

ESG REPORT

2023

sportgroup
THE SURFACE SPECIALISTS



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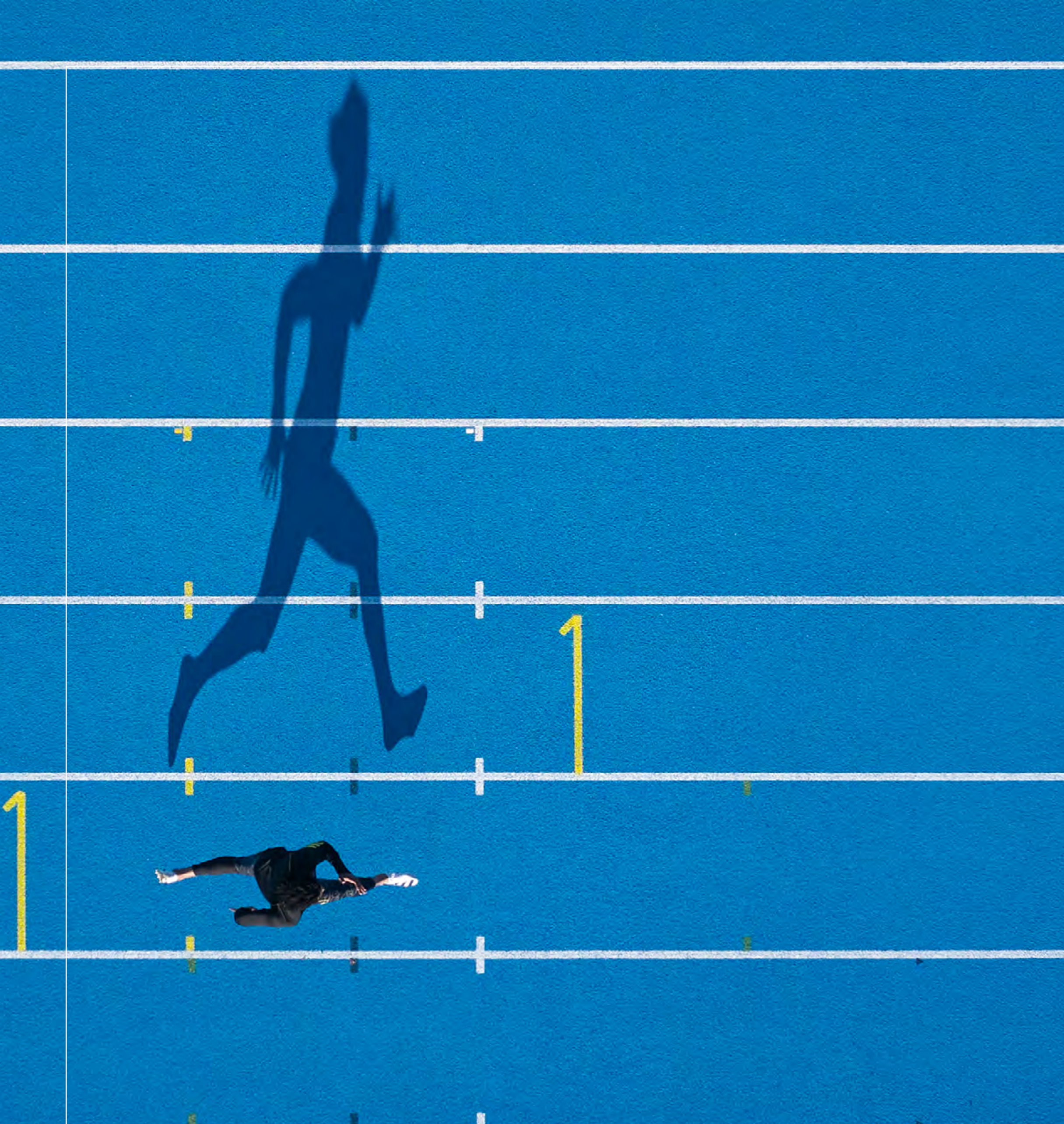
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ABOUT THIS REPORT

We are pleased to present Sport Group’s fourth annual ESG report for 2023, which provides a comprehensive overview of our global initiatives in social, environmental, and governance areas. This report covers the period from January 1 to December 31, 2023, and highlights our progress and impact across Sport Group, unless stated otherwise.

Our goal is to keep both internal and external stakeholders informed about our ESG activities and advancements across our worldwide production and installation sites. Compiled by our global ESG team, the report adheres to the Global Reporting Initiative (GRI) performance standards. Its content is shaped by continuous monitoring of stakeholder perspectives, direct engagement with stakeholders, thorough review of relevant reporting standards, and rigorous internal analyses to align ESG priorities with our strategy, mission, and values.

In 2023, we conducted a Double Materiality Analysis (DMA) in compliance with the Corporate Sustainability Reporting Directive (CSRD). Based on this analysis, we established a global ESG strategy, resulting in updates to our ESG Management & Strategy section, as well as in ESG Governance and the ESG matrix. Unlike previous reports, which categorized information into environmental, social, and governance sections, this year’s report is organized into five strategic focus areas: Production, Products & Services, People, Supply Chain, and Governance. Each of these areas includes three specific focus topics, which are discussed in detail. “**The Company**” refers to the parent organization, [Sport Group Holding GmbH], while “**Entity**” refers to the subsidiary or daughter company operating under the parent company’s ownership and strategic guidance. This report has not been subjected to an external audit. It covers Sport Group and its entities globally, and is available at www.sportgroup-holding.com/esg, as well as on other entities’ websites.

STATEMENT FROM THE CEO

The year 2023 was marked by significant developments and meaningful progress toward a more sustainable future for Sport Group. Increased regulatory requirements and ongoing geopolitical tensions challenged us to adapt, innovate, and find solutions that not only strengthened our international competitiveness and partnerships but also made a lasting, sustainable impact on our industry.

Despite the turbulent global economic landscape, we achieved strong revenue growth worldwide, as well as notable success within the market—of which we are justifiably proud. Our financial stability has enabled us to invest even more in innovative technologies that reduce our environmental footprint while meeting customer demands for sustainable, high-quality solutions. Our unwavering commitment to green technologies and innovative approaches has driven the development of pioneering products that set new benchmarks across the entire industry.

That said, the global changes of 2023 motivated us to go beyond creating new product standards by intensifying our efforts to strengthen ESG practices within our company. Our focus in 2023 was on enhancing internal

ESG competencies and strengthening the department through team expansion, leadership training, and new governance structures. We redefined and established clear targets while developing a comprehensive group-wide ESG strategy grounded in the Corporate Sustainability Reporting Directive (CSRD) requirements and informed by a double materiality assessment. These internal improvements have enabled us to adopt a more holistic approach to sustainability, ensuring operational decisions are aligned with our ESG objectives.

As an international company, we are committed to meeting the needs of all stakeholder groups, particularly in addressing ESG requirements. Engaging in open dialogues with local stakeholders and experts has enabled us to develop solutions with both global and local, reinforcing our vision of a greener future for the sport and leisure industry.

I am very proud of what we have accomplished together over the past year. The daily commitment and effort of our teams have been instrumental in driving us forward, and I am confident that we will continue to achieve success in the coming year, setting further milestones on our journey toward sustainability.



To our Sport Group employees: thank you for your dedication, commitment, and partnership on this journey. Together, let's continue to create meaningful growth that benefits our customers, our planet, and our communities.

Best wishes,

A handwritten signature in black ink, reading "Christoph von Nitzsch". The signature is written in a cursive, slightly stylized font.

Christoph von Nitzsch
CEO Sport Group

01 ABOUT SPORT GROUP

THE WORLD'S LARGEST BUSINESS
DEDICATED TO SPORT SURFACES



Winston-Salem Open on Laykold

DASHBOARD



>17,000

artificial turf (AT)
fields installed



>17,000

tracks and recreational
surfaces installed



€ 788 M

in output



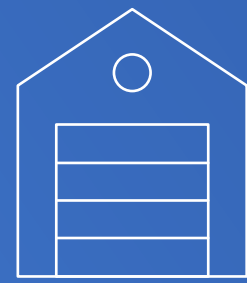
70

Countries



9

Production sites



30

Warehouses



2,031

Employees

APT
ADVANCED
POLYMER
TECHNOLOGY

AstroTurf®

meLOS

polytan



Laykold®

POLIGRAS®

Rekortan®

LiGATURF®

Corporate Brands

Product Brands



Rekortan track at Sydney Olympic Park



WHO WE ARE

THE OLYMPIC GAMES, TO US OPEN, TO BAYERN MUNICH

Sport Group is a leading global provider of synthetic turf sports fields, athletic tracks, and courts, proudly supplying renowned venues such as the Olympic field hockey grounds, the US Open Tennis Championships, and FC Bayern Munich's facilities. Committed to transforming the synthetic sports surface industry, Sport Group focuses on delivering innovative, sustainable products that enhance the experience for athletes and fans while prioritizing environmental responsibility. Understanding the vital role that vibrant sports and leisure activities play in communities, the company offers tailored solutions over a one-size-fits-all approach. Sport Group is dedicated to achieving carbon neutrality and minimizing environmental impact throughout the life cycle of its product.

STAKEHOLDER DIALOGUE & CUSTOMER SEGMENTS

Sport Group's diverse product offerings enable it to serve a wide range of customer groups. The company's clients primarily fall into three categories, each of which can be matched with tailored products from the portfolio:

01 PROJECT CUSTOMERS



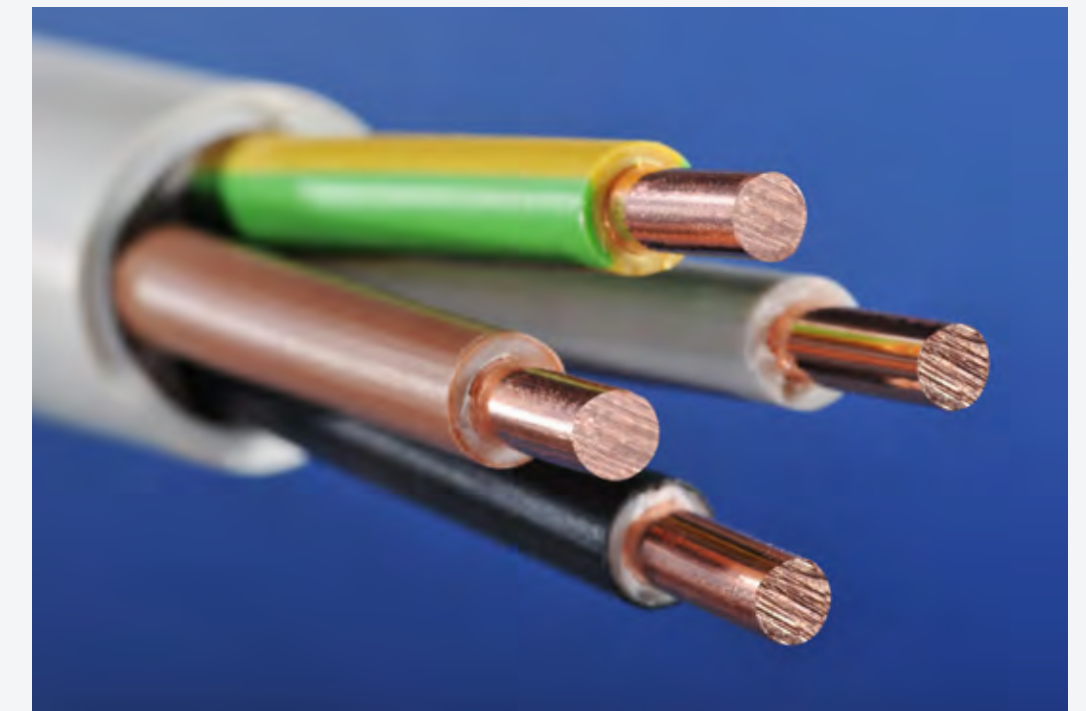
Sport Group's project customers typically purchase its core products, including synthetic turf fields, tracks, and recreational and tennis surfaces. These products are customized to meet customers' specifications. The company proudly serves prestigious clients such as the US Open, Miami Open, Adidas Headquarters, FIFA and FC Bayern Munich. Additionally, the global product brand Poligras has been featured at eight Olympic Games: Moscow 1980, Seoul 1988, Sydney 2000, Beijing 2008, London 2012, Rio 2016, Tokyo 2020, and Paris 2024.

02 COMPONENTS AND SYSTEM CUSTOMERS



Components and system customers are typically installation companies and distributors worldwide who purchase Sport Group's artificial turf and polyethylene components. The company offers granules in various colors, including black, as well as polyurethane (PU) and finished Artificial Turf (AT) products to meet the needs of its customers.

03 INDUSTRIAL CUSTOMERS

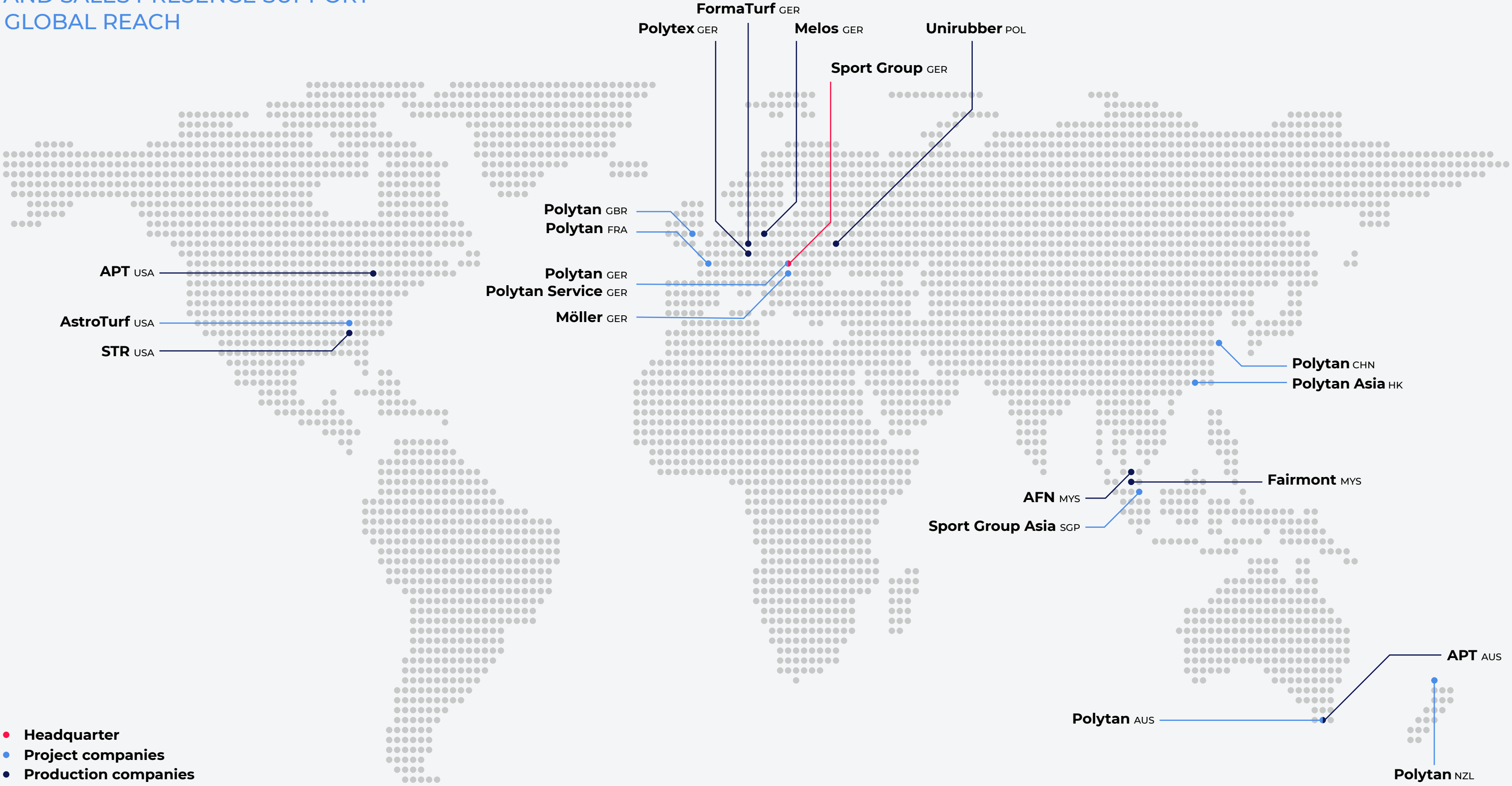


Industrial customers, including cable manufacturers, construction companies, and plastic producers, benefit from a range of applications such as cable compounds, industrial coatings, and toll production services.

GLOBAL COMPANY LOCATIONS

SPORT GROUP'S REGIONAL PRODUCTION AND SALES PRESENCE SUPPORT ITS COMPETITIVE MARKET STRATEGY AND GLOBAL REACH

As the global market leader in its sector, Sport Group operates across the Americas (AM), Asia Pacific (APAC), and Europe, Middle East and Africa (EMEA). The company maintains nine local production facilities in each region, ensuring consistent supply to key markets and applications while minimizing exposure to country-specific economic fluctuations. Extensive in-house capabilities provide Sport Group with operational independence, robust supply chain resilience, stringent quality control, and strengthened intellectual property protection.



SPORT GROUP'S VALUE CHAIN

The value chain for Sport Group's product lines—Artificial Turf (e.g., soccer, football, field hockey) and Polyurethane (e.g., running tracks, tennis)—follows a highly integrated structure. Both product groups share similar stages, underscoring Sport Group's commitment to quality, sustainability, and client satisfaction. Additional details about these product lines can be found in Chapter 4: Products & Services of this ESG report 2023.

Each product line begins with a comprehensive Research and Development (R&D) phase conducted entirely in-house. This phase is designed to foster innovation and continuously improve products to meet the highest standards of quality and performance. Following R&D, both product groups move into the Production phase, with manufacturing processes tailored to the specific requirements of AT and PU. Each product is crafted using specialized techniques that optimize its unique material properties and functional objectives. Sport Group has implemented this value-creation process in each region, ensuring production is localized, thereby reducing international transport and associated emissions.

Sales represent the next stage in the value chain, focusing on building awareness and educating stakeholders on the unique advantages of each product. Through targeted promotional efforts, Sport Group aims to position its offerings effectively in the marketplace, ensuring potential clients understand the benefits and applications of each product.

The Installation phase follows, where AT and PU products are installed on-site by specially trained personnel. This skilled team ensures that each installation meets Sport Group's high standards of precision, performance, safety, and environmental responsibility, enabling the products to perform optimally across various applications. Following installation, the Service phase provides ongoing client support to ensure the long-term durability of products. This includes regular maintenance, repairs, and any necessary assistance to uphold product integrity over time.

A notable distinction in the value chain between the two product groups emerges in the Disposal phase. PU surfaces are notably durable, with a lifespan of up to 30 years, which can be further

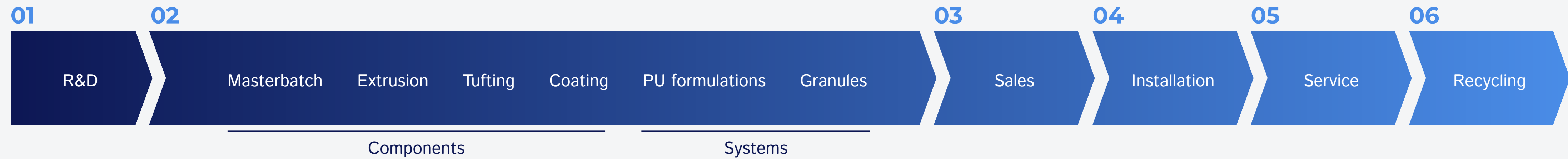
extended through re-topping. Initial trials in track recycling have already been conducted in Germany, and significant investments are being made to develop effective global recycling solutions for the future.

In contrast, the value chain for AT extends beyond the Service phase to include a dedicated in-house recycling process managed by the subsidiary. During this phase, the components of AT products are carefully separated to enable efficient material recovery. The recycling process is designed to maximize material reuse, aligning with our commitment to reducing waste and advancing a circular economy.

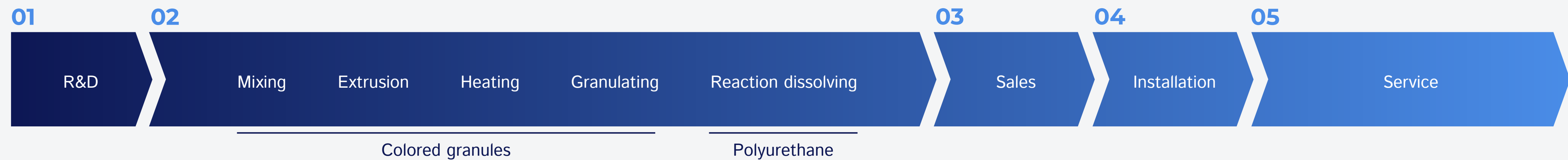
In Germany, FormaTurf provides a comprehensive recycling process for all components of an AT system. Using advanced material separation techniques, components are efficiently prepared for reuse through a state-of-the-art recycling process. In addition, global recycling partnerships have been established to facilitate the recycling of turf worldwide.



ARTIFICIAL TURF



POLYURETHANE



- | | | | | | |
|---|---|---|--|--|---|
| <p>01 RESEARCH & DEVELOPMENT</p> <ul style="list-style-type: none"> – Proprietary know-how protected by patents – Large in-house R&D department – Direct customer feedback from in-house installation | <p>02 PRODUCTION</p> <ul style="list-style-type: none"> – Sport Group is the only player performing all production steps in-house – A sizeable market player with in-house masterbatch production – Local production sites ensure ability to supply key markets | <p>03 SALES</p> <ul style="list-style-type: none"> – Global sales staff and more than 80 sales partners – Presence in 70 countries around the globe – Network ensures optimal customer access | <p>04 INSTALLATION</p> <ul style="list-style-type: none"> – Own skilled and experienced installation teams and dedicated partners – Direct customer feedback from in-house installation | <p>05 SERVICE</p> <ul style="list-style-type: none"> – Comprehensive service offering – Service ensures consistent contacts with existing and potential customers | <p>06 RECYCLING</p> <ul style="list-style-type: none"> – Separate AT components and recycle with the highest possible value recovery for new use (e.g., reuse sand, recycle shredded turf incl. EPDM into nailboards, parking grids, granules for roof tiles, pavement) |
|---|---|---|--|--|---|

02 ESG MANAGEMENT & STRATEGY

BUILDING A BETTER FUTURE THROUGH A
RESPONSIBLE ESG STRATEGY



ESG PURPOSE, MISSION & VISION

ESG PURPOSE



Our purpose is to make sustainable sports **accessible** to people worldwide.

ESG MISSION



Our mission is to continuously innovate, create, and deliver exceptional sports surfaces that empower our customers to reach their full potential while promoting **sustainability** and ethical **business practices**.

ESG VISION



Our vision is to **maximize the added value** for people and the environment that results from our activities and to minimize the negative impact on the environment and society that we cause along our value chain due to our activities.

INTERVIEW GLOBAL ESG TEAM

CHRISTOPH BÖSWALD, DANIEL KORNREITER & LISA ROSSKOTHEN

WHY IS ESG SO IMPORTANT TO SPORT GROUP, AND HOW DOES IT ALIGN WITH THE COMPANY'S GOALS AND VALUES?

Daniel ESG is a central part of our strategic direction. We take a holistic approach to sustainability, going far beyond individual products. By 2028, we aim to have a fully sustainable product portfolio with 100% green products, while integrating sustainable processes into our development and operations.

Lisa ESG and profitability aren't mutually exclusive—they go hand in hand. Today, ESG factors are increasingly critical in evaluations by international rating agencies. We see ESG as not only a way to improve our environmental performance and positively impact society but also as a key to securing long-term economic success for Sport Group. It's a win-win for everyone, something I firmly believe in.

Christoph Yes, ESG is so much more than just environmental commitment. It helps us manage risks better, whether from climate change or regulatory requirements. It strengthens our

supply chains, builds trust with customers, and enhances our corporate value. And let's not forget the positive impact on our employees—ESG contributes to a safer and better working environment.

SUSTAINABILITY IS OFTEN REDUCED TO ENVIRONMENTAL ISSUES. WHAT ROLE DO ECONOMIC AND SOCIAL ASPECTS PLAY FOR YOU?

Lisa ESG is a highly diverse field, with priorities varying across companies. While environmental issues often dominate due to their complexity and varying relevance, this doesn't make them inherently more important than social or economic aspects. Social issues, however, stand out as universally critical. Every company, regardless of industry, must invest in the safety, well-being, development, and engagement of employees while prioritizing the well-being of the communities they impact. A business cannot be truly sustainable without addressing these fundamental social responsibilities.

Daniel Exactly. And this extends beyond only considering customers, employees, or stakeholders—it touches on the fundamental interconnection between business and society. So, our approach is comprehensive: our products and services are designed to deliver environmental, social, and economic value. It's about developing solutions that integrate all three components seamlessly.

WHAT IS YOUR VISION FOR THE FUTURE OF ESG AT SPORT GROUP?

Daniel By implementing ESG consistently, we don't just gain competitive advantages—we open up new business opportunities and increase our corporate value. A sustainable business model is the foundation of our future viability. I am proud to be part of this movement.

Christoph I completely agree. ESG must be strongly embedded in our corporate strategy, driving the company's development in the years ahead. To this end, we're consistently investing in research and development to foster innovation. Through that, I truly believe that we are

number one for hard-wearing, high-performance sports floors and floor coverings that provide fun and excitement for athletes and spectators at competitions!

Lisa I totally agree. What I have always found exciting is that sustainable products existed even before the term ESG went mainstream. For many years, we have recognized that green products are essential for long-term market success and for maintaining our leadership position. Simultaneously, we have held a long-standing vision to drive sustainable change within the industry. This understanding has always been integral to our approach. However, the reverse is often true for other companies. Many begin by establishing an ESG department and then adjust their strategies to align with it.

Christoph, Daniel & Lisa Our vision for ESG within the Sport Group goes far beyond products—it encompasses all employees worldwide and aims to embed sustainability into every aspect of our operations. Sustainability should not just be a strategy, it should be a way of life throughout the organization.

ESG GOVERNANCE

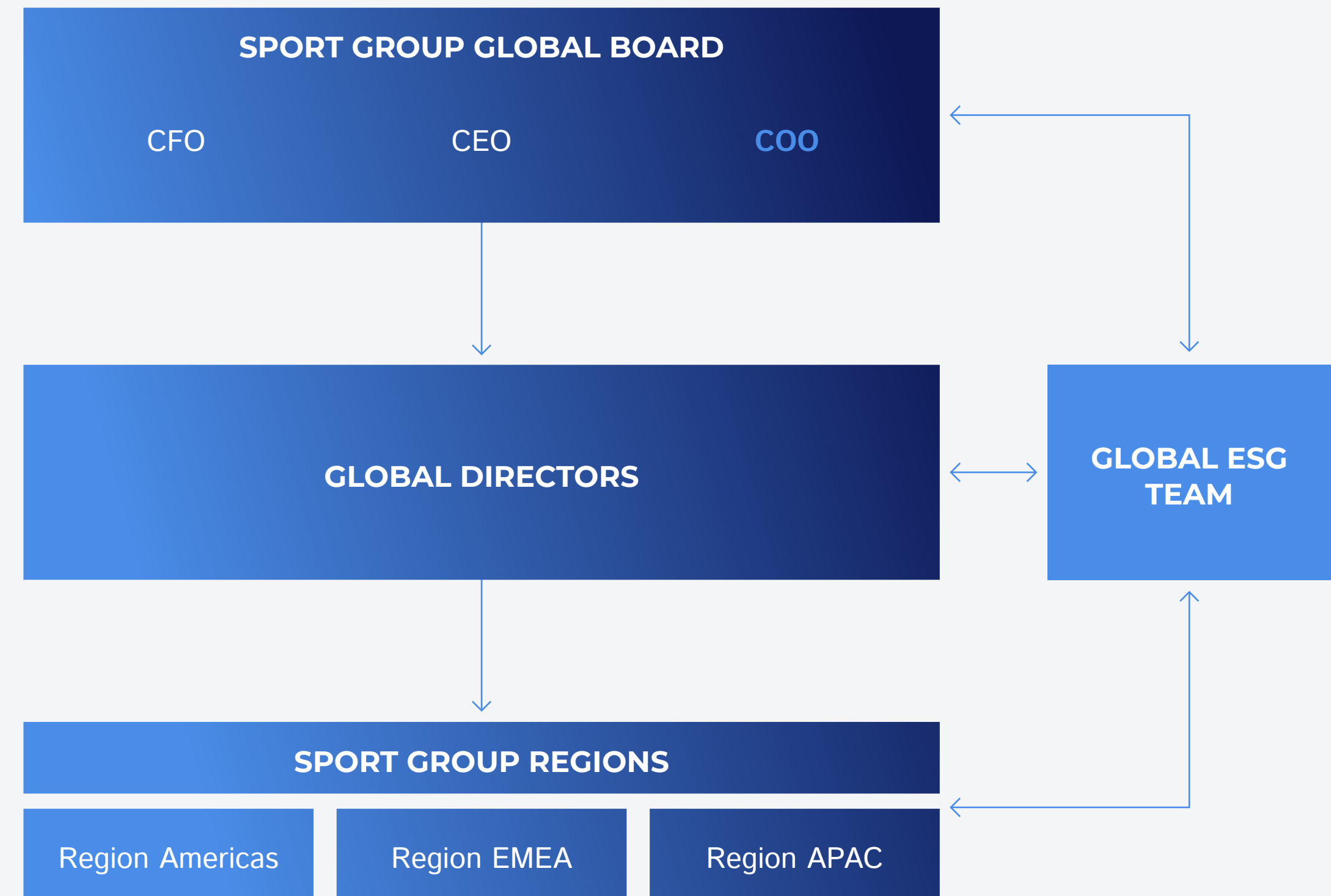
The ESG strategy of Sport Group covers various topics, business functions and geographies. To ensure that all activities align with the ESG strategy, Sport Group has established a robust governance system. It defines the responsibilities and contributions expected from all levels of the organization.

The Global Board has overall responsibility for strategic decisions and oversees the achievement of Sport Group's corporate goals, including ESG-related priorities, which are overseen by Sport Group's COO, Dr. Klaus Hauschulte.

The Global Directors translate the strategy into concrete actions and are responsible for company-wide coordination. They ensure that the directives of the Global Board are implemented consistently. Subsequently, the three regional units implement the global guidelines and adapt them to regional conditions, if necessary.

The global ESG team plays an overarching role and works closely with all levels of the organization. It receives strategic directives directly from the Global Board and regularly reports on progress and challenges to the global COO. At the operational level, it coordinates with the Global Directors and supports the regions in implementing ESG initiatives. The global ESG team ensures global consistency of ESG strategies while taking regional specifics into account.

Overall, the structure demonstrates that ESG governance is closely integrated into the entire organization. This ensures effective embedding of ESG goals at both strategic and operational levels, aligning global standards with regional flexibility.



ESG MANAGEMENT APPROACH

The ESG strategy development in 2023 inspired the global ESG team to adapt its management approach to the Kearney sustainability chessboard and take inspiration from it. Kearney enables organizations to leverage sustainability as both a risk management approach and a growth opportunity. The following matrix describes the individual building components and their complex interactions. It highlights the building blocks of Sport Group's ESG strategy and shows how the company can evolve.

The methodology categorizes companies' approaches into four main quadrants based on two dimensions: the level of sustainability ambition and the degree of organizational maturity. Sport Group customized the individual quadrants and assigned the internal topics to streamline the ESG strategy.

2023: EMPOWERING ESG GLOBALLY

Regarding the ESG management field, the ESG department expanded with a new governance structure, recognizing ESG's strategic value. Key activities included a double materiality analysis, external validation Scope 1 & 2 emission calculation, as well as an external Scope 3 emission calculation, and establishing an optimized ESG database.

OUTLOOK 2024: MAXIMIZING OUR ESG AMBITIONS & BECOMING CSRD-COMPLIANT

For 2024/25, Sport Group has the ambition to define ESG CapEx and introduce a global CO₂ pricing system. There is also a plan for a supplier risk analysis to make the supply chain more transparent. An R&D project assessment will also be carried out to identify and manage sustainable product projects and initiatives.

ESG MANAGEMENT APPROACH MATRIX



LEVEL OF INTERGRATION: Initial stage ● ● Fully implemented

¹ Science Based Target initiative

Sport Group has also set itself the task of defining and developing science-based CO₂ targets. In this way, the company aims to align its internally set targets and apply a proven method for decarbonization. In 2023, the first steps were taken in collaboration with the THI Ingolstadt University of Applied Sciences. The project included an analysis of the ESG data and a comparison with the SBTi requirements to enable a quick submission.

OUR CALL FOR ACTION: SDG'S FOR SPORT GROUP

The United Nations (UN) Sustainability Development Goals (SDGs) provide a framework for achieving sustained global peace and prosperity. Although all 17 SDGs contribute to such a future, Sport Group's business model primarily supports SDGs 3, 7, 8, 11, 12, 13, 14 and 15:



Good Health and Well-being

We actively promote a safe workspace and give highest efforts in enforcing high standards for occupational health and safety across all operations, to minimize work-related hazards and injuries.



Affordable and Clean Energy

We are actively trying to increase our global share in renewable energy sources and improve our energy efficiency in operations.



Decent Work and Economic Growth

We offer a comprehensive suite of programs, from university projects, internships, and entry-level career pathways to continuous professional development, designed to equip individuals with the skills needed to accelerate their careers.



Sustainable Cities and Communities

Through our product eco-designs, we promote and invest in a sustainable infrastructure around the world, support green internal fleet, and engage with local communities to improve urban resilience and quality of life.



Responsible Consumption and Production

Sustainable product offering and the approach for promoting a circular economy and responsible sourcing and minimizing waste is within our overall strategy.



Climate Action

We track our group-wide emission targets (Scope 1 & 2) to strengthen climate resilience. Further, we calculated our Scope 3 emissions and are preparing us to align our climate targets with SBTis.



Life below Water

We address the risks with microplastic emissions from AT systems by identifying these emissions and implement measures to avoid them through bio-based infill alternatives, to protect our ocean ecosystems and marine biodiversity.



Life on Land

Our specialized yarn system and infill replacement can significantly minimize infill material loss, displacement, and leaching into the environment, and reduces the overall microplastic exposure.

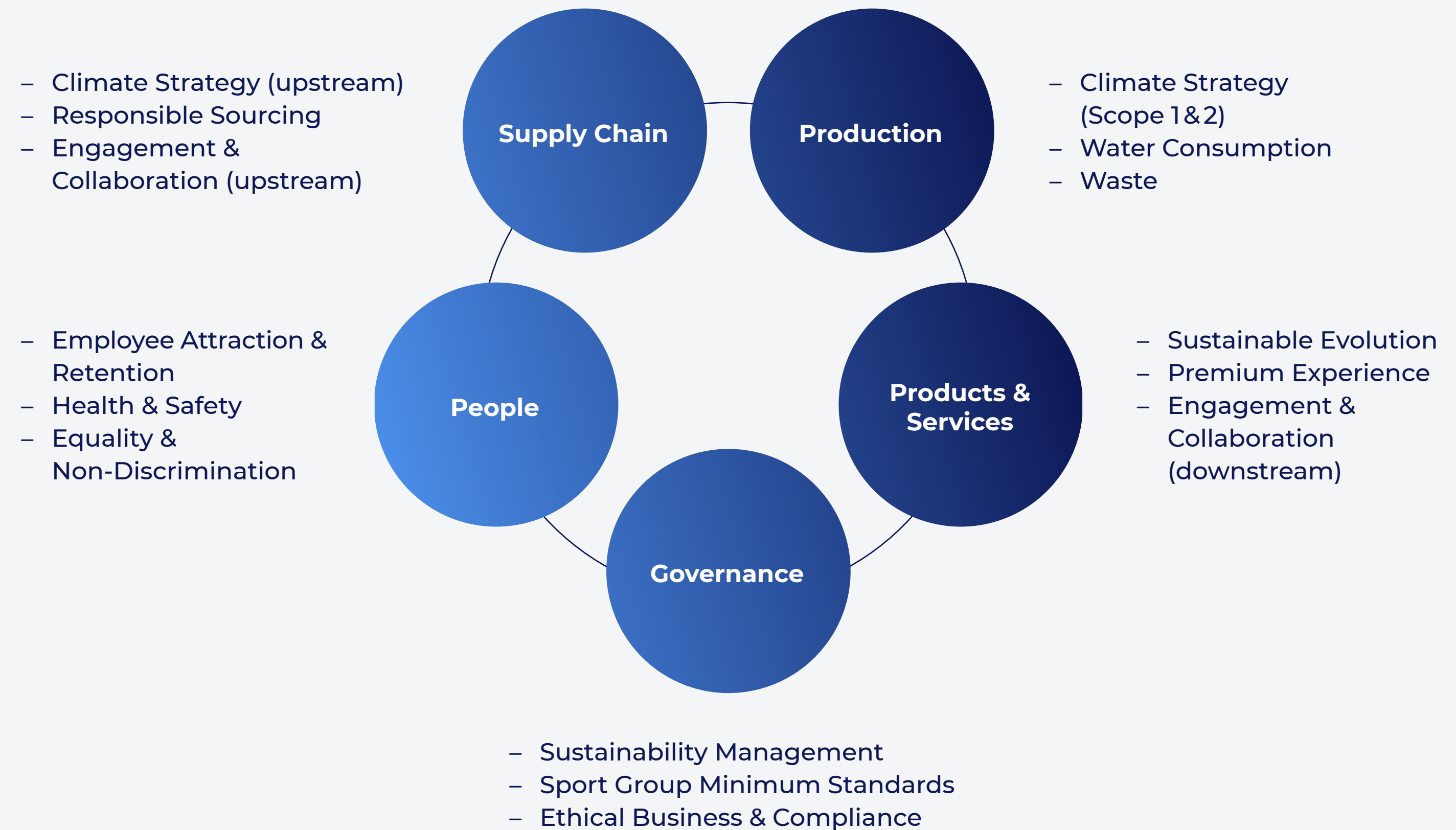
ESG STRATEGY

Sport Group’s ESG strategy was developed as part of a double materiality analysis (DMA) in preparation for the CSRD (Corporate Sustainability Reporting Directive). The results of this analysis were integrated into the strategy and served as a foundational basis for its development. This strategy applies to all entities within Sport Group and has a global scope. However, it is designed to allow the creation of tailored strategies for specific regions or individual companies based on this framework—a task that will be conducted in the future to help each company achieve its goals.

ESG Action Fields refer to specific areas where organizations can implement strategies and take actions to improve their ESG performance. ESG Focus Topics are sub-topics of the Action Fields that significantly impact an organization’s ability to create value positively or negatively.

As part of the materiality analysis, five Action Fields with 15 Focus Topics were identified. Focusing on these areas can help Sport Group optimize its performance potential.

SPORT GROUP ACTION FIELDS & FOCUS TOPICS



DOUBLE MATERIALITY MATRIX

The matrix visualizes the most important ESG topics of Sports Group and assigns them to the five action fields People, Governance, Production, Products & Services and Supply Chain.

The impact materiality describes the impact of the company's business activities on the environment and society. On the other hand, the topics of financial materiality that create risks and opportunities were considered.

Sport Group aims to be a participant of the UN Global Compact (UNGC). Through participation in the UNGC, the company plans to review, compare, and, if necessary, adapt its DMA-based strategy to the framework conditions of the UNGC. The membership should guide in identifying and minimizing further potential risks relating to human rights, labour, environment, and anti-corruption and ensure long-term resilience.

- **People**
- **Governance**
- **Product & Services**
- **Production**
- Supply Chain**



ESG TARGETS

ACTION FIELD	FOCUS TOPIC	KPI	TARGET	TARGET YEAR
People	Employee Attraction & Retention	Avg. Training Hours	16 h	2025
		Employee turnover	< 10%	2030
	Health & Safety	Lost Time Injury Rate (LTIR)	10% reduction (p.a.)	2025
		#Fatalities	0 (p.a.)	ongoing
Production	Climate Strategy (Scope 1 & 2)	Electric passenger car fleet	100%	2030
		Electrification of forklifts	60%	2030
		Electrification of wheelloaders	33%	2030
		Share of renewable energy	min. 55% of purch. Electricity	2025
		GHG emission (Scope 1 & 2) intensity reduction	min. 60% (baseline 2018)	2030
		Net-zero GHG emissions (Scope 1 & 2)	100% reduction	2050
Product & Services	Premium Experiences	Recycling share of reclaimed AT sports fields (GER & AUS)	100%	2023

03 PEOPLE

FOSTERING A SAFE AND SUPPORTIVE
WORKPLACE FOR ALL



“OUR COMMITMENT IS TO CREATE A SAFE WORKPLACE THAT VALUES AND NURTURES OUR PEOPLE. WE PRIORITIZE BUILDING AN ENVIRONMENT WHERE TALENT CAN MOTIVATE BY REFINING RECRUITMENT, PROVIDING ROBUST DEVELOPMENT OPPORTUNITIES, AND ENSURING OUR ORGANIZATION IS A PLACE WHERE PEOPLE ARE EXCITED TO BUILD THEIR CAREERS.”

Andreas Ruppert
Global Director HR



HUMAN RESOURCES MANAGEMENT

To drive global growth and build a sustainable organization, Sport Group is committed to enhancing key elements of its work environment and Human Resources (HR) strategy.

The goal is to establish a robust framework that delivers a positive workplace experience from both internal and external perspectives. This includes fostering a collaborative, inclusive environment that employees are proud to be a part of. Additionally, the aim is to develop a smart, efficient, and meaningful recruitment and onboarding process that attracts top talent while building a strong sense of identity and connection to our brand. By leading with integrity and modelling its core values, Sport Group inspires its teams and fosters a culture focused on performance, where continuous improvement and talent development are prioritized.

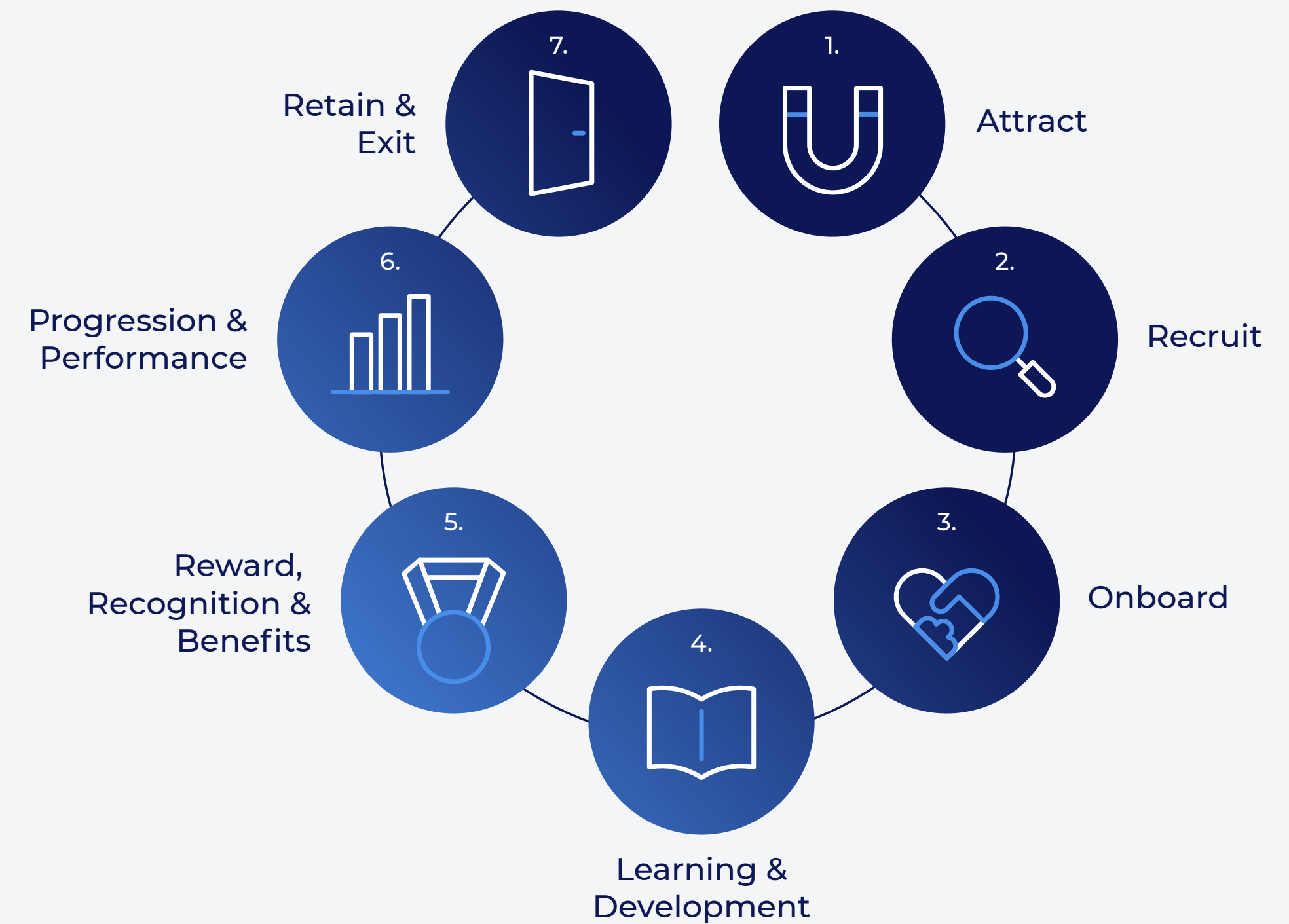
1. ATTRACT

Sport Group advertises opportunities for internships, working student positions, and bachelor's and master's thesis projects directly on the websites of universities in its local regions. The goal is twofold: to raise awareness of Sport Group and its entities while attracting and engaging talented young professionals. Additionally, the company aims to provide students with the opportunity to combine their theoretical knowledge with practical experience.

2. RECRUIT

High-profile candidates are targeted through job postings on the online recruiting platform Stepstone, social media channels, and other comparable job boards, which have proven to be considerable drivers of talent acquisition. These platforms provide a comprehensive interface for connecting the job market and potential applicants. Additionally, job announcements are published on each affiliate's career webpage, allowing prospective applicants to stay informed about company developments, products, and related news.

SPORT GROUP'S HR STRATEGY



3. ONBOARDING

To ensure a smooth and comfortable start for new employees, Sport Group uses a buddy system that pairs new hires with experienced employees. The program has been a key factor in the successful onboarding of new team employees. During the matching process, the company aims to pair mentors and mentees who share similar backgrounds, fostering stronger connections. As the program evolves, new high-potential new hires will be matched with experienced colleagues who have previously participated in the program, further enhancing the sense of identification.

4. LEARNING & DEVELOPMENT

Human capital development is essential to the growth and overall productivity of Sport Group. Providing dedicated training opportunities to empower employees and enhance their strengths and abilities strengthens the company as a whole and cultivates a feedback-rich environment where everyone can grow.

5. REWARD, RECOGNITION & BENEFITS

Sport Group's employees are among its greatest strengths. The company is committed to attracting top talent, empowering

people to reach their full potential, and fostering long-term retention through attractive remuneration with a bonus program tailored to position or grade. To support this vision, initiatives and guidelines are developed to achieve goals in recruitment, development, and employee retention.

6. PROGRESSION & PERFORMANCE

Sport Group and its affiliates promote regular employee-manager dialogues to assess performance, review responsibilities, and explore career development opportunities. Annual formal performance reviews are conducted using a standardized framework, ensuring transparent feedback, documenting development needs, building trust, and providing a structured agenda for performance discussions.

Additionally, all employees in leadership positions participate in two-way feedback meetings to exchange input on working conditions and performance directly with their management. For employees in non-management roles, two-way communications are determined by individual entities. For instance, in the Asia-Pacific region, performance reviews include provisions for two-way communication and Toolbox Talks. However, employees in other regions may request similar appraisal opportunities at any time from the global HR director.

7. RETAIN/EXIT

Talent retention is a top priority for Sport Group. To support this goal, the company offers competitive salaries, market-aligned benefits (such as employee discounts), free refreshments, subsidized e-bike leasing, home office options, and perks such as ice cream in summer. Career development programs are also in place to promote continuous growth and learning. The company's engagement efforts focus on clear communication, professional development, and fair recognition of contributions. Long-term contracts are provided that encourage stability and result in low employee turnover. Sport Group aims to reduce the employee turnover to below 10% by 2030.

The Global Board and leadership teams follow a "leading by example" strategy to guide employees. In line with this approach, the company has introduced an integration management initiative to address individual needs, prevent work-related challenges, and enhance job security.



EMPLOYEE DEVELOPMENT & WELL-BEING

Employees are Sport Group's greatest asset. The company is dedicated to attracting top talent, empowering people to reach their full potential, and fostering long-term retention through attractive remuneration, including a bonus program tailored to position or grade. For the "Top 50" leaders, a long-term incentive plan offers financial rewards tied to the achievement of predetermined goals. To support this vision, Sport Group has implemented initiatives and guidelines designed to achieve its goals in recruitment, development, and employee retention.

Human capital development is a key priority for fostering continuous growth, innovation, and adaptability within the organization. To support these goals, a comprehensive human capital development program has been established, incorporating various initiatives and guidelines to ensure that recruiting, development, and retention ambitions are achieved.

INITIATIVES FOR ATTRACTING AND PROMOTING YOUNG TALENTS

In 2023, Sport Group took significant steps to strengthen its engagement with students by actively participating in university events and career fairs. For instance, the company presented at the Technical Business School Ingolstadt. This strategic focus on active sourcing allows Sport Group to promote opportunities such as internships, working student contracts, and thesis projects. This serves to identify and develop the best candidates for eventual onboarding as full-time employees.

Sport Group's recruitment efforts follow a locally tailored approach, targeting universities with programs specializing in fields such as garden and landscaping construction, or civil engineering. To further support young school graduates in discovering their career paths, Sport Group Germany offers dedicated apprenticeship programs. These programs enable apprentices to complete a three-year training period across different departments and functions within the company.

This approach ensures the continuous development of the next generation of talent and while fostering early integration into existing company's existing structures and processes. Apprentices gain practical, hands-on skills and spend the majority of their time learning on the job, providing them with the ideal foundation to begin their careers at Sport Group through trainee or dual study programs, and further education.

EMPOWERING SPORT GROUP'S WORKFORCE

Sport Group offers a comprehensive range of benefits designed to promote employee well-being and professional development. These include long-term contracts with flexible working hours and regular training opportunities.

Additionally, the company has introduced development initiatives specifically for international seasonal workers. Sport Group covers the cost of language courses to support the integration of employees from various backgrounds. International seasonal workers also participate



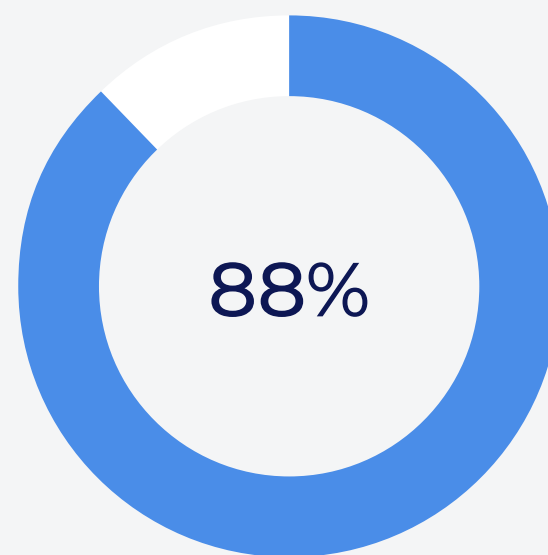
in a two-day onboarding program and receive specialized safety training to ensure they are well prepared for installation projects.

An essential component of talent development at Sport Group focuses the leadership and management team. Each year, a three-day leadership development training is held at the Sport Group headquarters in Germany. The training includes workshops and sessions designed to build on participants' strengths while mitigating any identified areas for improvement. In addition, sustainability topics are incorporated into the one-week onboarding workshops for new employees.

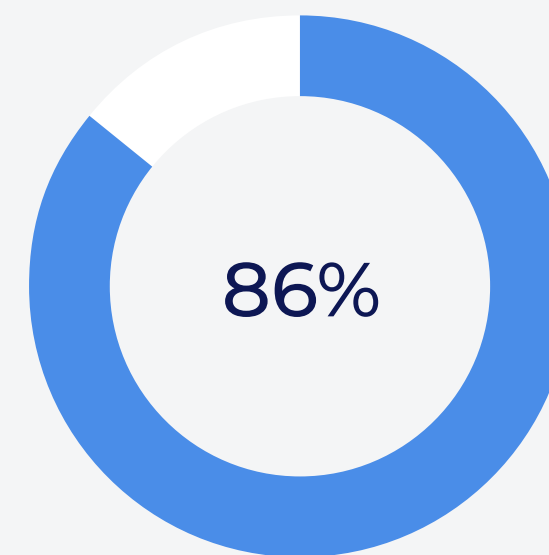
EMPLOYEE SURVEY 2023

In response to feedback from an employee survey conducted in November 2023, Sport Group will focus on improving internal communication, streamlining processes, expanding development and training opportunities, and ensuring that strategic goals are clearly defined and well-communicated across the organization. These initiatives aim to foster a workplace where all employees feel valued and empowered to contribute to the company's ongoing success.

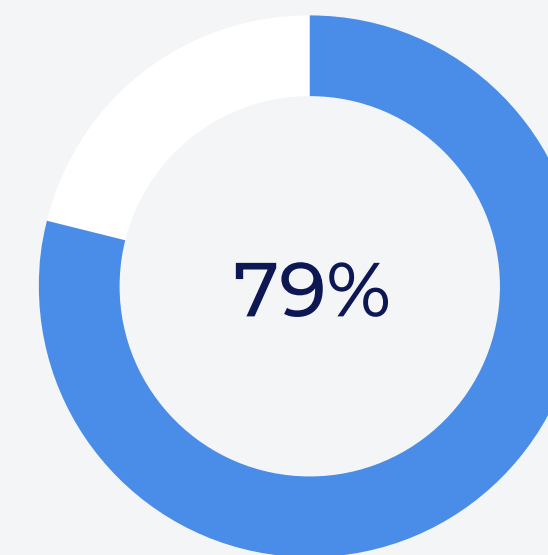
GLOBAL RESULTS EMPLOYEE STRATEGY 2023



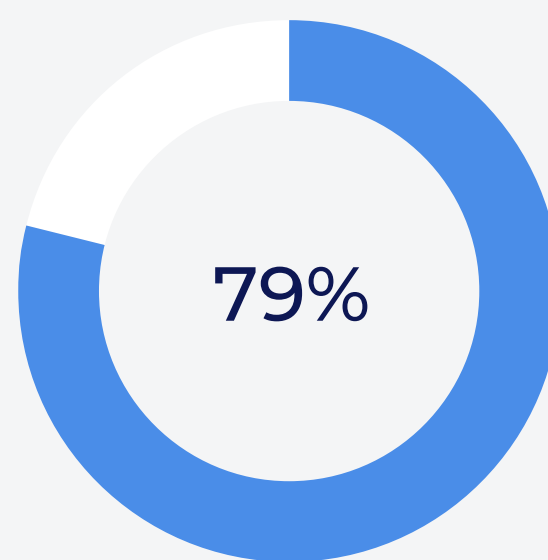
I enjoy doing my work/tasks



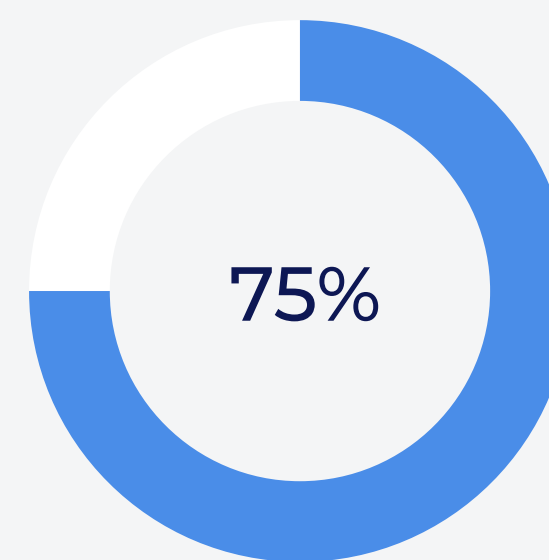
I would like to continue working at Sport Group for the next one to two years



At work I get to do what I do best



I am proud to work at Sport Group



I felt that I fit in at Sport Group



Astrodome 1965

THE FIRST ARTIFICIAL TURF IN THE ASTRODOME, INSTALLED BY ASTROTURF IN 1965

The employee survey enables data-driven decision-making, benchmarks Sport Group’s performance, and ensures employee voices are heard. The result provides a strategic foundation for initiatives aimed at improving work processes, corporate culture, and overall employee satisfaction. In addition to a company-wide review, region-specific insights were gathered, allowing managers in AM, APAC, and EMEA to implement targeted local improvements. With a total eNPS of 25, Sport Group is proud that its employees would recommend it as a good place to work.

LOYALTY THROUGH UNITY

Sport Group is committed to increasing interpersonal connections among its employees by hosting events such as sports days or employee appreciation days.

An example of this commitment comes from Sport Group’s American company AstroTurf, a leader in athletic surface innovation for over half a century. March 21st is a special date for AstroTurf, as it celebrates AstroTurf Day in Dalton, Georgia, the heartland of its manufacturing operations since 1968. This day marks the anniversary of a groundbreaking moment in sports history—the first-ever Major League Baseball game played on synthetic turf. On March 21, 1966, the Houston Astros played the Los Angeles Dodgers at the Houston Astrodome, a historic event that changed the way sports were played.

AstroTurf Day is a tribute to the company’s legacy and a celebration of its employees who have been instrumental to its success. It is a day to recognize the dedication, creativity, and unwavering commitment to excellence. On March 21, 2023, the third AstroTurf Day Event was celebrated, with the event open to employees and others who honor AstroTurf’s achievements.

ECOHERO EMPLOYEE CHALLENGE

Promoting a circular economy is a core aspect to Sport Group's business model. Through the establishment of its own recycling facility, FormaTurf, and partnerships with international recycling initiatives, Sport Group has taken major steps to elevate the concept. However, the company's commitment extends beyond its own operations. This is where the partnership with EcoNation comes into play.

EcoNation's mission to expand the circular economy globally aligns with Sport Group's dedication to sustainability. Together, the partnership aims to strengthen this commitment, supporting critical ESG objectives. From achieving traceable impact and reducing CO₂ emissions to fostering team engagement, this collaboration provides actionable solutions to the planet's issues and business-critical challenges. It represents a powerful step forward in making circularity the standard and achieving key ESG goals.

MAKING CIRCULARITY COMMONPLACE

EcoNation is a mixed-reality app and gamified digital waste management tracking eco-system designed to bring greater transparency to the circular economy. It helps quantify, verify, and certify tracked circular impact activities. EcoNation's vision is to make circularity commonplace by empowering millions of people to take climate actions that are fully traceable, rewarding, and free from greenwashing.

By using gamification, EcoNation educates and engages people in sustainable practices, making climate and sustainability impact simple, fun, and auditable. The app offers employee challenges and incentives that support individual and company actions. For each action, users can earn 'eco credits' or vie to become an EcoHero.

The partnership with EcoNation was officially established in 2023, with plans to roll out the app to the the first group of companies in 2024 and organize employee events. Sport Group looks forward to sharing insights from these events in its ESG report 2024.



“Through our work in sport and recreation, our team members around the world make their communities healthy and happier, so partnering with EcoNation is a natural extension of this. We are delighted to be part of their program.”

Klaus Hauschulte
COO Sport Group



PRIORITIZING HEALTH & SAFETY

As a company in the building industry, Sport Group recognizes the health and safety risks faced by its employees. The production and installation processes represent various challenges to the well-being of employees and other stakeholders closely connected to the company's operations. Failure to adequately prevent and mitigate these risks could result in significant negative impacts.

Health and safety is therefore a top priority for Sport Group's global board, with key H&S indicators directly overseen by the Chief Operating Officer (COO). The company's commitment to health and safety is formalized in its global Quality, Safety, Health and Environment (QHSE) policy, which outlines responsibilities and strategies to address these critical issues.

Given the heterogeneity of sites, regions and affiliates, Sport Group tailors its health and safety measures to the needs and requirements of each process and region. The company is committed to improving these measures and values every employee's contribution to its success. In return, Sport Group ensures that every employee has access to health insurance.

Notably, 100% of employees at Melos are covered under Health and Safety Certifications.

The industries in which Sport Group and its affiliates operate involve daily exposure to heavy machinery, vehicles, hazardous substances, and tight schedules. As a result, the company recognizes the critical need to actively manage the health and safety risks faced by employees and stakeholders.

ENSURING SAFETY THROUGH MEASURES & REPORTING

Sport Group is dedicated to continuously advancing its health and safety values through specialized initiatives and an ongoing commitment to rigorous safety standards. The company recognizes the importance of emergency preparedness and has implemented comprehensive procedures across all regions and organizations. These include a Radiation Management Plan, a Mental Health First Aid Policy and an Extended Emergency Plan to mitigate risks and respond effectively to emergencies.

To monitor and improve Health, Safety, and Environmental (HSE) performance, Sport Group uses a global Balanced Scorecard (BSC) framework. This system tracks key metrics such as accident frequency rate, Lost Time Injury Rate (LTIR), fatalities, and other critical indicators. The BSC enables a comprehensive assessment of the organization's HSE performance and provides a mechanism for tracking progress toward established goals.

Additionally, the company prepares detailed quarterly reports that highlight specific incidents or accidents during the reporting period. For incidents involving more than ten days of absence, these reports provide a comprehensive analysis of the incident, including causes, consequences, and recommended actions to prevent recurrence and drive continuous improvement.

Occupational health check-ups, including various regular examinations, are provided based on the sector's specific requirements and conducted upon recruitment (e.g., in the chemical industry).

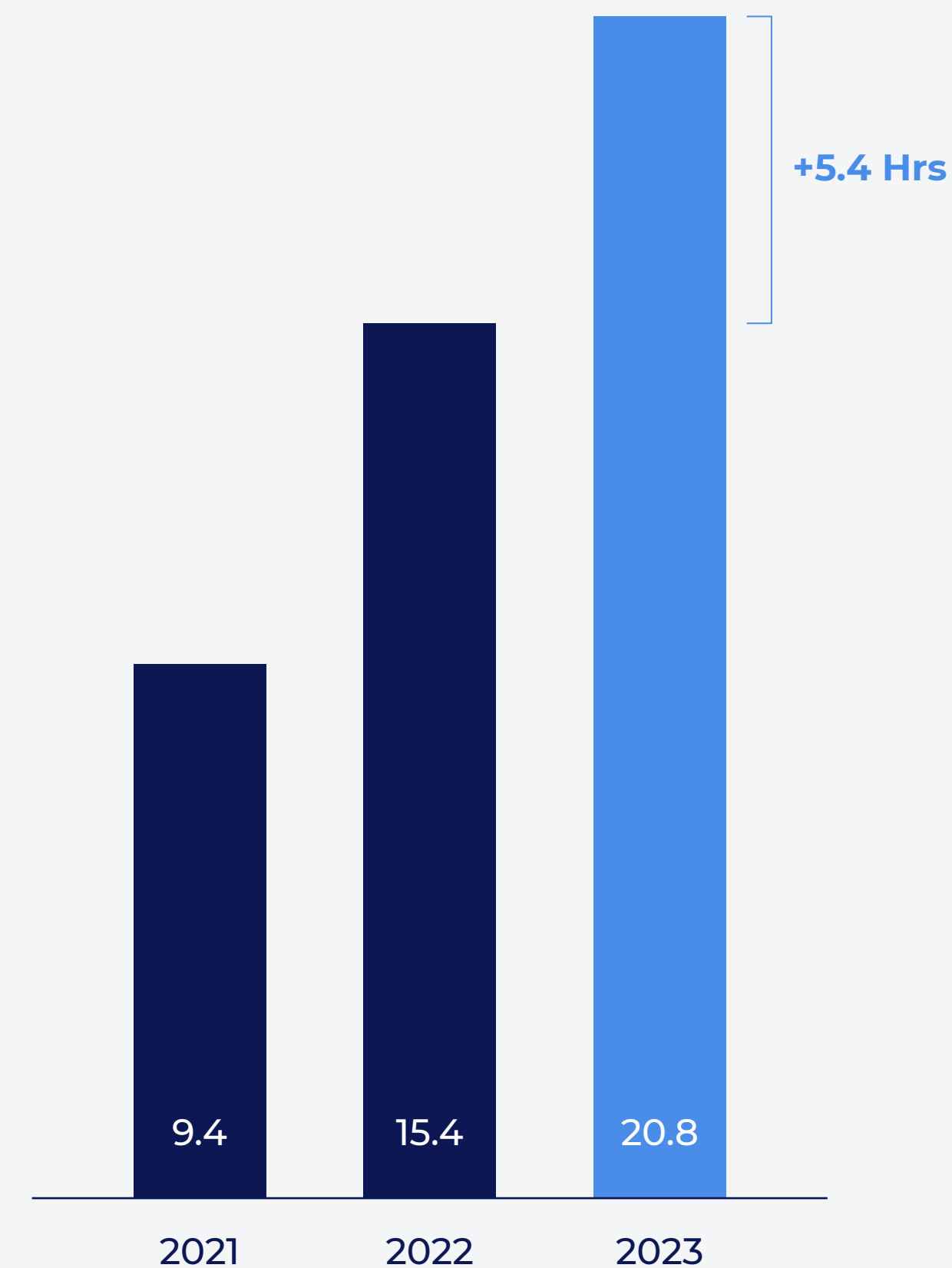
HEALTH & SAFETY TARGETS: PRIORITIZING EMPLOYEE HEALTH

Sport Group is committed to maintaining zero fatalities and reducing LTIR by 10% annually over the coming years, with a global health and safety policy and an integrated QHSE management system created for this purpose. This system prioritizes the well-being and safety of all employees by setting high standards and ensuring consistent application across operations.

Robust policies, procedures, and practices have been implemented to uphold the highest health and safety standards across all operations, and the number of required health and safety training hours has been increased to at least 16 hours of training annually, promoting a culture of health and safety awareness.

One of Sport Group's ESG targets is to ensure that all employees receive a minimum of eight hours of health and safety and eight hours of quality training annually. Since 2021, the average training hours per employee have increased from 9,4 to 20.8 hours per year, achieving the set targets by 2023.

TOTAL QHSE TRAINING HOURS PER EMPLOYEE



SUPPORTING MENTAL HEALTH

Sport Group has implemented key initiatives designed to support employees' mental health and overall well-being.

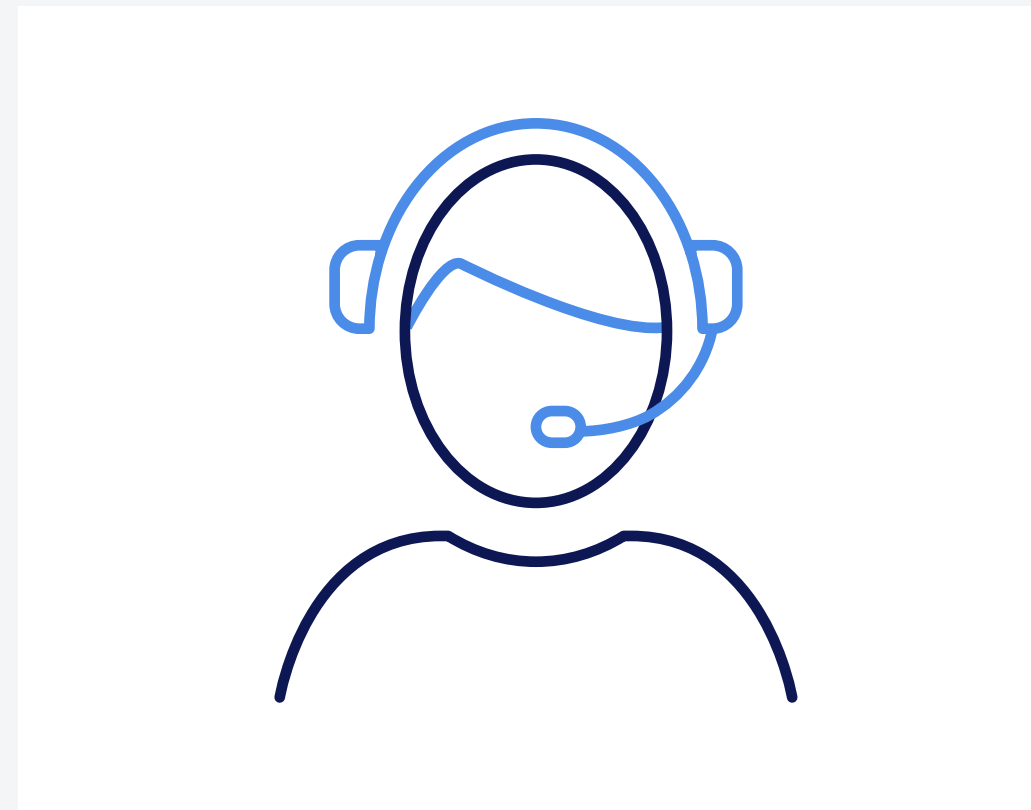
Through these initiatives, Sport Group is committed to fostering a workplace environment where mental health is a priority, and employees feel supported at every stage of their journey.

01 PREVENTION: HEALTH DAYS



Dedicated health days focus on raising awareness around mental health issues. These include prevention-focused lectures that help employees recognize the early signs of burnout, depression, and addiction.

02 SUPPORT SERVICES



For employees facing challenging situations, confidential and professional external counseling services are offered. These services, provided through trusted partners such as Diakonie (modeled on Melos), are available 24/7 via a dedicated emergency hotline, ensuring employees have access to immediate support if needed. Additionally, the Asian region provides psychological welfare procedures, an employee assistance program, and access to mental health first aiders.

03 ACTIVE RESPONSE



In the event of significant internal losses or other impactful situations, professionally supervised psychological sessions are provided for affected teams or individuals. These sessions create a safe space to process experiences and emotions, ensuring teams receive the care and support they need during challenging times.

DIVERSITY & INCLUSION

As an international company operating in multiple countries around the world, it is a priority to create an inclusive, diverse and safe work environment for everyone. Sport Group firmly believes that diversity is an essential catalyst for driving continuous improvement in the company's performance and fostering a more inclusive work environment. Diversity & Inclusion are critical to Sport Group's success as a multinational company. As such, this priority is overseen directly by the Global Board, which is responsible for ensuring a tolerant and inclusive working environment and one that supports diverse backgrounds, mindsets and affiliations.

STRENGTHENING A DIVERSE WORKING ENVIRONMENT

The Global Board must be closely aligned on matters of diversity with the global and local HR departments in order to develop suitable strategies to ensure an inclusive work environment. Therefore, a comprehensive diversity program comprised of various initiatives and guidelines has been developed to support the company's diversity goals. This includes company integration measures following an

absence, and the appointment of a representative for employees with disabilities. In the event of an employee's disability, the workplace is designed to be barrier-free, ensuring equal opportunities for all employees. New employees take part in a buddy program and intercultural competence training is offered. Additionally, there are flexible work options that support an inclusive environment that values and respects the unique needs of every employee.

Initiatives promoting inclusivity beyond company boundaries are supported, as is the case with Polytan's collaboration with Hertha BSC Blindenfussball (Hertha BSC Blind Soccer), which encompasses the installation of artificial turf and a substantial annual contribution of €75,000.

In 2023 SYNLawn participated in the Have Faith Haiti project, providing safety, nourishment, education, and opportunity for Haiti's impoverished children and orphans, and installing over 17,000 square feet of its unique plant-based artificial grass for the orphaned children to play on (due to a number of factors growing natural grass is near impossible in Haiti).



Have Faith Haiti project 2023

SPECIAL OLYMPICS BERLIN 2023

It was a vibrant celebration: The Special Olympics World Games Berlin 2023 were the largest inclusive sports event worldwide and Germany's most extensive multi-sport event since the 1972 Munich Olympics. Over 7,000 athletes with intellectual and multiple disabilities competed in 26 sports. Events were held at various locations across Berlin, accompanied by the Special Olympics Festival, which offered a wide range of inclusive and cultural activities. From June 17 to June 25, Berlin hosted over 300,000 visitors, around 16,000 volunteers, and international delegations from around the globe, making it a hub of inclusion.

The sports surface specialist Polytan and its sister company SYNlawn supported these nine days of sports and emotion as "Official Supporters." Several competitions took place on Polytan surfaces; for example, track events in athletics were held on the Rekortan M track in Hertha blue at Hanns-Braun Stadium. Futsal, or indoor soccer, was played on the LigaTurf Cross artificial turf at the August-Bier fields. The Hockey Stadium Berlin had long featured Polytan surfaces, known for their outstanding quality.



Opening Special Olympics 2023



Turf hockey athlete at Special Olympics 2023

“Sports provide a platform for bringing people together. Our Polytan Berlin team renovated numerous sports facilities for this event in recent years, implementing the latest technologies and sustainability concepts. We were proud to contribute to the success of the Special Olympics World Games Berlin 2023 with our sports surfaces,” said Jan Lauterbach, Regional Director of Polytan’s Berlin branch.

Beyond this product support for the athletes, Mathias Schmidt, CEO of Polytan GmbH, highlighted the event’s broader vision—a truly inclusive society powered by the unifying force of sports. “We deeply believe that everyone should have equal access to sports, education, culture, and healthcare. Sports play a major role in this, but the Special Olympics World Games represent much more.” Mark Solomeyer, Vice President of Special Olympics Germany (SOD), echoed this sentiment: “Through the power of sports, we showcased the tremendous value of inclusion for everyone and the joy and fulfillment that togetherness brings.”

04 PRODUCTS & SERVICES

BRINGING ESG INNOVATION TO THE HEART OF
OUR BUSINESS SOLUTIONS





AstroTurf at the University of Missouri



ENVIRONMENTAL & ATHLETE WELFARE

Sport Group's approach to product and service combines environmental stewardship, product durability, safety, and customer satisfaction to provide a comprehensive Artificial Turf (AT) solution that meets the needs of both current and future generations. To deliver a more sustainable and customer-focused AT solution, Sport Group concentrates on several core areas designed to maximize environmental benefits, enhance user satisfaction, and extend the product's lifespan. As a leading international provider of sports and leisure surfaces, Sport Group places the unwavering trust of athletes at the forefront of its priorities.

The commitment goes beyond simply offering sports venues to include ensuring optimal conditions for athletes to access their full potential and providing unparalleled comfort. Simultaneously, Sport Group acknowledges its responsibility extends beyond athletes, encompassing the environment and broader society.

ENVIRONMENTAL IMPACT & SUSTAINABLE EVOLUTION

Sport Group prioritizes artificial turf designs that are both high-performing and environmentally friendly. In addition to leveraging the inherent benefits of artificial turf, the company is committed to further developing the products to increase their positive environmental impact. A key focus for the R&D units is the effective eco-design of products, which includes exploring ways to increase the use of recycled and/or renewable input materials.

According to Sport Group Vice President R&D and Technical Innovation, the company has made progress in transitioning from petroleum-based materials to renewable raw materials, particularly for alternative infill materials.

To reduce the environmental impact of the products offered by Sport Group, the company focuses on diversifying the product portfolio to include more environmentally friendly and sustainable options. The goal is to adopt a holistic ecological approach to create sustainable value by focusing on microplastic reduction, CO₂ reduction, energy efficiency, durability, and performance.

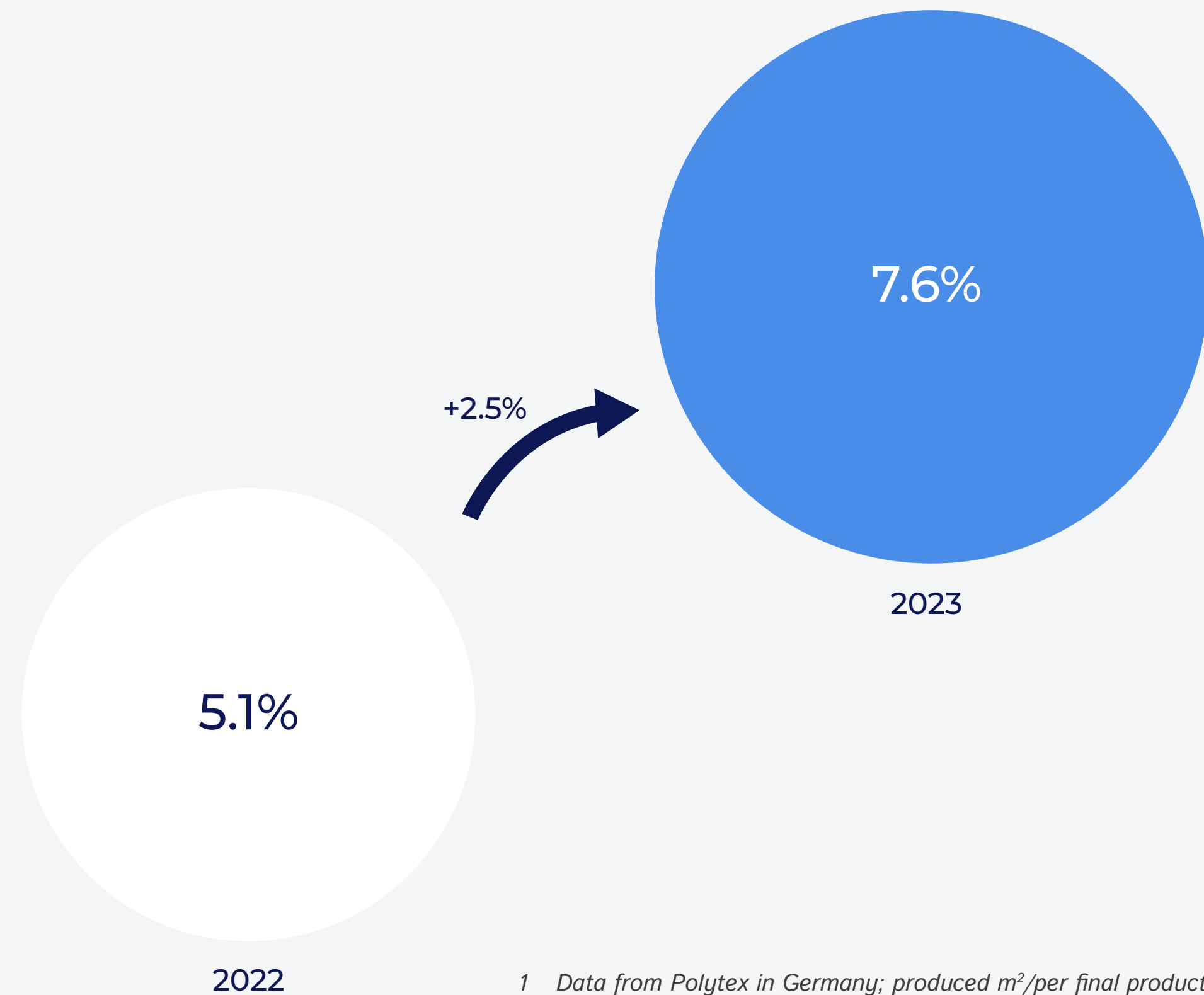
As of 2023, 83 R&D projects were ongoing, with a primary focus on product and process development. About one-third of these projects have direct ESG relevance and are related to the development of sustainable solutions. In general, Sport Group categorizes its GT product lines into three types: bio-based, recycling-based, and hybrid.

REDUCING WATER USAGE THROUGH TURF PRODUCTS

In contrast to natural turf, artificial turf requires little to no irrigation, offering substantial water-saving benefits during maintenance. As a result, the company's products have the potential to significantly help alleviate the risks associated with water scarcity. Sport Group is proud to drive the transition to a future with greatly reduced water demands.

By continuously improving product performance and maintenance, Sport Group aims to enhance the environmental benefits of turf solutions. A key focus is minimizing water usage during product development and usage, ensuring that turf solutions either reduce or eliminate the need for water—a critical resource in many regions worldwide.

SHARE OF BIO-BASED PRODUCTS¹



¹ Data from Polytex in Germany; produced m²/per final product

HOCKEY5S WORLD CHAMPIONSHIP OMAN: POLIGRAS PARIS GT ZERO

When it comes to product development and environmental innovation, the current topic of the future in the field hockey industry is Dry Field Hockey. For this reason, Polytan has developed the unique Poligras Paris GT zero surface, the world's first CO₂-neutral artificial turf for field hockey. This GUTcert-certified surface uses 80% sugarcane as a bio-raw material and is manufactured in a 100% climate-neutral production, meaning Poligras Paris GT zero turf saves 73 tonnes of CO₂ when compared with conventional turf.

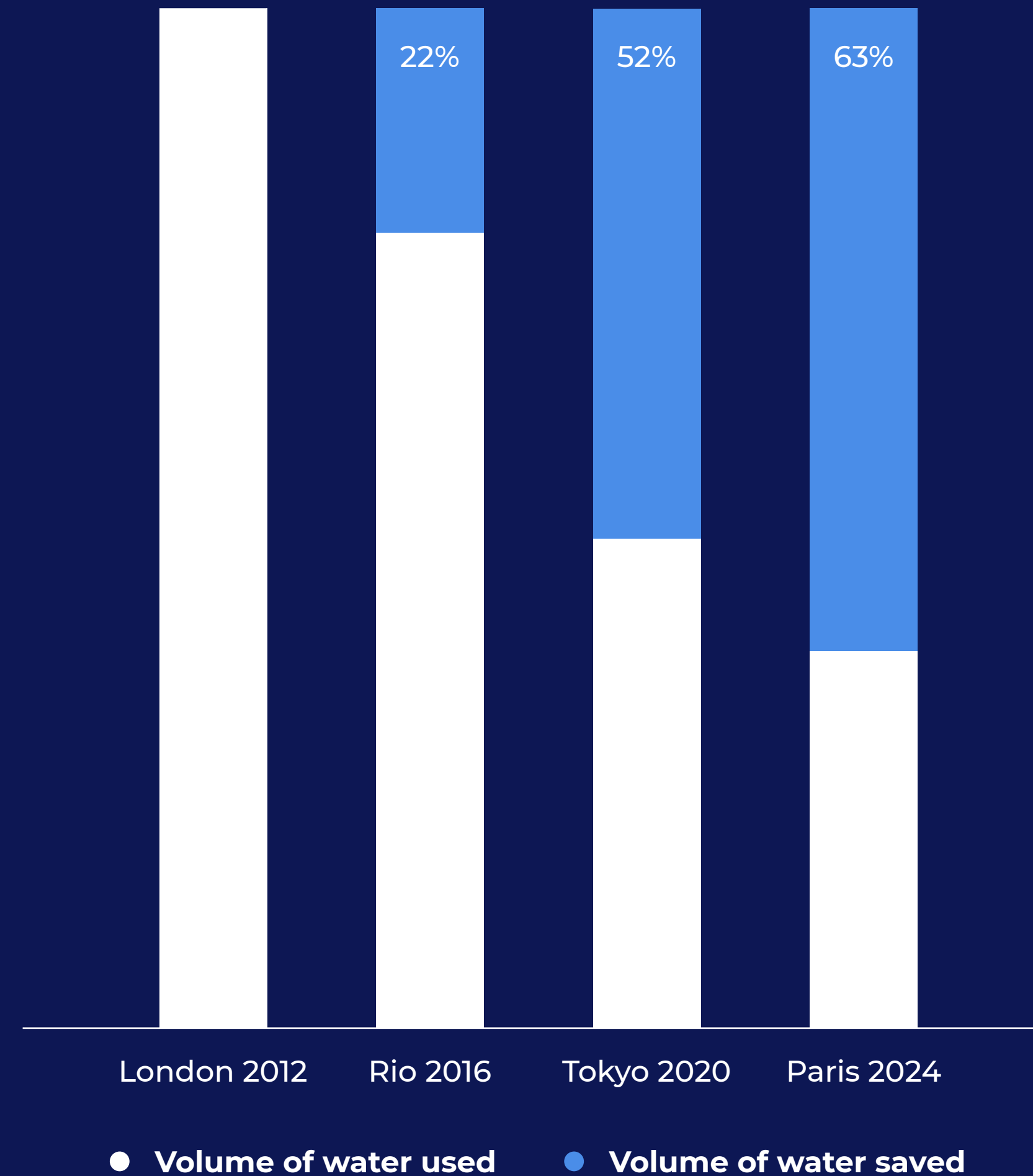
Besides Poligras Paris GT zero turf's pioneering feature of being climate neutral, another fundamentally improved product design is reduced water consumption. The innovative and patented TurfGlide technology plays a decisive role in this innovation. It reduces surface friction to such an extent that playing on unirrigated turf meets the new FIH standards for dry hockey. But even when watered, the Poligras Paris GT zero has advantages over many competitor products in terms of water consumption. Overall, it requires less water to provide optimum playing characteristics.

The FIH aims to reduce water consumption and thus conserve resources. Polytan is also taking this into account in the future development of further hockey turf. With its latest innovation, Poligras Paris GT Zero, Polytan has managed to reduce water consumption by 62% since the 2012 Olympic Games in London. This means that, together with FIH, we have been able to reduce water consumption by almost 2/3 within 12 years.

The Hockey5s World Cup in Oman was the first major event played on dry turf and represented a significant step towards the goal of dry hockey at all levels. In total, two Poligras Paris GT zero pitches were installed in 2023, including the main tournament turf, and a full-size turf, later split into four Hockey5s practice pitches.

The inaugural Hockey5s World Cup was held in Muscat in January 2024. The brand new FIH competition hosted 16 men's and women's teams each, with nations ranging from Australia to Zambia.

OLYMPIC GAMES PITCH IRRIGATION VOLUMES



“DEVELOPING ARTIFICIAL HOCKEY SURFACES THAT REQUIRE LITTLE OR NO WATER, WHILST STILL MAINTAINING THE CHARACTERISTICS THAT ALLOW THE SPEED AND SKILLS OF TOP-LEVEL HOCKEY, IS A CORE TARGET OF OUR GLOBAL SUSTAINABILITY STRATEGY. THE HOCKEY5S WORLD CUP IN OMAN WILL BE THE FIRST MAJOR EVENT PLAYED ON DRY TURF AND IS A SIGNIFICANT STEP TOWARDS OUR GOAL OF DRY HOCKEY AT ALL LEVELS OF THE GAME.”

Jon Wyatt

FIH Sport and Sustainability Director



PREMIUM EXPERIENCE: QUALITY OF LIFE & CUSTOMER SAFETY

Sport Group’s products are crafted to improve the quality of life for communities and individuals, creating safe, enjoyable spaces for various activities. Safety is paramount, with designs and materials that help reduce the risk of injury, allowing users to engage in recreational or sports activities with confidence. In addition, artificial installations eliminate the need for fertilizers, which have a negative impact on the surrounding environment and human health.

EVIDENCE-BASED INFORMATION ON REDUCING PESTICIDES & FERTILIZERS

Americans use up to ten times more chemical pesticides on their lawns per hectare than they use on U.S. farmland.¹

¹ U.S. Fish & Wildlife Service, *Homeowner’s Guide to Protecting Frogs. Lawn and Garden Care*, 2011, www.fws.gov/sites/default/files/documents/FW-2003-Homeowners-Guide-to-Protecting-Frogs.pdf (10.12.2024).

By eliminating the need for harsh pesticides and fertilizers, artificial turf reduces the use of these harmful products by over one billion pounds per year.²

Pesticides and fertilizers also have a negative impact on streams and waterways as they enter stormwater runoff, which the EPA identifies as a major cause of water pollution.

In Florida alone, the EPA estimates that approximately 1,000 miles of rivers and streams, 350,000 acres of lakes, and 900 square miles of estuaries are impacted by pesticides and fertilizers.³ Additionally, according to the Cal-Berkeley Laboratory for Manufacturing and Sustainability, the carbon footprint associated with fertilizing a natural turf athletic field ranges

² STC, *“Synthetic Turf Installed in North America Conserves More Than Three Billion Gallons of Water, Eliminates Nearly a Billion Pounds of Pesticides and Fertilizers, and Recycles More Than 105 Million Used Tires*, 2011, www.synthetic-turf.com/wp-content/uploads/2012/09/c322be_a162d20b9094a1d09ea3594ab716e97f.pdf (10.12.2024).

³ EPA, *EPA and Florida DEP Work Together to Restore Florida’s Surface Waters*, 2009, www.epa.gov/archive/epa-pages/newsroom_archive/newsreleases/112863fab6eeb9c-c852575400058fb33.html (10.12.2024).

from 204 to 306 pounds of CO₂ equivalent.⁴

The National Coalition for Pesticide-Free Lawns says, “Of 30 commonly used lawn pesticides, 19 are associated with cancer or carcinogens, 13 with birth defects, 21 with reproductive 26 with liver or kidney damage, 15 with neurotoxicity, and 11 with endocrine system disruption.”⁵

In terms of promoting health and wellness, it’s also worth highlighting that end users can engage in sports activities on artificial turf more frequently and for longer durations than on natural grass. Additionally, artificial turf significantly contributes to increasing physical activity within communities. For instance, assuming a two-hour soccer match, natural grass can typically withstand around 500 hours of use per year. By contrast, due to its resistance to weather and seasonal changes, artificial turf remains usable for up to 2,000 hours per year.

⁴ Simon, R. (2010). *„Review of the Impacts of Crumb Rubber in Artificial Turf Applications“*. Universität von Kalifornien, Berkeley, Labor für Fertigung und Nachhaltigkeit, College of Engineering.

⁵ *Beyond Pesticides Factsheet*. 2005 April. *Health Effects of 30 Commonly Used Lawn Pesticides*.

PLAYING HOURS OVER 10 YEARS



PRODUCT LONGEVITY & END-OF-LIFE SOLUTIONS

Through ongoing R&D, Sport Group strives to extend the product lifecycle of its artificial turf. By implementing measures to prolong product durability and usefulness, the frequency of replacements is reduced. This contributes to sustainability and cost-effectiveness. Professional maintenance of Sport Group's products ensures that Sport Group's products retain their playing and sports characteristics, further extending their longevity.

As a full-service partner, Sport Group offers renovation solutions with trained service teams and specialized machinery. These services include efficient cleaning, maintenance, and restoration of artificial turf, running tracks, tartan surfaces, and multifunctional pitches.

Furthermore, Sport Group is committed to responsible end-of-life treatment and aims to offer environmentally sound disposal and recycling options to reduce waste and minimize environmental impact.

The products of Sport Group are adapted to allow the production of an increasing proportion of recycled materials. In recent years, the share of recycled and reused raw materials has increased, and crucial steps taken toward closing the loop and contributing to a circular economy along the entire value chain. An innovative example of effective eco-design is the incorporation of mono-material solutions. This approach strongly supports the separation of materials into single-origin, pure raw components, which can then be more easily used to produce entirely new products. This perspective is increasingly prioritized in research labs to facilitate efficient end-of-life treatment.

CIRCULARITY WITHIN OUR PRODUCTS

A fundamental lever in reducing the environmental impact is the end-of-life handling of products. The product stewardship program is a crucial step towards closing the loop and



contributing to a circular economy along the entire value chain. End-of-life product management is an integral part of the business model and strategy to create customer value and growth. As such, recycling and end-of-life treatment have become vital business concerns alongside product safety. The product stewardship programme covers various aspects of end-of-life product management. At Sport Group, effective product stewardship begins at the very start of a product development cycle.

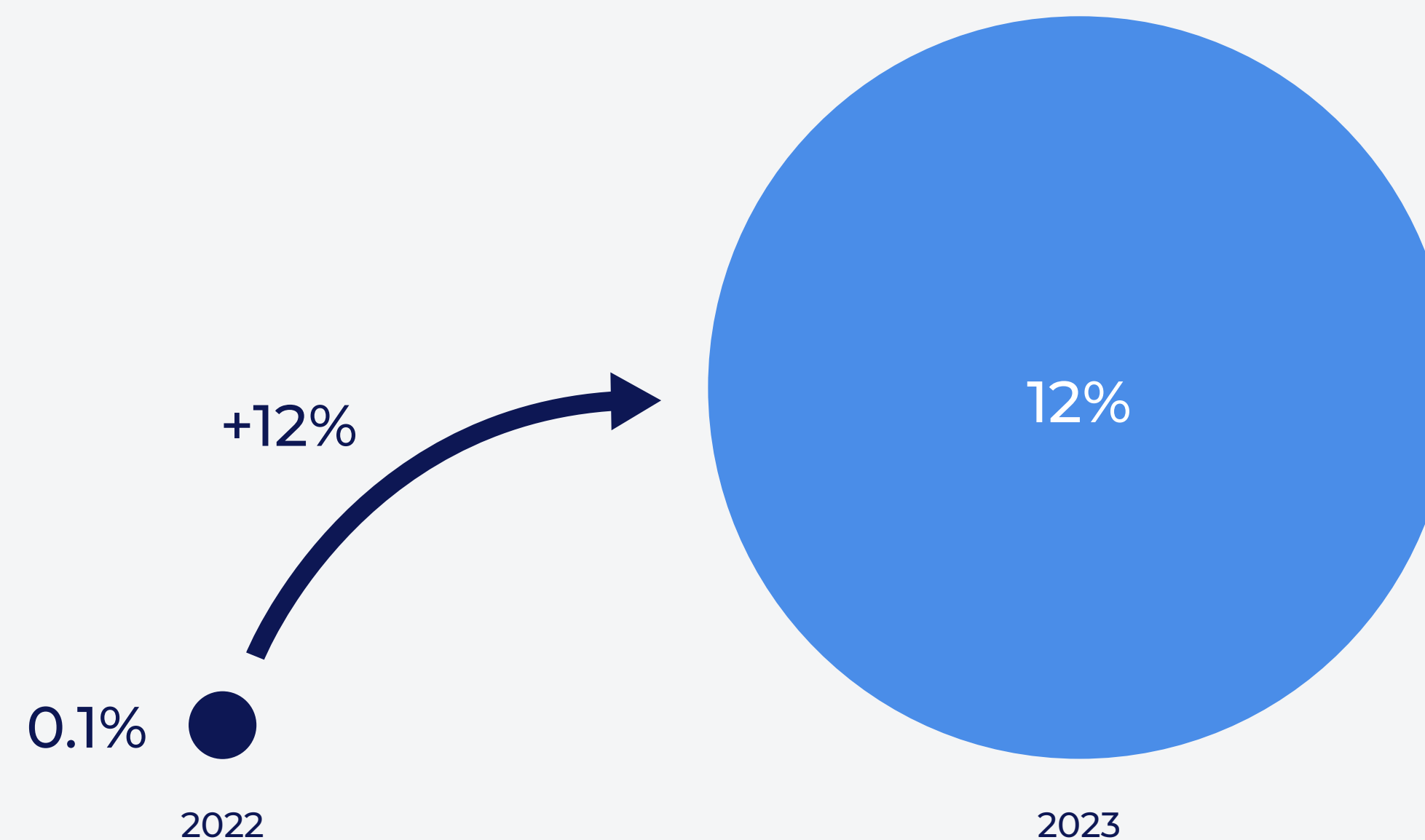
The R&D departments focus on developing solutions to treat products at the end of their lifecycle. In recent years, Sport Group has successfully innovated and developed various products with a significantly reduced cost and effort of end-of-life treatment.

Sport Group's approach to promoting a circular economy and responsible use of resources is to systematically increase the recycled raw material content in its artificial turf systems. The share of post-consumer recycling (PCR) content for a produced m² per final product could be increased at the production facility Polytex from 0.1% (in 2022) to 12% (in 2023).

Both Polytex and Polytan GmbH have obtained ISCC+ certification for incorporating up to 20% of post-consumer recycled (PCR) materials (e.g. packaging materials) in their yarn production, thereby saving raw materials and resources. The ISCC+ certification is a voluntary sustainability certification program for bio-based and circular (recycled) raw materials. It involves auditing the entire supply chain and ensuring that specific sustainability criteria for biofuels from biomass are met. As a result, Sport Group's suppliers are also ISCC+ certified and adhere to this international standard. Additionally, the ISCC+ certification allows Sport Group to procure and utilize products based on bio-based feedstock.

To continuously improve end-of-life treatment, Sport Group is committed to fostering recycling and reuse of all end-of-life materials. Therefore, the target is to achieve a 100% recycling share of all reclaimed artificial turf sports fields in Germany and Australia by 2030.

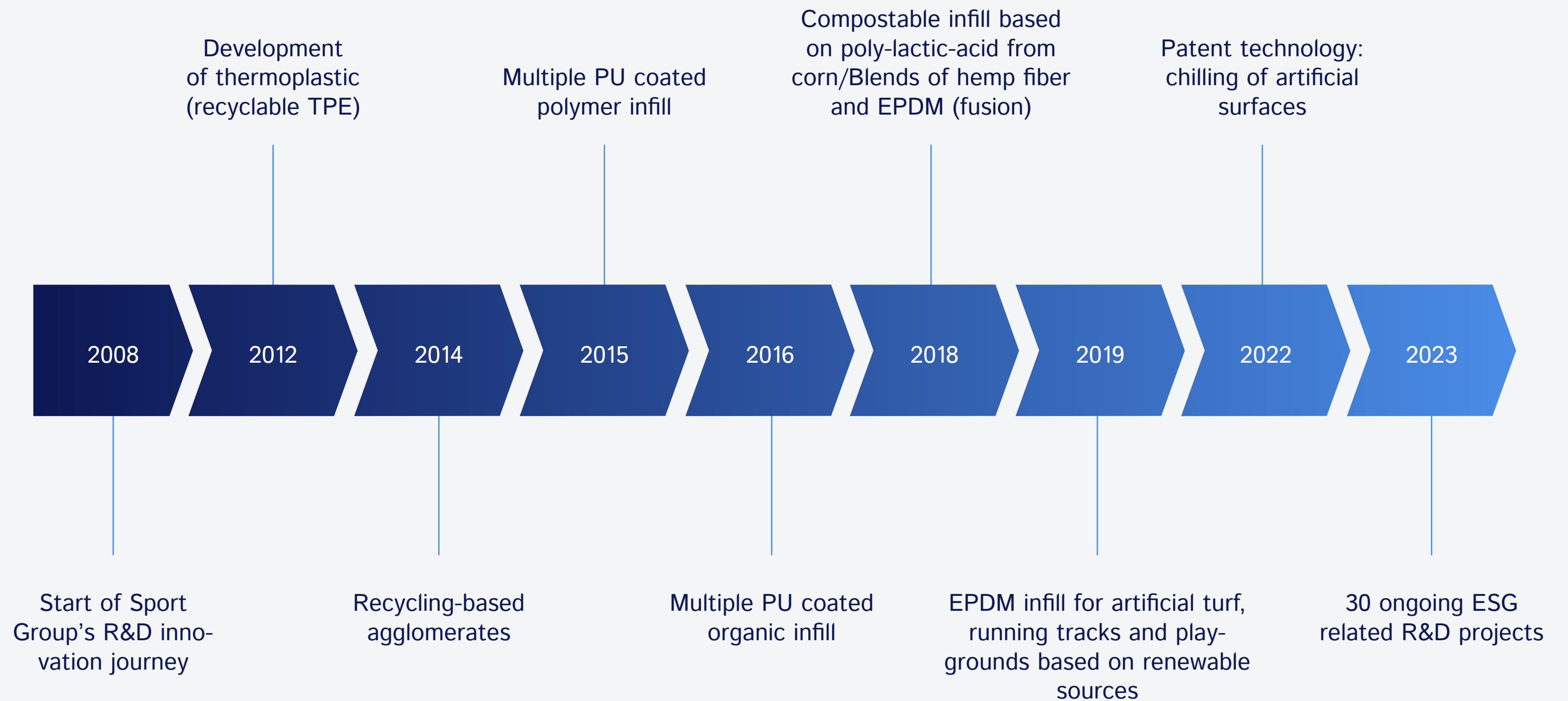
SHARE OF PRODUCTS WITH PCR CONTENT



CUSTOMER ENGAGEMENT & CONTINUOUS IMPROVEMENT

Customer satisfaction is at the heart of Sport Group’s approach. Regular consultation and development takes place in order to meet the evolving needs and expectations of customers. The commitment to continuous improvement ensures that all products meet current standards and adapt to the future demands of the environment and customers.

Sport Group has been working on the sustainable and efficient reduction of rubber granulates in their artificial turf system portfolio since 2008. Textured (crimped) filaments (i.e., grass blades with a permanent curved wave structure) were one of the key measures to decrease the required rubber amount in an artificial turf system without losing performance and customer satisfaction. With this project, the use of rubber granulates could be reduced by 20%, from the initial 35 tons to 28 tons in the Polytan LigaGrass turf system. In 2017, Sport Group achieved a further reduction in the required rubber quantity by introducing a combination turf (LigaTurf Cross), where both crimped and smooth yarns are incorporated, leading to a denser yarn mass in the turf.



05 PRODUCTION

REDEFINING PRODUCTION THROUGH
SUSTAINABLE INNOVATION





REDEFINING PRODUCTION THROUGH SUSTAINABLE INNOVATION

Environmental conservation and protection are among the greatest challenges of the 21st century. Within a globalized world, international businesses can contribute significantly towards conserving the world in its current state. In line with this development, environmental management has gained increasing relevance and has become an aspect of corporate strategy planning. For an internationally operating global company such as Sport Group, these considerations are more prevalent than ever, motivating the company to minimize its environmental footprint by implementing robust climate strategies and optimizing its use of resources. The mission is to reduce greenhouse gas (GHG) emissions, waste, and water consumption, driving operational efficiency and promoting sustainable production practices.

CLIMATE STRATEGY

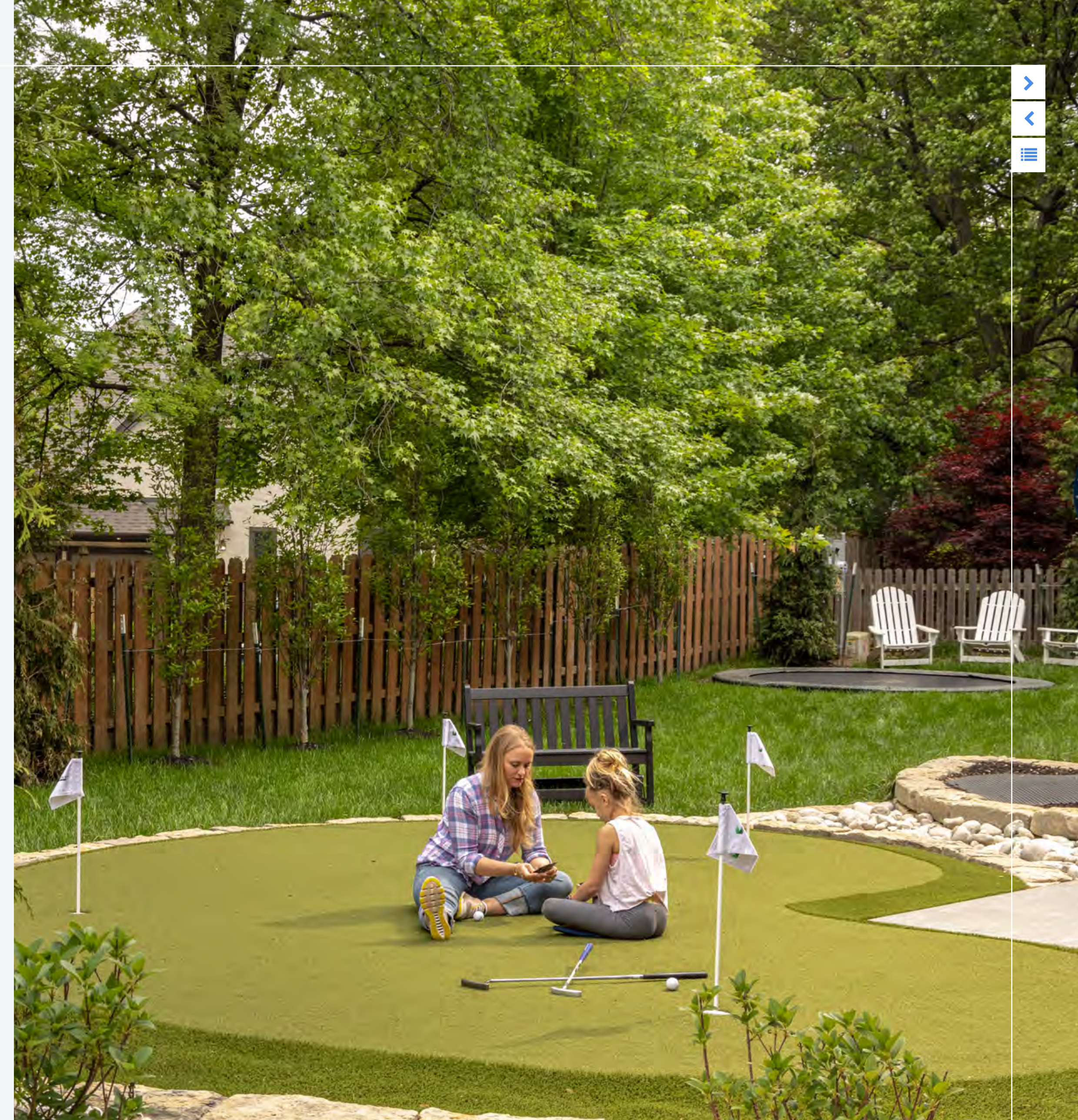
Environmental protection and sustainable development are of critical concern at Sport Group. Due to the undeniable impact of greenhouse gases on the climate, carbon emissions have become one of the most substantial threats to our planet. In line with this change, carbon-reduction initiatives are integral to product development and corporate strategy in the company. Sport Group recognizes the urgency and has developed special procedures to monitor and track GHG emissions and further improve its own GHG emission-reduction initiatives. Furthermore, energy consumption and Scope 1 & 2 emissions are KPIs that are constantly reported and benchmarked across all entities in the production scorecards. To improve its environmental performance and energy management, Sport Group ensures regular compliance, reduces costs and commits to responsible practices through EMS certifications:

- ISO 14001: 41% of Sport Group’s units employees covered
- ISO 50001: 37% of Sport Group’s units employees covered
- ISO 9001: 100% of Sport Group’s units employees covered

Sport Group’s global board is responsible for implementing globally consistent GHG reduction measures and assessing options for purchasing renewable energy. The GHG Reduction Policy 2023 demonstrates Sport Group’s commitment to consistently minimize and mitigate the potential environmental impact of GHG emissions from its operations within production and project organizations, primarily through more efficient technologies and an increase in renewable electricity sources.

CLIMATE-RELATED RISK MANAGEMENT

At Sport Group we acknowledge the immense consequences that a failure to reduce our GHG emissions will have on the planet. Therefore, it is vital to assess and manage the associated risks proactively.



MANAGERIAL OR BOARDLEVEL RESPONSIBILITY

The Global Board regularly monitors and proactively addresses legislative changes and large-scale industry shifts resulting from, for instance, the need to reduce GHG emissions. Sport Group's environmental policy, the GHG reduction policy, and the climate change risk policy require regular risk assessments of risks associated with emissions, among others. The responsibility to conduct the assessments lies with the Global Board and Sport Group's ESG team.

COMMITMENT TO ADDRESSING REGULATORY, REPUTATIONAL, AND MARKET CHALLENGES RELATED TO CLIMATE CHANGE

Sport Group is aware that the management of environmental transition risks is a relevant factor for banks and investors. KPIs and targets have been defined to guide future direction and maintain competitiveness. On reputational risks, the company is monitoring its customers' demands and the trends in the market. This means transitioning the entire product portfolio to become

more sustainable. Sport Group is pioneering the first carbon-neutral artificial turf in the market and is committed to monitoring market expectations and following trends to prevent reputational risks.

POLICIES TO ADDRESS ENVIRONMENTAL MATTERS AT SPORT GROUP

As part of the environmental management system, Sport Group has developed, among others, an Environmental Policy, a GHG Reduction Policy, a Water Use Policy, and a Waste Management Policy. The responsibility of the policy implementation lies with the Global Board of Sport Group. The regional CEOs and plant managers are empowered to provide regular feedback and to develop additional levers to enhance the appropriateness of our global policy for their local sites. The objectives of the policies are to minimize the company's environmental footprint, promote resource efficiency, and ensure compliance with environmental regulations while contributing to broader sustainability goals such as reducing greenhouse gas emissions, conserving water, and managing waste.

REDUCTION OF DIRECT GHG EMISSIONS

Sport Group's production and installation processes induce adverse environmental effects, amongst others, through the emission of GHG. To minimize the potential harm from GHG emissions and ultimately reduce GHG emissions to zero, the company commits to continuous improvements of production organizations and project organizations. The commitment also includes reducing the GHG emissions from its own operations across production and project organizations. All entities of Sport Group implement continuous improvement of production processes and infrastructure. With the help of new, highly efficient technologies, environmental performance can be enhanced, energy losses can be minimized, and direct GHG emissions can be reduced.

Sport Group has established a comprehensive procedure to monitor and measure its carbon footprint for Scope 1 & 2 emissions across all business units, with 2018 as the baseline year. This procedure utilizes the GHG Protocol's Emission Calculation Tool deployed to all sites. The tool automates emissions calculations using pre-defined formulas and allows emissions factors and data from stationary and mobile

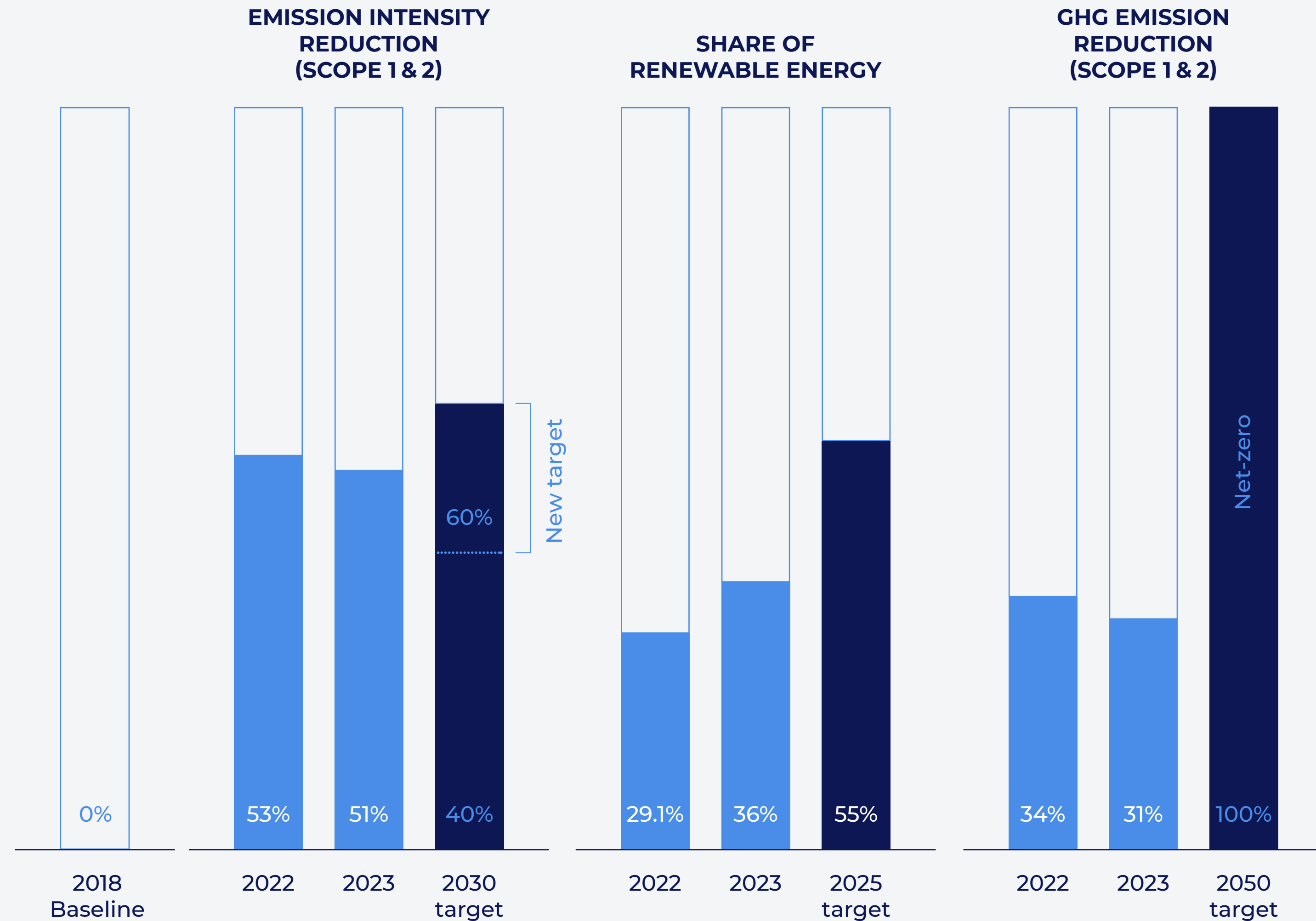
combustion sources. It provides insights into emissions from company-owned vehicles, mobile fleet machinery, refrigerants, and purchased electricity.

Sport Group plans to enhance and verify its ESG data collection process by 2025 to meet the new Corporate Sustainability Reporting Directive (CSRD) requirements. In line with this goal, Sport Group invested in the ESG data platform Envoria in 2023. This tool will enable a more advanced collection and analysis of global ESG data in 2025. By enhancing the data collection processes, the company will meet CSRD requirements and elevate its ability to steer initiatives and achieve sustainability targets more effectively.

ACTION PLAN WITH A CLEAR TIMETABLE FOR REDUCING GHG EMISSIONS

Sport Group has committed to becoming climate-neutral by 2050, supported by interim goals to track progress. Originally, the target was a 40% reduction in carbon intensity by 2030; however, by 2023, Sport Group had already reduced carbon intensity (Scope 1 & 2) by 51%, compared with the 2018 baseline of 79 tCO₂/M€ revenue. The updated target is now a 60% reduction in Scope 1 & 2 GHG emissions intensity by 2030, with 2018 as the baseline.

To ensure and monitor target achievement, total GHG emissions (Scope 1 & 2) and GHG intensity are reported annually by all entities and aggregated for the holding company. With the implementation of the software tool Envoria, the emission and energy values will change from annual to monthly reporting. This will enable the monitoring of consumption and emissions more effectively to achieve the goal of becoming carbon neutral by 2050.



Decarbonization opportunities for Scope 1 & 2 emissions are generally strong and total Scope 1 & 2 GHG emissions have decreased by more than 30% since 2018 (from 42.5 ktCO₂). Due to the significant share of electricity in the overall energy portfolio (especially for the production business unit), there are several low-cost, low-effort electricity decarbonization levers to reduce Sport Group's Scope 1 & 2 emissions. Sport Group's initiatives to reduce GHG emissions encompass both the immediate production and project operations, as well as the administrative and logistical areas, and primarily focus on reducing the overall energy consumption and group-wide transitioning to green electricity.

GHG REDUCTION THROUGH ENERGY EFFICIENCY & RENEWABLE ENERGY

Across all organizations, the priority is on maximizing renewable energy. Sport Group entities such as Polytex, Polytan GmbH (Burgheim site), Unirubber, and FormaTurf already source 100% renewable energy, with plans to extend this to all Polytan GmbH external storage under Polytex's green energy contract in 2023. Melos' energy supplier increased its share of green

electricity in 2023, meaning that Melos automatically purchased over 60% green energy. From January 1, 2024, Melos will also switch completely to renewable energy. Other production sites have significantly increased renewable share in their local electricity mix. In regions like the US, where 100% renewable electricity is not yet feasible, providers are actively consulted to improve renewable options. APT Australia and Polytan Asia Pacific source more than 30% green energy, consisting of 5% hydro, 4% solar and 22% wind powered energy and aim to increase green energy use within the next years. With electricity as a major energy source, Sport Group is committed to achieving at least 55% renewable electricity by 2025. As of 2023, 36% of our energy is renewable, reflecting a 7% increase from 2022's 29%.

Sport Group enhances energy efficiency through regular motor upgrades, compressor maintenance, tank insulation, and open-air coolers. Innovations like shifting from SBR latex to polyurethane (PU) coatings in turf production and enzymatic chemical reaction processes helped reduce energy use. Some operations use energy management software to optimize consumption and standby modes. Coating line optimizations, including efficient oven drying processes, have been implemented in Polytan Australia and at Polytex in 2023.

To implement a low-carbon business model, a global Solar Panel Report throughout 2023 assessed the feasibility of solar installations at all sites. This enabled informed investment decisions. Efforts to improve energy efficiency include upgrading machines and vehicles, optimizing production logistics to reduce internal emissions, and shifting freight to sea and rail to cut Scope 3 emissions. Carbon capture and storage (CCS) technologies are recognized as a promising and innovative trend in addressing greenhouse gas challenges. However, further research and development are essential to unlock their potential and ensure their effective implementation on a broader scale.

GHG REDUCTION WITH EMPLOYEES

At the German facilities, Sport Group provides annual training on energy management for employees, to increase awareness and promote a shift in staff perception towards the optimized and energy-efficient operation of different machinery and infrastructure. Given that vehicle emissions are a significant source of energy use in the project teams, an incentive program was launched to encourage employees to choose electric vehicles. Additionally, monetary support is

provided for employees who switch to electric cars within the German entities and there is work on making electric cars more attractive to all employees. As part of this commitment, Sport Group offers electric vehicles with leasing rates up to 15% higher than for conventional vehicles.

Employees are educated on the relevance of environmental mindfulness. The company strongly believes that environmentally conscious decisions can only be taken if it is aware of its footprint and collectively works towards protecting the environment. For this reason, in 2023, it was decided to use the EcoNation app to organize employee events in which waste is collected and recycled as part of a competition, making employees aware of environmental protection and actively contributing to emission reduction for the company. More information is available on page 28.

MANAGING & RECOGNIZING NON-GHG AIR EMISSIONS

Beyond reducing GHG emissions, minimizing other non-GHG air emissions is also important. At Sport Group, these emissions may vary between operations and production activities. The plant managers and local experts regularly assess potential emission sources and threats to the environment. Sport Group commits to ensuring minimum exposure to harmful gas emissions at its sites and aims to keep on-site combustion at a minimum. Regarding the fleet, non-GHG emissions mainly include car exhausts and fine dust pollution from passenger cars or forklifts.

INITIATIVES & TARGETS TO REDUCE NON-GHG AIR EMISSIONS

Sport Group is actively implementing targeted initiatives to reduce non-GHG air emissions from stationary and mobile equipment in its own operations. Local plant managers assess specific risks and take appropriate measures to minimize emissions. A significant source of non-GHG emissions is vehicle exhaust, including carbon monoxide.

To address this, Sport Group is:

1. Upgrading its vehicle fleet to meet the latest EURO-6 emissions standards and replacing outdated vehicles with modern, low-emission alternatives.
2. Transitioning from combustion engine vehicles to electric and hybrid options, supported by policies promoting electric lease cars for employees and sales teams.
3. Increasing the use of electric equipment, such as forklifts at production sites, and exploring the introduction of electric wheel loaders for project operations.
4. Air emissions, noise levels and vibrations are also continuously monitored at the other companies and regional regulations are complied with. As an example, at APT AP, noise assessments are conducted every five years in compliance with regulatory requirements, with the recent assessment completed in February 2023.

With regards to its vehicle fleet, Sport Group has set itself the target of transiting its passenger car fleet to 100% electric vehicles by 2030. The company aims for ~60% electric forklifts and ~30% electric wheel loaders until 2030 to reduce both GHG and non-GHG emissions.



WASTE & END-OF-LIFE TREATMENT

Waste and its disposal represent key challenges in today's world. While global production across sectors has ramped up considerably over the last decades, the efforts to contain the adverse consequences of the rapid production surge are still new to many market players across the globe—also within Sport Group's industry.

The production and installation processes at Sport Group, and products at the end of their life cycle, can generate various forms of waste, including general waste, hazardous waste, and recyclable materials. At such a scale, negligence of suitable waste strategies could have severe environmental impacts. The management of Sport Group acknowledges the importance of responsible waste management, including recycling, reusing, recovery, the extension of the product lifecycle, and responsible waste disposal. There is an effort to extend the lifetimes of all products and actively promote reuse to protect natural resources and avoid waste.

The recycling concepts and strategies need to be adapted to the individual products and geographies of operations to be effective. In line

with Sport Group's global Waste Management Policy and the Solid Waste Management Program, targeted waste management initiatives and strategies for each entity have been developed.

SOLID WASTE MANAGEMENT: MONITORING, REPORTING, TARGETING

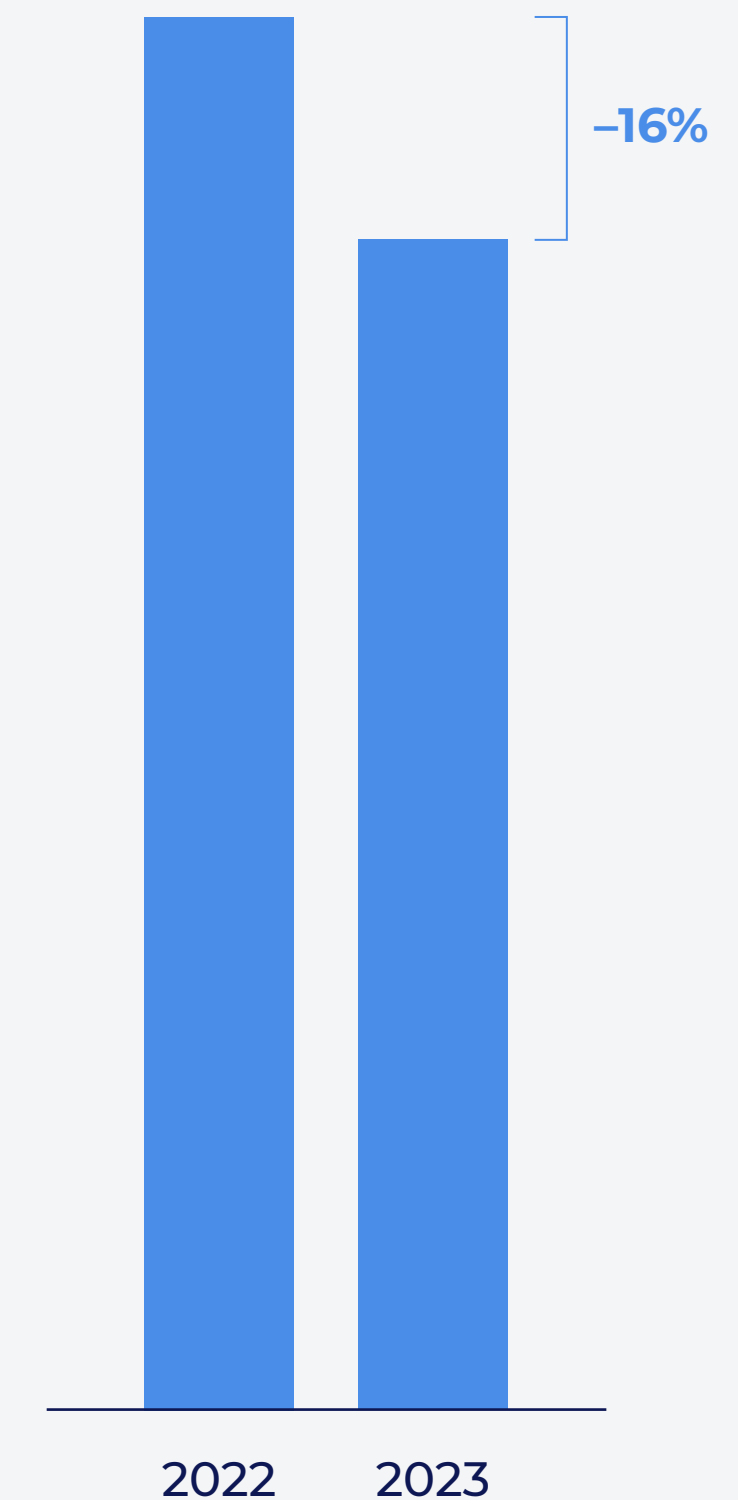
Sport Group has implemented comprehensive waste tracking systems to manage production waste efficiently. Advanced waste tracking systems are deployed to manage production waste. Waste is collected, sorted, and categorized as hazardous or non-hazardous. Hazardous materials are handled by specialized disposal companies, while non-hazardous waste is prepared for internal reuse, recycling, or managed by certified waste handlers. Materials suitable for immediate reuse are reintegrated into production processes.

Waste generation is monitored to set clear, measurable goals for reduction and increase the proportion of recycled or reused materials. Non-recyclable waste is responsibly handled through specialized services, with each legal entity defining objectives to enhance solid waste management. From 2022 to 2023, Sport Group was able to reduce its total waste produced by approximately 16%.

Waste reporting is a key element of our strategy. Insights from the End-of-Life Considerations for Synthetic Turf Sports Surfaces Report, developed with Polytex and independent experts, shaped robust internal and external reporting practices. These guidelines provide a comprehensive view of waste streams, enabling better oversight across Sport Group.

Through consistent monitoring, measurement, and evaluation, improvement areas are identified. For example, Melos achieves minimal production waste (1-3%) by reintegrating materials like rubber dust into the production cycle, further reducing solid waste and environmental impact.

REDUCTION OF TOTAL WASTE PRODUCED



MANAGING HAZARDOUS WASTE

A particular focus within the waste management programme lies in hazardous waste management. The safety of our employees and all affiliated partners cannot be compromised at any point in the production or life-cycle process. There are also efforts to minimize any threats from hazardous substances to the environment. Therefore, adequate waste identification, handling, and disposal are of importance at the global level. It is also as much on the regional level where the specific hazardous materials are handled and where individual strategies have been developed to ensure adequate hazard response mechanisms that suit each legal entity best.

Production processes are carefully managed to minimize the generation of hazardous materials. As a result, only a few hazardous materials are produced. It is also worth noting all regulatory requirements are strictly adhered to, ensuring full compliance with all applicable guidelines and standards. All entities have defined hazardous waste and the labelling process. These steps are the foundation for proper monitoring and measurement of hazardous waste upon which a clear waste handling guideline was defined,

which includes detailed inventory logging of hazardous materials and waste. In addition, there is a focus on proper storage and disposal of hazardous waste and detailed training of employees for emergency actions in case of incidents and generally in working with hazardous materials.

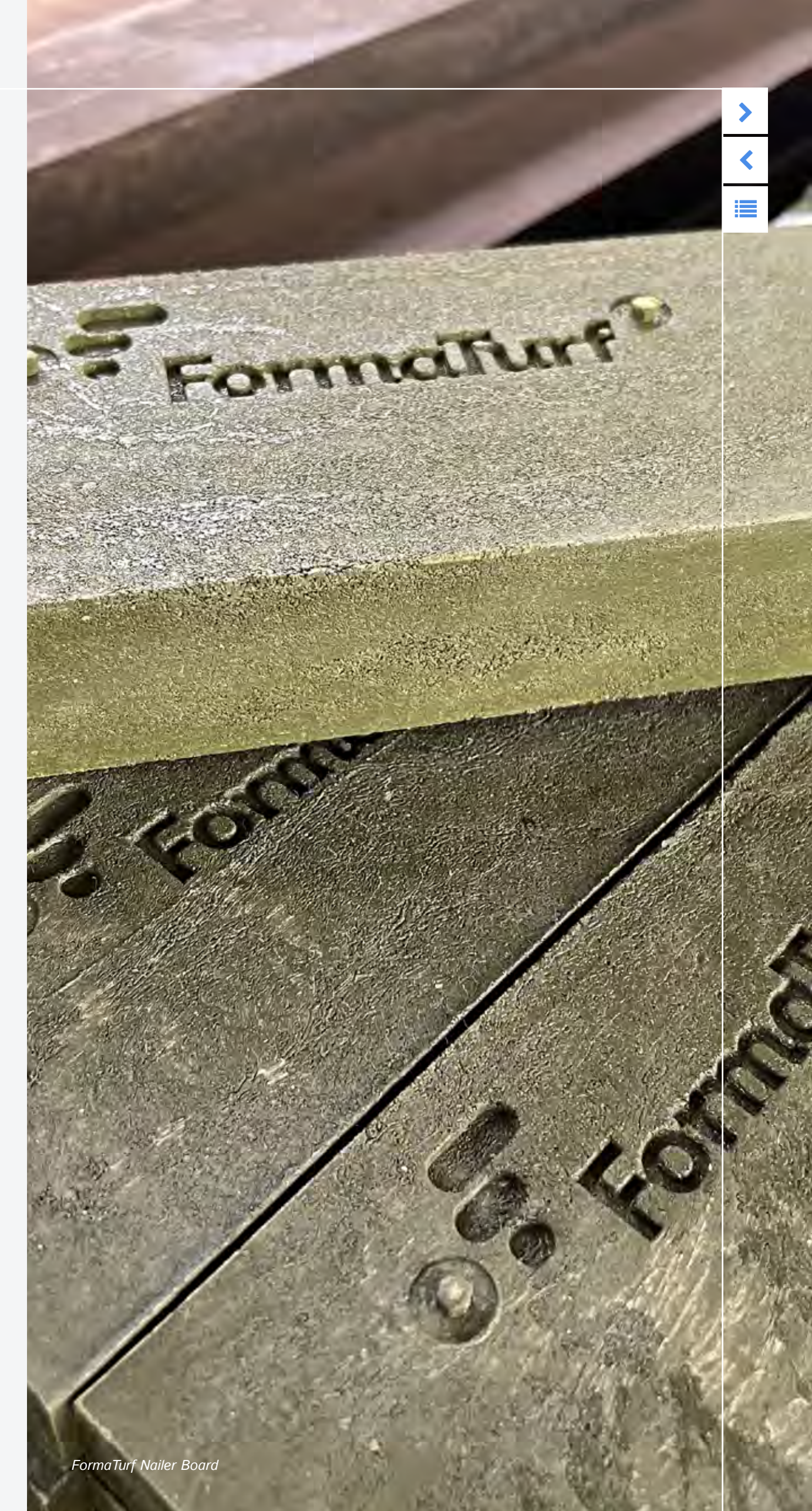
SOLID WASTE RECYCLING & REUSING

Recycling is one of the industry's greatest challenges and a vital pathway to sustainability. Sport Group views the reuse of solid waste, and the promotion of a circular economy, as essential to reducing environmental impact. To support this commitment, there are several initiatives to promote solid waste reuse through process optimization:

- Polytex repurposes torn turf fibers by incorporating them into landscaping products. Rebottling for IBCs is also introduced.
- In 2022, Polytex also began using “vertical balers” for production waste. These small presses allow a direct and better separation of different residual types (i.e., better recyclability and reusability) and the reduction of waste volumes.

- Melos inspects scraps from production errors, such as mixing inaccuracies, to identify reuse opportunities. While some products are unusable and must be disposed of, others with minor issues, like color variations, are repurposed for applications where these imperfections are inconsequential.

Recognizing the importance of recycling and end-of-life product management as core to our strategy, Sport Group has set a target of 100% recycling for reclaimed artificial turf fields in Germany and Australia by 2030. Current recycling solutions for end-of-life products, especially artificial turf, remain limited worldwide. To address this gap, Sport Group has established a dedicated recycling entity, FormaTurf, and formed a partnership with PR Recycling, an industry leader in this field. Together, FormaTurf and PR Recycling will help the company meet its ambitious recycling goals.



FormaTurf Nailer Board

SPORT GROUP'S RECYCLING FACILITY FORMATURF STARTS ITS PRODUCTION IN 2023

A key lever for reducing environmental impact lies in managing products at the end of their lifecycle, with recycling—especially of end-of-life products—playing a crucial role. To support a closed-loop value chain and embed it into its business model, Sport Group launched its own artificial turf recycling company, FormaTurf, in early 2023.

On July 16, 2023, Lord Mayor of the city Essen, Thomas Kufen expressed his enthusiasm for FormaTurf's ambitions, highlighting the company's contributions in his speech. CEO Christoph von Nitzsch, COO Dr. Klaus Hausschulte, and Cornelius Laaser, Head of the Circular Economy Department at the NRW¹ Ministry of the Environment, also provided over 100 guests with valuable insights and ideas on advancing sustainability in the materials cycle. The event offered networking opportunities, accompanied by delicious refreshments.

At the FormaTurf facility, all components of an artificial turf system are recycled through specialized processes in material separation, downsizing, and extrusion. This enables the creation of new plastic products and

¹ NRW= North Rhine-Westphalia

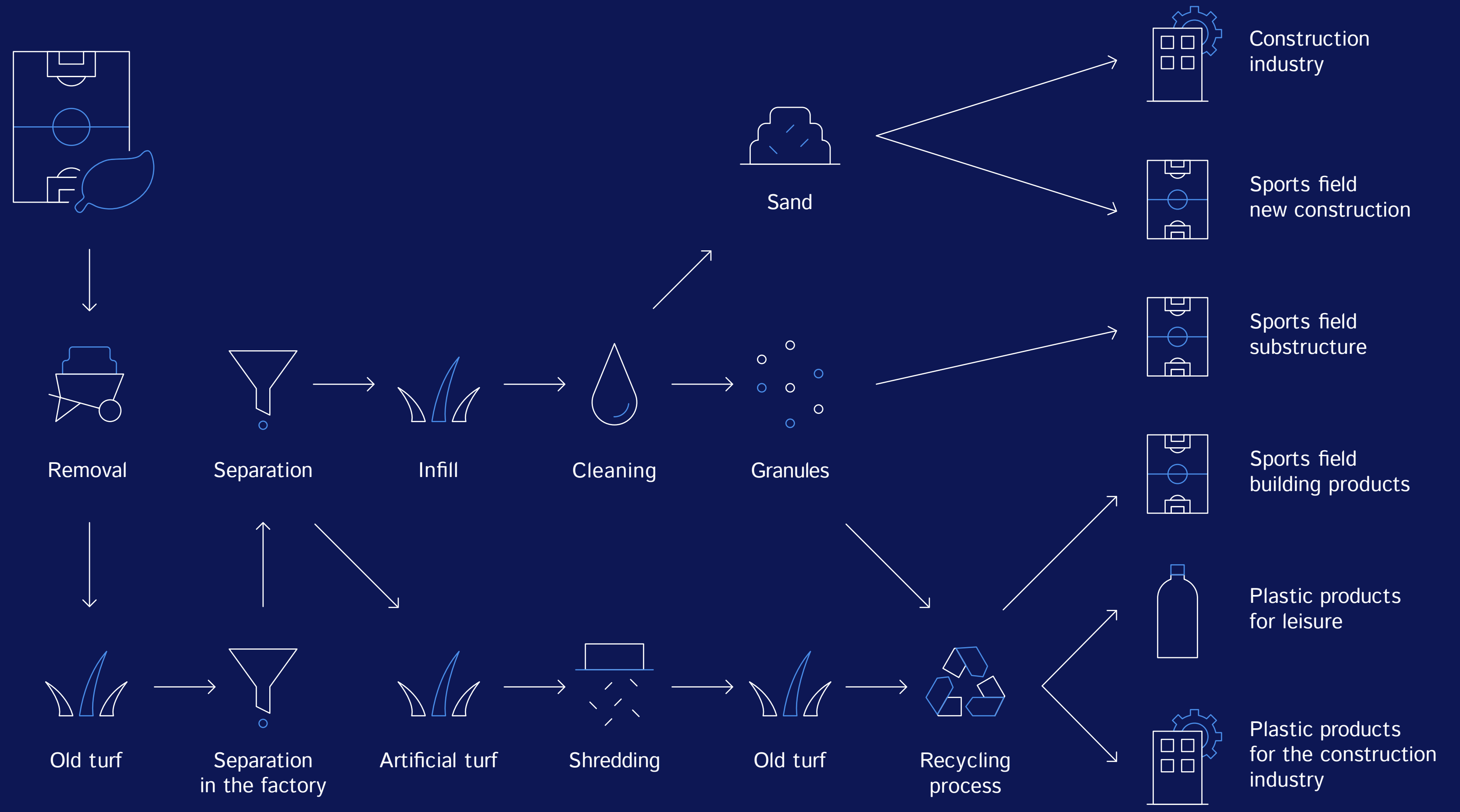


Wet separation plant

customized solutions for sports facility construction, as well as applications in landscaping, construction, and various industries.

Sport Group has partnered with PR Recycling, whose collaboration expands FormaTurf's capabilities. PR Recycling has developed a unique recycling process in cooperation with a disposal company in the STG area, adding further expertise to the operation. Through this high-tech recycling process, FormaTurf gives recycled materials a "second life," transforming them into high-quality new plastic products and tailored solutions for constructing sports pitches and various landscaping, construction, and industrial applications.

FORMATURF'S RECYCLING PROCESS



19,300 m² company site

Storage facilities for up to 100 large playing fields simultaneously

Supply of the entire facility with green electricity

State-of-the-art high-tech machinery

WATER MANAGEMENT

Water represents one of the most valuable and essential resources of the planet. However, water pollution and the magnitude of our global water consumption are some of the most severe challenges of the 21st century. Trends related to population and economic growth, resource management and climate change further exacerbate the issue and drive us into a water-constrained future—also in many regions where Sport Group is active.

Water quality and accessibility are of utmost importance for the local communities in which Sport Group operates—for Sport Group’s immediate customers, its employees, and own operations. Sport Group’s water scarcity risk is considered low due to a combination of factors, including the geographic positioning of its factories and the inherent low water consumption associated with its industry, product and production processes. There is, however, still a reliance on water supply for direct operations and manufacturing processes—water management is therefore inevitable for the company.

For this reason, the company commits to driving research and technology to reduce the water demands of its product, as well as its operations and processes on a global level.

To ensure a responsible management of water in its own operations, Sport Group:

- ensures compliance with water-related legislation in countries where we produce and install;
- is committed to measuring and monitoring its water consumption and effluents;
- identifies and implement initiatives that improve water efficiency and reduce freshwater use and/or effluents (e.g., recycling of water consumed);
- follows up with investigations into identified water risks and scarcities;
- leverages its research and innovation capabilities to improve the water efficiency of its production and products and positively influence industry developments;
- sets ourselves targets for our water management initiatives (e.g., freshwater use).

At the end of 2023, Sport Group initiated the preparation of a global Environmental, Health and Safety (EHS) Due Diligence. The assessments showed no indications of soil or groundwater contamination that could be attributed to the current operations at the company’s production sites.

The responsibility lies with the plant managers to update the local Chief Financial Officers (CFOs) and Global Board on water initiatives and potential water saving. Sport Group’s Water Management Policy applies at the group level. At the same time, local entities monitor their water reduction initiatives and develop their own water management policies if required by local laws.

INITIATIVES & TARGETS

Polytan Service GmbH depends on water for one of its main operations, that of track-cleaning. To reduce water usage, special track cleaning machinery is employed, using water without additional chemicals for the cleaning process. Furthermore, the machinery has an integrated tank that vacuums up 100% of the water used in cleaning. This way, no water is lost to cleaning, and is cleaned after each operational turn. The other project business entities do not use any water in their key operational processes.

Other initiatives to realize the ambitious water usage reduction targets are promoting the reuse of water, for instance, within closed-looped systems. A prime example is Fairmont’s water-cooling tower, which reuses more than 300 million cubic meters of water. At the FormaTurf recycling facility, an underground drainage system is planned for construction to treat mainly surface water, rainwater, and process water. This system will effectively remove solids using a lamella clarifier/filter before discharging the treated water into the sewerage system. Melos implemented a pump-and-treat system, with the filtered water being permissibly discharged to the city wastewater sewer. This groundwater remediation is ongoing until the soil impact can be removed. At Polytex, water consumption is divided into process water (cooling water) and sanitary water. Less new cooling water is needed because the cooling water is reused in a closed-loop system. In a filtration plant, the cooling water is filtered after use to remove solid particles from the water before it is indirectly discharged into the sewer system. From 2018–2023, the company reduced its water withdrawal (m³) to 58%.

Polytan's (Asia Pacific) Construction Environment Plan claims that the overall approach to water management and corresponding actions is clearly stated in the dedicated Water Resource Management Plan. This includes amongst others that all water shall be sourced locally and that no natural or groundwater shall be used for construction services. Within APT's (Asia Pacific) management report, an annual 5% reduction target for water usage is also set. Also, APT AP collects stormwater from the roof separately and discharges it into a designated stormwater drainage system for proper management. Similarly, Fairmont implemented rainwater harvesting in September 2023 to reduce water abstraction to be used for site cleaning and associated activities.

Generally, water usage is tracked in collaboration with the local utility authorities. In the production organizations, water consumption is monitored systematically. From 2018–2023, Sport Group was able to reduce its water intensity by 30% and used a total of 113,500 m³ (113,000,000 litre) of freshwater.

In addition to the water management within production and installation, the focus is on reducing the water consumption of products. For example, we significantly reduced the process and cooling water for yarn and masterbatch extrusion by changing from latex to PU coating. Also, the newest hockey turf innovation Poligras Paris GT zero, enables Sport Group to offer a product that fully replaces fossil fuel-based polyethylene and saves water in its usage. More information can be found in Chapter 4: Products of this report.

ESG metric/explanation	2018	2019	2020	2021	2022	2023
Water Intensity Trend (Baseline 2018)	–	5%	23%	11%	–9%	–30%
Water Intensity Trend (Compared to previous year)	–	5%	17%	–9%	–18%	–23%



Poligras Hockey Turf by Polytan, Sparkassen Hockeypark, Mönchengladbach

06 SUPPLY CHAIN

RESPONSIBLE PROCUREMENT AS
THE FOUNDATION OF OUR SUPPLY STRATEGY

Sugar cane supplier Braskem





BUILDING A SUPPLY CHAIN THAT REFLECTS OUR VALUES

Our mission is to create a responsible and resilient supply chain that aligns with our climate strategy and ethical sourcing standards. We aim to collaborate closely with our suppliers, fostering sustainable practices and ensuring that our upstream activities support environmental conservation and social responsibility.

With a global procurement network and thousands of suppliers along the value chain, sustainable sourcing is important for Sport Group's employees, its own operations, and its customers and consumers. Green and sustainable procurement are integral to the business model and strategy to create sustainable growth and value for the company and its customers. Sustainable procurement is one of the key levers to reducing negative impacts on the environment. Therefore, Sport Group has integrated a sustainable procurement target into the management performance assessment of the Director Procurement global.

Sport Group defines suppliers as any organization or entity that directly provides goods and/or services to Sport Group. The suppliers are required to adhere to all relevant laws, regulations, and legal obligations concerning human rights, labor standards, environmental protection, anti-corruption practices, and trade and customs. Sport Group expects its suppliers to adhere to the highest applicable standards, whether local laws, country-specific regulations, international guidelines, or Sport Group's standards. In Germany, the capacities of suppliers are assessed as part of social audits. If any conflict arises between local laws and these standards, suppliers must promptly notify Sport Group.

By accepting the Sport Group Supplier Code of Conduct, suppliers agree to uphold the expectations outlined in the following sections.

RESPONSIBLE SOURCING

As an international holding company with an extensive set of different products made from many raw materials, Sport Group upholds contractual agreements with a wide network of suppliers. The variety of suppliers worldwide enables the company to produce high-quality products that meet stringent standards. The high number of suppliers across the supply chain comes with great responsibility and obliges Sport Group to ensure that the suppliers meet these standards. A high degree of integrity and ethics is expected from all suppliers. Sport Group is committed to social and environmental standards across the supply chain.

ENVIRONMENTAL STEWARDSHIP & MINERAL SOURCING

Sport Group strictly prohibits raw materials that directly or indirectly contribute to armed conflicts or human rights abuses in its products. Suppliers must take reasonable measures to ensure their products are free from conflict minerals, as outlined in the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

When sourcing raw materials, suppliers must ensure that all materials used in manufacturing or selling products to Sport Group comply with relevant environmental laws, regulations, and legal requirements. To promote safe handling, transportation, storage, recycling, reuse, and disposal of materials, suppliers are required to identify and manage any substances that could harm the environment if released, and to comply with applicable labeling, recycling, and disposal regulations.

Sugar cane plantage Braskem



CLIMATE STRATEGY (UPSTREAM)

Sport Group is deeply committed to upholding the highest standards in environmental, social, and governance (ESG) practices in all aspects of the value chain. This commitment goes beyond meeting internal standards; it extends to creating products that fulfill the most stringent quality, ethical, and safety requirements. Suppliers must adhere to all environmental regulations relevant to their products or services and implement a robust environmental management system. This system should include clear, measurable environmental targets, along with effective monitoring. Additionally, there is active collaboration with suppliers who support Sport Group's carbon reduction goals. These include suppliers providing carbon-neutral material resources such as sugar cane-based PU or green electricity, further advancing the commitment to sustainability.

Given the scale of Sport Group's global operations, logistics is a key focus for improving sustainability. Transportation methods and

commuting patterns significantly impact the environment, so the company prioritizes reducing distances in the supply. With production entities strategically located globally, the objective is to source materials locally whenever feasible. For example, production is maintained in higher-cost regions, such as Australia, to stay close to markets and minimize transportation distances, thereby reducing the environmental impact.

Moreover, Sport Group is dedicated to optimizing transportation methods and improving its carbon footprint. Rail transport emits up to nine times less CO₂ and particulate matter emissions than road transport¹ and is nearly twice as efficient as shipping², making it one area with potential for carbon reduction. To this end, Sport Group has launched initiatives to shift its freight shipments from road to rail and ship wherever possible, reinforcing the commitment to a sustainable supply chain. Through these efforts, Sport Group aims to lead by example.

¹ *European Environment Agency EEA, Air quality in Europe, 2017.*

² *www.iea.org/reports/sustainable-recovery/transport*

Soy bean plantage



CLIMATE STRATEGY PROJECT 2023/24

In 2023, the global ESG team of Sport Group started their Climate Strategy Project with the guidance and support of an external consultancy. The project aimed to check the plausibility of the existing Scope 1 & 2 balance sheet as part of the Sport Group’s climate and sustainability commitment and to carry out a balance sheet of Scope 3 accounting.

SCOPE OF THE CLIMATE STRATEGY PROJECT

The essential activities involve a thorough review and evaluation of the available data, followed by a verification of the defined system boundaries that include organizational and operational system boundaries. Additionally, the calculation methodology is validated to ensure accuracy. This process involves an examination of all relevant emission sources and their respective emission factors, for identifying any potential gaps in the current data collection. Suggestions for improving greenhouse gas (GHG) accounting are developed, where possible.

The expected results of the project include an assessment of the ESG data 2023, specifically for Scope 1 & 2 emissions, as well as the calculation of Sport Group’s Scope 3 emissions.

PROJECT RESULTS FOR SCOPE 3 EMISSIONS

The Scope 3 emissions were calculated in accordance with the GHG Protocol standards, with system boundaries that encompass all major production facilities, ensuring no extrapolations were made for entities not represented in the data. Key aspects of the methodology included:

- **Inclusion of production (PRD) and project (PJS) facilities** to ensure coverage of all production sites.
- **A strong focus on sustainability impacts**, aligning the analysis closely with Sport Group’s business model and environmental objectives.
- **A full accounting of energy consumption** from these production locations, ensuring data completeness and accuracy.

In a materiality workshop involving key departmental leaders, relevant Scope 3 categories were identified to prioritize focus areas. Subsequently, all pertinent categories were included in the GHG inventory assessment. The calculations revealed Scope 3 emissions totalling 506,648 tCO₂e, with a notable concentration in Scope 3.1 (Purchased Goods and Services). Major emission hotspots by material were synthetic rubber, polyethylene yarn, and LDPE, with production organizations contributing to 91% of the emissions in Scope 3.1.

This analysis highlights critical areas for potential sustainability initiatives within the supply chain and production processes, providing clear direction for further reduction strategies.

KEY FINDINGS:

- Scope 3.1, 3.12 and 3.4 are emission hotspots responsible for 94% of Scope 3 Emissions
- Scope 3.10 is hardly relevant as only cable compounds fall into this category
- Scope 3.7 is only half as Scope 3.6 (different from initial materiality analysis)

SCOPE 3 EMISSIONS



ENGAGEMENT & COLLABORATION (UPSTREAM)

Even though Sport Group engages with thousands of different suppliers, every one of them must comply with the company's ESG standards. The suppliers' ESG performances are regularly reviewed and appropriate actions are taken in cases of violations. The review includes identifying, assessing, and documenting the material ESG risk associated with suppliers' operations and businesses.

To monitor suppliers worldwide, Prewave was started in 2023 and had the first kick-offs and supplier consolidation. Prewave enhances supply chain visibility and risk management using AI to monitor risks in real time, predict disruptions, and ensure sustainability compliance. It helps Sport Group minimize disruptions, improve supplier relationships, and save costs through automation and data-driven insights, supporting global operations and regulatory adherence. The official cooperation commenced in 2024.

Additionally, it is important to collaborate with various sports associations and communities. Partnerships also ensure products fulfil legal requirements and Sport Group's highest standards. To achieve this overarching goal, Sport Group collaborates with industry and sustainability initiatives. Collaborations with responsible

partners and memberships are important because they promote consistent, long-term support for initiatives focused on environmental health and community well-being.

SUSTAINABILITY COLLABORATIONS IN 2023

AstroTurf Corporation proudly joined the Green Sports Alliance in 2023, reinforcing its commitment to driving sustainability within the sports industry. This partnership aligns with AstroTurf's dedication to environmental stewardship and its mission to lead in innovative, sustainable sports infrastructure.

The Green Sports Alliance, the leading organization for environmental and social responsibility in sports, unites over 230 members, including professional leagues,

governing bodies, teams, venues, and colleges, with millions of fans. Through initiatives like the Play to Zero® program, the Alliance promotes renewable energy, waste reduction, water conservation, and sustainable event practices, scaling these efforts to create a more sustainable industry.

“Our membership with the Green Sports Alliance underscores our commitment to sustainability and is a testament to our ongoing efforts to promote environmentally responsible practices in sports.”

Rob Mitchell
VP Business Development at AstroTurf

In addition to its alliance membership, AstroTurf partnered with Cyclyx International, a consortium-based innovator focused on increasing the recyclability of plastic waste from 10% to 90%. AstroTurf is committed to achieving zero waste by early 2024, and, as part of this commitment, it now offers a climate-positive turf product made from Bio-Based PE (Bio Polyethylene), incorporating 60% renewable raw materials from sustainably sourced sugar cane. This product reduces carbon emissions and water consumption, exemplifying AstroTurf's dedication to sustainable development.

Through its partnership with Cyclyx, AstroTurf is advancing circular practices in its manufacturing, installation, and end-of-life processes, intending to divert over 10 million pounds of polyethylene waste from landfills into circular recycling, with up to 90% of this waste potentially repurposed. These collaborations strengthen AstroTurf's ability to deliver high-performance, environmentally responsible alternatives to natural grass.

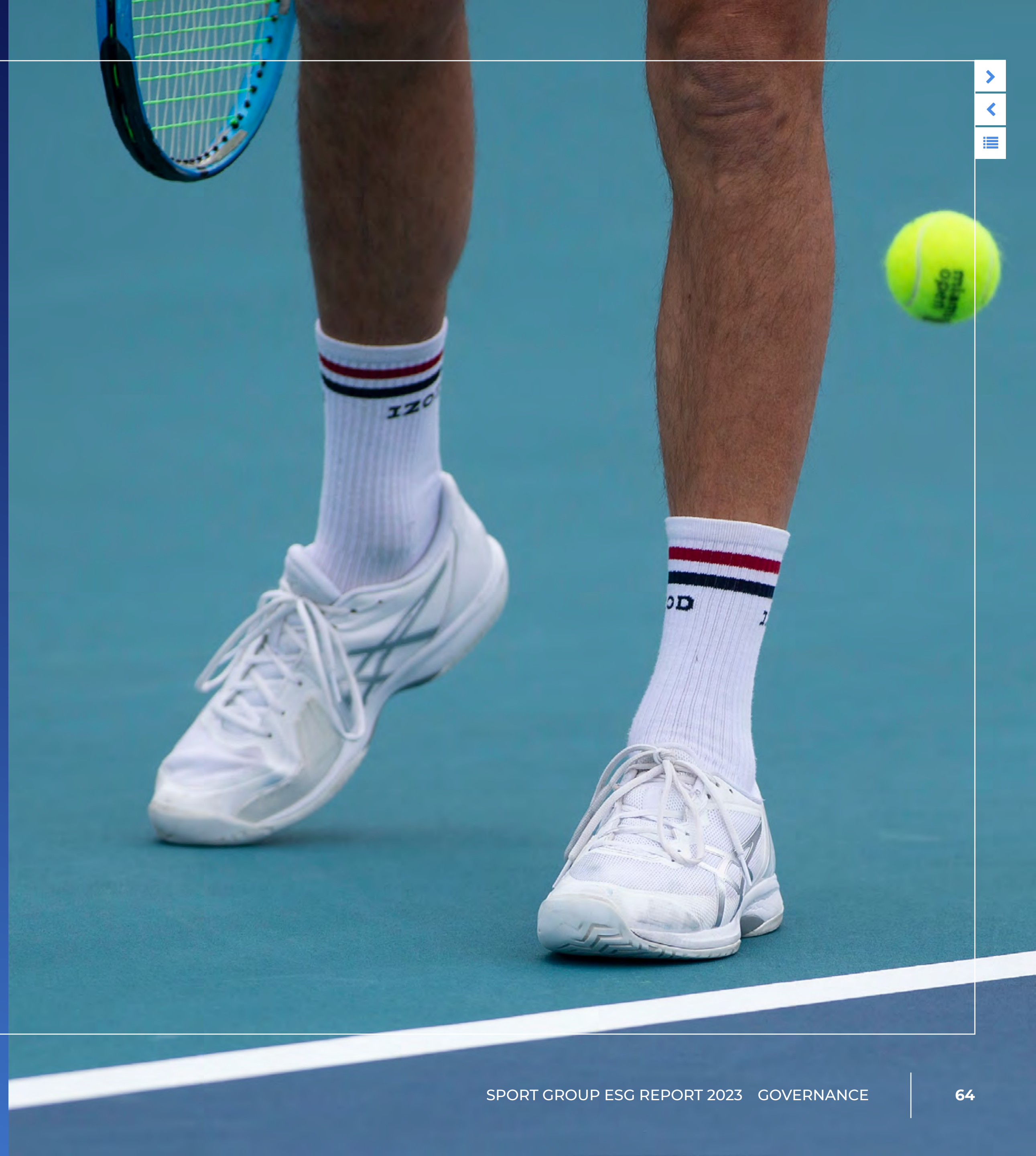
The German sports flooring expert Polytan and Belgian sports equipment manufacturer MakinH have formed a strategic partnership to address a key future challenge in the hockey industry:

Dry Hockey. With climate change driving the need for sustainable practices, reducing water use in sports has become essential. Professional hockey fields require heavy watering—up to 10,000-15,000 liters per spray, resulting in millions of liters per field each year. With the International Hockey Federation (FIH), Polytan and MakinH aim to lead the way in sustainable hockey solutions, developing innovative products that cut water consumption. MakinH has already created the recyclable, self-watering Rewetta® ball, eliminating the need to irrigate the field and maintaining high-performance standards while saving water.



07 GOVERNANCE

SETTING STANDARDS IN ETHICAL
AND TRANSPARENT GOVERNANCE



SPORT GROUP MINIMUM STANDARDS

CERTIFICATIONS FOR HIGHEST QUALITY

To ensure a functioning environmental management system Sport Group has formalized its environmental management procedures and obtained various external certifications for environmentally responsible practices. In recent years, more sites have obtained Environmental Management System (EMS) certification. Over 40% of all employees who work for Sport Group or its affiliates are covered by ISO 14001, an EMS certification, and 37% by ISO 50001, for energy management.

To guarantee the safety and well-being of every end-user of our products, Sport Group holds itself to the strictest quality standards. Production procedures and quality management systems that surpass the legally required minimum have been established. At the same time, there is a commitment to regularly receiving quality management audits from external parties.

As a result, there are ISO 9001 certifications for quality management systems of the entities. The Quality Management System (QMS) certification covers all Sport Group employees.

Melos is certified with the ISO 45001, which formulates occupational health and safety management systems requirements.

An Information Security Management System (ISMS) project is planned for 2024. The goal is to achieve ISO 27001 certification for the first time in 2025. This certification will initially apply to the IT units of Polytan GER and Sport Group GER. In subsequent phases, additional IT units within the organization will be included following the successful completion of the initial certification.

As one of the world's leading suppliers of sports surfaces, Sport Group offers synthetic surfaces and artificial turf systems for international competitions and training facilities for ambitious clubs, sports schools, and municipal sports facilities. Consistent premium quality is essential. The high quality of the sports surfaces is assured by continuous quality monitoring in accordance with RAL—the entire product range has the required quality marks.

ESG METRIC/EXPLANATION	ORGANIZATION	ISO 14001	ISO 50001	ISO 9001
Percentage of Employees Covered	Production Organisations	41%	35%	100%
	Project Organisations	41%	41%	84%
Total		41%	37%	100%

Some variants of the running track surfaces are also tested in accordance with the requirements of World Athletics (WA) and can, therefore, be certified for competitions. All Polytan synthetic turf systems have the relevant certificates from international sports federations such as World Rugby or the International Tennis Federation (ITF). As a FIFA Preferred Provider,

Polytan meets the highest requirements for soccer artificial turf systems in terms of quality, performance, and safety. The global Polytan Group bundles its leading field hockey products under the Poligras brand and is a licensed Preferred Supplier of the International Hockey Federation (FIH).



ESG RATINGS

Sustainalytics, an independent company under Morningstar, evaluates companies based on their involvement in environmental or societal controversies and the resulting business risks. From 2021 to 2023, Sport Group was assessed by Sustainalytics as having a low risk of material financial impact from ESG factors. Among the companies rated by Sustainalytics, Sport Group consistently ranked in the top 4% of its industry.

In 2023, Sport Group achieved an ESG Risk Rating Score of 12.7, placing it third within the Building Products industry. This low-risk rating reflects the strong management of ESG issues and moderate exposure to potential ESG impacts and risks. The score ranks Sport Group third out of 149 companies in the sub-industry and places it among the top 2% in the sector and the top 6% of all companies rated globally by Sustainalytics. Sport Group is proud to be recognized as a leader in sustainable practices within its industry.

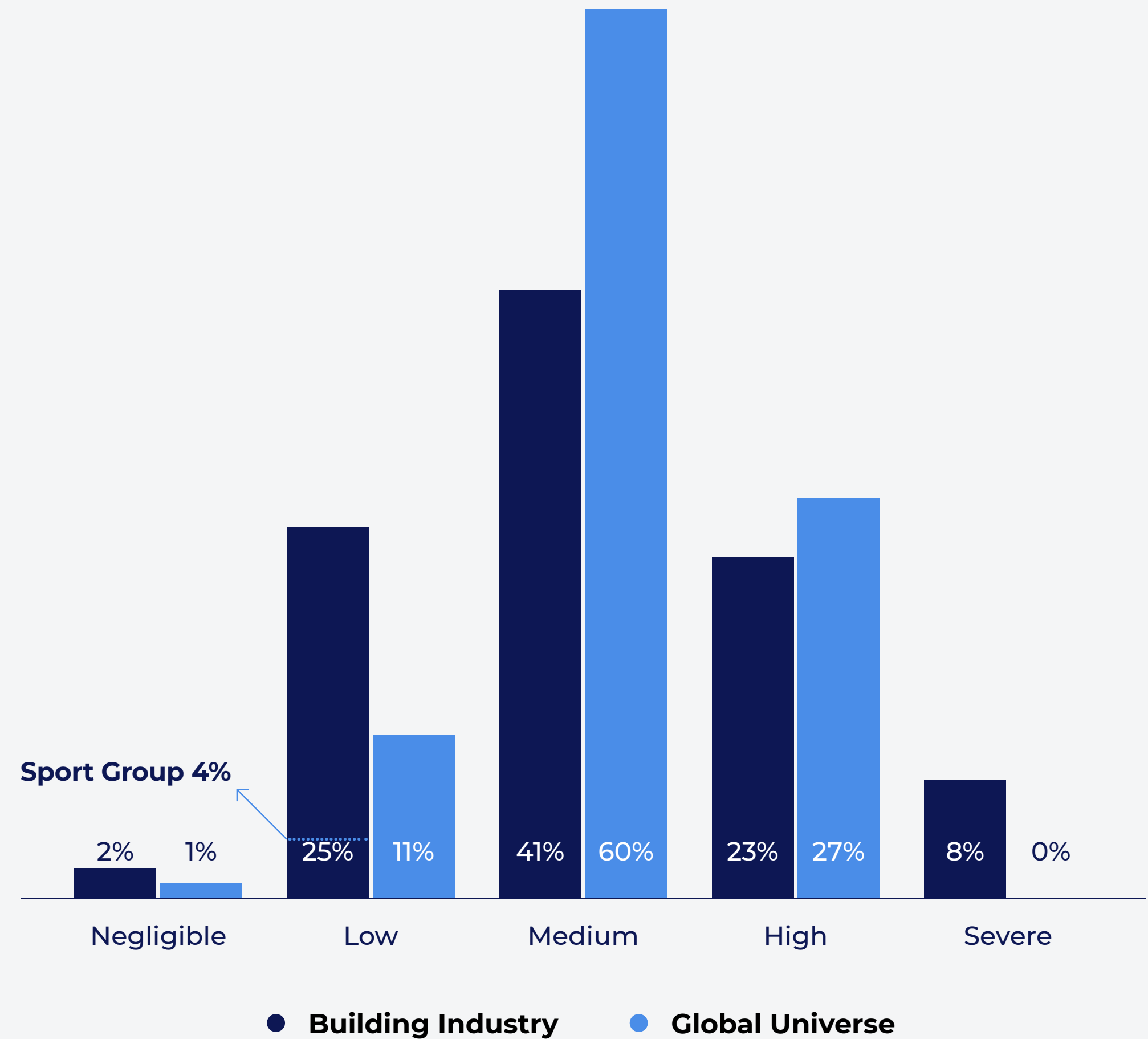


Christoph von Nitzsch, CEO of Sport Group, stated,

“These Sustainalytics ESG rankings demonstrate our commitment to the environment, equality, and good governance. As the world’s largest company in our sector, we must lead with strong, positive action on these critical issues.”

In 2024, Sport Group opted for an EcoVadis rating. This rating is a globally recognized assessment tool companies can use to evaluate their sustainability performance, social responsibility, and supply chain due diligence. The rating helps companies to align themselves with international sustainability standards and drive continuous ESG improvements. EcoVadis assesses the sustainability performance of Sport Group in key areas such as the environment, labour and human rights, ethics and sustainable procurement.

BENCHMARK SPORT GROUP ESG RISK RATING 2021-2023



ETHICAL BUSINESS & COMPLIANCE

A strong commitment to address major business ethics risks is reflected in the Sport Group Code of Conduct, which is the basis for all businesses conducted by Sport Group and its employees. Every employee shall be provided with the updated code of conduct, will formally be asked to commit to it, and is annually trained on ethical topics as part of a Code of Conduct training.

POLITICAL INVOLVEMENT

Sport Group is committed to more than just environmental and social issues; the commitment extends to the business units, sites, and regions. Complexity arises from global operations and the company recognizes the importance of strong leadership and governance. As a leading player in its industry, Sport Group holds itself accountable to strict ethical standards. There is a deep commitment to upholding the highest transparency regarding interactions with public-sector entities and political representatives.

Sport Group obtains business by honest and fair means. It is strictly prohibited to offer, promise, or grant inappropriate benefits to business partners, their employees, or other third parties. This includes any gift, invitation, offer, contribution, or reward which, due to its type, value, or the circumstances under which it is offered, could be perceived as the attempt to unduly influence actions or decisions of the recipient or another person.

Special restraint should be exercised towards officials and employees in public service. No third parties, such as consultants, agents, sponsors etc., may be used to circumvent this rule.

Donations and sponsoring are sensitive topics. Sport Group supports charitable and sporting institutions and contributes to the wellbeing of society. No direct or indirect donations to political organisations, political parties, or individual politicians will be given.

Any exception from this rule must be clarified in advance and requires explicit approval. Donations and sponsoring by Sport Group to political or other receivers may not be used for circumventing the principles of Sport Group's Code of Conduct.

Sport Group's Global Board is responsible for ensuring business conduct is consistent with the stated rules. Sport Group's Political Involvement Policy applies at the group level.

WHISTLEBLOWING: ZERO TOLERANCE FOR UNETHICAL BEHAVIOR

Protecting the privacy and integrity of employees and stakeholders is of utmost importance to Sport Group. With the help of the newly established digital whistleblowing platform, Sport Group offers all employees and relevant stakeholders the opportunity to make anonymous reports. The platform is available 24/7, in multiple languages (English, French, German, Italian, Magyar, Polish, Portuguese, Romanian, Spanish, and Turkish), and adheres to strict standards to ensure anonymity and privacy for whistleblowers. Anyone who provides information will be protected from retaliation or discrimination. All information received is treated confidentially. Sport Group ensures that no one suffers any detrimental treatment by refusing to accept or offer a bribe or other corrupt activities.

The whistleblowing platform is publicly available on Sport Group's website and linked to the Legal & Compliance page of the company's intranet, to ensure easy access and visibility for employees. All employees are emailed a comprehensive guide with instructions on using the platform effectively. The guide provides step-by-step instructions on accessing the platform, submitting reports, and maintaining. This way, everyone is encouraged to report misconduct that will then be quickly and fairly addressed. Third parties, including suppliers and subcontractors, can access the whistleblowing platform from the website.

ANTI-BRIBERY & ANTI-CORRUPTION

Sport Group's Anti-Bribery and Anti-Corruption Policy outlines the responsibilities of the organization, its affiliated companies, and employees in upholding a zero-tolerance stance against bribery and corruption. The policy provides clear guidelines on prohibited and permissible practices, ensuring transparency and accountability. For the avoidance of doubt, bribery and corruption and facilitation payments are prohibited at Sport Group.

DEFINITION OF BRIBERY

According to the OECD (Organisation for Economic Co-operation and Development), bribery is the act of offering, giving, receiving, or soliciting something of value as a means to influence the actions of an individual or organization in charge of a public or legal duty.

A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage. Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.

DEFINITION OF CORRUPTION

Corruption can be defined as the misuse of power for personal gain, often involving bribery. Bribery can be understood as the offering, giving, or receiving of anything of value with the intention of influencing or rewarding someone to act in a certain way. The Transparency International definition describes corruption as the abuse of entrusted power for private gain. It can take various forms, such as bribery,

embezzlement, nepotism, or fraud, and occurs in both public and private sectors. Corruption erodes trust, undermines institutions, and distorts decision-making processes, often to the detriment of society and sustainable development.

FACILITATION PAYMENTS

According to Transparency International, facilitation payments are typically small, unofficial payments made to public officials to expedite or secure the performance of routine governmental actions or services to which the payer is legally entitled. These actions may include processing permits, issuing licenses, or clearing goods at customs. While often considered 'minor' compared to outright bribery, facilitation payments are illegal in many jurisdictions and undermine the integrity of public institutions and fair business practices.

The OECD similarly defines facilitation payments as payments made to facilitate or speed up routine, non-discretionary government actions. Despite being smaller and seemingly less harmful than other forms of corruption, they contribute to systemic corruption and create an uneven playing field.

POLICY OVERSIGHT & IMPLEMENTATION

The Legal & Compliance department, along with local regional compliance managers (where applicable), oversees the policy's effectiveness and conducts regular implementation reviews. Sport Group maintains detailed financial records and robust internal controls to document all payments. Hospitality and gift exchanges are recorded, including their amounts and purposes, and are subject to managerial review to ensure appropriateness.

To prevent bribery, corruption and facilitation payments, Sport Group has established internal control systems and procedures regularly audited for effectiveness. This zero-tolerance approach is communicated to suppliers, contractors, business partners, and third parties at the start of business relationships and as needed. Relevant training is provided to employees to enhance their understanding of compliance requirements.

This policy is firmly rooted in the principles outlined in the Sport Group Code of Conduct, available on Sport Group's official website, and on the entities' websites.



08 APPENDIX



GLOBAL REPORTING INITIATIVE (GRI) INDEX (I)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 6-11
	2-2 Entities included in the organization's sustainability reporting	Page 3
	2-3 Reporting period, frequency and contact point	The reporting period for this information is January 1, 2023 – December 31, 2023. The information will be published annually. Any questions can be directed to: Lisa-Marie.Rosskothen@sportgroup-holding.com
	2-4 Restatements of information	This is Sport Group's second report referencing the GRI Standards. There are currently no restatements of information.
	2-5 External assurance	This report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Page 8, Page 10, Page 11
	2-7 Employees	Page 6
	2-8 Workers who are not employees	SG currently does not report externally on this.
	2-9 Governance structure and composition	Page 15
	2-10 Nomination and selection of the highest governance body	SG currently does not report externally on this.
	2-11 Chair of the highest governance body	Page 15
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 15
	2-13 Delegation of responsibility for managing impacts	Page 15
	2-14 Role of the highest governance body in sustainability reporting	Page 15
	2-15 Conflicts of interest	SG has a Code of Conduct, which addresses these issues.
	2-16 Communication of critical concerns	The Board is available at any time to address the concerns of stakeholders and shareholders. Further, concerns can be raised via the whistleblowing platform (Page 67)
	2-17 Collective knowledge of the highest governance body	Page 15

GLOBAL REPORTING INITIATIVE (GRI) INDEX (II)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	SG currently does not report externally on this.
	2-19 Remuneration policies	Not publicly available.
	2-20 Process to determine remuneration	SG does not currently externally report on this.
	2-21 Annual total compensation ratio	SG does not currently externally report on this.
	2-22 Statement on sustainable development strategy	Page 16-20
	2-23 Policy commitments	SG has various binding policies regarding ESG issues; however, these are not externally available.
	2-24 Embedding policy commitments	Embedded within the Code of Conduct
	2-25 Processes to remediate negative impacts	Page 15
	2-26 Mechanisms for seeking advice and raising concerns	Page 67
	2-27 Compliance with laws and regulations	SG and its organizations comply with all applicable laws and regulations, including (but not limited to) regulation regarding worker safety, privacy, anti-corruption and waste handling.
	SG and its brands are members of the following organizations:	
	<ul style="list-style-type: none"> – United States Green Building Council (USGBC) – International Play Equipment Manufacturers Association (IPEMA) – American Sports Builders Association (ASBA) – ITF – Sealing Waterproofing Restoration Institute (SWRI) – and more 	
	2-28 Membership associations	We engage our stakeholders through two-way dialogue as needed to seek input on issues related to our business - Page 8
	2-29 Approach to stakeholder engagement	Some of our companies have collective bargaining agreements.
	2-30 Collective bargaining agreements	

GLOBAL REPORTING INITIATIVE (GRI) INDEX (III)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 18, 19
	3-2 List of material topics	Page 18, 19
	3-3 Management of material topics	Page 18, 19
GRI 201: Economic Performance 2016	201-1 – 201-4	SG does not disclose this information externally.
GRI 202: Market Presence 2016	202-1 – 202-2	SG does not currently report on this.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	In case of a public client, SG depends on the public financial grant and therefore, some regions have infrastructural actions.
	203-2 Significant indirect economic impacts	SG does not have a significant indirect economic impact, yet in case of weak conditions of the economy, there might be a decrease of the public orders.
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SG does not currently report on this.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 67, 68
	205-2 Communication and training about anti-corruption policies and procedures	Page 67, 68
	205-3 Confirmed incidents of corruption and actions taken	SG had no confirmed instances of corruption in 2023.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Non in 2023
GRI 207: Tax 2019	207-1 – 207-4	SG reports on this in the annual report, however this is not externally available.
GRI 301: Materials 2016	301-1 – 301-3	SG currently does not report this information externally.
GRI 302: Energy 2016	302-1 – 302-5	SG currently does not report this information externally, however values regarding renewable energy are available on Page 46-49.
GRI 303: Water and Effluents 2018	303-1 – 303-5	SG currently does not report this information externally.

GLOBAL REPORTING INITIATIVE (GRI) INDEX (IV)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SG does not operate in protected areas and areas of high biodiversity value outside protected areas.
	304-2 Significant impacts of activities, products and services on biodiversity	We have not identified that our activities or products have significant impacts on biodiversity. At SG, we are dedicated to sourcing materials and conducting manufacturing operations that actively promote and support biodiversity. Thus, we are actively working towards developing a circular economy and prioritizing the use of recycled and biobased materials (see Page 59, 60).
	304-3 Habitats protected or restored	SG currently does not have any programs of this kind.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	SG does not operate in areas with habitats from the IUCN Red List species and national conservation list species.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emission	Page 48, Page 61
	305-2 Energy indirect (Scope 2) GHG emissions	Page 48, Page 61
	305-3 Other indirect (Scope 3) GHG emissions	Page 61
	305-4 GHG emissions intensity	Page 48
	305-5 Reduction of GHG emissions	Page 46-49
	305-6 Emissions of ozone-depleting substances (ODS)	SG does not currently report on this information but plans to formalize this process in the coming years.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SG does not currently report on this information but plans to formalize this process in the coming years.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 51, 52
	306-2 Management of significant waste-related impacts	Page 51, 52
	306-3 – 306-5	SG does not currently report on this information externally.

GLOBAL REPORTING INITIATIVE (GRI) INDEX (V)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	All suppliers must sign the Supplier Code of Conduct.
	308-2 Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SG does not currently externally report on this, however there is information regarding human capital on Page 20, Page 23-25.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Job bike and BaV are not possible for construction employees because insurance companies or bikes cannot be leased or paid in for prorated months.
	401-3 Parental leave	Parental leave in Germany in accordance with statutory provisions.
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	SG does not currently report on this.
	403-1 Occupational health and safety management system	Page 29, 30
	403-2 Hazard identification, risk assessment, and incident investigation	Page 29, 30
	403-3 Occupational health services	Page 29, 30
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 29, 30
	403-5 Worker training on occupational health and safety	Page 20, Page 29, 30
	403-6 Promotion of worker health	Page 29-31
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SG does not currently report on this.
	403-8 Workers covered by an occupational health and safety management system	Page 65 – All our employees are covered by a H&S management system.
	403-9 Work-related injuries	SG currently does not report on this externally.
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	SG currently does not report on this externally.

GLOBAL REPORTING INITIATIVE (GRI) INDEX (VI)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 20, Page 29, 30
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 29, 30
	404-3 Percentage of employees receiving regular performance and career development reviews	All SG employees on management level receive performance reviews. SG currently does not externally disclose the percentage.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 32
	405-2 Ratio of basic salary and remuneration of women to men	SG does not currently report on this information globally.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SG currently does not report on this externally.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SG has no operations in which the right to freedom of association and collective bargaining may be at risk. This is formalized in SG's Freedom of Association policy.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SG has a Code of Conduct and a Supplier Code of Conduct, which prohibits incidents of child labor.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SG has a Code of Conduct and a Supplier Code of Conduct, which prohibits incidents of forced labor.
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	SG covers this topic in a variety of policies.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	The topic is included in our Anti-Discrimination Policy and reported to Legal & Compliance and HR.
		SG did not experience any incidents of violations involving rights of indigenous peoples in 2023.

GLOBAL REPORTING INITIATIVE (GRI) INDEX (VI)

2023 SPORT GROUP GMBH, HAS REPORTED THE INFORMATION CITED IN THIS GRI CONTENT INDEX FOR THE PERIOD OF JANUARY 1, 2023 – DECEMBER 31, 2023, WITH REFERENCE TO THE GRI STANDARDS (GRI 1: FOUNDATION 2021).

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/INFORMATION)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 17
	413-2 Operations with significant actual and potential negative impacts on local communities	SG is committed to creating an inclusive business. This includes efforts support the communities where we live and work through involvement activities (Page 17). We have not identified significant actual or potential negative impacts on local communities.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	SG currently does not report on this externally.
	414-2 Negative social impacts in the supply chain and actions taken	SG currently does not report on this externally.
GRI 415: Public Policy 2016	415-1 Political contributions	Page 68
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 36, Page 40, Page 65: SG has an extensive product safety program and adheres to various safety standards.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	SG did not experience any incidents of non-compliance concerning the health and safety impacts of products and services in 2023.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product information can be found on the respective websites of our brands and organisations.
	417-2 Incidents of non-compliance concerning product and service information and labeling	SG did not experience any incidents of non-compliance concerning product and service information and labeling in 2023.
	417-3 Incidents of non-compliance concerning marketing communications	SG did not experience any incidents of non-compliance concerning marketing communications in 2023.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SG did not experience any substantiated complaints concerning data breaches in 2023.

IMPRINT

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