

A full-page background image showing two mountain bikers on a grassy hill under a clear blue sky. The biker in the foreground is a woman wearing a black jacket, a black helmet, and sunglasses, smiling as she rides. The biker in the background is a man in a green jacket, also on a trail bike. The grass is tall and golden-brown, suggesting late summer or autumn.

ESG MATERIALITY ASSESSMENT 22/23

CONTENTS

03

OUR MATERIALITY ASSESSMENT

04

DEFINING THE ISSUES

05

OUR METHODOLOGY

06

OUR MATERIALITY MATRIX

07

PRIORITY A

08

BUILDING AND BROADENING ESG

09

PRIORITIES B-C

10

APPENDIX I: BACKGROUND TO SSU

11

APPENDIX II: REFERENCES



OUR MATERIALITY ASSESSMENT

SIGNA SPORTS UNITED (SSU) COMMISSIONED AN ESG MATERIALITY ASSESSMENT IN 2022, CONDUCTED BY THE REASSURANCE NETWORK AN INDEPENDENT ESG CONSULTANCY.

A materiality assessment is a study conducted with internal and external stakeholders to identify a company's priorities in sustainable development.

Our key objectives were:

- to understand which sustainability issues are most important to our business.
- to understand the impact of our companies' activities on people and the environment.

The assessment should provide actions to be undertaken and identify potential divergence between the priorities of SSU and our stakeholders which may need to be addressed.

In addition to revealing the issues most important to our key stakeholders, the assessment identified risks and will guide our future strategic decision-making.

Our materiality assessment followed industry best practice by incorporating the materiality process and concept of double-materiality set by the **Global Reporting Initiative (GRI)**⁽ⁱ⁾ and the **European Sustainability Reporting (ESRS)**⁽ⁱⁱ⁾, the proposed framework that will support the EU's Corporate Sustainability Reporting Directive CSRD.

RECENT MILESTONES

Our **first annual ESG report**, published in 2022, outlined the work we've done to date.



We joined the **Cycling Industry Climate Commitment**, a committee of CEOs from across the cycling industry who recognise the need to accelerate sustainability efforts to contribute to the goals of the Paris Climate Agreement, in 2021.



SSU also founded the **Outdoor Retailer Climate Commitment**, a network of retailers in the European outdoor industry with a similar goal.



SSU has been a **certified carbon -neutral company** through Climate Partner since 2019.



03



DEFINING THE ISSUES

04

The first step was to determine and define issues that could be material to SSU. Prioritising along the three dimensions of ESG, we settled on these 21 issues which are expanded upon on pages 7 and 9.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Biodiversity	Human rights and working conditions	Good governance
GHG (greenhouse gas) emissions and energy	Employee well-being and company culture	Responsible procurement practices
Climate change impacts	Diversity and inclusion	Data protection
Shipping and logistics	Responsible marketing and labelling	Open communication
Pollution and waste management	Community engagement	Industry collaboration
Chemicals management	Customer relationship	
Product packaging	Sustainability awareness in our company and culture	
Product quality and safety		
Sustainable product design, materials and lifecycle		

OUR METHODOLOGY

STEP 1

Identify and define our material ESG issues

In identifying the 21 ESG issues material to SSU, we considered:

- our role as a specialist sports e-commerce company as a parent company to several businesses with global supply chains that manufacture own-brand products and sell third-party brands.
- our specific focus on sports equipment and sportswear.

STEP 2

Identify stakeholders and survey internally

We identified the following stakeholders:

- direct employees of the SSU group based primarily in Germany, Austria, Switzerland, France, the UK and the US.
- charity partners, community groups, third-party brands, and industry professionals.

Employees were asked in a survey to rate the defined material issues on a scale of importance for the SSU group to address. We also gave respondents a chance to share open comments.

The survey was sent to **3,053** direct employees in the SSU group, including office, shop and warehouse employees in the EU, UK and US. We received **456** responses (rate: 15%).

STEP 3

Interview key internal and external stakeholders

We conducted interviews with 36 individual internal and external stakeholders to understand their views on current sustainability initiatives and what the focus areas should be from both a risk and opportunity perspective. We also asked them to provide their rating of the material issues with additional context – their quantitative ratings fed into the survey responses (Step 2) and their qualitative feedback was presented to the SSU leadership (Step 4).

STEP 4

Risk assessment with key business leaders

We followed this with a working session with leaders from SSU, including the CEO and the entire C-level management. We reviewed research findings and discussed our business impact assessment as well as the impacts of our business activities on the environment and society. We discussed the impact of the material issues and came to a consensus on the impact rating.

STEP 5

Evaluation and communication of results

The 21 issues were plotted on our materiality matrix with the impact rating (Step 4) defining the horizontal axis and the stakeholder ratings (Step 2) defining the vertical axis. The plotted points were then split into three groups: Priorities A, B, and C.



EXTERNAL AND INTERNAL STAKEHOLDERS INTERVIEWED

Selected External Stakeholders

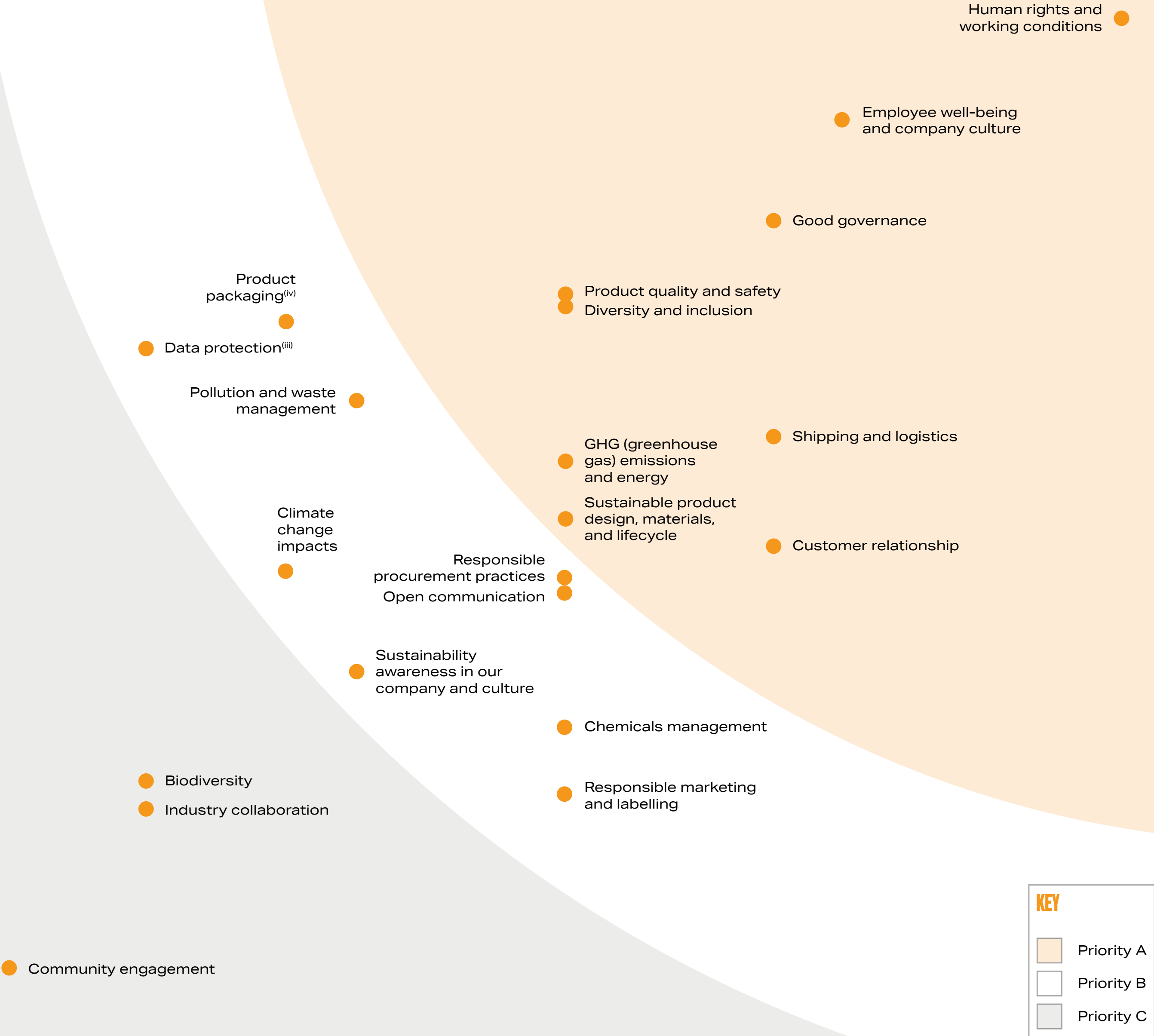


Internal Stakeholders from SSU and its Businesses

- | | |
|------------------------------|---------------------|
| C-Level management | Legal |
| Strategy and innovation | Risk and compliance |
| HR leads | Investor relations |
| Marketing and communications | Finance |
| Purchasing | CSR |

Our
Materiality
Matrix

IMPORTANCE TO STAKEHOLDERS



BUSINESS IMPACT ASSESSMENT





PRIORITY A

07

WITH PRODUCT QUALITY AND SAFETY AND CUSTOMER RELATIONSHIP ALREADY ADDRESSED IN OUR DAILY WORK, WE PLAN TO GIVE EXTRA FOCUS TO THE REMAINING SEVEN PRIORITY A TOPICS LISTED BELOW. WE WILL DEVELOP CONCRETE LEVERS SPECIFIC TO SSU AND EACH OF THE BUSINESSES TO DRIVE PROGRESS IN EACH OF THEM.

PRIORITY

A

HUMAN RIGHTS AND WORKING CONDITIONS

Monitoring and ensuring the safety, well-being and respect for workers' rights in our own operations (e.g. employees, contractors) and in our supply chain (e.g. farmers, factory workers).

EMPLOYEE WELL-BEING AND COMPANY CULTURE

Promoting a positive company culture, providing employee training and skills development, employee engagement, and ensuring the physical and mental health and well-being of our colleagues.

PRODUCT QUALITY AND SAFETY

Ensuring our products are safe to use and are of the highest quality.

DIVERSITY AND INCLUSION

Respecting individuals, creating an inclusive working environment, promoting equal opportunities throughout employment, celebrating employee and customer diversity.

SHIPPING AND LOGISTICS

Utilising more efficient product transportation and logistics.

GHG (GREENHOUSE GAS) EMISSIONS AND ENERGY

Measuring our carbon footprint, becoming more energy efficient, reducing carbon emissions and using renewable energy where possible.

SUSTAINABLE PRODUCT DESIGN, MATERIALS, AND LIFECYCLE

Selecting more sustainable virgin/recycled materials to use in our products, considering more environmentally friendly manufacturing processes, and providing more product end-of-life options for consumers.

GOOD GOVERNANCE

Responsible corporate leadership relating to business ethics, legal compliance, risk management, transparency in reporting, financial disclosures, among others.

CUSTOMER RELATIONSHIP

Engage with customers to ensure positive interactions with our company, our products and build brand loyalty.

BUILDING AND BROADENING ESG

SSU CEO STEPHAN ZOLL

08



Where does the SSU group currently stand in its approach to sustainability?

We have tried to turn ourselves into a more sustainable company with an initial focus placed on carbon neutrality, which has recognised international standards. Now we can build on this and broaden our efforts across the ESG spectrum. From an employee and management perspective, we know we should be doing this; the challenge is more about how and when we balance sustainability with other business activities. We have pockets of action being taken but need an overarching approach rather than being driven by individual ideas.

Are you surprised by the results shown in the materiality matrix?

The matrix confirms our chosen priorities with stakeholders expressing a desire to focus on emissions, the life cycle of our products and packaging, and the footprint

of our global supply chain. It is also pleasing to see that the impact of our businesses on people was considered a top priority; our own employee well-being, the human rights of those involved in our supply chains and the need for diversity and inclusion throughout the group. This aligns perfectly with the values of management and board.

How will SSU drive the issue of sustainability within our businesses to become a leader in this field?

We will balance the need for an overriding concept and approach while developing concrete levers specific to SSU and each of the businesses. We need to pick up the pace on specific things we can start actioning and should focus on initiatives that make SSU competitive. Once we have solidified these ideas, and see how they work in practice over time, we should aim higher.

QUOTES FROM OTHER SSU STAFF

We should see sustainability as a pillar in the long-term drive towards profitable growth. That the investing community is eager to know the ESG vision is a hugely positive development.

Alima Levy,

Head of Investor Relations

SSU owns the shops and the brands, runs the platform, and must take a leadership role. There is no way we can be an industry leader in 10 years without also demonstrating leadership in sustainability.

Johanna Kruschwitz,

Project Manager, ESG

PRIORITIES B – C

09

OUR ESG STRATEGY WILL HAVE SPECIAL FOCUS AND ATTENTION ON OUR HIGHEST PRIORITIES, WHILE STILL ENSURING THAT SSU AND OUR BUSINESSES CONTINUE MOVING FORWARD ON ALL ISSUES REGARDLESS OF WHERE THEY ARE PLOTTED ON OUR MATERIALITY MATRIX. THE ASSESSMENT WILL BE REVISITED BIENNIALLY TO ENSURE OUR PRIORITISATION STAYS ACCURATE AND UP TO DATE.

PRIORITY

B

DATA PROTECTION:⁽ⁱⁱⁱ⁾

IT security and operations to protect our networks and data; ensuring customer data privacy.

CLIMATE CHANGE IMPACTS:

Understanding and preparing for local and global changes brought about by climate change including our business impact on climate change and how climate change can impact our business.

POLLUTION AND WASTE MANAGEMENT:

This includes air pollution, waste and wastewater production, and water usage at our sites and within our supply chain.

CHEMICALS MANAGEMENT:

Safe storage, usage, transportation and disposal of the chemicals needed to manufacture our products. This includes ensuring suppliers are reducing chemical usage and finding more environmentally friendly alternatives.

PRODUCT PACKAGING:

Reducing packaging and using sustainable materials while still guaranteeing the delivery of damage-free products.

RESPONSIBLE MARKETING & LABELLING:

Sharing complete and accurate sustainability information with customers to enable informed decision-making; ensuring that communications and creative content are inclusive and respectful.

SUSTAINABILITY AWARENESS IN OUR COMPANY & CULTURE:

Encouraging sustainable business travel and employee commuting, and supporting sustainable behaviour across company sites.

RESPONSIBLE PROCUREMENT PRACTICES:

Ensuring responsible purchasing practices – that our engagement with suppliers during screening and selection, negotiations, product planning, designing, manufacturing, monitoring and payment is fair and transparent.

OPEN COMMUNICATION:

Dialogue within and between SSU, group businesses and external stakeholders.

PRIORITY

C

INDUSTRY COLLABORATION:

Working with other brands and the wider sports industry to tackle sustainability challenges and make a positive impact.

COMMUNITY ENGAGEMENT:

Promoting active lifestyles and sports, partnering with charities, employee volunteering, advocating for local and international issues and charitable giving.

BIODIVERSITY:

Our impact on the nature around our operations, facilities and supply chain as well as the impact of using our products.



APPENDIX I

BACKGROUND TO SSU

SIGNA SPORTS UNITED IS A GLOBAL SPECIALIST SPORTS E-COMMERCE COMPANY WITH MARKET LEADING POSITIONS IN RACKET, OUTDOOR AND TEAM SPORTS.

SSU listed on the New York Stock Exchange in 2021. Our companies and brands sell their products – sports equipment, parts and accessories, and functional wear and clothing - via online stores and flagship stores in the European Union, Switzerland, Norway, the UK and the US.

6.7 m

CUSTOMERS
WORLDWIDE

We serve over 6.7 million customers worldwide through more than 50 online stores and collaborations with more than 500 physical shops.

SSU BRANDS AND SHOPS OVERVIEW

	BIKE		OUTDOOR	RACKET SPORTS		TEAM SPORTS
BUSINESS						
SELECTED SHOPS	wiggles		fahrrad.de	TENNIS POINT		OUT FIT TER
	chain reaction		Probike shop	TENNISPRO		
			BIKESTER	PETERS		
			BRÜGELMANN			
OWN BRANDS	VITUS		VOTEC	NEO		OCEAN FABRICS
	NUKEPROOF		FIXIE INC	« F Ö H N »		
	dHB		SERIOUS	RACKET POOLS		
	prime		ortler			

* Running Point belongs to Tennis-Point but is part of the outdoor business
** Föhn is a Wiggle Chain Reaction brand

APPENDIX II

REFERENCES

- (i) GRI defines materiality as “topics and indicators that reflect the organisation’s significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of stakeholders.”

How to use the GRI standards

- (ii) ESRS will require companies to report on sustainability matters based on the double materiality principle. It defines double materiality as having two dimensions: impact materiality and financial materiality. Impact materiality pertains to a business’ “material actual or potential, positive or negative impacts on people or the environment over the short-, medium- or long-term.” A sustainability matter is material from a financial perspective if it “triggers or may trigger material financial effects on the undertaking’s development, including cash flows,

financial position and financial performance, in the short-, medium- or long-term.” SSU will fall under CSRD reporting requirements in FY 2025, producing our first report in 2026.

EFRAG Assets

- (iii) Data protection is one of the most important areas of work for SSU. This appears on the lower end of our business impact assessment because we already apply a great deal of resources towards managing the issue and can fortunately deem this ‘lower-risk’ for our business and for our stakeholders.
- (iv) Product packaging for our own brands is already treated as Priority A (e.g. eliminating single use plastics).



IMPRINT

12

REPORTING ENTITY

SIGNA Sports United N.V.
Kantstraße 164, Upper West
10623 Berlin

esg@signa-sportsunited.com

CONTACT

Alima Levy
Investor Relations

Luise Kappus
Chief of Staff

Johanna Kruschwitz
Project Manager ESG

PRODUCTION

SIGNA Sports United N.V. in
collaboration with with
The Reassurance Network
United Kingdom

PUBLICATION

03/2023