

A woman with blonde hair is sitting on a pebbly beach. She is wearing a white short-sleeved top with red and blue geometric and floral embroidery, denim shorts, and yellow leather boots. She is looking off to the side. The background is a calm sea under a grey sky.

# Sustainability report 2022

odd molly



# Table of Contents

Introduction	3
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Our responsibility	4
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Our sustainability vision	4
Our overall goals	4
Our focus areas	4
Our approach	4
Odd Molly Sverige AB's responsible work	5
Responsible product development	5
Responsible material selection	5
Odd Molly's Guide to Sustainable Materials	6
GOTS (Global Organic Textile Standard)	7
Responsible production Environmental responsibility	7
Our climate footprint	8
STICAS demands from its members	9
Odd Molly's goal	9
Development since base year	10
Reuse, recycling - closing the circle	10
Human Bridge	11
Raizemore	11
GEMME Collective	11
Equality	11
Animal rights	11
Our essential areas	11
The value chain from a sustainability perspective	13

Our aspiration	14
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We have a sustainable idea and design	14
We inspire women to go their own way	16
We influence the world around us in a positive direction	18

Summary	20
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# Sustainability report

## Odd Molly Sweden AB operates the brands Odd Molly and Hunkydory

Odd Molly Sverige AB operates the two brands Odd Molly and Hunkydory. Running strong and unique brands with a strong focus on sustainability is a clear part of our corporate strategy and it is a matter of course for us to strive to take an active part in changing the fashion industry to become more sustainable.

Designing and manufacturing high-quality and long-lasting clothing is the backbone of our business. We want to make a positive difference and work consistently with a clear ambition towards concrete goals. Our ambition is to manufacture timeless quality clothing with as little impact on the environment as possible. We have a strong focus on sustainable materials and place great importance on ensuring the social conditions at the factories we work with. A sustainability board, with representatives from different parts of the organization under the leadership of the company's sustainability manager, ensures the process development. The board also includes a person with sustainability expertise. The sustainability manager is part of the company's management team and reports to the CEO.



# Our responsibility

## Our sustainability vision

Odd Molly makes a positive difference

## Our overall goals

We will...

- maximize our positive impact on the outside world and minimize our negative impact through our entire value chain from purchase to sale.
- focus on what makes a difference, on what is important for our customers and positive for our business. We are convinced that our sustainability work is a prerequisite for satisfied customers and contributes to long-term profitability.
- be active in the transition to a sustainable society. It is a matter of course and something that we, our customers and other stakeholders associate with us.

## Our areas of focus

We have divided our sustainability work into three focus areas that must be integrated into our business and our way of working.

- We have a sustainable idea and design.
- We inspire women to go their own way.
- We influence the world around us in a positive direction.

## Our approach

- Our responsibility is to think about the meaning of sustainability according to our values in every decision, every day and at every crossroad.
- Our employees must be given the possibility to think and make decisions that lead to a more sustainable society and to go their own way and develop their full potential.
- Our success depends on goal-oriented work in collaboration with our partners.

## Odd Molly is a brand with a heart, a mind and a conscience

We want to help our customers dress in an environmentally sustainable way. Our durable, high-quality garments are created to last and be reused many times over. Long-term and trusting relationships throughout the entire production chain are important to us. Through our relationships we are able to influence our partners, employees and society in a positive way. We hold women's independence, freedom and dreams a little extra close to our hearts. Therefore is our socio-cultural focus to contribute to women feeling free and daring to follow their dreams. We want to see a world where independence, freedom of expression and accepted diversity are as obvious as it is for us.

## Hunkydory – The Lasting Contemporary

With responsibility as our core, we aim to be considerate in all our choices.

Quality over quantity, style over trends. Ignoring the reckless pace of our surroundings.

Together with inspiration from eternal icons and a timeless expression, we create designs that last.

Placed in a contemporary context, where we always stay up to date on everything that we live by, we are creating a world of our own. We call it: The Lasting Contemporary



When we were structuring our sustainability strategy, a dialogue was initiated with the company's most important stakeholder groups to better understand which issues they feel are most relevant and what was most essential for us to focus on. Together with employees from all divisions of the organization, clear goals were formulated for which areas and in what way we should measure development. The most important issues identified were: working environment conditions, equality/women's rights and environmental responsibility. The work on these issues is in constant development with the goal of making timeless clothing with a long lifespan. In 2022, a new survey was conducted to ensure that Odd Molly Sverige AB is working in the right direction with areas that feel still relevant.

### Odd Molly Sverige AB's responsibility work

Our responsibility includes good ethics, social responsibility, regard for the environment and human rights. The ethical and environmental guidelines apply to everyone who works with Odd Molly and Hunkydory - own employees, suppliers, subcontractors and other collaboration partners. The environmental impact must be minimized to the greatest extent possible in all stages of the company's value chain. We strive to be a strong company and a good role-model therefore taking responsibility is part of the company's culture. Our clothes are of such quality that can withstand being used year after year and are also in great demand on the second-hand market.

Although a relatively small contributor, we have chosen to be part of various industry initiatives in order to have better conditions to make a positive difference. We work consistently based on the company's ethical and environmental guidelines with the aim of minimizing the occurrence of business risks, which in the long run can affect both the brand and the company's reputation. We also take responsibility for using resources in a sustainable way. The company has guidelines for its suppliers and follows amfori BSCI's code of conduct, which among other things aims to ensure that production takes place under good working conditions and is based on ILO conventions and the UN Convention on the Rights of the Child.

### Responsible product development

Our responsibility is that our sustainability work should start at the drawing board. Our designers and product developers are well versed in all aspects of our sustainability strategy. When they design a garment, they must ensure that the garment can be expected to have a long life both in terms of design and duration, and strive to ensure that the product can be reused or recycled.

Quality and smart choices throughout the process from drawing board to production are important.

Our team uses a supporting internal material guide (read more on page 6) which classifies different fibers from A-E in relation to their environmental impact. Categories A-C are those we consider more sustainable and we aim for the majority of our materials to come from these categories in 2025.

In 2022 approx. 67% of our offered articles were in these categories, compared to 2021 when we reached 51% and to 2020 when we only reached 20%.

### Responsible choice of materials

Sustainable material choices are a decisive factor for us to be able to achieve our goals of producing as environmentally friendly as possible.

The demand for sustainable materials is today greater than the supply. Availability, price, requirements for large purchase volumes and long lead times are therefore a challenge. The development of new materials and better processes for recycling textiles is progressing rapidly and we try to constantly stay up to date. Together with our suppliers, we select the material that is best suited for each product.

### What do we mean by responsible materials?

A number of years ago, the Made-By organization developed a tool to compare how sustainable the most used fibers in the textile industry are relative to each other. Made-By was a non-profit organization with the goal of making sustainable fashion a common practice.

Based on their conclusions and in combination with our own values regarding sustainability and quality, we have developed "Odd Molly's Guide to Sustainable Materials", an internal tool for defining and classifying different materials, based on information that is available. The guide is meant to be a support for our design and production team so that they can make the right choices during product development.

Our materials must primarily be adapted to the design, be easy to care for and be able to have a long life. When choosing materials, we must always think that the garment should last over time.

Our goal is for the majority of our materials to be more sustainable materials, i.e. classified within category A-C in "Odd Molly's Guide to Sustainable Materials" by 2025.

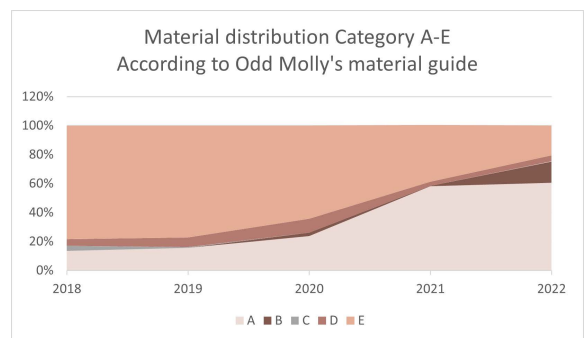
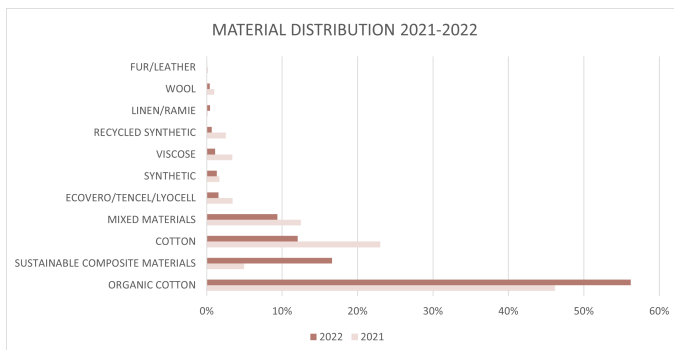


## Odd Molly's Guide to Sustainable Materials

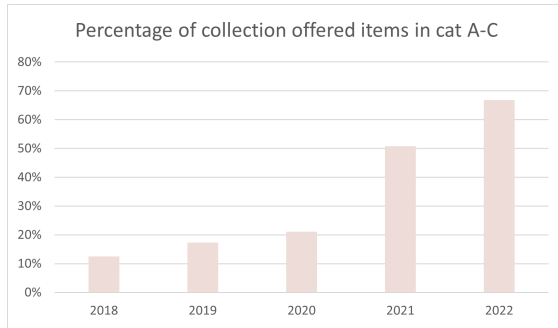
A	B	C	D	E
<p>Made-By Class A</p> <ul style="list-style-type: none"> <li>Mechanically recycled Nylon</li> <li>Mechanically recycled polyester</li> <li>Organic linen</li> <li>Recycled cotton</li> <li>Recycled wool</li> </ul>	<p>Materials with mixed fibers from categories A and C-E where at least 45% of the mixture comes from category A.</p>	<p>Organic wool</p> <p>Certified responsible wool</p> <p>Alpaca wool</p> <p>Yak wool</p> <p>Organic silk</p>	<p>Wool</p> <p>Mohair wool</p> <p>Cashmere wool</p> <p>Natural bamboo</p> <p>Leather</p> <p>Silk</p> <p>Materials with mixed fibers from categories A and C-E where less than 45% of the mixture comes from category A.</p>	<p>Made-By Class D</p> <ul style="list-style-type: none"> <li>Modal</li> <li>Polyacrylic</li> <li>Polyester</li> </ul>
<p>Made-By Class B</p> <ul style="list-style-type: none"> <li>Chemically recycled nylon and polyester</li> <li>CRAILAR Flax</li> <li>Organic cotton</li> <li>Monocell</li> <li>LENZING™</li> <li>ECOVERO™</li> <li>TENCEL™ Lyocell</li> <li>REFIBRA</li> </ul>				
<p>Made-By Class C</p> <ul style="list-style-type: none"> <li>Linen</li> <li>Hem</li> <li>PLA</li> <li>Ramie</li> </ul>				<p>Made-By Class E</p> <ul style="list-style-type: none"> <li>Bamboo viscose</li> <li>Cotton</li> <li>Generic viscose</li> <li>Rayon</li> <li>Spandex (Elastane)</li> <li>Nylon</li> </ul>

## 2022 in numbers

- 75% (58%) of the production volume was in more durable materials according to our internal materials guide
- 67% (51%) of the products offered were in more durable materials
- 82% (67%) of the cotton garments production volume of was in organic cotton
- 21% (14%) of the cotton garments production volume of was GOTS certified
- 58% (50%) of the viscose garment production volume was in LENZING™ ECOVERO™ or LENZING™ TENCEL™ Lyocell







## GOTS (Global Organic Textile Standard)

The Global Organic Textile Standard (GOTS) is a world-leading standard for organic fibers including social criteria.

The certification covers the process from raw material to final product and includes requirements for both environmentally and socially responsible manufacturing. The goal is to be able to guarantee a credible end product to the consumer.

Odd Molly Sverige AB became GOTS-certified in 2020 and in 2022 GOTS-certified products made up 21% (14%) of our total production of cotton garments. Our ambition is to increase the number of products with GOTS certification as quickly as possible.

Read more about the standard here:  
<https://global-standard.org/the-standard>

## Responsible production

Our responsibility is to offer our customers clothes that are sustainably produced in all aspects – longevity, social, environmental and ethical. To ensure this, it is very important for us not to spread out our production but to build long-term business relationships with a limited number of suppliers. Our suppliers must live up to delivery security, our requirements for high production quality as well as compliance with our code of conduct.

The last few years have been challenging – we have seen how the world was first paralyzed by the Covid-19 pandemic and then how the war in Ukraine had a strong impact on the entire world economy. During this time, it has been clear how important our relationships with the suppliers are as we have been able to support each other to enable our operations to continue in the best possible way.

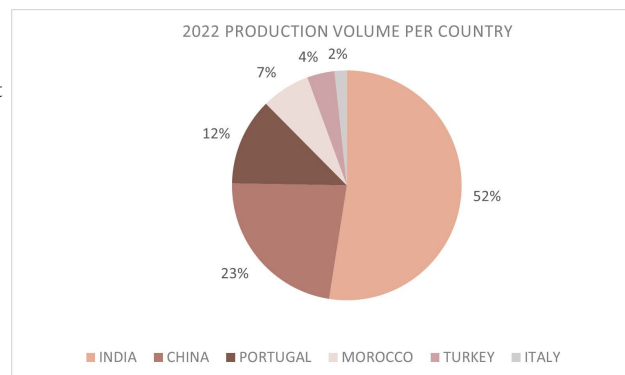
With our high level of quality and many complicated details in the garments, we place particularly high demands on our suppliers. The company does not have its own manufacturing but has its collections produced

by selected suppliers in China, India, Italy, Portugal, Morocco and Turkey. The choice of manufacturer is based on product quality and delivery security, but ethical and environmental work also weigh heavily, as does the fact that the production is economically justifiable. The supplier must follow amfori BSCI's code of conduct and our compliance agreements regarding quality, environment and ethics.

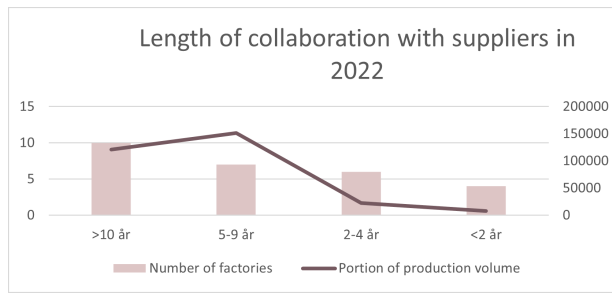
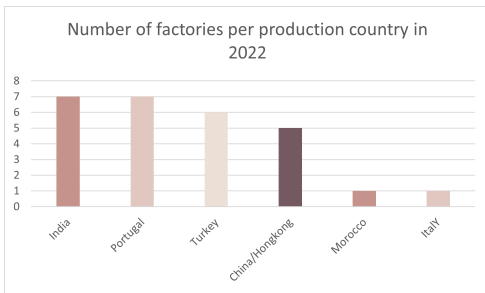
The network of collaboration partners is reviewed on an ongoing basis, although the ambition is to protect close collaborations and long-term relationships. It is good for both the company and the supplier, and it contributes to creating sustainable products. During the year, Odd Molly Sverige AB worked with 27 (23) manufacturers. Basic criteria for choosing a manufacturer are, in addition to risk assessment of country and region:

- General assessment of the production facility, working conditions and its management
- Product quality, production and details
- Security of delivery
- Price – reasonable to meet gross margin requirements
- Regulatory compliance
- Overall business perception and professionalism
- Customer references

We work partly directly with our suppliers, partly through collaborations with production agents in India and Portugal. The production agent works in close dialogue with the company's production department to find the right manufacturer for the company's needs. We use third-party inspectors in China and India who carry out checks during the production process but also of finished products before they are approved for delivery to Sweden. This is to ensure that the garments meet our high standards. Our own design and production team visits the manufacturers regularly to discuss development opportunities, technology and quality issues. In 2022, we could start visiting our factories again, something that was impossible during Covid-19.







### amfori BSCI

amfori BSCI (Business Social Compliance Initiative) is an international initiative with thousands of affiliated companies worldwide that together drive improvement work within the global supply chain. Signing the amfori BSCI code of conduct means a commitment to systematically work with risk assessment, knowledge dissemination, control and improvement work with suppliers and manufacturers. All our suppliers must guarantee to comply with the code of conduct as part of the supplier agreement.

The code of conduct consists of eleven important areas within which both minimum requirements and best practice are defined:

- Freedom of organization
- Prohibition of discrimination
- Reasonable salary
- Decent working hours
- Healthy and safe environment
- Special protection for young workers
- Safe employment conditions
- Prohibition of forced labor
- Environmental protection
- Ethical business practices

[Read more at www.amfori.org/content/amfori-bsci](http://www.amfori.org/content/amfori-bsci)

Our production is partly carried out in countries where there is a risk that human rights are not respected. As we do not own the factories that manufacture our clothes, it can be a challenge to ensure good working conditions. Odd Molly Sverige AB is therefore member of amfori BSCI (Business Social Compliance Initiative).

Our suppliers are regularly checked and assessed according to the common code of conduct. The suppliers are graded according to the system on a scale from A–E, where A is the best. Depending on the grading, a plan with improvement measures is drawn up. Odd Molly's staff hold discussions with the supplier to ensure that improvements take place within given time frames. The ambition is always in the first place, regardless of the outcome of the inspection, to stay and get the supplier to improve. The suppliers we worked with in 2022 are graded A-C. amfori BSCI also has a range of training courses that give support to both members and suppliers in pursuing long-term improvement work.

### Environmental responsibility

Odd Molly Sverige AB sees it as its responsibility to constantly strive towards a product development process

with the least possible environmental impact. In every step of the production cycle, the environmental aspect must be considered, from the choice of materials, production and transport, until the finished product reaches the store.

We work actively to counteract the presence of dangerous chemicals in products and to ensure that REACH, the chemicals legislation within the EU, is complied with.

All suppliers must sign that they comply with the rules on prohibited chemicals and the company ensures that this is complied with through random controls. In 2022 we became members of the Chemical Group within RISE, a research platform with the aim of helping member companies to counter the presence of dangerous substances in their products, as well as improving the companies' provision of information on issues of chemical-potassium management.

In order to contribute as much as possible to reducing the emissions of carbon dioxide, the preferred mode of transport is boat freight or car freight from suppliers in Europe. If this is not possible, a combination of air and boat transport or air transport takes place. The company



continuously evaluates its transports in order to find optimal solutions and annually reduce climate emissions throughout the value chain. It is our responsibility to try to minimize the number of air freights, pack more efficiently and environmentally smart. During the pandemic, we were forced to increase the share of air freight to avoid major delays, a situation that unfortunately continued during the beginning of 2022. Going forward, we see that we can return to a more normal situation with the majority of freight by sea.

## Our climate footprint

In 2018, Odd Molly Sverige AB became a member of STICA – Swedish Textile Initiative for Climate Action. The initiative has the vision that the Swedish fashion and textile industry should lead the way and, in line with the Paris Agreement, be climate positive well before the year 2050. Today, around 50 companies are connected to the initiative. The idea behind STICA is that more cooperation between and within different industries is needed to jointly implement an action plan and succeed in achieving a reduced climate impact in textile production and textile consumption.

The member companies report their emissions in a common report, according to the GHG Standard (Green House Gas Protocol).

## STICAS membership requirements:

- Report progress on an annual basis (scope 1, 2 and 3 according to the Greenhouse Gas Protocol)
- Public commitment – Companies and organizations should present their impact and progress in their annual reports.

## Odd Molly's Goal

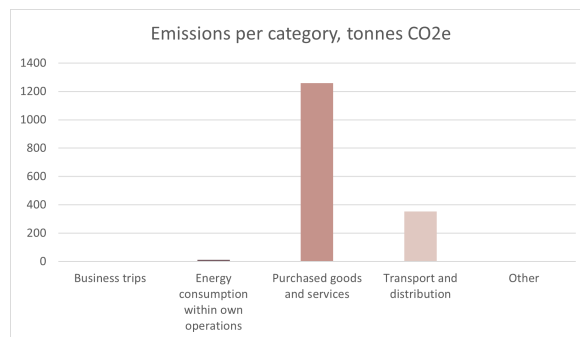
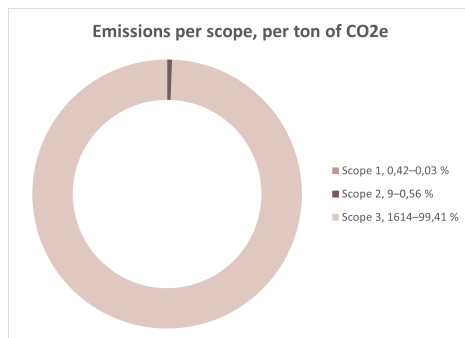
Scope 1 and 2: Reduce our absolute carbon dioxide emissions by 50% by 2025 with 2018 as the base year.  
Scope 3: Reduce our absolute carbon dioxide emissions by 50% by the year 2030 with the year 2021 as the base year.

This goal of reducing our absolute carbon dioxide emissions until 2030 is in line with what is required to maintain the 1.5 degree target. To read more visit: [www.sustainablefashionacademy.org/stica](http://www.sustainablefashionacademy.org/stica)

## Results

### Results in 2021

The reason why the results for the year 2021 are included in the 2022 sustainability report is that the reporting for STICA is done lagging. This means that the work of collecting data for 2021 will be carried out in 2022 and the results will be reported the following year, i.e. 2023. The reporting for the year 2022 will be published in STICA's report in 2024.



Scope 1	Scope 2	Scope 3	
Combustion of fossil fuels (gasoline, oil and coal) for manufacturing in own factories or emissions from own or rented vehicles/machines.	Consumption of electricity, district heating and district cooling.	Emissions from purchase of goods and services, logistics, air travel, taxis, hotel nights and material consumption.	
Tier 1	Tier 2	Tier 3	Tier 4
Sewing factories Sewing of finished products.	Material production Production of materials (fabric, trims, accessories) that go on to sewing finished products. This stage includes knitting, weaving and all types of fabric processes such as dyeing, preparation and after-washing.	Raw material process such as spinning and texturing of yarn.	Extraction of raw materials.



The total of emissions for Odd Molly Sverige AB for the reporting period of 2021 is 3699 tonnes of CO<sub>2</sub>e, 99.89% of which are emissions within the Scope 3 category. Within the definition of Scope 1 and 2, 4.2 tonnes of CO<sub>2</sub>e were consumed. For Scope 3 the emissions were 3695 tonnes CO<sub>2</sub>e, where the largest contribution comes from production with 2719 CO<sub>2</sub>e and transport & distribution with 970 CO<sub>2</sub>e.

### Development since base year

In 2019, we began reporting emissions according to Scope 1 and Scope 2 from the year 2018. We have made major changes by closing stores and focusing on our online sales. Furthermore we minimized the use of company cars during the year. As a result we reduced our emissions within this category. However, we see that these emissions may increase again in the next few years. A challenge is, for example, the distribution of online sales to end customers. We partly compensate the climate for our transports and aim to also have environmentally certified transports.

In 2020, Scope 3 was also reported for the first time under the category "Baseline reporting". The data is based on templates from the HIGG Material Sustainability Index, as we do not yet have access to real data from all our manufacturers.

Since, through a change of business system, we gained access to collect data in a more reliable way, we are changing the base year for Scope 3 to 2021. For that reason, no comparison with previous years for Scope 3 is reported in this report.

We have a direct business relationship primarily with Tier 1 (Sewing Factories), which makes the collection of data from Tier 2, 3 and 4 a challenge in several ways. We strive to have transparency in the value chain, but the factories use the majority of subcontractors and it is therefore difficult to get access to all types of information.

We hope that greater demand for transparency in the value chain will lead to the facilitating of the collecting data task being facilitated in the coming years.

Transport and logistics were problematic areas during the pandemic and even in 2022 as we faced challenges with delivery delays and high costs for boat shipping. Although we strive for the most environmentally friendly shipping, this situation caused us to be forced to use air freight to a large extent to get the collections on sale on time.

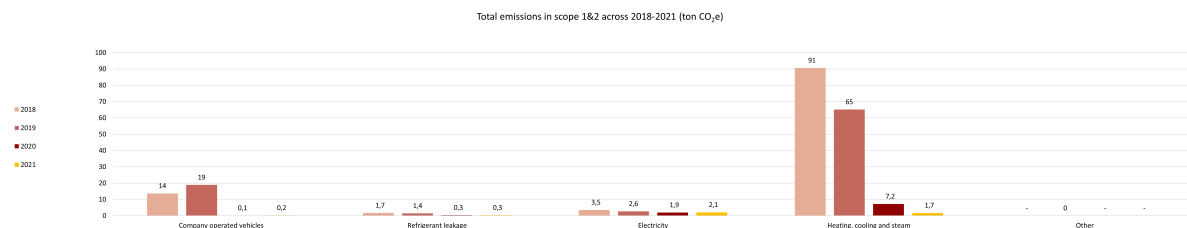
### Reuse, recycling - closing the circle

Our most important goal is that our clothes should have a long life, that they should be able to be used for a long time in both design terms and lasting quality. We encourage our customers to recycle their clothes through second-hand sales or recycling. We are proud that on social media such as Facebook, there are buying and selling groups specifically for Odd Molly with thousands of followers. We have also placed high on Tradera's lists of the best-selling brands in women's fashion on the second-hand market.

The end consumer has a responsibility also to take good care of their clothes. To create the best conditions for our customers, detailed maintenance advice is available on Odd Molly's website. In addition to the usual information on our washing labels, all our garments are marked with the CleverCare® symbol - on their website there is information on how to take care of your garment in the best way.

It is our responsibility that no clothes should go to waste and we have been collaborating for many years with Human Bridge where we donate clothes that cannot be resold.

In order to test different types of future circular business models we have collaborated with Raizemore (second-hand sales) and Gemme Collective (rental) in 2022.



*Since, through a change of business system, we gained access to collect data in a more reliable way, we are changing the base year for Scope 3 to 2021. For that reason, no comparison with previous years for Scope 3 is reported in this report.*



### Human Bridge

An aid organization with the objective of assisting healthcare with materials in vulnerable countries. Collected textiles are offered for sale in Lindra Second Hand stores or go to humanitarian contributions mainly in Africa, Eastern Europe and the Middle East. Textiles that are not in a condition to be reused are sorted into various forms of recycling. All surplus from the sale of the textiles goes to aid contributions in form of clothing distribution or distribution of healthcare equipment and aids for the disabled. During 2022, Odd Molly contributed with 639 kilos of textiles. Read more about Human Bridge here: <http://www.humanbridge.se/human>

### Raizemore

A service that offers our customers an easily way to find new owners for the clothes they bought from us but no longer have a use for. The garments are sent in and Raizemore ensures that the sales take place on available secondhand platforms. The customer is offered discount vouchers as compensation. During 2022, this service has been offered in Sweden via our website [oddmolly.com/se/circulate](http://oddmolly.com/se/circulate). Read more about Raizemore here: <http://www.raizemore.com/>

### GEMME Collective

Through collaboration with GEMME Collective, rental of our clothes was offered as an alternative to making a purchase. Something that is attractive to the customer

who wants to change the clothes in their wardrobe often or needs a unique garment for a specific occasion. During 2022, clothes from Odd Molly's and Hunkydory's collections have been available for rent.

### Equality

For us, active work with equality issues is a key to a stronger organization and continued competence supply. The company's goal is for all employees to feel that they are operating in a safe and secure environment.

### Animal rights

We want to ensure that no animals are harmed in connection with our production and we require our suppliers to ensure this. Odd Molly Sverige AB is on the "Pälsfria listan", Fur Free Retailer's program, and does not use noble or farmed fur in our products, but only fur and skins from animal species that are raised for the food industry, such as sheep, goats, cows, alpaca and reindeer. The company does not accept methods such as mulesing and demands that suppliers guarantee that the material does not come from countries where this occurs. In cases where we use down, our suppliers must be able to demonstrate that it was not taken from live birds. We do not use angora wool in our garments, nor do we use shells or pearls from endangered species.

## Our essential areas

### Risks

Through internal risk analysis and measurements of climate impact (in scope 1, 2 and 3) we have identified our risk areas. We find these risks primarily in the area of climate impact in the supply chain, specifically Tier 2–4, 54% of our emissions come from this category. We are aware of these risks and are working on measures to minimize our impact within these categories. We have good relationships with our sewing factories and many of them have partially renewable electricity.

Odd Molly operates in countries where there is a risk that working conditions are not followed. Through our codes of conduct, amfori BSCI, visits and constant communication with our suppliers we reduce this risk and thus have good control in these areas. We are constantly working to buy larger proportions of sustainable materials with a lower climate impact and we see great potential for change in the areas of water dyeing, chemical use and transport.

## Tradera <3 Odd Molly

Every year, Tradera produces a list of the fashion brands that have proven to be the most popular on the secondary market, based on sales on Tradera. The goal is to inspire more people in the industry to follow suit and sharpen their circular business. Tradera has looked at the number of searches, the number of garments sold, the average price and the sell-through rate and compiled this information together into an index. In 2022, Odd Molly was the 3rd most searched brand and came in 5th overall in the women's fashion category. On the list for the entire clothing industry, we came in 13th place. We see this as a great honor and proof that the most basic of our philosophy works: to create high-quality clothes with a clear style concept that does not follow fast trends results in a durable product that is desired by the customer for a long time.



## Our responsibility

Our goals	Linked Global Goals	Linked Global Targets	How do we contribute?
HEART "Inspire women to go their own way"		5.1 5.2	<ul style="list-style-type: none"> <li>We have strict codes of conduct</li> <li>Training in factories</li> <li>We follow Sweden Fashion Ethical Guidelines</li> <li>We comply with applicable laws and international human rights conventions</li> <li>GOTS has fundamental requirements that no discrimination is practiced</li> </ul>
		8.5 8.7	<ul style="list-style-type: none"> <li>We strive for an as environmentally friendly production as possible and at the same time to be able to make a good deal</li> <li>We have an internal equality policy</li> <li>We have strict codes of conduct</li> <li>We work with amfori BSCI</li> <li>Zero tolerance towards child labor and forced labor</li> </ul>
		17.17	<ul style="list-style-type: none"> <li>We work with amfori BSCI</li> <li>We work with Human Bridge</li> </ul>
MIND & CONSCIENCE "Odd Molly has a sustainable idea and design" "Odd Molly wants to influence the world around her in a positive direction"		6.3 6.6	<ul style="list-style-type: none"> <li>We work as much as we can with the best printing techniques to reduce negative impact</li> <li>We are members of the "Kemikaliegruppen"/ChemAct Network</li> <li>We update our Restricted Substances List, which our suppliers in turn must confirm</li> <li>We mostly buy LENZING™ ECOVERO™ when it comes to regenerative fibers</li> <li>Some of our organic cotton products are certified by GOTS</li> <li>GOTS requires drinking water and access to clean toilets at workplaces and staff accommodation</li> </ul>
		12.2 12.4 12.6	<ul style="list-style-type: none"> <li>We work purposefully to increase the proportion of sustainable materials and production methods</li> <li>We strive for the most environmentally friendly transports</li> <li>We strive for the most environmentally friendly packaging materials</li> <li>We provide a Sustainability Report annually</li> <li>Together with STICA, we report our emissions in Scope 1, 2 and 3</li> <li>We follow the regulations in the EU regarding chemicals in goods</li> <li>We are members of the Kemikaliegruppen/ChemAct Network</li> </ul>
		13.2 13.3	<ul style="list-style-type: none"> <li>We strive for a high level of internal expertise to be able to make the right decisions in our daily work</li> <li>We are active members of STICA</li> <li>We strive to reduce our carbon dioxide emissions in accordance with the Paris Agreement</li> <li>GOTS requires compliance with local legal standards for air emissions, wastewater and sludge waste</li> <li>GOTS prohibits on-site burning of waste and uncontrolled dumping of waste</li> </ul>
		14.1	<ul style="list-style-type: none"> <li>We use mostly recycled polyester</li> <li>We mainly do not use plastic packaging in our stores and web-shop</li> <li>GOTS prohibits the use of harmful chemicals. Wastewater must be treated before discharged</li> </ul>
		15.1 15.2	<ul style="list-style-type: none"> <li>Our paper packaging in the web-shop consists of recycled fibers</li> <li>Our boxes in the web-shop come from a ISO 14001-certified supplier</li> <li>Some of our organic cotton products are certified by GOTS</li> <li>The majority of our viscose materials consist of fibers from LENZING™</li> </ul>
		17.16	<ul style="list-style-type: none"> <li>By collaborating with our suppliers, we want to ensure that we use the best possible technology</li> <li>We are active members of STICA</li> <li>We strive to reduce our carbon dioxide emissions in accordance with the Paris Agreement</li> <li>We work with amfori BSCI</li> <li>We are members of the Kemikaliegruppen/ChemAct Network</li> <li>We follow the regulations in the EU regarding chemicals in goods</li> </ul>
		8.4 8.5	<ul style="list-style-type: none"> <li>We strive for an as environmentally friendly production as possible and at the same time be able to make a good deal</li> </ul>
Financial sustainability		8.4 8.5	<ul style="list-style-type: none"> <li>We strive for an as environmentally friendly production as possible and at the same time be able to make a good deal</li> </ul>



## Our value chain from a sustainability perspective

	Challenge	Development
Collections' design & planning	Our collections are at the heart of the entire fashion business, and we need to be able to make sustainable choices without sacrificing design, quality and price. Materials are a part of our environmental impact where minimum quantities, lead times and price are often critical points. A key in the work is to ensure that our employees have sufficient expertise to make the right and sustainable decisions in their daily work.	<p>Our designers and product developers are well experienced in all aspects of our sustainability strategy. We regularly visit our suppliers to gain an understanding of their processes and the sustainability aspect is important throughout the product development phase. We have developed an internal guide that helps our design and purchasing teams to make sustainable material choices.</p> <p>Our range of what we define as more sustainable materials now makes up 67% of our offer, compared to approx. 20% in 2020.</p>
Production	Our production is partly carried out in countries where there is a risk that human rights are not respected. As we do not own the factories that manufacture our clothes, it can be a challenge to ensure good working conditions. We have a business relationship only with Tier 1 suppliers and it can be difficult to influence further down the chain, for example dye factories and raw material suppliers. We must also constantly make sure that our clothes do not contain harmful substances, both in production and final products, which is why we continue to work actively to ensure that all our factories comply with current chemical legislation.	Through our membership in amfori BSCI, we can control the working conditions of our suppliers and, together with them, motivate improvement. We have been members of the Chemicals Group for many years which has given us support in ensuring that we comply with current chemical legislation. From January 2023, we will instead be part of the ChemAct Network, which we believe will give us even greater opportunities to control chemical handling at our suppliers and their subcontractors. Odd Molly is also a member of STICA, the Sweden Textile Initiative for Climate Action, a joined initiative for the textile industry that supports the Paris Agreement emissions targets.
Transport & Logistics	We want to reduce our environmental impact while at the same time fulfilling our commitment to customers and delivering on time. During the pandemic we had an increase in shipping costs from our suppliers because we had to fly our shipments home, which is harmful for the environment. We are working on to turning our freight to sea and lower our costs. We must ensure that our last mile carriers work actively with sustainability through climate-compensated and fossil-free transport.	We continue to analyze the environmental emissions for the last mile and work actively to reduce emissions together with our carriers. We use 100% climate-compensated bids, in China our carriers use electric trucks. A long-term goal is to only work with carriers who can ensure that they only work with fossil-free emissions. We are committed to getting the information about sustainable deliveries out to our customers. The packaging material used for our online customers is climate-compensated and FSC-labelled paper is used as much as possible.
Marketing	With our marketing we influence everyone around us. We have a responsibility to display our clothes in a way that both inspires and respects our consumers.	Throughout the year we continued to collaborate with strong women ambassadors in our marketing through live shopping and other events, among other things. We follow The Swedish Fashion Ethical Guidelines guidelines for minimum ages, working conditions, health issues and diversity for models.
Sales	Today, we have changed our operations to take place largely via e-commerce instead of physical stores. Online shopping is challenging with regard to transport and packaging. We also have a responsibility to inform our customers about how they should take care of their clothes in a way that contributes to the clothes having a long life.	<p>We work continuously with evaluating how to provide customers with better product information in order to reduce the return rate and thus the environmental impact from our distribution. During the year, we updated our size guide to give the customer a better understanding of the fit of the garments.</p> <p>We inform our customers about how to take care of their garments in a sustainable way through information both in the garments and on our website. All our clothes are marked with the CleverCare® symbol. Our packaging material is climate compensated.</p>
Reuse & recycling	How clothes are cared for and their lifespan accounts for a large part of a garment's environmental impact. We want our clothes to be durable over time and survive changes in trends.	<p>Both our staff and consumers are informed about care advice through internal training and information on the garments and on our website. Clothes that cannot be sold are donated to Human Bridge to contribute to humanitarian efforts. We offer second-hand trading on our website via the Raizemore service.</p> <p>During the year, we tested renting out our collections via Gemme Collective. For the second year in a row, we are in the top 5 on Tradera's list of best-selling women's clothing on the second-hand market.</p>



# Our aspiration

## We have a sustainable idea and design

### Our aspiration

Odd Molly Sverige AB wants to help its customers to dress more sustainably and consume less resources by offering clothes with a clear style concept in durable materials and of high quality.

### Why is it important?

Clothing consumption in the world has never been greater than it is today. Our business concept is based on offering clothes with a clear style concept and high quality that customers can use for several seasons. We also inspire our customers by giving advice on how to take care of their garments in a sustainable way to increase the lifespan of the garments and encourage reuse. In this way, we can contribute to breaking the materialistic intensity that characterizes the fashion industry, especially within "fast fashion". Our ambition for sustainability extends from ideas and style concepts, via assortment planning and smart purchases, to clothing care and reuse. We are sensitive to the driving forces that cause our customers to change their behavior and lifestyle, which they experience as positive.

### Longterm goals

As little impact as possible - as long a life as possible.





## Our aspiration

MIND	WE HAVE A SUSTAINABLE IDEA AND DESIGN - "Odd Molly designs, markets and sells fashion, with a clear style concept in sustainable materials and with high quality."			
Overall goals	Targets	In progress	Fulfilled	Comments
Our clothes have a long life	We have a clear style concept that does not follow actual fashion trends.		x	
	Our clothes are durable thanks to high quality materials and manufacturing.		x	We choose our suppliers and our materials with great care. Our supplier agreements include a quality manual with information on standards for tests. The suppliers issue test reports that are approved by us and we carry out our own quality tests internally to further ensure the quality of the products. Read more on the pages 5-7. High positions on Tradera's list of best-selling women's clothing on the second-hand market are a recognition to our clothing's duration.
Sustainable production	The majority of the materials in our products come from sustainable materials according to our material guide.		x	We classify our materials according to how they perform environmentally. The majority of our products are made from sustainable materials (recycled, organic, LENZING™ TENCEL™ Lyocell etc). In 2022, we will achieve 75% in category A-C according to our material guide. Read more on pages 5-7.
	We use printing and dyeing techniques with the least possible environmental impact.	x		A large part of our prints are made with digital printing technology, which to some extent is less harmful to the environment. We are in constant dialogue with our suppliers about how we can use the best possible technology.
We have optimized processes	Our sustainability work is integrated into the design and product development process.		x	Our design and purchasing teams have good expertise on sustainability and include this aspect early during product development.
	We have an optimized purchasing process (minimized leftovers & surplus stock).	x		It is a constant challenge to make the right purchases and we evaluate our processes continuously.
We work actively with recycling	All our products have information for the customer about how they are used in a sustainable way.		x	We encourage our customers to use their garments for a long time and to donate or resell instead of throwing them away. All our garments are labeled with CleverCare® and on our website there is information on how to best care for your garments. Read more on the pages 10-11. During 2022, we are testing circular business models within second hand sales and rentals.



# We inspire women to go their own way

## Our aspiration

Odd Molly Sweden AB wants to fight for women's right to make independent decisions regarding both their own lives and the development of society.

## Why is it important?

We want to work for a society where diversity is embraced as a positive force and where women dare to be themselves and follow their dreams regardless of age, ethnicity and appearance. This applies to our employees and our customers, but also to the women in our supply chain. The textile industry is one of the industries that lift the most people out of poverty through access to work. Being able to support themselves gives many women more freedom to make decisions that affect their lives. Through communication and ambassadorship, we can inspire and influence society to fight for female independence.

## Longterm goals

A society where women feel great freedom and dare to follow their dreams.





## Our aspiration

HEART	ODD MOLLY INSPIRES GIRLS TO WALK THEIR OWN WAY - "Odd Molly wants to inspire women of all ages to break free from conventions and follow their dreams. Odd Molly will always fight for more Mollys in the world."			
Overall goals	Targets	In progress	Fulfilled	Comments
Our marketing reflects people of different nationalities and body shapes.	We actively strive to show a secure, happy woman in our marketing.		x	We follow the Swedish Fashion Ethical Guidelines policy when choosing models.
We take responsibility for spreading knowledge about sustainability issues	We work actively to spread knowledge among our partners about the ILO's core conventions, equality, diversity and freedom of expression.		x	We have, for a long time, worked actively to maintain a high level of knowledge among our suppliers. Between 2009 and 2020, we worked with the non-profit organization Fair Wear Foundation regarding social sustainability and working conditions. In 2020, we changed our partnership to amfori BSCI in our work to ensure and improve social conditions at our factories.
	Our employees have a good knowledge of sustainability.		x	We work with internal training efforts and exchange of sustainability issues, among other things.
We work actively to lift others up	We engage in collaborations to elevate female entrepreneurs.		x	We have ongoing collaborations with profile women who share our values. During 2022, we have, among other, collaborated with the self-love coach Louise Strömberg and the illustrator Malin Gyllensvaan for the 2023 collections.
	We have the industry's most satisfied employees.	x		We conduct annual employee surveys and in 2022 the Health Index was at 65%. A small improvement compared to the year before, but a number we have the ambition to improve.
	We strive to work with mentorship.		x	During 2022, we had a collaboration with the mentoring program All of Us. We also offer internships to students who are training in our industry.



# We influence the world around us in a positive direction

## Our aspiration

We want to influence the world around us in a positive direction.

## Why is it important?

Through our operations, we have the opportunity to not only influence people's lives and the environment but also to spread our commitment to sustainability throughout the value chain. We work to have long and close relationships with partners and together create good working conditions and reduce our negative impact on the environment through the entire value chain. This takes place, among other things, through regular dialogue with partners and through supplier audits by third parties. A prerequisite for our success is that our employees are satisfied and can develop in their work.

## Longterm goals

Long-term and trusting relationships with partners and employees that create increased value for our surroundings.





## Our aspiration

CONSCIENCE				
ODD MOLLY INFLUENCES THE WORLD IN A POSITIVE DIRECTION - "Everyone who works with and for Odd Molly should feel good."				
Overall goals	Targets	In progress	Fulfilled	Comments
Our production must have as little negative impact as possible	We place high demands on our suppliers.		x	We carry out risk assessments based on sustainability criteria with all new suppliers before entering into cooperation agreements.
	We work actively to check our suppliers both socially (labor law, child labor, etc.) and environmentally.		x	We have a code of conduct that covers all suppliers and we work with a third party to ensure good social conditions (read more on pages 7 and 8). Through our membership in STICA, we aim to reduce our emissions by 50% in Scope 1 and 2 by 2025 and Scope 3 by 2030.
We help our suppliers improve	We strive for long-term collaborations with our suppliers.		x	We have worked with 17 of our total of 27 suppliers for 5–15 years.
	We work actively to help our suppliers improve their water processes.	x		We are working on choosing better printing techniques in order to reduce water use in the textile processes as much as possible.
	We help our suppliers improve their social standards: working conditions, child labor, overtime.		x	We are associate members of amfori BSCI and drive continuous improvement work with our suppliers, (read more on page 7) and many of our suppliers are certified by GOTS (read more on page 7).
We have concrete environmental goals; clean air and clean water	We have reduced our carbon dioxide emissions in relation to the production volume.	x		Our goal is to halve our carbon dioxide emissions by 50% in Scope 1 & 2 by 2025 and by 50% in Scope 3 by 2030 (read more about this work on page 9).
	We have optimized our recycling.	x		All our polyester jackets are made from 100% recycled material. All packaging materials in our webshop consist of recycled fibers and our boxes come from a supplier that is ISO 14001 certified.
	We use, to the extent we can, green electricity in our stores and offices.		x	
	We only use FSC-certified paper products.	x		All packaging materials in Odd Molly's e-commerce consist of recycled fibers and our boxes come from a supplier that is ISO 14001-certified. We plan to request FCS labeling when purchasing new packaging in e-commerce.
	We climate compensate for transport.	x		We compensate for the climate by planting trees in Africa through Läkarmissionen, which corresponds to part of our emissions.
	We have environmentally certified transport.	x		Most of our suppliers have environmentally certified transporters. All last mile carriers work with sustainability.



# Summary

## ENVIRONMENT

### Responsibility

We comply with applicable laws and conduct targeted environmental work. Since 2011, we have been members of the Chemical Group within RISE. We have also been members of STICA (Sweden Initiative for Climate Action) since 2019.

### Management

- We require that all suppliers follow the rules on prohibited chemicals.
- We train our employees and customers in product care and material knowledge for the longest possible lifespan of the clothes.
- Our sustainability strategy also includes improvement plans for our own workplaces (headquarters and stores) in terms of consumption and climate compensation.

### Assessment

- We have our suppliers checked by conducting random samples.

### Risks and risk management

- Inefficient use of resources in production and transport.
- Training of employees about the environment.
- Continuous control and revision of suppliers.

## HUMAN RIGHTS

### Responsibility

We comply with applicable laws and international human rights conventions based on ILO conventions and the UN Convention on the Rights of the Child. The code of conduct also requires suppliers to respect internationally recognized human rights.

### Management

- The code of conduct is an important tool for governing compliance with human rights.
- Follow-up and review of working conditions in production is carried out partly by our own employees, partly by independent external organizations.

### Assessment

- Through amfori BSCI, social controls/audits are carried out annually at the factories that manufacture our products.

### Risks and risk management

- Good working conditions at the factories where our products are manufactured are key to choosing a supplier.

## PERSONNEL AND SOCIAL RELATIONS

### Responsibility

We strive for an open climate with great opportunity for each individual to develop. The company has a strong corporate culture. We have a collaboration with amfori BSCI which above all strengthens the development of good social conditions among the company's suppliers.

### Management

- We have an equality and diversity plan as well as routines against offensive behavior and discrimination.
- Training for staff on ergonomics and massage at work.
- The company has guidelines for its suppliers and follows amfori BSCI's code of conduct.

### Assessment

- We have our suppliers checked through audits.
- Evaluation and follow-up takes place in collaboration with amfori BSCI.

### Risks and risk management

- We do not have our own factories, but manufacture in various parts of the world where the standard of living and conditions are lower than in Sweden.
- Injuries and accidents at the workplace are something that we work actively to minimize.



## ANTI-CORRUPTION

### Responsibility

We apply an anti-corruption policy and a code of conduct also in our handbook for employees.

### Assessment

- All employees sign policy documents for anti-corruption.

### Risks and risk management

- Bribes at and before orders.
- Internal and external fraud.
- Internal training in code of conduct.

