



2023

# Sustainability Report

GANT



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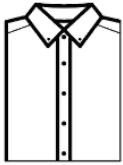
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# HIGHLIGHTS 2023

<p>THE NUMBER OF GLOBAL MARKETS WHERE WE HAVE PRESENCE</p> <h1>79</h1>	<p>604 STORES</p>	<p>63 FACTORIES DURING 2023</p>
<p>GANT HAS 2032 EMPLOYEES</p>	<p>49 APPAREL SUPPLIERS IN 2023</p>	

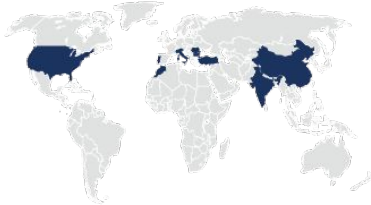
SUBSIDIARIES AND JOINT VENTURES	PARTNERS	LICENSEES
<p><b>SUBSIDIARIES</b></p> <p>UK, FRA, DEU, IRL, NL, SWE, CHE, DNK, AUT, PRT, USA, LUX, CHN, BEL, ESP, TUR, POL</p> <p><b>JOINT VENTURES</b></p>	<p>Australia, New Zealand, Madagascar, Mauritius, Canada, Croatia, Serbia, Montenegro, Slovenia, Bosnia-Herzegovina, Albania, Kosovo, Egypt, Finland, Lithuania, Estonia, Latvia, Greece, India, Israel, Italy, Morocco</p> <p>Norway, Romania, Bulgaria, Malta, Macedonia, Kazakhstan, Slovakia, Czech Republic, Hungary, South Africa, U.A.E, Kuwait, Qatar, Bahrain, K.S.A, Oman, Lebanon &amp; Jordan, Ukraine, Cyprus, South Korea, Indonesia</p>	

## PRODUCT



14.6 Million products produced during the year  
**90%** responsibly sourced materials for our products  
**88%** Made from natural materials  
 Maintained the milestone in the Sustainable fiber staircase strategy: **100% responsibly sourced cotton**  
 Continued the sourcing of **cotton in conversion** to support the transition to more organic cotton farming

**Production**  
 72 % Asia  
 28 % EMEA  
 <1 % USA



Expanded our rental offering with an online service in UK, as a part of **GANT 7 Rules**.

## PEOPLE



71% 29%

**MANAGERS**  
**63%** Women **37%** Men  
**7** Grievance cases  
**7** Breach towards internal code of conduct  
**3%** Absenteeism  
**5%** Sickness absence

GANT supports the **10 principles of the Global Compact** with respect to human rights, labour, environment and anti-corruption  
**100%** Apparel suppliers signed Code of Conduct  
**100%** Of factories in risk countries assessed by 3rd party  
**Factory list** available on website to promote transparency  
**Members of AMFORI BSCI**

## PLANET



GANT's Science based **climate target** was set  
 Working to reduce impact on climate and preserve biodiversity and water, through membership in **The Fashion Pact**

**100%** FSC certified material in paper and carton packaging  
**211 318 TONNES** greenhouse gases from scope 1-3



79%



18%



3%



<0.5%

## WATER

**PARTNERSHIP** with WWF to elevate GANT's Water Stewardship strategy

**99%** of our products were made in tier one factories that has been enrolled into the SAC HIGG Factory Environmental Module

Finalized the first phase of **Conserve Every Drop Project** with WaterAid, enabling rainwater harvesting and water supply in Bangalore, India

**MEMBERSHIP** in Fashion Pact committing to reduce plastic-packaging



## GANT 7 RULES



7 RULES



REFRESH



REPAIR



RELOVE



RENT



REGIVE



REMAKE



RECYCLE



2024 is a key milestone for GANT. The brand will turn 75 years old. When I think about how it all started on the East coast of the US in 1949 and how our company has evolved since then I am amazed of what we have achieved. Today's world is in so many ways different compared to then, but GANT is continuing to show that we can thrive as a company when we are agile and keep adapting to our surroundings and the expectations of our customers and other stakeholders.

Within our industry and society we have important challenges related to climate change, water, biodiversity and equality to name a few. With many of these being systemic challenges, we need to address them by transforming the way we do business and work together with our industry and other stakeholders. We are also seeing a number of new regulations that are being developed and implemented which we will have to follow.

We are working continuously to adapt to this new playfield. In 2023, we had our science based climate target approved. We also renewed our water stewardship strategy with a new set of targets that takes the local water context into account.

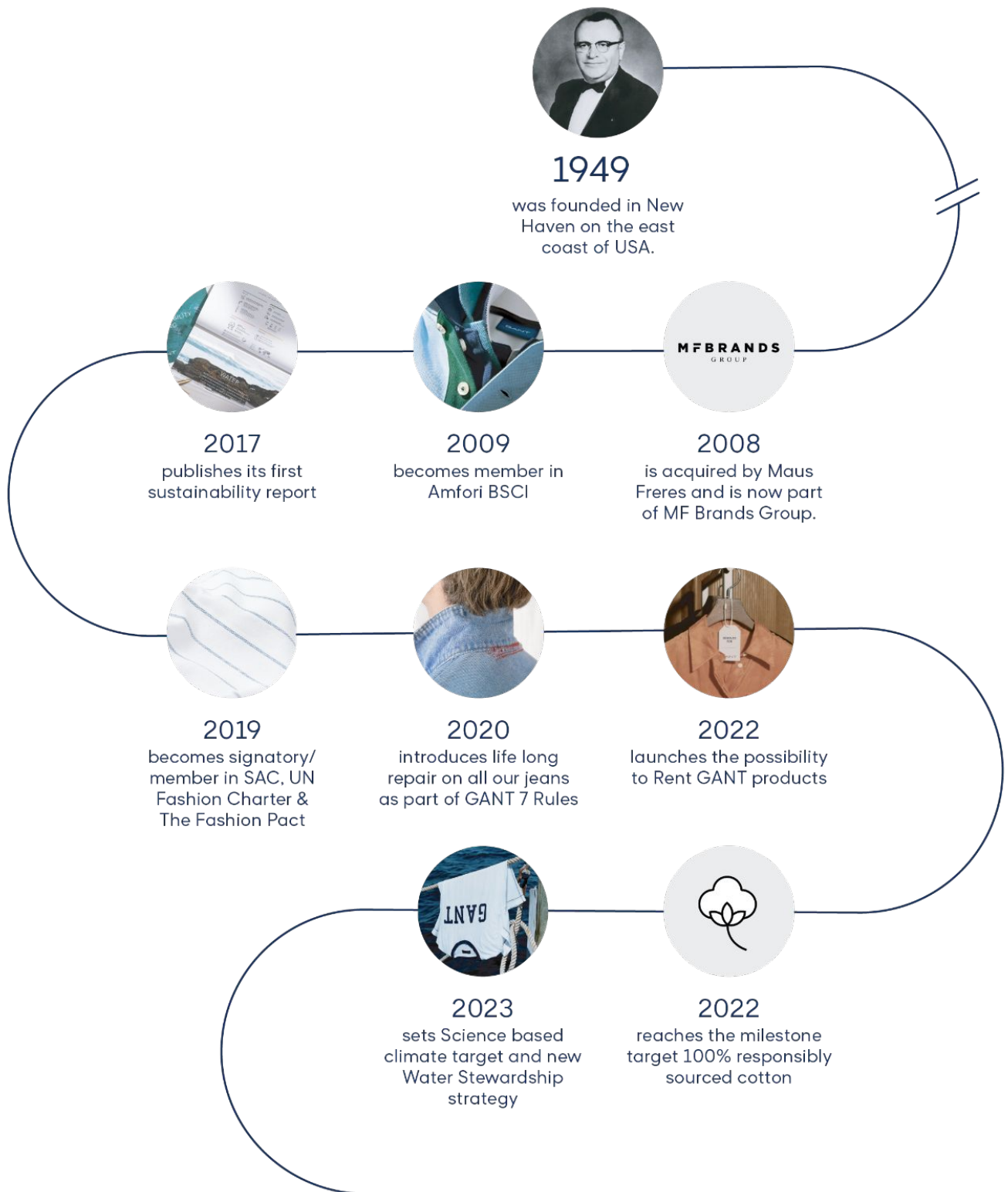
We have maintained our commitment to only using responsibly sourced cotton as well as increasing the use of certified materials in our products. During this year, we also enrolled three strategic business partners into our Supplier sustainability program, a key initiative to collaborate with our partners to reach our mutual targets within sustainability.

With the GANT 7 Rules we have continued to explore circular business models. We have evolved the Rent offering and expanded our rental offering with an online service in UK. Lifelong repairs on jeans and publication of new care guides have also helped our customers extend the life of their GANT clothes.

I am proud of what we have accomplished and look forward to continuing building on our strong heritage that has pushed all employees to challenge norms since 1949. We all need to continue to adapt to the sustainability challenges that lie ahead of us. It will be the foundation of our continuous growth and being the future of American sportswear.

Patrik Söderström  
CEO

It is 75 years since GANT started at the East coast of the US. Much has changed since then and the sustainability challenges are bigger than ever. Running our business in a responsible way is fundamental to reach our vision of being the future of American sportswear.







# From Dirt to Shirt

## Starting with the products

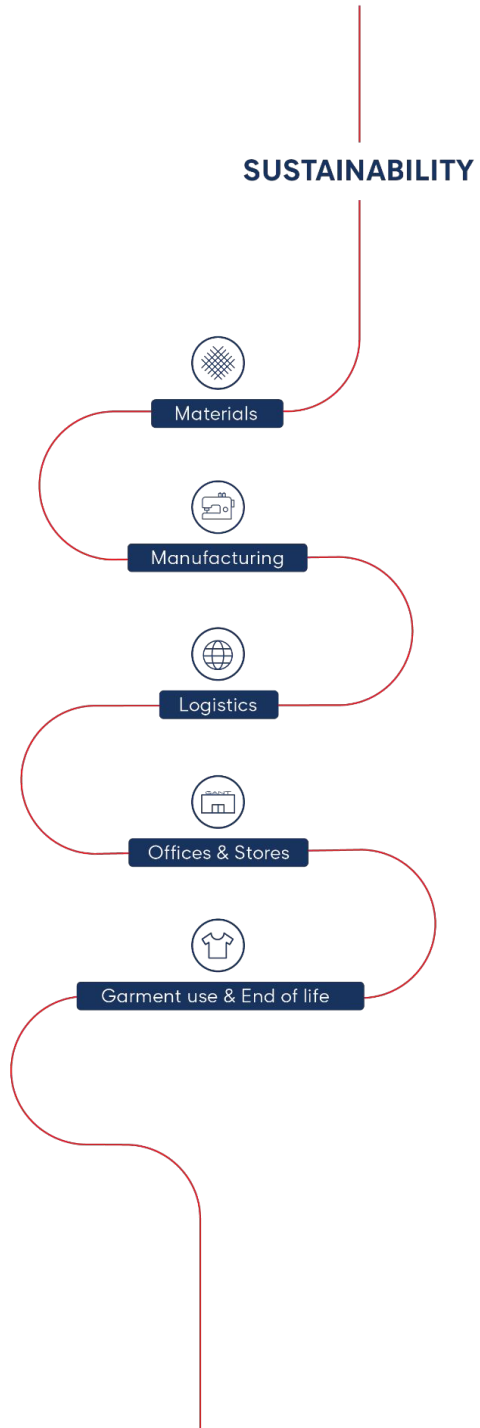
The global production and consumption of apparel goods and footwear have increased significantly in recent decades. GANT is an American sportswear brand that designs, develops, and distributes premium products of high quality. Our commitment to timeless design and extending the lifespan of each product are vital aspects of our approach to sustainability. For the products we produce, we aim to minimize both the social and environmental impacts that are or could be associated with the materials or manufacturing processes. By doing so, we aim to enable our consumers to curate more sustainable wardrobes for themselves.

## Responsibility from dirt to shirt and beyond

From the sourcing of materials and manufacturing of the final products to product use and end-of-life, there will always be sustainability challenges in our value chain. GANT conducts due diligence throughout the entire value chain to reduce environmental and social impacts and risks that occur in the different stages of the product's lifecycle. Since our heritage is deeply rooted in shirtmaking, we say that we take responsibility from dirt to shirt. One initiative at GANT is using lifecycle assessment to evaluate impacts from the different lifecycle stages of products to enable sustainability considerations in the design process.

## A thread that runs through everything we do

In order to take responsibility from dirt to shirt, sustainability must be integrated into all parts of the organization. Our contributions to sustainable development, both negative and positive, are consequences of the decisions and actions taken by both GANT and by partners in the value chain on behalf of GANT. During the year, we have initiated a project to progress within this area and to elevate sustainability governance within the organization. This initiative aims to further the integration of due diligence in the organization and support the goal that sustainability should be a thread that runs through everything we do.



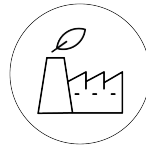
## GANT's 7 sustainability strategies

Developed through comprehensive risk and materiality assessments and by engaging internal and external stakeholders, GANT published its 7 sustainability strategies in 2020. The strategies emphasize key focus areas and define the targets we want to achieve by 2030:

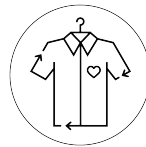
1. Combating Climate Crisis Strategy
2. Respectful and Safe Work Requirements Strategy
3. Sustainable Fiber Staircase Strategy
4. Water Stewardship Strategy
5. Circular Fashion System Strategy
6. Transparent Supply Chain Strategy
7. Promoting Never Stop Learning Strategy



Sustainable fiber staircase



Supplier sustainability excellence



GANT 7 Rules

GANT's strategic sustainability priorities

## Renewing the Water Stewardship and strategies for combating climate crisis

During the year, in order to respond to urgent sustainability challenges related to climate change and water, GANT has renewed its climate and water commitments. Our near-term climate target has been validated by the SBTi, and the new target is to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030 from a 2019 base year. GANT also commits to reducing Scope 3 GHG emissions by 55% per unit produced within the same timeframe. As a part of the partnership with WWF, new water targets have been launched during the year. Resulting from an extensive risk assessment where WWF's Water Risk Filter was used, three main risk areas were identified. These are water scarcity, water quality and flooding. Within these three areas, new contextual water targets have been set, meaning that they aim to address the risks that are relevant to each part of the supply chain.

## Strategic priorities and key enablers

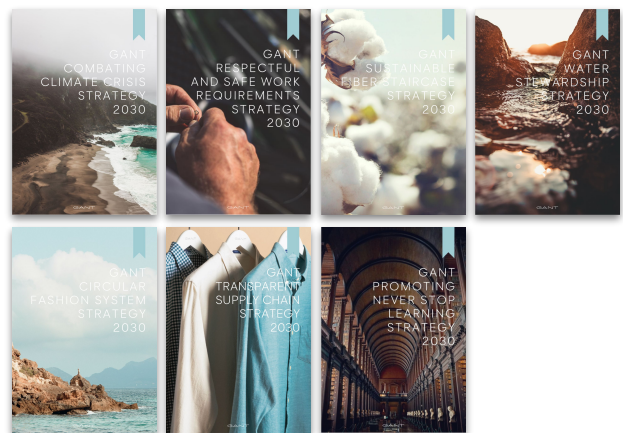
To progress towards the targets in the 7 Sustainability strategies, we have identified three strategic priorities, as well as several key enablers. The priorities address key impacts throughout raw materials, fabric, final product manufacturing, and GANT's circularity initiative, 7 Rules.

Among the key enablers needed to progress efficiently within these areas, GANT has identified tools that enhance traceability and transparency, credible certification schemes for responsible material sourcing, data-driven decision-making, and strategic partnerships.

## Biodiversity

The apparel value chain has an impact on several of the key drivers for biodiversity loss, including land use change, resource exploitation, climate change and pollution. While the mitigation of these impacts to a large extent are integrated into GANT's 7 Sustainability strategies GANT is committed to elevate our strategies on biodiversity.

During the year we conducted a Biodiversity risk assessment to better understand and prioritize biodiversity risks in our supply chain. Some key results indicate that main risks relate to the dyeing process as well as raw materials. In the assessment a number of factories in the supply chain have been identified as prioritized. The biodiversity risk assessment is a first step that will inform further work on elevating our strategies in order to avoid, reduce, restore and regenerate impacts on nature.



The 7 Sustainability strategies are available on GANT websites



## Partnerships

As many of the sustainability challenges that we are facing are systemic we are convinced that we can achieve more when we are working together. With our partnerships we want to achieve the things that we couldn't do on our own. The partners are key enablers that continuously support us to set ambitious targets, execute sustainability strategies, reduce our environmental and social impacts, and reach the commitments in our seven strategies. They are credible experts within their respective area and with their partnership we have the opportunity to get better faster by adapting to best practices. In 2023, GANT has partnered with the same organizations and initiatives as the year before:

Organisation	Description of partnership	Member/signatory/partner since
Amfori BSCI	Members in Amfori BSCI share common social- and ethical standards with other members through the Code of Conduct. The Code of Conduct includes 11 principles that range from fair remuneration to no child labour and no forced labour. BSCI enables access to social-audit results for factories and a network of auditors specialized in performing audits according to the BSCI-standard.	2009
Better Cotton	Better Cotton (BCI) is a global not-for-profit organization and the largest cotton sustainability programme in the world. BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future.	2017
RISE	RISE is an independent, state-owned research institute, which offers unique chemical expertise for future-proof technologies, products, and services. RISE is an expert in innovation in the textile industry and helps GANT to phase out harmful substances from our production.	2017
UN Global Compact	UN Global Compact is the world's largest corporate sustainability initiative. It is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals.	2018
Fashion Industry Charter for Climate Action	The Fashion Industry Charter for Climate Action brings fashion stakeholders together to develop a unified position on tackling climate change, including the vision of achieving net-zero emissions by 2050. Within the Charter, signatories participate in working groups convened by the United Nations to develop roadmaps for the commitments that have been set for the industry.	2019
The Fashion Pact	The Fashion Pact was established during the 2019 G7 Summit at the urging of French president Emmanuel Macron. Signatories commit to joining forces with other leading fashion companies to take action within three main areas: climate, biodiversity, and oceans.	2019
Cascale (previously Sustainable Apparel Coalition)	Cascale is a global nonprofit alliance empowering collaboration to drive equitable and restorative business practices in the consumer goods industry. Spanning over 300 retailers, brands, manufacturers, governments, academics, and NGO/nonprofit affiliates around the globe, Cascale is united by a singular vision: to catalyze impact at scale and give back more than we take to the planet and its people.	2019
Textile Exchange	Textile Exchange is a not-for-profit organization working to inspire and equip people to accelerate sustainable practices in the textile value chain. Textile Exchange standards work to support the integrity of product claims by providing verification from independent third parties.	2019
Leather Working Group	Leather Working Group is a not-for-profit membership organization and responsible for the world's premier leather manufacturing certification. The organization aims to improve the environmental impact of the leather industry by assessing and certifying leather manufacturers.	2020
WaterAid	WaterAid is working to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation. The international non-for-profit organization works in 30 countries to change the lives of the poorest and most marginalized people. Since 1981, WaterAid has reached more than 28,5 million people with clean water and more that 29 million people with decent toilets. GANT and WaterAid are working together in the innovative Conserve Every Drop Project together.	2020
WWF	For 60 years, WWF has worked to help people and nature thrive. As (one of) the world's leading conservation organizations, WWF works in nearly one hundred countries, to develop and deliver innovative solutions that protect communities, wildlife, and the places in which they live. With this partnership, GANT and WWF will address key environmental impact areas in the GANT value chain and beyond, with a special focus on water stewardship.  This work aims to inspire and shift the fashion industry and its consumers towards solutions that fit within the boundaries of our planet.	2021

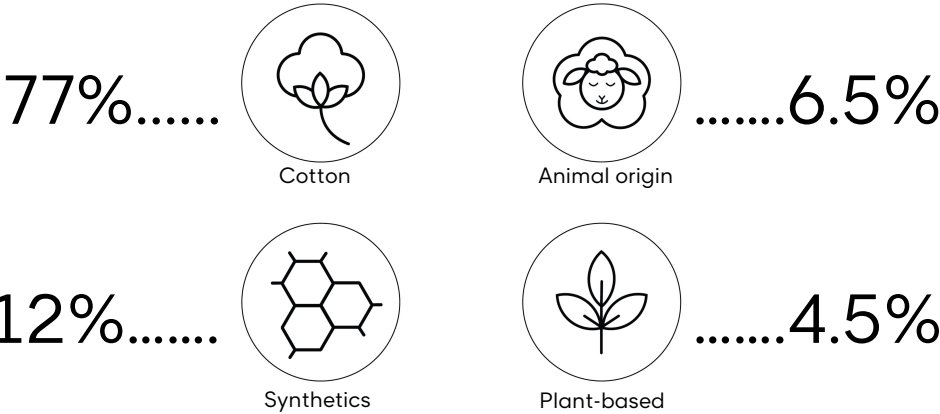
# Materials

Material choice is crucial for the premium quality and durability that characterize our products. Longevity is also a vital aspect from a sustainability standpoint. All materials are carefully selected and tested during the product development process to ensure they meet GANT's quality standards.

The materials used in our products are among the largest contributors to GANT's environmental footprint. Risks and impacts arise during raw material extraction, processing, production, and dyeing of fabrics and other materials. Furthermore, significant risks related to labor and human rights are associated with material usage. To mitigate these risks and impacts, GANT has established goals, strategies, policies, and processes as part of our supply chain due diligence.

### GANT's material usage

At GANT, approximately 88% of the materials used consist of natural fibers, with cotton being the most prominent fiber in our products. Natural materials are renewable and free of microplastics. They can reinforce the quality and durability of the product, and if they are responsibly managed they have the opportunity to contribute to improved ecosystems and nature-based solutions to today's sustainability challenges. However, the cultivation of natural materials poses several sustainability-related challenges, including land use, biodiversity loss, climate impact, water usage, and labor conditions. Increasing our use of responsibly sourced materials in our products can reduce these impacts. Hence, GANT has implemented a Sustainable Fiber Staircase strategy aimed at transitioning all key materials from conventional fibers to those grown or extracted in a way that is better for the planet, people, and animals.



**The Sustainable fiber staircase strategy**

GANT has developed the Sustainable fiber staircase strategy, based on scientific third-party data and lifecycle assessments, to reduce the material's impact on the environment and society. For our key materials, such as cotton, polyester, and man-made cellulosic fiber, we have created a roadmap for transitioning from conventionally sourced materials to more responsibly sourced alternatives. The goal is that 100 % of our key materials will be responsibly sourced by 2025. In 2022, GANT reached a milestone in the Sustainable fiber staircase strategy using 100% responsibly sourced cotton. This target has also been maintained for 2023, meaning that all cotton we use is sourced as Better Cotton, cotton in conversion, organic cotton, or recycled cotton.

**GANT Responsible Material Policy**

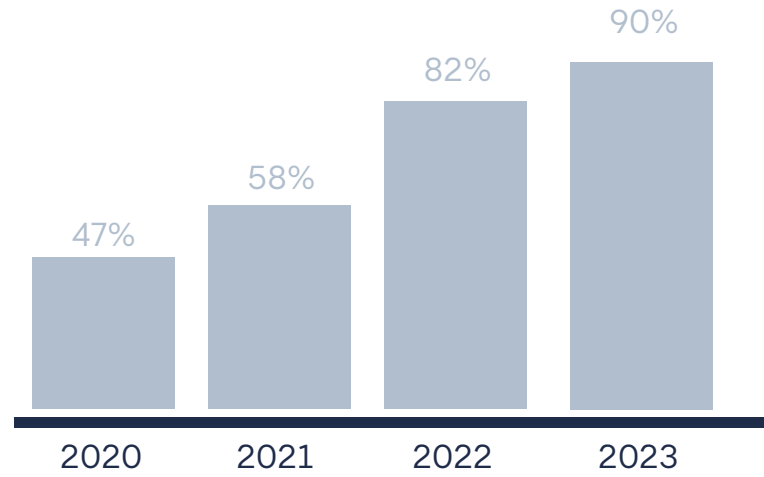
The purpose of the Responsible Material Policy is to address risks and impacts related to the extraction, processing, and production of the materials. This means respecting human- and animal rights, eliminating forced and child labor, and harm to biodiversity and ecosystem health. The policy is closely connected to GANT’s fiber staircase strategy and covers all materials used in GANT products.

The difference between the Responsible Material policy and the Sustainable fiber staircase strategy is that the Responsible material policy expresses fundamental requirements that are valid for all materials, while the Sustainable fiber staircase strategy aims to increase the share of materials sourced via different third-party schemes. Among other things, the Responsible Material policy has requirements regarding the origin of cotton, animal welfare, and the responsible sourcing of forest-derived fibers.

GANT is committed to respecting human rights and works to enable a safe and secure work environment for everyone. As materials are usually sourced by our suppliers, due diligence becomes more challenging further along the supply chain due to limited transparency and influence. The Responsible Material Policy requires suppliers that source cotton for GANT to have processes in place to prevent labor and human rights risks in material production.

With the Transparent supply-chain strategy and Respectful and safe work requirement strategy, we are increasing transparency and the traceability of materials used in our products by including key material suppliers in our Sustainability program for suppliers.

**Responsibly sourced material**



Responsibly sourced material includes the share of materials within all fiber categories that have sustainability attributes. For cotton, this includes Better Cotton, Organic Cotton and recycled cotton. For Synthetics this includes recycled fibers. For animal fibers this includes certified wool, down and feathers and mulesing free wool. For plant-based materials and man made cellulosic fibers FSC and PEFC certified fibers as well as European flax are included.

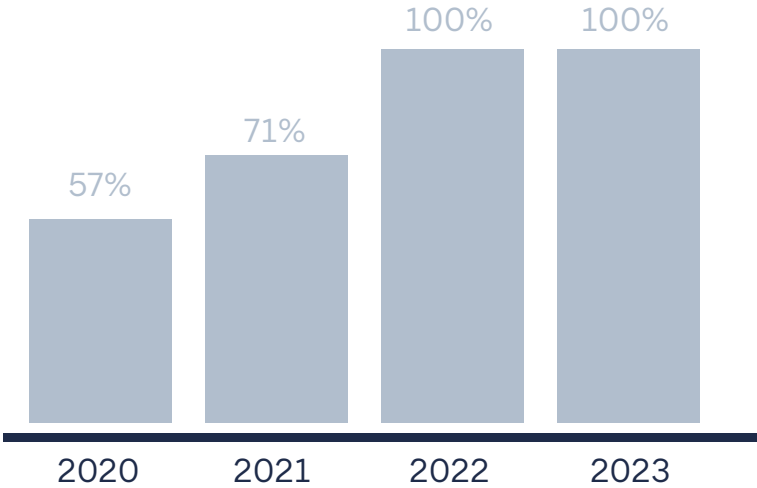
**Cotton**

Cotton covers 77% of the material we use at GANT, making it a priority material in the Sustainable Fiber Staircase strategy. In 2023, GANT maintained the target of only using responsibly sourced cotton. During the year, 92% of the cotton was sourced as Better Cotton, and 7.5% as organic cotton. Recycled cotton and Cotton in Conversion are also used in our products, although they currently make up less than 1% of the total cotton use. In 2023, GANT’s organic cotton target was to reach 15%. This target wasn't met due to a high share of organic cotton in certain product categories that weren't produced in the volumes initially planned for. Work has been done during the year to increase the share of regenerative cotton and organic cotton going forward.

The production of organic cotton falls far short of demand. GANT utilizes Cotton in Conversion to support cotton farmers in transitioning from conventional to organic farming practices. Since 2022, an initiative with Cotton in Conversion has been implemented with cotton farmers in India to facilitate the transition to increased organic cotton cultivation. This initiative is planned to run for at least three years. In 2023, Cotton in Conversion was used in a selection of jersey products manufactured in India.



## Responsibly sourced cotton



Responsibly sourced cotton includes the share of cotton that have sustainability attributes. This includes Better Cotton (92%), Organic Cotton (7.5%) and recycled cotton (<1%).

### Synthetics

Synthetic materials account for 12% of GANT’s material usage, with polyester being the largest share. We use synthetic fibers, particularly in our outerwear products. Through the Sustainable Polyester Staircase initiative, we aim to transition to more recycled polyester. Already today, all synthetic fillings in our outerwear must be recycled. By 2025, our goal is to ensure that all polyester used by GANT is recycled and certified with the Global Recycled Standard or Recycled Content Standard. In 2023, 43% of the polyester used was recycled.

### Animal fibers, down and feathers

Around 7% of GANT’s material use are animal derived fibers and materials. Wool represents the largest share of animal fibers, with a majority used in knitwear. Even though animal-derived materials account for a relatively small share of the total material usage, they contribute significantly to the environmental footprint, such as GHG emissions, land use, and biodiversity.

When animal fibers are used, animal welfare is of utmost priority. GANT’s Animal Welfare Policy promotes good husbandry practices and respectful animal treatment.

All parties providing animal-related products are required to adhere to the policy, which includes respecting the Five Freedoms defined by the EU Farm Animal Welfare Council/World Organization for Animal Health (OIE).

The policy states that:

- Raw materials originating from animals can only be a byproduct of meat production.
- Wool must be sourced from producers with good animal husbandry. No Mulesing is allowed. All wool used by GANT is mulesing-free.
- All mohair must be certified with the Responsible Mohair Standard.
- All down and feathers must be certified with the Responsible Down Standard (RDS) and must not come from farms practicing live plucking or force-feeding.
- No fur, endangered species, caged animals, non-certified mohair, rabbit hair, or angora is allowed at GANT.

Leather stands for less than 1% of GANT’s material usage. In 2023, GANT reached its goal of only sourcing leather from Leather Working Group-certified tanneries.

### Plant-based materials and man-made cellulose

Approximately 5% of the material usage consists of plant-based materials and man-made cellulosic fibers. The main materials within this group are linen and viscose. Regarding viscose, GANT sources FSC and PEFC-certified fibers, indicating that they come from responsibly managed forests. The goal for 2023 was for all man-made cellulosic fibers to be responsibly sourced. During the year 49% of the products that contained MMCF had FSC or PEFC certified material or material sourced from Lenzing. For linen, GANT prefers to use linen from European flax seeds. In 2023, 76% of the linen products had linen from European flax.

GANT’s Responsible Material Policy contains additional requirements on the origin of man-made cellulosic fibers. The policy emphasizes that fibers must not come from ancient, endangered forests or vulnerable, endangered wood species.

## Certifications and partnerships enabling credible claims

To reach our target of using responsibly sourced materials transparently, we choose materials certified by third-party organizations. GANT is working with standards and certifications developed by organizations such as GOTS, Textile Exchange, Better Cotton, and Leather Working Group, which allows us to source materials that have been cultivated and produced responsibly. We work with the following certifications and standards in our material sourcing:

### Cotton standards

- Organic cotton and Cotton in conversion should be certified Organic Content Standard (OCS) or Global Organic Cotton Standard (GOTS).
- Recycled cotton should be certified with Global Recycled Standard (GRS) or Recycled Claim Standard (RCS).
- From 2022, all cotton in GANT products is responsibly sourced with Better Cotton as a minimum. All cotton that isn't certified organic or recycled is sourced as Better Cotton.

### Synthetic materials standards

- Recycled synthetics should be certified with Global Recycled Standard (GRS) or Recycled Claim Standard (RCS).

### Down and feather standards

- GANT only uses down and feathers if it is certified with Responsible Down Standard (RDS).

### Mohair standards

- GANT only uses mohair if it is certified with Responsible Mohair Standard (RMS).

### Wool standards

- All wool must be mulesing free, which should be supported by a self declaration and traceability documentation as a minimum. For wool that originates from Australia, GANT requires certification according to the Responsible Wool Standard (RWS).
- Recycled wool should be certified with Global Recycled Standard (GRS) or Recycled Claim Standard (RCS).

### Leather standards

- GANT is a member of the Leather Working Group (LWG) and as of 2023 all leather must come from LWG certified tanneries.

Man-made cellulosic and plant-based fibers standards.

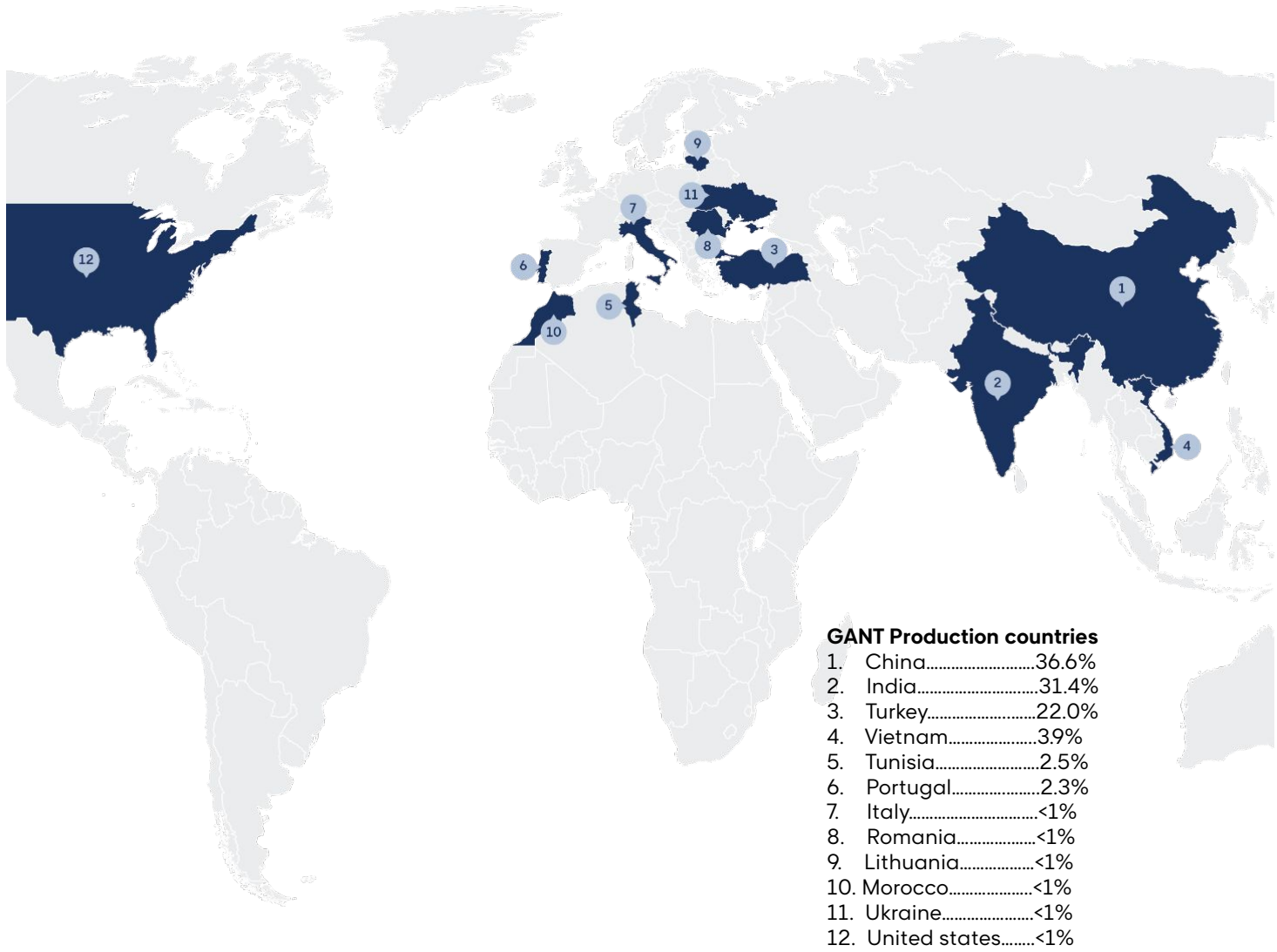
- Lyocell, viscose and modal should be certified with FSC, PEFC or be sourced through Lenzing or Birla.
- For linen, we aim to source linen from European flax.

## Traceability & transparency

Traceability and transparency are fundamental for efficient due diligence and are increasingly required by law and our stakeholders.

During the year, GANT has continued to apply our traceability framework that was implemented in 2022. The process tracks where key production processes occur for all our products on a seasonal basis. The information collected includes where fabric production, dyeing, and printing take place, and from which country and region the raw material comes. This information is used to meet both regulatory requirements regarding consumer information in certain countries and to enable environmental and social due diligence in the supply chain. In 2024, the plan is to extend the traceability process to also trace spinning mills used for yarn production. The goal is to achieve 100% traceability on key raw materials by 2025.

GANT is dedicated to providing consumers and other stakeholders with transparent information about the production of our products and value chain. In 2023, GANT has continued the focus on assessing the Product Environmental Footprint (PEF) for our products. The product environmental footprint is calculated from a lifecycle perspective based on impacts on the ecosystem, human health, natural resources, climate change, and water with 16 detailed categories and translated into one overall PEF score. During the year, a pilot project was finalized where approximately 130 of our products were assessed with this methodology. Another round of assessment of 120 high-volume products is under evaluation at the end of the year. The goal of the project is to better incorporate sustainability aspects into the product development process and to prepare for stricter requirements for consumer information in the coming years.



# Manufacturing & logistics

Longevity and timeless design have been key focuses for GANT since our start in 1949. Collaborating with the right business partners in production is crucial to meeting our consumers' high expectations for our products.

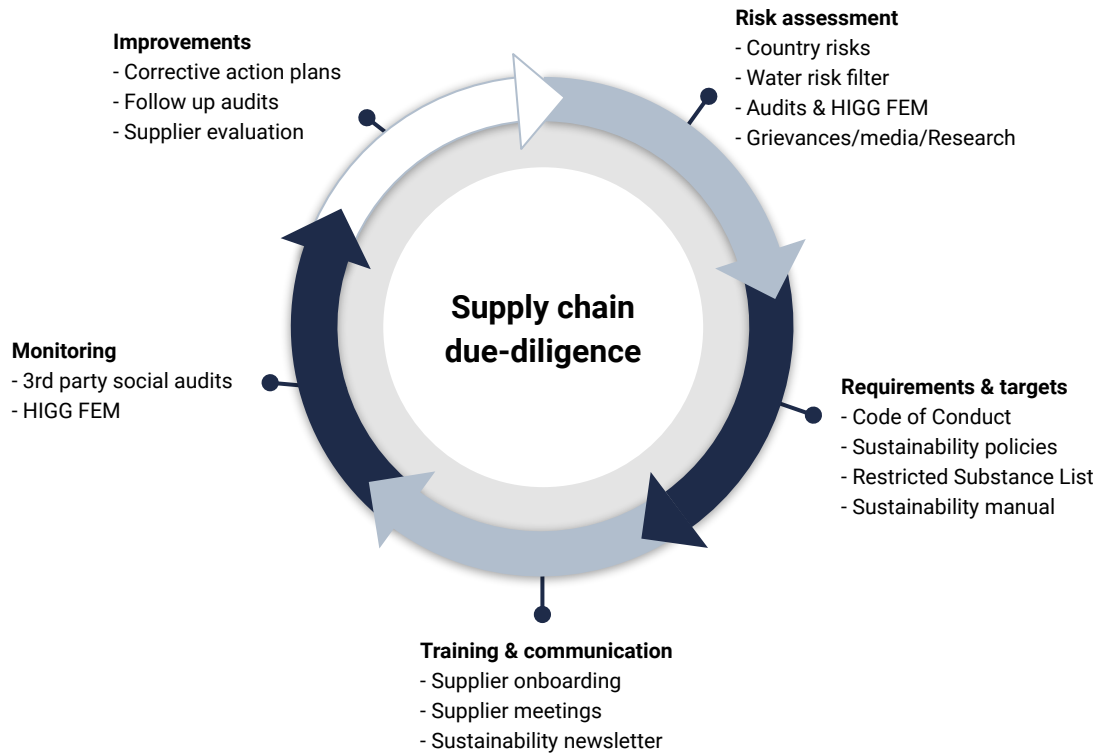
During the year, we collaborated with 49 business partners in product development and manufacturing. Approximately 72% of our products were produced in Asia, primarily in China and India. The remaining 28% of production took place in the EMEA region, mainly in Turkey. Since 2023, we have also been producing in the US, where it all started 75 years ago.

The people working for our suppliers are a fundamental part of our community.

The knowledge and skills they possess are essential for producing products that meet the quality requirements we strive for. However, many significant environmental and social risks occur in the supply chain. We work closely with our business partners to identify and mitigate such risks, as well as to seize opportunities to contribute to positive and sustainable development. We have a responsibility to ensure a safe and respectful work environment for the people who produce our products.

At GANT, we believe in transparency, and a full list of GANT's business partners at the tier 1 stage of the supply chain is published on our website.





**Supplier Sustainability program**

GANT has a supplier sustainability program in place, a fundamental part of supply chain due diligence in the company. The goals of the program are two-fold. It contains the mandatory social and environmental requirements that are applicable for all suppliers. The basic requirements include:

- Committing and following GANT’s Code of Conduct
- Committing and working by GANT’s Sustainability policies and Sustainability manual. Sustainability policies include an Animal Welfare Policy, Environmental Policy, Packaging Policy, Reduce Re-use Recycle Policy, Transport Policy, Water Policy, Responsible Material Policy, and a Restricted Substance List.
- Undergo regular social compliance auditing by a 3rd party auditor.
- Share factory environmental performance using the HIGG Factory Environmental Module.
- When sourcing responsibly sourced material for GANT, the supplier is also required to hold the relevant certification for this.

In addition to the basic requirements applicable to all suppliers, the Supplier Sustainability Program also engages with key suppliers on important challenges such as energy and climate, water, waste, and living wages. With the program, we aim to build a platform for a deepened collaboration with suppliers to work on mutual sustainability targets. They are made to contribute to reaching GANT’s overall sustainability targets, such as the newly approved Science Based Climate target and the new Water stewardship targets. Key targets in the program include:

- Replace process chemicals in tier 2 with safer alternatives by 2026.
- Improved water quality results by 2028.
- Improve factory capacity to mitigate the risk of flooding by 2028.
- Phase out coal as an energy source in tier 1 and tier 2 by 2030 at the latest.
- Only use recycled water in factories located in high water scarcity regions by 2030.

The water targets are contextual based which means that they will be applicable for factories that are operating in areas with high risk for water scarcity, water quality or flooding.

With the Supplier Sustainability Program, GANT has a systematic approach to identifying and mitigating risks related to the environment, human rights, labor, and corruption, in line with international standards and best-practice frameworks. The foundation of the supplier program is risk assessment, which enables us to focus our efforts where they can make the most difference. The risk assessment is based on third-party sources and information collected from factories, such as audits and environmental reports. Sources we use for the risk assessment include BSCI country classification, ITUC Global Rights Index, US List of Goods, Corruption Perception Index, IEA, Aqueduct and WWF Water Risk Filter, Environmental Performance Index, third-party audit reports, HIGG FEM results, reports from media and researchers, and our grievance mechanism.

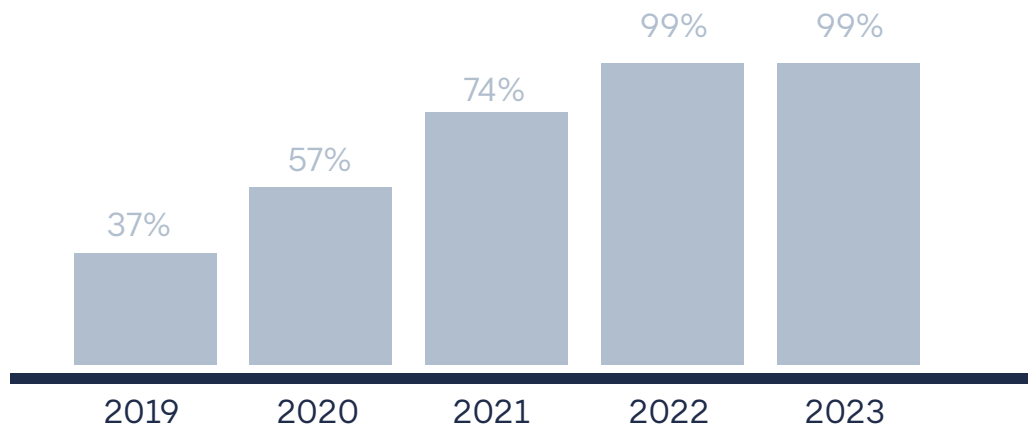
For key risks and impacts in the supply chain, GANT communicates its expectations through our code of conduct, policies, and targets. Our code of conduct and sustainability policies establish our minimum standards. Complementing these policies, the sustainability manual provides further elaboration and practical guidance on GANT's supplier engagement practices. Throughout the year, the sustainability manual has been updated to include new expectations concerning energy and climate management, chemical management, and wastewater treatment. GANT evaluates the environmental performance of factories using the HIGG Factory Environmental Module (HIGG FEM). All factories producing for GANT are required to utilize the HIGG FEM. In 2023, 99% of our products were manufactured by suppliers that employ the HIGG FEM for environmental reporting.

**GANT Code of Conduct**

The Code of Conduct for suppliers communicates GANT's requirements for ethical business conduct. The Code of Conduct include requirements related to:

Legal compliance	Freedom of Association and the Right to Collective Bargaining
No Discrimination	Humane Treatment/Anti-Harassment and Abuse
Prevention of Involuntary Labor and Human Trafficking	No Child Labor
Fair Remuneration/Wages and Benefits	Working Hours
Labor Contract	Working Conditions/ Health and Safety
Environment and Safety Issues	Ethical Business Behaviour
Management Systems	

**HIGG FACTORY ENVIRONMENTAL MODULE (FEM) ENROLLMENT**



Share of products produced by a supplier using HIGG FEM

To ensure adherence to the Code of Conduct across all factories, GANT conducts third-party audits. To mitigate audit fatigue, GANT has opted to recognize several audit standards. Approved audit standards include BSCI, ICS, SEDEX, WRAP, and HIGG vFSLM/SLCP. As a longstanding member of Amfori, the majority of audits are conducted within the BSCI program.

In cases of non-conformances identified during third-party audits or through other channels, our partners are expected to collaborate in developing corrective action plans and promptly address all issues. The objective of these corrective action plans is to identify the root causes of deviations and implement measures to prevent recurrence. Follow-up audits are conducted regularly, with the frequency determined by the initial audit score.

Metrics	2023
Suppliers signing CoC and sustainability policies %	100%
Factories in risk countries audited %	100%
Factories in non-risk countries audited %	89%

**Onboarding new business partners**

Sustainability screening is mandatory for all potential new business partners as a part of the onboarding process. The screening includes a sustainability screening questionnaire and an assessment. In these processes, the third-party social compliance audit report, HIGG FEM report, and certifications that are held by the factory are reviewed to ensure that the business partner lives up to our fundamental requirements and can support our journey toward our sustainability targets. In an onboarding meeting, new suppliers are trained in the GANT standards and mutual expectations about the partnership are discussed.

**Chemical Management**

Chemicals are used throughout GANT’s value chain; both for the cultivation and extraction of raw materials and during production, particularly for dyes and finishes. Residues from hazardous chemicals in products can impact human health and the discharge of hazardous chemicals during production risks impacting the environment. The GANT Restricted Substance List (RSL) aims to limit the use of substances in production processes and which can be present in the final product. The RSL is compliant with, and stricter than, the REACH legislation. GANT allows no PVC, biocides, or silver ions in products. The Chemical Management Program includes chemical testing of products based on a risk assessment.

All suppliers are required to have a chemical management system in place to ensure that chemicals are handled in a way that is safe for people and the environment. We encourage suppliers to implement the management system by ZDHC Chemical Management System Framework.

**Packaging**

Packaging is essential to protect products from damage during delivery. The GANT packaging policy aims to increase the use of efficient packaging and to lower the negative impacts on the environment by encouraging the use of renewable and responsibly sourced materials. GANT only uses paper packaging that is FSC-certified.





GANT has also committed to eliminating the use of problematic and unnecessary plastic in our packaging. For plastic packaging where we can’t find suitable alternatives, we strive to only use 100% recycled plastic.

In GANT stores, we only use paper bags and wooden hangers, eliminating the need for plastics. In our e-commerce channels, we use both plastic bags and cardboard boxes. The plastic bags are currently made with 80% recycled materials, and the cardboard boxes are FSC-certified.

GANT uses poly bags to protect the products on their way from the factory to our stores or warehouses. We require that all polybags are made from 100% recycled plastic.



**Transport by type**

				
<b>2019</b>	71%	21%	6%	2%
<b>2020</b>	76%	17%	5%	2%
<b>2021</b>	72%	15.5%	5.5%	7%
<b>2022</b>	79.5%	15.5%	4.5%	<0.5%
<b>2023</b>	79%	18%	3%	<0.1%

**Transports**

We aim to optimize transport to be cost-efficient and reduce the environmental impacts. The transport policy aims to minimize the negative impact on the environment by reducing air freight transportation. Air transport stands for around 3% and has in 2023 been decreased compared to previous years.

During the year, a project has been undertaken to analyze and identify strategies to reduce GHG emissions from our transports. The results show that the most important thing is to reduce flying. Another action is to increase the fill rate during transport. The analysis showed that GANT has a fill rate averaging around 70% for FCL shipments and that the improvement potential is not as high as when it comes to reducing flying. The results from the work will be incorporated into GANT’s climate transition plan during next year.

Transportation is considered a risk category for GANT and the Business partner code of conduct is a requirement for all new transport providers. Just like the Code of Conduct for suppliers, it communicates the ethical standards that we expect our business partners to work according to. The Business partner code of conduct is based on international standards and frameworks.

**Logistics centers**

All warehouses are operated by third-party logistics providers. GANT's main logistics center, from which products are cross-docked to other regional warehouses, is located in Germany.

In 2023, GANT relocated to a new warehouse in the UK, characterized by modern facilities and numerous environmental and sustainability features, enabling it to achieve the BREEAM Outstanding level.

In the procurement of new warehouse services, sustainability is an integral consideration. Business partners undergo evaluation from environmental and social perspectives and are required to commit to GANT’s Business Partner Code of Conduct.

# Offices & stores

We become better and thrive when we embrace each other's differences and believe creativity is the key to growing and evolving. Curiosity runs through everything we do, from exploring the world around us to finding sustainably-minded solutions and understanding that questions are more important than answers. But without courage, none of this would be possible, and it's with courage that we both dare to fail and strive to create new traditions.

### Never Stop Learning

Our 'Never Stop Learning' motto is fundamental for embedding sustainability in everything we do. Sustainability is complicated, but it's not impossible, as long as we remain curious and continue educating ourselves.

New GANT employees encounter sustainability as part of their onboarding process. Sustainability is integrated into the GANT Induction days for all new employees and training on the Code of Conduct, whistle-blowing, modern slavery, and sustainability is mandatory. Throughout their employment, GANT's global company meeting, GANT TALK, provides an opportunity for employees to explore the motto, with sustainability being a frequent topic.

For designers and product developers, sustainability is incorporated into the strategy for each new season. Regular training is provided to advance progress on our Sustainable Fiber Staircase targets. In 2023, the Product and Design teams, as well as the sourcing team, received training in eco-design and circular design principles.

### GANT values

The GANT values are critical to our culture. We are always curious about the unknown and have the courage to explore the world around us. Our values are a tremendous strength as we challenge norms and discover new solutions. With this mindset, we have the opportunity to make a difference.

## GANT values

### Community

Community has been at the heart of GANT since we were founded in 1949. We embrace each other's differences and thrive as a result.

### Curiosity

Curiosity is why we explore, learn, wonder and open ourselves up to the world around us. We understand that questions are more important than answers.

### Creativity

Creativity is how we grow, whether it's inventing beloved shirt details, creating new traditions or approaching things in a new way. Creativity is what shapes us.

### Courage

Courage carries us forward and makes us step out of our comfort zone. It is how we improve and challenge conventions and conformity.

### GANT Academy

GANT Academy is GANT's training initiative based on digital micro training for all employees. GANT Academy is a toolbox to inform, inspire, and develop the GANT employees to grow within their profession. The training is tailored to the different roles within the company.

For retail employees, GANT Academy includes both inspiring and educational content for everyone working in our retail stores, which will help to stay up to date regarding products, services, and brands. All store staff receive sustainability training with different topics regularly through the Retail Academy. Examples of focuses for the sustainability training have been climate, sustainability labelling and certified materials, chemicals, and our partnerships.

For office users, GANT Academy offers training in our GANT Employeehip and Leadership, our People performance process, Sustainability, and more.

**GANT Lifestyle Club**

The purpose of the GANT Lifestyle Club is to contribute towards creating a good experience for all GANT employees that goes beyond a specific job role or region. It enables the development of our global community and encourages our employees to be curious, creative, and courageous in their lives.

The GANT Lifestyle Club is an employee-led initiative and is divided into four sub-clubs, where both global and local activities and initiatives are organized for GANT employees around the world. The clubs are the Wellness Club, the Charity Club, the Social Club, and the Learning Club. They organize activities such as running, padel, speed mingles, after-work, lectures, workshops, and more.

<b>GANT in numbers</b>		<b>2023</b>
<b>Employees</b>		
Number of employees		2 032
% women		72%
Number of managers		310
% women		63%
<b>Recruitment &amp; turnover</b>		
Number of employees recruited		415
Number of employees leaving the company		544
<b>Training</b>		
Employees completed sustainability training		83% in offices 72% within retail

**Business ethics**

At GANT, we believe in an environment characterized by openness and fair treatment where all employees respect each other. All employees are expected to conform to the highest standards of conduct and behave in such a way that any suggestion of impropriety or unprofessional behavior is avoided. To inform employees of these expectations, GANT has a Code of Conduct that outlines the rules and responsibilities for each individual and the organization. The Code is based on our values and serves to complement every employee's good judgment and give guidance on proper business conduct.

At GANT, we believe in an inclusive community that is open, fair, and respectful to everyone. We respect human rights and strive to provide a secure, healthy, and positive working environment for all employees in offices and stores. We are against any form of discrimination and make sure that every single employee gets the same opportunities for individual development and career regardless of gender, ethnicity, nationality, age, sexual orientation, political and religious affiliation, or physical capacity.

GANT conducts business with zero tolerance for any kind of bribery, corruption, or unethical business conduct, and safeguards employees' and other stakeholders' rights to report any behavior that violates the company's regulations. Through the grievance channel, <https://whistleblowing.gant.com>, we encourage people to report any kind of wrongdoing they witness or experience and enable the reporter to be anonymous.



### 100% renewable energy by 2030

GANT is committed to reducing GHG emissions from our operations. To do so we aim to source at least 50% renewable energy in our operations by 2025. Our target for 2030 is to source 100% of the energy from renewable sources. In 2023, GANT sourced 45 % renewable energy in our operations. This is a decrease compared to last year, which mainly reflects an increase energy use in stores because of more store area, in combination with a decreased share of renewable energy in the stores.

### Guidelines for retail interiors

GANT is working according to our Sustainability guidelines for retail to enable responsible material usage for interiors in retail stores. The guidelines promote materials with a long lifetime that are certified by third-party organizations, such as FSC, PEFC, OCS, and GRS. Our hangers are made solely of FSC-certified wood, and our guidelines encourage the reuse and re-design of materials and interiors. We aim to increase energy efficiency by using LED lighting, and in 2023, 79% of all stores had LED lighting.

### E-commerce

E-commerce is an important sales channel and the growing e-commerce business in recent years has led to sustainability challenges, such as an increased need for packaging and product returns. All paper packaging is made of FSC-certified cardboard and all plastic bags are made of 80% recycled plastic. In 2024, a project is planned to further improve the recyclability of packaging and to reduce plastic packaging.

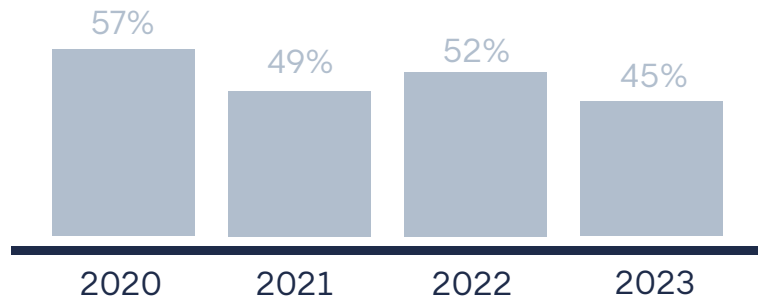
20% to 30% of the products sold via e-commerce are returned. We always aim to restore returned products to their original condition in our warehouses and sell them again. If products cannot be restored they are sold in other discounted channels, and as a last way out they are sent to our partner TexAid who handles the products by EU waste hierarchy.

### Wholesale

Wholesale is another important sales channel for GANT, and aligning our operations and products with wholesale expectations and requirements is an important driver for how we work within sustainability. In recent years, we have seen new requirements from wholesale customers when it comes to the materials that products are made of. There is also an increased interest in receiving information about the sustainability attributes of our products or how they have been produced.

GANT replies to the extensive HIGG Brand and Retail (BRM) module every year and shares it with wholesale partners. The BRM module is an extensive ESG report from which stakeholders can learn about how GANT has implemented due diligence in its value chain. Upon request by partners GANT also replies to other types of sustainability questionnaires.

### Renewable energy %



Includes the share of renewable energy used for GANT's offices, showrooms and stores

# Garment use & End of life

## GANT's circular business initiative - 7 Rules

GANT has a long history focusing on creating durable products with a long life that also can pass on to new owners. Together with timeless and classic design, this is a good foundation to stand on for a more circular apparel industry. A more efficient and circular use of materials is an essential part of sustainability. This is why GANT has initiated the 7 Rules by GANT, our circular business initiative.

GANT's 7 Rules includes Refresh, Repair, Relove, Rent, Regive, Remake and Recycle. The initiative aims to implement circular solutions in a holistic way to elevate the efficiency of resource use and minimize waste. The 7 Rules are based on the EU waste hierarchy and focuses on raising awareness among consumers on how to take care of their loved garments as well as enabling recycling. It also explores new ways to enjoy GANT products, for example by Renting or buying them second hand.

During 2023 GANT has continued to offer Rent in a selection of our stores in France, Germany, United Kingdom, Spain, Sweden and Switzerland. The products that are offered to rent in our stores are both mens- and womenswear and usually a selection of higher end products suitable for special occasions. In 2023 we have seen a growth in the number of rentals compared to 2022, even if it has been from a relatively low number. As a part of the Rent initiative an online rental platform has been set up during the year in our UK market. Through the platform consumers are able to rent their selected pieces for 4-30 days and have it delivered to their homes.

The updated care guide was also launched during the year as part of the Refresh rule. The care guide outlines the best practices for product care and educates consumers about how to take care of garments so they are refreshed and can have a longer-lasting life.

## Curate a sustainable wardrobe

GANT uses a labeling scheme that serves to support the consumers in considering sustainability when buying garments from GANT. In 2023 GANT changed its strategy for on-product sustainability claims.



While GANT has continued to grow the responsibly sourced materials for our products, we have reduced the number of sustainability hang tags on our products. A big reason for this change is that GANT from 2022 only use responsibly sourced cotton. Since Better cotton now is the minimum requirement we have decided to not have a sustainability label for cotton products unless it's organic, recycled or Cotton in conversion. At the same time we changed the name of the program from GANT Way to Curating a Sustainable Wardrobe in order to align with our mission to help our consumers to curate their sustainable wardrobes.

In online stores the labeling goes under the name Considered material choice and consists of labels as well as explanatory information in e-com stores that inform about GANT's approach to more responsibly sourced materials and the use of production techniques that reduce environmental impact in the production of garments.

Any sustainability claims on the products are supported by third party certifications. To read more about the various sustainability certifications that we use, see page 13.

# GANT 7 Rules

**7 Rules is GANT’s circularity initiative and includes the following rules:**

<b>1. Refresh</b>	With small means of extra care, garments can be kept fresh and given a longer life. GANT gives simple advice, tools and guidance on how consumers take care of their garments so that they last for a long time. In GANT websites we have collected advice for how to take care of garments in a more sustainable way.
<b>2. Repair</b>	Even garments of the highest quality eventually get affected by wear and tear, but a little mending can go a long way. When purchasing a pair of GANT jeans the consumer gets access to our Lifelong Repair service. All they need to do is to bring their favorite pair in-store and we’ll take care of the rest.
<b>3. Relove</b>	From its earliest days, GANT has created high-quality classics from durable fabrics that last a long time. GANT wants to invite our customers to be a force for change by extending the life of their clothes and reusing ‘pre-loved’ garments.
<b>4. Rent</b>	To further inspire into new ways of enjoying GANT garments, selected GANT stores now offer a rental service on occasion wear and tailoring pieces. Apart from minimizing consumption, renting a garment for a one-time event is also a great way to discover the GANT world.
<b>5. Regive</b>	At GANT, we believe that everyone should have access to clean water. In partnership with WaterAid, we have created the Conserve Every Drop Project – an initiative aimed at providing communities in the Bangalore region of India with access to clean water and sanitation.  In this way we believe that we have the opportunity to contribute to more sustainable societies even outside our own value-chain.
<b>6. Remake</b>	Our efforts to limit waste and make the best use of every fabric scrap is ongoing. We previously launched limited-edition collections with unique pieces made from leftover fabrics from our design studio and factories.
<b>7. Recycle</b>	Recycling is key to circularity and should be a natural step of every garment’s life cycle. We have partnered up with the organization TexAid to promote recycling and circularity. We encourage our customers to recycle their discarded GANT items in our stores. In this way they can either be resold or recycled according to the EU waste hierarchy.

# Sustainability notes

## Specification on frameworks

- GANT Holding AB, org.nr 556747-3581 draws this report
- All subsidiaries are included
- This is a report for the whole year of 2023
- GANT Home is included since they are operated by GANT Group companies

This report aims to give an accurate and balanced picture of significant risks within human rights, labor, social conditions, environment, and corruption and how these areas are being addressed and mitigated. The content of this report has not been subject to external assurance.

## Business model

GANT's business model is based on the granting of marketing and sales rights of GANT-branded clothing products to a master franchisee within a geographical area. The master franchisee purchases, at its own risk, products designed by the Company and manufactured by various third-party suppliers.

The Company purchases products from third-party suppliers and resells them to the master franchisees. The master franchisees pay a royalty to the Company based either on its sales or the value of the goods purchased.

The GANT Group has its subsidiaries that operate in Austria, Belgium, China, Denmark, France, Germany, Ireland, Netherlands, Portugal, Spain, Sweden, Switzerland, the United Kingdom, and the USA. These subsidiaries are responsible for both the wholesale and retail business operations in their respective countries and could receive margins associated with the distribution. The GANT Group also has joint ventures in Turkey and Poland.

Aside from the main line business, GANT has agreements with licensees that manufacture and sell Footwear, Eyewear, Fragrance, Underwear, Home products, and Time products under the GANT brand. Based on the sales, they pay a corresponding license fee to GANT.

## HIGG Brand and Retail Module

GANT is a member of Cascale (previously Sustainable Apparel Coalition), and we use the HIGG Brand and Retail Module to benchmark ourselves against best practices in the industry. The report is also used to share our performance with our stakeholders. During the year, a new reporting format was launched by Cascale. GANT also took part in a pilot project to update the verification process for HIGG BRM.

Due to the new reporting format, the results are not comparable to last year and are therefore not included in this report. The results can be requested on the Worldly portal.

### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

As signatories to the UN Global Compact we are committed to advancing the sustainable development goals. GANT has prioritized 5 goals as most important for GANT's business.

**Goal 4.** Quality Education

**Goal 6.** Clean Water and Sanitation

**Goal 12.** Responsible Consumption and Production

**Goal 14.** Life below water

**Goal 17.** Partnerships to achieve the Goal



### Risk and materiality assessment

Materiality and risk assessment is a continuous and dynamic process at GANT that aims to identify and prioritize risks, impacts, and opportunities related to sustainability throughout the value chain. Based on the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector & UN Guiding principles for business and human rights, the model uses third-party sources to assess both country risks and product risks as well as risks related to our business- and sourcing model. Key risks and materiality are identified and shown below. Measures that have been taken to mitigate these significant risks are reported in this annual sustainability report.

During the year, work has been carried out to prepare for the sustainability reporting requirements that will come as a part of the Corporate Sustainability Reporting Directive (CSRD). As a part of these preparations, a double materiality assessment project has been carried out as well as work to align KPIs with new European Sustainability Reporting Standards (ESRS). In the assessment impacts, risks, and opportunities were analyzed both for financial materiality as well as its impact on people, society, and the environment. As a part of this evaluation, internal and external stakeholders were engaged through interviews, online questionnaires, and focus group discussions.

Risk/material issue	Reference to UN Global Compact	Reference to Swedish Annual Accounts Act (ÅRL)	Learn more
Animal welfare	Environment	Environment	Page 10-13
Biodiversity/Land use/Habitat loss	Environment	Environment	Page 8, 10-13, 30
Deforestation	Environment	Environment	Page 8, 10-13
Energy/Fuel use (or Fossil fuel depletion)	Environment	Environment	Page 21, 28, 30
Greenhouse Gas (GHG) Emissions	Environment	Environment	Page 15-16, 27-29
Air emissions/Air pollution (Non GHG)	Environment	Environment	Page 15-16, 30
Solid waste	Environment	Environment	Page 15-16, 22-23
Hazardous waste	Environment	Environment	Page 15-16
Chemical hazards	Environment	Environment	Page 15-17, 30
Water use/Water scarcity	Environment	Environment	Page 8, 10-16, 30
Wastewater/Water pollution/Eutrophication	Environment	Environment	Page 8, 10-17, 30
Bribery and corruption	Anti-Corruption	Anti-Corruption	Page 20, 26
Forced labor and Human trafficking	Human Rights Labor	Human Rights	Page 11, 15-17, 27, 30
Child labor	Human Rights Labor	Human Rights	Page 11, 15-17, 27, 30
Health and safety	Human Rights Labor	Social aspects and employees	Page 11, 15-17, 20, 30
Discrimination, harassment and abuse	Human Rights Labor	Human Rights Social aspects and employees	Page 11, 15-17, 19-20, 30
Right to privacy	Governance	Human Rights Social aspects and employees	Page 20, 26
Land rights	Human Rights	Human Rights	Page 11, 15-17, 27, 30
Decent working conditions	Human Rights Labor	Human Rights Social aspects and employees	Page 11, 15-17, 19-20, 30
Consumers expectations	Governance	Social aspects and employees	Page 7, 26
Wholesalers requirements and expectations	Governance	Social aspects and employees	Page 21, 24, 26
On product sustainability is mandatory for market Access	Governance	Social aspects and employees	Page 13, 22

### Stakeholder engagement

Stakeholder engagement is fundamental to ensure that due diligence is implemented efficiently. Through the different teams within the company, GANT has an ongoing dialogue with stakeholders to understand and respond to the expectations and concerns of stakeholders, including employees, suppliers, significant business partners, legislators, our industry, wholesalers as well as retailers.

As a part of the double materiality assessment project that was undertaken in 2023, both internal and external stakeholders were involved to identify and prioritize risks, impacts, and opportunities within sustainability. The dialogue was made using interviews, online questionnaires, and focus groups focusing on different topics such as employees, environmental challenges, supply chain as well as society and consumers.

To maintain dialogue with GANT employees globally the company uses &Frankly, to collect and respond to regular feedback around GANT's leadership and the work environment at GANT.

Studies are made on a regular basis with consumers to keep up with their expectations and to understand preferences related to sustainability. For suppliers we use questionnaires to evaluate our relationship with business partners and sustainability meetings with business partners are kept as part of the onboarding process and on a regular basis for the duration of the partnership. GANT regularly responds to questionnaires from wholesale customers and retailers regarding how we work within sustainability.

GANT is a member in several industry- and multi sectoral organizations and initiatives such as UN Fashion Industry Charter for Climate Action, UN Global Compact, The Fashion Pact and Sustainable Apparel Coalition to name a few. With the help of these memberships we can align our efforts towards shared goals, principles and stakeholders expectations. Within these different memberships we annually report on and share progress with stakeholders using HIGG Brand and Retail Module (BRM), CDP and Corporate Fiber and Material Benchmark.

### Grievances and corruption

GANT has a Grievance Policy and Mechanism in place to address any non-compliance of the Code of Conduct or policies, and suspicions of law violation. One of the key focuses of the GANT Code of Conduct is business ethics and anti-corruption and stakeholders are encouraged to report any breach with the help of GANT's grievance mechanism.

Employees and all other stakeholders can raise their concerns and complaints about violation of law and unethical conduct through the grievance function available on <https://whistleblowing.gant.com>. This function provides a secure platform for all kinds of whistleblowing with improved anonymity and a safer environment for communication between the company and those reporting.

In addition to the formal grievance mechanism, GANT also actively carries out assessments of reports from external stakeholders such as the media and NGOs. These types of reports provide valuable input to our risk assessment and allow us to have a dialogue with stakeholders around these risks. During the year there has been a case where suppliers have been mentioned in reports related to the sourcing of cotton from Xinjiang province in China, implying that it may contribute to human rights violations. GANT took immediate action and investigated this together with the affected supplier. The investigation showed that the supplier had set up a solid system to ensure that no cotton from Xinjiang was used in GANT's products.

In 2023, there were a total of 7 grievance cases processed at GANT, which all related to employee misconduct and fraud. Investigations were handled according to set processes and when substantiated they led to warnings and/or termination of employment.

### Modern Slavery

Human rights abuse is not tolerated by GANT and we are committed to combating any kind of modern slavery which includes servitude, forced and child labor, human trafficking, etc. The prevention of modern slavery is integrated into our due diligence processes to proactively and systematically mitigate risks of adverse impacts to human rights.

This means that we continuously assess and monitor the risks and performance of suppliers regarding modern slavery. We are active in communicating our values and standards of zero tolerance for human rights violations through policies and training. Any suspicions or concerns can be reported through the grievance mechanism and action will be taken as appropriate. Every year GANT publishes a Modern Slavery Act Statement, where stakeholders can access more information about GANT's work on preventing modern slavery.

### Counterfeiting

GANT is committed to the protection of its brand, a vehicle for its authenticity and a mark of its heritage. A team dedicated to protecting and defending GANT's intellectual property rights works in partnership with public authorities worldwide.

Counterfeiting is an illicit trade, disrespectful of labor laws, safety standards and environmental norms. The prevention of counterfeiting is therefore an integral part of GANT's corporate social responsibility. Fighting it serves to protect the interests of our customers, partners and employees, and preserve our ability to invest and innovate.

In this capacity, GANT holds executive positions in associations involved in the fight against counterfeiting and illicit trade such as UNIFAB, INTA and TRACIT. In 2023, the company continued its anti-counterfeiting work by:

- Participating in public awareness campaigns on the social, economic and health dangers of counterfeiting (e.g. UNIFAB campaign);
- Executing hundreds of counterfeit seizures worldwide;
- Intercepting hundreds of thousands of counterfeit articles;
- Removing tens of thousands of ads promoting and selling products infringing GANT's rights on internet platforms, e-commerce sites and social networks

### Climate

Climate is one of the most urgent challenges that GANT and the rest of our industry are faced with, and GANT wants to stay on the frontline of climate action. During the year, GANT's near-term climate target has been validated by the SBTi and the new target is:

- GANT is committed to reducing absolute scope 1 and 2 GHG emissions by 50% by 2030 from a 2019 base year. GANT also commits to reducing scope 3 GHG emissions by 55% per unit produced within the same timeframe.

With the newly defined Climate target, GANT has continued the work on establishing Climate transition plans to detail further the actions needed to meet this target. This is expected to further elevate our work within climate matters and the work continues to create more detailed action plans to work towards the ambitious targets. The priorities of the climate transition plan align with GANT's overall strategic priorities, namely:

- Sustainable fiber staircase strategy
- Supplier Sustainability Excellence program
- 7 Rules - GANT's circulatory initiative

Within these priority areas, we work continuously to increase the share of low climate impact materials, as well as implementing energy and climate as a target area with the supplier's sustainability program.

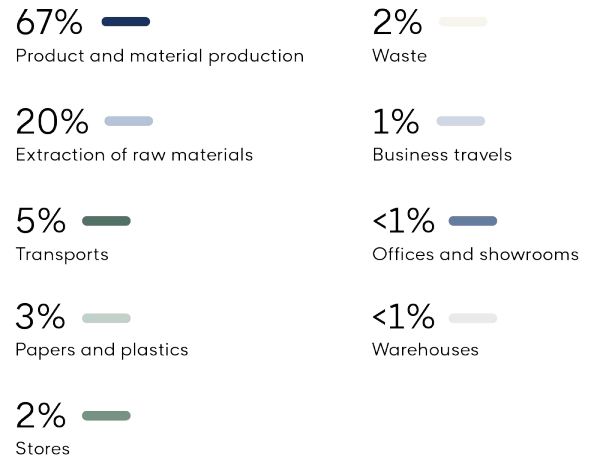
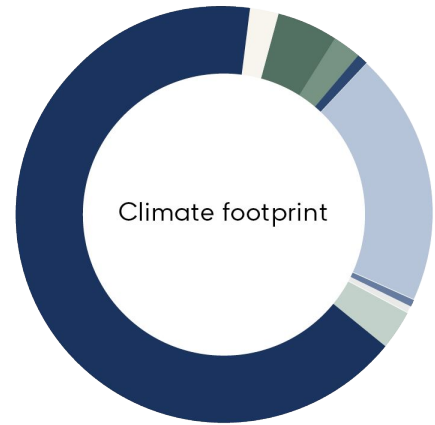
With the help of HIGG FEM, we are continuing to monitor energy use and GHG emissions in the supply chain and identifying risks and opportunities for emissions reductions. Since we know that tier 2 usually is a hotspot for GHG emissions, we are aiming to increase the share of tier 2 sites that share environmental performance with us.

7 Rules, GANT's circularity initiative, is aimed at prolonging the lifetime of garments and introducing new ways of consuming textile products, such as renting or buying second-hand.

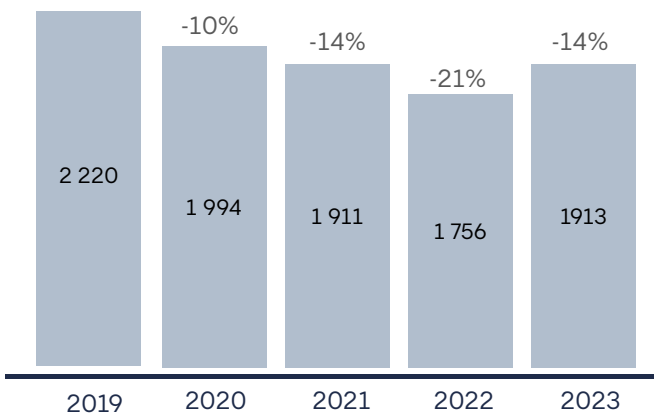
Scope 1 and scope 2 emissions amounted to 1 913 tonnes CO<sub>2</sub>e during 2023, a decrease of 14% compared to 2019. Compared to the year before emissions has increased, mainly due to increased store area compared to the year before.

The total scope 3 emissions that are included in the climate target amounted to 88 870 tonnes CO<sub>2</sub>e, or 6.1 kg per product. Since 2019 emissions per product has decreased with 8.3%, mainly due to the use of responsibly sourced materials. In order to reach the target of 55% reduction per product by 2030 the yearly reduction has to be significantly higher than it has been the last of years. Key priority is therefore decarbonisation in the supply-chain through the supplier sustainability excellence program and to use more primary data from the sites that produce our products and materials.

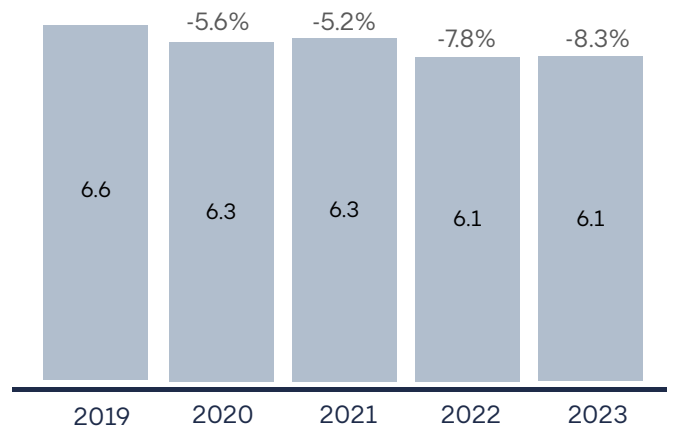
Emissions mainly occur in scope 3 and are emissions related to the extraction of raw materials, production of materials and products, and transport.



### Scope 1 & 2 emissions (tonne CO<sub>2</sub> eq)



### Scope 3 emissions per product (kg CO<sub>2</sub> eq)



Includes the scope 3 emissions that are included in the Science based climate target. These are purchased goods and services (product-related), Fuel and energy related activities, upstream transports and distribution, waste generated in operations, business travel and end-of-life of sold products. Full emissions see page 29.



# Greenhouse gas emissions

In 2023, GANT’s full climate footprint in total was 211 318 tonnes of CO2eqv. The below table includes the full GHG inventory compared to previous page that includes the emissions that are included in the Science based climate target.

Scope	2019	2020	2021	2022	2023
Total scope 1	298	95	246	255	291 <sup>1</sup>
Total scope 2	1 922	1 899	1 665	1 501	1 622
Total scope 3	172 525	164 428	177 337	220 853	209 405
Purchased goods and services	82 634	76 910	80 716	113 156	111 030 <sup>2</sup>
Capital goods	5 183	5 183	9 788	8 113	10 404
Fuel- and energy-related activities	463	384	435	447	506
Upstream transportation and distribution	7 345	6 953	7 053	6 499	4 767
Waste generated in operations	22	22	21	27	25
Business travel	1 007	152	167	537	831
Employee commuting	2 406	2 820	3 643	3 577	3 516
Downstream transportation and distribution	1 722	1 803	2 883	2 599	3 409
Use of sold products	69 027	66 576	68 673	81 490	70 162
End-of-life treatment of sold products	1 265	1 366	1 162	1 432	1 514
Franchises	1 360	2 171	2 694	2 844	2 966
Investments	90	88	101	133	274

**How we calculate**

GANT applies the Greenhouse Gas Protocol standard for calculating CO2 emissions. GANT doesn’t have emissions from upstream leased assets, processing of sold products or downstream leased assets and all emissions in the category Use of sold products are indirect emissions from electricity use for washing, drying and ironing sold products.

In general GANT applies more specific calculation methods for emissions that are included in our climate target. For other emission categories such as non-productions related purchased goods and services, capital goods, employee commuting, downstream transportation and distribution, franchises and investments GANT applies more high level calculations methods such as EEIO-methodology.

For emissions included in our climate target, GANT’s climate footprint includes the extraction of raw material, yarn spinning, fabric weaving/knitting, coloration and finishes, and final production assembly. These emissions are calculated using emission factors from HIGG MSI and HIGG Factory Environmental Module (FEM). Emissions from transport, business travel, and the production of paper and plastics are calculated using emission factors from the UK Government GHG Conversion Factors for Company Reporting 2023. Emissions from offices, showrooms, stores, and warehouses are calculated with location-based emission factors from IEA.

**Notes**

<sup>1</sup> In 2023 emissions from Gas consumption is included and amount to 38 tonnes. Emissions from gas consumption has not been included in previous years and affects therefore the comparability.

<sup>2</sup> Uncertainty notice: emissions from final manufacturing are made with primary data from the factories. Approximately 64% of products are made in a factory that had verification on the data. For factories where it is judged to be high risk of inaccurate emissions-reporting general emission factors has been applied instead. In 2023 this was the case for a factory that had increased emissions per product with over 20 times compared to previous year, resulting in that they accounted for 3% of the products and 44% of emissions. Due to the high risk of inaccurate reporting a general emission factors was applied for this site.

# Sustainability metrics

KPI	Boundary	2021	2022	2023
<b>People &amp; ethics</b>				
Number of employees	GANT group	2 143	2 104	2 032
Female employees %	GANT group	71%	71%	72%
Employees in stores %	GANT group	73%	73%	70%
New employees during the year (HC)	GANT group	1016	1010	415 <sup>1</sup>
Employees leaving the company during the year (HC)	GANT group	907	1 301	544 <sup>1</sup>
Absenteeism %	GANT group	5%	2%	3%
Sickness absence %	GANT group	8%	5%	5%
Number of grievance cases	GANT group	5	10	7
Suppliers signing CoC and sustainability policies %	Final manufacturing	100%	100%	100%
Factories in risk countries audited %	Final manufacturing	100%	100%	100%
<b>Environment</b>				
Energy use (MWH)	Offices, showrooms and stores	6 937	6 680	7 072 <sup>2</sup>
Energy use (MWH)	Warehouses	4 862	1 221 <sup>3</sup>	1 811
Responsibly sourced cotton %	Raw materials	71%	100%	100%
Responsibly sourced materials %	Raw materials	58%	82%	90%
Water consumption (m3)	Raw materials and production	11 175 748	14 462 415	13 985 474
Water pollution (m3)	Raw materials and production	2 642 616	3 407 602	3 329 729
Chemical use (tonnes)	Raw materials and production	8 650	10 967	10 759
Land use (sqm)	Raw materials and production	79 958 619	108 829 617	99 267 163
Sox (tonne)	Raw materials and production	279	348	344
Nox (tonne)	Raw materials and production	200	250	246
HIGG FEM <sup>4</sup> %	Final manufacturing	74%	99%	99%
<p><sup>1</sup> Change of methodology compared to previous years affects the comparability. This year includes permanent workers, while previous years has also included hires and leavers to temporary positions.</p> <p><sup>2</sup> In 2023 gas consumption is included with 185 MWH. Gas consumption has not been included previous years.</p> <p><sup>3</sup> Change of methodology compared to previous years affects the comparability to 2021. Previously energy use was estimated based on size of the warehouse. From 2022 energy data has been collected directly from the warehouses.</p> <p><sup>4</sup> Share of products produced by a supplier that report according to HIGG FEM</p>				