

2022

Sustainability Report

GANT

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HIGHLIGHTS 2022

| | | |
|------------------------------------------------------------------|----------------------------------------|----------------------------------------------|
| THE NUMBER OF GLOBAL MARKETS WHERE WE HAVE PRESENCE 79 | 600 STORES | 64 FACTORIES DURING 2022 |
| GANT HAS 2104 EMPLOYEES | 54 APPAREL SUPPLIERS IN 2022 | |

| SUBSIDIARIES AND JOINT VENTURES | PARTNERS | LICENSEES |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <p>SUBSIDIARIES</p> <p>UK SWE USA</p> <p>FRA CHE LUX</p> <p>DEU DNK CHN</p> <p>IRL AUT BEL</p> <p>NL PRT ESP</p> <p>JOINT VENTURES</p> <p>TUR POL</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</p> <p>Morocco, Norway, Romania, Bulgaria, Malta, Macedonia, Kazakhstan, Slovakia, Czech Republic, Hungary, South Africa, U.A.E., Kuwait, Qatar, Bahrain, KSA, Oman, Lebanon & Jordan, Ukraine, Cyprus, South Korea</p> | |

PRODUCT



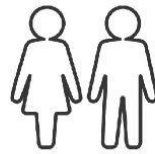
15.5 Million products produced during the year
80% of collection are labeled as a responsible choice.
89% Made from natural materials
 Reached a milestone in the Sustainable fiber staircase strategy: **100% responsibly sourced cotton**.
 Launched our first shirts made from **cotton in conversion**

Production
70 % Asia
30 % EMEA



As a part of **GANT 7 Rules**, activated the possibility to Rent GANT garments in 8 stores in Sweden, France, Spain, United Kingdom, Germany and Switzerland

PEOPLE



71% **29%**

MANAGERS

69% Women **31%** Men

10 Grievance cases
9 Breach towards internal code of conduct

2% 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% Factories assessed by 3rd party

Factory list available on website to promote transparency

Members of AMFORI BSCI

PLANET



Signatory of the Fashion Industry Charter for Climate Action and committing to 50% reduction in greenhouse gas emissions by 2030 and net-zero emissions by 2050.

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

96 725 TONNES greenhouse gases from scope 1-3



79.5%



15.5%



4.5%



<0.5%

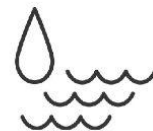
WATER

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.

Completed the first year of Conserve Every Drop Project with WaterAid to support a healthy and sustainable water supply in the region of Bangalore, India.

MEMBERSHIP in Fashion Pact committing to reduce plastic-packaging



GANT 7 RULES



7 RULES



REFRESH



REPAIR



RELOVE



RENT



REGIVE



REMAKE



RECYCLE



Since GANT was founded in 1949, quality and durability have been at the heart of what drives our business. Today, we have the same mindset when looking for better and more innovative fabrics for our long-lasting products. Throughout the years, we have researched and implemented high-quality materials that have a lower impact on the environment and introduced fabrics of natural origin, making GANT a bio-based company.

Finding daily motivation in our motto Never Stop Learning, we aim to see opportunities in everything. We are unafraid of exploring the unknown and eager to connect with our community. That is one of GANT's biggest strengths and allows us to continue to deliver on our targets in a rapidly changing global market with post-pandemic challenges.

We are witnessing increasingly strict regulations and higher consumer expectations when it comes to sustainability. And rightly so, as our planet is under a lot of pressure. Driven by our mission to help our consumers curate a sustainable wardrobe, we have followed our sustainability strategies and long-term targets throughout 2022. We reached our goal of having 100% more sustainably sourced cotton for our products, an achievement of which I am very proud.

During the past year, we continued to scale up our circularity initiative, GANT 7 Rules. We launched Rent, offering customers the possibility to rent GANT occasion wear in selected stores in Europe. We started with a limited number of stores and expanded the service to more stores and countries throughout the year. Another example of the 7 Rules is the concept Relove, where we've collaborated with local actors and organized events in selected stores that are focused on second-hand garments.

These are a few highlights from the past year and I invite you to read more throughout this Sustainability Report. I am grateful to everyone who has contributed to our achievements, and I also want to call on everyone in our community to continue to elevate these efforts since there's still so much to do within this field.

Patrik Söderström, CEO

GANT since 1949

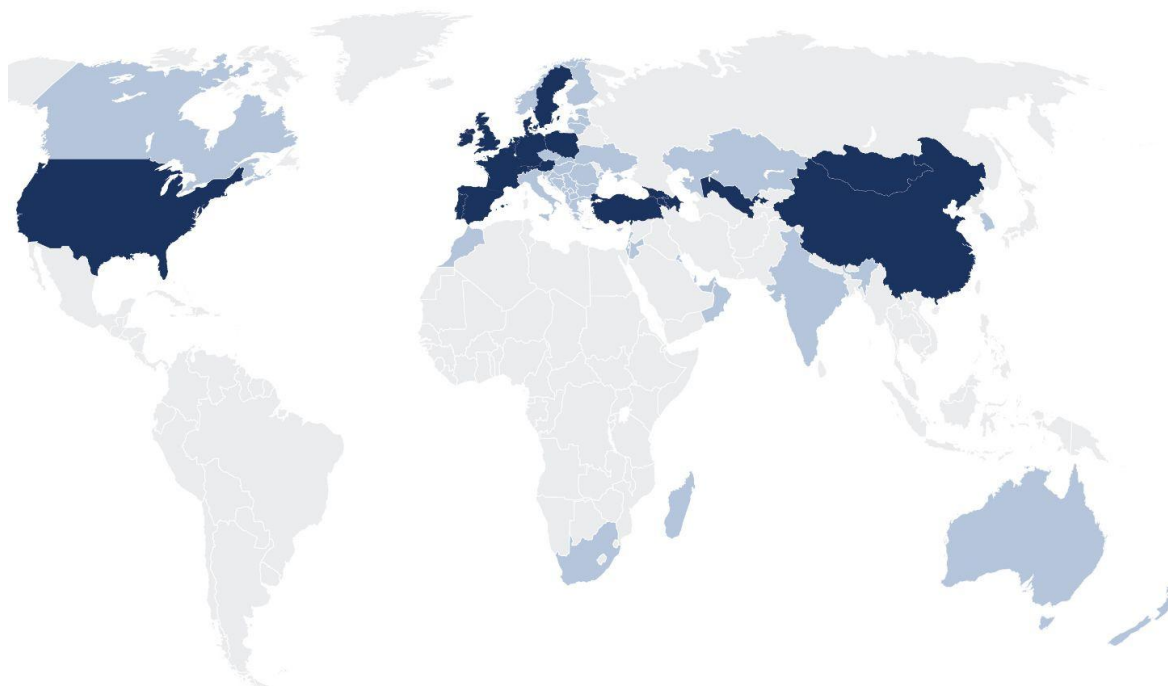
GANT was founded in the college town of New Haven, Connecticut on the East Coast of the United States. We've been pioneering preppy style since 1949. With our dedication to color and innovation, GANT changed the direction of modern American style and continue to challenge convention.

GANT is a company driven by a simple idea: Never Stop Learning. This motto inspires us to engage with the world and with each other. It builds on our past and steers us toward our future. With this promise we aim to improve every day, to listen and to learn throughout our continuous quest to create new traditions and challenge conformity.

Never Stop Learning is just as relevant when it comes to sustainability. At GANT, we say that sustainability is complicated, but not impossible.

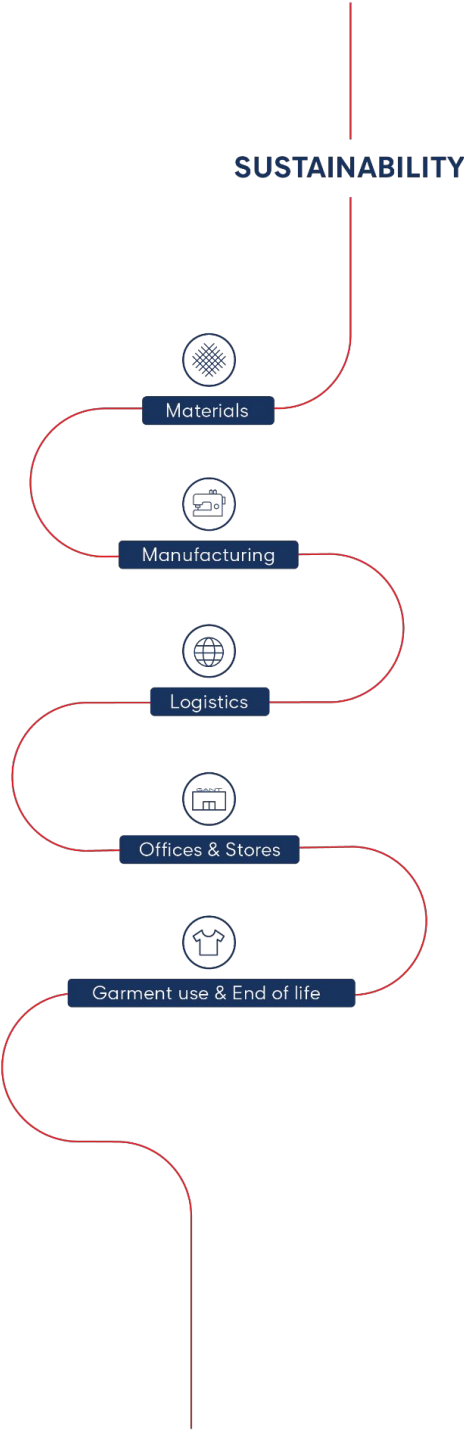
There is much that still needs to be done and that is an opportunity we want to take on. Sustainability is a key enabler for a profitable business, both now and in the future. While we know there are no easy solutions to difficult problems, we take responsibility for leading the conversation and act on our goals. Even though we are just one company on this planet, we'll never stop learning how to make it better.

| Quick facts | |
|------------------------------------|------------------------------------------|
| Number of markets we have presence | 79 |
| Number of stores | 600 |
| Number of employees | 2 104 |
| Number of suppliers | 54 |
| Licensees | Home, Footwear, Time, Eyewear, Underwear |



■ Market presence through subsidiary or joint venture
■ Market presence through partner

From Dirt to Shirt



It all starts with the products

GANT is a modern sportswear brand built on designing, developing and marketing premium products. Durability and timeless design are some of the most important aspects of our sustainability journey. In addition, production and consumption of apparel-, footwear- and accessory products comes with environmental and social impacts and we want to minimize those as much as possible. The vision for all of our sustainability targets and strategies at GANT is to help our consumers curate more sustainable wardrobes.

Responsibility from Dirt to Shirt and Beyond

By conducting due diligence through the whole value chain of GANT, we aim to reduce the environmental and social impacts and risks that occur in the different stages of the product’s lifecycle. From the materials used in the products, the production of materials and final products, product use and end-of-life of the products that we sell. Since shirtmaking is our heritage, we say that we aim to take responsibility from Dirt-to-Shirt. Of course, the same principle applies to all of our products.

Sustainability – A thread that runs through everything we do

GANT’s contributions to a sustainable development – both negative and positive – is a consequence of the decisions and activities taken within the whole company and by partners in the value-chain on behalf of GANT. In order to take responsibility from Dirt to Shirt, sustainability practices have to be integrated into all parts of the organization. That is why we are aiming for sustainability to be a thread that runs through everything we do. Integrating sustainability aspects into all parts of the organization is a journey without a definite end. But with the brand values Community, Creativity, Curiosity and Courage at heart, we aim to be a little bit better every day and Never Stop Learning when it comes to sustainability.



The 7 Sustainability strategies are available on GANT websites

GANT Sustainability Strategies

GANT's 7 sustainability strategies were published in 2020 and developed through comprehensive risk and materiality assessments and by engaging internal and external stakeholders. The strategies emphasize key focus areas and express the targets we want to achieve up until 2030.

The 7 sustainability strategies of GANT are:

- Combating climate crises strategy
- Respectful and safe work requirement strategy
- Sustainable fiber staircase strategy
- Water stewardship strategy
- Circular fashion system strategy
- Transparent supply chain strategy
- Promoting Never Stop Learning strategy

Elevating the Water Stewardship strategy

GANT has a corporate partnership with WWF with the shared goal of aligning GANT's Water stewardship strategy with the WWF model for Water Stewardship. As part of the partnership water risks have been identified with the help of the Water Risk Filter, a tool developed by WWF. There's an ongoing project to update the Water Stewardship strategy with a more contextual based approach, to take into account where a factory is located and which type of processes it operates. The aim is to adapt the targets to the specific circumstances and in that way manage risks more effectively.

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 | |

Partnerships

At GANT, we are convinced that we can achieve more when we are working together. Our partners are key stakeholders and the enablers that continuously support us to set up ambitious targets, execute sustainability strategies, reduce our environmental and social impacts, and reach the commitments in our seven strategies. With their expertise, we have the opportunity to get better faster by adapting to best practices. Our partnerships also enable us to access responsibly sourced materials for our products in a transparent way. In 2022, GANT is a proud partner with the organizations and initiatives that are listed on next page.

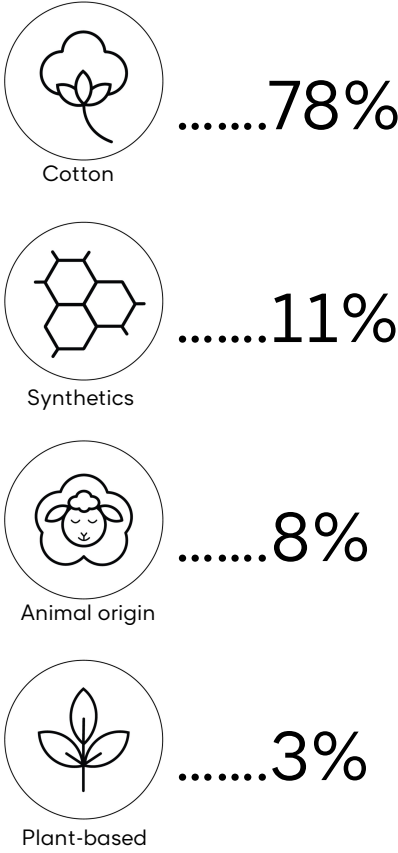
| Organisation | Description of partnership | Member/signatory/partner since |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 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 |
| Sustainable Apparel Coalition | The Sustainable Apparel Coalition (SAC) is the leading alliance that seeks to lead the industry towards a shared vision of sustainability. The SAC is committed to creating a more sustainable, equitable, and just world for all through collective efforts that enable positive social and environmental impact at scale. SAC enables the use of HIGG Index tools, which delivers a holistic overview that empowers businesses to make meaningful improvements that protect the well-being of factory workers, local communities, and the environment. | 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 not-for-profit organization works in 33 countries to change the lives of the poorest and most marginalized people. Since 1981, WaterAid has reached more than 28 million people with clean water and 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

One of the biggest contributors to GANT's environmental impacts are raw material extraction and processing. These parts of the value chain also have high risks of labor and human rights issues. Working with the right materials that give the products that high quality feeling and durability is also a big opportunity for GANT and when it comes to sustainability. On top of that we aim to reduce social and environmental risks related to materials through exploring more sustainably sourced materials and conducting environmental and social due diligence in the supply chain.

GANT's material usage

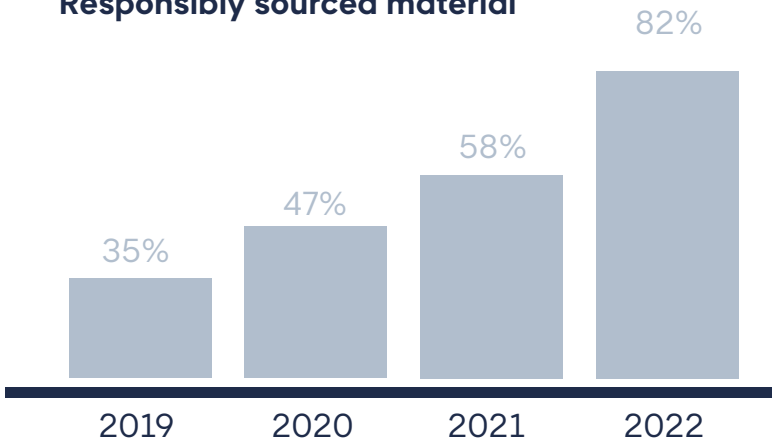
At GANT, we have a heritage of being a bio-based company and using high quality natural fibers. Natural materials are renewable and don't emit microplastics, and can help reinforce the quality and durability of GANT's products at the same time. Around 89% of the materials used are from natural fibers, among which cotton is the most used fiber in our products. Cotton stands for around 78% of the total material use. Nevertheless, cultivation of natural materials has several sustainability related challenges such as land use and risk of biodiversity loss, climate impact, water use to name a few. On the other hand, they are renewable and if sustainably managed it has the opportunity to contribute to improved eco-systems and nature-based solutions to the sustainability challenges that we have today. It is therefore of high importance to work for the responsible sourcing of raw materials for our products. At GANT we have created the Sustainable fiber staircase strategy with the goal of transitioning from conventional fibers to fibers that have been grown or extracted in a way that is better for the planet, people and animals.



The Sustainable fiber staircase strategy

Every choice we make when choosing raw materials is tied to the impact they have on people, animals, terrestrial, water and marine ecosystems and finally the planet. Hence, we have developed the Sustainable fiber staircase strategy based on scientific third party data and lifecycle assessments. The staircase contains a roadmap for how to make the transition from conventionally sourced materials to more sustainably sourced alternatives. One of the targets is that 100% of key materials will be sustainably sourced by 2025. In 2022, GANT reached a big milestone in the Sustainable fiber staircase strategy, namely that all cotton we use is more sustainably sourced. This means that all cotton is sourced as Better cotton, cotton in conversion, organic cotton or recycled cotton.

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 are included.

GANT Responsible Material Policy

GANT prioritizes responsible material sourcing to ensure that materials are extracted and produced in a way that minimizes social and environmental impacts. The Responsible Material Policy’s aim is to address risks and impacts related to the extraction, processing and production of the materials, e.g. respect of human- and animal rights, eliminate forced and child labour, and do no harm to biodiversity and ecosystem health. The policy covers all materials used in GANT products and is closely connected to GANT’s fiber staircase strategy.

While the fiber staircase strategy aims to increase the share of materials that are sourced via different 3rd party schemes, the responsible material policy expresses fundamental requirements that are valid for all materials. Among other things, the policy has requirements regarding the origin of cotton, animal welfare and the responsible sourcing of forest derived fibers.

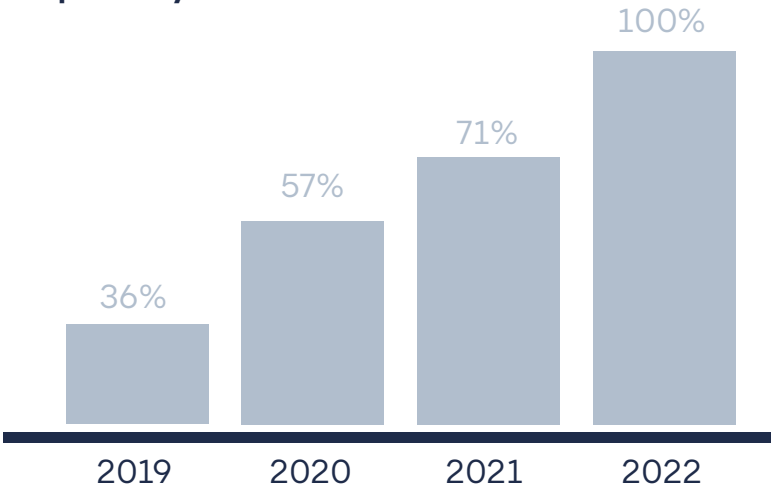
GANT is committed to respecting human rights and works to enable a safe and secure work environment for everyone. As materials are usually sourced by our suppliers, due-diligence becomes more challenging further along the supply-chain due to limited transparency and influence. The Responsible Material Policy requires suppliers that source cotton for GANT to have processes in place to prevent labor and human rights risks in material production. In accordance with the Transparent supply-chain strategy and Respectful and safe work requirement strategy we are increasing the traceability of materials used in our products and have a plan to increase the transparency by including key material suppliers in our Sustainability program for suppliers.

Cotton

Cotton accounts for 78% of the material use of GANT and is therefore a priority material in the Sustainable fiber staircase strategy. This is also where GANT has made the most progress. In 2022, we reached our target to have only more sustainably sourced cotton. During the year, 90 % of the cotton was sourced as Better Cotton and 10% was organic cotton. Recycled cotton and cotton in conversion is also used for our products, although they currently make up less than 1% of the total cotton use. Going forward we will continue working with the cotton staircase by increasing the share of organically grown cotton to reduce our impact caused by raw materials.

Currently, the production of organic cotton is far less than the demands, which also led to higher prices for organic cotton. To increase the production of organic cotton is an important opportunity for us as GANT. In 2022, GANT launched our first shirts made from cotton in conversion. Cotton in conversion supports cotton farmers during the transition from conventional cotton farming to organic cotton farming practices. The initiative with cotton in conversion is made with cotton farmers in India and planned to continue for at least three years to support the transition to more organic cotton cultivation.

Responsibly sourced cotton



Responsibly sourced cotton includes the share of cotton that have sustainability attributes. This includes Better Cotton (90%), Organic Cotton (10%) and recycled cotton (<1%).

Synthetics

11% of GANT’s material usage is synthetic materials. Most of the synthetic materials are used in our outerwear products. Among all synthetic materials, polyester makes up the biggest share.

The sustainable polyester staircase promotes the transition to more recycled polyester. All synthetic fillings must be recycled in our outerwear. By 2025, we aim to ensure all polyester used by GANT is recycled and certified with Global Recycled Standard or Recycled Content Standard to reach the goal of responsible sourcing. In 2022, 27% of the polyester was recycled.

Animal fibers, down and feathers

Animal fiber accounts for 8% of GANT’s material use. Most of this is wool. When animal fibers are used, animal welfare is of highest priority. GANT has an Animal Welfare Policy to encourage, promote and secure good husbandry practices and respectful animal treatment. We require all parties providing animal related products to adhere to the Five Freedoms defined by the EU Farm Animal Welfare Council/World Organization for Animal Health (OIE).

The policy includes 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 Responsible Mohair Standard.
- All down and feathers must be certified with Responsible Down Standard (RDS), and 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 use in GANT products is less than 0.5%, and we aim to only source leather from tanneries that have been audited by the Leather Working Group by 2023.

Plant-based materials and man-made cellulose

Plant-based materials and man-made cellulose account for approximately 3% of GANT’s material use and consist mainly of linen, viscose and lyocell. When it comes to viscose and lyocell, GANT sources FSC and PEFC certified fibers, which means that they come from responsibly managed forests. In 2023, the goal is for all man-made cellulose to be responsibly sourced. For linen, GANT has a preference of using linen from European flax seeds.

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

Certifications and partnerships enabling credible claims

Working with responsibly sourced biobased materials of high quality is a priority for GANT. To reach our target of making materials more sustainably sourced in a transparent way, we choose materials certified by third-party organizations. Through joining and collaborating with Textile Exchange, Better Cotton and Leather Working Group, GANT has the opportunity to source materials that have been cultivated and produced in a more sustainable way. We work with the following certifications and standards in our material sourcing:

Cotton standards

- Organic cotton 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 requires all down and feathers to be certified with Responsible Down Standard (RDS).

Mohair standards

- GANT requires all mohair to be certified with Responsible Mohair Standard (RMS)

Wool standards

- All wool must be mulesing free. Wool should be supported, at least, by a self declaration and traceability documentation. 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 member in the Leather Working Group (LWG) and from 2023 all leather must come from LWG certified tanneries.

Man-made cellulosic and plant-based fibers standards

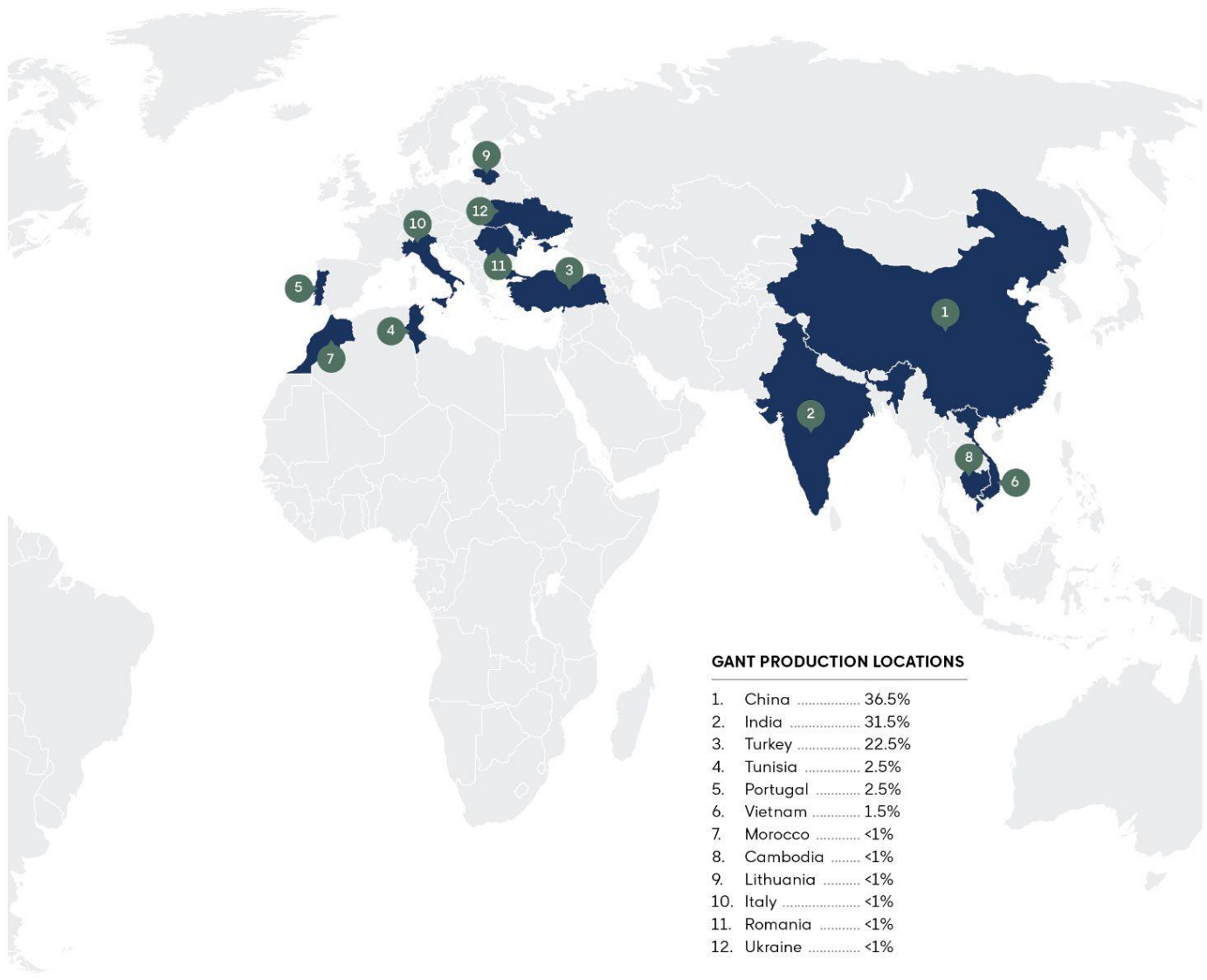
- Lyocell, viscose and modal should be certified with FSC, PEFC or be sourced through Lenzing or Birla.
- For Linen, we aim to source linen from European flax.

Traceability & transparency

Traceability and transparency are fundamental to our sustainability work and are increasingly required by our stakeholders. The information about where fibers, materials and products come from is essential for social and environmental due diligence to assess and mitigate impacts from the complex and global value chain of GANT.

In 2022, GANT continued the focus on traceability by establishing a framework for traceability with new requirements for all suppliers. This includes tracking where key production processes occur for all our products on a seasonal basis. Information that is collected includes where fabric production, dyeing and printing takes place and from which country and region the raw material comes from. The information is used to meet both regulatory requirements regarding consumer information and for environmental and social due-diligence in the supply-chain. By the end of 2022, we reached the milestone of having the country of origin information for all cotton and work continues to collect even more detailed information about its origin. By 2025, we aim to achieve 100% traceability on key raw materials.

Moreover, GANT is dedicated to providing consumers and other stakeholders with transparent information about the production of our products and value-chain. In response to the upcoming Green Claims initiative and expected eco-design requirements within the EU, GANT initiated a project to assess the Product Environmental Footprint (PEF) of our products. The product environmental footprint is calculated from a lifecycle perspective based on impacts on ecosystem, human health, natural resources, climate change and water with 16 detailed categories and translated into one overall PEF score. This will enable us to better manage eco-design decisions, and possibly also communicate the sustainability performance of our products credibly to consumers.



Manufacturing & logistics

Since the start in 1949, GANT has focused on creating clothes with long durability and timeless design. Working together with the right business partners is fundamental to deliver on our promises to our consumers.

On the other hand, it is in the supply chain that many of the significant environmental and social risks occur. We work closely with our business partners to identify and mitigate such risks, but also to seize opportunities to contribute to a positive and sustainable development.

GANT values respectful and cross-cultural partnership, and aims to engage our partners in long-term relationships and open dialogue.

We collaborated with 54 business partners for the development and manufacturing of products in 2022. Around 70% of our products are produced in Asia, mainly China and India. 30% of the production occurs in the EMEA region, mainly in Turkey.

The people working for our suppliers are a fundamental part of our community. Their knowledge and skills are essential to produce products with the quality requirements that we strive for. We have a responsibility to ensure a safe and respectful work environment for the people that produce our products, and that the remuneration they receive is sufficient to provide them with a decent living.

Mitigation of supply chain disruptions

2022 has been another turbulent year in the world. Even if Covid-19 restrictions started to be lifted in many countries, it has continued to have an impact on our production in several countries. We have worked together with suppliers to mitigate bottlenecks, for example, by allocating production between factories within the same supplier.

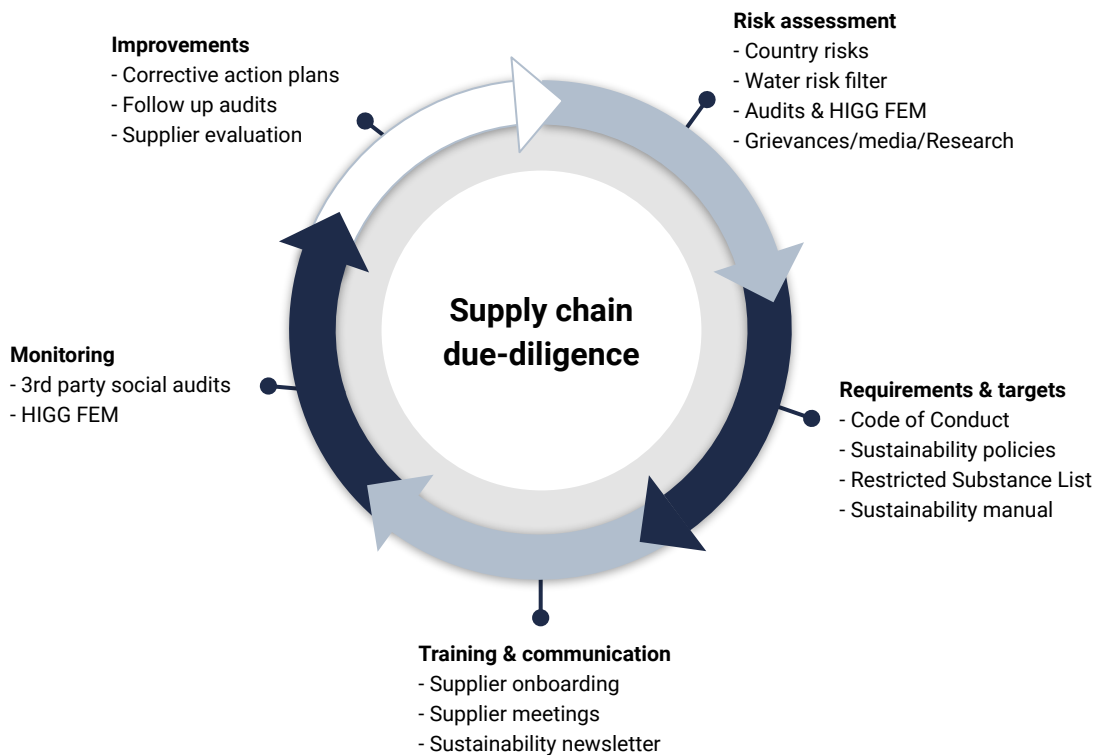
Another event that has characterized the year is the Russian invasion of Ukraine that began in February 2022. One of GANT’s suppliers has a factory in Ukraine, located close to the border of Romania. It has been able to maintain production throughout the year and the team at GANT has had regular contact to support the team and production was conducted in a safe way for the workers.

Supply chain due diligence

Supply chain due diligence is embedded in GANT’s regular work, where we work systematically to identify and mitigate risks related to the environment, human rights, labor as well as corruption in line with best practice international standards and frameworks.

In 2022, GANT has focused on elevating the Supplier Sustainability Program with the aim of better supporting our ambitions to reach GANT’s sustainability goals. Going forward the sustainability program consists of two parts, one that is mandatory for all suppliers and includes the fundamental requirements that are needed to work with GANT. The other part targets specific suppliers that have good potential to support GANT in achieving our overall sustainability goals.

The foundation for the supplier program is risk assessment. This enables us to focus our efforts where they can make the most difference. We base the assessment on third-party sources and information collected from factories such as audits and environmental reports. Sources that 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.



The Code of Conduct and Sustainability policies are developed to communicate our standards and to reduce risks and impacts throughout the entire supply chain. As a complement to the policies, the Sustainability manual is used to elaborate on the policies and to give more practical guidance on GANT's ways of working to the suppliers.

The Code of Conduct follows well recognized international conventions and frameworks such as the OECD, the International Labor Organization's conventions and recommendations, and the United Nations' Global Compact, Universal Declaration of Human Rights, Convention on the Rights of the Child and Convention on the Elimination of All Forms of Discrimination against Women.

GANT has a set of sustainability policies that includes the Animal welfare policy, Environmental Policy, Packaging policy, Reduce Reuse Recycle policy, Responsible Material policy, Transport Policy, Water policy, and the Restricted Substance List. Business partners are required to follow these policies when working for GANT.

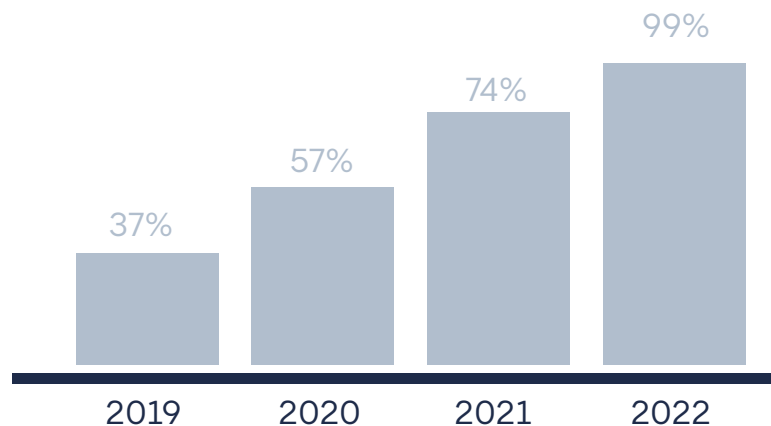
In order to track the effectiveness of the policies, GANT monitors the environmental performance of factories applying the HIGG Factory Environmental Module (HIGG FEM). We require all factories to use the HIGG FEM and 99% of our products were produced in a factory that uses HIGG FEM for environmental reporting this year. In 2023, we aim to achieve 100%.

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 in factory using HIGG FEM

As for social due diligence, GANT works with semi announced third-party standards to follow up and ensure that the Code of Conduct is being followed. GANT acknowledges several audit standards in order to reduce audit fatigue. Approved audit standards include BSCI, ICS, SA8000, SEDEX, WRAP and HIGG vFSLM/SLCP. GANT is a long term member of AMFORI and the majority of audits take place within the BSCI program.

If any deviations occur in third-party audits or through other channels, we aim to support our partners by developing corrective action plans in order to close deviations and improve performance. When doing so we aim to identify the root cause of the deviations to prevent it from happening again. Follow-up audits are done on a regular basis and the time interval depends on the initial audit score

| Metrics | 2022 |
|-----------------------------------------------------|------|
| Suppliers signing CoC and sustainability policies % | 100% |
| Factories in risk countries audited % | 100% |
| Factories in non-risk countries audited % | 100% |

Onboarding new business partners

Audits are also embedded in the sustainability screening process among candidates of new business partners. 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.

Factory list online

At GANT we believe in transparency. Since 2020, a full list of GANT’s business partners in the tier 1 stage of the supply chain has been published on the GANT website. With the traceability focus laid down in 2022, we are committed to expanding the factory list with even more factories next year.

Chemical Management

Chemicals are used throughout GANT’s value chain; both for the cultivation and extraction of raw materials, and also 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 or that can be present in the final product. The RSL is compliant with, and stricter than, the REACH-legislation. As an example GANT allows no PVC, biocides or silver ions in products. The Chemical Management Program includes chemical testing of products based on a risk assessment.

Packaging

Packaging is essential to protect products from being damaged on their way to consumers. Our consumers expect the products to be delivered to them in the premium condition of a GANT product. To increase the use of efficient packaging and to look for appropriate solutions, the GANT packaging policy has been developed to lower the negative impacts on the environment by encouraging the use of renewable and more sustainably sourced materials. All paper product packaging used by GANT is FSC-certified.

As signatories to The Fashion Pact, GANT is also committed to eliminating the use of problematic and unnecessary plastic 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-com channels we use both plastic bags and cardboard boxes. The plastic bags are currently made with 80% recycled materials and the cardboard boxes from FSC certified forests.

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

Transports

The GANT transport policy aims to minimize negative impact on the environment by not transporting air and reducing air freight transportation. We aim to optimize transports in order to have cost efficient transports and reduce environmental impacts.

GANT has been able to keep air transport stable at around 5% for several years with only minor fluctuations. The transport related challenges vary and are different from year to year, e.g. lack of containers or space on cargo ships, pandemic related constraints, and they all have an impact on how products are being transported. In 2022 the war in Ukraine made it difficult to transport products by rail, which is the reason this has decreased significantly compared with previous years. Even under these circumstances we have refrained from air transport as much as possible.





Transportation is considered a risk category for GANT and since 2022 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

The main logistic center of GANT is located in Germany, from where products are cross-docked to other regional warehouses. All warehouses are operated by third party logistics providers.

When procuring new warehouse services, sustainability is an integral part of the process. Business partners are evaluated from an environmental and social perspective and shall commit to GANT's business partner Code of Conduct.

Transport by type

| |  |  |  |  |
|-------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| 2019 | 71% | 21% | 6% | 2% |
| 2020 | 76% | 17% | 5% | 2% |
| 2021 | 72% | 15.5% | 5.5% | 7% |
| 2022 | 79.5% | 15.5% | 4.5% | <0.5% |

Offices & stores

GANT values

Everything we do at GANT is for our Community. We embrace diversity and respect and support the people working both with and for GANT– from employees and business partners to our customers.

The GANT value is what brings us together and is critical for how we operate as a company. We are always curious about the unknowns and have the courage to explore the world around us. Our values are a huge strength as we challenge norms and find new solutions. Through this mindset, we have the opportunity to make a difference.

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.

Never Stop Learning

On our journey to embed sustainability as a thread that runs through everything we do, the Never Stop Learning motto is fundamental. Our strong belief is that sustainability is complicated but not impossible as long as we are curious and keep educating ourselves.

Sustainability is part of the GANT Induction days for all new employees and everyone takes sustainability training during their first weeks at GANT. The sustainability training includes topics such as Sustainability strategy and targets, Code of Conduct, Modern slavery and whistleblowing. Furthermore, GANT's global company meeting, GANT TALK, is a great chance for employees to Never Stop Learning, and sustainability is a frequent topic in these meetings.

In the product design and development process, sustainability is included as a part of the strategy for each new season, and training to ensure that we meet the Sustainable fiber staircase targets are made. Once the products are ready to be sold in the different markets, sustainability information is given to all the markets about the sustainability attributes of products as well as other sustainability initiatives that are going on within the organization.

For employees that are extra interested and engaged with sustainability, GANT has formed a Sustainability task force. This is a team with employees from different functions and countries within the company discussing different topics. During 2022 the task force meeting focused on climate and on more sustainable cotton sourcing.

GANT Academy

GANT Academy is a retail training initiative for all retail employees. Based on digital micro training, the GANT Academy aims to inform, inspire and develop the GANT retail employees to develop within their profession and to create a better retail experience for all our consumers.

Through the GANT Academy all store staff receive sustainability training with different topics on a regular basis. Examples of focuses for the sustainability training have been climate, sustainability hangtags and certified materials, chemicals and our partnerships.

| GANT in numbers | | 2022 |
|---------------------------------------------|--|---------------------------------------|
| Employees | | |
| Number of employees | | 2 104 |
| % women | | 71% |
| Number of managers | | 345 |
| % women | | 69% |
| Recruitment & turnover | | |
| Number of employees recruited | | 1 010 |
| Number of employees leaving the company | | 1 301 |
| Training | | |
| Employees completed sustainability training | | 89 % in offices 81 % within retail |

A healthier GANT

At GANT, we believe that a healthy lifestyle is good for both employees and the company. Employees that feel good create better results. At the same time, activities that promote better health also contribute towards team building and create engagement.

Every year we create an activity calendar filled with exciting events and activities for our employees to attend and get inspired by.

Business ethics

At GANT, we believe in a diverse community that is open and fair to everyone and where all employees respect each other. We respect human rights and strive to provide a secure, healthy and positive working environment for all employees in our offices and stores. Meanwhile, we also engage our employees and ask them to take responsibility for creating a respectful environment with proper business conduct by following the requirements in the GANT Code of Conduct.

GANT conducts business with zero tolerance of any kinds of bribery, corruption as well as 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 kinds of wrongdoing they witness or experience and enable the reporter to be anonymous. In the grievance section on page 25 it's possible to read about grievance cases reported during the year.

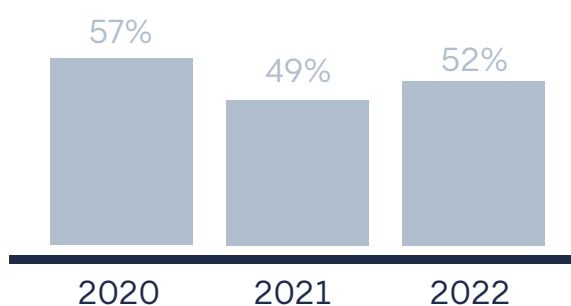
100% renewable energy by 2030

As signatories to the UN Fashion Industry Charter for Climate Action and The Fashion Pact, GANT is committed to reducing energy use and to source at least 50% renewable energy in our operations by 2025. By 2030 our target is 100% renewable energy. In 2022, GANT reached a share of 52 % renewable energy in our operations.

Guidelines for retail interiors

To enable the use of more sustainable materials and interiors in retail stores, GANT are working according to our Sustainability guidelines for retail suppliers. The guidelines promote the use of materials with a long life-time, and encourage the re-use and re-design of materials and interiors. In GANT stores, we aim to use materials certified by third-party organizations, such as FSC, PEFC, OCS and GRS, and the use of LED lightning to increase energy efficiency. 80% of all stores have LED lighting. All hangers in GANT stores are made of FSC-certified wood.

Renewable energy %



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

Growth in e-com channels

The rapid growth in the e-commerce business that we have been seeing in recent years leads to challenges from a sustainability perspective such as increasing packaging use and product returns. The ways of packaging are optimized to minimize the transportation of air. All paper packaging is made of FSC-certified cardboard and all plastic bags in e-commerce are made of 80% recycled plastic.

Depending on the market, between 20% to 30% of the products that are sold via e-com are returned to us. GANT has a process in our warehouses to restore returned products to their original condition and to make sure they can be sold again. If products cannot be restored, they are sold in other not-full-price channels, and as a last way out they are sent to our partner TexAid who sells the products or have them recycled by material recycling or incineration with energy recovery. .

Wholesalers

One very important sales channel for GANT is our wholesale partners, and aligning our operations with their expectations and requirements is an important driver for how we work within sustainability. In 2022 we have seen an increasing number of requests from partners. For example, how GANT performs due diligence in the supply chain and updated guidelines for how to make sustainability claims on products.

We engage with our partners on a regular basis and share information about sustainability attributes on our products. Every year GANT replies to the extensive HIGG Brand and Retail (BRM) module and shares with wholesale partners. When required by partners GANT also replies to other types of sustainability questionnaires.

Garment use & End of life

7 Rules - GANT's circular business initiative

GANT has a long history of providing high quality products with timeless and classic design. In terms of circularity, we have always focused on creating durable products with a long life that also can pass on to new owners. We see that the future is circular so we are testing out GANT 7 Rules to eventually be able to scale up circularity and lay the foundation for a profitable business also in the future.

GANT's 7 Rules is our circularity initiative and includes Refresh, Repair, Relove, Rent, Regive, Remake and Recycle. With this initiative, we aim to implement circular solutions throughout the whole value chain to elevate the efficiency of resource use and minimize waste. Based on the EU waste hierarchy, The 7 Rules focuses on educating consumers on how to take care of their loved garments as well as enabling recycling and the introduction of new ways to enjoy GANT products such as Rent or Relove.

In spring 2022, we launched Rent in a selection of our stores in Europe. The selection of products that are offered is usually a selection of higher end products suitable for special occasions. Starting with Stockholm, London and Paris it was possible for GANT consumers to rent their outfits at a price of 30 Euros for four days. During the year the number of countries and stores that offer Rent has increased and during fall 2022 it was possible to rent garments in eight stores in Sweden, France, Spain, United Kingdom, Germany and Switzerland. For this occasion a brand campaign, "Own the moment. Rent the look" was launched as well in order to promote the initiative.

To put focus on RELOVE and create a marketplace for shopping second hand, GANT has arranged a couple of events during the year that focus on the resale of used GANT garments. In 2022, these events were run in three stores in France.



The GANT Way

GANT Way is the umbrella name for GANT's on-product Sustainability claims. The initiative serves to support the consumers in making conscious choices at the point of purchase. It consists of hangtags on products as well as information in e-com stores that inform about GANT's approach to more sustainably sourced materials as well as the use of production techniques that reduce environmental impact in the production of garments. Approximately 80 % of GANT's collection is labeled with the GANT Way hangtags. All sustainability claims on the products are supported by third party certifications as has been described on page 12.

During the year GANT changed its strategy for on-product sustainability claims which will start to appear early in 2023. This includes changing the program from GANT Way to Curating a Sustainable Wardrobe to align with our mission to help our consumers to curate their sustainable wardrobes. As a part of this initiative we are reducing the number of sustainability hangtags on our products, but the sustainably sourced materials in the products continue to grow in accordance with the Sustainable fiber staircase strategy.

GANT 7 Rules

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

| | |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Refresh</p> | <p>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.</p> |
| <p>2. Repair</p> | <p>Even great quality is affected by wear and tear and could eventually rip, break, crack or lose a button. Our garments are made to last, we want to express a positive view of repairs and help our consumers to not throw away clothes that can be fixed. We believe in repairing and aim to help our customers along the way. This is why GANT offers lifelong repair on jeans to all customers since 2020.</p> |
| <p>3. Relove</p> | <p>GANT garments have a timeless design and durability. They are made to have a long life and we want to inspire consumers to reuse their garments and eventually to pass them on to new owners.</p> |
| <p>4. Rent</p> | <p>An important part of the GANT 7 Rules is to enable new ways of consuming apparel products. This is why we have a Rent-offering of selected products in stores. This allows for more people to try out GANT products or utilize products only on special occasions. Rent was launched in 2022 in selected stores.</p> |
| <p>5. Regive</p> | <p>As a part of GANT’s commitment to sustainability we aim to contribute to sustainable societies beyond our own value-chain. Water is a human right and we want to help people in the world to have access to clean water.</p> <p>That is why GANT has partnered with WaterAid on the Conserve Every Drop Project. Conserve Every Drop is a two-year project funded by GANT which aims to improve water conservation in the Bangalore region of India. The project focuses on creating rainwater harvesting systems and restoring innovative recharge structures to protect and fill the groundwater to ensure a healthy and sustainable water supply in the region.</p> |
| <p>6. Remake</p> | <p>With creativity waste can be used as a resource. GANT works together with suppliers to create limited Remake collections which utilizes leftover fabrics from manufacturing and other materials that otherwise would go to waste. As an example we have launched shirts and ruggers out of fabric that has been spilled from other designs and products.</p> |
| <p>7. Recycle</p> | <p>Recycling is a central part of a more circular fashion industry. Since 2021 it is possible for consumers to drop off used GANT products in our stores. Together with our partner TexAid we make sure that the product is reused or recycled depending on the state of the product.</p> |

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 2022
- GANT Underwear and GANT Home are included since they are operated by GANT Group companies

The aim of this report is to give an accurate and balanced picture of GANT’s significant risks within the areas of human rights, labor, social conditions, environment and corruption and how these 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 the third-party suppliers and resells to the master franchisees. The master franchisees pay a royalty to the Company based on its sales.

The GANT Group has its own subsidiaries that operate in Austria, Belgium, China, Denmark, France, Germany, Ireland, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, United Kingdom and the USA. These subsidiaries are responsible for both the wholesale and retail business operation 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, Underwear, Home products and Time products under the GANT brand. Based on the sales, they pay a corresponding royalty to GANT. The Underwear and Home licenses are operated by GANT Group companies.

Risk and materiality assessment

At GANT, materiality and risk assessment is a dynamic process which aims to identify and prioritize risks, impacts and opportunities related to sustainability throughout the entire value chain. In 2022 a project was launched to update the model for risk assessment to be more driven by data along with the traceability project that also took place during the year. Aligning with the guidelines of 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 as below. Measures that have been taken to mitigate these significant risks are reported in this annual sustainability report.

Stakeholder engagement

GANT regards stakeholder engagement as a fundamental part of our sustainability work, and values all feedback from our stakeholders, including GANT employees, suppliers, significant business partners, legislators, our industry, wholesalers as well as retailers. Through the different teams, GANT has an ongoing dialogue with stakeholders in order to understand and respond to expectations and concerns of stakeholders.

| Risk/material issue | Reference to UN Global Compact | Reference to Swedish Annual Accounts Act (ÅRL) | Learn more |
|----------------------------------------------------------|--------------------------------|------------------------------------------------|-------------------------------|
| Animal welfare | Environment | Environment | Page 9-12 |
| Biodiversity/Land use/Habitat loss | Environment | Environment | Page 9-12, 27 |
| Deforestation | Environment | Environment | Page 9-12 |
| Energy/Fuel use (or Fossil fuel depletion) | Environment | Environment | Page 19, 26-27 |
| Greenhouse Gas (GHG) Emissions | Environment | Environment | Page 19, 26-27 |
| Air emissions/Air pollution (Non GHG) | Environment | Environment | Page 13-17, 27 |
| Solid waste | Environment | Environment | Page 13-17, 20-21, 27 |
| Hazardous waste | Environment | Environment | Page 13-17, 27 |
| Chemical hazards | Environment | Environment | Page 13-17, 27 |
| Water use/Water scarcity | Environment | Environment | Page 7, 9-17, 27 |
| Wastewater/Water pollution/Eutrophication | Environment | Environment | Page 7, 9-17, 27 |
| Bribery and corruption | Anti-Corruption | Anti-Corruption | Page 19, 25 |
| Forced labor and Human trafficking | Human Rights Labor | Human Rights | Page 10, 13-17, 25, 27 |
| Child labor | Human Rights Labor | Human Rights | Page 10, 13-17, 25, 27 |
| Health and safety | Human Rights Labor | Social aspects and employees | Page 10, 13-17, 19, 25, 27 |
| Discrimination, harassment and abuse | Human Rights Labor | Human Rights Social aspects and employees | Page 10, 13-17, 18-19, 25, 27 |
| Right to privacy | Governance | Human Rights Social aspects and employees | Page 19, 25 |
| Land rights | Human Rights | Human Rights | Page 10, 13-17, 18-19, 25, 27 |
| Decent working conditions | Human Rights Labor | Human Rights Social aspects and employees | Page 10, 13-17, 18-19, 25, 27 |
| Consumers expectations | Governance | Social aspects and employees | Page 6, 23-24 |
| Wholesalers requirements and expectations | Governance | Social aspects and employees | Page 19, 23-24 |
| On product sustainability is mandatory for market Access | Governance | Social aspects and employees | Page 12 |

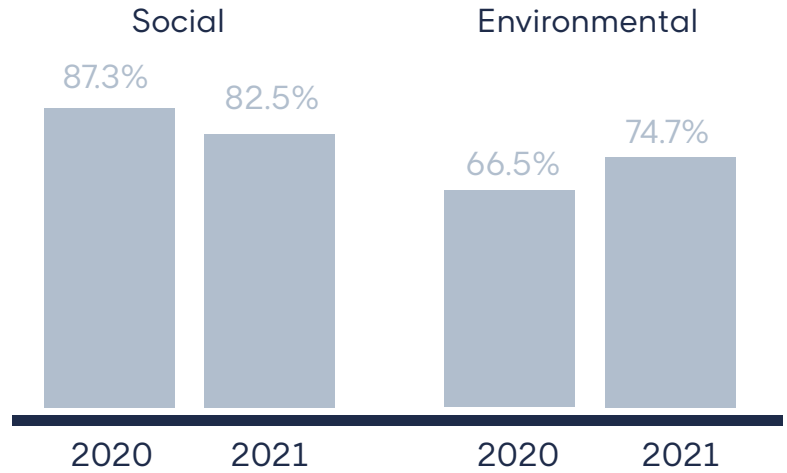
As an example we use questionnaires to evaluate our relationship with business partners and regularly respond to questionnaires from retailers regarding how we work within sustainability. Sustainability meetings with business partners are kept as part of the onboarding process and on a regular basis for the duration of the partnership. To keep up the dialogue with employees globally GANT uses &Frankly, which allows for regular feedback from the employees when it comes to GANT's leadership and the work environment on GANT. Studies are made on a regular basis with consumers to keep up with their expectations and to understand preferences related to 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. These memberships enable us to align our efforts towards shared visions, principles and stakeholders expectations. Every year we conduct a number of sustainability reports that are shared with stakeholders like HIGG BRM and CDP.

HIGG Brand and Retail Module

GANT is a member of the Sustainable Apparel Coalition (SAC). In order to benchmark our sustainability work with best practices in the industry and share our performance with our stakeholders GANT reports to the HIGG Brand and Retail Module (BRM) every year. To challenge ourselves and have the best possible alignment with the rest of the industry, GANT has external assurance on the HIGG Brand and Retail Module.

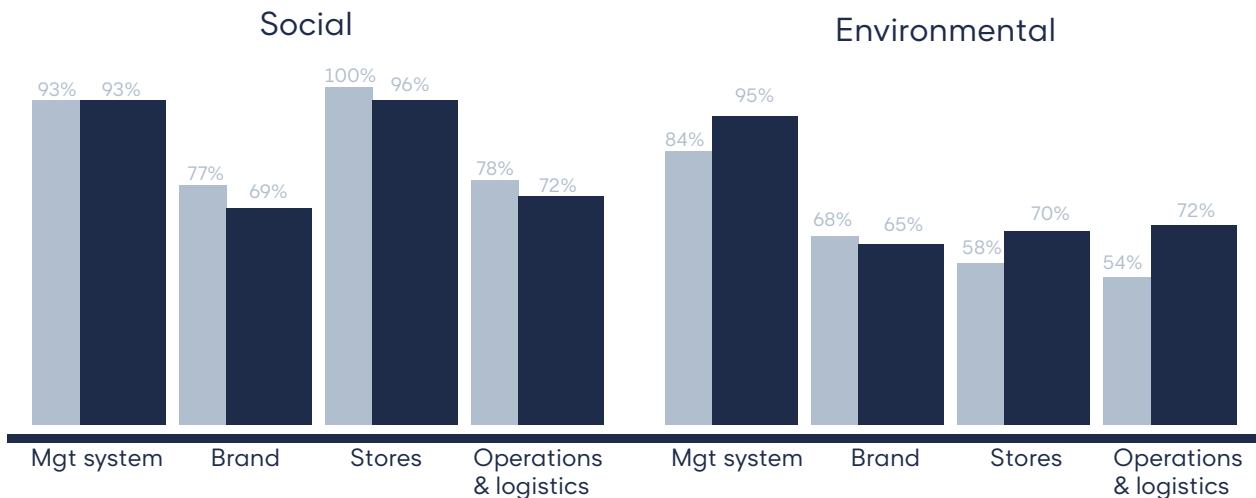
Brand & Retail Module overall scores



In the most recent HIGG BRM assessment we were able to improve our scores within the environmental area. For example, within this area GANT improved processes for risk assessment and reporting. Within the social area the score decreased slightly from 87.3% to 82.5%. One important reason behind the decrease is a change in the payment terms for suppliers that was implemented during the year. Since this is the second year that GANT has verification of the Brand & Retail module a small effect from verification is still seen. We believe this is a positive thing as it enables more comparable results between brands who undergo verification.

GANT continues to work with the Brand & Retail Module and is adapting to the new reporting standards that will be released in the next year.

Brand & Retail Module section scores



Grievances and corruption

Grievance mechanisms are key to track and improve the company’s performance, and ensure ethical business. The GANT Grievance Policy and Mechanism is a company policy and tool to address any non-compliance of the Code of Conduct or policies, and suspicions of law violation. Anti-corruption is one of the primary focuses in the GANT Code of Conduct and the grievance process which aims to mitigate corruption cases both within our operations and across the whole supply chain.

GANT updated the grievance procedure in 2021 by launching a new website at <https://whistleblowing.gant.com> for employees and all other stakeholders to raise their concerns and complaints about violation of law and unethical conduct. This initiative provides a secure platform for all kinds of whistleblowing with improved anonymity and a safer environment for communication between the company and those reporting.

Aside from self management and supervision, we also actively react to reports from external stakeholders such as the media and NGOs, and regard them as a chance to investigate the company’s risks from the reports. When relevant, those cases could result in grievance investigations even if they are not directly addressed to GANT. During the year this was the case when one of GANT’s suppliers was accused of not paying the legal minimum wages to workers. After a grievance investigation the issue was solved in close dialogue together with the supplier.

In total there were 10 grievance cases processed at GANT in 2022. 9 of them related to employee misconduct such as theft or misuse of discounts. Investigations were handled according to set processes and when substantiated they led to warnings and/or termination of employment.

Modern Slavery

GANT does not tolerate any types of human rights abuse and is committed to combating any kind of modern slavery which includes servitude, forced and child labor, human trafficking, etc. GANT has set up policies and standardized due diligence processes to proactively and systematically take the responsibility for preventing risks of adverse impacts to human rights.

We continuously assess and monitor social performance of the entire value chain to prevent any potential human rights violations, and strive for continuous improvements. GANT is also dedicated to communicating our values and standards on zero tolerance to human rights violations through policies. GANT takes action on any suspicions or concerns as described in the grievance section above. A Modern Slavery Act Statement is published annually, where more information about GANT’s work on preventing modern slavery is provided.

Climate

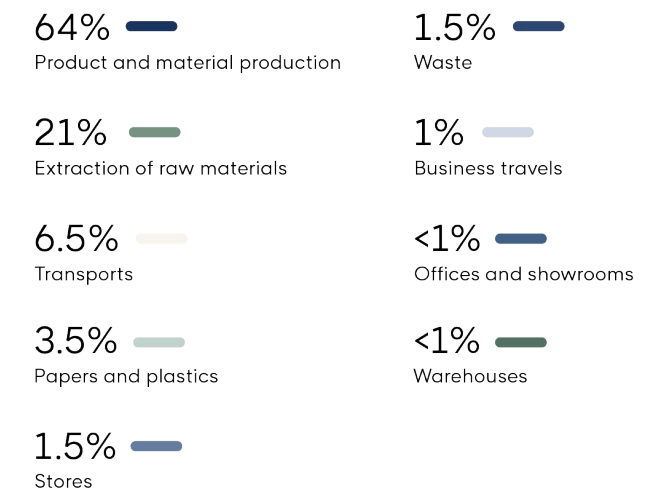
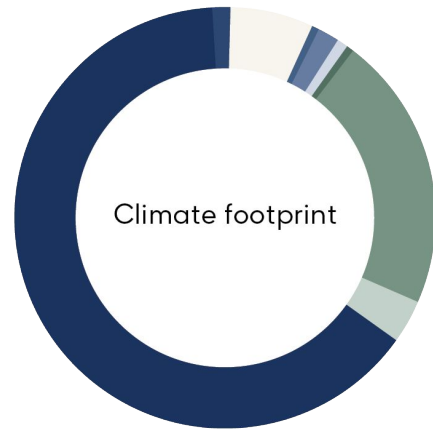
Climate is one of the most urgent challenges that GANT and the rest of our industry are faced with. As a signatory of the UN Fashion Industry Charter for Climate Action and UN Fashion Pact, GANT wants to stay in the frontline of climate actions initiated from a science-based target setting and robust commitment.

During the year GANT has both committed to and submitted a Science Based Climate target. By the end of the year the target is still under validation. This is expected to further elevate our work within climate matters and the work continues to create more detailed action plans in order to work towards the ambitious targets.

In 2022, GANT's climate footprint in total was 96 725 tonnes of CO₂eqv. Emissions mainly occur in scope 3 and are emissions related to the extraction of raw materials, production of materials and products and transport. These emissions together account for almost 96% of the total emissions. Compared to the previous year, total emissions have increased by approximately 20%. This is since the number of products that are produced during the year are one of the most important factors for the total amount of emissions. 2020 and 2021 had a relatively lower number of products produced and when coming out from the pandemic production increased again which is reflected in the carbon footprint.

GANT has identified three key priorities to reduce greenhouse emissions. These are:

- The Sustainable fiber staircase strategy which aims to increase the share of low impact materials in our products.
- Supplier Sustainability Excellence program which aims to reduce emissions related to the production of materials and products. This includes increasing the share of renewable energy in the production and phasing out coal. HIGG FEM is used to follow up on the performance in factories. Of the 25 factories that have shared verified FEM reports we have identified 4 sites that are using coal and according to our commitment within the UN Fashion Industry Charter for Climate Action we will be working with the suppliers to phase the coal out from these sites by 2030 the latest.
- 7 Rules which is GANT's circularity initiative aiming on prolonging the life-time of garments and introducing new ways of consuming textile products, such as renting or buying second hand.



GANT's climate footprint was 96 725 tonnes CO₂e in 2022. The emissions are generated through the activities shown in the diagram above. Emissions were distributed through scope 1 (255 tonnes), Scope 2 (1501 tonnes) and scope 3 (94 969 tonnes).

How we calculate

GANT applies the Greenhouse Gas Protocol standard for calculating CO₂ emissions. 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 is calculated using emission factors from UK Government GHG Conversion Factors for Company Reporting 2022. Emissions from offices, showrooms, stores and warehouses are calculated with location-based emission factors from IEA. As part of GANT's preparation for setting a Science Based Climate target in 2022, we have made recalculations of CO₂ emissions and it's therefore not directly comparable to previous sustainability reports. Compared to last years sustainability report a restatement of emissions in Product and material production and Extraction of raw material has been made. The restatement is due to a change in material reporting which has been made to improve accuracy.

Sustainability metrics

| KPI | Boundary | 2019 | 2020 | 2021 | 2022 |
|-----------------------------------------------------|-------------------------------|-------------------------|-------------------------|-------------------------|---------------------|
| People & ethics | | | | | |
| Number of employees | GANT group | 1 414 | 1 659 | 2 143 | 2 104 |
| Female employees % | GANT group | 72% | 75% | 71% | 71% |
| Employees in stores % | GANT group | 68% | 68% | 73% | 73% |
| New employees during the year (HC) | GANT group | 717 | 419 | 1016 | 1010 |
| Employees leaving the company during the year (HC) | GANT group | 661 | 573 | 907 | 1 301 |
| Absenteeism % | GANT group | 5.5% | 11% | 5% | 2% |
| Sickness absence % | GANT group | 2.7% | 4% | 8% | 5% |
| Number of grievance cases | GANT group | 10 | 9 | 5 | 10 |
| Suppliers signing CoC and sustainability policies % | Final manufacturing | 100% | 100% | 100% | 100% |
| Factories in risk countries audited % | Final manufacturing | 100% | 100% | 100% | 100% |
| Environment | | | | | |
| CO2 emissions (tonne) | Scope 1 | 298 | 95 | 246 | 255 |
| CO2 emissions (tonne) | Scope 2 | 1 922 | 1 899 | 1 665 | 1 501 |
| CO2 emissions (tonne) | Scope 3 ¹ | 87 957 ² | 81 006 ² | 78 982 ² | 94 969 ³ |
| Energy use (MWH) | Offices, showrooms and stores | 6 464 | 6 588 | 6 937 | 6 680 |
| Energy use (MWH) | Warehouses | 3 447 | 4 523 | 4 862 | 1 221 ⁴ |
| Sustainably sourced cotton % | Raw materials | 36% | 57% | 71% | 100% |
| Sustainably sourced materials % | Raw materials | 35% | 47% | 58% | 82% |
| Water consumption (m3) | Raw materials and production | 12 114 669 ² | 11 871 646 ² | 11 175 748 ² | 14 462 415 |
| Water pollution (m3) | Raw materials and production | 2 856 582 ² | 2 758 153 ² | 2 642 616 ² | 3 407 602 |
| Chemical use (tonnes) | Raw materials and production | 9 257 ² | 9 040 ² | 8 650 ² | 10 967 |
| Land use (sqm) | Raw materials and production | 83 856 376 ² | 80 875 953 ² | 79 958 619 ² | 108 829 617 |
| Sox (tonne) | Raw materials and production | 294 ² | 286 ² | 279 ² | 348 |
| Nox (tonne) | Raw materials and production | 210 ² | 205 ² | 200 ² | 250 |
| HIGG FEM ⁵ % | Final manufacturing | 37% | 57% | 74% | 99% |

¹ Includes: Raw materials, material and garment production, packaging, transports, warehouses, business travels and upstream emissions from energy use in offices, showrooms and stores.

² Restatement of data compared to Sustainability report 2021. The reason is an update in the material reporting methodology to improve the accuracy.

³ Uncertainty notice: emissions from final manufacturing is made with primary data from the factories. Approximately 55% of products is made in a factory that had verification on the data. One factory have in the year reported what GANT judge to be inaccurate emissions since it resulted in that unit accounting for approximately 35% of emissions and only 1% of production. Due to that this have a big impact on overall GHG emissions and is likely inaccurate GANT used extrapolated data for this site which may have some impact on the accuracy of emissions (as an maximum 8%, but likely much lower).

⁴ Change of methodology compared to previous years affects the comparability to previous years. Previously energy use was estimated based on size of the warehouse. From 2022 energy data has been collected directly from the warehouses.

⁵ Share of products produced in factory that report according to HIGG FEM

Future

From dirt to shirt and beyond.

GANT started as original shirtmakers in 1949. The brand's success is built on timeless, high-quality shirts in modern colors and elevated designs. A GANT shirt is a testament to teamwork and considered choices, which include the sustainability efforts we continue to make today. Sustainability is a red thread that runs through everything we do, starting with bio-based and more sustainably sourced materials that are better than the conventional alternatives.

In 2022, we reached the milestone of only using more sustainably sourced cotton in our products. But we can always do better, and we constantly try to improve our ways. Collaborating with our partners and taking in their expertise enables us to reach all our goals – big or small, the choices we make matter.

We work with a responsible mindset for our garments, we offer our customers advice on garment care, rental of occasionwear, and beloved garments in-store. And when you no longer have use for a piece of clothing, we continue the circularity with our chosen partners.

Looking ahead, we see both challenges and opportunities. We honor our heritage to Never Stop Learning. We will continue to work with the best partners to gain valuable insights and to become better, and faster. We will continue implementing the Sustainable Fiber Staircase Strategy to increase the use of more sustainably sourced materials. In 2023, we will elevate the Supplier Sustainability program to support our ambitious sustainability targets, and we will continue to scale up the circular business model with the GANT 7 Rules initiative.

We believe that offering consumers a sustainable curated wardrobe is the future, and a solid foundation for accelerating our business.

Jessica Cederberg Wodmar
EVP Global Sustainability & CSR

