



# 2023

Environmental  
Report



# Introduction

Welcome to the environmental report from SO BAG, a leading company in the big bag industry, dedicated to innovation and responsibility in all its operations. At SO BAG, we are deeply committed to sustainable development and environmental responsibility, aware that our activity impacts not only our immediate environment but also the planet as a whole.

This environmental report is a key part of our ongoing commitment to transparency and communication with our stakeholders. It aims to comprehensively present our environmental performance over the past year, highlight progress made and chart a path towards our future goals. We firmly believe that sustainable development is a shared responsibility and a collective opportunity to build a greener and fairer future for all.

The development of this report is based on a rigorous analysis and assessment of our environmental impact, guided by the principles of the Global Reporting Initiative (GRI) and other recognized international frameworks. We have identified the most relevant aspects of our business that require our attention and action, ranging from efficient resource management to reducing our CO2 emissions, recycling and waste management.

This document is designed not only as a showcase of our achievements but also as an essential management tool to guide our decisions and future actions. It demonstrates our determination to go beyond simple regulatory compliance to be a proactive player in protecting the environment and promoting sustainable practices within our sector.

We invite our employees, customers, suppliers and all interested stakeholders to read this report. Together we can make a significant difference for our planet and for future generations. Your support and commitment are crucial as we continue our journey towards a more sustainable future.



# Identification of relevant environmental topics

As part of our ongoing commitment to environmental responsibility, SO BAG conducted an in-depth materiality analysis to identify relevant environmental topics specific to the big bag industry.

The essential environmental factors identified for SO BAG include:

- **Energy consumption:** Understand the extent of our total energy consumption and promote the increased use of renewable energy.
- **Water management:** Measure our total water consumption, increase the proportion of recycled and reused water, and implement sustainable water management practices.
- **Greenhouse gas emissions:** Reduce the total weight of our emissions linked to our operations.
- **Waste management:** Minimize the total weight of hazardous and non-hazardous waste generated, while maximizing the total weight of recovered waste. Implement rigorous measures for product management and end-of-life.



# Identification Methodology

Particular attention has been paid to areas where SO BAG can have the most significant impact, both in terms of risks and opportunities to improve our environmental performance. This has included assessing the direct and indirect impacts of our operations, as well as exploring industry and regulatory trends.

This materiality analysis made it possible to prioritize our efforts and define clear quantitative and qualitative objectives in terms of CSR, aligned with our sustainable development ambitions. The topics identified will guide our future strategies and actions, ensuring that we address the most critical issues for our business and our stakeholders, while contributing positively to the environment.

This environmental report will detail our progress and initiatives in each of these key areas, reaffirming our commitment to operating responsibly and promoting a sustainable future for all.

Following our materiality analysis highlighting the environmental issues most relevant to SO BAG, it is crucial to develop concrete objectives to guide our actions towards a sustainable future. These objectives are aligned with our sustainable development ambitions and meet the expectations of our stakeholders, while contributing positively to the environment.

Here are SO BAG's key objectives in terms of sustainable development:



# KEY ACTIONS



REDUCTION OF  
GREENHOUSE GAS  
EMISSIONS



SUSTAINABLE USE OF  
RESOURCES, CIRCULAR  
ECONOMY AND WASTE  
MANAGEMENT



WATER MANAGEMENT  
AND POLLUTION  
REDUCTION

# 1. Reduction of Greenhouse Gas (GHG) emissions

- **Objective:** Reduce SO BAG's GHG emissions by 50% by 2030 compared to 2020 levels, thus contributing to the overall effort to combat climate change.
- **Reference framework:** This objective aligns with the ambitions of the Paris Agreement and the recommendations of the Science Based Targets initiative (SBTi), demonstrating our commitment to limiting global warming.
- **Measures:** We have installed solar panels, optimized our energy efficiency, used 100% green energy and improved our logistics to reduce our carbon footprint.



## 2. Sustainable use of resources, circular economy and waste management

- **Objective:** Promote the use of 50% recycled or renewable materials in the production of big bags by 2030 for industries where this is possible, while respecting safety and quality standards.
- **Reference framework:** This objective is part of the logic of the circular economy and responds to the UN Sustainable Development Goals (SDGs), underlining our desire to innovate and reduce our environmental impact.
- **Measures:** We work closely with sustainable material suppliers and invest in innovation to develop recyclable and biodegradable materials, such as hemp and linen.



### *3. Water management and pollution reduction*

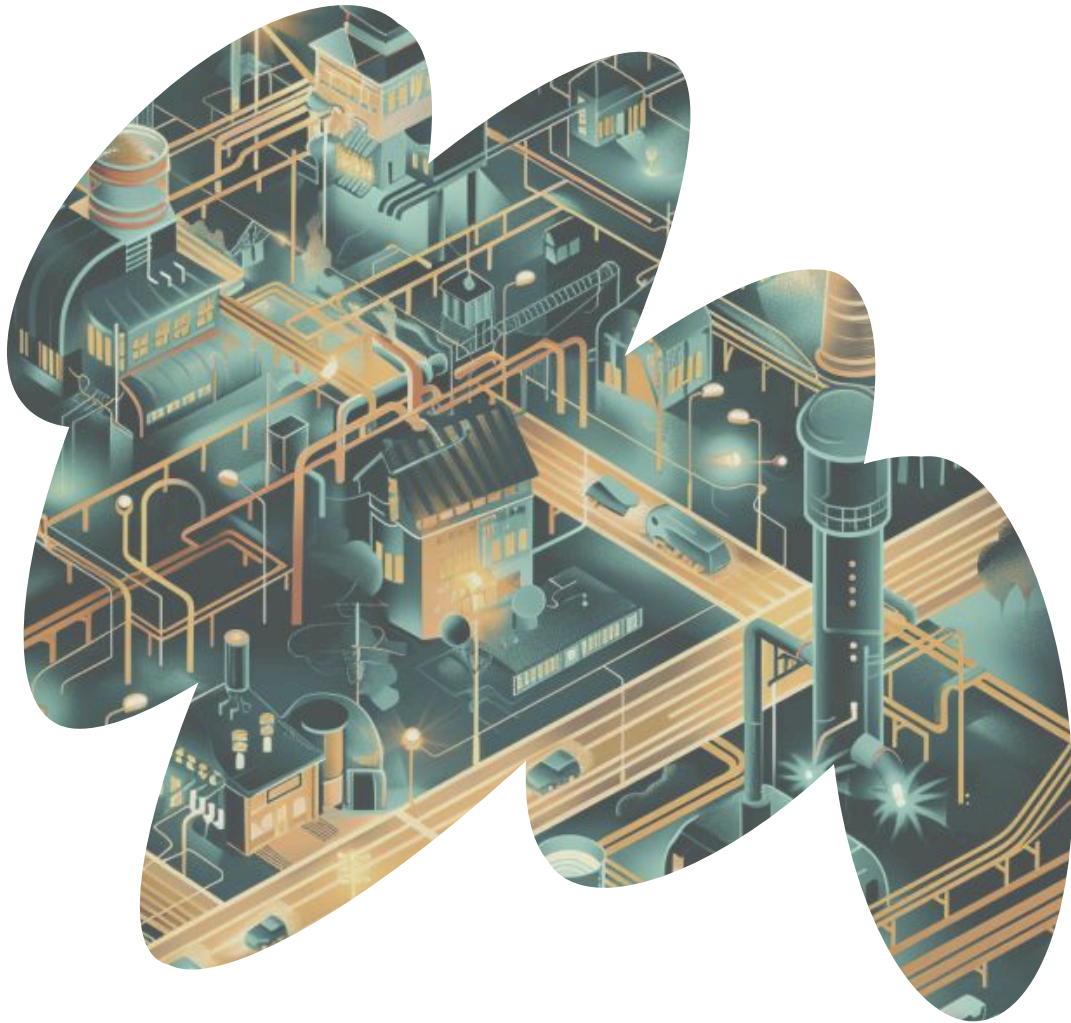
- **Objective:** We are committed to reducing our water consumption by 20% by 2025 compared to 2023, thereby minimizing our impact on local water resources.
- **Reference framework:** This commitment is consistent with ADEME recommendations and international standards for sustainable water management.
- **Actions:** To achieve this goal, we will optimize our industrial processes to save water, promote water reuse within our operations and improve our wastewater treatment systems.







# WHAT WAS ACCOMPLISHED THIS YEAR



## Electricity

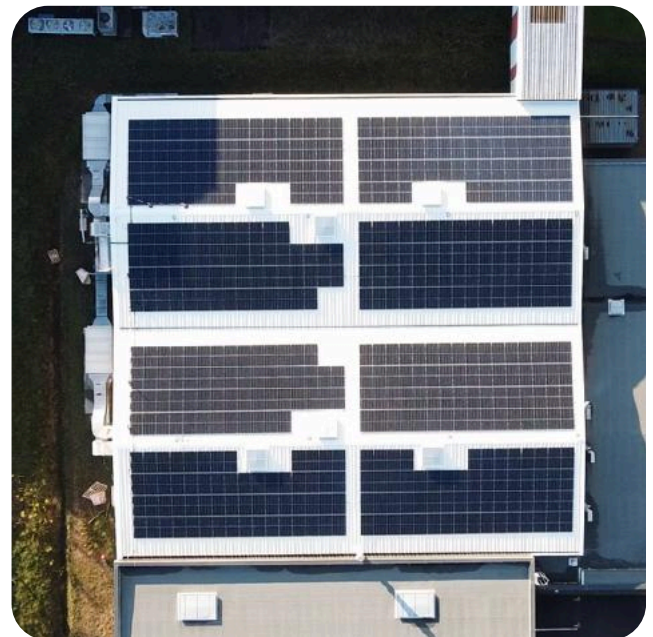
## Electricity

At the heart of our efforts to reduce our environmental impact, managing our electricity consumption has been a top priority in 2023.

Our total annual consumption of 327,554 kWh comes from 100% renewable electrical energy thanks to our partnership with Gazel Energie. This collaboration reflects our ongoing commitment to the energy transition and demonstrates our responsibility towards sustainable production.

The year 2023 was marked by a particularly significant milestone: the installation of 484 photovoltaic panels on our site for a total production of 224Kwp. This initiative, completed in mid-November 2023, promises to cover up to 30% of our annual energy consumption. In just a month and a half, these panels produced 7166.63 kWh, a very promising result for the year to come. This investment in solar energy demonstrates our commitment to reducing our dependence on fossil fuels and minimizing our carbon footprint.

In the coming year, SO BAG will continue to monitor and improve its energy performance. We are committed to continuing our journey towards sustainability, constantly seeking ways to reduce our environmental impact and sharing our progress with all our stakeholders.





# WHAT WAS ACCOMPLISHED THIS YEAR



## Water Management

## *Water Management*

At SO BAG, responsible water management is one of our key priorities, reflecting our ongoing commitment to environmental sustainability. In 2024 we faced a challenge with our rainwater harvesting plant, which required repair work at the start of 2024. We are pleased to confirm that these repairs were successful and that the system is now fully operational.

Our water consumption for the year was 161 m<sup>3</sup>. This notable increase compared to previous years is mainly due to the temporary use of running water to water our permaculture garden, following the exhaustion of our rainwater reserve before the start of summer. This incident highlighted the importance of effective management of our water resources and strengthened our resolve to minimize our dependence on clean water.

For wastewater management, we continue to collaborate with Suez, our trusted partner for the disposal and treatment of dirty water from our printing. Through this collaboration, we ensure safe and regulated disposal of our wastewater, as evidenced by hazardous waste tracking slips. This practice guarantees total transparency and traceability, in accordance with our values of environmental responsibility.

Moving forward, SO BAG will continue to explore innovative and sustainable solutions for optimal water use, supporting our mission to protect the environment.



# WHAT WAS ACCOMPLISHED THIS YEAR



## Waste management

## Waste management

At SO BAG, we adopt a proactive approach to manage our waste in a responsible and sustainable manner. Our data shows consistent and effective waste management since 2014, with constant efforts to increase recycling and material recovery rates. This is illustrated by our partnerships with various entities specializing in recycling and waste reprocessing.

### Valorization of materials:

- Glassine waste is treated to separate the paper from the silicone, allowing their respective reuse.
- Polyester straps are recycled into plastic bottles or new strapping ties.
- IT consumables are sent to recovery channels adapted to their nature.
- Waste from our processes (PP/PE/PES) is also recovered through French regeneration sectors.
- Gloves and oiled cardboard cores are eliminated in partnership with a French CSR sector. (Solid Recovered Fuel)
- The caps and beard covers are stored in our establishment while waiting for a recycling channel to appear.

### Canteen waste:

- All the waste from our refectory is sorted for the “packaging” part, the fermentable ones go into our composter in order to supply fertilizer to our permaculture garden.

### Certifications and traceability:

- We have obtained certifications from our recycling partners, affirming their compliance with regulations and commitments to sustainable practices.
- Waste flows are precisely documented, as evidenced by tracking slips which guarantee full traceability.

### Management of dirty water:

- SO BAG has a solid partnership with Suez RV for the management of contaminated water resulting from our printing processes.
- This water is recycled, thus avoiding contamination of the environment.
- Specific tracking slips are issued for each collection, ensuring transparency and full compliance with environmental regulations.

### Engagements et perspectives:

- SO BAG undertakes not to produce waste hazardous materials and not to emit atmospheric pollutants.
- Our strategy is aligned with reducing waste and strengthening recovery processes.
- The emphasis is on innovation to reduce waste at source and constantly improve our waste treatment and recycling methods.

SO BAG's waste management efforts are a key component of our CSR policy. We continue to seek solutions to minimize our environmental impact and engage in strategic partnerships to ensure sustainable management of our waste. Our goal is to continue on this path and remain a model in our industry for responsible waste management.

## Waste management Partnership with TchaoMegot

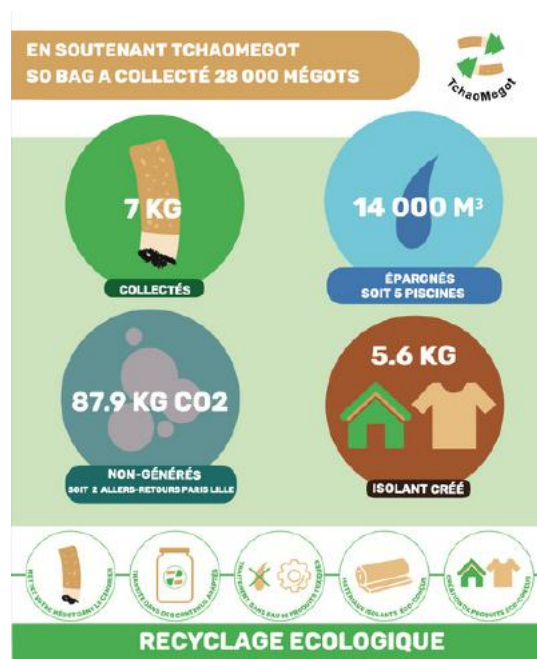
In 2023, SO BAG continued to strengthen its commitment to innovative and responsible waste management through its successful partnership with TchaoMegot. This collaboration aims to recycle cigarette butts collected on our site to transform them into insulation, thus contributing to the significant reduction of our environmental impact.

During the year, thanks to the TchaoMegot initiative, SO BAG managed to collect and recycle 16,560 cigarette butts, thus creating 4.1 kg of insulation. This process saved 8,280 m<sup>3</sup> of water and avoided the emission of 52 kg of CO<sub>2</sub>, which is equivalent to approximately 3.2 trips from Paris to Lille by car.

These results demonstrate the effectiveness of our partnership with TchaoMegot and our contribution to the circular economy.

The recycling system offered by TchaoMegot is an ecological waste management model, requiring neither water nor solvent for depollution. Each recycling kit provided by TchaoMegot can contain around 18,000 cigarette butts, proof of the scale of the positive impact of this initiative on the environment.

This partnership is part of our overall CSR strategy, putting the circular economy at the heart of our actions. By supporting TchaoMegot, SO BAG encourages other companies to join this virtuous approach because our partnership with TchaoMegot is an excellent example of how concrete actions can lead to tangible improvements for the environment and demonstrates our long-term commitment towards sustainability.



# Annex

## Materiality Matrix

This document presents the assessment of the relative importance of CSR themes for SO BAG, demonstrating the company's commitment to sustainable development and social responsibility. It highlights how quantitative CSR indicators were identified and prioritized based on their impact on stakeholders and their strategic relevance for the company.

### Materiality Assessment Process

#### 1. Identification of potential CSR themes:

- Collects data on environmental, social and governance aspects that are likely to influence stakeholder and business decisions.

#### 2. Stakeholder consultation:

- Interviews and surveys with employees, customers, suppliers, local authorities, NGOs and investors to understand their concerns and expectations.
- Analysis of industry trends, regulations and market expectations.

#### 3. Prioritization of themes:

- Internal workshops to assess the impact and relevance of the identified themes.
- Application of criteria such as impact on the business, frequency of concerns expressed by stakeholders, and influence on stakeholder decisions.

#### 4. Validation by management:

- Presentation of preliminary results to Management.
- Adjustment and validation of priority CSR themes.

### Materiality Matrix

For SO BAG, a materiality matrix must be constructed from the assessment of stakeholder concerns and the impact of the company's activities on sustainable development.

### Construction steps, methodology

1. **List of CSR topics:** Develop a comprehensive list of CSR topics based on international standards, stakeholder expectations and industry specificities.
2. **Stakeholder consultation:** Gather information through surveys, interviews or focus groups to understand what stakeholders consider important.
3. **Business Impact Assessment:** Determine how each CSR topic affects SO BAG's operations, reputation and financial performance.
4. **Prioritization:** Prioritize topics based on their importance to stakeholders and their impact on the business.
5. **Validation:** Review the matrix with management and key stakeholders to validate the results.



# Annex

## Materiality Matrix

- **Environmental management:**

- Reduction of greenhouse gas emissions.
- Energy efficiency and use of renewable energies.
- Waste management and promotion of recycling.
- Minimization of water consumption.
- Pollution prevention and protection of biodiversity.
  - High Impact: SO BAG uses significant resources in the manufacturing of big bags and waste management is essential. Emission reduction and waste management are priorities both from a regulatory perspective and customer expectations for sustainable packaging solutions.

- **Social responsibility :**

- Health and security at work.
- Fair labor practices, including pay and hours.
- Training and skills development of employees.
- Diversity and inclusion.
- Community engagement and local development.
  - High Impact: Employees are at the heart of SO BAG's operations. Safety, fair working conditions and skills development are crucial for staff retention, productivity and innovation. Additionally, commitment to the local community strengthens SO BAG's reputation and relationships.

- **Ethics and corporate governance:**

- Fight against corruption and fraud.
- Responsible purchasing practices and supply chain ethics.
- Transparency and CSR reporting.
- Data protection and cybersecurity.
- Respect for human rights and international labor standards.
  - Medium-high impact: For a company like SO BAG, ethics are fundamental to maintaining the trust of customers and suppliers. Transparency is essential for the credibility of CSR commitments and compliance with rigorous international standards.

# *Annex*

## *Materiality Matrix*

- **Product innovation and sustainability:**

- Eco-design and product lifespan.
- Reduction of packaging and use of recycled or biodegradable materials.
- Traceability and product quality.
- Meeting customer expectations in terms of sustainability.
  - **Medium Impact:** Although innovation is important to remain competitive, the big bag industry is also highly regulated. SO BAG must innovate by continuing to improve the sustainability of its products while meeting industry standards.

- **Impact on the value chain:**

- Collaboration with suppliers to improve environmental and social performance.
- Promotion of the circular economy through big bag recovery and recycling initiatives.
  - **Medium impact:** Collaborating with suppliers to improve environmental and social performance is important, but it also depends on the ability of suppliers to commit to these improvements. This is a major issue, but it requires joint efforts and time to implement meaningful changes.