



OTB PRESENTS ITS 2023 SUSTAINABILITY REPORT

SUPPORT FOR THE SUPPLY CHAIN, REDUCTION OF ENVIRONMENTAL IMPACT, AND SOCIAL RESPONSIBILITY WITH THE OTB FOUNDATION ARE THE KEY TOPICS OF THE GROUP'S SUSTAINABILITY STRATEGY

- *Support for the Italian companies in the supply chain through the C.A.S.H. project and the M.A.D.E. docuseries*
- *Energy use 99% from renewable sources for OTB's internal operations in Europe, 56% worldwide*
- *Increased use of low-impact materials in the Group's brands collections*
- *More than 350 social development projects at OTB Foundation, directly impacting the lives of over 350,000 people worldwide*

Breganze (Vicenza), 23 April 2024 – OTB, the international fashion and luxury group which owns the Diesel, Jil Sander, Maison Margiela, Marni, Viktor&Rolf brands, the Staff International and Brave Kid companies, and holds a stake in the Amiri brand, presents its **third Sustainability Report**. The report summarises the monitoring and reporting process used to measure the Group's progress and achievements in 2023 in terms of environmental, social and governance sustainability.

The Group Sustainability Strategy continues to be based on the three pillars "The New Fashion System", "Protecting our Planet" and "Brave Together".

THE NEW FASHION SYSTEM

The Group, its brands and production hubs focus on adopting solutions that prioritise the reduction of environmental impact, circularity and product durability while promoting the use of responsible materials and treatments. With this in mind, the OTB Group is committed to **using certified materials** compliant with environmental and animal welfare standards, which accounted for about **17% of total purchases** in 2023. As a member of The Fashion Pact, OTB has set a target of 25% by the end of 2025 in this area. Each of the Group's brands is contributing to the goal and one example is represented by **Diesel's denim collections, more than 50% of which use organic, recycled and regenerative cotton**.

In addition, OTB devotes significant resources to the development of advanced methods to **combat counterfeiting**, which is a key tool in its strategy to ensure consumer safety and protect the integrity of its brands. In 2023, **approximately 860 websites selling counterfeit goods were monitored and more than 113,000 advertisements were reported, of which approximately 90,000 were removed**.

In parallel, OTB continued to introduce technological solutions to ensure incontrovertible proof of the authenticity of its products. As part of the Group's collaboration with the AURA Blockchain Consortium, of which it is a founder member, in 2023 more than 580,000 products from Marni, Maison Margiela and Jil Sander were **encrypted on the blockchain platform** in a secure, time-

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immutable and incorruptible manner, and provided with a digital certificate of authenticity, which the end customer can access at any time via their smartphone. This was an increase of about 200% over the previous year's encrypted products, bringing the number of articles covered by digital certification from the Group's luxury brands to a **total of more than 800,000**.

Engagement and cooperation with the supply chain is at the heart of the creation of a sustainable model for OTB. This translates into projects supporting the growth and development of the companies in the Group's value chain, consisting of 1,470 suppliers, 78% of which are based in Italy (+7% from 2022), a figure that reaches 85% in the luxury segment (+5% from 2022).

As a demonstration of the Group's constant commitment to enhancing the value of Made in Italy and to forging increasingly close relationships with its partners, in 2023 OTB presented "**M.A.D.E. - Made in Italy, Made Perfectly**", a **docuseries** conceived to promote and give visibility to the artisans and unique skills of the people behind the scenes of beautiful, well-made Italian products.

Among initiatives to enhance the fashion and luxury industry supply chain, the **C.A.S.H. (Credito Agevolato - Suppliers' Help) project** celebrated its tenth anniversary in 2023. The program allows suppliers to collect their receivables from OTB in advance from a bank, at favourable economic conditions, thanks to the Group's role as guarantor. In 2023, the programme involved 65 of the Group's most strategic suppliers, who transferred 90% of their receivables. Since the project's inception, the volume of payments disbursed has reached approximately 550 million euro, reflecting the effectiveness of OTB's growing support for the supply chain.

Lastly, the Group continued to invest in the **Staff International "School of Craftsmanship"**, which has recently celebrated its third edition and aims to preserve and pass on to a future generation of talents more than 40 years of the traditions of Made in Italy luxury craftsmanship and skills. Since the project began, more than 90% of the participants have been placed in Group companies at the end of the training course.

PROTECTING OUR PLANET

Protecting the planet and combating climate change is a top global priority. To help achieve this goal effectively, OTB received validation of **its environmental impact reduction targets from the Science Based Target initiative (SBTi)**. Specifically, in 2023 it recorded a **19.2% decrease in direct emissions** (Scope 1 and Scope 2 Market Based) compared to 2019 (the base year for SBTi).

The Group also achieved **56% use of energy from renewable sources for internal operations worldwide**, a percentage that reached **99% for operations in Europe**.

As a member of **The Fashion Pact**, the OTB Group maintains its commitment to limiting the environmental footprint of the entire industry and promoting circular models throughout the supply chain. Consistently with this vision, it promoted the creation of the **Re.Crea Consortium**, coordinated

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by the National Chamber of Italian Fashion together with the leading players in fashion and luxury, to manage the end-of-life of textile products and promote innovative recycling solutions.

BRAVE TOGETHER

People are central to the vision of OTB, which drew up a **new human resources management strategy** in 2023 to enhance the unique and distinctive capabilities of its employees through fair policies that foster inclusion, diversity and recognition of merit.

Among the most significant results in this area are the increase in women in managerial positions, which stands at around 54%, and the achievement of **Gender Equality Certification** for OTB and Diesel.

Finally, the **OTB Foundation**, the Group's non-profit organisation, continued to operate in Italy and around the world, taking swift, concrete action in emergency situations and improving people's lives in a sustainable manner by guaranteeing equal opportunities. Since it was formed in 2006, the Foundation has **invested in more than 350 social development projects**, which have had a **direct positive impact on the lives of approximately 350,000 people**. In 2023, the Foundation continued its commitment to job-placement projects such as Job Clinic, for the socio-economic integration of migrants, and to the activities of the Solidarity Emporia, which provide support for families in economic difficulties. The OTB Foundation also intervened promptly in major emergencies, such as the earthquake in Turkey and the floods in Emilia-Romagna. Another cornerstone of the OTB Foundation mission is female empowerment: in 2023 the Foundation expanded its "Brave Women Awards" project, providing 57 scholarships for deserving female students at top Italian universities, to create future female leaders in Italy's public administration and business community. Support for women also extends to victims of violence, with the "Mai Più" service, which offers psychological and legal assistance, and the opening of a shelter for victims and their children.

"Sustainability must be, first and foremost, a state of mind. This is the vision I believe in, which I share every day with the people who work with me at OTB. Our commitment involves all the Group brands and companies which, with their distinctive characteristics, contribute to the achievement of concrete results," said **OTB Group Chairman and Founder Renzo Rosso**. *"2023 was a year of milestones: from an environmental point of view, we obtained an additional decrease in emissions, made greater use of low-impact materials, and procured almost 100% of energy in Europe from renewable sources. We also celebrated the 10th anniversary of the C.A.S.H. (Credito Agevolato - Suppliers' Help) project and marked the milestone with the launch of the M.A.D.E., Made in Italy, Made Perfectly docuseries, an initiative that pays tribute to the unique skills of the people behind the scenes of beautiful, well-made Italian products. I am convinced that only through teamwork and a shared commitment with the whole industry can we really make a difference. This is why increasingly we are involved in achieving important goals shared with other industry players through our role in the AURA Blockchain Consortium, The Fashion Pact and Re.Crea. All this, without ever forgetting to give back some of the value we have created to those who need it most, thanks to the tireless work*

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of the OTB Foundation, which has helped more than 350,000 people in need since it was established. Companies have a great responsibility to their employees, the environment, and also to their customers, and only by working with determination every day will we be able to achieve ever more ambitious goals."

The Sustainability Report is published and can be consulted on the **OTB Group's new corporate website**, which, with completely new graphics and new content, presents OTB's history and highlights the focus on people, sustainability and all the elements at the heart of the Group's growth.

The site is online from today and can be viewed at the following link: www.otb.net

OTB GROUP

OTB is an international fashion group comprising the iconic, unconventional brands Diesel, Jil Sander, Maison Margiela, Marni and Viktor&Rolf. It also controls the Staff International and Brave Kid companies and holds a stake in American brand Amiri. OTB – short for "Only The Brave" – believes in the possibility of pushing beyond the frontiers of fashion and style to support the creativity of international talents and express in full the innovative spirit and uncompromising courage of its founder and chair, Renzo Rosso. With more than 7,000 employees worldwide, the Group is founded on a digital approach centred on the consumer, a concrete long-term commitment to the creation of a sustainable, technologically driven business, and close attention to social issues through the OTB Foundation.

For more information:

OTB Corporate Communication

corporate_communication@otb.net