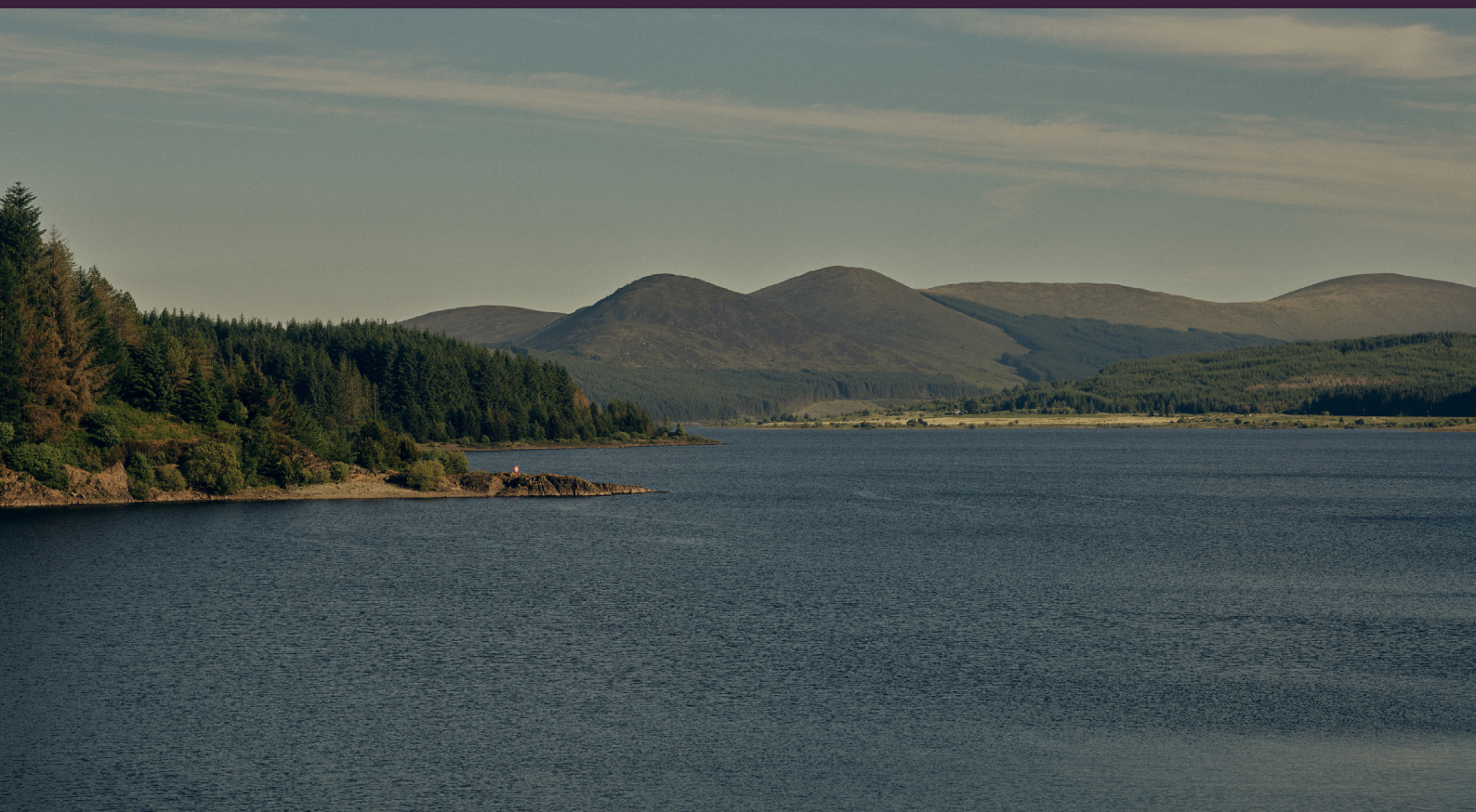


# ANNUAL SUSTAINABILITY REPORT



2023



ALEX BEGG

WEAVERS OF LUXURY ACCESSORIES SINCE 1866



# SUSTAINABLE DEVELOPMENT GOALS



## OUR TEAM

Bryan Y, Aiswarya B, Jessica B, Asbley M, Thomas M, Alan M, Lynn S, Margaret J, Jean M, Elaine S, John J, Michelle A, Stuart W, Rachael M, James M, Carmela M, Francesca H, Joanna L, Catherine S, Alexander C, Angela G, Serbii P, Kyrylo L, John C, Holly B, Hannah M, Lisa M, Gillian B, Andrew M, Emily P, Luke B, Myra D, Robert G, Scott K, Marianne M, Hugh S, Iain B, Arlene B, Cameron C, Nicholas T, Anne W, John M, Lorna D, Brian M, Lindsey D, Elaine F, Michaela H, Songul M, Leanne M, Monika O, Coral D, Lindsay W, Ian L, Stacey K, Mandy M, Colin M, Claire M, Shirley Ann B, Ailis D, Bronwynn D, Elizabeth R, Pamela B, Barbara B, Joseph M, Keith T, Peter C, Nicole W, Sergei P, Jill W, Ian R, Emma H, Marija S, Joseph W, Ross L, Alice G, Richard S, Mary S, Leslie C, Shane C, Steven E, David G, Brian R, Harvey R, Gary S, Cameron K, Mary P, Oscar M, James M, Michael C, Bruno G, Paul F, Ly N, Kim A, Craig C, Kathryn H, Brooke M, Celia B, Maria W, Erin P, Jordan R, Summer M, Kayla J, Dean C, Lewis C, Barbara N, James H, Aimee F, Alan H, Anthony W, Lauren W, David W, Fiona M, Richard B, Andzelika W, Emily G, Alexander P, Rebecca T, Noel M, Alison G, George E, Shaun H, Stuart I, Campbell T, Raymond M, Natasha E, Ross C, Heather D, Richard N, Margaret P, Christopher S, Elizabeth R, Claire H, Kane W, David B, Colin M, Aleksandra G, Nicholas C, Naomi M, Rebecca, Charlotte H, Stephen H, Jack B, Oliver P, Jolyon B, Isobel P, Meixuan C, Connor M, Jonathan M, Antony A, Lisa M, Danute K, Rachel A, June T, Siobhan S, Graham W, Iwona D, Maria-Elisa S, Paul G, David M, Mechelle A, Adrian G, Lee N, Roisin P, Daria S, Lesia L, Liall G, Jade C, Robert M, Jacqueline G, Aida R, Donna M, Mark P, Danielle S, Renata T, Zoia H, Maksym S, Anita M, Oksana K, Kirsty R, Robert F, Maryna H, Olba B, Linda I, Caitlin R, Stacey G, Jason C, Jack P, Monique L, Amy T, Robert B, Jamie G, Elis T, Shreya L, Charvi R, William M, Lauren G, Eileen M, Claire J, Kay B, Sharon Y, Ann R, Aneta S, Victoria W, Nicola B, Tracey C, Leah I, Aileen J, Sheila L, Wendy M, Elizabeth M, Jacqueline M, Beverly M, Caroline M, Rosina S, Amanda S, Nichola S, Linzi T, Leslie T, Linda W, Myra W, Lauren R, Elizabeth B, Avril M, Valerie F, Eve B, Susan M, Susan C, Jesse L, Mia W, Otis L, Lee-Anne H

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# FOREWARD FROM THE CEO

As a business, our core strategy is to make a Material Difference, and 2023 was a year in which we made good progress in several areas.

Sustainable and impactful change requires collaboration, and we actively contribute to our partnerships. Our drive towards sustainable traceable material supply has been in place for several years and we celebrate how far the industry has progressed with Sustainable Fibre Alliance certified cashmere. We appreciate Una Jones SFA CEO & Founder crediting Alex Begg as being “...a pioneering force within the SFA cashmere programme, since its first introduction in the Arkhangai region of Mongolia in 2018.”

We are pleased to have commenced working in partnership with UKFT (UK Fashion & Textiles) and a consortium of companies in the UK to create a model and systems for textile recycling, thereby reducing waste and increasing product circularity.

In our own mill, a particular highlight was zero production waste to landfill or incineration. Anything from the production process that is unable to be used in the final product will be used as an input to an alternative manufacturing process such as making a yarn or being used as a filling with great thermal properties.

For both Begg x Co and our bespoke customers, we have expanded our focus on developing products with an increased circularity from recycled yarns.

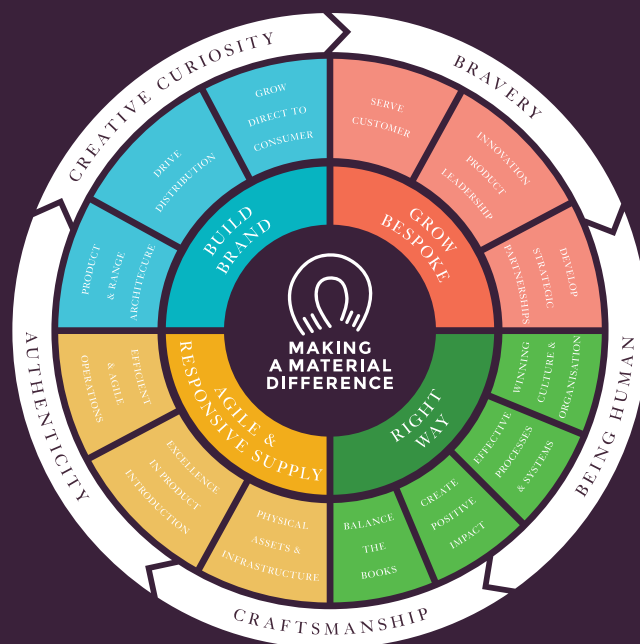
We recognise how much more needs to be done, and in some areas first steps include establishing metrics around our current performance. 2023 was the first year that we calculated our packaging across the business – both in Hawick and Ayr, including packaging for goods in and product shipped to customers.

It was also the first year that we calculated some of our scope 3 emissions. This included employee commuting, waste and water emissions, and business travel. In 2024, we will work on expanding our scope 3 emission calculations.

## Approach to Sustainability

Sustainability is firmly embedded with our company strategy and values. As weavers and knitters of scarves, knitwear and home furnishings for luxury fashion houses and our own brand, Begg x Co, Alex Begg has long held the belief that business can be a force for good. We use natural, regenerative fibres, primarily cashmere and wool, with smaller amounts of silk, manufacturing products of the highest quality that are enjoyed by customers around the world.

Our manufacturing sites are both certified to ISO 50001 and our site in Ayr is certified to ISO 14001 and ISO 9001. However, we want to keep improving our environmental and social impacts beyond our production sites. This report gives an overview of progress on our sustainability journey in 2023, and where we want to go in 2024 and beyond.



IAN LAIRD

Chief Executive Officer



Our owner, Lindéngruppen, is a second-generation family business focused on sustainable and long-term development of industrial companies. Lindéngruppen's purpose is to ***“empower our companies to prosper and lead the transformation to a sustainable world”***. The Group is unified by the belief that by being rooted in a clear purpose and long-term thinking, we are better able to build resilient and prosperous companies, while also making a difference and taking an active part in solving some of the major challenges facing our world.

Together we work actively to optimise benefits in terms of environmental and societal impact, and to minimise negative impact. Each company is required to have a clear understanding of the issues that are most material to itself and the Group, and

how these can be influenced and over time transformed. Going forward, an important part of optimising benefits is to understand our challenges, opportunities, and drive the ability of our customers and our end-users to become more sustainable.

## A NEW MODEL FOR VALUE CREATION

In 2021, Lindéngruppen developed a new Value Creation Model that measures economic, environmental and social impacts in addition to financial results. The model recognises that we are interdependent on the environment and the societies in which we operate.

By factoring in some of the major costs and benefits that our businesses generate, we can give sustainability performance a similar weighting to financial performance.

The new model for value creation will allow us to make more informed and responsible business decisions that enable better prioritisation of resources. It will also create stakeholder value and support more meaningful dialogue, improve understanding of

sustainability related risks and opportunities and not least, promote accountability and transparency.

Our aim is to use the model to integrate overall value creation into the governance of the Group, our investment decisions, and even incentivise structures in order to secure long-term growth and profitability.





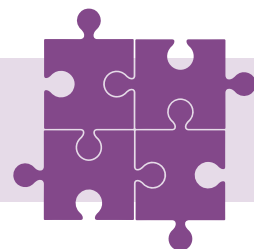
## STRATEGY & MATERIALITY

In addition to our materiality assessment shaping our business strategy, we are also pursuing B Corp certification. To be a B Corp demonstrates that a business is meeting high standards of verified performance, accountability, and transparency in five key areas (Governance, Workers, Environment, Community, and Customers).

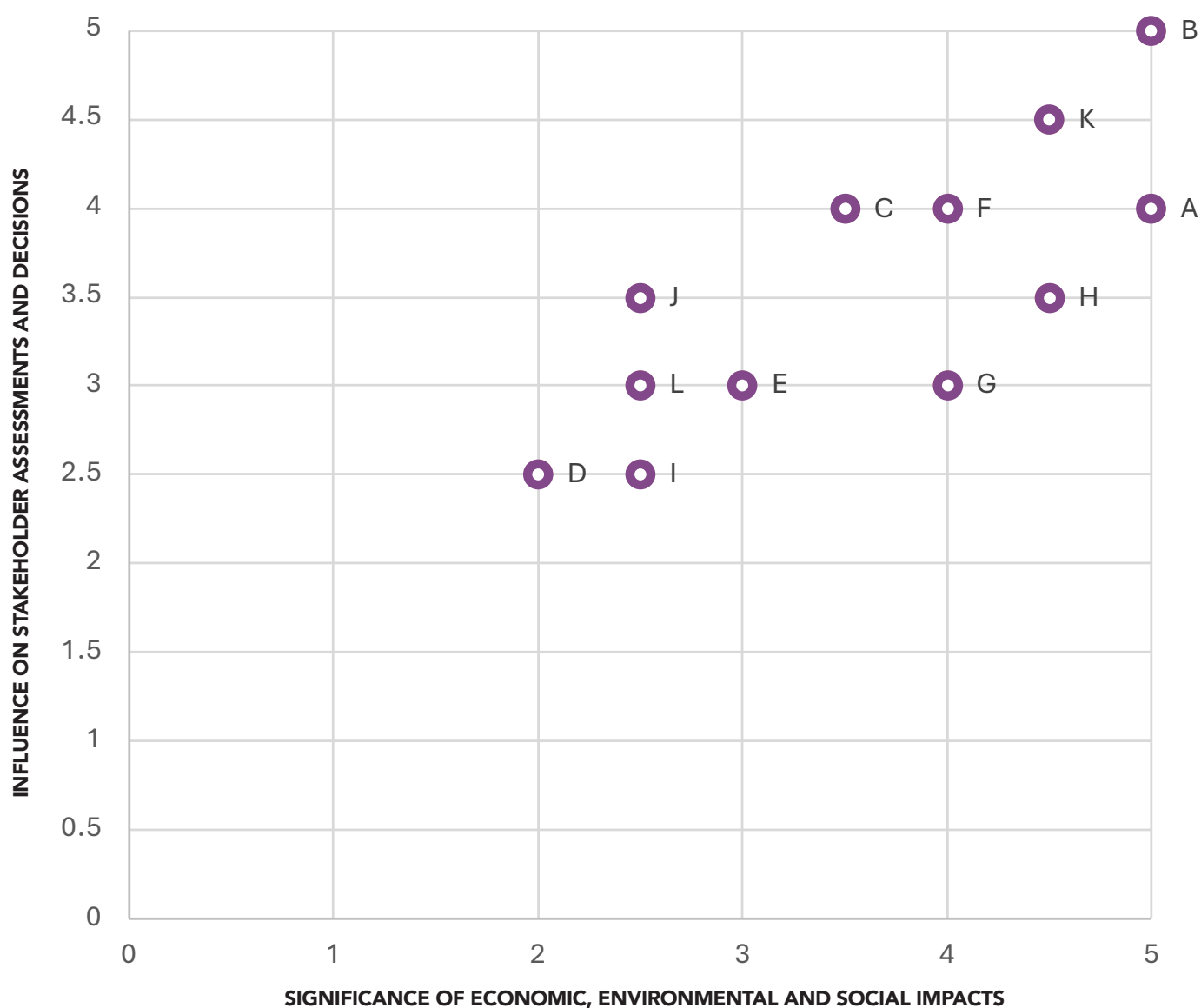
As a business, we take pride in our people and in making a luxury product while working to minimize our environmental impacts; becoming a Certified B Corp would recognize the work we currently do, while also pushing us to be better as part of a global community of changemakers. We entered into the verification stage of B Corp Certification at the end of 2023, and plan to be certified in 2024.

The business is legally required to consider the interests of stakeholders in decision making, not just the shareholders. Our stakeholders have been identified as: our owner, Lindéngruppen; our customers; our suppliers; our employees; our local communities; regulatory authorities; and our wider business partners .

Our materiality analysis shows the issues which are the most important to a business and to the main stakeholders. The grid has two axes: importance on the y-axis and impact on the x-axis. The scale is one through five, with five being the highest priority. Our materiality is reviewed every year by our Senior Leadership Team based on events and dialogues with stakeholders over the course of the year. Our key stakeholders concerning operations, environmental management and health & safety are defined in our policies on these subjects.



## MATERIAL ASSESSMENT 2024



### Sustainability topics

A	Process and material innovation	G	Implementation of digital systems
B	Sustainable, certified fibre supply	H	Skills development at all levels
C	Adoption of circular business model	I	Improved data energy and water
D	Responsible Chemical Management	J	Children's rights within the supply chain
E	Effective supplier management	K	Carbon neutrality
F	Measurement of Scope 1, 2 and 3 emissions	L	Review and assess packaging impact



## PEOPLE

### ENGAGEMENT

Employee engagement remains a key priority for the People & Culture team. We had a team day for the Alex Begg site in Ayr along with our first ever for Scott & Charters in Hawick. Both site days focused on business strategy and team events to build communication and relationships across the businesses. The Alex Begg day gave team members the opportunity to work with speaker and author Philip McKernan to explore their "One Last Talk", which they bravely shared with the team. Scott & Charters were entering into the unknown with a team day but were very enthusiastic about the team building activities. Supporting our teams to push themselves out with their comfort zones creates inspiration and connections.

### TRAINING & TALENT

At Alex Begg, we have an invested interest in retaining talent and helping people reach their full potential. In 2023, we rolled out a leadership course in partnership with Connect Three, a management pathway consultancy. This course was aimed at both team leader and management level, and this meant that 24% of our employees had the opportunity to learn extra leadership skills. The course focused on topics such as Coaching and Delegation, Leading Culture and Values, Planning for Peak, and Developing Capability. Our values were woven throughout every topic, and the goal of this training was not only to develop skills for those on the course, but to also achieve a ripple effect across the entire business with the implementation of some of the learnings. The impact of this training is that our values are now more embedded across the business and our leaders are demonstrating more bravery with courageous conversations with their teams. We will continue to grow the content in future to add more skills and embed further. Another benefit was that it improved our cross-site relationships as teams from both Ayr and Hawick participated. The feedback from attendees was incredible and there's an increased confidence level in our Team Leaders and Managers.



## YOUNG PEOPLE

Our apprenticeship program has been operational for 18 months, and we now have three apprentices in Ayr (two Tuners and one Mechanical Engineer) and one (Shima Knitter) in Hawick. As well as the technical side of their training, each apprentice either attends college or is currently completing an SVQ qualification. As well as practical and technical skills training, we focused on soft skills development, with activities like cross-departmental development, Insights Training, weekly/monthly report writing, and showcasing progress on our business wide communications. In 2023 we also launched our mentorship program which has had a positive impact on our apprentices, where they each have a Mentor to lean on and provide a different viewpoint from their direct manager. This is a fantastic opportunity for both mentors and mentees to build self-confidence, increase self-awareness and wider business knowledge, as well as accelerate growth and development for both parties.

### Training Hours Breakdown

2023

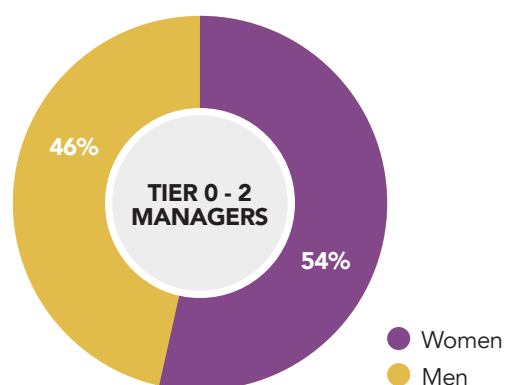
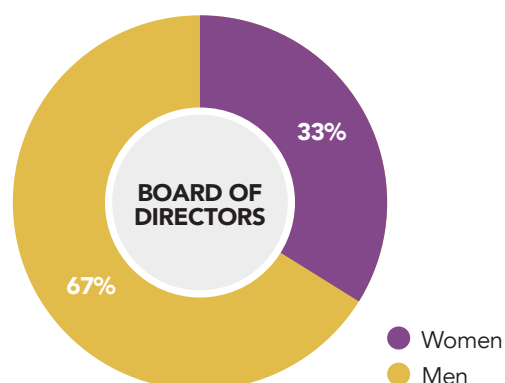
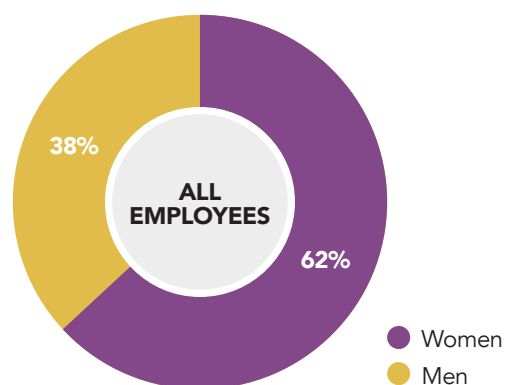
Average number of training hours per employee	16
Average number of training hours per female employee	14
Average number of training hours per male employee	18

## CHARITY & COMMUNITY

In 2023, we made the following donations:

Turkey Disaster Relief	£10,275.56
Sentier D'Action (SUJE)	£2,804.75
Maggie's Cancer	£254.64
Prince's Trust	£229.23
NSPCC	£214.55
Other	£1,033.68

## GENDER DIVISION

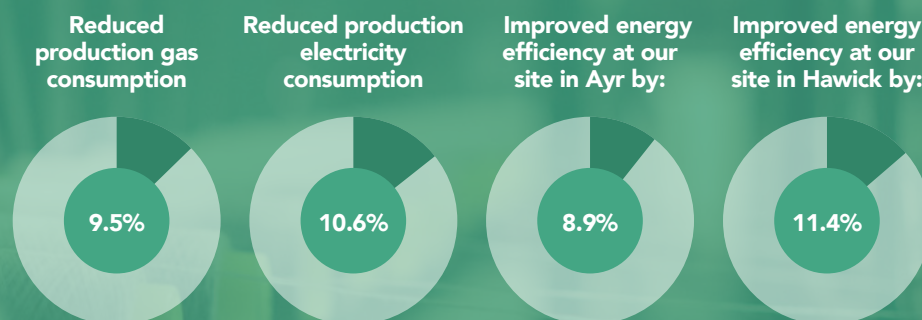


# ENVIRONMENTAL IMPACTS

## ENERGY & EMISSIONS

In 2023, we made some significant progress in our energy management. Both Ayr and Hawick sites had successful audits for ISO 50001.

Comparing 2023 to 2022 across our production sites:



Category	Unit	2023
Purchased Natural Gas	kWh	1,539,927
Purchased Non-Renewable Electricity	kWh	5,993
Purchased Renewable Electricity	kWh	1,130,806
Self-Generated Solar	kWh	32,348
Total Energy	kWh	2,709,074
Reduction of Energy Consumption Compared to 2022	%	10

We have been calculating our Scope 1 and 2 emissions for several years now, including company van emissions, and in 2023 we began to record all business travel emissions, as well as employee commuting and waste and water emissions for Scope 3.

Category	Unit	2023
Direct (Scope 1) GHG emissions	T CO2e	286
Energy indirect (Scope 2) GHG emissions (market)	T CO2e	1
Energy indirect (Scope 2) GHG emissions (location)	T CO2e	235
Other indirect (Scope 3) GHG emissions	T CO2e	329
Nitrogen Oxides (NOx) tonnes	kg	748
Sulphur Oxides (SOx) tonnes	kg	3



## ZERO PRODUCTION WASTE

The textile industry faces challenges with the disposal of wasted material. While we do our best to use all material resources in our process, the nature of weaving and knitting results in some waste.. However we no longer consider this material a waste, as it still has value through other applications. Instead, we define these traditional weaving and knitting waste forms as offcuts, and 2023 was the first year that none of our offcuts were sent to incineration or landfill – 100% were upcycled through various partnerships. We are really proud of this achievement, as it proves that wider collaboration can contribute to solving industry problems.

- **Nomad Surplus Luxury Textiles** is our partner selling offcuts to the public. Nomad makes our production offcuts available to retail and wholesale customers through regular live studio sales in Glasgow, pop-ups and in their online store. They are currently expanding their business and are soon to open a shop on the Sussex coast.
- We have continued our partnership with **Dean Liggett**, Fashion Lecturer at the University of Ulster. Dean runs a course where students use some of our textile offcuts to create garments, challenging conventional ideas about wasting offcuts. In 2023, Victoria Square in Belfast held an art installation created by the students using our materials. The installation was well received, highlighting industry challenges and the willingness and passion to overcome those challenges.
- **iinouilio** set up a textile waste processing plant in Yorkshire and we are currently conducting trials with our design team on recycling production waste and re-spinning into yarn, with the first samples knitted at the end of 2022. In 2023, we continued to explore the technical possibilities and trial other yarns. More information about this project is in the next section.
- We also continued our partnership with luxury mattress manufacturer, **Harrison Spinks**. Harrison Spinks use wool and cashmere in their mattress fillings, and our textile clean offcuts are now being upcycled into their production process. This means our surplus becomes their raw material, and Harrison Spinks is able to source some of their fibres closer to home.

We do not send any traditional waste streams to landfill – all are incinerated as part of waste-to-energy or recycled.

Waste Category	Unit	2023
General waste to incineration	Tonnes	18.44
Special waste to incineration	Tonnes	1.91
Recycling	Tonnes	45.45

## WATER

Water is crucial to the textile industry, and our location in Scotland takes advantage of the soft water available for finishing our products. The WRI Aqueduct tool has shown that both of our sites are located in low water risk areas, but we still aim to improve our water efficiency. In 2023, our total water consumption increased by 3%. Our site in Ayr saw a decrease in water efficiency of 9%, while our site in Hawick improved its water efficiency by 16%. At the end of 2023, we completed ZDHC's Supplier to Zero Progressive Level.

Water Category	Unit	2023
Water withdrawal	m3	21,225
Water discharge	m3	20,164
Water consumption	m3	1,061



## INNOVATION



To ensure our products are of the highest quality, we work with suppliers who provide the highest quality yarns. We have excellent relationships with our suppliers, and while we take pride in our heritage, we have continued to pursue product innovation and traceability, without compromising on quality.



## RECYCLED PRODUCTS



In partnership with recycled yarn specialists iinouiio and long-established carding spinner Z. Hinchcliffe, we have been able to produce a yarn that is truly made from 100% recycled cashmere. Extensive research and development has gone into perfecting the blend which creates this: a yarn that retains both strength and long staple fibre, able to withstand our manufacturing processes and keep our signature luxury hand-feel in final product. Examples of product produced with this yarn range from Jacquard to Dobby, Accessory to Interior Weight. This means that we are able to offer products made with recycled yarns to our bespoke customers and through our own brand, Begg x Co, as well as continue product developments made with recycled yarns.

## BIOSPHERE

By connecting with the 'Blackface Sheep Breeder's Association' and 'Galloway & South Ayrshire Biosphere', we have been able to play a part in a new social enterprise that aims to revive the breed's connection to textile industry. The project aims to bring awareness to wool's environmental credentials and incredible performance properties - less waste, a sustainable alternative to artificial textiles and direct benefits back to the farmer.

One tonne of Blackface Sheep fleece was sourced from within the GASB UNESCO site, which was then sorted, scoured and spun into a final yarn. Our mill sits right on the parameter of this site. Here, we undertook early research and development with the supplied yarn, to create products that celebrated the hardy characteristic of the breed. We are exploring opportunities to add this to our Begg x Co collection.

## FIBRE CERTIFICATION

Certified supply of fibre has been important to Alex Begg for many years. We started our own project called CapraCare to explore fibre traceability. Through our Mongolian agent, we were able to purchase a small amount of brown cashmere fibre and tracked it through our supply chain as part of the SFA's trial on cashmere traceability. While we continued the CapraCare project for a few years, we are now focusing on fibre certification and traceability through SFA (Sustainable Fibre Alliance) and RWS (Responsible Wool Standard) certifications. We have been working with our suppliers to move their supply to RWS and SFA certified fibre, and we will become certified in 2024.

## KEY SUPPLIERS

We value our longstanding partnerships with our suppliers and work together on fibre certification and product development. Our primary yarn suppliers are Cariaggi Lanificio, Donegal Yarns, Filati Biagioli Modesto, Filatura Di Trivero, Filatura Papi Fabio, iinouiio, Lanecardate, Lightowlers Yarns, Loro Piana, Todd & Duncan, Zegna Baruffa, and Z. Hinchcliffe & Sons.

## REWEAVE

**ReWeave** is a studio in Hastings specialising in small production runs of woven and needle punched textiles, with whom we have collaborated in finding ways of repurposing textile waste on an industrial scale. Experimentation with all aspects of our waste, from greasy tape and finished selvages, to cut purls and raw fibre, has produced novel confections and new non-woven bases. We will continue our exploration, to find new and alternative applications of our textile offcuts together with ReWeave Studio, opening a conversation centred on circularity in design and manufacture with our customers.



## LOOKING FORWARD

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2023 saw the luxury sector remain more buoyant than other sectors, with reasonable demand, albeit the second half of the year showed a slowing down due to the macro-economic environment. However, as a business we continued to grow, with record turnover and sustainability improvements in waste, energy efficiency, and measurement of impacts.

We have continued to invest in aspects that we believe will be important for the future – this ranges from product innovation to process and systems development, building capability of skills, and physical assets. Focus on product development has supported new business opportunities, particularly around products created through collaborative partnerships. The opening of our London store for Begg x Co has facilitated a greater relationship with end consumers, who are showing greater interest around provenance and manufacturing practices of products.

Our approach to sustainability is one of our competitive drivers, and customers recognise that we have been focused on this for years and is part of our core values as a business. We are seen as a supplier who has influenced change within this area, especially through our engagement with the SFA in working towards sustainable and traceable cashmere.

As we focus on the future, we will continue improving the financial performance of the business, having sustained a period of investment in developing capability, as well as significant cost increases.

The focus on new product development and the complexity associated with it needs to be balanced with the more efficient production of core products. Further innovation on product development will seek to increase product circularity of our beautiful products.

The great work undertaken in becoming certified to SFA and RWS is built upon the co-operation of the total supply chain, and we appreciate the strength of the partnerships we have with our suppliers.

Our approach to 'Making a Material Difference' conveys both our ongoing focus on product leadership and responsibility to create a broader positive impact.





# COMPANY INFORMATION & KPIs

## Governance Structure & Composition

The company, wholly owned by Lindéngruppen AB, has its headquarters at 17 Viewfield Road, Ayr, Scotland KA8 8HJ. The Company has two manufacturing sites, a weaving mill in Ayr and a knitting mill in Hawick. The Board, the highest governing body, is comprised of representatives of Lindéngruppen, members of the management team based in Ayr, an independent Chair and non-executive directors who have extensive experience working in fashion and textiles. The Board meets four times a year and is evaluated annually through a process managed by the Chair of the Board. Most of the decisions regarding day-to-day running of the business are made by the Ayr Senior Leadership Team.



**Ian Laird**  
Chief Executive  
Officer (until March 2024)



**Nick Clark**  
Finance  
Director



**Emily White**  
Design & Sales  
Director



**Peter Carty**  
Production &  
Operations Director



**Barbara Birnie**  
People & Culture  
Director



**Oscar MacDonald**  
Global Commercial  
Director



**Patrick Albaladejo**  
Independent  
Chair



**Jenny Lindén Urnes**  
Owner and Chair of  
Lindéngruppen &  
Board Member



**Fabio Pedrazzi**  
CEO of  
Lindéngruppen &  
Board Member



**Bruno Guillon**  
Independent Board  
Member (CEO of Alex  
Begg from March 2024).



**Sarah Fiore**  
Independent  
Board Member



**Ian Laird**  
CEO & Board  
Member  
(until March 2024)



**Nick Clark**  
Finance Director  
& Board Member

## Overseeing the Management of Sustainability Impacts

Most sustainability impacts are managed at site level in Ayr and Hawick. Sustainability KPIs are reported quarterly to Lindéngruppen for review. The company reports annually on its sustainability performance, the last report having been issued in May 2023. This current report covers the calendar year 2023 and has been prepared in accordance with the GRI Standards 2021. It has not been externally assured.

## Communications Of Critical Concerns

Our whistleblowing policy ensures that any concerns raised are sent to an independent solicitor. There were no whistleblowing incidents in 2023. There were no contributions to political parties, politicians, lobby or advocacy groups.

## Code Of Conduct

The Alex Begg Code of Conduct clarifies the expectations on all our employees and includes, among other things, our approach to human rights and sets forth that we have zero tolerance for corruption and discrimination. The Code of Conduct is central to our relationships with suppliers, customers, partners and society and large. It also underlines the rights to unionise and to collective bargaining. The Code of Conduct is reviewed annually, and new policies are communicated to all employees.

Wider company policy commitments are aligned with Lindéngruppen requirements, applicable legislation, and our certifications. Both sites are certified to ISO 50001, and our site in Ayr is certified to ISO 14001 and ISO 9001.

## Legal Compliance

We shall comply with all applicable laws and regulations that relate to our activities in the countries in which we operate. It is the responsibility of each employee, officer and director to make sure that they are aware of and abide by the laws and regulations that apply to them in their position as representatives of a company within the Alex Begg Group.

## Anti-Corruption

The Alex Begg Group shall compete vigorously but honestly for business and uphold the highest standards in business ethics. We respect antitrust and fair competition laws that prohibit certain actions that unfairly and dishonestly harm competitors. Across the board we act in accordance with fair business, marketing and advertising practices.

Alex Begg is committed to providing a safe and secure environment in which to work. To allow us to comply with customer requirements and protect the Company and its staff, we reserve the right to undertake random searches.

Number of employees trained in human rights policies or procedures	230
Number of employees trained in anti-corruption policies or procedures	230
Percent governance body members trained in human rights and anti-corruption policies or procedures	100%

## Freedom Of Association

All employees shall be free to join associations of their own choice and shall have the right to collective bargaining. In countries where these practices are legally restricted, we strive to have parallel means in place to allow concerns to be brought to management attention.

## Human Rights

We support and respect the protection of internationally proclaimed human rights, such as the Universal Declaration of Human Rights, within the sphere of our influence. We promote diversity and equality and shall not be complicit in human rights abuses.

All employees must be treated equally, have equal opportunities, and not be subjected to discrimination based on ethnic or national origin, creed, skin colour, gender, marital status, sexual orientation, religion, political opinion, nationality, social origin, disability or union membership. There were no incidents of discrimination in 2023.



## COMPANY INFORMATION & KPIs (Con.)

### *Child and Forced Labour*

We do not use child labour. Employees and other personnel must be at least 16 years of age or have reached national school-leaving age upon completion of compulsory schooling, whichever is higher. The minimum age for hazardous work is 18 years of age. We do not accept any form of forced labour or any other forms of involuntary labour. Neither do we tolerate working conditions or treatment that are in conflict with international laws and practices. Our operations and suppliers are not considered to have significant risk for incidents of child labour, young workers, or any forced or compulsory workers.

### *Health and safety*

All our activities must be conducted with respect for employee health and safety. All employees shall be provided with a safe and healthy working environment. We take appropriate action to prevent workplace accidents or illnesses. The number of employees for both sites at the end of the reporting period was 221 FTE.

<b>Absentee rate of all employees (sick leave %)</b>	<b>%</b>	<b>2.6</b>
LTI frequency per million hours worked	LTIFR/milj hours	4.9
TRI frequency per million hours worked	TRIFR/milj hours	4.9
Number of actual working hours	Number	405,537
Number of scheduled working hours	Number	473,806
Number of sick leave hours	Number	12,516
Number of lost time injuries	Number	2
Number of recordable injuries	Number	2

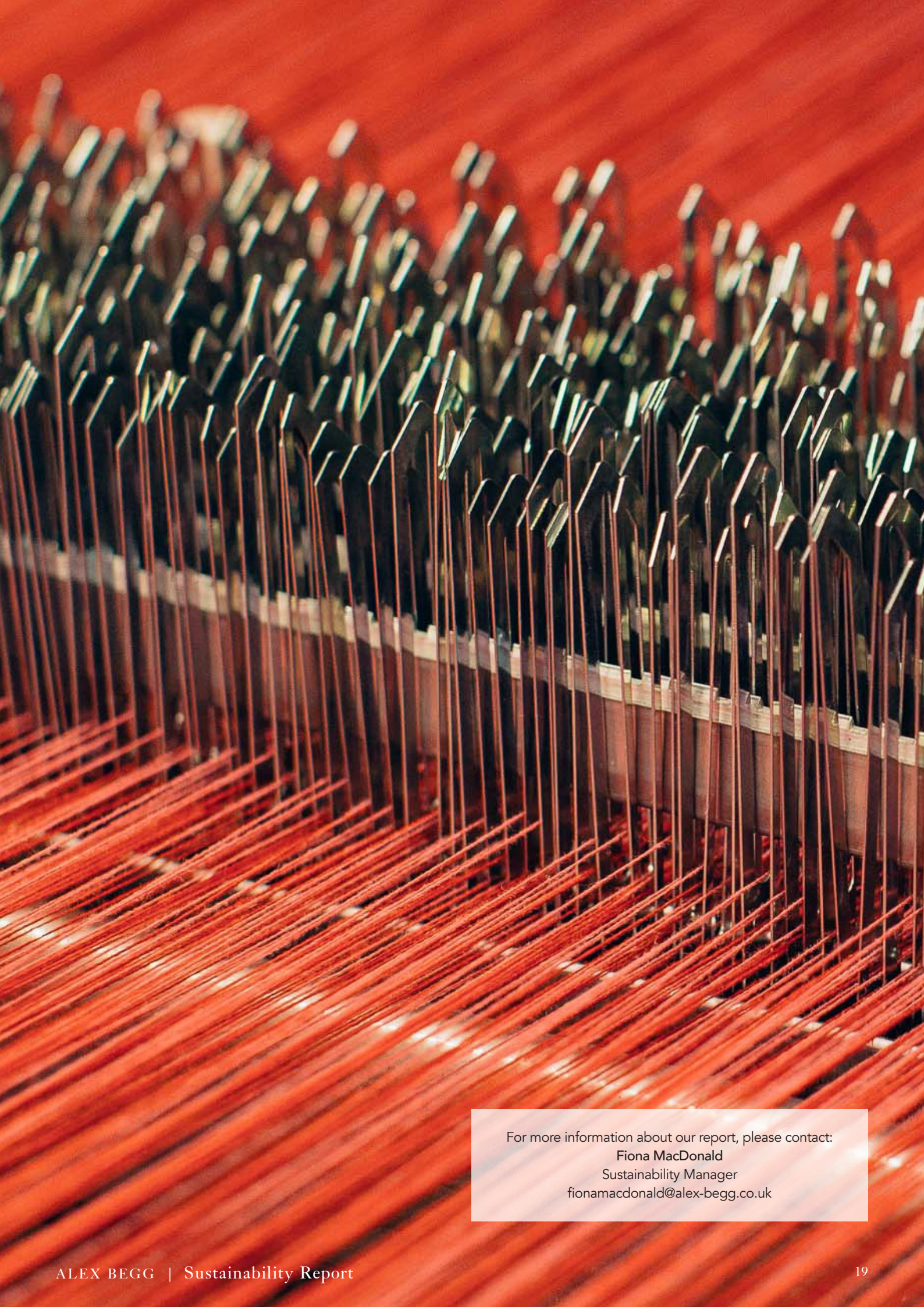
### *Membership and associations*

The company is a member of the Sustainable Fibre Alliance (SFA), UK Fashion & Textiles Scotland (UKFT), and Sedex. We have mapped our work against the UN Sustainable Development Goals and have identified those which have the most relevant impact to our operations and strategic plans. Additionally, we have made reference to the following on specific issues:

- the GRI Standards for reporting ([www.globalreporting.org](http://www.globalreporting.org))
- the Restricted Substance List issued by the ZDHC Foundation
- the Living Wage Foundation
- the Five Freedoms of animal welfare and associated Five Provisions
- the UN Sustainable Development Goals (<https://sustainabledevelopment.un.org/>)
- the Sustainable Cashmere Standard from SFA
- the Responsible Wool Standard from Textile Exchange

Alex Begg uses the Precautionary Principle in managing operations by taking a rigorous approach to managing risk. The company actively works with its suppliers to ensure adherence to the industry chemical compliance standards laid down by ZDHC, as defined in our Policy on Hazardous Chemicals.

*Note: The GRI Standards are “the first global standards for sustainability reporting. They feature a modular, interrelated structure, and represent the global best practice for reporting on a range of economic, environmental, and social impacts”. We have prepared this report in accordance with these standards.*



For more information about our report, please contact:  
Fiona MacDonald  
Sustainability Manager  
[fionamacdonald@alex-begg.co.uk](mailto:fionamacdonald@alex-begg.co.uk)

# GRI REPORTING INDEX

<b>Statement of use</b>	Alex Begg Group Limited has reported in accordance with the GRI Standards for the period 1 January 2023 - 31 December 2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not yet applicable, therefore not included in the index

DISCLOSURE	LOCATION	OMISSION		
		REQUIREMENT(S) OMITTED	REASON	EXPLANATION

## GR1 2: General Disclosures 2021

2-1	Organizational details	16
2-2	Entities included in the organization's sustainability reporting	4, 16
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2-24	Embedding policy commitments	6, 16-18
2-26	Mechanisms for seeking advice and raising concerns	16
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2-28	Membership associations	18
2-29	Approach to stakeholder engagement	6
2-30	Collective bargaining agreements	17

## GRI 3: Material Topics 2021

3-1	Process to determine material topics	6
3-2	List of material topics	7

DISCLOSURE	LOCATION	OMISSION		
		REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 201: Economic Performance 2016				
3-3 Management of material topics	6			
201-1 Direct economic value generated and distributed	-	Not publicly available yet	Information unavailable/incomplete	Not publicly available yet
201-2 Financial implications and other risks and opportunities due to climate change	-	Not calculated	Information unavailable/incomplete	Not calculated
201-3 Defined benefit plan obligations and other retirement plans	-	Not publicly available yet	Information unavailable/incomplete	Not publicly available yet
201-4 Financial assistance received from government	-	Not publicly available yet	Information unavailable/incomplete	Not publicly available yet
GRI 205: Anti-corruption 2016				
3-3 Management of material topics	6			
205-1 Operations assessed for risks related to corruption	16-18			
205-2 Communication and training about anti-corruption policies and procedures	16-18			
205-3 Confirmed incidents of corruption and actions taken	16-18			
GRI 301: Materials 2016				
3-3 Management of material topics	6			
301-1 Materials used by weight or volume	-	Information is not fully public	Confidentiality constraints	There is no external material consumption report
301-2 Recycled input materials used	-	Information is not fully public	Confidentiality constraints	There is no external material consumption report
GRI 302: Energy 2016				
3-3 Management of material topics	6			
302-1 Energy consumption within the organization	10			
302-4 Reduction of energy consumption	10			
302-5 Reductions in energy requirements of products and services	10	Not calculated	Information unavailable/incomplete	Not calculated
GRI 303: Water and Effluents 2018				
3-3 Management of material topics	6			
303-3 Water withdrawal	11			
303-4 Water discharge	11			
303-5 Water consumption	11			
GRI 305: Emissions 2016				
3-3 Management of material topics	6			
305-1 Direct (Scope 1) GHG emissions	10			
305-2 Energy indirect (Scope 2) GHG emissions	10			
305-3 Other indirect (Scope 3) GHG emissions	10			
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	10			
GRI 306: Waste 2020				
3-3 Management of material topics	6			
306-3 Waste generated	11			
306-4 Waste diverted from disposal	11			
306-5 Waste directed to disposal	11			
GRI 403: Occupational Health and Safety 2018				
3-3 Management of material topics	6			
403-9 Work-related injuries	18			
403-10 Work-related ill health	18			

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GRI 404: Training and Education 2016				
3-3 Management of material topics	6			
404-1 Average hours of training per year per employee	9			
GRI 405: Diversity and Equal Opportunity 2016				
3-3 Management of material topics	6			
405-1 Diversity of governance bodies and employees	9, 16			
GRI 406: Non-discrimination 2016				
3-3 Management of material topics	6			
406-1 Incidents of discrimination and corrective actions taken	17			
GRI 407: Freedom of Association and Collective Bargaining 2016				
3-3 Management of material topics	6			
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	16-18			
GRI 408: Child Labor 2016				
3-3 Management of material topics	6			
408-1 Operations and suppliers at significant risk for incidents of child labor	16-18			
GRI 409: Forced or Compulsory Labor 2016				
3-3 Management of material topics	6			
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	16-18			
GRI 413: Local Communities 2016				
3-3 Management of material topics	6			
413-1 Operations with local community engagement, impact assessments, and development programs	8-9			
GRI 415: Public Policy 2016				
3-3 Management of material topics	6			
415-1 Political contributions	16			



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