

# J. LINDBERBERG



## SUSTAINABLE REPORT 2021

TARGETS & RESULTS    TRANSPARENCY    TRACEABILITY    PEOPLE

# ***OUR REPORT***

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# SUMMARY 2021

As a function and fashion brand, we recognise that our Scandinavian and progressive heritage means we must work towards being a world-leader in corporate social responsibility and live up to high environmental, ethical and socially responsible standards.

Not only that, our customers, partners and other stakeholders trust us to have a positive impact – and we know we can make a difference.

We therefore position ourselves at the forefront of quality and sustainability, creating clothes our customers will wear for many years, while striving to protect our planet and its biodiversity.

We have strong business ethics. We behave with integrity towards employees, business partners and customers and seek to

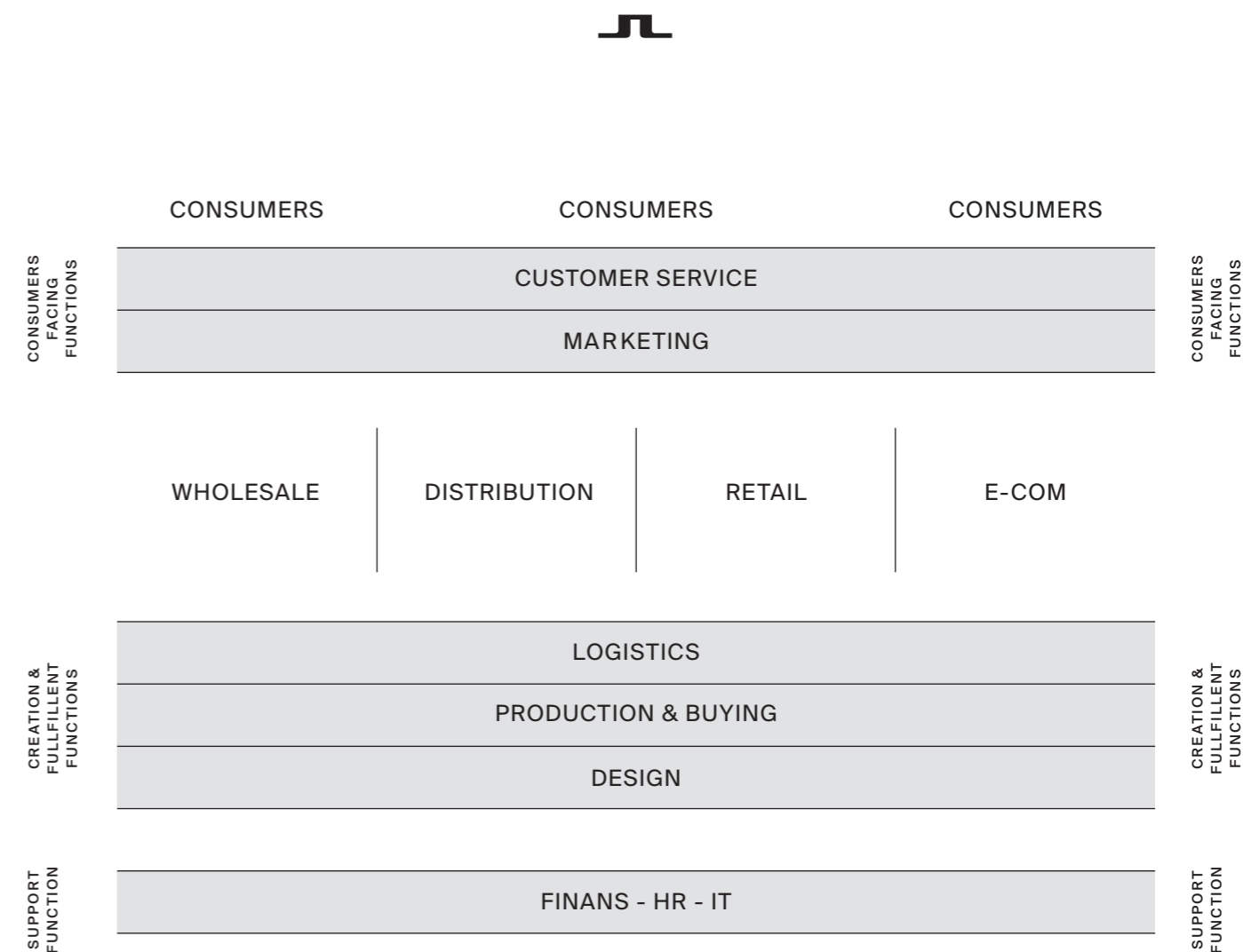
create a dynamic, collaborative and inclusive work environment, where everyone can make the most of their potential.

Throughout our business operations, we work to improve for the greater good – always asking ourselves how we can do better. Aiming higher is something that lies within our DNA, not only with regards to Sustainability but in everything we do.



Founded in Stockholm 1996, J.Lindeberg inspires unconventional thinkers to live life to the fullest. The international fashion house bridges fashion and sport, offering sophisticated, edgy and comfortable products for a modern active lifestyle. The collections bring together creativity and Scandinavian progressiveness – for innovative fashion and outdoor lifestyle wear that is sustainable and delivered through a customer-focused, seamless experience.

With headquarters in Stockholm, Sweden, the distribution covers more than 35 countries. There are 157 J.Lindeberg stores in several of the major fashion capitals of the world, such as Copenhagen, New York, Tokyo, Hong Kong and Shanghai. The wholesale distribution features close to 2000 stores, including the leading high-end department and specialty stores around the world.



Hållbarhetsrapporten avser J.Lindeberg AB och är upprättad för räkenskapsåret 2021 och 2021 års kollektioner. Rapporten är upprättad i enlighet med bestämmelserna i ÄRL 6e kapitel.

# J.Lindeberg is a responsible company, and we care for the planet, our communities and our employees.



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## 1. Traceability in our production and supply chain

In every step of our creative and manufacturing process, we consider our impact on the planet, people and natural resources.

We design function and fashion that is durable and high quality, so that it can be worn for many years. Under our fabric strategy, we have targets for more sustainable cotton, we minimise our use of harmful chemicals through choosing the right suppliers, and we are working towards 100% of our manmade fibres coming from recycled sources. We strive for full transparency and traceability through our supply chain, selecting business partners with programmes and certifications relating to ethics, health and the environment.

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## 2. Minimising our impact on the environment

We consider the impact of our collection on the environment at every stage of the journey from raw materials to the customer's wardrobe – and beyond.

Sustainability shapes our design choices, from fabrics to hang tags, consumer packaging to marketing material. In manufacturing, we encourage our business partners to make efficient use of energy and water, while minimizing waste. To reduce emissions, we transport as much as possible by sea and train, and all our stores and offices are powered by renewable energy. Unsold clothing and returns are donated to people in need.

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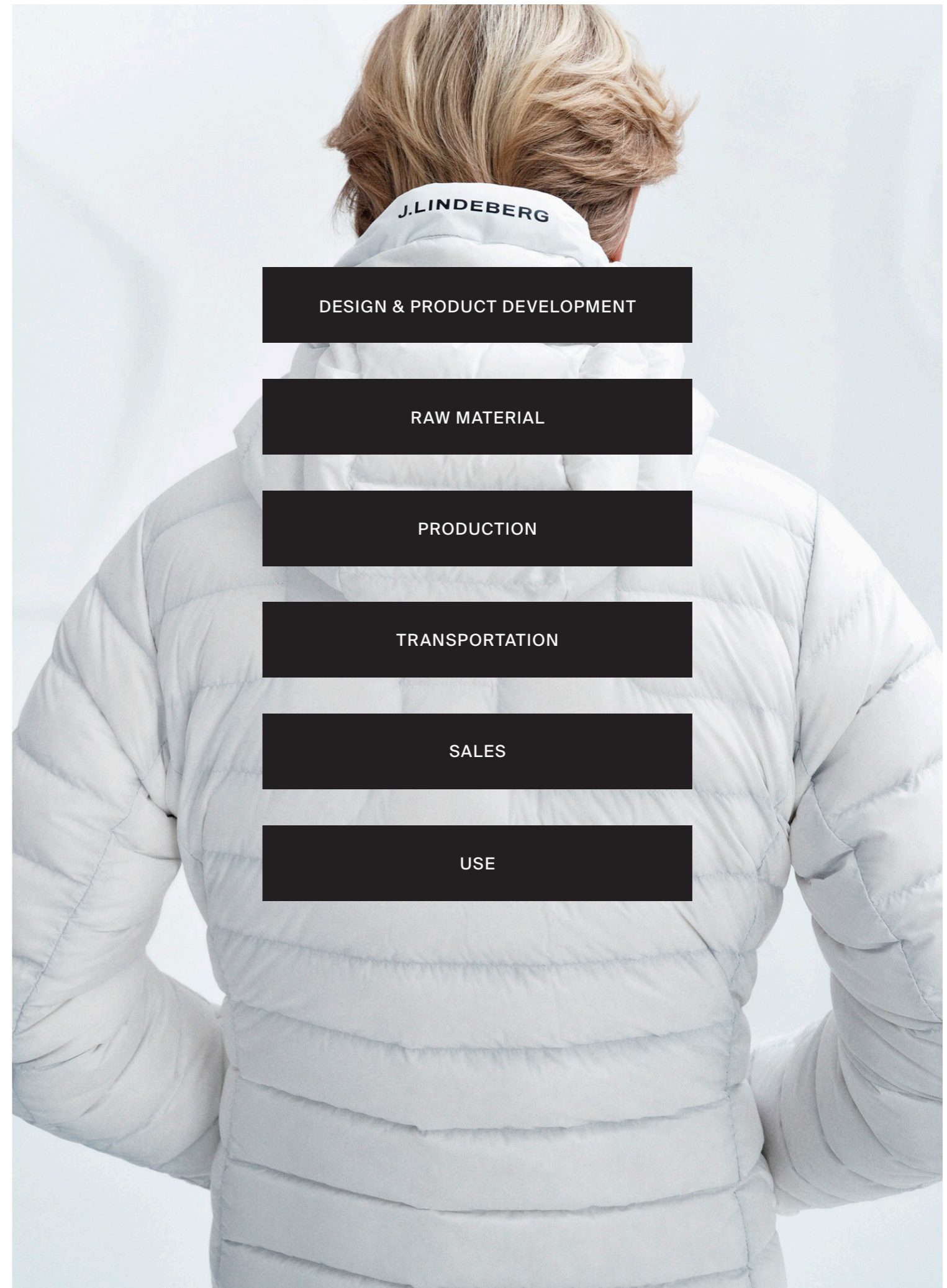
## 3. A work environment where everyone can thrive

We seek to empower everyone who works with J. Lindeberg to make the best of themselves, by creating a dynamic, collaborative and inclusive work environment.

We are sincere, courageous and progressive. We have strong business ethics, unpinned by a rigorous Code of Conduct that protects the human rights of our employees and those of our business partners. Throughout our supply chain, we have zero tolerance towards corruption, discrimination and human rights abuses, and we offer fair pay and a healthy and safe work environment.

At J. Lindeberg, we believe in our team and mission. Equality and diversity are rooted in our DNA. We are customer-focused, entrepreneurial and agile individuals who strive to do our best for all our stakeholders and the planet.

**J.Lindeberg  
environmental  
policy aims to  
clarify the ambition  
to reduce our  
company's  
environmental  
and climate impact  
in every part of  
our business.**



# TARGETS 2023

## TARGET 2023: PRODUCT AND RAW MATERIAL

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100% Organic Cotton

100% Traceable animal fibres

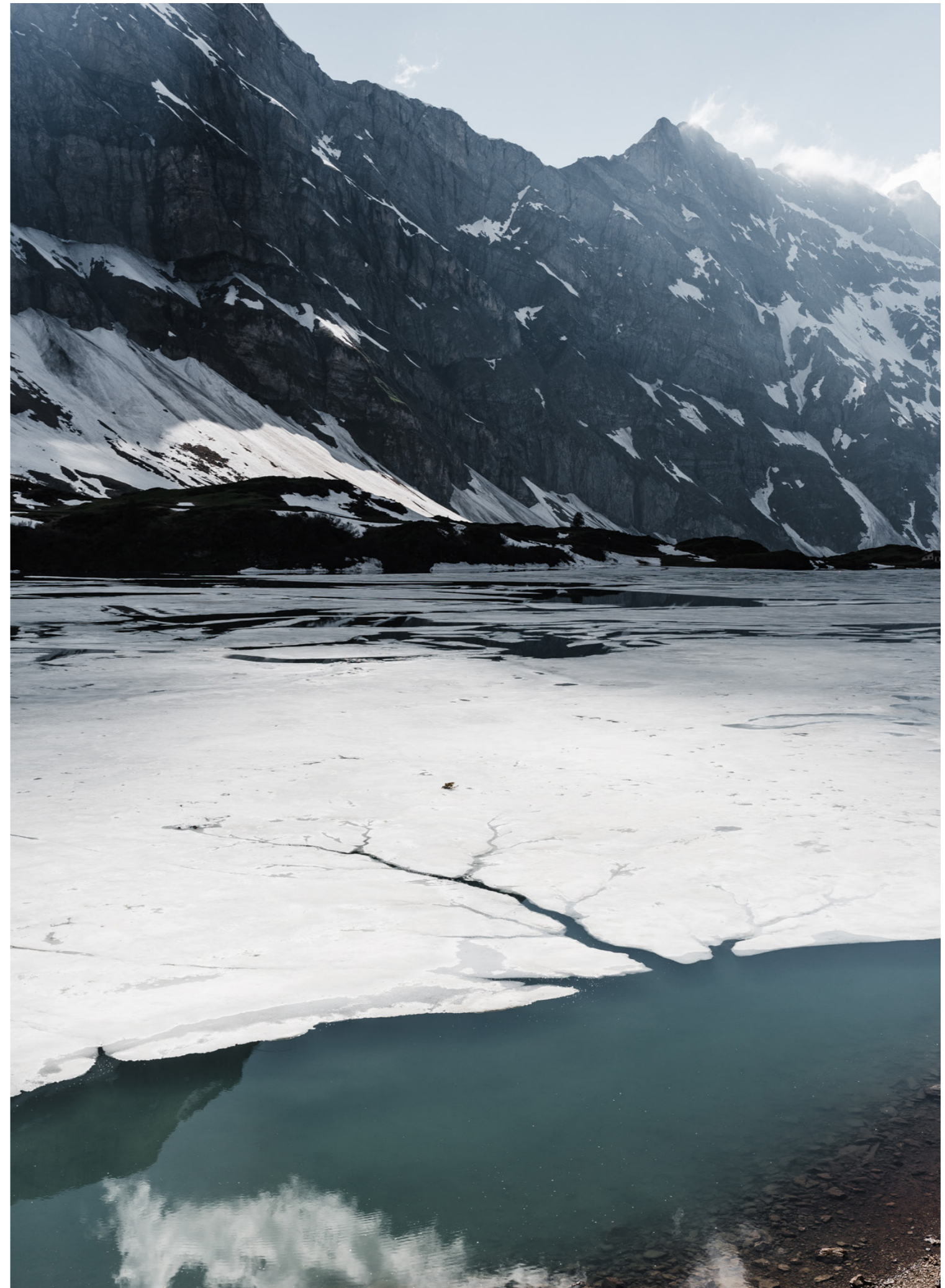
100% Recycled manmade fibre

## TARGET 2023: PRODUCT SAFETY AND PRODUCTION RESPONSIBILITY

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100% PFC Free

100% Ökotex/Bluesign certified suppliers



# RESULTS 2021

Below calculations is based on no of styles where an improved choice has been made. Most often styles with the highest volume are pioneers in more sustainable material due to high minimum volumes on such raw material.

## Fashion concept

TARGETS 2023	RESULTS 2021
<b>PFC-Free 100% Organic Cotton</b>	<p><b>Denim:</b> 34% of denim collections made with organic cotton.</p> <p><b>Knitwear:</b> 20% of the knitwear collections made with organic cotton</p> <p><b>Jersey /Sweat /Top:</b> 13% of jersey collections with 90% Organic cotton</p> <p>3% of jersey collections with 50% organic cotton, 50% recycled polyester</p>
<b>100% Recycled manmade fibres (polyester)</b>	<p><b>Outerwear</b> <i>Main material:</i> 22% of outerwear collections with recycled polyester</p> <p><i>Padding:</i> 89% of outerwear collections with 90% recycled polyester</p>
<b>100% Traceable animal fibres</b>	<p><b>Down</b> Outerwear: 67% of outerwear collection with traceable down 33% of outerwear collection with recycled down</p> <p><b>Merino</b> 79% of 100% merino wool styles with traceable merino wool.</p> <p><b>Leather</b> 18% of leather products are made with chrome free leather.</p>

## Sport concept

TARGETS 2023	RESULTS 2021
<b>100% Recycled man made fibres (polyester)</b>	<p><b>All categories:</b> <i>Main material</i> 14% of all polyester was recycled</p> <p><b>Outerwear</b> <i>Main material</i> 26% of outerwear collections had recycled polyester main material</p> <p><b>Down</b> <i>Outerwear Padding:</i> 100% traceable 23% recycled man made fibers</p>
<p>FOR 2022 WE ARE WORKING ON BELOW ACTIONS TO TAKE OUR COMMITMENT IN PRODUCT FURTHER:</p>	
<b>SKI FW22</b>	<p>Collection is 100% flour carbon/PFO/PFC free</p> <p>Padding 100% recycled</p> <p>Introduce blue sign trims</p> <p>Introduce increased and improved traceability and ratio of Blusign/Oeko Tex fabrics</p> <p>Best selling fabric is changed to recycled option</p>



## Transparency

### - Product Safety and Production Responsibility

**Transparency is the pre-condition for any change and positive development, if we don't know what we are doing we have no possibility to change. J.Lindeberg work with handpicked fabric and trims suppliers who we have established relationships with, chosen by our design and product development teams in Stockholm.**

We are steering our sourcing to suppliers who are certified according to industry-standards. In the Fashion concepts of our business we are focusing on Ökotex-certified fabric suppliers. Ökotex is a health standard that sets requirements of chemicals used in the processes.

In our Sports concepts we are focusing on fabric suppliers who are Blue sign certified, a global standard for sustainability in production processes. During 2021 we have been working on improving the traceability and the accuracy of reporting to be able to give a more transparent picture to our customers. The result of that will be shared in the report for 2022.



# TRANS-PARANCY IN THE DETAILS

It is not only the main fabrics that are of importance to J.Lindeberg, we also care much about the details and trims that are an essential part of the product.



## TREADS

If a product breaks at the seam it is very likely that the wrong thread has been used. Threads might be the smallest part of a product but if they are bad it has a big impact. JL choose a nominated supplier for threads that helps us choosing the right one for the right product and fabric, at the same time the thread is chemically sound, the production and product is Ökotex 100 certified and the production and working conditions well controlled to ensure wages are fair and production is safe.

There are products where we are not using the nominated supplier, reason why is that production might be too far way from the sowing factory, or in functional wear where we have developed our own thread for maximum functionality.

## STICKERS

Our stickers are FSC Mix which is a mix of recycled paper and paper from FSC certified forestry.

## LABELS

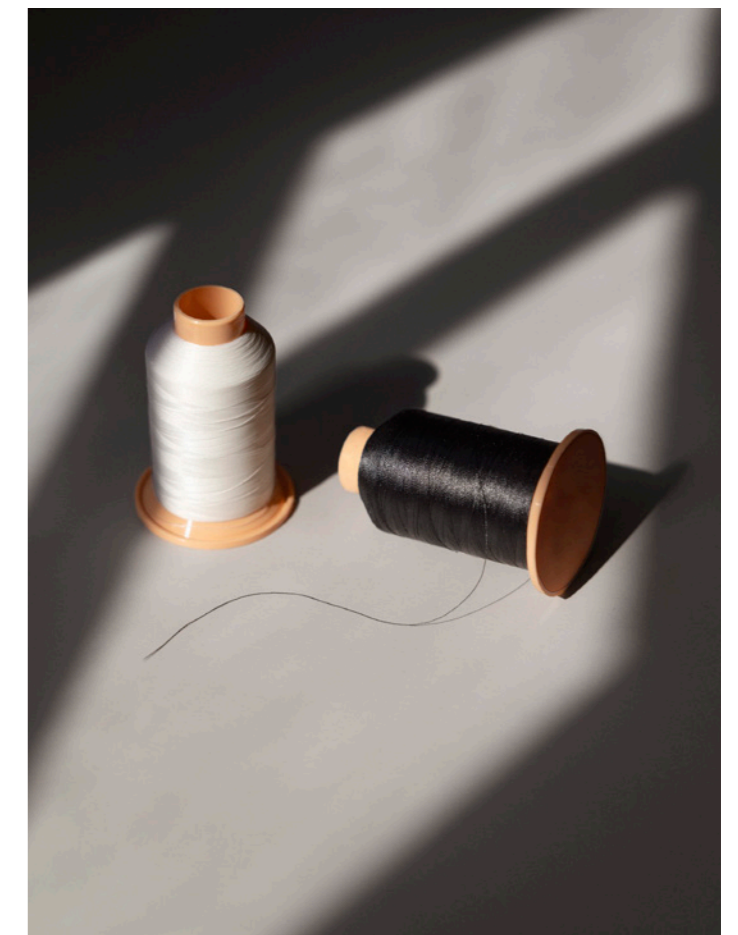
Labels are an important part of the brand identity, we have chosen to gradually switch to labels made with 50 % recycled polyester. 53 % of our labels during 2021 are made with recycled polyester.

## HANGTAGS

**2019** We started developing hangtags with Recycled paper.

**2020** 48% of our hangtags are with Recycled paper.

**2021** 50 % of our hangtags are with Recycled paper.



# TRACEABILITY

## Product & Raw Material

For Animal Welfare reasons, animal fibres has been a priority when it comes to full traceability.

### **MERINO WOOL**

All Merino wool in knitwear is certified mulesing free

### **LEATHER**

Our leather is traceable to the tannery, in special cases we have longer traceability.

### **FUR**

J.Lindeberg has a ban on use of exotic fur.

### **MOHAIR**

J.Lindeberg has a ban on use of Mohair.

### **CASHMERE**

During 2021 we have continued our work to focus on the cashmere origin and traceability.

### **DOWN**

100 % of our down is traceable to the farm and made visible to our consumers. We only use one supplier of virgin down.





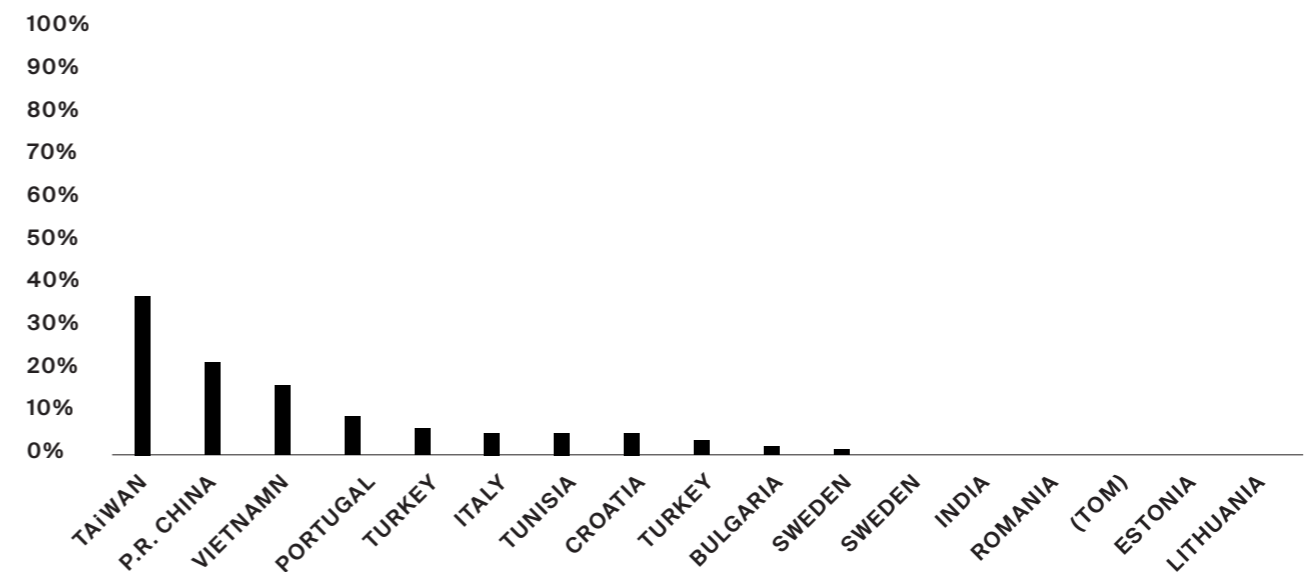
## Suppliers and working conditions

It is important to highlight that we actively choose not to work with certain countries where we do not have the capacity to secure working conditions. No country is risk-free, and it takes hard work to control all production, but we assess the risk to be manageable in the countries we are active through regular visits and auditing.

### 2021 Highlights

We have reduced our sport supplier base by 57%, from 33 to 19 active suppliers. This enables a tighter co-operation, increased quality control and enables increased focus on follow up on working conditions.

PRODUCTION COUNTRIES 2021



Minimizing our impact on the environment

# CARE, REPAIR, RE-USE & RECYCLE:

Our Retail stores and team are in the forefront of supporting our customers in how to care for a J.Lindeberg garment. It is part of our mission at JL to help make the life of a JL product as long as possible.

## REPAIR

We offer tailoring service to all customers according to need, our Retail stores opened up for a new initiative in 2021 where JL customers were welcome to our Flagship store for repairing of their wardrobe.

## RE-USE & RECYCLE

We make sure returns and garments we can't sell doesn't go to waste through co-operations with charity organisations such as Human Bridge an organization which collects shoes, textiles and clothing in favour of people in need, Newlife Charity and local organisations.

### RE-USE & RECYCLE

### RESULTS 2021

DELIVERED TO HUMAN  
BRIDGE:

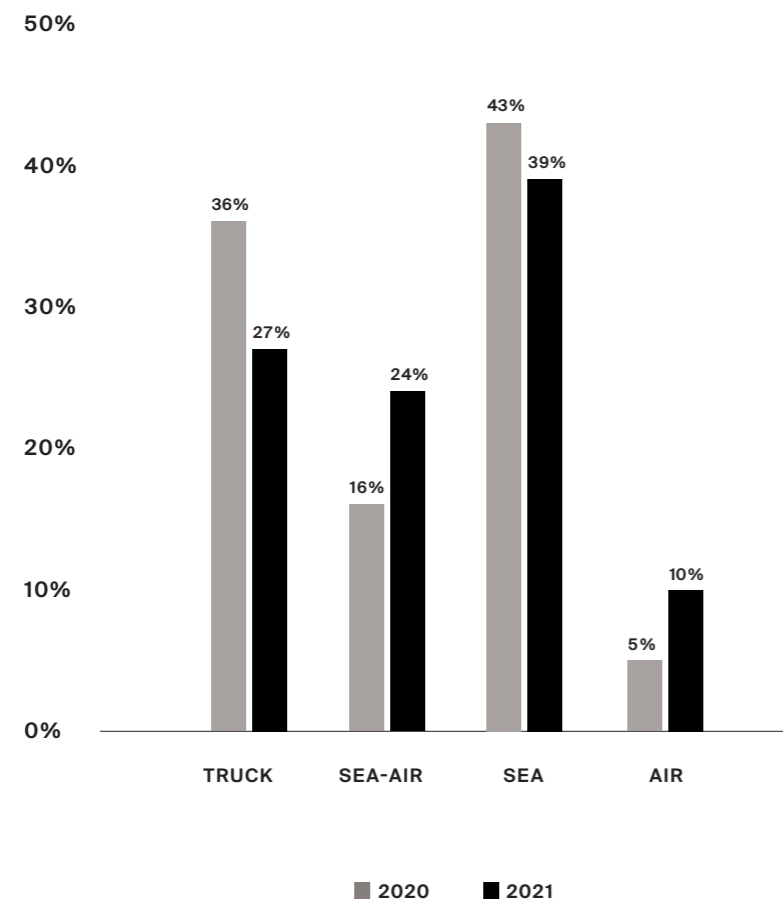
2 777 kg

DELIVERED TO NEWLIFE  
CHARITY:

1300 kgs

# TRANSPORT AND PACKAGING

SHIPMODE 2021 VS 2020



2021 was a challenging year in terms of transportation mainly due to disruption in our supply chain related to COVID 19. We have however continued to work with options to Air such as Sea/Air and Train to keep our Carbon footprint as low as possible.

#### E-COMMERCE - ENVIRONMENTAL FRIENDLY SHIPPING SUPPLY

- Focus on customer support to help decrease returns and orders with multiple sizes.
- Centralized return hub to minimize and coordinate return shipments.

#### PACKAGING

We use paper bags for stores since April 2018, JL plastic bags are used for outlets and sales and are made from recycled plastic with European origin. They are all part of Återbära which means they are 100 % Climate neutral, the amount of emissions generated throughout the entire process, then offset the carbon emissions by supporting certified tree planting in South America. E-commerce packaging was changed from virgin plastic to recycled plastic with European origin as of 2018.

Since 2019 boxes were changed, with the following result:

- Sizes of boxes are optimized to make the best use of the space on a pallet = efficient shipping
- Closing without glue
- Boxes made of 95% recycled material
- The virgin material used in the boxes comes from responsible sources with FSC certificate
- We don't print on the boxes to save energy and minimize CO2 footprint
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# BEHIND THE SCENES

Even if most of our brands footprint and responsibility lies within the production and distribution of our products, we take responsibility in other departments as well. In one way it is easier since we control it ourselves, on the other hand it is more challenging as it might force us to change behavior. But that is the core of sustainability given where we are today, we need to change – even if it is only tiny steps in the right direction of being careful about resources and changing the given way to act.

## IT & FINANCE

Recycling of technical equipment and e-invoicing only option since 2018.

## RENEWABLE ENERGY

J.Lindeberg AB run on renewable energy in office and own stores. Elkraft is our supplier and we run on hydropower.

## PENSION

J.Lindeberg AB takes responsibility both for the direct environmental impact that comes with our business, including the indirect environmental impact that comes as a consequence of our occupational pension. In the counseling sustainability analyses are offered that assess how Asset Managers take climate, social issues and business ethics into the investment process. Including if the work actively to steer companies in a sustainable direction. These analyzes are reported in a sustainability grading, which is integrated in the counseling and shown in parallel

with other factors that are important for the employees choice of pension solution. In addition to the pension benefits that is regulated in the pension plan, the employee has access to information about sustainable investment and the possibility to choose sustainable placement options.. J.Lindeberg AB's pension plan includes measuring and reporting of how sustainable pension capital is invested and the savings



## Office recycling:

In 2021 we levelled up Office impact through a sustainability aspect. Recycling to make sure we make it as easy as possible to recycle in the office.



## Waste:

We are concerned about how much our industry produces that is not used for different reasons. One action from J.Lindebergs side is to make sure returns and garments we can't sell doesn't go to waste is to co-operate with Human Bridge an organization which collects shoes, textiles and clothing in favour of people in need.

WASTE	YEAR	AMOUNT
<b>DELIVERED TO HUMAN BRIDGE:</b>	2019	368 kg
	2020	1795 kg
	<b>2021</b>	<b>2 777 kg</b>
<b>DELIVERED TO NEWLIFE CHARITY:</b>	2020	1460 kg
	<b>2021</b>	<b>1300 kgs</b>

When we develop collections and products are samples and prototypes a part of the process. These products are donated to organizations such as Human Bridge and Newlife Charity. We also donate local charity, hospitals and other organizations that might have use of valuable material which we don't have use of.



# PEOPLE

J.Lindeberg is all about being a team. Everyone makes a difference and are crucial for our performance as a company and a brand. All colleagues at J.Lindeberg should have excellent preconditions to make their own decisions; taking responsibility for our actions is essential.



## JL People in figures

### NUMBER OF EMPLOYEES JLAB (RETAIL AND HQ)

total	Men	women
<b>160</b>	<b>70</b>	<b>91</b>

### AVERAGE AGE (YEARS)

HQ	RETAIL	TOTAL
<b>35</b>	<b>26</b>	<b>31</b>

### GENDER BALANCE

WOMEN	Men
<b>57%</b>	<b>43%</b>

### GENDER BALANCE GLOBAL LEADERSHIP TEAM

WOMEN	MEN
<b>29%</b>	<b>71%</b>

### NON SWEDISH SPEAKERS

2020	2021
<b>5%</b>	<b>9%</b>

For J.Lindeberg as brand and employer it is of highest importance that we at an early stage with a possible new team-member are able to share our beliefs and explain our culture. When we are all aligned on expectations and agree on working methods we create a dynamic workplace where everyone can thrive.

## ENGAGEMENT SURVEYS

Engagement surveys are an important tool to understand the organization. We conduct monthly surveys which is to be a tool for Team-leaders to develop the team and move forward. In 2020 we changed focus of our survey, to using Gallup Q12, a methodology that aims to identify the 12 elements of good management. It tells you where you need to focus your effort as leader and team and it has a proofed and well documented track record of building high-performing teams and positive, productive working environments.

## J.LINDBERG - AN INCLUDING WORLD

We make conscious decisions when choosing how we present our brand and promote diverse casting. J.Lindeberg imagery should represent the world we live in and reflect the including mindset of our brand and heritage.

## DIVERSE CASTING

JL signed the Swedish Fashion Councils Ethical Charter in 2017. We want to contribute to and establish our responsibility of a healthy body perspective, diversity and working conditions for our business when producing shoots and imagery.



# WHY POLICIES?

Our policies make up an essential part of the work towards sustainability. They are company statements, describing our standpoint in different areas and guiding us in every day work. The J.Lindeberg philosophy is to keep policies tangible and to the point. To make sure the policies are really lived by, we follow up within defined areas that we can measure. For example, when saying we are increasing the co-operation with suppliers that are working to decrease their environmental footprint we count the share of total suppliers that are Bluesign certified or Ökotex certified and encourage that figure to grow.

POLICIES THAT J.LINDEBERG SUSTAINABILITY WORK ADHERE TO:

- Code of Conduct
- Environmental Policy
- Animal Welfare Policy
- Anti-discrimination Policy
- Diversity Policy

No Poverty	Zero hunger	Good health and well-being	Quality education	<b>Gender equality</b>	Clean water and sanitation
<b>Affordable and clean energy</b>	Decent work and economic growth	Industry, innovation and infrastructure	Reduce inequalities	Sustainable cities and communities	<b>Responsible consumption &amp; production</b>
<b>Climate action</b>	Decent work and economic growth	Industry, innovation and infrastructure	Reduce inequalities	Sustainable cities and communities	Clean water and sanitation

## Risk related to sustainability

We understand the negative and positive impact our business have and handle these efficiently. J.Lindebergs sustainability strategy supports 5 of the UN's Sustainability Goals.

Picture of the Global Sustainability Goals: Gender Equality, Affordable and Clean Energy, Climate Action, Responsible Consumption and Production

Our policies are addressing above areas. Below is an overview of the biggest risks related to sustainability.

RISK	DESCRIPTION OF RISK	POTENTIAL IMPACT	ACTION TO MINIMIZE RISK
ENVIRONMENT	Inefficient use of energy, water and raw material and/or risk for pollution. Increased focus on products environmental impact and coming legal requirements.	Increased costs, negative impact on the environment and diminished reputation. Reduced access of raw material for future needs. Reduced access to water for J.Lindeberg production, people who live close to factories contracted by J.Lindeberg as well as customers. Disruption in the supply chain, including energy supply. Disruption related to extreme weather conditions.	Development of an environmental strategy and policy. Internal activities for increased efficiency of energy use. Sustainability focus in product development. Increased focus on suppliers environmental work and certifications.
SUPPLIERS	Supplier's, including sub suppliers, fabric suppliers, agents and distributors who don't respect J.Lindeberg's supplier code of conduct and are weak in their sustainability performance. Unsustainable routines for buying and supplier management.	Diminished reputation and weaker financial position. Sudden disruption in the value chain. Less competitive purchase price. Increased turnover of suppliers and low efficiency in the value chain. Increased total costs for purchased goods.	Revised plan for supplier management, evaluation of supplier's risks related to sustainability, activities for approving and developing of suppliers.  Increase awareness – training of employees and suppliers in the supplier code of conduct. Integrate suppliers' sustainability work and aspects in the buying process. Increase share of fabric with traceable supply chain and third-party certifications.
LACK OF NATURAL RESOURCES WILL POTENTIALLY INHIBIT GROWTH IN THE TEXTILE INDUSTRY.	The supply of raw material we are used to work with in textile production might not cover the need for future growth.	Decreased supply of raw material i.e cotton, less competitive prices. Weakening sales.	Evaluate and implement alternative fabrics, adapt the design process to a circular model where the life of the product is prolonged. Adapt business model to secure future business.
CORRUPTION	To bribe to receive orders. To receive bribe before order is placed. Internal or external fraud. Violation of international trade regulations.	Legal consequences. Diminished reputation and weakened financial reputation.	Training, due diligence, improving processes related to suppliers, customers. Increase awareness of international trade regulations.
DISCRIMINATION & HARASSEMENTS	Unequal handling of staff based on legal grounds for discrimination.	Weakened reputation which might have an impact on sales and the ability to attract and keep staff. Loose talent and perspectives to bring the company forward	Trainings related to the grounds for discrimination. Working group to address the issue internally. Requirements of diversity when recruiting, goals for diversity overall.
HIGH STAFF TURNOVER	The business might not be run with the expected quality and stability. Difficulties to reach set goals and the company vision.	Financially costly. Stress and illness amongst staff. Increased workload for managers and support functions. Decreased reputation as employer.	Engagement surveys, increased working environment, clarified objectives and targets, leadership training for managers. Build trust and credibility in the working processes. Engagement surveys, transparency and communication. Clarify responsibilities processes.



