

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

We will publish a wool policy on our website and communicate it to all our business partners and producers as well as to our own staff. We continue with our approach of buying wool from sources who can demonstrate that they do not perform mulesing.

Explanation
The wool policy is part of our Animal Welfare Policy, which is available on our homepage.

Identification of manufactures & business partner

Target demand: Systematic identification of all business partners and producers

We will continue to identify our producers and business partners, by working closely together with our buying offices. We aim to identify 100% of cutting, sewing, ironing, packing, embroidery, printing and washing facilities in our supply chain.

Assessment of relevant risks

Target demand: Analysis of the social and environmental risks as well as the potential impacts of the overall business, and prioritisation of the most important risk fields on the basis of several instruments/sources

We will update the assessment by using different sources like the CSR Risk Map, Global Slavery Index, Water Risk Atlas, input from our staff, external experts and other. We prioritize the most salient issues in our supply chain and take detected risks into account when entering new countries.

Coverage of suppliers within supply chain

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

In 2018, we will identify all dyeing units associated to our CMT production processes and we will start to identify dyeing units related to our Finished Product business.

Social standards

Commitment of manufactures to social standards

Target demand: Obligation of all producers and business partners to comply with social Partnership goals

We will send our new Code of Conduct to all our direct business partners and producers. The code will be signed by our CEO and we will require from our business partners and producers to sign it and to send it back to us.

Explanation
Our new Supply Chain Code of Conduct was acknowledged by all our direct business partners and is available on our homepage.

Capacity building regarding social standards

Target demand: Support for producers in the implementation of social Partnership goals

Four of our China based factories will participate in Module(M)2 (Quality Management) of the ETI-ILO SCORE training. One of those factories will also participate in M3 (Productivity through Cleaner Production), M4 (Workforce Management) & M5 (Health & Safety).

Explanation
Sustaining Competitive and Responsible Enterprises (SCORE) is a program that aims to improve productivity and working conditions in small and medium enterprises (SMEs).

Chemical and environmental management

Orderly & environmentally responsible housekeeping

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

Together with the MRSL, we will send a chemical inventory template to 100% of our producers and business partners and will ask them to cascade it down their supply chain.

Communication of chemical guidelines

Target demand: Communication of the following MRSL with ancillary information to 100% of producers and business partners for implementation and transmission to the supply chain:



ZDHC and Research List

We will send the MRSL with accompanying information to our business partners and producers by mail and ask them to cascade the information down the supply chain. We will put special emphasis on the importance of implementing the MRSL in wet processing units.

Natural fibers

Increase sustainable cotton

Target demand: Increased share of sustainable cotton, procured by my organization to 5 %
Including organic cotton (as a share of the total amount of cotton) 0 %



We will increase our share of BCI cotton of our overall cotton sourcing.

Explanation

In 2018 we managed to increase our share of BCI cotton to 18% of our total cotton sourcing.

Procedures to manage child & forced labor

Target demand: Establishment of a process or procedure to deal with cases of child and/or forced labour (including access to remedy)



We will research best practices and establish a process, which will be communicated to 100% of our business partners and producers as well as to our own staff.

Raising awareness regarding sustainable textiles

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



Sustainable fibers & fabrics and chemical management

We will continue the sustainable fibers & fabrics training in 2018 in our two support centers. We will start to train our staff on proper chemical management. Target group: Product Development Teams and Corporate Responsibility Team worldwide.

Participation in Partnership initiative

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



We participating in the Partnership Initiative "Sustainable chemical and environmental management in the textile supply chain".

Voluntary targets
of the year 2018

Expansion of our policy

Target demand: Expansion of the policy to include 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

We will develop an Environmental & Chemical Handbook and send it to 100% of our producers and business partners. Additionally, we will communicate our own RSL.

Information recorded for producers

Target demand: Expanding the indicators recorded for our business partners and producers



We will start to record the in-house processes on factory level for all our first tier suppliers.

Abandon fibre

Target demand: For sustainability reasons, we will abandon the following man-made fibre from our products:



Since PVC is harmful throughout its entire life-cycle, we will not use PVC anymore in our production.

Improving our monitoring system

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

d) Supplier audits performed by others (3rd party)



We will switch from our own 2nd party audits to 3rd party audits. By joining the Initiative Clause Sociale (ICS) we joined beginning of 2018 a well established auditing system and since factories are shared by ICS members, we will be able to reduce double auditing of factories with this step.

Procedure in the event of breaches

Target demand: Establishing a procedure for dealing with breaches of the requirements by business partners and producers



We believe that dealing with detected breaches has a strong ethical component. Therefore we decided to set up an Ethics Committee, which will start to draft guidelines and procedures for such breaches.

Wastewater guidelines: producers

Target demand: C.2.1.5.1.a. Wastewater guidelines: producers

Increasing the percentage of producers and business partners (as measured by purchasing volume) to whom our wastewater guidelines are communicated to 100 %

Together with the MRSL, we will communicate the ZDHC Wastewater Guidelines to 100% of our producers and business partners.



Supplier selection requirements

Target demand: Making fulfilment of requirements a criterion for selecting suppliers or awarding contracts



The supplier scorecard is the base for our supplier evaluation and our planning. It takes commercial, quality and CR aspects into account. Based on the scorecard assessment, we define corrective actions. Our goal is to assess suppliers accounting for 85% of our purchasing volume.

Producers who produce an inventory

Target demand: C.2.1.3.1. Producers who produce an inventory

Increasing the percentage of producers (as measured by purchasing volume) who already produce an inventory of the chemical inputs used to 70 %

We will collect the chemical inventories from fabric suppliers we have a direct relationship with through our CMT business, covering 70% of purchased meters.



Training employees with regard to risks

Target demand: Providing training to raise our employees' awareness of social and environmental risks in the supply chain



The person in charge of environmental topics will attend the Colloquium on "Integrated Best Available Wastewater Management in the Textile Sector" at the University of Stuttgart and sign up to a "Coaching on Water Risk Analysis and Water Stewardship", organized by DGCN and WWF.