

Mandatory and recommended targets of the year 2018

Policy statement

Sustainable new wool policy

Target demand: Publication of a written policy for new wool, incl. positioning against mulesing



In 2018 we update our existing Animal Welfare policy by adding a mohair ban. We are starting to work on the mohair ban in 2018 to make it come into effect in 2019.

Identify your own risks and impacts

Coverage of suppliers within supply chain

Target demand: Identification of additional actors in the deeper supply chain



In our public suppliers list we already publish Tier 1 and Tier 2 suppliers. For 2018, we will start publishing viscose fiber producers (Tier 3) in the context of our commitment with changing markets.

Chemical and environmental management

Anchoring and integration in the supply chain

Orderly & environmentally responsible housekeeping

Target demand: Support of producers to improve proper and environmentally sound business management in their supply chain



We continue our capacity assessments in 2018, with the goal of reaching 100 % by 2021. In addition, in 2018, we plan to pilot with some Tier 2 suppliers the adoption of the ZDHC Gateway "Incheck". This is a tool which supports suppliers to build a 100 % compliant chemical inventory.

Continuous reduction of hazardous chemicals

Target demand: Increase in the percentage of producers that only use ZDHC-compliant chemical products to 100%



By piloting with some of our Tier 2 suppliers the adoption of the ZDHC Gateway "Incheck", we work to gradually increase the percentage of our producers that have a 100 % compliant chemical inventory and only use ZDHC-compliant chemicals products.

Natural fibers

Increase sustainable cotton

Target demand: Increased share of sustainable cotton, procured by my organization to 25 %
Including organic cotton (as a share of the total amount of cotton) 5 %



Complaint and remedy

Implementation of effective complaint mechanisms

Target demand: Establishment of an effective complaints mechanism



This target is ongoing: We evaluate the calls in the whistleblower helpline or the calls/ emails that come in directly and start immediate investigations to improve the situation.

Raising awareness regarding sustainable textiles

Target demand: Implementation of measures to raise awareness about sustainable textile production in the following topics:



We are planning to scale up info tags on garments to inform consumers on styles with sustainable, organic and recycled materials. We will scale up awareness raising with circular fashion in mind, e.g. Clevercare and information on how to take care of clothes, packmee (recycling of old clothes).

Participation in Partnership initiative

Target demand: Participation in a Partnership Initiative to promote social and environmental Partnership goals in production countries



In view of an upcoming strategic partnership between ACT and the Textilbündnis, Esprit is working to fulfill the Textilbündnis Living wage criteria through our membership and work in ACT.

Voluntary targets of the year 2018

Formulating strategic goals

Target demand: Formulating long-term strategic goals consistent with our policy



Our strategic Goals are outlined in our sustainability Report on pages 18 and 24. https://www.esprit.com/press/sustainabilityreport/ESP_Sustainability-Report_FY1617_EN.pdf

Extended communication of activities

Target demand: Introducing/extending the communication of information on activities and results related to the Partnership's goals in connection with the following topics:



- j) Use of safe chemicals
 - a) MRSL (chemical inputs at stages of processing)
 - b) RSL (chemical residues on textile product)
- k) Good housekeeping
- l) Environmental management system
- m) Water and wastewater management
- o) Resource efficiency
- p) Recycling

In 2018, rework sustainability website to align it with circular fashion, add new case studies on waste water testing, capacity assessment visits, achievements (Chrome free leather, water based PU). Amend information in Chemical Corner (for suppliers) by new learnings from root cause analyses.

Recorded data in the deeper supply chain

Target demand: Expanding the systematic collection of information on our supply chain up to stage:



- e) Yarn production (incl. production of man-made fibres)

Starting 2018, we are increasing our supply chain mapping and capacity assessments to Tier 3 (Viscose yarn Producers). We will publish Tier 3 in our supplier list on our Website.

Improving our monitoring system

Target demand: Strengthening/improving our inspecting and monitoring system with the help of:



- b) Self-reporting by our suppliers

We work to continuously increase the amount of our suppliers using the HIGG-Index. Using the Higg Index (FEM) is one of the pre-requisites to work with us. By 2021, we aim that 100 % of our Tier 1 and Tier 2 use the HIGG FEM. By end 2018: +5% of our suppliers (vgl. status quo) are using HIGG.

Supporting training measures

Target demand: Supporting training measures in connection with:



- b) Discrimination

In 2018, we will launch a program (India, Bangladesh) to bring the number of women in supervisory positions in the factories in line with the percentage of women in the workforce overall. This program also builds on Trainings.

Notifying requirements for the supply chain

Target demand: External notification of our requirements for the supply chain via:



- a) Website
- b) Data platform (B2B)

In 2018, we'll continue to update + publish minimum requirements in social and environmental sustainability, RSL&MRSL and Quality on our Sustainability Website and communicate the updates to our Suppliers via the Vendor Portal. The sustainability Website will be redesigned acc. to circular Fashion.

Communicating wastewater guidelines

Target demand: Communicating the following wastewater guidelines/standards to our supply chain:



- a) ZDHC Waste Water Guideline

We will communicate the Guidelines to all new suppliers in 2018.

Format for producing an inventory

Target demand: Defining a format for producing an inventory of chemical inputs and communicating this format to the supply chain



In 2018, we will pilot with selected Tier 2 suppliers the adoption of the ZDHC Gateway "Incheck" (tool to build a 100 % compliant chemical inventory). In addition, we will update the existing template for a chemical inventory within our RSL&MRSL Guideline according to SAC+ZDHC templates.

Sustainability in product development

Target demand: Integrating sustainability aspects into product development by:



- a) Choice of raw materials (renewable resources)
- f) Recyclability

We have signed the Circular Fashion commitment by the Global Fashion Agenda. To integrate recyclability in product developments we will train Design teams in circular design (at least 3 trainings). Our detailed targets are published on our Website: <https://www.esprit.com/sustainability/product/>

Cost model for price quotes

Target demand: Introducing a cost model for price quotes and the formulation of agreements with producers that ensures that price negotiations are not at the expense of wage costs



We will continue to assure that labor costs are a specific item on Esprit's open costing sheet and that the labor costs are ring-fenced to assure that the prices paid to factories allow adequate wages to be paid to workers.

Old targets of the year 2017

Identify percentage producers with audit reports

Target demand: Identify percentage of the audited producers where audit reports are available



By end of 2017 we will finish a strategic plan to improve all our suppliers in the BSCI system to at least a C-Rating.