

O MY BAG
A M S T E R D A M

Sustainability Report

2023

Certified



Corporation



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A woman with a bindi and traditional jewelry is smiling and holding a tan leather bag. The word "Introduction" is overlaid on the image in a large, white, serif font.

Introduction

1 ABOUT THIS REPORT

Since 2011, we are on a mission to bring ethics back into the fashion industry. We aim to make a positive difference by connecting producers in small communities to the global market and creating fair jobs. Our products are made from chromium-free and vegetable-tanned leather. Next to cow leather, we also have a vegan alternative, called Uppeal™. We are happy to see that our ambitions, mission-driven way of doing business, manifests into bags that are loved globally.

In line with our commitment to transparency, we have been releasing annual sustainability reports since 2019. Our reports celebrate our yearly progress in sustainability and let us benchmark our achievements against the rapidly changing sustainable fashion movement.

Our proudest moments of 2023

1
We have positively impacted lives in India 4,430 times.



2
329 employees from our factories participated in our digital worker survey, giving us direct insight into their working conditions and where we can improve.



3
We paid our annual living wage bonus to 414 employees at all our partner factories.

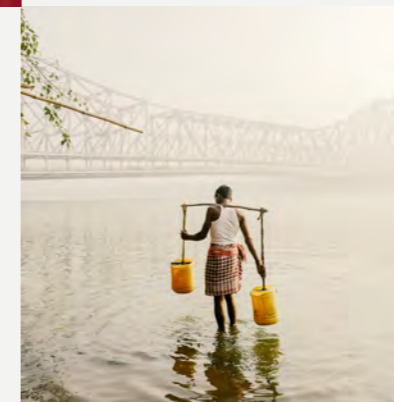
4
We took our team to India to meet with our producers.



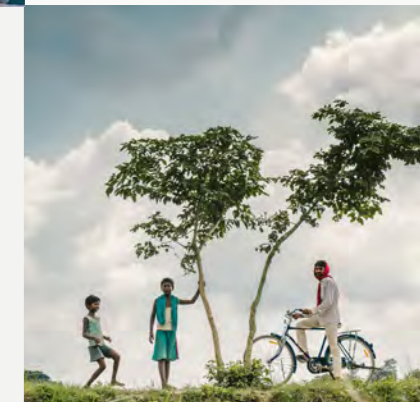
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We did 2 retail fairs in New York City for the first time, reaching the East Coast of the USA.



6
We decreased our carbon intensity by 27%.



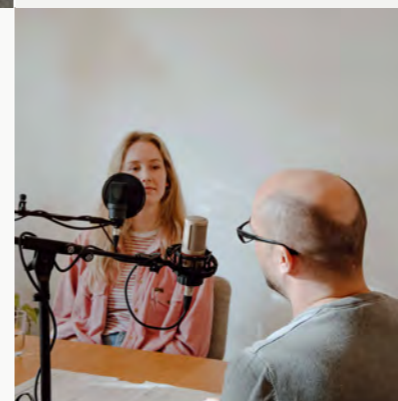
7
We decreased our total company carbon footprint by 16%.



8
We started working with a new partner tannery Il Ponte who are LWG Gold rated.



9
Paulien inspired over 200 future change makers in the DeLaMar Theatre in Amsterdam.

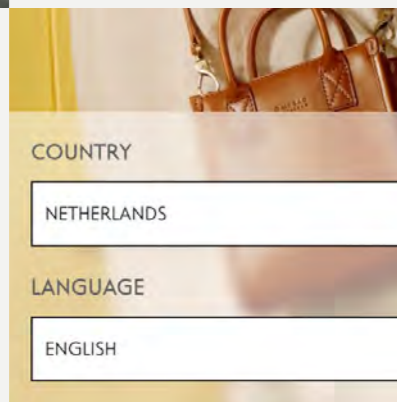


10
We appeared on stage, in podcasts and in interviews 21 times to share our mission and raise awareness.



11
We organized gender awareness trainings at our partner factories.

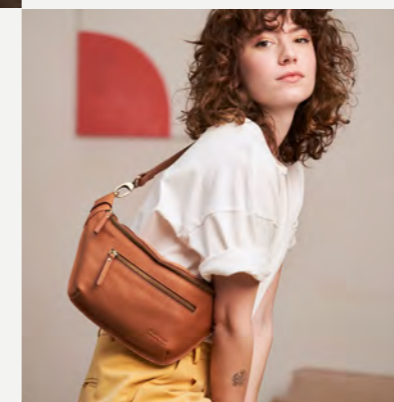
12
We launched a multilingual website and switched to the new domain www.omybagamsterdam.com



13
We reduced excess stock in a successful Archive Sale while at the same time cleaning up 7,560 kg of plastic from the Ganges River.



14
We updated our product LCA for a more accurate and future-proof carbon footprint calculation, and to have a clear overview of our priorities for reducing our environmental impact.



15
We launched a new partnership with the Kolkata based NGO Future Hope, focused on providing education and housing for children living on the street.



16
We celebrated our move to a new, bigger office to house our growing team with an office opening party, for which we invited everyone who has helped O My Bag get to where it is today.



17
We shipped 63% of our products by sea and thereby significantly lowered our shipping footprint.



18
We grew our Second Chances sales much more than expected, outperforming our sales target by 133%.



19
We started insetting 50% of our business flights with sustainable aviation fuel.

People

1 OUR SOCIAL IMPACT STRATEGY

a. TRADE NOT AID

O My Bag stands for trade, not aid. This is the cornerstone of our social impact strategy and is represented in our working relations with the factories that manufacture our products in Kolkata, India. By increasing our order volumes, we enable our partner factories to generate more fair jobs.

We carefully select producers based on their alignment with our mission, their willingness to take up an active role in achieving positive change, and their commitment to transparency. We require our partner factories to actively participate in our projects and facilitate their employees' involvement in training programs, worker surveys, and ensure the payment of our living wage bonus. Moreover, we continually collaborate to improve working conditions within their facilities. Balancing the time allocated to our social impact initiatives with the growing demands of production can be a challenge.



b. GIVING BACK

On top of our trade relations, we have our Giving Back program to ensure that we extend our positive impact to communities surrounding our production locations. Every year we invest 1% of our revenue in local projects in Kolkata surrounding women empowerment and education, and in projects that engage in environmental innovation. This 1% ensures that the success of our brand is measured through positively impacting lives as much as through selling beautiful products. [Click on the images below to learn more about our Giving Back projects.](#)



2 POSITIVELY INFLUENCING LIVES IN INDIA

GOAL 2023:

To have a positive impact on lives in India at least 3,657 times.

HOW DO WE SET THIS TARGET?

Our vision is to have positively influenced 100,000 lives by 2030. This means we need to increase the amount of lives we positively impact with 30% each year.

RESULT 2023:

4,430

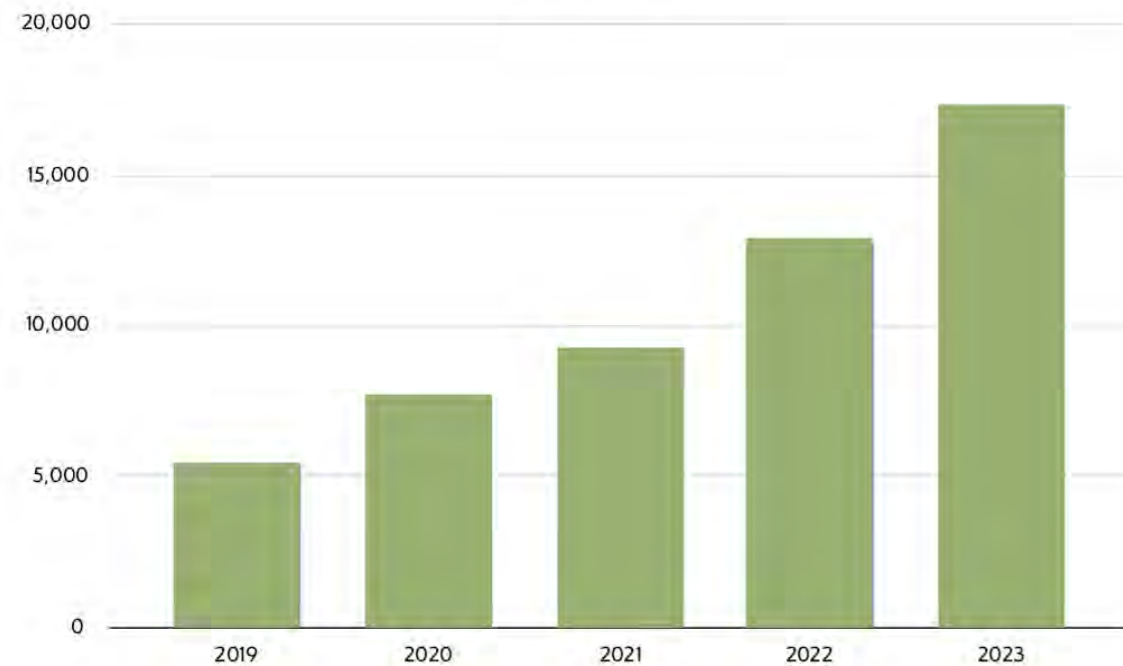
lives positively impacted.

17,292

lives have been positively influenced since the start of O My Bag.



Lives positively impacted in India



*Cumulative number since the start of O My Bag.



80

New fair jobs* created at STC.



50

Women joined the OMB team in a bracelet-making activity at The Cup, a safe space for women working in Kolkata's red light district and one of our earliest Giving Back projects.

10

Children have been fully supported through primary education at Future Hope.

414

People received our annual living wage bonus.

582

Employees from our producers took part in trainings on gender awareness and teamwork.

40

Indian business partners were invited to a special dinner event to celebrate 12 years of OMB in Kolkata and to create meaningful connections.



201

young adults were able to participate and complete professional training as we extended the KMWSC's vocational skills training project to new areas in Kolkata.

2,152

children and their families were included in the Brickfield School project, giving access to education and additional services such as health checks.







901

factory employees received gifts such as sarees, lunch boxes and sweets from the O My Bag team during their visit, as a show of our appreciation.

*In O My Bag's supply chain, a [fair job](#) entails:

- Safe working conditions certified by WFTO or SA8000
- Fair wages and a yearly living wage premium paid by O My Bag, the producer and/or other buyers.
- Opportunity to voice your opinion every year in the annual worker survey and benefit from the factory improvements.
- Annual training on job specific skills, gender awareness, financial literacy or teamwork.
- Opportunities to advance to new role if that ambition is there.

THE MOMENTS WE COUNT AS POSITIVE IMPACT ON SOMEONE'S LIFE:

<p>Lives impacted in our supply chain, including new fair job holders and training participants.</p>		<p>Lives impacted through projects with Indian NGOs (excluding impacts in the Netherlands or within our own team).</p>
	<p>Each person receiving a living wage premium, regardless of payment frequency.</p>	
<p>Participation in training or events (e.g. KMWSC celebrations) is counted as one moment, irrespective of multiple training days.</p>		<p>Participants in active courses of KMWSC's vocational skills training, as well as graduates and participants in extracurricular events in this project, such as a Holi celebration.</p>
	<p>Children and their families included in the Brickfield Schools project, either as students, graduates or participants in events such as parent meetings, celebrations and health services.</p>	

3 LIVING WAGES

GOAL 2023:

To pay our annual living wage premium to all 3 producers in a streamlined process.

WHY THIS GOAL?

When starting our living wage project, we initially piloted it in just one of our factories. In 2022, we expanded the project to the two remaining factories. In 2023, our objective was to optimize the process. Oversight of the payment process is entrusted to an independent local consultant, who ensures compliance during payment disbursements and conducts post-payment administrative checks.

HOW DOES OUR LIVING WAGE PROCESS WORK?

- 1 Every year in April, the producers share their updated salary overview with us and explain the changes they've made.
- 2 Our Sustainability Manager reviews actual living wage benchmarks for several regions in India (Global Living Wage Coalition, WageIndicator, IDH).
- 3 These benchmarks are discussed with the factory management and together we set the target living wage for the year.
- 4 The gap between existing salaries and the target living wage is calculated.
- 5 O My Bag's premium covers the share of the gap that accounts for the portion of revenue attributed to O My Bag's business activities at the factory. To achieve a full living wage for all workers, we need the factories' other buyers to also take responsibility for their share of the gap towards a living wage.
- 6 The premium is paid to employees of the factory. The factories themselves decided if they want to distribute the amount evenly over all workers, or if they want to differentiate between people that are already on a higher salary. The payment process is overseen by an independent local consultant that reports back to us.



A SHARED RESPONSIBILITY

In an ideal situation the local legal minimum wage would be a living wage. Or the gap towards the living wage would be smaller to begin with, because all brands and buyers pay product prices that permit factories to pay living wages. Therefore, to achieve true system change that will enable living wages for everyone, we want to shift to a shared responsibility between us, the factories themselves, other buyers, and the Indian government. We started this process in 2023 by speaking to other buyers and hanging up living wage posters in the factories.

RESULTS 2023

We paid a total amount of

€19,268

at 3 factories, to 414 employees.

By doing this, we covered

13%

of the living wage gap at our producers.

THE LIVING WAGE GAP

The average living wage gap at our producers was 30% in 2023. This means that on top of the currently paid wages, 30% extra was needed to ensure living wages for everyone.

When compared to 2022, the living wage gap has increased by 2%. This is because the living wage increased more (due to inflation) than the actual salaries. To cover 100% of the gap, we need other buyers to start paying their share as well.

ALLOCATING THE PREMIUM

We've made a significant move by shifting the allocation of our living wage premium from our Giving Back budget to our direct costs.

Now, living wages aren't seen as a separate project, but rather as an integral aspect of responsible business, and as part of the actual product costs. Since we have an ongoing collection and did not increase prices for our customers, we took paying this true price on ourselves.

WORKERS' FEEDBACK

We want to know how our efforts for better pay are perceived by the workers themselves. It's good to know that all employees are on a legal minimum wage or above, and that that is guaranteed by certification. The answers in our digital worker survey show a lot of discrepancies in the workers' responses regarding this topic across the factories, so we closely follow how this will develop in the years ahead.



"I FEEL LIKE I AM BEING PAID A FAIR AMOUNT FOR THE WORK THAT I DO"

SPRINGFIELD

Springfield reports a 12% increase in positive answers, upping their already good score from 67% positive answers in 2022 to 79% in 2023.

STC

There has been a significant increase in positive answers in 2023, from 4% to 11%, but the perception of the workers at STC on their pay scores the lowest of our factories.

EMA

While EMA reported 57% positive responses to this question in 2022, their score deteriorated to only 16% in 2023, even though all workers received our living wage premium.

From these results in the workers' survey we conclude that order volumes have an impact on workers happiness regarding pay. At Springfield, order volumes increased, and on top of that we started paying of living wage bonus, leading to an improvement in the score on this question. At EMA, unfortunately, order volumes have decreased, both from us and from other buyers, leading to less work for EMA's employees. Even though they receive our living wage bonus, EMA's workers are significantly less happy with their pay.

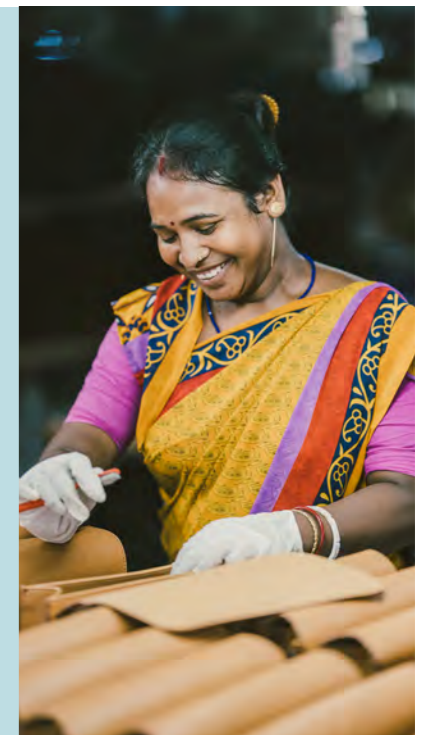
Salaries at STC are very similar to Springfield and EMA, but nevertheless employees of STC perceive their pay as very low, while they also receive our living bonus. We assume that there are other factors at play there, influencing how employees feel valued at STC, given that their overall survey ratings across all questions are lower compared to the other two factories. It is a focus point for us and STC to collaborate on finding out why this perception is different than at other producers and on improving this.



INSPIRING CHANGE

Next to encouraging our producers to raise wages when their business grows, we also want to encourage other companies to follow our lead for living wages. We are facilitating them by transparently sharing our methodology. In 2023, we talked to 3 other brands that source leather goods from our factories, explaining our procedure and the benefits, and inviting them to participate.

Among them, two were WFTO certified, while the third was pursuing B Corp certification, suggesting a shared interest in our initiative. Unfortunately due to economical reasons and other priorities these companies were not able to join the living wage project. We are committed to pursuing lasting and meaningful change, and thus, we will continue to raise awareness on the importance of living wages in the fashion industry in 2024.



4 TRAINING AT OUR PRODUCERS

GOAL 2023:

To organize a minimum of 8 training sessions across all of our producers.

WHY THIS GOAL?

Trade not aid means that we invest in our producers to improve their professionalism and workplace conditions. While conducting eight trainings throughout the year may seem limited, scheduling training sessions in a factory setting is challenging due to production floor disruptions. We don't own the factories and they also produce for many other customers, so there's a practical limit to how often we can pull workers away from their tasks.

RESULTS 2023:

8

training sessions were completed in 2023.

Building on the insights from our 2022 training sessions, we identified specific challenges encountered by female workers in their everyday lives in the factory. We extended our collaboration with Swayam, thereby ensuring continued engagement with both male and female workers on gender awareness.

Additionally, in consultation with factory management, we organized training sessions focused on teamwork to improve overall workplace dynamics. We are fortunate to collaborate with factories that actively invest in the professional growth of their employees, offering job-specific training in addition to the annual trainings we coordinate. Hence, we seek the input of workers regarding training in the annual employee survey.



"I RECEIVE ENOUGH TRAINING TO IMPROVE MY JOB PERFORMANCE"

SPRINGFIELD

Springfield already performed well in 2022, with a score of 96% positive answers. In 2023 they maintained this 96%, a good result.

STC

STC shows a significant improvement on this question. Their score went from 35% to 96%, and one employee even commented that in the wider leather industry in Kolkata, STC is seen as a school for leather artisans.

So besides working with us on improving gender relations, they invest a lot in training on job-specific skills.

EMA

At EMA their score improved from 74% in 2022, to 89% in 2023.



5 THE ANNUAL WORKER SURVEY

You've read the feedback of workers on specific questions in previous chapters. In total, 329 factory employees participated in the survey, up from 289 in the pilot in 2022, representing a significant portion of our workforce. Overall, there has been an increase in worker happiness. This improvement can be attributed to our proactive approach following the 2022 survey results. We developed an action plan in collaboration with the producers based on survey results, and they were able to resolve several issues in 2023:

- Implementation of a new drinking water facility at STC.
- Installation of a water cooler and purifier at Springfield.
- Introduction of air conditioning in Springfield's packaging department.
- Installation of locks on the ladies' bathrooms and implementation of a daily cleaning schedule for the toilets at Springfield.
- Installation of a service elevator in the STC factory.
- Implementation of a new protocol for reporting and checking machinery issues at STC.



Furthermore, the 2023 survey highlighted areas for improvement that will be addressed in 2024:

- EMA will focus on increasing marketing efforts to attract new clients and secure more work.
- Springfield will implement a clearer and more user-friendly system for managing worker leave, as the current system is perceived as confusing.
- Most importantly, STC will work on improving the workers' perception on their salaries, and implement a better system for taking breaks. On top of that they will also work on improving the hygiene standards of the bathrooms.

To learn more about our worker survey, please visit our [website](#) or check the appendix for the list of questions.

6 TEAM TRIP TO INDIA

A notable highlight of 2023 was the trip to Kolkata by 12 members of the O My Bag team. The trip served a very special purpose: to strengthen the bond between O My Bag as a company based in Amsterdam and all stakeholders within our Kolkata supply chain. During the week-long excursion, the team visited each of our partner factories, spent time on the production floor with the workers, joined in trainings and delivered presentations on their respective departments and future endeavors.

Additionally, they visited our Giving Back projects, did some local sightseeing, and gained insights into the complete leather tanning process at the Shee Sen tannery. We also organized a dinner event with all our partners in India to celebrate every single one of them. This event gave everyone the opportunity to connect with each other. Everyone was inspired and touched by the heartwarming evening. The whole experience left a lasting positive impact on both our team members and our partners based in Kolkata.

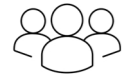


SUSTAINABLE TRAVEL

Like all other business flights in 2023, 50% of flights taken for this trip were done with sustainable aviation fuel in collaboration with Choose.



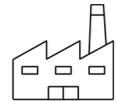
7 2024 PLANS FOR SOCIAL IMPACT



MEASURING SOCIAL IMPACT

A primary objective for us in 2024 is to improve the thoroughness of our social impact measurement practices. Therefore, we are incorporating several new KPIs into our strategy:

- For every factory, we want to see an improvement in the happiness of their employees. Since their current scores in the digital worker survey differ, we decided to give them individual improvement goals on their average score across all questions: Springfield needs to show an improvement of 3%, EMA 5% and STC needs to show a 10% better score.
- 5% of the living wage gap is covered by other buyers. This comes from our wish to hold ourselves accountable for involving others too. Currently 0% of the living wage gap is covered by other buyers than us.
- A minimum of 3 women at Springfield getting a new role with a higher salary that is equal to men in the same position, as a result of the Equal Opportunities Program that we launched.



IMPROVING SALARIES AT OUR PRODUCERS

We will formalize and strengthen the discussion regarding salaries with our producers, by saying that we expect them to raise their salaries. Since we selected our producers based on their support to our mission, we expect it is clear to them that they cannot solely depend on us to achieve living wages; this should also be a priority for themselves and for their other buyers.

We recognize that this isn't an immediate change; rather, it's a multi-year, incremental process. We already talked to a few other buyers and will re-engage with them on this topic, clarifying our approach and encouraging them to align with our initiatives.



EQUAL OPPORTUNITIES PROGRAM

At Springfield, we're excited to introduce the Equal Opportunities Program - structured traineeship for women seeking career advancement. We're saying goodbye to more traditional ad hoc, training sessions and giving exclusive opportunities to ambitious women at Springfield that wish to accelerate their professional growth and secure a job promotion. The objectives of this traineeship are:

- To create a safe environment in which ambitious women can thrive, get promotions, and be valued for their work.
- Improving the mindset and attitude of female workers, fostering proactivity and a commitment to self-development.
- Facilitating the advancement of a minimum of 3 women into new roles with better pay within the factory with ongoing support.



GROWING OUR GIVING BACK

As our company grows, so do our donations to local NGOs focused on education and women empowerment in Kolkata and with that, the number of lives positively impacted. Our 2024 target of positively impacted lives is 30% higher compared to the 2023 target.



B CORP RE-CERTIFICATION

Towards the end of 2024 we will get our B Corp recertification. We have set ourselves an ambitious improvement goal and expect to see our efforts on social impact reflected in a score that is around 20% higher.



Planet

1 OUR ENVIRONMENTAL IMPACT STRATEGY

As a growing company with operations spanning across the globe, we recognize our environmental footprint. In this section, we'll outline our strategy to understand and reduce this impact. We'll discuss the progress we've made in 2023 in the next chapters.

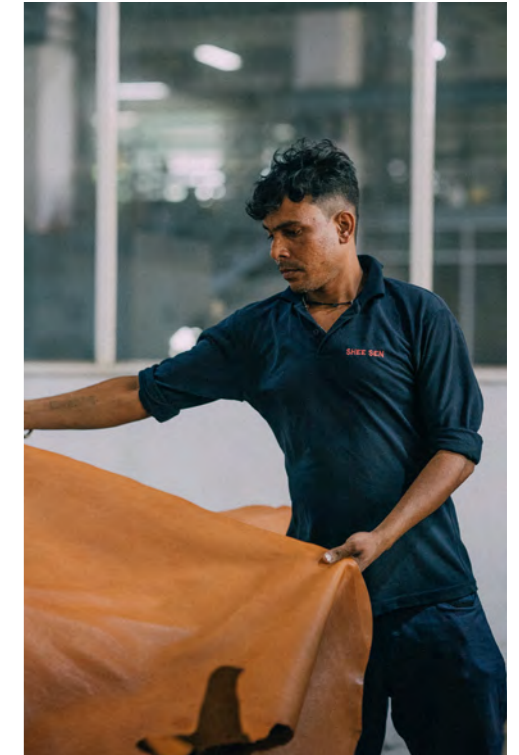
a. LEATHER

We believe that one of the most responsible things we can do for our planet is to produce high-quality products that can be used and enjoyed for years to come. Leather stands out for its unmatched durability and strength, making it perfect to create long-lasting products.

Because we recognize the environmental challenges associated with leather production, including issues with traceability, biodiversity, animal welfare, and the use of water and chemicals in the tanning process, we have established specific criteria for our leather sourcing to minimize the ecological footprint of our leathers:

- Leather Working Group certified and Gold rated.
- The hides are a co-product of the meat and dairy industry*.
- Vegetable tanned and Chromium-free.
- Transparency of tanneries.

*We believe that as long as people continue to eat meat and consume dairy, and the global demand for meat and dairy is higher than the demand for bovine leather hides, there will be hides that can be upcycled into leather. In terms of economic allocation, 3.5% of the environmental impact of cattle is allocated to the production of raw hides, as set by the production Environmental Footprint Category rules of Leather of the European Union.



b. MAKING PRODUCTS LAST A LIFETIME

Our products are designed to last a lifetime, therefore we guarantee everything we make through our lifelong guarantee promise. To ensure that our bags can be passed down through generations, we assist our customers in maintaining their O My Bag items with care tips, stain treatments, and instructions for minor repairs. Additionally, we offer a complimentary repair service, free of charge.

At the same time, we acknowledge that styles and tastes may change over time. Customers may outgrow their bags or use them less frequently. Therefore, we encourage our customers to return their old O My Bag items so that they can find new owners through our successful Second Chances Program, available both in our stores and online. In return, they get a discount on our new collection, or they can swap their bag with another pre-loved item. Expanding our Second Chances program is a key component of our environmental strategy because shopping second-hand reduces the need for raw material extraction in our supply chain.

c. LOW-IMPACT MATERIAL USE & OUR VEGAN COLLECTION

For all other materials we work with, we follow our Preferred Materials Matrix. Our Preferred Material Matrix is a sustainability classification of the materials we use based on the Higg Index, the Sustainable Material Guide of Modint, and certification standards. We use it to differentiate between materials such as leather and vegan alternatives to leather, and secondary materials such as cotton. By categorizing materials and benchmarking our current material use based on their sustainability, we set future goals to strive towards.

We understand that some of our customers prefer alternatives to animal products. For several years we have actively been exploring vegan alternatives to traditional cow leather. While these alternatives show promise, they often require a partial polyurethane composition to enhance strength and durability, posing a challenge in achieving a fully plant-based material.

Although 100% plant-based options are emerging, their commercial availability at a competitive price point remains limited, and the material is usually less durable compared to leather. Though achieving a fully plant-based material presents its challenges, we're committed to the journey. For that reason, we added Uppeal™ (formerly known as AppleSkin™), an innovative material made from apple residue from the fruit and juicing industry, to our collection in 2021. The producer Mabel Synthetic shares our values and ambitions, and through this partnership, we are collectively working towards developing lower-impact materials.



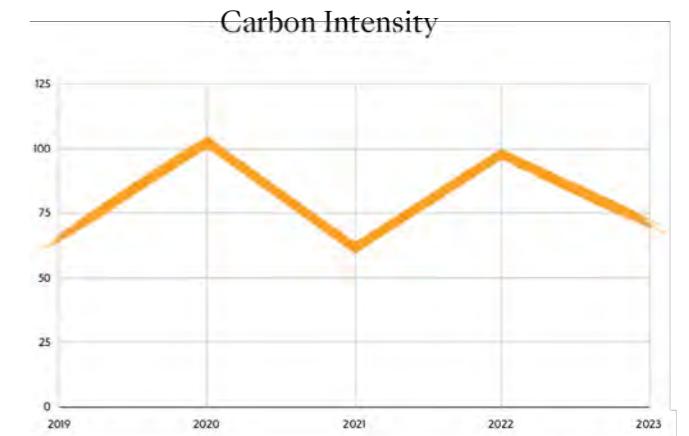
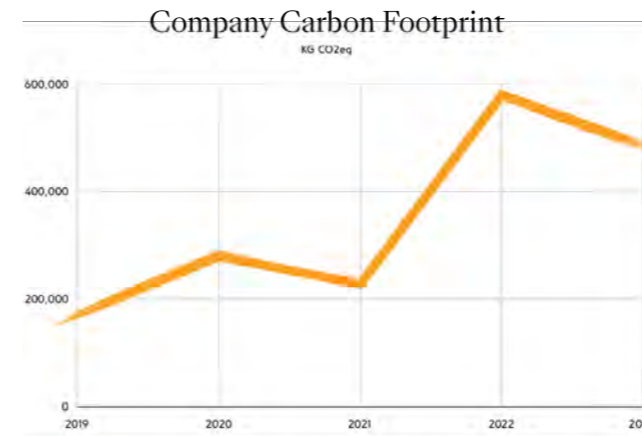
SUSTAINABLE HARDWARE

The search for sustainable hardware for our bags continues. Our 2023 LCA shows that emissions associated with the production of zippers, buttons, and hooks, are still posing challenges in terms of sustainability and transparency. For a few years we have been committed to finding more eco-friendly alternatives for these components, amongst others in collaboration with Wageningen University.

We have considered options like recycled plastics. However, durability without compromising on looks and quality is a key priority, so this remains a challenging search.

d. MONITORING, UPDATING, & IMPROVING OUR IMPACT CALCULATIONS

We believe that having good insight into your environmental impact is the starting point for improving it. Since 2019, we have disclosed our Corporate Carbon Footprint (CCF) for all scopes in our annual sustainability report, as well as our carbon intensity, which relates our CCF to our revenue growth. The graphs below display the trend of both our CCF and carbon intensity over time. It's evident that these metrics exhibit fluctuations, largely influenced by changes in order volumes.



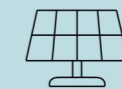
e. OFFSETTING VS INSETTING

Carbon offsetting is balancing your company's carbon emissions with investments in external emission reduction projects such as planting trees. Insetting takes it a step further, focusing on reducing emissions within a company's direct supply chain, for example installing solar panels at producers in a company's supply chain.

At O My Bag, we prioritize insetting over offsetting because it leads to lasting changes in operations that reduce emissions in the long term. Relying solely on offsetting is not feasible for achieving carbon neutrality or net zero - that is why O My Bag doesn't communicate to be carbon neutral, way ahead of upcoming legislation like the EU Green Claims Directive. Our insetting entails:

- Increasing inbound sea shipments instead of air shipments.
- Switching to biofuels for sea transportation through our collaboration with CarbonLeap.
- Decreasing air travel for business purposes and incorporating sustainable aviation fuel for 50% of essential business flights.
- Adopting lower-impact materials such as recycled cotton and Uppeal™.
- Lowering hardware use in new designs.

Remaining emissions that we're unable to reduce are offset through our collaboration with FairClimateFund.



SOLAR ENERGY

Our producers STC and Springfield have installed solar panels on their roofs in 2023 and now operate with 100% renewable energy.



2 THE LIFE CYCLE ASSESSMENT OF OUR BAGS

GOAL 2023:

To update our existing Life Cycle Assessment and calculation tool for our company carbon footprint, thereby ensuring accurate and reliable footprint calculations for the years ahead and the right focus for reduction efforts.

WHY THIS GOAL?

It was required to update our LCA because we wanted to identify and evaluate how effective our actions for emissions reduction have been and use up to date data for our calculations. More importantly, we wanted to know what (new) priorities arise to further improve our environmental performance in the years ahead.

RESULTS 2023:

The outcomes of the LCA show that switching to sea shipments, installing solar panels at our producers and working with recycled cotton do have a positive impact on the environmental footprint of our products. We also learned that our primary material leather and more specifically raw materials needed for leather tanning are now impact hotspots in our supply chain.

These results are not surprising to us, as we know producing leather - albeit vegetable tanned, certified, and chrome free - comes with an impact on the environment. Seeing that this impact is now the biggest hotspot in our supply chain serves as motivation for us to look for cleaner tanning solutions and help our tanneries to work with those. We will also focus more on the longevity of our products, and enhance their availability in the second-hand market to reduce the need for raw material extraction. Please consult our [2023 LCA report](#) for further details.



3 SHIPPING BY SEA

GOAL 2023:

To ship at least 50% of products from our producers in India by sea to our warehouse in the Netherlands, instead of by air.

WHY THIS GOAL?

As a mission-driven brand committed to making a positive impact in India, we choose to produce our goods there. This means that all our products need to be shipped from Kolkata to our warehouse in the Netherlands, which results in a considerable environmental footprint on transport. Using sea freight instead of air freight significantly reduces emissions. It's an aspect within our direct control through improved forecasting and planning with our producers, so this is a perfect example of insetting. Due to the long production lead times and tight production planning aimed at preventing overproduction, occasional air shipping of goods will continue to be required.

RESULT 2023:

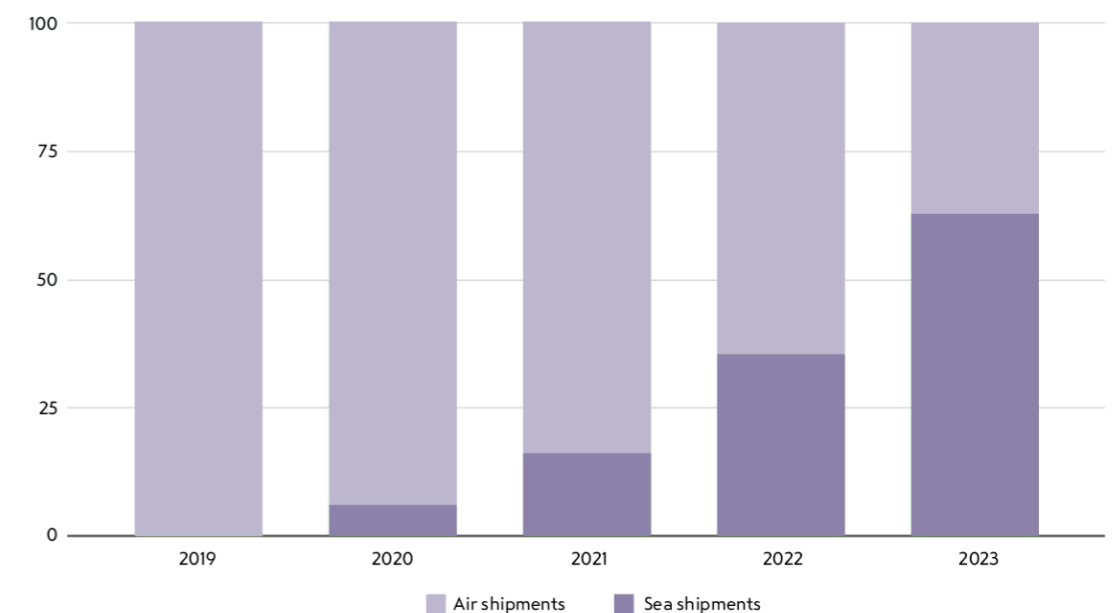
We impressively transported

63%

of our incoming items by sea.

This is compared to 36% in 2022, meaning we almost doubled the sea shipments! This contributed to a reduction in shipping emissions by 58% compared to the previous year. Sea shipments take longer, which made it necessary to take on additional inventory to ensure timely delivery to our customers. Opting to increase our stock, to facilitate our ability to use sea shipments, is a deliberate risk we are prepared to accept to reduce our footprint.

% inbound air vs sea shipments



*A reduced total weight shipped compared to 2022 also helped with this decrease.

4 OUR CORPORATE CARBON FOOTPRINT

GOAL 2023:

To set 2023 as the new baseline year for establishing science-based reduction targets for the coming years, based on our updated LCA. This means that we decided not to set a reduction target for 2023.

RESULT 2023:

We reduced our CCF by

16%

compared to 2022.

This reduction can be attributed primarily to a decrease in imported bags. In 2022 we experienced significant growth in stock levels and team size, while this wasn't the case in 2023. It's worth noting that the CCF for 2023 was calculated using our updated LCA, whereas previous years relied on a former calculation model with older data. If we would have used our previous calculation model, our footprint would have ended 47% lower, at 310 tons CO₂eq. This difference primarily stems from improved data regarding the environmental impact of leather tanning, that is much higher in the updated model.

Emissions in Kg CO₂eq

Scope	Emission source	2019	2020	2021	2022	2023
Scope 1	Natural gas consumption	179	143	162	201	203
	Company cars	337	304	0	0	0
Scope 2	Electricity	10,864	15,520	6,851	11,941	4,172
Scope 3	Business travel (flight)	11,407	4,919	140	9,395	28,659
	Business travel (car)	0	1,330	515	1,571	2,619
	Warehouse	2,510	6,024	6,815	9,333	13,599
	Purchased products	14,480	247,157	209,217	533,696	409,481
	Downstream distribution	0	5,030	5,919	15,673	27,480
TOTAL		170,770	280,426	229,619	581,811	486,213
% increase/decrease			+64%	-18%	+153%	-16%



Due to the transportation of 12 team members to India, our business travel emissions grew by 205% compared to 2022. 50% of these flights were inset with sustainable aviation fuel.



Our HQ switched to solar energy in 2023, causing a 65% reduction in our Scope 2 electricity use.



Due to increasing sales in the US and Japan, the emissions of our outbound shipments (i.e. from our warehouse in the Netherlands to customers and retailers worldwide) have increased by 75%.



The part of the footprint of our warehouse that is attributed to our stock increased significantly with 45%, due to higher stock levels in 2023.



In 2023, our carbon intensity was marked at 70, marking a reduction of 27% when compared to 2022. Carbon intensity is a metric we use to monitor the correlation between our carbon emissions and revenue growth.



We always inset our shipping emissions by enabling a fuel switch to sustainable biofuel in collaboration with CarbonLeap. Remaining emissions that we are unable to reduce are offset through our partnership with FairClimateFund.



5 A TRANSPARENT & CLEAN LEATHER TANNING PROCESS

GOAL 2023:

To improve communications with our Italian partner tannery to get more clarity on their tanning process, energy use and traceability of raw hides.

WHY THIS GOAL?

Since leather is our primary material, transparency on the sources of raw hides, energy and chemical use and ethical working practices are essential for our sustainability strategy. Moreover, to guarantee efficient production planning, we need our tanneries to safeguard premium quality of their leathers and communicate well with our producers. For a long time, this has been a challenge with our Italian partner tannery, causing uncertainty and frustration in our supply chain.

RESULT 2023:

We switched to a new Italian partner tannery, Il Ponte. They're LWG Gold certified, meaning they uphold the highest environmental standards. Il Ponte adheres to ZDHC standards, ensuring they have strict chemical management practices. This aligns perfectly with our goals for 2024. Il Ponte is run by Martina and her father. As a female-led brand ourselves, this partnership resonates well with our values.



OUR PLASTIC CLEAN UP

We don't have regular sales, but sometimes a sale is a necessary measure to keep stock levels healthy. In 2023 we decided to link our sale to a good cause. For every order placed during the sale we removed 5 kg of plastic from the Ganges river in India, in collaboration with Sumthing and Plastic Fischer.

As a result we have removed

7,560kg

of plastic from the Ganges.



We know that this might only be a drop in the ocean and that it will not solve the problem of plastic pollution in India. However, this project raises awareness about the detrimental effects of (over)consumption and waste.



6 CONSCIOUS (BUSINESS) TRAVEL BY OUR TEAM

GOAL 2023:

To extend the responsibility of conscious travel to our team's personal holidays as well by introducing new holiday benefits.

WHY THIS GOAL?

We already installed green business travel guidelines to stimulate fewer business flights in 2022, but in 2023 we went a bit further. First of all, we started to inset 50% of our business flights (those that are really necessary, e.g. to India or to a fair in the US) with sustainable aviation fuel.

On top of that, we wanted to support our team members in choosing other traveling options than flying for their personal vacations. Compared to other planet-friendly behavior, flying less is one of the most powerful actions any of us can take to cut carbon emissions. But it can be a hurdle to choose slower transport options like trains and buses over flying, when you have a limited number of days you can take off work. O My Bag wants to demonstrate climate leadership and support positive change where possible.

RESULT 2023:

We introduced our Sustainable Travel Benefits that went live in January 2024. They entail the following:

- 1 O My Bag employees are not required to take vacation hours for additional travel time incurred when opting for sustainable modes of transportation, e.g. when taking a train instead of an airplane.
- 2 Besides that, as an extra incentive, abstaining from air travel throughout the year is rewarded with a €500 voucher for a quiet getaway in nature.

We'll share the results of this new policy next year!



7 PRODUCT DEVELOPMENT & LONGEVITY

GOAL 2023:

By guaranteeing the longevity of our products, and enhancing their availability in the second-hand market, we reduce the need for raw material extraction. Therefore, it was our goal to find new loving owners for at least 600 bags in our Second Chances program. We also wanted to hire a Product Developer who will fully focus on improving our quality control process, test new leather alternatives and closely work with our customer service team and producers to improve our repairs process.

RESULT 2023:

800

second-hand and perfectly imperfect O My Bags were given a second life.

Our new product developer Roberta has tested new leather materials by making samples in Ohoskin, Mirum and a new Uppeal™ variant. We will keep you posted!



IMPERFECTIONS

One challenge in 2023 was a recurrent issue with wax appearing on our natural leathers. This affected multiple batches of our bags, and it only surfaced in our warehouse later on. We had to quarantine the affected items, until we identified the issue and found a solution.

Eventually we were able to identify the cause of the issue: natural leather contains oils that can surface due to temperature differences. In this case, excessive oil usage likely exacerbated the reaction. Ultimately, everything was repaired. For the future, we've implemented a comprehensive leather checking process to monitor our leathers during temperature variations.

8 2024 PLANS FOR ENVIRONMENTAL IMPACT REDUCTION



PRODUCT FOOTPRINT

Our most important focus areas for improving the environmental performance of our products come from our updated LCA. In short:

- To research more sustainable tanning solutions and collaborate with our tanneries to see how they can implement those solutions.
- To improve traceability on our raw materials.
- To continue our search for sustainable materials, not only hardware but also for vegan alternatives to leather.



COMPANY CARBON FOOTPRINT

In the past years we have monitored and reported our CCF and carbon intensity, but found it difficult to establish realistic and substantiated reduction targets. The volatility in our stock levels and external factors such as the COVID-19 pandemic made this challenging. However, with 2023 as our new baseline year, we will research options for introducing science-based emission reduction targets, to hold ourselves accountable and to align us with the goal outlined in the 2015 Paris Agreement.



LEATHER ALTERNATIVES

Developments in leather alternatives are moving fast, we will continue to test and sample additional leather-like materials. We spent a lot of time researching, testing and sampling new alternatives in 2023, and in 2024 want to add an additional leather alternative to our collection.



LONGEVITY OF OUR BAGS

Our bags are designed to last a lifetime. We have a Second Chances program and a free care & repair service to ensure that our products are kept in the loop, and this is a focus area in 2024. These efforts encourage customers to maintain their bags rather than purchasing new ones. While we understand our environmental footprint during the production phase well, we lack quantitative data on the positive environmental impact of our bags' longevity. We want to be able to optimally compare the longevity of leather to vegan alternatives and other material innovations. Therefore, in 2024, we will substantiate claims regarding leather durability with quantitative data.



DIGITAL TRACEABILITY PLATFORM

We have a very good overview of our supply chain, with traceability scores of 100% on tier 1 and 2. In alignment with forthcoming sustainability legislation such as the CSRD (which we fully support!), we wish to implement a digital traceability platform in 2024. This platform will serve to verify our supply chain, manage producers' and materials' certificates, enable the addition of digital product passports to items in our webshop, and improve traceability on raw hides used for our leathers.



CERTIFICATION

Our B Corp recertification is scheduled for late 2024. In our previous assessment, environmental performance ranked lowest across all categories in 2019, so we've been working hard on improvements here and expect to have gained additional points. Furthermore, we managed to improve our score on Good on You from 72/100 to 83/100 in 2023. We aspire to improve our rating to 90 following the implementation of the traceability platform and other initiatives.



Appendix

1 2023 SUPPLIERS OVERVIEW

a. PRODUCERS



EMA

Baruipur, India

- A partner since 2010
- Guaranteed member of WFTO



STC

Kolkata, India

- A partner since 2015
- SA8000 certified



SPRINGFIELD

Kolkata, India

- A partner since 2015
- SA8000 certified

b. TANNERIES



SHEE SEN TANNERY

Kolkata, India

- A partner since 2021
- LWG Gold Rated



IL PONTE

Fucecchio, Italy

- A partner since 2023
- LWG Gold Rated



MABEL SYNTHETIC

Florence, Italy

- A partner since 2021
- Producer of Uppeal™

c. VEGAN MATERIALS

d. LINING, WEBBING STRAPS & DUSTBAGS



ELASTIC INDIA

Chennai, India

- A partner since 2015
- Providing our GOTS certified webbing straps



DIBELLA INDIA

Bangalore, India

- A partner since 2021
- Providing our GRS certified signature lining

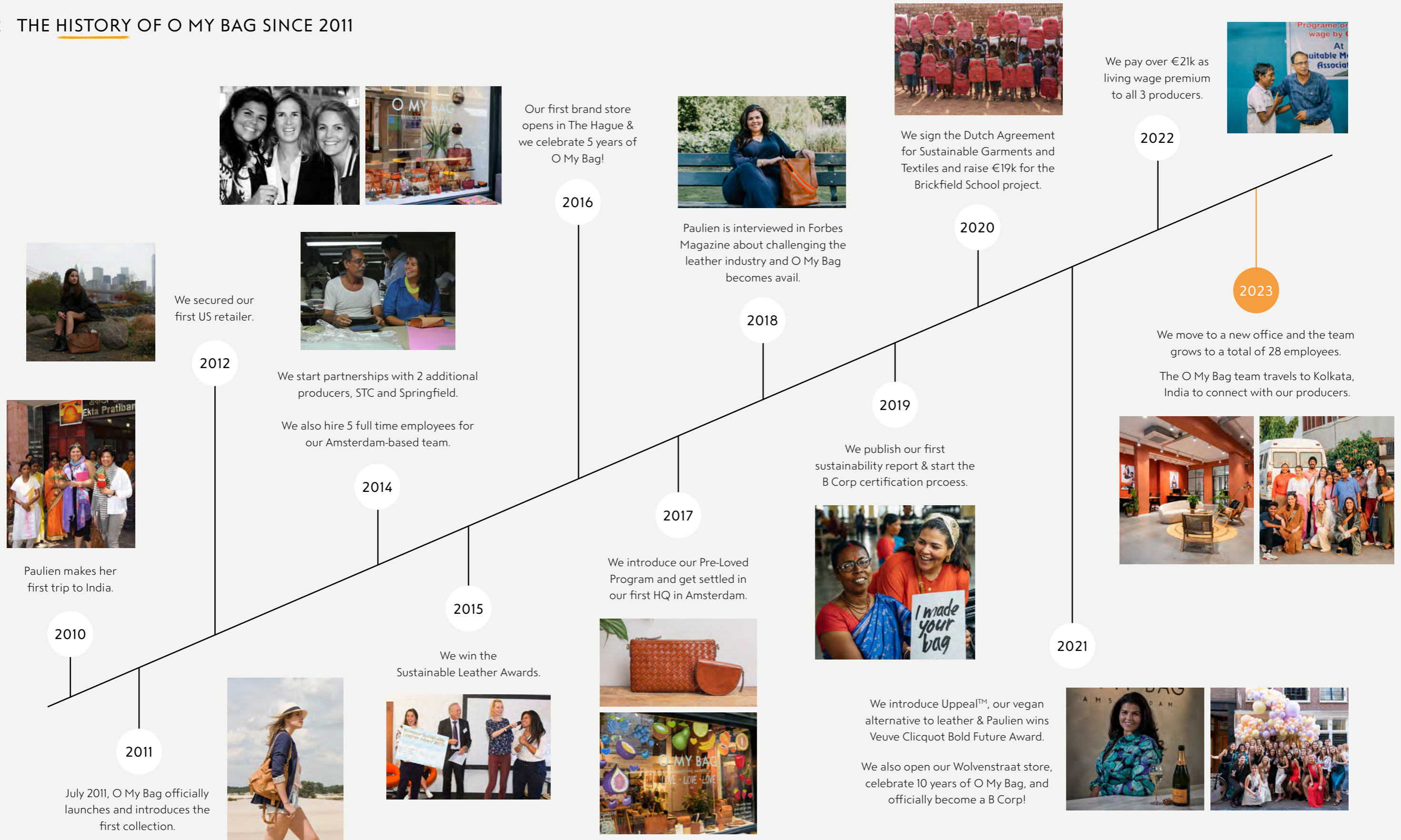


THE DUSTBAG LADIES

Bhatpao, India

- A partner since 2018
- Providing our GOTS certified dustbags

2 THE HISTORY OF O MY BAG SINCE 2011



Our first brand store opens in The Hague & we celebrate 5 years of O My Bag!



Paulien is interviewed in Forbes Magazine about challenging the leather industry and O My Bag becomes avail.



We sign the Dutch Agreement for Sustainable Garments and Textiles and raise €19k for the Brickfield School project.



We pay over €21k as living wage premium to all 3 producers.



We secured our first US retailer.



We start partnerships with 2 additional producers, STC and Springfield.

We also hire 5 full time employees for our Amsterdam-based team.



Paulien makes her first trip to India.



We introduce our Pre-Loved Program and get settled in our first HQ in Amsterdam.



We publish our first sustainability report & start the B Corp certification process.



We move to a new office and the team grows to a total of 28 employees.

The O My Bag team travels to Kolkata, India to connect with our producers.



July 2011, O My Bag officially launches and introduces the first collection.



We win the Sustainable Leather Awards.



We introduce Uppeal™, our vegan alternative to leather & Paulien wins Veuve Clicquot Bold Future Award.

We also open our Wolvenstraat store, celebrate 10 years of O My Bag, and officially become a B Corp!



3 CERTIFICATIONS



4 THE BASICS: OUR DUE DILIGENCE POLICIES

a. CODE OF CONDUCT

To ensure we set out clear expectations towards our producers.

b. COMMITMENT TO FAIR BUYING

To formalize our own responsibility as a buyer.

c. PREFERRED MATERIAL MATRIX

To ensure that we always strive for the most sustainable materials for our products.

d. SOURCING GUIDELINES

To ensure traceability and to help our producers with sourcing materials for our products based on nominated suppliers and sustainability requirements and certifications.

e. BI-ANNUAL VISITS TO OUR FACTORIES

To meet the people making our products in person, see the factory at work and to foster the good relationships we have with our producers.

f. SUPPLIER ONBOARDING & ANNUAL KICK-START MEETINGS

To ensure that our producers and suppliers are well informed about our due diligence policies and involved in our sustainability plans at the start of every year.

g. ANNUAL DIGITAL WORKER SURVEY

To ensure we get first hand information from the people making our bags about how they perceive their jobs.

h. ANNUAL SUPPLY CHAIN UPDATE

To ensure that we have an up-to-date overview of tier 1, 2 and 3 in our supply chain.

5 WORKER SURVEY QUESTIONNAIRE

LIST OF QUESTIONS INCLUDED:

- a. Male / Female
- b. Age
- c. Number of children
- d. How long employed?

LIST OF STATEMENTS INCLUDED:

- e. I live ... km from my work
- f. My workplace is well ventilated and there is enough light
- g. I have a good lunch every day at work
- h. The toilets are accessible and clean
- i. The machines and equipment I work with are in good condition
- j. I can take enough breaks during the work day
- k. I feel comfortable asking my supervisor for help
- l. I can file a complaint if I need to
- m. I like working with my colleagues
- n. I receive enough training to improve my job performance
- o. I feel like I am being paid a fair amount for the work I do
- p. On a scale of 1 - 10, I would give my job a ...
- q. I would like to receive training on
 - i. Job specific skills
 - ii. Gender equality
 - iii. Lifestyle improvements (e.g. financial management)
 - iv. Other



6 EXIT STRATEGY

In 2023 unfortunately we had to adhere to our exit strategy. We have this policy in place as a part of our fair buying principles. The protocol is designed to ensure that decisions are grounded in facts and that enough time is provided for the producer to make improvements, in this case 2 years. We decided to end our relationship with one of our producers, due to ongoing communication and production issues. This decision was not made lightly, as we understand the impact it has on both parties involved, in particular because we want to avoid people losing their jobs. During this time no orders are cancelled.



All the Indian production photos were taken by the talented Shivam Pandey. After his studies, we helped him start up his photography business with a loan. To see more of his work, visit www.shivamphotofarm.com or view his prints on our website.

Contact

WANT TO KNOW MORE?

For any questions or queries relating to this report, please contact our Sustainability Manager at sustainability@omybag.nl