



Brand Performance Check
Ortovox Sportartikel GmbH

This report covers the evaluation period 01-07-2021 to 30-06-2022

About the Brand Performance Check

Fair Wear Foundation (Fair Wear) believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. Fair Wear, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases Fair Wear member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of Fair Wear member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of Fair Wear's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at www.fairwear.org. The online [Brand Performance Check Guide](#) provides more information about the indicators.

This year's report covers the response of our members and the impact on their supply chain due to the COVID-19 pandemic which started in 2020. The COVID-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.

Brand Performance Check Overview

Ortovox Sportartikel GmbH

Evaluation Period: 01-07-2021 to 30-06-2022

Member company information	
Headquarters:	Taufkirchen , Germany
Member since:	2015-02-04
Product types:	outdoor products; sports & activewear; outdoorwear
Production in countries where Fair Wear is active:	China, Romania, Vietnam
Production in other countries:	Austria, Belarus, Germany, Hungary, Italy, Latvia, Lithuania, Poland, Serbia, Taiwan, Ukraine
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	73%
Benchmarking score	71
Category	Good

Summary:

ORTOVOX has met most of Fair Wear requirements. With a benchmark score of 71, ORTOVOX is again placed in the 'Good' category. The company monitored 73% of its production volume.

Corona Addendum:

ORTOVOX Sportartikel GMBH (ORTOVOX) has a split financial year. For this performance check, the period between 1 July 2021 and 31 June 2022 was verified.

ORTOVOX has had a complex financial year. On the one hand, the outdoor industry has benefited from the COVID-19 pandemic, and ORTOVOX has recorded economic growth of over 20%. It is positive to highlight structural changes in the top management at ORTOVOX at the beginning of 2022. The former Head of Sustainability is now part of the Executive Board as Chief Supply Chain Officer (CSCO). With this new direction, ORTOVOX is focusing even more on sustainability and human rights due diligence and is setting a clear statement internally and externally. However, many processes are still in the restructuring phase.

On the other hand, ORTOVOX had to deal with many upcoming crises in the financial year 2021/2022. In 2021, COVID-19 still seriously impacted the member's supply chain. At the beginning of its financial year, Vietnam was in lockdown, which highly influenced ORTOVOX's production. In response to this situation, ORTOVOX has accepted longer lead times and responded more flexibly. Some orders had to be shifted between different factories. Besides that, ORTOVOX invested in ensuring higher stock levels to maintain its supply to retail customers. The member brand was able to financially support its Vietnamese production locations with a contribution to higher wages and with some prepayments to maintain liquidity levels.

ORTOVOX also had to deal with some challenges due to the outbreak of war in Ukraine. One of the suppliers completely shifted its production to other factories in Latvia and Vietnam after the outbreak of the war. ORTOVOX supported the supplier with ongoing orders to ensure economic stability. ORTOVOX agreed to move production back to Ukraine after three months. This factory has a bunker that employees can use in an emergency situation. Together with the factory management, an emergency plan has been developed in case the war hits the region harder again. The two other factories on the Polish and Hungarian borders have been able to continue production since the beginning of the war. Due to the situation, there were electrical blackouts or a lack of access to water. ORTOVOX accepted all delivery delays and did not cancel any orders.

In 2022 ORTOVOX had a special situation due to the war in Ukraine, as the top management decided to terminate the business relationship with the suppliers in Belarus immediately. With the exit, ORTOVOX wanted to make a political statement. The CSR department exchanged with the supplier afterwards, but there was no systematic follow-up or further support for the supplier.

Fair Wear encourages ORTOVOX to continue its efforts towards living wage strategies. Fair Wear recommends ORTOVOX to discuss with suppliers about different strategies to work towards higher wages.

Performance Category Overview

Leader: This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

Good: It is Fair Wear's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

Needs Improvement: Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

Suspended: Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

1. Purchasing Practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	62%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

Comment: In the financial year 2021/2022, ORTOVOX bought 62% of its production volume from production locations where the member buys at least 10% of production capacity. The member has insight into its leverage by requesting data from its suppliers annually. An internal database allows several departments to have access to this data.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	18%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	2	4	0

Comment: In 2021/2022, 18% of the company's FOB comes from production locations where it buys less than 2% of its total FOB. The reason for having a long 'tail end' is the continuous growth and the sourcing strategy to produce most of the products in Europe. The supplier base in Europe can not absorb all the additional volume, so ORTOVOX is constantly looking for new suppliers that meet its high standards. In some cases, the suppliers in the 'tail end' are also responsible for specific high-tech production steps. While ORTOVOX understands the importance of a consolidated supply chain, these reasons make it difficult for ORTOVOX to shorten the 'tail end'.

Recommendation: Fair Wear recommends ORTOVOX to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, ORTOVOX should determine whether production locations where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	51%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

Comment: ORTOVOX has a strategy of working with suppliers for the long term due to the special quality requirements of outdoor products. This has resulted in 51% of FOB being produced at production locations where a business relationship has existed for over five years. ORTOVOX and its suppliers had to shift capacities to new factories due to the numerous crises in the past financial year 2021/2022, such as COVID-19 and the Ukraine war.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

Comment: The economic growth of ORTOVOX brings with it that the member brand has to onboard new suppliers and factories. In 2020/2021, ORTOVOX started new business relationships with six factories in Germany, Serbia, Vietnam, Lithuania and Ukraine. The factory in Vietnam belongs to a long-standing Vietnamese business partner of ORTOVOX. Due to the lockdown in Vietnam in 2021, capacities had to be shifted. The factory in Ukraine was already onboarded in 2021 before the outbreak of the war in Ukraine started. The member had requested and received the Fair Wear questionnaire of the new suppliers before production.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

Comment: ORTOVOX developed a solid due diligence process. To determine the country-specific risks, the member brand maintains an overview in which the respective country risks are identified. Therefore, Ortovox uses external sources, such as the Amfori Countries' Risk Classification and internal audit reports to evaluate possible risks in its supply chain. The overview includes Tier 1 supplier-specific risks. ORTOVOX started to assess risks in the deeper supply chain by developing a detailed producer survey. As ORTOVOX is also a member of the German Partnership for Sustainable Textiles (PST), it conducts a comprehensive risk analysis and prioritisation as part of its PST-membership. The member keeps an overview of its supplier base in a comprehensive excel sheet, which includes relevant Fair Wear data. The company implemented a new Product Lifecycle Management (PLM) system that entails supplier information such as audit reports and pictures. It includes all relevant data for proper due diligence. In the future, the new system shall get linked to suppliers for an easier exchange of information.

In 2021/2022, ORTOVOX worked on a new risk-based onboarding process for new production countries and new factories. In the first step, ORTOVOX classifies general country risks into low, medium and high, according to the Amfori Score. Before ORTOVOX places the first orders, the selected new supplier must hand in all relevant documents, like a factory data sheet and the signed Fair Wear Code of Labour Questionnaire. ORTOVOX requires its new suppliers to submit an audit report before a formal business relationship can start. This could be a Fair Wear or other audit reports such as Better Work or SA8000. Some on-site visits are also conducted to get an initial picture of the new factory. Due to the changes in the top management structure, the CSR department now has direct veto power for the decision against or for the inclusion of a new supplier since the last financial year.

To obtain further data for the risk analysis, ORTOVOX conducts annual surveys with suppliers. In the context of COVID-19, this survey was extended with questions such as whether the suppliers have implemented specific COVID-19 measures in the factories. It was also asked whether wages are paid. In cooperation with other Fair Wear member brands, ORTOVOX has worked on an overview of the COVID-19 risks in the production countries. In 2021, due to COVID-19, the government in Vietnam decided on a strict lockdown. Vietnam is one of the most important sourcing countries, with more than 36% of the member's FOB. Factories in the high-risk provinces were requested to work under the 3-on-site policy (which meant that workers temporarily lived within the factory premises and could not go home) or otherwise had to close temporarily. Meanwhile, some factories in the non-high-risk provinces worked at reduced capacity. ORTOVOX identified the main risks for workers were loss of jobs, payment of wages, and health and safety risks. ORTOVOX kept in close contact with the suppliers and cross-checked the situation with the help of questionnaires and in cooperation with other Fair Wear members. Due to this, the member found out that two factories in Vietnam worked under 3-on-site. See for more information in indicator 1.9.

In the context of ORTOVOX's second half of the financial year in 2022, the outbreak of the Ukraine war in February was identified as another high risk. Since ORTOVOX sources from three factories in Ukraine, the sourcing and production planning team is in close contact with the local team. ORTOVOX sees the risks, particularly in the lack of workers' safety. In addition, some of the workers have already left the country. Regarding this, there may be a shortage in the workforce. ORTOVOX has responded to this with various measures. See more detailed information in indicators 1.6, 1.9 and 2.7.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	No	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	0	2	0

Comment: Every six months, ORTOVOX evaluates and monitors the supplier's compliance with the Code of Labour Practises in a supplier evaluation sheet. The evaluation includes a traffic light grading system. If suppliers score low extra attention is given to see how they can improve. Each supplier is ranked from one (unacceptable practice) to ten (best practice) in different labour standards. The basis for the evaluation is audit reports and the CAP-follow up. In 2021/2022, ORTOVOX has started to expand its supplier evaluation by taking the supplier's progress on the implementation of CAP findings into account. However, there is no structured process for establishing a reward system for suppliers with a high rating score. Ending a business relationship is for the member brand only a last resort and ORTOVOX is committed to continuing business with low-performing suppliers when those are willing to improve. It's important to ORTOVOX to not only rely on audit reports. For this reason, suppliers have been asked to evaluate the brand's purchasing practices to identify any potential for improvement.

Due to the restructuring of the business processes within the top management, ORTOVOX is working on a new and comprehensive sustainability strategy, supplier evaluation and exit strategy. The member brand does not yet have a written exit strategy, but ORTOVOX follows Fair Wear requirements for a responsible exit. ORTOVOX applied the responsible exit only for its main suppliers, but not specifically for the respective factories of the main suppliers.

ORTOVOX exited seven factories in Lithuania, Hungary and Romania, where the brand only had low leverage. The reason for the exit was a result of the COVID-19 pandemic, in which the brand's main suppliers mostly decided to independently shift order capacities between the different factories. As a result, some factories did not receive any orders and the business relationship was therefore terminated. One supplier terminated the cooperation with the member brand itself, as it had no further interest in small order quantities. ORTOVOX did not follow up on the impact on the workers for the exited factories.

In 2022 ORTOVOX had a special situation, as the top management decided to terminate the business relationship with one supplier with two factories in Belarus immediately due to the outbreak of war in Ukraine. The member brand wanted to make a political statement and show solidarity with its partners in Ukraine. Production in Belarus accounts for 6% of the total FOB. In the factories, ORTOVOX had a leverage of 25-30%. The CSR department exchanged with the supplier afterwards, but there was no systematic follow-up or further support for the supplier.

Even though the brand has a systematic evaluation system in place, exiting several factories during the COVID-19 pandemic is a high risk for the workers, even if the leverage of the member brand is small.

Requirement: Do not terminate a business relationship without first having discussed scenarios and solutions with your supplier. If an exit is unavoidable, ORTOVOX should ensure that workers are protected and paid and follow Fair Wear’s responsible exit strategy.

Recommendation: Fair Wear encourages ORTOVOX to implement a responsible exit strategy not only for the main suppliers but also for all factories and make sure all relevant staff is informed about this.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company’s production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

Comment: ORTOVOX has a strong and integrated production forecasting, planning, and delivery system and discusses delivery deadlines in close collaboration with its suppliers. ORTOVOX produces two collections per year – one in winter and one in summer. At around 60%, the winter collection makes up the more significant portion, while the summer products account for the remaining ca. 40%. The designs often remain the same and change only in colour. ORTOVOX develops part of the fabrics, so late design changes or a sudden increase in order volume rarely happen. Materials are often nominated in advance and already blocked at Tier 2 suppliers. The delivery time from the order to the delivery of the final product takes eight to nine months.

This first stage of the forecast system is used for capacity planning. The following steps in the forecast system are used for discussing exact numbers and placing the official order. The production team keeps track of orders through a comprehensive excel sheet, which includes relevant production data such as the start of production, QC release and shipment. The sheet is also shared with its suppliers to ensure a close exchange of information.

The orders are consolidated and placed per season, respecting the lead times given by each factory. The production planning system is a mechanism that aims to prevent overtime. ORTOVOX also knows the available capacities of the suppliers. Nevertheless, the COVID-19 pandemic, in particular, has led to lockdowns or understaffing in factories. As a result, the production of some products has been delayed. ORTOVOX has accepted the longer lead times and responded with more flexibility.

ORTOVOX also had to deal with some challenges due to the outbreak of war in Ukraine. One of the suppliers completely shifted its production to other factories in Latvia and Vietnam after the outbreak of the war. ORTOVOX supported the supplier with ongoing orders to ensure economic stability. ORTOVOX agreed to move production back to Ukraine after three months. The two other factories on the Polish and Hungarian borders have been able to continue production since the beginning of the war. Due to the situation, there were electrical blackouts or a lack of access to water. ORTOVOX accepted all delivery delays and did not cancel any orders.

As a result of the suppliers' evaluation of the brand's purchasing practices (see more information in indicator 1.5), ORTOVOX expanded the internal quality department and further optimised production-relevant workflows, processes and requirements.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

Comment: Five Fair Wear audits from 2019 and 2020 showed excessive overtime in four factories in China and Vietnam. Here, ORTOVOX's leverage is small. Two factories from Vietnam audited at the end of the financial year 2022 also showed excessive overtime. The root cause analysis here has shown that excessive overtime was caused in 2021 due to the long lockdown period in Vietnam. ORTOVOX's leverage here is 16% to approx. 30%. Since these audits took place at the end of the financial year, the measures of the brand must be reviewed in the next Brand Performance Check.

ORTOVOX is aware of the risk of excessive overtime in its production countries, China and Vietnam. The production planning system (see indicator 1.6) is a mechanism that aims to prevent overtime from occurring. When audits indicate overtime, ORTOVOX reaches out to suppliers to double-check if the root causes result from its business practice. In those conversations, suppliers reassured ORTOVOX that the root cause lies elsewhere. They have therefore analysed that the root causes for the excessive overtime are primarily because the materials are delivered too late or other customers are prioritised within the production. ORTOVOX reacted to the root cause assessment by changing its own purchasing practices. Changes in production volume are now communicated with the suppliers at an earlier stage. It also started to plan with longer lead times during the production planning to reduce the time pressure in production. In particular, the member brand planned to transport the products by airplane instead of by ship to respond to the late delivery times. The production team from ORTOVOX was also in constant contact with the sales department to announce later delivery dates in the retail. In addition, ORTOVOX has made a significant investment in expanding warehouse capacity and logistics efficiency to gain further buffer times here as well.

Recommendation: ORTOVOX is recommended to take explicit steps to remediate the issue of excessive overtime in Vietnam. The root cause analysis of the findings from the Fair Wear audit in Vietnam at the end of the financial year in 2022 should be continued and followed up. It is recommended to involve worker representatives more closely in the CAP follow-up on excessive overtime.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	2	4	0

Comment: The product development team sends target prices to the supplier. This price is based on the first samples, suggested retail prices, as well as prices of similar products. In some cases, ORTOVOX also receives a detailed cost calculation from the suppliers based on the 'open costing sheet'. To link its buying prices with the wage levels in production locations, ORTOVOX developed an 'open costing template' that includes standard minute-per-style and labour minute costs. ORTOVOX uses the 'open costing sheet' for about 30% FOB of the total production volume. It is mainly implemented by European suppliers. From Asian suppliers, it receives final FOB prices.

The 'open costing sheet' shows costs for fabric, trimming, packaging and production. The production costs include the working minute costs, the standard minute value, and the labour minute costs. ORTOVOX does not negotiate the production costs that are set by the supplier.

Additionally, ORTOVOX was in regular contact with the suppliers in Vietnam, due to the strict COVID-19 measures and due to the additional costs incurred by suppliers.

Recommendation: Fair Wear recommends ORTOVOX to expand its knowledge of cost breakdowns of all product groups, especially for its Asian suppliers. The next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices, for example, by using the FairPrice app. The FairPrice app also enables suppliers to include any COVID-19-related costs. ORTOVOX could consider offering training by a local representative on FairPrice to its suppliers. Such training is available in all Fair Wear countries.

Fair Wear also recommends including open costing as part of its sourcing strategy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

Comment: In 2021, Vietnam was in lockdown, which highly impacted workers' wages. ORTOVOX closely monitored the wage situation in its Vietnamese factories. They closely cooperated with other Fair Wear members sourcing in Vietnam and Fair Wear country staff to be able to verify information provided by factories. In the process, it closely followed Fair Wear's guidelines. It turned out that some factories could not provide workers with at least a legal minimum wage. ORTOVOX made a financial contribution to close the wage gap in its factories, either as a part of workers' wages or through in-kind contributions. ORTOVOX closely monitored the situation and showed that the wage gap for most factories was closed. Fair Wear audits in 2022 showed that for two factories, there is still a difference between workers' wages and the legal minimum wage. The company is discussing how to best contribute to closing this gap.

For the suppliers in Ukraine, ORTOVOX regularly exchanged with the production sites to understand the challenges. Two of three factories on the Polish border continued operations as usual, except for short-term power outages. Here, the workers who stayed and continued working in the factories received their salaries as usual. One factory had to stop production, and many employees fled or received an offer to work in the factory in Latvia. The production was resumed in June 2022. ORTOVOX has provided donations in the form of first aid kits and textiles.

Recommendation: Fair Wear strongly recommends that ORTOVOX further verifies whether legal minimum wage issues in Vietnam have been resolved.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

Comment: Fair Wear identified no late payments. To support its suppliers with liquidity issues, ORTOVOX paid when needed invoices directly/before the payment deadline. Since the COVID-19 pandemic, the member brand has also been making partial 30% prepayments to suppliers, in particular, due to the nominated materials. ORTOVOX has concluded contracts with the suppliers, including regulating payment terms.

Recommendation: The 'Common Framework for Responsible Purchasing Practices' (CFRPP) could also be considered for further developing existing contracts with suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	4	6	0

Comment: ORTOVOX partially collects wage information from its production locations and identifies the gap between the current and possible living wages. To gain transparency about the current wage levels and what is needed to move towards living wages, ORTOVOX initiated a wage analysis at one of its suppliers in Serbia. See more detailed information in indicators 1.13.

ORTOVOX posted a commitment statement on the website, saying that they are in dialogue with suppliers to review the payment of wages and whether it is possible to make concessions to secure the payment of wages.

Recommendation: Fair Wear recommends ORTOVOX to expand the root cause of wages that are lower than living wages, taking into account its leverage and effect of its own pricing policy. Fair Wear encourages ORTOVOX to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long-term business relationship. In addition, Fair Wear recommends ORTOVOX ensure different brand representatives talking to production locations convey the same message regarding the support for living wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	6	0

Comment: ORTOVOX has not yet defined target wages for all of its suppliers. However, ORTOVOX participates in the 'Living Wage Lab', a pilot project of the German PST. With other brands, ORTOVOX wants to find out how employee remuneration can be improved at the factory and which other financial possibilities or support can be made available. The aim is to transfer the project's experiences to other suppliers. In 2021/2022, ORTOVOX agreed with three other brands to implement a living wage project in Vietnam.

In the past financial year, ORTOVOX implemented a project with one supplier in Serbia to discuss the topic of living wages. For this, they used the framework of the Fair Price App to show the respective production costs. ORTOVOX has also collected a food basket for the region in Serbia. As a benchmark, the Global Living Wage Coalition's Anchor Method was used to understand the cost of a living wage better. The member has discussed possible solutions with the suppliers based on the results. Due to the upcoming high increase in the minimum wage in Serbia, there is no agreement on this. ORTOVOX mentioned that the knowledge gained from the project in Serbia would help to deal with the complex issue in the future.

Other specific living wage projects stopped due to the COVID-19 pandemic or the outbreak of the war in Ukraine.

Requirement: ORTOVOX should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

Recommendation: In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.14 Percentage of production volume where the member company pays its share of the target wage.	0%	Fair Wear member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	0	6	0

Comment: Until now, neither a living wage nor a target was implemented on behalf of ORTOVOX.

Requirement: ORTOVOX is expected to begin setting a target wage for its production locations.

Recommendation: Fair Wear recommends ORTOVOX to show that discussions and plans for wage increases have resulted in paying a target wage.

Purchasing Practices

Possible Points: 52

Earned Points: 29

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	48%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	25%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Standard monitoring below 80%	Monitoring threshold below 80%.
Total monitoring threshold:	73%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Specific staff person is designated to follow up on problems identified by monitoring system.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: ORTOVOX has a designated CSR team to follow up on findings identified by the monitoring system.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear to approve the auditing system.	Information on audit methodology.	N/A	0	-1

Comment: ORTOVOX makes use of Fair Wear audits and external audits only.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: Fair Wear audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

Comment: ORTOVOX shared Fair Wear audit reports with factory management and, where possible, with the worker representation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

Comment: ORTOVOX systematically follows up on Corrective Action Plans (CAPs). To keep track of ongoing CAPs, ORTOVOX documents the status in an audit overview sheet. The labour standards are evaluated from one to ten and highlighted in different colours. This helps to get a quick overview of the status of CAPs and the development of suppliers per labour standards. ORTOVOX keeps clear timelines and checks in with the factory after a deadline has passed. High-risk findings are additionally inserted as a follow-up task in the task management tool of the CSR department. The member brand discusses CAPs during visits, emails, and online meetings.

In the financial year 2021/2022, ORTOVOX conducted a total of six audits at its factories. Three of these were Fair Wear audits, which took place in Vietnam and Romania.

For the Brand Performance Check, a sample of CAPs from factories in Serbia and Vietnam, where audits took place in 2020 and 2021, has been reviewed. ORTOVOX improved most of the findings in cooperation with the suppliers. During the follow-up process of the audits, transparency on working hours and wage system could be improved, for instance, by implementing a time recording system and introducing wage slips. Some 'Health and Safety'-findings were solved, particularly findings regarding blocked firefighting equipment or missing escape route markings.

At the Vietnamese factories, the audits highlighted some high-risk issues, especially regarding excessive overtime and payment of wages, that had worsened since the previous inspections. This was mainly caused by Vietnam's lockdown period in 2021 and the factory's economic losses. As the audits did take place by the end of the financial year 2022, the member brand is still working on the findings. This needs to be verified in the next Brand Performance Check.

Recommendation: It is advised to include worker representation in the remediation process. Either to engage workers in identifying and implementing improvements or to verify realised improvements. Therefore, Fair Wear encourages ORTOVOX to go through with its supplier workshop on internal monitoring and to include the involvement of worker representation during audits in a systematic way.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

Comment: As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable. Nevertheless, ORTOVOX was able to visit 62% of its production locations in the last three financial years.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0

Comment: ORTOVOX collects existing audit reports from other sources as part of its due diligence process and uses these reports to follow up on remediation efforts. The Fair Wear Audit Quality Assessment Tool is done, and CAPs are integrated into the existing routine to follow up on improvement possibilities at the production sites. Reports from other organisations are actively used to obtain information from suppliers in countries where Fair Wear Foundation is not active.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	3	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: ORTOVOX closely monitors the specific country risks as part of its general due diligence process (see indicator 1.4). As part of the PST membership, ORTOVOX uses a complex analysis of the sector risks assigned to the respective production countries.

Other risks.

Vietnam:

In 2021/2022, 36% of its production was sourced from Vietnam. ORTOVOX identified that the lack of living wages, excessive overtime, and shortcomings in workplace safety are the most frequent problems in Vietnam. The member brand is actively working on preventing excessive overtime and emphasising the right to freedom of association by discussing the functioning of the worker committee. Vietnam was strongly affected by the COVID-19 pandemic. Nevertheless, ORTOVOX fulfilled its due diligence obligations during the period and was in contact with the factory to frequently analyse the COVID-19 situation on site.

China:

Approximately 7% of ORTOVOX's production in 2021/2022 came from China. The company is aware of country-specific risks, such as limited governmental trade unions and difficulties with the freedom of association and collective bargaining. ORTOVOX did not conduct additional monitoring activities in China.

Ukraine:

In the last financial year, ORTOVOX produced in three factories in Ukraine. The cooperation started before the outbreak of the war. One of the suppliers completely shifted its production to other factories in Latvia and Vietnam after the outbreak of the war. Here, ORTOVOX cooperates with other Fair Wear member brands. Together, all member brands tried to support the supplier because of economic loss caused by production restrictions and continued to support the supplier with orders financially. ORTOVOX agreed to move production back to Ukraine after three months. Together with the factory management, an emergency plan has been developed in case the war hits the region harder again. This factory has a bunker that employees can use in an emergency situation. Together with the other brands, ORTOVOX has published a statement letter, which shows the support of the Ukrainian factories.

Italy:

In general, ORTOVOX has identified the issue of migrant workers in particular as a high risk in Italy. Here, on-site visits are made by the Quality department to examine the factories' situation. The factory is SA8000 certified. ORTOVOX mainly sources socks that are produced by machines; the member brand does not see a high risk in the factories.

COVID-19:

ORTOVOX maintained a separate overview of COVID-19-related risks, which was especially relevant for production in Vietnam due to the high risk of non-payment of legal minimum wages. This was assessed and addressed as described under indicator 1.9.

Recommendation: Fair Wear recommends ORTOVOX consider the gender lens by addressing human rights due diligence in specific production countries. This is particularly important in crisis situations, such as in Vietnam or Ukraine.

Fair Wear recommends ORTOVOX to conduct additional monitoring activities in China. Even though ORTOVOX only sources a small amount of its total FOB in China, it is important to verify the high risk at its supplier with additional monitoring activities.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: ORTOVOX actively cooperates with other Fair Wear members whenever possible.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	2	2	0

Member undertakes additional activities to monitor suppliers.: No (0)

Comment: ORTOVOX produces in production locations in Lithuania, Poland, Austria, Hungary, Latvia and Germany. In 2021/2022, 24% of its production was sourced from low-risk countries. Most of the locations were visited in 2019 and 2020. All the necessary information has been collected.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	No	Fair Wear encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to Fair Wear and recent Audit Reports.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	N/A	3	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

Monitoring and Remediation

Possible Points: 26

Earned Points: 20

3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	2	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved.	0	
Number of worker complaints resolved since last check.	2	

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 A specific employee has been designated to address worker complaints.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: ORTOVOX designated two staff members to follow up on complaints.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the Fair Wear Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

Comment: Worker information sheets are regularly checked during production location visits and in the annual data survey. In times of COVID-19, visits were not possible, and suppliers provided ORTOVOX with pictures via email to show evidence of the posted worker information sheets with complaints hotline details.

One audit at the end of the financial year in 2022 found that the Fair Wear Code of Labour Practices was not provided in the local language at one factory.

Recommendation: The finding from the Fair Wear audit at the end of the financial year in 2022 should be followed up in the next financial year.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	All production in low-risk countries/training not possible	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	N/A	6	0

Comment: Because of travel restrictions in 2021/2022 that limited the possibility of conducting training, this indicator is not applicable.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	Yes + Preventive steps taken	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	6	6	-2

Comment: ORTOVOX has a process in place when receiving a complaint. ORTOVOX always takes immediate action and has shown proactive follow-up on all complaints received. ORTOVOX cooperates and discusses complaints with other Fair Wear members if applicable. In 2021/2022, ORTOVOX received two complaints. Both complaints are resolved and closed.

One of the complaints was filed by a relative of a factory worker in Serbia who claimed working time with a large amount of overtime and double shifts without additional payment. ORTOVOX conducted an audit for verification and investigation. The audit showed similar results. ORTOVOX visited the factory a few months later and entered into a dialogue with the supplier about this. A time recording system and wage slips were introduced. Additionally, employee elections have taken place and are documented. The elected representatives have approved the election results with their signatures. Ortovox is working with the supplier to improve productivity and efficiency in the factory to avoid a high number of overtime hours in the future.

For the other complaint about excessive overtime, filed at a factory in China, ORTOVOX collaborates with other Fair Wear member brands. Established improvements will be verified in the next audit. ORTOVOX's leverage in this factory is very small.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	Active cooperation	Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	2	2	0

Comment: ORTOVOX cooperated with other brands throughout the process.

Complaints Handling

Possible Points: 11

Earned Points: 11

4. Training and Capacity Building

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of Fair Wear membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

Comment: All staff at ORTOVOX has been introduced to Fair Wear and updated on developments related to the company's Fair Wear membership.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

Comment: There are weekly meetings between the purchasing, quality, and CSR-department. In case of detection of a severe human rights violation in one of the production locations, all relevant staff, including the CSCO, are informed right away.

Recommendation: Fair Wear encourages QC staff to observe factory audits conducted by the Fair Wear audit teams to learn about the audit process and to be able to better follow up on corrective action plans.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Member does not use agents/contractors	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	N/A	2	0

Comment: In 2021, ORTOVOX was not working with any contractors/agents.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	All production in low-risk countries/training not possible	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	N/A	6	0

Comment: Because of travel restrictions in 2021/2022 that limited the possibility of conducting training, this indicator is not applicable in 2021.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

Training and Capacity Building

Possible Points: 3

Earned Points: 3

5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

Comment: ORTOVOX is well aware of the locations that are used for its production. Once per year, suppliers are requested to fill out comprehensive data sheets, including questions for subcontractors. The member includes a clause requiring transparency and disclosures from suppliers on subcontracting in its supplier contracts. According to this clause, no subcontracting is allowed without the member's approval. ORTOVOX treats direct suppliers and subcontractors equally and initiates full audits of subcontractors. ORTOVOX did not systematically conduct on-site visits in the last financial year to additionally monitor the situation at the suppliers.

Currently, the supplier contract is in revision to add incentives and penalties for upholding/breaching the clause on subcontracting. Nevertheless, one audit report showed that a factory in Vietnam had not informed ORTOVOX about subcontracting. Since this finding was found at the end of the financial year, ORTOVOX's approach to this will be verified in the next Brand Performance Check.

In 2022, ORTOVOX organised an online supplier seminar for all European suppliers. Fair Wear also participated in this seminar. Among other topics, responsible subcontractor handling was discussed with all participating suppliers.

Recommendation: Fair Wear recommends ORTOVOX regularly visit its suppliers and check if all production steps are done in house and systematically evaluate whether all known production locations are still up to date.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

Comment: All staff involved in production has access to relevant supplier information. More details in indicators 4.1 and 4.2

Information Management

Possible Points: 7

Earned Points: 4

6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

Comment: All information of ORTOVOX regarding Fair Wear adheres to Fair Wear's communications policy. ORTOVOX communicates on its website about its membership and also actively supports retailers and provides them with information material.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: ORTOVOX publishes Brand Performance Check reports on its website and includes summaries of audit results in the annual Sustainability Report. ORTOVOX has disclosed 77% of its supply chain to other Fair Wear members and on Fair Wear's website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.3 Social Report is submitted to FWF and is published on member company's website.	Complete and accurate report submitted to FWF AND published on member's website.	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

Comment: ORTOVOX submitted a complete and accurate social report. The report, known as ORTOVOX's People Report is published on the member's website.

Transparency

Possible Points: 6

Earned Points: 6

7. Evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.	Yes	An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: The CSR department is in regular contact with top management via jour fixes and meetings of the management board. Since 2022, ORTOVOX has restructured the Executive Board of the management. As a result, the former Head of Sustainability is now part of the board and has a role as the Chief Supply Chain Officer (CSCO). ORTOVOX mentioned that this allows different perspectives and broadens the focus on sustainability and social standards in a more strategic direction.

The membership of Fair Wear is evaluated constantly. While ORTOVOX values its membership at Fair Wear and the open dialogue with Fair Wear staff, it stated that in the last few years, other players entered the market, such as the PST, which supports them quite well too.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	75%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: In the last Brand Performance Check Report, three requirements were given. One of the requirements is not applicable due to the COVID-19 pandemic. The member brand could prove that the two other requirements were followed up; the indicators are 1.8 and 1.13. This means that ORTOVOX started working with open costing sheets for one-third of its suppliers. Additionally, ORTOVOX was in regular contact with the suppliers in Vietnam, due to the strict COVID-19 measures and due to the additional costs incurred by suppliers, especially for the payment of minimum wages, and provided financial support in this regard (1.8). The requirement for indicator 1.13 is partially completed. ORTOVOX has implemented a Living Wage project with a supplier from Serbia. Nevertheless, ORTOVOX did not yet develop a strategy for how to finance the costs of wage increases.

Evaluation

Possible Points: 6

Earned Points: 6

Recommendations to Fair Wear

During the Brand Performance Check, ORTOVOX mentioned that it see the Living Wage discussion of Fair Wear as complex, but on the other hand, very exciting. The member brand is hoping for close cooperation here in the future. It was also emphasised that ORTOVOX likes the separation of Brand Liaison and Brand Performance Checker.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	29	52
Monitoring and Remediation	20	26
Complaints Handling	11	11
Training and Capacity Building	3	3
Information Management	4	7
Transparency	6	6
Evaluation	6	6
Totals:	79	111

Benchmarking Score (earned points divided by possible points)

71

Performance Benchmarking Category

Good

Brand Performance Check details

Date of Brand Performance Check:

17-11-2022

Conducted by:

Victoria Lauer

Interviews with:

Robert Hellwig (CSR)

Stefanie Rieder-Haas (CSCO)

Franziska Wiesbeck (Finance)

Hendrik Reschke (Head of Communication)