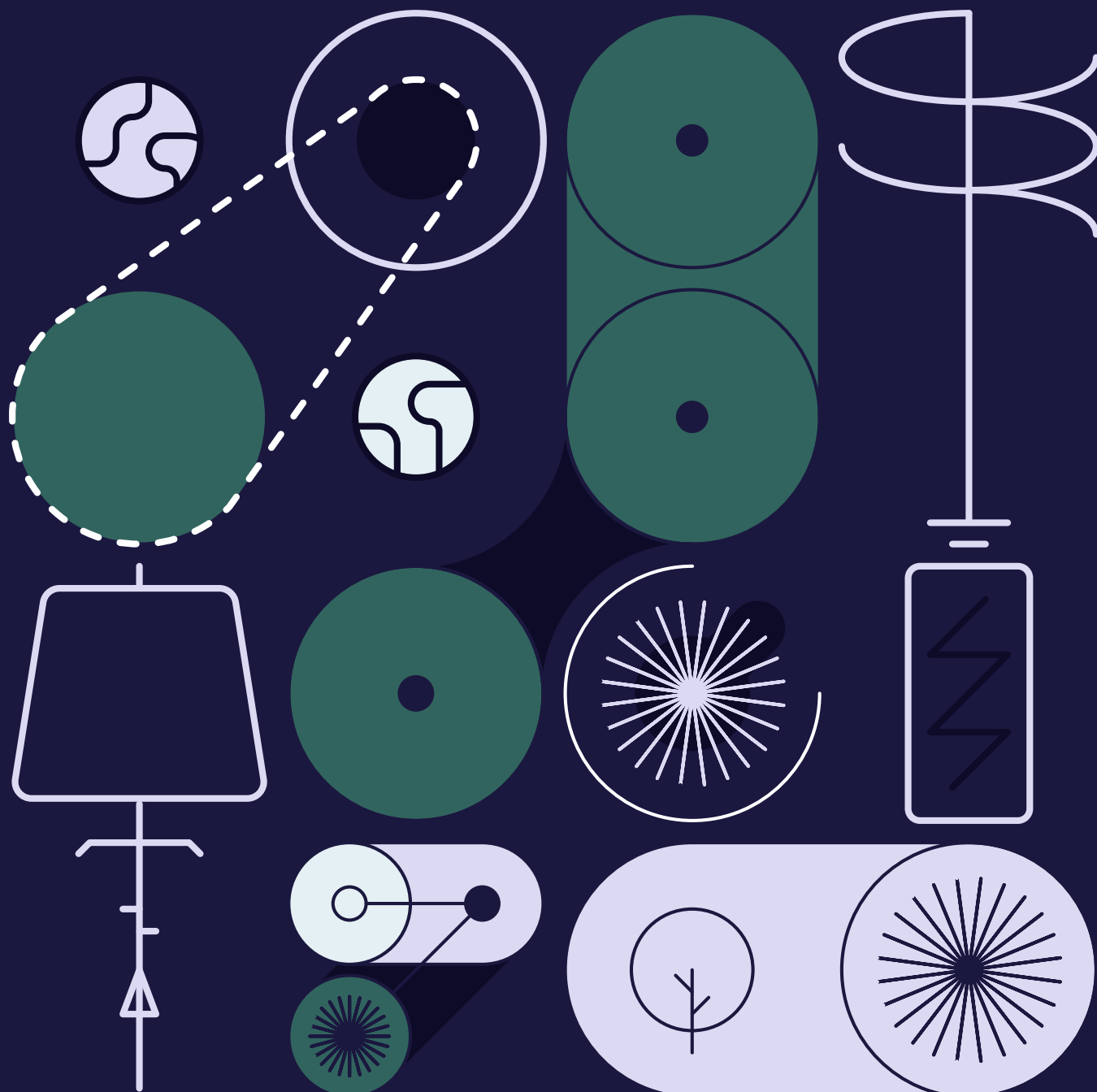


GUIDELINES FOR THE SUSTAINABILITY CODE **CYCLING INDUSTRY**



INTRODUCTION

Dear readers,

The bicycle is considered a sustainable means of transport — and for good reason! It offers a healthy and low-emission form of transportation, replaces car journeys both on its own and in combination with public transport, and is thus indispensable for the implementation of the transport revolution. Precisely because our products and services already make a major contribution to a sustainable lifestyle, the cycling industry recognizes its responsibility to assess production, raw materials, supply chains and the complete product life cycle for sustainability. Especially with the increasing spread of e-bikes, sustainability aspects have once again gained significance for the cycling industry.

By now, numerous companies have put sustainability at the core of their businesses. While some companies have already taken significant steps and are reporting according to international standards, others are still at the beginning. But they are all united by the conviction that while the industry is facing major challenges these can be turned into opportunities when approached in unity. The associations of the German cycling industry, the Zweirad-Industrie-Verband (ZIV), Verbund Service & Fahrrad (VSF) and Zukunft Fahrrad, the think tank BIKEBRAINPOOL as well as the German Council for Sustainable Development (RNE), would like to accompany the companies of the cycling industry on their way to sustainable management and provide them with a handbook for sustainability reporting.



Burkhard Stork
Zweirad-Industrie-Verband
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Isabell Eberlein

As an established reporting standard, the German Sustainability Code (DNK) offers due to its easy accessibility a good opportunity to begin with and continuously develop sustainability reporting in one's own company. This guide provides information on the specific aspects of sustainability reporting in the cycling industry and facilitates the preparation of a sustainability report that conforms with the Sustainability Code through numerous practical insights and explanations.

We would like to express our sincere thanks to all those who have contributed with their diverse perspectives on the sector and on sustainability reporting, and who were involved in the development of the guide, thus providing support to a broad landscape of actors in the individual application of the Sustainability Code. We would like to express our special thanks to Anke Schöffner (Chief Policy Officer, ZIV). She was in charge of coordinating the development of the guide and with her commitment was instrumental in ensuring that this guide was published. We hope that the guide will motivate many companies to deal with sustainability in their own companies and to report on the measures and progress made.

This guide provides orientation and encouragement in this regard: it is a complex but rewarding task for each company to implement a sustainability strategy, take measures and set ambitious and measurable goals. The cycling industry associations and the RNE are happy to accompany you on this path and look forward to joint activities and successes!



Stephanie Kopp
Rat für Nachhaltige Entwicklung
Stephanie Kopp



Ulrike Saade
BikeBrainPool
Ulrike Saade

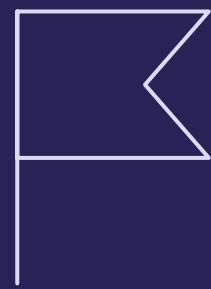


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- To prepare a declaration of conformity for your company
- To set up and develop sustainability management.
- To demonstrate what you are already doing in terms of sustainability.

01-0.

GUIDELINE OBJECTIVES



01-1. FUTURE DEVELOPMENTS

Sustainable management has become increasingly important in recent years. Background to this is not only the climate crisis, the effects of which we are also clearly experiencing even with moderate climate in Central Europe. More and more actors — such as politicians, consumers, industry, trade and finance — have recognised that there is an ecological, social and ultimately economic necessity to change the way we do business.

The motivation for sustainable business is growing from various sides and is also fundamental in the cycling industry. We can no longer externalise the costs for the environment and people without risking our future and that of future generations.

Sustainability has left the silos of small departments and affects the core business: those who cannot make an entrepreneurial contribution to the transformation of the economy will have a hard time in the future. Sustainability should therefore no longer be seen merely as "nice-to-have" and a cost factor — on the contrary: sustainable management can bring competitive advantages in the long run, positively influence the perception of companies and lead to an industry-wide paradigm shift.

INTERNATIONAL DEVELOPMENTS

One of the most important international milestones in the field of sustainable management is the 2030 Agenda, adopted by all members of the United Nations. The 17 Sustainable Development Goals (SDGs) encompass all three dimensions of sustainability: social, environmental and economic.



Although the 17 goals were developed by nation states, they can only be achieved if companies take a significant part in their implementation. The 17 SDGs are a groundbreaking guideline for the sustainability strategy of German companies. The cycling industry in particular can make an important contribution here by producing and selling environmentally friendly mobility in a sustainable manner.

CSR REPORTING LAW

In 2017, an EU sustainability reporting obligation was incorporated into German law for the first time — in the form of the Corporate Social Responsibility Implementation Act (CSR-RUG). This regulated the non-financial reporting (Non Financial Reporting Directive — NFRD) for capital market-oriented companies with more than 500 employees.

With the Corporate Sustainability Reporting Directive (CSRD), the CSR-RUG is now receiving a fundamental update. In total, there will be about 15,000 organisations across Germany that will have to report in the future. As decided by the EU Council and the EU Parliament in autumn 2022, the CSRD will be introduced in a multi-stage model:

- **On 1 January 2024** for companies already subject to the CSR RUG. These companies must report on their activities in 2024 for the first time in 2025.
- **On 1 January 2025** for companies with more than 250 employees that are currently not subject to the CSR RUG. These companies must report for the first time in 2026 on their activities in 2025.
- **On 1 January 2026** for listed SMEs and small and non-complex credit institutions and captive insurance companies. These companies must report for the first time in 2027 on their activities in 2026, there is an opt-out until 2028.



SDGs: SUSTAINABLE DEVELOPMENT GOALS

The 17 Sustainable Development Goals (SDGs) are political goals of the United Nations that are intended to serve sustainable development on an ecological, social and economic level. They entered into force on 1 January 2016 and are to be achieved by 2030. Implementation takes place in the nation states with the help of businesses.



FROM 1. JAN 2025 LIABLE

This concerns large companies if they surpass two of the three characteristics:

- from 250 employees onwards
- Balance sheet total from €20 million
- Turnover from €40 million



FROM 1. JAN 2026 LIABLE

Small and medium-sized enterprises oriented towards the stock exchange. According to Directive 2013/34/EU, companies are considered small if they exceed two of the three characteristics:

- ten employees
- a balance sheet total of €350,000 and
- net sales of €700,000



FROM 1. JAN 2028 LIABLE

Non-European companies

- with a net turnover in the EU of more than €150 million and at least one subsidiary or branch in the EU.

NOT SUBJECT TO REPORTING REQUIREMENTS. STILL IMPORTANT!

Even if you are not required by law to report, a sustainability report still makes sense. Because if you are part of a supply chain, larger customers will sooner or later approach you and ask about your sustainability measures in order to prove the conformity of their own supply chain.

But other stakeholders such as suppliers, investors, end customers and, last but not least, your own employees are also increasingly interested in knowing what your company is doing in terms of sustainability. Financial institutions such as banks already attach great importance to this and will look much more closely at whether your financing is sustainable. With a GSC statement, you are prepared and you can show in writing how you are contributing to the transformation.

Last but not least, a GSC statement also functions as an inventory of your own sustainability performance. This is essential to get a starting point and to then be able to continuously improve and position yourself for the future. While people sometimes leave a company or a role, a sustainability report remains and can thus guide sustainability management for years to come and show progress.

LkSG: SUPPLY CHAIN DUE DILIGENCE ACT

The LkSG supports the improvement of the international human rights situation by setting requirements for the responsible management of supply chains for certain companies.

EU regulation on due diligence in the supply chain is also in preparation. It is expected that the EU requirements will be significantly more ambitious than the German requirements.

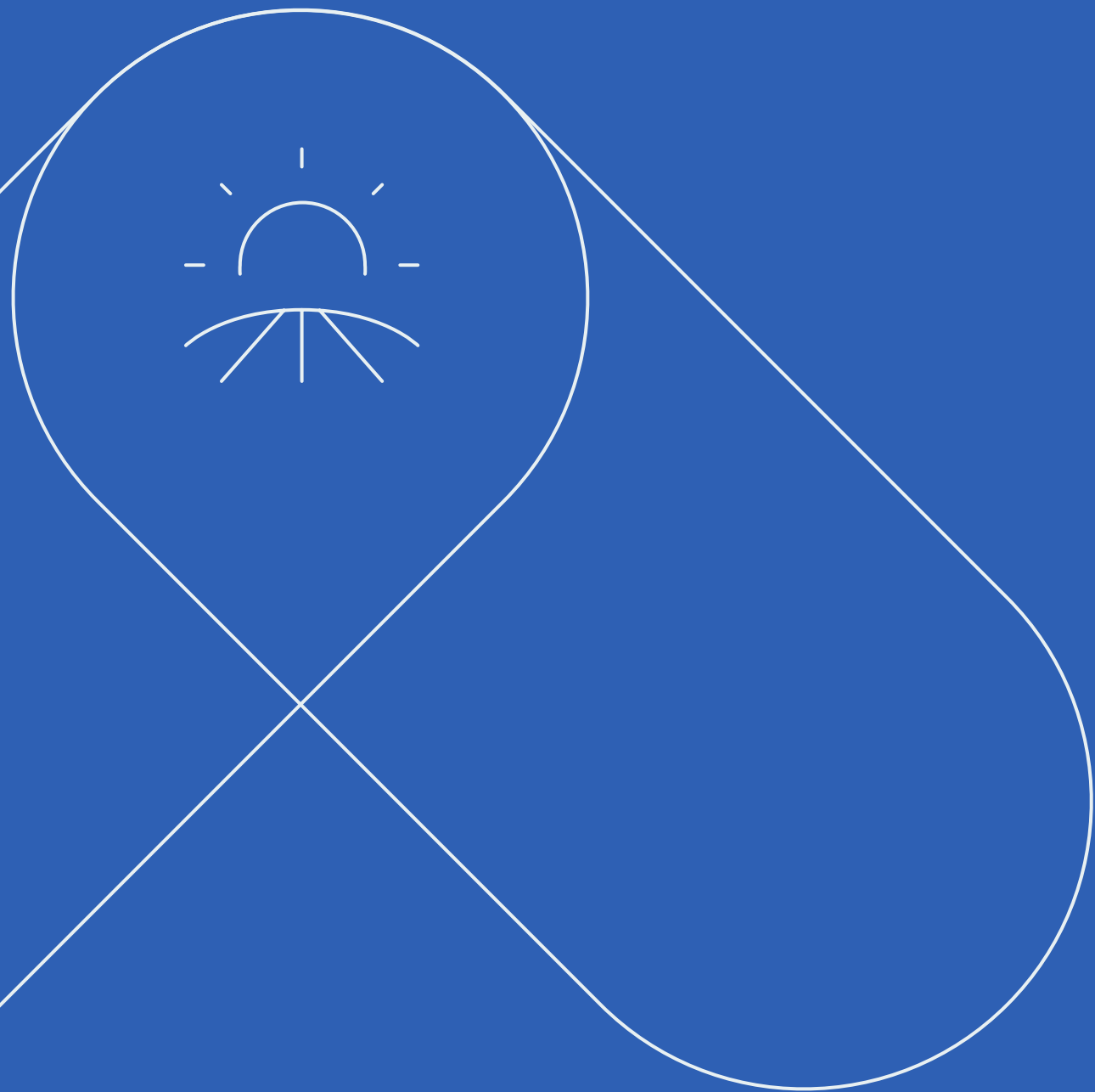


SUPPLY CHAIN DUE DILIGENCE ACT

- The LkSG provides a legal framework for the protection of human and children's rights along global supply chains.
- In principle, since 1.1.2023 the LkSG applies to all companies based in Germany and companies with a branch office, regardless of their legal form, from a size of 3,000 employees. From 1.1.2024, companies with at least 1,000 employees will be affected.
- An EU law is in preparation. It is expected to be much more ambitious than the German requirements: For example, EU-wide sanctions and import bans could be introduced, which is not the case in Germany.

01–2. WHAT THE GUIDELINES CAN [NOT] DO

- The **Sustainability Code Guidelines** for the cycling industry are intended to enable you to independently **prepare and subsequently publish** a declaration of conformity.
- It shows you how to proceed **step-by-step**, explains the 20 criteria and performance indicators and highlights the **special features of the cycling industry**.
- It is complemented by **practical examples** from the industry. In doing so, we explicitly refrain from special flagship projects. Instead, we want to show how even simple activities can make a difference.
- The Code-Guidelines are not intended to provide a list of sustainability measures to choose from. This is because **every company has different prerequisites** and thus also different influences on sustainability aspects.
- **Nor can the Sustainability Code Guidelines represent a comprehensive management system.**
- **Nevertheless: It will help you** take your next steps towards sustainable transformation – regardless of what stage you are at.



- What constitutes the Sustainability Code?
- What steps do you need to take?
- What do you have to consider?

02-0.

THE SUSTAINABILITY CODE & ITS DECLARA- TION OF CONFORMITY



02-1. WHAT IS THE SUSTAINABILITY CODE?

The German Sustainability Code (German: DNK) is an internationally applicable standard for the reporting of environmental and social sustainability aspects. It was created by the German Council for Sustainable Development (German: RNE) and introduced in 2011. Since then, the Code has been regularly updated and adapted to the current requirements for sustainability reporting.

Currently, the Sustainability Code takes into account the National Action Plan (NAP) on Business and Human Rights adopted at the beginning of 2016 and the CSR Directive Implementation Act (CSR-RUG) adopted by the German government at the beginning of 2017. The German Council for Sustainable Development is striving to make the GSC fit for its successor, the Corporate Sustainability Reporting Directive (CSRD). (Status: April 2023). This means: those reporting in accordance with the Sustainability Code today are laying the foundation for future CSRD compliance.

The report prepared in accordance with the Sustainability Code standard is the declaration of conformity. It facilitates comprehensive reporting of non-financial key figures on social and environmental aspects. Compared to other reporting standards, the 20 criteria of the Sustainability Code are easier to apply and well-arranged. At the same time, the Code can be adapted to other reporting standards, such as the Global Reporting Initiative Sustainable Reporting Standards (GRI SRS): In fact, the Code adopts performance indicators from the international GRI. It is therefore the first step for many, followed by the GRI.



THE GERMAN SUSTAINABILITY CODE

- is a reporting standard for sustainability reports
- is suitable for fulfilling the CSR reporting directive (CSR-RUG)
- consists of 20 criteria divided into 4 areas
- is a benchmark tool for measuring one's own sustainability performance
- is compatible with or can be linked to common international reporting standards such as GRI or EFFAS and can serve as an interface to other frameworks such as SDG or UNGC
- is published online in the database of the Sustainability Code Office
- helps in communication with stakeholders



NATIONAL ACTION PLAN: IMPLEMENTATION OF THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

The NAP was initiated by the German government to improve the human rights situation along the value chain, but still relied heavily on voluntary action. Thus, the NAP can be seen as a preparatory action plan for the Supply Chain Due Diligence Act.



GLOBAL REPORTING INITIATIVE

The GRI developed global standards for the preparation of sustainability reports. These are recognised worldwide and, along with the GSC, are one of the standards for sustainability reporting. The aim of the initiative is to create comparability and transparency for the sustainability activities of a company or organisation.

20 CRITERIA & ADDITIONAL KEY PERFORMANCE INDICATORS

Sustainability Concept		Sustainability Aspects	
Strategy Criteria 1–4	Process Management Criteria 5–10	Environment Criteria 11–13	Society Criteria 14–20
<ul style="list-style-type: none"> – Strategic analysis & Measures – Materiality – Objectives – Depth of the Value Chain 	<ul style="list-style-type: none"> – Responsibility – Rules & Processes – Control – Incentive Schemes – Stakeholder Engagement – Innovation- & Product Management 	<ul style="list-style-type: none"> – Usage of Natural Resources – Resource Management – Climate-Relevant Emissions 	<ul style="list-style-type: none"> – Employee Rights – Equal Opportunities – Qualifications – Human Rights – Corporate Citizenship – Political Influence – Conduct that Complies with the Law and Policy

The GSC is backed up by 16 EFFAS and 28 GRI key performance indicators (GRI SRS).

COMPATIBILITY WITH EUROPEAN REPORTING STANDARDS



The German Sustainability Code is a national standard, but remains compatible with international standards. It builds on international sustainability reporting initiatives, for example by using the internationally recognised performance indicators of the Global Reporting Initiative (GRI). It takes into account all relevant topics from the areas of environment, society, employees, human rights, anti-corruption and diversity, which it describes in 20 criteria.

02-2. STEP BY STEP. HOW TO PROCEED.

FORMATION OF A SUSTAINABILITY CODE TEAM

The management should be responsible for the Sustainability Code declaration. The operational implementation is then taken over by a team of interested colleagues who form the project team. They come together from different areas of your company and use their contacts in the departments or divisions to gather the information for the Code statement. In regular project meetings, they compile the current status and exchange information on missing content and information.

GATHER INFORMATION

Get the information, facts and figures for each of the criteria asked. These often follow the same logic: with regard to each criterion, you are first asked about your objectives and then about your measures and strategies to achieve these objectives. This is usually followed by information on whether and when (milestone) goals have been achieved or when this is planned. Finally, you are asked what social, environmental and financial risks could arise from your business activities, products or services with regard to this criterion. The Sustainability Code database also offers you the possibility to add so-called sector-specific reporting supplements.



A DETAILED LIST OF ALL CRITERIA & THEIR MEANING

are provided in chapter 03 and can be downloaded from www.deutscher-nachhaltigkeitskodex.de/de-DE/Documents/PDFs/Sustainability-Code/DNK-Checklist.

A checklist of all criteria for your team's overview can be found as well on the DNK home page: deutscher-nachhaltigkeitskodex.de.

SECTOR-SPECIFIC REPORTING SUPPLEMENTS

In a workshop with participants from the three associations of the cycling industry, sector-specific indicators were also developed, which have been incorporated into these guidelines. These are additions to the 20 criteria of the Sustainability Code. Reporting on these indicators is not mandatory.

However, the reporting supplements will help you to highlight the special features of the bicycle industry and thus improve the reporting quality and your own sustainability performance.



SECTOR SPECIFIC INDICATORS

These can be found at the end of the respective list of criteria [Chapter 03].

Workshop of Stakeholder
on January 18, 2023 in Berlin



WORD-TEMPLATE FROM THE SUSTAINABILITY CODE DATABASE

You would like to start? Just download your word-template from the database of the Sustainability Code and start filling it out.

Important when downloading: The Code offers the possibility to report performance indicators according to GRI or EFFAS and allows you to select this in the GSC database. Performance indicators are, for example, key figures, institutions or processes of your company that provide information about your sustainability measures. We recommend using the indicators according to GRI, as the EFFAS standard is geared towards the financial sector. As the GRI is much more relevant for the bicycle industry than the EFFAS, we only refer to the GRI indicators in the rest of the guide.



DNK-TEMPLATE

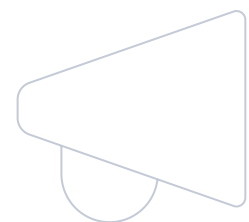
After registering on the DNK website (www.deutscher-nachhaltigkeitskodex.de), you will find an editable DNK template for download.

DRAFT, SUBMIT TO REVIEW & PUBLISH

Draft the texts for each criterion and performance indicator based on the information collected by your team. Write as much as necessary, but try to keep it as short as possible. A text length of 500 to a maximum of 3,000 characters per criterion is ideal.

You can find out what and how to reflect the content in the descriptions of the criteria in chapter 3. Each criterion is assigned aspects that require details.

After completion, you submit your draft to the Sustainability Code office for review. To do this, simply click on "Submit for review" in your Sustainability Code profile in the database. The Code office will now check the submitted texts for completeness according to the "comply or explain principle".



«COMPLY OR EXPLAIN»

is a regulatory mechanism: it states that recommendations must either be followed or – if non-compliance is intended – countered with an explanation.

While the Code office is in the reviewing process, you can no longer make any changes to the texts. As soon as the team has completed its review, you will receive an email and you can then view the content notes and suggested changes to your texts in the database or download them as a word file. Now the fine-tuning of your Code statement begins: within your team, go through the comments and provide the missing information.

After successful approval, you publish the Code statement in the database and receive in return a user badge for the reporting year, an award that you can use for your communication activities.

THE SUSTAINABILITY CODE DATABASE

The Sustainability Code database is where you upload the texts, submit them to the Code office for review and where your Code statement is published after approval by the Code office. This requires a free registration in the database.

But the Sustainability Code database offers even more: For easy editing, the Code office offers a Word template that you can download from the database. To do so, simply register in the database. There you can then copy the finished texts from the Word template and upload them.

Invite all people involved in writing of texts via the database by e-mail. They can then work directly in the database and, for example, make changes that are no longer to be made in the Word template but directly in the database.

SUSTAINABILITY CODE DATABASE

deutscher-nachhaltigkeitskodex.de

Register and log in to the database via the blue tile:

You can register via the blue box on the homepage or log in at any time after registration.

02–3.

ESG IN IMPLEMENTATION: A WORKSHOP REPORT

Practitioners from companies in the cycling industry made a significant contribution to the development of the guide. In a joint workshop, some topics emerged as particularly relevant for the sector. Even though the cycling industry has many special features, some requirements and challenges are also known from other sectors. In the following, we address some selected sustainability topics that are of concern to the cycling industry by way of example:

REDUCTION & RECYCLING OF PACKAGING:

Dealing with packaging and packaging waste is a central challenge for suppliers, bicycle/e-bike manufacturers and the bicycle trade. In addition to environmentally friendly / recyclable packaging, reusable packaging systems are being discussed – an industry solution does not yet exist.

- Are you looking for sustainable packaging solutions within and outside the industry (e.g. standardised packaging / multi-use, plastic-free / compostable solutions)?
- Talk with your suppliers in order to develop common solutions (reduce packaging quantities, switch from plastic to cardboard, use reusable packaging ...).
- Would an industry solution for waste prevention make sense from your point of view? Are you involved in an initiative that aims to achieve this?



CYCLING INDUSTRY SUSTAINABLE PACKAGING PLEDGE

The European cycling federations CIE and CONEBI have launched a "Packaging Pledge" with proposals to reduce packaging waste.

MOBILITY MANAGEMENT IN YOUR OWN COMPANY

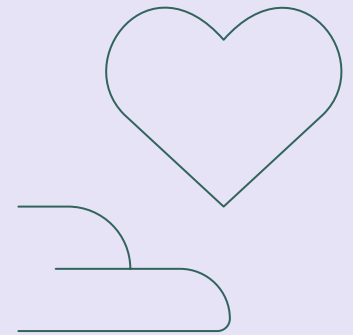
For companies in the cycling industry, mobility is the core of their business. With their products, they enable people to have environmentally friendly and health-promoting mobility. But what about mobility in the companies? Which means of transportation do employees use? When it comes to company mobility, the industry should play a pioneering role. There are many starting points:

- Do you know the mobility needs of your employees?
- Do you promote a sustainable mobility concept (e.g. through mobility budget, public transport job ticket, company bicycles, BahnCard, charging stations, secure bicycle parking)?
- Do you create attractive conditions for employees to cycle to work?
- Are you reviewing your vehicle fleet (reduction, electrification, cargo bikes)? How do your employees get to the customers?

DIVERSITY

The cycling industry is still predominantly white and male, and there are few women or people with a migration background in management positions. Through smart talent acquisition and diversity promotion, the industry should appeal more to women and people with different backgrounds and biographies to better reflect society and at the same time be more attractive for skilled workers that are urgently needed.

- What measures are taken to motivate a wide range of people to get involved (e.g. wording & portals job postings)?
- What measures are taken to attract people from outside white and educated demographics to cycling and working in the sector?
- Are special needs, e.g. of women, people with a migration background, people with disabilities, taken into account in everyday work / at the workplace?



IN ADDITION TO THE TOPICS LISTED HERE, THE CYCLING INDUSTRY HAS MANY OTHER SUSTAINABILITY ISSUES THAT NEED TO BE TACKLED TOGETHER.

AN EXCHANGE WITH REPRESENTATIVES OF OTHER SECTORS CAN BE USED AS AN OPPORTUNITY TO THINK OUTSIDE THE BOX AND LEARN.

02-4. STAKEHOLDER GROUPS, MATERIALITY ANALYSIS & SUSTAINABILITY ISSUES

They form the core of every sustainability strategy and thus also of the Sustainability Code statement: the stakeholder and the materiality analysis. Every sustainability report, regardless of which standards it is following, must contain information on these two points.

STAKEHOLDER GROUPS

Stakeholders are people, groups or organisations that have an interest in your company, its products and activities. A distinction is made between internal and external stakeholders. Typically, employees, management and owners/shareholders are internal stakeholders. External stakeholders include, for example, customers, suppliers, neighbours, but also competitors, politicians, trade unions, associations, the media or non-governmental organisations (NGOs).

In the definition and analysis, you examine which people are actually part of your stakeholder group and what influence your company has on them — and vice versa, what influence the stakeholders have on your company. The matrix (as shown on the next page) has proven to be useful for the analysis.



ISO 14001 STANDARD: ENVIRONMENTAL MANAGEMENT SYSTEM

It is part of a family of standards and sets globally recognised standards for an environmental management system. ISO 14001 was first published in 1996 and amended in 2015.



EMAS STANDARD: ECO-MANAGEMENT & AUDIT SCHEME

EMAS is a joint system of environmental management and environmental auditing for companies and organisations that want to improve their environmental performance. It was developed by the EU and first published in 1993 and is regularly developed further.

→ Define stakeholders:

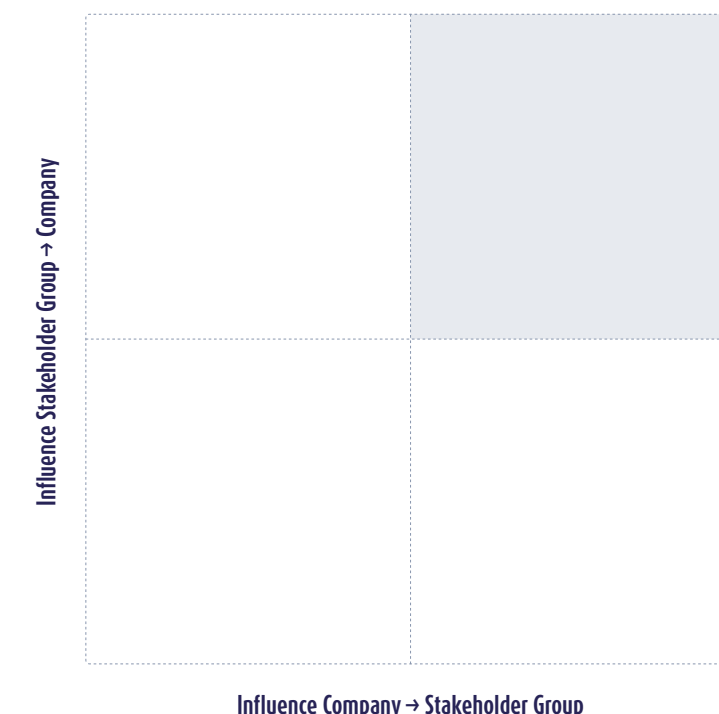
Think together as a team about which people or groups come to mind in connection with your company. Write each person/group on a card and place them on the matrix. People/groups that are placed far to the right AND far up are particularly relevant.

→ Analyse stakeholders:

In the stakeholder analysis you have analysed the central stakeholder groups. These groups are now the focus of your special attention in the so-called stakeholder dialogue. Find out which sustainability issues are relevant for you: What is important for your stakeholders in the context of sustainability? From your point of view, to what extent does your company have an influence on these issues? What are their expectations and needs towards you (the company)?

→ Importance of stakeholders:

Stakeholders can have a huge impact on the success of your business, whether they are suppliers, customers or other groups and individuals. Therefore, it is important to know and understand what the needs of these groups are.



The matrix helps: The higher the influence of a topic, the further to the right or higher up it appears. The topics placed in the light grey area are then essential for your strategy.

CONDUCTING THE MATERIALITY ANALYSIS

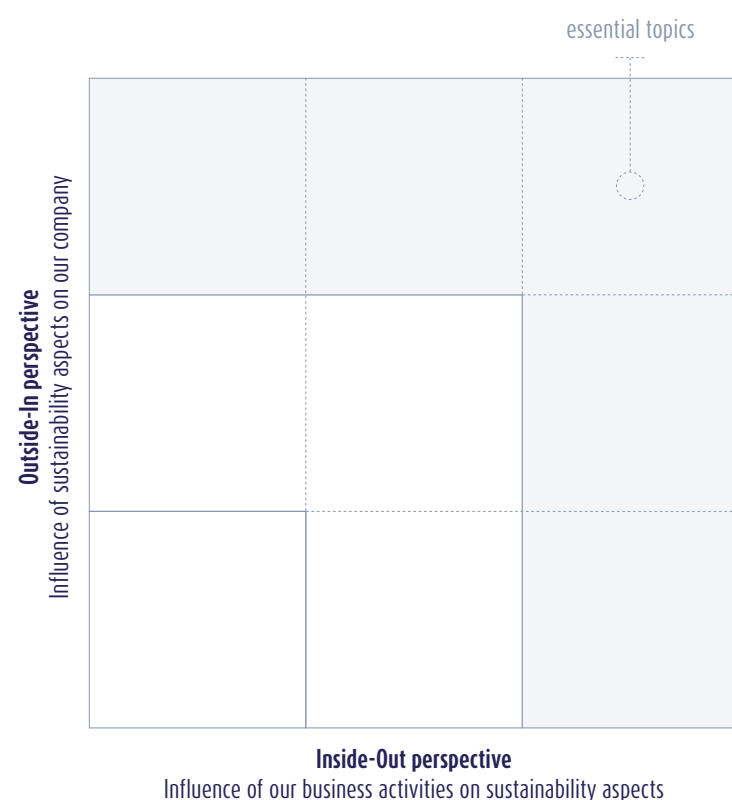
The materiality analysis determines which sustainability issues are relevant, i.e. material, from your company's point of view. It helps to filter out the 15–20 essential topics from more than 150 sustainability topics and to focus on a specific viewpoint. This creates clarity and facilitates entry into sustainability management. The Sustainability Code and the CSRD speak of "double materiality" — i.e. the consideration of the inside-out and the outside-in perspective.

→ **Outside-In perspective:**

Sustainability issues that can influence the business performance, the annual financial statements or the future existence of the company (business model and business strategy) and thus represent financial opportunities and risks. These can be environmental issues or social, but also economical.

→ **Inside-Out perspective:**

Sustainability issues that are positively or negatively affected by the company's business activities, products or services. This is about the extent to which your business activities affect the environment and people.



The matrix helps: For the materiality analysis (outside-in/inside-out analysis), the matrix has proven to be a helpful tool.

IDENTIFY SUSTAINABILITY ISSUES

Which topics are now applicable to the cycling industry? A generally applicable list cannot be drawn up here, because every company is different. It makes a difference whether you are a manufacturing or a service company, whether you produce exclusively in Germany or also abroad. And lastly, it is also important whether you are a small company with ten employees or whether you have 3,000 employees spread across several locations. At the same time, there are industry-wide commonalities: With similar supply chains and materials, for example, come similar sustainability challenges.

→ **Standards:**

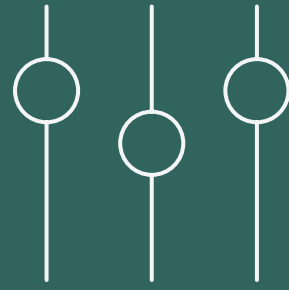
Use a reporting standard, ideally the Sustainability Code, to get an overview of the range of sustainability issues. Complete this with a look at the SDGs of the United Nations.

→ **Relevant topics:**

Make a list of topics that seem relevant to you and investigate them using the methods shown above.

→ **Environment:**

What also helps is to take a look at the sustainability reports of your industry colleagues. You can already find some of them in the Sustainability Code database.



- Every company has different requirements.
- These guidelines will help you to take steps towards sustainable transformation.
- This is independent of how much you have already advanced on this path.

03-0.

THE 20 CRITERIA OF SUSTAINABILITY



03-1.
THE STRATEGIC
FRAME[C₁]**Strategy**

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

[A₁] State whether your company pursues a separate sustainability strategy or whether this is incorporated into the overarching corporate strategy. If this is not yet the case, state when you intend to develop a sustainability strategy.

[A₂] State the key areas of action that the sustainability strategy defines or, if there is no sustainability strategy, the areas in which your company has already implemented sustainability measures.

[A₃] State which material standards and goals of relevance to sustainability your company's sustainability strategy is based on.

[C₂]**Materiality**

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

[A₁] Describe the environmental, socio-economic and political specifics of the milieu in which your company operates.

[A₂] Explain which material sustainability topics are impacted by your business operations. State both the positive and negative impacts (inside-out perspective).

[A₃] Explain which material sustainability topics have an impact on your business operations. State both the positive and negative impacts (outside-in perspective).

[A₄] Outline the opportunities and risks that your company is presented with as a result of tackling the above sustainability topics. State the conclusions you derive from this for your sustainability management.

[C₃]**Objectives**

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

[A₁] State which medium- and long-term goals your company has set itself as part of its sustainability strategy.

[A₂] Explain which goals are being prioritised and also how and why they are being prioritised.

[A₃] Explain how achievement of the strategic sustainability goals is being monitored and who within the company is responsible for this.

[A₄] State whether and how your sustainability goals are based on the United Nations' Sustainable Development Goals.

[C₁ C₂ C₃]**SECTOR-SPECIFIC
INDICATORS**

CIRCULAR BUSINESS MODEL:

How are repairability and the trading with spare parts included in the corporate strategy and product portfolio?

CIRCULAR BUSINESS MODEL:

How can repairability be advanced despite increasing complexity due to e-bikes and existing conflicts of interest?

REUSABLE PACKAGING SYSTEMS:

Do you use sustainable packaging solutions within and outside the industry, such as standardised packaging/ multi-use, plastic-free and/or compostable solutions?

INDUSTRY INITIATIVES:

Are you involved in initiatives that have already defined key sustainability issues, goals or measures for the industry?

FOR CRITERIA 1-4

NO KEY PERFORMANCE INDICATORS ARE REQUIRED.

Let's Talk! with Dirk Zedler

We asked the founder and managing director of the Zedler Group companies about current measurements and future steps in the field of sustainability in the cycling industry.



What exactly do you do?

We test bicycles and their components according to EN and ISO standards and also set up test laboratories for manufacturers. In addition, we prepare user manuals, risk assessments and declarations of conformity in accordance with international standards and laws for bicycles and pedelecs.

And when you do that all day long, do you understand where's the catch?

Absolutely, when you do as many surveys as we do and rummage through the waste paper baskets of the bicycle industry, you know what breaks where and when.

What are the trends in terms of quality and the bicycle?

The cheap bicycle from the DIY store is on the retreat, but there are more cheap e-bikes. When supply chains collapsed and bicycle parts became scarce, some manufacturers switched to simpler components – which was clearly noticeable. However, the situation is even more glaring in the cargo bike sector. There is still a lot of uncontrolled growth here: people often build without checking. Overall, however, there is a very positive trend. The sector is becoming more professional at an increasing speed!

And what is the next step in sustainability for the new bicycle industry?

The industry is currently too fixated on hardware. This was reinforced by the bicycle boom during the pandemic. It used to be all about deliverability, new bikes, best components and new hypes. But many new bike users realised: a fancy premium bike is no use if it stays in the basement because of a small defect. Many users have problems repairing their sophisticated bicycles. The high demand for spare parts or workshop appointments can lead to delays and then some people just switch back to their cars. Service, spare parts supply, replacement vehicles in case of repair – all this is comparatively more developed in cars today.

«We need contemporary business models and powerful, political advocacy.»

Meaning: The sector should develop more services – and perhaps also get more politically involved?

Yes, definitely! We need contemporary business models and powerful political interest groups. Fortunately, we have more and more of these. But at the same time, consolidation and standardisation can prevent negative impacts on sustainability. There have been bizarre situations in recent years: When a certain axle standard for mountain bikes changed only slightly, tens of thousands of mountain bikes were suddenly considered obsolete and as a result, many models were harder to supply with spare parts.

What does sustainability mean to you as an entrepreneur?

I have always asked myself what to give and take from the world. Since day one, I have been printing on eco-paper – for proof sheets, I like to use the neighbour's paper, which is already printed on one side. We received the first state award as an environmentally friendly company in 2011, and the award as the most bicycle-friendly employer in Baden-Württemberg. For me, it is normal to provide

changing rooms with showers and towels, for example, as well as secure parking spaces so that the team can come by bike. We put the money we earn into pleasant jobs and we donate a good 10% of our expected profit every year.

What does sustainability mean to you as a person?

For me, this is a kind of competitive sport. And here I want to deliver – not because I have to, but because I feel like it!

Do you report your sustainability performance?

Yes, we are currently working on our third sustainability report. We are reporting almost completely independently of standards with a focus on real measurements and collected figures. Another reason is that there are hardly any companies similar to us that we can compare ourselves with. What speaks in favour of a reporting standard in the future is that we could then still find out in which area we can improve. As far as operations in our building are concerned, we have already been audited by DGNB e.V. since 2019.

What is not being addressed enough in terms of sustainability?

Acting in this area makes you resilient! We did not have to increase our prices, even though the price of gas has risen exponentially, because we have always relied on renewable energies and have been producing our own electricity for some years now. In addition, we recover heat from compressed air production and thus save enormously on energy costs. We recruit our skilled workers by consistently acting in a sustainable manner. It is also important to realise that it is easy to save energy and resources at the very beginning. Especially the first 25 percent of energy consumption is very easy to save in most companies through quite simple energy efficiency measures. Compressed air is a big issue, just as it is for us: too many leaks are commonly accepted here. Yet it is so easy to check the seals and repair damaged ones! As we say in Swabia: "Schaffa, nicht schwätza" (loosely translated to "Doing, not just talking").

COMPANY PROFILE: GDFS – GESELLSCHAFT DER FAHRRAD-SACHVERSTÄNDIGEN MBH AND ZEDLER – INSTITUTE FOR BICYCLE TECHNOLOGY AND SAFETY

Fahrradtechnik und -Sicherheit GmbH The Zedler Group is engaged in the testing of bicycles and technical documentation for manufacturers as well as the preparation of expert opinions for lawyers, courts or even insurers.

IN DETAIL – DGNB: The German Sustainable Building Council, or DGNB for short, is a non-profit, non-governmental organisation that advances ways and solutions for planning, constructing and operating sustainable buildings. The association promotes the exchange of information, knowledge and experience about sustainable architecture and trains auditors for its own certification systems. Its work focuses on the establishment and expansion of certification systems for sustainable buildings and the awarding of quality seals for "Sustainable Construction" and "Buildings in Operation" at the Platinum, Gold, Silver and Bronze levels.



03-2. VALUE & SUPPLY CHAIN

[C4]

Depth of the value chain

The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

[A1] Describe the steps that your products/services go through in the value chain (e.g. from the purchasing of raw materials to service performance or recycling).

[A2] State which sustainability aspects are of relevance to the value chain stages presented. Explain also how deep in the value chain the sustainability criteria are verified.

[A3] State whether the respective social and ecological problems that arise at the individual stages are known and how these problems are approached.

[A4] State whether and in what way your company communicates with suppliers and other business partners regarding the problems mentioned and works on solutions together with them.

[C4]

RECYCLING/CIRCULATION:

What targets have you set for the use of recycled materials?

RECYCLING

Have other measures been taken to use recycled materials?

PRODUCTION:

Have measures been taken to relocate production back to Germany/EU?

AUDITS

Do you use an industry solution for supplier audits or are you part of an initiative that aims to do so?

FOR CRITERIA 1-4
NO KEY PERFORMANCE INDICATORS ARE REQUIRED.

03-3. COMPETENCIES, PROCESSES & REVIEWING

[C5]

Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

[A1] State how centralised responsibility for sustainability issues (strategy, monitoring, analysis) is assigned at the operational and managerial levels.

[C6]

Rules & processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

[A1] State how the sustainability strategy is enshrined in the daily business activities (internal rules, processes and standards).

[C7]

Control

The company states how and what performance indicators related to sustainability are integrated into its periodical internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

[A1] State which performance indicators are measured to manage and monitor your sustainability goals.

[A2] State how you ensure the reliability, comparability and consistency of the data.

[C5 C6 C7]

FAMILY BUSINESSES
IN THE CYCLING INDUSTRY:

Does the personal value system of the family contribute to the corporate culture, and if so, how?

SHARED RESPONSIBILITY
AMONGST EMPLOYEES:

Are employees motivated to share responsibility, and if so, how? What measures are taken to enable employees, especially in small companies in the cycling industry, to promote and demand sustainability activities?

[C5 C6 C7]

KEY PERFORMANCE INDICATORS

GRI SRS-102-16: Values, principles, standards, and norms of behaviour

Let's Talk! with Alexander Thun

We asked the co-managing director of Thun GmbH how the company implements sustainability and what role sustainability will play in the bicycle sector in the future.



Where do you stand in terms of sustainability?

Our strategic sustainability journey began at the end of 2019. At that time, Carina Füllbeck, who is now head of our operations department, and I took part in the corporate social responsibility (CSR) qualification series "CSR-Ruhr" led by UPJ Berlin. In addition, the draft of our first climate balance (Corporate Carbon Footprint [CCF], Scopes 1–3), which we prepared with ecocockpit, a tool co-financed by the Ministry of the Environment of North Rhine-Westphalia and particularly beginner-friendly, was almost done. Right at the beginning of 2020, we then hired our CSR & Talent Manager Leury Kerpen. As part of the aforementioned qualification courses, in which the three of us participated, UPJ carried out another CSR risk check with us. This clearly revealed to us the deficits we were struggling with when it comes to sustainability management back then – and sometimes still do today. In spring 2020 (shortly before the outbreak of the pandemic) and after the end of our training, it was clear to us: sustainability must be approached strategically! We need a sustainability strategy! We joined a cross-sector peer-to-peer group (UPJ follow-up module) and learned how to develop a CSR strategy. Working closely with our internal and external stakeholders, we created the first CSR issue list for Thun, which left 17 CSR issues within the CSR action areas of market, environment, community and workplace, as well as our first materiality analysis/matrix, helping us to prioritise the previously mentioned CSR issues and identify 8 main issues at the core of our business. Action will of course need to be taken on all 17 CSR issues. However, the 8 main topics are the ones to which most resources are dedicated to. This is how we set the course for our further CSR journey together with our stakeholders...

That sounds like a kick start!

Yes, but unfortunately we had to shift down a few gears right away, when events such as the corona pandemic, the subsequent boom in our industry, the flood disaster of the century (we were directly affected), the war in Ukraine and the market crisis, partly caused by it, slowed down our internal CSR activities at times.

«Sustainability must be approached strategically!»

And now?

Of course we have not been idle. Since 2021, we have been very active in pushing and shaping the sustainability agenda of the cycling industry through associations and expert groups at national and European level. In 2022, we took over the presidency of the Cycling Industry Sustainability Expert Group (an initiative of CONEBI and CIE), calling for industry-wide and ambitious sustainability strategies, initiatives and standards. We have made a lot of progress there. And we are also picking up speed internally. Our strategic sustainability goals for the 8 main CSR topics (out of our 17 CSR topics) have been finalised, our shareholders and the entire management team support them and from now on everyone will be involved in the implementation of corresponding concrete projects and approaches (avoidance and reduction of our Scope 3 emissions, establishment of eco-design criteria for the development of recyclable products, promotion of the mobility revolution, increase of employee satisfaction, various certifications, and much more). This will be followed in 2024 by a relaunch of our brand in the context of our new sustainability vision and the first official report on our sustainability performance. From the latest 2025 onwards, we plan to use the Sustainability Code as a reporting standard. We already want to collect as much data as possible for this.

How is sustainability developed further at Thun?

Continuously, consistently, at best in cooperation with all our stakeholders and with the aim of making our current business model truly sustainable or developing alternative sustainable business models. We want to put purpose before growth, not only ideally, but also in real terms. This will take time and we are still in the early stages, but currently new and upcoming regulatory requirements, which we are very grateful for as they reinforce our intrinsic motivation for sustainability, fortunately leave us and our industry with no other choice. Moreover, sustainability competencies and responsibilities need to be embedded in our entire management team and not only in CSR management. At the moment, we are developing the necessary environment (communication, processes, commitment, innovation culture, etc.).

What are you particularly proud of?

I am proud of the change of mindset that we have been able to initiate and promote at Thun, among our stakeholders and in our industry, of our well-founded CSR strategy and of the corporate vision that is based on it. #staytuned I am also particularly proud of our team, because change management is not easy.

Looking at the industry: Which trends do you follow with some scepticism?

The e-bike and its current battery technology. Sure, if electrified bikes replace cars and/or lead to people cycling again or for longer, then that's great. Nevertheless, a regular bicycle is always a more sustainable means of transportation than an e-bike. So we at Thun naturally wonder what rebound effects, homework and difficult questions will result from the universally hyped e-bike trend for the bicycle industry. E-bikes can undoubtedly play an important role in the future ecosystem of mobility that we are currently building. However, the classic bicycle should also play a central role in this ecosystem.

COMPANY PROFILE: ALFRED THUN GMBH

The family business has been around for over 100 years and in line with the company's mission statement NEXT CHALLENGE PLEASE, they are now tackling the next 100 years. With state-of-the-art technology and precise processes, Thun produces high-quality drive components for bicycles and e-bikes at its German site and distributes them globally.



Let's Talk! with Willi Humpert

We asked the managing director about his experience with sustainability issues and current plans. Together with his brother, he manages Wilhelm Humpert GmbH & Co. KG.



«With our bicycle parts we supply both the bicycle manufacturers and increasingly the aftermarket.»

Where do you stand in terms of sustainability?

We have been active in this area for many years. Until now, we have not communicated this externally. It has always been a matter of course for us to use the most modern technologies, for example in the air supply. Here we have been using a centralised and energy-efficient compressor system for years. In the area of chrome plating, too, we responded to the REACH-legislation at an early stage and introduced the Chrome III process on time. For the past two years, we have been trying to focus on the issue of sustainability and have established a specific staff unit with a corresponding CSR team for this purpose. In 2021, we joined the Bikebrainpool Bike Charter and would now like to publish our next sustainability report in 2023.

With surface treatment and as a "double-nickel chrome" commission companies, others have easier core businesses in terms of sustainability. What standards do you rely on?

In order to communicate our environmental activities internally and externally and to formalise them in a corresponding system, we had ourselves EMAS-certified as early as 2002. Among other things, we had to prepare and publish an environmental report – more than 20 years ago! But to be honest: At that time, hardly anyone was interested. To reduce effort and costs, we had the environmental management system certified according to ISO 14001 instead of EMAS. Years later, the QMS was certified according to ISO 9001. The immediate location directly next to the Ruhr (drinking water production) was always incentive and responsibility enough for us to run the company and especially the electroplating shop in an environmentally friendly way – with the best possible technology. Of course, this has always had an impact on pricing.

What were your measures to optimise the electroplating in terms of its environmental impact?

Due to the sensitive location, we have always invested in the waste water treatment plant and in possible recycling concepts. For example, we were also one of the first electroplating sites in Germany to invest in a chrome vacuum evaporator to recover chromic acid. Due to the corresponding development work, this involved high costs. In the last few years we have relied on the REACH regulation and on the D-date of the chromium VI ban (chromium trioxide) we converted the Wickeder electroplating plant to chromium III. Again, we had to get involved in the development work with the electroplating companies. In addition to the cost-intensive conversion, the chrome III process is also approx. 20% more expensive than its conventional counterpart. Under pressure from the automotive industry, among others, the ban on chrome VI was postponed at the EU level. This political decision has put us at an enormous competitive disadvantage.

You have already had some experience with sustainability measures. What does sustainability mean to you today?

Because of the current topic, I think first of all about energy. In order to introduce appropriate energy-reducing measures here, we decided to set up an energy management system according to ISO 50001 as the first task of the CSR team. This is the basis for all further decisions. Here, the corresponding certification took place at the end of 2021. Furthermore, I am thinking about supply chains and the associated production locations. We produce partly in Asia, but also in Germany. In Asia, we are represented by Humpert Asia and therefore have the best insight and corresponding influence on our suppliers. We supply our bicycle parts both to bicycle manufacturers and increasingly to the aftermarket. In the last two years, we have developed a completely new packaging concept. In addition to reducing the amount of packaging material, we have almost entirely given up on plastic and blister packs. Instead, we are trying to incorporate paper injection moulding. According to initial calculations, we have already been able to save one fifth of packaging material through the new packaging concept. Another important issue is how we treat our employees. The company was certified as a family-friendly company in 2020. We also live up to this. In general, the issue of sustainability itself has played a rather secondary role. To change this, we have successfully implemented the CSR staff unit.

COMPANY PROFILE: WILHELM HUMPERT GMBH & CO. KG

Founded in 1918, this medium-sized company in the metalworking industry has its main activities in the manufacturing and machining of tubular components and in galvanic surface finishing. With the ergotec brand, the family-owned company presents itself as a specialist for ergonomic and safe bicycle components, especially bicycle steering systems. Humpert still produces up to 1 million bicycle handlebars per year at its Wickede (Ruhr) site. German engineering is the basis for the innovative ergotec products, which are designed for both the OEM and the after-sales market.

IN DETAIL – EU REGULATION REACH: The abbreviation REACH stands for Registration, Evaluation, Authorisation of Chemicals. The EU regulation came into force in 2007 and regulates the use of various substances, including chromium VI, which is carcinogenic in high doses and can trigger contact allergies in low doses (when wearing leather products, for example). Chromium VI (chromium trioxide) should actually be banned by September 2017.



03-4. ENGAGING & MOTIVATING PARTICIPANTS

[C₈]

Incentive schemes

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/ advisory board).

[A₁] State whether there is a remuneration system or some other non-monetary incentive scheme for employees and executives into which the sustainability goals have been incorporated and, if not, whether such a thing is planned.

[A₂] Explain how achievement of the goals agreed upon with the employees and executives is monitored and by which bodies.

[A₃] State whether sustainability goals already form part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/ advisory board) and, if so, which ones.

[C₈]

CONSTANT
IMPROVEMENT PROCESS:

Have you established or are you planning a suggestion and/ or incentive system that encourages employees to suggest improvements in sustainability?

[C₈]

KEY PERFORMANCE INDICATORS

GRI SRS-102-35: Remuneration policies

GRI SRS-102-38: Annual total compensation ratio

[C₉]

Stakeholder engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

[A₁] State whether the company's most important stakeholders have been identified and, if so, by what method.

[A₂] Describe who these stakeholders are.

[A₃] Describe what form you give dialogue with the stakeholders and how the results of this dialogue are used to further develop your company's sustainability management.

[C₉]

INCLUSION ALONG
THE SUPPLY CHAIN

Have measures been taken to improve transparency and communication along the supply chain?

[C₉]

KEY PERFORMANCE INDICATORS

GRI SRS-102-44: Key topics and concerns raised

[C₁₀]

Innovation & product management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

[A₁] State the impacts that the key products and services have on the social and environmental aspects of sustainability, both during their creation and when used and reclaimed. Also, explain how these impacts are ascertained.

[A₂] Describe how your company's sustainability performance is promoted by means of innovation processes.

[A₃] Describe the effect that innovation processes all along the value chain and within the product life cycle can have in the interests of sustainable development and demonstrate how you involve business partners and other stakeholders along the value chain in your innovation processes.

[C₁₀]

SUSTAINABILITY EXPERTISE
IN PRODUCT DEVELOPMENT

Are employees supported in building up expertise on sustainable materials and processes in order to be able to take these into account in product development?

PRODUCT DEVELOPMENT
PROCESS

Are sustainability aspects integrated as quality checkpoints in the product development process?

PRODUCT CYCLE

Have company-specific solutions for a long product cycle been developed (contrary to the idea of "the 2022 model is already obsolete by 2023")?

[C₁₀]

KEY PERFORMANCE INDICATORS

G4-FS11: Percentage of assets subject to positive and negative environmental or social screening.

Note: The indicator should also be reported when reporting to GRI SRS.

Let's Talk! with Andrea Groll

We asked her about the possibilities for the specialised trade to address the issue of sustainability. The co-owner surprises us again and again with creative measures. During the pandemic, for example, the shop offered consultations via Messenger.



What constitutes your work as a specialist trade?

We have been selling and repairing exclusively e-bikes for over ten years. As a pioneer, we have been able to steadily expand our customer base in the course of the electric drive boom. However, we ourselves do not necessarily want to grow in size, but in our competence.

How can you keep your customer base?

We focus on good service – also with creative measures: For example, if you bring or pick up your bike outside opening hours, you can use the key safe. Video calls were popular, and it's clear that sustainability communication is important. If you buy a good bicycle, the topic is very important to you. And in order to have something to communicate, you need to do something!

And what do you do?

Our company hasn't had a car for 25 years. We do everything by bicycle or public transport. There are often tempting invitations from manufacturers to distant production sites. But if these can only be reached by plane, we decline. We use and generate green electricity and use LEDs. Thanks to advancing digitalisation, we also need less and less paper. We also reduce waste by paying special attention to the reparability of products in the range of goods we offer.

Which sustainability measures are the toughest nuts to crack for retailers?

Like many others, we rent our property and therefore, unfortunately, have little influence on the heating system. At least sometimes an alternative to gas or worse oil heating can be worked out with the landlord – if you agree to a long-term contract.

«We offer above-average pay. There is no overtime, but there is a fixed lunch break.»

Also, sales rooms are often large, which increases heating costs enormously. However: legally, part of the saleroom does not need to be heated. We found that our customers come by bike anyway, so they are dressed for the weather, and don't mind if we don't heat up to living room temperature. To maintain the ideal temperature, we installed automatic thermostats early on. Another issue is cleaning agents and lubricants. But here, too, there are good alternatives that are more environmentally friendly in their composition and degradability compared to the prevailing product.

And what about social sustainability within the company?

This is of course very important – especially in the Rhine-Main region, where there is a pronounced shortage of skilled workers. We offer above-average pay. There is no overtime, but there is a fixed lunch break. And they get to spend it in great deckchairs. Of course, our employees get a company bicycle and

«If you buy a good bike, the topic is very important to you.»

the opportunity for a company pension. Our team forms the basis for our successful work. In regular staff discussions and team meetings, as well as with the opportunity for further training, we strengthen an open work atmosphere to which everyone can contribute with their skills.

What is the role of trade within the industry and has sustainability arrived there?

Within the cycling industry, trade has the most employees in Germany. Through contact with different target groups, we also have an important role to play in positioning sustainability. Many are aware of their role but rarely know what opportunities they have. Sustainability reporting is a rarity for us. Instead, we participate in the 'Sustainable Specialist Shop' certification developed by VSF.

A certification for which you are a pilot project. What process is initiated by the certification?

There is an initial analysis. Re-certifications then enable a continuous improvement process.

What do you expect from manufacturing companies?

Waste is a big issue. Manufacturers are moving away from plastic more and more, but we currently have to deal with the increasing amounts of cardboard as retailers. Instead, they should agree on a packaging standard and develop multi-packaging.

COMPANY PROFILE:

FAHRRAD FUCHS E-BIKE ERLEBNISWELT

Jürgen Fuchs and Andrea Groll have been dedicated to bicycles for more than 25 years. They became known in their region as e-bike pioneers. The four-member team now rents, sells and repairs exclusively e-bikes. For their entrepreneurial commitment, they received the energy award of the district of Groß-Gerau.

IN DETAIL – VSG CERTIFICATION 'SUSTAINABLE SPECIALIST SHOP': The Verband Verbund Service und Fahrrad e.V. (VSF) developed the certificate to give the bicycle trade an opportunity for an industry audit. The performance in the fields of climate responsibility, resources, employees and corporate management is requested.



03–5. NATURAL RESOURCES AND EMISSIONS: USE, MANAGE & MEASURE

[C₁₁]

Usage of natural resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

[A₁] Give a qualitative account of which natural resources your company primarily uses in its business activities or are affected by its activities.

[A₂] Using the appropriate units of measurement in each case, state the amount of the natural resources which are material to your business operations that your company uses. You can rank the most important resources here.

[C₁₂]

Resource management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

[A₁] Report on your resource efficiency goals and the planned goal achievement time frames and on the environmental aspects of your company's activities.

[A₂] Report on the strategies and concrete measures used to achieve these goals.

[A₃] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.

[A₄] Report on the material risks arising from your business activities, your business relations and your products and/or services that are likely to have a negative impact on resources and ecosystems.

[C₁₁ C₁₂]

USE OF NATURAL RESOURCES

What measures are taken to reduce the use of materials such as aluminium, steel, carbon, chromium 6, chips in LEDs, zinc, lead, technical gases, fluxes, silver solder, epoxy glue or butyl?

WATER CONSUMPTION

What measures are taken to reduce water consumption through wet painting?

WATER MANAGEMENT

Is rainwater management implemented on the company's premises?

ENERGY CONSUMPTION:

What measures are taken to reduce compressed air leakage?

PRODUCT LIFE CYCLE

What role does your company play in terms of product reparability and other measures that extend life cycles?

[C₁₁ C₁₂]

KEY PERFORMANCE INDICATORS

GRI SRS-301-1: Materials used by weight or volume

GRI SRS-302-1: Energy consumption within the organisation

GRI SRS-302-4: Reduction of energy consumption

GRI SRS-303-3 (2018): Water withdrawal

GRI SRS-306-3 (2020): Waste generated

[CSR-RUG]

Environmental Concerns

If you also wish to use your Code declaration to comply with the reporting obligation in accordance with the CSR Directive Implementation Act (CSR-RUG), the checklist below will give you guidance regarding how the Code Office checks it for formal completeness. You can provide the relevant information concerning environmental matters under criteria 11 to 13. Questions set in italics are already covered in your responses to the corresponding Code aspects.

1. Report on the management policy pursued:

- Goals and planned goal achievement time frames [C₁₂'A₁ & C₁₃'A₁].*
- How corporate governance is incorporated into the policy.
- Strategies and concrete measures for achieving the goals [C₁₂'A₂ & C₁₃'A₃].*
- Internal processes for monitoring implementation of the measures.

2. Report on the results of the policy:

- Whether and to what extent previous goals were achieved [C₁₂'A₂ & C₁₃'A₄].*
- Whether and how it is determined that the policy needs modifying and what conclusions are then drawn.

3. Report on the risks:

- How the risks were identified and the material risks were filtered out (due diligence processes).
- Material risks arising from your business activities that are highly likely to have a negative impact on resources and ecosystems [C₁₂'A₄].*
- Material risks arising from your business relations that are highly likely to have a negative impact on resources and ecosystems [C₁₂'A₄].*
- Material risks arising from your products and services that are highly likely to have a negative impact on resources and ecosystems [C₁₂'A₄].*

[C₁₃]

Climate-relevant emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions.

- [A₁] Identify the key emission sources and outline the greatest challenges your company faces in relation to climate-relevant emissions.
- [A₂] Report on your climate-relevant emission goals and the planned goal achievement time frames and on your use of renewable energies.
- [A₃] Report on your strategies and concrete measures for reducing climate-relevant emissions and for using renewable energies.
- [A₄] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.
- [A₅] State which benchmarks you use for your calculations, in particular the reference year in the case of reduction calculations, the parts of the company to which your calculations apply, emission factors and the regime used (e.g. Carbon Disclosure Project, GHG Protocol, the VfU's environmental performance indicators for financial institutions, etc.).

[C₁₃]

CARBON FOOTPRINT

Are suppliers being approached to obtain product carbon footprints?

CARBON FOOTPRINT

Are you communicating within the industry to develop common standards or assumptions (e.g. life cycle) or are you driving a similar initiative?

EMISSIONS

What measures are being taken to avoid or reduce CO₂-intensive resources (such as primary aluminium)?

[C₁₃]

KEY PERFORMANCE INDICATORS

- GRI SRS-305-1:** Direct GHG emissions (Scope 1)
- GRI SRS-305-2:** Energy indirect GHG emissions (Scope 2)
- GRI SRS-305-3:** Other indirect GHG emissions (Scope 3)
- GRI SRS-305-5:** Reduction of GHG emissions

EU-Taxonomy

If you also want to use your DNK declaration to comply with the EU Taxonomy Regulation, the following aspects will serve as guidance. Here you can report on the information relevant to you in terms of the EU Taxonomy Regulation.

1. Performance Indicators

Report the climate-related performance indicators to be published for your company in accordance with Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Acts.

For non-financial reporting entities, Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 Para. Art. 10 (1) of the Delegated Regulation (C (2021) 4987) and Annex I, information on the share of revenues, capital expenditure (capex) and operating expenditure (opex) associated with environmentally sustainable economic activities is required. In contrast, financial undertakings subject to reporting requirements currently have to disclose the following information according to Art. 8 EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 para. Art. 10 (2) of the Delegated Regulation (C (2021) 4987) and its respective annexes, asset-oriented disclosures must be made, whereby a distinction is to be made according to the respective type of financial undertaking. The scope of mandatory disclosures will increase in the coming reporting years for all reporting entities in accordance with Art. 8 EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Delegated Regulation (C (2021) 4987). Therefore, further presentations on the key performance indicators (KPI) can also be made under aspect 3.).

Note: You can use the table function in the DNK database for this purpose.

2. Approach/process description

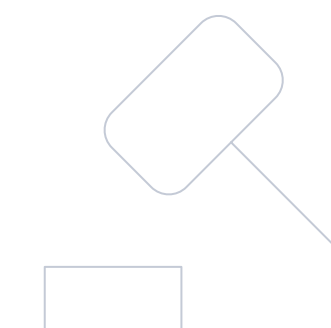
Describe your company's approach to the EU taxonomy and the processes for determining company-specific performance indicators.

At this point, the reporting companies must, in particular, provide the specific qualitative information in accordance with Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987) and its annexes (e.g. explanations on the determination of turnover, investment and operating expenses for non-financial companies in accordance with Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987), Annex I, Section 1.2, Item 1.2.1 lit. a)). Here, too, the option under aspect 3.) can be used to upload further required representations.

3. Attachments

Upload here supplementary company-specific information and/or further presentations on the Key Performance Indicators (KPIs) to be published according to the EU Taxonomy Regulation.

In PDF format; e.g. publication of the reporting forms to be published in future according to Art. 8 EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987).



EU-TAXONOMY:

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088.

This regulation defines targets for investments in economic activities that qualify as sustainable.

Let's Talk! with Felix Jahn

We asked Corporate Social Responsibility (CSR) Manager Felix Jahn about focal points of sustainability management. Before taking on the new role, he got to know various departments and business processes of the company. In addition to his work at the company, the grandson of company founder Ralf Bohle is also the second chairman of Fair Rubber e.V., the fair trade seal for natural rubber.



«We could notice that our recycling system has a positive impact on the loyalty of our clients.»

Where do you stand in terms of sustainability?

This year we were able to collect our GHG balances 2018–2021, introduce the world's first tyre recycling and publish our first CSR report. So we have done a lot, but we are still at the beginning. After all, sustainability is not a standard project that can be completed, but rather a topic that needs to be worked on continuously.

So there is always something to do: Do you feel like Sisyphus?

On the contrary: The work is motivating because constant improvements are possible. We have set ourselves concrete goals in the areas of product, company, supply chain and social issues in order to anchor our ecological and social responsibility holistically. And here it is nice to initiate and track developments.

What exactly were you able to initiate?

Our journey towards sustainability began in 1983 with our durable marathon-tyre. In 1993, we laid the foundation for the recycling of inner tubes and tyres by processing old tyres into workshop mats. Today, we are the first company to close the loop on bicycle tyres and inner tubes. Speaking of Circular Economy: Prof. Dr. Michael Braungart's Cradle to Cradle principle was also groundbreaking for the planning and design of the new company building.

What impact do these sustainability measures have on the core business?

We have seen that our recycling system has a positive impact on customer loyalty. With our CSR report, we do not only create transparency and comparability with other companies, but at the same time, we are already prepared for the upcoming CSRD. It's also great to see the dynamics the topic is generating among staff!

And what are the next goals?

We want to further retrace the supply chain and create transparency here. We continue to collect emission- and life cycle data of products for the transition of our company fleet in order to act as emission and resource-friendly as possible. Together with the sector, we want to drive sustainability.

Speaking of the sector: What can you recommend to your colleagues?

EcoVadis can be very useful as a ranking – I can say that, even though we are not listed yet. Of course, it also makes sense to have your environmental management system certified according to ISO 14001. But you don't have to go that big, smaller companies can also make a contribution by switching to sustainable electricity providers, for example. And when it comes to digitalisation, sustainable solutions should have priority when selecting and setting up cloud or hardware infrastructures. And by the way: you don't need a sustainability department to act more sustainably. After all, a lot is quite obvious beforehand. Just get started!

COMPANY PROFILE: SCHWALBE / RALF BOHLE GMBH

Ralf Bohle GmbH produces tyres and inner tubes for bicycles and wheelchairs under the brand names Schwalbe and Impac. The company reports sustainability performance according to the GRI standard and developed several flagship projects.

IN DETAIL – NATURAL RUBBER: SUPPLY CHAIN RESPONSIBILITY OF RALF BOHLE GMBH: The world market price for natural rubber is very low and hardly allows adequate wages for those who produce it. In cooperation with Fair Rubber e. V., the company improves the working and living conditions of small farmers and tappers through a fair trade premium and promotes environmentally friendly production. The number of Fair Rubber members in Indonesia has already increased sevenfold by 2022.



03–6. EMPLOYEES: THE ESSENTIAL PART OF YOUR BUSINESS

[C14]

Employee rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

- [A₁] Report on the goals and planned goal achievement time frames for the observance of employee rights (national and international standards, labour conditions, union rights, employees' right to information, occupational health and safety, etc.).
- [A₂] Report on the strategies and concrete measures for observing employee rights and to involve employees above and beyond the statutory requirements.
- [A₃] State how staff participation in the company's sustainability management is fostered.
- [A₄] State whether the company is active internationally. If yes:
 - Whether and, if applicable, how German standards are implemented abroad.
 - Which international regulations are met.
- [A₅] Report on the material risks arising from your business activities, your business relations and your products and/or services that are likely to have a negative impact on employee rights.

[C15]

Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

- [A₁] Report on the goals and planned goal achievement time frames for equal opportunities and diversity within the company, fair pay for all, a work-life balance and integration.
- [A₂] Report on the strategies and concrete measures regarding equal opportunities and diversity within the company, fair pay for all, a work-life balance and integration.
- [A₃] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.

[C16]

Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

- [A₁] Report on the goals and planned goal achievement time frames for promoting the employability of all employees, in particular in relation to training and professional development, health management, digitalisation and dealing with the challenges of demographic change.
- [A₂] Report on the strategies and concrete measures for promoting the employability of all employees, in particular in relation to training and professional development, health management, digitalisation and dealing with the challenges of demographic change.
- [A₃] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.
- [A₄] Report on the material risks arising from your business activities, your business relations and your products and/or services that are likely to have a negative impact on qualifications.

[C14 C15 C16]

TRADE UNIONS

Are employees supported in setting up works councils? What measures are taken to counter the shortage of skilled workers, the growing number of non-qualified employees and the threat of precariousness in the poorly organised bicycle sector?

LOW DIVERSITY IN THE SECTOR

What measures are taken to encourage a wide variety of people to work in the sector (e.g. job advertisements in relevant portals)?

LATERAL ENTRY

What qualification measures are taken to enable people with atypical biographies to make a lateral entry into the sector? What (qualification) measures are taken to lower entry barriers for marginalised demographic groups, especially in the context of the sector-wide shortage of skilled workers?

[C14 C15 C16]

KEY PERFORMANCE INDICATORS

- GRI SRS-403-9 (a+b) (2018):** Work-related injuries
- GRI SRS-403-10 (a+b) (2018):** AWork-related ill health
- GRI SRS-403-4 (2018):** Worker participation on occupational health and safety
- GRI SRS-404-1:** Average hours of training
- GRI SRS-405-1:** Diversity in control and employees
- GRI SRS-406-1:** Incidents of discrimination

[CSR-RUG]

Employee-related matters

If you also wish to use your Code declaration to comply with the reporting obligation in accordance with the CSR Directive Implementation Act (CSR-RUG), the checklist below will give you guidance regarding how the Code Office checks it for formal completeness. You can provide the relevant information concerning employee-related matters under criteria 14 to 16. Questions set in italics are already covered in your responses to the corresponding Code aspects.

1. Report on the management policy pursued:

- a. *Goals and planned goal achievement time frames [C17'A1, C15'A1 & C16'A1].*
- b. How corporate governance is incorporated into the policy.
- c. *Strategies and concrete measures for achieving the goals [C14'A2, C15'A2 & C16'A2].*
- d. Internal processes for monitoring implementation of the measures.

2. Report on the results of the policy:

- a. *Whether and to what extent previous goals were achieved [C15'A3 & C16'A3].*
- b. Whether and how it is determined that the policy needs modifying and what conclusions are then drawn.

3. Report on the risks:

- a. How the risks were identified and the material risks were filtered out (due diligence processes).
- b. *Material risks arising from your business activities that are highly likely to have a negative impact on employee rights [C14'A5 & C16'A4].*
- c. *Material risks arising from your business relations that are highly likely to have a negative impact on employee rights [C14'A5 & C16'A4].*
- d. *Material risks arising from your products and services that are highly likely to have a negative impact on employee rights [C14'A5 & C16'A4].*



Let's Talk! with Christel Nelius

A conversation with JobRad sustainability officer and former Sustainability Code training partner Christel Nelius about successes, surprises and plans in terms of sustainability.



«However, it is important to us that all employees consider sustainability and include it in their decisions and processes.»

What does JobRad stand for and what role does sustainability play?

JobRad sees itself as a provider of sustainable services and has, among other things, defined the goal of establishing the bicycle as the preferred means of transportation in everyday life. In addition to this purpose, corporate sustainability management is becoming increasingly important for us. In the meantime, there are three of us in the staff unit and we see ourselves as managers and experts on the subject. However, it is important to us that all employees consider sustainability and include it in their decisions and processes.

What was your last big success?

The preparation of our first sustainability report was a milestone – and a big challenge. Because it takes time to gather capacities and money for all the sustainability activities, to collect and record the data. We followed the standards of the Global Reporting Initiative (GRI) and carried out a double materiality analysis. We are proud of the result.

Why did you decide on the GRI standard?

We looked at different standards, of course also the GSC. We finally decided on the somewhat more demanding GRI because we have reached a certain company size.

What sustainability issues are surprising at JobRad?

We have all three sustainability dimensions – environmental, social and responsible corporate governance – in mind. The ecological dimension is in our DNA. After all, we want to get people on bikes. But social issues also play a big role for us: we work proactively on our work culture and are now certified as a 'Great Place to Work®'. All this helps us to find and keep skilled workers.

And which certification is a must-have for JobRad?

If we didn't have the ADFC seal "Bicycle-friendly employer" in the gold category – that would be a surprise, wouldn't it?

And what are the upcoming plans for ecological sustainability?

The first sustainability report was a stocktaking exercise for us. We know how much CO₂ we emit directly and indirectly, so we have a corporate carbon footprint. So far, we can only partially cover the CO₂ emissions along our value chain (Scope 3). We want to tackle this task with our partners from the bicycle industry.

What do you wish you had known when you took your position at JobRad?

I always knew that we live in dynamic times. But I wouldn't have thought that everything was changing so fast. Both the pace of the company's development and the sustainability requirements are enormous!

COMPANY PROFILE: JOBRAD GMBH

JobRad is the market leader in company bike leasing and has been getting people on their bikes for 15 years. Over 50,000 employers with more than five million employees already rely on JobRad as a sustainable mobility concept. In the meantime, the small start-up has become a group of companies with over 600 employees.

IN DETAIL – BICYCLE-FRIENDLY EMPLOYER: This initiative of the EU and the ADFC honours the promotion of cycling in companies by awarding certificates in different levels. Points are awarded for well-equipped bicycle parking spaces, changing facilities, bicycle checks and company bicycles.

IN DETAIL – THE GREAT PLACE TO WORK® STANDARD: The quality seal is based on a representative and anonymous employee survey. Certified companies also provide insights into their personnel measures, and can be ranked and compared.



[C17]

Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

[A1] Report on the goals and planned goal achievement time frames for the upholding of human rights by your company, any subsidiaries, and suppliers and service providers.

[A2] Report on the strategies and concrete measures for the upholding of human rights by your company, any subsidiaries and suppliers.

[A3] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.

[A4] Report on the material risks arising from your business activities, your business relations and your products and/or services that are likely to have a negative impact on human rights.

[C17]

SUPPLIER MANAGEMENT

Were company-specific individual solutions (e.g. self-disclosure forms for suppliers) developed?

SUPPLIER MANAGEMENT

Were sector-specific overall solutions (e.g. sector standard(s)) also developed?

SUPPLIER EVALUATION

Does a sector-specific use of supplier evaluations take place?

[C17]

KEY PERFORMANCE INDICATORS

GRI SRS-412-3: Operations subject to human rights reviews

GRI SRS-414-1: Investment agreements subject to human rights screenings

GRI SRS-412-1: New suppliers subject to social screening

GRI SRS-414-2: Social impacts in the supply chain

[CSR-RUG]

Human Rights

If you also wish to use your Code declaration to comply with the reporting obligation in accordance with the CSR Directive Implementation Act (CSR-RUG), the checklist below will give you guidance regarding how the Code Office checks it for formal completeness. You can provide the relevant information concerning the upholding of human rights under this Code criterion. Questions set in italics are already covered in your responses to the corresponding Code aspects.

1. Report on the management policy pursued:

- a. *Is and planned goal achievement time frames [C17'A1].*
- b. How corporate governance is incorporated into the policy.
- c. *Strategies and concrete measures for achieving the goals [C17'A2].*
- d. Internal processes for monitoring implementation of the measures.

2. Report on the results of the policy:

- a. *Whether and to what extent previous goals were achieved [C17'A3].*
- b. Whether and how it is determined that the policy needs modifying and what conclusions are then drawn.

3. Report on the risks:

- a. How the risks were identified and the material risks were filtered out (due diligence processes).
- b. *Material risks arising from your business activities that are highly likely to have a negative impact on human rights [C17'A4].*
- c. *Material risks arising from your business relations that are highly likely to have a negative impact on human rights [C17'A4].*
- d. *Material risks arising from your products and services that are highly likely to have a negative impact on human rights [K17'A4].*

[NAP]

Economy & Human Rights

If you wish to use your Code declaration of conformity to also report (element 4 of due diligence obligations) in accordance with the National Action Plan for Business and Human Rights (NAP), please additionally report on the basis of the following checklist. Questions set in italics are already covered in your responses to the corresponding Code aspects.

1. Human rights policy statement

- State whether your company has its own corporate guidelines for upholding human rights and whether they also encompass the ILO's core labour standards.
- Has the company management approved the policy statement?
- Describe your company's internal and external communication on the topic of human rights.
- *At which level is responsibility for human rights concerns enshrined? (CSR-RUG checklist 1b)*
- Define the reach that your guidelines have. (which sites, including subsidiaries etc.)

2. Procedures for the identification of actual or potential adverse impact on human rights

- *State whether and how your company analyses human rights risks (caused by your business activities, your business relations, your products and services, at its sites, due to political parameters). [C17'A4]*
- Are especially vulnerable groups of people incorporated into the risk assessment?
- What is your company's assessment of the human rights risks and its ability to counter these itself?
- How are human rights risks incorporated into your company's risk management?

3. Measures to review effectiveness / Element: grievance mechanism

- Is there training for employees in the area of human rights?
- State whether and how the upholding of human rights is checked.
- Describe any internal grievance mechanisms and clearly assigned responsibilities within the company or explain how access to external grievance mechanisms is ensured.
- Do whistle-blowing mechanisms also apply to suppliers?

4. Human rights due diligence obligations in the value chain

- Is there a suppliers' code of conduct that comprises the four ILO core labour standards?
- State whether and how a check is performed for human rights risks prior to entering into a business partnership.
- Are suppliers given training on human rights?
- What processes does your company use to guarantee that its suppliers uphold human rights?
- Do you implement measures (jointly with suppliers) in the event of a conflict or do you work with other stakeholders? If so, which ones?
- What redress policies are there? Report on incidents in the reporting period.

[C18]

Corporate citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

[A1] Report on the strategies and concrete measures with which your company contributes to corporate citizenship, in particular by championing social, environmental, cultural and economic issues within municipalities or regions above and beyond its core business and seeking dialogue with individuals, institutions and associations at the municipal and regional levels.

[C18]

MOBILITY
MANAGEMENT

Do you promote a sustainable mobility concept through, for example, mobility budgets, public transport tickets, company bicycles, charging stations and high-quality bicycle parking spaces?

COMMUNITY ENGAGEMENT

Do you get involved in your municipality or community with NGOs, citizenship, voluntary work or similar beyond mobility management?

[C18]

KEY PERFORMANCE INDICATOR

GRI SRS-201-1: Direct economic value generated and distributed

[CSR-RUG]

Social aspects

If you also wish to use your Code declaration to comply with the reporting obligation in accordance with the CSR Directive Implementation Act (CSR-RUG), the checklist below will give you guidance regarding how the Code Office checks it for formal completeness. You can provide the relevant information concerning social matters under this Code criterion. Questions set in italics are already covered in your responses to the corresponding Code aspects.

- 1. Report on the management policy pursued:**
 - a. Goals and planned goal achievement time frames.
 - b. How corporate governance is incorporated into the policy.
 - c. *Strategies and concrete measures for achieving the goals [C18'A1].*
 - d. Internal processes for monitoring implementation of the measures.
- 2. Report on the results of the policy:**
 - a. Whether and to what extent previous goals were achieved.
 - b. Whether and how it is determined that the policy needs modifying and what conclusions are then drawn.
- 3. Report on the risks:**
 - a. How the risks were identified and the material risks were filtered out (due diligence processes).
 - b. Material risks arising from your business activities that are highly likely to have a negative impact on the community environment.
 - c. Material risks arising from your business relations that are highly likely to have a negative impact on the community environment.
 - d. Material risks arising from your products and services that are highly likely to have a negative impact on the community environment.

[C19]

Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

- [A1] State which current legislative procedures are relevant to the company and the form of input given regarding those procedures.
- [A2] Outline whether your company/your industry association exerts political influence and, if so, how. Additionally for donations to political parties, name the parties you have donated to in the past year and the amount of the donation(s).
- [A3] State the criteria used to decide which activity or issue your company supports at a political level.
- [A4] State which politically active organisations your company is a member of.

[C19]

POLITICAL INVOLVEMENT (NATIONAL/INTERNATIONAL)

Are you politically engaged at national/international level through association membership or association work?

POLITICAL ENGAGEMENT (LOCAL/MUNICIPAL)

Do you engage politically at local/municipal level through cooperation with local politics?

[C19]

KEY PERFORMANCE INDICATOR

GRI SRS-415-1: Political donations

[C20]

Conduct that complies with the law & policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

[A1] Report on the strategies, concrete measures, standards, systems and processes in place to prevent unlawful conduct and, in particular, corruption. Give details of how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

[A2] State how implementation of the strategies, measures, standards, systems and processes is verified.

[A3] State who within your company is responsible for the topic of compliance and how management is involved.

[A4] State how managers and staff are made aware of this topic.

[A5] State whether previous goals were achieved and, if so, to what extent, and disclose any goals which were not achieved and why.

[A6] Report on the material risks arising from your business activities, your business relations and your products and/or services that are likely to have a negative impact on conduct that complies with the law and policy.

[CSR-RUG]

Combating corruption & bribery

If you also wish to use your Code declaration to comply with the reporting obligation in accordance with the CSR Directive Implementation Act (CSR-RUG), the checklist below will give you guidance regarding how the Code Office checks it for formal completeness. You can provide the relevant information concerning preventing corruption and bribery under Code criteria 19 and 20. Questions set in italics are already covered in your responses to the corresponding Code aspects.

1. Report on the management policy pursued:

- Goals and planned goal achievement time frames.
- How corporate governance is incorporated into the policy [C20'A3].*
- Strategies and concrete measures for achieving the goals [C20'A1].*
- Internal processes for monitoring implementation of the measures [C20'A2].*

2. Report on the results of the policy:

- Whether and to what extent previous goals were achieved [C20'A4].*
- Whether and how it is determined that the policy needs modifying and what conclusions are then drawn.

3. Report on the risks:

- How the risks were identified and the material risks were filtered out (due diligence processes).
- Material risks arising from your business activities that are highly likely to have a negative impact on conduct that complies with the law and policy [C20'A6].*
- Material risks arising from your business relations that are highly likely to have a negative impact on conduct that complies with the law and policy [C20'A6].*
- Material risks arising from your products and services that are highly likely to have a negative impact on conduct that complies with the law and policy [C20'A6].*

[C20]

USE FOR COMPANY-SPECIFIC COMPLIANCE

Do you conduct company-specific policy & compliance training in your own company and with suppliers?

USE FOR INDUSTRY-SPECIFIC COMPLIANCE

Do you conduct industry-specific policy & compliance training at suppliers?

[C20]

KEY PERFORMANCE INDICATORS

GRI SRS-205-1: Operations assessed for risks related to corruption

GRI SRS-205-3: Incidents of corruption

GRI SRS-419-1: Non-compliance with laws and regulations



CHECK-LIST AS SHORT-LIST

THE STRATEGIC FRAME

[C1] Strategic analysis & measures

- [A1] Sustainability strategy
- [A2] Central fields of action
- [A3] Relevant standards/objectives in terms of sustainability

[C2] Materiality

- [A1] Environmental, socio-economic and political specifics
- [A2] Materialsustainabilityissues that are influenced by your business activities
- [A3] Materialsustainabilityissues that influence your business activities
- [A4] Opportunities and risks from dealing with sustainability issues

[C3] Objectives

- [A1] Medium- and long-term objectives
- [A2] Prioritisation of objectives
- [A3] Control of sustainability objectives
- [A4] Relation to SDGs

VALUE & SUPPLY CHAIN

[C4] Depth of the value chain

- [A1] Stages in the value chain
- [A2] Sustainability aspects in the various stages
- [A3] Social and ecological problems in the individual stages
- [A4] Inclusion of suppliers and business partners

COMPETENCIES, PROCESSES & REVIEWING

[C5] Responsibility

- [A1] Responsibility at operational and management level

[C6] Rules & Processes

- [A1] Integration into everyday business

[C7] Control

- [A1] Key performance indicators for guiding and controlling sustainability goals
- [A2] Reliability, comparability and consistency

KEY PERFORMANCE INDICATORS FOR C5—C7

- **GRI SRS-102-16:** Values, principles, standards, and norms of behaviour of the organisation

ENGAGING & MOTIVATING PARTICIPANTS

[C8] Incentives Schemes

- [A1] Incentives
- [A2] Control bodies
- [A3] Integration of sustainability goals in top management evaluation

KEY PERFORMANCE INDICATORS FOR C8

- **GRI SRS-102-35:** Remuneration policies
- **GRI SRS-102-38:** Annual total compensation ratio

[C9] Stakeholder engagement

- [A1] Stakeholder identification methods
- [A2] Stakeholder groups
- [A3] Stakeholder dialogue

KEY PERFORMANCE INDICATORS FOR C9

- **GRI SRS-102-44:** Key topics and concerns raised

[C10] Innovation & product management

- [A1] Impact on social/environmental sustainability of products and services
- [A2] Innovation for more sustainability
- [A3] Potential impact of innovation processes

KEY PERFORMANCE INDICATORS FOR C10

- **G4-FS11:** Percentage of assets subject to positive and negative environmental or social screening. (Note: This indicator is also to be reported when reporting according to GRI SRS)

NATURAL RESOURCES & EMISSIONS: USE, MANAGE & MEASURE

[C11] Use of natural resources

- [A1] Qualitative description of the company's use of resources
- [A2] Quantitative resource utilisation of your company with the corresponding units

[C12] Resource management

- [A1] Targets and planned time of target achievement for resource efficiency and ecological aspects
- [A2] Strategies and measures
- [A3] Already achieved/not achieved objectives
- [A4] Risks with possible negative impacts on ecosystems

KEY PERFORMANCE INDICATORS FOR C11—12

- **GRI SRS-301-1:** Materials used by weight or volume
- **GRI SRS-302-1:** Energy consumption within the organisation
- **GRI SRS-302-4:** Reduction of energy consumption
- **GRI SRS-303-3 (2018):** Water withdrawal
- **GRI SRS-306-3 (2020):** Waste generated

[C13] Climate-relevant emissions

- [A1] Main sources of emission and challenges
- [A2] Objectives and planned time of achievement
- [A3] Strategies and concrete measures
- [A4] Already achieved/not achieved objectives
- [A5] Reference values for the calculations

KEY PERFORMANCE INDICATORS FOR C13

- **GRI SRS-305-1:** Direct GHG emissions (Scope 1)
- **GRI SRS-305-2:** Energy indirect GHG emissions (Scope 2)
- **GRI SRS-305-3:** Other indirect GHG emissions (Scope 3)
- **GRI SRS-305-5:** Reduction of GHG emissions

EMPLOYEES: THE ESSENTIAL PART OF YOUR BUSINESS

[C14] Employee rights

- [A1] Targets and planned time of achievement for compliance with employee rights
- [A2] Strategies and concrete measures to respect workers' rights
- [A3] Involvement of employees in sustainability management
- [A4] International and German standards abroad
- [A5] Significant risks to employee rights in your business activities

[C15] Equal opportunities

- [A1] Objectives and planned time of achievement for equity and diversity
- [A2] Strategies and concrete measures for equal opportunities
- [A3] Already achieved/not achieved objectives

[C16] Qualifications

- [A1] Objectives and planned time of achievement for the promotion of employability
- [A2] Strategies and concrete measures for promoting the employability of all employees
- [A3] Already achieved/not achieved objectives
- [A4] Risks with likely negative effects on qualification

PERFORMANCE INDICATORS FOR C14—16

- **GRI SRS-403-4 (2018):** Worker participation on occupational health and safety
- **GRI SRS-403-9 (a+b) (2018):** Work-related injuries
- **GRI SRS-403-10 (a+b) (2018):** Work-related ill health
- **GRI SRS-404-1:** Average hours for training per year and employee
- **GRI SRS-405-1:** Diversity in control bodies and among employees
- **GRI SRS-406-1:** Incidents of discrimination and remedial measures taken

SOCIETY & POLITICS

[C17] Human rights

- [A1] Objectives and planned time of target achievement
- [A2] Strategies and concrete measures
- [A3] Already achieved/not achieved objectives
- [A4] Risks for likely negative impacts on human rights

PERFORMANCE INDICATORS FOR C17

- **GRI SRS-412-1:** Operations subject to human rights reviews
- **GRI SRS-412-3:** Investment agreements subject to human rights screenings
- **GRI SRS-414-1:** New suppliers subject to social screening
- **GRI SRS-414-2:** Social impacts in the supply chain

[C18] Corporate Citizenship

- [A1] Concrete measures, contribution of the company to the community

[C19] Political influence

- [A1] Relevant, current legislative procedures
- [A2] Exercising political influence
- [A3] Criteria for political commitment
- [A4] Membership of political organisations

KEY PERFORMANCE INDICATOR FOR C18 & C19

- **GRI SRS-201-1:** Direct economic value generated and distributed
- **GRI SRS-415-1:** Political contributions

[C20] Conduct in compliance with law & directives

- [A1] Systems and processes to prevent unlawful conduct
- [A2] Implementation of strategies, measures, standards, systems and processes reviewed
- [A3] Responsibility, compliance and involvement of the management
- [A4] Raising awareness among managers and employees
- [A5] Already achieved/not achieved objectives
- [A6] Risks of negative effects on the fight against corruption and bribery

KEY PERFORMANCE INDICATORS FOR C20

- **GRI SRS-205-1:** Operations assessed for risks related to corruption
- **GRI SRS-205-3:** Incidents of corruption
- **GRI SRS-419-1:** Non-compliance with laws and regulations



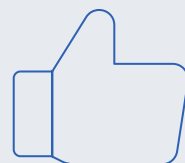
In the short list you can simply tick off the items you have worked on and see at a glance what still needs to be done. You need more space for notes? ZIV also provides you with a printable overview with enough space for all your thoughts and notes.

CLOSING REMARKS

During the development of the guide, common themes repeatedly arose, representing industry-wide challenges that need to be tackled together — recycling, packaging and more diversity were mentioned as examples. The guide is our start for more awareness, for more sustainability in the cycling industry and our support for companies that want to start reporting. A good start, with many more steps to follow. As cycling industry associations, we will therefore continue to exchange views on sustainability issues in the industry and, where necessary, take the initiative together.

This guide was developed in consultation with the German Council for Sustainable Development (RNE) and is based on the exchange with numerous experts from the sector. The content of the guide was created in various feedback rounds and workshops. It is a product of many minds and shows that the sector is tackling its goals together. Let us use this momentum to make our sector, its products and services more sustainable. We, the cycling industry associations, are happy to support you.

We would especially like to thank the companies from the cycling industry who actively participated in the development process of the guide, and who were available for interviews and sharing their expert knowledge. We would also like to thank the German Council for Sustainable Development for their support and advice. Finally, we would like to thank the agency sustainable natives, which supported us with a lot of commitment, patience and enthusiasm in the implementation of the content and graphics of the guide.



GLOSSARY

[**LkSG**: Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz)]
[**CSRD**: Corporate Sustainability Reporting Directive] [**CSR RUG**: CSR-Directive Implementation Act] [**DNK**: German Sustainability Code] [**EFFAS**: European Federation of Financial Analysts Societies] [**EU-Taxonomy**: The EU taxonomy creates binding definitions of what counts as sustainable business.] [**GRI SRS**: The Global Reporting Initiative] [**NAP**: National Action Plan]

LINKS

[**DNK-Website**: deutscher-nachhaltigkeitskodex.de] [**DNK general guidelines**: deutscher-nachhaltigkeitskodex.de/en-gb/Documents/PDFs/Sustainability-Code/The_Sustainability_Code_Guideline_for_SMEs.aspx] [**DNK data base with all published DNK declarations**: deutscher-nachhaltigkeitskodex.de/en-gb/Home/Database] [**SDG-Website**: unric.org/en/sdgs-sustainable-development-goals-un-visuals/] [**Supply chain due diligence act - Information on the BMZ website**: bzmz.de/en/issues/supply-chains] [**GRI-Standards**: globalreporting.org/how-to-use-the-gri-standards/gri-standards-german-translations/#] [**Information about CSRD**: csr-in-deutschland.de/EN/CSR/CSR-national/CSR-Policies-in-Germany/csr-policies-in-germany.html] [**Information about CSR-RUG**: deutscher-nachhaltigkeitskodex.de/en-gb/Home/Berichtspflichten/CSR-RUG] [**Cycling Industry Sustainable Packaging Pledge**: conebi.eu/wp-content/uploads/2022/03/cycling_industry_sustainable_packaging_commitment_letter_2.1_conebie.pdf]

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