ProtACT Sustainability Report 2024

OBTOM PEOPLE REPORT

ORTOVOX

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ORTOVOX PROTECTS

SOCIAL RESPONSIBILITY ALONG THE SUPPLY CHAIN

ORTOVOX's top priority is ensuring that every person along the value chain has a desirable workplace. Ultimately it is not just high-guality materials and state-ofthe-art technology that are key to the success of our products – above all it's the people behind them. Both at ORTOVOX headquarters and at our partner companies. Our aim is to guarantee fair, legal working conditions for all employees on the farms and in the production facilities.

We do this with the support of independent auditors, who implement checks according to defined, internationally recognized standards, and by continuously working closely with our partners on equal terms and through regular on-site visits.

SUPPLY CHAIN FIGURES



95.00% of our Tier 1 suppliers and 73.03% of our Tier 2 suppliers have signed the ORTOVOX Supplier Code of Conduct



In total, 24.000 workers are employed by our Tier 1 partner companies



Of these, 79.54 % are women, who are classified by Fair Wear Foundation as particularly in need of protection

OUR PARTNERS/INITIATIVES

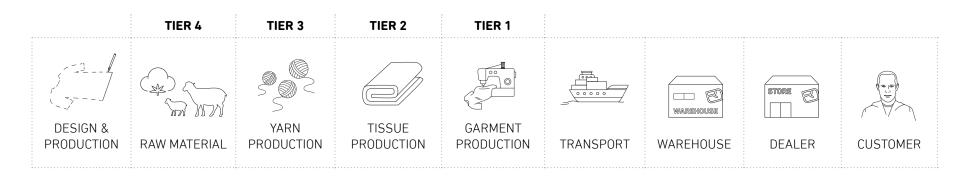


Our product portfolio consists of 91.78% textiles and 8.22% safety equipment

CHALLENGES

PRIORITY TOPICS, OBJECTIVES AND MEASURES

We face numerous challenges throughout our production and supply chain – from product development to farms and factories, to the end customer. Our current focus is on the three goals listed below, as they are where our commitment gives us the greatest leverage and enables us to achieve far-reaching impact, so that we can live up to our social responsibility.



Tier 2

Challenge: Increasing transpa**rency** along the supply chain, especially at Tier 2 level

Aim: Establish an effective monitoring concept

Measures: Request relevant **data** from nominated Tier 2 production sites

Tier 1

Challenge: Fair pay for workers in production facilities

Aim: **Raise wages** to a target wage

Measures: Monitor wage data at Tier 1 level, calculate living wage gaps

Tier 1

Challenge: Increase in com**plaints** from factory workers due to industry-wide decline in production volumes

Aim: Ensure fair treatment of workers, prevent dismissals and reduce the number of complaints

Measures: Partnership-based discussions with suppliers to find joint solutions

STRONG PARTNERS IN EUROPE AND ASIA

Our production is spread across a total of 43 Tier 1 production sites in 12 countries. We select our partners and determine the scope of production according to an agile risk management assessment that incorporates multiple factors. We fulfill our duty of care through close, direct communication with suppliers.

> LITHUANIA 2 production facilities; 0.33%

2 production facilities; 8.22%

POLAND 1 production facilities; 3.71%

GERMANY

3 production facilities; 4.92%

AUSTRIA

1 production facilities; 0.28%

ITALY

1 production facilities; 1.40%

UKRAINE 4 production facilities; 7.31%

ROMANIA 7 production facilities; 20.59%

SERBIA

2 production facilities; 8.00%

SLOVENIA

3 production facilities; 0.72%

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View the ORTOVOX <u>supplier</u> <u>overview on</u> Open Supply Hub.

EUROPE 55.84%

ASIA 44.16%

CHINA 5 production facilities; 5.07%

VIETNAM 12 production facilities; 39.09%

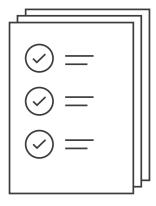
FACTS & FIGURES FOR FY 2023/2024





achieved ORTOVOX in the last Brand Performance Check





are audited according



18 factories

PAY GAPS IN THE SUPPLY CHAIN

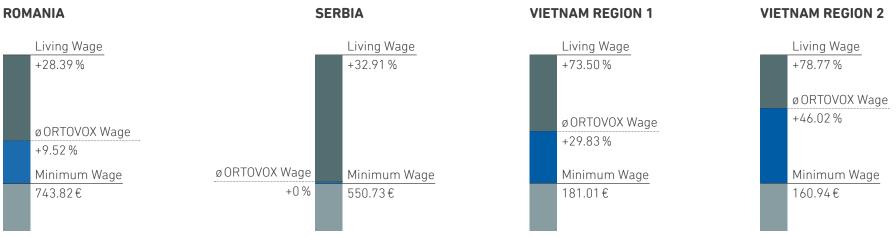
FAIR PAY FOR FACTORY WORKERS

The issue of living wages in production is of immense importance to us (see page 3). The following chart provides a transparent picture of our production countries where there is a gap between the statutory minimum wage and the living wage, and where we stand with the wages we currently pay. Our goal is very clear: pay a living wage everywhere in the medium to long term*. We are already working alongside our partner companies to develop scalable solutions.

*There are two major challenges in establishing a living wage. Firstly, we are not the sole client for our production facilities. We can only do our part and are dependent on the commitment of the other brands producing there. We must also clarify where the financial resources for a wage increase will come from (in the short and long term) without jeopardizing the economic viability of the client and contractor and, therefore, the entire production. See also <u>People Report 2022</u>







ITALY

Living Wage /// no data available ØORTOVOX Wage no data available Minimum Wage no data available ///

UKRAINE

Living Wage //// no data available

Ø ORTOVOX Wage +87.92%

> Minimum Wage 172.68€

SLOVENIA

Living Wage

no data available

ØORTOVOX Wage no data available

Minimum Wage 1,253.90€

TIER 2 MONITORING

SPOTLIGHT ON THE DEEPER SUPPLY CHAIN

In recent years, we have been building up stable structures, processes and partnerships to establish comprehensive, effective monitoring of our Tier 1 suppliers. We are proud of our pioneering role and all we have achieved so far, but we now wish to fulfill our commitment, assume responsibility and take the next logical step. Therefore, we are applying all we have learned from Tier 1 monitoring to Tier 2 suppliers.

After all, our production does not begin with the sewing of the fabrics: the workers in the preceding production phases also have a right to humane working conditions. For this purpose, we have developed an effective concept that we are happy to make available to other brands, and especially smaller companies, <u>for</u> <u>download</u>. So far, 126 production sites have been nominated and published in the ORTOVOX <u>supplier overview</u> on the Open Supply Hub. However, the challenge is that there are still suppliers of our Tier 1 producers that have not yet been nominated, i.e. suppliers that are not yet known to us. We have already achieved a great deal of transparency and are continuing to work hard on collecting data so that we can determine a reliable, meaningful key figure. The signed Supplier Code of Conduct gives us the legitimacy to request the information we require from our Tier 1 partners.

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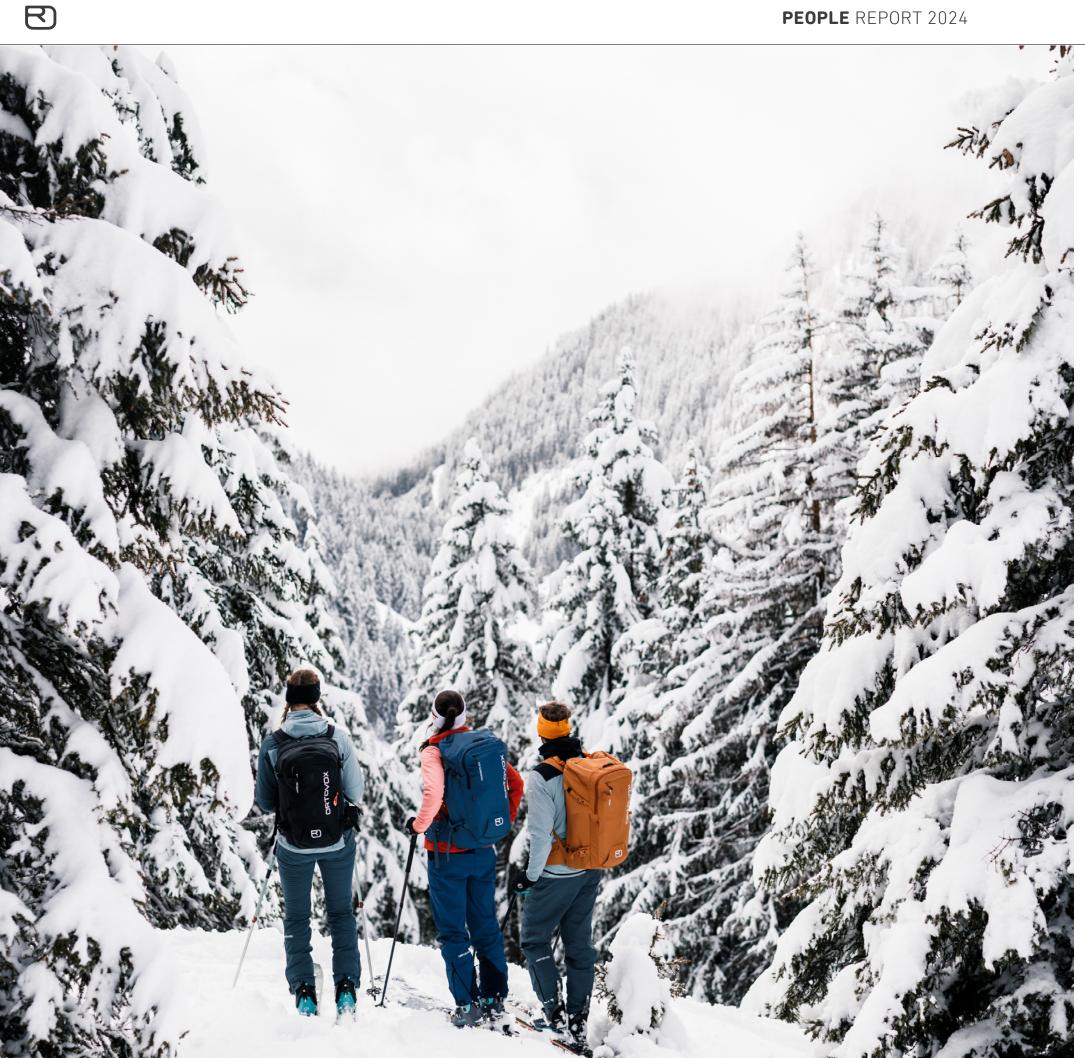
ARCHIVE

For several years now, ORTOVOX has been transparently reporting on all efforts and tangible actions concerning sustainability. The reports provide an insight into our motivations, introduce our goals and self-critically examine the implemented measures.

Below is an overview of the reports from previous years:

PLANET REPORT 2022 PEOPLE REPORT 2022 PLANET REPORT 2023 PEOPLE REPORT 2023 PLANET REPORT 2024







CONTACT

Lisa Pfeiffer Marketing Manager Strategy & Sustainability lisa.pfeiffer@ortovox.com

IMPRINT

ORTOVOX SPORTARTIKEL GMBH Rotwandweg 3a, D-82024 Taufkirchen

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