

OF TRUST, SAFETY AND SUSTAINABILITY

ANNUAL REPORT 2021 / 2022

TRUST. SAFETY. SUSTAINABILITY. SINCE 1992

SHAPING A SUSTAINABLE FUTURE.



Georg Dieners Secretary General OEKO-TEX®

DEAR READERS,

OEKO-TEX® was founded 30 years ago. Our idea: enabling companies and consumers to make responsible decisions in order to preserve our planet for future generations. This initial impulse is now more urgent than ever. As the global community faces health, political and economic challenges, climate change continues to advance.

To enable responsible decisions against this background, transparent communication and credibility are required. That is why we at OEKO-TEX® actively include external perspectives. In March 2022, we conducted a Public Stakeholder Consultation. The comprehensive insights we gathered are now being integrated into the development processes of our standards and services. Our International Advisory Board also convenes annually. It makes suggestions to the working groups and further stimulates improvement of our standards.

Our 17 independent, international research and testing institutes work closely and consistently, using the latest scientific findings. Our round robin tests are an important measure to ensure the quality and comparability of our standards. OEKO-TEX® Institutes test identical samples using our globally standardized, identical test methods, to make cross-laboratory comparisons. In addition, we further developed the feedback systems of our standards in the past financial year.

The international community of states are the most important actors against climate change. In spring 2022, the Intergovernmental Panel on Climate Change (IPCC) published the current UN climate report. It classifies 1,600 potential scenarios into eight categories – two of which are optimistic. The goals are to achieve positive development and to limit global warming to 1.5 degrees Celsius above pre-industrial temperatures (in accordance with the Paris Agreement) by 2030. The UN climate report states two necessary and simultaneous measures: partial removal the carbon dioxide from the atmosphere with maximum expansion of renewable energies and reduction of greenhouse gas emissions. In spring 2022, the European Commission modernized its regulations on industrial emissions. Key changes include stricter permits for industrial plants, promotions for circular investments and energy efficiency and increased support for innovation leaders.

OEKO-TEX® supports the industry with these challenges. In January 2022 we introduced the Impact Calculator. It helps STeP by OEKO-TEX® certified production facilities reduce their CO_2 emissions and water consumption. Later in 2022, we will launch RESPONSIBLE BUSINESS by OEKO-TEX®, which supports companies transitioning to upcoming due diligence laws.

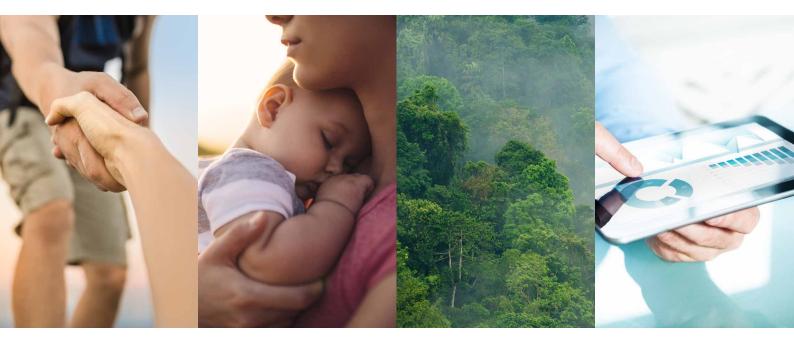
I wish you interesting reading and I look forward to your suggestions and ideas.

Yours faithfully,

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Georg Dieners

OUR VALUES.



TRUST

Trust is the foundation of our action. We trust in science.

OEKO-TEX® is an international network of independent scientific experts. We test and certify by using clear, consistent criteria, which we communicate openly.

SAFETY

For 30 years, we have enabled companies and consumers to make confident decisions.

We drive product and human safety through reliable solutions. From companies and their employees to consumers and their families, everyone can rely on our certified products and processes.

SUSTAINABILITY

With our independent scientific methods, we inspire and shape a sustainable future.

We are an active, solutiondriven partner in innovative projects, with a positive mindset and progressive approach.

TRANSPARENCY

We see transparency as key to sustainability.

Working towards a sustainable future is inextricably linked to a transparent status quo. By setting the highest standards and communicating them openly, we encourage companies and consumers to do the same.

SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS (SDGs).

The 2030 Agenda for sustainable development provides a blueprint to achieve a better and more sustainable future. The 17 SDGs form a clear call to action. Through standards and innovations, OEKO-TEX® supports the industry and society on its path of transforming the world through actions.



PARTNERSHIPS FOR THE GOALS

We exchange and cooperate with third parties, to harmonize sustainable standards and actions. We engage with various international, multi-stakeholder initiatives, e.g. projects with the UN, the OCED, the Partnership for Sustainable Textiles and ZDHC.

REDUCED INEQUALITIES

Fair wages, working hours and equal treatment of workers without discrimination the race, origin, disability, religion, sexual orientation and ethnicity – that's what we stand for.





RESPONSIBLE CONSUMPTION AND PRODUCTION

Our MADE IN GREEN label guides consumers to responsible consumption by making **supply chains transparent and traceable.** The STeP certification ensures the **l ong term implementation of environmentally friendly production processes.**



GOOD HEALTH AND WELL-BEING

Workplace safety, good hygiene, medical requirements and social insurance are obligatory for the STeP certification. Extensive product testing for harmful substances ensures consumer safety for OEKO-TEX® labelled products.

GENDER EQUALITY

Gender equality is a basic requirement for all our OEKO-TEX® certificates: Our Code of Conduct is related to the UN Global Compacts' 11 principles and the ILO labour standards to ensure an active engagement of all employees.



CLEAN WATER AND SANITATION

STeP supports facilities **to monitor and optimize their chemical management and their wastewater quality** – for more agile responses to new demands and to prevent hazardous chemicals and untreated wastewater.



CLIMATE ACTION

STeP provides a comprehensive analysisand assessment of production processes to help implement best practices, increase efficiency and **reduce carbon footprint – across the supply chain. The Imapct Calculator, that is integrated into** STeP enables facilities to measure and report their carbon emissions and water usage.

At OEKO-TEX®, our business trips are done by rail or offset through Atmosfair.



HIGHLIGHTS 2021 / 2022.



OEKO-TEX® CELEBRATES ITS 30[™] ANNIVERSARY

For three decades, OEKO-TEX® has pursued the goal of building trust for companies and consumers and enabling responsible decisions to protect people and the planet. "Our services bring transparency to the international textile and leather industry supply chains," says OEKO-TEX® Secretary General Georg Dieners. "They enable all stakeholders to make mindful decisions that help preserve our planet for future generations."

PUBLIC STAKEHOLDER CONSULTATION

In March 2022, we conducted a Public Stakeholder Consultation.

The goal of the OEKO-TEX® Public Stakeholder Consultation is to allow the participation of stakeholders in the OEKO-TEX® Standard setting process. A first overview of the results and next steps are shared on the OEKO-TEX® website.

Public Stakeholder Consultation: First insights.

OEKO-TEX® INSPIRING CONFIDENCE ECO PASSPORT



Products certified

Over 1,000 valid certifications

1,015

36,084

certificate and labels issued in over 110 countries in this financial year. This is +14% compared to 2020/2021.



LAUNCH OF IMPACT CALCULATOR

The Impact Calculator was launched in January 2022 and successfully integrated into STeP by OEKO-TEX®. It measures the Carbon and Water Footprint at the facility level and helps STeP certified facilities advance their environmental management and performance.

Please read more about the Impact Calculator on page 9.



PRODUCT HIGHLIGHTS.



OEKO-TEX® INSPIRING CONFIDENCE MADE IN GREEN

In 2021/2022, 93 new companies became MADE IN GREEN label owners. This is +32% compared to previous financial year. These are 93 more companies focusing on producing sustainable, safe and traceable products to help consumers in making informed purchasing decisions. The new label owners are located in: Indonesia, Moldova, Norway, Romania, Slovenia, Sweden, Vietnam.

Product Control Testing

Product Control Testing for MADE IN GREEN were implemented to ensure the high quality of our labels.



STANDARD 100 emeraged in 1992 from the former "Schadstoffgeprüft nach ÖTN 100" to address increasing public interest in textile ecology and health. While celebrating 30 years of this certification and the OEKO-TEX® Association, we reached the 25,000 certifications milestone.



LEATHER STANDARD is developing successfully and certifying more products. With growth of +26% over last year, we reached 87 certificates.

PRODUCT HIGHLIGHTS.







More than 850 worldwide production facilities are STeP certified, including3 new leather facilities, 2 tanneries and 1 leather finisher.

ECO PASSPORT has seen substantial growth and has finished the business year with over 1,000 valid certificates covering over 16,000 certified products. Additionally, more customers are opting for an On-Site Visit, which leads to ZDHC conformance level 3 instead of 1. Now, more products have been certified with an On-Site Visit than the basic option.

Product Control Testing

Product controls were implemented for ECO PASSPORT in 2020 to ensure a high quality certification. In 2020/2021, we increased the control rate from 10% to 15% of certified products.

Mandatory Self-Assessment

In spring 2022 OEKO-TEX® announced that the Self-Assessment for the ECO PASSPORT will become mandatory in April 2023.

Learn more here.

IMPACT CALCULATOR.



In January 2022, <code>OEKO-TEX®</code> launched the Impact Calculator – a tool for facilities to measure the Carbon and Water Footprint.

It's time the Fashion Industry takes action on Climate & Water. The apparel sector is a key contributor to global emissions – and must take action now.

Consumer awareness is growing. Due diligence laws are on the agenda of many governments. Limiting global warming to 1.5°C requires rapid and measurable action at scale. In addition, water risk is growing and today the apparel sector is underperforming on measuring and monitoring water impact.

Brands, feeling the pressure, need to know their supply chains and quantify their impact. Consequently, over 120 brands signed the UN Fashion Industry Charter for Climate Action. Production facilities play a critical role in achieving the industry's goals to reduce water usage and carbon emissions 30% by 2030.

66 Using OEKO-TEX®'s Carbon and Water Impact Calculator, production facilities can easily and rapidly perform screening LCAs, initial assessments of environmental performance. It provides basic yet credible data that enables facilities to identify the main contributors to their carbon and water impacts, including processing steps and types of fibres. **99**

Aligned with the Sustainable Development Goals (SDGs)



With our services, we strive to support more sustainable practices and continuously push the industry forward.

Recognizing the data gap, OEKO-TEX® has included the two most critical elements of a Life Cycle Assessment (LCA) methodology into the STeP certification:

- carbon emissions
- water usage impacts

Learn more about the methodology.

Tereza Lévová, Senior Sustainability Consultant, Quantis

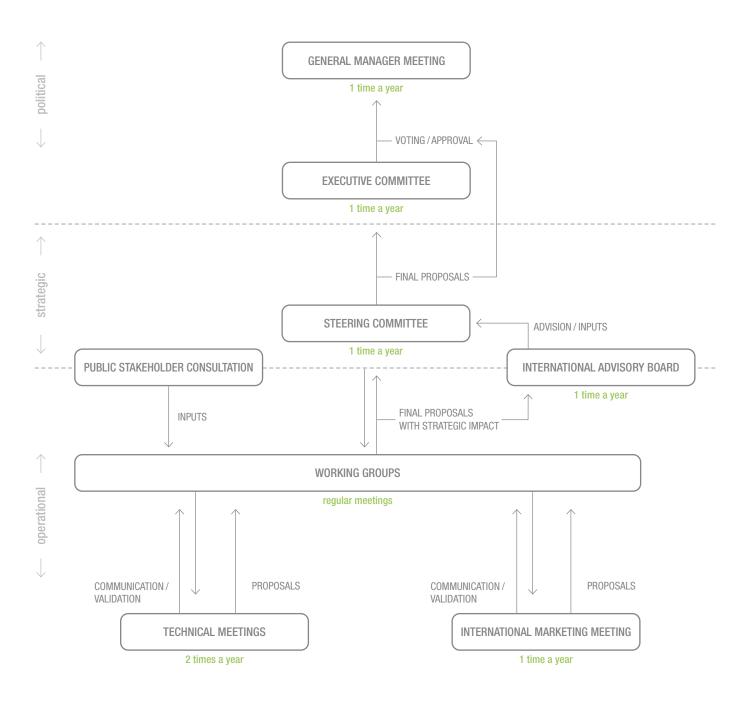
OEKO-TEX® ASSOCIATION.

The independent research and test institutes in Europe and Japan work together to continually develop test methods and define limit values for the textile and leather industry. The OEKO-TEX® testing institutes and their contact offices are present in over 70 countries.



OUR STANDARD SETTING PROCESS.

Our core ambition is to keep the high quality of our certification standards. To ensure that the standards remain at the highest technical level, they are revised every year. Various OEKO-TEX® Committees track global regulations, scientific data and industry technologies and discuss about future updates of the OEKO-TEX® Standards. The committees are made up of internal and external experts from various disciplines and countries. Textile engineers, technicians, chemists, toxicologists, lawyers, social scientists, marketeers, etc. are represented so that as many perspectives as possible can be considered. Through this broad expertise and the collaborative negotiation process, we create industry-leading standards that meet the high demands for transparency and credibility. The participation of stakeholders in the OEKO-TEX® Standard-setting Process is highly important. The **Public Stakeholder Consultation** provides input on a regular base. The **International Advisory Board** give recommendations based on the proposals to the Steering Committee.



PARTNERSHIP AND INITIATIVES.



By incorporating external views, we are confident that the most significant perspectives will flow into our standards. Some of our engagements are described below.

UNECE Cotton & Leather Blockchain Projects

The specialized agencies and commissions of the United Nations are pursuing numerous projects in the social and environmental spheres. OEKO-TEX® is engaging in two UN-Multi-Stakeholder Initiatives (MSI) focusing on transparency and traceability through Blockchain technology. Our goal is to enable more transparency along the textile and leather supply chains for consumers, brands and manufacturers.

International Trade Center (ITC)

OEKO-TEX® provides information to ITC's Standards Map, which is a market analysis tool available on their website. It presents comprehensive and comparable information on voluntary sustainability standards to strengthen the capacity of producers, exporters and buyers with more sustainable production and trade. We support ITC in giving users the opportunity to review and compare our standards across common themes and criteria.

ZERO DISCHARGE OF HAZARDOUS CHEMICALS (ZDHC)

OEKO-TEX® is a ZDHC Contributor and pleased to continuously collaborate towards reducing the industry's chemical footprint.

BLab

OEKO-TEX® supports the BLab vision of businesses having environmental preservation and social well-being at their core. We have performed an impact assessment and are prioritizing Sustainable Development Goals to become a BLab Certified Corp.

Partnership for Sustainable Textiles

OEKO-TEX® is engaged in various initatives and project groups of the Partnership for Sustainable Textiles to collectively improve social, ecological and economic conditions in gobal textile production. Members of the Partnership exchange experiences and jointly develop solutions, which in turn are adopted by the members.

SPOOR

Transparency and traceability in the LEATHER supply chain is an urgent topic in the industry. End consumers demand to know where the product was produced and where the raw materials are coming from. SPOOR and OEKO-TEX collaborate in a pilot project to drive transparency and traceability in the leather supply chain for more sustainability.

Universities

Since 2018 OEKO-TEX® has engaged in academic discourse with the Academy for Fashion and Design and Hochschule Niederrhein. The OEKO-TEX® Association has again renewed our sponsorship of three students from each school with the Deutschlandstipendium. Engaging with future decision makers around socially responsible and sustainable action is vital. We are very pleased to support the scholarship recipients.

CONFIDENCE AND TRUST THROUGH AUDITS.

The OEKO-TEX® Testing Institutes connect standards with our customers. They are integral to implementing and enforcing our standards. Our 17 testing institutes are represented in over 70 countries. So, managing quality expectations is challenged by different cultural mindsets and continuous growth.

Laboratory testing is only performed at institutes headquarters. Our STeP auditors are trained by the OEKO-TEX® Association. Control testing ensures product compliance in the market and Round Robin Tests make sure that the methods and laboratories are working in sync.

Institute Audits ensure that the people and processes align with our standards and values. Therefore, every three years, each member of the OEKO-TEX® Association is audited by the OEKO-TEX® Secretariat. The institute audit serves as a formal check-in to perform a third-party review of their processes and identify any areas where OEKO-TEX® Association support is needed.

For the institute audit, certificates and labels representing each OEKO-TEX® Product are chosen randomly. We check the testing program, available documentation, audit reports, follow-up of obligations, validation process and billing for availability, suitability, precision and compliance according to OEKO-TEX® Association rules.

Open discussion and dialogue with the audit participants are an important part of the audit. We discuss how OEKO-TEX® processes are translated into daily business, as well as broader topics, such as institute accreditations and internal quality management, employee training, complaint management, fair play rules and corruption prevention measurements.

The resulting audit report includes obligations that must be implemented within a given time frame and recommendations or ideas for further performance improvement.



1.097 of these were self-assessments.

QUALITY ASSURANCE.



ROUND ROBIN TEST AND PRODUCT CONTROLS.





Test parameters were checked

Round robin testing provides an interlaboratory comparison between our testing institutes. They are an important part of our strategy to ensure the high quality of our measuring procedures and laboratories. Identical samples are tested with identical test methods at each institute. The results are compared for accuracy and consistency. These important quality measures allow us to make confident statements about the integrity of our certificates and our trusted member institutes. Participation in the annual Round Robin Tests is mandatory for institutes that test for OEKO-TEX® and vital to guaranteeing the quality of our certifications.

The OEKO-TEX® quality assurance strategy includes control testing of STANDARD 100, LEATHER STANDARD and ECO PASSPORT certified products. A process to incorporate MADE IN GREEN products was trialed.

6,374 certificate and labels from 71 countries (68% Asia, 25 EU, 7% other regions)

25% STANDARD 100 and LEATHER STANDARD certificates, 5% of ECO PASSPORT certificates and 25% of MADE IN GREEN label owner were inspected

11,091 samples taken from retail stores or during On-Site Visits

89% of the random samples confirmed certification results

The certificate holders of the failed control tests were informed. They are required to prove compliance with the standard and submit new samples to verify the successful implementation of the requirements. In rare cases of continued failures or refusal to cooperate, the certificate is revoked.

OEKO-TEX® IN NUMBERS.

NUMBER OF ISSUED CERTIFICATES AND LABELS.

	2020/2021	2021/2022	
STANDARD 100 by OEKO-TEX®	24,703	27,428	+ 11%
MADE IN GREEN by OEKO-TEX®	5,840	7,198	+ 23%
LEATHER STANDARD by OEKO-TEX®	69	87	+ 26%
STeP by OEKO-TEX®	244	356	+ 46%
ECO PASSPORT by OEKO-TEX®	840	1,015	+ 21%
TOTAL	31,696	36,084	+ 14%

WORLDWIDE DISTRIBUTION OF CERTIFICATES AND LABELS.

2021/2022	absolute number	percentage
Asia	20,994	58%
Western Europe	9,896	27%
Middle East	3,026	8%
Eastern Europe	984	3%
North America	663	2%
Africa	279	1%
Central and South America	215	1%
Oceania/Australia	27	0%
TOTAL	36,084	

WEBSITE WINS.

OEKO-TEX® has always worked to create more transparency along the textile and leather chains, to protect consumers and to ensure greater safety and trust for all parties involved. OEKO-TEX® is focused on improving the user experience of our website. We use data analysis to continuously improve and adapt to users' needs. We are pleased to report further developments in users and page views.



-1% SESSIONS 2021/2022: 1,658,796 2020/2021: 1,674,418 **USERS** +/-0% PAGE VIEWS

+1%

2021/2022: 3,000,000 2020/2021: 3,000,000

SOCIAL MEDIA INCREASED.

+38%

INSTAGRAM

2021/2022: 5,897 Followe

2020/2021: 4,252 Followe

OEKO-TEX® has increased efforts to engage target audiences using a focused social media strategy and achieved healthy KPI growth. To further increase our social media presence and target a younger audience, OEKO-TEX® successfully partnered with global influencers.



+7% **FACEBOOK** 2021/2022: 6,766 Followe

+20% TWITTER 2021/2022: 2,152 Follower 2020/2021: 1,780 Followe

+16% LINKEDIN 2021/2022: 27,918 Followe 2020/2021: 23,980 Followe

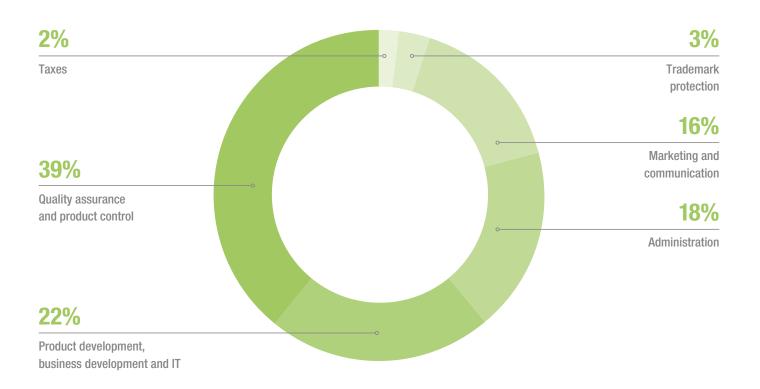
in

+65% **WECHAT** 2021/2022: 13,872 Followei 2020/2021: 8,388 Followe

2020/2021: 6,265 Followe

OVERVIEW OF EXPENSES CLEAR FOCUS ON QUALITY.

OEKO-TEX® operations are funded by certification license fees.



OEKO-TEX®

PUBLISHER

OEKO-TEX® Association Genferstrasse 23 CH-8002 Zurich Phone +41 44 501 26 00 info@oeko-tex.com www.oeko-tex.com

Secretary General: Georg Dieners Commercial Register Office of the Canton of Zurich

