

G-STAR RAW RESPONSIBILITY

RAW RESPONSIBILITY

G-STAR RAW SUSTAINABILITY REPORT 2021

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HOW TO USE THIS REPORT

This report reflects G-Star RAW's performance on key sustainability priorities and our implementation of due diligence within our value chain. Due diligence, as defined by the Organisation for Economic Cooperation and Development (OECD), is the process enterprises should carry out to identify, prevent, mitigate and take accountability for actual and potential adverse impact in their value chain¹.

G-Star's sustainability priorities are linked to key impact areas that were determined through a risk assessment that is based on the methodology of the OECD. The risk assessment is a key part of our due diligence process and guides us in forming and strengthening our Sustainability Strategy and priorities.

This report focuses on the sustainability progress made in 2021, the planned actions for 2022 and our long-term goals and ambitions for 2025 and 2030². In addition to this report, the following documents, which outline G-Star's policies, guidelines and actions, are also part of our (reporting on) due diligence.

Sustainable Supply Chain Handbook

This [Handbook](#) explains our due diligence process that identifies (potential) risks and includes G-Star RAW's Compliance Policy, a detailed supply chain explanation, our sustainability monitoring tools and process, our supplier onboarding process, and our Supplier Development Program.

Sustainability Milestones Overview

This [document](#) shows our sustainability journey since 2006.

Transparency Tools:

- [Manufacturing Map](#) – This tool shows all direct suppliers with whom G-Star has a business relationship for over two years.
- [Sustainable Materials Ranking](#) – This tool scales our fibers from sustainable to not sustainable.

G-Star RAW's Policies:

- [G-Star Supplier Code of Conduct](#)
 - [Social & Labour Guidelines](#)
 - [Environmental Guidelines](#)
- [G-Star RAW Materials Policy & Animal Welfare Policy](#)
- [Modern Slavery Act](#)

All downloads can be found [here](#).

Explore our [RAW Responsibility webpage](#) to find out more about up-to-date actions regarding our Sustainability Strategy.

If any comments or questions arise after reading this report or related G-Star documents, please contact us at cr@g-star.com or at: G-Star RAW C.V.

Attn.: Sustainability (CR) Department
Joan Muyskenweg 39, 1114 AN Amsterdam
The Netherlands

Acronyms

ACT	Action, Collaboration, Transformation
AGT	Agreement on Sustainable Garments and Textile
FWF	Fair Wear Foundation
Higg BRM	Higg Brand & Retail Module
Higg FEM	Higg Facility Environmental Module
Higg FSLM	Higg Facility Social & Labor Module
LWI	Living Wage Indicator
MRSL	Manufacturing Restricted Substances List
OCA	Organic Cotton Accelerator
OECD	Organisation for Economic Cooperation and Development
SAC	Sustainable Apparel Coalition
SDGs	Sustainable Development Goals
SLCP	Social & Labor Convergence Program
ZDHC	Zero Discharge of Hazardous Chemicals

¹ Definition of [due diligence](#) as defined in the OECD Due Diligence Guidance for Responsible Business Conduct.

² Data disclosed in this report has not been verified by an external party, unless explicitly stated.

LETTER FROM THE CEO

Dealing with a continuing pandemic with several lockdowns and a volatile demand and retail landscape, has emphasized our responsibilities even more. On the one hand close communication and collaboration with our partners in the supply chain has never been more important to ensure our social responsibility. We engaged in several industry-level partnerships to improve working conditions and to secure fair wages in the factories where we produce. The kick-off of the Fair Wear Complaints Mechanism in India last year, is a good example of how we try to open up the dialogue about issues and opportunities in the workplace.

On the other hand, in order to ensure progress on our environmental responsibilities, we made sure to prioritize a few initiatives in particular. We were able to nearly double our use of Cradle to Cradle Gold certified® fabrics and carefully crafted a roadmap towards using only recycled, organic, bio-based or compostable materials by 2030. In 2021 alone, we managed to grow the use of these materials by 25% already. We also put great efforts into closing the loop of our product lifecycle. We launched several circularity initiatives, offering free repairs and take back programs in our stores. After a successful pilot phase, we will now further scale and accelerate these initiatives through the course of 2022. Simultaneously, we continued to improve quality and durability of our products, focused on designing for reuse, as well as worked towards a system in which all discarded G-Star items are upcycled into brand new G-Star garments. Finally, we did a thorough Scope 3 assessment helping us to define our roadmap towards 50% reduction in GHG emissions by 2030.

We also realized even more that it is imperative for our progress and efforts to be easily accessible and visible, not only for critical stakeholders but just as important for our customers. That's why we have been working hard on translating our internal Responsible Materials Ranking into a communication tool, displaying the composition of each item on our webshop and ranking the fibers (in the main fabric of the garment) according to their environmental impact. Through the course of 2021 we tested several versions, enabling us to make some final important adjustments to the design as well as the actual categorization. While finalizing this report, we are preparing the official launch.

To establish further progress on all sustainability topics, both social and environmental, we continue to deeply embed sustainability into our overall strategic business priorities for the years to come. We see sustainability not only as a responsibility but also as an enabler to guarantee that we remain a futureproof brand offering futureproof products. There is still so much work to be done and we are eager to take the next steps, together with our supply chain partners, our industry peers, and our customers.

Rob Schilder



RAW RESPONSIBILITY

RAW RESPONSIBILITY

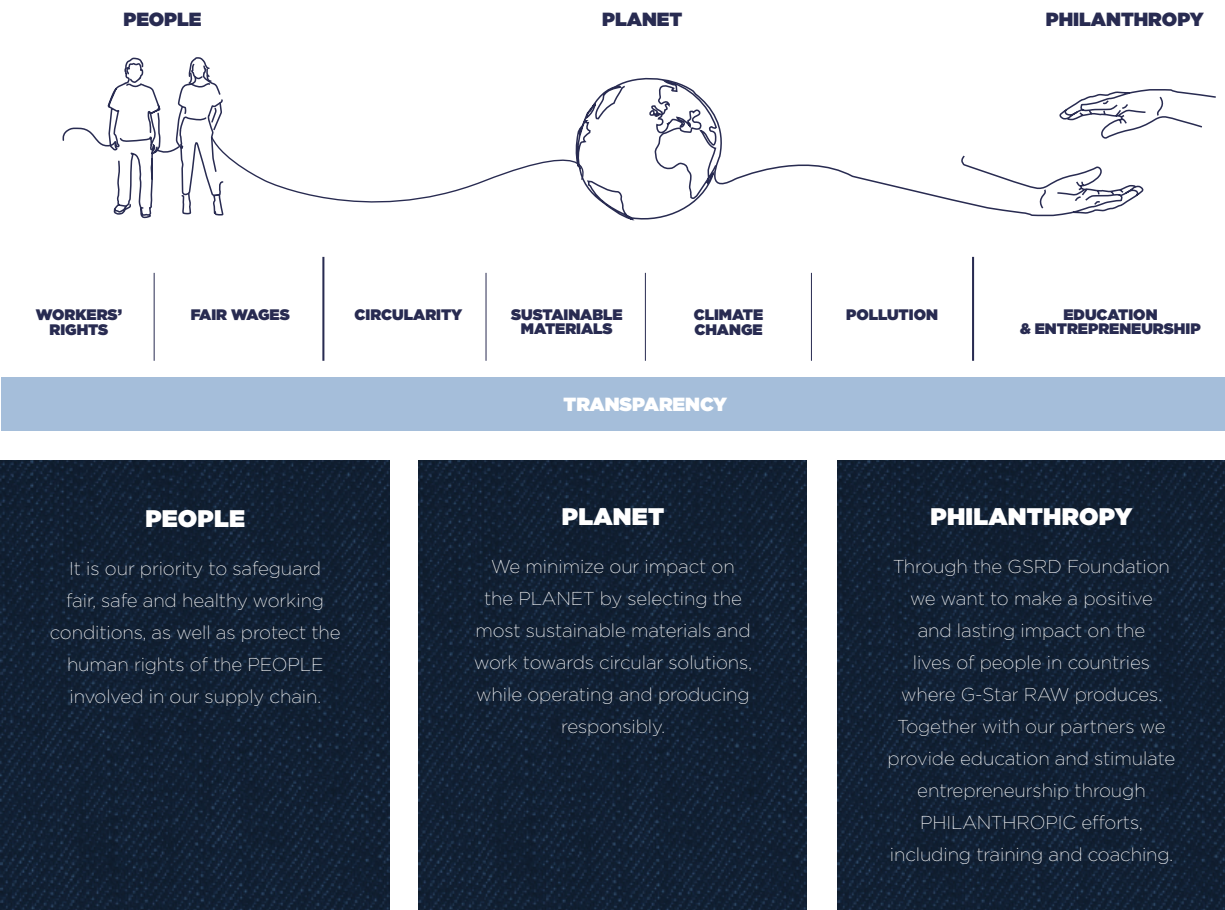
About G-Star RAW

Since 1989, G-Star RAW has pushed the boundaries of denim design, manifesting its own vision of the future by introducing “luxury denim” for the streets through pioneering styles. Hardcore Denim is the philosophy that expresses the brand’s obsession with denim: the cloth, the craft and the history. It pushes G-Star to invent, explore and take craftsmanship to another level. Down to the smallest detail and with a strong belief that there is no limit to what denim can do. With innovation, sustainability and creativity at its core, the brand pursues to define the next generation of denim with respect for people and planet.

About RAW Responsibility

Sustainability is key to how we operate at G-Star RAW. It is a process of continuous improvement in both the social and the environmental impact of our products. We have been embedding sustainability in the core of our business since 2006. Take a look at our [Sustainability Milestones Overview](#) to see some of the highlights throughout that ongoing journey.

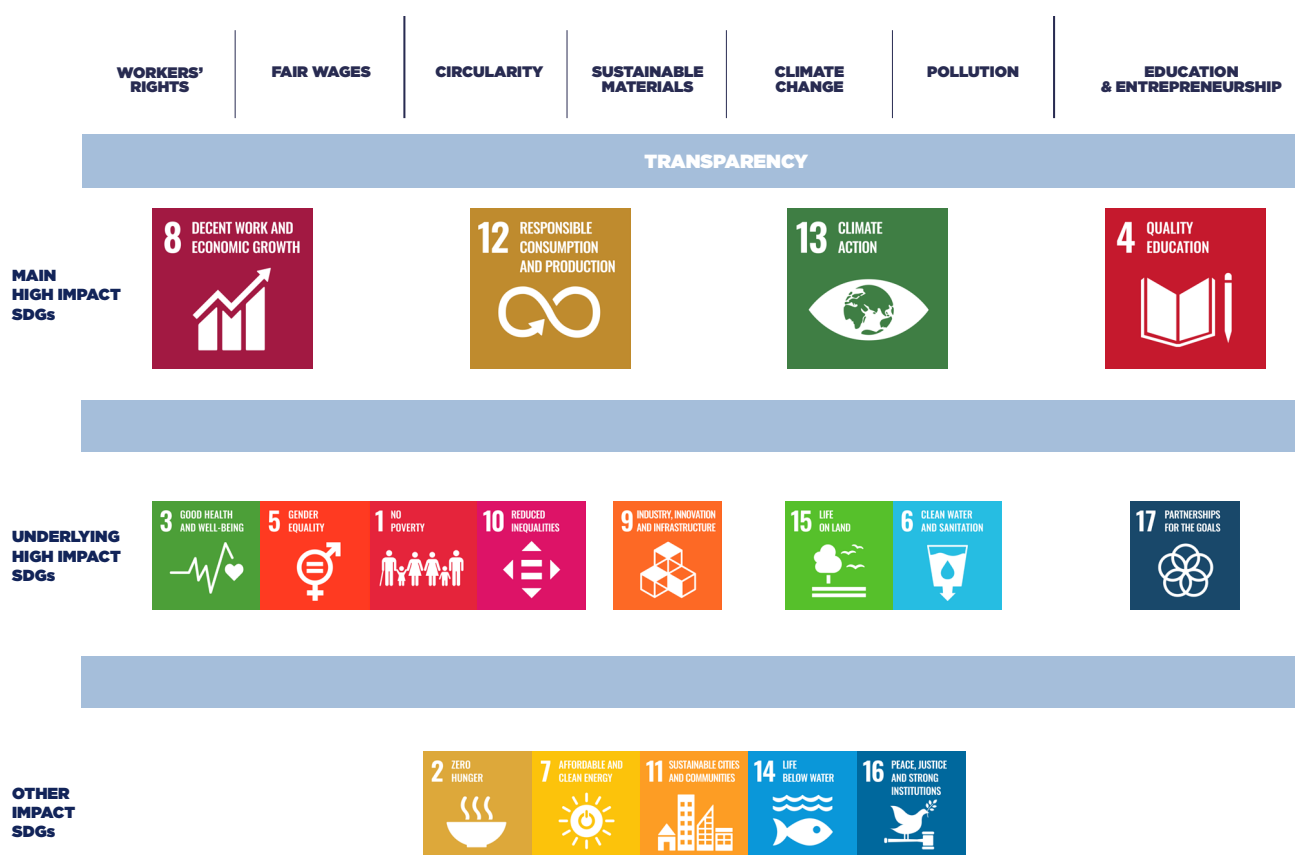
We find it important to take our responsibility by constantly improving the impact we have on PEOPLE and PLANET, as well as give back to the communities in the countries where we produce. That is why we divide our efforts into three pillars: **PEOPLE**, **PLANET** and **PHILANTHROPY**. These three pillars represent the core of our Sustainability Strategy.



SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are a unified set of goals to address sustainability issues simultaneously, through a global and inclusive approach. G-Star recognizes that businesses, along with governments and civil society, play a crucial role in reaching the SDGs. G-Star therefore

aligned its strategy with the seventeen SDGs and defined four high impact goals that are most closely linked to our core operations and value chain. Next to that, seven high impact SDGs are identified that relate to the four main high impact SDGs. Our operations are indirectly linked to the final six SDGs.



COVID-19

The Covid-19 pandemic continued to have a large impact on our health and economy worldwide. Throughout this pandemic, we are aware of our responsibilities. We intentionally work with a small and longstanding supplier base, enabling us to establish long-term relationships and limit disruptions as much as possible.

In 2020 and 2021, we requested our suppliers to update us monthly on the payment of employee wages, their employee turnover (including lay-offs) and health and safety protocols. We also performed (virtual) supplier visits with the help of our Quality Department that included Covid-19 safety checks to continue monitoring of disruptions and allow for dialogue.

TRANSPARENCY

To deliver on our strategy, we enable external stakeholders to hold us accountable when it comes to assessing our data-backed sustainability performance. This includes transparent reporting. We started reporting on sustainability in 2013 and since 2018 we have reported using the Higg Brand and Retail 'Beta' Module (BRM) from the Sustainable Apparel Coalition (SAC). This is a global sustainability measurement performance tool in the apparel and footwear sector.

The past five years we have also been a member of the Dutch Agreement on Garments and Textile (AGT). Every year we have been externally verified by them based on their due diligence questionnaire that includes questions on our policies and organizational structure, risk assessment and prioritization, goals and actions, and stakeholder engagement. The AGT has expired at the end of 2021. Currently, G-Star engages in the exploration towards a new agreement (read more about that [here](#)).

Besides reporting through the Higg BRM, we also publish an annual Sustainability Report. G-Star's 2019 Sustainability Report was our first report that integrated the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#) and its risk assessment methodology. Our 2020 Sustainability Report presented our updated Sustainability Strategy including our long-term goals and ambitions based on our extended risk assessment. Our 2021 Sustainability Report reflects on our achievements in 2021, projects our actions for 2022, and includes an updated Risk Assessment as well.

Higg Brand & Retail Module (Higg BRM)

Since 2020, we use the Higg BRM to track, measure and share the social and environmental impact of our value chain. In 2021, we collected all data from 2020 and the results have also been verified by an approved third party. We will use these verified scores as a baseline to track our performance over the coming years. Our Sustainability Strategy translates the key Higg BRM topics into actions and goals to improve our sustainability performance over time.

Below overview shows G-Star's verified 2020 Higg BRM performance. Our Total Score consists of two separate scores that represent the overall points achieved across the entire questionnaire for all environmental and social questions.

Overall Environmental
score:

54.8%

Overall Social
score:

79.4%



TRANSPARENCY CONTINUED

The Section Scores show the total points that we received per section of the questionnaire based on the combination of our environmental and social performance. The sections consider the following: Management systems, Brand, Stores, and Operations & Logistics.

Management system

Environmental	Social
100%	100%

Brand

Environmental	Social
56.3%	81.1%

Stores

Environmental	Social
8.3%	62.9%

Operations & logistics

Environmental	Social
54.8%	65.8%

The Higg BRM verification process granted us an even better understanding of the efforts we need to take to improve our Higg BRM sustainability performance. We have engaged with all relevant departments about the 2020 Higg BRM performance and determined which topics to prioritize for improvement. Based on these priority topics, such as packaging and end-of-use, we are defining a roadmap in 2022 to integrate our progress in our overall Sustainability Strategy.

Risk Assessment

Over the past year, we have implemented and strengthened our updated Sustainability Strategy and built even further upon the OECD risk assessment that was included in the Sustainability Report of 2020. We did this with the help of industry partners, stakeholders and external resources. We performed our social and environmental risk assessment based on the risk categories identified by the OECD and added Tunisia and Turkey to the four main production countries we defined earlier: Bangladesh, China, India and Vietnam. By adding these countries we now include 94.5% of our production volume instead of 76.9%. Our risk assessment identifies

both the likelihood and the severity of potential or actual risks within our value chain. Based on all the information we collected through different resources, we determined which risks are most salient in our supply chain. The outcome forms the base of our sustainability strategy moving forward. Our updated risk assessment can be found in the [Risk Assessment Annex](#).

Manufacturing Map

Providing oversight of the supply chain is part of our commitment to the apparel sector's [Transparency Pledge](#). Seven years ago, we made our Manufacturing Map public – so anyone can trace the origin of a G-Star RAW product, now covering approximately 95% of our production volume (this differs per season) and showing all Tier 1 suppliers that we have been working with for over two years. In addition to the map, we publish further details on our direct suppliers, their sub-factories, processing facilities and nominated fabric mills in our [Manufacturing List](#), which is available on the Open Apparel Registry, an open source tool, which maps garment factories worldwide.

Responsible Materials Ranking

The G-Star RAW [Responsible Materials Ranking](#) gives consumers full insight into each fiber used in the main fabric of a G-Star garment. It indicates the environmental impact of the fibers, according to existing industry standards. By doing so, we allow consumers to decide for themselves whether a specific garment matches their individual sustainability standards. More information regarding the Sustainable Materials Ranking can be found in the chapter PLANET.

RAW Responsibility webpage

Our [RAW Responsibility webpage](#) is a reflection of our commitment to PEOPLE, PLANET and PHILANTHROPY. It is updated regularly and provides consumers with information on all our sustainability initiatives that are part of our ongoing RAW Responsibility journey.

IN 2021...

...we introduced the

Certified Tailors

program in the Netherlands and have been able to repair 243 denim products

...we set up an

Independent complaint system

in Tier 1 factories in India in collaboration with Fair Wear Foundation to enhance access to remedy for almost 4700 garment workers

...we signed a contract with

Organic Cotton Accelerator

to support farmers in their transition to organic cotton cultivation

...our DETOX program covered 55% of our annual production volume at Tier 1 supplier and 45% at Tier 2 suppliers, and we saw

85.1%

compliance

...the Higg verified FEM assessment was completed by Tier 1 and 2 suppliers that represents 89.1% of our production volume and they scored an average of

66/100

...our Higg BRM has been third-party verified and we scored an average of

54.8%

for our overall Environmental Score and

79.4%

for our Social Score

...we finished our Scope 3 carbon footprint mapping with RESET Carbon and are now able to set

Science Based Targets

in 2022

...we set up and started to implement the

Living Wage Gap Analysis

to monitor wage gap data of our Tier 1 suppliers and completed the analysis for our key suppliers

...we trained and engaged with more than 60% of our Tier 1 and 2 suppliers on G-Star RAW social and environmental requirements during a two-day online webinar

SUSTAINABILITY STRATEGY

SUSTAINABILITY STRATEGY

Our long-term focus within our RAW Responsibility strategy includes key sustainability priorities specified in goals for 2025 and 2030. These are commitments built on many foundations, such as our risk assessment covering the different phases of our value chain as well as the data we collected working with different

industry partners and tools. For example, the Higg Index tools of the SAC and the programs of Zero Discharge of Hazardous Chemicals (ZDHC), have ensured that we can measure and track impact, and scale our strategy across our value chain. This Sustainability Report reflects our annual progress and achievements.

Goals & Ambitions

People	Priority	Goal 2025
Workers' Rights	Elevate and improve fair, safe and healthy working conditions in G-Star RAW supply chain.	Strengthen workers' voice by offering a complaints system including fair terms, anonymous accessibility, process for complaints handling and capacity building to workers.
Fair Wages	Collaborate industry wide through "ACT on living wages", to define the roadmap towards a fair wage framework. Implement a responsible purchasing practices policy and train responsible G-Star teams and suppliers on: timely planning and forecasting, defining labor costing within purchasing prices and discussing fair terms of payment. Actively support suppliers on wage related improvements.	Actively engage in lobbying towards an industry wide agreement on regional living wages and improve purchasing practices and wage management systems to increase wages in G-Star RAW production countries.
Planet	Priority	Goal 2025 / 2030
Circularity	Increase the use of Cradle to Cradle Certified™ fabrics in G-Star RAW collection. Design for durability and recycling to extend the life of G-Star RAW products by offering solutions for re-use, remake or recycling	20% of our collection is made with Cradle to Cradle Certified™ fabrics by 2025. Enable G-Star RAW products to meet our circularity criteria's (made from recycled [mono] materials and components and designed for durability and recycling) by 2030.
Sustainable Materials	Increase use of sustainable materials by partnering up with initiatives and suppliers to transform and /or innovate conventional and virgin materials.	75% of all materials in our collections will be recycled, organic, bio-based and/or compostable by 2025. 100% of all materials in our collections will be recycled, organic, bio-based and/or compostable by 2030.
Climate Change	Reduce GHG emission by switching to renewable energy and increasing the use of sustainable materials.	Reduce 15% of GHG emissions by 2025. Reduce 50% of GHG emissions by 2030.
Pollution	Ensure the continuous ban of hazardous chemicals in G-Star RAW supply chain.	Achieve 100% sustainable chemical applications in G-Star RAW products.
Transparency	Priority	Goal 2030
	Report on our sustainability performance through a verified industry benchmark (Higg Brand & Retail Module), Offer full transparency on the environmental impact of the fibers used in the main materials of all G-Star RAW products through our Responsible Materials Ranking.	Offer full transparency through on-product sustainability ranking, including both the environmental & social performance.

SUSTAINABILITY STRATEGY CONTINUED

Vendor Scorecard

As part of our Sustainability Strategy we developed a Vendor Scorecard in 2021 that will be used internally by our Sourcing Department to monitor, evaluate and select existing and new suppliers. The suppliers are scored based on quality, lead times, and social and environmental benchmarks. These benchmarks are based on our programs and tools that are further explained in the chapters PEOPLE and PLANET.

Social Benchmarks

- Living Wage Gap
- Higg FSLM self-assessment
- Higg verified FSLM data and / or third-party audit score
- Independent union involvement in applicable countries
- Existence of HR management system
- Remediation rate International Accord (Bangladesh)

The Vendor Scorecard is not finished yet. In 2022, we will further develop and test our scoring methodology to ensure that the Vendor Scorecard informs all relevant departments and our suppliers with the right information in the correct context. The chosen social and environmental benchmarks will be reviewed and for instance we will add the ACCORD score for suppliers in Bangladesh to make the scorecard more complete.

Once fully developed and working we will start the implementation of our Vendor Scorecard in our Sourcing Strategy and share the Vendor Score ratings with our suppliers in order to establish clear sustainability requirements, improve communication and enable a further uplift in sustainability performance.

Environmental Benchmarks

- DETOX Input report
- DETOX Process report
- DETOX Output report
- Higg FEM self-assessment
- Higg verified FEM data

Policies

At the base of our Sustainability Strategy we have multiple policy documents to uphold our RAW Responsibility. We developed the [G-Star RAW Supplier Code of Conduct](#) representing all standards on Social and Environmental, Safety and Health (S&ESH) regulations, to ensure that G-Star products are made under fair and safe circumstances. Additional to our Code of Conduct, we also have [Social & Labour Guidelines](#) and [Environmental Guidelines](#). An overview of all policy document can be found [here](#).

We continuously monitor and collaborate with our suppliers and external industry experts, to uphold these standards and improve where needed. How we do that is explained in our [Sustainable Supply Chain Handbook](#).

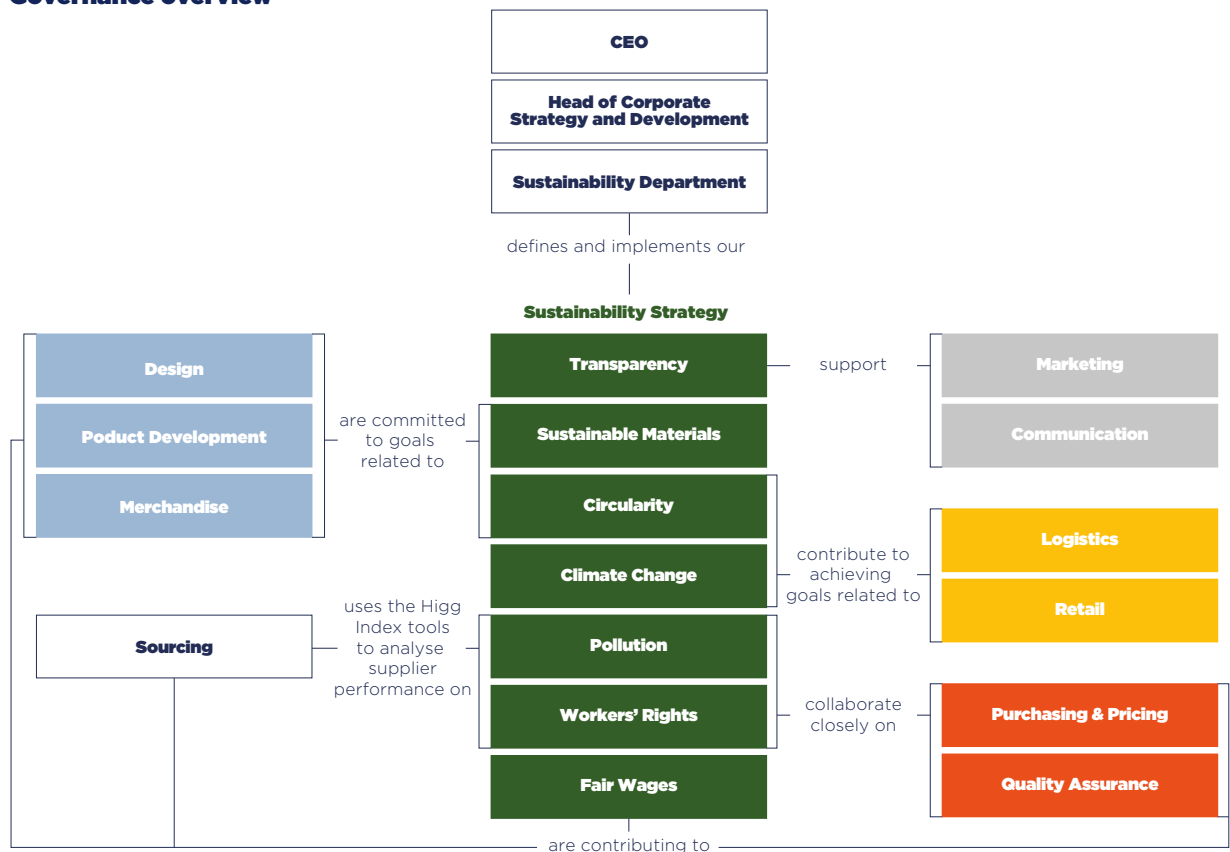
SUSTAINABILITY STRATEGY CONTINUED

Governance

Our Sustainability Department implements the Sustainability Strategy within and beyond our own operations. The team specializes in social and environmental sustainability across the supply chain and has a presence across the Netherlands and in Asia. It is their responsibility to define and implement the Sustainability Strategy by integrating the sustainability work throughout our own organization.

The departments that help manifest our Sustainability Strategy include Design, Product Development, Merchandise, Purchasing & Pricing, Quality Assurance, Sourcing, Logistics, Marketing, and Communications. Our overall Sustainability Strategy is translated into team- and individual goals across these departments, ensuring joint efforts on achieving our goals. Below image demonstrates how we deliver on our Sustainability Strategy together.

Governance overview

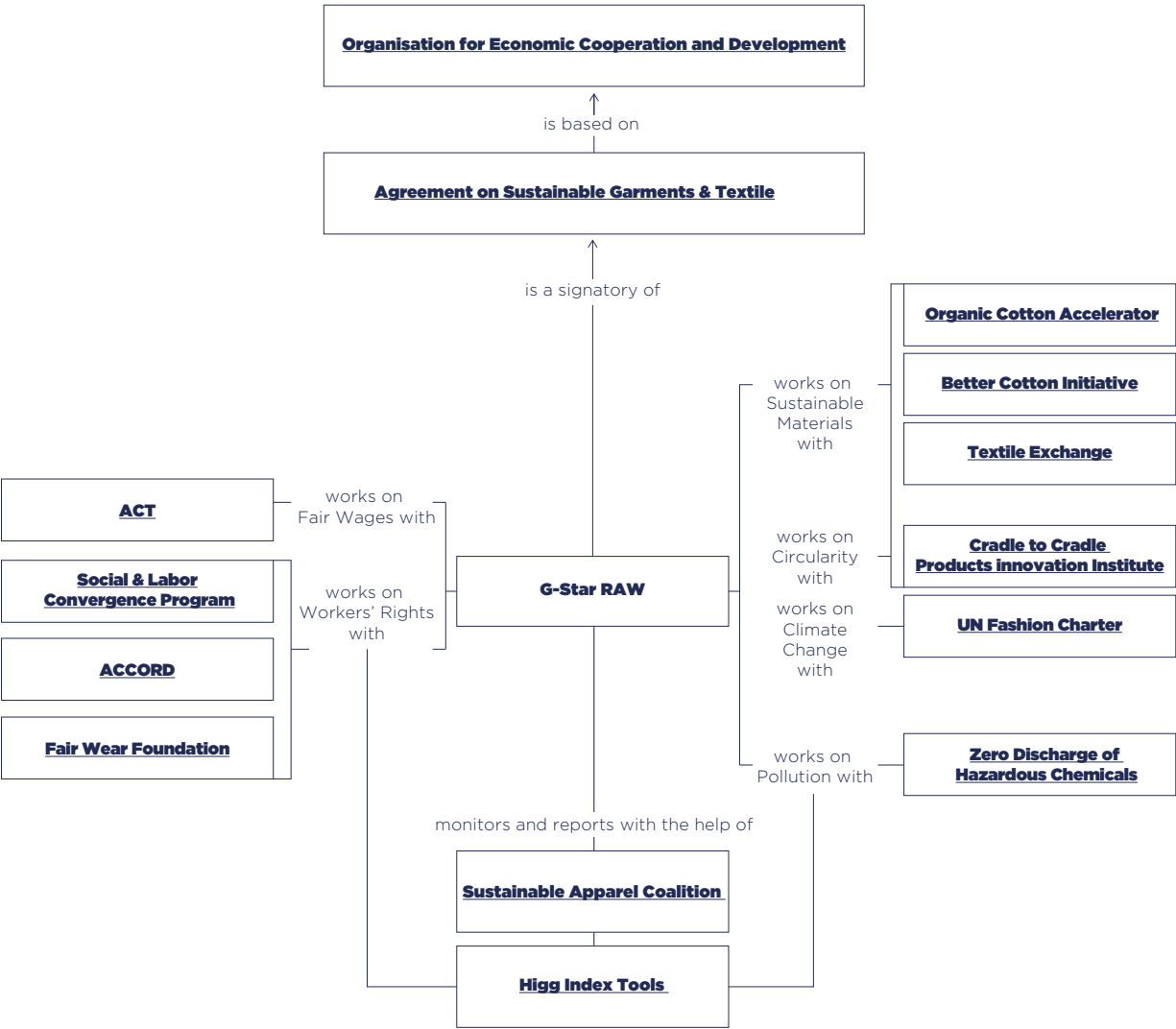


PARTNERSHIPS

G-Star RAW collaborates with many partners and stakeholders to work on our Sustainability Strategy and help define our goals.

The overview below shows how these partners and stakeholders are involved on a strategic level.

Partnerships overview





PEOPLE

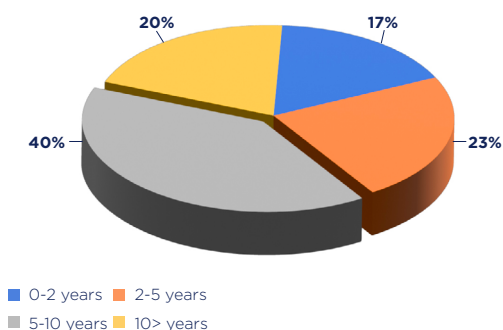
PEOPLE

When it comes to the [PEOPLE](#) in our supply chain, our key focus is on safeguarding fair, safe and healthy working conditions, as well as protecting human rights. We engage in key industry partnerships and make use of tools such as the Higg Index Facility Social & Labor Module (Higg FSLM) to monitor working conditions. We have a clear understanding of the social risks in our supply chain and assess the risks following the guidance of OECD³. Within our supply chain we focus on our [Workers' Rights](#) and [Fair Wages](#) programs.

Safeguarding Workers' Rights

To improve fair, safe and healthy working conditions in our supply chain, we work closely with our suppliers and have built trustworthy and long-term relationships with them. We deliberately work with a small and durable supply chain to ensure continuity in our sustainability initiatives. Our [Manufacturing Map](#) shows all Tier 1 suppliers we have been working with for over two years and offers background information for each of them.

Overview of Tier 1 supplier relationships



Although human rights are protected by various national and international laws, they can be restricted in certain situations. We strive for all workers across our supply chain to have these rights respected. The United Nations Universal

Declaration of Human Rights sets out these rights as a common standard of achievements for all people and all nations. We used these and other related sources as the basis for our [Supplier Code of Conduct](#) and our practices.

Social framework for supplier development

Our social framework includes supplier development tools to support direct suppliers consistently in applying high labor standards based on our Supplier Code of Conduct. This framework consists of supplier trainings, the use of the Social and Labor Convergence Program (SLCP), the Higg FSLM, and the development and implementation of a complaint system.

Social and Labor Convergence Program (SLCP)

G-Star RAW has been a signatory of the [SLCP](#) since 2016. The mission of this project is to eliminate audit fatigue and enable data comparison. Their Converged Assessment Framework (CAF) is a tool to capture accurate data regarding working conditions in facilities. The CAF has been implemented in our supply chain since 2019 as a supplier data collection tool and it has replaced our own internal assessment as well as our request for other third-party audit standards.

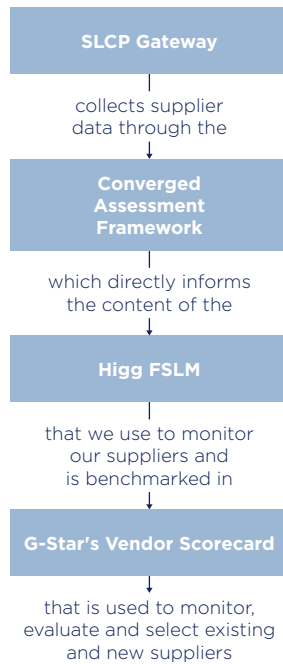
To use the CAF suppliers need to register their facilities in the SLCP Gateway and perform a self-assessment. This self-assessment is verified with the help of the SLCP verification methodology. Once the facility has checked and approved the verification outcomes, they can upload their assessment to the SLCP Gateway. G-Star as well as other brands can then access the data through the SLCP Gateway, which makes it easy and efficient for suppliers to share facility data. This data directly informs our Higg Facility Social & Labor Module (FSLM), which we use to monitor our supplier's performance.

³ The [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#) has helped us to conduct an in-depth risk assessment to address and prioritize the social and environmental risks in our supply chain. Based on this prioritization we are focusing on our selected program topics. Check the [Risk Assessment Annex](#) for more information.

PEOPLE CONTINUED

Higg Facility Social & Labor Module (FSLM)

We apply the Higg FSLM as a measuring and performance improvement tool for our supply chain partners. Supplier data is collected through the SLCP Gateway as can be seen in the figure below. In our [Sustainable Supply Chain Handbook](#) we explain how the information from the Higg FSLM is analyzed and used to monitor our suppliers.



In 2019, we started with the implementation of the Higg FSLM in our supply chain, focusing mainly on the adoption of the self-assessment. Throughout 2020 we still focused on the adoption of self-assessment but we also started to guide our suppliers in completing the verification process. In March 2021, we engaged with 62% of our Tier 1 where we produce 74% of our annual production and fifteen Tier 2 suppliers where we

In the Higg FSLM the following topics are assessed:

- Recruitment and Hiring
- Working Hours
- Wages and Benefits
- Employee Treatment
- Employee Involvement
- Health & Safety
- Termination
- Managements Systems
- Empowering People and Communities

produce 56% of our annual production during a two-day online sustainability webinar to inform them on our updated Sustainability Strategy including an explanation on SCLP's CAF and the Higg (verified) FSLM.

This increased the use of the Higg FSLM which ensures that we can work towards comparable data sets throughout our supply chain. This year, the Higg verified FSLM was completed by Tier 1 Cut-Make-Trim (CMT) suppliers that represent 72.2% of our production volume. This exceeds our goal of Higg verified FSLM adoption by Tier 1 CMT suppliers that represent 40% of our production volume that we set in 2020.

Currently, the SAC is updating its scoring methodology regarding the Higg FSLM. Once this update has been implemented we will publish our average supplier's score per Higg FSLM topic (as mentioned above) to show in-depth progress. This will be our goal for 2022. On top of that, we will continue to aim for completion of the Higg verified FSLM at Tier 1 suppliers that represent 75% of our production volume. For 2022, we will also take into account Tier 1 suppliers beyond CMT, such as those who provide embroidery or printing.

PEOPLE CONTINUED

Fair Wear's Complaints Mechanism

Our risk assessment identifies the need for a proper grievance mechanism to remediate worker issues. As part of our signatory to the [Dutch Agreement on Sustainable Garments and Textile](#) (AGT) during the past five years, we participated in an independent Complaints and Disputes Committee that allowed for organizations and individuals within our supply chain to submit complaints or disputes (you can find more information [here](#)). The AGT has expired at the end of 2021, which means that this Committee has also come to an end. G-Star engages in exploration towards a new agreement (read more about that [here](#)).

In 2019 and 2020 we organized training programs focusing especially on the concept of a social dialogue and how this could benefit our suppliers. During these trainings we also informed and gave guidance on key improvement points for their workers' committee and factory complaint system, aiming to increase functionality and effectiveness.

To extend our efforts regarding grievance mechanisms, we joined an industry level cooperation program of the Fair Wear Foundation (FWF) that provides the Fair Wear Complaints Mechanism in one of our key production countries – India – in 2021. Read more about that program [here](#). The goal of this program is to enhance access to remedy for garment workers and to collaboratively work on and learn about remediation processes. We launched the program in collaboration with three G-Star RAW suppliers in India. The different factories of these suppliers now have the Fair Wear Complaints Mechanism in place or are currently in progress of embedding it. After the kick-off information session in September, we provided factory trainings organized by the local Fair Wear team to increase understanding regarding the complaints mechanism with the factory management and workers. This is part of the FWF Workplace Education Program (WEP).

Working towards Fair Wages

Based on our risk assessment, one of the most important steps to improve fair working conditions is through Fair Wages. Although a minimum wage is the lowest wage permitted by law in any given country, this does not always suffice for a basic standard of living. That is why we joined ACT on Living Wages in 2019 and performed our own Wage Gap Analysis in 2021.

ACT on Living Wages

[ACT](#) is an agreement between 22 global brands and retailers and the IndustriALL Global Union, a global trade union fighting for better working conditions and trade union rights around the world. It aims to achieve a [living wage](#) for all textile workers through collective bargaining at an industry level. By joining, we have committed to [purchasing practices](#) with our suppliers that will ensure fair terms of payment, full coverage of wage increases, better forecasting and planning, training and responsible exit strategies. With sector common indicators, the ACT accountability and monitoring framework will help us measure progress towards more equal supplier partnerships.

Purchasing practices

Purchasing practices are an important part of interaction between brands and their suppliers. The way that we buy from and work with our suppliers can have an impact on the working conditions at their factories. Therefore, we work on improving our purchasing practices through improving our planning and forecasting as much as possible with the help of ACT.

In 2021 we rolled out the ACT Purchasing Practices Self-Assessment (PPSA) Survey within our company as well as the Purchasing Practices Assessment (PPA) Survey for our suppliers. The purpose of these surveys is to analyze our purchasing practices from our own perspective as well as from our suppliers' perspectives. Questions in this survey are related to key topics such as sourcing practices, forecasting and capacity planning, price negotiation, changes to order, re-orders and sampling. Read more about the content and methodology of the surveys and their global results [here](#).

PEOPLE CONTINUED

The results of both surveys were used to identify the key purchasing practices topics that should be improved. In general, most topics were ranked similarly by both our suppliers and G-Star employees. Priority topics that require improvement were selected if (1) they received a low score from both our suppliers and G-Star employees, (2) our suppliers ranked G-Star's performance lower than the industry average, or (3) the topic received a high percentage of "Don't know" as an answer from either our suppliers or own employees. According to ACT a low score and a high number of "Don't know" indicate that action is required in the form of training and implementation of process improvements. As a direct result, in 2022, G-Star will focus on Incentives & Compliance Scoring, Training & Awareness and Sales & Transparency.

In 2022, we will implement a responsible purchasing practices policy and train responsible G-Star teams and suppliers on timely planning and forecasting, defining labor costing within purchasing prices and discussing fair terms of payment with the help of the tools that are currently being developed within ACT. Alongside we will implement G-Star's Vendor Scorecard in our Sourcing Strategy and communicate the scores transparently with our suppliers to establish clear sustainability requirements and enable more communication and better sustainability performance.

Living Wage Gap Analysis

In 2021, we performed our first Living Wage Gap Analysis to gain insight into the gap between the average wages paid by our suppliers to their workers and the set living wage per production region or country. We analyzed twelve months of supplier data from December 2020 until November 2021 for 24 suppliers that represent around 80% of our production volume. The average worker's salary per supplier that we calculated include benefits and exclude overtime

hours and salaries from management staff. We also analyzed the minimum wage per country. Based on this data we can conclude that on average 81% of the workers in our Tier 1 CMT facilities where we produce 92% of our annual production are paid more than the minimum wage per country. The rest receives a wage equal to the minimum wage.

However, there still is a gap between the average wages and the estimated living wages. In our analysis from 2021, the living wage is based on data from two organizations, which are listed by the [AGT](#): the Living Wage Indicator (LWI) and the Global Living Wage Coalition Benchmark (GLWCB). The data from these organizations stems from early 2020. Therefore, we will update our analysis once new data becomes available. After analyzing the gap, we indicated several performance indicators.

With the help of our Living Wage Gap Analysis we aim to monitor the performance of both our current and future suppliers more accurately. We will include this data in G-Star's Vendor Scorecard. This helps us to work on closing the wage gap in collaboration with our suppliers. This is also taken into account in our ACT program regarding improving purchasing practices, in which our Sourcing Strategy plays an important role.

In 2022, we will continue our Living Wage Gap Analysis. Our current results will be updated with new data from suppliers as well as new data from the LWI and GLWCB and compared to the results of 2021. We will also add additional methodology on establishing living wages. Once updated, we will share the results of the analysis from 2021 with our suppliers in their Vendor Scorecard. Sharing this data should support suppliers in improving their wage management and human resources systems. That is why we will also start sharing best practices regarding wage and human resource management with our suppliers.

REFLECTION ON 2021

Strategic Topic	2021 Action & Goals	2021 Highlights & Progress	2022 Actions & Goals
Workers' Rights	<p>Adopt Higg FSLM at Tier 1 suppliers that represent 80% of G-Star RAW production volume.</p> <p>Adopt Higg verified Higg FSLM at Tier 1 suppliers that represent 40% of G-Star RAW production volume.</p> <p>Train & engage suppliers on G-Star RAW social requirements.</p> <p>Set up an independent complaint system in Tier 1 factories in India.</p>	<p>Adopted Higg verified FSLM at Tier 1 CMT suppliers that represent 72.2% of G-Star RAW production volume.</p> <p>Trained and engaged with Tier 1 and 2 suppliers on G-Star RAW social requirements during a two-day online webinar.</p> <p>Set up an independent complaint system in Tier 1 factories in India in collaboration with Fair Wear Foundation.</p>	<p>Adopt Higg FSLM self-assessment at Tier 1 CMT suppliers that represent 80% of G-Star RAW production volume, and adopt Higg verified FSLM for 60%.</p> <p>Adopt Higg FSLM self-assessment at Tier 2 suppliers that represent 50% of G-Star RAW production volume, and adopt Higg verified FSLM for 30%.</p> <p>Evaluate the functionality of the Fair Wear complaint mechanism in Tier 1 factories in India and explore possibilities to expand to one other key sourcing country.</p> <p>Participate in the <i>Textile in Transition: Boosting Transparency and Farmer Livelihoods in Organic Cotton Supply Chains</i> multi-stakeholder project initiated by OCA.</p>
Fair Wages	<p>Start with implementing a tool to monitor wage gap data of our Tier 1 suppliers.</p> <p>Roll out ACT Purchasing Practices Self-Assessment (PPSA) survey within company and Purchasing Practices Assessment (PPA) survey for suppliers.</p> <p>Train internal teams on key purchasing practices topics (including knowledge gaps identified from surveys).</p>	<p>Set up and started to implement the Living Wage Gap Analysis to monitor wage gap data of our Tier 1 suppliers that represent 80% of our production volume.</p> <p>Rolled out ACT Purchasing Practices Self-Assessment (PPSA) survey within G-Star and Purchasing Practices Assessment (PPA) survey for suppliers. The identified knowledge gaps were translated into clear improvement areas but no training was provided yet.</p>	<p>Update the Living Wage Gap with new data from suppliers as well as new data from the LWI and GLWCB and add additional methodology.</p> <p>Develop a communication guideline on wage gap in factories to be able to be transparent about wages.</p> <p>Disclose percentage of workers that receive payment digitally. Find ways to increase digital payment.</p> <p>Train all relevant G-Star departments on purchasing practices using ACT tools.</p>

PLANET

PLANET

G-Star RAW takes responsibility for any potential environmental impact on our [PLANET](#) across all stages of our value chain. We consider everything from the choice of raw materials and fibers to responsible fabric and garment production and logistics, from our own operations, all the way through to consumer care and end-of-life of the product. That is why [Circularity](#) is at the base of all our Planet pillars and our Product Life Cycle. If we want to be here as a denim brand in the future, we need to design in “closed loops” today. By this, we mean using only [Sustainable Materials](#), eliminating [Pollution](#) and decreasing our impact on [Climate Change](#).

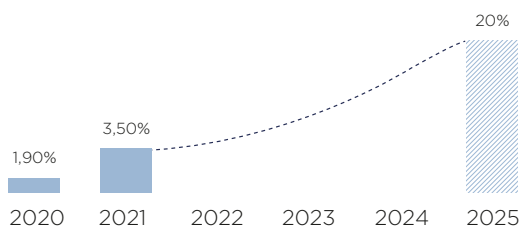
Using Sustainable Materials

We are committed to ensuring that all raw materials used in our products are grown and manufactured in a responsible way that preserves resources and respects human and animal rights.

Cradle to Cradle Certified™ innovations

The Cradle to Cradle Products Innovation Institute helps us to design in closed loops. Their certification process is the only in the world designed for a circular product economy. It is the most rigorous because it requires unparalleled levels of transparency across the supply chain. Read more about our Cradle to Cradle Certified™ journey [here](#).

Products made with Cradle to Cradle Certified™ fabrics



G-Star Product Life Cycle



In 2021, 3.5% of our collection was made with Cradle to Cradle Certified™ fabrics. In 2025, we aim to include Cradle to Cradle Certified™ fabrics in 20% of our collections. While scaling and accelerating the implementation of these fabrics, we replace existing fabrics with Cradle to Cradle Certified® fabrics. In 2021, we introduced eight new Cradle to Cradle Certified™ fabrics in our collections, which we will also continue to design with in 2022.

To achieve our Cradle to Cradle goal for 2025 we need to actively involve our suppliers as part of our Cradle to Cradle roadmap. Therefore, our Sourcing department shared our Cradle to Cradle targets with our suppliers in 2021. In Bangladesh two suppliers started the process of becoming Cradle to Cradle Certified™. They support us in upscaling our Cradle to Cradle sourcing options throughout our supply chain.

PLANET CONTINUED

“We started our Cradle to Cradle journey back in 2018. By continuously introducing new Cradle to Cradle Certified™ fabrics and products in our collection we aim to scale circularity in our supply chain. It is a timely process but worth the investment because with every addition we make it easier for our customers to make a circular choice.” - Head of Product Development

By increasing our use of Cradle to Cradle Certified™ fabrics, we continue to increase our use of clean chemistry as well. Part of this strategy also includes the use of specific sustainable dyes, such as EarthColors® by Archroma and Recycrom, throughout our collections.

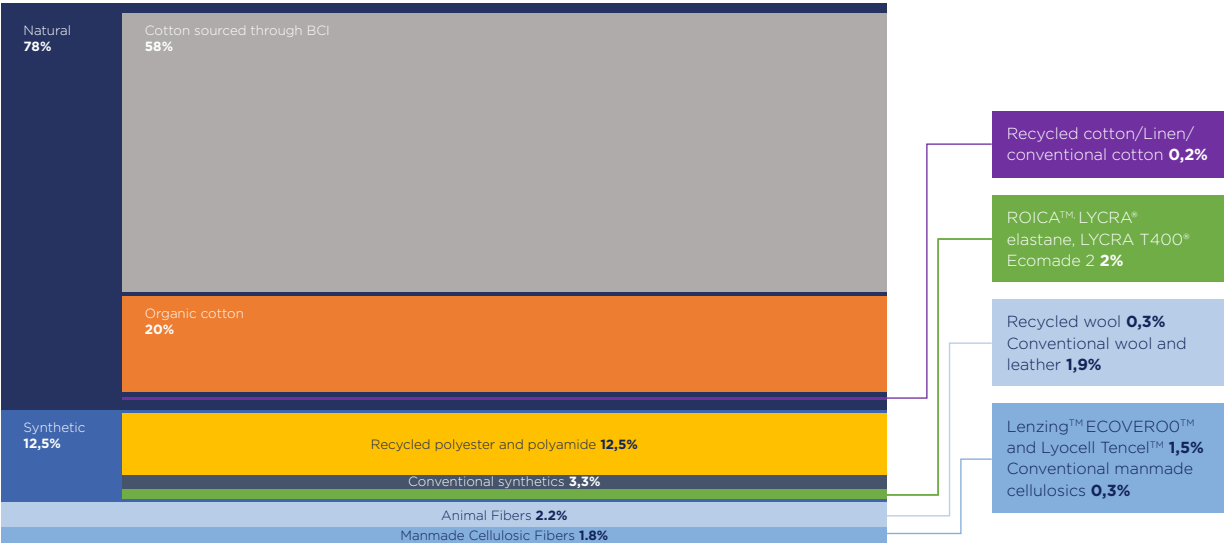
The certification of our current Denim Products which are Cradle to Cradle Certified® at the Gold level expires in 2022. We plan to renew the certification and will therefore undergo a re-assessment of our product's performance in spring 2022.

Sustainable Materials Goals

Since we are a denim brand, about 80% of all the raw materials we use consists of cotton, a crop that has historically been associated with high water and pesticide use. About 0.5% of the cotton we use is conventional cotton, the rest of our cotton is either organic, recycled or sourced through the Better Cotton Initiative (BCI) via a system of mass balance.

The remaining 20% of our raw materials includes 50% polyester and 50% other materials. Some examples of the non-cotton sustainable materials we use include Lycra®T400® EcoMade, Roica(TM) V550, Lenzing® EcoVero Viscose, Lycra® 166L, recycled polyester and TENCEL™ branded Lyocell fibers. About 2% of our products is made from animal fibers such as wool or leather. To ensure that these fibers come from safe and ethical circumstances, we have an [Animal Welfare policy](#).

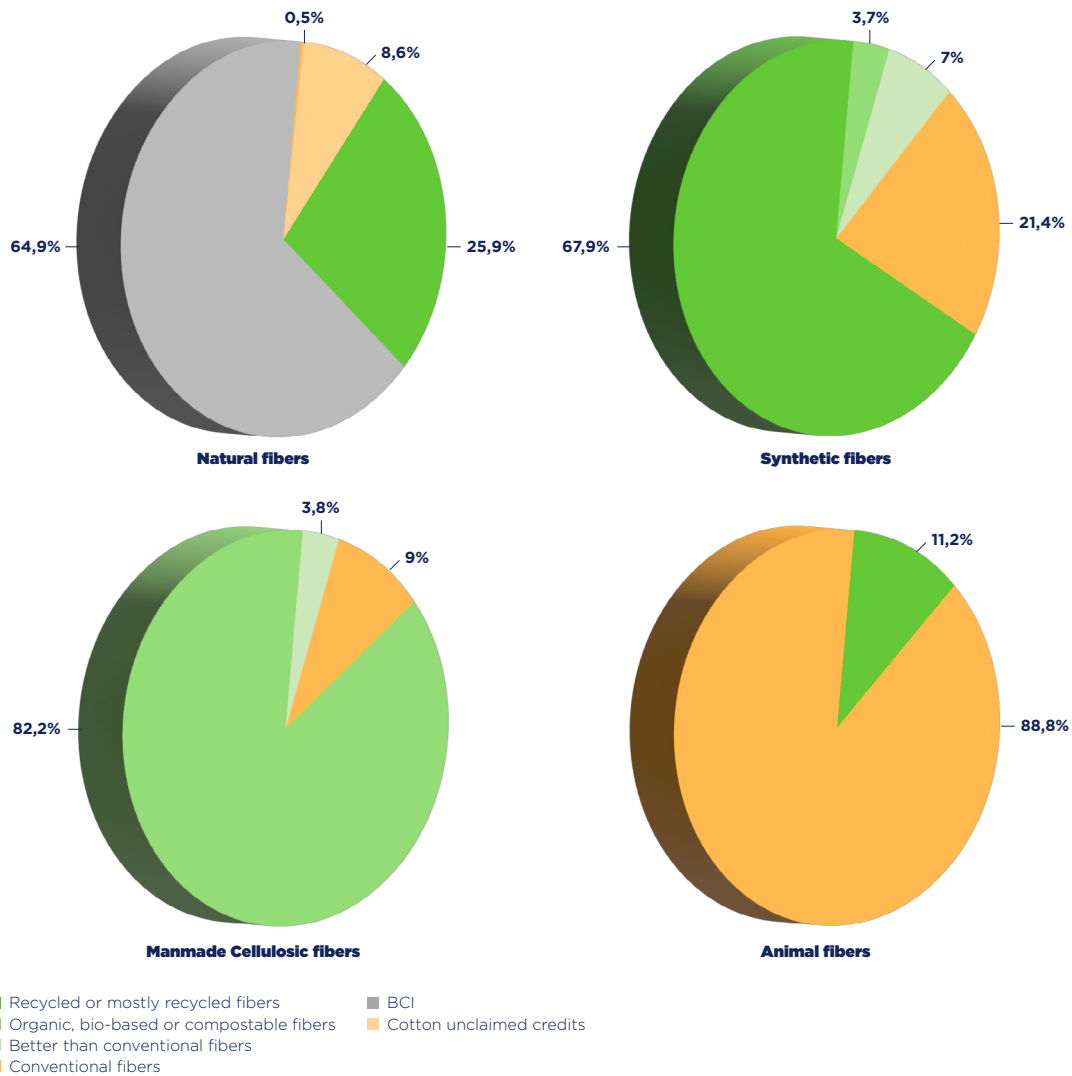
Breakdown of materials used for G-Star RAW products



PLANET CONTINUED

The following figures shows how much of our natural, synthetic, manmade, and animal fibers are considered sustainable according to our Responsible Materials Ranking.

Breakdown of sustainable materials per fiber family

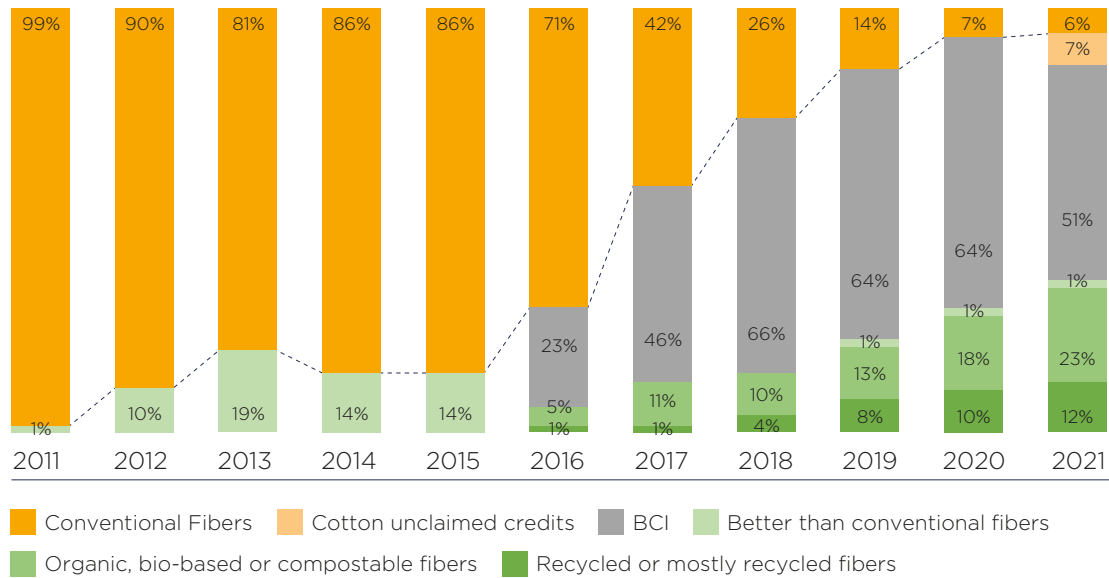


After reaching our sustainable material goals in 2020, we set new targets that are part of our Sustainability Strategy moving forward. We are now aiming for 75% of all materials we use to be either recycled, organic, bio-based and/or compostable by 2025. In 2030 this will be 100%. Our new goals are also reflected in our Responsible Materials Ranking.

Currently 35% of our materials is either recycled, organic, bio-based and/or compostable. We consider these to be sustainable materials. The remaining 65% of our materials consist of BCI cotton sourced via a system of mass balance, better than conventional, and conventional materials.

PLANET CONTINUED

Breakdown of use of sustainable materials over the years



G-Star RAW is a partner of the Better Cotton Initiative (BCI). We also use BCI sourced cotton in our collection. By investing in this, we support the Better Cotton Initiative's mission to help cotton communities survive and thrive, while protecting and restoring the environment. The Better Cotton Initiative applies a mass balance system, which means that the cotton is mixed with conventional cotton in a complex supply chain. The end product may therefore not actually contain Better Cotton.

Throughout the years, BCI sourced cotton has been an important first step for G-Star to move away from conventional cotton and towards more sustainable cotton sourcing practices. However, in our new sustainable materials goals we do not consider BCI sourced cotton as a sustainable material any longer due to its lack of traceability. That is also why we do not rank it in our Sustainable Materials Ranking.

Starting in 2021 we have adapted our cotton consumption calculation by using the amount of received Better Cotton Claim Units (BCCUs) as the main source to calculate our BCI Cotton consumption, instead of using our own sourcing data. There is a gap of 7% between the amount of BCCUs we received in 2021 and our BCI sourcing data. This is also reflected in the 2021 bar of the sustainable materials graph. This gap can be caused by different reasons. We calculate our cotton consumption for 2021 based on a full calendar year while suppliers might submit the BCCUs for our orders on the Better Cotton Platform right before or after that timeframe. Besides that, we currently use average product weights to calculate the amount of cotton we expect to be in the product. This can lead to discrepancies between the estimated and actual weight of a product and therefore a difference in expected BCCUs and actual BCCUs. Our goal is to minimize this gap by monitoring our suppliers more closely and re-evaluating our product weights.

PLANET CONTINUED

To invigorate our sustainable materials goals we signed Textile Exchange's 2025 [Sustainable Cotton Challenge](#) in 2020 and its 2025 [Recycled Polyester Challenge](#) in 2021. We also partnered with the Organic Cotton Accelerator (OCA) in 2021. This is a global platform that supports farmers in their transition to organic cotton cultivation. We participate in their multi-stakeholder project Textile in Transition: Boosting Transparency and Farmer Livelihoods in Organic Cotton Supply Chains that aims to build a fair, environmentally friendly and economically viable organic cotton supply chain. The project is developed and funded by the Netherlands Enterprise Agency Fund for Responsible Business (FVO) and involves a

partnership with two other brands: Bestseller and Essenza Home.

We are also in the process of getting certified on brand level for the Organic Cotton Standard (OCS) in 2022. The OCS aims to increase organic agriculture production as well and allows G-Star to third-party verify the organically grown content of our products. Once we have implemented the OCS we will focus on getting Global Recycled Standard (GRS) certified on brand-level too. This standard aims to verify and increase the use of recycled materials and include requirements for social and environmental processing and chemical restrictions.

Responsible Materials Ranking

To guide us in our sustainable materials journey we have been using a Responsible Materials Ranking since 2019, listing all the fibers we use and indicating their environmental impact, according to existing industry standards. In order to rank the fibers, we first categorized all fibers we use, as well as the ones we specifically choose not to use. To guarantee the most objective and up-to-date ranking tool, the categorization of the fibers is completely based on existing industry tools and scoring mechanisms. We included the classification of the Higg Materials Sustainability Index (Higg MSI), the rigorous standards of the Cradle to Cradle Products Innovation Institute, CanopyStyle's annual Hot Button Ranking and the Preferred Material Benchmark by Textile Exchange.

We've been working hard on translating this ranking to an on-product communication tool for our online shop, displaying the composition of each item and ranking the fibers (in the main fabric of the garment) according to their environmental impact. By doing so, we allow customers to decide for themselves whether a specific garment matches their individual sustainability standards.

Through the course of 2021 we tested several design options and we made an important adjustment to the actual categorization. Where BCI cotton used to be in the "better than conventional" category, we decided to remove it from the categorization all together. Even though investing in BCI cotton has been a great first step towards supporting more sustainable cotton production, the cotton is unfortunately not traceable due to the fibers being mixed with conventional cotton in a complex supply chain. In 2021, 58% of the material we used, was cotton sourced via the Better Cotton Initiative. In line with our sustainable materials goals, we will be moving towards using only recycled, organic and bio-based / compostable materials, moving away from BCI cotton all together. Accordingly, only the garments predominantly made from these materials will be marked with a "responsible materials" label on our online shop.

We expect the updated communication tool to launch in May 2022 latest.

PLANET CONTINUED

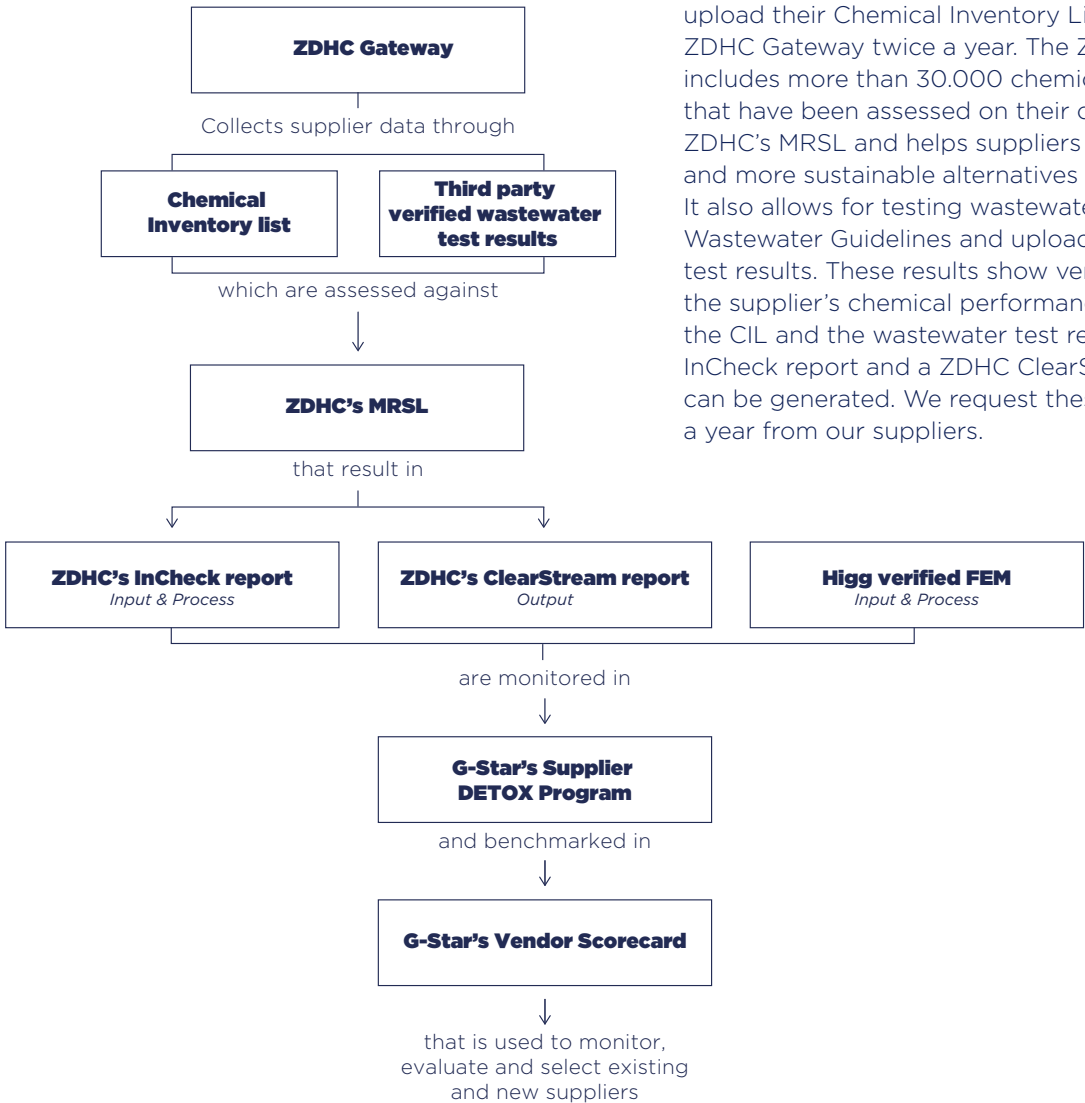
Eliminating Pollution

Minimizing pollution and eliminating all hazardous chemicals has been a major priority for us since signing the DETOX Commitment with Greenpeace in 2013. Through the DETOX Commitment we committed to ban the use of hazardous chemicals from our products and production processes in our supply chain. To monitor the performance of our suppliers, G-Star has been running its Supplier DETOX Program since 2018. In this program, we request our suppliers to ensure all wet-processing facilities to improve their performance on the input, process, and output areas of chemicals management with the help of the following initiatives.

Zero Discharge of Hazardous Chemical (ZDHC)

G-Star joined the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation in 2012. Our first Supplier DETOX Program was established with our membership to the ZDHC initiative and later extended with the addition of complementary monitoring tools. The ZDHC member brands unite around a joint Roadmap to Zero to ensure safe and sustainable chemical use in the fashion industry. ZDHC also provides tools to improve chemical management.

As part of our Supplier DETOX Program, all G-Star RAW supply chain partners are required to follow ZDHC’s Manufacturing Restricted Substances List (MRSL). Suppliers are required to upload their Chemical Inventory List (CIL) in the ZDHC Gateway twice a year. The ZDHC Gateway includes more than 30.000 chemical products that have been assessed on their conformance to ZDHC’s MRSL and helps suppliers to identify safer and more sustainable alternatives for chemicals. It also allows for testing wastewater to the ZDHC Wastewater Guidelines and uploading wastewater test results. These results show verified data on the supplier’s chemical performance. Based on the CIL and the wastewater test results a ZDHC InCheck report and a ZDHC ClearStream report can be generated. We request these reports twice a year from our suppliers.



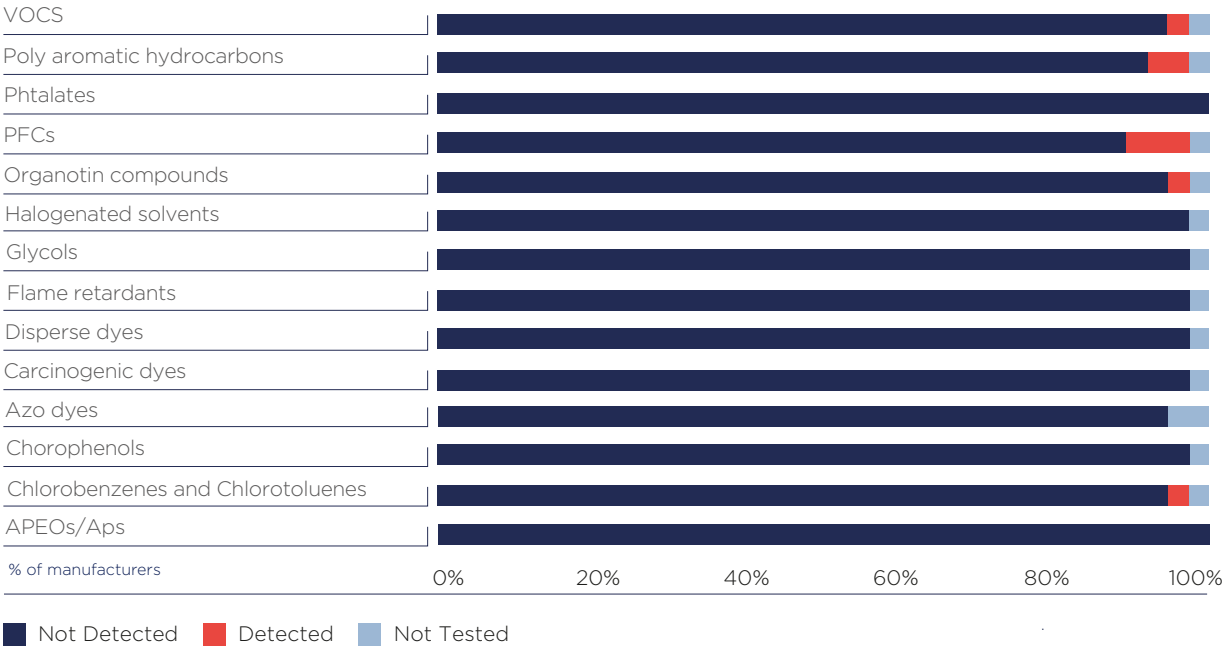
PLANET CONTINUED

In 2021, ZDHC Implementation tokens were provided to G-Star Tier 1 and 2 suppliers who are new or just started to implement the Roadmap to Zero program. With this new token system by ZDHC, suppliers can access trainings for free through the ZDHC eLearning academy or onboard the Supplier to Zero foundational level. This should also increase the compliance with our goals. The performance of chemical substances per parameter of all factories included in the Supplier DETOX Program is shown in the overview below. As can be seen, a small percentage of failures and non-tested parameters still requires our attention. This performance currently covers 55% of our annual production volume for tier 1 and 45% for tier 2 wet processing facilities, and we have seen 85.1% compliance with the program in the last year. The compliance rate has dropped slightly compared

to 2020 mainly due to the lower disclosure rate in our Supplier DETOX Program. That is why in 2022, we will continue to engage suppliers to further strengthen sustainable chemical management practices, for example by requesting suppliers to purchase safer and more sustainable (ZDHC MRSL conformant) chemical products. Also, our Supplier DETOX Program, for which we request input from suppliers twice a year, will be monitored more closely to ensure a higher disclosure rate.

We will continue to work with the tools of the ZDHC initiative, as well as apply the [Higg Facility Environmental Module](#) (FEM) standards and tools to monitor the performance in production and manufacturing of our garments in our Supplier DETOX Program.

All Factories - Performance by Parameter (MRSL Substances)



PLANET CONTINUED

Higg FEM performance

The Higg FEM allows manufacturing factories to measure their environmental performance, benchmark their results against peers, and identify areas to make meaningful improvements. The Higg FEM guides factories through a step-by-step approach to environmental management. The following graph shows that our suppliers scored an average of 66/100, which is slightly lower than in 2019, due to a higher disclosure rate from more of our suppliers regarding data from 2020. The scores now represent 87.5% of our

production volume as opposed to 66% in 2020. This exceeds our 2021 goal of publishing the Higg FEM verified supplier performance that represent 80% of G-Star RAW production volume.

In 2022, we will continue the Higg verified FEM assessment as part of our Supplier DETOX program, increase our current total score and aim for more Higg verified FEM publication from suppliers that represent more than 90% of G-Star RAW production volume.

Higg FEM performance

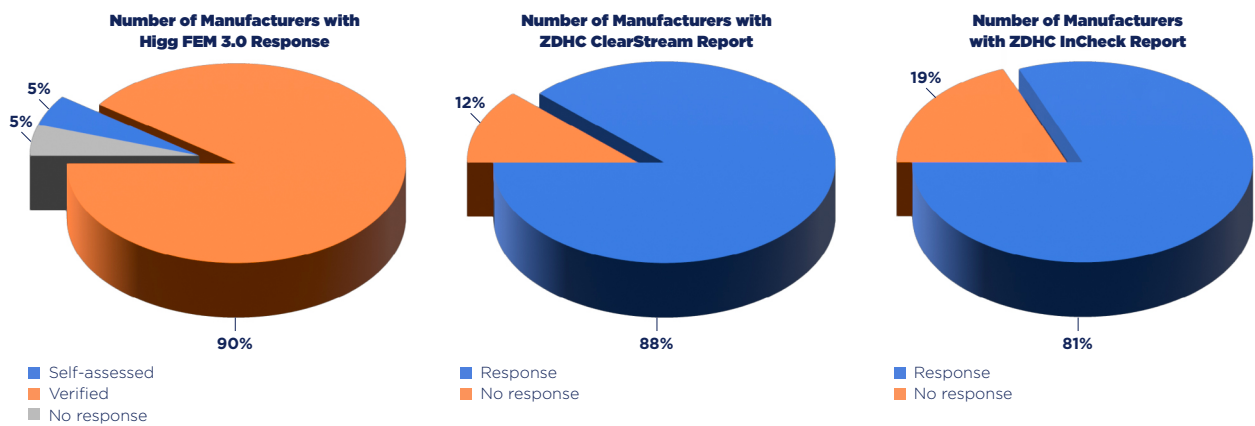


PLANET CONTINUED

Supplier DETOX performance

The Supplier DETOX Program combines the 2020 data from the Higg verified FEM with the ZDHC 2021 results from the InCheck and ClearStream reports. The pie charts below show the percentage of disclosure.

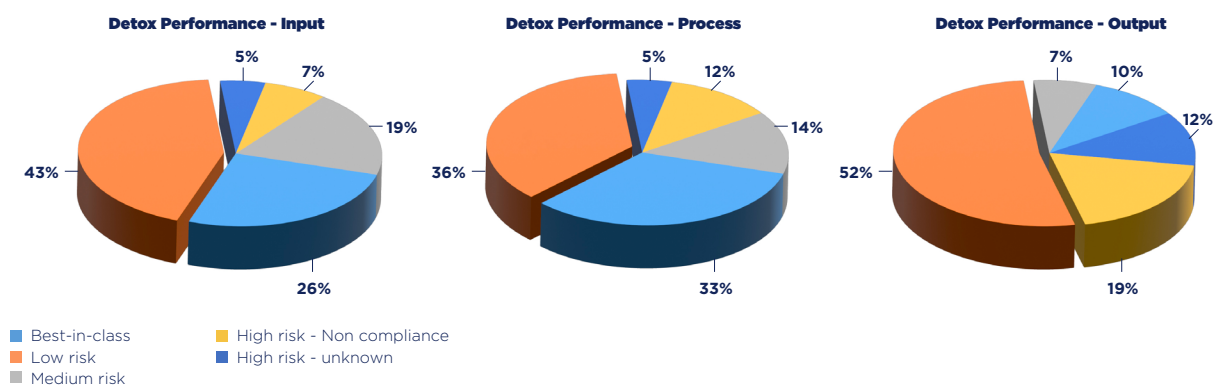
Disclosure rate for Higg FEM, ZDHC ClearStream report, and ZDHC InCheck report



The data retrieved will be analyzed based on three separate areas of chemical management: input, process and output. In the input area, the level of risk regarding chemical inventory is assessed. In the process area, the level of risk regarding chemical management on factory premises is assessed. Lastly, in the output area the level of risk regarding wastewater treatment is assessed. By providing a risk qualification on each of these three areas, opportunities for improving a facility's overall chemical management system are easily identified.

For each of the three areas one of the following five risk qualifications is listed in the supplier report: best in class, low risk, medium risk, high risk (non-compliance) or high risk (unknown). Input and process qualifications are based on Higg FEM 2020 assessment performance and ZDHC InCheck results; output scores on ZDHC ClearStream reports (wastewater testing). The DETOX performance of all our suppliers in 2021 can be seen in the following pie charts.

DETOX performance for input, process, and output



PLANET CONTINUED

We share their performance with our suppliers in individual DETOX Supplier Reports. These serve as a starting point of discussion between us and our suppliers to review which future actions can and should be taken towards zero discharge of hazardous chemicals and more sustainable performance. Since 2021, these reports also include a Corrective Action Plan (CAP) to determine which follow-up actions require the attention of the supplier based on their performance. These actions and a time indication should be added by the supplier and shared with G-Star.

Reducing our impact on Climate Change

We focus our climate impact work on our supply chain and consumer engagement, while also taking steps in our own offices and stores.

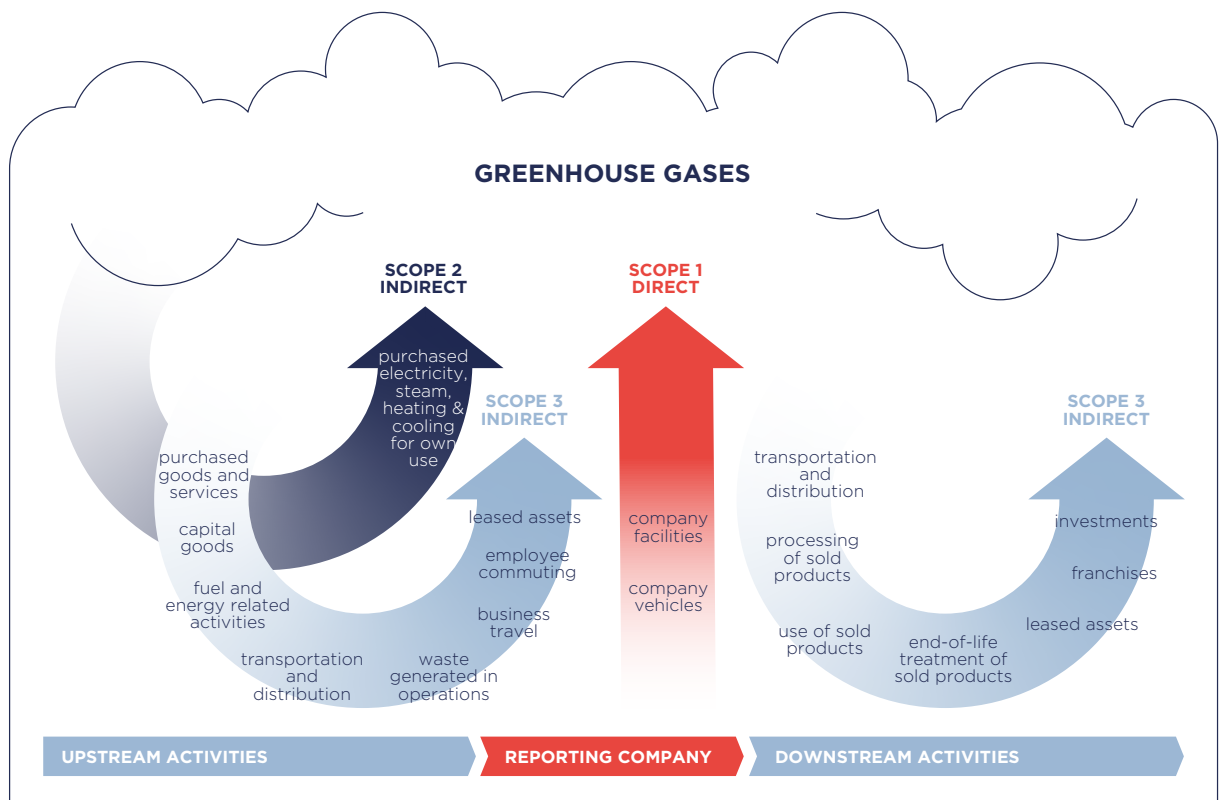
Fashion Industry Charter for Climate Impact

In July 2019, G-Star RAW signed the UN Fashion Charter and publicly committed to addressing the topic of climate change. Read more about the start of this journey [here](#). In 2021, during the COP26 the Fashion Charter increased its ambition, now aiming for 50% reduction of GHG emissions in 2030 instead of 30%.

Emissions are broken down into three categories; Scope 1, Scope 2 and Scope 3, as can be seen in the figure below. Scope 1 emissions are directly emitted from our owned and controlled operations. Scope 2 emissions are coming from the generation of electricity and heat and steam purchased by us. Scope 3 includes all our indirect emissions from our value chain activities.

4 The definitions of these scopes are retrieved from the [Climate Action Playbook](#) that explains the commitment from the [Fashion Industry Charter for Climate Change](#).

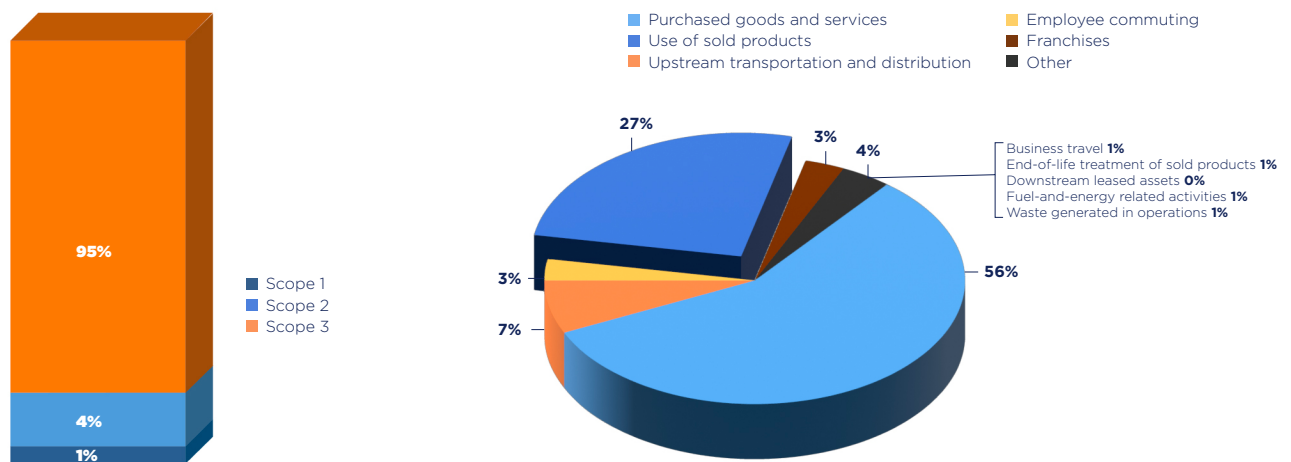
Illustration is based on the [Greenhouse Gas Protocol Corporate Value Chain \(Scope 3\) Standard](#)



PLANET CONTINUED

In 2019 we analyzed our Scope 1 and 2 carbon inventory in collaboration with RESET Carbon Limited. The results from this inventory analysis were presented in the Sustainability Report of 2020, see [Annex](#). The past year we applied a hybrid approach to our Scope 3 mapping and inventory analysis for which we collected data from 2019. A scope mapping is the first step of doing an inventory analysis. It includes identifying all sources of direct and indirect emissions and estimating these emissions. In the inventory analysis the actual emissions will be calculated. The methodology of our Scope 3 mapping is aligned with globally recognized carbon reporting standards: the Greenhouse Gas Protocol Corporate Scope 3 Standard, the UN Fashion Charter Climate Action Playbook as well as the Apparel and Footwear Sector Science Based Targets Guidance. The bar below shows the total estimated emissions of our three scopes based on our Scope 1 and 2 inventory and Scope 3 mapping. Next to that, a detailed emissions breakdown of our Scope 3 is visualized in the pie-chart.

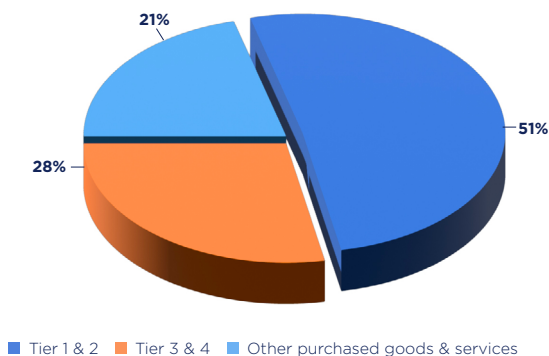
Scope 3 Emissions Breakdown



Upstream or downstream	GHG Protocol Scope 3 Category	Description
Upstream activities	Purchased goods and services Fuel- and energy-related emissions not included in Scope 1 and 2	Emissions from Tier 1, 2, 3, and 4 suppliers and emissions from other purchased goods and services.
	Upstream transportation and distribution	Upstream emissions related to production of fuels and energy consumed by G-Star's own operations.
	Waste generated in operations	Emissions from third party transportation and distribution paid by G-Star. Emissions from waste disposed from G-Star's operations.
	Business travel	Emissions from G-Star employees' business travel including air, sea, rail, and land travel and hotel stay.
		Emissions from G-Star employees' commuting.
Downstream activities		Emissions from washing and drying of G-Star sold products.
		Emissions from disposal of G-Star sold products.
	Employee commuting	Emissions from tenants in HQ.
	Use of sold products	Emissions from G-Star's franchisees and licensees.
	End-of-life treatment of sold products	
	Downstream leased assets	
	Franchises	

PLANET CONTINUED

Scope 3 Emissions Breakdown



Considering all three scopes, 95% of our emissions originate from Scope 3. Our Scope 3 mapping with data from 2019 shows that 56% of our emissions is coming from the Purchased Goods and Services category, followed by Use of Sold Products (27%) and Transportation (7%). These three categories account for 90% of the total Scope 3 emissions. The remaining categories that are part of Scope 3 show a less significant impact.

Scrutinizing the Purchased Goods and Services category, we concluded that 51% of the emissions are coming from the production phase (our tier 1 and tier 2 suppliers), while 28% is coming from further down in the chain, tier 3 and tier 4 suppliers (i.e. raw materials). The remaining 21% considers all other purchased goods and services such as stationary and marketing material.

Due to our Scope 3 mapping as well as our previous Scope 1 and 2 inventory breakdown (see Annex), we now understand the main emission hotspots of our value chain. In the first quarter of 2022 we will update our carbon inventory for all three scopes based on 2021 data and compare these results to their baseline (2019). The carbon inventory for Scope 3 will cover the full Scope 3 emissions with an even more granular approach for Purchased Goods and Services and Logistics.

Roadmap towards setting Science Based Targets

In January 2022 G-Star also officially committed itself to set near-term company-wide emission reductions in line with climate science in collaboration with the Science Based Targets initiative (SBTi). Within the next 24 months we will focus on developing GHG emission reduction scenarios and convert them into Science Based Targets, which we will submit them to the SBTi for approval.

To commit to the revised Fashion Industry Charter for Climate Action and to prepare ourselves to set Science Based Targets, we are currently working with RESET Carbon to develop emission reduction scenarios. This model will demonstrate the feasibility of setting a Science Based Target and which reduction opportunities should be prioritized. Reduction measures for our Scope 1 and 2 include – among other things – switching towards 100% renewable energy and using electric vehicles only. For Scope 3 the reduction measures will focus on Purchased Goods and Services as well as on Transportation as these two categories represent more than 60% of our Scope 3 emissions. To reduce these emissions we will mainly prioritize the increased use of organic and recycled fibers, which is in line with our existing Sustainable Materials goals. Also phasing out coal and improving energy efficiency in our supply chain is key to reach our climate change goals. This roadmap will be expanded during 2022.

To get additional support in our journey towards setting Science Based Targets, we joined a pilot project initiated by Zalando. Through this pilot project we received support in identifying potential reduction measures and how these measures would meet the SBTi criteria.

PLANET CONTINUED

Packaging

Packaging is an inevitable and important part of shipping products from one place to another without damaging them. However, packaging requires additional resources, often in the form of plastics. In 2020, we started testing if we could swap virgin plastic polybags with polybags made from recycled polyethylene (PE) to decrease our use of virgin resources and therefore lower our impact on the environment.

In 2021, we scaled the use of these recycled PE polybags and over 85% of our suppliers now use polybags that consists of recycled content. In 2022, we plan to start using smaller and thinner polybags for some product groups, starting with a pilot in Bangladesh that will be rolled out to other countries as well. A smaller and thinner polybag requires less material and therefore less resources. This step will require a new folding method, which will be shared with our suppliers as part of the pilot.

Although this has been a first step, the replacement of conventional polybags by recycled plastic polybags is not the only way to decrease our use of plastic. That is why we are currently piloting a glassine paper-based bag that could be used for shipping from supplier to warehouse and from warehouse to customer. This pilot started in Bangladesh and continues in 2022. We will perform humidity resistance tests of the paper-based bags and explore sourcing possibilities regarding FSC-certified and recycled paper-based bags in our supply chain.

Aside from minimizing the impact of the resources we require to pack our product, we also aim for responsible reuse of the packaging we do use. That is why since 2021, we unpack our products before we send them to our customers that order via g-star.com. This takes place in our own warehouse in Amsterdam and ensures responsible plastic recycling. Ecommerce orders which are shipped directly to customers by G-Star are not repacked but go straight into the carton order

box. In the future, a paper-based bag used for shipping from supplier to warehouse and from warehouse to customer could eliminate the use of plastic polybags all together and no unpacking stage is required. This is something we will be exploring in 2022 as well.

So far, all these pilots have been separate projects. Therefore, in 2022 we aim to develop a sustainable packaging strategy that aligns with our climate change reduction plans and focuses on reducing plastics. This strategy will be based on impact calculations.

Climate neutral delivery

Besides scoping our emissions, we are already implementing more climate-friendly solutions to reduce our emissions. Mid 2021, we introduced the option of having G-Star orders delivered by bike in collaboration with [Fietskoerier](#) in the largest Dutch cities. Since then about 5% of our customers who ordered via g-star.com chose the option to get their parcel delivered by bike.

Next to that, our standard delivery option with DHL Parcel in the Netherlands has also become more sustainable throughout 2021. DHL Parcel has extended its electrical fleet and launched a carbon offset program called GoGreen. In 2021 we delivered all our parcels in the Netherlands with 100% compensation on emissions. In total, 30% of all of our international ecommerce parcels were shipped carbon neutral in 2021 via offsetting. Through DHL's GoGreen offset program we contribute to climate protection projects related to water, energy efficiency, biogas, and biomass in different countries around the world. Read more about those projects [here](#).

In 2022, we expect over 60% of our ecommerce parcels to be delivered carbon neutral. All of our deliveries in Austria, Belgium, Germany and eleven other countries will be compensated for carbon emissions.

PLANET CONTINUED

Closing the loop

Our Product Life Cycle does not only focus on our supply chain but also includes the use and end-of-life phase for which we take responsibility alongside our customers. In 2021, we have initiated two programs that aim to extend the life of our products as well as ensure a responsible end-of-life.

Wear and Care responsibility

Besides scoping our emissions, we are already implementing more climate-friendly solutions to reduce our emissions. Mid 2021, we introduced the option of having G-Star orders delivered by Sustainability starts with the fabrics we choose to minimize our impact. It continues all the way through manufacturing and transportation to our stores, but it does not stop there. The environmental impact of our products continues throughout the entire lifecycle of a garment. Besides informing our consumers on how to wear and care for their G-Star garments responsibly, accelerating post-consumer circular solutions is a key priority for G-Star.

Our Certified Tailors program aims to extend the lifetime of our jeans. We launched this program in 2021 in five cities in the Netherlands. It offers free repairs of G-Star denim by one of our G-Star RAW Certified Tailors. We trained our tailors to become

G-Star denim experts, teaching them all about denim, our stitching, 3D design, and the fit and fabrics. Between June and December 2021, 243 jeans have been repaired. In 2022, we will launch the program in the United States, Germany, and South Africa as well.

Return your old denim

In 2021 we re-initiated a product takeback service during a pilot in two stores in the Netherlands: our outlet in Roermond and our mono-brand store in Rotterdam. Our Return Your Old Denim program will be launched in 75 stores in Europe in April 2022. When returning their denims, customers receive €20 off their new pair of jeans. In 2022, we will also explore long-term solutions for recycling or repurposing the jeans we collected.



REFLECTION ON 2021

Strategic Topic	2021 Actions and Goals	2021 Highlights & Progress	2022 Actions & Goals
Circularity	<p>Define roadmap for the 2025 Cradle to Cradle Certified™ goals.</p> <p>Re-initiate in-store takeback service to collect postconsumer waste.</p>	<p>Defined roadmap for the 2025 Cradle to Cradle Certified™ goals: upscaling Cradle to Cradle Certified™ suppliers and upscaling use of Cradle to Cradle Certified™ fabrics.</p> <p>3.5% of our products is made with Cradle to Cradle Certified™ fabrics.</p> <p>Prepared for the re-initiating of in-store takeback service (Return Your Old Denim) with pilots in two stores in the Netherlands.</p> <p>Introduced Certified Tailors repair program in the Netherlands.</p>	<p>Recertify our Cradle to Cradle Certified® Denim Product.</p> <p>Proceed upscaling of Cradle to Cradle Certified™ fabrics as part of Product Development and Sourcing Strategy.</p> <p>Train G-Star teams on the topics of circular economy and circular design, through a workshop program organized by Circle Economy.</p> <p>Further rollout in-store takeback service (Return Your Old Denim) to collect post-consumer waste.</p> <p>Explore long-term solutions for recycling of collected jeans.</p> <p>Rollout Certified Tailors in US, Germany, and South Africa.</p>
Sustainable Materials	<p>Get certified on brand-level for Organic Cotton Standard and explore Global Recycle Standard brand-level certification.</p> <p>Publish Fiber Ranking for on-product communication. Keep involved with new industry tools for fiber benchmarking.</p> <p>Integrated Responsible Materials Ranking within different departments: Product Development, Sourcing, Design, and Marketing.</p>	<p>35% of our materials is either recycled, organic, bio-based and/or compostable.</p> <p>Signed contract with Organic Cotton Accelerator to support farmers in their transition to organic cotton cultivation.</p> <p>Explored Global Recycle Standard brand-level certification.</p> <p>Started with selection of certification body and the first preparations for brand-level certification process of the Organic Cotton Standard.</p> <p>Conducted several pilots for on-product sustainability communication on our online shop to further improve the Responsible Materials Ranking communication tool.</p> <p>Removed BCI from “sustainable” categories in Sustainable Materials Ranking, in line with renewed goals for 2025 and 2030.</p> <p>Participated in the Higg Transparency Program through Amazon.</p> <p>Signed the Recycled Polyester Challenge from Textile Exchange.</p>	<p>Get certified on brand-level for OCS standard.</p> <p>Implement Responsible Materials Ranking as our on-product communication tool.</p> <p>Explore the opportunity to develop the Responsible Materials Ranking as a tool to communicate beyond our main materials, but also include trims, linings and production processes.</p> <p>Continue participation in the Higg Transparency Program through Amazon.</p>

REFLECTION ON 2021 CONTINUED

Strategic Topic	2021 Actions and Goals	2021 Highlights & Progress	2022 Actions & Goals
Pollution	<p>Adopt Higg verified FEM at Tier 1 (and 2) supplier that represent 80% of G-Star RAW production volume.</p> <p>Train and engage suppliers on G-Star RAW environmental requirements.</p> <p>Improve supplier compliance to the G-Star RAW DETOX program.</p>	<p>The Higg verified FEM from Tier 1 and 2 suppliers that represent 87.5% of G-Star RAW production volume scored an average of 66/100.</p> <p>Organized an online webinar for our Tier 1 and 2 suppliers to inform them on G-Star's Sustainability Strategy including our Supplier DETOX Program.</p> <p>Provided ZDHC Implementation tokens to G-Star Tier 1 and 2 suppliers who are new or just started to implement the Roadmap to Zero program.</p> <p>85.1% average compliance to suppliers' chemical performance in our Supplier DETOX Program, which is not an improvement compared to last year due to the lower disclosure rate in our Supplier DETOX Program.</p> <p>Received InCheck and WasteWater reports from our suppliers twice.</p> <p>Requested and received CAPs after receiving supplier data and sharing the first Supplier DETOX Program reports.</p>	<p>Tier 1 and 2 suppliers that represent 85% of G-Star production volume achieve a minimum scoring of 60 for Higg verified FEM.</p> <p>85% of G-Star production volume achieved a minimum of: 90% conformance with the ZDHC waste water guidelines for MRSL and 60% compliance level 1 of ZDHC InCheck report.</p>
Climate Change	<p>Define 2025 roadmap & priorities.</p> <p>Map the footprint of Scope 3 (with external consultant). Replace 90-95% of all polybags with recycled PE polybags.</p> <p>Pilot paper-based polybags.</p>	<p>Finished Scope 3 footprint mapping with RESET Carbon. Participated in pilot project to set Science Based Targets via Zalando.</p> <p>Over 85% of our suppliers now use polybags that consists of recycled content.</p> <p>Piloted glassine paper-based polybags for shipping from supplier to warehouse and from warehouse to customer.</p> <p>Started to unpack our products before we send them to our customer that order via g-star.com.</p> <p>Started offering bike delivery option in the largest Dutch cities.</p> <p>Delivered all parcel in the Netherlands with 100% compensation on emissions. 30% of all our international ecommerce parcels were shipped carbon neutral through offsetting.</p>	<p>Publish Scope 1, 2 and 3 carbon inventory results. Create GHG reduction scenarios with RESET Carbon.</p> <p>Committed to SBTi to set Science Based Targets in January 2022.</p> <p>Prepare for setting Science Based Targets through the SBTi.</p> <p>Define roadmap to reach Science Based Targets. Continue to reduce our (plastic) packaging.</p> <p>Increase the amount of ecommerce parcels to be delivered carbon neutral.</p> <p>Compensate carbon emissions for all deliveries in Austria, Belgium, Germany and eleven other countries.</p>

PHILANTHROPY

PHILANTHROPY

The [GSRD Foundation](#) was founded in 2007 as G-Star's corporate foundation. Its mission is to create a positive impact on the lives of the people and communities in the countries where G-Star RAW products are made. It does so by supporting projects that focus on the education, training and coaching of young people. The foundation's ethos is that knowledge, an entrepreneurial mindset and self-empowerment are key to economic independence and social development. To facilitate this, the Foundation supports projects that focus on education and entrepreneurship.

Education

Vocational training and education for young adults, focusing on knowledge and skills that will help them to learn a trade, improving their chances of getting a job and thus of having a better future.

Entrepreneurship

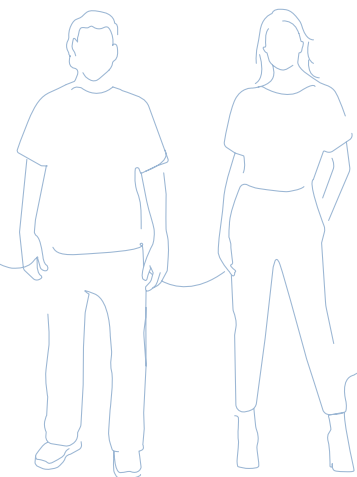
Life-skills training and coaching for young adults, to help them to become independent, seize initiatives and leverage opportunities in order to become more self-sufficient, either as proactive employees or through self-employment.

The activities from the GSRD Foundation directly contribute to reaching the Sustainable Development Goals 4, 8, 10 and 17. They indirectly support the SDGs 1, 2, 3, 5 and 13 as well.

Direct impact

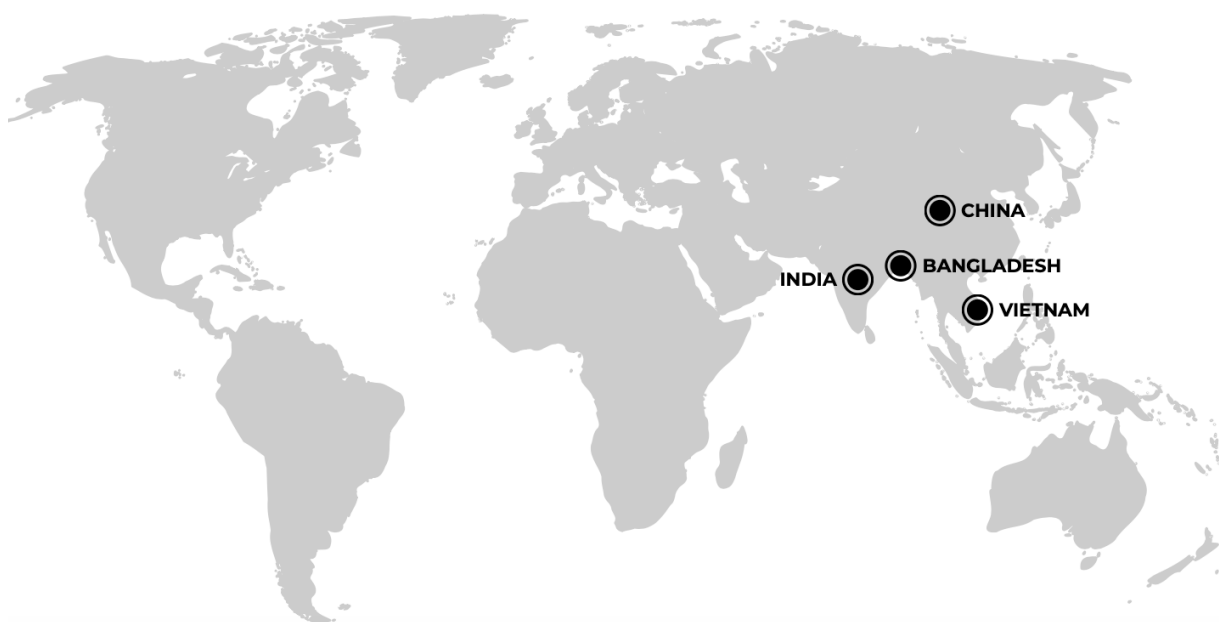


Indirect impact



PHILANTHROPY CONTINUED

The GSRD Foundation is active in four G-Star RAW production countries:
Bangladesh, China, India and Vietnam.



Bangladesh

- Active since 2008
- Supported 114,847 beneficiaries over the years
- [Currently 6 active projects](#)

China

- Active since 2009
- Supported 531,219 beneficiaries over the years
- [Currently 4 active projects](#)

India

- Active since 2008
- Supported 174,653 beneficiaries over the years
- [Currently 8 active projects](#)

Vietnam

- Active since 2014
- Supported 20,145 beneficiaries over the years
- [Currently 8 active projects](#)

PHILANTHROPY CONTINUED

The Foundation supports all of its projects through partner organizations, which have a proven track-record in education and entrepreneurship and countries where GSRD is focusing its efforts. We strive for long-term relationships in order

to strengthen the projects we support and the partner organizations that run them. All projects seek to help people leverage opportunities to become more self-sufficient, either as proactive employees or through self-employment.

Currently the GSRD Foundation works together with

21

partners.

The GSRD Foundation has been working together with

56

partners over the past years.

26

projects are being supported today.

99

projects have been supported since 2008.

2021 in the rearview mirror

For all of our partners this was another year dominated by the presence of Covid-19. We consider it remarkable that our partners managed to stay afloat during this crisis. They have worked with endless energy to serve their communities. With admirable flexibility and creativity, turning their programs around and adapting to our evolving world whilst anticipating the pandemic landscape. For example, the curricula of vocational trainings was adjusted from training beauticians to training nurses aiding the medical industry. Entrepreneurs

also found their way of working online when they were forced to close their physical shops during lockdowns.

Aside from the global pandemic, 2021 has been a promising year. We started new partnerships with Creatella Impact, ChildFund Vietnam and UNICEF in Vietnam and also extended our partnership with trusted organizations such as VSO International, Hand in Hand India, ASSIST India, REACH, Grameen Shiksha and Plan International.



PHILANTHROPY CONTINUED



CASE STUDY

EVERY CHILD LEARNS IN VIETNAM

In Vietnam, schools remained closed for months due to the pandemic and many children fell behind in their learnings. Schools are open again or offer digital education but unfortunately, only 17 percent of children in remote areas have internet access. In this project, UNICEF, together with The Ministry of Education and Training in Vietnam, is committed to addressing this digital divide, so that digital education is also accessible for these children.

The GSRD Foundation supports UNICEF with two components: training teachers on how to provide digital education and raising awareness among students and parents about the importance of education and children's needs for well-being. The GSRD Foundation supports digital teacher training in order to equip teachers with fresh knowledge and skills regarding teaching from a distance and online classroom management.

With the public awareness campaigns we aim to reach 26.2 million children and adults in Vietnam. The GSRD Foundation supports the development and distribution of communication materials about the importance of education, protection, psychosocial support and nutrition.



CASE STUDY

CREATELLA IMPACT

Our new partner Creatella Impact believes in the power of entrepreneurship. They consider entrepreneurship one of the main pathways to achieve gender equality and women's economic empowerment, family well-being, poverty reduction and sustainable economic growth.

Creatella Impact is committed to contributing to the empowerment of women in Vietnam and their active participation in the economy. The GSRD Foundation funded their pilot project to help women entrepreneurs in Vietnam.

For the pilot, Creatella Impact set up an Incubator Program for women entrepreneurs in Vietnam. As an entrepreneur, you can apply for a free training to grow your business. This can be in various fields. For example the trainers can help the entrepreneurs expand their business online by helping them to set up an e-shop or help them connect with financial institutions to receive a loan to grow their business.

If the pilot is a success, the program will be repeated on a frequent basis and will be rolled out in multiple countries.

RISK ASSESSMENT

ANNEX: RISK ASSESSMENT

In our 2019 [Sustainability Report](#) we first introduced a due diligence risk assessment following the guidelines of the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#). Our risk assessment aims to identify both the likelihood and the severity of a potential or actual harm within the value chain. It provides the foundation and justification of our actions and goals. Our [Sustainable Supply Chain Handbook](#) explains how G-Star has conducted its risk assessment and identified the most significant risks in its supply chain.

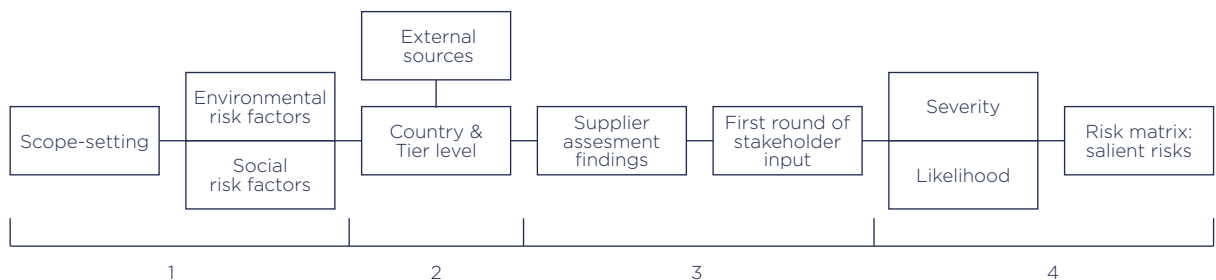
In 2020 we have built upon our risk assessment with the help of industry partners, stakeholders, and external resources. Over the past year, we added Tunisia and Turkey to the four main production countries we defined earlier: Bangladesh, China, India, and Vietnam. The role of suppliers in Tunisia and Turkey has become more important over the course of the past two years and they add a major contribution to our production volume. By adding these countries we now include 94.5% of our production volume instead of 76.9%. Additionally, supplier data throughout 2021 that has been collected in our Vendor Scorecard has also been included in our reviewed risk assessment.

Methodology

Our risk assessment follows the categories that have been identified on sectors level by the OECD which are divided into three categories: Human Rights & Labor risks, Environmental risks, and Integrity risks. All of these risks are addressed in the [G-Star RAW Supplier Code of Conduct](#).

To be able to assess the risk factors in these categories and determine the most salient risks in our supply chain, we (1) had to breakdown our value chain, business-model and sourcing-model to set the scope of our risk assessment.

Then, we (2) approached the three categories from the OECD on two different levels: country and tier. To link the initial-scoping assessment regarding social and environmental factors to our own supply chain and zoom in on regional level, we (3) included supplier assessment findings in our risk assessment. Based on all the information we collected through different resources, we (4) determined which risks are most salient in our supply chain. Severity is based on the scale, scope and remediable character of the risk factor. We identified the likelihood of the risk factor with the help of our own supply chain-specific information.



Risk Matrix

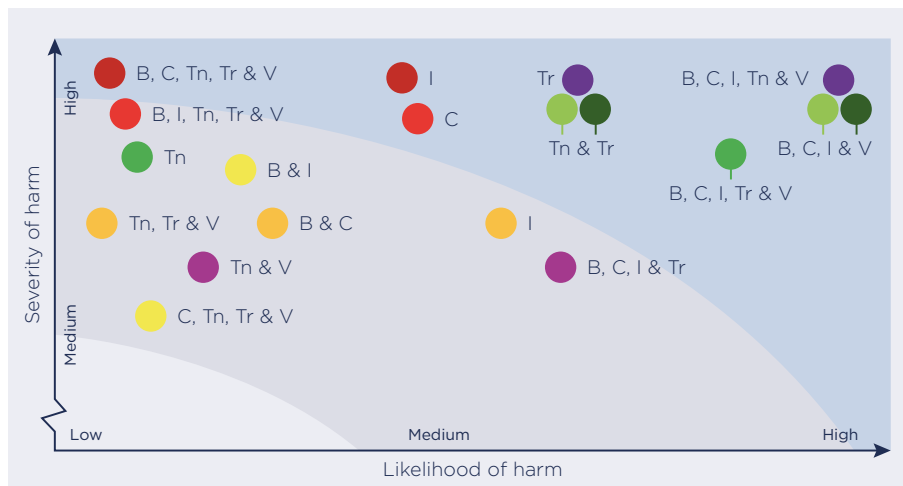
The risk matrixes on the following page illustrate the salient risks that have been identified for mitigation. The first matrix shows the social risk categories as identified by OECD translated to our supply chain in Bangladesh, China, India, Tunisia,

Turkey, and Vietnam. The second matrix shows the environmental risk categories in Tier 1, Tier 2, Tier 3 and Tier 4, also based on data from our six main production countries. Based on the analyzed information from our supply chain we can conclude that the areas in the right and middle to

ANNEX: RISK ASSESSMENT CONTINUED

top corner of the matrix can be scaled as salient risks. These risks are included as key priorities as part of our Sustainability Strategy and action plan towards mitigation. Compared to our assessment in our Sustainability Report of 2020, we can see that the most prevalent social risk factors remain similar with the addition of Turkey and Tunisia. Including Turkey and Tunisia does show some

changes in environmental risk factors on tier level. We need to pay additional attention to the increased likelihood of water pollution in Tier 4, greenhouse gas emissions throughout Tier 1 and 3, and water consumption in Tier 1 and 2. A review of our supplier data showed that no major changes had to be made regarding the risk assessment.



- Child labour
- Forced labour
- Minimum wage
- Health & Safety
- Freedom of Association
- Discrimination / (sexual) harassment
- (Excessive) working hours
- Living wage
- Bribery / corruption

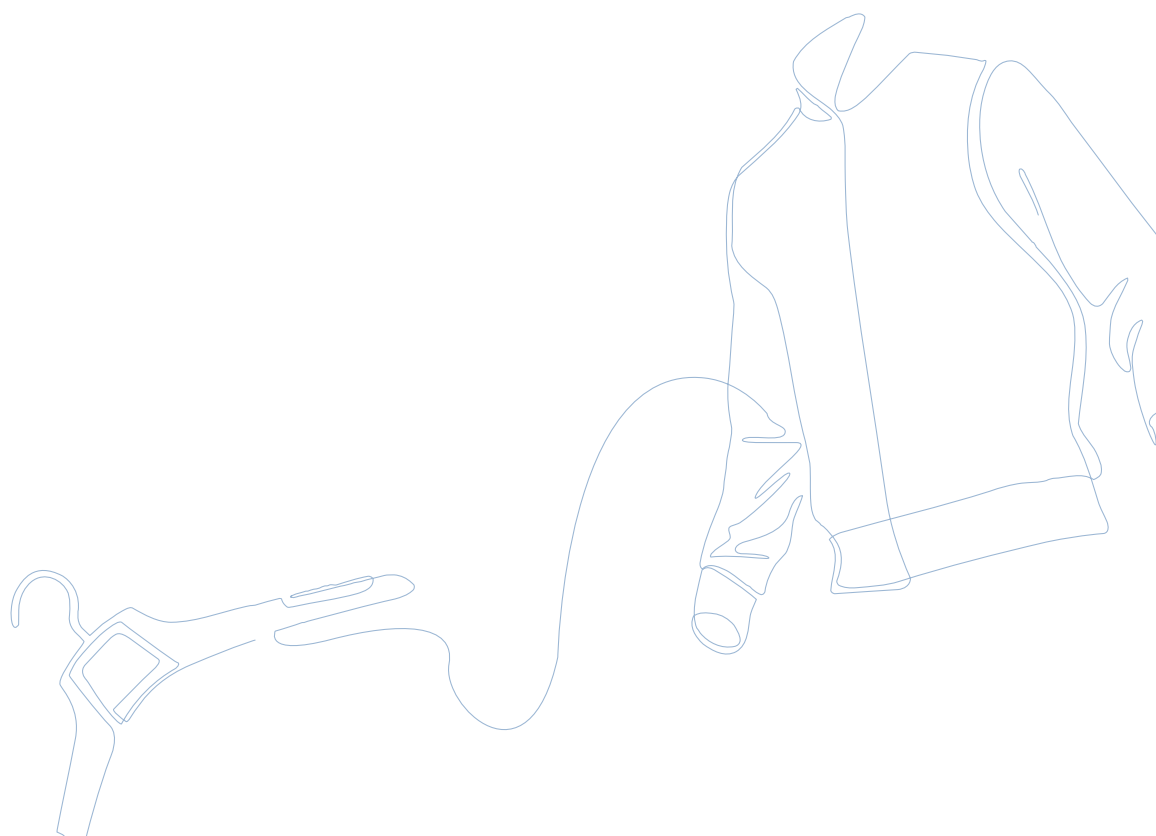


- Water consumption
- Water pollution
- Chemicals
- GHG

ANNEX: RISK ASSESSMENT CONTINUED

Next steps

Due diligence is an ongoing process, and so is this risk assessment. Our risk assessment supports us in defining and implementing our new Sustainability Strategy. In 2022, we will re-evaluate our risk assessment methodology, focusing on additional risk categories beyond the OECD and including the topics of the Higg BRM to create an even more holistic overview of the context of our value chain. We will also integrate more dialogue with local stakeholders, including trade unions and factory workers. This way we aim to include additional local perspective to be able to determine more specific actions in certain areas. The data that we collect in our Vendor Scorecard will form the center of our risk assessment. This way we integrate supply chain data more specifically and can link the results from our risk assessment more directly to our strategy.



ANNEX: RISK ASSESSMENT CONTINUED

Strategic Priorities & Actions towards Mitigation

Based on the results of the risk matrixes above, we have linked our strategic topics from our Sustainability Strategy and the goals we have set and actions we are taking to mitigate the identified salient risks categories.

Strategic Topic	Related risk category	Goals 2025 - 2030	Actions specified for 2022
Worker's Rights	Child labor Discrimination / (sexual) harassment Forced labor Freedom of Association (Excessive) working hours	2025: Strengthen workers voice by offering a complaints system including fair terms, anonymous accessibility, process for complaints handling and capacity building to workers.	<p>Continue supplier social performance improvement monitoring through the verified Higg FSLM and determine performance indicators.</p> <p>Develop methodology on social supplier performance scorecard to integrate in our Vendor Scorecard. Share Vendor Scorecard with suppliers.</p> <p>Increase visibility of Tier 3 & 4 suppliers in all countries by collecting and documenting the information received through direct and Tier 2 suppliers.</p> <p>Continue Fair Wear Complaints Mechanism with key suppliers in India and organize Workplace Education Program.</p> <p>Analyze output from Fair Wear Complaints Mechanism in India and use learning to feedback indicators that can improve communication on factory floor.</p> <p>Define new country rollout with FWF.</p> <p>Implement and improve G-Star Purchasing Practices following the ACT commitments: timely planning and forecasting, defining labor costing within purchasing prices, fair payment and term and a responsible exit strategy.</p> <p>Research recruitment practice and work directly with factories to implement preventative measures.</p> <p>Organize supplier conference focusing on key strategic topics and possible improvements.</p>



ANNEX: RISK ASSESSMENT CONTINUED

Strategic Topic	Related risk category	Goals 2025 - 2030	Actions specified for 2022
Fair Wages	Minimum wages Living Wage (Excessive) working hours	2025: Actively engage in lobbying towards an industry wide agreement on regional living wages and improve purchasing practices and wage management systems to increase wages in G-Star RAW production countries	Update our Living Wage Gap Analysis and incorporate results in Vendor Scorecard. Train internal teams and suppliers on key purchasing practices topics based on survey findings with the help of ACT's training tool. Set a baseline to improve wage management systems in factories.
Circularity	Water consumption Water pollution Chemicals Greenhouse gases	2025: 20% of our collection is made with Cradle to Cradle Certified™ fabrics 2025: Design for durability and recycling to extend the life of G-Star RAW products by offering solutions for re-use, remake or recycling 2030: Enable G-Star RAW products to meet our circularity criteria's (made from recycled [mono] materials and components and designed for durability and recycling)	Renew Cradle to Cradle™ Denim Product Certification. Launch Return Your Old Jeans in Europe, US and South Africa. Increase the use of Cradle to Cradle Certified™ fabrics. Finalize agreement with recycling and upcycling partners.
Sustainable Materials	Water consumption Water Pollution Greenhouse gases	2025: 75% of our collection will be made of recycled and/or organic/bio-based/compostable materials 2030: 100% of our collection will be made of recycled and/or organic/bio-based/compostable materials	Increase the use of more recycled, organic/bio-based or compostable materials. Get certified on brand level for OCS. Monitor progress on reaching Sustainable Materials Goals 2025.

ANNEX: RISK ASSESSMENT CONTINUED

Strategic Topic	Related risk category	Goals 2025 - 2030	Actions specified for 2022
Climate Change	Greenhouse gases	2025: Reduce 15% of GHG emissions	Update the inventory of Scope 1 and 2 based on 2021 data.
		2030: Reduce 50% of GHG emissions	<p>Map inventory of GHG emissions of scope 3 with external consultant.</p> <p>Define roadmap to reduce the GHG emissions according to goals continue to track scope 1, 2 and 3 emissions on yearly basis and publicly disclose results.</p> <p>Select key suppliers and engage with them on setting GHG reduction plans by using training tools.</p> <p>Set Science Based Targets through the SBTi platform.</p> <p>Create a sustainable packaging strategy and share internal packaging policy globally.</p>
Pollution	Water pollution	2030: Achieve 100% sustainable chemical applications in G-Star RAW products	Continue the G-Star Supplier DETOX program tool to monitor and track supplier environmental performance.
	Chemicals		
	Water consumption		Increase supplier engagement on requirements of the ZDHC InCheck reports and chemical management.
	Greenhouse gases		<p>Increase adoption and performance improvement of verified Higg Facility Environmental Module (FEM) at Tier 1 & 2 suppliers.</p> <p>Train Product Development team on verified Higg FEM performance for Tier 2 suppliers.</p> <p>Develop 2030 roadmap with external consultant.</p> <p>Update manufacturing map including verified Higg FEM scores.</p>