

PLASTIC PROGRESS REPORT 2020

GANNI'S PLASTIC COMMITMENT



GANNI De Global

We have been working hard to eliminate the plastic we don't need; Innovate so all plastic we do need is designed to be safely reused, recycled or composted; and circulate everything we use.

Find out where we at on our journey and read more into our future goals for the next 5 years and beyond.

2019 PLASTIC REPORT HIGHLIGHTS:



We are in progress of phasing out **32.37%** of plastic packaging we use that is deemed problematic and unnecessary

1.59% of the total of our plastic packaging we use is reusable

21.1% of the total of our plastic packaging used is made of post-consumer recycled content



PLASTIC USAGE 2019: A YEAR IN REVIEW



PLASTIC USAGE 2019:

Our plastic consumption (total amount produced and used) in 2019 totalled **51.77 TONNES**

That's a **29%** increase in volume compared to 2018

This is not great news. Plastic is a great material choice when it comes to cost, durability and protection, but we all know plastic isn't fantastic as it doesn't biodegrade and can last a lifetime. It can be hard to find responsible alternatives because qualities such as resistance and waterproofing are difficult to emulate in a sustainable way at scale.

This 29% increase is mostly driven by an increase in orders. One of our biggest challenges as a growing fashion brand lies in reducing our plastics consumption, while simultaneously sustaining our growth.



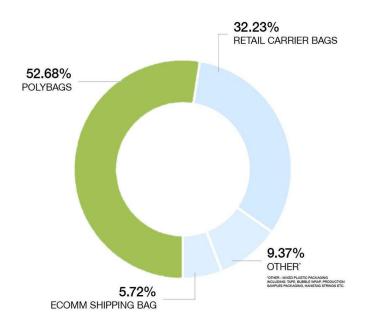
TOP 3 BIGGEST CONTRIBUTORS TO OUR PLASTIC PROBLEM:

52.68% POLYBAGS

WHAT'S A POLYBAG?

Polybags are the clear plastic bag that protects our garments during transit from our suppliers to our warehouses. It's the plastic you never get to see as a customer - as it's discarded in our warehouses before shipping your order and it's removed before new season deliveries hit the shop floor. As these polybags protect our garments during transportation and are such an ingrained part of fashion supply chains, it's no easy task to remove them.

Read more on the challenges we face with the plastic you don't see



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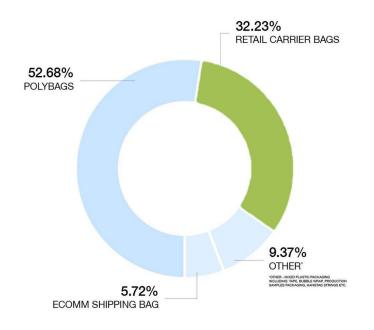
TOP 3 BIGGEST CONTRIBUTORS TO OUR PLASTIC PROBLEM:

32.23% RETAIL CARRIER BAGS

WHAT ARE YOUR CARRIER BAGS MADE FROM?

In 2018, when we signed the Ellen Macarthur Foundation commitment we began exploring the world of compostable and biodegradable plastic. In February 2019, we introduced our 100% compostable carrier bags made from cornstarch. What we discovered afterwards was that the recycling infrastructure across Europe and US is not yet developed to ensure that the bags end up in specialized facilities, which meets the specific conditions needed to industrially compost this type of material. We've now phased out our carrier bags and our stores are currently using up the last stock before going over to using FSC Certified Paper Bags exclusively.

Read more on why we're saying goodbye to our biodegradable cornstarch bags

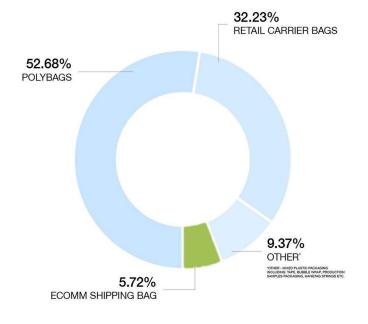


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TOP 3 BIGGEST CONTRIBUTORS TO OUR PLASTIC PROBLEM:

5.72% GANNI.COM SHIPPING BAG



WHAT ARE THESE MADE FROM?

Our GANNI.com shipping bags are currently made of **post-consumer** recycled plastic. Since we have started to introduce **RePack reusable** packaging it shows that in the future we will be able to eliminate the plastic shipping bags completely in favour of reusable packaging.

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PROGRESS MADE IN 2019

32.37% OF THE TOTAL PLASTIC PACKAGING THAT IS **PROBLEMATIC** AND **UNNECESSARY** IS ALREADY BEING **PHASED OUT**

- Polybags for prototype & production samples and master polybags (a larger polybags that surround and encase other polybags), shipped to the offices that account for 0.72% removed by 38.34% of the total volume weight compared to 2018
- Elimination of black plastic packaging we removed -78.71% in total volume weight compared to 2018
- **Biodegradable and compostable retail carrier** bags are being phased out and switched to **FSC certified paper bags**, accounting for **32.23%** of all plastic packaging.



ACTION 2: 'ENSURE 100 % REUSABLE, RECYCLABLE, OR COMPOSTABLE PLASTIC PACKAGING ON PLASTIC THAT CANNOT BE ELIMINATED BY 2025' PROGRESS:

IN 2019, **GANNI INITIATED 4 CHANGES** FOR THE PLASTIC PACKAGING THAT COULD NOT BE ELIMINATED, THAT NOW ACCOUNTS FOR **22.69%** OUT OF TOTAL PLASTIC PACKAGING

- 1. **RePack a reusable packaging option** has been introduced at the checkout for GANNI.com customers in Europe and accounted for 9.3% of all website packaging and 1.37% of total plastic packaging.
- 2. **RePack reusable packaging** has also been introduced for internal team staff orders at GANNI headquarters and accounted for 0.22% of all plastic packaging.
- **3. GANNI.com** shipping bags have continued to be made of a post-consumer recycled plastic and accounted for **5.7%** of all plastic packaging.
- 4. Polybags made of post-consumer recycled plastic accounted for 30.56% of all polybags and 15.4% of all total plastic packaging.



ACTION 3: 'ACTIVITIES AND PROGRESS MADE AGAINST OUR COMMITMENT TO MOVE FROM SINGLE-USE TOWARDS REUSE MODELS BY 2025'

1.59% OF OUR PLASTIC PACKAGING WAS REUSABLE PACKAGING OUT OF THE TOTAL PLASTIC WEIGHT IN 2019

• When it comes to reusable packaging we believe Re-Pack is the most credible option out there right now

REPACK UPDATE

We're trialling Re-Pack in 2020 for GANNI REPEAT - our rental platform in the UK, Denmark and US

We want to roll out Re-Pack to our US community as a permanent option on GANNI,com so this is a trial run to test the logistics. By 2021 we are hopeful that Re-Pack will be available in the US.



IN 2019, 21.1% OF OUR TOTAL PLASTIC WEIGHT WAS MADE OF POST-CONSUMER RECYCLED CONTENT

- Polybags made of post-consumer recycled plastic accounts for 15.4% of total plastic
- GANNI.com E-commerce shipping bag made of post-consumer recycled plastic accounts for 5.72% of total plastic

WHAT DOES POST-CONSUMER MEAN?

Post-consumer means material generated by households, commercial and industrial facilities that is at the end of it's life and can no longer be used for its intended purpose. Consumers are the end-users of said material. Some examples of post-consumer materials are worn out packaging, furniture and all the other stuff you discard on a daily basis.



GANNI FUTURE FOCUS AREAS:

POLYBAG TRIAL

In late 2020, we will trial reducing the size of the polybags. Right now, polybags are essential as they protect our garments in transit.

Together with one of our suppliers, we are trialling reducing the size of the polybags as much as possible as a solution to scale down on our total plastic consumption We need to find the most feasible option that will still keep the garments in a perfect condition.

If the trial is successful, we'll be able to roll out the solution across all our suppliers.



GANNI FUTURE FOCUS AREAS:

Needless to say, we have quite a journey ahead of us to hit our goal of eliminating virgin and single-use plastic in the next **5 years**

Please reach out to us if you have any ideas or innovative solutions that could help us in our journey in reducing our plastic: **sustainability@ganni.com**



THANK YOU!

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