Sustainability 2018. LINDEX

Highlights 2018



We continue the roll-out of **One Bag Habit** to all Lindex markets and see a significant decrease – only 30% of our customers chose to buy a bag during 2018.



Together with UNIFI, one of our biggest suppliers of recycled materials, we reach new heights with **16 million PET bottles being recycled** into polyester for Lindex garments.



We expand **WE Women by Lindex** to Myanmar. During 2018, a total of 35 factories in Bangladesh and Myanmar, and over 75,000 workers are a part of the project where we take action for gender equality in the supply chain and work to create more equal and inclusive workplaces.



We launch our new vision
- To empower and inspire women everywhere, which defines
who we are and provides us with a higher purpose.



55%

of our garments are made from more sustainable materials





We launch a joint project with **WaterAid** to increase the access to clean water and sanitation in Mirpur in Dhaka, Bangladesh



Susanne Ehnbåge

Together we can make a greater impact

When I joined Lindex in 2018 it was in the middle of a defining time, with the launch of a new vision - to empower and inspire women everywhere. The new vision has enabled us to become a purpose-driven organisation and has truly become a source of inspiration for our business.

We see a strong link between our company vision and our commitment to all aspects of sustainability. We exist to empower and inspire women, regardless of their relationship to us. Whether they work in design, production, in store or are one of our customers. They are all important and we feel a responsibility to every single one of them.

2018 has been a year where climate change has been on everyone's mind. 'Climate change anxiety' has become a well-known term and many of us are trying to find new business solutions to minimise our climate impact. The fashion industry is dependent on and consume a lot of natural resources. This is a fact today, but does it need to be tomorrow? Lots of new innovations are becoming available on the market and we are doing what we can to speed up the transition to a more circular economy.

Together we can make a greater impact, so we will continue to collaborate with our suppliers and industry peers. A valuable tool for our collaboration is of course the UN's Sustainable Development Goals. The SDGs provide common ground and enable us to stay focused on what we need to accomplish in order to have a more sustainable world. For Lindex, the dedication from our employees is the most important success factor in making Lindex business more sustainable and I am so proud of everyone's hard work.

Working together with others also include our customers. We want to empower and inspire those we connect with to live more sustainably and together drive the development forward.

We don't have all the answers yet, but we know what we need to achieve. We have made a promise - to make a difference for future generations – and we will make sure to keep our promise.

Susanne Ehnbåge CEO



Anna-Karin Dahlberg

We are raising the bar for ourselves

I have worked with sustainability in the fashion industry for many years and it is truly a journey more than a destination. We are very proud of our many great achievements. However, the more you work to have a positive impact, the more insights you get about what needs to be done. The road is often long and complex, and every achievement is for us a starting point to take on even more and greater challenges.

At Lindex, we have never considered ourselves to be perfect and have always been humble about our flaws and challenges. Our industry, as many others, is often criticised and from the outside it may sometimes seem hopeless, but I can assure you that it is not. Because we have also seen the power in working together, both together as Lindex employees and with other stakeholders and business partners, to have a positive impact. We have a responsibility as a company to not only drive change, but also to work together with our customers for more sustainable habits.

In 2014, we set goals for 2020. In some areas, we have exceeded our expectations while others have been more challenging than we thought.

Since then a lot has changed. The world looks different and we have global tools such as the UN Sustainable Development Goals to address the challenges of today. At Lindex we have also launched our new vision – to empower and inspire women everywhere. There was no doubt that we needed to move forward and we have therefore developed our new sustainability promise – to make a difference for future generations.

Our promise has been developed with our vision as a guiding star and with an even more holistic approach than before. The promise unites our ongoing work with the work we have ahead of us now that we are raising the bar for ourselves.

With our promise for future generations our framework is set, our focus areas are defined and our road ahead is clear. As things are changing rapidly, we will however continue to develop our actions and move our targets forward to make sure we keep our promise.

Due to 2018 being an intense year of developing our way forward we have decided to present our highlights for 2018 as well as our new sustainability promise, instead of an entire sustainability report.

I look forward to, together with suppliers, partners, employees and customers, continuing our journey towards a future for empowered and inspired women in a sustainable world.

Anna-Karin Dahlberg Corporate Sustainability Manager



Lindex – a fashion brand on a journey

For more than 60 years, Lindex has created fashion for women. Since the beginning, we have been on a journey. A journey towards better products. Towards better design. Towards a better world. Everything we do, we do for our customers, and we are dedicated to offering them inspiring fashion that is made responsibly. We have a responsibility to contribute to the UN Sustainable Development Goals, because we want those who buy and wear our garments to be able to enjoy sustainable lifestyles, both today and tomorrow. Our company vision is to empower and inspire women everywhere. Lindex is filled with and surrounded by women, and we feel a responsibility to every single one of them. Women are not only the ones who love to wear our garments – they populate every part of our value chain, from field to fitting room. They pick the cotton, spin the thread, weave the fabric and sew our garments. They design and market our products, they decide how we run our business and they meet our customers every day. Of course, we also respect and appreciate the men in our value chain. But it would be wrong not to acknowledge that most of the people who work with or buy from us are women. As both an employer and retailer, we have always aimed to make life easier and more beautiful for women. Unfortunately, over the years, we have sometimes failed in this by accepting poor industry norms. Across our value chain, the wellbeing of women has been compromised – from poor labour conditions in manufacturing to unhealthy stereotypes and ideals in advertising. We never made things worse on purpose, but a lack of awareness or action is still an act. We have done a lot of good work which we will continue, but it is also time for us to step up in the areas where progress has been slow.

Introducing our sustainability promise

If we truly want to empower and inspire women everywhere, we cannot settle with doing good today. We need to look ahead and work for what matters both today and tomorrow. For us to better fulfil our vision, we have made a promise – to make a difference for future generations. Our promise is divided into three areas: empower women, respect the planet and ensure human rights.

We see a strong link between our company vision and our commitment to all aspects of sustainability. We exist to

empower and inspire women, regardless of their relationship to us. Whether they work in design, production, in store or are one of our customers. That means, to fulfil our purpose, we must address everything from labour conditions in factories, to how we empower each other in our offices, to how we advocate body positivity and inclusiveness through our business.

But that's just part of the puzzle. We must go a step further and ask, what does it take – as a woman in today's world - to be able

to feel empowered and inspired? Other needs come first: you can't fulfil your potential without access to clean water, food, shelter and safety. These basic needs rely on functioning natural ecosystems. If our world's climate warms beyond the limit of 1.5 degrees, it will become a world without enough clean water and food; a world of social unrest and conflict. In this way, our vision pushes us to do more to drive circularity in the fashion industry and limit climate change.

We promise to make a difference for future generations

Empower women

Taking the lead in creating fair and equal workplaces for women We want all women across our value chain to be able to fulfil their potential.

Advocating inclusiveness and body positivity We want all women to feel inspired and self-confident, no matter who they are, how they look or which walks of life they have chosen.

Supporting a sustainable lifestyle

We want to empower and enable women to have a sustainable wardrobe and live a sustainable life.

Respect the planet

Taking climate action We want to make sure that our own operations are climate neutral and that we reduce the negative climate impact in our value chain.

Having a circular business approach

We want to prolong the lifetime of our products and use resources in the smartest way possible throughout our operations.

Being a water responsible company

We want to be water efficient throughout the whole value chain, reduce the risk of water scarcity in areas connected to our operations and together with business partners provide access to water and sanitation in factories and nearby communities.

Ensure human rights

Advocating respect for human rights We want to make sure our whole value chain is progressing within living wage and that its workplaces are safe and healthy, free from harassment and discrimination.

With our promise, we support the UN Sustainable Development Goals to which our business can make significant contributions:



Empower women.

Empower women

Taking the lead in creating fair and equal workplaces for women

We want all women across our value chain to be able to fulfil their potential.

A selection of our goals

- By 2021, all our business partners are committed to Lindex new Code of Conduct that is progressive within gender equality
- By 2025, Lindex suppliers who stand for 80 per cent of our production have completed our Women Empowerment program and sustained the learnings
- By 2022, all Lindex employees agree that Lindex acts in line with our company vision "to empower and inspire women everywhere"

Advocating inclusiveness and body positivity

We want all women to feel inspired and self-confident, no matter who they are, how they look or which walks of life they have chosen.

A selection of our goals

• By 2020, we will set goals on advocating inclusiveness and body positivity

Supporting a sustainable lifestyle

We want to empower and enable women to have a sustainable wardrobe and live a sustainable life.

A selection of our goals

• By 2020, we will set goals on supporting a sustainable lifestyle

Respect the planet.

Respect the planet

Taking climate action

We want to make sure that our own operations are climate neutral and that we reduce the negative climate impact in our value chain.

A selection of our goals

- Climate neutral in Lindex own operations by 2023
- 30 per cent reduction of CO2 emissions in Lindex total value chain by 2030, with 2017 as baseline

Having a circular business approach

We want to prolong the lifetime of our products and use resources in the smartest way possible throughout our operations.

A selection of our goals

- 100 per cent of Lindex materials is recycled or sustainably sourced by 2025
- By 2020, we will set goals on reducing material streams and sending zero waste to landfill
- By 2020, we will set goals on design for longevity

Being a water responsible company

We want to be water efficient throughout the whole value chain, reduce the risk of water scarcity in areas connected to our operations and together with business partners provide access to water and sanitation in factories and nearby communities.

A selection of our goals

- By 2025, all Lindex business partners with water intensive operations measure their water use, have set reduction goals and incorporated reduction, reuse and recycling of wastewater in the environmental management systems
- By 2025, we have removed the release of all hazardous and toxic substances from Lindex supply chain and promote transparency and more sustainable chemistry

Ensure human rights.

Ensure human rights

Advocating respect for human rights

We want to make sure our whole value chain is progressing within living wage and that its workplaces are safe and healthy, free from harassment and discrimination.

A selection of our goals

- By 2021, all Lindex business partners have signed Lindex Sustainability Commitment
- By 2025, Lindex suppliers who stand for 80 per cent of our production show total supply chain transparency and commitment to improving working conditions
- By 2025, Lindex suppliers who stand for 80 per cent of our production work actively with a living wage program
- Ensure that no discrimination and harassment occurs in Lindex own operations by 2020



Keeping our promise - tools and enablers

With our sustainability promise we are raising the bar for ourselves. In some areas, we have already set things in motion and the roadmap is clear. In other areas, we know what we need to achieve but have not figured out how yet. Along the way and as we progress, we will move our targets forward to make sure we keep our promise.

Even if we don't have all the answers yet, we know that transparency, inclusiveness, innovation, dedication and above all – collaboration – will get us where we need to be. To solve the environmental and social challenges across our value chain, we need to collaborate with our suppliers and our industry peers. For example, our progress on water issues, labour conditions and other important matters would not have happened without external collaboration. One invaluable tool for collaboration is the UN's Sustainable Development Goals. These provide a global common denominator for social and environmental sustainability.

Inviting everyone to join us on this journey includes our customers. We want to empower and inspire those we connect with to live more sustainably, through everything from small nudges towards sustainable choices, to creating ambassadors for sustainable lifestyles.

During our many years of working with complex sustainability issues in global supply chains, we have also developed a toolbox of methods, enablers and approaches. These are critical to our success, and include concrete tools like sourcing and procurement practices, a code of conduct and materiality-based reporting.

Together - as suppliers, partners, employees and customers – we can create a future for empowered and inspired women in a sustainable world. Join us on this journey.

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