

GANNI

RESPONSIBILITY REPORT 2020

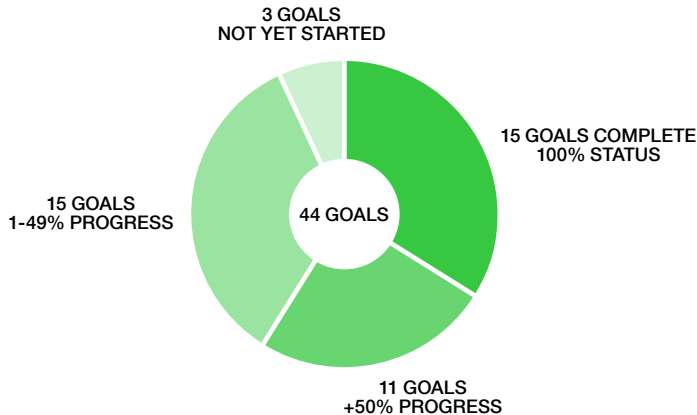


At the time of writing, it has been one year since the World Health Organisation officially declared COVID-19 a global pandemic. 2020 was a challenging year on many fronts, life as we know it was put on hold as the crisis turned the world upside down.

At GANNI we were forced to pause, rethink and had a chance to break bad habits. As an industry we came to recognise that aspects of our system were not organic nor strong enough to withstand the disruption. We faced tough decisions that required new perspectives, but through that found a willingness to test new visions. We changed our priorities and accelerated our digital strategy, introducing a virtual showroom for our partners who couldn't travel, re-strategize our product drops, inevitably breaking with the traditional fashion calendar. Another big step we took in 2020 was appointing an external advisory board to help guide us on where to focus, something that I have been keen for us to do for a long time.

Alongside everything, our design and sourcing teams still managed to accelerate our use of responsible fabrics to 73%, advanced our work in circularity through GANNI Repeat, our rental platform and implemented our Circular Design training. We raised the stakes when it came to meeting our ambition for carbon reduction and as the super important cultural movements rose, we held a mirror to ourselves and accelerated our work on social responsibility.

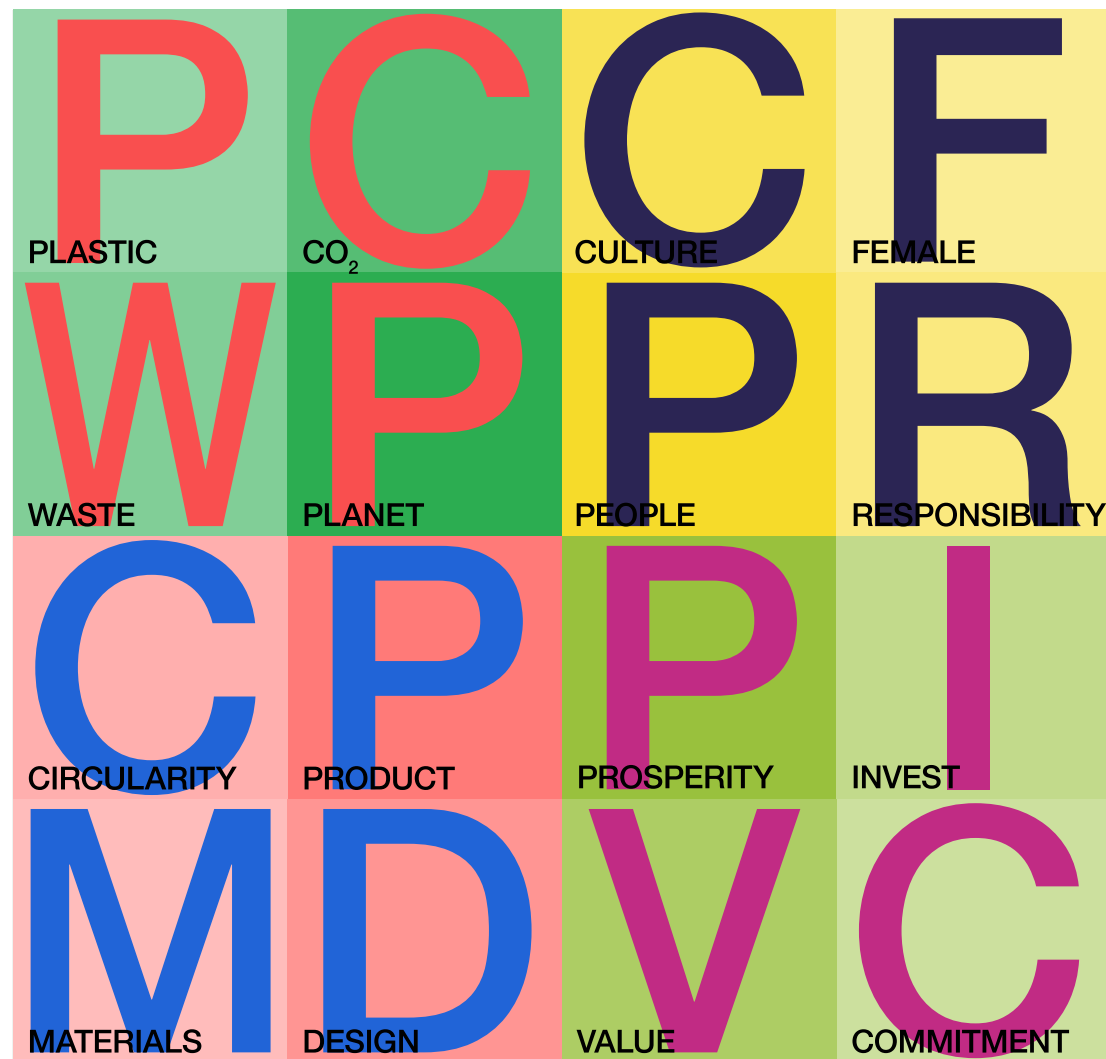
There is still so much to do and we're not even close to getting started. The silver lining is that despite the challenges of last year, we managed to progress in our efforts in being more responsible. Many projects are materialising in line with our 44 Responsibility Gameplan Goals, but it doesn't end there. Becoming the most responsible version of ourselves is a continual process.



Nicolaj Reffstrup, Founder, GANNI



OUR GAMEPLAN



MILESTONES

MARCH

- 2019 Responsibility Report published.
- Home Is Where The Heart Is creative challenge to inspire our community to get creative during the pandemic spending more time at home.
- Launched GANNI Talks podcast with founders Ditte and Nicolaj.

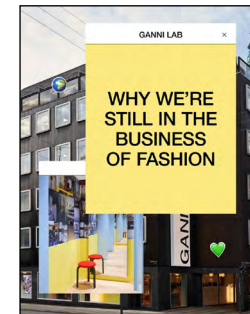


MAY

- Teamed up with the Global Girls World Cup to support women in our communities across Denmark, United Kingdom and the United States, who were especially vulnerable at the time of crisis. We shipped out 249 care packages with the help of GANNI's and GGWCUP's community.
- **Launched GANNI SPACE - our first virtual showroom concept.**

JANUARY

- Copenhagen Fashion Week FW20 show - our last real runway show as we know it with a guest audience and physical pop-up made from upcycled and reworked past season pieces
- **GANNI.Lab Instagram launch.**



APRIL

- Due to lockdown and the impacts of the pandemic, the majority of our employees were sent on furlough.
- **€40,000 donated in support of UN Women UK's solidarity funds; helping women on the frontlines fighting COVID-19.**
- Finalised our year-long participation in the Sustainable Development Accelerator organised by the UN and Deloitte Denmark.



MILESTONES cont.



JULY

- Team up with NYC non-binary photographer and model Richie Shazam to sell her prints on GANNI.com with 100% proceeds going to Marsha P Johnson Institute and For The Gwols to support and safeguard transgender lives.
- Shared the first of our collaborator who reached out to our from our BLM statement.
- Sisters Janssen collab.



SEPTEMBER

- Reported for the first time to the Higg Brand and Retail Module.
- Teamed up with Levi's® for a rental-only capsule collection of upcycled denim made with vintage Levi's 501 jeans.
- **73% of collection is made with responsible materials, our most responsible collection to date.**
- GANNI Repeat our rental platform launches for the UK community.

JUNE

- We stood in solidarity with the Black Lives Matter movement, donating \$100,000 split evenly across the AACLU, NAACP and the Loveland foundation.
- **Launched our 10+ Action plan for diversity, equality and inclusion.**
- I:CO Take-back partnership terminated.
- Supply chain traceability work kicked off.

AUGUST

- **Signed the UN Women Empowerment Principles.**
- Reported for the first time to the Carbon Disclosure Project in alignment with the UN Fashion Charter for Climate Action commitment.
- Reported plastics progress as part of the New Plastics Economy Global Commitment.
- GANNI202020 Exhibition launched in Copenhagen alongside an immersive film and digital experience.
- GANNI202020 Kiosk launches alongside the exhibition selling reworked past-season t-shirts.



MILESTONES cont.

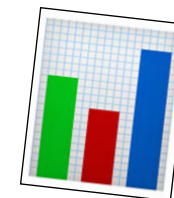
NOVEMBER

- UN case study on 'creating Gender Equality in Fashion' in collaboration with UN Women is published - [available to read here](#).



OCTOBER

· Circular Design training for Design, technical and Sourcing teams in partnership with Circular.Fashion



- Software collection made of 100% recycled material in partnership with Ecolife, a Spanish mill Belda Llorens.
- Our first customisation and repair station launches at our new flagship store in Copenhagen.
- Internal tool AllVoices launches - an anonymous reporting and communication platform that promotes diversity, equity and inclusion.
- #GANNIGirls Vote competition to encourage more female voters in the US election.
- CPH fashion summit goes virtual and our Founder, Nicolaj hosts a virtual conversation with Stine Kirstine Junge from UNDP and GFA about the challenges on setting out to make an impact-free collection.
- 50+ GANNI employees begin Unconscious Bias training with The Other Box.

DECEMBER

· Responsibility Advisory Board appointed and members announced.

- GANNI non-medical face masks made of upcycled GANNI deadstock launch with 15% of profits donated to the UN Women's global programmes to support and protect women on the frontlines of COVID-19.
- GANNIGifts collection made from reworked past season prints launches.
- Boy Smells responsible candle collab launches.
- Customisation and repairs station comes to London.
- Design and Technical team training with CLO3D a 3D design tool.



PEOPLE

CULTURE 11
FEMALE 20
ACCOUNTABILITY 23

CULTURE

GOAL 1: DEFINE GANNI'S DIVERSITY AND INCLUSION ACTION PLAN, AND LAUNCH IN 2020.

STATUS: 70%



CASE STUDY: DIVERSITY AND INCLUSION

We stated in our 2019 report that Diversity and Inclusion was high on our agenda for 2020, but as a result of another racial injustice in May 2020, our work accelerated with the revived Black Lives Matter movement in June 2020. The BLM movement compelled us to reflect on our role as a brand, further accelerating us to take accountability and creating real action and work in this area both internally and externally.

In June 2020, we founded an internal diversity and inclusion working group to create concrete objectives and measurable change internally at GANNI and formalised a 10 point action plan for 2020 and 2021. At the time of writing, here is the progress made:

ACTION 1: *We have committed to signing a public charter on Diversity & Inclusion.*
PROGRESS: We are in dialogue with The Black In Fashion Council (BIFC) and co-founder Lindsay Peoples Wagner sits in the GANNI Responsibility Advisory Board.

ACTION 2: *We will conduct a Gender and Ethnicity survey to capture and report on the makeup of GANNI employees to inform measuring progress on Gender Equality, Diversity, Equity and Inclusion by May 2021.*

PROGRESS: At the time of writing, we are currently in the process of obtaining this information from employees looking at ethnicity, age, gender and position held within the company. Due to GDPR sharing this information is voluntary but we are hopeful for a strong response rate to drive our work in this area forward.

ACTION 3: *GANNI employees in management and communication roles or responsible for hiring will attend unconscious bias training, anti-racism and inclusive communication training organised by UK based The Other Box between November 2020-February 2021.*

PROGRESS: The initial training for 50 employees with The Other Box has been completed. We are now reviewing how all employees can receive some level of training in this area.

ACTION 4: *We will increase our hiring of Black, Indigenous, People of Colour (BIPOC) employees across GANNI's global offices.*

PROGRESS: Based on the results of the survey (action point 2) we will put concrete measures in place to ensure the increased hiring of BIPOC employees within GANNI.

(continued overleaf)

We are also in the process of reviewing where and how we advertise job roles within the company, specifically looking at jobs boards for under-represented groups. All job adverts have had the following message added to the description, a small but purposeful action:

“GANNI is committed to creating a more diverse and inclusive workforce, building teams that represent a variety of backgrounds, perspectives and experiences. It is a fundamental policy at GANNI not to discriminate on any basis or characteristics. Everyone is welcome and encouraged to apply.”

ACTION 5: *We are committed to representing a balanced mix of people to showcase a diverse array of identities across our marketing and PR content projects.*

PROGRESS: Since June last year we have increased the number Black creatives commission across projects, both in front and behind the camera. Internally and externally across PR and Marketing projects we have gone through the process of further diversifying our talent pool to include a more balanced mix of minorities, ethnic backgrounds, genders as well as furthering size inclusivity amongst the talents we work with. Across brand campaigns we are constantly evaluating the mix of talents to ensure that we are mirroring and representing the community we take pride in communicating to. The work is far from done, but we have made a lot of progress in this area as a result of self reflection and internal action points.

ACTION 6: *We will define our language and terms surrounding Diversity and Inclusion in our internal and external communication by May 2021.*

PROGRESS: One of the training sessions with The Other Box was centred around inclusive communication. Our internal Diversity & inclusion working group will be taking the learnings from this training to implement a guideline for all employees at GANNI to align on language and terms by May 2021.

ACTION 7: *By October 2020, an Advisory Board made up of industry experts to support our strategy surrounding People, Planet, Product & Prosperity will be enrolled for a 3 year term. The board will include members with an expertise and strong voice on diversity and inclusion.*

PROGRESS: The GANNI Responsibility Advisory Board was formed in October 2020 and includes Eva Kruse as Chair, alongside Dio Kurazawa, Lily Cole and Lindsay Peoples Wagner. Founder Nicolaj Reffstrup and CEO Andrea Baldo also sit on the Advisory Board, which meets every 3 months.

ACTION 8: *By December 2021, we will Implement people policies and procedures to accelerate diversity & inclusion within GANNI.*

PROGRESS: We recognise the need to ensure our work on Diversity and Inclusion is embedded and continues to progress within the company, therefore a full review of our People policies is underway in 2021.

ACTION 9: *All employees will be on-boarded onto AllVoices an always on communication channel to ensure our employee's voices are heard frequently and in an anonymous capacity.*

PROGRESS: 2020 showed us how important it is for employee voices to be heard within the company which is why we launched GANNI X Allvoices in October 2020 to enable GANNI employees to express themselves freely.

ACTION 10: *GANNI Library's set up across all offices for our employees to learn and continue educating themselves on how to actively be anti-racist.*

PROGRESS: GANNI's offices in Copenhagen, London and New York have been set up with Libraries where employees can rent out books to further educate themselves on racism and gender imbalances.

CULTURE

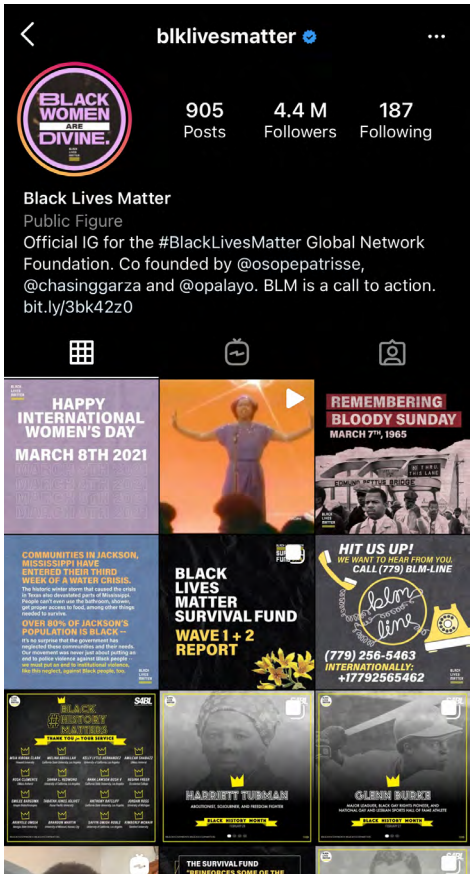
GOAL 2: LAUNCH X 3 (INTERNAL OR EXTERNAL) INITIATIVES RELATED TO DIVERSITY AND INCLUSION BY 2021.

STATUS: 100%

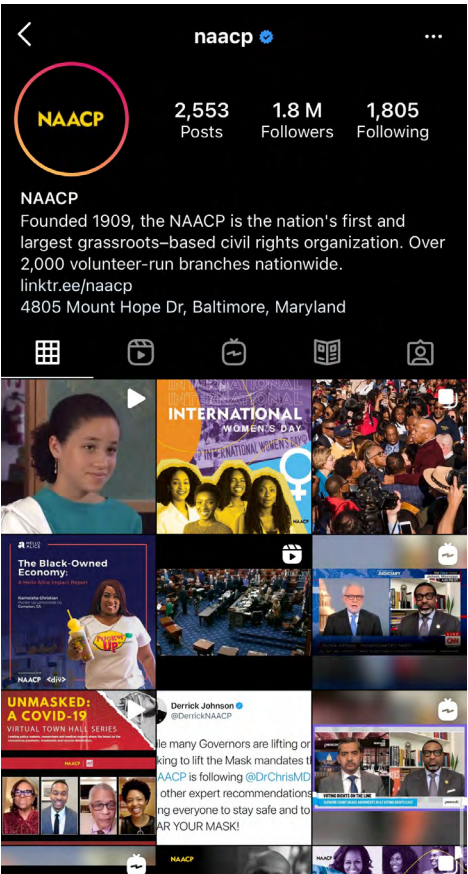


At GANNI we stand in solidarity with the Black Lives Matter movement. In June 2020 our company and founders donated \$100,000 across the below organisations, in support of the fight to end racial injustice:

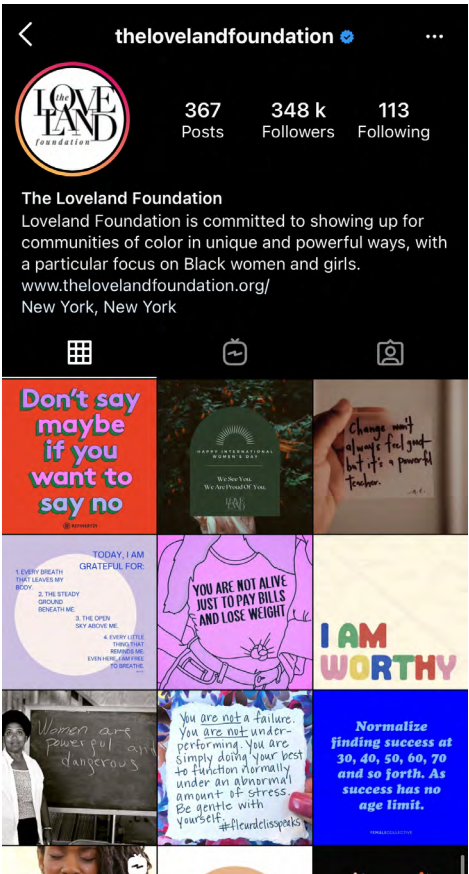
BLACK LIVES MATTER



NAACP



THE LOVELAND FOUNDATION



On 1st June 2020, we made the following public statement:

At GANNI, we stand in solidarity with the Black Lives Matter movement.

**As we've been researching and educating ourselves, our silence—
born out of the fear of saying the wrong thing—has gone on for too long.**

**Today, our company and founders will be donating \$100,000 across the below
organisations, in support of the fight to end racial injustice.**

@BLKLIVESMATTER @NAACP @ACLU_NATIONWIDE

**We know this is not enough—we must continue to listen, research, and educate ourselves
about systematic injustice and state sanctioned violence against black people globally.**

We have a lot of work to do, but we commit to doing better and commit to continued action.

**If you are thinking about making a purchase with GANNI this week, we ask you to consider
donating to an anti-racism organisation instead.**

**Additionally, starting this week and each week moving forward, we will be commissioning
work from the black creative community to share on our platforms.**

If you are a black creator that's interested in collaborating with GANNI, please DM us.

It's a small start, but the change begins now.

CULTURE

Alongside our statement and donation, we asked for creators in the Black community to reach out to us to collaborate together. At the time of writing, it has been 37 weeks since that statement and since then we have commissioned work from +40 different Black creatives across campaigns and special projects. By no means do we believe that our work in becoming a more inclusive brand is complete, but we thought it was important to update our community on our progress and work.

We've had the pleasure of collaborating with musicians, visual artists, photographers, writers, dancers, models, skaters and more — both in front and behind the scenes.

Our aim is to commission new creatives to share across our platforms and diversify our talent pool across all creative projects going forward. We have a lot of work to do, but we commit to doing better and commit to continued action.



TISJA AND ZIARAH JANSEN

CULTURE



PASSIAN SMIT

CULTURE



HALINA EDWARDS



CHUVA FEATHERSTONE

CULTURE

GOAL 3: EDUCATE AND EMBED RESPONSIBILITY INTO COMPANY THROUGH A PATCHWORK OF INITIATIVES.

STATUS: 50%



Our Responsibility Ambassador programme has been running since 2019, however when the pandemic hit in 2020 it was hard for us to continue to organise physical community events such as plastic clean ups and those micro-activism initiatives we love. 2020 made us realise the importance of culture and a 'Culture Committee' was formed which organised initiatives like virtual Houseparty events and care packages for all employees during lockdown. We still managed to do some cool stuff in the Copenhagen office, ready for when our employees are back in house full-force.

TURNING USED COFFEE GROUNDS TO SOAP

Together with @damngoodcoffeecompany we're trialling a soap made of used coffee grounds, a product that is usually classified as waste.

COMMUNITY GARDEN

Together with @havenpåtaget we created a community garden in the Copenhagen office. Anna Sophia from @havenpåtaget has carefully picked a variety of durable and easy to care for plants, where most yield some sort of produce whether that be flowers or fruits. The edible flowers and vegetables are harvested for lunch, and everyone is encouraged to tend to the garden - when employees are back in the office that is. In late 2020, we also made a small batch of craft beer made using hops and lemon verbena from the GANNI courtyard with the help from our friends and family, and a local microbrewery.

WORMFARM IN THE CAFETERIA

In November 2020, not far from the GANNI HQ's coffee machine, we just got our very own worm farm. A gift by our founder Nicolaj Reffstrup, who already has his own worm farm at home, our new friends make up a high-protein meal or easy snack.



COFFEE SOAP

CULTURE



COMMUNITY GARDEN



WORM FARM

FEMALE

GOAL 4: DEFINE GANNI'S WORK ON GENDER EQUALITY AND LAUNCH IN 2020.

STATUS: 100%



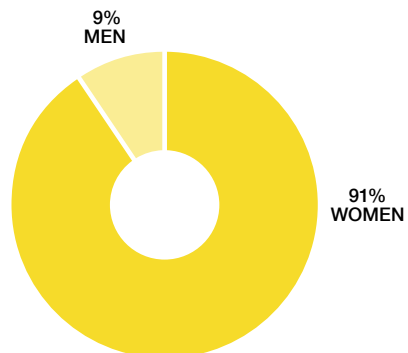
In August 2020, GANNI made a pledge to Gender Equality by signing up to the UN's Women Empowerment Principles, in part to hold ourselves accountable, but also to provide a framework that ensures our work on Gender Equality becomes concrete, legitimate and progressive.

THE WEP'S ARE COMPRISED OF 7 PRINCIPLES:

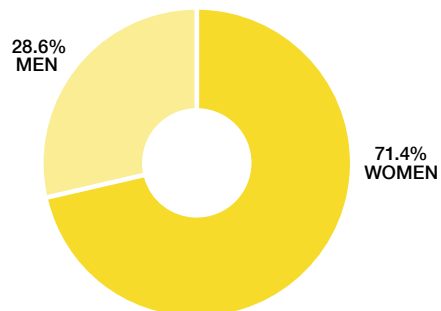
- 1 ESTABLISH HIGH-LEVEL CORPORATE LEADERSHIP FOR GENDER EQUALITY.
- 2 TREAT ALL WOMEN AND MEN FAIRLY AT WORK - RESPECT AND SUPPORT HUMAN RIGHTS AND NONDISCRIMINATION.
- 3 ENSURE THE HEALTH, SAFETY AND WELL-BEING OF ALL WOMEN AND MEN WORKERS.
- 4 PROMOTE EDUCATION, TRAINING AND PROFESSIONAL DEVELOPMENT FOR WOMEN.
- 5 IMPLEMENT ENTERPRISE DEVELOPMENT, SUPPLY CHAIN AND MARKETING PRACTICES THAT EMPOWER WOMEN.
- 6 PROMOTE EQUALITY THROUGH COMMUNITY INITIATIVES AND ADVOCACY.
- 7 MEASURE AND PUBLICLY REPORT ON PROGRESS TO ACHIEVE GENDER EQUALITY.

FEMALE

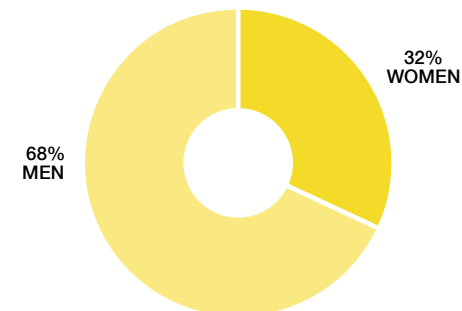
TOTAL EMPLOYEES*



MANAGEMENT



BOARD OF DIRECTORS



As part of signing the WEP's we had to undertake an exercise to understand our own Gender split, which has made us much more aware of where we need to make and sustain progress

In November 2020, we also conducted a case study on 'creating Gender Equality in Fashion' in collaboration with UN Women which you can [read here](#).

* Ganni direct employee gender split as of August 2020. Please note, this data is based on assumed gender split, GANNI is the process of conducting an internal survey to incorporate non-binary employees.

FEMALE

GOAL 5: LAUNCH X 3 (INTERNAL OR EXTERNAL) INITIATIVES RELATED TO GENDER EQUALITY BY 2021.

STATUS: 100%

As a fashion brand for women, by women, GANNI was founded with a clear mission: to make women feel confident in their own skin. Female empowerment and gender equality is one of our core values and part of our DNA.

UN WOMEN UK DONATION

In April, we pledged our first donation of a total of €40,000 in support of UN Women UK's solidarity funds; helping women on the frontlines fighting COVID-19. This amount came from 20% of profits from our GANNI POSTMODERN archive pop-up.

GLOBAL GIRLS WORLD CUP CARE PACKAGES

In May 2020 we teamed up with the Global Girls World Cup to support women in our communities across Denmark, United Kingdom and the United States, who were especially vulnerable at the time of crisis. The small act of sharing care packages to help put a smile on the faces of those who are the most vulnerable, even if just for a second.

We shipped out 249 care packages with the help of GANNI's and GGWCUP's community. With support from local organisations, shelters and even private people. Our partner @GGWCup is the first women's activist football tournament centred around the UN 17 Global Goals. GANNI has been playing on the football field for Global Goal Number 5 - gender equality since 2014.

NON-MEDICAL FACE MASKS

In December 2020, we launched our non-medical face masks, crafted from signature past-season prints from GANNI collections gone by to continue our partnership with UN Women, 15% of profits will be contributed to UN Women's global programmes to support and protect women on the frontlines of COVID-19 whose lives are most impacted right now, especially those who are experiencing domestic violence.



ACCOUNTABILITY

GOAL 6: COMMIT TO WORKING WITH 3 RESEARCH PROJECTS PER YEAR - SUPPORTING STUDENTS, ACADEMIA AND NGO'S.

STATUS: 100%

We believe in supporting students and academia studying fashion, specifically sustainability and circular business models as sharing knowledge will only bring us closer to realising a sustainable fashion industry. In 2020 we worked with several projects but most notable was a 12 month collaboration with Associate Professor Else Skjold and The Royal Academy of Fine arts (KADK), where we looked at new business opportunities in rental and resale and a fit and sizing project, to look at size inclusivity within GANNI. The learnings of this project that wrapped up in December 2020 will be imperative to our work on circularity moving forward.



ACCOUNTABILITY

GOAL 7: 100% SUPPLY CHAIN TRACEABILITY ON STAGES 1-4 BY 2021 AND FULL TRACEABILITY BY 2022

STATUS: 60%



In March 2020 we hired a Traceability Coordinator to solely focus on obtaining traceability within our supply chains.

We started by asking our 43 Stage 1 suppliers a set of 21 questions that related to geographical, environmental and social responsibility. The intention was that the Stage 1 supplier then asked their Stage 2 supplier and the process would follow down the supply chain, focussing on Stages 1-4 (everything bar the raw material level).

We quickly realised that this was a lot of information for the supplier to obtain, so we refocused our efforts on the geographical makeup of our supply chain as a priority and the social and environmental questions, which would be much more tailored in light in geographical information would be phase 2 of obtaining traceability.

We're still learning and actively looking for a third-party tool to ease the manual work, ensure credibility and validity of information.

STAGE 1

STITCHING, ASSEMBLY, AND KNITTING

Stage 1 facilities include manufacturers, subcontractors and agents GANNI works with in a contractual manner. GANNI has a direct contact with the first stage of production and we have visited many contractors in person. The tag on your clothing that states its origin country refers to the location of the manufacturing unit.

STAGE 2

DYEING, PRINTING, AND EMBROIDERY

Stage 2 suppliers work with finishing untreated fabric rolls and works with dyeing, printing, and embroidery. These suppliers have contractual tiers with the stage 1 manufacturing units, meaning we as a brand have no legal ties to the stage 2 unit. This stage of the supply chain is not always present, as some stage 1 manufactures also handle material production.

STAGE 3

FABRIC MILLS AND TANNERIES

Stage 3 suppliers create untreated fabric rolls from yarn through weaving and knitting. Stage 2 suppliers don't necessarily have a contractual arrangement with these suppliers, as the fabric can be purchased at markets of fairs.

STAGE 4

YARN MILLS

Stage 4 suppliers spins yarn from raw materials like wool, linen and cotton.

STAGE 5

FARMS, RECYCLING FACILITIES AND PROCESSING UNITS OF FOSSIL FUEL BASED MATERIALS

Stage 5 suppliers cover the facilities and businesses that supply the value chain with raw materials. The stage includes facilities such as cotton fields, sheep farms and polyester production from fossil fuelled based sources. Facilities, recycling current fibres into new fabrics is also represented at this stage.

ACCOUNTABILITY

STAGE 1 SUPPLIERS

- 1 PORTUGAL (12)
- 2 SPAIN (2)
- 3 GREECE (3)
- 4 ITALY (4)
- 5 BULGARIA (1)
- 6 TURKEY (5)
- 7 CHINA (8)
- 8 INDIA (4)
- 9 HONG KONG (5)
- 44 TOTAL



ACCOUNTABILITY

STAGE 1 SUPPLIERS

1 PORTUGAL

AFEM, INDUSTRIA DE CALÇADO, LDA
São Roque, Aveiro

CONF AVILA
Antas

FERNANDA OLIVEIRA
CUCUJÃES

FIORIMA SA
Braga

JOAQUIM JOSÉ HEITOR, S.A.
Santa Maria da Feira

LAST STUDIO
Felgueiras

MARISPORT CALÇADO LDA
Felgueiras

RAMIL - RAUL CARVALHO AZEVEDO
Ruivães

RODRIGUES & ABREU, L.DA
Manhente Barcelos

ROMA VESTE CONF., LDA.
Ronfe

SMA-INDUSTRIA DE CALÇADO LDA.
São Roque, Aveiro

TWINTEX INDÚSTRIA DE CONFECÇÕES, LDA
Fundão

2 SPAIN

CROTA COLARIS
Crevillente

KUSILAS
A Coruña

3 GREECE

DIEN S.A. CLOTHING CONSTRUCTION
Thessaaloniki

ESAGENCY*
Thessaaloniki

NEW POWER TEXTILES
Thessaaloniki

4 ITALY

MAGLIFICIO FMF SPA
Poggio Al Caiano

NORTH TEX S.R.L.
Cocaglio

SOLMAR EYEWEAR S.R.L.
Cavaso Del Tomba

STOKTON S.R.L.
Pieve A Nievole

5 BULGARIA

CONTINENTAL
Petrich

6 TURKEY

DINATEKS
Corlu

MERKOTEKS
Istanbul

PANEL CORPORATION
Istanbul

SARP JEANS
Kemalpasa

SUTEKS TEKSTIL
Istanbul

7 CHINA

BEIJING KRK
Beijing

SUZHOU INDUSTRIAL PARK FREE
SILK APPAREL CO.
Suzhou City

ZHEJIANG JIAXIN SILK CORP.
Jiaxing

BEIJING XIANGRUIKUN TRADING CO.
Beijing

NINGBO TEXDREAM MANUFACTURE CO.
Ningbo

QINGDAO SHIMEIER HANDICRAFTS
Qingdao

DONGGUAN TOP-FLIGHT APPAREL
& ACCESSORIES CO. (STATE OF WOW)
Dongguan

SHIJIAZHANG LONGAI IMPORT & EXPORT
Shijiazhuang City

8 INDIA

EXPRESSIONS*
Gurgaon

FANCY
Noida

PRIT'S LEATHER ART (P)
Noida

RADNIK EXPORTS
New Delhi

9 HONG KONG

DM*
Kwai Chung

SUPERIOR*
Hong Kong

TIMEWAY*
Hong Kong

WING CHIT INDUSTRIES CO.*
Hong Kong

ZINNIA CLOTHING & ORNAMENTS CO.*
Hong Kong

* Please note that suppliers we have a contractual relationship with 'Stage 1' include both offices and factories. The 7 suppliers that are office addresses have been marked with an asterix

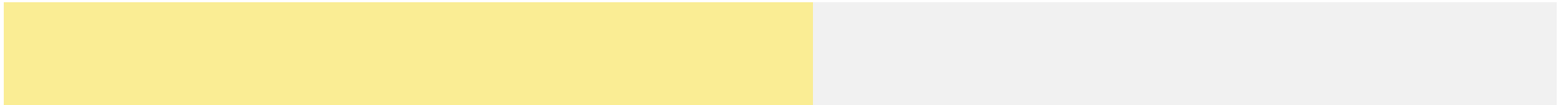
ACCOUNTABILITY

TRACEABILITY PROGRESS

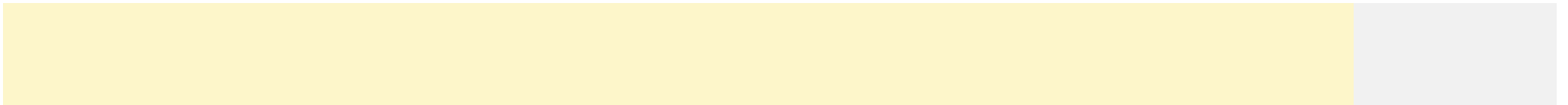
FW20: 75% STAGES 1-3



PF21: 52.1% STAGES 1-3



SS21: 87% STAGES 1-4



ACCOUNTABILITY

GOAL 8: BEGIN TO MAKE SUPPLY CHAIN TRANSPARENT TO THE GANNI COMMUNITY STARTING IN 2021.

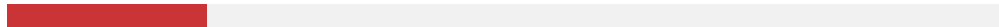
STATUS: 20%



In 2020, our priority has been to work with our suppliers in obtaining traceability through our supply chain and secondly, scope out how we make information on our suppliers more accessible for our GANNI community. This work will pilot in mid-late 2021 so look out for more information soon.

GOAL 9: DEFINE AND EMBED THE SOCIAL RESPONSIBILITY STRATEGY IN THE SUPPLY CHAIN BY 2021.

STATUS: 20%



2020 was about holding a mirror to ourselves when it comes to diversity, inclusion, gender equality and community at GANNI. We learnt a lot and now it is time to take some of those learnings through our supply chain and work with our strategic suppliers to pilot social responsibility initiatives at factory level in 2021. We will keep you updated on our progress!





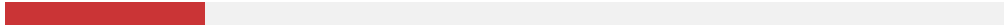
PLANET

WASTE 32
PLASTICS 38
CO2 42

WASTE

GOAL 10: 100% MONO COTTON DEADSTOCK TO BE UPCYCLED 2022.

STATUS: 20%



In 2020, we started exploring our inventory to get a better understanding of the makeup of the deadstock held at our warehouses.

We know that products made of mono materials made of natural fibres have more potential to be recycled, but it was important for us to look at all mono compositions of waste we have available. 51% of our wastage is made up of mono material. See a break down on the right:

We will actively start working with this inventory in 2021.

¹ Deadstock is defined as stock that has been through all sales channels, and no longer has commercial value
² Global Fashion Agenda. (2021) Design for Longevity: Close the loop

GOAL 11: X2 FIBRE TO FIBRE RECYCLING TRIALS BY 2021.
GOAL 12: UTILISE OUR OWN DEADSTOCK IN THE TRIALS BY 2023.

STATUS: 40%



In 2020, We explored potential ways to engage in fibre to fibre recycling initiatives. We managed to find the right partner, an innovative fibre to fibre recycling company based in Europe, and kick started a trial to introduce a fibre made entirely out of textile waste into our collections. It's super exciting and we are aiming to expand the partnership so by 2023 we can utilise our own inventory in the fibre to fibre recycling trials. We will be able to share more information soon - watch this space!

MONO COMPOSITION	%
COTTON	17%
WOOL	1%
SILK	1%
CELLULOSE	14%
SYNTHETIC	18%

WASTE

GOAL 13: 4 X DESIGN CONCEPTS UTILISING DEADSTOCK AND/OR PRE-CONSUMER WASTE FABRIC ANNUALLY (E.G. KIOSKS, COLLABORATIONS, COLLECTIONS)

STATUS: 100%

In 2020, we rolled out 6 design concepts that utilised our own deadstock, as well as pre-consumer fabric waste in a form of KIOSK concepts.

1. In January 2020, we introduced #GANNI202020 kiosk for our Copenhagen Fashion Week show and as a part a collaborative project commissioning some of Creative Director Ditte Reffstrup's favorite female creatives to create upcycled and reworked products. The KIOSK showcased a range of items from reworked GANNI clothing and accessories that included hand painted boots by Marie Lea Lund, reworked past season t-shirts customised with photographs by Ana Kraš and recycled glass by Danish artist Nina Nørgaard.
2. In May, we launched the GANNI Postmodern archive pop-up sale, and pledged a donation of 20% of profits to the UN Women. With your help, we managed to contribute an incredible total of €40,000 in support of @unwomenuk's solidarity funds; helping not only women on the frontlines fighting COVID-19 but people in society most affected during this pandemic who deserve to feel safe.
3. In August we commissioned a US artist Hayley Blomquist to weave an installation made out of GANNI deadstock for CFW exhibition and GANNI stores.
4. In August for our #GANNI202020 exhibition, we again used past season styles and reworked them by screen printing on them.
5. In December, GANNI holiday Gifts collection used past season prints and pieces including bucket hats, toiletry bags and eye masks.
6. In the same month, we also launched non medical facemasks in the US made from past season prints with 15% sales going to UN Women.



GANNI KIOSK



HAND PAINTED BOOTS



REWORKED PRODUCTS



POSTMODERN



HAYLEY BLOMQUIST INSTALLATION



GANNI GIFTS



FACEMASKS

WASTE

GOAL 14: MEASURE IF BY CHANGING COLLECTION DROP STRUCTURE IT HAS AN IMPACT ON OVERPRODUCTION BY 2021.

STATUS: 10%



In 2020, we changed our drop structure to move away from the traditional seasonal fashion calendar. Our strategy adapted to launch smaller, more curated product drops at more frequent times throughout the year. Although we won't see the true impacts of our efforts until 2021, we have already taken some key learnings.

A positive learning is that by changing our collection drop structure, we have a higher level of reorders from our own Ecommerce and Retail Channels as well as our Wholesale partners, as opposed to larger initial stock orders. This means buying much closer to demand than previously and reducing the risk of wastage.

We will continue to trial, test and measure the effect of changing the drop structure in relation to overproduction throughout 2021.

FASHION CALENDAR

SEASONAL (FW / SS)



HYBRID MODEL



MONTHLY "DROPS"

PLASTICS

GOAL 15: 100% OF PLASTIC PACKAGING TO BE RECYCLED, REUSABLE, RECYCLABLE BY 2020.

STATUS: 70%



Last year, we focused heavily on switching the remaining virgin polybags to post-consumer recycled plastic. This has been a big challenge in some areas of the world where our suppliers operate, especially in India. However, after many trials our garment manufacturer has managed to find a supplier of certified recycled polybags in India. The remaining virgin polybags account for **32.7% of our total polybags** and will be switched to recycled plastic already from our 2021 Fall winter collection onwards.

E-commerce shipping bags that are not RePack, have continued to be made of post-consumer recycled plastic and accounted for 5.7% of all plastic packaging. Our retail carrier bags have been switched to FSC certified paper.

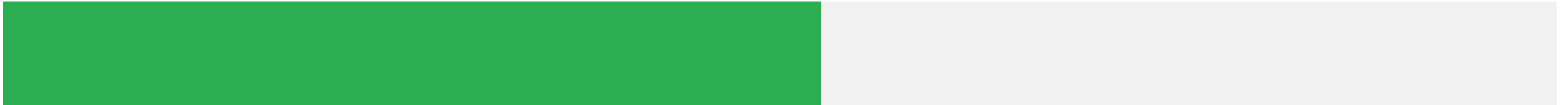
Please note, since 2019 GANNI has been a signatory of the [New Plastics Economy Global Commitment](#) launched by the Ellen MacArthur Foundation, and annually reports on the plastic progress in alignment with the Commitments guidelines. More detailed information on our 2020 progress will be launched in September 2021.



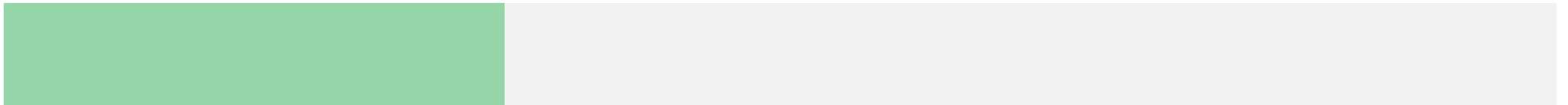
PLASTICS

TOP 3 GANNI BIGGEST CONTRIBUTORS TO THE PLASTIC PROBLEM:

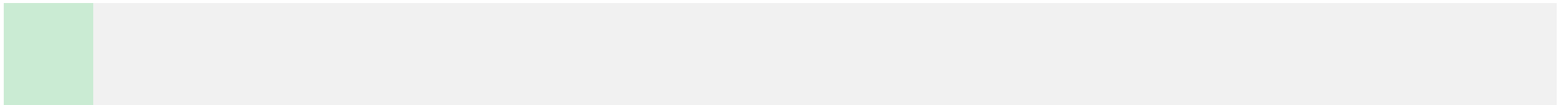
POLYBAGS 52.68%



RETAIL CARRIER BAGS 32.23%



ECOMM SHIPPING BAG 5.72%



PLASTICS

GOAL 16: TAKE ACTION TO MOVE FROM SINGLE-USE TOWARD REUSE MODELS WHERE RELEVANT BY 2020 (REPACK ROLL OUT TO RENTAL + US)

STATUS: 70%



In 2020, we continued to use RePack, a reusable packaging option for our ecommerce orders, and to date shipped over 6,000 RePacks – accounting for over 9% of all our ecommerce packaging. In the summer of 2020, we opted to replace single-use recycled plastic packaging for our GANNI Repeat rental platform orders to RePack reusable packaging to coincide with our Levi's® rental-only collaboration.

Finally, we have continued to use RePack internally to package all internal staff orders, and although it accounts for less than 0.5% of the total plastic we use, it contributes to internal behaviour and a mindset change within the company towards Responsibility.



PLASTICS

GOAL 17: ELIMINATE UNNECESSARY PLASTIC PACKAGING AND FIND A SUITABLE SOLUTION FOR PLASTIC POLYBAG BY 2023.

STATUS: 50%



In 2020, we took a decision to switch our biodegradable and compostable retail carrier bags to FSC certified paper bags, accounting for **32.23%** of all plastic packaging. We encourage you to read more about the rationale behind this decision in this post on our [@GANNI.Lab Instagram](#).

In 2020, one main focus was on finding the right solution for our plastic polybag - the packaging that protects your order in transit and one we currently cannot eliminate. We have initiated a trial with 7 suppliers to reduce the size of polybags, to help significantly reduce the amount of plastic used for transporting GANNI garments.

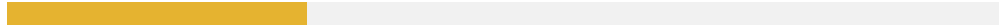
On average the polybags switched to smaller sizes have been reduced between 10- 38% in size. The exact amount of plastic that we have managed to eliminate with this trial will be published in our Plastic Progress Report in August 2021.



CO2

GOAL 18: 30% REDUCTION IN CO2 EMISSIONS PER KG OF CLOTHING BY 2023.

STATUS: 30%



As we continue our responsibility journey, we're learning that fully understanding our impact is key in reducing it. To be able to accurately measure our progress towards reduction targets, we realised we have to step up our carbon mapping efforts, and invest in further understanding our CO2 footprint.

In 2020, after a six month search we found a perfect match - our new partner [Plan.A](#) founded in Berlin in 2017 by Lubomila Jordanova & Nathan Bonnisseau. The new partnership gives us more accurate data than ever before, making us equipped to drive structural change and track our reduction progress inline with Greenhouse Gas Protocol.

In order to reduce the CO2 emissions of our clothing produced, we have first focused on the materials used for our clothing and their production, as over 90% of the emissions for apparel come from four activities: dyeing and finishing, fabric preparation, yarn preparation, and fiber production.

We have taken extensive measures to change our materials to better alternatives with a proven lower environmental impact - you can read more about the responsible materials in our collections in the section [MATERIALS](#). We have yet to calculate the exact reduction we have achieved on kg of clothing produced in 2020, but the forecasts on the CO2 reductions in this area are very promising.

We believe transparency is the only way to move the needle and will publish our first ever CO2 Progress report in September 2021 that will include a complete calculation on our CO2 footprint and reductions, alongside reporting to the UN Fashion Charter for Climate Action.

³ Greenhouse Gas Protocol. (2021)

⁴ Quantis. (2018) Measuring Fashion: Insights from the Environmental Impact of the Global Apparel and Footwear Industries Study.



WHAT IS THE GREENHOUSE GAS PROTOCOL (GHG)?

GHG PROTOCOL ESTABLISHES COMPREHENSIVE GLOBAL STANDARDISED FRAMEWORKS TO MEASURE AND MANAGE GREENHOUSE GAS EMISSIONS FROM PRIVATE AND PUBLIC SECTOR OPERATIONS, VALUE CHAINS AND MITIGATION ACTIONS.³

CO2

GOAL 19: COMMIT TO NOT WORKING WITH STAGE 1-3 SUPPLIERS THAT USE COAL GENERATED HEAT OR ENERGY BY 2025.

STATUS: 10%



In 2020, we have been committed to trace stage 1-3 in our supply chain and make our supply chain transparent to our community. You can read more about our traceability journey in this [@GANNI.Lab post](#) here and see our supply chain mapped out in the [PEOPLE](#) section.

We know that the fashion industry faces systemic challenges when it comes to switching to renewable energy and electricity, having to rely on suppliers operating in different regions of the world, with different access to energy and electricity grid. We are unfortunately not an exception to this.

According to Stand.Earth: “the amount of coal power generation is set to dramatically increase in several of the biggest fashion producing countries.” The list includes countries like China, Bangladesh, Vietnam and Turkey, which are all planning to build more coal power plants.

This directly impacts our goal to not work with suppliers that use coal generated heat or energy. With the support of Plan.A, our goal is to create a carbon insetting strategy, which will allow us to directly invest into decarbonising our own supply chain. In addition, we will continue to work together with other fashion brands towards a systemic change as a signatory of the UN Fashion Charter for Climate Action.

⁵ Stand.Earth (2020) Fashion Forward: A Roadmap to Fossil Free Fashion

⁶ Carbon insetting is an innovative mechanism to reduce emissions while driving business value. It uses organisation investment to promote sustainable practices and reduce your company's carbon footprint within your own value chain.



CO2

GOAL 20: SWITCH TO RENEWABLE ELECTRICITY IN ALL OWNED AND OPERATED BY 2021.

STATUS: 50%



We have set a sustainable purchasing strategy for Scope 2 emissions (indirect emissions from the generation of purchased energy) and focused on switching to renewable electricity in all owned and operated locations by 2021.

In 2020, we have gathered information on the electricity providers from all 26 locations (our stores and offices).

In 2021, with Plan.A's support, we will verify which of the locations use renewable electricity and obtain a true picture of how close we are to 100% renewable electricity. Moving forward, we have added a renewable electricity requirement into the new store development process.

In 2021 all locations will be monitored and managed to reach the 100% target accordingly.



CO2

GOAL 21: TRACK AIR MILES 2020, REDUCTION TARGETS 2021.

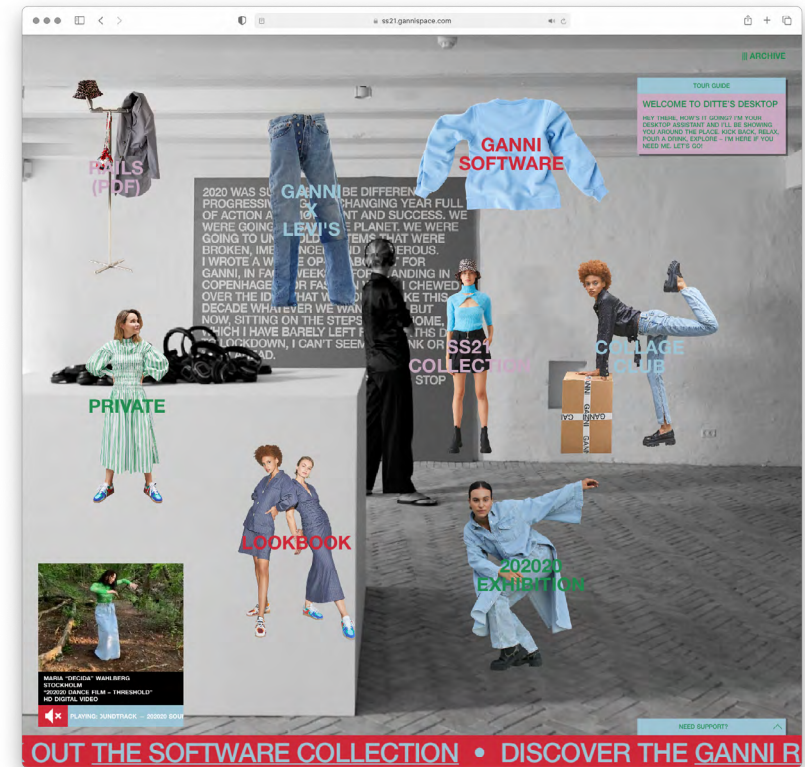
STATUS: 100%

2020 didn't see us travelling the world a whole lot...It gave us an opportunity to take our learnings from 2020 and carry them into 2021.

Typically our sales team would take nearly 200 flights per year, visiting our wholesale partners at our showrooms across the globe. This year, we launched our GANNI Space virtual showroom, a concept that will firmly stay in place moving forward to be used as a tool showcasing our new collections to our partners.

Our Production and Sourcing teams would take approximately 150 flights per year to visit suppliers and quality control garments in production. In 2020, the team on-boarded a digital tool called Qarma and used this tool to collaborate with our suppliers. Although we still see it as a priority for our Sourcing teams to have direct and personal relationships with suppliers, we will continue to use Qarma in 2021 and beyond for more efficient quality control checks.

Any 2021 flights will be tracked in order to collect data and understand how to reduce our carbon footprint even further.



CO2

GOAL 22: ALIGN WITH SCIENCE BASED TARGETS, REVISING THE PHYSICAL INTENSITY TARGET AND SETTING AN ABSOLUTE TARGET BY 2021.

STATUS: 10%



Science-based targets provide a clear framework for companies, on how much and how quickly they must reduce their greenhouse gas emissions, to comply with the goals of the 2015 Paris Agreement. The agreement limits global warming to well-below 2°C above pre-industrial levels and pursues efforts to limit warming to 1.5°C.

As a signatory to the Charter, we have committed to 30% aggregate GHG emission reductions in scope 1, 2, and 3 emissions, as defined by the GHG Protocol Corporate Standard, by 2030 against a base year of no earlier than 2015⁷.

In order to comply with the Science-based targets methodology, and the UN Fashion Charter for Climate Action commitment, GANNI needs to set an absolute reduction target. In 2021, with Plan.A's support we will set an absolute reduction target that covers all scope 1, 2 and 3 emissions.

⁷ United Nations Climate Change. (2018). Fashion Industry Charter for Climate Action. Climate Action Playbook

⁸ World Resources Institute & Science Based Target. (2018) Apparel And Footwear Sector Science-based Targets Guidance.



SCOPE 1: EMISSIONS ARE DIRECT EMISSIONS FROM OWNED OR CONTROLLED SOURCES. E.G. STORES, OFFICES.

SCOPE 2: EMISSIONS ARE INDIRECT EMISSIONS FROM THE GENERATION OF PURCHASED ENERGY.

SCOPE 3: EMISSIONS ARE ALL INDIRECT EMISSIONS (NOT INCLUDED IN SCOPE 2) THAT OCCUR IN THE VALUE CHAIN OF THE REPORTING COMPANY, INCLUDING BOTH UPSTREAM AND DOWNSTREAM EMISSIONS.⁸



PRODUCT

DESIGN 52
MATERIALS 55
CIRCULAR BUSINESS
MODELS 63

DESIGN

GOAL 23: FOLLOWING OUR CIRCULARITY COMMITMENT WITH GLOBAL FASHION AGENDA, WE PLEDGE TO TRAIN ALL EMPLOYEES IN OUR DESIGN, TECHNICAL AND PRODUCTION TEAMS ON CIRCULAR DESIGN PRINCIPLES IN 2020.

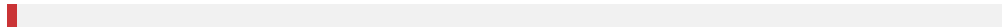
STATUS: 100%



In 2020, we successfully rolled out a Circular Design training together with our partnering organisation Circular.Fashion. In total, 25 of our employees participated in the training, representing 4 teams: sustainability, production & sourcing, technical and design. Due to social distancing restrictions, the workshop has been split into two parts with the first one taking place in October 2020 and the second following in February 2021. You can learn more about Circular.Fashion [here](#) and our partnership training in [this post](#) over on our GANNI Lab Instagram. The next step for us is a big one - we want to embed the learnings from the training into the design briefs and create a circular design strategy for the next few years.

GOAL 24: IMPLEMENT THE CIRCULARITY PRINCIPLES INTO DESIGN BRIEFS, WITH A MINIMUM OF 20% OF STYLES DESIGNED WITH CIRCULARITY PRINCIPLES BY 2022.

STATUS: 0%



We have yet to do the heavy lifting on this goal. Following the completion of the Circular Design training, our sustainability team together with design will create a circular design strategy that will be embedded into the design briefs by the end of 2021.



DESIGN



CIRCULARITY DESIGN TRAINING

DESIGN

GOAL 25: IMPLEMENT A 3D DESIGN TOOL BY 2022.

STATUS: 30%



In December 2020, our Ready to Wear Design team and Technicians embarked on a 5 day training programme for 3D design tool - CLO 3D. The tool is a fashion design software programme that can support companies like ours to create virtual, true to life garments.

Working with CLO 3D enables us to potentially reduce the number of samples it takes to bring GANNI styles to life. Around 40% of our samples require a second prototype. This is the phase we are trying to cut down on. Our aim is to use CLO 3D to visualise the design and technical aspects, especially the fit of the garment, earlier on in the process so we become less reliant on paper sketches and back and forth sample rounds with suppliers.

We're still in the test and trial phase and it's unknown exactly how much we can reduce our sampling, but the early signs of using CLO3D are very promising!



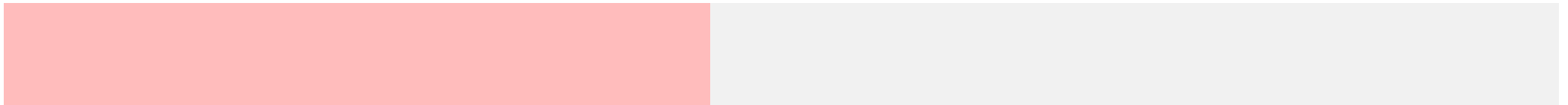
MATERIALS

MATERIAL SPLIT IN GANNI 2020 COLLECTIONS

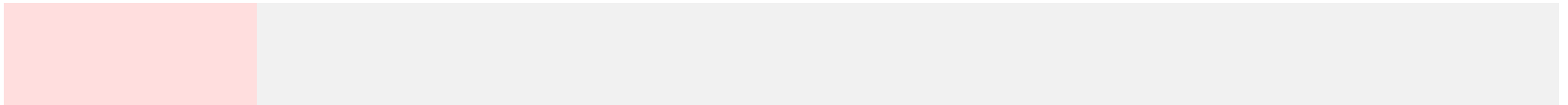
NATURAL 47.1%



SYNTHETIC 38.8%



CELLULOSE 13.9%



MATERIALS

GOAL 26: 100% OF THE COTTON, VISCOSE AND POLYESTER WE USE MUST BE FROM THE MOST RESPONSIBLE SOLUTION AVAILABLE BY 2023.

STATUS: 70%



GOTS ORGANIC COTTON

Organic cotton certified by the Global Organic Textile Standard has proven a lower environmental impact, reducing water usage, greenhouse gas emissions, restricts the amount of chemicals used and ensures the workers rights are protected throughout the supply chain.

GRS CERTIFIED RECYCLED POLYESTER

Using recycled polyester reduces dependence on petroleum as a raw material and can divert plastic from ending in landfills. The Global Recycled Standard certification ensures a restricted use of chemicals and residues throughout the whole production process and ensures high social standards.

GRS CERTIFIED RECYCLED COTTON

Using recycled cotton significantly lowers the environmental impact of the fabric, especially decreasing the water usage throughout the production process compared to virgin cotton. The Global Recycled Standard certification ensures a restricted use of chemicals and residues throughout the whole production process and ensures high social standards.

LENZING™ TENCEL™

Lenzing™ Tencel™ fibers are derived from responsible wood and pulp, from certified and controlled wood sources with a closed loop production process, which recycles water and reuses over 99% of the solvent.

LENZING™ ECOVERO™

Lenzing™ EcoVero™ fibers are derived from responsible wood and pulp, from certified and controlled wood sources with manufacturing that generates up to 50% lower emissions and water impact compared to generic viscose.



ORGANIC COTTON

MATERIALS



TENCEL™ X REFIBRA™ LYOCCELL FIBERS AND ORGANIC COTTON



LENZING™ ECOVERO™ VISCOSE

MATERIALS



REFIBRA™ LYOCCELL & ORGANIC COTTON



ORGANIC SILK STRETCH SATIN

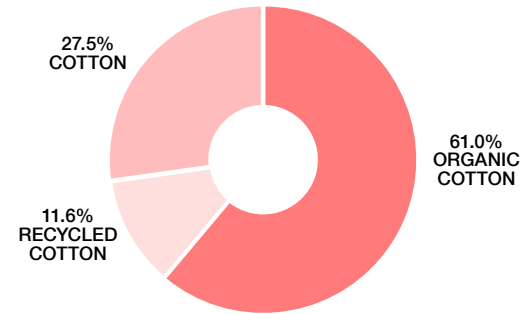
MATERIALS

COTTON

Cotton accounts for 24.18% of the total materials¹ produced in our 2020 collections.

Out of all cotton produced, 61% is organic cotton certified by the Global Organic Textile Standard. 27.5% has remained conventional cotton. 11.6% has been converted to recycled cotton certified with the Global Recycled Standard and made of pre-consumer recycled content.

¹ The total of all materials in GANNI 2020 collections is calculated based on weight (kg) produced.

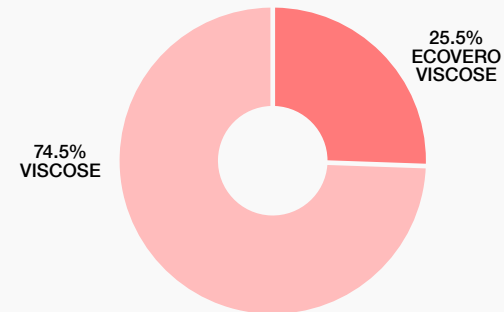


VISCOSE

Viscose accounts for 12.9% of the total materials² produced in our 2020 collections.

Out of all viscose produced, 74.5% still remains conventional viscose. However, 25.5% has been converted to LENZING™ ECOVERO™ viscose.

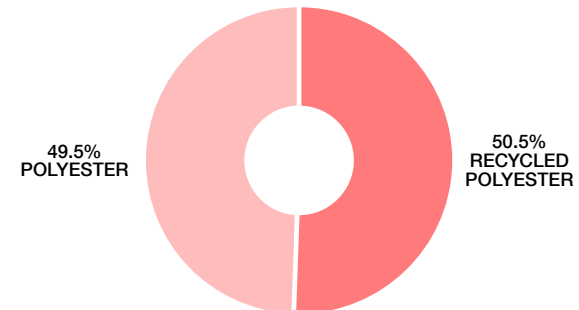
² The total of all materials in GANNI 2020 collections is calculated based on weight (kg) produced.



POLYESTER

Polyester accounts for 23.3% of the total materials weight produced in our 2020 collections.

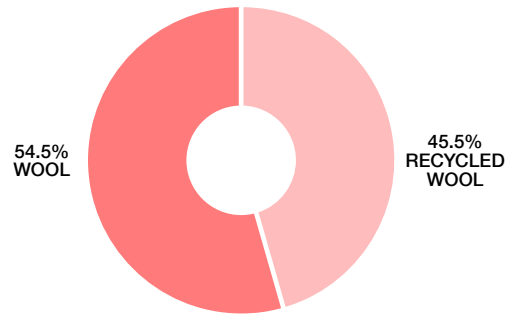
We have managed to convert over half of polyester in our 2020 collections to recycled polyester, which now accounts for 50.5% of the total polyester used.



MATERIALS

GOAL 27: 100% OF WOOL IN OUR COLLECTIONS THAT IS EITHER RESPONSIBLE WOOL STANDARD CERTIFIED, ORGANIC CERTIFIED BY THE GLOBAL ORGANIC TEXTILE STANDARD OR RECYCLED WOOL CERTIFIED BY THE GLOBAL RECYCLED STANDARD BY 2021.

STATUS: 60%



Wool accounts for 8.3% of the total materials³ produced in our 2020 collections.

In 2020, we managed to switch almost half of the wool used in our collections to recycled wool made of pre and post consumer recycled content. Recycled wool and cashmere now accounts for 45.5% of the total wool used in our 2020 collections.

We also introduced a small product group certified by the Responsible Wool Standard, however, so far it accounts for less than 1% of wool used in 2020.

³ The total of all materials in GANNI 2020 collections is calculated based on weight (kg) produced.



MATERIALS

GOAL 28: COMMIT TO RESEARCH AND DEVELOPMENT OF NEW FABRIC INNOVATIONS THROUGH OUR 'FABRICS OF THE FUTURE' PROGRAMME.

STATUS: 60%



Through our Fabrics of the Future project, our Responsibility and Sourcing teams explore new research and material innovation developments and try to scale them commercially.

Despite the pandemic, 2020 has been a promising year for material innovations in the industry. We have landed with 8 partners, with whom we are currently investigating possible implementation of their material innovation solutions into our collections. Out of those 8 innovations, **4 of them are already in the prototyping stage** with an expected timeline to launch GANNI products made of the Fabrics of the Future in the end of 2021. Watch this space!



MATERIALS

GOAL 29: BRAND CERTIFICATION FOR GOTS & GRS BY 2021.

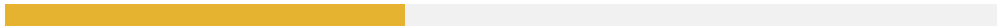
STATUS: 70%



In 2020, we have been preparing to become brand certified in Global Organic Textile Standard and Global Recycled Standard. In order to meet the Standards' requirements we needed to change our documentation structure and prepare our teams for an audit by certification body, Control Union. We are aiming to have the audit conducted by the mid- 2021 and have the certification in place by the end of 2021.

GOAL 30: PHASE OUT VIRGIN LEATHER FROM OUR COLLECTIONS AND GRADUALLY ELIMINATE ALL VIRGIN LEATHER IN OUR READY TO WEAR COLLECTIONS BY 2021, AND ACCESSORIES BY 2023.

STATUS: 40%



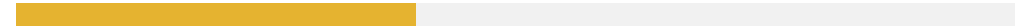
Leather accounts for 12.28% of the total materials weight produced in our 2020 collections. So far, we have managed to convert 0.6% to a certified recycled leather made of pre-consumer waste. We know this is very far off from our goal and are continuously working to find the right solutions that will allow us to replace the virgin leather in our collections. That is why, we are currently piloting 3 trials with material innovation providers that will hopefully allow us to solve this challenge and find feasible innovative solutions to replace leather at a commercial scale.



CIRCULAR BUSINESS MODELS

GOAL 31: ROLL OUT OUR GARMENT TAKEBACK SCHEME TO 6 MORE GANNI STORES IN 2020.

STATUS: 40%



CASE STUDY: I:CO

In 2019, GANNI started the partnership with I:CO, a global solution provider and innovator for collection, sorting and recycling of used textiles, clothing and shoes. Together, we introduced our take-back scheme in-store at 3 of our retail locations in Denmark and the UK, with plans to expand the take-back scheme to 6 more stores in 2020.

OBJECTIVE

Our objective was to introduce a widely available take-back option to our customers in selected retail locations and incentivise a responsible end of life treatment of the used and unwanted garments. As over 73% of textiles are landfilled and incinerated globally every year⁵, providing a more environmentally friendly alternative is an imperative in order to capture this waste as a resource and put it back in the textile loop.

CHALLENGE

Our partnership with I:CO has reached a dead end when in 2020, it turned out that GANNI's uptake of the used textiles and clothing is way too low for the partnership to be economically viable for I:CO. Unfortunately, being a medium size brand meant we simply could not meet the high uptake requirements set by I:CO.

One of the challenges to reach a higher uptake of clothing has been how to incentivise our customers to drop off any of their unwanted clothes (not only GANNI) at our collection points. We did talk about a monetary incentive or discount code, like other brands do, but we felt it was super conflicting to encourage people to buy more clothes when dropping off unwanted clothes.

We appreciate the contradiction of this coming from a fashion brand that thrives off of newness, but we didn't want to perpetuate the cycle of fast-fashion. Instead, we wanted to focus on the educational part as to why this was a good option and tying this in to a CRM or customer loyalty programme.

NEXT STEPS

We are continuously looking for a new partner and still aim to set up a take-back scheme for our stores. We believe it is an important step in closing the textile loop and preventing clothing from being landfilled or incinerated. Nevertheless, we recognise that the issue of GANNI not being able to provide a big enough uptake will most likely prevail, as we are a relatively small entity in this industry. We know we cannot solve this one alone. That is why we currently explore engaging in a newly emerged multi-stakeholder initiative that aims to collaborate with stakeholders representing diverse perspectives: fashion brands, recycling solution providers and city municipalities, to tackle this systemic issue.

You can still continue to drop off old garments and shoes at our take back points in Denmark and the UK. We will keep them in our store while we work on finding an alternative solution.

⁵ Ellen MacArthur Foundation (2017). A New Textiles Economy: Redesigning Fashion's Future.

CIRCULAR BUSINESS MODELS

GOAL 32: EXPAND RENTAL PLATFORM GANNI REPEAT TO OUR EU, UK AND US COMMUNITY IN 2020.

STATUS: 100%

In 2020, we have successfully launched our rental platform GANNI Repeat into the UK, alongside promoting the rental service on the Danish market.

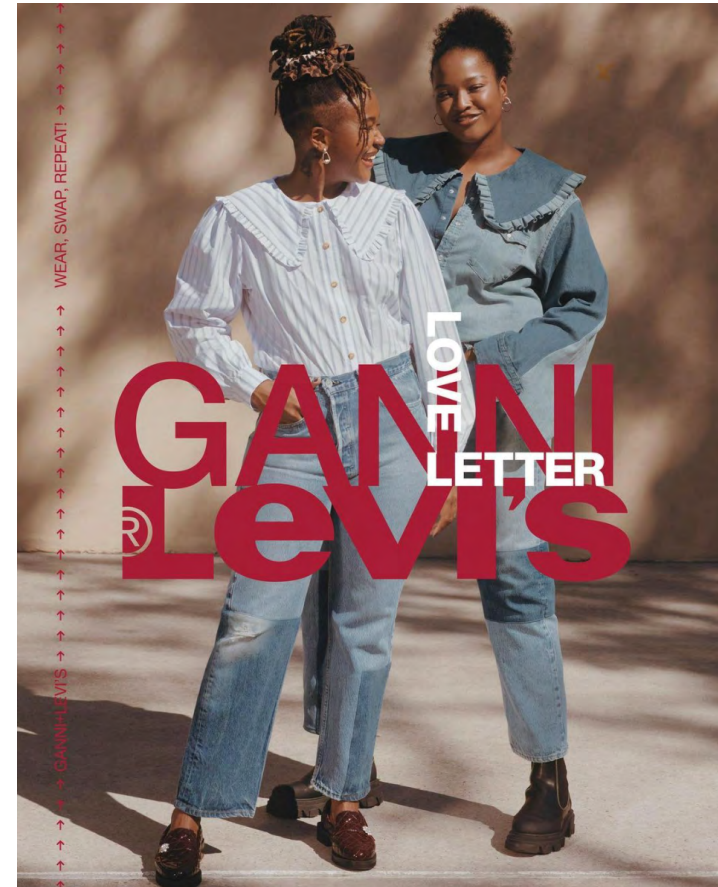
In addition, GANNI teamed up with iconic American denim brand Levi's® to collaborate on an exclusive rental only capsule collection: GANNI and Levi's® "Love Letter". The collaboration consisted of three staple denim pieces —a button-down shirt, 501® jeans and a shirt dress — made from upcycled vintage Levi's® and repurposed denim. The capsule was the first rental only collection for both brands and was available for customers in Denmark, UK and the US.

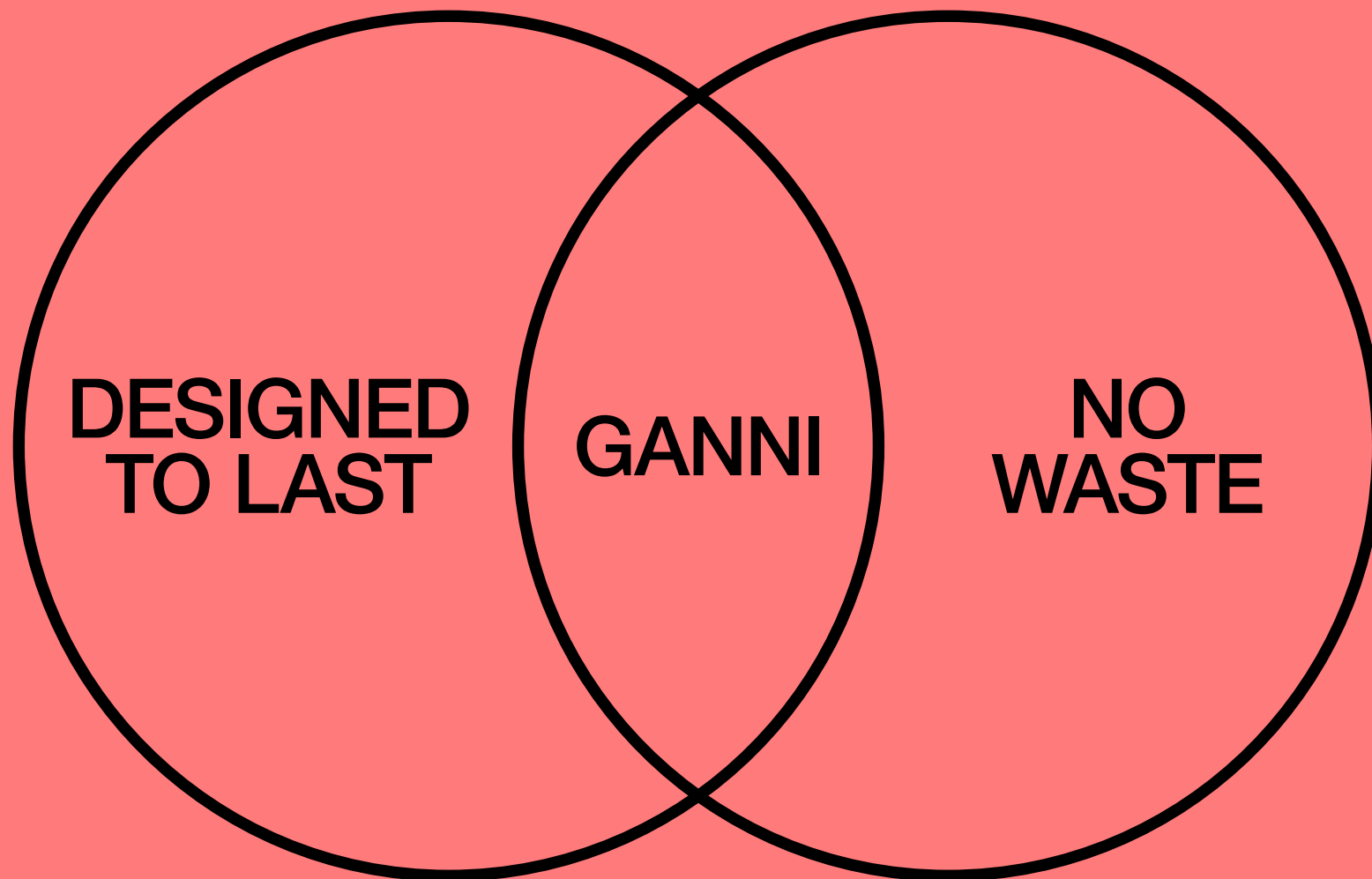
The rental collaboration has been a huge success with a wide press coverage (over 40 articles covering the launch) and with over 2,532 customers signed up to GANNI X Levi's®, which shows us an increasing demand for rental model in the fashion space.

GOAL 33: TRIAL REPAIR STATION BY 2021.

STATUS: 100%

In 2020, our retail teams have set up a repair and customization station in selected GANNI shops in Denmark and then in the UK. The stations have been a big success and very popular among our community! Following the positive response, we are aiming to implement the customization & repair stations permanently into our selected shops.

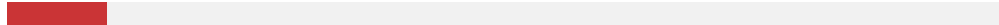




CIRCULAR BUSINESS MODELS

GOAL 34: IN LINE WITH THE CIRCULARITY COMMITMENT, TRIAL A RECOMMERCE MODEL BY 2023.

STATUS: 10%

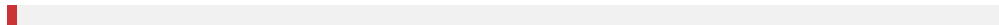


In 2020, we have focused on laying the groundwork for the resell trial. We have engaged in a research project with the Royal Academy of Fine Arts in Copenhagen, which resulted in helpful findings around the resell market and our customers behaviour that will directly feed into creating the right resell solution. One of the many findings was that pre-owned GANNI is typically sold for 40% to 100% of the retail price, sometimes even higher than prices in our Postmodern Outlet Store. In addition, GANNI is the most well performing brand on Danish resell platform 'Trendsales', and in October approximately 500 GANNI products were sold on Vestiaire Collective. This information lays a strong foundation to further advance our work on the resell trial.

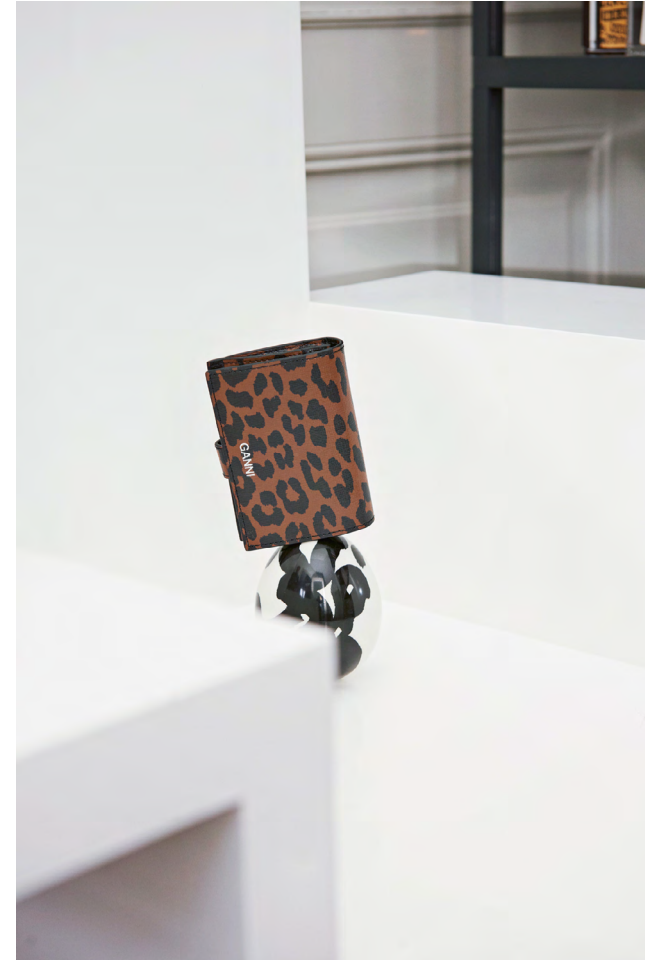
Our teams have already engaged in initial conversations with resell solution providers. In 2021 we will continue with scoping the resell trial and preparing for the launch by 2023.

GOAL 35: LAUNCH A NEW GARMENT CARE GUIDE INTEGRATED ON GANNI.COM TO INFORM OUR CUSTOMERS ON HOW TO HANDLE OUR GARMENTS CORRECTLY AND HELP INCREASE THEIR LIFESPAN.

STATUS: 0%



In 2020, we have managed to progress on many of the Gameplan Goals, unfortunately this one was not one of them. That is why in 2021 we will launch the garment care guide in full speed together with more educational content on our channels on how to care for your GANNI garments. We hope it will be worth the wait!





PROSPERITY

VALUE 70
INVEST 73
COMMITMENT 78

VALUE

GOAL 36: COMMIT TO MEASURING THE IMPACT OF GANNI DECISIONS ON WORKERS, CUSTOMERS, SUPPLIERS, COMMUNITY, AND THE ENVIRONMENT, BY 2021.

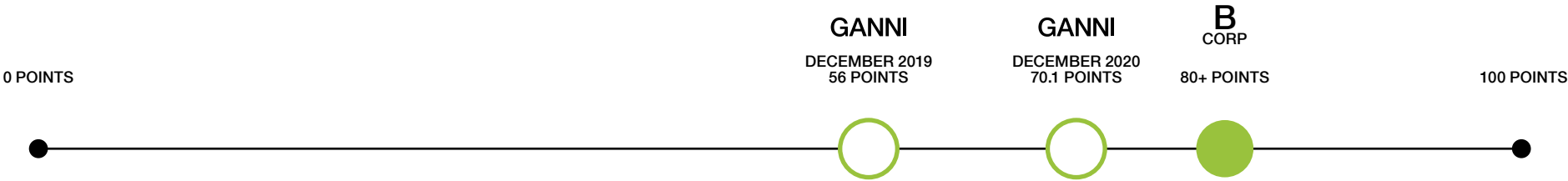
STATUS: 40%



In our 2019 report we stated that we needed to measure our impact on workers, customers, suppliers, the community and the environment. What we meant by this is that we needed to add depth and credibility to our work on sustainability. As a fashion brand, in a largely unregulated industry, we see B Corp Certification as a way of proving that.

B Corp Certification is the only certification that measures a company’s entire social and environmental performance.

In December 2019 we completed the B Impact Assessment to understand if GANNI would qualify to become a B Corp Certified company. Companies need to meet a minimum threshold of 80 points to obtain the certification. It is our ambition to be certified by the end of 2021.

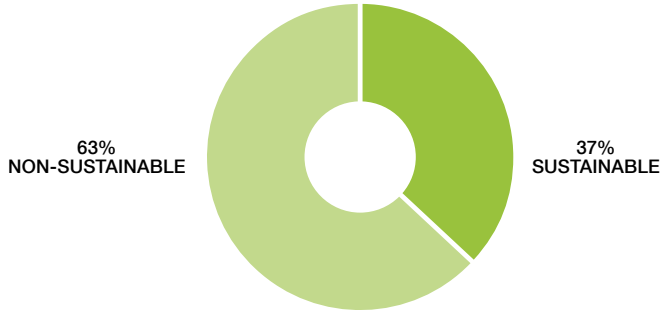


VALUE

GOAL 37: REPORT ON THE % OF MORE RESPONSIBLE PRODUCTS SOLD IN COMPARISON TO CONVENTIONAL ANNUALLY.

STATUS: 100%

In line with our ambition to align with B Corp principles, one of the requirements is for us to report on the % of responsible products sold, vs non-responsible products. For 2020, 37% of GANNI styles sold in 2020 were marked as Responsible and with our increased focus on converting to 100% responsible materials we should see this number increase substantially in 2021.



VALUE

GOAL 38: PUBLICLY REPORT PERCENTAGE OF ANNUAL NET PROFIT SPEND ON RESPONSIBILITY INITIATIVES.

STATUS: 100%



In 2019 our annual net profit spend on Responsibility initiatives was **2.36%**.

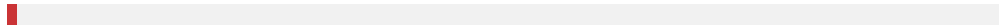
When looking at 2020, we are pleased to advise in absolute terms our spend on Responsibility initiatives has increased year on year. Further details will be provided in line with our published accounts and we will make sure to update you via our instagram page [@GANNI.Lab](#)

Within the spend on Responsibility it includes any charitable donations throughout 2020, you can see the breakdown on the right:

*In this calculation Net Profit is EBT

GOAL 39: MEASURE IF GANNI'S WORK ON RESPONSIBILITY INCREASES BRAND EQUITY.

STATUS: 0%



In 2020 we became more vocal about our work on Responsibility, whether that be communicating switching to certified responsible fabrics or posting our journey on our @GANNI.lab instagram account. What is unknown at this stage, is the value that sustainability creates for GANNI. We do not know if our customers shop with us because of our focus on becoming the most responsible version of ourselves or how our work on sustainability is perceived. Over the course of 2021, we will look to set up measures to understand the perception from our community.

TOTAL	154,800 USD
LOVELAND FOUNDATION	16,667 USD
NAACP	33,333 USD
ACLU FOUNDATION	16,667 USD
BLACK LIVES MATTER	33,333 USD
UN WOMEN	54,800 USD

INVEST

GOAL 40: LAUNCH THE SUSTAINABLE DEVELOPMENT ACCELERATOR ORGANISED BY THE UNITED NATIONS AND DELOITTE DENMARK KNOWN AS 'GANNI LAB'.

STATUS: 100%

CASE STUDY: GANNI LAB / UN SDG ACCELERATOR

The project kicked off Feb 19 after the SDG Accelerator program launched by UN & Deloitte aiming to accelerate business solutions with the Sustainable Development Goals (SDGs).

We have named the project internally the GANNI Lab - serving as a testing platform for creating innovative solutions for our products and the way we do business.

OBJECTIVE

Our aim was to rethink the way we operate across our entire value chain. The project served as a 'test' environment for how fashion will be produced in the future, tackling some of the global challenges the fashion industry faces. We set ourselves the goals of implementing 5 Learnings into our core business, by 2021.

KEY GOALS

- Key goal for this project was to test if it is possible to create an impact free collection.
- Source fabrics with as minimum environmental impact as possible.
- Explore the circular design concepts and embed them into the GANNI Lab garments.
- Measure the environmental impact of the chosen fabrics across the supply chain.
- Achieve 100% traceability of the collection's supply chain.

RESULTS

Low Impact Fabrics implemented across the main collections

- All fabrics sourced through the GANNI Lab project have been implemented into our collections and particularly set in motion our Software collection of off-duty loungewear sets.

Mapping out the full supply chain

- We have managed to achieve traceability on 4 out of 5 stages (80%) of the supply chain of materials sourced through the GANNI Lab project. That gave us full visibility into the manufacturing, fabric, dying, printing and yarn mills, only excluding the raw material stage.

(continued overleaf)

KEY LEARNINGS

Collaboration is key

- We have partnered with 4 stakeholders, to help us accelerate innovation through GANNI Lab:
 - Circular.Fashion - a circularity consultancy based in Berlin; provided advisory sessions to our teams on circular design principles. This has turned into a long-term partnership, with Circular.Fashion later rolling out circular design training to our design, sourcing and technical teams.
 - Quantis - sustainability consultancy with data and LCA expertise: provided GANNI with guidance on collecting data and measuring impact across our supply chain.
 - UNDP & Deloitte - guided GANNI through the SDG Accelerator programme.
- Collaboration and outsourcing knowledge sharing was a crucial part of the project and helped elevate our work and move us forward.

Raw material traceability is an industry wide challenge

- We have learnt that tracing our garments to the raw materials source is the most difficult challenge, when it comes to achieving full traceability in our supply chain. We still have yet a lot of work to do in order to be able to trace the source and location of our raw materials.
- Fashion supply chains are historically long and complex, with very few brands owning the factories they produce in. Insight into the production of fashion garments tends to be extremely opaque and takes place across multiple countries making it hard for brands to truly understand the environmental and social impact of their products. Garment production consists of 5 stages: garment manufacturing, fabric production, dyeing & printing, yarn production, and raw material extraction.
- Most companies have visibility of the manufacturing and printing and dyeing stages at most, which creates a complex layering of different suppliers to navigate in an ever-changing structure. With this in mind, within the Ganni Lab project, we focused on working with suppliers who were open to sharing insight into their own supply chains.
- As a result, we were able to obtain 80% traceability across 3 major fabric groups that became a core part of our business in just 12 months. Unpacking the traceability of our production is an important step in being able to measure and better the impact of our products.

Measuring impact is key, but gathering valid primary data is a huge challenge

- We have learnt that gathering primary data from our suppliers on their environmental impact requires a lot of internal resources to coordinate.
- In a short term, it is only possible to gather the data from suppliers already dedicated to this area, and who have previously worked on such assessments.
- It is yet to become a standard for all the suppliers to measure their CO2, water and energy impact and to be able to fully disclose that information to their partners.

The findings propelled our traceability goals and accelerated our actions on tracing our supply chain for the main collections.

We now have a dedicated employee to obtain traceability of our supply chain and gather the information quarterly from our suppliers.

THE FABRICS SOURCED THROUGH THE GANNI LAB PROJECT:

1. 50% ORGANIC COTTON +
50% RECYCLED COTTON BLEND
2. 50% RECYCLED COTTON +
50% RECYCLED POLYESTER
3. 62% POST-CONSUMER RECYCLED
WOOL + 38% RECYCLED POLYAMIDE
4. 50 % RECYCLED COTTON/
50% ORGANIC COTTON (DENIM)

How to Create an Impact-Free Collection | Nicolaj Reffstrup + Stine Kirstein Junge | CFS+



nicolajreffstrup

Stine Kirstein Junge

CFS+
Powered by Zoom

20:18 / 30:26

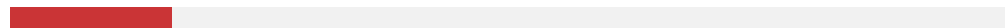
Scroll for details

NICOLAJ'S TALK FOR CFS+

INVEST

GOAL 41: INVEST IN A MINIMUM OF 3 INNOVATIVE PROJECTS A YEAR THAT SUPPORT SUSTAINABLE DEVELOPMENT IN THE FASHION INDUSTRY.

STATUS: 20%



When we set the goal in 2019, we had big hopes for how we would support innovation in the fashion industry. We planned on doing fibre to fibre recycling trials and investing in innovative fabrics, but 2020 had other plans! We came across some hurdles with our ambitions here, not only from a financial perspective but from a scalability and durability point of view. In 2020 we engaged in some great conversations with potential partners on fibre to fibre recycling and material innovation and aim to launch 3 of these innovation trials in 2021.



COMMITMENT

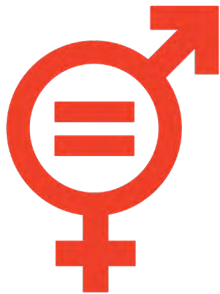
GOAL 42: CONTINUE TO SUPPORT THE 3 SDG'S ALIGNED TO THE GAMEPLAN.

STATUS: 100%

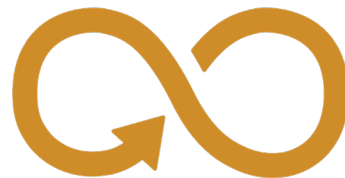


The United Nations Sustainable Development Goals is the basis of our Responsibility Gameplan Goals and helps form our sustainability strategy. By focusing our work on three goals; SDG5 Gender Equality, SDG12 Responsible Consumption and Production and SDG 13 Climate Action, we've been able to accelerate progress in these areas and have created great relationships with various departments within the United Nations, such as the UN Development Programme, UN Women UK, UN Women Nordics and UN Global Compact. Across the report you will see the various projects and collaboration that took place in 2020 with these partners.

5 GENDER
EQUALITY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



COMMITMENT

GOAL 43: SET UP AN EXTERNAL RESPONSIBILITY ADVISORY BOARD BY 2020.

STATUS: 100%

When we set the goal in 2019, we had big hopes for how we would support innovation in the fashion industry. We planned on doing fibre to fibre recycling trials and investing in innovative fabrics, but 2020 had other plans! We came across some hurdles with our ambitions here, not only from a financial perspective but from a scalability and durability point of view. In 2020 we engaged in some great conversations with potential partners on fibre to fibre recycling and material innovation and aim to launch 3 of these innovation trials in 2021.



EVA KRUSE
GANNI RESPONSIBILITY BOARD CHAIRWOMAN &
FOUNDER AND CEO OF GLOBAL FASHION AGENDA



LINDSAY PEOPLES WAGNER
EDITOR IN CHIEF OF TEEN VOGUE



LILY COLE
ADVOCATE FOR SOCIOPOLITICAL & ENVIRON
MENTAL ISSUES, MODEL ACTIVIST & WRITER



DIO KURAZAWA
FOUNDER OF BEAR SCOUTS

COMMITMENT

GOAL 44: UTILISING THE HIGG MATERIAL SUSTAINABILITY INDEX TO INFORM FABRIC PRIORITIES, KNOWN AS THE 'FABRIC SCORE' ON AN ONGOING BASIS.

STATUS: 100%



In 2020, we have continued to actively utilise the Higg Material Sustainability Index to help us make informed decisions on the responsible material choices. The world of material sustainability and measuring impact is continuously evolving, and the Higg MSI helps us navigate this realm with the best data sets available. Based on the Higg MSI data, we have updated our GANNI fabric score - an internal tool used by our design and sourcing team to align with our strategic goals around materials, providing clear sourcing guidelines.

You can see our [GANNI FABRIC SCORE here](#).



Although 2020 was a challenging year on many fronts, the sustainability agenda remained strong and reflecting on this year's report, we're pleased with how much progress was made across the 44 Gameplan Goals. Achieving these goals by 2023 does not feel like such a distant reality anymore, we're very hopeful and optimistic for the future.

Remember to follow along in our journey and keep us in check [@Ganni.Lab](#) and if you have any questions or suggestions please reach out to our team on sustainability@GANNI.com.

Lauren Bartley, Head of Sustainability & CSR

GANNI 