

Otrium Impact Report 2024

We envision
a future where
all clothing
produced
is worn.

1. Extending the life cycle of fashion

2. Climate & Nature

3. Inspiring better choices

4. Good governance

Our 2024 Impact Report

Welcome to Otrium's fourth Impact Report. Our vision remains steadfast: a future in which all clothing produced is worn. Within this report, we reflect on our journey, recognising the progress made while holding ourselves accountable and identifying opportunities for improvement. Each year, we assess our impact and strategy to ensure that our initiatives drive meaningful change. We are troubled by the fashion industry's environmental impact and are dedicated to driving positive change to shape a more sustainable future. Our mission goes beyond reselling unsold inventory – it's about extending the life cycle of clothing.

A pivotal year

2024 marked a pivotal year for Otrium. The first ever break-even month in the fourth quarter was a testament to our efforts around operational excellence and sustainable business growth. On top of this, we were honoured to receive B Corp certification in recognition of our environmental and social responsibility. This milestone reinforces our mission and provides a structured framework to further enhance our impact across five key pillars: Governance, Environment, Employees, Customers, and Community.

In 2024, we strengthened our foundation by refining our business model to enhance efficiency and profitability. In Europe, Otrium has focused on making available more popular and high-quality brands such as Levi's, New Balance, Rains, Moschino, and The Kooples, all of which joined Otrium in 2024. These measures have led to increased customer loyalty, a higher purchase frequency, and improved margins per order. Their example was followed in 2025 by other great brands like Tommy Hilfiger, Calvin Klein, Michael Kors and On.

Operationally, we optimised our footprint by transitioning our U.S. business to Rue Gilt Groupe and ceasing to run a warehousing operation in the UK in addition to our Dutch warehouse. These actions significantly reduced our burn rate and positioned Otrium for sustainable, long-term growth toward our goal of structural profitability in 2025.

Looking Ahead

Becoming B Corp-certified is not the final step – rather, it's a commitment to continuous progress. Every three years, we will be reassessed to ensure we meet and exceed evolving sustainability standards. We acknowledge that we can't achieve everything at once. Over the years, we have undertaken many initiatives simultaneously. On the back of a new baseline we will focus further on attainable and impactful initiatives, while keeping operational efficiency and profitability into account as well.

We will continue to fulfil our objectives in a way that minimise environmental impact and maximise long-term success, focusing on where we can drive the greatest positive change at the shortest possible notice.

Our ultimate goal is to have a net-positive impact, which means giving back more than we take through our business model and operations. This report provides insights into our achievements, the challenges we have faced, and our goals going forward. We continue to learn, adapt, and lead by example. Together with our brand partners, supply chain collaborators, and customers, we remain committed to building a future where all clothing produced is worn.

This report covers the period from January 1 to December 31, 2024. Our previous impact reports from 2023, 2022, and 2021 can be found [here](#).



Frank van Valderen
Chief Executive officer



Rutger van Boxtel
Chief Operating Officer and
General Counsel

1. Extending the life cycle of fashion

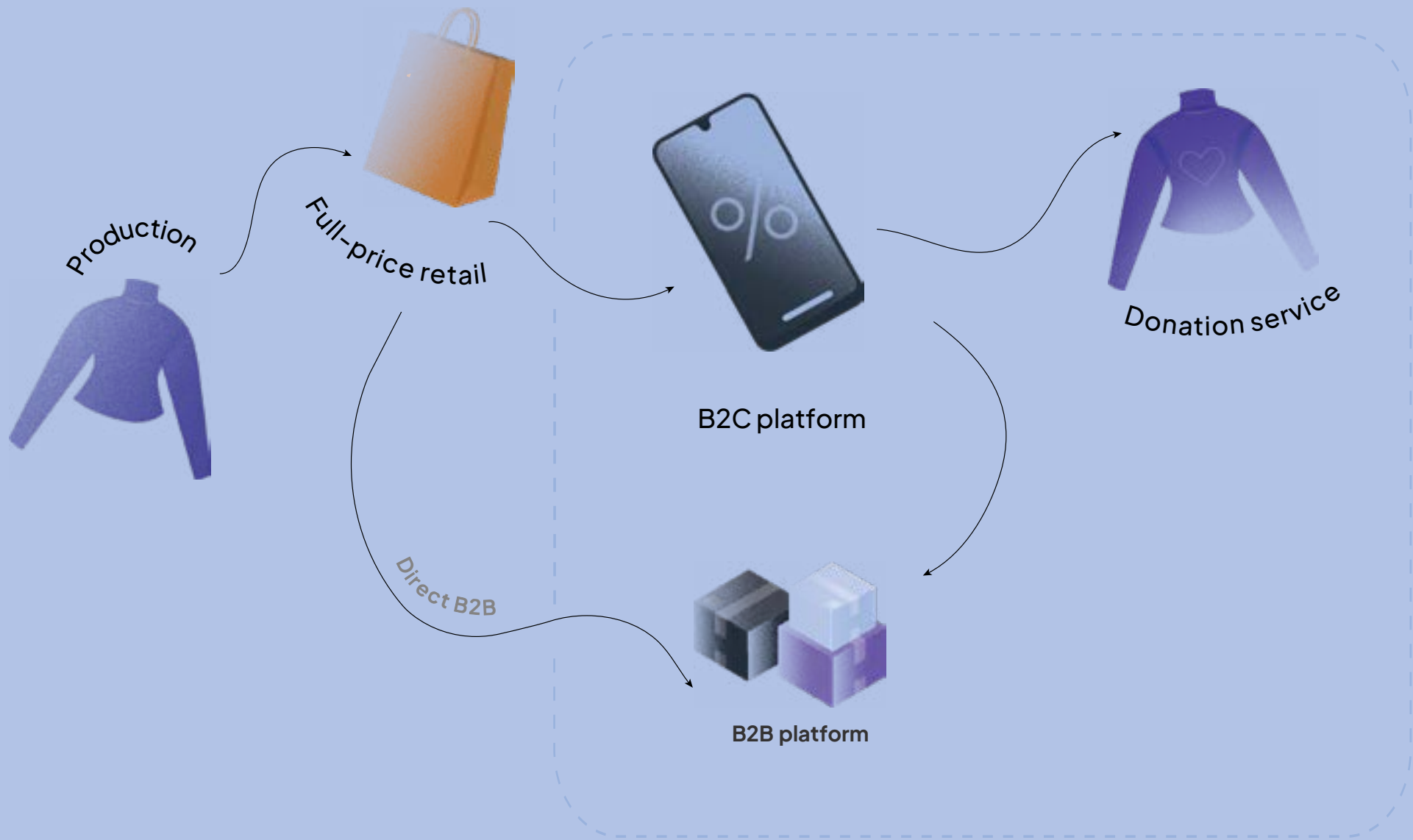
Our goal is to have a positive impact on the fashion industry by helping brands find homes for unworn clothing, ultimately extending the life cycle of garments.

Our approach

Otrium is not an entirely circular solution for clothing, but we exist to extend the life cycle of unsold fashion items. We continue to expand our services; each initiative is a small but important step toward eventually closing the loop.¹

¹The Sustainable Fashion Forum - What is Circular fashion; <https://www.thesustainablefashionforum.com/pages/what-is-circular-fashion>

The journey of an unsold garment through Otrium



1. B2C platform/Resell ²

Our Customer-Facing Platform allows our fashion brand partners to set up an online outlet store where they can sell past-season inventory and archive collections. In 2024, we matched 2,281,834 clothing items (after returns) with new owners through our Customer-Facing Platform.

2. B2B platform/Reroute

Our Business-to-Business (B2B) Marketplace is a strategic service that provides an alternative platform for brands to sell leftover inventory to a network of stock buyers. In 2024, we rerouted approximately 1,157,000 items via our B2B Marketplace. To learn more about how the platform works, [read this article](#).

²Earth.org; The Environmental impact of Fast Fashion explained; <https://earth.org/fast-fashions-detrimental-effect-on-the-environment/>

3. Donate/Repurpose

In 2023, we introduced our Donation Service, adding another strand to our mission and giving unsold garments a renewed purpose. The charities we work with select items best suited to their specific beneficiaries.

The process is straightforward: we streamline our inventory with their needs in mind before providing a stock list for review. Once approved, we send the selected stock to specified locations for donation. In 2024, we contributed 5,284 items to communities in need via our Donation Service. Find more information about this initiative [here](#).

4. Repair Returns

Since 2020, we have worked to extend the life cycle of imperfect and damaged returns by mending flaws by hand, restoring them to as-new condition. We then give these garments a second chance to find a home through our Customer-Facing Platform, consequently extending their lifespan.

In 2024, we sorted and processed over 21,800 items, successfully repairing approximately 55% to recover their original condition. Our process consists of three stages: receiving damaged returns, assessing and repairing them, and reselling the fully restored items. To learn more about how the Repair Service works, read [this article](#).

4. Recycling

In 2024, we teamed up with Fashion to Fiber and Frankenhuis (both part of Boer Groep) to initiate textile recycling for items that cannot be repaired. Read more about our Recycling Service [here](#).



6. Recreate/Reproduce

Reproduction, also known as Made-for-Outlet, forms part of the traditional business model of the off-price industry. These items are made specifically to be sold at discounted prices. At Otrium, we see the potential of made-for-outlet clothing, especially considering relevant data and thus based on customer demand. Currently, it composes a small percentage of our business: c. 5.5% versus the industry average of 25–60%.³

We work with our brand partners to recreate best-selling styles in a wider size range, offering a more satisfying shopping experience and prompting customers to return to Otrium. Our data-led technology enables brand partners to monitor supply and demand, ensuring excess clothing isn't created in the first place. By reproducing brands' most popular items, we prevent surplus inventory from entering the supply chain. In 2024, we matched 184,597 reproduced garments (after returns) with new owners via our Customer-Facing Platform.

Some of our smaller collections use excess fabrics to reproduce best-selling styles. We are still experimenting and evaluating whether this is an effective route towards a fashion industry free from waste. To learn more, [read this article](#).

³Quantifying Otrium's avoided carbon emissions and waste. (2023). Otrium. Available at: <https://lookbook.otrium.com/Methodology-Report.pdf>.

Progress and insights

In our 2023 Impact Report, we outlined our goals for 2024 and beyond. Below, find an overview of these targets and the progress made throughout 2024.



In 2024, we are working towards launching a Recycling Service for clothing that cannot be repaired, sold, or donated.

We launched our Recycling Service with Boer Group on 15 May 2024.

How the Recycling Service works

Some clothing cannot be sold due to a number of factors, such as irreparable flaws. But through this recycling process, every piece of clothing is given another chance.

- 1. Receive items:** Frankenhuis receives the items from us through Fashion to Fiber in reusable bags.
- 2. Sort:** Items are sorted based on raw materials and quality.
- 3. Recycle:** Items are recycled through fiberisation (pulling apart textiles into fibres), cutting (slicing textiles into smaller pieces), and/or grinding (reducing textiles to a powder-like form).
- 4. Materialise:** The fibres and granules are processed into “new” materials for reuse across various industries. Frankenhuis operates four main channels for recycled materials:
 - Longer fibres are redirected to the spinning industry.
 - Shorter fibres are used in the automotive and non-woven industries.



- Filling materials are repurposed for products such as furniture and boxing punch bags.
- Fine, powder-like fibres are used in chemical textile recycling to produce viscose yarns or serve as raw materials for the paper industry.

5. Report: Reporting on recycling outcomes, including the volumes processed and the types of materials they were transformed into.

Depending on the quality and composition of the garments, some may be unsuitable for recycling and will regrettably need to be classified as waste. To reduce the impact, such garments are incinerated to recover energy.

In 2024, we launched a pilot to repair large volumes of damaged items from our fashion brand partners to repurpose and resell. This trial proved successful, with over 68% of the repaired items finding new owners. Building on this momentum, we plan to develop a comprehensive roadmap to expand our repair initiatives in 2025.

Progress and insights



In 2025, we were unable to launch our Environmental Recovery Value Dashboard on our collective environmental impact.

Transparency and measurable impact remain central to our mission. While we hoped to launch our Environmental Recovery Value Dashboard in 2025, we have chosen to first refine our methodology to ensure a more comprehensive and accurate approach. Developed with the help of our partner, Vaayu, our latest Avoided Impact Report strengthened our methodology further and laid a robust foundation for future impact measurements.

This helped us to plan for 2026 and provide our fashion brand partners with more precise and actionable insights into our collective environmental performance. With extra time, we will be able to incorporate valuable partner feedback and create a more vigorous tool that truly drives impact.

Next steps in 2025 and beyond

- ☐ In 2025, report on our 2024 Avoided Impact based on the current methodology.
- ☐ In 2026, update our methodology, with our partner Vaayu, to report on our 2025 Avoided Impact.
- ☐ Expand and improve our processes and partnerships within donations, repairs, and recycling to extend the life cycle of clothing.

2. Climate & Nature

We are committed to reducing our carbon footprint in line with the Science Based Targets Initiative, aiming to achieve a net-positive impact through our business model and operations.

Carbon and climate change are closely intertwined. A carbon footprint measures the amount of carbon dioxide (CO₂) released into the atmosphere through the actions of individuals and corporations. However, CO₂ is just one type of emission which falls under the broader greenhouse gas (GHG) category.

GHG emissions also include methane (CH₄), nitrous oxide (N₂O), and fluorinated gases, all of which contribute to the greenhouse effect – the primary cause of global warming and climate change. To measure a company's environmental impact, these emissions are converted into carbon dioxide equivalents (CO₂-eq) based on their Global Warming Potential, providing a unified metric for comparison.⁴

A carbon footprint represents the total volume of GHGs resulting from economic and human activity. A smaller footprint has a lesser impact on the environment and climate change. Understanding the carbon footprint of specific activities is crucial for actioning informed initiatives to reduce CO₂-eq to the lowest level possible.⁵

⁴ Required Greenhouse Gases in Inventories. (2023). Greenhouse Gas Protocol. Available at: https://ghgprotocol.org/sites/default/files/2022-12/Required%20gases%20and%20GWP%20values_0.pdf.

⁵ Climate change is widespread, rapid, and intensifying. (2021). The Intergovernmental Panel on Climate Change. Available at: <https://www.ipcc.ch/2021/08/09/ar6-wg1-20210809-pr/>.

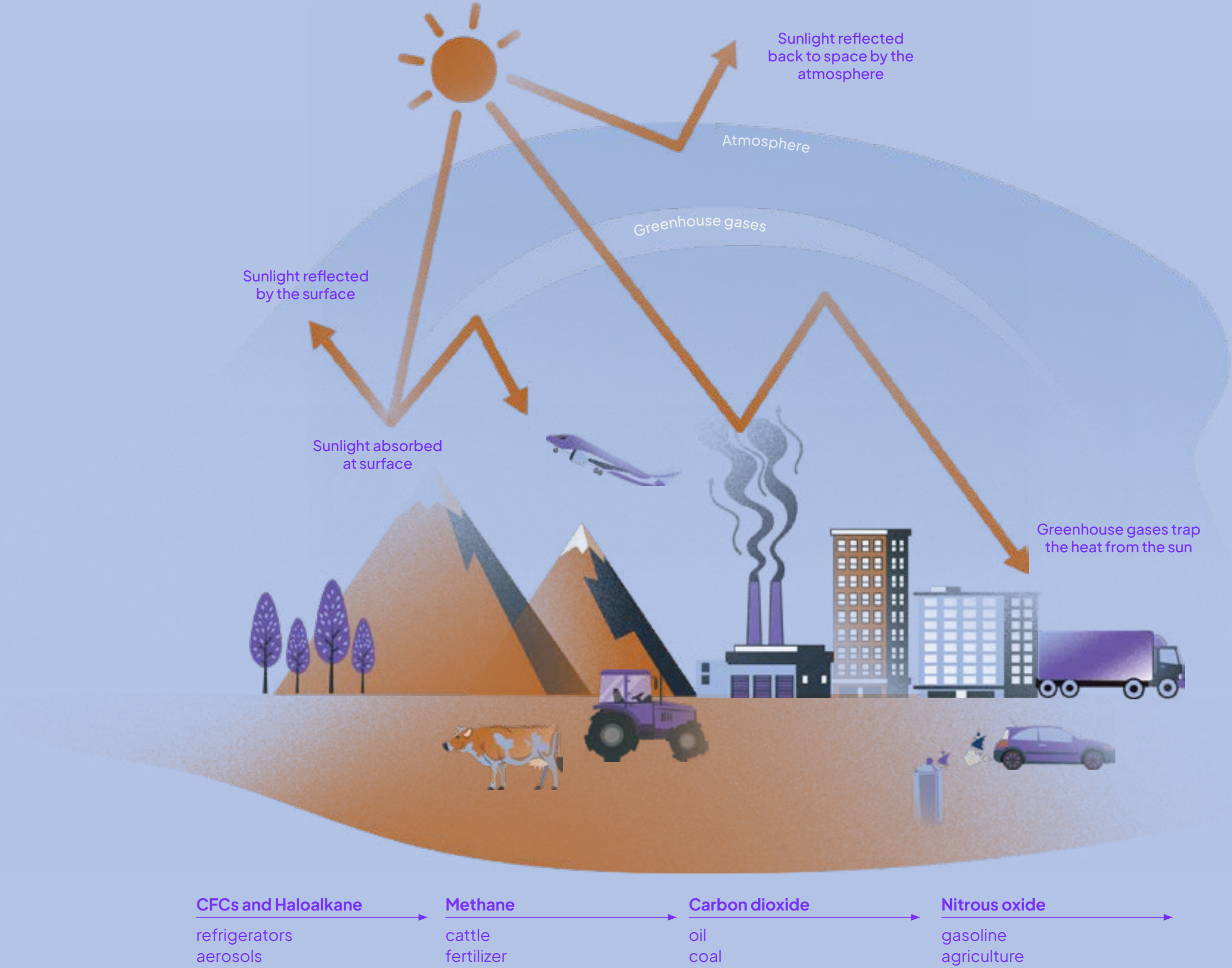


Figure 1: Greenhouse Gas Effect explained. Source: Warwickshire Climate Alliance

Our approach

Otrium's ultimate goal is to achieve a net-positive impact. This means giving back more than we take through our business model and social initiatives. We have set our Science Based Targets to reduce the impact of our operations on the environment.

Our carbon strategy is created in line with the Paris Agreement, a legally binding international treaty on climate change adopted by 196 parties at the 2015 UN Climate Change Conference (COP²¹) in Paris. Its overarching goal is to keep "the increase in the global average temperature to well below 2°C above pre-industrial levels" and strive "to limit the temperature increase to 1.5°C above pre-industrial levels."⁶

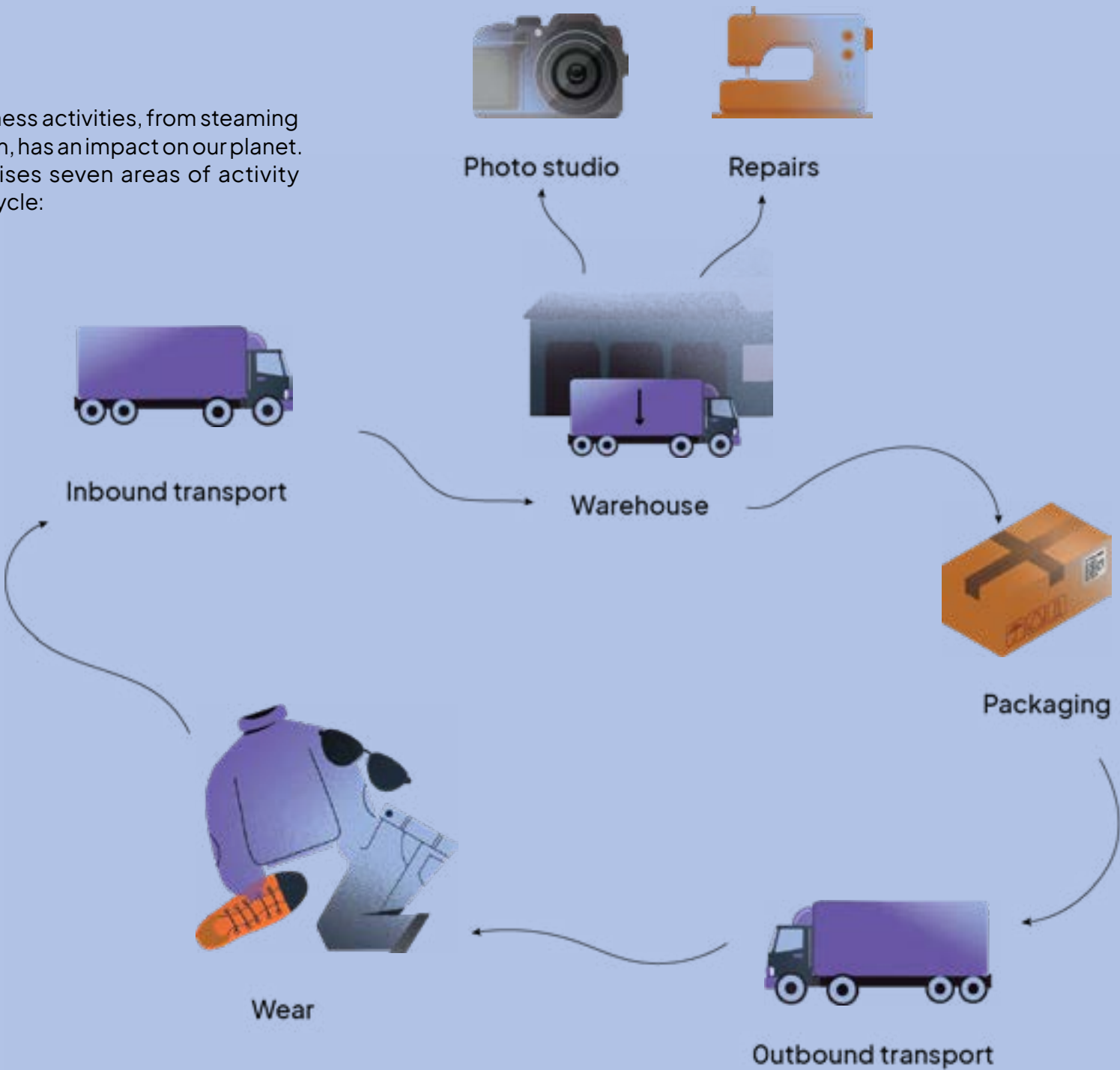
Otrium's carbon strategy involves:

- Reporting our greenhouse gas (GHG) emissions in line with the GHG Protocol to limit environmental impact and monitor progress.
- Making operational changes to lower emissions generated by our business.

⁶The Paris Agreement. (2015). United Nations Climate Change. Available at: <https://unfccc.int/process-and-meetings/the-paris-agreement>.

Our value chain

We are aware that each of our business activities, from steaming the garments to shipping them, has an impact on our planet. Otrium’s value chain comprises seven areas of activity throughout the product life cycle:





Otrium

StyleShoots

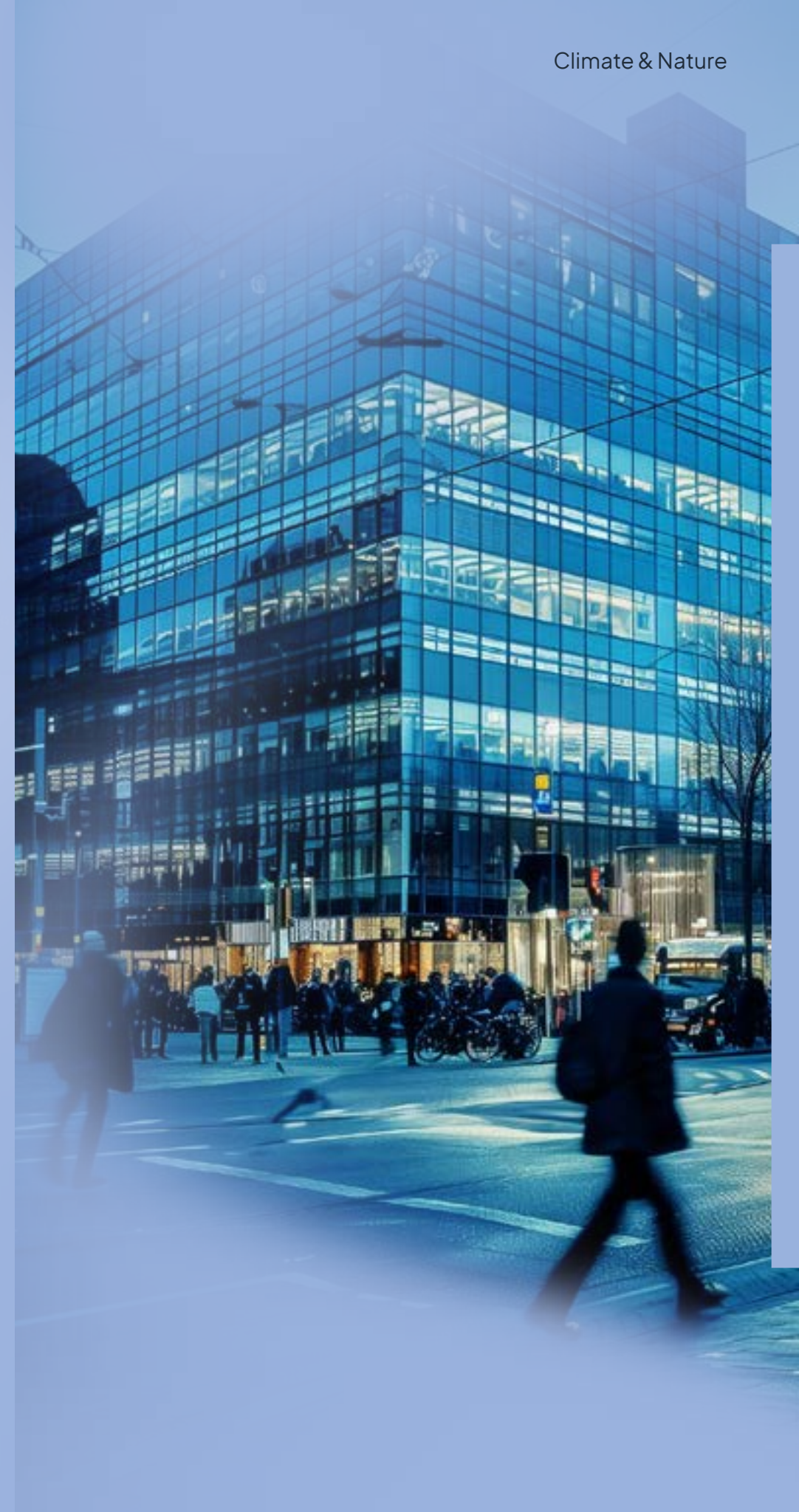
- 1. Inbound transport:** Our fashion brand partners transport unsold items to our fulfilment centre by truck. In around 7% of cases, we organise transport on their behalf.
- 2. Fulfilment services:** Items arrive at our warehouse. When needed, items are photographed in our studio, being cleaned and/or repaired. Those not already packaged are placed in a new, 100% recycled poly bag.
- 3. Storage and packaging:** Items are then uploaded to our platform and prepared for sale. Once purchased, they are packaged for delivery.
- 4. Outbound transport:** Our logistics partners deliver the sold items directly to our members or Pick-up and Drop-off points.
- 5. Wear or using phase:** Our members use the items bought on Otrium. We provide care guides to encourage customers to properly look after garments.
- 6. Returns:** Damaged returns are assessed and, where possible, repaired. We revalue approximately 50% of the damaged items we receive from our members.
- 7. Repurpose:** Damaged returns which cannot be repaired are sold to stock buyers, donated, or recycled.

Our markets

In 2024, we shipped to Austria, Belgium, Czech Republic, Croatia, Denmark, Germany, France, Hungary, Luxembourg, the Netherlands, Poland, Portugal, Sweden, Slovakia, Slovenia, Spain, and Italy.

Carbon reporting

We have completed greenhouse gas reports for [2022](#), [2023](#), and [2024](#), providing insights into our carbon emissions over the past two years. We streamline our data-gathering processes annually to complete our analysis more efficiently. These reports are important tools for defining our climate strategy moving forward and identifying areas for improvement, while tracking our progress in reducing Otrium's carbon footprint.



Changes in emissions

2020	2021	2022	2023	2024
758.1t	2634.87 t +247.56%	1616.71 t -38.64%	10,525.70 t +551.06%	6,857.28 t -34.85%

- 1. **Total emissions dropped by over 3.7 million kg CO2-eq:** In 2023 our total emissions stood at ~10.5 million kg CO2-eq whereas in 2024, it was at ~6.86 million kg CO2-eq representing a reduction of 35% in emissions.
- 2. **First Mile Logistics Emissions were halved:** In 2023, our first mile logistics were at ~1.96 million kg whereas in 2024, it dropped to ~843,000 kg CO2-eq.
- 3. **Purchased Goods & Services (not resale) reduced significantly** from ~1.81 million kg CO2-eq in 2023, to emissions at ~742,000 kg CO2-eq in 2024.
- 4. **Purchased Goods & Services (for resale)** appears for the first time in the 2024 report, accounting for ~1.9 million kg CO2-eq.
- 5. **Warehouse utilities were cut considerably** as well from ~1.5 million kg CO2-eq in 2023, to ~444,000 kg CO2-eq in 2024.
- 6. **Last Mile Logistics also dropped** from ~2.13 million kg CO2-eq in 2023 to ~1.3 million kg in 2024.

A closer look at our 2024 carbon footprint

- Scope 1** refers to direct greenhouse gas emitted from sources controlled by Otrium – for example, emissions from combustion in boilers and vehicles.
- Scope 2** refers to indirect emissions from electricity, steam, heating, and cooling purchased and consumed by the company. These emissions occur physically at the facility where the energy is generated.
- Scope 3** refers to emissions that occur from upstream or downstream sources in the supply chain. While they are a consequence of company activities, these emissions are not controlled by Otrium. An example of Otrium's Scope 3 emission is the packaging and logistics between the warehouse and the customer.

In 2024, Otrium's Scope 1 greenhouse gas emissions were set to 0 CO₂-eq.

Otrium's Scope 2 greenhouse gas emissions totalled 11.7 tons of CO₂-equivalent under the market-based approach and 28.5 tons under the location-based approach.

Otrium's Scope 3 greenhouse gas emissions came to 6845.58 ton CO₂-eq in 2024.

Tons CO₂-eq per scope

Scope 1	Scope 2	Scope 3
0	0.17%	99.83%

Where possible, Scope 1, 2, and 3 emissions have been calculated using supplier-specific data. In instances where only partial invoices were available to us, specifically relating to Scope 2, the figure has been estimated using data gathered across the whole year. If an asset was introduced mid-way through the year, only data for the relevant period has been considered.

To calculate greenhouse gas emissions, various formulas are used for different activities. Gas and petrol usage are multiplied by specific emission factors, while electricity usage can be calculated using either a market-based or location-based approach. Emissions from employee commuting, business travel, logistics, and packaging disposal are calculated by multiplying distance, weight, and the appropriate emission factors. Similarly, emissions from customer returns and waste are calculated by multiplying the volume by the corresponding emission factor.

Find the tons of CO₂-eq by source in the table below:

	Tons CO ₂ e per source									
	Consumer Packaging	Purchased Goods & services (not for resale)	Purchased Goods & services (resale)	First Mile Logistics	Last Mile Logistics (incl. returns)	Warehouse utilities	Operational Waste	Business travel & Commute	Use of sold products & End-of-life	Others
Tons CO ₂ e	792.39	742.02	1903.31	843.16	1300.00	444.22	370.27	93.74	223.1	145.07
Percentage	11.56%	10.82%	27.76%	12.30%	18.96%	6.48%	5.40%	1.37%	3.25%	2.12%

The following data points were added to the scope of the 2024 report:

- Purchased goods and services (for resale)
- End-of-life of Sold Products

In 2024, we identified and acted on three key opportunities to reduce our impact:

- **Improving our carrier footprint: DHL Go-Green Plus**
- **Reducing the use of paper in every order: Paperless returns**
- **Moving to more sustainable material usage: Removing bleached carton**

As part of our recent business development, Otrium occasionally takes ownership of products prior to sale, which, in alignment with the GHG Protocol, significantly increases our reported Scope 3 emissions—a change we acknowledge and are actively addressing through enhanced data tracking and reduction strategies. These goods are also excess stock, but typically sourced from brand partners previously not selling their goods on Otrium. We acknowledge responsibility for these items. Selling these goods contribute intrinsically to achieving Otrium’s mission: making sure all clothing produced is worn. Although such items are considered an increase in Otrium’s Scope 3 emissions, it is our core goal to make sure we achieve our mission and no fashion items go to waste.

SBTi progress

We have made significant progress towards our SBTi target to reduce Scope 1, 2, and 3 emissions by 33.6% by 2028. In our 2024 report, we are comparing our emissions to our baseline year of 2023. To ensure accurate tracking, we recalculated our 2023 numbers specifically for the SBTi targets, excluding our US operations. Based on this updated baseline, we have achieved a total of **17.12%** reduction in emissions across all scopes. While this is a solid step forward in just one year, we recognize there is still much work - and always continuing work - to be done to meet our long-term targets. We will continue collaborating with our partners Willow and Vaayu to implement stronger decarbonization measures and further drive emissions reductions as we work towards our 33.6% reduction by 2028. See below emissions decrease per scope:

Scope*	Tons CO2-eq. 2023 rebaselined	Tons CO2-eq. 2024	% decrease
Scope 1	2.05	0	-100%
Scope 2	14.19	11.70	-17.55%
Scope 3	7976.15	6612.48	-17.10%
Total	7992.39	6624.18	-17.12%

* Excluding emission categories not within the SBTi target

Progress and insights

In our 2023 Impact Report, we outlined our goals for 2024 and beyond. Below, find an overview of these goals and the progress made throughout 2024.



Collect, calculate, and store all GHG data in one digital location in 2024.

In 2024, we successfully improved our GHG data quality and collection processes by migrating the static elements from Position Green to our partner, Vaayu. With this transition complete, all emissions data is now collected, calculated, and stored in one centralised digital platform.

This integration has enhanced the accuracy of our carbon footprint measurements, streamlined reporting, and provided deeper insights into our environmental impact. By strengthening our data infrastructure, we continue to reinforce our commitment to transparency and accountability.



Set validated Science Based Targets and create a comprehensive roadmap by the end of 2024 to achieve these future targets.

In 2024, Otrium’s near-term greenhouse gas (GHG) reduction targets were officially validated by the Science Based Targets initiative (SBTi). To ensure a fair and accurate baseline, in line with the SBTi guidelines, emissions from our US operations were excluded, as this market was terminated in late 2023.



Otrium commits to reduce absolute scope 1 and 2 GHG emissions 33.6% by 2028 from a 2023 base year. It also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, waste generated in operations, business travel, employee commuting 33.6% within the same timeframe.

Beyond these targets, we continue to minimise our environmental impact through low-carbon logistics, smarter returns, more sustainable packaging, and data-driven emissions tracking. From expanding our collaboration with DHL for their GoGreen Plus program to powering our warehouse with 100% renewable energy, we are embedding sustainability at every level – ensuring the clothing we sell is not only worn but also responsibly stored and delivered.

Progress and insights



Digitise our return process in Q3 of 2024, making orders completely paperless.

On the 21st of October 2024, we moved closer to a fully paperless logistics process by removing return forms and pre-printed return labels from all orders. Customers now receive their return labels digitally, either via QR code or email in the Netherlands and email-only in the rest of the EU.

While this is a substantial advancement, we are not entirely paperless yet, as shipping labels and occasional marketing materials are still included in orders.



Implement a policy to reduce the impact of Otrium's business travel in 2024, and improve our data-gathering processes to report related emissions more accurately.

In 2024, we successfully enacted a policy to reduce the impact of our business travel, achieved through our partnership with TravelPerk. Simultaneously, we improved our data-gathering processes to ensure more accurate reporting on business travel emissions.

By integrating better tracking and insights, we have significantly reduced our travel-related footprint while preserving a responsible approach to business mobility. This initiative reflects our ongoing dedication to sustainability and data-driven decision-making in all aspects of the business.



Work with our partner couriers to cut last mile delivery emissions by 2025.

In December 2024, Otrium became one of the first companies in the Dutch market to collaborate with DHL's GoGreen Plus program, enhancing our commitment to more sustainable logistics. This initiative allows us to reduce carbon emissions associated with our shipments by utilising hydrotreated vegetable oil (HVO100), a more sustainable, fossil-free fuel produced from waste, residual oils, and fats. HVO100 can reduce carbon emissions by up to 85% compared to traditional fuel. By integrating GoGreen Plus into our operations, we directly decreased our supply chain's environmental impact, aligning with our mission to promote a more sustainable fashion industry.

Lovisa Rogbring, Sustainability and Inbound Supply Chain Specialist:

"Having our SBTi targets validated was a major milestone in our commitment to a better fashion industry. Now, our focus shifts to improving data accuracy and reducing emissions for even greater impact. A key challenge lies in our logistics, where we see further opportunities for improvement – and we're ready to tackle them head-on."

Next steps: 2025 and beyond

- ☐ Reduce absolute scope 1 and 2 GHG emissions 33.6% by 2028 from a 2023 base year.
- ☐ Report on our progress towards Science Based Targets in 2026.
- ☐ Reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, waste generated in operations, business travel, employee commuting 33.6% within the same timeframe.

3. Inspiring better choices

Otrium acts as a force for positive change within the fashion industry, raising awareness and inspiring better choices for both our brand partners and members.

Transparency and traceability mean making information publicly available, accessible, and digestible. Improving the transparency of suppliers, working conditions, and the traceability of sourced materials is essential in enabling better decision-making and empowering industry players to reduce their negative environmental and social impact. This approach is key to achieving systemic change in the global fashion industry.

Additionally, making information available to consumers motivates them to make better choices. If the public wants to make more ethical and conscious purchases, they need to be informed. By holding businesses accountable, the whole industry is pushed to be and do better.

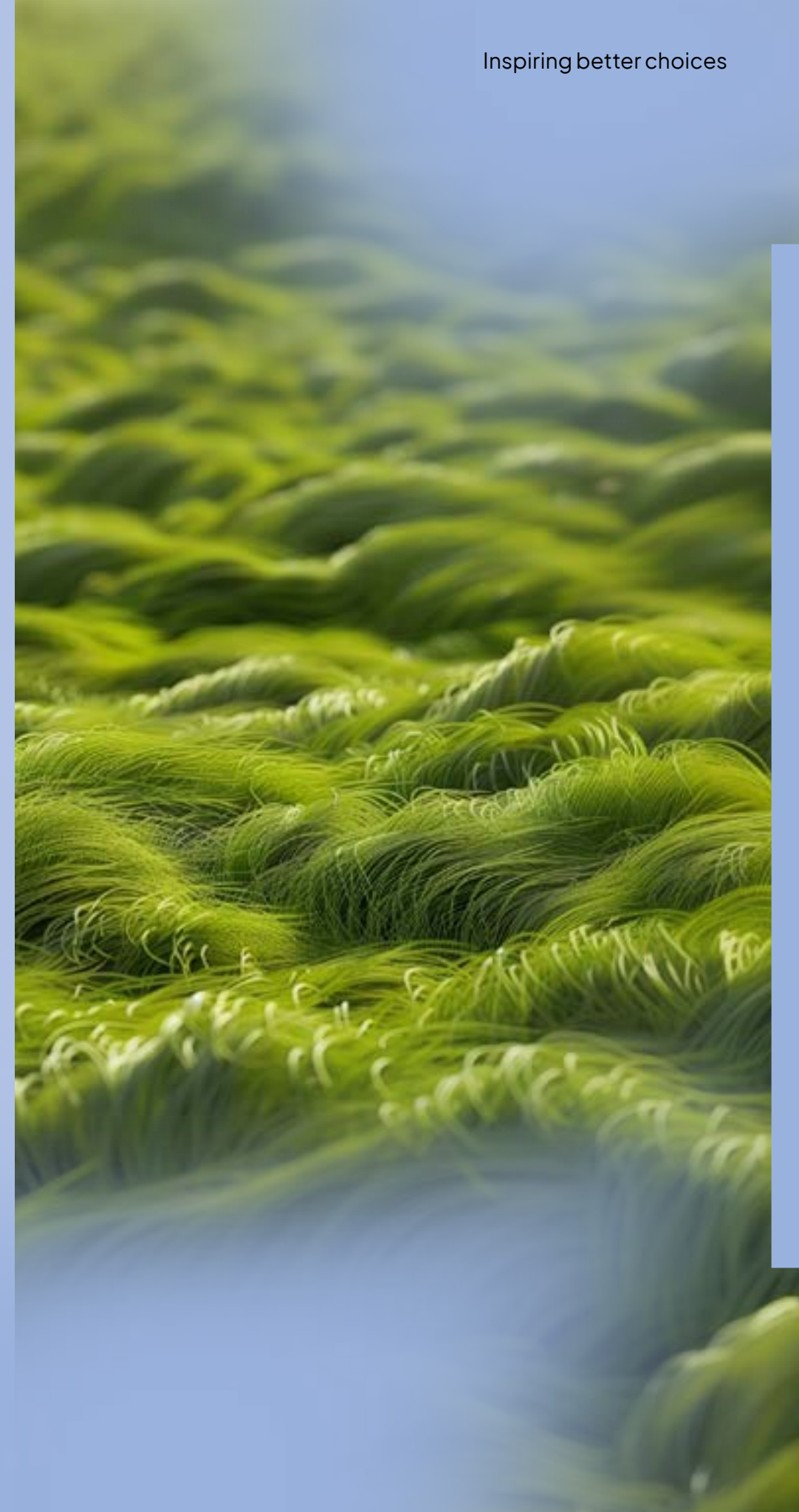
It is in a brand's best interest to disclose all relevant details on manufacturing, materials, and logistics to its customers, as transparency naturally builds trust between brand and consumer. It also sets an example for competitors, encouraging the industry at large to reevaluate problematic processes.

Our approach

We have established two key partnerships to inspire better choices among our members and fashion brand partners. In 2021, we joined the Fur Free Retailer programme, and in 2024, we continued collaborating with Good On You to offer transparent and credible ethical ratings for all the brands on our platform.

The Fur Free Retailer program

Since 2021, Otrium has been an official member of the Fur Free Retailer programme. This initiative is supported by the Fur Free Alliance (FFA), an international coalition of leading animal and environmental protection organisations. Fur encompasses any animal skin or part of an animal with hair or fur fibres attached, either in its raw or processed state or the pelt of any animal killed for its coat. We are 100% fur-free, with no fur items on our platform – now or in the future. Read more about our commitment in this [article](#).



Our Good On You collaboration

Our partnership with Good On You has played an important role in aligning our business model with ethical practices. Through Good On You's API, we have given consumers the opportunity to filter on brands by their ethical rating, making it easier to find brands with stronger credentials.

No garment or fashion brand is entirely sustainable, but we believe industry transparency encourages companies to continually raise their standards. At Otrium, we believe in offering both high-quality fashion and a transparent, sustainable shopping experience. Our partnership with Good On You (GOY) has played a pivotal role, helping us align our business model with ethical practices.

Progress and insights

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Expand the data points we share with consumers by July 2025 and update them annually in compliance with the latest legislation.

To create more clarity and transparency on the ratings and enable consumers to find out more, we updated how we present Good On You's scores on our platform in 2024. Here's how:

- We added rating icons from Good On You into our shopping filter for consumers to better understand the difference between ratings.
- We added Good On You rating icons to each product listing page for a clearer view of its ethical rating status.
- We increased the volume of information on each fashion brand's page, along with the product listing page.
- We renamed the filter from "Conscious" to "Ethically rated brands" and provided clearer information on how the ratings work throughout our platform.

Good On You's independent ratings have helped us overcome hurdles to comply with regulations like the Green Claims Directive, ensuring transparency and trust across our sustainability efforts.



However in the light of upcoming regulatory changes further increasing scrutiny of sustainability claims and with compliance criteria still evolving, in early 2025 Otrium has decided to end its partnership with Good On You. In the meantime, we are exploring new ways to inspire and support our consumers in making more sustainable choices.

Review and improve our material strategy, building on our fur-free commitment in 2025.

While we continue to abide by our fur-free commitment, we decided not to further restrict our material strategy for several reasons. Our core mission is to serve as a platform where brands can redirect unsold items, regardless of material composition. Introducing restrictive material guidelines would conflict with this purpose, as our priority is maximising circularity and extending the life cycle of garments.

By keeping our focus on rerouting products to new owners, we can lead transformative change in line with both our sustainability goals and our role in helping brands manage excess inventory. Obviously, we remain very much committed to the fur-free principles that we've been applying for many years now.

Next steps: 2025 and beyond

- ☐ Use our avoided impact report to inform consumers on the net impact of our business model compared to other channels for excess inventory.
- ☐ Explore new ways to inspire our consumers to make better choices.
- ☐ Raise awareness of low-emission shipping solutions through joint marketing initiatives with DHL GoGreen Plus.

Good governance

We are structuring Otrium's corporate documents to ensure positive social and environmental action is embedded in our decision-making, centring our overarching net-positive goal in all aspects of the business.

Our approach

As a purpose-driven company, we are committed to constant improvement, acknowledging the environmental impact of our activities.

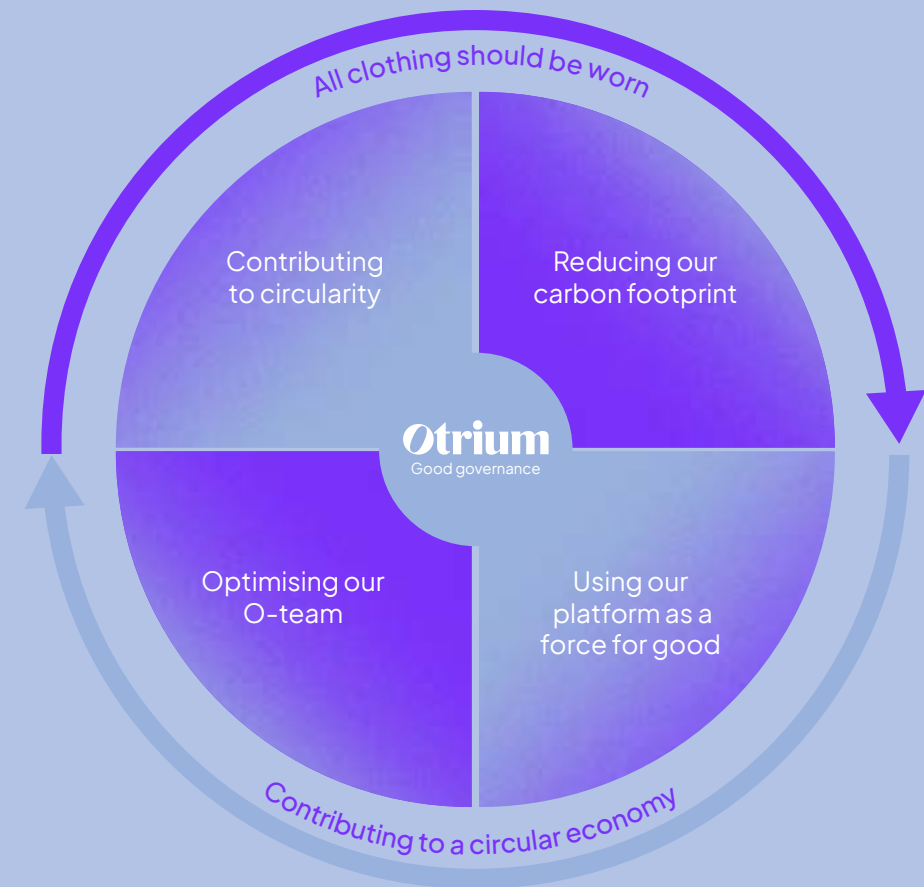
We are striving to refine our operations and share what we've learned along the way. While balancing our core values and commercial needs is challenging at times, we believe these two facets can exist in harmony. As our business expands, our operational impact grows with it, and a considered approach is required to make this impact positive.

B Corp certification

On 8 November 2024, Otrium achieved B Corp certification with a score of 91.6, marking a significant milestone in our journey and validating our efforts to date. It represents a formal commitment to our vision: a future where all clothing produced is worn. B Corp is a globally recognised certification that evaluates for-profit companies on their social and environmental performance, public transparency, legal accountability, and ability to balance profit with purpose.

To earn this certification, we were assessed across five key areas: Governance, Environment, Employees, Customers, and Community. The B Corp points system enables benchmarking across industries, geographies, and company sizes, creating a standardised system for measuring impact. Becoming a B Corp-certified business is not the finish line – it's a commitment to continuous improvement. We will be reassessed every three years to ensure we meet and exceed evolving standards, holding ourselves accountable while driving meaningful change in the fashion industry. Find more on our B Corp profile [here](#).

Tereza Křížová, Paid Media Specialist and member of the Otrium B Corp team: “Being certified as a B Corp is a recognition of the efforts Otrium has been making since its founding to contribute to a better future for fashion. But the journey has also provided valuable insights into areas for improvement, giving us a clear path forward.”



Amendment of the Articles of association

To reinforce our commitment to positive social and environmental action, Otrium amended its Articles of Association in 2024 to ensure that the social, economic, legal and other impacts on stakeholders are considered in decision-making.

Other measures

- **Code of Conduct**—Our commitment to follow ethical principles and act with integrity and a sense of responsibility, including respect for the natural environment, the dignity of every individual, and compliance with laws and regulations.
- **Modern Slavery Statement**—Measures and informs of the implemented measures to prevent forced labour, human trafficking, and child labour across our business operations and supply chain.
- **Whistleblowing Policy**—A process that encourages employees, external partners, and customers to report unethical, illegal, or unsafe activities within our company. It ensures such reports are investigated confidentially and appropriately, fostering a culture of openness and accountability.
- **Stakeholder Policy**—Our commitment to collaboration and engagement with our stakeholders, including our employees

- **Employee Handbook**—Information about company values, policies, and procedures, including:
 1. Equal Opportunity and Diversity Policies
 2. Employees’ Health, Safety, and Wellness
 3. Policies to Support a Flexible Work Model
 4. Growth and Performance Cycles Procedures
 5. Family and Leave Benefits

These policies are reviewed regularly to ensure compliance with current standards and regulations, while helping us anticipate emerging best practices. In 2024, we created a dedicated [ethical governance page](#) where you can find information on most of these policies.

Progress and insights

In our 2023 Impact Report, we outlined our goals for 2024 and beyond. Below, find an overview of these targets and the progress made throughout 2024.



Achieve CSRD compliance by conducting a double materiality assessment, mapping our value chain, and setting up data infrastructure and processes by the end of 2024.

Everything around CSRD evolved in the last year. Otrium does not meet the revised criteria for CSRD compliance. Given that both CSRD and B Corp share their foundations in the GRI framework, we believe that we can continue to make further improvements in line with CSRD in the future.



Create and implement a stakeholder engagement policy to formalise our collaboration with stakeholders.

In March 2024, we finalised and published Otrium’s Stakeholder Policy, which upholds transparent engagement with all parties impacted by our business, from brands and customers to employees and society at large. By integrating stakeholder feedback, we have aligned our strategy with sustainability, fair business, and human rights. This approach strengthens trust, drives collaboration, and supports our mission to create a net-positive impact. You can find Otrium’s Stakeholder Policy [here](#).

Progress and insights



Audit our 3PL partner on its social impact by January 2025 in line with our [Modern Slavery Statement](#).

We are planning to audit our 3PL partner on its social impact, with the timeline now adjusted to the end of 2025 or early 2026, depending also on the internal timelines of our 3PL partner. While we remain committed to conducting this audit in line with our Modern Slavery Statement, progress was delayed due to ongoing changes in our warehouse (e.g. significant shift to automation which took up a lot of the capacity of our 3PL partner’s staff in the warehouse throughout this year). Our goal is to conduct a thorough and effective assessment of our partner’s social impact as soon as reasonably possible.

Next steps: 2025 and beyond

- ☐ Publish an updated Modern Slavery statement for the 2024 financial year in 2025.
- ☐ Implement a policy allowing employees to take one day annually to volunteer with a cause of their choice.
- ☐ Continue using our business as a force for good by strengthening our B Corp impact and deepening our engagement with the B Corp community.

Thank you