## We are committed to create a more beautiful and sustainable future.

Sustainability Report

GANT

GANT SUSTAINABILITY REPORTING 2019
SPECIFICATION ON FRAMEWORKS

GANT Holding AB, org.nr 556747-3581 draws this report
All subsidiaries are included
This is a report for the whole year of 2019
Underwear and Home are included since they are operated by GANT Group companies
We are signatories to the UN Global Compact and our annual sustainability report also serves as our Communication on Progress (COP) for the UN Global Compact
Calculation factors are specified in the sustainability notes

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**vision** core values 2019 highlights ceo message sustainability director message about GANT sustainability vision the 7 sustainability pillars

## What we do:

Create products that are premium, preppy, timeless and designed to have a long life.

## What we promise:

To act on our ethical, environmental and social responsibilities.

## What we believe:

A sustainable approach to designing beautiful products is the future of continued good business.



Bernard Gantmacher created GANT, a pioneering brand in quality, style and innovation.

His philosophy and values have inspired the ones we have today.

## Community We are stronger together.

Community has been at the heart of gant since we were founded in 1949. We embrace each other's differences and thrive as a result.

## Curiosity We will never stop learning.

Curiosity is why we explore, learn, wonder and open ourselves up to the world around us. We understand that questions are more important than answers.

## We create, innovate and invent. Creativity

Creativity is how we grow, whether it's inventing beloved shirt details, creating new traditions or approaching things in a new way. Creativity is what shapes us.

## Courage We explore potential and dare to fail.

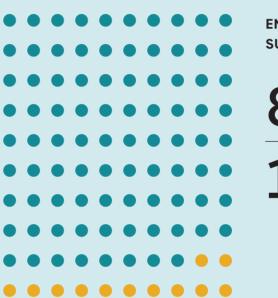
Courage carries us forward and makes us step out of our comfort zone. It is how we improve and challenge conventions and conformity.

## 2019 highlights

**Natural** materials used

New partnerships signed during 2019

**UN Global Compact,** Sustainable Apparel Coalition, Fashion **Industry Charter for** Climate Action, Fashion Pact, Textile Exchange



**ENGAGEMENT SURVEY** 

87

100

**PRODUCTS:** 

Amount of products were made in Tier 1 factories that used the Higg Index Factory Environmental Module.

**FACTORIES IN:** 

Asia, Africa & Turkey assessed by 3rd party

SUSTAINABLY SOURCED COTTON



## A message from our CEO

At GANT, we see sustainability as an opportunity to innovate and move beyond our current operations. This has never been more apparent or more essential — to both our business and to our planet.

In order to see progress and create a positive impact, we need to build a strong team, which is something we are proudly accomplishing. We are driven by the belief that we should never stop learning.

The industry faces significant challenges. We know that change requires collective action and cooperation. That is why I am proud of our commitments to a number of important global plans and alliances. This year we have joined five new partnerships: the United Nations Fashion Industry Charter for Climate Action, the Textile Exchange, the Sustainable Apparel Coalition, the Fashion Pact, and the United Nations Global Compact.

Over the years, GANT has developed many business-critical sustainability initiatives. We created the 7 Rules program to help consumers make more sustainable choices. We also laid the groundwork for how we will continue to evolve our business to meet the demands of conscious customers in the present and future.

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The foundations of our business are built on durability, quality and timeless design. Providing value for our customers has always been GANT's top priority, which is why we're committed to being open and transparent about our sustainability goals and processes.

We have been in business for more than 70 years. And we look forward to the next seven decades. The years ahead present great opportunities for those who take action. Together we will continue to work as a team with our customers and with the industry, to help build a more sustainable future.

# Partnering for bigger positive impact on sustainability.



Patrik Söderström CEO

Jessica Cederberg Wodmar Global Sustainability Director



Creating quality items that can be used and reused is one of the most positive impacts that a fashion brand can make in regards to sustainability. This has been at the core of GANT's business since the beginning, and now we're building upon that foundation, implementing sustainably sourced materials, researching the latest technologies to further reduce our impact and partnering up with leaders in our industry to create massive change. This is a fantastic core to have when being on the sustainability journey and I'm so proud of what GANT has accomplished the last year.

Looking back at 2019 it's been a year of building and strengthening bonds as well as elevating the foundation we have already built. We have joined several partnerships and initiatives as well as set our 7 sustainability pillars with bold targets and commitments

up until 2030. We have also accomplished targets within our sustainable fiber staircase guaranteeing that 79% of our collection is made with sustainably sourced materials and elevated our internal and external sustainability communication. Last but not least, we have prepared for our take on circular economy; the 7 Rules. All these achievements are in line with our long-term vision for the brand and our belief in sustainability as a crucial factor for a successful future.

Growing up, I was surrounded by clothes. My grand-mother was a dressmaker who gave me an appreciation for caring for my garments. It was from her that the first sustainability seeds were planted in my head. I am now proud to be part of a company that has been producing timeless, well-made garments for generations and I'm looking forward to the year ahead when we will launch the 7 Rules and invite our consumers to work together with us to take care of their loved garments.

We're all in this together, learning from each other every day. I hope that what we've accomplished at GANT has created a positive impact on our business in showcasing that sustainability is fun and filled with possibilities.

## This is GANT

THE NUMBER OF GLOBAL MARKETS WHERE WE HAVE PRESENCE

**750** 

**STORES** 

**FACTORY AUDITS COMPLETED IN** 

**COUNTRIES** 

1415 **EMPLOYEES** 

**APPAREL SUPPLIERS** 

It's a belief that has guided us since 1949 when Bernard Gantmacher founded a shirt-making company in the college town of New Haven, Connecticut, on the Fast Coast of the United States.

Our belief in the power of curiosity drives our sustainability initiatives. We constantly seek out new ways to act on our ethical, environmental and social responsibilities. We see great potential in taking on the sustainability challenge. We believe the best way to succeed is to join hands with other frontrunners in our industry and act in accordance with science-based facts.

Using new technology, disrupting current business models, innovating, changing behavior and using best practice throughout our value chain can create business opportunities for the whole industry and benefit the planet.

We have been in business for more than 70 years and look forward to the next 70. We believe the years ahead present great opportunities for those who take action instead of reversing into the future. As our founder Bernard Gantmacher said. "If you don't know where you're coming from, you don't know where you are going"

SUBSIDIARIES AND **JOINT VENTURES** 

SUBSIDIARIES









USA







## **PARTNERS**

Australia & new zealand China

Incl serbia, montenegro, slovenia, bosnia

Herzegovina, macedonia albania, kosovo

Denmark Incl iceland, greenland,

Egypt Finland

Greece

Incl lithania, estonia, latvia

Incl cyprus, malta

Incl bangladesh, Sri lanka, nepal, Maldives

Italy

Morocco

Norway

Romania & bulgaria

Russia Incl kazakhstan, belarus Slovakia

Incl czech republic, Hungary

South africa Incl namibia, botswana, lesotho, mozambique, Swaziland, zimbabwe

> U.A.E Incl bahrain, kuwait, oman, gatar, saudi arabia, iran,

Ukraine

Spain, andorra





GANT 7 SUSTAINABILITY PILLARS	Baseline 2017	Performance 2019
Water stewardship	Started collaborating with Waterkeeper Alliance. • Partnered up with SEAQUAL. • Water Policy already in place.	Partnered up with Sustainable Apparel Coalition and started working with the Higg Index. • 37% of our products were made in Tier 1 factories that used the Factory Environmental Module. • Signed the Fashion Pact.
Combating climate crisis	Published first sustainability report.  • Set 2017 as baseline for climate targets.	Signed the Fashion Industry Charter For Climate Action and committing to a 30% reduction in greenhouse gas emissions by 2030
Fiber staircase	Partnered up with Better Cotton Initiative to promote a more sustainable cotton industry. • Became member of the Chemical Grop, Rise. • Developed the sustainable fiber staircase. • Reached 88% made from natural materials. • 100% paper product packaging Material is Forest Stewardship Council Certified. • Mulesing free wool, certified down and feathers, no fur or angora.	36% of our cotton was sourced from more sustainable sources than conventional. • Became member of Textile Exchange and audited for the standards RDS, OCS, GRS, RCS, RWS and GOTS and sustainability labelling of materials. • Launched the Pure Prep collection. • Continued launch of the Ocean Prep collection.
Circular fashion system	Launched collection from upcycled material. • Continued partnership with end-of-life organization.	Increased share of recycled synthetics.
Transparency in supply chain:	Continued mapping of tier 1 factories.	Continued mapping of supply chain resulting in 118 factories in tier 1 and 52 known factories in tier 2
Promoting never stop learning	Launched the TV show "Couple Thinkers".  • Conducted a new materiality analysis.  • New risk analysis was conducted with the management team.  • Launched new sustainability training.	90% of employees at offices completed sustainability training. • 59% of employees in retail completed sustainability training. • Launched the documentary "Flipping the Ladder" and conducted a flipternship at GANT HQ.
Respectful and secure work environments	Continued membership of Amfori BSCI. Code of conduct already in place. 90% Factories in Asia, Africa & Turkey assessed by 3rd party. • Published Modern Slavery Act Statement.	Became signatories of UN Global Compact. • 100% Factories in Asia, Africa & Turkey assessed by 3rd party.

Planned actions 2020	Target 2025	Target 2030
Continue to support water initiatives.  Introduce new product segments for recycled ocean plastic garments.	Reduce GANT's water use in manufacturing by 50%.	100% of suppliers in Tier 1 and strate- gic partners in Tier 2 in social compli- ance programs by 2025
Set accredited science-based targets in 2020 in order to meet the Paris Agreement.	Implement 50% renewable energy across our own operations no later than 2025, as well as incentivizing implementation of renewables within our supply chain.	Implement 100% renewable energy across our own operations. • Decrease our climate footprint by 30% throughout all operations.
Source more than 50% of our materials sustainably. • Reach 79% sustainability labelled products.	100% of key materials sustainably sourced by converting all key materials from conventional to more sustainable.  • 100% of our cotton will be sustainably sourced by 2022. All conventional cotton will be replaced with more sustainable alternatives such as Better Cotton Initiative, organic cotton, recycled cotton, regenerative cotton and transitional cotton.  • We commit to zero deforestation and to the protection and sustainable management of natural forests by only choosing certified cellulosics by 2023.	Only source cotton through the best available farming practices at hand to support our overall vision.
Give consumers tools to prolong the life of their garments with the 7 Rules initiative and introduce new circular business models.	Circularity will have been implemented as a key parameter within design, usage and end-of-life. • At least 50% of all plastic packaging we use in B2C is 100% recycled content.	Eliminating single-use plastic in B2C packaging by 2025 and in B2B packaging.
Continue to map strategic partners in Tier 2.	100% transparency on all suppliers in Tier 1 and strategic partners in Tier 2 by 2023. • 100% traceability on key raw materials.	Reach transparency down to raw materials
100% of GANT employees to receive sustainability training.	Update materiality and risk analysis.	Continuously incorporate Never Stop Learning within the Sustainability Roadmap and the Seven Sustainability Strategies to to meet a rapidly chang- ing industry
100% of factories in risk countries are audited by a third party.	100% of suppliers in Tier 1 and strate- gic partners in Tier 2 in social compli- ance programs by 2025	Ensure that suppliers down to farmers in the GANT supply chain are 100% part of social compliance programs

## Sustainability at GANT

"We are working with sustainability very methodically with the 7 different strategies that we are focusing on in order to see what to change and improve to get the best impact. GANT sees this as a business opportunity and also as a foundation to be a profitable business.

This isn't a competition on which brand is the most sustainable, because in all honesty, nothing is fully sustainable. We all need to work harder and broaden our sustainable scope to meet the challenges that we all face."

Jessica Cederberg Wodmar Global Sustainability Director





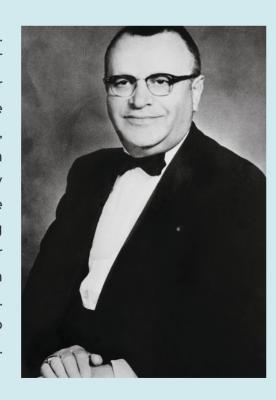
GANT is committed to create a more beautiful and sustainable future. We are dedicated to work with our seven focus areas, while also continuing to focus on our water usage impact, which is something very urgent within the fashion industry. We will continue to evolve and improve our sustainability methods over time as new technology and research emerges, and go beyond our current scope while always raising the bar and continue to improve ourselves within this area, in the spirit of Never Stop Learning.

We will present the seven focus areas in detail in this report and we will follow the GANT icon through each of these, as we are dedicated to create timeless design classics made of quality materials to ensure the durability over the years.

## 2019 | GANT Sustainability report

## Seven strategic goals

A GANT shirt has become a style icon. Ever since Bernard Gantmacher launched GANT as a shirtmakers in 1949, the shirt has been our hero and an icon. Bernard's son, Elliot, held the patent for his invention of the button-tab collar, which won an award from Esquire magazine. In the spirit of Never Stop Learning, we continually believe that improvements can be made. We honor our heritage of shirtmaking by ensuring we design and produce shirts and garments for longevity, which means a GANT oxford shirt can last for 20 years or longer with the right care. To us, that is one of the key element in order to decrease our climate footprint.



In 2019, we reviewed our sustainability roadmap and realigned our GANT strategies, setting 2030 as a target year.

## The road ahead rests on seven pillars:

- 1. Water stewardship
- Sustainable fiber staircase
- 3. Combating climate crisis
- 4. Circular fashion system
- 5. Respectful and safe work requirements
- 6. Promoting never stop learning
- 7. Transparent supply chain

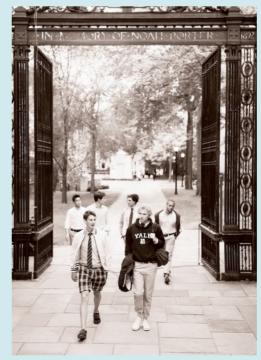


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"If you don't know where you're coming from, you don't know where you're going."







# The worth of water

WATER STEWARDSHIP

It is estimated that by 2030 demand for clean water will exceed supply by 40%. As an industry we have a responsibility to tackle global water issues. Clean water is a basic human right, as well as an important environmental issue. We acknowledge that we are part of a water-intensive industry and we are committed to pushing hard for action and progress – in our own operations and in our supply chain.



## The worth of water

We continuously calculate our water footprint in line with the GANT Water Policy and strive to reduce it within our supply chain by partnering with leading suppliers and promoting closed-loop systems to reduce water usage. We have set targets to reduce the water usage within production and promote industry-leading technology to mitigate the impact.

To build capacity within our supply chain, we are working with partners including the Sustainable Apparel Coalition, where we have the possibility to track our water footprint using the Higg Index Tools. We use the Higg Index Factory Environmental Module to collect supplier water use data. In the module we can also benchmark our supply chain towards the average factory and share best practice.

All suppliers who produce GANT clothes are obliged to be in compliance with the GANT Water Policy, as well as laws and regulations.

This is especially important since it reduces the use and release of hazardous chemicals in processing, both to improve the health of workers and mitigate any damage done to the surrounding environment.

As always, what is needed is scalability, impact and action based on facts and science. We also support multi-stakeholder programs and have committed to all their ocean targets as for example commiting to ensuring that at least 50% of all plastic packaging we use in B2C and B2B packaging is 100% recycled content by 2025 and 2030 respectively.

By 2030 GANT will be a brand known for leading the fight to protect and safeguard water for current and future generations.

When it comes to water stewardship, our industry should lead from the front and continue to advocate for collective action and policy changes.



vision core values 2019 highlights ceo message sustainability director message about GANT sustainability vision the 7 sustainability pillars

## WATERKEEPER ALLIANCE

In 2017 we partnered with Waterkeeper Alliance, the largest and fastest-growing non-profit organization focusing solely on clean water which protects more than 2.5 million square miles of waterways around the world. GANT supports their mission through an annual charity contribution.







## WE HAVE SET TARGETS TO HELP US MEET OUR WATER GOALS:

## In 2020

GANT will continue to support water initiatives such as Waterkeeper Alliance to safeguard drinkable, fishable, and swimmable water for current and future generations.

## By 2025

GANT will reduce its water use in manufacturing by 50%.

## By 2030

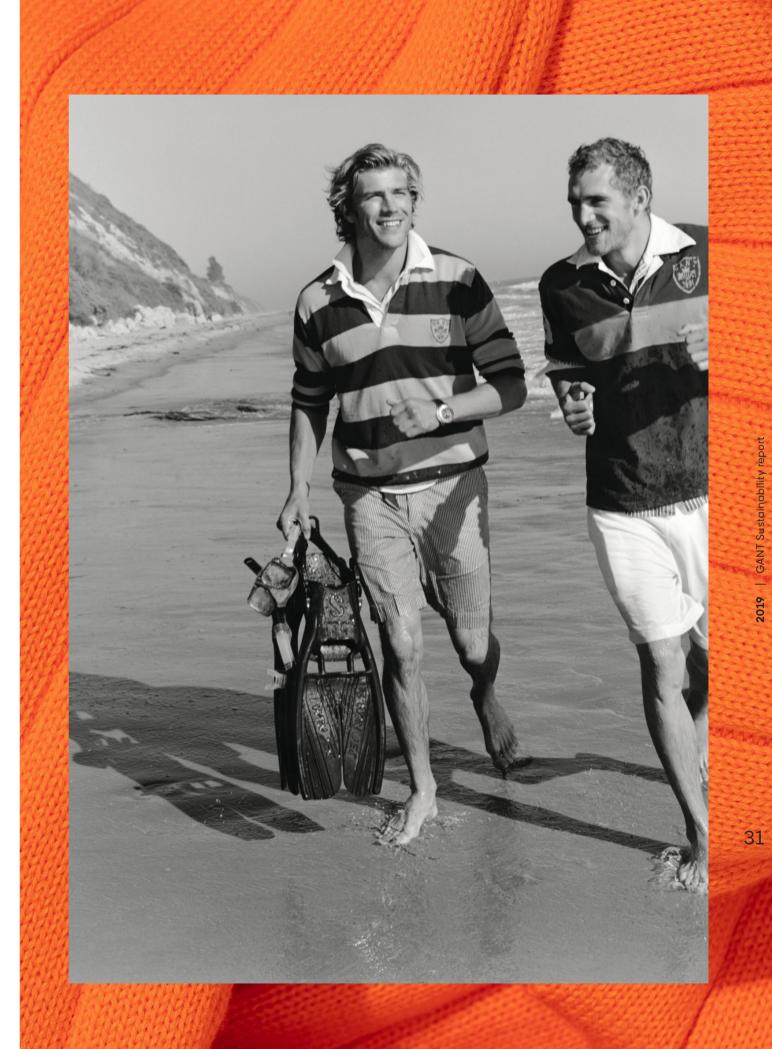
GANT will only use as much water as can be naturally replenished in all our operations.

## Key areas and actions to ensure we meet our targets:

- Incentivize water footprint reduction within our value chain.
- Invest in water innovations.
- Form global partnerships to drive action and ong-term impact.
- Continue the implementation of a sustainable fiber staircase focusing on our water footprint.
- Work with local water activations.

"You can sit on the sidelines and just read the papers and feel sad and helpless or you can wake up every day and feel lucky that you get to be in the fight to save the planet.

Thanks to our partnership with GANT, we will take our work defending marine environments from plastic to the next level."



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Marc Yaggi

Executive Director of Waterkeeper Alliance

## THE PROBLEM WE FACE:

## 165 million tons of plastic floating in the seas.





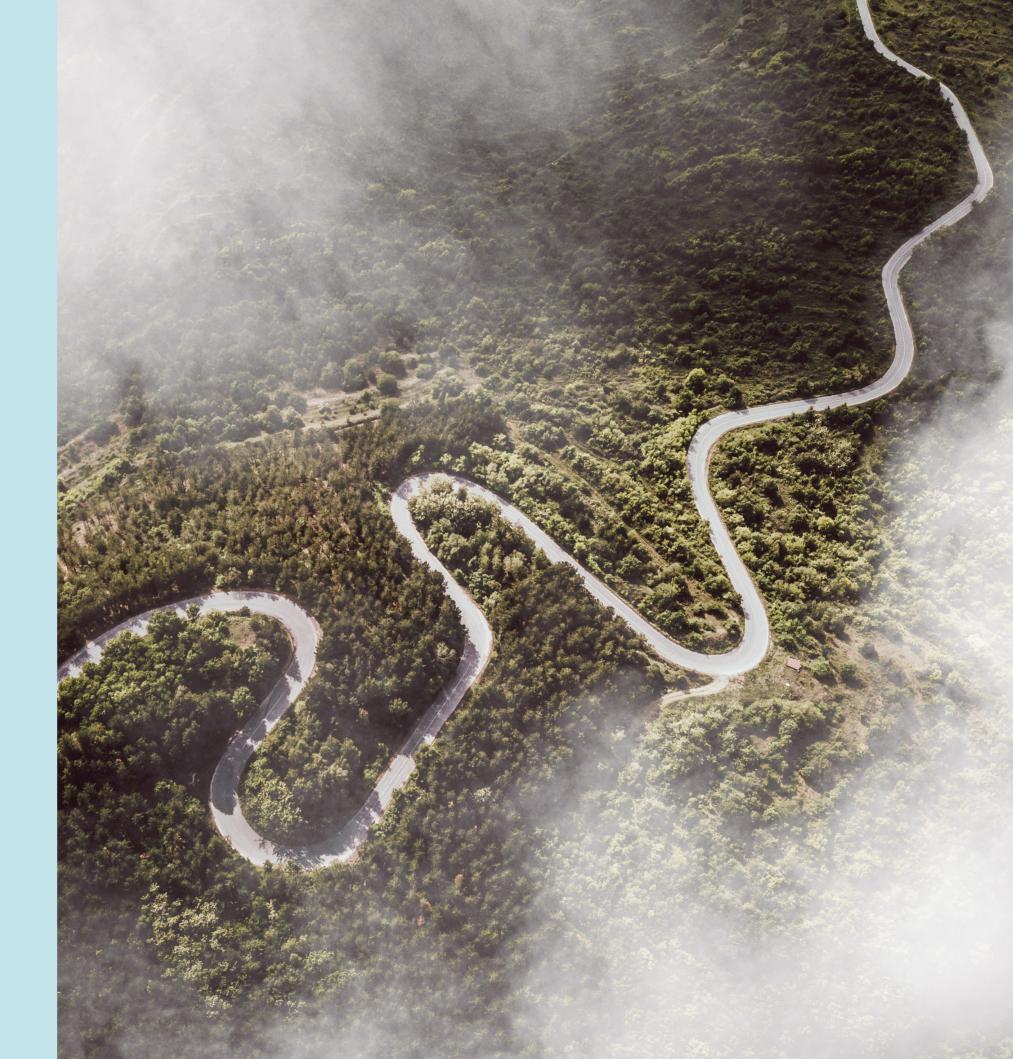
## THINK LOCAL!

It's important to us to also take care of water in a local context. In 2019. all the staff at GANT's head offices in Stockholm and London joined in with cleaning projects in collaboration with local clean-up organizations. In Stockholm, employees from the company's headquarters were led by young people from Städa Sverige and picked waste from an area neighboring the office which is close to the quayside. More than 130 big bags of garbage was collected and this prevented from polluting the land and sea. It was sorted and left for recycling. Meanwhile the London office joined Waterkeeper Alliance UK in helping to clean the River Thames. We will continue to work with local water initiatives in 2020.

## Building a better tomorrow

COMBATING THE CLIMATE CRISIS

Climate change poses a challenge to all industries, including fashion. We take our responsibility seriously.



## stainability report

## Combating the climate crisis

We have set ambitious targets for ourselves. If we are to reach them by 2030 we need to disrupt the current ways of working. We will continue to change how our products are produced and worn.

That's why we are exploring new and innovative solutions to increase the pace of implementation and reach our long-term target of aligning with the Paris Agreement. We are exploring new business models to prolong the life of garments and create circular loops.

About 70% of the climate impact of a garment's life cycle comes from the production phase. Everything from growing raw materials to dyeing and sewing fabric requires large amounts of energy and other resources. To mitigate this we will continue to make conscious choices within all phases – choosing low impact raw materials, increasing energy efficiency and incentivizing a shift to renewable energy sources such as solar and wind power.

We already have a sustainable fiber staircase in place and we are implementing the Higg Index Factory Environmental Module to measure the environmental impact of the factories we work with.

## TAKING ACTION TOGETHER

Creating massive change requires collective action. That is why, in 2019, GANT joined other industry leaders in signing the United Nations' Fashion Industry Charter for Climate Action and the Fashion Pact.

The Fashion Industry Charter for Climate Action brings fashion stakeholders together to develop a unified position on tackling climate change, including the vision of achieving net-zero emissions by 2050. By signing this charter, GANT is committing to a 30% reduction in greenhouse gas emissions by 2030 and to participating in working groups convened by the United Nations to develop roadmaps for the commitments in the charter.

The Fashion Pact was established during the 2019 G7 Summit at the urging of French president Emmanuel Macron. Signatories commit to joining forces with other leading fashion companies to take action within three main areas: climate, biodiversity, and oceans. To date, 56 stakeholders and leaders within the fashion industry have signed the Fashion Pact, representing around 250 brands. GANT is proud to be among them.



We continuously work to reduce our environmental footprint. We set targets and measure changes for our own operations and throughout our value chain.





In 2017 we set a baseline in order to be able to measure that we are on the right track.

## **OUR CLIMATE TARGETS ARE:**

## In 2020

Set accredited science-based targets in order to meet the Paris Agreement.

## No later than 2025

Implement 50% renewable energy across our own operations, as well as incentivizing implementation of renewables within our supply chain.

## By 2030

Implement 100% renewable energy across our own operations.

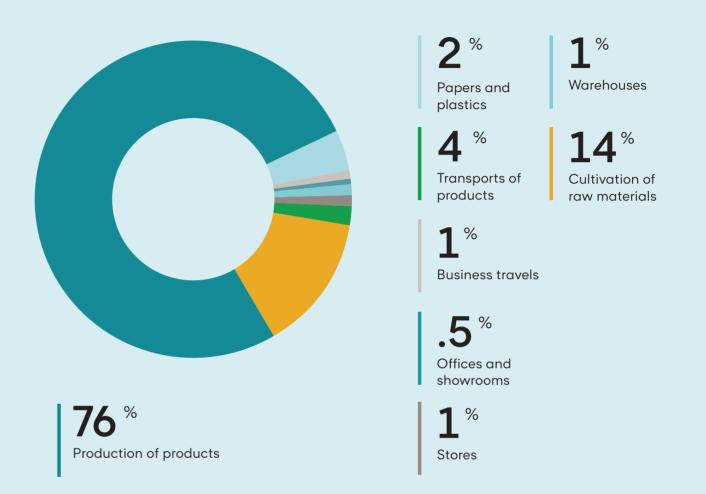
## **By 2030**

Decrease our climate footprint by 30% throughout all operations.

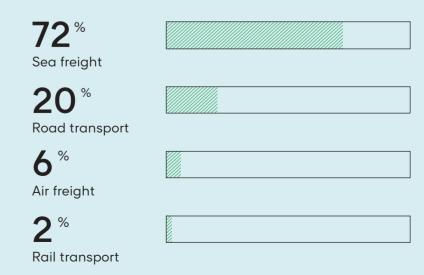
## Key areas and actions to ensure we meet our targets:

- Implement renewable energy across our own operations.
- Incentivize climate footprint reduction within our value chain.
- Join global partnerships to drive action and long-term impact.
- Consider climate footprint when choosing materials.

## **CLIMATE IMPACT OF:**



FREIGHT TRANSPORATION



43







## SUSTAINABLE APPAREL COALITION & THE HIGG INDEX

In 2019, GANT joined the Sustainable Apparel Coalition.

The Sustainable Apparel Coalition is the leading alliance for sustainable production of apparel, footwear and textiles. It has a vision of an industry that produces no unnecessary environmental harm and has a positive impact on the people and communities with which it works.

The Higg Index is a suite of tools that enables brands, retailers, and facilities of all sizes to accurately measure and score the sustainability performance of a company or product at every stage of their sustainability journey. The index delivers a holistic overview that empowers businesses to make meaningful improvements to protect the well-being of factory workers, local communities, and the environment. In 2019, 37% of GANT products were made in Tier 1 facilities that use the Higg Index Factory Environmental Module which measures the environmental impact of a factory within areas such as environmental management systems, energy use and water use.

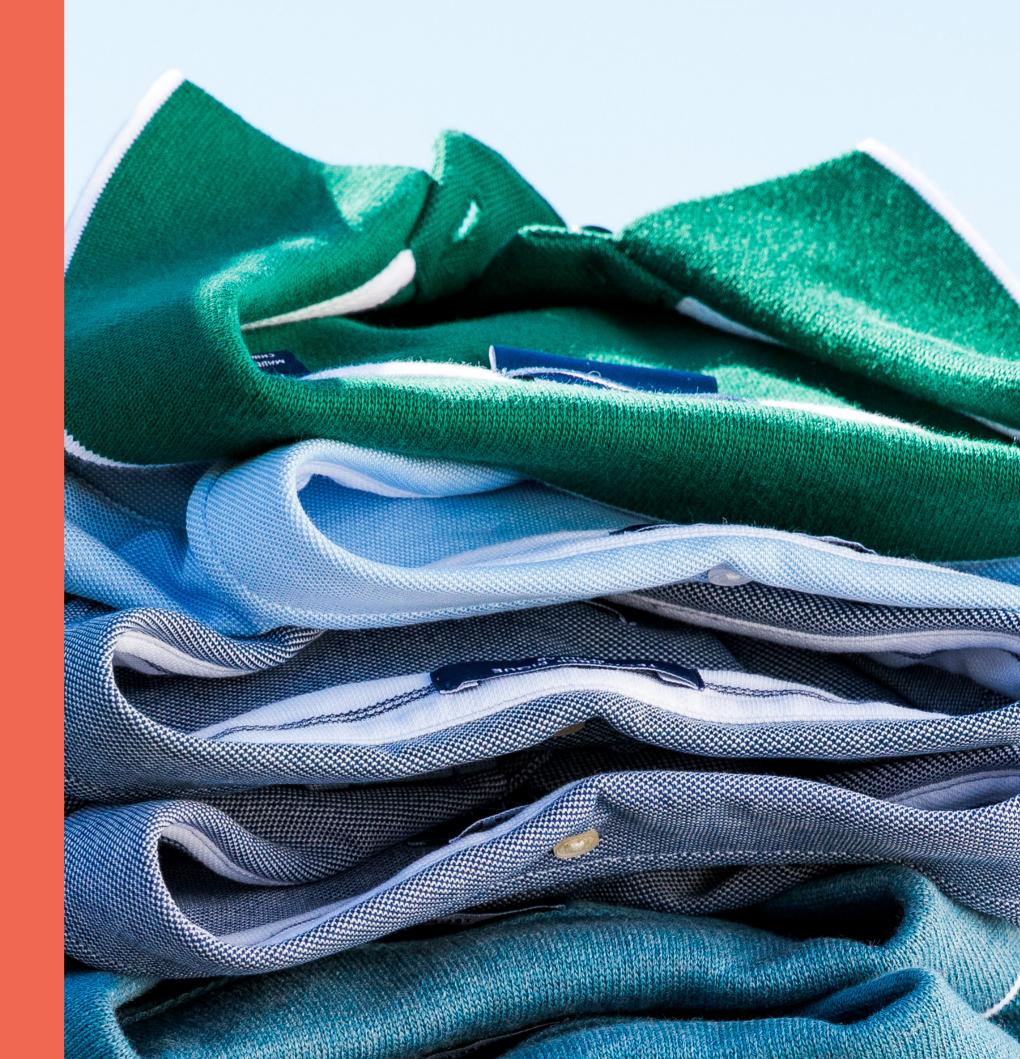
Making a shirt has an impact on the climate. That's why we've set a target of reducing our climate impact by 30% by 2030. We will do this by implementing renewable energy across our operations and incentivizing climate footprint reduction in the value chain.

We will also continue to be part of global partnerships to drive change, as well as considering our climate footprint when choosing materials.

## Building the staircase

SUSTAINABLE FIBER STAIRCASE

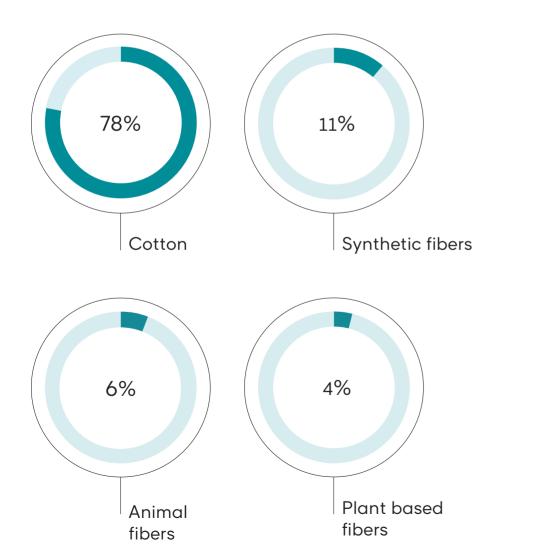
How we choose materials has an impact on water, energy, climate, biodiversity, land use, air emissions and waste. That's why we work with a sustainable fiber staircase that takes both impact and scalability into consideration.



## Building the staircase

## **MATERIALS:**

46



## **COTTON - HOW IT'S SOURCED**

31

Cotton sourced through BCI of total cotton

5

. . . .

89 %

origin

From natural

Organic cotton sourced



At GANT we make a conscious choice to work with natural materials that are both renewable and biodegradable. However we have many challenges to overcome when it comes to the cultivation and processing of natural materials, as well as the lack of large-scale circularity technology.

High quality, durability and authenticity are key elements of GANT products. We have strategic programs in place to mitigate resource scarcity and to take care of the existing resources as it is crucial to ensure the future availability. We also seek out new and innovative raw materials, as well as sustainable ways of farming important crops such as cotton.

Our sustainable fiber staircase is based on science and life-cycle assessment data. We work with both the Higg Material Sustainable Index and the Textile Exchange Material Change Index.

We participate in global partnerships to drive action and long-term impact. We work with sustainable scalability and premium quality. We believe in designing for longevity, circularity and durability to prolong the lifetime of the materials used in our garments.

We are ready to take the next steps in 2020.

## JOINING THE TEXTILE EXCHANGE

In February 2019 GANT became a member of the Textile Exchange, a non-profit organization working to inspire and equip people to accelerate sustainable practices in the textile value chain. Textile Exchange standards work to support the integrity of product claims by providing verification from independent third-parties. In 2019, GANT was audited for the following Textile Exchange's standards: Organic Content Standard (OCS); Responsible Down Standard (RDS); Recycled Content Standard (RCS); Recycled Claim Standard (RCS); Responsible Wool Standard (RWS) and Global Organic Textile Standard (GOTS). We passed the audit and are therefore now certified for all standards above.

## **PURE PREP**

Pure Prep is the result of an environmentally conscious evolution in GANT's pursuit for everyday performance. Pure Prep uses innovative plant and bio-based fibers and finishes to deliver enhanced natural performance. It is reflective of a slower, connected approach, softer values and modern everyday luxury built from sustainable high quality materials.

Pure Prep is part of our commitment to innovate, learn and move forward in creating a more beautiful, interesting and sustainable planet.





vision core values 2019 highlights ceo message sustainability director message about GANT sustainability vision **the 7 sustainability pillars** 

## **OUR SUSTAINABLE FIBER STAIRCASE TARGETS:**

## In 2020

We will source more than 50% of our materials from better alternatives to conventional sources.

## By 2022

100% of our cotton will be sustainably sourced. All conventional cotton will be replaced with more sustainable alternatives such as Better Cotton Initiative, organic cotton, recycled cotton, regenerative cotton and transitional cotton.

## By 2023

We commit to zero deforestation and to the protection and sustainable management of natural forests by only choosing certified cellulosics.

## By 2025

100% of key materials sustainably sourced by converting all key materials from conventional to more sustainable.

## By 2030

We will only source cotton through the best available farming practices at hand to support our overall vision.

## Key areas and actions to ensure we meet our targets:

- Act on science-based facts and choose low-impact materials.
- Always prioritize scalability.
- Design for longevity and durability to prolong the lifespan of garments.
- Design for circularity.
- Participate in global partnerships to drive action and long-term impact.
- Mitigate scarcity of resources by driving innovation.

# In 2019, GANT sourced more than 30% of our cotton from BCI.



Our hero product, the shirt, is made from 100% cotton to give it the best possible feel, durability and longevity.

To ensure we produce responsible products, we commit to not only have our classic shirts, but all of our cotton garments, made with sustainably sourced cotton by 2022.

## A MATERIAL WORLD

At GANT we always start with timeless design, natural materials and a dedication for high quality. That is the core of our business and we design pieces that are meant to last for years. At GANT 89% of our material is made from natural fibers. To ensure that these natural resources can be used in the future we have several strategic programs in place to mitigate scarce resources and take care of the resources that we already have on the planet.

## SUSTAINABLY SOURCED COTTON

Cotton is one of the most important materials we use at GANT. To support change and shape a more sustainable future, GANT is a proud member of the Better Cotton Initiative (BCI). BCI-licensed farmers are educated to implement more environmentally, socially and economically sustainable production practices. This means using water more efficiently, minimizing the use of chemicals and the negative effects of pesticides, and improving livelihoods and economic development for cotton growers.

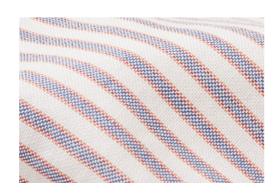
## **ORGANIC COTTON**

Supporting organic cotton farming is a conscious step towards building a responsible, sustainable business.

Organic cotton is produced and certified according to organic agricultural standards. Its production uses natural processes as opposed to artificial inputs including toxic chemicals. Organic cotton is not only more natural, it's a more sustainable choice. Conventional cotton uses more water than organic cotton, as organic cotton is 80% rainfed, which reduces pressure on local water sources. Given that two-thirds of the world's population may face fresh water shortages by 2025, it's more important than ever to invest in cotton that is produced more sustainably, providing more safeguards for local farmers and their families.

## SYNTHETIC FIBERS

We use synthetic fibers for the performance and durability of the garment, for example in our outerwear. In 2019 we used 11 synthetic fibers and instead of phasing out synthetic fibers the focus at GANT is to use them strategically. We also focus on moving over to recycled polyester and have already taken large steps, in 2020 all the filling in outerwear is made with recycled fibers. We work with the industry and especially the organization RISE to find a solution to this challenge and will continue to keep the synthetic materials to a minimum to mitigate the problem.





## **ANIMAL FIBERS**

Using animal fibers is a consicious choice in order to enhance the feeling and longevity of the garments....

Raw materials originating from animals can only be a by-product of meat production. Wool must be sourced from producers with good animal husbandry; no mulesing is allowed. All wool in 2019 was mulesing free. Down and feathers must not come from farms practicing live-plucking or forced feeding. We are proud to be certified by the Responsible Down Standard. All down in 2019 was certified. No fur, endangered species, caged animals, rabbit hair, or angora is allowed at GANT.

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## **POLICIES**

Our Animal Welfare Policy encourages, promotes and secures good husbandry practices and respectful treatment of animals. Breeders and all parties handling animals should adhere to the Five Freedoms defined by EU Farm Animal Welfare Council/World Organization for Animal Health (OIE).

## **PACKAGING**

We continuously strive to minimize the negative environmental impact of our packaging. We only use FSC certified paper bags and have phase out all plastic bags in our stores. Our packaging policy emphasizes the use of renewable and sustainable sourced materials. All paper product packaging is Forest Stewardship Council certified.

## CHEMICALS

To manage chemicals, GANT has a restricted substance list compliant with and stricter than both REACH and OEKO-TEX Standard. GANT allows no PVC, biocides or silver ions in products and continuously works to reduce the environmental impact of our products.

# Closing the circle

CIRCULAR FASHION SYSTEM

We need to continue to push boundaries, challenge the status quo and work with disruptive business models to achieve circularity within our industry. It is vital to the survival of creativity and fashion. We will launch our take on the circular economy in 2020.



vision core values 2019 highlights ceo message sustainability director message about GANT sustainability vision **the 7 sustainability pillars** 

## Circular Fashion System

To keep our industry compatible with what is good for the planet we need to shift away from the current linear model ("make-sell-dispose") and adopt a circular model in which the clothes do not end up as waste in landfills. Instead, resources should remain in use for as long as possible before being regenerated into new products and materials. To do this we need a circular mindset throughout the value chain. Resources should be used for as long as possible before they are made into something else. We believe in using renewable materials of the highest quality for garments that can be enjoyed for a long time – and then be passed on. We continuously assess the amount of monofibers in our clothes to increase recyclability.

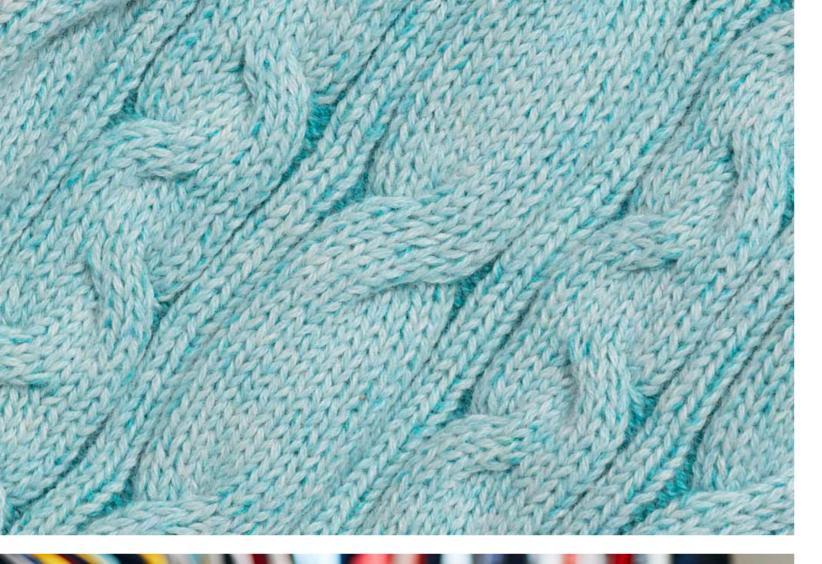
We also need to implement circular solutions into all phases of the value chain to maximize resources and minimize waste. One example is our products made from leftover fabric. Another is the recycled wool that we use in tailoring as well as recycled synthetics that we use in our outerwear.



Reusing garments is key to reducing their environmental impact. Giving clothes a longer life – or even a second life – can boost any closet and benefit the planet. That's why GANT, from its earliest days, has created high-quality classics that last a long time. Having a big archive of shirts dated back to 1949 to now, we know that vintage shirts can be as good as new, and we believe that closing the circle means reusing what we already have as well.

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## **CHALLENGING THE STATUS QUO**

We acknowledge the necessity – and see the opportunities – of working towards the UN Sustainable Development Goal 12, Responsible Consumption and Production. Striving toward a shared global goal, where everyone can and will take responsibility, spurs our curiosity and our commitment to never stop learning. This is something we apply in our everyday business but we also see that it is vital to disrupt business models and try out new things. That is why we during 2020 will introduce GANT 7 Rules.



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## **OUR CIRCULAR FASHION COMMITMENTS:**

## In 2020

We're giving consumers tools to prolong the life of their garments with our 7 Rules initiative and introducing new circular business models.

## By 2022

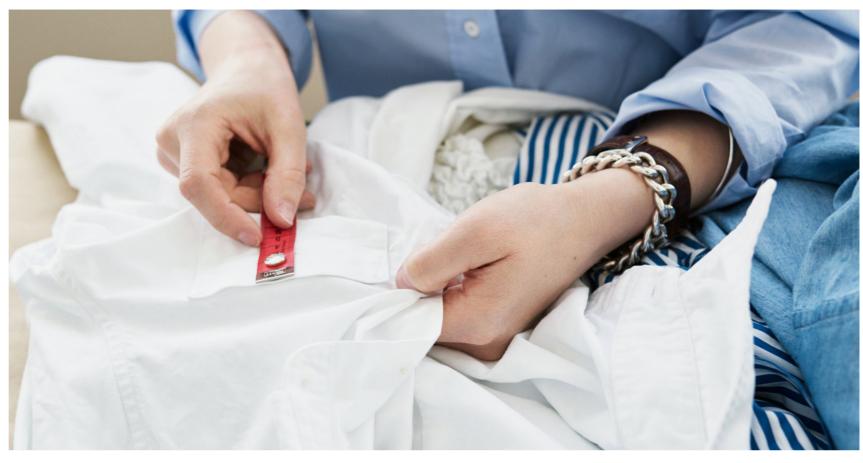
We will have educated all our designers on how to design for recyclability.

## By 2025

Circularity will have been implemented as a key parameter within design, usage and end-of-life.

## Key areas and actions to ensure we meet our targets:

- Designing for circularity.
- Choosing recycled and upcycled materials as well as re-make programs.
- Creating prerequisites for the product to have as long a life as possible.
- Educating and engaging consumers in using GANT garments as long as possible and changing consumer behaviour.
- Reusing GANT products and creating circular loops according to the EU waste hierarchy.







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## Seeing through the chains

TRANSPARENCY IN SUPPLY CHAIN

We see great potential in the challenge of creating a supply chain and business operations that are 100% transparent.



vision core values 2019 highlights ceo message sustainability director message about GANT sustainability vision the 7 sustainability pillars

## TRACEABILITY ENABLES TRANSPARENCY

Building long-term relationships with our suppliers has always been GANT's way of working. We believe in mutually respectful, cross-cultural communication and engage in open dialogue to constantly improve relations.

Digital tools, such as the Higg Index Tools developed by the Sustainable Apparel Coalition, can accelerate transparency. For example, the Factory Environmental Module (FEM) measures the environmental impact of our supply chain, and helps us set targets in line with our goals and vision. The Higg Index Material Sustainable Index enables us to choose materials with a low impact on the planet based on life cycle assessment data. We also closely follow the development of the Textile Exchange Material Change Index to benchmark ourselves towards the rest of the industry.

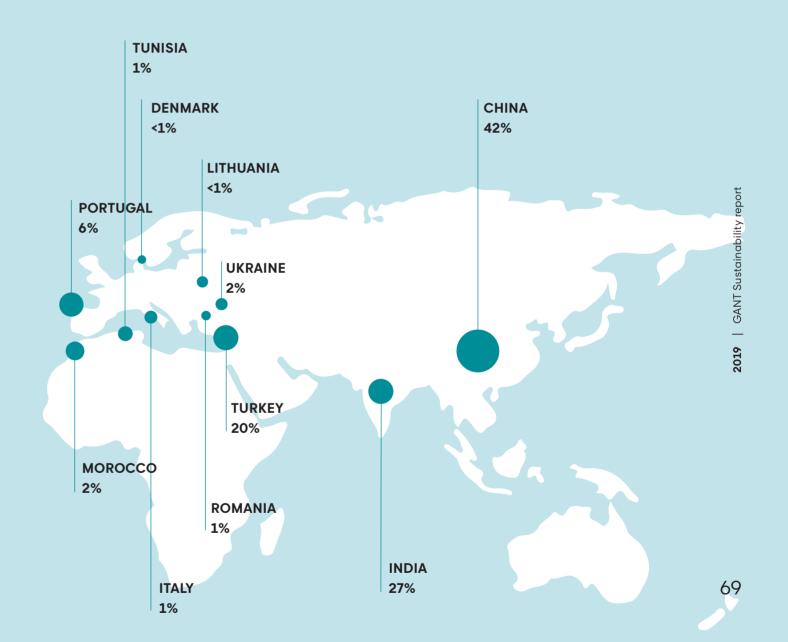
## A TRANSPARENT BRAND

All GANT products labeled with a sustainability aspect are certified according to third party standards. We also share our sustainability strategies on our website.

Transparency is key at GANT. Managing and measuring the environmental and social impact of the different steps within our supply chain is a prerequisite when striving for continuous improvement. It will help us meet our 2030 goals.

The fashion industry's value chains are complex and often global. They can be difficult to trace and track, but it is not impossible. And what you can measure, you can manage. Transparency is one of the key accelerators for sustainable operations, which is why it is a key focus area.

### **GANT PRODUCTION LOCATIONS 2019**



## We are dedicated to supporting the 10 principles of the Global Compact with respect to human rights, labor, the environment and anti-corruption.

## UN GLOBAL COMPACT

In 2019 GANT signed the UN Global Compact, the world's largest corporate sustainability initiative. It calls for companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.





# **OUR SUPPLY CHAIN TARGETS:**

# By 2023:

100% transparency on Tier 1 and Tier 2 for all strategic suppliers.

# By 2025:

100% traceability on key raw materials.

# Key areas and actions to ensure we meet our targets:

- Strive for close partnerships with suppliers.
- Invest in digital tools to accelerate transparency.
- Ensure full value chain traceability through the sustainable fiber staircase.





By collaborating with suppliers of the highest quality we believe that we can produce shirts with full transparency by 2023.

# The power of curiosity

PROMOTING
NEVER STOP LEARNING

At GANT we believe you should Never Stop Learning. We focus on continuous improvement, education and innovation. It's how we educate ourselves and act on our ethical, environmental and social responsibilities.



# Promoting Never Stop Learning

Curiosity drives us forwards. It helps us engage with the world around us. It leads to new discoveries and new experiences. It reminds us that we have an impact on the environment, so we take responsibility for our actions and their consequences.

We believe we can contribute to the development of a more sustainable society. Factors including political instability, war, natural disasters, climate change and mass migration increase the risk of human rights abuse. We have a responsibility to consider how we can counter this.

We take care of how we choose and manage our professional relationships. To make sure all parts of our organization, including supply chains, understand and adhere to GANT's values we have established programs based on our beliefs. These programs must be agreed to by anyone working with GANT.

We work closely with suppliers to set clear objectives for addressing social, economical and environmental issues.

# 2020:

- 100% of GANT employees receive sustainability training.
- Continue to establish partnerships with Never Stop Learning organizations.

# Through 2030:

- Continuously update the Sustainability
   Roadmap and the Seven Sustainability Pillars.
- Launch new sustainable innovations.

# Key areas and actions to ensure we meet our targets:

- Never stop asking questions and encourage learning externally.
- Continue working with innovation as a key accelerator for impact and scalability.
- Keep raising awareness and educate ourselves internally.

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

At GANT we seek to align ourselves with the United Nations Sustainable Development Goals through integrating it into our strategic plans. Our prioritized goals are highlighted below and we acknowledge that we as a global company need to work with all 17 goals.

Goal 4. Quality Education

**Goal 6.** Clean Water and Sanitation

**Goal 12.** Responsible Consumption and Production

Goal 14. Life below water

**Goal 17.** Partnerships to achieve

the Goals











# **FLIPPING THE LADDER**

We are determined to disrupt existing ways of doing things. That's why we launched a new internship inspired by our documentary "Flipping the Ladder." The Flipternship was unlike a traditional internship in that the only requirement was that it required no previous experience in the field. We wanted to inspire others to try something completely new, follow their curiosity, and Never Stop Learning.

Our first Fliptern was Michaela Baumgartner who took the opportunity to join the Global PR & Social Media team. She previously spent 12 years in the financial industry.



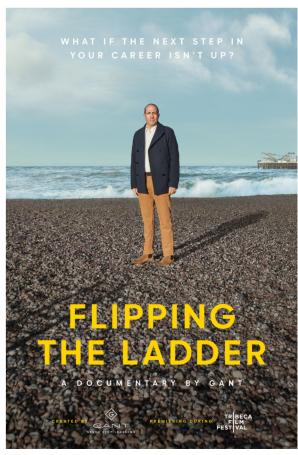
# WHAT MADE YOU FLIP?

"For many years I have been passionate about sustainability, communication and slow fashion. I saw the Flipternship as a great opportunity to learn more about all these areas and figure out how we can share more knowledge with consumers."

# WHAT WILL YOU TAKE AWAY FROM THE EXPERIENCE?

"I really challenged my usual way of thinking! I have always been passionate about sustainability and slow-fashion and during my time at GANT I really got the opportunity to learn more about that."





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# MATERIALITY AND RISK ANALYSIS

Every year GANT updates its risk analysis to reflect business intelligence and global macro trends. In 2019 no new risks were added but existing risks were reevaluated. All identified high risk areas have a relevant policy, mitigation plan and target to minimize the risk where possible. We also continuously conduct materiality analysis through benchmarking, analyzing megatrends and interviews with stakeholders. GANT will continue to evaluate and refine the material aspects to adapt to the constantly changing risks and needs.

Our belief that we should Never Stop Learning has been part of the DNA of GANT since the early days when our shirts became popular on the campuses of Ivy League universities. Being curious about new ways of doing things – and learning how to do them better – remains at the heart of our sustainability efforts. Starting in 2017, GANT launched shirts containing upcycled ocean plastic. We've since evolved this fabric mixture into more product categories and we believe a great shirt always leads the way.

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# A SUSTAINABLE OFFICE

Sustainability is all about being able to do business better tomorrow than we do today. So for us that includes creating an ethical workplace with a code of conduct that includes honesty, diversity, compassion, and good citizenship. Naturally GANT follows all local laws and regulations. Mandatory online training provides information on the most important topics including:

- 1. The Modern Slavery Act
  - 2. Our Code of Conduct
  - 3. Whistleblowing

Employees enjoying a yoga class at our head office.

# Putting people first

RESPECTFUL AND SECURE WORK ENVIRONMENTS

From our suppliers to our employees to our customers, people are at the core of everything we do at GANT. That's why it's critical to respect and support those we depend on.



# Respectful and Secure Work Environments

### **OUR WORK ENVIRONMENT TARGETS:**

# **By 2023**

100% of factories in risk countries audited by a third party. 100% transparency on all suppliers in Tier 1 and strategic partners in Tier 2.

# By 2025

100% of suppliers in Tier 1 and strategic partners in Tier 2 in social compliance programs.

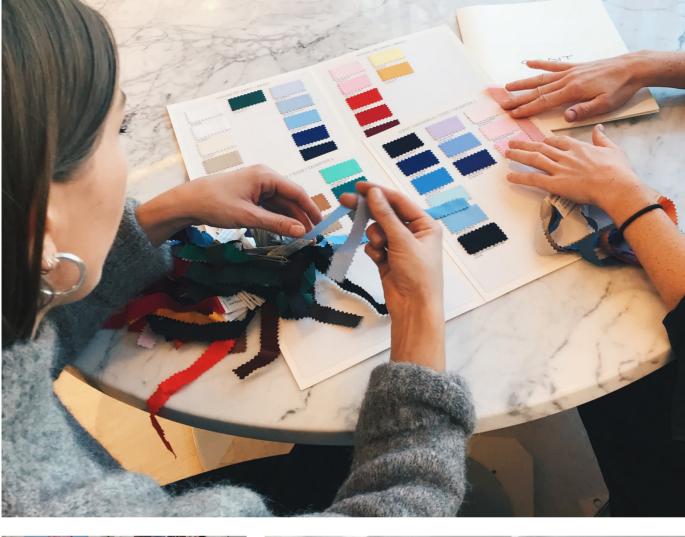
# Key areas and actions to ensure we meet our targets:

- Drive capacity building through continuous improvement and self assessment programs according to policies and guidelines.
- Build long-term relationships and grow together with strategic suppliers.
- Be part of global partnerships to drive action and long-term impact.
- Promote Never Stop Learning and give back to the communities where we operate.

# We respect the universal human rights of our employees and the people working in our supply chains.

GANT is a member of the Business Social Compliance Initiative (BSCI), an international drive that is part of Amfori to improve working conditions in the global supply chain. Through BSCI, a common Code of Conduct is shared by 600 companies. This Code of Conduct regulates working environment issues, including workplace health and safety, working hours, industrial compensation and the prohibition of child labor.





From cotton farmers to production workers to retail staff and colleagues in our offices, the creation of a shirt is a team effort.

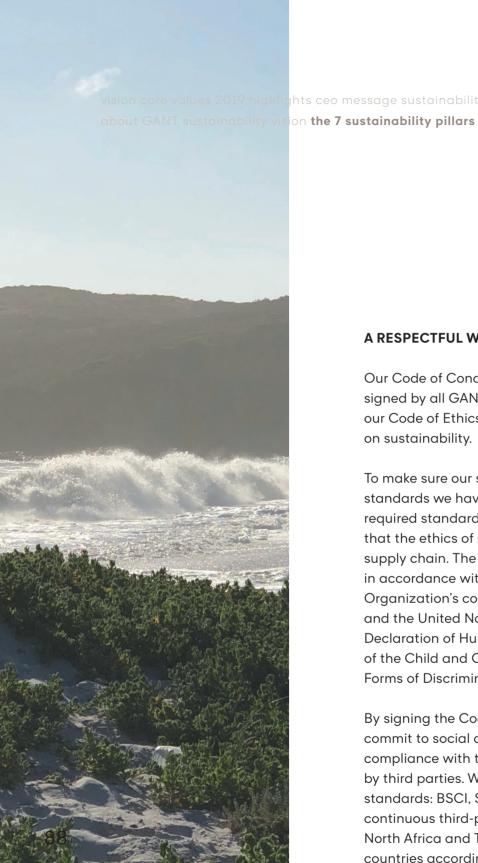




We believe everyone at GANT is a true ambassador and therefore anyone who starts at GANT, gets the classic white oxford shirt to make their own.



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# A RESPECTFUL WORKPLACE

Our Code of Conduct builds ethical awareness and is signed by all GANT employees. It ensures compliance with our Code of Ethics. Employees also complete e-learnings on sustainability.

To make sure our suppliers and their factories meet our standards we have a Code of Conduct. This sets out the required standards and is an important tool to ensure that the ethics of GANT are carried throughout the entire supply chain. The Code of Conduct has been established in accordance with the OECD, the International Labor Organization's conventions and recommendations, and the United Nations' Global Compact, Universal Declaration of Human Rights, Convention on the Rights of the Child and Convention on the Elimination of All Forms of Discrimination against Women.

By signing the Code of Conduct, companies and suppliers commit to social and environmental standards. We ensure compliance with the Code through audits conducted by third parties. We work with the following third-party standards: BSCI, SEDEX, WRAP and SA8000. We conduct continuous third-party audits for all suppliers in Asia, North Africa and Turkey since they are high risk regions/ countries according to Amfori BSCI and Transparency International. All suppliers in Europe have been assessed before first order placement.

Continuous improvement is essential, and is being implemented into all processes and is part of how we will continue to build our business partner relations.

We always work together with our suppliers on corrective action plans. The industry needs to focus not only on hands-on topics, such as health and safety, but also on equally important subjects such as inequality and discrimination. Safe and respectful working environments bring economic benefits, such as higher productivity and improved quality, and a competitive advantage when searching for new talent.

### **MODERN SLAVERY ACT**

There is no place for modern slavery in a sustainable society. Modern slavery can be defined as servitude, forced or compulsory labor, or human trafficking. We have a zero tolerance policy for any abuse of human rights.

# **GRIEVANCE POLICY**

If a person wants to remain anonymous, they can report any breach of the Code of Conduct to confidential@gant. com. External expertise is enlisted if needed. GANT's policy is to operate within the country's laws and regulations, and all employees are expected to cooperate by adhering to all laws, regulations, policies, and procedures.

In 2019 GANT processed 10 grievance cases, 6 within HR and 4 within the supply chain. The HR related cases were in relation to theft, harassment, data protection and led to termination of the employees. The grievance cases in the supply chain were related to withheld payment between business partners as well as breach of contract due to sub-contracting which led to penalties that go directly to charity.

# PARTNERSHIPS FOR ADVERSE **HUMAN RIGHTS**

The global fashion industry creates an enormous number of jobs every year. For many countries the industry is a large share of its exports. GANT envisions a fashion industry where each contributor gets their fair share.

Securing fair wages is linked to systemic changes that need to be implemented through cross-collaboration between different stakeholders. There needs to be a larger holistic understanding of what a fair wage is and how it should be applied. We take on the role of promoting systemic changes and support multi-stakeholder dialogues. We can be part of empowering people through education and information. We know that to make these systemic changes we can not work only on our own. We need to team up with partners both within and outside of the industry, as well as different types of stakeholders. That's why we are part of global partnerships including the UN Global Compact, Amfori BSCI and the Sustainable Apparel Coalition.

# **BUSINESS MODEL**

The Company's business model is based on the granting of marketing and sales rights of GANT-branded clothing products, within a geographical area, to a master franchisee. The master franchisee purchases, at its own risk, products designed by the Company and manufactured by various third-party suppliers. Increasingly, however, the Company purchases from the suppliers and resells to the master franchisees. In either case, the master franchisee pays the Company a royalty based on its sales.

The GANT Group has subsidiaries that operate in Austria, Benelux, Denmark, France, Germany, Great Britain, Portugal, Sweden, Switzerland and the United States of America. These subsidiaries operate both the wholesale and retail business in their respective countries and receive their margins associated with this form of distribution. The GANT Group also has operations in Turkey and Poland through joint ventures. GANT also has agreements with licensees. The licensees manufacture and sell Footwear, Eyewear, Underwear, Home Products and Time Products under the GANT brand and pay a royalty to the Company based on their sales. The Underwear and Home licenses are operated by GANT Group companies.

# CONCLUSION

At GANT we see great potential in taking on this challenge. We believe the best way to succeed is to join hands with other frontrunners within our industry and act in accordance with science-based facts.

Using new technology, disrupting current business models, innovating, changing behavior and using best practice throughout our value chain can create business opportunities for the whole industry and benefit the planet. This can increase our resilience and also drive competitiveness and growth through innovation.

We have been in business for more than 70 years and look forward to the next 70. We believe the years ahead present great opportunities for those who take action instead of reversing into the future. As our founder Bernard Gantmacher said, "If you don't know where you're coming from, you don't know where you are going."

# Sustainability notes 2019

STRATEGIC PRIORITY	MATERIALITY ANALYSIS	RISK ANALYSIS	GOVERNANCE	GOAL 2019	OUTCOME 2019	GOALS 2020-2030	AREA IN COP	AREA IN ÅRL
Stakeholder engagement	Dialogue and communication with stakeholders, Associate/Memberships engagement, Communities	Customer (Service, Future business demand, Sustain- able products, Responsible products)	GANT Employees, Suppliers in supply chain, Significant business partners, Communities Nations, Sustainable retailers, Organizations as; Better Cotton Initiative, Water Keeper Alliance, Fur free Alliance, Svensk handel, Amfori, TEKO, Sustainable Apparel Coalition, UN Global Compact, Textile Exchange, The Fashion Pact, UN Fashion Industry Charter for Climate Action	-Roll out of sustainability membership and initia- tives staircase -Continue developing current memberships and partnerships	-Became members of and worked with Sustainable Apparel Coalition, UN Global Compact, Textile Exchange, UN Fashion Industry Charter for Climate Action and The Fashion PactNew sustainability toolbox	-Executed sustainability memberships & initiatives staircase continiously -Have internal sustainability committee by 2023	Human rights, Labour, Environment, Anti corruption	Human rights, Environ- ment, Anti corruption, Social aspects and employees
Anti corruption	Anti corruption	Finance (Financial stability, Anti corruption, FX, Mergers/ acquistions/divertures, Stock, Trading interventions, Profit- ability and growth, Transpar- ency, Business model, Ethics risk, Indirect sourcing, Liquidity, Theft and fraud)	-Code of Conduct -Code of Ethics -Bribery Policy -Guideline for Gifts -Corporate Entertainment Policy -Sustainability Roadmap	-Full compliance with Anti-corruption Policies -Update Grievance Policy and Process -100% of all product suppliers to have signed the Code of Conduct	-No case of corruption was reported -Updated Grievance Policy and Process with grievance template -100% of all product suppliers have signed Code of Conduct	-GANT Continous Improvement Environment in place by 2023 -New Compliance Program in place by 2023 -100% of all suppliers have signed Code of Conduct continously	Anti corruption	Anti corruption
Employees	Code of conduct and responsible management, Human resources	HR (Salary increase, Competence, Attractive workplace, Diversity, Right people on right places, EHS, Human resources)	-Code of Conduct -Bonus Policy -Pension Policy -Global Salary Policy -GANTipedia	-Conduct engagement survey to measure en- gagement and cultural index -Engagement score 90/100 to 2020	-1415 employees -68% in retail and 32% in the offices -717 were recruited and 661 left the company -Engagement survey with Engagement Index Score of 87		Labour	Social aspects and employees
Ethics	Code of conduct and responsible management, Human resources	HR	-Code of Conduct -Code of Ethics -Work Environment Policy -Drugs and Alcohol Policy -Diversity and Equality Policy -Discrimination, victimization and harassment Policy	-100% sign Code of Conduct -Full compliance to Code of Conduct	-90% of employees signed the Code of Conduct -6 case of non-compliance was reported. The cas- es were in relation to theft, harassment, data pro- tection and led to termination of the employees	-100% sign Code of Conduct continiously -Full compliance to Code of Conduct continiously	Labour	Social aspects and employees
Equality and diversity	Human rights, equality and diversity	HR	-Code of Conduct -Diversity and Equality Policy -Discrimination, victimization and harassment Policy	-An equal and diverse workplace with equal opportunities	-72% female, 28% male employees -67% female, 33% male managers	-An equal and diverse workplace with equal opportunities continiously	Labour	Social aspects and employees

Grievances	Human rights	HR	-Grievance Policy and Process	-Update Grievance	-Updated Grievance Policy and Process	-0 reported non-compliances continiously	Labour	Social aspects and
Onevunces	riumur ngrits		Chevalice Folicy and Frocess	-Oparte Grievance Policy and Process -Report on grievance cases -Report on non-compli- ances with policies -Full compliance with Grievance Policy and Process	-10 grievance cases reported, 6 within HR and 4 within the supply chainDue diligence work on grievance cases conducted -8 cases of reported non-compliances	-Full compliance with Grievance Policy and Process continiously	Laboui	employees Human rights
A healthier GANT	Human resources	HR	-Work environment Policy -Rehabilitation Policy -Providing preventive healthcare -A healthier GANT Activity Pack	-Providing team health initatives -Continue to have healthy employees with low sickness and absence rate	-Absenteeism 5,5% -Sickness absence 2,7% -Initiatives as yoga, running teams, choir, football, skiing in place	-Providing team health initatives continiously -Continue to have healthy employees and low sick- ness and absence rate continiously	Labour	Social aspects and employees
Never stop learning internally	Human resources	HR	-Leadership programs -Retail programs -Enforce Never Stop Learning -Retail Academy	-Train all managers -Train all retail employ- ees -Train all employees on sustainability matters and policies	-All managers conducted leadership program -100% retail employees were trained through Retail Academy -90% in office have done training on sustainability -59% within retail have done training on sustainability	-All employees being part of the Never Stop Learning initiatives continiously -In 2020, continue to achieve that 100% of GANT employees receives sustainability training -Continue to establish partnerships with Never Stop Learning organizations continiously -Through 2030, continuously update the Sustainability Roadmap and the Seven Sustainability Pillars to meet a rapidly changing industry	Labour Human Rights	Social aspects and employees Human rights
Social supplier management	Legal compliance, Code of conduct and responsible management, Human rights, equality and diversity, Social and environmental demands on suppliers, Traceability and transparency of the supply chain	Supply chain (Warehouse, Stock value, Sourcing, Technology risk, Social and environmental demands on suppliers, Transport distribu- tion, Transport price) Sustainability (Animal welfare, Chemicals, Climate, Water, Energy, 4R, Social)	-Code of Conduct -Third party factory audits -Factory visits -Membership in Amfori BSCI -Working with GANT -Supplier agreement	-100% of apparel, home and underwear suppliers to sign updated Code of Conduct -Update Working with GANT -100% of suppliers in Asia, Africa and Turkey assessed by third party auditor according to risk analysis	-100% of apparel, home and underwear suppliers signed Code of Conduct -100% of the factories in Asia, Africa and Turkey have valid third party audits -94 audits completed in 8 countries including Europe -All production in Europe have been assessed before first order placement -Production with 63 suppliers and 118 factories.	-GANT Continous Improvement Environment in place by 2023 -100% of suppliers in risk countries assessed by third party auditor continiously -Full compliance with Code of Conduct and Policies continiously -Continue to map strategic partners in Tier 2 in 2020 -Increasing transparency within our supply chain by mapping all suppliers in Tier 1 and strategic partners in Tier 2 by 2023 -Include 100% of suppliers in Tier 1 and strategic partners in Tier 2 in social compliance programs by 2023	Human rights	Human rights
Modern Slavery Act	Legal compliance, Human rights, equality and diversity	Legal compliance (Taxes, Modern slavery act, Mandatory sustainability reporting, GDPR, IP infringement external, IP infringement internal) Supply chain	-The UK Modern Slavery Act 2015 -Code of Conduct -Grievance Policy and Process	-Evaluate Modern Slav- ery Act Statement -Conduct due diligence based on evaluation -Train 100% of employ- ees at GANT HQ and UK HQ	-Due diligence conducted -90% of the employees at GANT HQ and UK HQ have done digital modern slavery act training	-Conduct new Modern Slavery Act Statement annually -Full compliance with the Modern Slavery Act Statement -Increasing transparency within our supply chain by mapping all suppliers in Tier 1 and strategic partners in Tier 2 by 2023	Human rights	Human rights
Digital & IT	Legal compliance, Future business demand	IT (System Security, System support to the business, Sys- tem compliance 2020, System availability, Third party IT system dependency) Legal compliance	-IT Policy -IT Security Policy -Video Surveillance Policy -Phone Policy -Data Processing Agreement	-To be GDPR Compliant -Roll out sustainability initiatives for Green IT	-Compliant with GDPR -Joined sustainability initiatives to increase reuse of phones, computers etc -Set up new e-com sustainability page	-GDPR Compliant continiously -Green IT continiously	Labour Human Rights	Social aspects and employees Human rights
Products	Customer relations and satisfaction, Timeless Design, Product quality, Product health and safety	Design and development (Innovation, Fabric, Season- al newness, Brand drivers, Already produced fabric, Trims, Sustainability choices, Speed creation, Ocean Prep, NOS, Customized) Customer	-Quality manual -Code of Practice -Working with GANT -Supplier agreement -Better Cotton Initiative -Textile Exchange	-No recalls because of reported non-compli- ances -100% sign Code of practice	-Produced 13,2 million products -One product recall based on wrong in design100% signed Code of Practice -Partnership with New Life	-In 2020 give consumers tools to prolong the life of their garments with the GANT initiative 7 Rules and introduce new circular business models -By 2022 we will have educated all our designers on how to design for recyclability -Fully implemented finished product traceability and compliance program by 2023 -By 2025 circularity has been implemented as a key parameter within design, usage and end-of-life	Human rights, Labour, Environ- ment, Anti corruption	Social aspects and employees Human rights Environment

Materials	Customer relations and satisfaction, Timeless Design, Product quality, Product health and safety	Sustainability, Design and development	-Environmental Policy -Reduce-Reuse-Recycle Policy -Sustainable fibers staircase -Better Cotton Initiative -Textile Exchange	-Develop new innovative projects with increased sustainability focus -Implement sustainability fiber staircase	-89% made from natural materials. Raw materials in products were 78% cotton, 11,5% synthetic fibers, 6% wool, leather, down and feathers and 4,5% plant based fibers***  -Continued Ocean prep products in partnership with SeaQual  -Launched Pure Prep products  -Continued roll out of fiber staircase  -Reached 36% sustainably sourced cotton	-Source more than 50% of our materials from better alternatives to conventional sources in 2020 -100% of our cotton will be sustainably sourced by 2022. All conventional cotton will be replaced with more sustainable alternatives -We commit to zero deforestation and to the protection and sustainable management of natural forests by only choosing certified cellulosics by 2023 -100% of key materials will be sustainably sourced by 2025 by converting all key materials from conventional to more sustainable -By 2030, we will only source cotton through the best available farming practices at hand to support our overall vision	Environment	Environment
Packaging	Legal compliance, Social and environ- mental demands on suppliers, Biodiversity, Air pollution, Energy and climate, Water consumption, Water pollution, Chemical management	Supply chain, Sustainability	-Packaging Policy -Environmental Policy -Working with GANT -Reduce-reuse-recycle Policy	-100% Forest Steward- ship Council certified packaging materials to customers -Increase fill rate	-100% of shopping bags, silk paper, e-com boxes and gift boxes are Forest Stewardship Council certified -Green house gas emissions from use of paper, plastic and wood from silk paper, polybags, shopping bags, hangers, silk paper, gift boxes, e-com boxes, shipping boxes accounted for a total emissions of 2% of total climate impact*	-We commit to ensuring that at least 50% of all plastic packaging we use in B2C and B2B packaging is 100% recycled content by 2025 and 2030 respectively.  -We commit to eliminating single-use plastic in B2C packaging by 2025 and in B2B packaging by 2030.  -All paper product packaging to continue be from sustainably managed forests	Environment	Environment
Transport	Logistics	Supply chain	-Transport Policy -Travel Policy -Standard Operating Procedure -Working with GANT	-Below 5% shipped by air	-Shipping of products** accounted for a total emissions of 4% of total climate impact*72% of all tonn-kilometers was shipped by sea, 21% by road, 6% by air and 2% by railBusiness travels accounted in emissions of 1% of total climate impact*	-Review Travel Policy in 2020 -Below 5% shipped by air continiously -Increase fill rate continiously	Environment	Environment
Environment	Legal compliance, Social and environ- mental demands on suppliers, Biodiversity, Air pollution,	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier agreement -Code of Conduct -Partnerships	-100% suppliers in Asia, Africa and Turkey assessed by third party auditor -0 reported non-compli- ances -Full compliance with Environmental Policy -Continued full recycling at HQ office	-100% of the factories in Asia, Africa and Turkey have been assessed by third party auditor -4 reported non-compliances related to withheld payment between business partners as well as breach of contract due to sub-contracting which led to penalties that go directly charity -Total land use for production and cultivation of raw materials was 123 square kilometers* -Air emissions from production and cultivation of raw materials, NOx, SOx, CO and particles were 1365 tonnes*	-7 Rules available for all subsidiaries in 2020 -Full compliance with Environmental Policy continiously	Environment	Environment
Climate	Energy and climate	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier agreement -Transport Policy -Packaging Policy -Partnerships	-Measure emissions from greenhouse gases on a yearly basis with the goal to decrease climate impact -Set 2030 targets	-Total amount of greenhouse gases emitted were 150 000 tonnes*. 76% was due to production, 14% due to extraction of raw materials, 4% logistics, 3% HQ office, warehouse and shops, 2% packaging materials, 1% business travels -Became signatories of the UN Fashion Industry Charter for Climate Action -Became signatories of the Fashion Pct	-Set accredited science-based targets in 2020 in order to meet the Paris Agreement -Decrease our climate footprint by 30% throughout all operations by 2030	Environment	Environment
Energy	Energy and climate	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier agreement	-Measure energy on a yearly basis with the goal to increase energy efficiency	-Total energy usage for cultivation of raw materials, production and HQ office, warehouse and shops were 140 GWh*. 86% were due to production, 7% due to HQ office, warehouse and shops and 7% due to cultivation of raw material -Renewable energy at HQ office	-Implement 50% renewable energy across our own operations no later than 2025, as well as incentivizing implementation of renewables within our supply chain -Implement 100% renewable energy across our own operations by 2030	Environment	Environment

Chemicals	Product health and safety, Chemical man- agement	Sustainability, Supply chain	-Restriced Substance List (RSL) Policy -Membership Rise (The Swedish Chemicals Group) -Working with GANT -Better Cotton Initiative	-Due diligence on RSL Policy -Work on chemical management together with Rise -Be REACH and OE- KO-TEX compliant -No biocides, silver ions, PVC allowed	-Due diligence on RSL made based on risk assessment -Restricted Substance List is REACH and OEKO-TEX compliant -0 reported non-compliances -13407 tonnes of chemicals were used in the production*.	-Implement new Chemical Management Program in 2020 -Partnership with Zero Discharge of Hazardous Chemicals, Leather Working Group and BlueSign according to staircase	Environment	Environment
Water	Water consumption, water pollution	Sustainability, Supply chain	-Water Policy -Environmental Policy -Water Keeper Alliance -Better Cotton Initiative -SeaQual	-Support organizations that works towards a more sustainable water use -Work with suppliers that promote water use efficiency -Reach 10% of products produced in factories using the Higg Index Factory Environmental Module	-Continued partnership with Water Keeper Alliance -Membership in Better Cotton Initative -Membership with Sustainable Apparel Coalition and 37% of our products were made in tier 1 factories that used the Higg Index Facotry Environmental Module to measure water usage and pollution -Partnerships with leading suppliers to reduce water footprint within production -In 2019 GANT used 15,2 million cubic meters of water in the production*	-In 2020, GANT will continue to support water initiatives such as Waterkeeper Alliance to safeguard drinkable, fishable, and swimmable water for current and future generations -By 2025, GANT will reduce its water use in manufacturing by 50% -By 2030, GANT will only use as much water as can be naturally replenished in all our operations	Environment	Environment
Animal welfare	Animal welfare	Sustainability, Supply chain	-Animal Welfare Policy -Free Fur Retailer listed -Working with GANT	-Full compliance with Animal Welfare Policy -Source 100% certified down and feathers -Source 100% fur free products -Source 100% mulesing free wool	-Sourced 100% certified down and feathers -Sourced 100% fur free products -Sourced 100% mulesing free wool	-Full compliance with Animal Welfare Policy continiously -100% traceable and certified animal fibers according to Animal Welfare Policy in 2023	Environment	Environment
Other		Other (Cathastrophic risk, Political, Natural hazard, Activist risk, Social involvement, Weather)	-Risk analysis	-Conduct specified risk analysis	-Conducted risk analysis	Continue assessing risk as part of the long term-strategy	Human rights, Labour, Envi- ronment, Anti corruption	Risks
UN Sustainable Development Goals	All above	All above	Prioritzed goals: Goal 4. Quality Education, Goal 6. Clean Water and Sanitation, Goal 12. Responsible Consumption and Production, Goal 14. Life below water, Goal 17. Partnerships to achieve the Goals. We acknowledge that we as a global company need to work with all 17 goals.	Strategy alignment to reach the SDGs	SDGs implemented in 2030 Sustainability Roadmap	Continue to address the SDGs in policies and strategies	Human rights, Labour, Environ- ment, Anti corruption	All above
GANT 7 Sustainability	All above	All above		Establish GANT 7 Sustainability pillars	Established the GANT 7 Sustainability Pillars	Execute on the GANT 7 Sustainability Pillars	All above	All above

\*Emission factors for calculations from: EIA energy statistic buildings, UK Department for Business, Energy & Industrial Strategy - energy statistics, Statens energimyndighet, International Institute for Applied Systems Analysis - Global Energy Assessment, IEA Electricity emissions, UK Department for Business, Energy & Industrial Strategy - emission factors, Ecoinvent databas v.3.3, SCA Ortviken Paper, LCA leather - overview and case study, ITG - Sustainability benchmark - carbon footprint leather, UNIDO - mass balance in leather processing, European Comission IMPRO-textiles, LCA benchmarking study textiles, Swerea/IVF - Kartläggning av kemikalieanvändning i kläder

\*\*Shipping including: from suppliers either directly to subsidiaries, joint ventures and partners (markets) or to central distribution center (CDC).
From CDC to market distribution centers (MDC) and/or customer for all sales channels (wholesale, own retail and E-com) as applicable. From MDC to subsidiary stores for all sales channels (wholesale, own retail and E-com).

\*\*\*Based on weight. Plant based materials are viscose, lyocell, linen, modal, ramie, rayon, straw, cupro. Synthetic materials are Acryl, polyester, polyamid, nylon, lycra, elastodiene, polyurethane, acetate, spandex, elastom, rubber, glass, metallic.

# **CONTACT INFORMATION**

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