jackets and blankets from their own warehouse swiftly found their way to the affected areas.

Despite these currently difficult circumstances, Hüseyin and Serpil look confidently toward the future and intend to remain with Germatürk, their second family, for a long time.

**LENGTH OF EMPLOYMENT  
AT GERMATÜRK**



## PRODUCTION SITE PEOPLE'S REPUBLIC OF CHINA

The textile industry in China, has made it the largest clothing exporter globally. However, the Chinese manufacturing industry is undergoing rapid changes, including labor shortages, higher labor costs, and global protectionism, impacting China's competitiveness. The human rights situation in China has not improved, with restrictions on freedom of association, independent trade unions, and the right to strike or of collective bargaining. Labor law problems such as low wages, excessive overtime, and inadequate social security persist.



Chinese factories often operate under high-pressure conditions with short lead times, paying employees below minimum wages due to a piece-wage system that disregards overtime. Workers have limited access to the social security system, and migrant workers face challenges in obtaining pensions and social security benefits due to household registration restrictions. The search for skilled employees is challenging due to the one-child policy's impact on education and labor shortages. In response, textile factories have moved inland, and online platforms are increasingly used to recruit new employees.

Maier Sports GmbH established joint venture companies and collaborations with Chinese partners in 2000, 2006, and 2011 to produce sustainable products for the Maier Sports and GONSO brands. The company intends to continue this long-term strategy and collaboration, prioritizing quality and sustainability over short-term production cost reductions. Despite the frequent job changes among employees in China, over half of the employees in the joint venture companies have been with the company for more than five years, indicating high employee satisfaction.

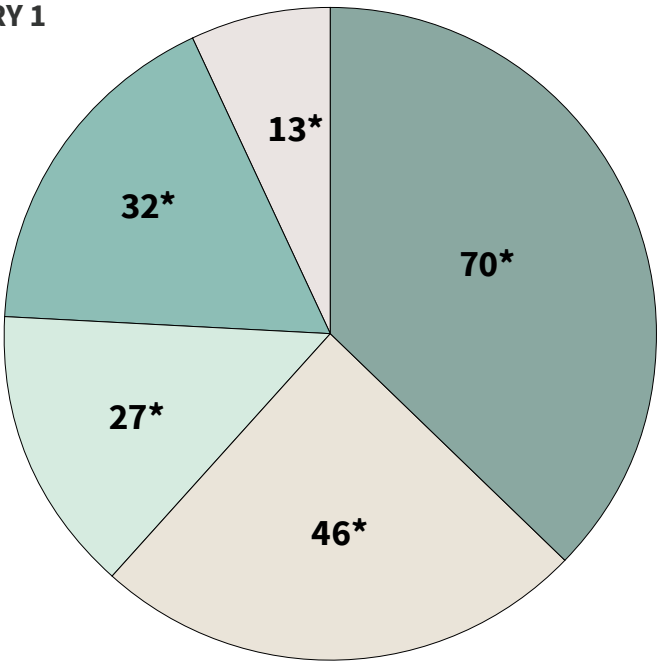


Maier Sports provides training and support to Chinese partner companies. Additionally, the company has implemented charging stations in one production facility for employees' electric motorcycles, promoting environmentally friendly transportation options.

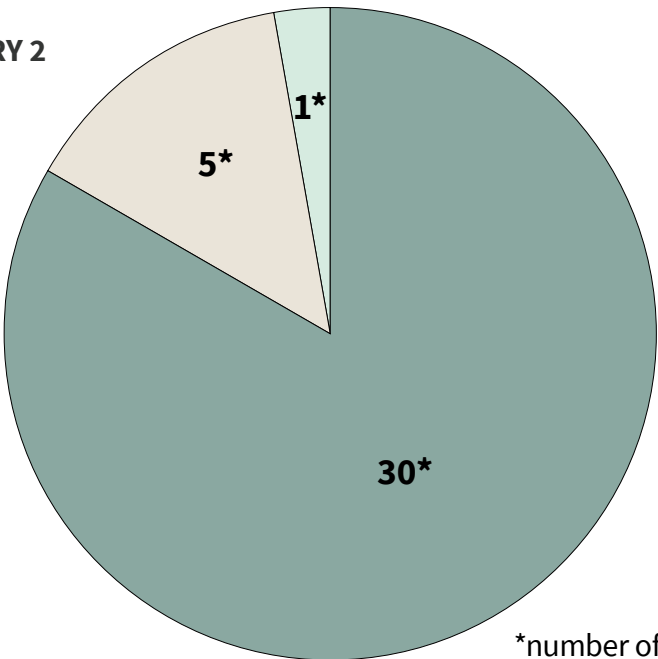


LENGTH OF EMPLOYMENT AT CHINA

FACTORY 1



FACTORY 2



- 0-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- 21-30 years

\*number of employees

FACTORY 1

Share of total production	19% (with subcontractor 79%)
Last audit	2022, 2023 at subcontractor
Most important result of the audit	Labour Rights were not carried out effectively At subcontractor: Excessive overtime
What we have improved in the past year	<ul style="list-style-type: none"><li>Workers were informed about their labour rights</li><li>Conducting an overtime survey and collecting capacity data of the subcontractor to understand why overtime occurs</li></ul>
Training	-

FACTORY 2

Share of total production	3% (with subcontractor 8%)
Last audit	2021
Most important result of the audit	Excessive overtime
What we have improved in the past year	<ul style="list-style-type: none"><li>All subcontractors were obliged to post the Worker Information Sheet, inform workers about their labour rights and sign the Code of Labour Practices</li><li>Conducting an overtime survey and collecting capacity data of the subcontractor to understand why overtime occurs</li></ul>
Training	-

# PRODUCTION SITE INDIA

India's textile and clothing industry is the third-largest employer in the country, providing jobs to around 45 million people. As the world's second-largest exporter of apparel and cotton, it plays a crucial role in India's economic growth.

The industry faces challenges related to high demand, which puts pressure on factories to increase production quickly. Overtime work is common, often without proper compensation. Informal employment agreements are prevalent, particularly for seasonal and migrant workers. Union participation is discouraged, limiting opportunities for workers to improve their situation and wages.

Gender inequality is a significant issue, with a large gender pay gap of around 34%. Employment opportunities for women have deteriorated in recent years, and sexual harassment remains a problem with underreporting. Despite existing policies, many clothing factories lack effective mechanisms to address gender-related issues.



Share of total production	2%
Last audit	2022
Most important result of the audit	<ul style="list-style-type: none"><li>• Unable to record working hours</li><li>• Urgent findings in fire protection and building safety</li><li>• High number of female workers, but no female contact person at the security service</li><li>• The factory had not established written policies on issues such as discrimination, forced labor, and child labor.</li></ul>
What we have improved in the past year	<ul style="list-style-type: none"><li>• The device for time recording is now functional</li><li>• Various improvements in building security and worker health protection</li><li>• Female security personnel in the security service</li></ul>
Training	Workplace Education Basis Training 2021



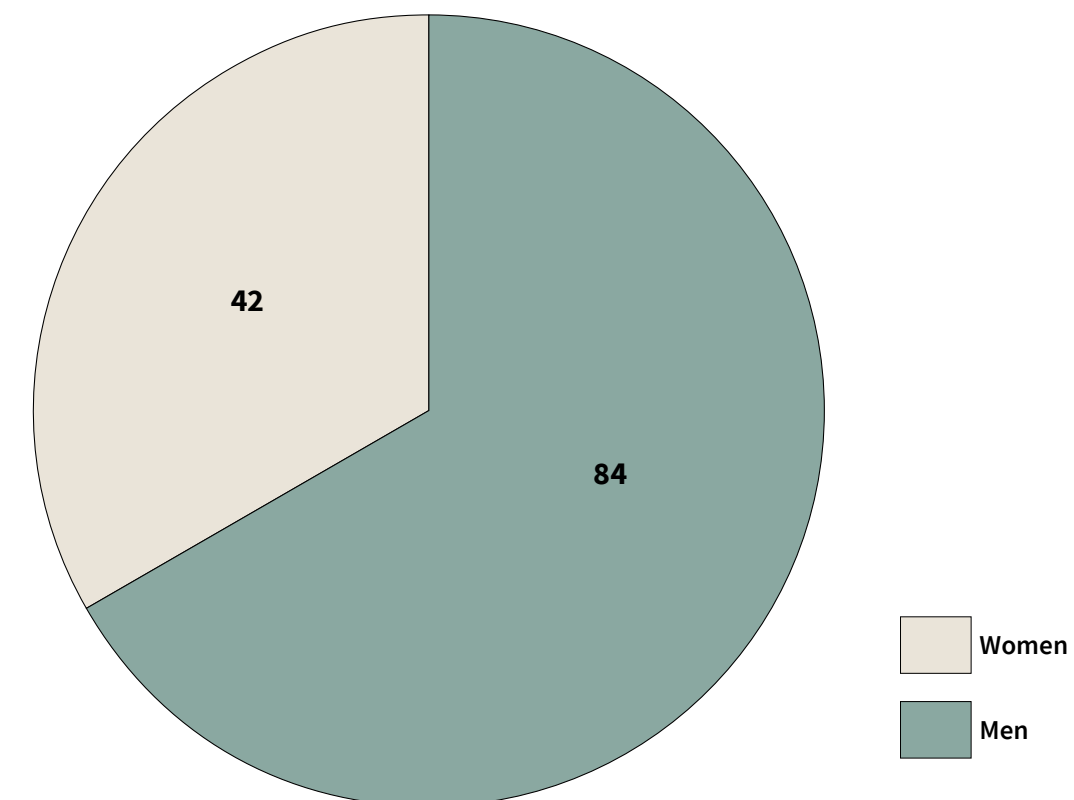


Maier Sports GmbH has been working with a BSCI-audited supplier in India since 2016. In response to widespread workplace harassment in India, the company conducted FWF WEP basic training in March 2021 to ensure a respectful environment for all employees. Furthermore, a FWF audit took place in 2022. The audit assessed compliance with FWF labour standards.

The factory in India has established committees, including an internal committee under the Sexual Harassment of Women at Workplace Act, an operations committee, and a safety committee. Workers are encouraged to voice their concerns to the factory manager or owner. The factory also provides training courses on handling chemicals.

Overall, the textile and clothing industry in India plays a vital role in the country's economy. However, challenges such as high demand, gender inequality, and informal employment practices need to be addressed to improve working conditions and ensure fair treatment of workers. We are in close communication with the relevant stakeholders and have a constant focus on potential risks. As part of our HRDD system, we actively work to reduce the risk of labor rights violations.

## GENDER RATIO AMONG EMPLOYEES IN PRODUCTIONS IN INDIA







## PRODUCTION SITE BANGLADESH

The textile industry in Bangladesh is of great importance to the national economy, providing employment to millions of people and significantly contributing to the export sector. However, the industry faces challenges regarding the adherence to labor rights and ensuring fair working conditions.

In Bangladesh, Maier Sports collaborates with two production facilities, which are managed by an overarching management. Both factories are part of the International Accord on Fire and Building Safety, an agreement established in response to the Rana Plaza building collapse in 2013. The International Accord aims to improve the safety of workers in the garment industry in Bangladesh.

To ensure that our production facilities meet high labor standards, they undergo regular audits conducted by the implementing organization of the International Accord, the Readymade Sustainability Council (RSC). The RSC carries out independent assessments to ensure compliance with safety measures, fire safety standards, and labor rights.

Another crucial tool to ensure fair working conditions is the anonymous complaint system implemented in our production facilities. This system enables workers to report grievances, violations of labor rights, or other issues anonymously. We place great importance on addressing and appropriately handling these complaints to continuously improve working conditions.



**FACTORY 1**

Share of total production	2%
Last audit	BSCI 2020, RSC latest inspection 2022
Most important result of the audit	BSCI: Incorrect calculation of living wage, no anti-corruption training RSC: RSC progress rate 100%
What we have improved in the past year	<ul style="list-style-type: none"><li>• awareness trainings on water management, waste reduction, and anti-corruption</li><li>• Employee survey on the cost of living</li></ul>
Training :	-

**FACTORY 2**

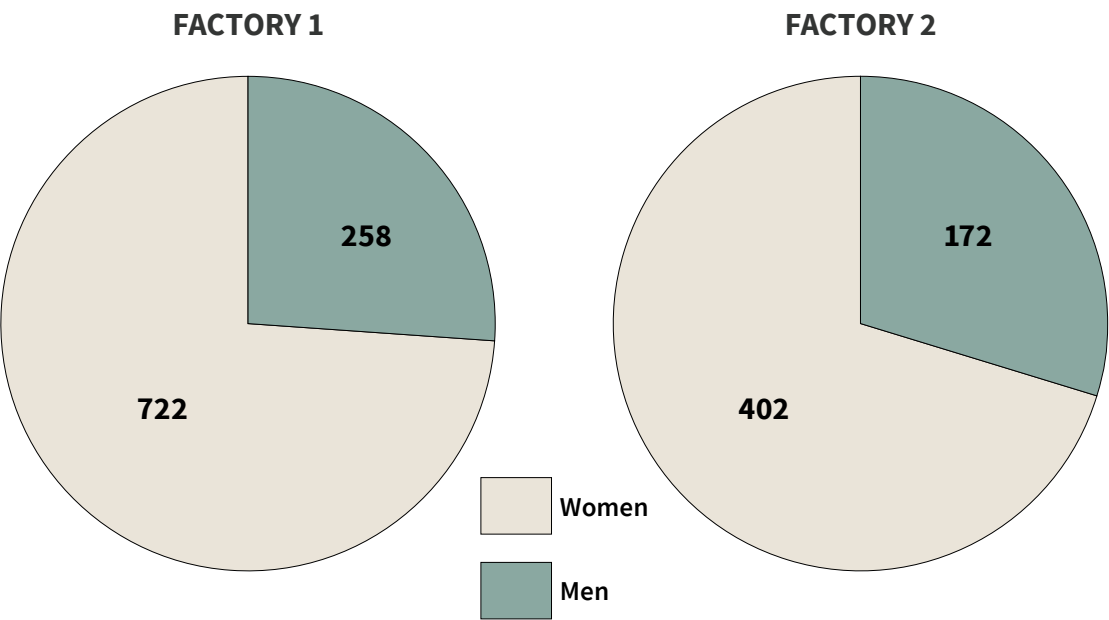
Share of total production	0,4%
Last audit	BSCI 2022, RSC latest inspection 2022
Most important result of the audit	BSCI: Inadequate Complaints Management System RSC: Deficiencies in Fire Protection, Safe Machinery, and Safe Electrical Systems
What we have improved in the past year	<ul style="list-style-type: none"><li>• RSC progress rate 69%, further measures are planned</li><li>• Complaint management system has been improved</li></ul>
Training :	-

Furthermore, we are committed to implementing the Fair Wear Foundation (FWF) standards on-site. As part of this commitment, there is also a complaint mechanism in place. While the FWF primarily addresses complaints related to social aspects, the RSC’s complaint system focuses primarily on building safety and fire protection. This ensures that potential risks in this production country are covered, and workers can anonymously approach recognized complaint channels to improve the situation.

We are also in close communication with the local stakeholders to actively ensure the human rights and labor situation in the textile industry in Bangladesh.



**GENDER RATIO AMONG EMPLOYEES IN PRODUCTIONS IN BANGLADESH**



# PRODUCTION CYCLE

## Timelines in detail

Ensuring the timely availability of the Spring/Summer collection for customers' purchase requires long-term planning and consideration for all workers involved in the production process. For the Spring/Summer 2023 collection, the work began two years in advance:

- 1. Analysis Phase:** We define our collection goals and carefully select materials and colors through thorough research.
- 2. Design Briefing:** This serves as the creative starting point where fabrics and ingredients are determined, and concrete designs are finalized.
- 3. Prototyping Phase:** We produce prototypes to evaluate functionality, fit, and quality.
- 4. Price Negotiations:** We negotiate responsible prices with our suppliers, conduct photo shootings, and create a work book for the collection.
- 5. Production Phase:** The production commences, and we receive a Salesman Sample for quality control.
- 6. Collection Handover:** The collection is handed over to representatives, marking the start of the sales phase, and all items receive the final approval for production.
- 7. Production Orders:** Production orders are generated, and fabrics and ingredients are ordered as preparations are made for the production process.
- 8. Production and Transport Phase:** The collection is manufactured and transported, with producers given a lead time of 120 days.
- 9. Goods Receipt:** Finished products undergo inspection at the warehouse before being delivered to customers.





# THE CHALLENGE OF CONTINUOUS CAPACITY EXPLOITATION

## Continuous Utilisation

### Development of “Never-Out-of-Stock” (NOS) Products:

We have developed a comprehensive program of NOS products that are available throughout the year. By offering these products at all times, we enable our trade partners to have access to a continuous supply, help our producers utilize their capacities more evenly and reduce the impact of seasonal fluctuations

### Order Placement and Production Time:

We actively encourage our customers to place their orders earlier, which enables us to move the production time forward. By producing items during the off-season, we can alleviate production pressures during the main production period and ensure a more consistent utilization of our production facilities.

### Resource Efficiency and Sustainability:

We are committed to saving resources and protecting the environment. In this regard, we manufacture individual items using excess material from our series production. This allows us to transform what would typically be discarded into new, valuable products. This work takes place during the off-season, helping us make more efficient use of our production capacity.



### Ongoing Communication and Scheduling:

Throughout the year, we maintain close contact and communication with our producers. We inquire about the current order situation and capacity utilization not only during the peak season, but also in the off-season, with the aim of placing targeted season-independent orders during weaker periods. To enable a consistent workload in the facilities, we don't just place one order per season, but instead work with regular order placement dates occurring at least every two months.

# FAIR WEAR FOUNDATION STANDARDS

## Together for Fair Working Conditions

We have been a committed member of the Fair Wear Foundation (FWF) for over 10 years. Together, we have achieved significant progress and continuously improved working conditions for our colleagues in Asia. What is the Fair Wear Foundation, and what are its goals, especially in high-risk countries? What does our daily collaboration with them look like?

*”We wanted a strong partner by our side, providing expertise and guidance on the challenges of social sustainability.”*

The company’s management recognized the importance of social sustainability in our supply chain early on. From the beginning, we set high standards. ”We wanted a strong partner by our side, providing expertise and guidance on the challenges of social sustainability,” said Managing Director Simone Mayer.

With the Fair Wear Foundation, we found an organization that meets these requirements. The FWF supports apparel companies in ensuring the rights of workers in production facilities.



## TOGETHER FOR FAIR WORKING HOURS

Labor rights that are taken for granted in Germany often need to be established in other countries. One example is the prohibition of excessive working hours. Especially in the textile industry, cases of extraordinarily high workloads have been identified in recent years. This is primarily due to seasonal production peaks that result in high factory utilization.

*”We strive to ensure that all our colleagues [...] not only find decent but also respectful working conditions.”*

We work daily with the Fair Wear Foundation to ensure appropriate working hours for our colleagues abroad. At Maier Sports, our CSR team, led by Lisa-Marie Dozier, is responsible for this (interview on the website). One measure, for example, is the establishment of ”Never-out-of-Stock“ products. These items are continuously offered in our range and help maintain a more balanced workload at our production facilities. However, Managing Director Simone Mayer believes there is more to it: *”We want to consistently ensure that all our colleagues who contribute to the high quality of our products along our value chain not only find decent but also respectful working conditions. This includes, above all, fair wages and a respectful working atmosphere.”*



## NON-NEGOTIABLE: THE 8 LABOR STANDARDS

The Fair Wear Foundation bases all its actions on the 8 labor standards of the International Labour Organization (ILO) and the Universal Declaration of Human Rights.

Every individual right requires our attention. In the following, we report on deviations and violations of the labor guidelines in the fiscal year 2022/23 and the approaches to solutions we are pursuing. During this period, a total of five audits were conducted in the countries of India, China (2), and Bangladesh (2).





## 1 Employment is freely chosen

### 1. EMPLOYMENT IS FREELY CHOSEN

*The employment relationship is voluntary. There must be no forced labor, including debt bondage or prison labor (ILO Conventions 29 and 105).*

No violations of forced labor were found during the audits. Due to reports of forced labor in the Uyghur regions, we have reviewed the origin of all sub-suppliers and Tier-2 suppliers in China. None of the factories are located in the affected region.

### 3. NO DISCRIMINATION AT THE WORKPLACE

*Hiring, wage policies, access to training, promotion rules, termination of employment, retirement, and any other aspect of employment must be based on the principle of equal opportunity, regardless of ethnicity, skin color, gender, religion, political affiliation, union membership, nationality, social background, disabilities, or weaknesses (ILO Conventions 100 and 111).*

No specific violations of this policy were identified. However, there is room for improvement in terms of equal treatment in the Indian factory, as no woman holds a managerial position despite a high number of female workers.



## 3 No discrimination in employment



## 2 Freedom of association and the right to collective bargaining

### 2. FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING

*All workers have the right to form unions, join them, and engage in collective bargaining (ILO Conventions 87 and 98). In cases where the freedom of association and the right to collective bargaining are legally restricted, the company will actively promote alternative paths for independent and free unions and negotiations for all employees. Employee representatives must not be discriminated against and should have access to all workplaces (ILO Convention 135 and Recommendation 143).*

We inform at all levels about freedom of association and continuously highlight other possibilities for social dialogue. We encourage employees to organize themselves and use these opportunities. We appeal to the management to grant these rights. In the Chinese factories, no unions are active, and none of the interviewed workers were aware of the right to union formation. After our request, the management informed and educated everyone about the labor guidelines, especially freedom of association and collective bargaining.

### 4. NO CHILD LABOUR EXPLOITATION

*There must be no child labor. The minimum age for employment must not be below the compulsory school age and generally not below 15 years or 14 years in exceptional circumstances, as described in Article 2.4 of the Minimum Age Convention (ILO Convention 138). Child labor practices such as child trafficking, debt bondage, serfdom, and forced labor are strictly prohibited. Children aged 15 to 18 must not perform work that is harmful to their health, safety, or morals (ILO Convention 182). No violations of child labor regulations were found during the audits.*



## 4 No exploitation of child labour



## 5 Payment of a living wage

### 5. PAYMENT OF A LIVING WAGE

*Wages and allowances for a maximum six-day workweek must at least meet legal or industry minimums and always be sufficient to meet the basic needs of workers and their families, with some disposable income (ILO Conventions 26 and 131).*

Currently, wages for the contracted working hours are above local minimum wages but below the amounts considered as a living wage by independent organizations. The implementation of living wages is complex, and not all factors can be addressed and changed quickly. We ensure that social security coverage for employees is fully paid, and additional benefits are offered. There is a particular focus on wage development in Turkey due to the persistently high inflation rate.



## 6 Reasonable hours of work

### 6. NO EXCESSIVE WORKING HOURS

*Working hours must comply with legal and industry standards. Workers must not be regularly required to work more than 48 hours per week, and they must have at least one day off in a seven-day period. Overtime must be voluntary, not exceed 12 hours per week, and not be demanded on a regular basis. Overtime must always be compensated with overtime pay (ILO Convention 1).*

One of the biggest challenges for production facilities is achieving a balanced distribution of work throughout the year. To reduce overtime in the future, Maier Sports GmbH is making significant efforts and taking higher risks in scheduling. The reasons for excessive overtime in two Chinese factories were evaluated through a survey. Maier Sports has developed an overtime strategy and is currently exploring measures to reduce it.

### 7. SAFE AND HEALTHY WORKING CONDITIONS

*Ensuring a safe and hygienic work environment and promoting optimal occupational health and safety, based on current industry-specific knowledge of potential hazards, is essential. Attention must be paid to industry-specific occupational risks, and a safe and hygienic work environment must be guaranteed.*

Rules for maximum accident prevention are in place. Due to our risk assessment, the main focus is on building safety at production facilities in Bangladesh. Both factories are regularly visited by the executing organization of the Bangladesh International Accord, the RSC. While one factory meets all requirements, the other still has some outstanding requirements. Management is working diligently on improvements. Conditions in India, China, and Turkey also do not fully comply. As part of our risk assessment, we work with management to address the requirements, prioritizing based on severity, urgency, and the likelihood of potential health hazards.



## 7 Safe and healthy working conditions

### 8. LEGALLY BINDING EMPLOYMENT

*Employment relationships must be legally binding, and all labor and social obligations to employees must be adhered to.*

All audited factories could demonstrate a legal, contractual employment relationship with employees. Due to the high risk of illegally employed Syrian refugees in Turkey, we have raised awareness and received confirmation that all employees are legally employed. Regarding payment modalities, irregularities occurred in factories in India and China but were promptly resolved in collaboration with the respective management. We have documentation for timely payment via bank transfer for both factories.



## 8 A legally binding employment relationship



With over 20 years of experience working on social standards in the textile industry, the Fair Wear Foundation provides valuable support and is well-informed through its broad network in production countries. It is supported by textile associations, trade unions, and non-governmental organizations. Member companies commit to implementing the social standards, which are among the strictest worldwide.

**SPECIAL ATTENTION TO EMPLOYEES IN HIGH-RISK COUNTRIES**

To verify compliance, the FWF conducts audits in our manufacturing facilities and raises awareness through workshops on topics such as equality.

Currently, the Fair Wear Foundation has over 140 member brands. The organization is active in countries classified as high-risk, including Bangladesh, Bulgaria, and Vietnam. These countries are considered high-risk due to a significant likelihood of non-compliance with at least one of the labor standards. Therefore, a particularly high duty of care applies. It is a duty we fulfill out of conviction.



**COMMUNICATION OF MEMBERSHIP IN THE FWF**

Open communication is important to us. We would like to give all internal employees and external interested parties an insight into what the FWF and Maier Sports GmbH are doing together. This covers which topics are being dealt with, which measures are being implemented, and what progress is being made as a result.

Membership in the Fair Wear Foundation, which we have had for more than 10 years now, and the assumption of social responsibility is a very important aspect of the company strategy for Maier Sports and GONSO. It is therefore a matter of course for us that we actively communicate this membership and ensure transparency of the results of the process-driven audit procedure. It is for this reason that we publish the annual Social Report on the Maier Sports and GONSO websites. We not only communicate our membership in the Fair Wear Foundation on our websites and via our social media channels, but also in our merchant workbooks, at national and international trade fairs, during sales force training courses, in press releases and in our customer magazines.

The FWF is also an important topic in the context of our Maier Sports Academy, which is used to provide professional and practical sales training and further education to the sales staff in specialist sports retailers. After all, FWF membership is an important argument to use towards customers in retail. All of our employees are informed about our work with the Fair Wear Foundation. In coordination meetings between the head office and the production partners – which are permanent fixtures – the employees concerned with the topics are informed accordingly about the current situation, ongoing processes and new developments in connection with the Fair Wear Foundation.

We actively use many different channels to ensure that our employees and sales partners, as well as end consumers, are made aware of the efforts Maier Sports and GONSO are making to improve working conditions in critical production countries.

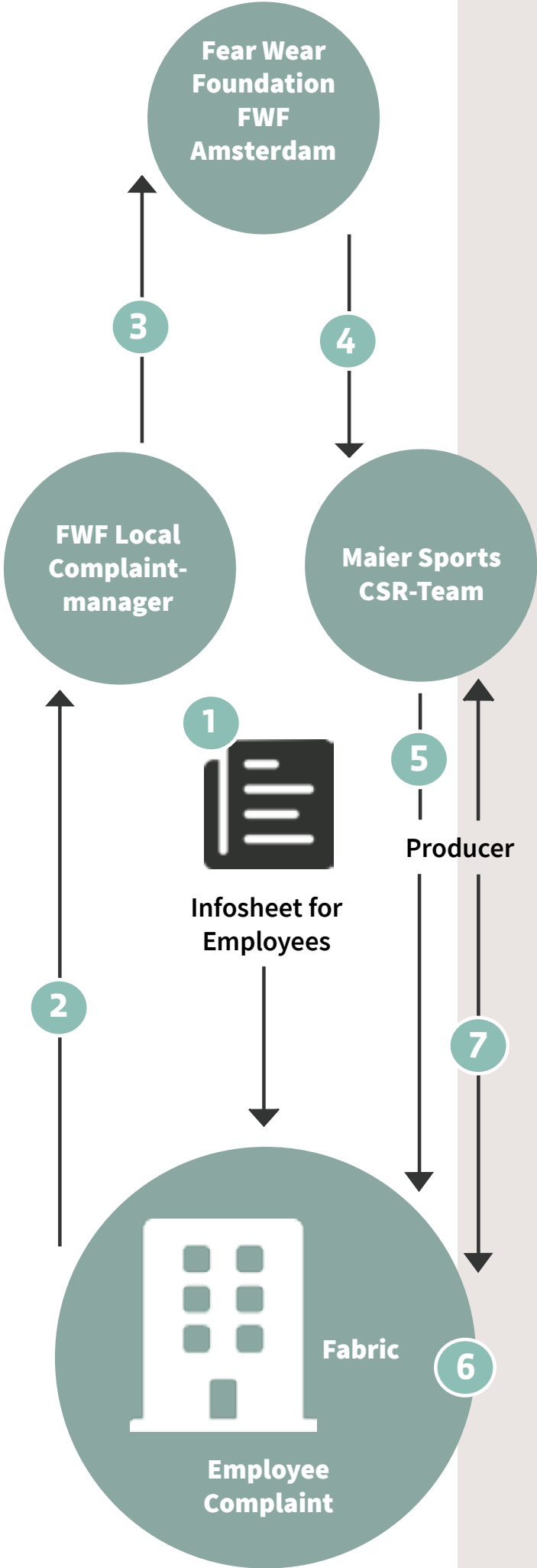
# COMPLAINT SYSTEM

**Effective Complaint Handling and Communication:** At Maier Sports and our main production facilities a strong culture of communication and a reliable internal complaint system ensure that most complaints are promptly addressed in an uncomplicated, solution-oriented manner. If resolution within the company is not possible or if the situation doesn't improve, employees at our suppliers are encouraged to submit their complaints to the Fair Wear Foundation (FWF).

The FWF Code of Labour Conduct provides information on how to contact an independent body to file complaints. This office reviews the complaint and forwards it to the FWF headquarters, which then informs Maier Sports GmbH about the issue. The company takes these complaints seriously and focuses on finding quick and sustainable solutions through open communication with the relevant suppliers.

In **China**, Maier Sports GmbH has appointed a local FWF and BSCI officer to enhance the implementation of the complaint system. This officer acts as a direct contact person for Chinese companies producing for the company, ensuring compliance and control of measures on-site. Post boxes are available for anonymous submission of suggestions, requests, or complaints. In **India**, complaints and problems are typically resolved internally, with employees directly contacting the relevant department head for a quick resolution. However, an anonymous and strictly confidential complaint system is also in place, allowing employees to report issues with department heads via a securely locked complaints box. To date, no complaints have been received by top management or individual department heads. In **Turkey**, employees have three options for submitting requests or complaints. They can communicate their concerns through employee representatives, use a wish or complaint box for anonymous or named submissions, or participate in the "open door policy" where they can discuss their thoughts or complaints directly with the company management in an informal manner. In **Bangladesh** an additional complaint system of the RSC is in place, which covers also fire and safety related grievances, due to the special risks in this country.

Maier Sports GmbH is committed to addressing and resolving complaints effectively, fostering a relationship of trust, and promoting open communication to address any arising problems.



1. The complaint system is implemented in the production facility by means of a notice, the so-called FWF "Worker Info Sheet" for employees
2. Complaints can be communicated directly to the local FWF complaint hotline by individual employees
3. The FWF's local complaint manager examines the circumstances of the complaint and informs the FWF headquarters in Amsterdam
4. The employees of FWF Amsterdam will pass on all the details of the complaint to those responsible at Maier Sports GmbH
5. Maier Sports GmbH will forward the complaint to the producer, requesting a statement
6. The producer will comment on the complaint
7. A time and action plan is drawn up and defined for the complaint. The solution and the corresponding measures are fed back to the FWF



# WHISTLEBLOWER SYSTEM

A whistleblower system has been introduced throughout the Schwan-STABILO group. EU directive requires to provide channels through which all employees and external parties (customers, suppliers, etc.) can directly report grievances to the company. The whistleblower system is a clear commitment to consistent compliance with laws, rules, and internal guidelines including the willingness to prevent and punish misconduct. This expressly includes the fact that we are open to reports of white-collar crime, serious administrative offences, breaches of duty under labor law and other gross violations of rules and laws in connection with Schwan-STABILO.

## Which specific topics should be reported?

- Bribery (even attempted) or corruption
- Anticompetitive conduct
- Antitrust conduct
- Theft
- Embezzlement of materials
- Damage to property through embezzlement or fraud
- Violation of data protection and manipulation of documents
- Violations of occupational health and safety or environmental protection regulations
- Grossly inappropriate social behavior, #MeToo, discrimination, harassment
- Forced and child labor

A whistleblower now has the option of either submitting a tip to our online platform or informing the legal counsel directly.

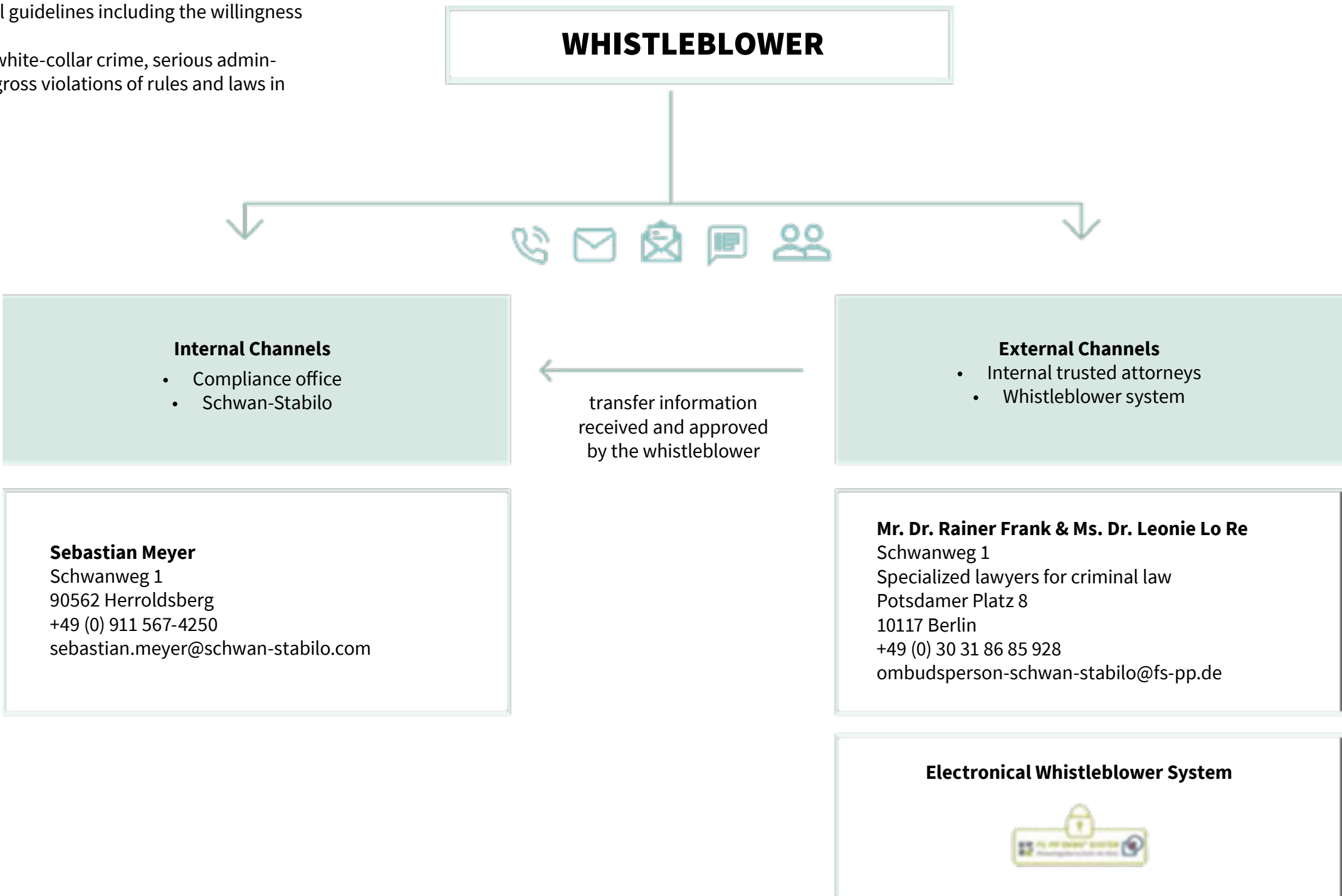
This system was introduced to Maier Sports and GONSO first and was afterwards introduced to our own Factory in Turkey in February 2022.

This Factory has informed all workers about the availability of these channels and provided them with the contact details.

For more details you can view our websites:

<https://www.maier-sports.com/de-de/recht/compliance>

<https://gonso.de/de-de/recht/compliance#hinweisgebersystem>



# SOCIAL PROJECTS & ENVIRONMENTAL PROJECTS



## Joint Assistance Following Earthquakes in Turkey and Northern Syria – February 2023

Following the devastating earthquakes in Turkey and Northern Syria in February 2023, our company, along with our partners Deuter and our subsidiary Germatürk, took swift action to provide assistance to those affected. In close collaboration, we collected, sorted, and packaged approximately 3000 items to provide warm winter clothing and other urgently needed supplies. Simultaneously, Germatürk delivered relief goods from their own outlet within a few days of the earthquakes, sewing blankets and offering additional support. Through this collective effort, we were able to provide prompt and effective aid, demonstrating our willingness to unite our strengths and stand together in times of need for those requiring assistance.

## Mobile work at Maier Sports – Embracing Employee Participation

After the end of COVID-19 measures, we extensively deliberated on how to effectively continue mobile work at Maier Sports. To ensure comprehensive employee participation, we established a taskforce comprised of individuals from all age groups and encompassing both advocates and critics of mobile work. Every employee had the opportunity to apply for this group, creating a diverse range of opinions and experiences.

Through carefully facilitated workshops, this group developed a concept and conducted a company-wide survey. The resulting findings were presented to the management and works council. After thorough consideration, it was decided to allow for up to 60% of working time to be conducted remotely.

The flexibility offered by mobile work is highly valued by our employees. To better understand its impact and effectiveness, we will also conduct comprehensive evaluations.

This participatory approach to employee involvement sets an exemplary precedent for our corporate culture at Maier Sports. By including our employees in the decision-making process and listening to their voices, we ensure that their needs and well-being are considered.

We will remain committed to fostering a dynamic corporate culture that encourages engagement, regular exchange, and mutual respect.

## Environment Day – What does sustainability mean at Maier Sports?

In order to truly understand what sustainability means to each individual and foster open communication, our Marketing and CSR departments organized a participatory initiative.

Employees were invited to share their personal thoughts on the question, “What does sustainability (at Maier Sports) mean to you?” A dedicated bulletin board provided a space for them to express their ideas.

The remarkable diversity of responses demonstrated that everyone has a unique perspective on sustainability. Employees articulated their beliefs and ideas, ranging from environmentally friendly production processes and materials to social responsibility and awareness of their own ecological footprint.

This initiative not only revealed how our employees at Maier Sports perceive sustainability but also sparked internal discussions. The varied viewpoints and ideas expressed by our staff will help shape the development of our sustainability strategy and drive new initiatives. By involving our employees in this process, we strengthen our collective commitment to a more sustainable future.

“Short  
Transportation  
Routes”

“Quality  
over quantity”

“Open  
Communication”

“Taking  
responsibility  
for the future”



## SUMMARY – MOVING THE FUTURE:

### Sustainable positioning in dynamic times

The present CSR report impressively illustrates the challenges our company has faced in recent years in a dynamic business environment. A global pandemic, uncertain supply chains, intense competition, and political and economic disputes. However, there is reason for optimism as we have successfully focused on shaping our future.

Sustainable and responsible business practices make us more resilient and crisis-resistant. By prioritizing ecological and social sustainability, we have laid the foundation to confront the challenges of the changing global economy. Through increased use of sustainable materials and production methods, we are reducing our environmental impact while also strengthening customer trust. Furthermore, we have intensified our longstanding supplier relationships and established risk-management based on OECD-standards, trusting in reliable partners in uncertain times and enhancing our responsibility towards the people involved. These measures have made us more resilient and better equipped to handle crises.

With our global orientation, we can also contribute to a better coexistence among different cultures, foster understanding, and build bridges. As a globally active company, we have the opportunity to unite various cultures, traditions, and perspectives. By promoting responsible business practices, we contribute to creating a sustainable and harmonious world.

Maier Sports and Gonso are constantly on the move to make the future livable for everyone. We firmly believe that sustainability and corporate responsibility are not burdens but opportunities for growth and long-term success. By continuously reevaluating and evolving our strategies and practices, we will be able to meet the demands of a changing world and drive positive change.

We are ready to embrace the challenges and further expand our role as a leader in the industry. Because Moving the Future means collectively shaping a sustainable and livable future.



## OUTLOOK & GOALS

We are looking towards the future with determination and a commitment to continue playing an active role in corporate responsibility. A key focus is on implementing our climate strategy, where we will calculate our emissions through a Corporate Carbon Footprint.

Based on these calculations, we will set specific reduction targets and take comprehensive measures to sustainably minimize our ecological footprint. Our emphasis on environmental issues will also be reflected in the upcoming “Waste Reduction Project,” aimed at reducing waste along our supply chain.

Additionally, we are facing compliance with legal requirements arising from the German Supply Chain Act. We take this responsibility seriously and evaluate our business practices accordingly, ensuring fair and sustainable conditions at the highest standard throughout the supply chain.

By focusing on environmental topics such as climate protection and waste reduction, we strive for a sustainable future. We firmly believe that our efforts will not only have positive effects on the environment but also exert a positive influence on our customers, partners, and society as a whole. Together, we are moving the future and working towards a world that is livable and sustainable.



**GONSO®**

**maier®**  
sports