



SUSTAINABILITY REPORT

2018

ginatricot

ABOUT

ginatricot

Gina Tricot AB is a fashion company that sells clothing, jewellery, accessories and cosmetics for women. The company was launched in Sweden in 1997 and has 1846 employees. Gina Tricot has in total 175 stores, located in Sweden, Denmark, Finland, Norway and Germany. An additional 23 European countries are served by e-commerce sales. Gina Tricot also sells products business to business. During 2018 the company had net sales of SEK 2 022 million.

The company's head office is in Borås, Sweden, which is also the location of our central functions, including design, purchasing, IT, logistics, construction, business development and warehousing.

Gina Tricot is subject to the Swedish Annual Accounts Act provisions on non-financial information. We have chosen to report in accordance with the Global Reporting Initiative, GRI Standards, and the report is issued by our board. This is our seventh sustainability report prepared in accordance with GRI guidelines, and covers Gina Tricot AB, 556534-8843, including subsidiaries.



TABLE OF CONTENT

4	MESSAGE FROM THE CEO
5	A BETTER AND MORE SUSTAINABLE FUTURE FOR ALL
7	THE FUTURE AND OUR 2028 TARGETS
8	STAKEHOLDER ENGAGEMENT
12	MATERIALITY ANALYSIS
13	FAIR PRODUCTION
22	PRODUCT SAFETY AND QUALITY
24	HEART OF FIBRES
28	CIRCULAR PRODUCTION
31	CARE FOR THE PLANET
33	LOGICAL LOGISTICS
35	SHARP STORES & EFFICIENT ENERGY
36	EMPOWERING WOMEN
40	CULTURE AND CORPORATE VALUES
46	COLLABORATIONS
49	SUPPLIER LIST
50	ADRESSING SUSTAINABILITY RISKS
52	SUSTAINABILITY MANAGEMENT TABLE
54	GRI INDEX

MESSAGE FROM THE CEO

As an organisation we face many challenges ahead within the sustainability field, and we are determined to pursue this in a dedicated and humble way. We are constantly striving to identify where we can make the biggest contribution and we focus our efforts there.

We've set some important goals that we fully intend to achieve by 2028.

To the extent possible, we've also aligned our 2028 goals with the UN Sustainability Development Goals (SDG) for 2030. Although we incorporate each of the 17 SDGs, our efforts focus on four of them specifically: Gender Equality, Decent Work & Economic Growth, Responsible Production & Consumption and Partnerships for the Goals. Gina Tricot is a member of amfori, which is a business association dedicated to trade that delivers social, environmental and economic benefits for everyone. We're also a signatory of the Accord on Fire and Building Safety in Bangladesh and we've increased our local presence in production countries. For example, we opened our own office in Dhaka, Bangladesh. This has helped us become more transparent and work more proactively with sustainability and other important issues.

During the past year, we've continued our long-term collaboration with UNICEF, and now also with Dress For Success Stockholm. These partnerships are centred around addressing issues that hold women back and deny their rights, focusing on making women's voices heard, educating women about their rights and encouraging them to believe in themselves. We also continue to support the Swedish National Committee for UN Women, which is dedicated to gender equality, the empowerment of women and ending violence against women and girls.

I'm honoured to be leading a company of such incredibly talented and dedicated employees who truly want to make a difference!

In December, we joined The Swedish Textile Initiative for Climate Action (STICA). This marks a significant step in addressing the overall climate impact of our business. We are definitely making progress and have achieved some important milestones during the year.

For example, in 2018, 94 % of our cotton was sourced from more sustainable resources and in total, 47 % of the products we produced were manufactured from more sustainable materials.

By 2028, our goal is for 100 % of our products to be manufactured from more sustainable materials and we fully intend on reaching it!

Going forward, we will put more effort into some key areas, which are Climate, Circularity, Transparency and Women's Empowerment. Gina Tricot wants to make a real contribution towards making the fashion industry more sustainable by setting high goals and passionate commitment that permeates our entire organisation. This report details some of Gina Tricot's progress and efforts over the past year, ranging from empowerment of women to innovative projects that embrace the circular economy.

“ Through clear sustainability work, eyes on materials and processes of the future, a good dialogue with our suppliers and social investments, we make a difference! ”



/ Magnus Månsson, CEO

A BETTER AND MORE SUSTAINABLE FUTURE FOR ALL

The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the UN General Assembly and adopted by all the UN Member states in 2015 to achieve a better and more sustainable future for all. They address the global challenges we face including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. It is important that we achieve each Goal by 2030.

The SDGs are a universal call to action, requiring everyone to join forces and collaborate in their role as world citizen, or business working in a global context. Each of the 17 goals is relevant to Gina Tricot because we impact each of them, either directly or indirectly. During 2017, we conducted a more in-depth analysis of the impact that our operations have on each SDG. Our conclusion was that 4 of them are particularly relevant and this is where we should focus our efforts to make the most meaningful contribution.





GENDER EQUALITY

We believe in gender equality and elimination of all forms of discrimination and violence against women. Gina Tricot only sells women's fashion and 97% of our employees are women. As such, our heart beats strong for equal opportunity. Empowering women permeates our efforts, from the way we treat our employees to our collaboration and participation in global initiatives.



DECENT WORK AND ECONOMIC GROWTH

Anti-child labour efforts and efforts to ensure sustainable economic growth at all stages are crucial to achieving sustainability in production. It is also important that we have the right conditions for our own employees to thrive and continuously grow and develop. That's how we create sustainable fashion.



RESPONSIBLE PRODUCTION AND CONSUMPTION

Achieving sustainability in the fashion industry requires that we embrace the concept of a circular economy and all of us, producers and consumers alike, have an important role to play. Of course, Gina Tricot strives for efficient natural resource management, but re-use and recycling are also fundamental components, requiring new behaviours and commitment from our customers. At the end of the lifecycle, all our products can and should become the raw material for new products.



PARTNERSHIPS FOR THE GOALS

All of the SDGs are interconnected and a successful sustainable development agenda requires strong partnerships. Gina Tricot is involved in a variety of partnerships and initiatives, including membership in industry associations and participation in research projects.



“ The SDGs are both ambitious and inspiring. It will require not only Gina Tricot, but also the entire fashion industry to make major changes. It's a daunting task, but we are committed to making a significant contribution to the solution, says Rebecca Watkins, CSR and Quality Manager ”

THE FUTURE AND OUR 2028 TARGETS FOR BEING PART OF THE SOLUTION

We know that the world is facing major challenges in efforts to achieve the UN Sustainable Development Goals (SDGs) by 2030. We want to be part of the solution, which is why we have formulated our own plan with clear targets for our organization.

By 2028, we will only provide 100 % of:

Products made of materials that are more environmentally sustainable.



Products that are designed for a circular economy.



Products produced and transported in a sustainable manner.



“We know that the fashion industry has a significant impact on both people and the environment. The challenges that lie ahead will require both passion and commitment. The fashion industry needs to embrace the circular economy and find new innovative solutions. Our role in all of this is to become more involved in research aimed at discovering climate-neutral production methods, fibres and resources,” says Emma Garrote Fredman, Global Production and Sustainability Manager

We have 10 years left to meet our 2028 targets, but have already made significant progress. Our future success will depend on close cooperation with our partners, both suppliers and experts. We must also support and remain involved in scientific research and product development. Our efforts to use more environmentally sustainable materials require that we constantly stay up-to-date on new research and developments in the field.

The consumer must not be forgotten in this journey, and has an important role to play. Taking responsibility for shopping behavior, trying in all possible ways to reduce, re-use, re-make must be in our customers mindset in the coming years.

We want to help make the fashion industry more sustainable by setting tough goals and pursuing dedicated efforts that permeate our entire organisation. It is essential, though, for everyone in the fashion industry to embrace the circular economy and make a meaningful contribution.

STAKEHOLDER ENGAGEMENT

In our ongoing dialogue with stakeholders, these stakeholders are either actively selected by us when needed to discuss particular issues, or we are the ones responding to questions from stakeholders. We select representatives from all stakeholder groups for our GRI-specific stakeholder dialogue.

During 2018, we collected information from all our prioritized stakeholder representatives through a questionnaire. The questionnaire included questions linked to Gina Tricot's sustainability work, as well as the textile industry and the global context. We also selected certain prioritized stakeholders for more in-depth interviews regarding the same topics as the questionnaire.

Our most important stakeholders are our customers, existing customers and potential new ones. We engage with our customers on a daily basis, both face-to-face in our stores, as well as through our online platform and in our social media channels. The table on the next page presents our key stakeholders.

The table below presents our key stakeholders. How we communicate with them, the topics they consider to be most important and how we address them.

STAKEHOLDER	COMMUNICATION	KEY SUSTAINABILITY TOPICS	LINK TO OUR MATERIAL TOPICS SUSTAINABILITY MANAGEMENT TABLE, PAGE 52
OWNERS AND BOARD OF DIRECTORS	Meetings e.g. Board meetings, 2018 stakeholder engagement.	Health and safety in production and for employees. Human Rights. Quality and environmental impact of products. Transports.	Social conditions in our supply chain. Occupational health and safety. Product responsibility. Materials. Energy and emissions.
EMPLOYEES	Continuous discussions through surveys, meetings, 2018 stakeholder engagement.	Sustainable materials. Human rights. Animal welfare. Health and safety in production. Environmental impact of production.	Materials. Social conditions in our supply chain. Animal welfare issues. Environmental impact of suppliers.
STUDENTS (through inquiries and comments, mainly through social media)	Lectures, projects, 2018 stakeholder engagement.	Health and safety in production. Climate impact. Circular Economy. Animal welfare. Sustainable materials.	Social conditions in our supply chain. Environmental impact of suppliers. Energy and emissions. Animal welfare issues. Materials.
EXPERTS/RESEARCHERS	Ongoing dialogue through network meetings, projects, collaborations, 2018 stakeholder engagement.	Transparency. Circular economy. Environmental impact of production. Climate impact. Product lifespan.	Environmental impact of suppliers. Product responsibility. Energy and emissions. Materials.
CUSTOMERS	Dialogue on a daily basis through various channels like customer service, stores, online and social media, 2018 stakeholder engagement.	Health and safety in production. Transports, Sustainable materials. Animal welfare. Product quality.	Social conditions in our supply chain. Energy and emissions. Materials. Animal welfare issues. Product responsibility.
SUPPLIERS	Regular visits to our suppliers, supplier evaluation, stakeholder dialogue 2018.	Environmental impact in production. Sustainable materials, Climate impact. Empowerment of women.	Environmental impact of suppliers. Materials. Energy and emissions. Gender equality.
OTHERS (governments, media, NGOs)	Projects, collaboration forum, interviews, 2018 stakeholder engagement.	Health and safety in production. Equality. Environmental impact of production. Fair pay, Children's rights.	Social conditions in our supply chain. Energy and emissions. Environmental impact of suppliers. Social conditions in our supply chain.

INTERVIEW WITH EMILIA DE PORET

As a member of Gina Tricot's board since 2015, Emilia is taking part in setting the strategic objectives for Gina Tricot. One of the issues that lies closest to her heart is sustainability within the fashion industry.

"Sustainability truly is one of the most important issues of my generation. There are so many problems that must be solved," says Emilia de Poret. Emilia, a fashion journalist, influencer and entrepreneur, has made sustainability one of her core values. As one of Gina Tricot's key stakeholders, she has an important role to play in shaping our business.

"Gina Tricot has come a long way with its sustainability efforts. But it's important to remember that this will be a long and complex journey. I strongly believe that we must offer customers classic garments with a long lifespan. I think Gina Tricot could continue to improve in this area. The company can and should make this compatible with offering the very latest seasonal trends. I also feel that Gina Tricot can continue to improve on how it communicates the sustainability work it has already accomplished," says Emilia de Poret.



"For companies, circularity needs to be integrated into the design process. Products should be designed to have a long lifespan and to be easily recyclable when they can no longer be used."

Many sustainability issues are important to Emilia *here are her top 3!*

EMBRACE CIRCULARITY

In general we need to apply a more circular approach. It applies to consumers and businesses alike. We all share this responsibility.

People love clothes and fashion. This is nothing new, but we need to change our consumption habits. Here, the possibilities are endless! Learn to see the potential in your current wardrobe. Don't be afraid to alter garments that you've lost interest in. You possess the creativity to give them a prolonged life!

BE A SMART CONSUMER!

As a consumer, you also have a huge responsibility. Be a smart consumer and think through your purchases! Do I really need this new item in my closet? Will I be able to use this for a long time?

TRANSPARENCY

As a company, transparency and clear communication are very important. Customers need and want to know your priorities and how you are pursuing them as a company. They will in turn use that information to make conscientious buying decisions. But we also need to set the bar at the right level and be realistic about what can be achieved during a set timeframe.

Recycling is one of the most important issue right now. That's where we need to close the loop. We need to use resources responsibly, maximizing re-use and regeneration for multiple cycles of consumption.

What was your most recent garment purchase?

"A pair of wide-leg grey wool trousers with a high waist – timeless and works with everything!" says Emilia de Poret.



MATERIALITY ANALYSIS

During 2016 and 2017 we made minor updates to our materiality analysis performed in 2015. The materiality analysis from 2015 included in-depth interviews with stakeholders and a workshop with our management and relevant senior executives.

We started from a gross list of material topics in our dialogue with stakeholders and in our internal workshop. This gross list was prepared on the basis of GRI G4, GRI's Sustainability Topics for Sectors publication, and a benchmark where we examined how the industry as a whole, in Sweden and internationally, reports sustainability efforts. The updates during 2016 and 2017 were from an impact perspective. An overall assessment of the environmental, social and economic impact of Gina Tricot via its business was factored into the final prioritisation of aspects reported. We also annually summarise the issues that have come up in the ongoing dialogue we have with our stakeholders. Our materiality analysis resulted in a list of our most material topics (see the sustainability management table on page 52).

These are the aspects that serve as the core of our sustainability report even during 2018. In an analysis of our impact rate for the 17 sustainable development goals, we found that our operations to some extent touch on all these goals, either directly or indirectly. On page 6, you can read about the four goal areas in which we can make the biggest difference. In the sustainability management table on page 52, we chose to link our efforts to reduce negative impacts to each global goal addressed by our efforts, as well as list our material topics.

FAIR PRODUCTION

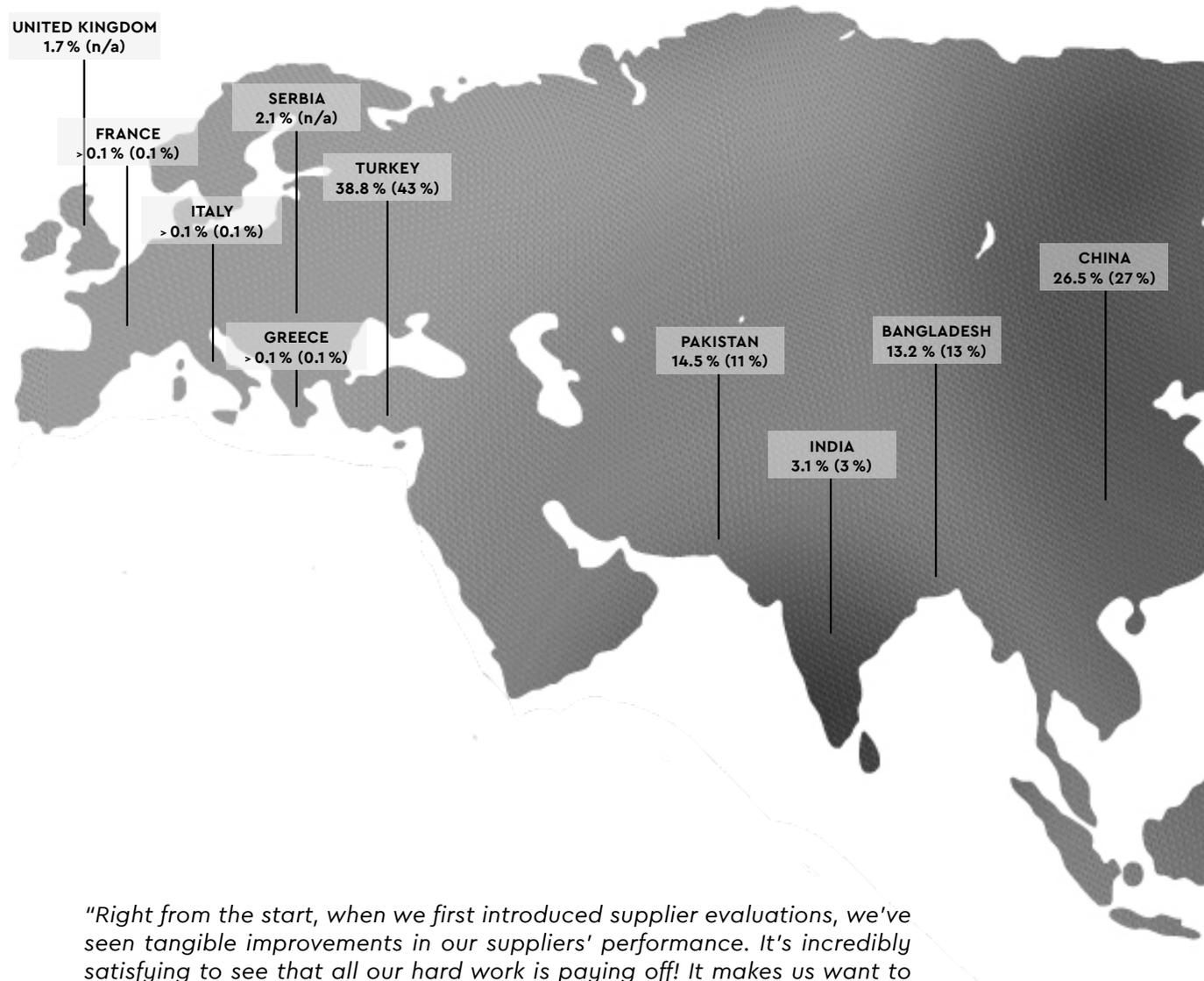
PURCHASING STRATEGY

For several years now, Gina Tricot has put a great deal of effort into careful selection and prioritisation of our most important suppliers. These suppliers have turned into our Key Business Partners and they represent a major share of our buying volume. We are striving to consolidate our volumes as much as possible and have invested in long-term relationships that are based on mutual trust. By doing this, it gives us at Gina Tricot greater influence over supplier and partner practices and behaviour, particularly in the area of sustainability. In 2018, our top 20 Key Business Partners represented 84.5 % of the total purchasing volume (2017: 87.8 %).

SUPPLIER EVALUATION

Annual supplier evaluations are a very important component of Gina Tricot's sustainability efforts. We rely on the results to identify Key Business Partners and consolidate our orders. The evaluation has 3 components, each affecting the final score according to the following distribution: Buying and Design 60 %, Sustainability 30 % and Logistics 10 %. There is a possible maximum score, where 90 % fulfillment equals Diamond status, 80 % equals Gold status, 70 % equals Silver status and 60 % equals Bronze status. We request that all suppliers with Silver or Bronze status submit an action plan for improvement in particular areas and we carefully monitor their progress. Our intention is to help and support suppliers to be able to reach a higher evaluation level, but its important that our suppliers share our vision for improvement.

Gina Tricot purchasing markets based on purchasing value.
Last year's figures in parentheses. External brands are not included.



"Right from the start, when we first introduced supplier evaluations, we've seen tangible improvements in our suppliers' performance. It's incredibly satisfying to see that all our hard work is paying off! It makes us want to work even harder and achieve even better results in the future."

– Emma Garrote Fredman, Global Production and Sustainability Manager

LOCAL PRESENCE

We strongly believe in maintaining a local presence in our production countries and we rely on our staff there as a vital link to our suppliers. Successful collaboration is dependent upon proximity, language skills and cultural awareness. We are frequently in close contact with our suppliers in this way, for example, through site visits.

In August 2018, Gina Tricot opened its own production office in Dhaka, Bangladesh. This is where all our suppliers in Bangladesh are located. To have our own local Bangladeshi office has been a goal of ours ever since we started up operations there about 10 years ago. We are very proud of this accomplishment and the results!

"The Goal of opening this office is to increase transparency and to influence the production process. As a production country, Bangladesh faces many challenges. Having our own staff nearby enables us to work more efficiently, particularly in the area of sustainability." – Emma Garrote Fredman, Global Production and Sustainability Manager

For the past 5 years, Gina Tricot has had its own production office in Shanghai, China. And, early in 2018, we added a key employee dedicated to sustainability efforts.

"For quite some time, we have felt the need to have a person on location in China who is dedicated to sustainability efforts. With this investment, we have been able to significantly increase our presence and interaction with suppliers and factories." – Rebecca Watkins, CSR and Quality Manager

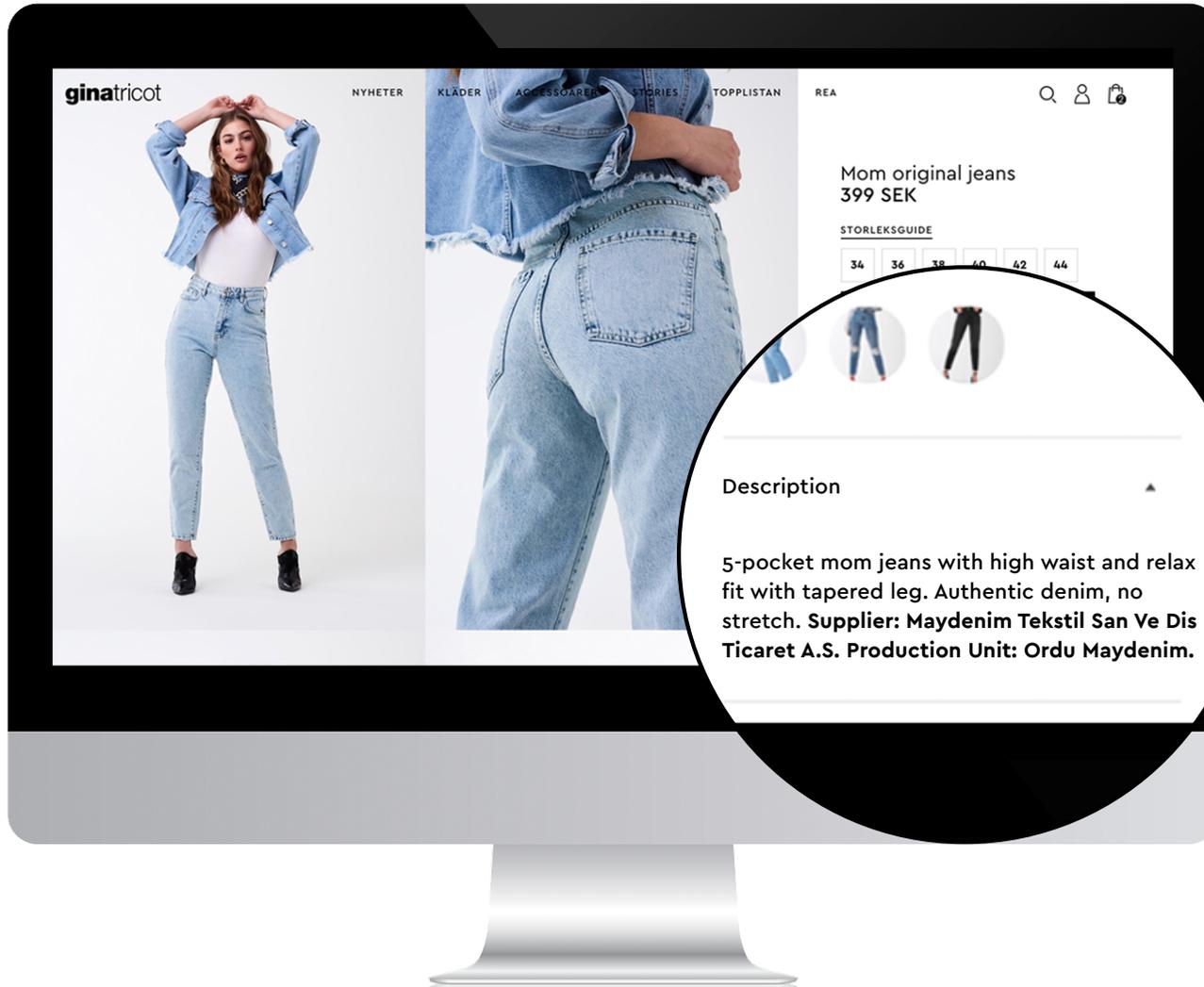
In 2018 we also increased our local presence in Turkey, which is our primary production market. Our sustainability specialist there, who is based in Istanbul, is in daily contact with our suppliers and carefully monitors their progress. Number of factory and supplier visits in Turkey during 2018 was 204, which is a 33% increase compared to last year. Our aim, which we also reached 2018, was to map and visit all our suppliers' suppliers.

In 2018, we decided, in both Pakistan and India, to consolidate our orders to just 1 supplier in each country. Doing so offers tighter collaboration, with daily correspondence and frequent site visits.

"I'm very proud and happy to have this opportunity of working for Gina Tricot. Our daily presence at factories increases our ability to make a significant positive impact. In Bangladesh, we have a consolidated supplier base (just 8 suppliers, 10 factories), which makes my job a lot easier. We're a team! Each supplier knows that more orders will flow to them when they meet our requirements. Higher expectations means higher rewards!" - Ahsan Mahmood, Country Manager, Gina Tricot Bangladesh



Gina Tricot Bangladesh office



TRANSPARENCY IS KEY

One of the challenges facing the textile industry is achieving a higher level of transparency from suppliers and production units. Our customers care about all aspects of sustainability, so of course we want to be able to give them full information on product origin. For the last couple of years, Gina Tricot has put a great deal of effort into documenting our supply chain with our suppliers' suppliers. This year, we have been able to put even more focus on suppliers further down the supply chain. In Turkey, for example, we made 91 site visits to our suppliers' suppliers this year.

During 2018, as part of our efforts towards higher transparency, we started to publish information on our suppliers and production units for our denim products. For more information please visit www.ginatricot.com. Our plan for 2019 is to publish the same information for all our products.

In documenting all our downstream suppliers, we are aware that we might find unauthorised subcontracting. Gina Tricot takes this very seriously and we have routines and policies on how to deal with this. The best way to avoid unauthorised subcontracting is by consolidating volumes with individual suppliers that we have identified as Key Business Partners. It is less likely a supplier will use a disallowed subcontractor for one of their best customers, which is our aim for all our Key Business Partner. We also strive to have long-term relations, frequent communication and on-site visits with all our suppliers to avoid subcontracting or any zero tolerance issues.

Read our full supplier list on page 49.

With our own corporate social responsibility staff on location in Turkey, Bangladesh and China, we are able to look deeper into the supply chain, make visits further down the supply chain and take quicker action on any findings made. During 2018, we started to visit tier-two suppliers in Bangladesh, and in Turkey we visited all our tier-two suppliers. It's an ongoing effort that will continue, with the aim of improving conditions for workers further down the supply chain.

Since 2008, we have been a member of amfori BSCI (previously known as BSCI, Business Social Compliance Initiative). It is one of the world's largest organisations for ensuring systematic, independent supply chain auditing. Amfori's efforts are based on 11 labour principles and through amfori, our suppliers are regularly audited and remediation plans are established to help them improve.

11 PRINCIPLES IN OUR CODE OF CONDUCT

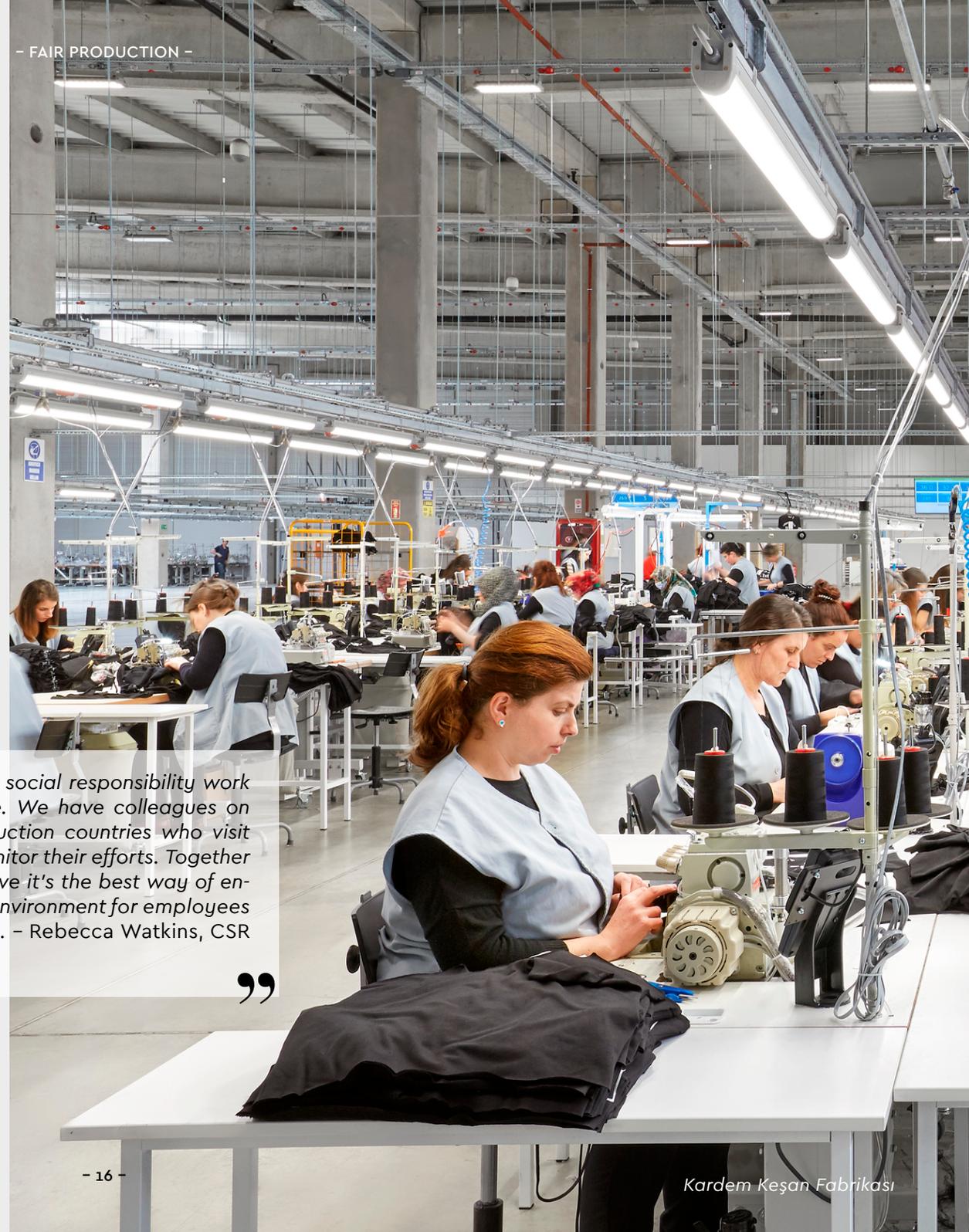
- The Rights of Freedom of Association and Collective Bargaining
- Fair Remuneration
- Occupational Health and Safety
- Special Protection for Young Workers
- No Bonded Labour
- Ethical Business Behaviour
- No Discrimination
- Decent Working Hours
- No Child Labour
- No Precarious Employment
- Protection of the Environment

For more information, please see amfori.org/content/bsci-code-conduct

“

The backbone of our social responsibility work is our local presence. We have colleagues on location in our production countries who visit our suppliers and monitor their efforts. Together with amfori, we believe it's the best way of ensuring that the work environment for employees meets our standards. – Rebecca Watkins, CSR and Quality Manager

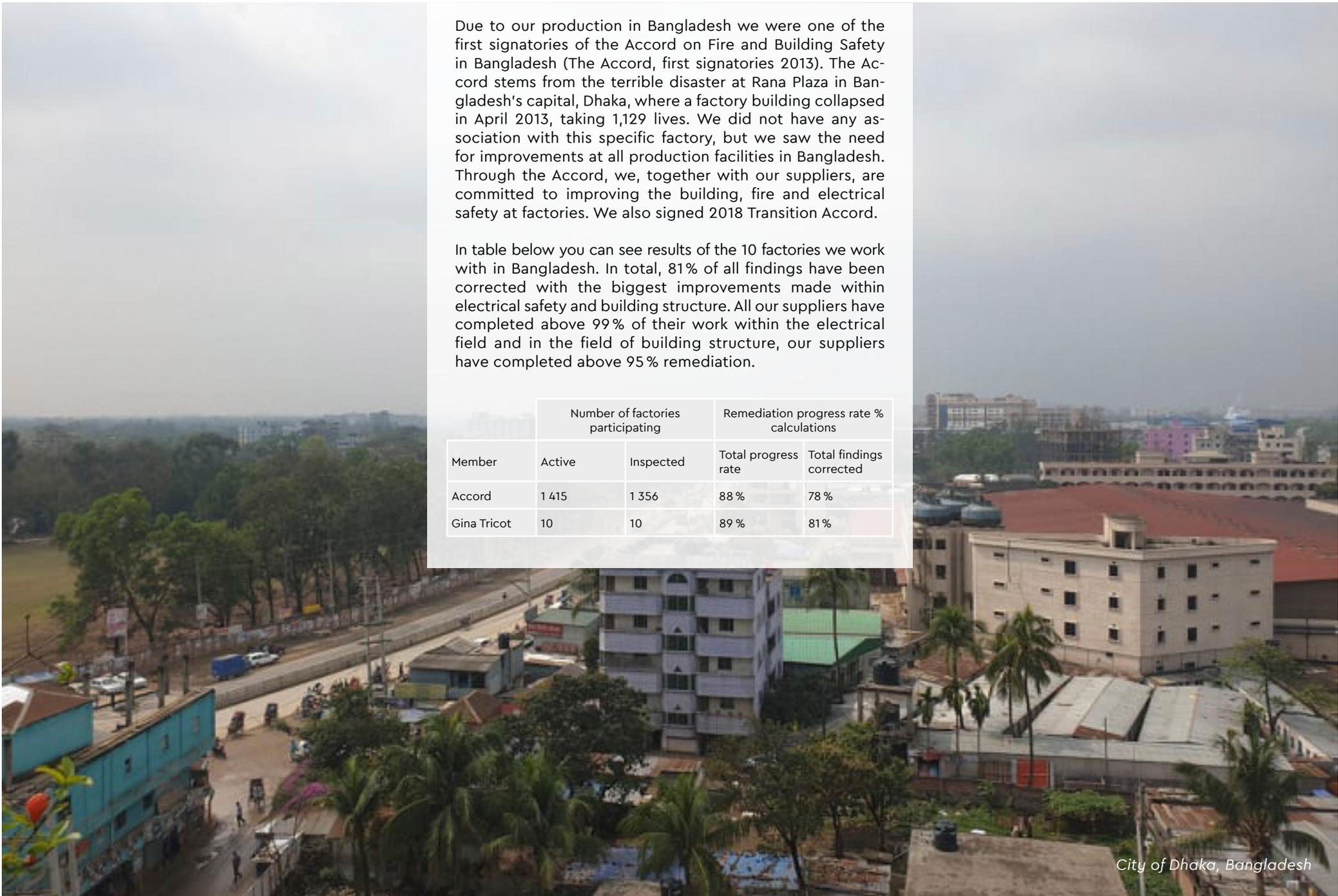
”



Due to our production in Bangladesh we were one of the first signatories of the Accord on Fire and Building Safety in Bangladesh (The Accord, first signatories 2013). The Accord stems from the terrible disaster at Rana Plaza in Bangladesh's capital, Dhaka, where a factory building collapsed in April 2013, taking 1,129 lives. We did not have any association with this specific factory, but we saw the need for improvements at all production facilities in Bangladesh. Through the Accord, we, together with our suppliers, are committed to improving the building, fire and electrical safety at factories. We also signed 2018 Transition Accord.

In table below you can see results of the 10 factories we work with in Bangladesh. In total, 81% of all findings have been corrected with the biggest improvements made within electrical safety and building structure. All our suppliers have completed above 99% of their work within the electrical field and in the field of building structure, our suppliers have completed above 95% remediation.

Member	Number of factories participating		Remediation progress rate % calculations	
	Active	Inspected	Total progress rate	Total findings corrected
Accord	1 415	1 356	88 %	78 %
Gina Tricot	10	10	89 %	81 %



FAIR REMUNERATION

Through amfori, Gina Tricot is monitoring the wages paid to employees who manufacture our garments. According to our code of conduct and local legislation, our suppliers are obliged to pay at least the country's statutory minimum wage to their employees. However, the problem is that minimum wage is rarely enough to cover a worker's basic needs. We are aware of the issues and are trying to, together with amfori and our local representatives, to improve the situation and create a shift in the industry. During 2018, we initiated our own efforts to further investigate the wages paid by our suppliers. Our sustainability colleagues in Bangladesh and Turkey have started to document the wages at all our suppliers in each country. We expect to complete this work in Turkey early in 2019. For Bangladesh this was finished during 2018 before the new wage increase was implemented.

In the wage information collected in Bangladesh from our suppliers we can see that all workers are paid at least minimum legal wage. A total amount of 21 538 workers wages have been checked, and the average wage of all these workers is 6,904 BDT (Minimum wage 5,300 BDT). During 2019 we will go into more depth with these figures and results as well as how we can make a positive impact upon wages paid but first of all make sure that the new wages set during 2018 are implemented correctly.

MINIMUM WAGE IN BANGLADESH

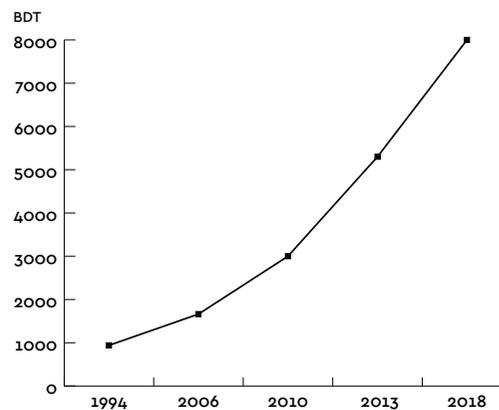
2018 was an important year for workers at clothing factories in Bangladesh. The minimum wage level was renegotiated for the first time since 2013. Both retailers and brands with production facilities in Bangladesh, as well as the workers themselves, were pushing and hoping for an increase. On behalf of its members, amfori sent a letter to the country's Prime Minister and Minimum Wage Board, urging them to significantly increase the minimum wage level. This letter was fully supported by Gina Tricot.

The Bangladeshi Prime Minister, with support from both parties, set the minimum wage to 8,000 BDT/month for Bangladesh garment workers. The increase to 8,000 BDT/month is a 51% increase from the previous 5,300 BDT/month. The new minimum wage level was effective as of December 2018.

The process to increase the salary of garment workers is a major industry initiative aimed at significantly improving working conditions in the country's largest manufacturing sector. The wages paid in the RMG, Ready-Made-Garment, sector during 1994 was 940 BDT, meaning that in 24 years the increase has been 7,060 BDT which is a 751% increase.

As a company sourcing and producing in Bangladesh we need to try to influence the wages paid to workers in the factories we use. Together with the more than 2,000 amfori members we can push for a total increase of paid wages in the Bangladeshi RMG sector, as well as collaborately with other brands have discussions with mutual suppliers.

MINIMUM MONTHLY SALARY LEVEL



Fakir Fashion Ltd. Bangladesh



Fakir Fashion Ltd. Bangladesh

“

The salary paid is unfortunately still insufficient for achieving a minimum standard of life. Results of a recent survey conducted by Industrial Bangladesh Council (IBC) showed that around 64% of RMG workers did not earn enough to meet their basic needs. Furthermore, 77.2% work overtime to compensate for the insufficient wages. We believe that producing in Bangladesh along with trying to push for sustainability questions, among others fair remuneration, leads to better working conditions for the workers.

- Masud Rana, CSR Bangladesh

”



CSR specialist Masud Rana in Dhaka together with UNICEF

SAFE WORKING CONDITIONS

Our code of conduct clearly prohibits precarious employment, such as seasonal workers or refugees without correct working permits. Another example is the prevalence of home-based workers, most common in India. This type of work is a country tradition, where, over decades, women have refined their skills in heavily-beaded and hand-sewn garments. This type of employment needs to be closely monitored since it makes workers vulnerable and they often lack stability and security. To try and prevent it, Gina Tricot is conducting more internal audits during peak season to ensure that precarious employment situations are not occurring. In 2018, Gina Tricot consolidated its number of suppliers in India to just one, in order to have more control over production there.

As a result of the ongoing Syrian civil war, more than 3.2 million refugees have fled the country to Turkey. Many refugees seek employment in Turkey. The financial situation for many refugee families is desperate, which means that there is a risk they will put their children to work. Gina Tricot forbids child labour. Turkey is Gina Tricot's biggest production market, and we must ensure any Syrian refugees working in production in Turkey have valid working permits. This is a problem within the industry, but we believe that a close relationship with our suppliers as well as frequent visits helps us manage this issue. During 2018, we once again distributed Gina Tricot's policy for Syrian refugees under temporary protection and asked all our suppliers and suppliers' suppliers to sign it. During our site visits, we always check that all workers have valid work permits. It helps ensure that their rights are protected.

During 2018 and in accordance with the UK Modern Slavery Act, Gina Tricot issued a statement on modern slavery. The Slavery Act is designed to combat modern forms of slavery and doing so requires transparency throughout the supply chain. Gina Tricot's statement can be read at www.ginatricot.com.



City of Istanbul, Turkey

During our first internal audit at two potential factories, we discovered that Syrian refugees lacking valid permits were working there. We halted Gina Tricot procurement from the supplier and discussed the seriousness of the matter, emphasizing how important it was for suppliers to obtain valid work permits. We gave these factories a few months to address the matter. However, during our follow-up visits, we learned that one of the factories had not corrected the situation and accordingly, we decided not to pursue any further business collaboration. At the other production facility however, the employer helped its refugee workers obtain permits by contacting United Works. Gina Tricot accepted the improvements made and has continued its collaboration with that supplier.



Baykanlar Tekstil, Malatya, Turkey

SUPPLIER STATUS	2015	2016	2017	2018
Number of suppliers	72	73	57	61
Number of production units	132	144	115	103
Number of amfori-inspections completed	73	74	69	79
Number of follow-up visits by Gina Tricot	75	131	261	305

Number excluding external brands



Baykanlar Tekstil, Malatya, Turkey

HIGHLIGHTS 2018

FAIR PRODUCTION

Number of follow-up visits by Gina Tricot increased during 2018
Started internal inspection of paid wages at suppliers in Bangladesh and Turkey
Increased wages for ready made garment workers in Bangladesh

FOCUS 2019

FAIR PRODUCTION

Increase production transparency to customer
Expand our internal inspection of paid wages at suppliers to more production
Continue our own visits further down the supply chain

PRODUCT SAFETY AND QUALITY

Gina Tricot is a retailer selling products to end consumers. As such, we have a duty to only release products on the market that are safe. By this, we mean general product safety, along with safe chemical content. Each product is assessed according to safety aspects and all our efforts are based on the precautionary principle. At Gina Tricot, this is of highest importance and we are constantly striving to improve these parameters. For each product, we carefully select materials and ensure that no legally restricted hazardous chemical substances are used in production. We do this through several types of testing prior to production; through our production offices, on site at our suppliers and at third-party laboratories. We conduct these tests to ensure that our chemical requirements have been met and to ban any non-conforming product prior to the production stage. During our site visits we also control the chemical inventory.

To supplement these efforts, we continuously perform chemical spot tests from Sweden. If we were to find any prohibited chemical substances above legal limits, the products would be recalled from stores, and destroyed. It is the only example of instances where Gina Tricot will destroy a product, rather than try to re-use or recycle it. Thankfully, this rarely occurs and in 2018 no discoveries were made resulting in product destruction.

All Gina Tricot suppliers must sign a written agreement that they comply with our chemical restriction list, requirements based on REACH regulation, EC No 1907/2006. We always apply the restrictions from the strictest sales country throughout the supply chain. Furthermore, we have elected to ban additional substances in our production, even though they are allowed by law. Examples of bans in cosmetic products are: nanoparticles, microplastics, parabens and fragrance allergens. We strive to remain up-to-date on the latest developments through collaboration with, for example, RISE Chemicals Group and the Swedish Chemicals Agency.

“ *Gina Tricot always strives to exceed customer expectations and deliver the highest possible quality within our price range. Achieving this is an important component of our overall sustainability efforts.*

- Rebecca Watkins, CSR and Quality Manager

”

We are constantly evaluating each product and quality is an important parameter considered throughout the development process. Together with our purchase and design teams we continuously evaluate which products we need to put extra effort into. Together we, for example, decide which products to test for quality, which ones to perform quality controls upon and which products that need extra care information for customers.

All Gina Tricot suppliers must sign a written agreement that they comply with our quality requirements, prior to any production. We perform third-party tests at selected laboratories, conduct tests at our own facilities and perform testing on site at our suppliers.

All Gina Tricot production in Bangladesh is 100 % quality controlled by our own local staff, in other production countries we perform random quality controls based on our product risk assessment as well as use third party laboratories for quality controls. All of these efforts are aimed at achieving the highest possible quality.

We constantly monitor customer claims and for 2018 0.28 % (2017: 0.27 %) of all sold products were returned with complaints regarding quality. During 2018 we withdraw 1 product from stores due to quality reasons.

We also collaborate with specific trim and thread suppliers, tanneries for leather production and fabric suppliers to ensure quality level as well as chemical content used in production.

HIGHLIGHTS 2018

PRODUCT SAFETY AND QUALITY

0 orders recalled from stores for chemical content reasons
1 order recalled from stores for quality reasons

FOCUS 2019

PRODUCT SAFETY AND QUALITY

Increase our work regarding chemicals used in production



THE HEART OF FIBRES

Textile fibres provide the foundation for most of our products. Accordingly, this is where we take initiatives that will have a significant better impact on the environment. At product level, our first step is therefore to focus our sustainability efforts on increasing the percentage of more environmentally sustainable fibres. **In 2018, 47 % of our products were manufactured from more sustainable materials**, and we are constantly scanning the market to find new, innovative fibres with a lower environmental impact. One of our most recent additions is Polylana®. It is made from a mixture of virgin and recycled materials to create an innovative fibre with characteristics similar to acrylic or wool fibre.

A product that we classify as more sustainable needs to be made from minimum 50 % more sustainable fibres. Our fibre classification system is based on Made By's fibre list, with some internal adjustments. At present, we classify the fibres listed to the right as "more environmentally sustainable". During 2019 our plan is to evaluate this list, and if needed update it.

Transitioning to more environmentally sustainable fibres in our garments is an ongoing process and sometimes a difficult task. We are constantly striving to increase our knowledge about the ecological footprint of existing and new fibres.

In our daily work, we use a system for classifying the fibres used in products. It is an integral part of the development process, where important decisions are made even at the earliest stages. We believe this is an easy way to inspire our purchasing teams to make better, more informed choices. We have established clear targets for the materials used in our products, with the aim of increasing the percentage of sustainable materials that have a lower environmental impact. It motivates us to continually search for and select better materials, along with sourcing new, more environmentally-friendly materials.

Materials we currently classify as more environmentally sustainable and the percentage we bought of each fibre during 2018:

COTTON FROM BETTER COTTON INITIATIVE
32.7 % (23 %)

ECOVERO®
0.2 % (no data available)

MODAL FROM LENZING
0.2 % (no data available)

ORGANIC COTTON
2.3 % (5 %)

POLYLANA®
0.2 % (no data available)

RECYCLED MATERIALS
0.1 % (0.3 %)

TENCEL®
0.1 % (0.2 %)

VISCOSE FROM LENZING
11.4 % (16 %)

COTTON

Conventional cotton's most prominent environmental impacts result from the large amount of used agro-chemicals (especially pesticides), the high consumption of water, and the extensive conversion of habitat to agricultural use. However, it is also one of our most important textile fibres.

With this in mind, our goal for 2020 is for 100 % of the cotton we use to be more sustainable cotton. **Already, we have reached 94 % and are confident that we can reach our target by 2020.** The cottons that we regard as more sustainable are: Organic Cotton, Recycled Cotton and Cotton from the Better Cotton Initiative (BCI).

We made a choice to influence cotton farming in a positive direction through BCI, hand in hand with some of the world's leading users and cotton buyers. BCI is not a third-party environmental label or certification. It is a training programme based on the best methods for more sustainable farming. BCI trains farmers in transitioning to and moving towards a more conservation-focused approach to water, chemicals and pesticides. This enables harvest sales to continue during the transition period, securing the schooling of the family's children.

Through Better Cotton and CottonConnect (previously implementing partner of BCI), Gina Tricot and Ellos Group have collaborated on a project aimed at achieving more sustainable cotton farming. The Better Cotton training programme, which took place in Gujarat, India, started up in 2016. This is only one of the areas in the world growing BCI Cotton. It was concluded last year, at which point more than 2,000 farmers in the area had been trained to grow BCI cotton. It covered such topics as more sustainable farming methods, use of resources and harvesting techniques. The project has helped improve soil health, promote bio-diversity, reduce dependency on chemical fertilizers, increase farmers' income/savings and a variety of other benefits.

Gina Tricot sources cotton globally except for Uzbekistan, Turkmenistan and Syria. Purchasing cotton from these countries has been banned by Gina Tricot for many years, due to lack of transparency and possible presence of child labour, forced labour and under age workers in the value chain.

In 2018, BCI ranked Gina Tricot as one of its "fastest movers" for our quick increase in Better Cotton sourcing. During 2018 94 % of our more sustainable cotton was BCI Cotton.

Improvements made by farming BCI cotton in our project in Gujarat

42 % higher profit*

27.3 % higher yield*

60.5 % fewer chemical pesticides*

39.3 % less chemical fertilizer*

59.9 % lower water usage*

*Above results are unit per hectare, compared to control farmer



VISCOSE

Viscose fabric is a customer favourite, but it is also a fibre that can have a negative impact on the environment. Viscose is made from wood pulp, cellulosic fibres. Conventional viscose produced from hardwoods has a negative environmental impact associated with deforestation as well as high water and chemical usage.

With that in mind, sourcing is extremely important. Gina Tricot is committed to providing its customers with sustainable garments in fabrics that they love. Accordingly, we have set a target to buy 100 % of all regenerated cellulose fibres from more sustainable sources by 2020. By this we mean that the wood used to produce pulp comes from FSC certified forests, has minimized use of chemicals and efficient use of water through recycling. **Currently, 89 % of our products are made from more sustainable regenerated cellulosic fibres.** At the moment Gina Tricot sources 100 % of these fibres from Lenzing, which ensures high environmental standards in viscose production. We have recently added Aditya Birla Group as another nominated fibre producer for more sustainable viscose.

Since 2016, we have been a member of CanopyStyle. It is a Canadian environmental organisation dedicated to protect the world's forests, species and our climate.

"As a consumer of Viscose and regenerated fibres, many of our products contain fibres derived from wood. Accordingly, we must source responsibly in order to protect endangered forests and the flora and fauna that reside there. With this in mind, Gina Tricot joined CanopyStyle. It helps us work with our viscose supply chain and take steps towards a chain free of viscose manufactured from wood that comes from endangered forests." – Rebecca Watkins, CSR and Quality Manager

POLYESTER

Polyester is an incredibly versatile fibre that is used for all our product categories. It is a fibre made from the non-renewable source oil, but it is possible to recycle it! One of the greatest challenges that Gina Tricot is currently trying to solve is how to convert our use of normal polyester in our products to recycled polyester. We need to make the same journey for recycled polyester as we have done so successfully in more sustainable cotton and regenerated cellulosic fibres. We need to increase our sources of this fibre in order to have a breakthrough in the usage of recycled polyester in our products.

NATURAL FIBRES FROM ANIMALS

We love animals! That's why we were among the first fashion brands to ban mohair when footage was released in 2018 exposing the brutality of the shearing process. It led to a public outcry and immediate action by Gina Tricot to ban mohair in its product offering. We will always distance ourselves from any activities associated with cruelty to animals!

We also have clear policies and bans on the use of many other animal-based materials and fabrics. Furthermore, Gina Tricot has signed the Swedish Trade Federation's animal welfare policy and we require all our partners in all parts of the supply chain to comply. We do not yet have full traceability on all our animal-based materials, but we are constantly striving to improve our sourcing methods.

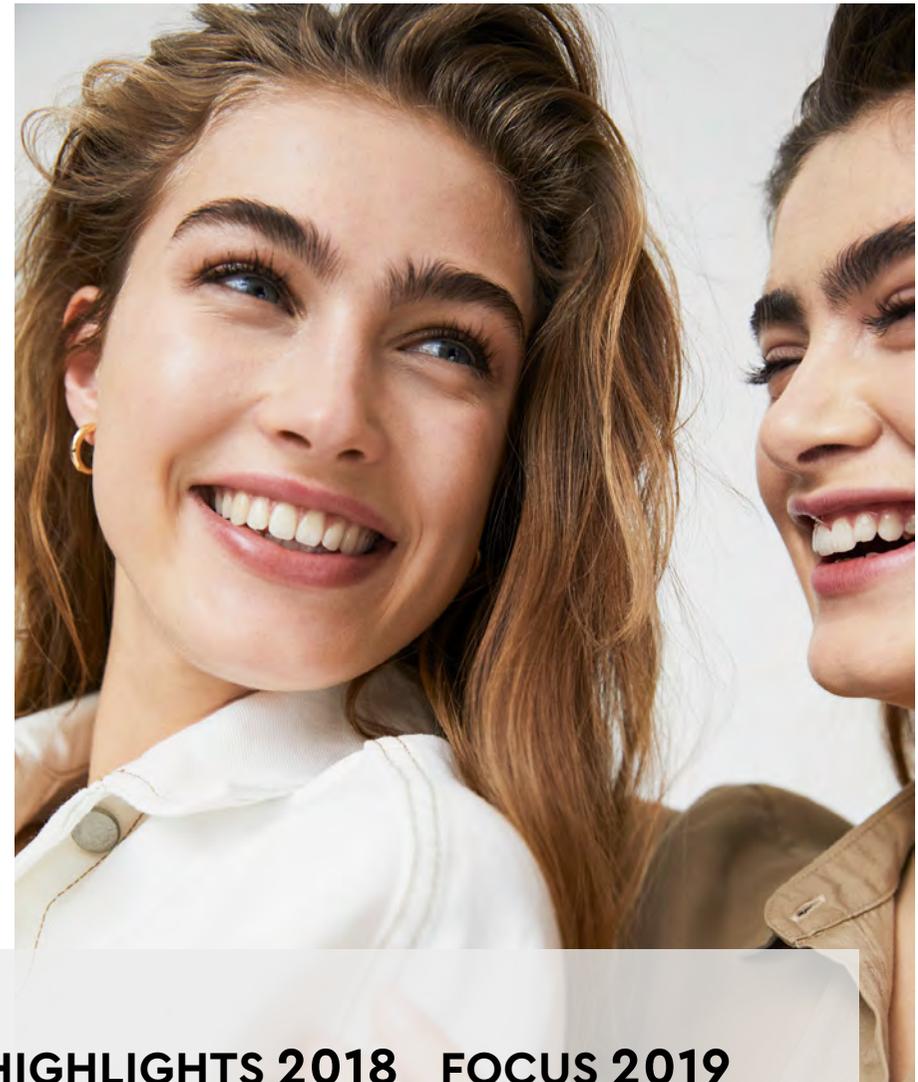
Gina Tricot requires all of its partners working with animals under human control to respect the OIE (World Organisation for Animal Health) animal welfare standards, which have been formulated as Five Freedoms.

Five Freedoms:

- Freedom from hunger, malnutrition and thirst;
- Freedom from fear and distress;
- Freedom from physical and thermal discomfort;
- Freedom from pain, injury and disease;
- Freedom to express normal patterns of behaviour.

Below are examples of some of the restrictions we have on animal textile fibres;

- Angora wool is as controversial as mohair. In 2018, we banned its use in all our products.
- Mulesing is not permitted, and no merino wool is sourced from Australia or New Zealand where this method is frequently used.
- Leather is accepted by Gina Tricot, but only leather products or products containing leather from approved, nominated tanneries and in approved leather qualities. Leather and skin must originate from animals bred for meat production. Gina Tricot does not allow cow leather originating from India.
- Our fur products are only faux fur. Gina Tricot has been a member of the fur free retailer programme supported and recognized by Fur Free Alliance since 2011.
- All down must be RDS-certified, and they must originate from slaughtered birds that have been bred for meat production. Down and feathers must not originate from farms practicing live plucking or force feeding.



HIGHLIGHTS 2018

THE HEART OF FIBRES

- Introduced** a better, more sustainable alternative to Acrylic, Polyana®
- Ban** of Mohair
- Achieved** its 2018 goals for more sustainable Cotton 94%
- Achieved** our 2018 goals for more sustainable regenerated fibres 88%

FOCUS 2019

THE HEART OF FIBRES

- Increase** amount of recycled polyester in products
- Increase** amount of Polyana® used in products
- Monitor** new innovative, more sustainable fibres
- Evaluate** our fibres classified as "more environmentally sustainable"

CIRCULAR PRODUCTION

To be able to sell truly sustainable products to our customers, we must close the loop. We need to design for the circular economy, where materials are designed with end-of-life recovery in mind from the outset. This is one of the biggest challenges and opportunities facing the fashion industry.

We've made significant progress, but several crucial steps must still be taken before we can honestly say that fashion has become sustainable. One important step involves collecting garments once they have worn out or are no longer wanted. They need to be recycled and sent back into the production loop as new raw materials. In line with our Circular Fashion commitment, we are striving to increase collected garments from customers by 50 % by the year 2020 by different activities in store. In 2018 we collected 50 tons, which is an increase of 61 % compared to 2017 (31 tons). Increasing the number of collected garments for recycling is a crucial first step in prolonging the product's useful life or turning them into new raw materials in a never-ending loop.

Some major breakthroughs in science have been made in textile recycling and Gina Tricot is following these developments closely, through its participation in industry initiatives and research projects. The technology for sorting different types of fibres and reusing them needs to occur in full scale production units. All fibres and garments have value in a closed loop system and Gina Tricot wants to ensure that none of its products end up in landfills or are burnt. Our goal is to offer sustainable, quality-assured products that appeal to our customers. We want fashion to be produced and consumed in a never-ending loop.



CIRCULAR PRODUCTION IN PRACTICE

The most important aspect of circularity starts with design, more than 80 % of a product's environmental impact originates from decisions made in the design phase according to The Sustainable Apparel Coalition (SAC);

- Designing with sustainability and circularity in mind.
- Use less fibre blends in products.
- Design for easy assembly of trimmings.

Our aim is to implement a circular mindset already in the design phase, in order to have as high effect on the product's environmental impact as possible.



2018 GINA TRICOT STARTED A COOPERATION WITH RE:NEWCELL.

When garments are worn out or no longer wanted, some are sold second-hand or used as hand-me-downs, but the vast majority end up in landfills or are incinerated. The same goes for most of the waste from production. Very little is recycled due to the fact that the quality of recycled textiles is too low. The cycle stops, because there is a hole in the loop, a crucial part has been missing. Until now.

Re:newcell uses cotton waste to produce a pure, natural and biodegradable raw material that can then be turned into new clothes of the highest quality – and recycled again and again. Re:newcell opened their first recycling plant in 2017 in Kristinehamn, Sweden. At the plant, they can recycle 7,000 tons of textile waste each year. That's enough to make 30 million brand new t-shirts!

"Closing the loop on fashion depends on forward-thinking brands such as Gina Tricot. Thanks to Gina Tricot, we can now save vast amounts of water, energy, chemicals and land by giving waste from production a new life. Together, we lead the way towards a circular and sustainable fashion industry." - Martin Stenfors, VP Sourcing and Supply Chain re:newcell

This year, we embarked on a closed-loop collaboration effort with one of our biggest denim suppliers, Baykanlar Tekstil in Turkey. So far, we've collected 6,849 kg of scraps from the textile manufacturing process that can be recycled into new materials. Going forward, our aim is to involve more of our suppliers in similar initiatives.

“ For us as Baykanlar, this project was an opportunity that we simply couldn't resist. Baykanlar is one of the leading companies for denim and we have high goals and standards when it comes to sustainability and recycling. We want to be a part of the solution going forward. We are collecting scraps from the manufacturing process and using them to make new fibres, which become the fabrics for making new garments. It's a fascinating and exciting opportunity that truly can make fashion sustainable. We are proud to participate in this initiative and are excited about the results. We've been collaborating with Gina Tricot for quite some time and helping create a better future makes us feel very proud! - M.Orhan Baykan, Shareholder and Member of the Board of Directors

”

MAKING A BETTER CHOICE

Our customers share our responsibility and must be part of the solution. For example, the phase involving the second most negative environmental impact actually occurs at home, in washers and dryers. This is according to Swedish Environmental Protection agency. That's why our care labels always recommend less-frequent washing and washing in cooler temperatures. Minimizing of washing and tricks for stain removal on products are important for us to inform customers about. If products are treated with the love and care they deserve, they will last longer. Products can also be repaired or re-newed in order to prolong the garment's life.

"Gina Tricot needs to improve our communication with customers regarding this, in order to minimize each product's sustainability impact. If you wear a garment 3 times more, the environmental impact will decrease by 70 % according to Mistra Future Fashion. The more we can help customers prolong their product's lives, the better." says Rebecca Watkins, CSR and Quality Manager

Gina Tricot donates all of the garments that our customers reclaim to our long-term partners, Human Bridge and Fretex. Human Bridge is a professional organisation involved in material aid projects. The organisation supports humanitarian crises and development assistance projects by providing money, clothing and other important materials. The reclaimed garments are either sent to people in need, or, they are sold and the proceeds are used to fund Human Bridges projects. Fretex is a similar organization in Norway, run by the salvation army, where the collected garments from Gina Tricot's Norwegian stores end up. Out of the garments collected by Fretex 78 % is re-sold in their own stores, 20 % is used for material recycling and 2 % is not possible to either recycle or re-sell.

During 2018 we also teamed up with a German company called Shoes & Clothes. They purchase our un-sold stock or returned items in order to resell the garments second hand. Gina Tricot then donates 100 % of the revenue from such sales to charitable organisations working with various aspects of sustainability.

Our aim is to minimize our production directly ended here, through unsold garments, customer reclaim or wrong buying, however the goal is to increase the collected used garments over all.



HIGHLIGHTS 2018

CIRCULAR PRODUCTION

Cooperation start with Re:newcell
Increased amount of garments collected from customers

FOCUS 2019

CIRCULAR PRODUCTION

Re-launch possibility for customers to return used garments in stores
Circularity in the design phase
Customer sustainability guidance

CARE FOR THE PLANET

ENVIRONMENT

Climate change is the biggest challenge we face. All our production, transports, travel and facilities involve emissions and impact the size of our carbon footprint.

In December 2018, the United Nations held its Climate Change Conference, COP24, in Katowice, Poland. At the conference, representatives from the fashion industry joined forces to launch the Fashion Industry Charter for Climate Action (FICCA). It is a commitment from the industry to address its climate impact throughout the entire value chain, align itself with the goals of the Paris Climate Change Agreement and move towards net-zero emissions by 2050.

As part of this overall effort, Gina Tricot has joined the Swedish Textile Initiative for Climate Action (STICA). It is a platform for helping Swedish textile companies and organizations understand our climate impact and learn best practices on how to tackle it. We must examine our impact throughout the entire value chain and work hard to minimize the climate impact of our entire business.

The network's efforts are aligned with the UN Framework on Convention of Climate Change (UNFCCC) and FICCA, and STICA's goals are to:

- Understand all aspects of our climate impact
- Measure our greenhouse gas (GHG) emissions
- Develop science-based targets and plans for reducing our GHG emissions. We are aiming for a reduction of 30 % by 2030
- Develop a process and structure for reporting and communicating our organization's progress
- Identify actions that generate business benefits and organize collaborative projects aimed at reducing emissions in parts of the value chain that are beyond our direct control

During 2018, we also applied climate compensation for all our climate impact that stems from product transports from Pakistan and Turkey. Together, they account for 55 % of our total product transports. Climate compensation was achieved via participation in the Plan Vivo Foundation project to preserve sacred groves and other forest areas of Khasi Hills, India. The project also helps protect watersheds, promote biodiversity, educate and generate new income opportunities for residents of the area. We are combining climate compensation and our participation in STICA, to minimize the climate impact of our products and organization.

“ We believe our engagement with STICA will provide us with the knowledge and tools to become a long-term business with less environmental impact. – Rebecca Watkins, CSR and Quality Manager ”

WATER & PLASTICS

Water is essential to human and ecological survival. It is also a fundamental component of textile manufacturing. We must use our precious resources carefully and responsibly. Gina Tricot is a member of STWI (Sweden Textile Water Initiative), which helps leather and textile companies and factories reduce water, energy and chemical use in their supply chains. The network has also developed guidelines within water efficiency, water pollution prevention and waste water treatment. These guidelines are used during training and implementation of methods for sustainable water use in our supply chain. The overall aim is to ensure efficient production processes that meet or exceed our environmental targets. Unfortunately during 2018 STWI was on pause, and no factories were assessed for any member brands.

MinShed is a three-year research project that was launched in 2018. Gina Tricot joined the initiative, which has the overall aim of gaining knowledge about how the textile industry can design and create clothes from synthetic materials in such a way that they do not emit micro plastics. MinShed will also investigate the possibility of equipping washing machines with a filter for reducing the emission of micro plastics. MinShed is run by RISE (Research Institute of Sweden) and several brands are participating as partners, along with other related organizations. It will run between 2018-2020.

Plastic littering in the ocean is a hot topic and we all share responsibility in solving it. During 2017, Gina Tricot joined One Bag Habit. It is an industry initiative aimed at minimizing consumption of shopping bags and raising awareness of their negative environmental impact. All brands that have joined now sell bags, rather than giving them away, and the profit from the bag sales are donated to different projects that drives sustainable development. This initiative is currently active in Sweden, Norway and Finland.

Gina Tricot's total consumption of plastic bags in sales market Sweden fell by 14% during 2018 compared to 2017 (no figures available for minimized sales in Norway and Finland, due to sales start during 2018) and the profit from bag sales, SEK 2.5 million were donated to sustainable causes. In Sweden, profit from bag sales was donated to UN Women National Committee Sweden, in Norway the profit was donated to Handelens Miljöfond and in Finland it was donated to John Nurminen Foundation. John Nurminen's mission is to save the Baltic Sea and its heritage for future generations.

During 2018, we also started using SAC's (Sustainable Apparel Coalition) sustainability tool, HIGG Brand and Retail tool. The Higg Index helps companies measure sustainability performance and improve supply chain transparency. The tools measure environmental performance, social labour practices, and product design choices. We believe this will be a valuable tool for measuring each product's overall environmental impact. We have started documenting producers in our supply chain that use HIGG and have also begun entering information into the module from our Bangladeshi producers. By committing to use the Higg Index, Gina Tricot joins global businesses focused on improving supply chain sustainability in the apparel, footwear, and textile industry.

HIGHLIGHTS 2018

CARE FOR THE PLANET

MinShed research project for minimizing micro plastics emissions from textiles

Climate compensation for product transports from production in Turkey and Pakistan

Minimized plastic bag sales by 14 %

Users of HIGG

FOCUS 2019

CARE FOR THE PLANET

Climate compensate for all transports from production

Phase out plastic bags to customers

Analyze the use of plastic throughout our value chain

LOGICAL LOGISTICS

At Gina Tricot, we constantly strive to optimise the efficiency of our transports. Doing so is not only cost-efficient, but also very important from an environmental perspective. The majority of transportation from the Far East is by sea which is the most environmentally friendly option. When sourcing from Turkey we have started to replace pure truck transports with intermodal transport which means sea-train-sea and this has 70 % less environmental impact. When the goods have arrived at our warehouse we pick and pack the garments for all of our stores.

Our aim is to reduce our environmental emissions from transports each year. Accordingly, we have **a zero tolerance vision for air freight in the product planning phase**, which accounted for just 3 % of our total transports in 2018.

To reduce our environmental impact, we always consolidate cargo from multiple suppliers into the same container, thereby maximizing the container load. In 2018, we updated our delivery instructions, which enabled more efficient filling of cartons and as a result, lower emissions. Another initiative in 2018 enabled customers to collect online orders in store. Doing so has a positive environmental impact because trucks that are scheduled to make deliveries to our stores can deliver online orders from customers at the same time.

In March of 2018, Gina Tricot's warehouse was awarded the Swedish Environmental Base diploma (Svensk Miljöbas). It certifies that Gina Tricot's continuous environmental efforts are aligned with the association's specified standards. It requires Gina Tricot to have an explicit environmental policy, goals, actions, and training for its staff on environmental issues and how to constantly improve. Our head office is also certified and has been since 2012.

Geodis is the forwarder for all shipments from the Far East associated with Gina Tricot logistics. Geodis is a long-standing member of the Clean Cargo Working Group (CCWG) initiative. Founded in 2002, CCWG is a leadership initiative involving major brands, cargo carriers, and freight forwarders dedicated to reducing the environmental impacts of global goods transportation and promoting responsible shipping. CCWG members share a vision of a shipping industry that is a responsible part of sustainable supply chains supporting clean oceans, healthy port communities, and global climate goals. Unlike other initiatives, CCWG brings together shippers, carriers, and forwarders, helping them understand each other's needs, discuss challenges, and share best practices. Since 2009, CCWG members have reduced their CO₂ emissions by over 35%. The group regularly engages with researchers and providers of alternative fuels or new shipping technologies to ensure continued progress.

DISTRIBUTION OF SHIPMENTS

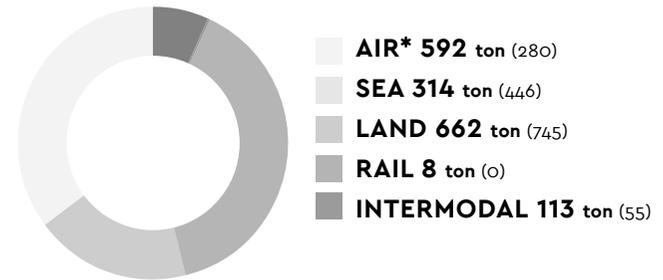
based on number of purchased goods, by mode of transport

	AIR	SEA	LAND	RAIL	INTERMODAL
2016	5 %	53 %	17 %	0 %	25 %
2017	2 %	50 %	21 %	0 %	27 %
2018	3 %*	55 %	24 %	1 %	17 %

During 2018 we had many challenges with Intermodal, leading to increased transportation by land.
*Includes Sea/Air

GREENHOUSE GAS EMISSIONS FROM TRANSPORT

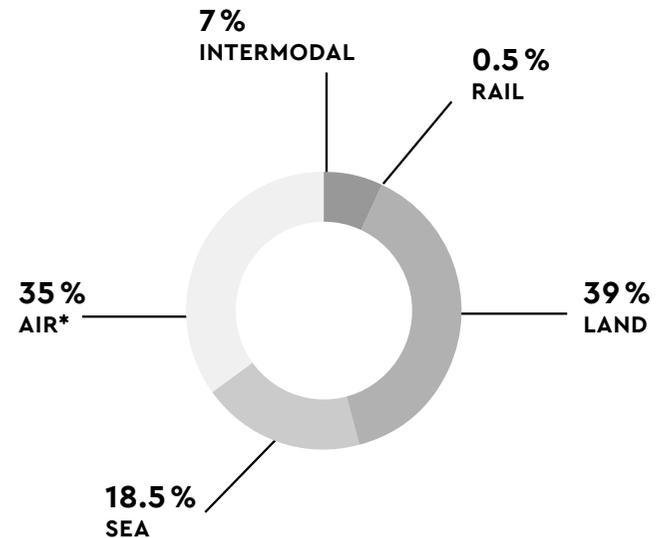
(Tons of CO₂e)



In total we increased our transport emissions by 10% compared with 2017, from 1 526 Ton CO₂e to 1 689 Ton CO₂e. The main reason is increased amount of air freights. Last year's figures report CO₂e emissions from Intermodal transportation in each method, Sea and Land.
* Includes Sea/Air

DISTRIBUTION OF GREENHOUSE GAS EMISSIONS BY MODE OF TRANSPORT

* Includes Sea/Air



SHARP STORES & EFFICIENT ENERGY

Gina Tricot today has 175 stores. In 30% of them we have LED lights. Our goal for 2028 is to only have LED lighted stores.

By changing to LED lights in our stores each store reduces:

- **Energy** costs by about 40-45 %
- **Temperature** in the store by about 4 degrees
- **Carbon** dioxide emissions by about 45 %

From one medium size Gina Tricot store the calculated emission reduction corresponds to the total emissions that a person contributes for an entire year, approximately 8 tons CO₂.

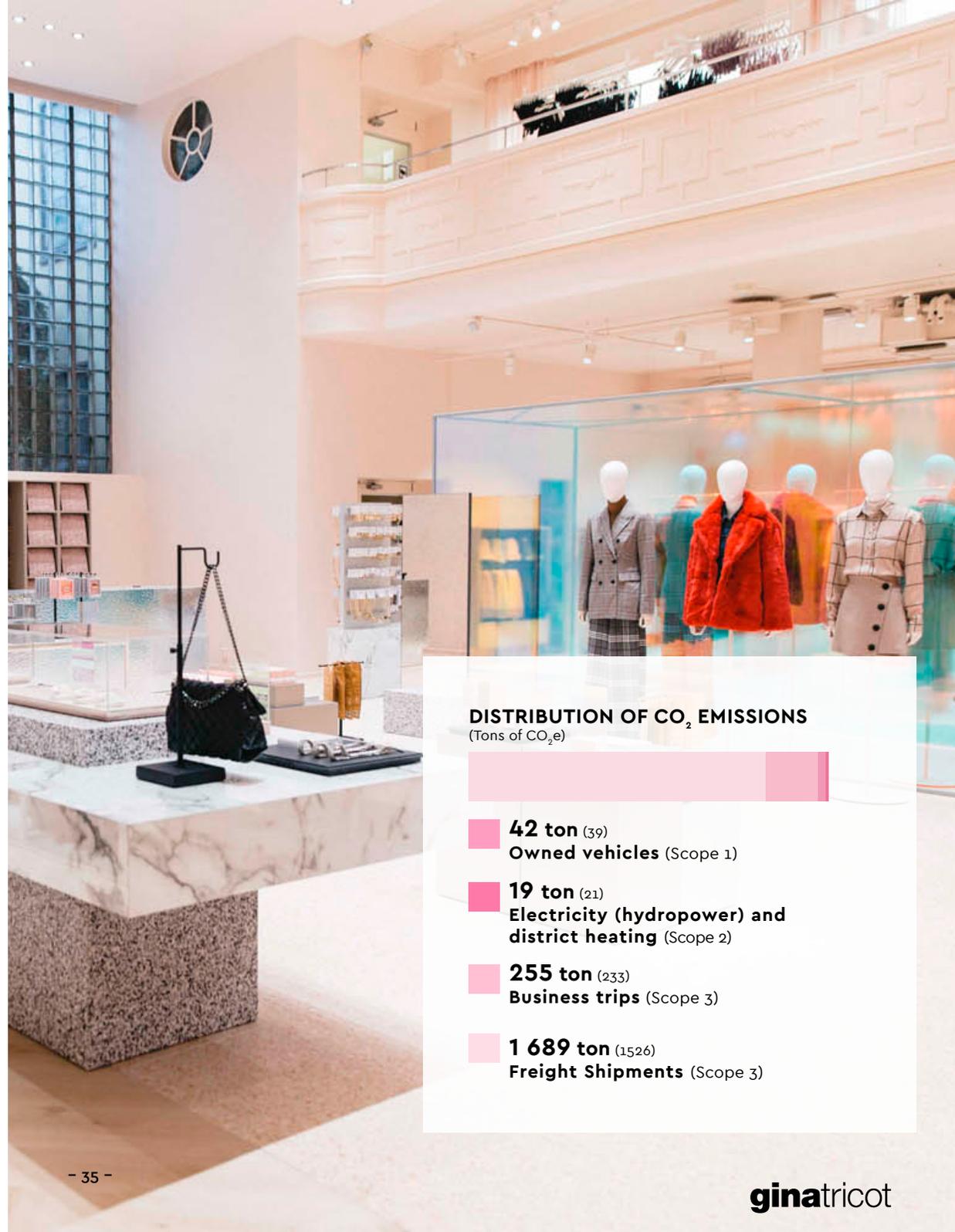
ENERGY CONSUMPTION MWh	2018
Denmark	1 119
Finland	1 571
Germany	1 286
Norway	2 694
Sweden*	6 385
TOTAL	13 055 (2017: 15 315)

* The figure for Sweden includes both the warehouse and head office.

We were unable to obtain district cooling information from the property owner of the head office. Gina Tricot sold its head office in 2017 and thus no longer has direct control over these contracts and this information.

Electricity consumption is reported including heating for all countries (information from landlords), this year's reporting also includes estimated figures from stores where we do not own the energy contract.

In total we decreased our energy use by 17% compared with 2017, from 15 315 MWh to 13 055 MWh. The main reason is increased use of LED lights as well as a small number of closed stores.



DISTRIBUTION OF CO₂ EMISSIONS

(Tons of CO₂e)



42 ton ⁽³⁹⁾
Owned vehicles (Scope 1)

19 ton ⁽²¹⁾
Electricity (hydropower) and district heating (Scope 2)

255 ton ⁽²³³⁾
Business trips (Scope 3)

1 689 ton ⁽¹⁵²⁶⁾
Freight Shipments (Scope 3)

EMPOWERING WOMEN

Gina Tricot is to a big extent driven by women – 97 % of all our wonderful employees are women. It is therefore natural for us to work on empowering women. We are proud to support the UN's global movement, Empowering women – The process by which women gain power and control over their own lives and acquire the ability to make strategic choices.

"Equality applies to everyone and every person is entitled to it. Those of us working at UN Women are thankful for Gina Tricot's support and efforts to ensure women's and girls' rights throughout the world. Together, we're fighting for a better world for all of us, with more democracy and economic development so that there will be less violence against women. We want women to have income security and decent working conditions so that women and girls will have more influence when it comes to creating sustainable peace and development." - Åsa Regné, vice president UN Women.

Giving women more self esteem and making women feel good is deeply rooted in our culture and values, our business aim is to make women smile and to support women globally. This is something we have in mind from design of our products to our sustainability work, but also as an employer.

Empowering women also empowers children and communities. In Bangladesh, we support a unique project together with UNICEF to empower women throughout their entire life. We also have a project together with UN Women National Committee Sweden for the Rohingya refugees in Bangladesh and Myanmar, as well as local projects in Sweden such as Dress for Success Stockholm.



UNICEF

We continued our long-standing relationship with UNICEF in Bangladesh. UNICEF protects the rights of every child, and is working to improve the lives of children and their families. Together with UNICEF we continued our programme for every stage in a woman's life, through implementing "Mother's Groups" in Dhaka slums. An estimated 2.23 million people live in slums across the country. For children living in slum areas, life is difficult and often dangerous, with high rates of school dropout, child marriage, child labour and abuse. Lack of meaningful inclusion of women, girls and communities in addressing the behavior and norms are hindering or prolonging the desire and need for change.



By 2019, an estimated 150,000 children and parents/caregivers in targeted urban areas enjoy improved access to health, nutrition, water and sanitation, and educational services, and feel more protected and empowered to participate meaningfully in decisions that affect their lives.

The aim of the project is high - to transform behaviors and social norm in slum communities.

Gina Tricot has collaborated with UNICEF since 2011. An educational project was conducted in Dhaka, Bangladesh, between 2011 and 2016, in which a total of 26,440 children participated. From the period of 2011-2018 a total amount of SEK 16 million have been donated by Gina Tricot for these specific projects.

The project supported by Gina Tricot funds reaches the women, family members and adolescent girls at local level. The main messages are, among others, on antenatal care, postnatal care, essential care of newborn, adolescent nutrition, menstrual hygiene, prevention of child marriage, and child labour. 'Mother Group' is intervening at individual and family level in order to reach women and adolescent girls with the messages to make them aware with information and knowledge, change their practices at household and community level that will contribute to child wellbeing.

As a part of our project with UNICEF two of our factories are also part of the national initiative Mothers@Work. The project focuses on protecting working women's maternity rights.



Pictures from UNICEF preschool in Dhaka, Bangladesh

SWEDISH NATIONAL COMMITTEE FOR UN WOMEN

During 2018 we continued cooperating with UN Women National Committee Sweden. An organization that truly matches Gina Tricot's aim to support women in the world. All our profit from plastic bag sales in Sweden was donated directly to UN Women National Committee Sweden.

UN Women National Committee Sweden was founded in 2011 and is an organization working on behalf of UN Women, the United Nation's Entity for Gender Equality and the Empowerment of Women. Together with local partners UN Women works to stop female genital mutilation, one of the worst forms of violation against young girls and women. Other programmes include stopping child marriages, ensuring that girls are given the same right to education, trauma-treatment of those who have been subjected to rape in conflict and war situations, ensuring that women take part in peace negotiations, and empower them to take a more active part in political decisions and society. UN Women also addresses the endemic existence of gender-based violence. The Swedish National Committee is focusing on three work fields; end violence against women, campaigning to raise awareness about humanitarian disasters which severely affect women and raising funds for programmes assisting these women and empowerment of women.

The money donated from Gina Tricot went, among others, to the Bhalukhali refugee camp in Cox's Bazar, Bangladesh. The camp hosts over one million Rohingya refugees who have been forced to leave Myanmar after being subjected to horrendous atrocities. More than half of the refugees are women and girls, of which 16 percent are single mothers. UN Women has several programmes in the camp, such as "Women's Empowerment; Participation and Leadership" training more than 300 Rohingya women to date. Programmes for basic schooling, job training and life-skills are also offered. For example, 420 women have been trained as tailors. Training courses also touch upon deep topics like self-empowerment, confidence building, trauma-treatment, reducing violence at home and treating girls and boys equally.

The 25th of November is the international Day for the Elimination of Violence against Women. To draw global attention to the issue, iconic buildings and monuments are lit up in orange (the official colour of the campaign), symbolizing hope and a violence-free world. In November 2018, Gina Tricot joined the initiative by hosting a charity event at the head office. Proceeds from the event were donated to the Swedish National Committee for UN Women. We also lit up the building in orange to show our solidarity with the cause.

DRESS FOR SUCCESS STOCKHOLM

One of Gina Tricot's new partners of 2018 is Dress for Success Stockholm. The mission of Dress for Success Stockholm is to empower women to achieve economic independence by providing a network of support, professional attire and the development tools to help women thrive in work and in life. Gina Tricot's support for Dress For Success Stockholm during 2018 included financial support as well as garments to be used by their client's on job interviews. During next year we will expand our support to also include curriculum vitae support, job interview coaching as well as to offer a paid internship at one of our stores.

SPONSORSHIP FOR SFI STUDENTS IN BORÅS

Together with Borås Municipality, we sponsored a series of lunches for female SFI (Swedish For Immigrants) students. The lunches were held at Gina Tricot's headquarters during the fall of 2018. The overriding themes were happiness, knowledge, culture, food and sharing personal experiences. The main purpose was to give women who have immigrated to Sweden and are learning the language and culture, a chance to see what goes on in a thriving Swedish company! It was also an opportunity for our own employees to learn more about other cultures and the importance of diversity. Our aim is to make it easier for these women to create a network for entering the job market.

POWER GIRL AWARD GALA

During 2018 International Women's Day Gina Tricot hosted the first Power Girl Award Gala. The event was a closed event held for our fantastic customers. We wanted to praise people who dare to influence the world in a positive way. The gala offered entertainment as well as an award ceremony, where amongst others Gabriella Ohlzon, chair of the board MeToo Sweden, was awarded for her driving force in the #Metoo campaign in Sweden during 2017.

"This was a gala held by women for women to inspire and boost each other. The best of the gala was to see the glow in all the women's eyes - together we are strong!" says Anna Appelqvist, New Business Manager, Gina Tricot

During the gala we handed over SEK 550 000 to UN Women National Committee Sweden, **100 %** of the income of the ticket sales and garment sales at the gala, but also through One Bag Habit initiative.



CULTURE AND CORPORATE VALUES

Gina Tricot operates in a demanding and rapidly changing industry that is continuously developing. It is important that we recruit and attract the right employees, who fit our culture and live by our values. As a guiding star to everything we do, we have our culture and corporate values:

PASSION & COMMITMENT

We have passion and commitment for everything we do. We love our job!

TEAMWORK

We cooperate, respect and help each other. We generate new ideas and solutions to create and develop a successful company. We are a team!

SMARTNESS

We are entrepreneurial and clever, always striving to find the most cost-effective solutions.

CHALLENGE

We are never afraid to try new things, innovate, be flexible and adaptable so that we are in sync with our customers and the industry. We challenge each other!

GINA TRICOT IS A GREAT WORKPLACE

After completing the yearly employee survey together with Great Place to Work, we found out that we really are a great place to work this year again. The results were a bit lower this year, we believe it's because of a tough year for retail business overall. This year we received the Great Place to Work Certification in Sweden. We completed the Culture Audit for Sweden which covers the company's organization and management activities. The certification is based on the culture audit and a comprehensive survey of the employee's experience of trust, pride and friendship at the workplace. In order to achieve the certification, the level of the cultural activities and the evaluation of employee's experience must be in line with or exceed the international level for approved certification.

We can see that we are a great place to work in all countries, here are the main figures

75 %

Trust index average
(2017: 77 %) 1% over Retail

74 %

Trust Management group
(2017: 80 %)

76 %

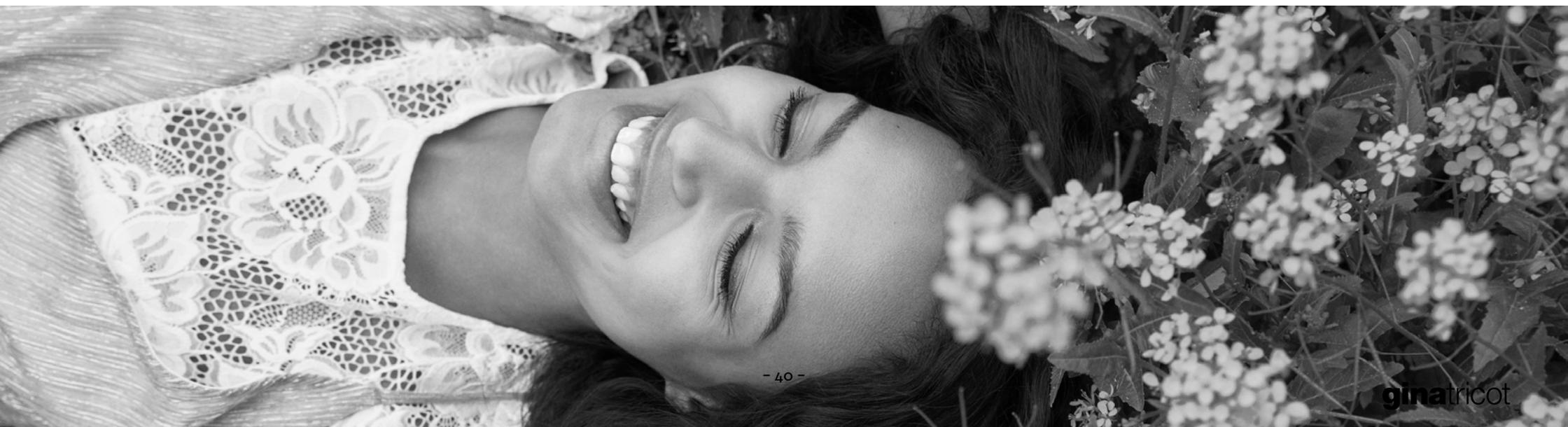
Are proud of what they do
(2017: 80 %)

82 %

Enjoy the people they work with (2017: 84%)

79 %

A great workplace
(2017: 83%)



DIVERSITY & EQUALITY

Diversity is an important factor when recruiting and developing our employees, and we consider diversity an asset to our company. We believe in diversity because we are all different and can contribute in our own way, leading to a dynamic workplace. Our business idea is to sell clothes for women, so we have a lot of women that would love to work for us and be our ambassadors. Therefore we are 97 % female employees which we are very proud of. We have employees with a wide range of expertise, age and ethnicity. Gina Tricot rejects all forms of discrimination.

Each year, Gina Tricot conducts a gender pay equity study in accordance with Swedish law. We study the salary levels of all functions, comparing them to both external and internal measures, such as experience, education and level of responsibility. Our gender pay equity study is externally verified. Our aim is to ensure equal pay for equal work, regardless of gender. This year we did not have any cases of inequalities regarding the salary levels so we will continue our work to prevent any inequalities. If any inequalities are found, our policy is to initiate corrective actions.

WORK-LIFE BALANCE

Work-life balance is important for us, our employees have the freedom to plan and deliver their work. We work to coach the managers to have more frequent talks with their employees and to be aware and responsive to any negative trends, due to, among others, today's connected society and young, ambitious employees. We also work with professional tools that promote psychological and physical health and prevent long-term sickness, including therapeutic talks.

EMPLOYEES

1 846 employees

< 30 years: 1 345 employees
30-50 years: 477 employees
> 50 years: 24 employees

Female: 97 % Male: 3 %

MANAGEMENT GROUP

16 members

< 30 years: 0 employees
30-50 years: 13 employees
> 50 years: 3 employees

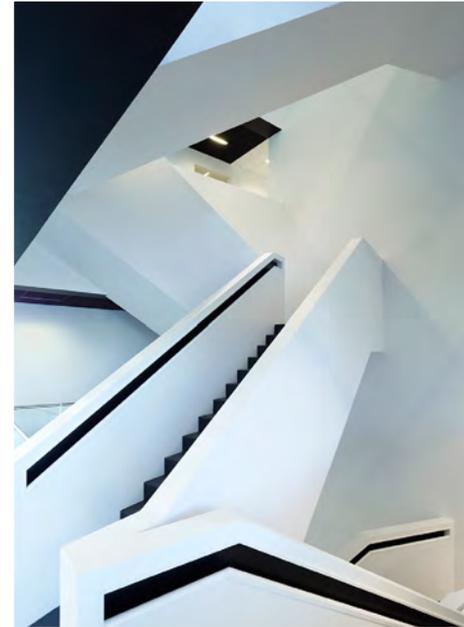
Female 81 % Male: 19 %

BOARD

9 board of directors

< 30 years: 1 employees
30-50 years: 4 employees
> 50 years: 4 employees

Female: 22 % Male: 78 %





SUSTAINABLE CAREER AT GINA TRICOT

She went from E-Commerce Project Manager, to Business Developer and Industrial PhD in Digital Retail. Follow Renée Säverot's career path at Gina Tricot!

What is your background?

I completed the Entrepreneurship Programme at University of Borås in 2006. After that, I started the 4-year MBA Programme with a focus on marketing. It gave me a broad, solid foundation for my future career.

Why did you apply for a position at Gina Tricot?

I first became aware of Gina Tricot and the clothing it offers when it introduced the lace tank top. I adore Gina Tricot's clothing and I have been very impressed by the company's journey and success. In 2010, after I graduated, I saw a job ad for E-Commerce Project Manager. I was eager to learn more about e-commerce, so I applied and was accepted! E-commerce was just starting to take off, so this was a very exciting area to pursue.

What were your goals and the challenges you faced early on?

Gina Tricot launched its e-commerce business in 2008. In my role as a project manager, I helped develop the various functions at the new e-commerce site. We were a small team and it was both exciting and fun. We collaborated closely to maximize the company's online sales.



Renée Säverot
Business Developer



Can you tell us a bit more about your career path and what you've experienced?

After about a year and a half, I was offered the position of E-Commerce Manager – Online Manager. It was an exciting challenge, which I happily agreed to take on. During my six years working as Online Manager, I collaborated with my growing team to expand ginatricot.com. Our primary task was to develop all the company's digital platforms, with a focus on social media, e-mail marketing and digital marketing. That included our marketing campaigns but also to create communication about our work with Sustainability in a way that way easy for our customers to connect to.

Let's talk a bit about personal development and learning. What has been your experience at Gina Tricot?

I think Gina Tricot is a brilliant example of how you can evolve and pursue an exciting career within one company. Gina Tricot employees are so inquisitive and hard-working! They love to try new things and new approaches. It totally matches my personality and I am very happy that I've had so many opportunities to keep challenging myself and broaden my knowledge. The work that Gina Tricot is doing in different parts of Sustainability is something that I've come to learn a lot about during this year and it makes me proud to be part of as an employee.

Final question - What do you do now?

This fall, I started in a new position as Business Developer, which is yet another new and exciting challenge! I'm also an industry-employed doctoral student. It's a five-year programme that will earn me a PhD and I will be conducting research in the area Digital Retail. In these two new roles I will have a strong customer focus and work to identify new ways to develop and grow Gina Tricot's business. One thing that has stood out so far in my conversations with our customers is that Sustainability is more important to them then ever. I'm really looking forward to learning more about customer demands, within this area and many others, and be able to share the information in the company.

GENERAL DATA PROTECTION REGULATION (GDPR)

GDPR, the new General Data Protection Regulation entered into force in May 2018. It was designed to modernise laws that protect the personal data of individuals. Gina Tricot complies with GDPR and has accordingly taken action to organise and structure its routines and policies pertaining to personal data management throughout the entire company. We have controls in place to ensure that our employees know the routines and comply with new regulation.

ANTI-CORRUPTION

Events, gifts and activities arranged in order to strengthen and build relationships shall be made in good faith and in compliance with the Gina Tricot framework. Gina Tricot follows the Swedish tax law and regulation for value of any gifts or event. This is communicated to our employees every year as a friendly reminder. We have not had any cases during 2018.

HEALTH & SECURITY AT GINA TRICOT

All Gina Tricot stores report work place related accidents and incidents to HR. We continuously work with security work and work environment in our stores, warehouse and our offices, this includes training, store visits, unannounced audits, security checks with focus on for example fire protection.

For the sake of our employees we have chosen not to present accidents and work-related absence per country or per gender.

During 2018 the following accidents and work-related absence were reported:
22 Minor accidents that did not result in any absence.
10 Minor accidents that resulted in >8 hours absence.
0 Deaths.

Long term and permanent goals for the security department are to work for a safe and secure workplace for our employees and customers, for example fire safety, first aid training as well as travel safety.

Our company strives to maintain a transparent business climate and high business ethics. We value the safety and respect of everyone affected by our business. We inform all of our employees that we have a Whistleblowing system which provides an opportunity to report suspicions of misconduct; anything that is not in line with our values and policies. Our whistleblowing system is an early warning system to reduce risks. It is an important tool to foster high ethical standards and maintain customer and public confidence in us. We encourage our employees to contact a manager in our organization but if they feel that they cannot be open with their information, we offer the option of reporting their concern anonymously. Suspected discrimination can be reported anonymously in our Whistleblowing system to which all employees have access.

No cases of discrimination was reported during 2018.

HIGHLIGHTS 2018

CARE FOR COLLEAGUES

Training our Store Managers in Leadership
Employer Branding Stories
Training Store Managers and Evacuation employees in fire training and first aid
Travel security

FOCUS 2019

CARE FOR COLLEAGUES

Work with our Corporate culture and value
Further train store managers in risk assessment
Further train our employees in travel security

COLLABORATIONS

From politics to production. From nationwide industrial networks to global collaboration projects. There are many ways of working together to make a difference. On the following pages there is an overview of our partners and organizations we work together with, to drive change for sustainability.

AMFORI

Amfori, previously Business Social Compliance Initiative (BSCI), is an organization that strives to bring about better working conditions in the supply chain. As a member, we are committed to implementing the shared Code of Conduct in our supply chains. It also gives us access to a platform where information on audits and about our suppliers is collected. It serves as an important tool in our continuous efforts to evaluate and monitor production.

BETTER COTTON INITIATIVE (BCI)

The Better Cotton Initiative (BCI) is a not-for-profit organization that promotes a better future for people and communities involved in cotton farming and for industry, where cotton plays an important role. Within the context of BCI, farmers are trained on more sustainable methods that include everything from water use to fertilizers and insect control.

CANOPESTYLE

CanopyStyle is an initiative to ensure that supply chains are free of viscose manufactured from wood that comes from virgin or endangered forests. The goal is to protect endangered forests and develop innovative solutions for more sustainable fibre production.

DRESS FOR SUCCESS STOCKHOLM

The aim of Dress for Success Stockholm is to help women achieve economic independence by offering a supportive network, career development tools and professional outfits that boost self-confidence.

FUR FREE RETAILER

Fur Free Retailer is a world-leading programme initiated by Fur Free Alliance, which is an international coalition of animal and environmental protection organizations. The programme involves and motivates companies to collaborate and become fur-free.

HANDELENS MILJØFOND

Handelens Miljøfond supports initiatives which are working to reduce plastic littering, increase plastic recycling and reduce the consumption of plastic bags. Their vision is to make a lasting and significant improvement for the environment.

HUMAN BRIDGE/FRETEx

Human Bridge engages in material aid projects. The organisation supplies hospitals with used healthcare equipment in various development assistance projects and provides clothing and other materials in the event of humanitarian crises. Gina Tricot has collaborated with Human Bridge and its Norwegian equivalent Fretex since 2010. Under this partnership, Human Bridge/Fretex handles the products our customers return to our stores for recycling, re-use and returns.

JOHN NURMINEN FOUNDATION

The mission of John Nurminen Foundation is to save the Baltic Sea and its heritage for future generations. The Foundation's projects strive to reduce eutrophying nutrient load of the Baltic Sea in the entire catchment area.

MINSHED - RESEARCH PROJECT ON MICRO-FIBRES

Rise (former Swerea IVF) is leading a research project called MinShed, which strives to achieve zero emissions of microplastics and a better understanding of microplastics contamination, both nationally and worldwide. The aim of the project is to increase knowledge, produce guidelines and look at technical solutions (on a scientific basis) to help the textile industry reduce the emissions of microplastics from their products.

ONE BAG HABIT

One Bag Habit is a joint effort by retailers to raise awareness among consumers about sustainability and lower the consumption of bags (by charging for them in stores). All the proceeds from the sale of bags goes to charitable organisations that focus on sustainable development regarding environmental and social issues.

QUIZRR

QuizRR seeks to use training to help create exemplary working conditions in the supply chain. The training company's digital tools create transparency and the opportunity to verify the supplier's training and development using data collected. QuizRR also gives companies a measurable tool for training supplier employees in three areas: working conditions, the work environment and human rights. Gina Tricot helped introduce QuizRR in two factories in Bangladesh in 2016, and more factories have been involved in these efforts since then.

RE:NEWCELL

Re:newcell uses cotton waste to produce a pure, natural and biodegradable raw material that can then be turned into new clothes of the highest quality, which can also be recycled multiple times. Clothing scraps from the textile manufacturing process and garments that can no longer be reused are collected by Re:newcell. The company uses the old fibres from such materials to produce new viscose fibres.

SHOES & CLOTHES

This is a new collaboration, where Shoes & Clothes buys and handles the products our customers return to stores. These garments are exported and re-sold to Africa, Middle East and South America.

STWI

In the Sweden Textile Water Initiative (STWI), companies work together to broaden knowledge on major water-influencing factors in the textile and leather industries, and to reduce water consumption in their production chains. STWI has prepared guidelines for sustainable water use which have been implemented in production chains.

SWEDISH CHEMICALS AGENCY

The Swedish Chemicals Agency is a supervisory authority under the Government of Sweden. Gina Tricot participates in the Agency's dialogue with industry, which brings together government authorities, professional organisations, manufacturers and distributors. Together, we discuss industry-specific issues and create action plans for a toxic-free everyday environment.

SWEDISH CHEMICALS AGENCY INDUSTRY DIALOGUE

The Swedish Chemicals Agency is a supervisory authority under the Swedish Government, and is responsible for ensuring that companies and society at large conduct controls of chemicals in an acceptable manner. Gina Tricot participates in the Swedish Chemicals Agency Industry Dialogue, which brings together government authorities, industry associations, manufacturers and distributors. Together, we discuss industry-specific issues and identify steps toward achieving a non-toxic environment.

SWEDISH NATIONAL COMMITTEE FOR UN WOMEN

The United Nations Entity for Gender Equality and the Empowerment of Women, also known as UN Women. UN Women is the global champion for gender equality and a world that is free of violence and discrimination against girls and women.

SWEDISH TEXTILE IMPORTERS ASSOCIATION

The Swedish Textile Importers Association monitors trade policy issues and helps importers with issues having to do with customs, rules of origin, free trade agreements, CSR and other politically important issues. Lectures and seminars are set up that provide members with opportunities for exchanging experience and knowledge in this area.

SWEDISH TRADE CONFEDERATION NETWORK ON ANIMAL MATERIALS

The Swedish Trade Confederation organises networking events to discuss issues related to animal welfare and animal materials. Thanks to the group's efforts, the Confederation was able to launch an animal welfare policy in 2017 to increase knowledge and understanding of animal welfare issues. Gina Tricot signed the policy, which was also supplemented with a guide on animal materials for purchasers and designers.

TEXTILE IMPORTERS

The Textile Importers' Association in Sweden monitors trade policy issues and assists importers on issues such as customs, origin rules, free trade agreements, CSR and politically important issues. As a member, we also get the opportunity to share experience and knowledge in the field during the lectures and seminars organised.

TEXTILES FOR RECYCLING INITIATIVE (T4RI)

Textiles for Recycling Initiative (T4RI) was set up as an initiative of a few member companies of the Swedish Trade Federation. T4RI would like industry to take its share of the responsibility for ensuring that textiles have a longer life, or even a new life, with a focus on environmental benefits and a circular economy. Gina Tricot's role in the initiative is to join with the other companies in the reference group to lay the foundation and discuss solutions for better re-use and recycling in the textiles industry, and to promote well-functioning producer responsibility.

THE BANGLADESH ACCORD

The Accord on Fire and Building Safety in Bangladesh is an international agreement with action plans pertaining to construction, fire and electrical safety. The agreement results from the desire to create safer factories in the Bangladesh clothing industry.

THE SWEDISH CHEMICALS GROUP

The Swedish Chemicals Group is a network for sharing knowledge and news about chemical and environmental issues where more than a hundred companies have joined forces to tackle issues having to do with legal requirements and chemicals. The network is run by RISE (former Swerea IVF) together with government authorities and experts from academia.

THE SWEDISH TEXTILE INITIATIVE FOR CLIMATE ACTION (STICA)

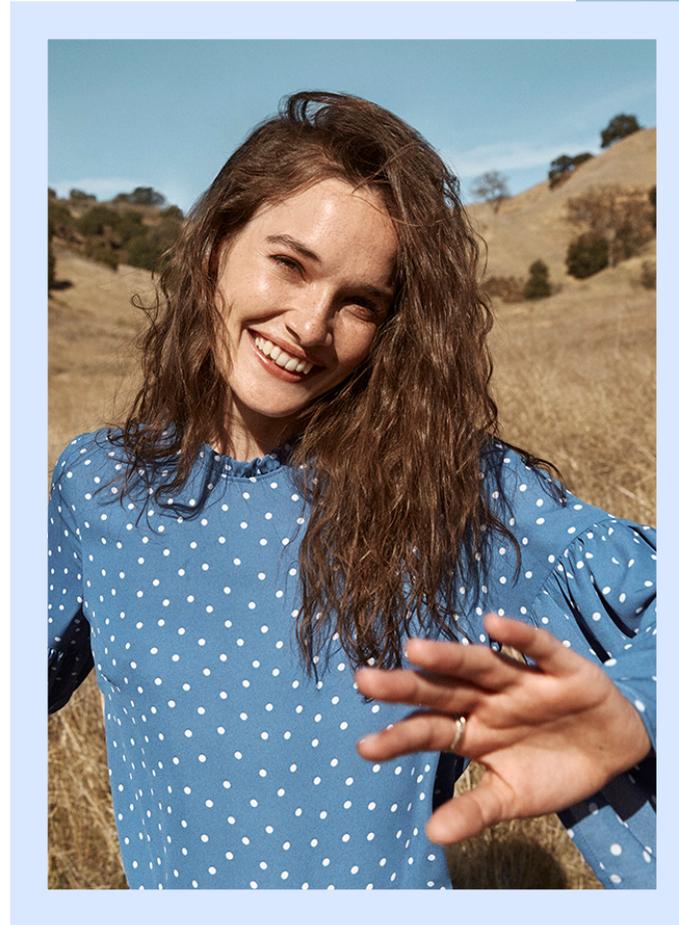
This initiative taken by Sustainable Fashion Academy (SFA), supports apparel and textile companies in setting targets to reduce greenhouse gas emissions as well as develop a roadmap and action plan on how to tackle the emissions.

UNICEF

UNICEF (United Nations Children's Fund) is a United Nations programme that provides humanitarian and developmental assistance, along with disaster prevention and preparedness via its field offices throughout the world. Gina Tricot started its collaboration with UNICEF in 2011 with a focus on education for young children in Bangladesh. The project lasted for more than 6 years, and 26,500 children between the ages of 4 and 5 now have access to education as a result. A new collaboration project was started in 2017, this time with a focus on the entire development of girls and women aged 0 to 18. As a part of our project with UNICEF two of our factories are also part of the national initiative Mothers@Work. The project focuses on protecting working women's maternity rights.

ZERO MISSION

Zero Mission is our partner when it comes to climate strategies, climate calculations as well as climate compensation.



SUPPLIER LIST

BANGLADESH

Bodystretch Bangladesh Ltd

Plot #80, Tengury, Zirani Bazar, P.O.:BKSP, P.S:Ashulia, Savar, Dhaka

Crescent fashion and design Ltd

Sarabo, Kashimpur, Gazipur

Executive Intimates Ltd

Gilarchala, Sreepur,Gazipur

Fakir Fashion Ltd

Dohargaon, po, balipara p.s Rupgonj 1460 Narayan-ganj Dhaka

Globus Garments Ltd

K.S. Complex Mouchak, Kaliakoir Gazipur Dhaka

J.L Sweaters Ltd

Bismail Road, Zirabo, P.S & P.O: Ashulia, 1341 Savar Dhaka

Matrix Sweaters Ltd

Choydana, National University, Gazipur-1704

Shasha Garments Ltd

Hashem Plaza 4th floor, Ganakbari Ashulia 1349 Savar Dhaka

Sublime Greentex Ltd

Gilarchala, Sreepur,Gazipur

CHINA

Agenture Apparel Limited

4F,No.3 Building, Jiangnan Science Park,No.60, Jiujuan road 310019 Hangzhou Zhejiang

Beijing Yinghongxiang Fashion & Accessories Co Ltd

Rm 717, 5 Unit, Fang tang Plaza No 3 YunMin Street 00000 Shunyi District Beijing

Blinc Accessories Co Ltd

Room 410, 1189 Wuding West Road 200042 Shanghai

Crown-Max (H.K.) Ltd

Unit K 3/F.,Garment Centre 576-586 Castle Peak Road Cheung Sha Wan Kowloon

Dalian Yinglun Garment

Factory Co.,Ltd Unit 5-1, No.9 Chadu Yuan, No29, Anshan Road 00000 Xigang District, Dalian

Dongguan Yongdian Clothing Co.,Ltd

13F, Telecom Building, Wandao Road Wanjiang District, Dongguan City 523000 Guangdong Province

Dragon Eyes Hong Kong Ltd

Room 1809,18/F Global Gateway Tower No 63 Wing Hong Street Cheung sha wan Kowloon

D.S. International Ltd

5/F, Tower 2, South Seas Centre, 75 Mody Road Kowloon

Dyontex Ltd

No 72-106, Gongmao 1 Rd Jishigang 00000 Ningbo

Gain Way Textile Company Ltd

Flat 1013, 10/F, Elite Industrial Centre 883 Cheung Sha Wan Road 00000 Kowloon

Guangzhou S.Mu Accessory Co.,Ltd

No.5, Wangcheng Road, Shilling Town Huadu District 00000 Guangzhou City

Hangzhou Rui-ning Trading Co. Ltd

4F, Bldg No.B1, OUTA PIAZA, No.31-1 Jiujuan road, Jiangnan District Hangzhou

Nantong D&J Fashion Co, Limited

Room 1303, Jinronghui, No 33 Gongnong Road 00000 Nantong Jiangsu

National Brassieres & Underwear Fty Ltd

Unit 1, 5/F, Yee Kuk Ind Ctr, Yee Kuk St, Cheung Sha Wan

Ningbo Way Developer Garments Co., Ltd

Room 3-27, No2, Lane 711, East Bast Baizhang Road, Jiangdong Districe Ningbo

Novi Footwear (Far East) Pte Ltd

Rm 807-810,Tower2,The Gateway, Harbour City, 25-27 Canton Road Harbour City

Qingdao HYC Apparel Co Ltd

10 A&B,Flagship Tower, New World Cyber Port,40 Xianggang Zhong Road, 266071 Qingdao Shandong

Radiant Development Limited

Unit 1616, 16/F, New Tech Plaza 34 Tai Yau St, San Po Kong 00000 Kowloon

Shengtian Hong Kong Apparel limited

Room B XINGLI BUILDING No.12-14 Shanghai street

Sinoproud ImportAndExport Corporation

Maqiao 314419 Haining Zhejiang

Stillwell Ltd

Unit 706, 7/F, Harbour Centre Tower 1 Hok Cheung Street 00000 Kowloon

Tai Sang Lingerie Ltd

Room 501, Wang Yio Ind Bldg 1 Elm Street Tai Kok Tsui 00000 Kowloon

Wenzhou Qsp Co., LTD

4 Floor, Building B, No. 15 Luohe Road, Nanjiao Village, LUCHENG DIST 325000 Wenzhou

DENMARK

Auluna Private Label Aps

Cypresvej 8 7400 Herning

INDIA

Londré Textiles

Sribir Overseas Ltd. W-32, Sector -11, Noida 201301 Uttar Pradesh

Paramount Products PVT. LTD

B-40, Hosiery Complex Phase 2, 201301 Noida Uttar Pradesh

ITALY

Calze Ileana S.p.a

Via Lame 10/11 25013 Carpenedolo

Viola Calzificio S.p.A

Via Castel Goffreda 25010 Acquafredda

NETHERLANDS

Intermediary Trade Consultancy B.V

Burgemeester Stramanweg 101 1101 AA Amsterdam

Ten accessories Ltd

Hallenweg 3 5615 Eindhoven

NORWAY

Elle Basic AS

Gjerdrums vei 12 0484 Oslo

PAKISTAN

Azgard Nine Ltd

2.5 Km. Off Manga-Raiwind Road 55270 Kasur

SERBIA

Kardem Tekstil San ve Tic A.S

Kaizen d.o.o Smederova, Salinacka bb 11300 Smederova

SWEDEN

Balmid AB

Elektravägen 22 126 30 Hägersten

Hardford AB

Box 1213 581 12 Linköping

Londré Textiles

Box 955 201 10 Borås

Pick & Choose

Göteborgsvägen 89, 431 30 Mölndal

Repeat Scandinavia AB

Klippan 1J 414 51 Göteborg

TURKEY

2010 Istanbul Tekstil SAN ve DIS TIC LTD STI

Zafer mh.adile nasit bulvarı.151-152.sok. B blok no:3-5 k:4 Esenyurt-Istanbul

BAB ETİKET VE AKSESUAR - DEVRİM GÜLSİN BULUT

Deregazi mah. Mithat pasa cad. No: 18/1 Beylikduzu Istanbul

Baykanlar Tekstil Sanayi Ve Ticaret Anonim Sirketi

Osmaniye Mahallesi E-5 Çırpıcı Yan Yol Cd. 1-3 34146 Bakırköy/Istanbul

BVB TEKSTILE SAN. VE TIC. LTD. STI

Muratpasa mah. Ata cad Kartopu sok. No:12/4A Bayrampasa Istanbul

Cosmo Pazarlama Ayakkabi San. Tic. Ltd.

Harmamidere Beysan Sanayi Sitsi Fuar Caddesi NO:17 Istanbul

Finteks Tekstil ve Hali San Ltd Sti

Ahment Bayman Cad No18 Oto Sanayi Sit. Levant 34330 Istanbul

Huzi Tekstil Ltd Sti

Kaynarca Mh. Emek Sk. No 5/2 Kaynarca Pendik TR-34000 Istanbul

Kardem Tekstil San ve Tic A.S.

Ekin Cad. No:25 Esenyurt 34513 Istanbul

Maydenim Tekstil San Ve Dis Ticaret A.S

Gulbahar Cad, sancktar Plaza No 2-3 Gunesli, Bagcilar 34212 Istanbul

Nurum Triko Tekstilsan Tic Ve Ltd Sti

Muratpasa Mah Fabrikalar Cad Sanayi Sk No 16 C Blok Bayrampasa 34040 Istanbul

Soho Konfeksiyon ve Dis Ltd Sti

Karayollari mahallesi 563, sokak no 17, Gaziosmanpasa Istanbul

Vasi ihr. Ith. Ve Tekstil San. Tic. Ltd. Sti.

Osman Gazi Mah. 3140 Sokak No: 7 34522 ESENYURT Istanbul

UNITED KINGDOM

DCK Concession Ltd

Station Court, Radford Way Billericay CM12ODZ UK Essex

Elite Creations

The Courtyard - 100 Villiers Road NW2 5PJ London

Fashion Fair LTD

15 Smith Dorrien Road, LE5 4BF, Leicester

Viva Trading LTD

Evita House, Unit 2 Sussex Street LE5 3BF

ADDRESSING SUSTAINABILITY RISKS

The scope of the textile industry is worldwide and it affects many people throughout the process from raw material to finished product. Besides the vast opportunities, there are also significant risks and responsibilities. Many sustainability issues pose great risks to Gina Tricot and our business as we rely on outsourcing production in risk countries as well as use vast amount of resources that are either endless or sensitive to climate change. These risks also impose great risks to people involved in Gina Tricot's supply chain as well as our customers.

All our production countries are unique. It means that there are risks specific to each country, in addition to problems that are prevalent worldwide. Below is a list of some of our most significant risks and page references where to find information on how we manage these risks.

ILLEGAL AND UNHEALTHY OVERTIME

Excessive overtime is the most common problem we see in our supply chain and it exists in all our production countries. We manage this through third-party audits, as well as our own internal audits. This can be read more about on page 16, 19.

ILLEGAL AND PRECARIOUS WORKING CONDITIONS

Workers are sometimes exposed to unsafe working conditions during production, meaning that their health and safety can be endangered. This could for example be insufficient ventilation or lack of personal protective equipment. Read more on how we manage this risk on page 16, 17, 20.

ILLEGAL AND PRECARIOUS EMPLOYMENT

Another risk in many production countries is the prevalence of temporary employment. During peak season or holiday season, some suppliers tend to rely on seasonal workers. This is a problem, because typically, these types of employment situations lack stability and security. Read more on how we manage this risk on page 16, 20.

CHILD LABOUR

Some of our production countries are developing countries with widespread poverty. In these countries it is not uncommon to be forced to put your children to work, to earn extra income. Read more on page 16 and 20 on how Gina Tricot manages this risk in production.

ILLEGAL AND UNETHICAL WAGES

This is the second-most common risk we see in our supply chain, and again, it applies to all our production countries. Read more about how we address this on page 16, 18, 19, 21.

CORRUPTION

Producing in developing countries with widespread poverty and instable political situations also leads to increased risks of corruption. This could be for example different forms of bribery throughout the supply chain. Read more about how we address this on page 16, 45, 52.

ENVIRONMENTAL POLLUTION

Processing of textile products has a significant environmental impact. Consumption of water, chemicals and energy is high throughout the entire process. Without correct preventive work severe environmental pollution can occur. Read more on how Gina Tricot manages this on page 24-26, 31, 32, 56.

WATER OVERUSE

Textile production is water intense. In many of our production countries water access is scarce and many of the workers lack availability to clean water in their daily life. On page 25-26, 32 it is further described how we work with water.

CLIMATE CHANGE

Increased temperatures, floodings and droughts are some serious examples of climate change that effect humanity and the world we live in. Read more about how we address this on page 28-35, 55.

DEFORESTATION

Deforestation and protection of flora and fauna in endangered forests linked to wood pulp production is another risk. Read more on how we work on this on page 26.

UNSAFE PRODUCTS

Customers need to be able to rely on product safety during use. Risks related to this could be chemical content in a product or for example other safety aspects of a product. Read more on how we work with this on page 22, 23.

INSUFFICIENT QUALITY

Product quality is an important aspect of customer satisfaction but also sustainability. Parameters could be product appearance after wash and colour fastness. Read more about how we address this on page 22, 23.

FORCED LABOUR

The risk of forced or compulsory labour is estimated to be highest further down the supply chain, at cotton fields, spinning mills, and so on. All potential new suppliers are audited, which includes checks for forced or compulsory labour. Read more on page 20.

Gina Tricot offers a wide range of products produced in several different production markets. Accordingly, it is difficult to provide a comprehensive list of all the risks. We focus our efforts on identifying the most significant risks and the best ways of managing them. Some risks are more challenging and complicated, since they might be cultural or require fundamental changes throughout the industry in a particular country. Gina Tricot has a code of conduct that covers all of the topics described above. We use the code, third-party audits, our own internal audits and frequent site visits in an attempt to achieve daily improvement in production environments. Collaboration is the key to it all, in example long-term partnerships with suppliers and by joining forces with other brands.

SUSTAINABILITY MANAGEMENT TABLE

GLOBAL GOALS	TOPICS	MANAGEMENT/POLICIES	AIM	2018 ACTIVITIES	FOLLOW-UP AND CONSEQUENCES	RESPONSIBILITY
	Animal welfare issues	We have implemented the Swedish Trade Confederation Animal Welfare Policy. The policy is a part of our general agreement with all our suppliers.	Its purpose is to ensure a long-term approach to animal materials in our products and minimise the risk of our products being linkable to unethical mistreatment or handling of animals. Implementation of the Swedish Trade Confederation Animal Welfare Policy demonstrates our stance and desire to lead industry practices.	Participation in the Swedish Trade Confederation network on animal materials. Signed and implemented Swedish Trade Confederation Animal Welfare Policy. Ban of Mohair in production.	Our own supplier visits. Follow-ups of new material choices with purchasing team. Products that do not meet the requirements of our Animal Welfare Policy will be stopped in the planning stage. The consequence of failure to meet the requirements of the Animal Welfare Policy is that we will be required to end our association with the Swedish Trade Confederation Animal Welfare Policy.	CSR and Quality Manager
	Anti-corruption	We have an internal anti-corruption policy and guidelines. Our efforts to prevent corruption and promote healthy competition are based on Swedish legislation and the Swedish anti-corruption Institute Business Code.	All the relationships our company is engaged in will be characterised by good business ethics. Putting the company's best interests ahead of lining one's own pockets makes us a better company in the long term.	General anti-corruption information communicated to employees.	Portal for all stores and the head office where irregularities can be reported anonymously. The portal is available to all employees in Sweden. Corporate compliance programme. Incident reporting via the intranet is already in place.	CFO
	Economic performance	Internal financial goals.	The aim is to ensure a financially sustainable business over time. Ensuring that the business delivers according to its goals and the expectations of its owners, board and management.	Quarterly forecasts	Audits and monthly checks with the board and owners. The consequence of failure to meet financial goals will be corrective action plans to ensure goal attainment.	CEO
  	Energy and air emissions	Sustainability strategy. Transport policy. Travel policy. Green electricity contract at head office and stores with their own green contracts.	The purpose of our efforts is to ensure that we reduce the environmental impact of our business. Our product transport activities from the production country to sales markets have a significant negative impact on our climate. We also have some impact in relation to our own energy use.	Corrective actions in accordance with energy mapping. Efforts to reduce the amount of air shipments. Increase the share of company cars that are clean vehicles.	Map environmental impact and set clear goals through STICA. Climate compensation for part of our product transportation during 2018. Monthly follow-up of modes of transport and follow-up of travel. Annual review of energy consumption. The reasons for any increases in air shipments must be explained. Air transport must not be used systematically. Increases in energy use must be explained and corrective action must be taken as soon as possible.	Logistics Manager HR Manager Head of Expansion Purchasing Manager
  	Environmental impact of suppliers	Amfori Code of Conduct Environmental policy STWI guidelines	The aim is to ensure an environmentally efficient production process in which our environmental requirements are met and/or exceeded. Both short-term and long-term environmental gains are rewarded.	Amfori audits, our own supplier visits and STWI projects. Participation in Better Cotton and Cotton Connect. User of Higg Index.	Part of supplier evaluation and production planning where we strive to give preference to suppliers with good environmental initiatives. If we discover that our environmental requirements are systematically not met, all production with the supplier in question will be suspended.	Global Production and Sustainability Manager, CSR and Quality Manager

- SUSTAINABILITY MANAGEMENT TABLE -

GLOBAL GOALS	TOPICS	MANAGEMENT/POLICIES	AIM	2018 ACTIVITIES	FOLLOW-UP AND CONSEQUENCES	RESPONSIBILITY
 	Materials	Sustainability strategy 2028 material goals Purchasing strategy Animal welfare policy	The aim is to ensure that the materials chosen for our products meet our quality requirements and contribute to our goal of only using environmentally sustainable products by 2028.	Quality goal (<1% returns) Training and follow-up meetings with purchasers. Maintaining a materials library of base qualities. Updating general agreements and related supplier handbook.	Return statistics Returns are followed up with the supplier in question. Recurring cases of deficient quality or other breaches of our product requirements will entail financial consequences for our suppliers.	Global Production and Sustainability Manager, CSR and Quality Manager
 	Non-discrimination, diversity and gender equality	Gender equality, diversity and non-discrimination plan.	As a company, we seek to be a role model for equal rights and opportunities in society. Our internal efforts are part of our employer value proposition and aim to ensure we have the right skills to achieve our goals.	The Swedish Trade Confederation network. Training in psychosocial work environment topics and labour law. Salary review	Annual staff appraisals Employee surveys conducted every second year. Action plan drawn up based on results of employee survey.	HR Manager
 	Occupational health and safety	Safety portal on the intranet. Safety policy, rehabilitation policy and work environment manual.	Employees in good health and spirits contribute to a profitable company, benefit society and are important from the perspective of the individual.	Preventative health and safety efforts – in stores, warehouses, logistics and at the head office. Offering company healthcare services, massages and wellness allowances. Safety training, safety rounds and safety checks in stores.	Accident and incident reporting. Follow-up talks with employees.	HR Manager Security Manager
  	Product responsibility	Environmental policy Supplier requirements Restricted substances list	We engage in systematic and preventative efforts to ensure our products are safe to use, and meet our customers' expectations and statutory requirements. We engage in preventative efforts to avoid product recalls.	Setting requirements for suppliers Third-party and our own product tests. Third party and our own quality controls in production. Visiting suppliers.	Inventory spot checks. If prohibited chemical substances/ contents are discovered, the products will be stopped, if possible, before production and shipping, and they will be destroyed.	CSR and Quality Manager
 	Social conditions of suppliers, child labour and forced or compulsory labour.	Amfori Code of Conduct Bangladesh Accord Syrian Refugee Policy, Turkey	The aim is to strive for a safe and secure work environment for workers in factories that manufacture for Gina Tricot, and for suppliers to respect human rights and the UN Convention on the Rights of the Child.	Amfori audits and our own follow-up visits. Review of audit logs outside the scope of the amfori. UNICEF partnership to prevent child labour. Accord inspections.	Part of supplier evaluation and production planning where we strive to give preference to suppliers with high social standards. If suppliers violate human rights or the UN Convention on the Rights of the Child, production with this supplier will be suspended immediately and a corrective action plan will be prepared. If other requirements are not met, a corrective action plan will be prepared in coordination with the supplier.	Global Production and Sustainability Manager, CSR and Quality Manager Those responsible at the local purchasing offices

GRI INDEX

GRI 101: Foundation 2016

GENERAL DISCLOSURES	DISCLOSURES	COMMENTS AND OMISSIONS MADE	PAGE
GRI 102: GENERAL DISCLOSURES 2016	102-1: Name of the organisation.	Gina Tricot AB (part of the Nordic Fashion Group)	2
	102-2: Primary brands, products and services.		2
	102-3: Location of the organisation's headquarters.	Borås, Sweden	2
	102-4: Countries where the organisation operates.	Sweden, Norway, Denmark, Finland, Germany	2
	102-5: Ownership and legal form.	Gina Tricot is a limited company and is a part of the Nordic Fashion Group, whose principal owner is Nordic Capital. The other owners are private investors, which include Frankenius Equity AB, JA Appelqvist Holding AB and Sättila Holding.	
	102-6: Markets served.	Stores are located in Sweden (87), Denmark (17), Finland (22), Norway (37) and Germany (12). An additional 23 European countries are served by e-commerce sales.	2
	102-7: Scale of the organisation.	Number of employees 1 846 Consolidated annual sales: SEK 2 022 000 For Nordic Fashion Group AB	
	102-8: Total number of employees by employment type, gender and region.	Total number of employees: 1 846 Number of employees per country: Sweden: 943 Norway: 376 Denmark: 177 Finland: 235 Germany: 115 Bangladesh: 10 Shanghai: 5 Number of employees by type of contract (permanent or temporary) per country. The numbers are approximate, we do not have a system that supports this. Sweden: Permanent: 699 Temporary: 244 Norway: 376 in total. It is not possible to get any statistics from Norway regarding type of contract. Denmark: Permanent: 171 Temporary: 6 Finland: Permanent: 158 Temporary: 77 Germany: Permanent: 70 Temporary: 45 Bangladesh: Permanent 10 Shanghai: Permanent 5 We are unable to report the percentage of full-time and part-time employees by country or gender. A very small percentage (<2 %) of our total employees are contracted, and are therefore not directly employed by Gina Tricot. The average number of employees is reported in our annual report. All employee figures in this sustainability report are reported as at 31 December.	41

DISCLOSURES	COMMENTS AND OMISSIONS MADE	PAGE
102-9 The organisation's supply chain.		13-21, 49
102-10 Significant changes to the organisation's size, structure, ownership or supply chain during the reporting period.	We have a total of 175 stores, which is 8 fewer stores than the previous year. In total, we opened 8 new stores, took over 2 franchise stores and closed 14.	14
102-11 Application of the Precautionary Principle.		22
102-12 Externally-developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes, or which it endorses.		46-48
102-13 Main memberships of industry or other associations, and national or international advocacy organisations.		46-48
<i>STRATEGY</i>		
102-14 Statement from CEO.		4
<i>ETHICS AND INTEGRITY</i>		
102-16 Values, principles, standards and norms of behaviour.	The amfori Code of Conduct is communicated to suppliers and is available in local languages. All employees are subject to our Corporate Compliance Programme and internal anticorruption guidelines. All employees undergo training in values, anti-corruption, data protection, competition legislation, trade sanctions and the whistleblower system, which is a part of the Corporate Compliance Programme.	
<i>GOVERNANCE</i>		
102-18 Governance structure of the organisation, including committees, and committees responsible for decision-making on economic, environmental and social topics.	The board is involved in preparing on the sustainability report. The Sustainability Group reports to the board on an ongoing basis.	
<i>STAKEHOLDER ENGAGEMENT</i>		
102-40 Stakeholder groups engaged by the organisation.		9
102-41 Percentage of total employees covered by collective bargaining agreements.	All employees in Sweden are covered by collective bargaining agreements. Other countries follow the provisions of the collective bargaining agreements.	
102-42 Basis for identifying and selecting stakeholders with whom to engage.		8
102-43 Approach to stakeholder engagement, including frequency of engagement by type and stakeholder group.		8-9
102-44 Key topics and concerns that have been raised through stakeholder engagement, including how the organisation has responded to those key topics and concerns.		9

DISCLOSURES	COMMENTS AND OMISSIONS MADE	PAGE
<i>REPORTING PRACTICE</i>		
102-45 Entities included in the consolidated financial statements and whether any of them are not covered by the sustainability report.	This sustainability report covers Gina Tricot AB and the sales companies in each of the 5 countries where we have stores. Our financial reporting and employee information also cover Nordic Fashion Group AB.	
102-46 The process for defining the report content and the topic Boundaries.		12
102-47 Material topics identified in the process for defining report content.		52-53
102-48 The effect of any restatements of information given in previous reports, and the reasons for such restatements.	Any restatements of information are always reported in connection with the reported indicators. No other information has been changed in comparison to previous reports.	
102-49 Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	No significant changes have been made.	
102-50 Reporting period.	The reporting period is the 2018 fiscal year.	
102-51 Publication date of the most recent previous report.	April 2018	
102-52 Reporting cycle.	Annual	
102-53 Contact point for questions regarding the report or its contents.	Rebecca Watkins, CSR and Quality Manager, rebecca.watkins@ginatricot.com	
102-54 Choice of reporting option.	This report has been prepared in accordance with the GRI Standards: Core option.	
102-55 GRI Index.		54-60
102-56 External assurance.	This report has not been externally assured.	

MATERIAL TOPICS	DISCLOSURES	COMMENTS AND OMISSIONS MADE	PAGE
<i>ECONOMIC PERFORMANCE</i>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	Our financial performance is clearly limited to our business, in accordance with financial reporting and accounting rules. Several entities are in turn affected by our financial performance, such as our suppliers who require payment for products and services they deliver, employees who expect salaries for work performed and our owners who seek a return on their investment.	52
	103-2, 103-3 Description and evaluation of the management approach.		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed.	Value (in SEK million) Net sales: 2 022 (2 044) Operating costs: -1 567 (-1 565) Employee wages and benefits: -383 (-375) Interest: -7 (-7) Taxes: -101 (-100) Community investments: 0 (-4) Economic value retained: -35 (-4) Liabilities: -592 (-562) Equity: -364 (-415) Sold products (number of items): 14 806 907 (15 790 164) The figures above are consolidated figures for Nordic Fashion Group AB	
<i>ANTI-CORRUPTION</i>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.		51-52
	103-2, 103-3 Description and evaluation of the management approach.		52
GRI 205: Anti-corruption 2016	205-2 The percentage of employees who have received training on the organisation's anti-corruption policies and procedures.		52
	205-3 Confirmed incidents of corruption and actions taken.		45
<i>MATERIALS</i>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.		24-26
	103-2, 103-3 Description and evaluation of the management approach.		24, 53
Other disclosure	Own indicator: List of sustainable materials. Total % of garments produced using sustainable materials.		24

ENERGY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	35
	103-2, 103-3 Description and evaluation of the management approach.	52
GRI 302: Energy 2016	302-1 Energy consumption within the organisation.	35

EMISSIONS

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	We have estimated that our material climate impact is carbon dioxide emissions in Scope 2 and 3. Given that we do not have reliable, quantitative data from the production cycle at this time, we are focusing on areas in Scope 2 and 3 that we are able to measure and influence. The single greatest impact of these comes from our shipments from suppliers to our stores. We therefore take an active approach to planning logistics in a way that reduces emissions. Climate change resulting from greenhouse gas emissions also poses some production risks for our business in areas where flooding and droughts may cause problems for cotton fields and dye works.	31
	103-2, 103-3 Description and evaluation of the management approach.		31, 52
GRI 305: Emissions 2016	305-2 Total indirect greenhouse gas emissions (Scope 2).		35
	305-3 Other relevant indirect greenhouse gas emissions (Scope 3).		34-35

ENVIRONMENTAL IMPACT OF SUPPLIERS

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	24-26
	103-2, 103-3 Description and evaluation of the management approach.	24-26, 32, 53
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken.	24-26, 32

OCCUPATIONAL HEALTH AND SAFETY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	20, 41, 45
	103-2, 103-3 Description and evaluation of the management approach.	20, 41, 45, 51, 53
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities.	45

DIVERSITY AND EQUAL OPPORTUNITY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary. Diversity, equal opportunity and non-discrimination are linked clearly together in our efforts.		40-41
	103-2, 103-3 Description and evaluation of the management approach. Number of employees in each age group		41, 52
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity reported for senior executives and other staff.	In 2018, we have not managed to develop suitable diversity metrics, as we had hoped for.	41

NON-DISCRIMINATION

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.		40-41
	103-2, 103-3 Description and evaluation of the management approach.		41, 52
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken.		45

CHILD LABOUR

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.		51, 53
	103-2, 103-3 Description and evaluation of the management approach.		53
GRI 408: Child Labor 2016	408-1 Operations and suppliers considered to have significant risk for incidents of child labour, and measures taken intended to contribute to the effective abolition of child labour.		20, 25, 37-38

FORCED OR COMPULSORY LABOUR

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.		20, 53
	103-2, 103-3 Description and evaluation of the management approach.		20, 25, 53
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour, and measures taken intended to contribute to the elimination of all forms of forced or compulsory labour.		20

SOCIAL CONDITIONS IN OUR SUPPLY CHAIN

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	18-21, 51
	103-2, 103-3 Description and evaluation of the management approach.	13-21, 53
GRI 414: Supplier Social Assessment 2016	414-1 Percentage of new suppliers that were screened using social criteria.	13
	414-2 Negative social impacts in the supply chain and actions taken.	13, 16-20, 51

PRODUCT RESPONSIBILITY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	22
	103-2, 103-3 Description and evaluation of the management approach.	22-23, 53
GRI 416: Customer Health and Safety 2016	416-1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	23, 25

ANIMAL WELFARE ISSUES

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary.	27
	103-2, 103-3 Description and evaluation of the management approach.	27, 52
Other disclosures	Indicator not available, reporting only refers to management disclosures	

This sustainability report is issued by the Board of Directors of Gina Tricot, corporate identity number 556534-8843:

Directors

Paul Frankenius
Jörgen Appelqvist
Fabian Månsson
Michael Haaning
Emilia de Poret
Felix Kreyer
David Samuelsson

Deputies

Annette Appelqvist
Carl Robin Kirchmann

Approved by the board of directors, 10 April 2019.

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Gina Tricot AB, corporate identity number 556534-8843

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2018 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Göteborg, 10 April 2019
Öhrlings PricewaterhouseCoopers AB

Bror Frid

Authorised Public Accountant

Graphic design: Gina Tricot
Photography: Gina Tricot
Writers: Gina Tricot
Translation: Semantix SpråkCentrum AB



ginatricot