

# FORCED LABOUR POLICY

GANNI supports and aligns with international efforts to eradicate forced labour, including International Labour Organisation (ILO)'s Conventions C029, P029, and C105, the UK's Modern Slavery Act 2015, the Norwegian Transparency Act, the Australian Modern Slavery Act 2018, Canada's Bill S-211, the California Transparency in Supply Chains Act (CTSCA) and the Uyghur Forced Labor Prevention Act (UFLPA) adopted in the United States. We are committed to respect human rights and work to combat any kind of modern slavery.

Suppliers shall ensure that all work is voluntary. Suppliers shall not traffic persons or use any form of slave, forced, bonded, indentured, or prison labour.

We expect our Suppliers and Subcontractors to adopt and maintain terms of employment for their employees that comply with local law and our Supplier Code of Conduct.

## DEFINITIONS

**"Supplier"** means the direct contractual supplier who has entered into a Mutual Business Agreement with GANNI.

**"Subcontractors"** means the subcontractors of the Suppliers in its supply chain, including (but not limited to) fabric suppliers, trim suppliers, dying and print-house as well as laundry facilities.

**"Worker"** means any individual performing work in connection with the production, processing, or distribution of goods or services for or on behalf of GANNI, including but not limited to:

- **direct employees** engaged under a formal contract of employment (full-time, part-time, fixed-term, or permanent);
- **indirect and agency workers** supplied through labour agencies, staffing firms, or third-party contractors;
- **home workers and piece-rate workers** performing work off-site or outside a formal workplace;
- **seasonal and temporary workers**, including those engaged during peak production periods;
- **migrant workers**, whether documented or undocumented, domestic or cross-border;
- **apprentices and trainees** engaged in any form of skills development related to production;
- **workers in the informal economy**, including those without written contracts or social protection coverage.

**"Forced labour"** includes the transportation, harbouring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of their exploitation. These standards apply equally to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part-time, night workers, homeworkers, young workers and migrant workers.

**"Forced worker"** means a worker performing forced labour.

**"Zero Tolerance"** means that GANNI does not accept any breaches of GANNI's Supplier Code of Conduct and recognised standards which presents imminent risk to people's safety and integrity, risk to the planet, and to the reputation of GANNI.

## KEY RISKS

Below are some of the most common form of forced labour in the Textile and Fashion Industry in recent years, and to remind our Suppliers of their commitments and obligations on this important issue:

### 1. **Mandatory overtime**

All overtime must be voluntary without the threat of penalty or dismissal.

- Suppliers shall ensure that all workers have the right to refuse to work overtime hours;
- Suppliers shall not impose overtime where workers are unable to leave the work premises;
- Under no conditions shall a Supplier impose punitive measures such as salary deductions, apply coercion of any kind, denial of future opportunities for overtime, or take disciplinary action against workers for refusing overtime.

### 2. **Production Quota Setting**

Suppliers shall not set production quotas/targets or piecework rates at such a level that workers need to work beyond regular working hours (excluding overtime) to earn the legal Minimum Wage.

### 3. **Recruitment Fees**

Recruitment and employment processes shall adhere to the Employer Pays Principle<sup>1</sup>. Workers shall not be required to pay employers' or their agents' fees for their recruiting and/or ongoing employment.

- This includes recruitment, application, recommendation, hiring, skills test, placement, processing, renewals, and/or recurring fees of any kind;
- If such fees are found to have been paid by workers, such fees shall be repaid to the Worker;
- If a Supplier chooses to follow a hiring process that results in recruitment fees — or in cases of unavoidable recruitment costs, such as when pre-employment health examinations are required by law — the employers themselves must bear these costs.

### 4. **Control of Employee Documents**

- Workers shall retain possession or control of all original identity documents, such as passports, identity papers, travel documents, and other personal legal documents;
- Suppliers shall not require surrender of workers' original identity documents, withhold workers' original identity documents, or restrict workers' access to original identity documents for any reason;
- Suppliers may obtain and retain copies of workers' original identity documents.

### 5. **Restriction of Freedom of Movement**

- Workers can freely resign from their employment after the employer has been provided with a reasonable notice;
- Suppliers shall not confine or restrict the Worker's freedom of movement inside the place of production or supplier-provided facilities (e.g. dormitories).

---

<sup>1</sup> Institute for Human Rights and Business (IHRB), The Employer Pays Principle

## ENFORCEMENT & REMEDIATION

GANNI maintains a Zero Tolerance approach to forced labour. Situations of forced labour – using coercion or fraud to hire and retain workers – or any involvement in acts of trafficking in humans can have serious consequences for the Supplier.

If any forced labour is suspected, further investigation and immediate remedy must be conducted by a third party chosen by GANNI. This may include visiting affected workers, factory management and any involved subcontracting parties, community; and ensuring that workers currently in forced or indentured conditions are taken care of.

Once a full investigation has been conducted and the forced labour concern confirmed, the Supplier must cooperate with local initiatives and authorities to ensure the Worker is offered safe surroundings and provided with financial assistance and other support. The Supplier must implement a remediation program as directed by GANNI, working together to rectify the situation. The Supplier shall be responsible for the costs of victim reparations, audits and administrative costs for case management and monitoring.

The Supplier in question must rectify the situation in a timely manner. Non-improvement of conditions can be grounds for discontinuation of our collaboration and termination of any contracts with the Supplier.