POSITIVE

Together, we build a more sustainable world through trade

OLX Impact Report 2022







WHAT IS THE IMPACT REPORT?

Our planet is under pressure, with a lot of our limited natural resources already being used up. What's worse, it is estimated that more than 91% of what we take from the Earth is wasted!*

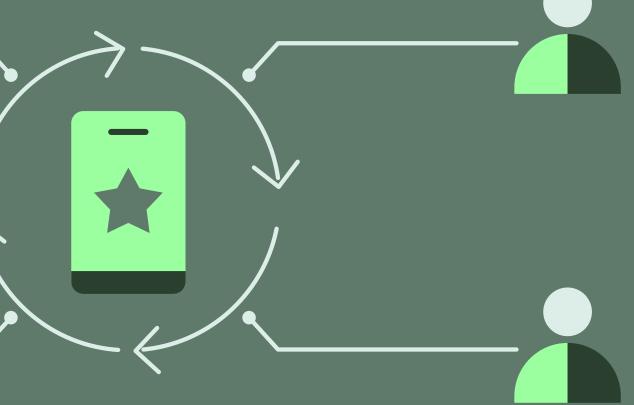
So what can we do about it? Choose secondhand!

Our platforms enable our customers to buy, sell and exchange secondhand products instead of choosing new. This keeps the product in use for longer, instead of being thrown away. It also lowers the demand for new products, which uses less valuable resources.

The more people trade secondhand, the better.

*Only 8.7% of extracted materials make it back into our economy. Circularity Gap Report by *Circle Economy*.





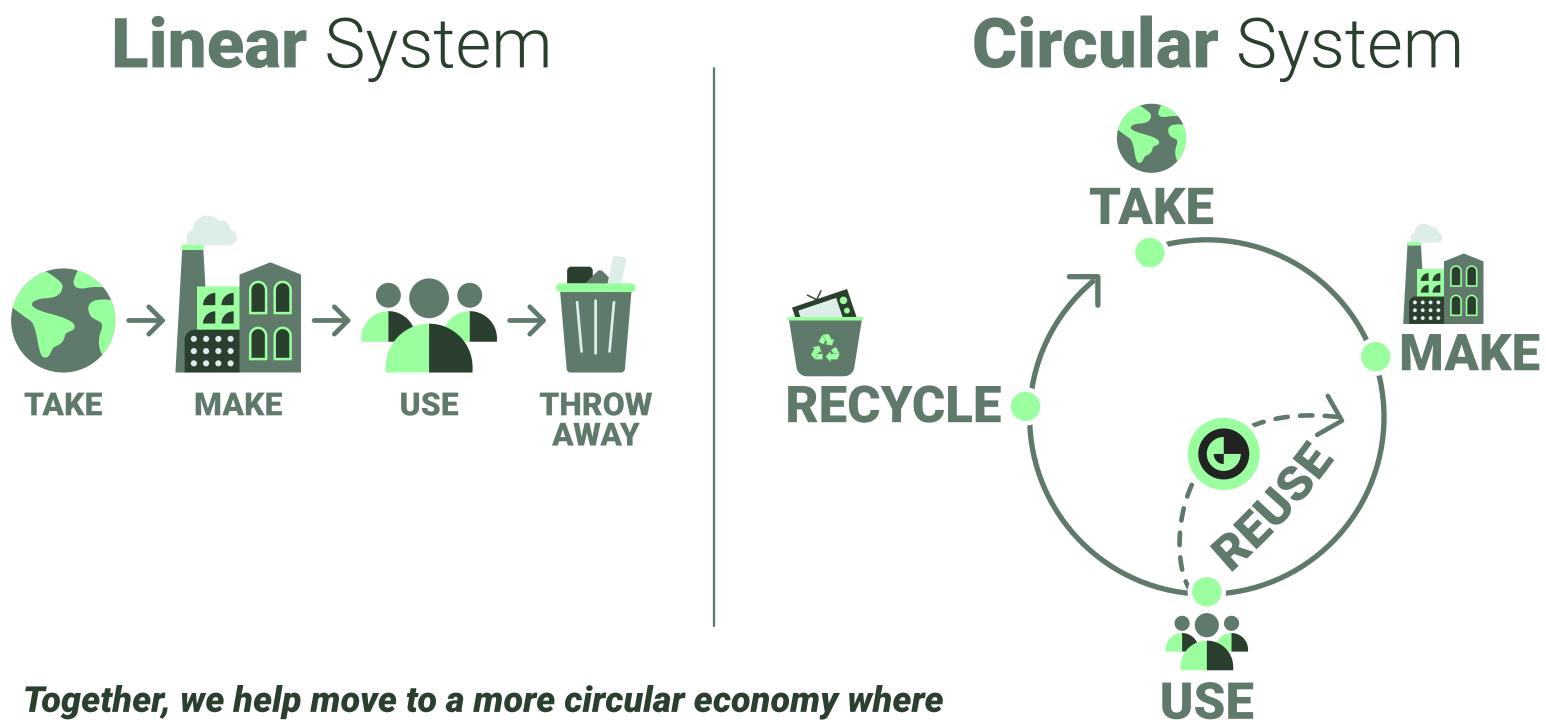






Our platforms help millions of customers buy, sell and exchange second hand goods.

But our users don't just find good deals, they help the environment too!



Together, we help move to a more circular economy where products and materials stay in use instead of being wasted.







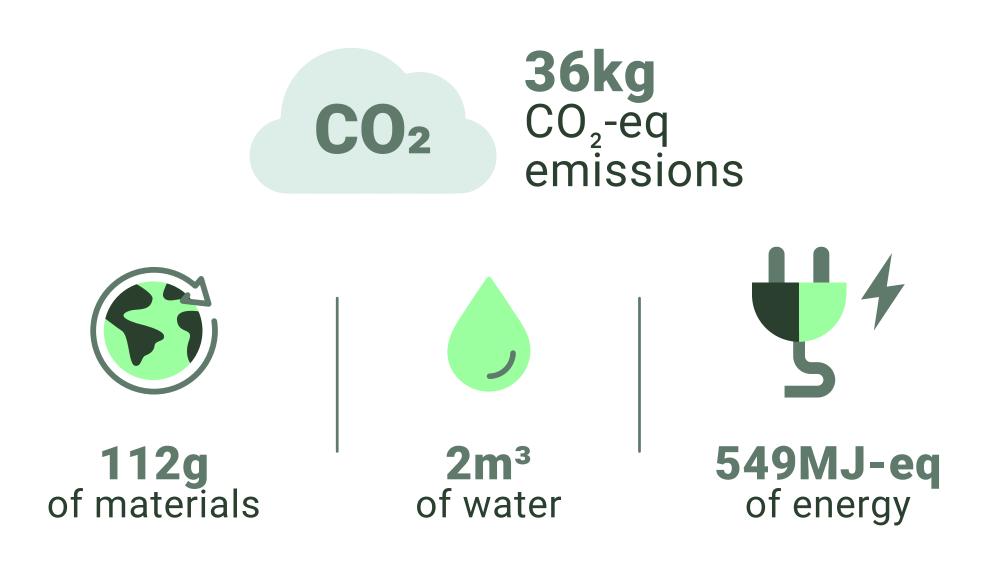




HOW MUCH OF AN IMPACT COULD YOU MAKE?



Just selling **one used smartphone** on our platform can save on average:

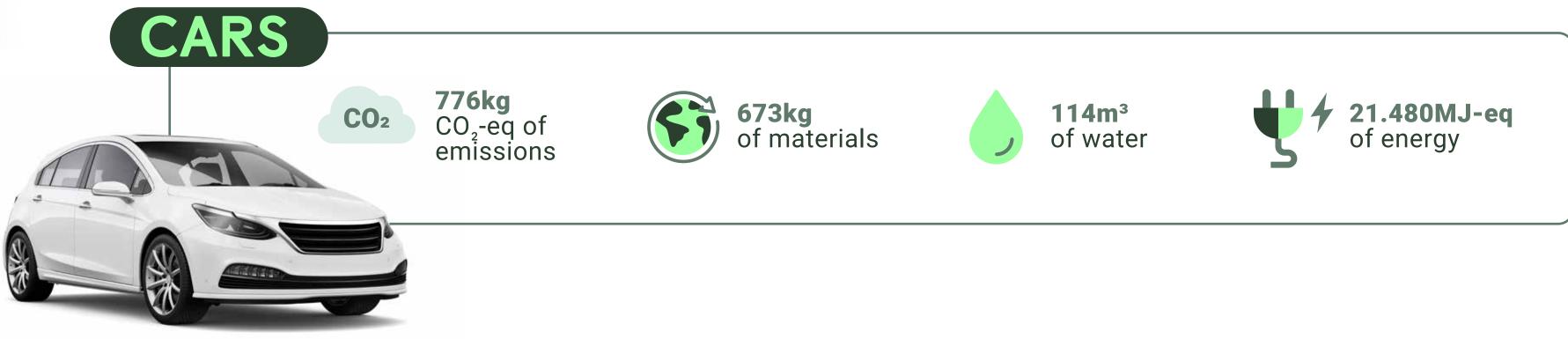






And other products have great savings too!





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In 2022, around **26 million** of these items were sold secondhand on OLX platforms.





Motorcycles

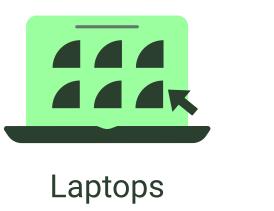


CO₂

Smartphones



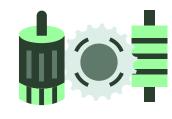
THIS MEANT **OUR CUSTOMERS HELPED SAVE:**



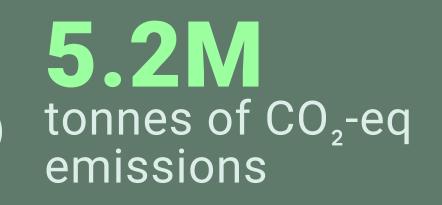




Televisions



Car Parts















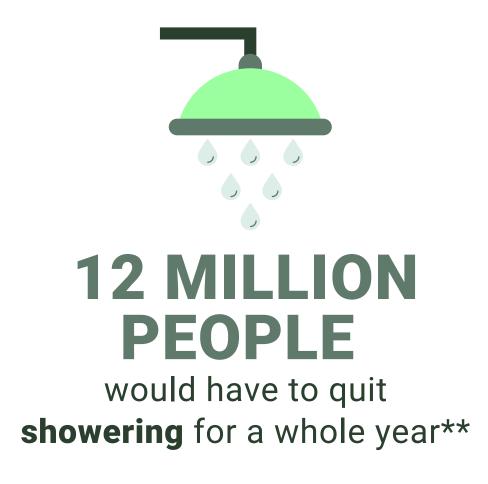
TO ACHIEVE THE SAME SAVINGS...





242 MILLION LED LIGHT BULBS

would need to be switched off for one whole year*



Just by trading secondhand items on our platforms, our users have an incredible positive impact.

**we assume a daily 10-minute shower







TOGETHER, WE BUILD A MORE SUSTAINABLE WORLD THROUGH TRADE.



Our Methodology

How did you make the report?

We developed the method for calculating our positive impact together with our research partner <u>Rebel Group</u>. using data to model the environmental savings made by secondhand trade on our platforms. Every year we improve our methodology to be as accurate as we can about our impact.

How did you calculate the savings?

First we worked out the impact of one new item - like a smartphone. Then, we worked out how many new items have potentially been prevented from being made, because of secondhand sales on our platform extending the lifespan of existing items (more about this below). Then we multiply the two. We do this for each of the products, then add up the total impact. We have 4 'savings' categories - CO2-eq emissions, water, energy, and materials - as this gives us a good overall overview of the environmental impact.



So does one secondhand item sold really prevent a new item from being produced? No, we don't assume one used item fully replaces a new item. Instead, the item's lifespan is extended. For those extra years that the second hand item is used, less production, transport and disposal of new items is needed. We used publicly available data to work this out, including things like transport routes and disposal methods. Per type of product and country, this lifespan extension is different, according to the habits of the people there.









How did you calculate the impact of a new item?

Rebel used life cycle analysis (LCA) modeling - which means that different science-backed sources like Ecoinvent were used to work out the environmental impact of the production, transportation and disposal of new items. The impact was split into 4 categories: emissions, water, energy and material use.

Which products were included in the methodology?

This year we looked at 7 different products, because of their high volume on our platforms and their relevance to today's public dialogue about sustainability. These categories are: smartphones, tablets, televisions, laptops, cars, motorcycles and car parts. Car parts is a new category this year, as it is a fast growing category. To make our calculations as accurate as possible, we look at all the different models and types sold within each product. For example, for phones we looked at different models per brand, for cars we split between diesel and petrol cars and whether it's a hatchback, convertible or sedan, and so on.

Where did your sales data come from?

We needed to be sure we were only including secondhand products in our report, so any listings of new items or from professional sellers were excluded. We used data about our platforms (number of replies) to model which of our listings ended in a sale.

The listings from 18 countries were considered:

For cars: Argentina, Bulgaria, Chile, Colombia, Ecuador, India, Indonesia, Kazakhstan, Mexico, Peru, Poland, Portugal, Romania, South Africa, Turkey, Ukraine, Uzbekistan and the U.S. This includes the consumer brands OLX, OLX Autos, AutoTrader, Autovit, Otomoto, letgo, Standvirtual, and webuyanycar.com.

For car parts: Portugal, Ukraine, Romania and Poland.

For all other categories:

Argentina, Bulgaria, Colombia, India, Indonesia, Kazakhstan, Poland, Portugal, Romania, Turkey, Ukraine and Uzbekistan. This includes the consumer brands OLX and letgo.

Has the report been independently verified?

Yes! The report and methodology has been reviewed by Milieu Centraal, a public information organisation on sustainability in the Netherlands, who considered it to be thorough and transparent. We will continue improving the report next year, based on Milieu Centraal's recommendations.

This is the third year of the impact report - did you make any changes to it this year? We know that cars and motorcycles work differently to our other products - not only in terms of their environmental impact, but how they are bought and sold as well.

The secondhand market for vehicles is already big in many countries. After doing some further research, the data suggested that we should not attribute too much of the savings just to OLX, because it's likely that buyers would have found another secondhand car elsewhere anyway. We also realised that because newer cars generally have lower emissions than second hand ones, we should factor this in when looking at the impact of the secondhand cars bought and sold on our platforms.

Therefore for vehicles, we refined the calculations in our model: first by factoring in the other purchasing options likely to be available, and second by reassessing the use phase of the vehicles themselves.

Every year we also update our category specifications if there are any changes in the publicly available data, such as the weights, materials and environmental impacts.





For more information please visit https://www.olxgroup.com/impact



