

OEKO-TEX®
INSPIRING CONFIDENCE

**TRUST. SAFETY.
SUSTAINABILITY.
SINCE 1992**

ANNUAL REPORT 2019/2020



SHAPING A SUSTAINABLE FUTURE.



Dear readers,

The past months have been especially challenging for us all. In fact, the Covid-19 pandemic represents the single biggest challenge we have faced in recent decades as individuals, communities and industries. It is a global crisis that demands a global response. In times like these it is essential to cultivate relationships that are based on solidarity, fairness and respect. The pandemic has also accelerated the social awareness and demand towards greater sustainability.

The textile industry faces wide-reaching change and, as a result, the OEKO-TEX® Association, as advisor and partner, is in greater demand than ever before. In the future, consumers will be thinking a lot more carefully about how and what they are buying. To simplify these purchase decisions, it is up to the brands to communicate end-to-end transparency. OEKO-TEX® has been developing certifications and services to create transparency along the textile production chain for nearly 30 years: from responsible chemical management and environmentally friendly production methods to fair working conditions and the high safety of certified products. A case in point is our MADE IN GREEN label, which experienced strong growth last year. We are also working on several digitalisation projects. The inclusion of carbon footprint calculations and integration of them into our certifications is one example.

Together, we have to change existing consumption and production patterns to keep our planet's resources intact and ensure a life for future generations. We intend to continue our pioneering role.

I hope you enjoy reading the annual report and look forward to hearing your feedback and ideas.

Yours faithfully,

Georg Dieners
Secretary General, OEKO-TEX®



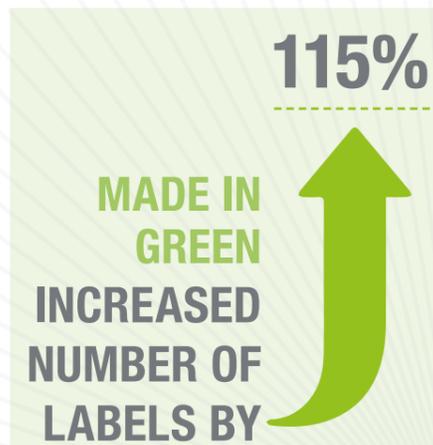
OEKO-TEX® RESPONSIBILITY FOR A BETTER FUTURE.

The OEKO-TEX® Association consists of 18 independent textile and leather institutes in Europe, Japan and their contact offices in more than 70 countries.

Currently, over 16,000 manufacturers, brands and retailers in nearly 100 countries work with OEKO-TEX® to ensure that their products are tested for potentially harmful substances. Simultaneously, millions of consumers around the globe use the OEKO-TEX® labels as information for their purchasing decisions. Its mission to improve transparency in manufacturing processes has made the OEKO-TEX® Association both a pioneer and a trusted partner of the textile and leather industry.

Our core tasks are the development and advancement of our standards. To ensure that the standards remain at the highest technical level, they are revised every year. Various OEKO-TEX® committees deal with all the necessary documents. The committees are made up of experts from various areas and countries who jointly discuss possible adjustments. Textile engineers, technicians, chemists, lawyers, social scientists, marketers, etc. are represented so that as many perspectives as possible can be considered. Through this broad-based expertise and the participatory negotiation process, we create high-quality standards that meet the high demands for transparency and credibility.

HIGHLIGHTS 2019/2020.



MADE IN GREEN AND STeP

are available for leather products
and production facilities

COLLABORATION WITH QUANTIS

Carbon & Water Footprinting of textile
processes and products

OVER 470K

workers benefit from STeP certified
production facilities

24.205 CERTIFICATES AND LABELS

issued in 2019/2020
+13% versus 2018/2019

OEKO-TEX® going live on
WeChat

+525% USERS

on oeko-tex.com since the website
relaunch in August 2019

Page views on oeko-tex.com
increased by

208%

CHALLENGE 2020.

The COVID-19 pandemic was and continues to be the biggest challenge in 2020. The OEKO-TEX® Association says THANK YOU to all those who enrich our lives with peace, solidarity and trust during these challenging times. A big thanks to all the staff of our partner institutes across the globe for continuing their work during the pandemic.

With the measures released in March and April 2020, OEKO-TEX® adapted its processes for certificate renewal. Every effort was made to continue applications and renewals as normal to prevent interruption for retailers and supply chain partners. Existing certificate renewals were temporarily processed without samples to give certificate owners three additional months to gather samples for testing.



To support continued safety for humans, the OEKO-TEX® Association was waiving the license fee for STANDARD 100 certification of mouth and nose masks.

“We need to stay together during this extraordinary situation: now and for our future,” said General Secretary Georg Dieners. „The crisis challenges many manufacturers who are confronted with a logistically difficult task.” Over 50 mouth and nose mask producers obtained a STANDARD 100 by OEKO-TEX® certification from April until June 2020 to provide people all over the world with masks that are safe from harmful substances.

SUSTAINABLE DEVELOPMENT GOALS.

The Sustainable Development Goals are a blueprint to achieve a better and more sustainable future for all people. OEKO-TEX® supports the industry and society on its path of transforming the world through actions.



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.

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.



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



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®

INSPIRING CONFIDENCE

DETOX TO ZERO 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.



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 or initiatives of the Partnership for Sustainable Textiles and the ZDHC**.



Safety at workplace, good hygiene, medical requirements and social insurance are obligatory for the STeP certification. Extensive **product tests for harmful substances** ensure consumer safety for OEKO-TEX® labelled products.



TRADEMARK PROTECTION.

The misuse or infringement upon intellectual property has always presented a big challenge. In our digital age, this challenge is multiplied by the ease of copying, distribution and even modification of documents using the digital tools at everyone's fingertips. This issue is particularly present in the certification industry, as the trust that the market bestows upon a certificate is of prime importance.

In this respect, the OEKO-TEX® Association implemented a number of legal measures in order to protect our valuable assets across the distribution channels. We take legal action against infringement and strive towards a market consciousness that our globally protected trademarks cannot be infringed upon without consequences. We feel confident that our dedication to this matter will benefit both our customers and their consumers in the long run.





200+

Auditors & Quality Assurance Officers



85+

Operating countries



40

Languages spoken

OUR AUDITORS.

Quality assurance through verification is key for a sustainable produced textile or leather article.

It all starts on-site: with over 200 auditors and quality assurance officers located in 52 countries, we perform On-Site Assessments in more than 85 countries. Our auditors and quality assurance officers speak over 40 different languages and are able to communicate with most customers in their native language.

PRODUCT HIGHLIGHTS.



MADE IN GREEN FOR LEATHER

Since 1st January 2020 leather articles can be MADE IN GREEN labelled. After adding the ability for leather producers to become STeP certified in April 2019, the possibility for leather goods to be MADE IN GREEN labelled is another important step forward.

SUPPLY CHAIN TRANSPARENCY

We are committed to constantly developing the MADE IN GREEN standard to further foster sustainability and supply chain transparency of textile and leather products. This year, we implemented improved requirements for articles and their components. The new rules were enforced starting 1st April 2020. Transparent supply chain mapping was also enhanced further by developing the OEKO-TEX® Label Check map.



STANDARD 100 now accepts an additional test method for detecting GMOs in cotton and cotton products. The result of the test is a yes/no declaration that confirms whether or not the material sample contains genetically modified cotton.



The leather certification of skins and furs now involves special regulations. With the latest version of the LEATHER STANDARD, horse leather was added to the white list. Rabbit skins were removed from the white list.



DETOX TO ZERO AS MANDATORY REQUIREMENT FOR STEP CUSTOMERS WITH WET PROCESSES

DETOX TO ZERO was added as mandatory requirement for STeP facilities to support customers optimize and monitor their chemical management and wastewater quality. It helps the textile and leather supply chain to avoid the use of toxic chemicals and prevent water pollution, which benefits both people and environment.



A major advantage of the latest update is the future conformity of STeP with the MRSL of the ZDHC (Zero Discharge of Hazardous Chemicals) initiative as well as the criteria of the Greenpeace Detox campaign.

SUSTAINABILITY MAPS

We are happy to announce that STeP is now part of ITC Sustainability Maps, a „platform that enables users, regardless of their position in the value chain, to better understand the sustainability landscape and to connect with business partners.“ ITC Sustainability Map is a neutral platform that allows users to compare STeP with other standards and to comprehend the strength of the STeP certification.



SELF-ASSESSMENT

Before 1st April 2020, there were two ECO PASSPORT options: The regular ECO PASSPORT and an option to add a Self-Assessment and On-Site visit to achieve ZDHC Level 3. Our customers now have a third option; the ECO PASSPORT with Self-Assessment but without the On-Site Visit. This certification process leads to ZDHC level 2 conformance which means that OEKO-TEX® is one of the few certifying bodies to offer all three ZDHC conformance levels.

ZDHC MRSL 2.0 CONFORMANCE

ECO PASSPORT is compliant with the newly updated MRSL list by ZDHC. Customers who wish to be listed in the ZDHC Gateway system will be required to comply with the MRSL 2.0 as of 2021.

ROUND ROBIN TESTS.

Round Robin Tests are performed to provide an interlaboratory comparison between our testing institutes. They are an important part of our assurance strategy to ensure the high quality of our measuring procedures and testing laboratories. Identical samples are tested with identical test methods but by the different institutes. The comparison of these results is an important measure for our quality assurance. They allow us to make confident statements about the measurement accuracy in general and the measurement ability of our OEKO-TEX® 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.

PRODUCT CONTROLS.

Within the framework of OEKO-TEX® quality assurance, product controls of the STANDARD 100 certifications were carried out in the past financial year. 4,948 certificates were inspected from companies in 63 different countries, of which 69.2 % came from Asia, 29.4 % from Europe and 1.4 % from other regions. This is appr. 25% of all STANDARD 100 certificates. The total of 8,336 samples were taken either in stores or during On-Site Visits. This year 37 different product groups were covered. In 91.4 % of the random samples drawn, the control test confirms the positive result of the certification. 8.6%, on the other hand, failed. The certificate holders were informed of the results. If a deviation is found during a control test, the certificate holder receives obligations. They must prove compliance with these requirements and submit a new material sample to verify the successful implementation of the requirements. In case of renewed deviations or a refusal to cooperate, the certificate may be revoked.



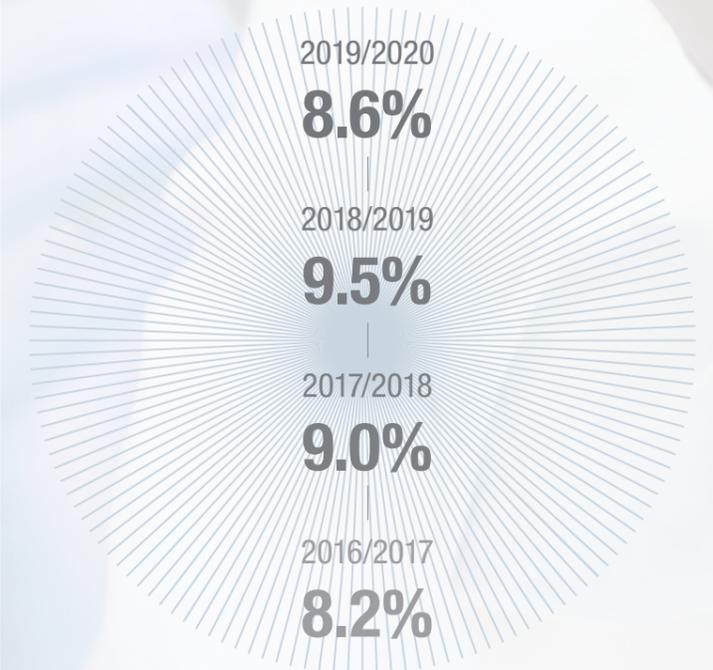
Testing laboratories have participated



Test parameters were checked

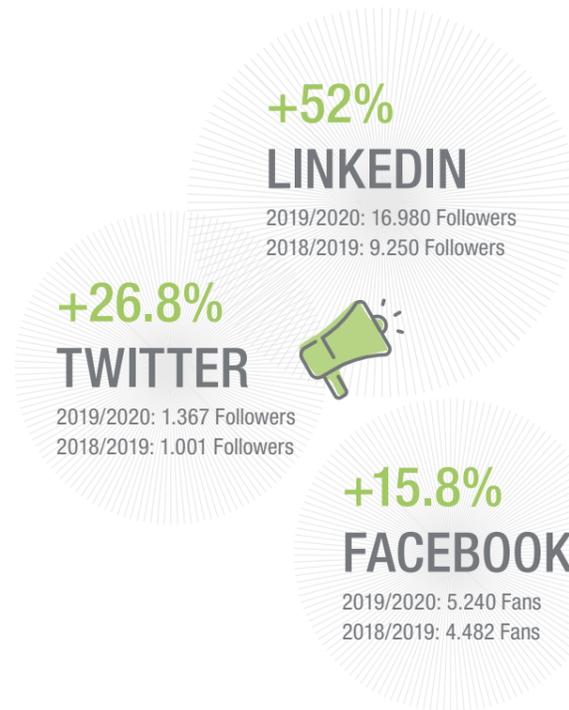
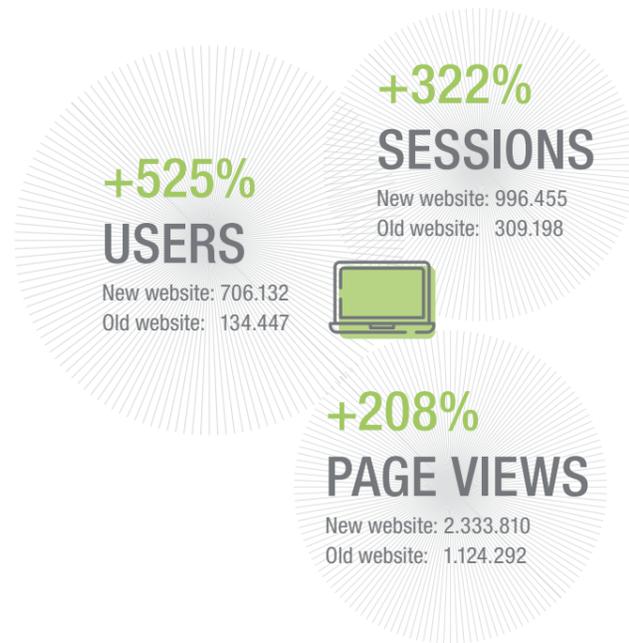


Proportion of failed certificates in the control tests



NEW WEBSITE WINS.

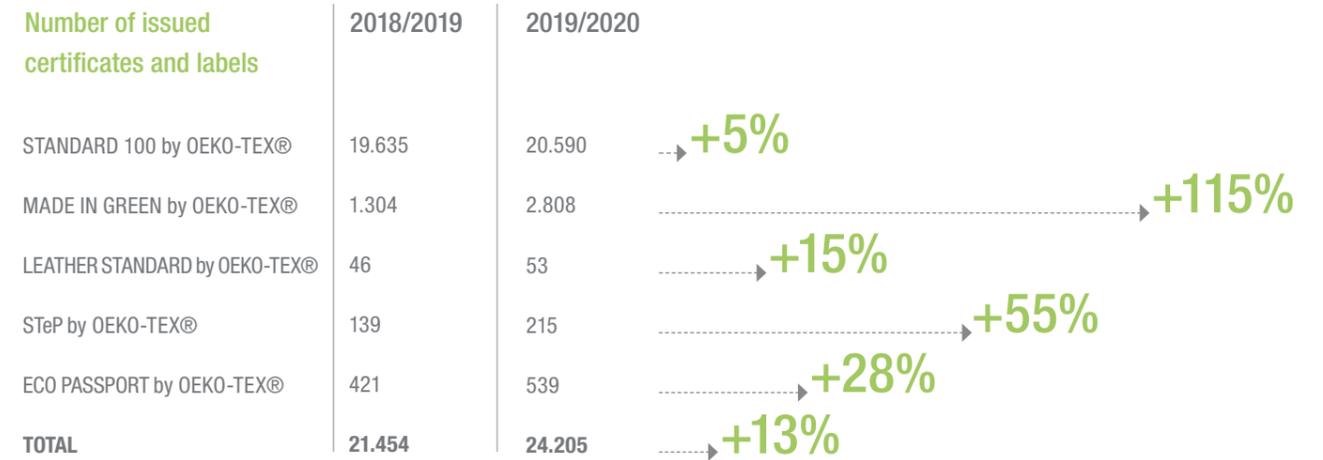
The aim of OEKO-TEX® has always been to create more transparency along the textile and leather production chains, to protect consumers and thus to ensure greater safety and trust for all parties involved. In order to communicate these values even better online, our entire web presence was redesigned and launched in August 2019. With the new website, OEKO-TEX® is focusing above all on added value for users. Thanks to the clear navigation and design, all information is bundled and easily accessed. The new full-text search also makes it easier for website users to obtain information. The previously divided B2B and B2C websites are now presented in a uniform concept. The Label Check is placed prominently in the navigation and enables users to verify the validity of all labels including MADE IN GREEN. The improved myOEKO-TEX® customer management platform was also launched.



SOCIAL MEDIA INCREASED.

OEKO-TEX® has increased efforts to build engagement with target audiences using a focused social media strategy that achieved healthy KPI growth during 2019/2020. In an effort to increase the international social media presence and improve communication in China, we successfully launched on WeChat in June 2020.

OEKO-TEX® IN NUMBERS.



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.

United Nations

The specialized agencies and commissions of the United Nations are pursuing numerous projects in the social and environmental spheres. OEKO-TEX® has engaged in two UN-Multi-Stakeholder Initiative (MSI) focusing on transparency and traceability with the goal to enable more transparency along the textile and leather supply chain for consumers, manufacturers and brands.

OECD

The policies of the OECD are often the basic foundation of other MSIs. As an international organization, the OECD provides an ideal platform for expedient dialogue.

Partnership for Sustainable Textiles

Initiatives of the Partnership deliver tangible ways to foster structural change. OEKO-TEX®, therefore, attaches great importance to our engagement in the Partnership. We are thrilled to support the Wastewater Initiative with the goal to help businesses to incorporate a sustainable wastewater management in the textile supply chain. This initiative launched on the 1st of July 2020.

ZERO DISCHARGE OF HAZARDOUS CHEMICALS (ZDHC)

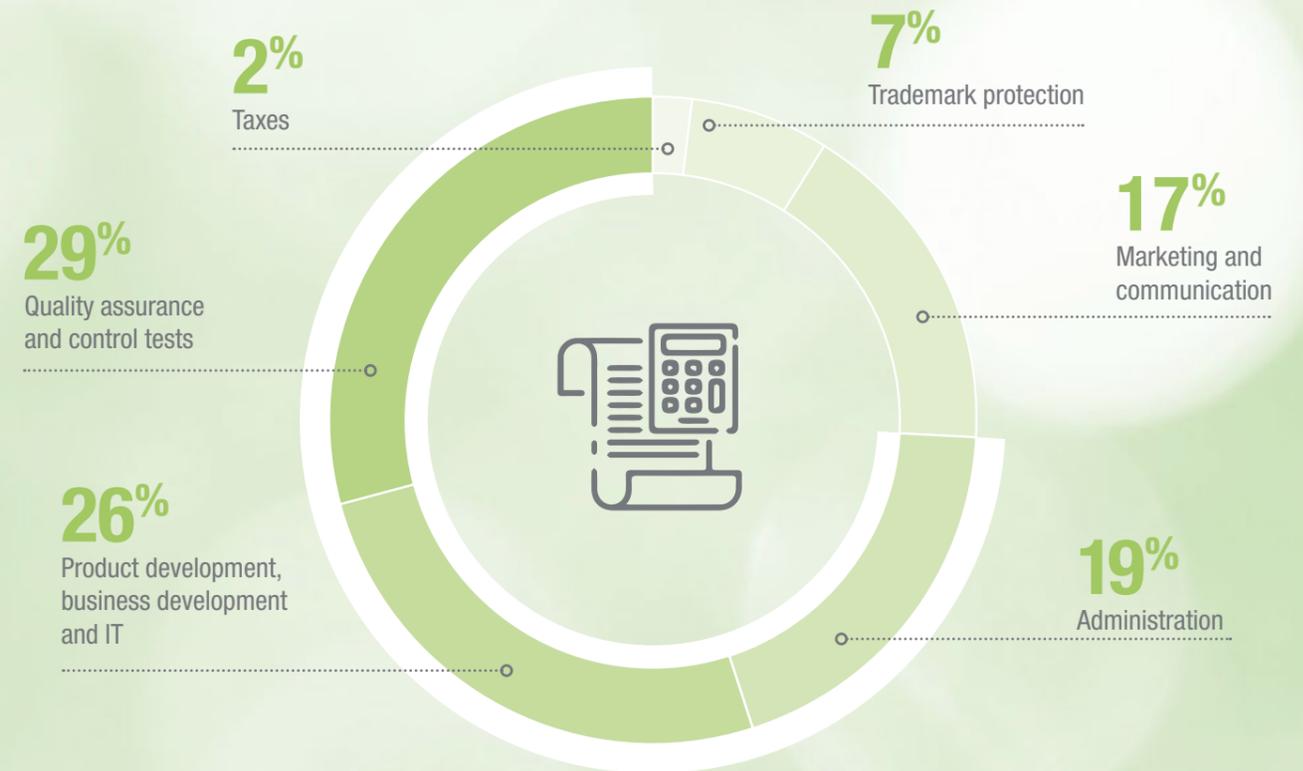
OEKO-TEX® is a ZDHC Contributor and pleased to continuously collaborate towards reducing the industry's chemical footprint.

Universities

OEKO-TEX® has engaged in academic discourse since 2018 with the Academy for Fashion and Design in Dusseldorf. Building on this good experience, we are expanding such engagements to other Universities. OEKO-TEX® is proud to contribute to good decisions in the long term.

OEKO-TEX® International Advisory Board

In addition to engaging with external MSIs, we are about to launch the OEKO-TEX® International Advisory Board. Our goal is to engage with external stakeholders and include important perspectives when improving our standards. We are convinced this insight will be invaluable for addressing potential challenges and questions of the industry.



AN OVERVIEW OF EXPENSES. QUALITY IN FOCUS.

The operations of OEKO-TEX® are funded by the licence fees for its products.

OEKO-TEX®
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PUBLISHER.

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