



# SUSTAINABILITY REPORT 2024







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## TAKING RESPONSIBILITY. FOR TODAY AND TOMORROW.

Sustainability is not a goal that we will achieve at some point - it is an obligation that we take on every day. The Schöffel Group has a long tradition: since 1804, we have been developing clothing that enables people to experience nature in their own special way. But this tradition goes hand in hand with an even greater responsibility - towards the people who make our products and towards the environment that we must protect.

For me, this is more than just a task. It is part of our generational mission. I grew up with the conviction that we can only be successful in the long term if we act sustainably - socially, ecologically and economically. That is why we as a company are consistently committed to fair working conditions. We work closely with our production partners, the Fair Wear Foundation, NGOs and our own local experts. Through regular audits, training courses and personal visits, we ensure that our standards not only exist on paper, but are practiced in everyday working life.

But that is not enough. We know that we have to keep on learning. Responsibility means asking questions, addressing grievances and continuously improving. In this Sustainability Report we openly show where we stand - and where we still want to go. Because for us, sustainability is not just an aspiration, but an ongoing process.

I am proud to continue on this path together with our team and partners. Thank you for your trust - and for accompanying us on this journey.

For responsibility that remains.

A handwritten signature in black ink, appearing to read 'Jakob Schöffel'.

Yours sincerely  
Jakob Schöffel



# SCHÖFFEL GROUP FACTS

1804

Founding of the family business by the Schwabmünchen stocking trader Georg Schöffel. He established a mobile trade with knitted stockings, nightcaps, and Swabian pointed caps.



224

Employees at the Schwabmünchen site in the traditional textile region of Augsburg.



The Schöffel brand has been offering functional, high-quality ski, bike, and outdoor clothing for more than 50 years. The corporate customer segments PRO and TEC provide customized clothing solutions for industry, service providers, and authorities.

41

Schöffel-LOWA  
Stores



Corporate form today:  
Schoeffel Sportbekleidung GmbH  
Executive partner:  
Peter Schöffel, since Feb 2025 Jakob Schöffel  
CEO SPORT:  
Stefan Merkt until 16 May 2025  
CEO PRO:  
Thomas Bräutigam

2009 –  
2024

Official supplier to the Austria Ski Team with race and leisurewear

Since  
2018 / 2019

Official supplier to the ski cross, mogul and aerial athletes of Swiss-Ski



1.5

Millions of parts produced in 2024 (SPORT, TEC & PRO)

Production volume:  
Europe 9 %  
Asia 76 %  
Africa 15 %



Sales in 21 countries (Europe & Asia)

Corporate Responsibility Commitment:  
Member of the Fair Wear Foundation since 2011; bluesign® system partner; Member of the Textile Alliance; 50 % CO<sub>2</sub> reduction by 2030



In-house tailoring:  
Production of prototypes and repair service for customers

5,959  
repairs and alterations 2024

44%

export sales





# SCHÖFFEL GROUP: QUALITY AND PASSION IN HARMONY WITH NATURE

The Schöffel Group, based in Schwabmünchen, Bavaria, is one of the leading companies for outdoor, ski and bike clothing as well as premium workwear in German-speaking countries. The name Schöffel has stood for quality, reliability and innovation for more than 200 years. Founded in 1804, it is the oldest outdoor clothing company in the world. Since February 2025, the Schöffel Group is managed by the eighth generation of Jakob Schöffel as managing partner and has been divided into the Schöffel SPORT, TEC and PRO segments since 2022. Schöffel SPORT, which focuses on the outdoor market, was previously managed by Stefan Merkt. Following his departure, Jakob Schöffel has assumed the role of interim CEO. With the claim Ich bin raus., the brand emphasises its claim as a high-quality outfitter for outdoor adventures and nature lovers looking for reliable premium clothing.

Schöffel TEC focuses on textile equipment for government agencies and BMW motorbikes and is managed by Nicole Prell as authorised signatory. Schöffel PRO is managed by Thomas Bräutigam and rethinks workwear: Born in nature. Created for work. The aim is to make workwear more functional and individualised and to equip companies with corporate and workwear across the board - from the office to the construction site.

**Unless otherwise stated, the term Schöffel in our sustainability report encompasses all three business segments.**





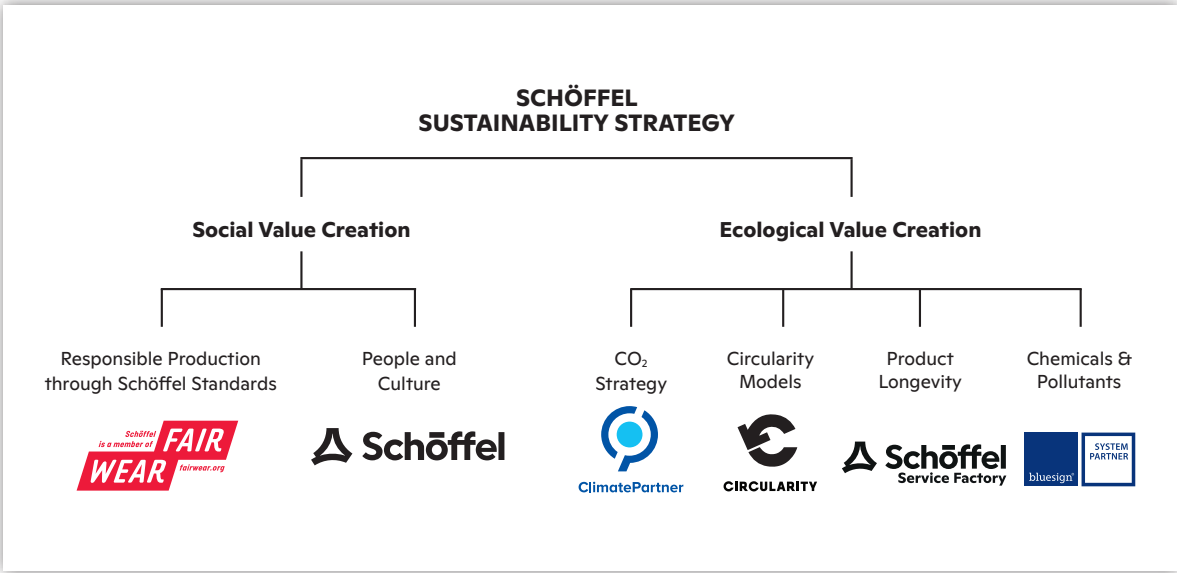
# SUSTAINABILITY IS NOT A HOBBY, IT IS A WAY OF LIFE AND A MATTER OF ATTITUDE

One thing Schöffel always keeps in focus is the people and their environment. This is also the foundation of the Corporate Responsibility (CR) strategy. It involves continuously questioning the impacts of our actions in every area and asking ourselves: Where can we make the difference? And even though Schöffel, as a medium-sized family business, often encounters limits, we are always striving to expand these limits in favor of people and nature. Therefore, Schöffel consciously focuses on two essential areas: social and ecological value creation.

At the social part, Schöffel aims to achieve responsible production of textiles in manufacturing facilities and strives for the continuous promotion and development of a sustainable corporate culture and community at its own company site.

- At the ecological part, four priorities have been chosen again:
1. Reducing our own CO<sub>2</sub> emissions by 50 % until 2030
  2. Promoting the circular economy through circularity models
  3. Durable products through high quality and our in-house Service Factory
  4. Proactive chemical and pollutant management

Schöffel pursues the mission of enabling people to have many unique and touching outdoor experiences. This includes acting sustainable and social.





# HUMAN RIGHTS DUE DILIGENCE IN PRODUCTION

**Social responsibility for Schöffel means fulfilling its due diligence obligations as effectively as possible. In this regard, Schöffel follows the due diligence cycle of the Organisation for Economic Co-operation and Development (OECD).**

**The due diligence process at Schöffel consists of five core elements.**

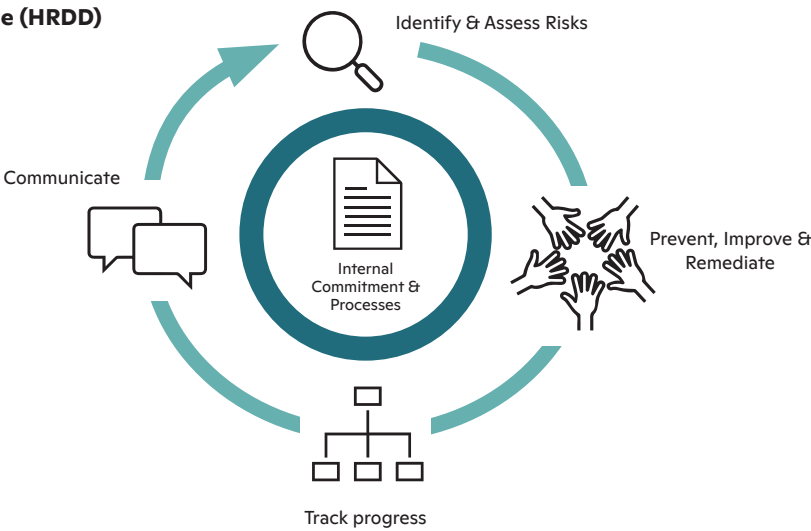
- 1. At the centre, there is the establishment of responsible business practices within a so-called Responsible Business Conduct (RBC) Policy. In this policy, Schöffel describes its commitment to human rights due diligence and compliance with international standards and explains the implementation within the company. Expectations regarding the compliance with social standards are also set for production partners. This RBC Policy is available [here](#).
- 2. As part of a comprehensive risk analysis, including country studies and stakeholder information, Schöffel regularly identifies potential risks. The focus is on industry risks in the textile and apparel industry in the sourcing countries. Potential risks arising from Schöffel's business and procurement model are also recorded. Additionally, Schöffel identifies factory-specific risks and negative impacts on human rights, based on the results of third-party audits, factory visits by Schöffel employees, and dialogue with producers. Received complaints and further stakeholder information are also considered.

- 3. In a factory-level risk assessment, the identified potential, general, and factory-specific risks, along with actual negative impacts, are systematically integrated and analysed. Based on this assessment, customised improvement and prevention measures are developed. In 2024, these programmes were further advanced and adapted to the specific circumstances and requirements of the respective production facilities.
- 4. The aforementioned measures and activities are monitored and regularly reviewed by Schöffel employees or with the help of external partners. This includes, for instance, frequent meetings, document review, factory visits and external audits / assessments.
- 5. In this report, Schöffel publicly reports on existing risks and possible negative impacts on human rights, as well as progress towards their minimization on an annual base. This has been a fixed part of Schöffel's communication for years.

Further information about Schöffel's sustainability efforts can also be found [here](#) for Schöffel SPORT and TEC and [here](#) for Schöffel PRO.

## Human Rights Due Diligence (HRDD)

Source: Adapted from FW HRDD Policy based on OECD due diligence cycle





# SCHÖFFEL

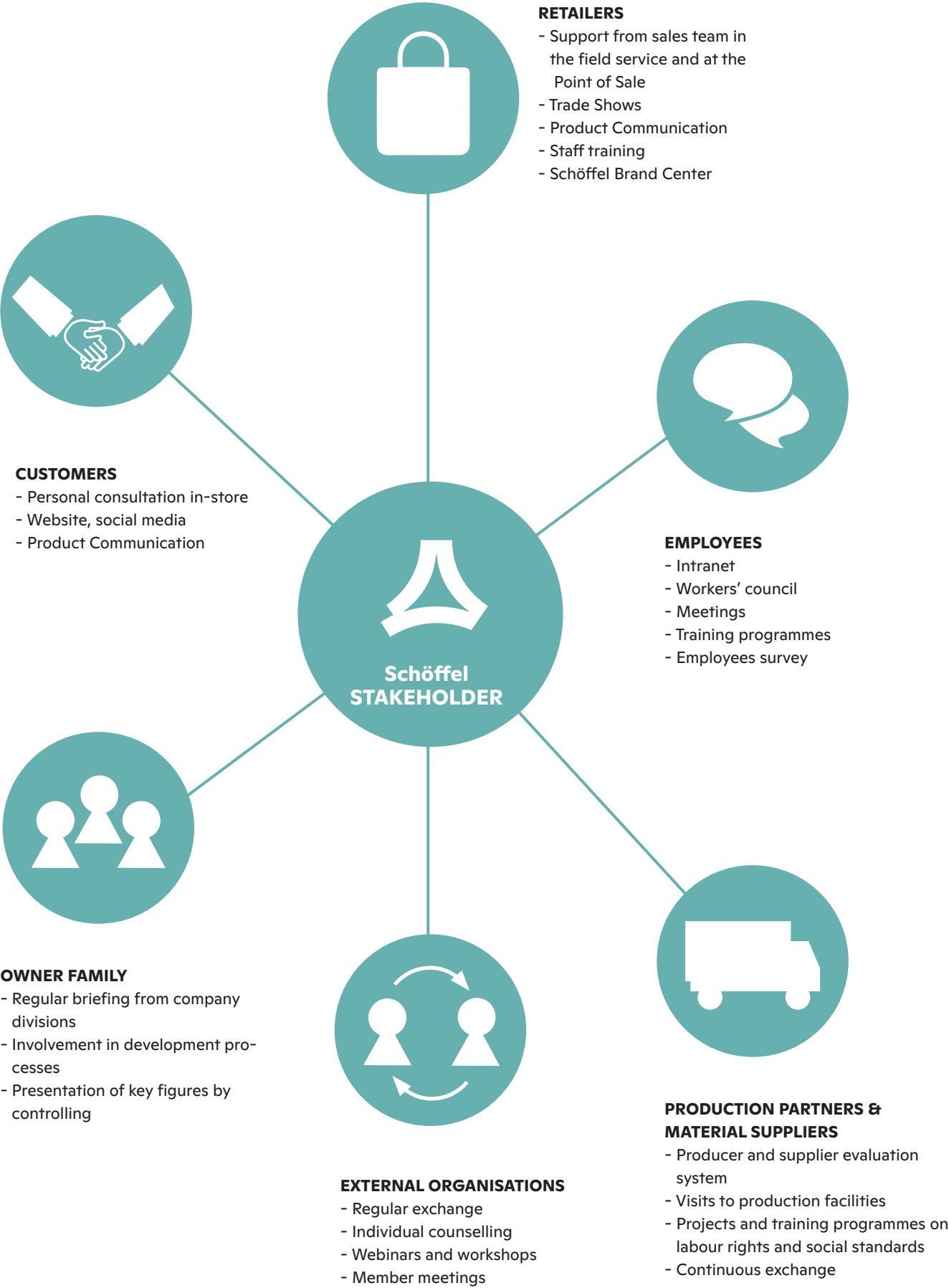
## STAKEHOLDER DIALOGUE

**Sustainability means dialogue and continuous exchange for new ideas. Only through dialogue with direct stakeholders, the Schöffel Group can act responsibly and thus sustainably in its business practices.**

Schöffel's stakeholders are people and groups that are directly connected with the company. This includes the Schöffel family and employees as well as production partners and material suppliers, along with external organizations such as Fair Wear, the Partnership for Sustainable Textiles, MADE (Multistakeholder Alliance for Decent Employment) in Myanmar, EuroCham Myanmar, the BSI (Federal Association of the German Sporting Goods Industry e.V.), bluesign®, or ClimatePartner, with whom Schöffel maintains direct cooperation.

Schöffel uses various communication channels to engage with its stakeholders, whether to inform them or to receive feedback on its own actions. Primarily in this process, the company seeks personal dialogue and counseling and support. Schöffel complements this communication with digital media and product information.

Moreover, Schöffel reports extensively in its annually published Sustainability Report on its activities and progress in the area of sustainability to its indirect stakeholders - the society, non-governmental organizations (NGOs), and also to policymakers. Only by involving all interest groups, Schöffel can continue to evolve and be successful in the long term. What matters is the conversation.



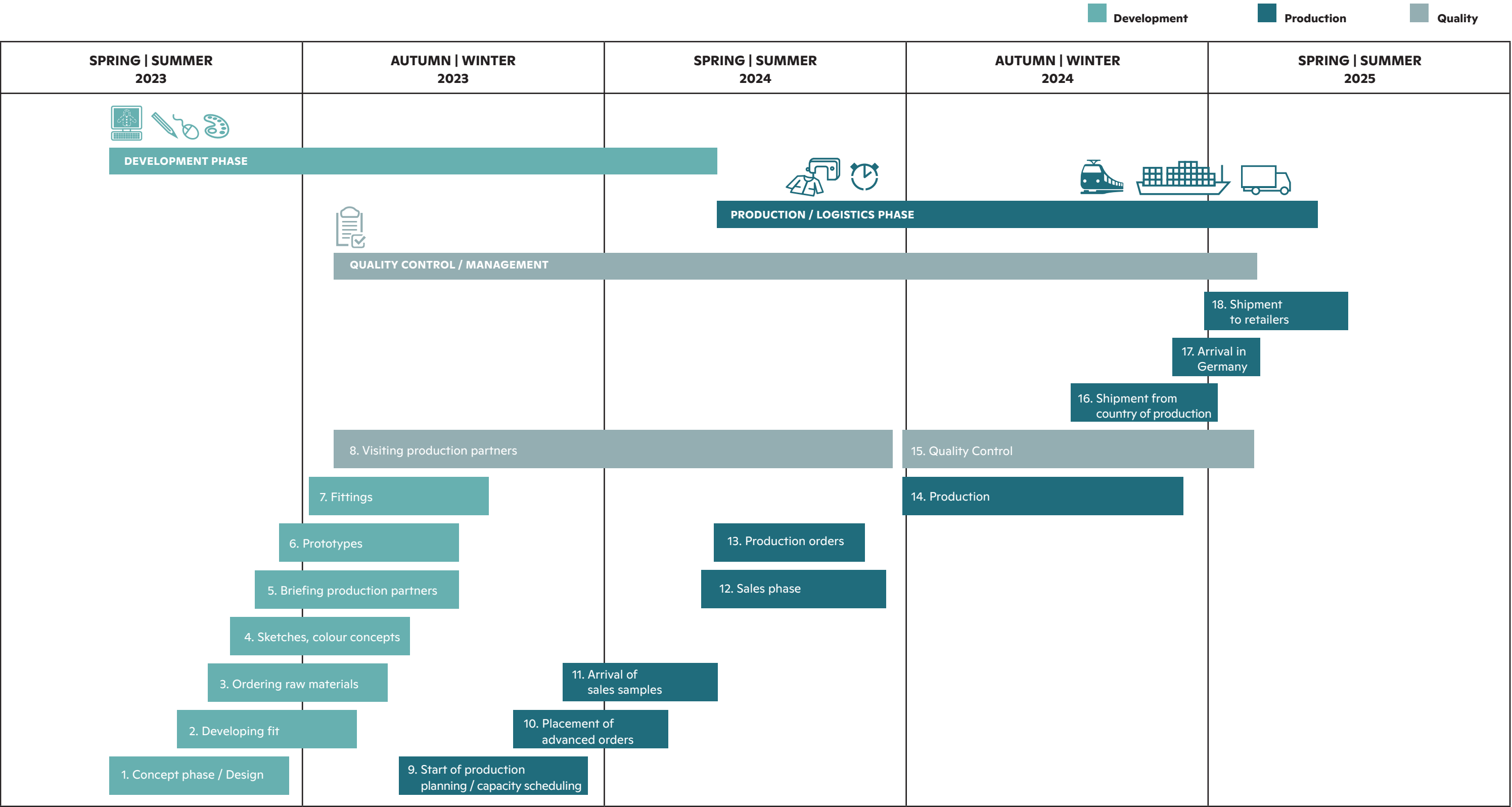


# PRODUCTION CYCLE

## SUMMER COLLECTION 2025

The development and production of functional outdoor, ski, and bike clothing is lengthy and complex. By the time the finished products reach specialty retailers, two years of intensive work have been completed by designers, developers, producers, the sales team, and the retailers.

The production process for Schöffel PRO and Schöffel TEC products is similar, but not tied to a seasonal collection.

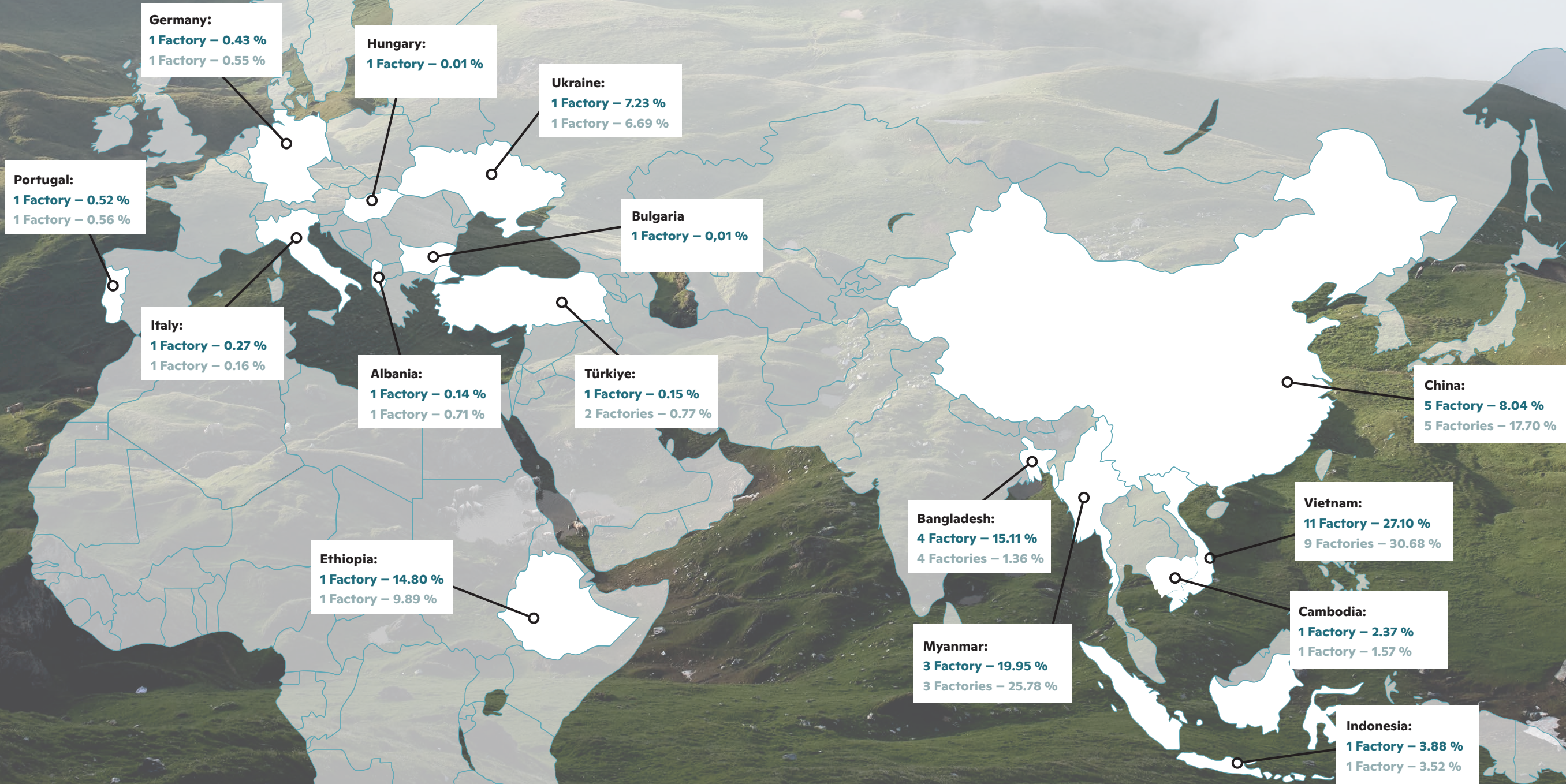




# Production Countries

Schöffel does not have own production facilities, but works with production partners in the following countries.

- PRODUCTION VOLUME 2024
- PRODUCTION VOLUME 2023





PRODUCTION PARTNERS 2024

Continent	Factory Name	Factory Location	Collaboration Since	Last Audit / Assessment*	CAP Status	Last Training*
Europe	Walter Stöhr GmbH	Germany	1998	n.a.	n.a.	n.a.
	Silsa Confeccções, S.A.	Portugal	2016	n.a.	n.a.	n.a.
	Stamperia Alicese S.R.L	Italy	2008	Dec 21	completed	n.a.
	PJSC Chernihiv Clothes Factory (Elegant)	Ukraine	2022	Apr 23	completed	n.a.
	Body Fashion (Magyarország) Kft.	Hungary	2024	n.a.	n.a.	n.a.
	Gerys Consult LTD	Bulgaria	2024	n.a.	n.a.	n.a.
	Albaconf shpk	Albania	2021	Nov 21	closed	n.a.
	Teks Team	Türkiye	2015**	Sep 24	partially open	Sep 23
Asia	Weijie Garment Co. Ltd. / ASI headwear (Shanghai)	China	2016	Dec 21	completed	Jul 21
	Nordsun Outdoor Products Co. Ltd.	China	2015	Nov 23	almost completed	Nov 24
	ChaoHu Youniya Garments Co., Ltd.	China	2018	Mar 23	closed	Oct 20
	Shicheng Hairun Garments Co., Ltd	China	2020**	Sep 20	completed	Dec 21
	Silk Trend Garments Co. Ltd. (Ningbo)	China	2014	Dec 23	almost completed	Aug 23
	Magictex Co. Ltd.	Vietnam	2017	Nov 22	almost completed	Nov 20
	PS Vina	Vietnam	2007	Mar 23	completed	Dec 19
	Poong Shin Vina	Vietnam	2007**	Apr 19	completed	Dec 22
	Kido Vinh	Vietnam	2012	Mar 22	completed	Oct 22
	Shints TM Co. Ltd. (Quoc Khan)	Vietnam	2012	Jun 22	almost completed	Feb 23
	Shints-BVT Co. Ltd.	Vietnam	2007	Oct 20	almost completed	Feb 23
	Spectre Garment Technologies Co. Ltd.	Vietnam	2016	Oct 22	almost completed	Jun 20
	Spectre Garment Technologies Vietnam - Thai Binh	Vietnam	2022	Aug 22	almost completed	Feb 23
	Gateco 20 Factroy 20C	Vietnam	2017	Aug 23	closed	n.a.
	YP Long An Co., LTD.	Vietnam	2023	Jun 23	almost completed	n.a.
	Seidensticker Vietnam Ltd. (Hai Duong Branch)	Vietnam	2023	n.a.	n.a.	n.a.
	North Shore Group Co. Ltd (NSGII)	Myanmar	2017	Mar 23	closed	Nov 23
	Ceres Enterprises Ltd (NSGI)	Myanmar	2017	Jul 23	closed	Jul 23
	Kido Yangon Co. Ltd.	Myanmar	2018	Jan 24	completed	Nov 24
	Sheico (Phnom Penh) Co., Ltd.	Cambodia	2019	Sep 23	almost completed	Jan 20
	PT Anggun Kreasi Garmen	Indonesia	2020	Mar 23	almost completed	n.a.
	PT. Metro Garmin	Indonesia	2024	Jan 24	almost completed	n.a.
	4A Yarn Dyeing Ltd.	Bangladesh	2023	Sep 24	almost completed	May 24
	Interstoff Apparels Ltd.	Bangladesh	2023	May 23	completed	Feb 24
	Eslite Garments Bangladesh Co., Ltd.	Bangladesh	2023	Dec 23	almost completed	Dec 24
	Kido BD Co, Ltd	Bangladesh	2023	Aug 23	partially open	Dec 24
Africa	Shints ETP Garment P.L.C.	Ethiopia	2015	Jun 23	partially open	Aug 24

\* (Co-)Organised by Schöffel or part of a programme that Schöffel supports through its membership  
\*\* With interruptions

In addition, Schöffel PRO sources products from Stanley and Stella S.A., an external producer. The products are manufactured in Bangladesh. Stanley and Stella S.A. is a Fair Wear member and achieved the Fair Wear Leader Status in 2024.







# OVERVIEW OF SUPPORT PROCESS FACTORIES

The manufacturing of a garment does not always take place entirely in the same facility. Often, supportive activities such as printing or embroidering are outsourced to specialised facilities. The following factories are, in turn, partners of our production partners.

Continent	Factory Name	Factory Location	Production process
Asia	PT Ungaran Printing Apparel	Indonesia	Printing
	SONG CHI CO., Ltd.	Cambodia	Embroidering
	Banner Print Factory	Myanmar	Printing
	Brighten Glory Myanmar Co. Ltd.	Myanmar	Embroidering
	King Hsing Printing Co. Ltd.	Vietnam	Printing
	Lien Hsing Co. Ltd.	Vietnam	Embroidering
	Shih Yo International Co. Ltd.	Vietnam	Printing
	HQ Printing Co. Ltd.	Vietnam	Printing
	J&B VIET NAM HI-TECH COMPANY Ltd.	Vietnam	Printing
	Ecogreen -Do Luong Branch Co. Ltd.	Vietnam	Printing and Embroidering
	Alif Embroidery village Ltd & Lam Mim Associates Ltd	Bangladesh	Printing
	Speed Colour Ltd.	Bangladesh	Printing
	Ultra Embroidery Ltd.	Bangladesh	Embroidering
	South East Textiles (Pvt) Ltd.	Bangladesh	Embroidering
	Dong Tam Print Joint Stock Company	Vietnam	Printing
	Yangon Print Company Ltd.	Myanmar	Printing
Europe	Bac Ha Embroidery Company Ltd.	Vietnam	Embroidering
	Stickerei Noch GbR	Germany	Embroidering
	Spectre Latvia Kalnciems	Latvia	Quality Control and Packaging
	Pereira e Filhos – Bordados, Lda.	Portugal	Embroidering
	Deepcolors, Lda.	Portugal	Printing





## RESPONSIBLE SOURCING

**Responsible sourcing is the foundation for successful implementation of environmental and social standards along the supply chain. Schöffel collaborates with production partners who manufacture high-quality products. Through its various business models, including seasonal business in Schöffel SPORT, tender business in Schöffel TEC, and specialized business at Schöffel PRO, as well as partnerships with licensees, Schöffel employs diverse sourcing models, however, under the umbrella of a joint sourcing strategy.**

Schöffel's product range encompasses a wide range of garments from waterproof and insulating jackets via fleece styles, lightweight midlayers and pants, to functional baselayers and accessories with different requirements in the business divisions of SPORT, TEC and PRO. While labour and safety standards are consistently applied across all products, special considerations are made regarding specific risk factors. For instance, due to the increased use of chemicals in order to provide the required functionality, Schöffel is bluesign® System Partner and adheres to the bluesign® Restricted Substances List (RSL). For down products, Schöffel is certified according to the Responsible Down Standard (RDS), which not only considers the source of the down but also the process in production.

Schöffel prioritizes long-term cooperation based on partnership, which is essential for socially responsible production. The company supports its production partners in improving working conditions and continuously works on its own structures and processes to provide the necessary framework. This includes maintaining fair payment terms and close communication with production partners during the planning phase, considering the individual sourcing models, to avoid excessive overtime due to poor coordination. Schöffel conducts an annual evaluation of production partners and facilities, considering factors such as general partnership, quality, Corporate Responsibility (CR), delivery, price, and product development. This evaluation informs decision-making regarding the sourcing strategy.

Occasionally, new production sites are added for strategic reasons, which may also be located in new sourcing countries. Before commencing work with a new production location and especially in a new sourcing country, a general risk scoping and assessment is conducted. At the factory level, a strict onboarding process is followed (see p. 26/27). At the same time, collaboration with a factory or production partner may be terminated for strategic reasons from Schöffel or the production partner's side, or due to the production partner's or factory's lack of willingness to improve social standards. Schöffel follows a responsible approach in ending business relationships, which was revised and further structured in 2024. This includes transparent communication with the production partner and a stepwise phase-out, depending on leverage. A disengagement plan is drafted and discussed with the production partner, and Schöffel follows up on the impact during and up to six months after disengagement.

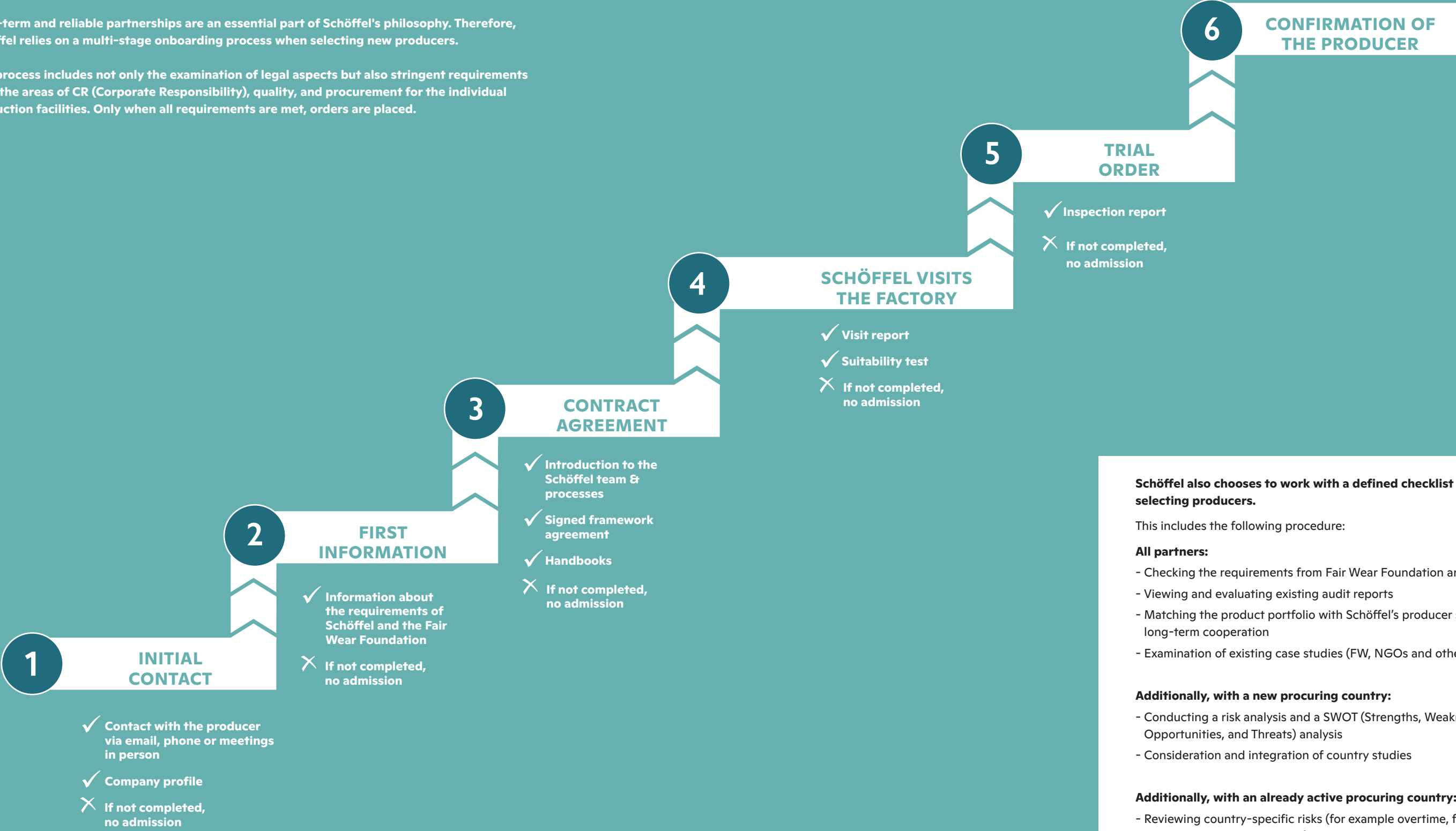
In 2024, most of the production took place in Asia (approximately 75 %), followed by Africa (almost 15 %), and Europe (around 10 %). Schöffel worked with 23 partners in 34 factories. This includes three new production facilities, which Schöffel initiated cooperation with, and resuming production with one factory that Schöffel had previously worked with. Schöffel ended collaboration with seven factories: one after the first order due to incompatibility from both sides; three because Schöffel consolidated its production facility base; one due to consolidation from Schöffel's side and lack of capacity from the factory side; and two factories in Myanmar did not comply with social standards, leading Schöffel to disengage.



# ONBOARDING PROCESS FOR NEW PRODUCTION FACILITIES

Long-term and reliable partnerships are an essential part of Schöffel's philosophy. Therefore, Schöffel relies on a multi-stage onboarding process when selecting new producers.

This process includes not only the examination of legal aspects but also stringent requirements from the areas of CR (Corporate Responsibility), quality, and procurement for the individual production facilities. Only when all requirements are met, orders are placed.



Schöffel also chooses to work with a defined checklist when selecting producers.

This includes the following procedure:

**All partners:**

- Checking the requirements from Fair Wear Foundation and Schöffel
- Viewing and evaluating existing audit reports
- Matching the product portfolio with Schöffel's producer strategy for long-term cooperation
- Examination of existing case studies (FW, NGOs and other brands)

**Additionally, with a new procuring country:**

- Conducting a risk analysis and a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis
- Consideration and integration of country studies

**Additionally, with an already active procuring country:**

- Reviewing country-specific risks (for example overtime, freedom of association, level of wages)
- Checking in case of a divergent region



# EIGHT GUIDELINES FOR FAIR WORKING CONDITIONS: THE CODE OF LABOUR PRACTICES

The collaboration between companies and Fair Wear is based on the Code of Labour Practices (CoLP). These eight social standards are derived from the conventions of the International Labour Organisation (ILO) and the Universal Declaration of Human Rights. Thus, the Fair Wear Code of Labour Practices is based on internationally recognized standards that have been discussed in a tripartite consultation.  
Source: [Fair Wear Labour Standards](#)



## Employment is freely chosen

There shall be no use of forced labour dept bondage, including prison. (ILO Conventions 29 and 105).



## No discrimination in employment

Recruitment, wages policy, access to further training, rules on promotion, termination of employment relationships, retirement and all other aspects of an employment relation-ship must be based on the principle of equal opportunity, colour of skin, gender, religion, political persuasion, membership of trade unions, nationality, social origin, weaknesses or disabilities. (ILO Conventions 100 and 111)



## No child labour

Child labour is strictly prohibited. The age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years." (ILO Convention 138) "There shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour. [...] Children [in the age of 15-18] shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals." (ILO Convention 182)

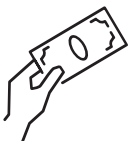


## Freedom of association and the right to collective bargaining

The right of all workers to form and join trade unions and to join them, as well as to conduct collective bargaining is recognised by the employer. (ILO Conventions 87 and 98). In those situations, where the right to freedom of association and collective bargaining is restricted under law, the company shall facilitate parallel means of independent and free association and bargaining for all workers. Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions. (ILO Convention 135 and Recommendation 143)

## ABOUT FAIR WEAR

At Schöffel, we work consistently with our production partners to implement high social standards in production. Fair Wear has been a strong partner at our side since 2011. Fair Wear is a non-profit, independent organisation that is committed to improving working conditions in the garment industry. As a member, we are committed to the implementation of the Fair Wear Code of Labour Practices in the production sites of our partners and thus continuously improving working condi-tions. Once a year, our activities are thoroughly reviewed by Fair Wear as part of the Brand Performance Check.



## Payment of a living wage

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards. They always shall be sufficient to meet basic needs of workers and their families and provide some discretionary income. (ILO Conventions 26 and 131). Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by nationallaw 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 period.



## Safe and healthy working conditions

A safe and hygienic working environment shall be provided. The company undertakes to encourage the best occupational health and safety practice, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Appropriate attention shall be paid to occupational hazards specific to this branch of the industry and assure that a safe and hygienic work environment is provided for. Effective regulations shall be implemented to prevent accidents and minimise health risks as much as possible (following ILO Convention 155). Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer is strictly prohibited.



## No excessive working hours

Hours of work shall comply with applicable laws and industry standards. At any event, workers shall not be required to work in excess of 48 hours per week on a regular basis. They also shall be provided with at least one day off for every seven-day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate. (ILO Convention 1)



## Legally binding employment relationship

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers shall be given the opportunity to participate in education and training programmes.





# IMPLEMENTING AND MONITORING SOCIAL STANDARDS

Schöffel products are manufactured in various countries worldwide by several different production partners – each country as well as each production partner and facility with its own characteristics. This means different potentials but also different risks and challenges to be considered when implementing and monitoring social standards.

Schöffel employs a multi-layered monitoring process tailored to the specific risk levels. This approach helps us prevent issues and drive continuous improvements in labour rights and social standards.

## TOOLS AND METHODS FOR MONITORING

The monitoring framework includes several tools and methods, implemented on a risk based-approach:

**Open and Transparent Dialogue:** Central to our approach is maintaining open and transparent communication with our production partners. This dialogue is crucial for achieving sustainable improvements.

**Onsite Staff:** In our main sourcing countries, we have dedicated staff working on quality and Corporate Responsibility (CR). For years, we have had colleagues in Vietnam and Myanmar. In 2024, we expanded our presence by hiring technicians in Bangladesh and Ethiopia to enhance onsite monitoring.

**CR Visits:** Schöffel staff conducts CR visits on a risk based approach, ensuring that our standards are upheld globally.

**Third-Party Audits / Assessments:** Third-party audits play a crucial role in monitoring compliance with our social standards as these enable an inclusive, systematic and detailed check of the current implementation.

**External complaints mechanisms:** Workers have the opportunity to voice complaints via external grievance mechanisms. Schöffel closely follows up on grievances received via organisations Schöffel partners with (see p. 40).

**Annual CR Questionnaire:** Introduced in 2024, this questionnaire is used for all factories, serving as an important monitoring tool, especially for those in low-risk countries and factories with a low risk level.

**Training programmes:** Schöffel supports improvement and prevention measures with (co-organising) training programmes via third party providers or which production partners have access to through Schöffel's membership in different organisations.



## AUDITS AND CORRECTIVE ACTION PLANS

Audits evaluate the status and implementation of either specific or all international labour standards in production facilities depending on the scope of the audit. Schöffel does not conduct own audits but requests its production partners to participate in external audits either commissioned by Schöffel or initiated through Schöffel's membership at external organisations such as MADE in Myanmar or the International Accord. Besides that, almost all facilities Schöffel works with underwent audits requested by other brands. The facilities are assessed by auditors either based on selected or on all eight social standards. Auditors review all relevant work documents like employment contracts or overtime records, engage in conversations with employees – including outside the workplace – and check on-site safety precautions. The results are documented in an audit report and a so-called Corrective Action Plan (CAP), which are both forwarded to Schöffel. These are then discussed with the factory, and continuous solutions and improvements are collaboratively sought. In 2024, audits on all eight labour stands took place at two production facilities under the scope of Schöffel. Additionally, as part of the International Accord in Bangladesh, an initial inspection took place at one production facility as well as electrical follow-up inspections on all four production locations. A structural follow-up inspection at one factory and a fire & structural inspection at another factory.

## WHAT EXACTLY IS A CORRECTIVE ACTION PLAN (CAP)?

Every audit or assessment report includes a so-called CAP, a Corrective Action Plan. This provides a clear tabular overview of the results, each assigned to one of the eight labour standards. At the same time, the CAP includes realistic, effective, and measurable improvement suggestions and directives within a set timeframe. For instance, if a facility had a noticeable amount of overtime, the CAP would list this under the criteria of reasonable working hours along with a detailed description of the issue and relevant corrective action. The CAP is sent to the production partner for processing. The production partner then works on root cause analysis of the individual findings, plans improvement measures, and implements those accordingly. This is documented in the CAP together with corresponding evidence and updates are frequently shared and discussed with Schöffel. These are reviewed by Schöffel and, if necessary, discussed together. Thus, the CAP serves as a concrete working basis and also a record of progress on improvement measures.

## TRAININGS

Schöffel supports trainings at production facilities as improvement or prevention measures based on individual risk profiles. In 2024, workers and management staff from seven production facilities participated in trainings (co-) organised by Schöffel or part of a programme that Schöffel supports through its membership. This includes trainings / programmes by organisations such as Fair Wear in general labour rights, social standards and grievance mechanisms; SMART Myanmar with a variety of topics such as trainings for supervisors and HR or trainings in the realm of workplace health and safety; the Ready Made Garment Sustainability Council (RSC) Bangladesh with trainings specifically in the context of organisational health and safety; and Gesellschaft für Internationale Zusammenarbeit (GIZ) in Ethiopia with a training regarding strengthening social dialogue. However, Schöffel does not only focus on its production partners and their workers but also on raising awareness among Schöffel's own employees. Therefore, all Schöffel employees are regularly informed about social standards and Fair Wear requirements. New employees receive a specific introduction.



BANGLADESH

Bangladesh has long been one of the main production countries for the fashion industry and is becoming increasingly important for outdoor and sports brands. Schöffel is sourcing from Bangladesh since 2023, both in the work and corporate wear sector and in the outdoor area. In June and July 2024, protests on a quota system for government jobs have spread across the country and resulted in protests on broader political and economic issues. This led to a temporary closure of the factories for six to seven days. Schöffel was in close contact with its production partners during this time as well as closely followed up afterwards. Since 2024, Schöffel has its own staff in Bangladesh working in quality and CR, which enables a closer monitoring and follow up onsite.

Work Safety

Lack of building safety and insufficient fire protection are major issues in Bangladesh. Therefore, Schöffel is signatory of the International Accord and the Country-Specific Safety Program (CSSP) on Health and Safety in the Bangladesh Textile and Garment Industry. Consequently, all factories Schöffel is working with are covered under this programme. In this context different inspections regarding structural, fire, electrical and boiler safety were conducted as well as trainings and activities related to the occupational safety and health program took place in 2024.

Wages

From the protests in June 2024, risks arose regarding the continued payment of wages. This was checked and verified. Same was done regarding the minimum wage increases end of 2024.

Working time

Excessive overtime is a general risk in Bangladesh. The protests in June 2024 and the corresponding delays have exacerbated this issue. Schöffel closely followed up regarding working hours and off-days.

Providing a trusted avenue for workers to raise safety concerns through an independent complaints mechanism.

The Bangladesh Country-Specific Safety Programme (CSSP), which Schöffel is a signatory of, is implemented by the Ready-Made Garment Sustainability Council (RSC), a national tripartite organisation governed by brands and retailers, trade unions, and the manufacturing associations.

CAMBODIA

Cambodia is also an important production country for the textile and clothing industry, like most countries in Southeast Asia. In Cambodia, fleece and mid-layers for the outdoor sector are manufactured.

Freedom of Association and Collective Bargaining

Freedom of association is limited in Cambodia. For example, there are restrictions on strikes and difficulties in registering unions. In the production facility Schöffel works with, there is a union and a worker representation. However, all worker representatives are working in a leading position, limiting their independence. This has been followed up in 2024 with the factory. New elections are planned for 2025.

Working Hours

In Cambodia, there is an increased risk of excessive overtime, but no irregularities were observed at Schöffel's partner facility.

Health and Safety at Work

Issues regarding occupational safety, such as inadequate safety precautions in labeling and handling dangerous adhesives revealed in the latest audit were remediated in 2024.

CHINA

China continues to be the world's leading exporter of garments. For Schöffel, China remains an important location particularly for specific accessories and selected production areas such as jackets and ski wear. In 2024, the Director of Corporate Responsibility, together with a CR Manager, conducted on-site visits to all cut-make-trim factories engaged by the company in China. These visits included detailed discussions on the progress and implementation of CAPs. Furthermore, Schöffel facilitated a training session at one production site, focusing on fundamental labour rights, social standards, and the company's grievance mechanism, as part of its ongoing commitment to responsible sourcing and fair working conditions.

Working Hours

Excessive overtime is widespread in China, caused by overbooking of production capacities, workers desiring additional hours to supplement their wages, or delayed material deliveries. On the other hand, the current market situation sometimes leads to underutilization of capacities. Schöffel is in dialogue with production partners regarding both issues as well as regarding adequate and transparent record keeping. In 2024, overtime

issues could be partially remediated and verified. In 2024, the issue at one factory could be solved and verified.

Payment

Challenges in the area of remuneration exist, partly due to the piece rate system of payment for workers. This can lead to overtime not being correctly recorded and compensated. Schöffel is in dialogue with producers to maintain a comparison system that aligns piece rates with the legal minimum wage. The system is relevant to ensure wage payments are made according to legal requirements. While some production locations have a well-established system, this is coming short at others. In 2024, progress was made in establishing such as system at two production partners.

Forced Labour

Increased attention in China requires addressing the issue of forced labour. Schöffel does not work with any operations in Xinjiang and prohibits any form of forced labour. This is confirmed by the production partners during the onboarding process by committing to the Code of Labour Practices. Additionally, all producers and suppliers of Schöffel are prohibited from using materials, including cotton, produced or processed in Xinjiang, as well as other products or services from the region.

Freedom of Association

Another challenge is the limited freedom of association with only one recognised trade union. Schöffel focuses on internal workers' representations.

ETHIOPIA

The export-oriented textile production in Ethiopia is burgeoning. While fashion brands have been producing in Ethiopia for some time, outdoor and workwear is still not a commonly encountered product segment. Schöffel has been successfully manufacturing high-quality outdoor products with its production partner in Ethiopia for about ten years and started production for TEC and PRO in 2024. In order to follow up quality and the implementation of labour rights and social standards more closely, Schöffel hired a colleague in Ethiopia in 2024.

Working Hours

In Ethiopia, there is both an increased risk of excessive overtime and non-compliance with legally mandated days off. Schöffel's production partner's management needs to ensure more accurate monitoring of working hours and compliance with legal regulations. Root causes for issues are manifold and include delays in material, inefficiencies in internal processes or room for improvement in production planning. Going forward, overtime will be more strictly controlled, and the provision of days off will be ensured. At the same time, Schöffel further tries to support in higher accuracy of planning through regular exchange and closer coordination.

Freedom of Association and Collective Bargaining

According to union representatives, the management of textile and garment companies in Ethiopia repeatedly interferes with

the organisation of workers. The audit at Schöffel's production partner in 2023 showed that currently, no union exists and social dialogue functions only limitedly. Therefore, Schöffel engaged with GIZ in Ethiopia in 2024 and supported a training within the Sustainable Industrial Clusters (S.I.C.) project on Strengthening Workers Representatives Leadership Skills. Based on this pilot project, Schöffel joint forces with GIZ under the S.I.C. project and conceptualized a larger project on Promoting Social Dialogue in Ethiopia's Textile and Garment Sector, which will be kicked-off in 2025.

Wages

There is no legal minimum wage in Ethiopia, and wage levels are low. The audit revealed a very complex wage system at the production site with a multitude of different wage categories. Schöffel continues the dialogue with the production partner in this regard to increase transparency on wages paid.

Work Safety

In Ethiopia, there are sometimes occupational safety risks due to outdated machinery or inadequate equipment. In 2024, most of the issues that were detected during the previous audit could be solved by improving occupational safety and increasing awareness of compliance with protective measures. Schöffel continues to follow up on these issues.

INDONESIA

Although the textile industry is less relevant for Indonesia's domestic economy than in the past, it remains a strategically important sector. In Indonesia, Schöffel mainly manufactures shirts, blouses, but also a small part of jackets and fleece styles.

Payment

In order to support labour-intensive industries that have been economically impacted by the COVID pandemic, the government allowed legal exemptions to the regular legal minimum wage in 2023. This was possible given that there was an agreement found between the factory and the trade union. One production factory continuously paid wage above the legal minimum and all wage components were paid as legally required. For a newly onboarded production factory in 2024, who had such an agreement, it was verified that legal minimum wage was fully paid again.

Working Hours

While excessive overtime has been common practice in the Indonesian textile industry at least in the past, the audit at Schöffel's production partner showed no irregularities. Overtime is well managed within the legal framework.

Freedom of Association

Union representatives in Indonesia repeatedly report discrimination by managers in textile and clothing factories. The factories Schöffel works with are both unionized, and such issues were not identified. There is social dialogue taking place between union and management.



MYANMAR

Since the military coup, the situation in the country has remained critical. Schöffel decided in 2023 after thorough examination to withdraw from Myanmar gradually and as responsibly as possible with final production in 2026. Aside from this decision, Schöffel continues to support its production partners on the ground in implementing improvements.

In collaboration with other brands, Schöffel has developed a specific due diligence process for Myanmar that takes account of the specific circumstances. This includes close collaboration with production partners for frequent updates on the current situation and follow-ups, third-party assessments, supporting with access to training programmes, strengthening internal and access to external grievance mechanisms, regular factory visits by Schöffel's local technician, and cooperation with local stakeholders. Schöffel reports to Fair Wear on the progress regularly as well as ad-hoc in case of any special occasions.

While Schöffel decided to gradually withdraw from Myanmar in general, Schöffel also ended its business relationship with one production partner in two factories in 2024. The decision was made in 2023 due to repeated critical non-compliances without adequate, sustainable improvements despite all efforts. The disengagement was conducted stepwise according to a responsible disengagement plan. After other brands decided to end working with this production partner as well, there were terminations for operational reasons and the factories were closed eventually. Schöffel has monitored and followed up this process as closely as possible, however, with increasing limitations.

Assessments & Trainings

At the two production locations Schöffel has been phasing out production in 2024, specific assessments took place for assessing and verifying wage payments. Based on the results of each assessment, Schöffel followed up with its production partner on the implementation of the individual CAPs.

An external assessment by SMART Myanmar took place at the other factory, where all social and labour standards were reviewed in detail. The assessment showed that continuous progress has been made since the last assessment with a general high level of implementation. The production partner took the opportunity to train its employees by participating in various training courses offered by SMART Myanmar. This includes trainings related to health and safety such as a general organizational health and safety training but also chemical management, electrical safety and boiler operation training; specific supervisor skill trainings to enhance communication between supervisors and workers; as well as training programmes for Human Resources staff including labour law training.

**Freedom of Association and Internal Grievance Mechanisms**  
Due to the limited freedom of association in Myanmar, workers' representations at the factory level are particularly important. Democratic elections of these representations took place at all three factories in 2023, accompanied by comprehensive training measures. In 2024, the focus was on following up the factory-internal social dialogue. One important part is the internal grievance mechanism. After these were revised and strengthened with consultation and specific trainings offered by SMART Myanmar at all three factories in 2022 and 2023, Schöffel frequently monitored the implementation.

Payment

Low wage levels are one of the most critical topics in Myanmar. The last legal minimum wage increase dated back to 2018 while at the same time there is a tremendous inflation. In 2023 and 2024, additional allowances were announced by the labour ministry, 1,000 MMK each, resulting in a daily basic wage of 6,800 MMK (Myanmar Kyat). In addition to these basic wages, workers receive various bonus payments and overtime premiums. In November 2024, the wage of an average sewing worker including non-performance-related bonuses and excluding overtime at one factory was 155 % of this daily basic wage. Irregularities in the implementation of the wage increases occurred in the two factories Schöffel has ended business relationship with. Specific assessments on regular wage payments as well as on statutory severance payments in the context of terminations for operational reasons were organised and followed up to the extent possible.

TÜRKIYE

Türkiye is one of the biggest exporters garments, especially to the European countries. However, the garment industry in Türkiye is suffering from decreasing demand. Schöffel sources T-shirt and polo-shirts from Türkiye.

Payment

The decreased order situation in the country also affected the production partner of Schöffel and led to temporary shortage of work in 2023 and 2024. Workers of the factory were sent on unpaid leave during this downtime. Schöffel is in discussion about this issue with the management.

Freedom of Association and Collective Bargaining

While there are no restrictions on the right of workers with a labour contract to organise, legislation presents high obstacles for unions to obtain legal recognition, diverging from international labour rights conventions. The production facility Schöffel works with is not unionized but has an established worker representation. One area that requires improvement is the internal grievance mechanism, which was found to have limitations. While a specific worker-management-communication training was conducted in 2023, current efforts focus on improving communication channels and procedures as well as strengthening the process through proper documentation.

Health and Safety at Work

The audit in 2024 revealed some issues in different health and safety areas such as chemical safety, fire safety and building safety. These were immediately addressed and actions for remediation are ongoing.

UKRAINE

Ukraine is an important center for the textile industry in Europe. Like the whole country, the textile industry is currently suffering greatly from Russia's war of aggression. Schöffel produces fleece styles in Ukraine.

Freedom of Association and Collective Bargaining

While the right to freedom of association and collective bargaining is fundamentally provided, social dialogue in the factory was limited with a vacant position of the union chairman. In 2024, trade union elections were held, and a new committee was elected.

Payment

The legal minimum wage was increased in 2024, but the inflation remains a challenge in Ukraine. In Schöffel's partner factory, all workers are paid above the minimum wage, and wages for average-paid workers are significantly higher. In 2024, a new system for overtime tracking as well as regulations on overtime were implemented to ensure the adequate consideration of working time for wage calculation.

VIETNAM

Vietnam is a key player in the global clothing industry, especially in the outdoor, sports, and footwear sectors. The textile and garment industry is among the largest industries in the country and significantly contributes to positive economic development. Schöffel products from Vietnam mainly include T-shirts, jackets, and mid-layers, as well as team wear for ski schools and motorcycle clothing. In 2024, Schöffel also started producing authority clothing in Vietnam. In September 2024, a Typhoon hit parts of the country with some of Schöffel's production partners being affected. Schöffel has own staff in Vietnam working in quality and CR.

Freedom of Association and Social Dialogue

In Vietnam, there is currently only a state union, making it difficult for workers to organise themselves and collectively advocate for improvements in working conditions. In 2024, further restricting developments were observed. Schöffel was in exchange with two factories on options to strengthen the worker – management dialogue.

Payment

There is a comparably high risk of wages including allowances, bonuses or social security benefits not being paid as legally required. There have been issues in this regard at one production factory. One root cause was insufficient accounting. Remediation of this was verified in 2024. For factories that had to close for one to four days due to the typhoon, continued payment of wages was reviewed.

Working Hours

Excessive overtime and lack of days off are still issues in Vietnam at times. However, due to the current market situation, many places are moving towards reduced order volumes and thus reduced working hours compared to before. Order reductions at Schöffel take place in close coordination with the producers. In one factory, time recording was deemed inadequate in an audit in 2023, which was resolved in 2024 by implementing a new recording system.

Health and Safety at Work

Challenges also remain regarding workplace health and safety in Vietnam. Several non-compliances identified during a 2023 audit at one factory, including managerial issues, fire safety, and prevention measures, were successfully resolved in 2024. Another factory started installing a sprinkler system that will be finalized in 2025.





# STATEMENT ON PRODUCTION IN MYANMAR

Schöffel has been producing in Myanmar with private factories of foreign investors since the end of 2017. Due to the critical situation in the country following the military coup in February 2021, Schöffel is monitoring developments on the ground even more closely than before. Given the persistently critical situation and increasing challenges in Myanmar, Schöffel decided in 2023 after thorough examination to withdraw from Myanmar gradually and as responsibly as possible with final production in 2026.

Aside from this decision, Schöffel continues to support its production partners on the ground in implementing improvements. At the same time, the company continues its collaboration with other brands and stakeholders to jointly strengthen the rights of workers, as has been the case in the past, with a particular emphasis on operational processes and the interests of employees. Schöffel commits to continuing due diligence, following a multi-layered approach that includes close collaboration with production partners, third-party audits, frequent factory visits by Schöffel's local technician, and cooperation with local stakeholders. This enables constant monitoring and evaluation of the factory-level situation through information from production partners, independent organisations, and our presence on the ground.

Collaboration with further stakeholders and organisations is an essential part of these efforts. This includes, for example, membership in EuroCham Myanmar and participation in MADE in Myanmar, which provide both in-depth information and supportive measures. It also includes collaboration with other brands to share knowledge in the area of due diligence and leverage collective influence. As a member of Fair Wear, Schöffel adheres to its stringent requirements for production in Myanmar and regularly reports its efforts and progress to the organisation.

Please read p. 34 for details on main risks and remediation as well as p. 40 further information on complaints.

## MADE IN MYANMAR

MADE in Myanmar stands for "Multistakeholder Alliance for Decent Employment in Myanmar". It is a project primarily funded by the European Union aimed at strengthening responsible business practices in the garment sector and achieving crucial improvements in the industry. MADE consists of three main components: The SMART Factories Programme, which focuses on compliance with social and environmental standards in Myanmar's textile, clothing, and footwear industry through assessments, consultancy, and workshops; the Forum on Supply Chain Conduct, which promotes dialogue among different stakeholders; and the Centres for Women's Empowerment, which offer social support and further education support.





# EXTERNAL GRIEVANCE MECHANISMS

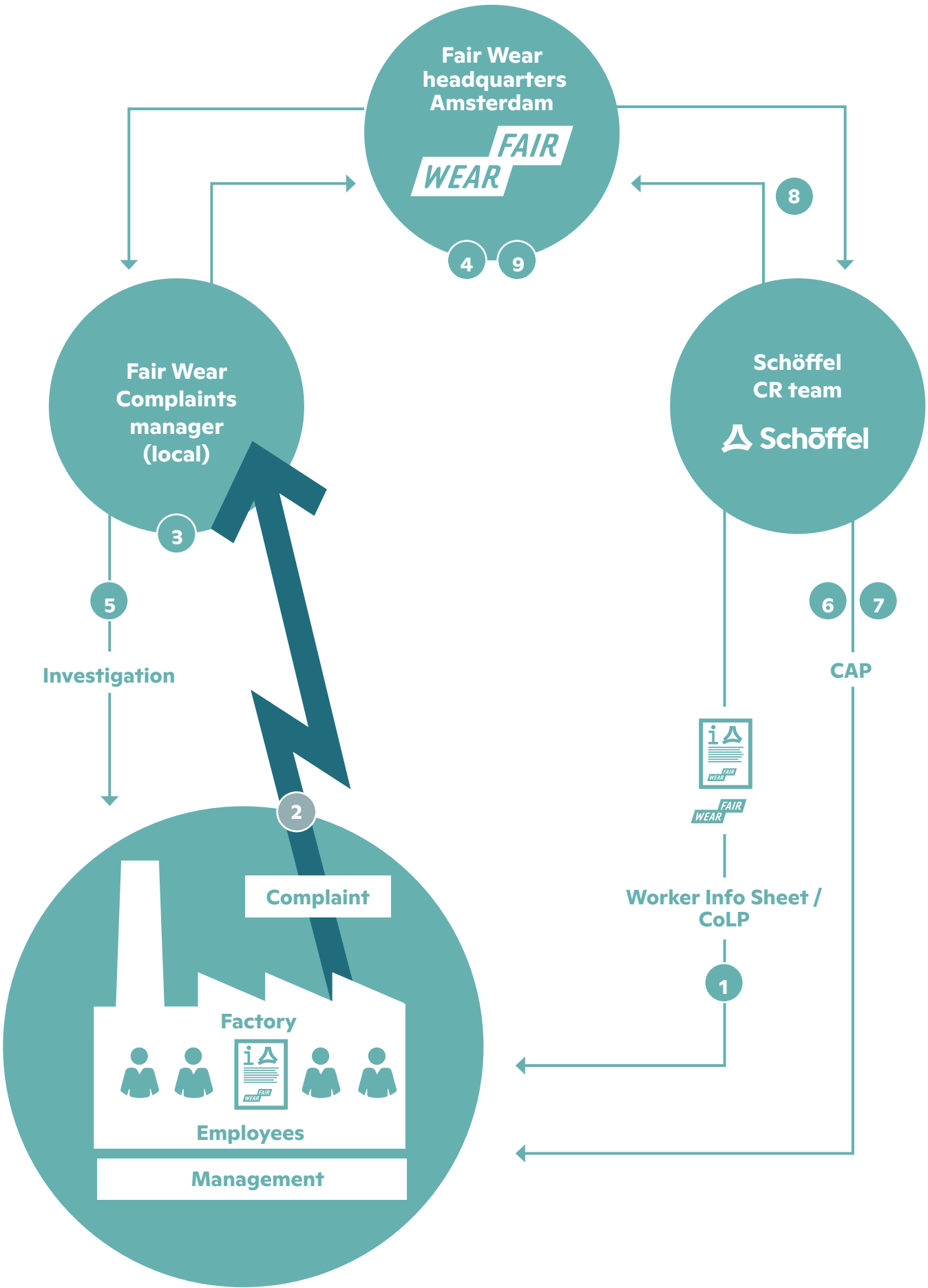
Access to remedy is a key element of human rights due diligence. External grievance mechanisms are an important component of this.

In case an issue related to a social standard or labour right cannot be solved internally, Schöffel makes sure that workers in production facilities have the opportunity to contact an external, independent grievance mechanism as a back-up. The contact details are displayed in visible places in the factory such as the notice board. Additionally, it is communicated about how to access the complaint mechanism, for instance, in trainings or during interviews in social audits.

As a member of Fair Wear, Schöffel ensures that the Fair Wear grievance mechanism is communicated in all factories Schöffel is working with. In addition, Schöffel collaborates with MADE in Myanmar, the Multistakeholder Alliance for Decent Employment in Myanmar, and in Bangladesh with the RSC, the Ready Made Garment Sustainability Council. The RSC complaints mechanism is limited to occupational safety and health topics related issues, but complaints related to labour rights out of this scope are still forwarded to the factory management and relevant brands. To increase the leverage for remediation, Schöffel also collaborates with other brands sourcing from the same factories that are working with those grievance mechanisms.

While the responsibilities for the individual steps may vary between the different grievance mechanisms, the process of handling grievances is basically the same: After a complaint is received, an investigation is conducted and in case a complaint is found as grounded, a corrective action plan is developed and implemented, followed by a verification of the actions taken.

Example: How does the Fair Wear grievance mechanism work?





# EXTERNAL GRIEVANCE MECHANISMS

## GRIEVANCES RECEIVED IN 2024

The receipt of complaints is generally viewed positively, as it shows that workers are exercising their rights and trusting in the systems. Only when grievances are reported can these be rectified and a sustainable improvement in working conditions can be achieved.

In 2024, Schöffel received twelve complaints via external grievance mechanisms – nine via Fair Wear, two via MADE in Myanmar and one was forwarded by the RSC Bangladesh.

### Bangladesh

On 26/06/2024, we received complaint #2024/9619 forwarded by RSC on living wage and legally binding employment relationships. The complaint was resolved.

On 23/08/2024, complaint #1699 was received via the Fair Wear concerning no discrimination and legally binding employment relationships. The complaint is still open. Detailed information can be found [here](#).

Complaint #1680 from 26/08/2024 made via Fair Wear was about reasonable hours of work. The complaint is still open. Detailed information can be found [here](#).

### Myanmar

On 03/01/2024, we received complaint #1561 via Fair Wear regarding the issues of discrimination, living wage and legally binding employment relationships. The complaint could be resolved. Detailed information can be found [here](#).

Complaint #1573 filed via Fair Wear from 31/01/2024 was on living wage. The complaint was resolved. Detailed information can be found [here](#).

On 12/03/2024, a complaint on living wage reached us via MADE in Myanmar. The complaint was resolved.

Complaint #1603 dated 20/03/2024 raised via Fair Wear concerns the issue of safe & healthy working conditions. The complaint was resolved. Detailed information can be found [here](#).

A complaint was received via MADE in Myanmar on 16/05/2024 about reasonable hours of work and employment is freely chosen. The complaint was partially resolved.

Complaint #1642 from 08/06/2024 filed via Fair Wear concerns employment is freely chosen. The complaint was resolved. Detailed information can be found [here](#).

On 10/11/2024, complaint #1719 on living wage was received via Fair Wear. The complaint was resolved. Detailed information can be found [here](#).

### Vietnam

On 15/03/2024, complaint #1601 on employment is freely chosen and legally binding employment relationship was received via Fair Wear. The complaint was successfully resolved. Detailed information can be found [here](#).

Complaint #1661 dated 25/07/2024 made via Fair Wear concerns the issues of living wage and legally binding employment relationships. The complaint was resolved. Detailed information can be found [here](#).





# CARBON EMISSIONS BALANCE: OUR JOURNEY TO CLIMATE PROTECTION

**The impacts of the climate crisis are increasingly noticeable. Extreme weather events such as tornadoes, heatwaves, severe storms, and heavy rainfalls are now common in the news. The likelihood of catastrophic floods is also on the rise. To prevent further disasters and limit global warming, CO2 emissions must be significantly reduced through a concerted effort by humanity.**

The Schöffel Group, as a sustainable family business, wants to contribute its part and is thus on the journey to becoming a climate-friendly company. A successful journey requires excellent planning and a well-thought-out packing list. For this reason, Schöffel has enlisted a renowned partner in its climate protection strategy. With the help of ClimatePartner GmbH, Schöffel annually creates a CO<sub>2</sub> balance sheet, which details all emissions caused directly (e.g., fleet) and indirectly (e.g., logistics & supply chain) by Schöffel, its supply chain, and its products. The creation of the first Schöffel carbon emissions balance in 2019 was the beginning of the journey. Based on this, Schöffel already set its climate protection strategy and goals in 2020. The climate protection strategy firmly integrates climate protection into the core of the company's strategy. A central measure by Schöffel is the reduction and avoidance of its own CO<sub>2</sub> emissions and those of the supply chain. By 2030, emissions in all these areas are to be reduced by 50 %, with 2019 set as the baseline year.

A key reduction measure has been the switch from conventional to recycled and bio-based fibers. In 2024, the total share of these environmentally friendly fibers already increased above 45 %. Additionally, Schöffel plans to increase the share of sustainable models to 60 % of the entire sports collection by 2025. Ambitious goals have also been set in the transport & logistics sector: the share of air freight is to be reduced to under 5 %. Furthermore, numerous measures to reduce and prevent emissions in the areas of material use, product design, packaging, and logistics have been agreed upon.

Schöffel sees a significant contribution to combating the climate crisis in collaborating with its stakeholders, as the goal of the Paris Climate Agreement can only be achieved through joint collaboration.

The majority of emissions occur in the supply chain. However, Schöffel is also active at its own site in Schwabmünchen and has implemented numerous measures in recent years. These include reducing energy consumption and using climate-neutral gas for heating and 100 % certified green electricity. By using green electricity, the CO<sub>2</sub> emissions in the area of indirect emissions that would be generated by energy supply have fallen to 0 % at the Schwabmünchen site. Additionally, numerous solar panels have been installed on the company buildings. The largest source of emissions is employee commuting. Various measures in this area are planned for 2024, such as forming car pools, as well as promoting public transport tickets and cycling.





# GOALS AND ACHIEVEMENTS 2024

Schöffel has pursued the goals set for 2024 with great commitment and largely achieved them.

GOALS	MEASURES   IMPLEMENTATION
Ensuring high social standards in production.	Schöffel has further strengthened its monitoring (see p. 30ff) by increasing its presence onsite through hiring a colleague in Bangladesh and Ethiopia.
Further development of the sourcing strategy through new metrics for social and environmental risks.	In 2024, the sourcing strategy was reviewed, and a policy drafted. The goal of finalizing a sourcing policy including a strong anchoring of human rights and environmental due diligence will be pursued in 2025.
Creating transparency regarding wages at the producers (Tier-1).	In the past, the gap assessment between wages paid and living wage benchmarks was solely based on audit data. However, following a risk-based approach, not every factory is audited every year. In order to obtain up-to-date data, Schöffel introduced an annual wage data query in 2024.
Risk identification, analysis, and assessment for the sourcing countries.	The risk scoping and risk assessment was updated for all continuous sourcing countries and initially conducted for new sourcing countries. Risks were not only identified and assessed on country and sector level but also on factory, product and business model level.

GOALS	MEASURES   IMPLEMENTATION
Creation of a carbon emissions balance for the year 2023.	With the help of ClimatePartner GmbH, Schöffel created a CO <sub>2</sub> balance sheet for the year 2023, which includes all carbon emissions balance caused directly (e.g., fleet) and indirectly (e.g., logistics & supply chain) by Schöffel. In this process, the share of primary data has significantly increased, and the emissions of the entire company have decreased.
Reduction of the company's total CO <sub>2</sub> emissions including supply chain by 50 % by the year 2030.	To achieve this goal, further important steps were taken in 2024, such as increasing the share of sustainable models in the entire 2025 collection to 65 % in the sports sector, and by defining numerous measures to reduce and prevent emissions in the areas of material use, product design, packaging, and logistics.

Once a year, Schöffel’s activities on human rights due diligence are thoroughly reviewed by Fair Wear within the so-called Brand Performance Check. The corresponding report is available [here](#).





# GOALS THAT SCHÖFFEL IS STRIVING FOR IN 2025

Human rights due diligence is a continuous process for Schöffel. This means that we focus on constantly striving to improve rather than on what we have achieved. For 2025, this means:

- Strengthening responsible purchasing practices by reviewing and updating the production partner framework contract.
- Developing a policy for meaningful stakeholder engagement.
- Continuing heightened human rights due diligence in Myanmar.
- Finalization and adoption of a sourcing policy.
- Increasing transparency and traceability of the supply chain (focus on Tier 2 material supplier).
- Increasing the measures to promote sustainable mobility at the Schwabmünchen site.
- Increasing the share of circularity styles to 10 % (summer) and 7.5 % (winter) at Schoeffel SPORT for the next two collections.
- Increasing the share of sustainable styles to 60 % at Schoeffel SPORT for the next two collections.
- Creation of a carbon footprint balance for the year 2025.





## **Schöffel**

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