

Annual Report

2022/2023

Dear readers,

the urgency of acting in response to the climate crisis remains critical across all industries. Within a few years, we must become climate neutral while maintaining our resources, balancing social injustices, creating liveable spaces and driving digital transformation.

At OEKO-TEX[®], we are convinced that only collaboration and collective action can accelerate the urgently needed change. This is why we made cooperation the focus of our activities in the past financial year.

With our two new certifications, we focus on the collaboration between various parties along the global supply chain:

The OEKO-TEX® RESPONSIBLE BUSINESS certification was launched in November 2022 to promote supply chain due diligence requirements in the textile and leather industry. It supports companies in preventing negative impacts of business operations - within their own activities, their supply chains and in their wider business relationships.

Since April 2023, the OEKO-TEX® ORGANIC COTTON certification has offered verification from farm to product. Companies working with OEKO-TEX® ORGANIC COTTON can benefit from a network of certified corporations around the world for easier sourcing of chemicals, materials and business partners along the textile chain.

We aim to drive change by cooperation, not only with our products, but at the association level too. Here, we consider partnerships with multistakeholder initiatives to be particularly important. They involve as many different perspectives as possible, while letting various parties benefit from the outcome.

Following this approach, we have joined forces with ZDHC to enhance more sustainable chemical management and cleaner chemistry principles. This year's acceptance as an ISEAL community member was another important step towards greater industry cooperation. The ISEAL alliance supports ambitious sustainability systems and their partners in tackling the world's most pressing challenges. Our membership underlines our commitment to generating trust and transparency through the improvement of our standards and management systems.

We want to take this opportunity to thank all stakeholders, partners and our employees for their great collaboration and support as we work together to create a better tomorrow. We inspire trust in the textile & leather industry. Driven by sustainability and a dedication to transparency, our work is grounded in proven science.

Our standards allow everyone to make responsible decisions and protect natural resources.



Sustainability

With our independent scientific methods, we inspire and shape a sustainable future. We are an active, solution-driven partner in innovative projects, with a positive mindset and progressive approach.



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.



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.

A fresh look for a trusted brand

In its over 30th year of dedication to safer textiles and leather, OEKO-TEX® has created a new brand identity. The most visible change is the new OEKO-TEX® logo, based on a geometric square and an organic circle, which reflect the scientific approach of OEKO-TEX® and the nature it aims to protect. The new branding embodies our active, solution-oriented and positive approach. With our independent testing institutes, we certify to clear, globally uniform criteria, which we communicate openly.







Our highlights:

Transparent and user-friendly:
Our modular labelling system is easy to use, flexible and consistent

for all OEKO-TEX® product brands.

✓ New tools like the Label Editor:

We developed an easy, accessible tool for $\mathsf{myOEKO}\xspace{-}\mathsf{TEX}^{\circledcirc}$ users to download their labels.

✓ Clean, simple and bold:

The instantly recognizable combination of brand mark and colour unifies our communication and increases brand awareness.

Inspiration and aspiration:

The new warm colours, lively imagery and clear messaging spark an emotional connection.



MADE IN GREEN XX.XXX.XXXX Institute









www.oeko-tex.com

Mandatory

Maximum

Facts & numbers at a glance





countries worldwide.

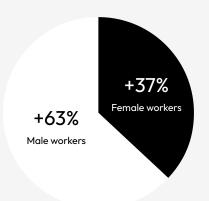
BHive® Starting April 2023, OEKO-TEX® STeP customers can utilize BHive® App, developed by GoBlu. Already more than



STeP customers use the app for their digital chemical management.

+1 Million workers

benefit from working in STeP certified facilities









Amazon Climate Pledge Friendly

As of June 2023, over 258,000 STANDARD 100 labelled products and 38,324 MADE IN GREEN labelled products are Climate Pledge friendly badged on Amazon.







Highlights in 2022/2023

Launch! RESPONSIBLE BUSINESS

With the launch of OEKO-TEX® RESPONSIBLE BUSINESS in November 2022, OEKO-TEX® has considerably enhanced its system.

The focus is now also on the human rights and environmental due diligence obligations that companies in different countries have to consider. With this new certification, OEKO-TEX® offers support in the implementation of due diligence within the company and confirms it through certification.

Launch! ORGANIC COTTON

To further support the use of organic cotton, our new OEKO-TEX® ORGANIC COTTON standard was launched in April 2023. By testing for GMO and pesticides as well as having a full understanding and transparency of the value chain, we are happy to present a trustworthy label for products all along the supply chain that are made of organic cotton.

Launch! OEKO-TEX® Label Editor

The new OEKO-TEX® label editor enables our customers to design, generate and download OEKO-TEX® labels and hangtags to their specific needs. The label editor is accessible via the myOEKO-TEX® platform. With more than 32,900 downloads in 6 month the tool is already a success story.

PFAS

At OEKO-TEX®, our goal is to prevent the intentional use of PFAS. This is why we have issued a general ban on Per- and polyfluoroalkyl substances (PFAS) in textiles, leather, apparel and footwear. This applies to product class 1 as of April 2023. The transition phase for the product classes 2-4 ends in 2024. All PFAS chemicals contain organic fluorine which can be detected via lab tests. This is why we introduced a limit value for extractable organic fluorine.

Shoe Projects

German Outdoor Brand LOWA Sportschuhe GmbH, Croatian shoe manufacturer MIRET and Swiss safety- and professional shoe manufacturer Stuco AG joined us on our journey to ensure trust and more sustainability in the textile and leather industry. Their shoe products got successfully certified and scientifically tested for the presence of harmful substances.

ISEAL Membership

With our ISEAL Community Member OEKO-TEX® underlines its commitment to generate trust and transparency. By taking part in ISEAL's learning, collaboration and innovation activities, we are working to improve our standards and management system as well as creating greater impact.

We asked our team: What was your highlight in 2022/2023?

OEKO-TEX® RESPONSIBLE BUSINESS

Terminology Project

ZDHC Collaboration

OEKO-TEX® Label Editor

PFAS ban new limit values for PT2 chemicals

Integration of BHive®



Digital Chemical Inventory

EOF limit value

OEKO-TEX® Connector

dariadéh collaboration

Amazon Climate Pledge Friendly

Sustainable Development Goals (SDGs)

Good health and well-being

Safety at workplace, good hygiene, medical requirements and social insurance are obligatory for the OEKO-TEX® STeP certification. Extensive product tests for harmful substances such as pesticides, PFASs or azo colorants to ensure consumer safety for OEKO-TEX® labelled products.

QUALITY

EDUCATION

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Quality education

We inform and update our customers, end consumers and other stakeholders about relevant sustainability topics to enhance awareness and support informed decision making. Important element of our quality assurance system is the training of auditors. OEKO-TEX® STeP obliges facility in conducting trainings and education of management and employees on social and environmental topics.

Gender equality

Gender equality is an important part of our OEKO-TEX® values: Our Code of Conduct is related to the International Bill of Human Rights and the ILO labour standards to ensure an active engagement of all employees.





Clean water and sanitation

OEKO-TEX® STeP and OEKO-TEX® ECO PASSPORT supports facilities to monitor and optimize their chemical management and their wastewater quality – for more agile responses to new demands and the prevention of hazardous chemicals and disposal of untreated wastewater.



Reduced inequalities

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

Responsible consumption and production

OEKO-TEX® MADE IN GREEN guides consumers to responsible consumption by making supply chains transparent and traceable. The OEKO-TEX® STeP certification ensures the long term implementation of environmentally friendly production processes. OEKO-TEX® RESPONSIBLE BUSINESS supports companies to integrate and practice environmental and human rights due diligence in their management systems.





Climate action

OEKO-TEX® STeP provides a comprehensive analysis and assessment of all production processes with the aim to implement best practices, efficient processes and reduce the carbon footprint across the whole supply chain. OEKO-TEX® ORGANIC COTTON supports sustainability, soil health and regenerative farming as well as biodiversity.

Partnerships for the goals

Strong partnerships and trustworthy collaborations are key element of our business for achieving positive impact on responsible consumption and production. Therefore, we exchange with various international, multi-stakeholder initiatives, such as the UN, OECD, ISEAL, ZDHC and the Partnership for Sustainable Textiles



5

We are there for you worldwide

Our association consists of independent research and test institutes in Europe and Japan. Together we work to continuously develop test methods, define limit values and setting the highest standards for the textile and leather industry.

Our OEKO-TEX $^{\otimes}$ testing institutes and their contact offices are present in over 70 countries.











FILK Freiberg Institute



if the Textile et de l'Habillement

INNOVATIEXT®

Łukasiewicz Łódzki Instytut Technologiczny













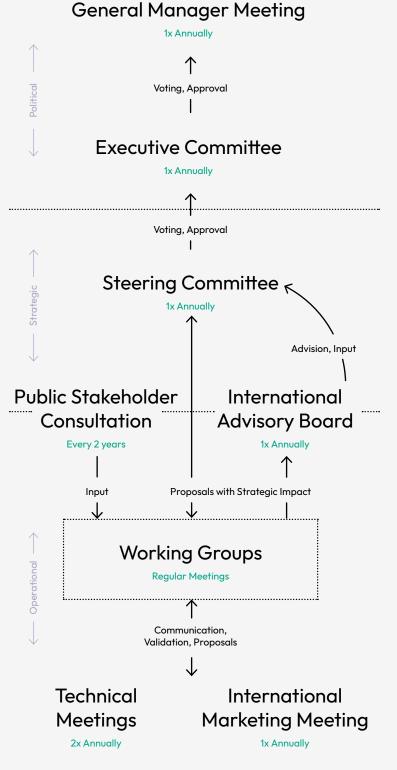
Our Standard Setting Process

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 gives recommendations based on the proposals to the Steering Committee.



Partnerships & Initiatives

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)

ZDHC and OEKO-TEX[®] deepen their collaboration with the goal to enhance sustainable chemical management and cleaner chemistry principles. The partnership seeks to drive sustainability while meeting the needs of chemical formulators/manufacturers, suppliers, brands and retailers.

Universities

Engaging with future decision makers around socially responsible and sustainable action is vital. Therefore, OEKO-TEX® is engaged in academic discourse with various universities. Part of it is the sponsorship of the Deutschlandstipendium in cooperation with the Academy for Fashion and Design and Hochschule Niederrhein.

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.

Leather Traceability Cluster

OEKO-TEX® is part of the Leather Traceability Cluster together with COTANCE, Leather Working Group, Sustainable Leather Foundation, ICEC and other relevant actors. The initiative aims for the alignment on traceability schemes within the leather sector.

WRAP

OEKO-TEX® cooperates with WRAP, a comprehensive audit and certification program, striving for alignment of standards and the reduction of duplicative audits.

Confidence & trust through audits.

The OEKO-TEX® testing institutes link our standards and customers. They significantly contribute by implementing and enforcing these standards. In over 70 countries, our 17 testing institutes showcase our global presence. This expansive reach, however, presents a unique challenge in maintaining consistent quality standards due to diverse cultural perspectives and ongoing expansion. Some of the measures we take to ensure consistent quality are:

Laboratory testing exclusively takes place at the institutes' headquarters.

- ✓ Our OEKO-TEX[®] STeP auditors receive comprehensive training from the OEKO-TEX[®] Association.
- Through control testing, we ensure the conformity of products in the market, while round robin tests ensure harmonized methodologies and synchronized laboratory operations.
- Institute audits play a pivotal role in aligning people and processes with our standards and principles. Thus, on a triennial basis, each testing institute of the OEKO-TEX® Association undergoes an audit conducted by the OEKO-TEX® secretariat. This institute audit serves as a formal checkpoint, facilitating a third-party evaluation of their procedures and pinpointing areas where the support of the OEKO-TEX® Association can be extended.

All about audits:

32

new OEKO-TEX® STeP auditors successfully completed the first in-person STeP auditor training since 2019. 149

professional STeP auditors working within the OEKO-TEX® Association. 7,187

On-site visits for STANDARD 100 and LEATHER STANDARD were carried out.

Round robin tests

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.

20 Participating testing laboratories

35 Test parameters were checked

Product controls



The OEKO-TEX® quality assurance strategy includes control testing of STANDARD 100, LEATHER STANDARD and ECO PASSPORT certified and MADE IN GREEN labelled products.

2022/2023 product control testing in numbers:

6,890

certificates and labels from 70 countries (32% China, 15% Bangladesh, 9% Germany)

25%

STANDARD 100 and LEATHER STANDARD certificates, 15% of ECO PASSPORT certificates and 25% of MADE IN GREEN label owners were checked

11,066

samples taken from retail stores, during on-site visits or certificate renewal

94%

of the random samples confirmed certification results

The certificate holders of 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.

Marketing Collaboration & Social Media

dariadéh x OEKO-TEX® MADE IN GREEN - Together for more transparency

With this collaboration, the fair fashion label dariadéh and the OEKO-TEX® Association aim to raise awareness about the importance of transparency in the fashion industry. Entrepreneur Madeleine Alizadeh's fashion label is partnering with OEKO-TEX® MADE IN GREEN. The traceable product label illustrates the transparent manufacturing process of two sweaters from the dariadéh Spring-Summer Collection 2023.

dariadéh and OEKO-TEX® share the same goal: to enable consumers to make responsible and conscious purchasing decisions.



"Transparency is the only way to create the necessary clarity about where, how, from what, and by whom clothing is produced"

Madeleine Alizadeh

Social Media Traffic

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 in focus markets it is important to create engaging, educational and emotional content. Instagram +27% 5,901→7,514 Follower



Facebook +10% 6,766 → 7,452 Follower



Wechat +81% 13,934 → 25,312 Follower

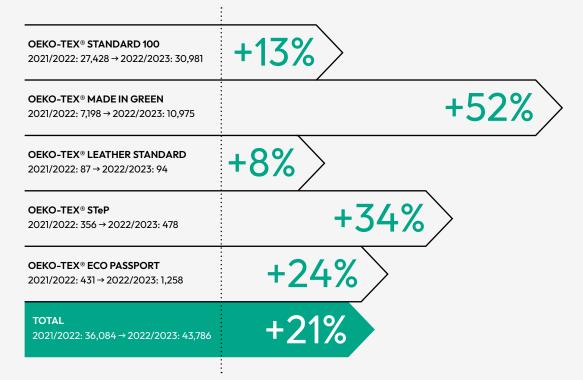


Twitter +7% 2,152 → 2,311 Follower

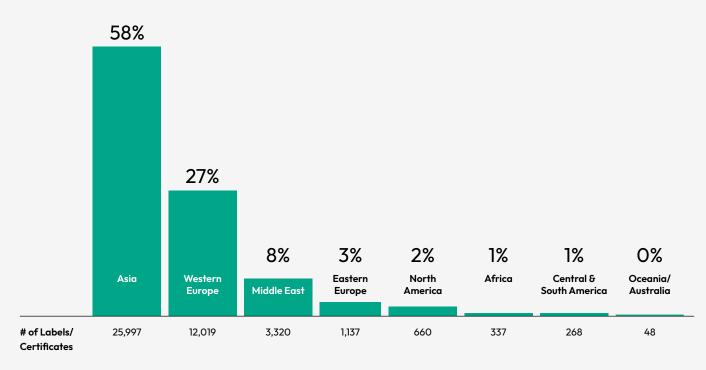


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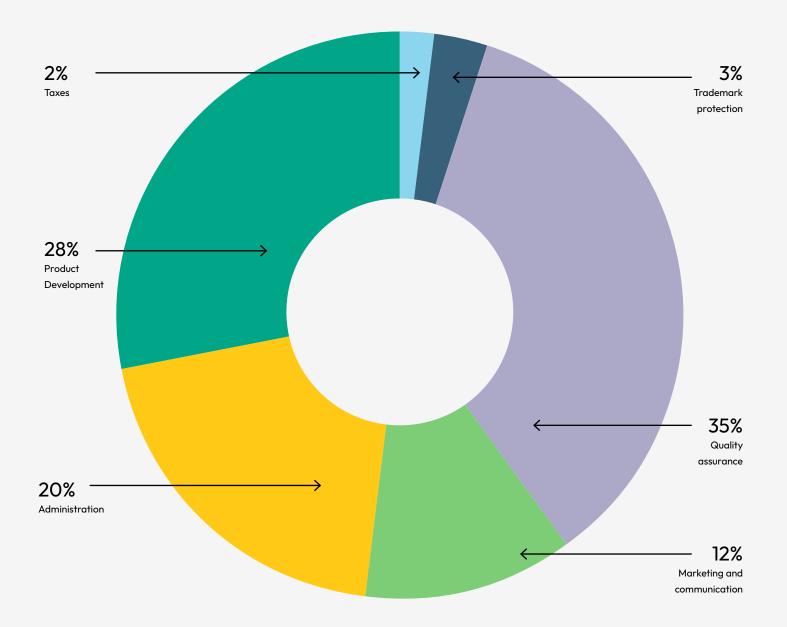
Number of issued certificates and labels



Worldwide distribution of certificates and labels



Overview of expenses clear focus on quality.





Ensuring sustainability and trust in textiles and leather.

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Commercial Register Office of the Canton of Zurich