

## We are Löffler

#### **Our Vision**

Löffler helps endurance athletes become better. As athletes and as consumers.

#### **Our Mission**

We prove every day that innovative, high quality sportswear can be manufactured responsibly in Austria / Europe.

#### Our Difference

We live regional responsibility.

29 % BIKE

6% ACCESSORIES

10 %
MOUNTAIN SPORTS
& SKI TOURING

16 %
PUBLIC SECTOR
& CORPORATE
BUSINESS

Löffler Made for better

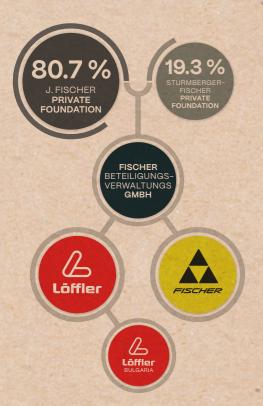
16 % UNDERWEAR

23 % NORDIC SPORTS

Share of total sales 2022/23

## Sporty family

LÖFFLER is a family-owned business. The company is wholly owned by Fischer Beteiligungsverwaltungs GmbH, which in turn is owned by two private foundations. Fischer Sports GmbH is a sister company of LÖFFLER GmbH.



Laffler Made for better

## 2 production sites

- » LÖFFLER GmbH in Ried im Innkreis, Austria
- » LÖFFLER Bulgaria EOOD with headquarters in Tryavna

### Reliable business partner

Over its history of more than 50 years, LÖFFLER has seen a very successful development and established itself as a reliable business partner for customers and suppliers in the sportswear segment.

In an industry where it is now a common practice to shift virtually all production stages to the Far East, LÖFFLER continues to produce in Austria, at its home base in Ried im Innkreis. It is only for sewing work that we source extra capacities – from our subsidiary in Bulgaria and from our contractors, all of whom manufacture in Europe.

Our success proves us right: since 1982, LÖFFLER has always made a profit.

Revenue: ~ 33 million Euros

Equity Ratio: > 60 per cent

# Löffler Made for better

LÖFFLER has set itself the goal of publishing a sustainability report every three years. In doing so, we have not only found a system to advance our activities to further the company's sustainable development, but also to present legal requirements and progress made in a transparent manner.

To give you an overview of our sustainability strategy, activities, and achievements, we have summarised the most important information from our second sustainability report on the following pages. The report covers the fiscal years 2020/21 to 2022/23, as well as the two LÖFFLER locations in Ried and Bulgaria, and is aimed at our stakeholders.

## Highlights during the reporting period

#### 380 KWP PV PLANTS

In the 2020/21 fiscal year, a large section of the roof of the production hall in Ried was renovated and insulated. In 2021/22, the windows were replaced and sun protection was installed. In addition, two PV systems with a total output of 240 kWp were installed in Ried. In Tryavna, a 140 kWp PV system was commissioned in June 2023.

#### NEW CONSTRUCTION LÖFFLER BULGARIA

In October 2021, the new production hall of Löffler Bulgaria EOOD in Tryavna was completed. The new building is heated using an air source heat pump; as a result, no coal has been used as fuel since the 2022/23 fiscal year.

## OEKO-TEX® STEP CERTIFIED

Our production site in Austria has been OEKO-TEX® STeP certified since 2014. Our plant in Bulgaria was certified in the summer of 2023 and, like our site in Ried, immediately achieved the status of best-practice companies (Level 3 of 3).



#### SUPPLY CHAIN TRANSPARENCY

#### SUPPLY AND MANUFACTURING CHAIN

Supply Chain Transparency: We have disclosed the supply and manufacturing chain via retraced. Example: 27769 W SHIRT TWO-TONE



## YARN RECYCLING PP YARN

Since the fiscal year 2022/23, we have been sending 100 per cent of our pure polypropylene fabric scraps from cutting to our supplier for polypropylene (PP) knitting yarn. Our supplier melts these remnants into granules which it uses to manufacture recycled PP yarn.

#### MADE IN GREEN TRANSTEX® RETR'X

The first OEKO-TEX® MADE IN GREEN certified items from LÖFFLER come from the underwear collection for the winter season 2023/24, with more products following in the summer collection of 2024.

#### CLIMATEPARTNER CERTIFIED COMPANY

Since August 2020, LÖFFLER has compensated for all unavoidable Scope 1 and Scope 2 emissions as well as selected Scope 3 emissions by financing climate protection projects.

## CODE OF CONDUCT SUPPLIERS AND PRODUCTION PARTNERS

During the reporting period, LÖFFLER developed a code of conduct for material suppliers and a version for production partners. Both versions incorporate numerous sustainability criteria.

Pro Regionality REPAIR SERVICE

LÖFFLER stands for responsible and sustainable production. Both in word, and especially in deed. Regional responsibility has always played an important role for us. While many competitors have moved their production to the Far East over the past decades, LÖFFLER took a different approach.

To this day, we continue to produce in Austria and Europe and manufacture about 70 per cent of the fabrics for our collections ourselves.

YARN FABRIC MANUFACTURING IN RIED (AUT) SATISFIED CUSTOMER Löffler Made for better FABRIC + CUTTING SEWING ROOM QUALITY CONTROL

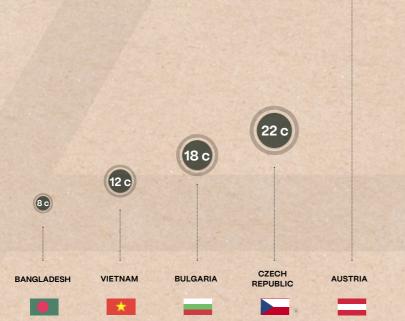
Innovation, quality and responsibility.

## Manufacturing costs as a competitive factor

The share of labour costs in proportion to overall sewing production costs is a crucial factor in competition. For example, a manufacturing minute in Bangladesh costs only 8 cents, while in Austria, it adds up to 67 cents.

67 c

Cost in cents (€) per one minute's pay



Comparison production costs

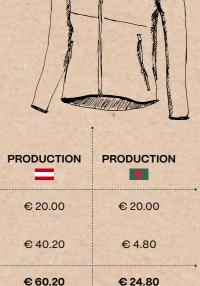
MIDLAYER HOODY

PRODUCTION MATERIAL

**PRODUCTION WAGES** 

**PRODUCTION COSTS** 

For example, if LÖFFLER were to produce a midlayer hoody in Bangladesh, which takes 60 minutes to make, total manufacturing costs would be reduced by approximately 60 per cent, material costs being equal.



Midlayer hoody for an estimated 60 minutes of work

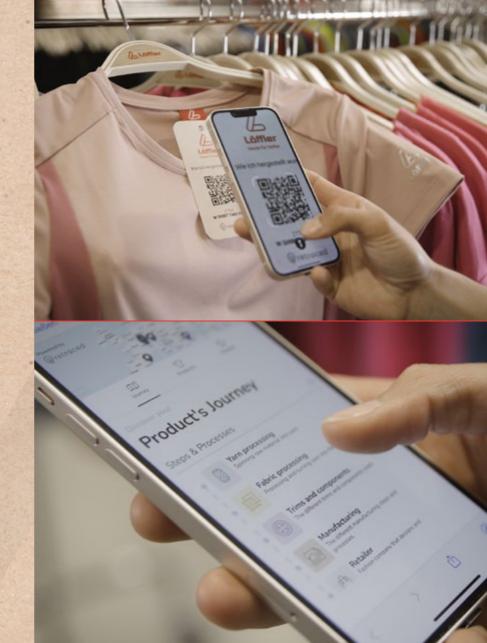
#### Supply Chain Transparency

We believe that more transparency leads to greater sustainability and credibility. Therefore, LÖFFLER has set the goal of making its supply chain as transparent as possible and providing comprehensive information about the entire supply and manufacturing chain up to the finished product to both retailers and consumers.

With the retraced sustainability platform, our roduct supply chains can be traced by scanning the QR code on the product tag.

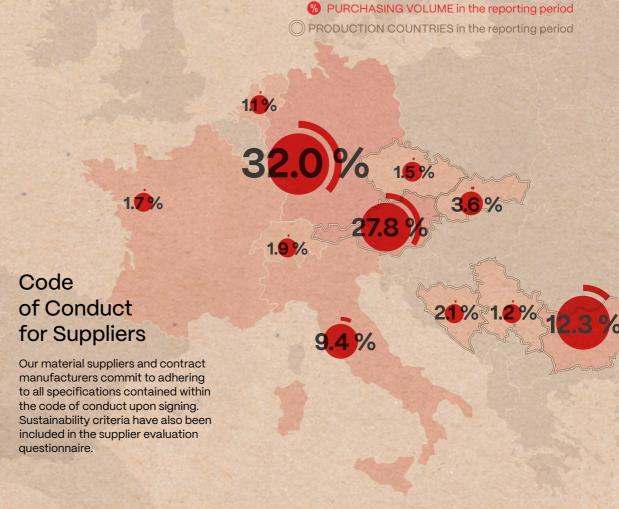
The LÖFFLER Mountainsports collection, the first collection group whose supply chain is rendered with retraced, will hit the market in the summer of 2024.





## Regional Production and Procurement

LÖFFLER produces in Austria and Bulgaria, strengthening the European internal market by sourcing goods and services. Thanks to its high manufacturing depth, LÖFFLER reduces dependence on global suppliers and consequently any risks arising from international crises. Good social and environmental standards, short transport routes, and sustainable business relationships justify the higher production costs in Europe. The company's own demands for sustainability and innovation can be directly implemented with this strategy. Last but not least, sourcing and production in the vicinity of our sales markets also represent added value for trade and consumers.



Share of Purchasing Volume by Country

The remaining countries in Europe account for 3.4 per cent of the purchasing volume (< 1 per cent per country was not individually shown). 2.0 per cent of the purchasing volume comes from suppliers outside of Europe.

## Better products

### Ecological and health safety

For textiles, there are now numerous quality seals available. LÖFFLER relies on certificates from OEKO-TEX®, which impose strict requirements on both products and production processes. Independent and regular inspections ensure compliance with these regulations.

LÖFFLER exclusively collaborates with European textile finishers who comply with all EU legal requirements and beyond. All fabrics from our own knitting mill in Ried im Innkreis region are PFAS-free.

#### OEKO-TEX® STANDARD 100

Since 1989 LÖFFLER's products have been certified according to the OEKO-TEX® standard. Today, 98.4 per cent of the products we sell are certified according to STANDARD 100 BY OFKO-TFX® and are therefore demonstrably free of harmful substances that are considered detrimental to health or the environment.





OETI

#### OEKO-TEX® STeP

The certification under OFKO-TFX® STeP of both LÖFFLER locations proves not only that our products are safe for humans and the environment but also that they are manufactured according to high social and ecological standards. At our headquarters in Ried, we underwent our first audit according to the quality seal criteria in 2014, and our subsidiary in Bulgaria has been certified since June 2023.







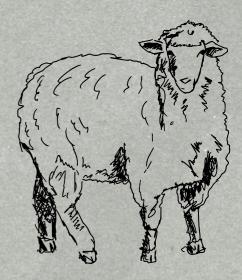


OETI

STeP

#### Mulesing-Free Merino Wool

Since the fiscal year 2022/23, a certificate from the supplier confirms what has already been standard at LÖFFLER: Only 100 per cent mulesing-free merino wool is used in our own knitting mill.



## OEKO-TEX® MADE IN GREEN

OEKO-TEX® MADE IN GREEN is a traceable product label for all types of textiles and leather items that have been produced in environmentally friendly facilities and at safe and socially responsible workplaces. As proof, the production sites must be certified according to OEKO-TEX® STEP. It must also be ensured that the product consists of materials tested for harmful substances, which is to be demonstrated by certification according to OEKO-TEX® STANDARD 100.

A list of all LÖFFLER articles bearing the certificate can be found using the OEKO-TEX® Label Check. The following label number should be entered: CX57MREWED.





MADE IN GREEN

CX57MREWED OETI

## Durability and repair service

## Consistently controlled quality

We attach maximum importance to quality and durability. All materials are subjected to an incoming goods inspection. After each processing stage, we perform quality controls and, as the last stage, each individual product is subjected to a meticulous final inspection before delivery.



## In-house repair service

Should LÖFFLER products be damaged despite our commitment to the highest quality standards, we offer our established repair service. There is hardly any item we cannot repair.

The process is very straightforward: Anyone wishing to extend the life of their LÖFFLER item should contact the retailer where the item was purchased. The retailer will handle the repair with us. If a retailer does not offer this service or if the item was purchased directly through the LÖFFLER webshop, simply send an email with a brief description and a photo of the damage to our service department.

## Ecofriendly producer

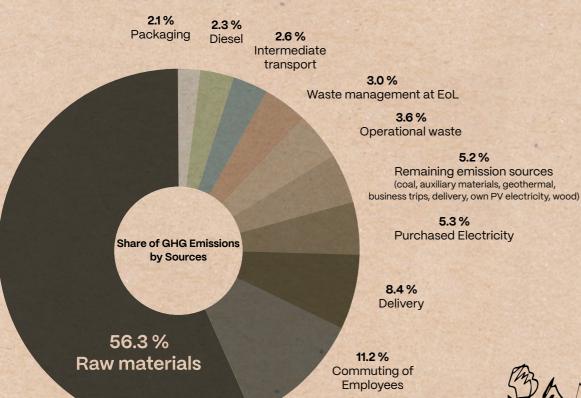
## Emissions and Climate Protection

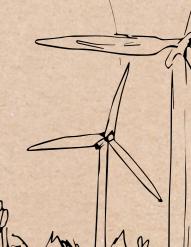
LÖFFLER has made climate protection one of its strategic corporate goals. In light of the devastating global impacts that are becoming apparent as climate change progresses, we intend to take responsibility and further increase our efforts to protect the climate.

The basis for our goals and measures to reduce greenhouse gas emissions is the calculation of the Corporate Carbon Footprint,

In the previous report, we only disclosed those greenhouse gas emissions caused by LÖFFLER's energy consumption in Austria and Bulgaria.

For the current report, thanks to an improved data base, we were able to significantly expand the accounting boundary. This has enabled us to determine a more complete and differentiated picture of the greenhouse gas emissions released through our business activities and our products. On average, this amounted to 3,440.7 t CO<sub>2</sub>e per fiscal year.





## Energy Production and Consumption

In the 2020/21 fiscal year, a large section of the roof of the production hall in Ried was renovated and insulated. In 2021/22, the windows were replaced and sun protection was installed. In addition, two PV systems with a total output of 240 kWp were installed in Ried. In Tryavna, a 140 kWp PV system was commissioned in June 2023.

The current own production covers about 40 per cent of the electricity needs. (As of: December 2023)

#### Material Use

LÖFFLER follows the 3R approach to material consumption:

Reduce » Reuse » Recycle.







## Employer with responsibility

#### **Diversity**

LÖFFLER employs staff from 18 nations in Ried im Innkreis.

#### Inclusion

In total, 6 employees in Austria and 3 in Bulgaria with disabilities are employed at LÖFFLER.

#### Ongoing training

Training and professional development opportunities for all employees

## Award-winning apprenticeship programme

Since 1987, LÖFFLER has been training apprentices every year. Over 100 young people have successfully completed an apprenticeship in the company's own training workshop.

#### Work-Life Balance

Employees at LÖFFLER are able to flexibly schedule their working hours outside of core hours. Flexible working hours are also possible for the production team and are used by the majority of workers.



292 Employees 249 women 43 men

110 VARIOUS WORKING TIME MODELS

84.1%

SHARE OF WOMEN

208
full-time
84 part-time

### Fair Compensation

Despite increasing automation, garment manufacturing remains a labour–intensive process. Comparatively high labour costs in Central Europe have prompted the industry to relocate a large portion of sewing work to low–wage countries, particularly in Asia, where often there are no statutory or living wage minimums.

LÖFFLER manufactures its products exclusively in Austria and Bulgaria. All contract manufacturing partners that LÖFFLER employs during peak periods for sewing work are also based in Europe. This ensures compliance with high European standards for compensation and labour rights.

## Remuneration in Austria

- » Wages on average 29 per cent higher than collective agreement
- » Salaries on average 21 per cent higher than collective agreement

## Remuneration in Bulgaria

Employees earn on average 75 per cent more than the legal minimum wage in Bulgaria.

#### Profit participation

Since 2001, LÖFFLER has paid 10 per cent of the company's profits into a pension fund for all employees in Austria.



## Our next goals

by 2026

#### Economy

#### Securing Regional Value Creation and Jobs:

- » 70 per cent of the fabrics processed by LÖFFLER are produced in their own knitting mill in Ried im Innkreis (Austria)
- » 90 per cent of the value creation in Europe (referring to material suppliers to the last step of manufacturing)
- » 99 per cent of production takes place in Europe

#### Tracking of the regional procurement:

» Share of purchasing volume from outside Europe < 2 per cent</p>

#### Products

## All products manufactured by LÖFFLER are characterised by the following features:

- » At least certified according to OEKO-TEX® STANDARD 100
- » Completely free from ecologically concerning PFC/PFAS (by the summer collection 2026)
- Developed and cut in Austria and sewn in Austria/Europe
- A large part of the materials used comes from Austria/ Europe

#### **Supply Chain Transparency:**

» Displaying the supply chain with retraced

#### Circular products:

» First circular products starting from the summer collection 2025

Expansion of the product portfolio certified according to OEKO-TEX® MADE IN GREEN

#### Generate repairable products:

» Extending the life cycle of 50 per cent of the returned articles through repairs.

Minimising the release of microplastics as far as possible

#### Environment

#### Continuous improvement of the GHG balance

» Reduction of the Corporate Carbor Footprint

#### Increase recycling rate

» Share of recycling materials in proportion to overall material consumption > 20 per cent

#### Increase own energy production:

» 50 per cent of the electricity needs come from own production

#### Increase the share of energy from renewable sources:

» Share of energy consumption from renewable sources > 80 per cent

#### Employees

#### Increase training and development hours:

» Average > 5 hours per employee per year

Employee satisfaction permanently higher than 75 per cent

Increase the share of women in leadership positions:

» Share of women in management level 1 > 40 per cent

Continue employing people with disabilities

#### LÖFFLER's contribution to the SDGs

LÖFFLER commits to the United Nations Agenda 2030. It comprises 17 Sustainable Development Goals (SDGs).

LÖFFLER contributes to their achievement in many ways with its sustainable approach. The SDGs that are of particular relevance for LÖFFLER are listed opposite.

For further information on how and with what measures we support these goals please see our comprehensive sustainability report.



End poverty in all its forms everywhere



Ensure healthy lives and promote well-being for all at all ages



Ensure inclusive, equitable, and quality education and promote lifelong learning opportunities for all.



Achieve gender equality and empower all women and girls



Ensure access to affordable, reliable, sustainable, and modern energy for all



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation

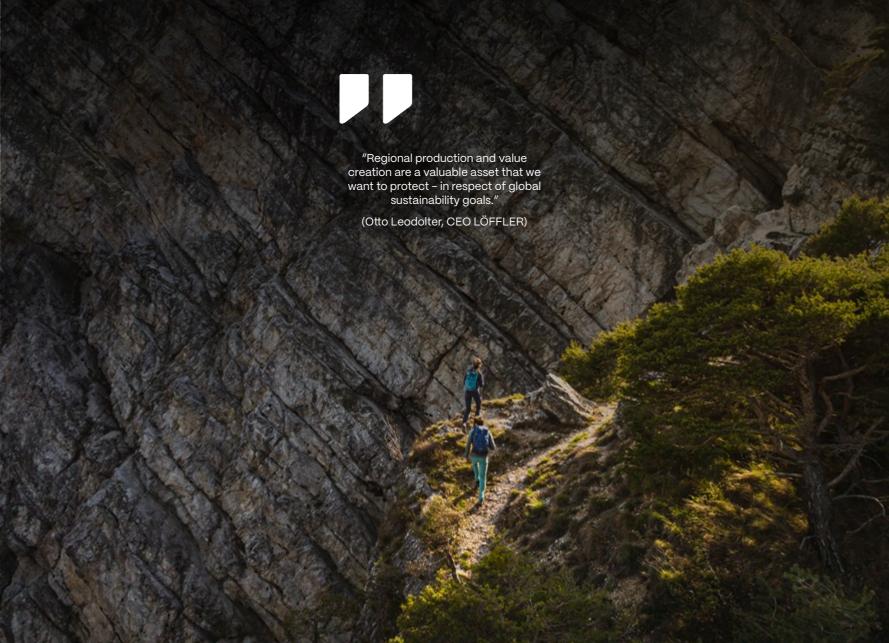


Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts

Gender-inclusive language is important to us. If person-related designations in this brochure do not exclusively refer to one gender, we aim to make this visible in the language by using gender-neutral formulations, paired forms, or the gender colon. Occasionally, for the sake of readability, we deviate from this so that the male form of an expression refers to all genders.





LÖFFLER GmbH Südtiroler Straße 41 4910 Ried im Innkreis – Austria Tel +43 7752 84421 0 Email office@loeffler.at www.loeffler.at