



# **SUSTAINABILITY REPORT 2025**

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## **ON THE VSME STANDARD**

The VSME Standard (“Voluntary Sustainability Reporting Standard for non-listed SMEs”) is a voluntary sustainability standard for small and medium-sized enterprises (SMEs) that are not listed on the stock market. It was developed by the European Financial Reporting Advisory Group (EFRAG) as a practical and straightforward way for medium-sized companies in particular to get started with structured sustainability reporting.

For Schöffel, the VSME Standard is a suitable framework to present existing sustainability activities in a transparent, understandable, and comparable way. As a long-established family business with a strong sense of responsibility towards employees, partners, customers and the environment, sustainable action has already been an important part of the company philosophy for many years. The VSME Standard helps to systematically record these measures and communicate them clearly.

The VSME Standard is in line with the basic principles of the European Corporate Sustainability Reporting Directive (CSRD) and takes into account key issues in the areas of environmental, social and governance (ESG). At the same time, it deliberately stays leaner and more practical than the extensive reporting requirements of large, publicly listed companies.

It also helps to embed sustainability in the company for the long term and in a strategic way. A structured approach to ESG topics helps to identify risks early, identify potential, and strengthen competitiveness for the long term. At the same time, the standard provides a solid basis for systematically and efficiently meeting future regulatory requirements and increasing information demands from stakeholders.



## **TAKING RESPONSIBILITY. FOR TODAY AND TOMORROW.**

Sustainability is not something that we are going to achieve at some point in the future. It is an obligation that we embrace 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 a part of our cross-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 and personal visits, we ensure that our standards not only exist on paper, but are also practiced in everyday working life.

But that is not enough. We know that we have to carry 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; it is 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.

*Jakob* 



# SCHÖFFEL GROUP

The Schöffel Group, based in Schwabmünchen in Bavaria, is one of the leading companies for outdoor, ski and bike clothing as well as premium workwear in German-speaking countries. The Schöffel name has stood for quality, reliability and innovation for more than 200 years. Founded in 1804, the company is one of the oldest outdoor clothing companies in the world.

Since February 2025 the Schöffel Group has been managed by Jakob Schöffel as managing partner, and the eighth generation of the family. In 2022 the company was divided into the business segments SPORT, TEC and PRO.

Schöffel SPORT, which focuses on the outdoor market, is managed by Peter Jud. With its slogan "Ich bin raus.", the brand positions itself as a premium provider of high-quality outdoor

apparel for outdoor enthusiasts and nature lovers seeking reliable performance and exceptional comfort.

Schöffel TEC focuses on textile apparel for authorities and BMW motorbikes, and is managed by Nicole Prell as its authorized officer.

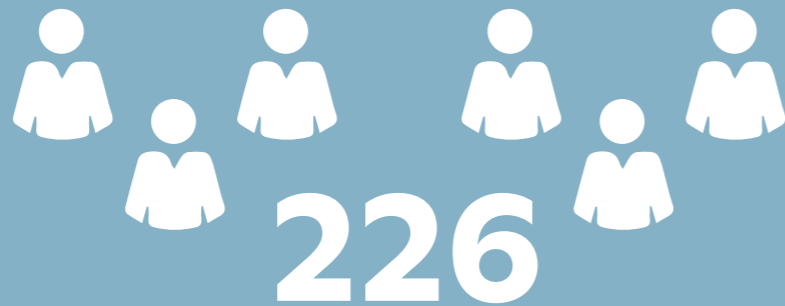
Schöffel PRO is managed by Thomas Bräutigam and rethinks workwear: "Born in nature. Created for work." The aim is to make workwear more functional and more individual, and to equip companies with corporate and workwear across the board – from the office to the construction site.

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

# SCHÖFFEL GROUP FACTS

# 1804

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



employees at the Schwabmünchen site in the traditional textiles region of Augsburg.



Schöffel SPORT offers functional outdoor clothing. Schöffel TEC comprises specialist clothing for authorities and Schöffel PRO stands for clothing for professional users in working and operational environments.

# 41

Schöffel-LOWA  
Stores



Corporate form today:  
Schöffel Sportbekleidung GmbH  
Executive partner: Jakob Schöffel  
CEO SPORT: Peter Jud  
CEO TEC: Nicole Prell  
CEO PRO: Thomas Bräutigam

## Since 2018 / 2019

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



# 1.6

Millions of parts  
produced in 2025  
(SPORT, TEC & PRO)

Production volume:  
Europe 4%  
Asia 78%  
Africa 18%



Sales in 21  
countries  
(Europe & Asia)

Commitment to corporate sustainability:  
Member of the Fair Wear Foundation  
since 2011;  
bluesign® system partner;  
50 % CO2 reduction by 2030  
Circularity models



 **Schöffel**  
Service Factory

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

# 4,852

repairs and  
alterations (2025)

# 6.78 %

export sales



# GENERAL INFORMATION

## B-1 BASIS FOR PREPARATION

This module forms the basis for sustainability reporting. It describes the chosen scope of reporting, explains whether the report is prepared at an individual or consolidated level, and provides an overview of key company characteristics. These include the legal form, industry, company size and locations as well as significant assets and any existing sustainability certifications. It also explains whether certain information may not be published for confidentiality reasons.

### Basis for preparation

We explain the structural framework of this report in the following. The information clarifies the chosen module scope and transparently shows the areas in which reporting was omitted due to a lack of data points. It also presents the consolidation of the included subsidiaries.

**There is no reporting on the following topics due to the current lack of data and activities:**

PROVIDED / TOPIC	REASON / EXPLANATION
Biodiversity	No comprehensive strategy
Land use	Data not available
Water consumption in production processes	No comprehensive strategy
Employee turnover	Data not available
% wage gap between male and female employees	Data not available
Annual training hours in percent	Data not available
Self-employed overall excluding staff who work exclusively for the company	Data not available
Total number of temporary workers provided by temporary employment agencies	Data not available

The following profile provides a compact overview of the legal and economic framework data of the reported main unit. These parameters clearly classify the company's size and focus.

CATEGORY	PROVIDED (SCHÖFFEL GROUP)
Legal form of the company	GmbH
NACE sector classification code(s)	C 14.13
Balance sheet total (in euros)	€ 91,895,892
Turnover (in euros)	€ 72,878,059
Number of employees	253 (SPORT, TEC, PRO, Austria, Switzerland, France, without Franchise Schöffel LOWA) and Schöffel UK
Main country of activity	Germany
Coordinates	48.178611, 10.746944

This sustainability report has been prepared on a consolidated basis. In the following, the Schöffel Group lists the subsidiaries that are included in the consolidation scope along with their respective addresses. This ensures a comprehensive view of the group.

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**This section presents the Schöffel Group's current sustainability certifications.**

#### **Sustainability certifications**

This section presents the current and planned sustainability certifications of the Schöffel Group. These externally audited standards reflect the performance of our sustainability management and serve as an important foundation of trust for our stakeholders. The Schöffel Group works closely with renowned organizations:

#### **Fair Wear Foundation (FWF):**

Since 2011, Schöffel has been a member of the Fair Wear Foundation, an independent organisation that advocates for responsible working conditions in the textile industry. The latest review by the Fair Wear Foundation, the Brand Performance Check, was carried out in 2025. Schöffel was again awarded leader status, which recognizes the highest level of commitment.

#### **bluesign:**

Schöffel has been working in a system partnership with bluesign since the end of 2011. bluesign offers Schöffel a comprehensive and well-founded chemical safety system and sets very strict chemical limits that Schöffel then also passes on to its producers and suppliers in its own Restricted Substances List (RSL). The Schöffel RSL sets stricter standards than the applicable legal regulations and EU rules.

#### **Responsible Down Standard (RDS):**

Schöffel implements strict guidelines and controls through the RDS to ensure that the feathers and down it uses are obtained from responsible sources. In addition, wool is sourced exclusively from suppliers who can prove high animal welfare standards. The company is currently considering introduction of the Responsible Wool Standard (RWS) for responsibly produced wool.

#### **Global Organic Textile Standard (GOTS):**

Schöffel PRO is certified to GOTS, a globally applied standard for processing clothing made from organically produced natural fibres such as cotton. It includes requirements for environmentally friendly production processes as well as fair working conditions throughout the supply chain.

## **C-1 STRATEGY: BUSINESS MODEL AND SUSTAINABILITY INITIATIVES**

### **Strategy: Business model and sustainability-related initiatives**

In this section we explain the core business as well as the related services, products and main markets. It also shows clearly how sustainability goals are systematically integrated in the company strategy.

Schöffel SPORT offers functional outdoor and sportswear for women and men. The range includes jackets, pants, midlayers and shirts for activities such as hiking, skiing, cycling and for everyday wear. Schöffel TEC covers specialised clothing for authorities with high demands on functionality and suitability for use. Schöffel PRO stands for particularly durable and functional clothing for professional users in work and operational settings.

The Schöffel Group operates in both the B2C and B2B markets. Sales are made through stationary retailers, its own retail stores, selected specialty retailers and online stores. The focus is on the German-speaking region (DACH) with additional presence in selected European countries.

Schöffel SPORT divides its sales into wholesale (sales through independent retailers, distributors and agencies) and direct-to-consumer (own webshop, platforms, marketplaces and CRM). These channels are clearly separated in the new sales structure.

The company has key elements in its strategy that relate to sustainability. The focus is on reducing CO<sub>2</sub> emissions by 50% by 2030 (base year 2019) and ensuring responsible production. Both main goals include numerous subgoals with related measures.



## B-2 PRACTICES, GUIDELINES AND FUTURE INITIATIVES FOR THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

This module summarizes the existing practices, policies and planned future measures related to environmental, social and governance topics. The information shows the areas where sustainability is already being systematically considered and whether these measures are backed up by specific targets. The

section therefore helps stakeholders to better assess the status of the sustainability management.

### Specific sustainability practices

The following overview shows which specific areas of sustainability are covered by current practices and policies. The table also provides information on whether these guidelines are publicly available and whether measurable goals have been defined.

TOPIC AREA	CURRENT PRACTICES / AVAILABLE INITIATIVES?	PUBLICLY AVAILABLE?	GOALS ADDRESSED?	NOTES
Corporate responsibility	Yes	Yes	Yes	We share our sustainability vision and the corresponding business practices. Whether in the great outdoors, at work, or in highly specialized situations: our products are there for people wherever safety and reliability matter. That's why we are aware of our responsibility to the generations of today and of the future. When we waste resources, destroy habitats, or fail to think for the long term, we're putting both our planet at risk and the foundation of our own work. And that's why we take action.
Climate change	Yes	Yes	Yes	Goal: 50% reduction in CO <sub>2</sub> by 2030, validation by Science Based Target Initiative (SBTi) by 2028
Pollution	No	No	No	Not included in the sustainability strategy. In the areas of air, water, and soil pollution, as well as noise, light pollution, microplastics, and waste management, there are currently no activities beyond those required by law.
Water and marine resources	No	No	No	Not included in Schöffel's sustainability strategy. New, more comprehensive goals are currently being developed and will duly be implemented.
Biodiversity and ecosystem	No	No	No	The topic of biodiversity is currently being developed and integrated in the sustainability strategy. There are therefore currently no formalized or available documents. The first goals and measures are expected to be publicly accessible by the end of 2027.
Consumers and end users	Yes	Yes	Yes	In this section, Schöffel SPORT provides detailed information on the proper care and long term maintenance of functional clothing. This includes tips and advice on washing, waterproofing, repairs and stain removal to help maintain the functionality and lifespan of outdoor clothing. Additionally, Schöffel offers practical guides and services to help consumers care for their products sustainably.
Circular economy	Yes	Yes	Yes	Schöffel SPORT and PRO follow a comprehensive circular economy strategy with clearly defined guidelines for developing what are known as CIRC products. This is based on an internal circularity definition with set criteria as well as an eco-design guideline with regard, for instance, to material composition, recycling content and exclusion criteria such as hard-to-separate components (e.g. metal parts). To achieve these goals, the company is involved in various projects to close material loops, including up- and downcycling initiatives and partnerships with specialised recycling companies such as matterr or through the in-house Schöffel Service Factory.
Own workforce	Yes	No	Yes	The topic is addressed internally by the People & Culture department. Schöffel pursues clear measures for employee satisfaction, development, working time models, health promotion and cultural work. Schöffel is working on making the main goals and progress in this area transparent in future sustainability reports.
Workers in the value chain	Yes	No	Yes	Schöffel has been a member of the Fair Wear Foundation since 2011 and was again awarded Leader Status in 2025, which recognises the highest level of commitment. Schöffel has a comprehensive due diligence process in the supply chain and uses a variety of measures, including the Supplier Code of Conduct, human rights risk analyses, audits, training courses, and an anonymous complaints mechanism.
Affected communities	No	No	No	The subject of Affected communities is not included in Schöffel's sustainability strategy.

In addition to the list, we explain the practical implementation of our initiatives. This includes detailed information on ongoing measures, existing policies and specific monitoring processes to make progress traceable.

### Implemented practices and initiatives:

As part of the CO<sub>2</sub> strategy, the company has a clear goal of reducing emissions by 50% by 2030 compared to the 2019 baseline. This reduction target is to be scientifically backed through validation under the Science Based Targets initiative. The CO<sub>2</sub> balance is supported by the collaboration with the service provider Cozero.

In addition, numerous energy-saving measures have been implemented, including the use of renewable energy at the company's site, motion and presence sensors, and energy-efficient hardware.

A key part of our sustainability strategy is working closely with various partners and initiatives. Together with the Fair Wear Foundation, Schöffel is committed to responsible production and improving working conditions across the supply chain.

The company is also involved in the Bangladesh International Accord, which aims to promote the health and safety of textile industry workers in Bangladesh. By doing so, Schöffel supports efforts to improve safety standards and working conditions in the global supply chain.

There are also collaborations with competitors who have their products made in the same factories and initiatives such as Made in Myanmar and the Sustainable Industrial Cluster (S.I.C.) in Ethiopia. The Made in Myanmar project aims to strengthen responsible business practices and drive improvements in the textile and clothing sector in Myanmar. Working with the S.I.C. helps to promote sustainable structures in textile production in Ethiopia.

Overall, the company takes a holistic approach that combines ecological initiatives - in particular reducing CO<sub>2</sub> emissions - with social collaborations to improve working conditions in global textile production.

Schöffel uses regular sustainability training for its staff to continuously raise awareness for environmentally and socially responsible actions.

### Availability of policies and guidelines:

The strategy is supplemented by several company-wide policies and guidelines, including the Schöffel Code of Conduct, the Responsible Business Conduct Policy, the Schöffel RSL (Restricted Substances List), and other guidelines on chemical management, circular economy, transport and supply chain, human rights duty of care as per the guidelines of the Organisation for Economic Co-operation and Development (OECD). Parts of these guidelines and the strategic direction are publicly accessible, for instance through corporate communications and sustainability reports: detailed internal guidelines such as RSL, Ecodesign guidelines or risk analyses are only used internally.

### Future initiatives:

The Schöffel Group consistently focuses on further developing its ecological sustainability strategy and is planning a range of forward-looking initiatives for the coming years. There is a particular focus on further developing the reduction of CO<sub>2</sub> emissions along the entire value chain.

In addition, the sustainability strategy will soon be specifically expanded to include the topics of water and biodiversity. The aim is to look even more closely at the impacts on natural resources and to develop measures for a responsible use of water and the protection of ecosystems.

Other future measures include expanding the CIRC strategy, increasing the use of sustainable materials, further developing environmentally friendly production processes, and promoting renewable energy within the supply chain.

Social aspects are to be further developed in the future as well as environmental issues. Plans include further developing the human rights duty of care, expanding monitoring and prevention systems, and measures to strengthen worker representation in the production countries. The aim is to develop sustainability in a holistic way and achieve positive environmental and social impacts in the long term.

### Targets and monitoring:

The Schöffel Group has clear goals and established monitoring mechanisms for implementing its sustainability guidelines. There are specific targets that are reviewed annually to 2030 for key topics such as CO<sub>2</sub> reduction, sustainable materials, circularity models, expanding renewable energy in the supply chain, and ensuring responsible production. Progress is measured continuously using defined metrics and seasonal or annual targets. Implementation is overseen through a structured monitoring process that uses different tools depending on the level of risk, including internal CR visits, external audits, annual assessments of production partners, the CR questionnaire, and due diligence processes to internal guidelines. The results of the monitoring are used to adjust measures, develop prevention programmes, and transparently track progress in the relevant areas. This combination of measurable targets and systematic monitoring enables the company to ensure that progress remains traceable and sustainability goals are continuously developed.

## C-2 DESCRIPTION OF PRACTICES, STRATEGIES AND FUTURE INITIATIVES FOR THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

This section goes into the discussion of practices, guidelines, and future initiatives more deeply, and explains key measures for implementing the sustainability strategy. The following table

illustrates the strategic sustainability goals, divided into the main topics. We show which specific measures are being implemented to achieve the goals and which responsibilities are anchored at management level to achieve them. This ensures a consistent embedding of the transformation in management.

TOPIC AREA	MEASURES AND PRACTICES	DETAILS AND BACKGROUND
Biodiversity and ecosystem	Expansion of the ecological strategy to include the area of biodiversity is currently being developed internally.	Not currently a topic of central focus
Pollution	Schöffel reduces environmental impacts through strict chemical standards (bluesign system partnership, own RSL) and water-saving dyeing processes. The aim is to keep pollutant emissions into the air, water, and the environment as low as possible	Not currently a topic of central focus.
Corporate responsibility	Sustainability is firmly anchored in the company's corporate responsibility and is seen as an essential part of its long-term orientation. A number of different focus areas are addressed, along with the corresponding measures.	Schöffel's business model systematically integrates sustainability through long-lasting, eco-friendly products, circular approaches, and adherence to social standards in the production partners' operations. This strengthens the company's resilience to sustainability risks while also enabling it to position itself as a responsible premium brand. The sustainability policy focuses on the four main areas of internal social value creation at Schöffel, responsible production, and ecological strategies for reducing CO <sub>2</sub> and protecting nature.
Workers in the value chain	Human rights responsibility along the supply chain is ensured through appropriate due diligence processes and a close cooperation among the parties.	Schöffel fulfils its human rights due diligence obligations along the entire supply chain on the basis of the OECD Due Diligence process. This includes risk analyses, prevention and improvement programmes, monitoring by its own on-site personnel, external audits, close cooperations with production partners, and Fair Wear membership.
Own workforce	Employees are supported by measures that promote health, flexibility, and a positive company culture.	Schöffel also supports its workforce with flexible working hours, remote working, health programmes, and various benefits such as bike leasing and sporting activities.
Climate change	The reduction of CO <sub>2</sub> emissions is driven by targeted measures along the value chain as well as the continuous development of climate-related goals and processes.	Schöffel follows a data-driven CO <sub>2</sub> strategy in which a complete annual report is created according to the Greenhouse Gas Protocol to monitor the goal of a 50% reduction by 2030. The next step is the planned validation by the Science Based Target Initiative (SBTi), which is expected to be completed by Q1/2028. Key measures include switching to recycled and bio-based fibres, expanding innovative dyeing processes, increasing the share of renewable energy among producers and material suppliers, and reducing air freight in the transport and logistics sector.
Water and marine resources	Expansion of the ecological strategy to include the area of water and marine resources is currently being developed internally.	Not currently a topic of central focus.
Consumers and end users	The focus is on transparent communication of sustainability aspects and resource-efficient use	---
Circular economy	Development of recyclable and durable products is continuously driven by a specific strategy.	Schöffel SPORT is continuously expanding the Circularity product line, and designs products to be as repairable, reusable, and recyclable as possible. CIRC models are mostly made from monomaterials, can be returned after use, are processed into the intermediate product terephthalic acid by the partner matterr, and then returned to the textile industry.

# ENVIRONMENTAL INFORMATION

## B-3 ENERGY AND GREENHOUSE GAS EMISSIONS

This module focuses on the company's energy and emissions profile. The report covers the total energy consumption as well as direct emissions and emissions from purchased energy, complemented by an emissions intensity relative to the turnover. This allows developments in energy efficiency and greenhouse gas emissions to be tracked over time.

### Energy consumption

The following table contains the energy consumption in details, broken down into primary energy sources and the division between renewable and non-renewable resources. This comparison allows for a well-informed assessment of our energy efficiency.

### Fuels:

CATEGORY	VALUE
Renewable	44,048 MWh
Non-renewable	487,444 MWh
Total	531,492 MWh

### Electric energy:

CATEGORY	VALUE
Renewable	481,143 MWh
Non-renewable	0 MWh
Total	481,143 MWh

### Total consumption:

CATEGORY	VALUE
Renewable	525,191 MWh
Non-renewable	487,444 MWh
Total	1012,635 MWh

### Greenhouse gas emissions

The Schöffel Group systematically records all greenhouse gas emissions in the areas of Scope 1, Scope 2 and Scope 3. A detailed publication of the emissions is not yet available. However, Schöffel is working on further refining data collection and analysis, and plans to present it in more detail in the next sustainability report.

### Greenhouse gas intensity

This section contains the greenhouse gas intensity in relation to the company turnover. This figure allows the emissions performance to be evaluated objectively, independently of pure growth effects. It is seen as an important indicator for the long term decarbonisation path. Schöffel's greenhouse gas intensity for the reporting period is 0.000205 tCO<sub>2</sub>e/€.



## C-3 GREENHOUSE GAS REDUCTION TARGETS AND CLIMATE TRANSITION

This module focuses on goals for reducing greenhouse gas emissions and the related planning of climate actions. In the following overview, we outline our ambitious targets for cutting greenhouse gas emissions. The details show the base year, the targeted values, the associated measures, and the weighting of each scope in the total reduction. We also highlight strategic levers that we use to pursue this goal.

CATEGORY	VALUE / DESCRIPTION
Target year	2030
Base year	2019
Share of Scope 1	2%
Share of Scope 2	0.5%
Share of Scope 3	97.5%
List of the most important measures	<ul style="list-style-type: none"> <li>Balancing as a basis for deriving reduction measures</li> <li>Switchover to recycled and bio-based fibres</li> <li>Expansion of innovative and low-water dyeing processes</li> <li>Internal eco-level model to assess the sustainability of our styles</li> <li>Expansion of renewable energies at Tier 1 (producers) and Tier 2 (material suppliers)</li> <li>Development of long-lasting products</li> <li>Reduction of air freight</li> <li>Development of data transparency for transport from Tier 2 → Tier 1 by 2027</li> <li>Expansion of the Circularity product line (CIRC)</li> <li>On-site measures such as solar panels, sustainable catering, mobility points programme for employees, changing company fleet to e-mobility</li> </ul>

The described plans show our approaches to actively contributing to climate protection and to adjusting our business processes accordingly.

As part of the climate protection strategy, we aim for validation by the Science Based Targets initiative (SBTi). By aligning our goals to scientifically grounded climate scenarios, we commit to reducing our greenhouse gas emissions in line with the objectives of the Paris Agreement. SBTi validation requires a systematic analysis of emissions sources, setting concrete reduction paths, and integrating the corresponding measures in our business strategy. This lays the foundation for a transparent, verifiable, and lastingly effective transformation process towards more environmentally friendly business practices.

We aim to achieve validation by Q1/2028.



## C-4 CLIMATE RISKS

This section systematically outlines key climate-related risks. These include identified physical risks (such as extreme weather events) and transition risks (such as regulation, technology, or market changes). It also assesses how vulnerable assets, business activities, and the supply chain might be to these risks across different time horizons.

REQUIREMENT	EXPLANATION / MEASURE
Provide a brief description of climate-related hazards and transition events	As part of its risk analysis, Schöffel identified both physical and transitional climate risks. The main physical hazards include increasing extreme weather events such as floods, heatwaves, and storms, which can affect production sites and upstream supply chains in Asia in particular. Furthermore, long term climatic changes such as rising average temperatures and altered rainfall patterns pose risks to the availability and quality of raw materials. Key transitional risks include regulatory developments (such as stricter climate protection and CO <sub>2</sub> requirements), market changes (increasing demand for sustainable products), and reputational risks related to stakeholders' climate protection expectations.
Assess exposure and sensitivity	The assessment of exposure (impact) and sensitivity (vulnerability) is undertaken on the basis of a qualitative risk analysis across the entire value chain. In particular, this takes into account the geographical locations of suppliers, critical raw materials, and logistical dependencies. Schöffel analyses the vulnerability of its business operations to identified risks, considering the likelihood of occurrence and potential impacts on operational processes, cost structure, and delivery capability. In addition, external scenarios and industry benchmarks are used to ensure the robustness of the assessment.
Disclose the time horizon of climate-related risks	The identified climate-related risks are considered over three time horizons: <ul style="list-style-type: none"> <li>- Short term (0-3 years): Increase in extreme weather events with direct impacts on supply chains and logistics.</li> <li>- Medium term (3-10 years): Tightening of regulatory requirements and rising costs due to climate protection and CO<sub>2</sub> reduction targets.</li> <li>- Long term (&gt; 10 years): Structural changes in climate conditions affecting the availability and quality of raw materials, and continuous production.</li> </ul>
Measures for adapting to climate change	Schöffel has adopted the first measures for adapting to climate-related risks, and is continuously developing them further. In particular, these include diversifying supply chain partners and locations, increasing the integration of sustainability criteria in producer selection and sourcing decisions, and optimising logistical processes in order to enhance resilience. In addition, Schöffel is also working on systematically integrating climate risks in its company-wide risk management. As part of its climate strategy, Schöffel also aims to have its emission reduction targets validated by the Science Based Targets initiative (SBTi).

## B-4 POLLUTION OF AIR, WATER AND SOIL

No specific data on pollutant emissions into air, water or soil is available for the reporting period. There is therefore currently no more detailed reporting on this topic.

## B-5 BIODIVERSITY

There is currently no reliable data available for the assessment of biodiversity-sensitive production sites. So it is not yet possible to state whether or by how much Schöffel's operational areas impact biodiversity-sensitive areas. No comprehensive measures have been implemented in this area to date. However, this topic should be included in the sustainability strategy in the future.

## B-6 WATER

This module addresses the use of water resources. It includes the total water usage at our main site in Schwabmünchen (Germany) in order to identify efficiency potentials in water consumption. The following table illustrates how much water was drawn and used during the reporting period.

CATEGORY	VALUE
Water drawn	2,202 m <sup>3</sup>
Water consumption	2,202 m <sup>3</sup>

Currently there is no data on water withdrawals in areas with high water stress, as the Schöffel sites are not located in critical zones such as these. There are no water-intensive production processes in our own operations. Significant impacts in the area of water occur mainly in the upstream or downstream value chain, where no data is yet collected. Detailed data transparency is still being developed in this area.

## B-7 RESOURCE USE, CIRCULAR ECONOMY, AND WASTE MANAGEMENT

At the heart of this module is our strategy for the circular economy, resource efficiency, and dealing with waste materials.

### Application of the circular economy

Schöffel pursues a holistic Circularity strategy with the aim of consistently closing textile loops and designing products in such a way that they can be used, repaired, reused, and recycled for high quality use for as long as possible. The circular economy does not begin with recycling but right at the design stage: products are designed from the outset for durability, repairability, and recyclability. There is a particular focus on monomaterial concepts, recyclable components, and reducing complex material blends to make even high-quality textile-to-textile recycling possible.

In 2025 the portfolio already included over 30 CIRC models in the areas of fleece, jackets, shirts, and pants. Together with recycling partner mattern, Schöffel is working towards completely closing textile cycles and turning old textiles into high-quality raw materials for the textile industry.

Schöffel also systematically integrates eco-design in all its product development processes. This includes using standardised and interchangeable components, improving repairability through durable materials and construction methods, and strengthening reuse, repair, and service concepts. Furthermore, other projects in the field of upcycling and downcycling are being advanced in order to keep material flows in circulation as much as possible.

Schöffel sees its circularity strategy both as a way to prepare for upcoming regulatory requirements such as the EU Ecodesign regulation (ESPR), the Digital Product Passport (DPP) and extended producer responsibility (EPR). Topics on the issue of the circular economy are already being strategically integrated in product and business processes at Schöffel SPORT and Schöffel PRO. The aim is to combine environmental responsibility, innovation, and future-ready product design, actively helping to shape the shift towards a functional circular economy in the outdoor industry.

### Resource use, circular economy, and waste management

With regard to waste management, there is a particular provision that applies to businesses that produce only household-type waste. However, we do not make use of this exception.

Dangerous waste does not occur, which means the amount is 0 tons. In the table below, we show the amounts of non-hazardous waste that were generated during the reporting year. It also clearly shows what proportion of those were successfully recycled or reused.

CATEGORY	VALUE
Generated waste, total	33 t
Generated waste, of which reused or recycled	14.5 t
Generated waste, of which directly disposed	18.5 t

### Mass flow

No quantitative values were recorded for the data point on mass flow of key input materials in the current reporting cycle. However, we are working on systems to map key material and mass flows, such as material wear and cutting waste, incurred by our production partners more precisely in future reports in order to make our commitment to the circular economy measurable.

### Ban on destruction

With the new EU ecodesign regulation (EU) 2024/1781, the European Union has introduced a binding ban on destroying unsold consumer products, including clothing, accessories, and shoes.

The reason for this regulatory step is to drastically reduce waste and CO<sub>2</sub> emissions; companies are required to thoroughly explore alternatives such as resale, donation, reuse or repair before even considering destruction. We support this approach, and have been working for many years on a responsible recycling process.

The Schöffel Service Factory systematically checks all incoming products for their repairability and overall condition. The items then go through a responsible recycling process: items that can be repaired are repaired and put back into circulation. Items that are fully functional despite having minor defects are offered in the outlet as second-choice items. And any products that can no longer be meaningfully used are donated or – if they cannot be reused – broken down into their individual components. This sort-by-type separation allows any intact components such as zippers, buttons and so on, to be reused as efficiently as possible, saving resources in the process.

# SOCIAL INFORMATION

## B-8 WORKFORCE - GENERAL FEATURES

This module describes the structure of our workforce. It includes the number of employees (SPORT, TEC & PRO) by contract type, gender and – if working in several countries – by the country of the employment contract.

### Employment contracts

The following overview illustrates the structure of our employment relationships. The numbers demonstrate how our various members of staff are employed by us, and highlight our efforts to provide stable and reliable working conditions.

TYPE OF CONTRACT	QUANTITY
Fixed-term contract	13
Permanent contract	216
Number of employees	226

### Gender distribution

The Schöffel Group provides transparency on the composition of its workforce by gender. We promote diversity in the company and use this data to actively support equal opportunities in all areas.

GENDER	QUANTITY
Male	78
Female	148
Diverse	0
Not specified	0
Number of employees	226

### Number of employees by country

This provides details of the distribution of employees across the various international locations. This illustrates where our main employment areas are and where we are active as an employer.

COUNTRY OF EMPLOYMENT (BY CONTRACT)	NUMBER OF EMPLOYEES
Germany	226
Austria	13
Switzerland	11
France	3



## B-9 WORKFORCE - HEALTH AND SAFETY

This section combines the key figures on occupational safety at the company's various sites. It records the number and rate of reportable work-related accidents and the number of deaths resulting from work-related injuries or illnesses. The information allows for an assessment of the health and safety risks for the workforce.

### Accidents at work

We place great importance on protecting our staff and therefore meticulously document any work accidents that occur. The reported accident rate serves as a measure of the effectiveness of our workplace safety measures.

It is calculated by dividing the number of reportable work accidents by the number of employees, and then multiplying the result by 100. This figure shows the percentage of employees who suffer a reportable work accident within a reporting year.

CATEGORY	VALUE
Quantity	2
Rate	1.0638%

We recorded 0 work-related deaths during the reporting period. This result reflects our consistent training and our comprehensive occupational safety policies. With an accident rate of 1.0638%, our company performed very well. This means that statistically speaking, just over one out of every 100 employees was affected by a reportable work accident.

## B-10 WORKFORCE - WAGES, COLLECTIVE BARGAINING AND TRAINING

This module bundles the information on the quality of working conditions. It includes data on compliance with minimum wages, the pay gap between women and men, the share of employees covered by collective agreements, and the average annual training hours per employee by gender. This makes remuneration levels, employee representation and training activities transparent.

We are committed to fair pay and to complying with all legal and collective agreement requirements. All employees receive at least the applicable statutory minimum wage or the remuneration provided for under the relevant collective agreements.

Schöffel is committed to financial equality for all genders. A reliable analysis of the gender pay gap is currently not possible due to insufficient data quality. Nonetheless, promoting pay equality remains an important issue.

We respect our employees' right to collective bargaining. Currently, the proportion of employees covered by a collective agreement is 0. The reason for this is that in our industry, comprehensive collective agreements have not yet been established. Regardless of this, we focus on transparent and fair working conditions.

The further development of our employees is an important part of our corporate culture. Since training hours are not yet fully recorded by our systems, the current figure is shown as 0. The development of the corresponding tracking systems is already being planned.

## B-10 WORKFORCE - PAYMENT, COLLECTIVE BARGAINING AND TRAINING

This module bundles the information on the quality of working conditions. It includes data on compliance with minimum wages, the pay gap between women and men, the share of employees covered by collective agreements, and the average annual training hours per employee by gender. This makes remuneration levels, employee representation and training activities transparent.

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## C-5 ADDITIONAL FEATURES WORKFORCE

This module expands on the information regarding the structural characteristics of the workforce beyond the basic module. The focus is on additional key figures, such as the ratio of women to men at management level or further details on types of employment, provided these are essential for understanding the employment situation.

We strongly support women in management roles. The current percentage at management level within the company confirms our success in encouraging female leaders. The ratio is currently 55.17%.

In this overview, the Schöffel Group provides information on the use of alternative employment models. However, in all cases, the number of self-employed persons excluding personnel who work exclusively for the company, and the total number of temporary workers provided by staffing agencies, is 0.

## C-6 ADDITIONAL INFORMATION HUMAN RIGHTS POLICIES

This section explains the human rights principles in our dealings with our workforce. This includes, among other things, the presence of codes of conduct or human rights policies, their main areas of focus (such as child labour, forced labour, discrimination) and central processes such as training courses, risk assessments, or grievance mechanisms.

A formal code of conduct is in place. This set of rules forms the foundation for ethical behaviour and binding standards within our corporate culture.

In the following table, Schöffel illustrates which critical topics are specifically regulated by internal guidelines. This ensures that basic human and labour rights are respected throughout the company environment.

We also consider a functional complaint management system as essential for taking our employees' concerns seriously. The appropriate communication channels for relevant feedback are in place.

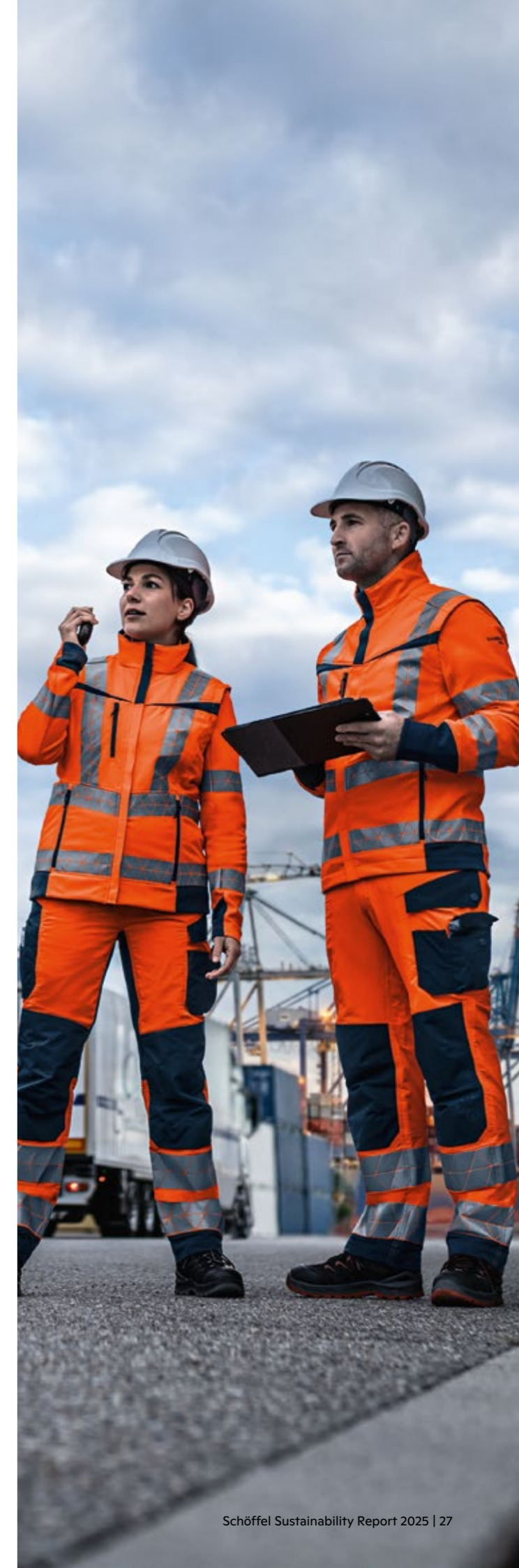
AREA OF APPLICATION	GUIDELINES IN PLACE?
Child labour	Yes
Forced labour	Yes
Human trafficking	Yes
Discrimination	Yes
Accident prevention	Yes
Other areas of application	Other: Yes, e.g. environmental protection, fighting corruption, transparency, and fair competition.

## C-7 SERIOUS NEGATIVE HUMAN RIGHTS INCIDENTS

This module makes our handling of serious negative incidents transparent. It indicates whether any confirmed cases of child labour, forced labour, human trafficking, or discrimination have occurred within the company's workforce, and how they were handled if they did. This makes human rights risks and the company's response capability visible.

INCIDENT CATEGORY	CONFIRMED CASES?
Child labour	No
Forced labour	No
Human trafficking	No
Discrimination	No
Other	No

No confirmed serious human rights violations are known. Consequently, no corrective measures have been introduced or described to address and correct such incidents. Information on risks, monitoring, incidents and remedial and preventative measures in the supply chain and with our production partners can be found on the following pages in the separate section Responsible production in the supply chain.





## **RESPONSIBLE PRODUCTION IN THE SUPPLY CHAIN**

# HUMAN RIGHTS ASSESSMENTS IN PRODUCTION

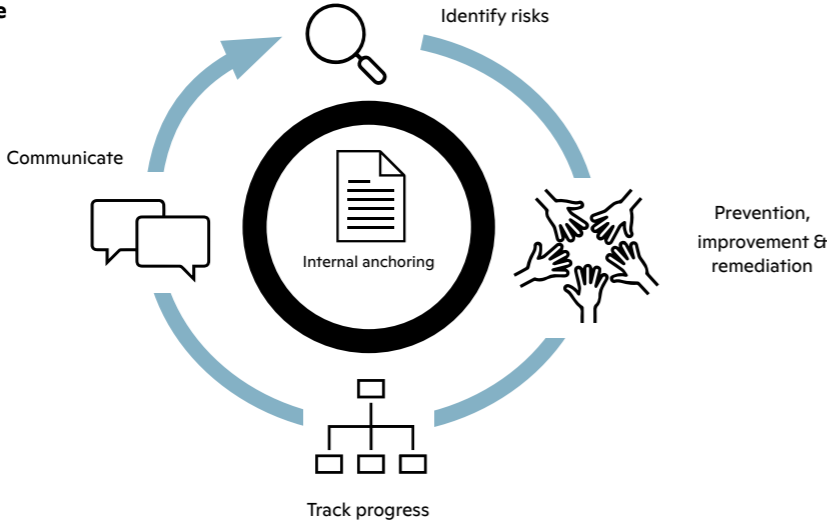
**Social responsibility for Schöffel means fulfilling its due diligence obligations as effectively as possible. In this regard, Schöffel follows the due diligence cycle of the Organisation for Economic Co-operation and Development (OECD) as well as the Fair Wear guidelines.**

**Schöffel's due diligence process consists of five key elements:**

1. At the centre, there is the establishment of responsible business practices in what is known as a 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 in the company. Expectations regarding the compliance with social standards are also set for the production partners. The 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 clothing industry in the sourcing countries. Potential risks arising from Schöffel's business and sourcing models 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 incorporated in the analysis.
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. Customised improvement and prevention measures are developed on the basis of this assessment.
4. These 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 reviews, factory visits, and external audits and assessments.
5. In this report, Schöffel publicly reports on existing risks and possible negative impacts on human rights, as well as progress towards their minimisation, on an annual basis. This has been a fixed part of Schöffel's communication for years. Further information on Schöffel's sustainability efforts can also be found [here](#) for Schöffel SPORT and TEC, and [here](#) for Schöffel PRO.

**Human rights due diligence**

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



# INCLUSION OF STAKEHOLDERS

**Effective communication with stakeholders supports responsible decision-making, helps identify risks and opportunities, and strengthens long term resilience along the value chain.**

## Stakeholders and rights holders

Stakeholders include individuals and groups who have an interest in the company's activities or can influence them, such as employees, business partners, suppliers, retailers, customers, industry associations, and partner organisations. One special group among the stakeholders are those who are known as rights holders. These are people or groups whose human rights can be directly affected by Schöffel's business activities or business relationships – primarily employees at production sites and, where relevant, local communities.

## Approach to stakeholder dialogue

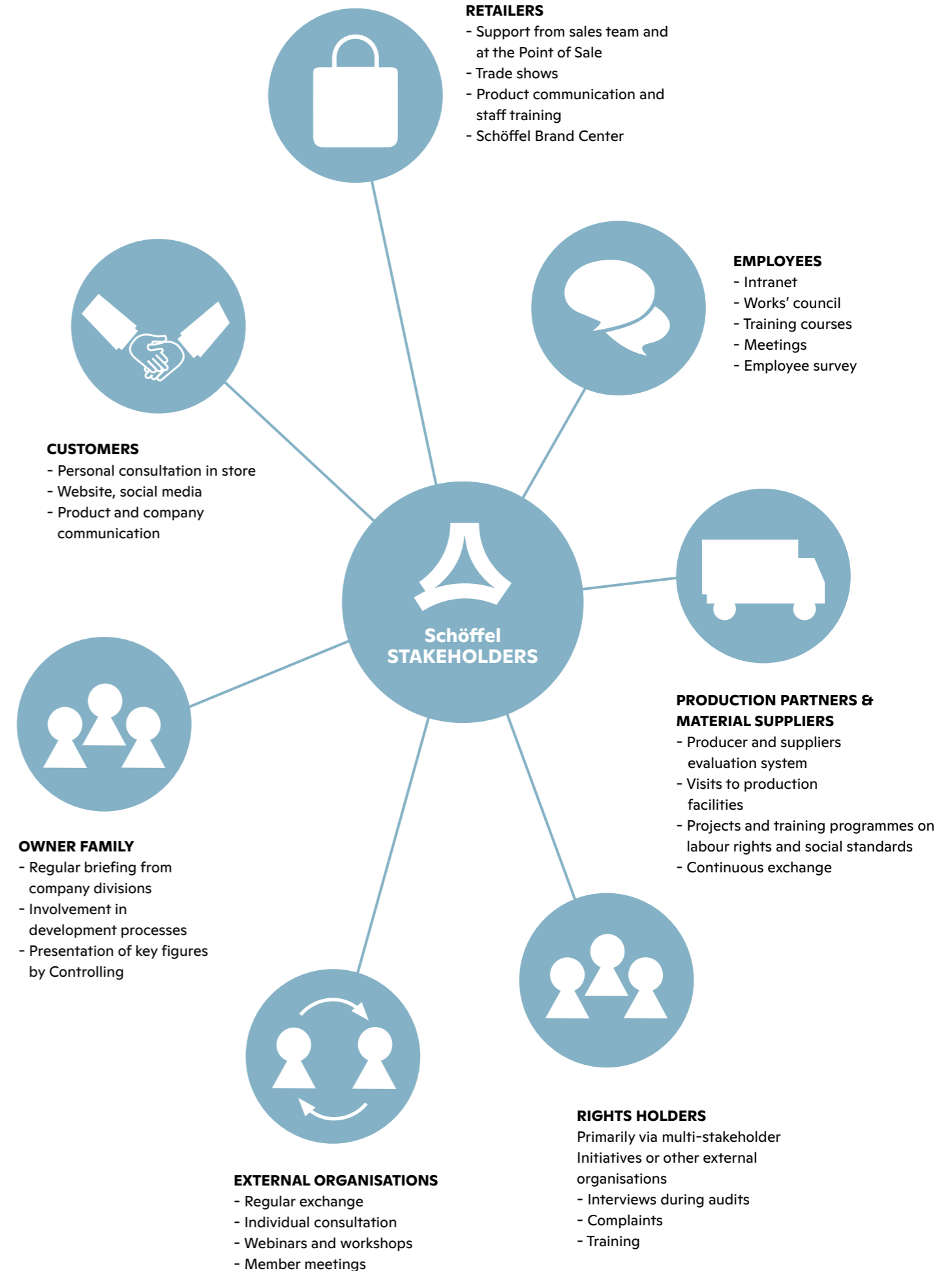
Schöffel is in direct contact with a wide range of internal and external stakeholders, including production partners, material suppliers, retailers, and external organisations such as Euro-Cham (European Chamber of Commerce) Myanmar, the BSI (Federal Association of the German Sporting Goods Industry e.V., bluesign® and Cozero, and multi-stakeholder initiatives such as Fair Wear, MADE (Multistakeholder Alliance for Decent Employment) in Myanmar, the International Accord, and the RSC (Ready Made Garment Sustainability Council).

These partnerships bring expertise, local knowledge, and shared platforms to tackle social and environmental challenges. The exchange with rights holders mainly happens through these organisations.

## Inclusion in the due diligence process

Including stakeholders and the voices of rights holders is an integral part of Schöffel's human rights and environmental due diligence processes. Information on human rights issues is obtained from risk analyses and monitoring activities. Interviews with workers are a regular part of audits (see p. 52f) and provide important insights that feed into risk and impact analyses. Discussions during audits help to validate results and improve the understanding of local conditions. Complaints submitted through established grievance mechanisms are another key source for identifying actual and potential negative impacts. Depending on the sourcing context, Schöffel uses grievance mechanisms from Fair Wear, MADE in Myanmar and the RSC complaints system (see p. 54ff). Potential and actual negative impacts are addressed, where relevant, in collaboration with relevant stakeholders, including through training and qualification measures, for instance in cooperation with Fair Wear, MADE in Myanmar, or the RSC.

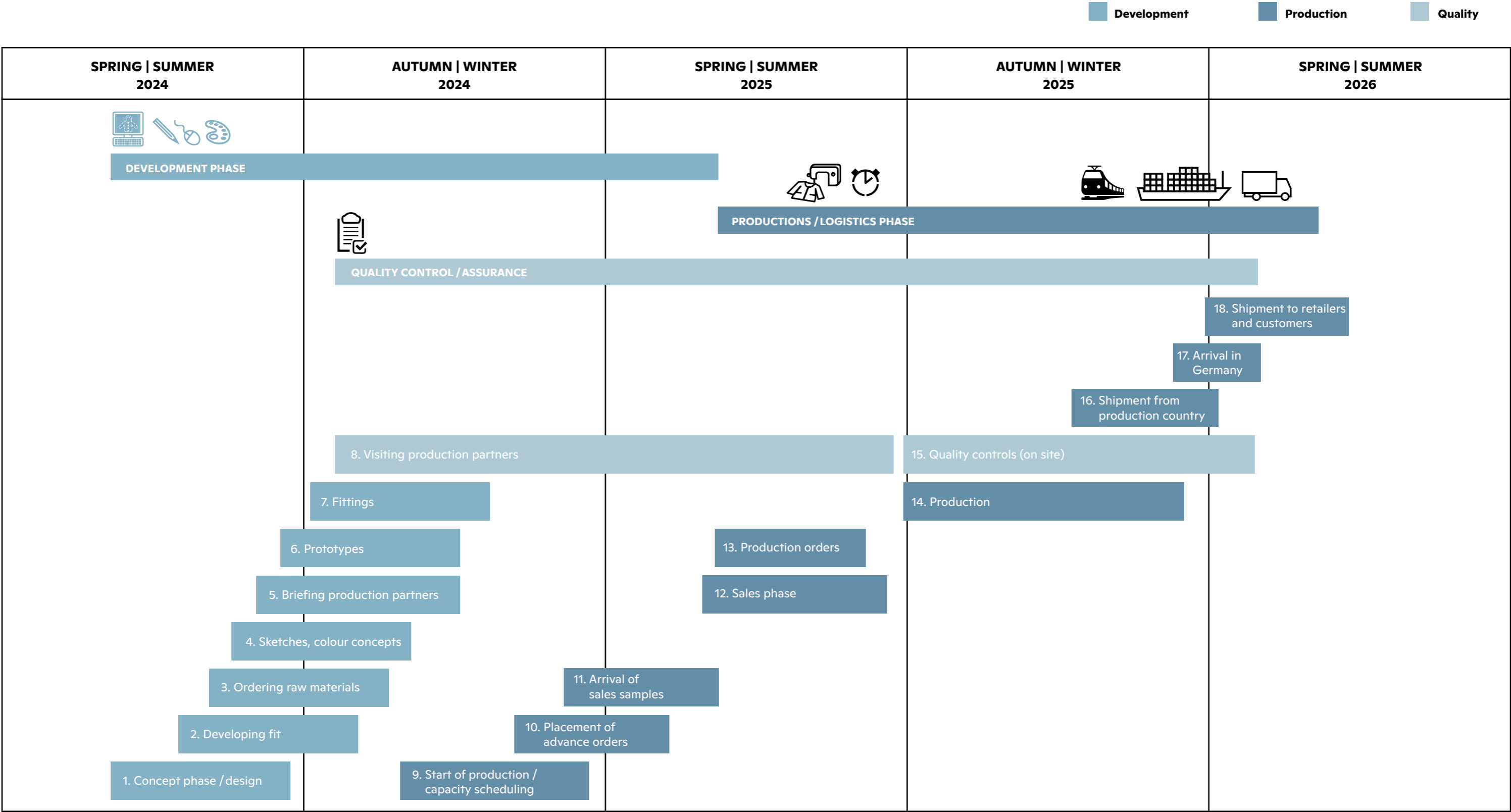
These measures aim to raise awareness of labour rights, handling complaints, and health and safety in the workplace.



# PRODUCTION CYCLE SUMMER COLLECTION 2026

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 its own production facilities, but works with production partners in the following countries.

- PRODUCTION VOLUME 2025
- PRODUCTION VOLUME 2024



# PRODUCTION PARTNERS 2025

Continent	Factory name	Factory location	Collaboration since	Last audit / assessment*	CAP Status	Last training*
Europe	Valitex Ltd	Bulgaria	2025	n.a.	n.a.	n.a.
	Silsa Confeccões, 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	completed	n.a.
	Teks Team	Turkey	2015**	Sep 24	partially open	Sep 23
Asia	Weijie Garment Co. Ltd. / ASI headwear (Shanghai)	China	2016	Apr 25	completed	Jul 21
	Nordsun Outdoor Products Co. Ltd.	China	2015	Nov 23	almost completed	Nov 24
	Silk Trend Garments Co. Ltd. (Ningbo)	China	2014	Dec 23	almost completed	Aug 23
	Magictex Co. Ltd.	Vietnam	2017	Mar 25	partially open	Sep 24
	PS Vina	Vietnam	2007	May 25	almost completed	Dec 19
	Poong Shin Vina	Vietnam	2007**	May 25	almost completed	Dec 22
	Kido Vinh	Vietnam	2012	Mar 22	completed	Jun 25
	Shints TM Co. Ltd. (Quoc Khan)	Vietnam	2012	Jun 25	almost completed	Feb 23
	Shints-BVT Co. Ltd.	Vietnam	2007	Apr 25	partially open	Feb 23
	Spectre Garment Technologies An Giang Vietnam Co., Ltd.	Vietnam	2025	Dec 25	in progress	n.a.
	Spectre Garment Technologies Co. Ltd.	Vietnam	2016	Oct 22	completed	Jun 20
	Kido Yangon Co. Ltd.	Myanmar	2018	Mar 25	completed	May 25
	Poongshin Laos Sole Co., Ltd.	Laos	2025	Feb 25	partially open	n.a.
	Sheico (Phnom Penh) Co., Ltd.	Cambodia	2019	Sep 23	completed	Jan 20
	PT Anggun Kreasi Garmen	Indonesia	2020	Mar 23	completed	n.a.
	PT Pinnacle Apparels Unit 3	Indonesia	2022**	n.a.	n.a.	n.a.
	PT. Metro Garmin	Indonesia	2024	Jan 24	almost completed	n.a.
	4A Yarn Dyeing Ltd.	Bangladesh	2023	Sep 24	almost completed	Aug 25
	Interstoff Apparels Ltd.	Bangladesh	2023	May 23	completed	Dec 25
	Eslite Garments Bangladesh Co., Ltd.	Bangladesh	2023	Oct 25	partially open	Oct 25
KIDO DHAKA Co., Ltd	Bangladesh	2025	Jul 25	partially open	n.a.	
Africa	Shints ETP Garment P.L.C.	Ethiopia	2015	Jun 23	partially open	Sep 25

\* (Co-)Organised by Schöffel or part of a programme that Schöffel supports through its membership. These take place in addition to internal or other external training courses and / or audits.

\*\* 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 Fair Wear Leader Status in 2025.





## 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
	PT. Prima Kreasi Gemilang	Indonesia	Embroidering
	SONG CHI CO., Ltd.	Cambodia	Embroidering
	King Hsing Printing Co. Ltd.	Vietnam	Printing
	Lien Hsing Co. Ltd.	Vietnam	Embroidering
	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
	Yangon Print Company Ltd.	Myanmar	Printing
	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
Europe	Walter Stöhr GmbH	Germany	Quality control and packaging
	Spectre Latvia Kalnciems	Latvia	Quality control and packaging
	Deepcolors, Lda.	Portugal	Printing

## 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 has been sourcing products from Bangladesh since 2023, in both the workwear and corporate wear sectors and in the outdoor area. Fair Wear assessments were carried out at two production sites in 2025. There were also two Fair Wear onboarding training courses that covered basic labour rights and provided an introduction to social dialogue. Since 2024 Schöffel has employed its own staff in Bangladesh in the area of quality, sourcing, and increasingly in Corporate Responsibility (CR), which allows for closer monitoring and more intensive follow-ups on-site.

### Occupational safety

A lack of building safety and insufficient fire protection are major issues in Bangladesh. Schöffel is therefore a signatory of the International Accord and the Country-Specific Safety Program (CSSP) on Health and Safety in the Bangladesh Textile and Apparel Industry.

All of the production sites that Schöffel works with are in this programme. In this context, in 2025 various inspections regarding structural, fire, electrical and boiler safety were carried out, as well as training courses and measures in the field of occupational safety and health.

### Wages

A Fair Wear Assessment confirmed that the irregularities in wage payments at one production site uncovered earlier had now been successfully rectified. In another factory, isolated issues with overtime pay were identified and subsequently addressed and resolved.

### Working time

Excessive overtime is a general risk in Bangladesh. Based on a complaint and the corresponding audit results, the issue of working hours was closely followed up and a structured monitoring system introduced in factories with a higher risk. The monthly review showed improvements.

## THE INTERNATIONAL ACCORD AND THE READY-MADE GARMENT SUSTAINABILITY COUNCIL (RSC)

The International Accord is a legally binding agreement between global apparel brands and trade unions

aimed at improving health and safety at the workplace in the textile and garment industry.

It originated from the Bangladesh Accord on Fire and Building Safety, which was established in 2013 following the collapse of the Rana Plaza textile factory, which resulted in over 1,000 deaths.

The International Accord follows three main objectives:

- Promoting a culture of workplace safety by training Safety Committees and encouraging workers to identify, address, and monitor safety hazards in factories.
- Preventing fire, electrical, structural, and boiler safety accidents through an inspections and remediation programme led by specialist, independent engineers.
- Providing a trusted avenue for workers to raise safety concerns through an independent complaints mechanism.

The Bangladesh Country-Specific Safety Program (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

Like many countries in Southeast Asia, Cambodia is an important production country for the textile and clothing industry. In particular, fleece products and mid-layers for the outdoor sector are manufactured there.

### Freedom of association and collective bargaining

Freedom of association is limited in Cambodia, for instance by obstacles when registering trade unions and restrictions on the right to strike. The production facility that Schöffel works with has both union and employee representation. However, until now all the representatives have also held management positions, which limits their independence. The body was newly elected in 2025. Along with representatives in management positions, there is now also representation for employees without a management role

### Working hours

Although there is a greater risk of excessive overtime, no irregularities were observed at Schöffel's partner facility.

### Occupational safety

The issues relating to occupational safety found in the last audit, such as in handling dangerous adhesives, have been remediated.

## CHINA

China continues to be the world's leading exporter of clothing. China remains an important location for Schöffel, particularly for specific accessories and selected production areas such as jackets and skiwear.

### Working hours

Excessive overtime is widespread throughout China. The causes include the overbooking of production capacities, workers desiring additional hours to supplement their wages, or delayed materials deliveries. By the same token, the current market situation sometimes leads to an underutilisation of capacities. Schöffel is in constant dialogue with its production partners regarding both issues, and also with regard to adequate and transparent time recording.

### Wages

There are challenges in association with wages due, among other things, to piece-rate pay systems. They can lead to overtime not being recorded properly and therefore not paid properly. It is therefore necessary for production companies to use a comparison system that aligns piece-rate wages with the legal minimum wage. This system is critical in order to ensure that wages are paid according to legal requirements. While some production sites have a well-established system, there is still room for improvement in others. This issue was followed up even more stringently in 2025.

### Forced labour

The increased awareness in China requires a clear confrontation with the issue of forced labour. Schöffel does not work with production sites 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 Schöffel producers and suppliers are prohibited from using materials, including cotton, that is produced or processed in Xinjiang as well as other products or services from this region.

### Freedom of association

Another challenge is the limited freedom of association, as there is only one recognised trade union. Schöffel is therefore focusing on strengthening internal employee representations.

## ETHIOPIA

Export-oriented textile production in Ethiopia is growing rapidly. 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 producing high-quality outdoor wear with its production partner in Ethiopia for about ten years, and is now also manufacturing products for TEC and PRO as well. In order to follow up quality and the implementation of labour rights and social standards more closely, Schöffel employed a local member of staff in Ethiopia in 2024.

In 2025, during a visit by a CR manager, a detailed review of the progress and implementation of the Corrective Action Plan (CAP) was undertaken on-site.

### 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 with materials, inefficiencies in internal processes and 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 will support higher accuracy in planning through regular exchanges 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. In order to strengthen the social dialogue, Schöffel joined forces with GIZ and another brand to initiate a project. The project was launched in 2025 as part of the Sustainable Industrial Clusters (S.I.C.) initiative. Activities in 2025 included training for employees on labour rights and social dialogue, as well as an analysis of the existing structures. Based on this analysis, a joint workshop was held with the employee representatives and management to develop an action plan. The implementation of the agreed measures was monitored and checked.

### 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 is therefore continuing the dialogue with the production partner in order to increase transparency.

### Occupational safety

In Ethiopia, there are sometimes occupational safety risks due to outdated machinery, inadequate equipment or an unsatisfactory use of personal protective equipment. When such issues are identified during regular factory visits, they are addressed immediately and the necessary measures closely monitored.

## INDONESIA

Although the textile industry is less relevant today for Indonesia's domestic economy than it was in the past, it remains a strategically important sector. In 2025, Schöffel mainly produced shirts and blouses in Indonesia, but also a smaller proportion of jackets and fleece products. Schöffel's CR staff visited all the production companies that it worked with in 2025.

### Wages and working hours

In 2025, a pay-related incident at one factory led to a one-day strike after a change in the pay system meant that wages no longer met legal requirements. At the same time, production pressure contributed to involuntary overtime. In response, a specific investigation was carried out to assess the situation. This investigation confirmed that wages had fallen below the legal minimum wage. The cause is that a piece-rate pay system had been introduced without a proper comparison system, which is necessary to ensure compliance with the minimum

wage as well as the legally required payment of overtime bonuses. In addition, the investigation showed that employees felt pressured by the new system. Measures to address the issue were initiated and are still being implemented.

## LAOS

The textile and clothing industry in Laos is still developing. In 2025, Schöffel began working with a newly established production facility in Laos as a source of workwear. At the beginning of the collaboration, an onboarding visit by CR staff was conducted alongside a social audit to support the start of the partnership and ensure a high level of social standards from the outset.

### Management systems

As it was a newly founded factory, policies, structures, and processes were still being developed in 2025. The assessment provided insights into identified gaps and outlined recommended corrective measures to support compliance. Several issues were already resolved during 2025, while others will continue to be addressed in 2026. Another assessment is planned for 2026 to validate the implementation of the management systems.

### Freedom of association

As this is a newly established factory, the appropriate structures still need to be set up.

### Working hours

Excessive overtime and insufficient rest periods are a recurring risk in Laos. However, no problems related to overtime were found during assessments and Schöffel's monitoring. Time was originally recorded manually, although this was replaced by an electronic system after the construction work was completed.

## MYANMAR

The situation in the country remains critical since the military coup. In 2023, after thoroughly examining the situation, Schöffel decided to withdraw from Myanmar gradually and as responsibly as possible, with production finishing in 2026. In 2025 Schöffel was still working with one production partner in Myanmar.

Regardless of this decision, Schöffel continues to support its production partners locally 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 programs, strengthening internal and external grievance mechanisms, regular factory visits by Schöffel's local technicians, and cooperation with local stakeholders. Schöffel reports to Fair Wear on progress regularly and on an ad-hoc basis.

### Assessments and training

The annual assessment by SMART Myanmar took place with detailed reviews of all social and labour standards. The assessment showed that continuous progress has been made

since the last assessment with a generally high level of implementation. New or recurring findings with further need for improvement were addressed afterwards. In addition to the general assessment, a specific investigation was carried out based on a received complaint. Confirmed issues were followed up appropriately. The production partner took the opportunity to train employees by participating in various training courses offered by SMART Myanmar.

This included courses on electrical safety, specific leadership training to improve communication between supervisors and employees, training on social dialogue and effective grievance mechanisms for CR staff and employee representatives, as well as training for HR staff, including labour law and the prevention of child labour.

### 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. The employee representation was newly elected at the end of 2024. In 2025, members of the employee representation and CR staff attended special training on social dialogue and effective grievance mechanisms. Schöffel continues to review how the internal complaint mechanism works and how effective it is.

### Wages

Low wages are one of the most critical issues in Myanmar. The last legal minimum wage increase was in 2018, while at the same time inflation remains high.

In 2023 the Ministry of labour introduced additional annual allowances of 1,000 MMK each year, which resulted in a daily basic wage of 7,800 MMK in 2025. In addition to this basic wage, workers receive various bonuses and overtime premiums. As of July 2025, the mode including non-performance-related bonuses and excluding overtime in the production facility was at least 174% of this basic wage. This equates to 79% of the 15,000 MMK that Fair Wear used as a reference value in 2025.

### Working hours

While excessive and involuntary overtime is an increased risk in Myanmar, it is reported that overtime at the factory in question is voluntary, and that there is no excessive overtime. However, in 2025 there were three individual cases of people working on Sundays without being given the corresponding time off. These cases were followed up, and will continue to be closely monitored in the future.

## VIETNAM

Vietnam is a key player in the global clothing industry, especially in the outdoor, sports, and foot wear sectors. The textile and apparel industry is one of the largest industries in the country, and contributes significantly to its 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. Schöffel has its own member of staff working in quality and CR in Vietnam. An onboarding visit took place in 2025 before production commenced at a new manufacturing facility.

### Freedom of association and social dialogue

There is currently only one state union in Vietnam, which makes it difficult for workers to organise themselves and collectively advocate for improvements in working conditions. Assessments in 2025 showed progress at factory level, in particular with regard to the election of employee representatives. While the social dialogue at its own production facilities is well established, there continues to be room for improvement in others. Schöffel is constantly monitoring the activities with regard to social dialogue.

### Wages

There is a comparatively high risk of wages including allowances, bonuses or social security benefits not being paid as legally required. Several problems that had occurred in the past were confirmed as having been successfully resolved in 2025. At the same time, new irregularities were detected in three production sites concerning payroll, and payments for health checks or training hours. The causes were due to changes in systems and inadequate accounting. Most of the problems were solved in 2025, while the remaining cases will be followed up in 2026.

### Working hours

There are still occasional cases of excessive overtime and a lack of legally required days off in Vietnam. Schöffel is in ongoing dialogue with its production partners to ensure compliance with legal requirements.

### Health and safety in the workplace

There are still challenges in occupational safety. Several deficiencies identified in previous audits – including managerial issues, fire safety, and weaknesses in preventative measures – were reviewed and confirmed as resolved in 2025. Open issues continue to be closely monitored. A sprinkler system has been installed at one production site, with the final acceptance expected in 2026.



## RESPONSIBLE SOURCING AT SCHÖFFEL

**Responsible sourcing is the basis for the 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, combined 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. The business divisions of SPORT, TEC and PRO all have different requirements. 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 a bluesign® System Partner and adheres to the bluesign® Restricted Substances List (RSL) of restricted or banned chemicals. 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 production processes. Schöffel PRO is also certified to the Global Organic Textile Standard (GOTS). This ensures that certified products are made from organically produced fibres and that strict environmental and social standards are met throughout the entire supply chain.

Schöffel prioritises long term cooperations based on partnerships, which are 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. This helps prevent excessive overtime caused by inadequate planning.

Schöffel also 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.

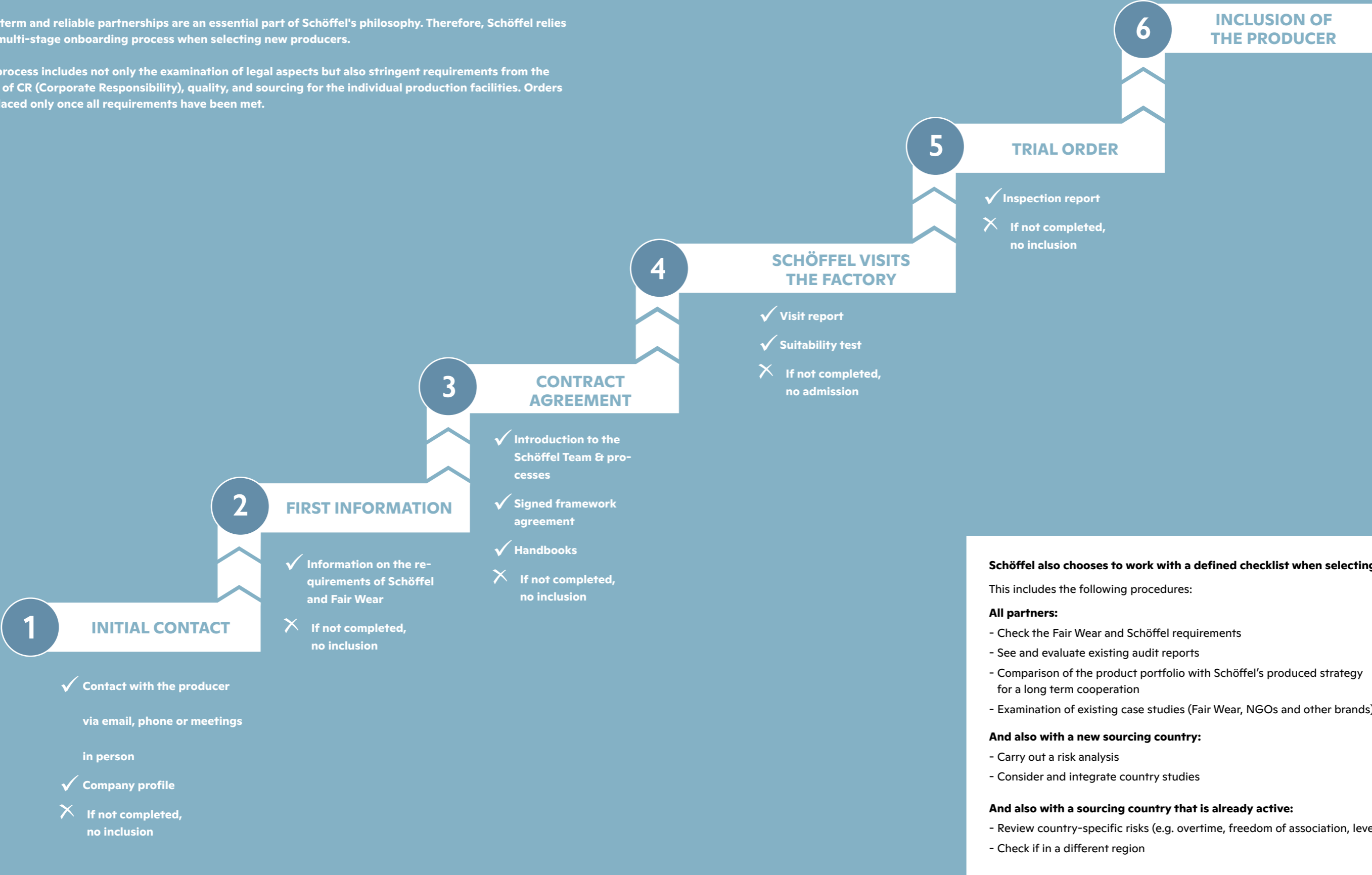
Occasionally, new production sites are added for strategic reasons, which may also be located in new sourcing countries. Before starting a cooperation, a comprehensive risk analysis is carried out at country level. At factory level, a structured onboarding process is carried out (see p. 48). At the same time, a collaboration with a factory or production partner may be terminated for strategic reasons, either by Schöffel or by the production partner, or due to a lack of willingness to improve social standards. Schöffel follows a responsible approach in ending business relationships. This includes transparent communication with the production partner and – depending on the workload from Schöffel – a gradual exit from the collaboration. A disengagement plan is drafted and implemented with the production partner. The effects are monitored during this time and for up to six months after the end of the collaboration.

In 2025, most of the production took place in Asia (approximately 78%), followed by Africa (around 18%), and Europe (about 4%). Schöffel worked with 19 production partners at a total of 30 production sites. This also included resuming the collaboration with a factory in Indonesia for one season that Schöffel had already worked with in the past, plus the addition of four new production sites in Bangladesh, Bulgaria, Laos and Vietnam. All four are long-standing production partners of Schöffel. During the same period, cooperations ended with a total of eight factories, located in Albania, China, Indonesia, Portugal, Turkey, Ukraine, and Vietnam. In one case, production had been limited to just one season from the outset. With regard to the other locations, the decision was part of consolidation measures and adjustments to the sourcing strategy.

# 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 sourcing for the individual production facilities. Orders are placed only once all requirements have been met.



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

This includes the following procedures:

**All partners:**

- Check the Fair Wear and Schöffel requirements
- See and evaluate existing audit reports
- Comparison of the product portfolio with Schöffel's produced strategy for a long term cooperation
- Examination of existing case studies (Fair Wear, NGOs and other brands)

**And also with a new sourcing country:**

- Carry out a risk analysis
- Consider and integrate country studies

**And also with a sourcing country that is already active:**

- Review country-specific risks (e.g. overtime, freedom of association, level of wages)
- Check if in a different 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 recognised standards that have been discussed in a tripartite consultation.

Source: Fair Wear



## Employment must be freely chosen

Forced labour, including debt bondage or prison labour, is not permitted (ILO Conventions 29 and 105)



## No discrimination in the employment relationship

Recruitment, wage policy, access to continuing education, rules on promotion, termination of employment, retirement and all other aspects of an employment relationship must be based on the principle of equal opportunity and be independent of colour, gender, religion, political persuasion, trade union membership, nationality, social origin, weaknesses or disabilities. (ILO Conventions 100 and 111)



## No child labour

Child labour is strictly prohibited. The minimum age for productive employment must not be lower than the national compulsory school age, and generally not below 15 years. (ILO Convention 138)

There must be no form of slavery or conditions similar to slavery such as child selling and trafficking, debt bondage, serfdom or forced labour. Young people (between the ages of 15 and 18) may not carry out work that, by its nature or due to the circumstances under which it is carried out, is likely to be harmful to the health, safety or morality of children (ILO Convention 182).



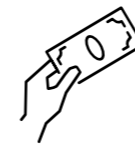
## Freedom of association and the right to collective bargaining

The employer recognises the right of all workers to form and join trade unions and to negotiate collective agreements. (ILO Conventions 87 and 98)

In 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. Employee representatives must not be hindered in their function, and must be allowed access to all workplaces in the performance of their representative functions. (ILO Conventions 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 to us since 2011. Fair Wear is a non-profit, independent organisation that is committed to improving working conditions in the clothing 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 conditions. 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 supplements for a normal working week must at least correspond to the legal or industry minimum and must always be sufficient to meet the basic needs of workers and their families and to provide them with a certain disposable income above that. (ILO Conventions 26 and 131)

Wage deductions as a disciplinary measure are not permitted. Nor are wage deductions permitted that are not justified by national legislation. The sum of any deductions must not result in the employee receiving less than the statutory minimum wage. All employees are to be adequately and accurately informed of the various wage components, including the rate of pay and the period for which they are paid.



## Safe and healthy working conditions

The working environment must be clean and safe. The employer undertakes to promote the optimum occupational health and safety based on the state of the art with regard to possible hazards. Particular attention is to be paid to the sector-specific occupational risks. Rules for the greatest possible accident prevention and minimisation of health risks are to be implemented. (Based on ILO Convention 155)

Physical abuse, threats of physical abuse, unusual penalties or disciplinary measures, sexual and other harassment, and threats by the employer are strictly prohibited.



## No excessive working hours

Working hours must comply with the legal regulations and usual industry standards. The core working hours must not exceed 48 hours per week. At least one day off must be granted within a period of seven days. Overtime may only be worked voluntarily, must not exceed 12 hours a week, and must not be a regular requirement. Overtime must be compensated with an overtime payment in addition to the usual wage. (ILO Convention 1)



## Legally binding employment relationship

The obligations under labour and social law towards employees and the regulations arising from the regular employment relationship must not be circumvented by the use of temporary working arrangements or training programmes that are not intended to impart skills or regular employment. Younger employees must be given the opportunity to participate in educational and further 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 results in varying opportunities as well as specific risks and challenges to be considered when implementing and monitoring social standards.

Schöffel employs a multi-layered monitoring process that is 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 that are 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.

**On-site staff:** In our main sourcing countries – Vietnam, Bangladesh, Myanmar and Ethiopia – we have dedicated staff working on quality and Corporate Responsibility (CR). Their presence on-site allows for closer monitoring, both at country level and at factory level. This allows risks to be identified early, potential issues to be avoided, and challenges to be addressed promptly.

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

**Third-party audits and assessments:** Third-party audits play a crucial role in monitoring compliance with our social standards. They enable systematic, comprehensive, and detailed assessments of the current state of implementation.

**External grievance mechanisms:** Workers at the production sites are able to voice complaints via external grievance mechanisms. Schöffel consistently follows up on complaints received via organisations that we work with (see p. 54).

**Annual CR questionnaire:** This questionnaire is used for all production facilities, and is an important monitoring instrument in low-risk countries and factories in particular.

**Training programs:** Schöffel supports improvement and preventive measures through training programmes organised jointly with external partners or made available to production partners through Schöffel's membership in various 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 its own audits but asks its production partners to participate in external audits. They are either commissioned by Schöffel or initiated through Schöffel's membership of external organisations such as MADE in Myanmar or the International Accord. In addition, almost all the production facilities Schöffel works with are audited for other brands.

The assessment is based on selected or all eight social standards. Auditors review all relevant work documents such as 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 in a so-called Corrective Action Plan (CAP), both of which are forwarded to Schöffel. They are then discussed with the production site to work out and implement continuous improvements.

In 2025, audits of all eight labour standards took place at ten production facilities, co-commissioned by Schöffel. In addition, an investigation into wages and working hours was carried out in one factory, and a review in another production facility of the structures of social dialogue as part of a larger project.

As part of the International Accord in Bangladesh, boiler inspections were carried out at four production sites, as well as a follow-up check of the electronics at one production site. There were also follow-up inspections of the building structure at two factories. Complementing this, a comprehensive inspection of fire, electrical, and building safety, plus a follow-up check in the field of fire safety, was carried out according to individual inspection and action plans.

## WHAT 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. One example: If a facility has an increased amount of overtime, this will be listed in the CAP under the criteria of "reasonable working hours" along with a detailed description of the issue and relevant corrective action. The CAP is then handed over to the production partner, who carries out a root cause analysis, and plans and implements improvement measures. Progress and evidence are documented in the CAP and regularly shared and discussed with Schöffel. This means the CAP serves both as a working basis for improvement measures and as the documentation of progress.

## TRAINING

Schöffel supports training measures at production facilities as improvement or prevention measures based on individual risk profiles. In 2025, workers and management staff from eight production facilities participated in training (co-) organised by Schöffel or part of a programme that Schöffel supports through its membership.

This includes training and programmes by:

- Fair Wear on labour rights, social standards, social dialogue, and grievance mechanisms
- SMART Myanmar on a variety of topics such as training for supervisors and HR or training in the realm of workplace health and safety
- Ready Made Garment Sustainability Council (RSC) Bangladesh, with the focus on occupational health and safety
- Gesellschaft für Internationale Zusammenarbeit (GIZ) in Ethiopia, as part of project to strengthen social dialogue

However, Schöffel not only focuses on production partners and their staff, but also works on raising awareness among its own staff. All Schöffel staff are regularly given information on social standards and Fair Wear requirements. For new employees, there is a quarterly introduction as part of the broader onboarding relating to Corporate Responsibility (CR).

# EXTERNAL GRIEVANCE MECHANISMS

## COMPLAINTS RECEIVED IN 2025

The receipt of complaints is generally seen as a good thing because it shows that employees are aware of their rights and trust the existing systems. Problems can only be resolved and a lasting improvement in working conditions achieved if complaints are reported.

In 2025, Schöffel received a total of 17 complaints through external grievance mechanisms – six through Fair Wear and eleven through RSC Bangladesh. Complaints submitted via the Fair Wear complaints mechanism can be seen [here](#). Complaints submitted via the RSC are available [here](#).

### Bangladesh

On 12.01.2025, we received complaint 2025/10795 forwarded by the RSC regarding a legally binding employment relationship and remuneration. The complaint was closed because it was deemed unfounded.

On 23.03.2025, complaint 2025/11303 concerning a legally binding employment relationship and a payment issue was submitted via the RSC. The complaint was closed because it was deemed unfounded.

Complaint 2025/11380 submitted on 14.05.2025 via the RSC concerned a legally binding employment relationship and remuneration. This complaint was resolved.

On 19.06.2025, we received complaint GR-2583 via Fair Wear regarding reasonable working hours and safe and healthy working conditions. The complaint was resolved.

Complaint 2025/12271 received on 15.07.2025 via the RSC concerned safe and healthy working conditions. This complaint was resolved.

On 22.07.2025 we received complaint 2025/12308 via the RSC concerning a legally binding employment relationship. This complaint was resolved.

Complaint GR-2624 on 04.09.2025 submitted via Fair Wear concerned safe and healthy working conditions. This complaint was resolved.

Complaint GR-2626 concerning safe and healthy working conditions was received via Fair Wear on 09.09.2025. This complaint was resolved.

Complaint 2025/13009 submitted via the RSC on 30.09.2025 concerns a payment issue. The complaint was closed because it was deemed unfounded.

On 27.10.2025 we received complaint 2025/12469 from the RSC concerning a legally binding employment relationship and remuneration. The complaint is being processed.

On 29.10.2025, complaint 2025/13089 concerning a legally binding employment relationship and remuneration was submitted via the RSC. The complaint is being processed.

Complaint 2025/13118 submitted on 03.11.2025 via the RSC concerned a legally binding employment relationship and remuneration. The complaint is being processed.

On 20.11.2025 we received complaint 2025/13382 via the RSC regarding safe and healthy working conditions and a legally binding employment relationship. The complaint was resolved.

Complaint 2025/13696 received via the RSC on 15.12.2025 concerned a wage-related issue. This complaint was resolved.

### Myanmar

Complaint GR-2574 was received via Fair Wear on 06.06.2025 and concerned an issue related to wage payments. This complaint was resolved.

Complaint GR-2618 received via Fair Wear on 26.08.2025 concerned the topic of non-discrimination. The complaint was closed because the person who filed it withdrew it.

On 25.09.2025 complaint GR-2654 was received via Fair Wear concerning factory management systems, wages, freely chosen employment, and safe and healthy working conditions. The complaint was partially resolved, while some points are still being processed.



# 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 relating to a social standard or labour rights 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, during training or in interviews in social audits.

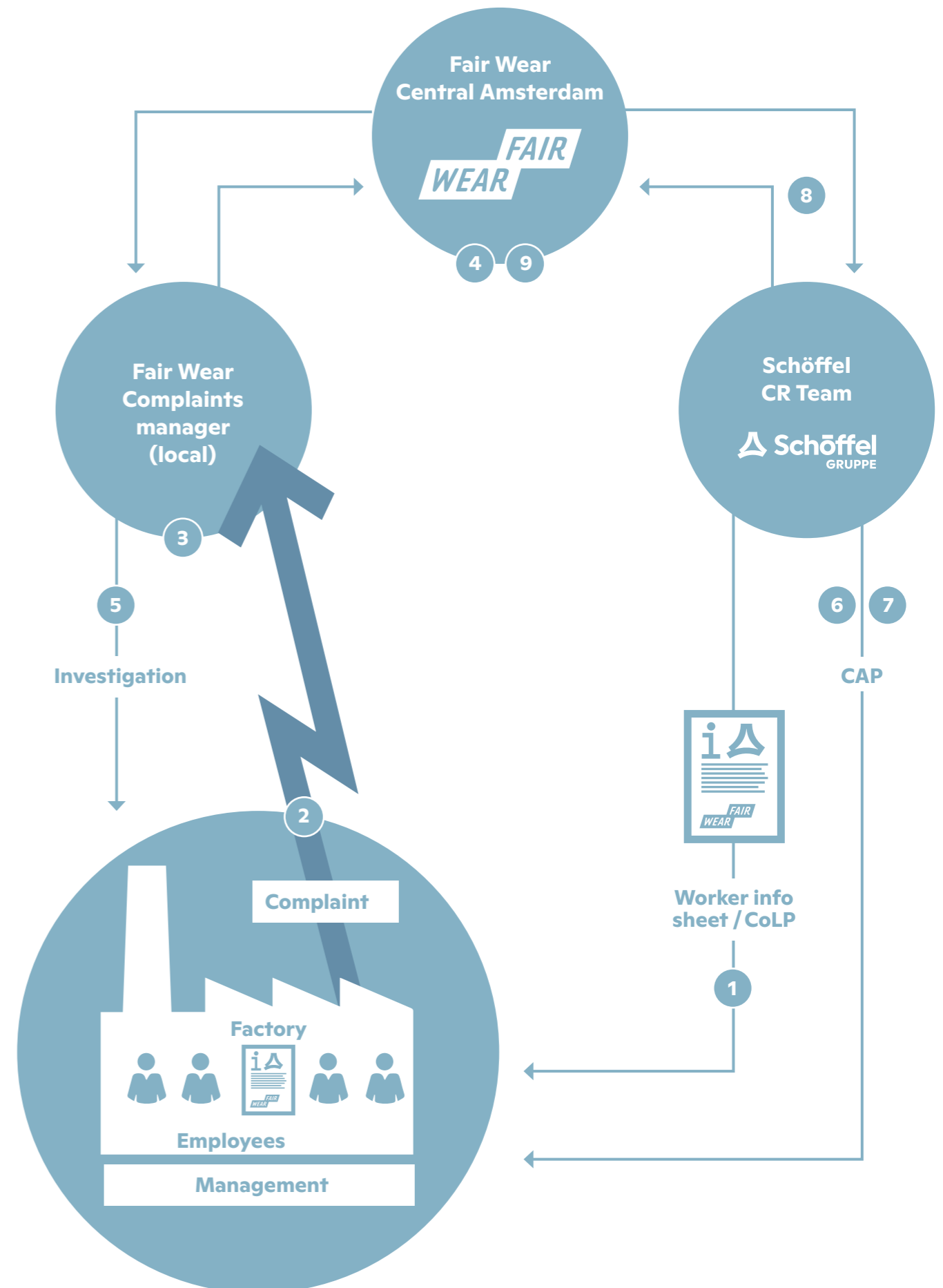
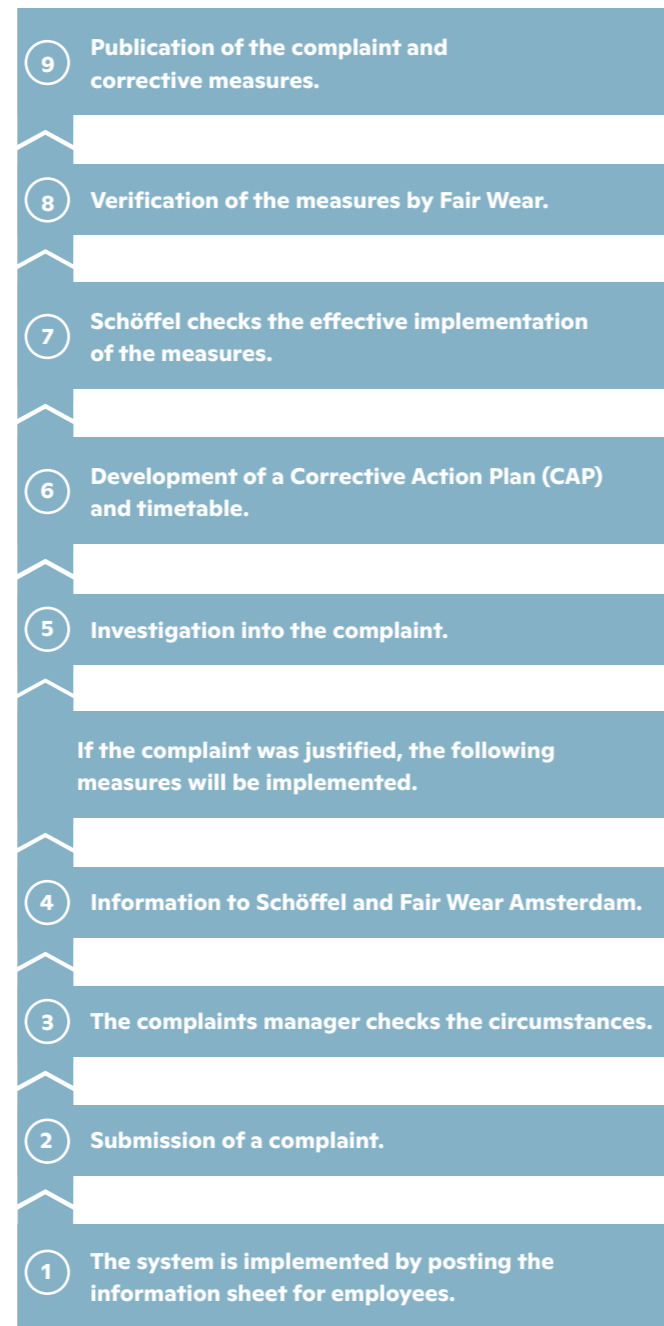
As a member of Fair Wear, Schöffel ensures that the Fair Wear grievance mechanism is communicated in all the factories that it works with. In addition, Schöffel collaborates with MADE in Myanmar, the Multistakeholder Alliance for Decent Employment

in Myanmar, and in Bangladesh with the RSC, the Ready Made Garment Sustainability Council. The RSC complaints mechanism was originally limited to issues of occupational safety and health. Since the end of 2025, it has gradually been expanded and will in the future also cover other work-related topics in Bangladesh. They include, among other issues, the core labour standards of the International Labour Organization (ILO) as well as common complaint areas such as wage payments, overtime rules, employment contracts, and severance claims.

To increase the effectiveness of improvement measures, Schöffel also works with other brands that source from the same production facilities and also uses these 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. Once a complaint has been received, it is reviewed. If it is deemed justified, an action plan is developed and implemented. The measures that have been taken are then checked.

Example: How does the Fair Wear grievance mechanism work?





# GOVERNANCE

## B-11 CONVICTIONS AND FINES DUE TO CORRUPTION AND BRIBERY

We have a zero-tolerance policy towards any form of bribery and corruption. During the reporting period, there were no convictions or fines for violations of anti-corruption and bribery laws.

CATEGORY	VALUE
Number of convictions	0
Total amount of fines	€ 0

## C-8 TURNOVERS FROM SPECIFIC SECTORS AND COMMITTEES FROM EU REFERENCE VALUES

The focus here is on revenue from sectors with particular sustainability risks such as controversial weapons or other areas addressed in EU reference values. If relevant activities are present, the corresponding turnovers are disclosed in order to assess potential exclusions from sustainability-related EU benchmarks and the associated reputational or financing risks.

This table shows that the Schöffel Group does not operate in ethically or environmentally controversial industries. With this confirmation, we clearly rule out any critical risks regarding our business model.

SECTOR	INDICATION
Controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Active: No
Cultivation and production of tobacco	Active: No
Fossil fuel sector (coal, oil and gas)	Active: No
Manufacture of chemicals, pesticides and other agrochemical products.	Active: No

Schöffel is not excluded from any EU reference benchmarks that are aligned with the Paris Agreement. We constantly review our alignment with European sustainability benchmarks.

## C-9 GENDER DIVERSITY IN MANAGEMENT BODIES

This module deals with gender diversity in the company's highest management or supervisory bodies. It discloses the proportion of represented genders, usually as a ratio of women to men, to illustrate diversity in corporate leadership.

### Does the company have a management body?

The Schöffel Group's management body is the managing partner Jakob Schöffel.

# GOALS AND ACHIEVEMENTS 2025

Schöffel has pursued and largely achieved the objectives set for 2025 with tremendous commitment.

GOALS	MEASURES/ IMPLEMENTATION
Strengthening responsible purchasing practices by revising the framework agreement for production partners	Schöffel has pushed forward the revision of the framework agreement for production partners, including consulting Fair Wear.
Development of a guideline for effective stakeholder engagement	In 2025, various activities for effective stakeholder commitment were recorded and analysed, and further approaches were tested. This served as a preparatory step for developing a guideline for effective stakeholder engagement.
Continuation of enhanced human rights due diligence (HHRDD) in Myanmar	HHRDD in Myanmar has been continuously implemented, including carrying out a SMART assessment as well as deriving and implementing follow-up measures based on the results, targeted training, and systematically tracking received complaints (see p. 54).
Finalisation and implementation of a sourcing policy	The sourcing policy has been finalised, including principles for producer relationships, producer selection, and the responsible termination of business relationships with Tier 1 production partners.
Increase in transparency and traceability in the supply chain with the focus on Tier 2 material suppliers	A large proportion of materials is sourced through nominated suppliers, which ensures transparency over Tier 2 manufacturers of materials, additions, and accessories. The first steps to restructure processes and the data management were taken in 2025. Further improvements are planned for 2026, including a stronger focus on local sourcing.

GOALS	MEASURES/ IMPLEMENTATION
Increase the proportion of circularity models in Schöffel Sport for the next two collections.	Circularity models accounted for 12.5% of the overall collection.
Increase the proportion of sustainable models in all three business areas.	60% (SPORT), 5% (TEC) and 25% (PRO)
Preparation of the 2025 carbon footprint	With the support of its partner Cozero, Schöffel prepared its 2024 carbon footprint, covering all direct (e.g. fleet) and indirect (e.g. logistics and supply chain) emissions caused by the company. The share of primary data was significantly increased and the company's total emissions reduced.

**Once a year, Fair Wear conducts a comprehensive review of Schöffel's human rights due diligence activities as part of its Brand Performance Check. This report is available [here](#).**



## SCHÖFFEL'S GOALS FOR 2026

**Sustainability is an ongoing process for Schöffel. That is why we focus on continuous improvement rather than past achievements. For 2026, this means:**

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Further systematising improvement and prevention plans in order to implement and track measures more systematically.

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Continuing the social dialogue project in Ethiopia to foster constructive dialogue between employees and management.

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Further developing our approach to effective stakeholder engagement by strengthening structured dialogue formats and more effectively integrating stakeholder perspectives.

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Strengthening collaboration and building capabilities in corporate responsibility through a joint workshop with the international Quality and Sourcing Team.

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Promoting transparency and traceability in the supply chain with a particular focus on Tier 2 material suppliers

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Expanding the circular economy through a range of innovative projects, including certification under the Circular Design Standard.

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Further increasing the proportion of circularity models in Schöffel Sport and Schöffel PRO for the next two collections.

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Boosting the proportion of sustainable materials and dyeing processes at SPORT, TEC and PRO

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Consistent implementation of the necessary steps for successful validation by the Science Based Targets initiative (SBTi)

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