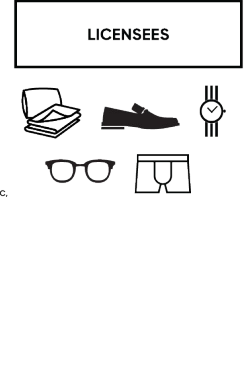
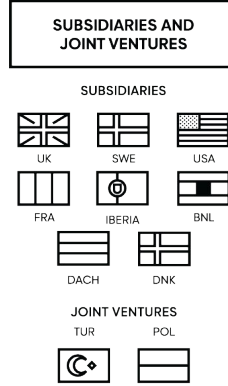
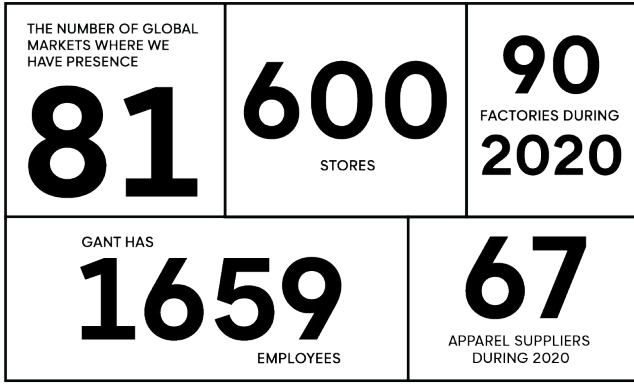
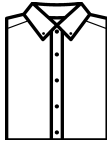


GANT HIGHLIGHTS 2020



PRODUCT



12.8 Million products produced

79% of products are labeled as a more sustainable choice.

88% Made from natural materials

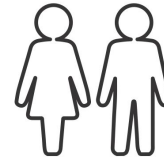
57% of all cotton was sourced sustainably as organic cotton and through the Better Cotton Initiative

- 40%** China
- 29%** Europe
- 27%** India
- 4%** North Africa



Launch of GANT 7 rules - Refresh, Repair, Reuse, Rent, Regive, Remake, Recycle

PEOPLE



75% **25%**

MANAGERS

65% Women **35%** Men

9 Grievance cases

6 Breach towards internal or supplier code of conduct

11% Absenteeism

4% Sickness absence

SIGNATORIES OF UN GLOBAL COMPACT and GANT supports this critical initiative and remain dedicated to support the 10 principles of the Global Compact with respect to human rights, labour, environment and anti-corruption

100% Apparel suppliers signed Code of Conduct

100% Factories in Asia, Africa & Turkey assessed by 3rd party

Published factory list to promote transparency **Members** of AMFORI BSCI



PLANET

143 000 TONNES greenhouse gases from scope 1-3

MEMBERS of the fashion industry charter for climate action and committing to a 30% reduction in greenhouse gas emissions by 2030%

MEMBERSHIP in Fashion Pact working to reduce impact on climate and preserve biodiversity

100% Packaging material is forest Stewardship council certified



77%

17%

5%

1%



WATER



TARGET to reduce water use from products with 50 % by 2025

57% of our products were made in tier one factories that used the HIGG Factory Environmental Module.

NEW PARTNERSHIP WITH WATERAID supporting the goal that GANT will be a brand known and loved for improving waterways in the world.

MEMBERSHIP in Fashion Pact committing to reduce plastic-packaging

GANT SUSTAINABILITY REPORTING 2020

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 2020
- GANT Underwear and GANT Home are included since they are operated by GANT Group companies
- The report is divided into People, Product, Planet and Water according to GANT standards
- GANT are signatories to the UN Global Compact and the annual sustainability report also serves as our Communication on Progress (COP) for the UN Global Compact
- Calculation and emission factors are specified in the sustainability notes

ABOUT GANT

GANT was founded in the college town of New Haven, Connecticut on the East Coast of the United States. We've been pioneering preppy style since 1949. With our dedication to color and innovation, GANT changed the direction of modern American style and continue to challenge convention.

GANT is a company driven by a simple idea: Never Stop Learning.

Our aim is to drive change for a better world. We ask how we can be better and do better. We believe that we all need to challenge ourselves and the world that we live in. We strive to create new traditions that embrace a united way forward.

We care about community; connecting with one another, learning and evolving through challenging norms, questioning what once was and imagining what could be. We encourage sharing knowledge, speaking up and supporting each other.

We care about sustainability and believe in educating ourselves and acting on our ethical, environmental and social responsibilities.

We know there are no easy solutions to difficult problems but we take responsibility for leading the conversation. Even though we are just one company on this planet, we'll never stop learning how to make it better.

GANT values

Community

We are stronger together

Curiosity

We engage with the world around us

Creativity

We create, innovate and invent

Courage

We explore potential and dare to fail

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. The Company purchases products from the third-party suppliers and resells to the master franchisees. The master franchisees pay a royalty to the Company based on its sales.

The GANT Group has its own subsidiaries that operate in Austria, Belgium, Denmark, France, Germany, Ireland, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, United Kingdom and USA. These subsidiaries can operate both the wholesale and retail business in their respective countries and receive their margins associated with this form of distribution. From 2021 GANT will also have a subsidiary in China. The GANT Group also has operations in Turkey and Poland through joint ventures.

GANT also has agreements with licensees that manufactures and sells Footwear, Eyewear, Underwear, Home products and Time products under the GANT brand. The licensees pay a royalty to GANT based on their sales. The Underwear and Home licenses are operated by GANT Group companies.

2020 - A YEAR LIKE NO ELSE

2020 will be long remembered as the year Covid-19 shaped both our lives and the way we do business. It has been a year like no other that challenged everything we do. The GANT motto to Never Stop Learning and our will to create new traditions by challenging norms have been great strengths for GANT during this year.

Stores have been closed and we have seen a big shift to sales in our E-commerce platforms. Factories have been closed for parts of the year and staff have been working from home. These are just some of the challenges we have been able to tackle during the year.

It has also impacted how we work with sustainability. Our plans on setting Science Based Climate-targets were put forward to next year as well as some activations that were planned for GANT 7 Rules.

Even though it has been a unique year in many ways our sustainability focus has not stopped and we believe that sustainability is a prerequisite for doing business. This report shows the progress we have made during 2020.

THE 2030 SUSTAINABILITY VISION AND STRATEGY

2020 was the year that GANT leveled up our sustainability ambitions by launching a new sustainability roadmap. We call it The GANT Way. It includes our sustainability vision to create a more beautiful and sustainable world and tells us what we want to achieve and why.

The sustainability roadmap reflects the sustainability vision and defines targets up until 2030 within our four key areas People, Product, Planet and Water. The sustainability roadmap consist of seven strategies:

- GANT COMBATING CLIMATE CRISIS STRATEGY
- GANT SUSTAINABLE FIBER STAIRCASE STRATEGY
- GANT CIRCULAR FASHION SYSTEM STRATEGY
- GANT RESPECTFUL AND SAFE WORK REQUIREMENTS STRATEGY
- GANT WATER STEWARDSHIP STRATEGY
- GANT PROMOTING NEVER STOP LEARNING STRATEGY
- GANT TRANSPARENT SUPPLY CHAIN STRATEGY

The sustainability roadmap was developed with involvement from both internal and external stakeholders with the aim to meet our economical, social and environmental responsibilities both within our own operations and throughout our whole value-chain.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

As a signatory of the UN Global Compact, GANT acknowledges that the United Nations Nations Sustainable Development Goals (SDG:s) are crucial for sustainable development, both in our industry and the world. Therefore we aim to integrate the SDG:s into our strategic plans. We acknowledge that all the 17 goals are important and that we need to work with all of them. We have however prioritized the following goals as extra important for our business:

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 Goal

MATERIALITY AND RISK ANALYSIS

At GANT we continuously monitor impacts, risks and trends in order to align our strategies to what is material to us. Every year GANT updates the risk analysis due to changes in business intelligence and macro trends globally. In 2020 the world was heavily impacted by the Covid-19 pandemic and so was also GANT. The pandemic introduced many new risks that were mitigated. Stores and entire countries that were closed, factories that closed down temporarily, the health of our employees, just to name a few. All GANT has been agile and we adapted our ways of working to these new circumstances. We will continue to evaluate, adapt and refine to meet all changing risks and material aspects.

As 2020 has shown, having a solid foundation to start from gives us better opportunities to mitigate risks. In 2017 GANT made an extensive risk- and materiality-analysis. This included benchmarking, analyzing megatrends and performing interviews with stakeholders. The analysis made it possible to identify which risks and impacts that can be considered material for GANT and resulted in a list of material aspects. Identified high risk areas and material aspects have a relevant policy, mitigation plan and target to minimize risks and to manage our impacts. When GANT cannot mitigate the risk, e.g. natural disasters, an extra attention is provided. All risks are presented in the sustainability notes.

STAKEHOLDER ENGAGEMENT BY NEW INITIATIVES

GANT has many stakeholders with various interests in how we work with sustainability: GANT employees, suppliers, significant business partners, legislators, our industry as well as sustainable retailers to mention some of them.

We say that Sustainability is complicated, but not impossible. Instead of looking at it as overwhelming we look at it as we need more collective action and cooperation. Through our memberships in both industry- and multisectoral organizations and initiatives we align our efforts to stakeholders expectations.

Collective action with our professional relationships, partnerships and memberships increase the influence we have on social, environmental and economical factors. Below is a list of membership and external initiatives that GANT is a part of:

UN Global Compact

GANT is a signatory of the UN Global Compact which is the world's largest corporate sustainability initiative. It is a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. As signatories of the UN Global Compact, we continue to support this critical initiative and remain dedicated to support the 10 principles of the Global Compact. We look forward to the years ahead as the Global Compact's activities advance our company's sustainability commitment.

Sustainable Apparel Coalition

GANT is a member of the Sustainable Apparel Coalition and has incorporated the Higg Index in our work. The Higg Index is a suite of tools that enables brands, retailers, and facilities of all sizes – at every stage in their sustainability journey – to accurately measure and score a company or product's sustainability performance. The Higg Index delivers a holistic overview that empowers businesses to make meaningful improvements that protect the well-being of factory workers, local communities, and the environment. Since GANT joined and started logging our and our suppliers data and work we have seen a significant progress on the scores within SAC HIGG.

Textile Exchange

GANT is a member of Textile Exchange which is 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. GANT holds scope certificates for the following Textile Exchange's standards: Organic Content Standard (OCS); Responsible Down Standard (RDS); Global Recycled Standard (GRS) and Recycled Claim Standard (RCS).

Fashion Industry Charter for Climate Action

GANT has joined with other industry leaders and signed the UN Fashion Industry Charter for Climate Action. The Charter is a commitment to take action against climate change. It brings together fashion stakeholders to develop a unified position – including the vision of achieving net-zero emission by 2050. As a global company, GANT is determined to be part of a worldwide partnership for climate action and strongly supports this commitment made by global leaders in the fashion industry. By signing the Charter, GANT is committing to a 30% reduction in greenhouse gas emissions by 2030 and we participate in working groups convened by the UN Climate Change secretariat with other signatories to develop roadmaps for each of the commitments in the charter.

The Fashion Pact

We are signatories of The Fashion Pact. Through the Pact we commit to joining forces with other leading fashion companies to take action within three main areas: climate, biodiversity, and oceans. Fashion Pact has over 60 signatories that represent one third of the fashion industry. GANT is proud to be among them.

Amfori BSCI

GANT have been members in amfori BSCI for many years. Our membership in BSCI allows us to perform due diligence and to improve social performance in our global supply chain. In BSCI we share common social- and ethical standards with other members through the Code of Conduct. The Code of Conduct include 11 principles that range from fair remuneration to no child labour and no forced labour. We also receive access to social-audit results for our factories and a network of auditors specialized in performing audits according to the BSCI-standard.

Leather Working Group

In 2020 we joined Leather Working Group, a not-for-profit membership organisation and responsible for the world's premiere leather manufacturing certification. The organization aims to improve the environmental impact of the leather industry by assessing and certifying leather manufacturers. GANT aim is to only source leather from tanneries that has been audited by Leather Working Group.

BCI

The Better Cotton Initiative (BCI) is a global not-for-profit organisation and the largest cotton sustainability programme in the world. BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future. Approximately 50 % of all the cotton GANT sourced in 2020 came from Better Cotton-farms.

WaterAid

GANT aims to be a brand known and loved for improving waterways in the world. In 2020 GANT entered a new partnership with WaterAid. WaterAid is working to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation. The international not-for-profit organisation works in 34 countries to change the lives of the poorest and most marginalised people. Since 1981, WaterAid has reached more than 28 million people with clean water and decent toilets. GANT is proud to support WaterAid:s important work.

PEOPLE

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

In line with our Never Stop Learning credo, we will continuously educate ourselves and others, striving to give people opportunities to evolve and reach their full potential. We believe that this will take us towards our 2030 vision, that GANT will be a company building pride across all touchpoints.

We know that to build the supply chains of the future we need systemic changes within the industry and we are prepared to take the next steps. Due-diligence and transparency are key here to enable responsibility in the supply-chain.

HUMAN RESOURCES

Never Stop Learning is our motto that inspires us to engage with the world and with each other. It builds on our past and steers us toward our future. It is a promise to improve each day, to listen and to learn throughout our continual quest to create new traditions and challenge conformity. Together with our company values Community, Creativity, Curiosity and Courage it forms the culture at GANT.

Ethics and social responsibility is also a crucial part of business, which means not only staying in compliance with all regulations and laws that govern our business, but also moral codes of conduct that govern how we treat each other and our business partners. Sustainability is above and beyond. It means being able to do business tomorrow better than we are today. Our Code of Conducts helps to create an ethical and equal awareness at GANT.

2020 has been a special year and adapting to new ways of working have been crucial, both to ensure business continuity and the safety of our employees. Absenteeism and sick-leave have increased compared to last year. Guidelines for working remotely and guidelines for working from the office were implemented to aid efficiency, health and safety among employees. The pandemic challenged current ways of working and also led to discussions about how we will work after the pandemic is over. This resulted in new policies with more flexibility and opportunities to work from home to begin after the pandemic.

As reported last year the equal pay analysis for GANT AB had shown that there are some areas in regards to inequality between genders and/or equal positions. Thorough analysis has been conducted between all genders and positions and an action plan has been prepared, which extends over the next 1-2 year period to address the differential. Actions have already been implemented.

SUPPLIERS

Building long-term relationships with our suppliers has always formed a natural part of GANT's heritage. We believe in mutually respectful, cross-cultural communication and we engage in open dialogue with suppliers to ensure that relationships continue to improve. During 2020 we have worked with 67 suppliers and 90 factories. Due to the pandemic, 2020 was a challenging year with new risks and challenges coming up. Thanks to close collaboration with our suppliers we mitigated this throughout the chain together.

From a sustainability viewpoint the global supply-chains also introduces risks related to labour-conditions and the respect of human-rights. GANT works actively with due-diligence in order to address and mitigate these risks in the supply chain.

To enable that our suppliers and their factories are working towards our standards we have a Code of Conduct. The Code of Conduct communicates 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 are aligned with international conventions and frameworks such as 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. All our suppliers have signed the GANT Code of Conduct. By signing the GANT Code of Conduct our suppliers are committing to, within their scope of influence, the social and environmental standards laid down in the Code. They must take appropriate measures within their company policy to ensure their implementation and compliance.

GANT evaluates the compliance with the Code of Conduct through audits conducted by a third party. GANT is a member in AMFORI BSCI, but we also work with the following third-party standards: SEDEX, WRAP, ICS 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. During 2020 we also started to require audits from suppliers in Europe.

GANT works with continuous improvement and always works together with our suppliers on the corrective action plans as we strive for strong long-term relationships.

We continue the focus on working with high-quality suppliers. During 2020, GANT published our first Transparent Supply Chain list on our website. This list includes all GANT Tier 1 factories and we continue to map our supply chain in order to reach our goal to enable transparency with tier 2 suppliers by 2023.

MODERN SLAVERY ACT

As a company built on its beliefs, we strive to stay true to ourselves as individuals and to follow our corporate core values. We take responsibility for our actions and the impact that they have. We recognize that we can contribute to the development of a sustainable society in which there is no place for modern slavery. Modern slavery can be defined as servitude, forced or compulsory labor, or human trafficking. It is an issue we take very seriously. We have a zero tolerance policy for any abuse of human rights.

GANT has a sustainability training which also includes Modern Slavery Act and by the end of 2020 90% of all employees had taken the training.

GRIEVANCE AND CORRUPTION

To ensure mitigation of corruption both within our own operations and across the supply chain, anti corruption measures are integrated in our Code of Conducts, Code of ethics and in the Bribery policy. The Grievance Policy and Mechanism is a tool for knowing how to proceed if any non-compliance with the Code of Conduct, policies or of the law is suspected. If a person wants to remain anonymous, they can report to confidential@gant.com. In the event of whistleblower incidents or breaches of our internal Code of Conduct, due diligence is always made to mitigate risks and to achieve continuous improvement. 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.

We react to and investigate risks that are reported from both internal and external stakeholders such as the media or NGO:s. In the beginning of the year alerts were raised due to the risk of forced labour in the Xinjiang province of China. GANT started an internal investigation to explore our links to Xinjiang. GANT also initiated a grievance case regarding this since one of GANT's suppliers was mentioned to have links to Xinjiang. The investigation showed that no GANT products were produced in factories in Xinjiang and no evidence that the GANT supplier had part in forced labor was found.

In total GANT processed 9 grievance cases, 6 within HR and 3 within the supply chain during 2020. The HR related grievance cases were related to negligent behaviour, fraud and one case of discrimination. The cases led to written warnings and termination of the employment. Grievance cases were also initiated due to BCI announcement that they would stop licensing cotton from Xinjiang because of the risk of forced labour in the region and due to a suspected breach of GANT:s Restricted Substance List. In regards to the suspected breach of the RSL, the investigation and additional testing showed that there had been no breach.

PRODUCT

GANT has since the start in 1949 focused on creating clothes with a timeless design and where durability and functionality have been a top priority. Today, we work in the same mindset, and “Never Stop Learning” is the leading credo through everything we do, including sustainability.

Our vision is that by 2030, GANT will have full transparency and traceability from dirt to shirt. We will accelerate sustainable business, together with leading partners, to ensure our customers know the amazing stories behind the products they wear and love.

We participate in global partnerships to drive action and long-term impact. We choose innovative materials according to science. 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.

MATERIALS

The choices we make when choosing raw materials are crucial to our environmental and water footprint. We make a conscious choice to work with natural materials that are both renewable and don't emit plastics. However, there are 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 the 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. Also, we are searching for 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 as well as product range needs. We work with both the Higg Material Sustainable Index and the Textile Exchange Material Change Index.

At GANT 88% of our material is made from natural fibres and 79% in total was made from cotton. The sustainable cotton staircase is our plan on how to increase the ratio of sustainably sourced cotton until we reach 100% sustainably sourced cotton in 2022. In 2020 GANT sourced more than 57% sustainably sourced cotton, including BCI, Organic cotton and recycled cotton.

GANT also has a reduce, reuse, recycle policy in order to implement a closed loop system strategy to all parts of the business. GANT takes responsibility for unsold goods and provides solutions for those products to get a second life together with the organization Texaid. In the beginning of 2020 GANT launched The 7 Rules as a global initiative. This initiative is a long-term effort for GANT and will continue to be developed further going beyond 2020. In the first year, the campaign trickled down into 7 concrete actions across several markets and channels. The 7 Rules focuses on extending the life of garments and materials by giving consumers the tools and education to be able to care for the garments in the best way possible and in line with the EU Waste Hierarchy. The seven rules are:

1. Refresh
2. Repair
3. Reuse
4. Rent
5. Regive
6. Remake
7. Recycle

The 7 rules launch were heavily affected by the pandemic and planned activities were postponed. Among the activities we did execute during the year was an archive auction where the proceedings were donated to WaterAid. We also introduced a lifelong repair for jeans and launched new products made of upcycled fabrics and made refresh tutorials available. We anticipate to launch the activations and initiatives that were held up as soon as possible.

PACKAGING AND TRANSPORTS

The GANT packaging policy sets guidelines for efficient packaging and appropriate solutions for our products. To continuously strive to minimize negative impact on the environment by our packaging, the packaging policy emphasises the use of renewable and sustainable sourced materials. All paper product packaging is FSC-certified. GANT has also established a transport policy to minimize negative impact on the environment by striving to always have full truckloads and minimize airfreight. A majority of GANT products in 2020 were shipped on sea (77%). Other transport methods are road (17%), air freight (5%) and rail (1%).

PLANET

Our vision is that GANT by 2030 will be a brand focused on keeping and developing new bio-based businesses by creating products that are premium, preppy, timeless and designed to have a long life.

We acknowledge that the planet has a limited amount of resources. Respect for the environment is a natural part of the business process and integrated into all of our activities. We strive to decrease our footprint both within our own operations and across our supply chain.

CHEMICALS

To manage chemicals within products, GANT has a restricted substance list policy compliant with and stricter than the REACH-legislation. GANT allows no PVC, biocides or silver ions in products and continuously works to improve the routines to ensure product quality, security and thereby reduce the environmental impact of the products.

ANIMAL WELFARE

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).

- 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 is 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 our products are now certified.
- No fur, endangered species, caged animals, non-certified mohair, rabbit hair, or angora is allowed at GANT.

CLIMATE

At GANT we have set ambitious targets to reach by 2030 and will challenge our current ways of working. This will change how our products are produced and worn.

About 70% of the climate impact of a garment's life cycle comes from the production phase. Everything from growing raw materials to dyeing fabric and sewing a shirt requires large amounts of energy and other resources. To mitigate this we need to make conscious choices within all phases, including choosing the most climate-efficient raw materials, increasing energy efficiency and monitoring our progress.

Since several years back we have a sustainable fiber staircase in place, which we are using for implementing materials in our products with lower climate impact. We are aligned with The Fashion Pact's definition to decide on which materials that are preferred. 2020 almost 45 % of our material was lower climate impact materials. We also use the Higg Index Factory Environmental Module to measure the climate impact of the factories we work with. 57 % of our products are produced in factories that use the Factory Environmental Module.

GANT is a member of the United Nations' Fashion Industry Charter for Climate Action and the G7 Fashion Pact in order to work together with the apparel industry to find solutions that tackles environmental challenges such as the climate, loss of biodiversity and water crises. We also participate in working groups within the UN Fashion Industry Charter focusing on Raw materials and Brands and retailers owned or operated emissions.

WATER

AT GANT we have set targets to reduce the water usage within production and promote industry-leading technology to mitigate the impact. 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.

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, Restricted Substance List 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 acknowledge the importance of this for the industry to be able to meet the Sustainable Development Goal 6. We also support multi-stakeholder programs and have committed to all their ocean targets.

When it comes to water stewardship, the industry needs to continue to advocate for collective action and policy changes. By 2030 GANT will be a brand known for leading the journey to protect and safeguard water for current and future generations.

During 2020 GANT entered a partnership with WaterAid. WaterAid is a not-for-profit that is working with partners in some of the toughest places in the world to enable access to clean water, decent toilets and good hygiene. GANT is proud to be a partner to WaterAid's important work. During the year we held an archive auction to inspire our consumers to reuse old garments and to show that a GANT garment can last for decades with the proper care. All of the proceedings from the auction were donated to WaterAid. In December the partnership was also highlighted as a part of our 7-rules strategy in all of our channels. The activation focused on the Regive-rule and that GANT together with organizations like WaterAid, are giving back to create a more beautiful and sustainable world.

FUTURE

AT GANT, we say that sustainability is complicated, but not impossible. There is much that still needs to be done and that is an opportunity we want to take on. In 2020, we launched our sustainability roadmap for the coming decade. The GANT Way.

We know there are no easy solutions to difficult problems but we are a company that has built our business around our Never Stop Learning motto and we have over 70 years of business experience to stand on. And this is what we will continue to do. We will never stop learning how to make the world better and more sustainable than yesterday.

With The GANT Way as our compass for the coming years, we are up for the challenge that our commitments give us. And we see great potential in taking on the sustainability challenge. How will we do this?

We create new traditions by challenging norms.

Sustainability notes 2020							
Strategic priority	Materiality analysis	Risk analysis	Governance	Goals 2020-2030	Results and progress 2020	Area in COP	Area in ÅRL
Stakeholder engagement	Dialogue and communication with stakeholders, Associate/Memberships engagement, Communities	Customer (Service, Future business demand, Sustainable products, Responsible products)	GANT Employees, Suppliers, Significant business partners, Communities, Sustainable retailers, Organizations such as: Better Cotton Initiative, WaterAid, 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	-GANT Continuous Improvement Environment in place by 2023 -New Compliance Program in place by 2023 -100% of all suppliers have signed Code of Conduct continuously	-New membership with Leather Working Group -New partnership with WaterAid	Human rights, Labour, Environment, Anti corruption	Human rights, Environment, Anti corruption, Social aspects and employees
Anti corruption	Anti corruption	Finance (Financial stability, Anti corruption, FX, Mergers/acquisitions/divertures, Stock, Trading interventions, Profitability and growth, Transparency, 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	-GANT Continuous Improvement Environment in place by 2023 -New Compliance Program in place by 2023 -100% of all suppliers have signed Code of Conduct continuously	-No case of corruption was reported -100% of all product suppliers have signed Code of Conduct	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 engagement and cultural index continuously -Engagement score 90/100 2020	-1659 employees -68% in retail and 32% in the offices -419 were recruited and 573 left the company -No new Engagement survey during 2020	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 continuously -Full compliance to Code of Conduct continuously	-90% of employees signed the Code of Conduct -6 case of non-compliance was reported. The cases were in relation to negligent behaviour, fraud and one case of discrimination. The cases led to written warnings or termination of the employees	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 continuously	-75% female, 25% male employees -65% female, 35% male managers	Labour	Social aspects and employees
Grievances	Human rights	HR	-Code of Conduct -Diversity and Equality Policy -Discrimination, victimization and harassment Policy	-An equal and diverse workplace with equal opportunities continuously -0 reported non-compliances continuously -Full compliance with Grievance Policy and Process continuously	-9 grievance cases received, 6 within HR and 3 within the supply chain. -Due diligence work on grievance cases conducted -6 cases of reported non-compliances	Labour	Social aspects and 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 initiatives continuously -Continue to have healthy employees and low sickness and absence rate continuously	-Absenteeism 11% -Sickness absence 4% -Working to move healthier GANT activities online due to pandemic	Labour	Social aspects and employees
Never stop learning internally	Human resources	HR	-Code of Conduct -Diversity and Equality Policy -Discrimination, victimization and harassment Policy	-All employees being part of the Never Stop Learning initiatives continuously -In 2020, continue to achieve that 100% of GANT employees receives sustainability training -Continue to establish partnerships with Never Stop Learning organizations continuously -Through 2030, continuously update the Sustainability Roadmap and the Seven Sustainability Pillars to meet a rapidly changing industry	-100% retail employees were trained through Retail Academy -90% in office have done training on sustainability -25% within retail have done training on sustainability	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 distribution, 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	-GANT Continuous Improvement Environment in place by 2023 -100% of suppliers in risk countries assessed by third party auditor continuously -Full compliance with Code of Conduct and Policies continuously -Continue to map strategic partners in Tier 2 in 2021 -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	-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 -Started to implement new requirements on third party audits for european suppliers -Production with 67 suppliers and 90 factories. -Published factory list for tier 1.	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	-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	-Due diligence performed continuously, -Grievance-case initiated in March 2020 due to risk of forced labor in Xinjiang. -90% of the employees at GANT HQ and UK HQ have done digital modern slavery act training	Human rights	Human rights
Digital & IT	Legal compliance, Future business demand	IT (System Security, System support to the business, System compliance 2020, System availability, Third party IT system dependency) Legal compliance	-IT Policy -IT Security Policy -Video Surveillance Policy -Phone Policy -Data Processing Agreement	-GDPR Compliant continuously -Green IT continuously	-No major GDPR compliance incidents. -GANT has performed improvements around anonymization and also updated our cookie banners to reflect current e-privacy standards. -Sustainability initiatives to increase reuse and recycling of phones, computers etc. -More sustainable data storage with cloud-solutions.	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, Seasonal 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	-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	-Produced 12.8 million products -GANT 7 Rules launched including archive action, lifelong repair on jeans and products made of upcycled material. Limited due to pandemic. -Partnership with Texaid	Human rights, Labour, Environment, Anti corruption	Social aspects and employees Human rights Environment
Transport	Logistics	Supply chain	-Transport Policy -Travel Policy -Standard Operating Procedure -Working with GANT	-Review Travel Policy in 2020 -Below 5% shipped by air continuously -Increase fill rate continuously	-Shipping of products** accounted for a total emissions of 4,5% of total climate impact*. -77% of all tonne-kilometers was shipped by sea, 17% by road, 5% by air and 1% by rail. -Business travels accounted in emissions of 0,2% of total climate impact* -Reviewed Travel Policy	Environment	Environment

Strategic priority	Materiality analysis	Risk analysis	Governance	Goals 2020-2030	Results and progress 2020	Area in COP	Area in ÅRL
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	-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 cellulose 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	-Reached more than 50 % sustainably sourced material -Reached 57% more sustainably sourced cotton**** -88% made from natural materials. Raw materials in products were 79% cotton, 12% synthetic fibers, 6% wool, leather, down and feathers and 3% plant based fibers*** -Continued roll out of fiber staircase	Environment	Environment
Packaging	Legal compliance, Social and environmental 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	-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 continues to be from sustainably managed forests	-100% of shopping bags, silk paper, e-com boxes and gift boxes are Forest Stewardship Council certified -Greenhouse 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*	Environment	Environment
Environment	Legal compliance, Social and environmental demands on suppliers, Biodiversity, Air pollution,	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier agreement -Code of Conduct -Partnerships	-7 Rules available for all subsidiaries in 2020 -Full compliance with Environmental Policy continuously -Support zero deforestation and sustainable forest management	-100% of the factories in Asia, Africa and Turkey have been assessed by third party auditor -3 grievance-cases initiated related to risk of links to forced labour in Xinjiang and a failed product-test. -Total land use for production and cultivation of raw materials was 113 square kilometers* -Air emissions from production and cultivation of raw materials, NOx, SOx, CO and particles were 1273 tonnes*	Environment	Environment
Climate	Energy and climate	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier agreement -Transport Policy -Packaging Policy -Partnerships	-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	-Total amount of greenhouse gases emitted were 143 000 tonnes*. 77% was due to production, 14% due to extraction of raw materials, 4% logistics, 3% HQ office, warehouse and shops, 2% packaging materials, 0.2% business travels -Became signatories of the UN Fashion Industry Charter for Climate Action -Became signatories of the Fashion Pact -Science Based Target postponed to 2021 due to Covid-19 pandemic	Environment	Environment
Energy	Energy and climate	Sustainability, Supply chain	-Environmental Policy -Working with GANT -Supplier 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 by 2030	-Total energy usage for cultivation of raw materials, production and HQ office, warehouse and shops were 131 GWh*, 85% were due to production, 8% due to HQ office, warehouse and shops and 7% due to cultivation of raw material -Renewable energy at HQ office	Environment	Environment
Chemicals	Product health and safety, Chemical management	Sustainability, Supply chain	-Restricted Substance List (RSL) Policy -Membership Rise (The Swedish Chemicals Group) -Working with GANT -Better Cotton Initiative	-Implement new Chemical Management Program in 2020 -Partnership with Zero Discharge of Hazardous Chemicals, Leather Working Group and BlueSign according to staircase	-All suppliers committed to Restricted Substance List. -1 suspected breach of GANT's Restricted Substance List. The investigation and additional testing showed that there were no breach of the RSL. -New membership with Leather Working Group -12 538 tonnes of chemicals were used in the production*.	Environment	Environment
Water	Water consumption, water pollution	Sustainability, Supply chain	-Water Policy -Environmental Policy -Better Cotton Initiative -SAC HIGG Factory Environmental Module	-In 2020, GANT will continue to support water initiatives that protect waterways of the world. -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	-New partnership with WaterAid -Membership in Better Cotton Initiative -Membership with Sustainable Apparel Coalition and 57% of our products were made in tier 1 factories that used the Higg Index Factory Environmental Module to measure water usage and pollution -In 2020 GANT used 16.4 million cubic meters of water in the production*	Environment	Environment
Animal welfare	Animal welfare	Sustainability, Supply chain	-Animal Welfare Policy -Fur free Retailer listed -Working with GANT	-Full compliance with Animal Welfare Policy continuously -100% traceable and certified animal fibers according to Animal Welfare Policy in 2025	-Sourced 100% certified down and feathers -Sourced 100% fur free products -Sourced 100% mulesing free wool	Environment	Environment
Other		Other (Catastrophic risk, Political, Natural hazard, Activist risk, Social involvement, Weather)	-Risk analysis	Continue assessing risk as part of the long term-strategy	-Conducted risk analysis. New risks, mainly related to Covid-19 pandemic, was addressed and mitigated.	Human rights, Labour, Environment, Anti corruption	Risks
UN Sustainable Development Goals	All above	All above	Prioritized 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.	Continue to address the SDGs in policies and strategies	SDGs implemented in 2030 Sustainability Roadmap	Human rights, Labour, Environment, Anti corruption	All above
GANT 7 Sustainability pillars	All above	All above		Execute on the GANT 7 Sustainability Pillars	GANT 7 Sustainability Pillars strategy was launched and published on GANT website.	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 database v3.3, SCA Ortviken Paper, LCA leather - overview and case study, ITG - Sustainability benchmark - carbon footprint leather, UNIDO - mass balance in leather processing, European Commission 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, straw. Synthetic materials are acrylic, polyester, polyamide, elastane, polypropylene, polyurethane, rubber.							
****Better Cotton Initiative, Organic cotton, Organic Fairtrade cotton, Recycled Cotton, Transitional cotton and Regenerative cotton.							