



## **Code of Conduct**

This Code of Conduct is binding for all covered persons of the KSports GmbH (hereinafter named 'KSports'). This involves all sub-contractors, pre-suppliers and applies regardless of the contractual basis of employment, explicitly including contract workers. The code sets a framework of certain nonnegotiable minimum standards of behavior in key areas all employees commit to. For this, we define criteria for respected, healthy, safe and fair working conditions and environmental responsibility throughout our textile supply chain.

### ***Compliance with the Law***

All employees of the company are required to comply with all relevant and applicable laws, regulations and rules. This compliance has the highest priority and must never be compromised.

### ***Human and Labor Rights***

We respect internationally recognized human rights and support their observance. This includes a ban of any kind of child, forced, bonded, servitude or indentured labor. The right of collective bargaining and social partnerships is also respected as the freedom of association. We respect and implement the fundamental human right of non-discrimination. Fair compensation, equal pay for women and men for work of equal value, continued pay in case of illness and also paid leave, maternity protection and adequate working hours.

These requirements presuppose, that all employees are provided with written and understandable information about their human and labor rights.

### ***Wages and benefits***

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income. Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay periods.



## ***Occupational Health and Safety***

Compliance with all legislation to protect humans and the environment is of highest priority. All employees must be treated with dignity and respect. Sanctions and other penalties may only be carried out in accordance with applicable, national and international standards of Human Rights. Physical abuse, threats of physical abuse, disciplinary measures or unusual punishment, sexual and other harassment and intimidation by the employee are strictly forbidden.

A hygienic and safe working place must be provided, and best occupational health and safety practice shall be promoted. Effective regulations shall be implemented to prevent accidents and minimize health risks as much as possible. Employees has to be trained regular to ensure safe and hygienic working conditions.

Furthermore, we ask our employees to deal responsibly with natural resources and to protect the environment within the given work scope as well as in the private sphere. For that we support education and training for ecological behavior act.

## ***Grievance mechanism***

We have established a grievance mechanism that must be equally accessible to all parties affected by the company's activities. We oblige our suppliers to provide appropriate information to all workers. A fair, accessible grievance mechanism requires that all employees are informed in writing and in a comprehensible manner about this possibility to complain.

A grievance can be defined as any concern, unhappiness or discontent that arises in the workspace. This may refer to: *Infrastructure; Personal relations; Contractual rights; Human and labor rights* and *Customary rights*. In the event of any harm or damage resulting from KSports' business practices, we ask that our business partners notify us immediately so that we can provide appropriate remediation and compensation.

## ***Subcontracting***

Subcontracting is only permitted with prior written permission by KSports.

Any transfer of cut-make-trim (CMT) or sewing work will be concerned as subcontracting. Detailed information on these suppliers need to be provided on request. By this it shall be made sure that all factories involved in the manufacturing process respect the social requirements of the KSports.



### ***Ban of cotton from Xinjiang and Uzbekistan***

We are committed to eliminating any risk of child, forced, bonded, servitude or indentured labor within our supply chain and require the same from our business partners. As cotton from Uzbekistan and Xinjiang might be associated with forced labor conditions, we ask our suppliers and business partners not to source cotton and cotton products from these regions.

### ***Fair Competition***

Agreements and concerted practices between competitors are prohibited if their objective or effect is to prevent or restrict competition.

### ***Corruption***

Corruption, embezzlement, extortion or antitrust violations will not be tolerated. We prohibit our employees from engaging in any form of bribery. While dealing with business partners, they must never demand or accept anything of value, which could be understood as an attempt to influence business activities.

### ***Animal Welfare***

We do not expect any employee to choose a vegan lifestyle, but we demand a considerate approach to all living beings- therefore all employees are encouraged and required to respect animal welfare.

### ***Conflict of Interest***

We expect all employees to be honest and loyal to the company and to act responsibly in the spirit of integrity. Own personal demands should not in any way influence the professional task. When differences or conflicts in standards arise, employees are expected to comply with the highest standard that is in the most in favor of the employees.

### ***Privacy and Data Protection***

KSports declares to fully respect and protect the privacy of its employees, consumers and stakeholders. All personal data collected and held by the company will be processed fairly, transparently, carefully and in compliance with the locally applicable data privacy laws. Confidential employee, consumer or stakeholder information shall not be disclosed to anyone outside the company without proper authorization or unless required by law.



### **Commitment and Zero tolerance issue**

The commitment to our Code of Conduct is a pre-condition for any business relationship. Major breaches of this code will lead to immediate follow-up and in severe cases to termination of business relations. Additionally we define following 'zero tolerance issues'.

#### **Zero tolerance issues**

##### ***Child Labor***

Workers who are younger than 15 years old.

Workers younger than 18 who are subjected to the worst forms of child labor (prostitution, pornography, forced labor and illegal activities).

##### ***Bonded Labor and inhumane treatment***

Not allowing workers to leave the workplace against their will, including when they are forced to work overtime against their will.

Use of violence or the threat of violence to intimidate workers to force them to work.

Inhumane or degrading treatment, corporal punishment (including sexual violence), mental or physical coercion and/or verbal abuse.

##### ***Occupational Health and Safety***

Occupational health and safety violations that pose an imminent and significant threat to workers' health, safety and/or lives.

##### ***Unethical behaviour***

Attempted bribery of auditors.

Intentional misrepresentation in the supply chain (e.g. hiding production sites, violating any elements of this code or fake certifications)

#### **Contact us:**

If anyone is violating any elements of this Code of Conduct, we would like to know it urgently. Please bring these issues to our attention by contacting us via email or phone. All information we receive will be kept in strict confidence and your identity protected.



1.12.21

Signature of the person responsible/ date

KSports GmbH/ Ostermoorweg 16/ 25474 Bönningstedt/ Germany

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Trade ID: DE204894207\_HRB 4886 PI  
Managing Director: Thomas Köhler





## ***Additional explanation of the Code of Conduct in relation to the Grievance Mechanism***

### ***Extract from the Code of Conduct:***

"We have established a grievance mechanism that must be equally accessible to all parties affected by the company's activities. We oblige our suppliers to provide appropriate information to all workers. A fair, accessible grievance mechanism requires that all employees are informed in writing and in a comprehensible manner about this possibility to complain.

A grievance can be defined as any concern, unhappiness or discontent that arises in the workspace. This may refer to: *Infrastructure; Personal relations; Contractual rights; Human and labor rights and Customary rights*. In the event of any harm or damage resulting from KSports' business practices, we ask that our business partners notify us immediately so that we can provide appropriate remediation and compensation."

**We are currently revising our complaints mechanism. We will inform all parties as soon as it is implemented. Until then, please use the previous option to submit complaints.**

Signature of the person responsible/ date

 , 1.12.21

KSports GmbH/ Ostermoorweg 16/ 25474 Bönningstedt/ Germany

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