RAW RESPONSIBILITY

SUSTAINABILITY REPORT 2024

G-STAR

WHAT'S INSIDE?

PEOPLE

PLANET

PRODUCT

PHILANTHROPY

APPENDICES

ABOUT THIS REPORT

Every year, G-STAR publishes a sustainability report, reflecting G-STAR's performance on key environmental and social priorities and our implementation of due diligence within our value chain. Due diligence, as defined by the Organization 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 impacts in their value chain.

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 2024, the planned actions for 2025 and our longer-term goals and ambitions for 2030.

INDEX

Other reads

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's Compliance Policy, a detailed supply chain explanation, our sustainability monitoring tools and process, our supplier onboarding process, and our Supplier Development Program.

Transparency Tools

- Manufacturing Map: This tool shows all direct suppliers with whom G-STAR has had a business relationship for over 2 years.

G-STAR's Policies

- G-STAR Supplier Code of Conduct
  - Social & Labour Guidelines
  - Environmental Guidelines
- G-STAR Materials Policy & Animal Welfare Policy

All downloads can be found here.

Explore our RAW Responsibility webpage to find out more about up-to-date actions regarding our Sustainability Strategy.

CONTACT

If any comments or questions arise after reading this report or related G-STAR documents, or if you want to raise any related concerns, please contact us at cr@g-star.com or at:

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Amsterdam, The Netherlands

INDEX

ACRONYMS

ACT	Action, Collaboration, Transformation
BC	Better Cotton
C2C	Cradle to Cradle
CAP	Corrective Action Plan
CBA	Collective Bargaining Agreement
CDP	Carbon Disclosure Project
CIL	Chemical Inventory List
CSRD	Corporate Sustainability Reporting Directive
DMA	Double Materiality Assessment
ESG	Environment, Social, Governance
ESRS	European Sustainability Reporting Standards
FSC	Forest Stewardship Council
GHG	Green House Gas
Higg BRM	Higg Brand & Retail Module
Higg FEM	Higg Facility Environmental Module
Higg FSLM	Higg Facility Social Labor Module
ILO	International Labour Organization
IROs	Impact, Risks, Opportunities
LCA	Life Cycle Assessment
LWI	Living Wage Indicator
MM(C)F	Man Made (Cellulosic) Fibers
MSI	Material Sustainability Index
(M)RSL	(Manufacturing) Restricted Substances List
OCA	Organic Cotton Accelerator
OECD	Organisation for Economic Cooperation and Development
OSH	Occupational Safety and Health
RPP	Responsible Purchasing Practices
SBTi	Science Based Targets Initiative
SDGs	Sustainable Development Goals
SLCP	Social & Labor Convergence Program
StZ	Supplier to Zero
WRI	World Resource Institute
YoY	Year on Year
ZDHC	Zero Discharge of Hazardous Chemicals

LETTER FROM OUR CEO

Looking back at 2024, we are proud to share a year of tangible, innovative progress in our sustainability journey. Together with our partners, we advanced critical environmental and social goals and took meaningful steps forward.

One of the most exciting breakthroughs this year was right here in the Netherlands, where we successfully grew cotton in a controlled greenhouse environment, using 95% less water and zero pesticides, yielding up to 23 times more cotton. From seed to fabric, this entire closed-loop innovation was realized locally, demonstrating how greenhouse cotton can dramatically shorten supply chains and reduce environmental impact.

At the same time, transparency remained central to our efforts. Achieving a B rating from the Carbon Disclosure Project (CDP) underscores our commitment to climate accountability. Through our Carbon Leadership Program we also actively supported key supply chain partners on their decarbonization journeys.

We made significant progress in our materials strategy: 95% of the materials we used were organic, recycled, regenerative, bio-based, compostable, or sourced via the Better Cotton Initiative. Through our collaboration with the Organic Cotton Accelerator, we supported 125 farmers in India, sourcing directly from their farms and paying premiums to enhance livelihoods and long-term security. In addition, G-STAR achieved brand-level certifications for both the Organic Content Standard and the Global Recycling Standard.

When it comes to circularity, we proudly introduced 292 products made with Cradle to Cradle Certified® fabrics, including 54 fully certified styles, continuing our push for circularity at scale.

In chemical management, we reached the highest level of ZDHC implementation performance, earning the distinction of ZDHC Champions — an achievement made possible through the deep collaboration with our valued supply chain partners.

Finally, 2024 was a year of transition in our philanthropic journey. With changes in ownership, the entire portfolio and assets of the GSRD Foundation were transferred to The Blue Ambition Fund at the Wilde Ganzen Foundation. This gave us the opportunity to rethink how we shape our social impact strategy and embed it more closely within our sustainability goals. A first result of this is a new multi-year, community-based collaboration, focused on education for children and the well-being of working families.

As we look ahead, sustainability remains deeply woven into our business. We are driven by a belief that fashion should not only look good — it can do good as well. To truly scale change, we will continue to invest in knowledge, innovation, and collaboration, empowering every link in our value chain to join this mission.

We are proud of the steps taken in 2024 — and we are excited by what lies ahead.

Rob Schilder
Chief Executive Officer, G-STAR

INDEX

RAW RESPONSIBILITY

INDEX

RAW RESPONSIBILITY APPROACH

About G-STAR

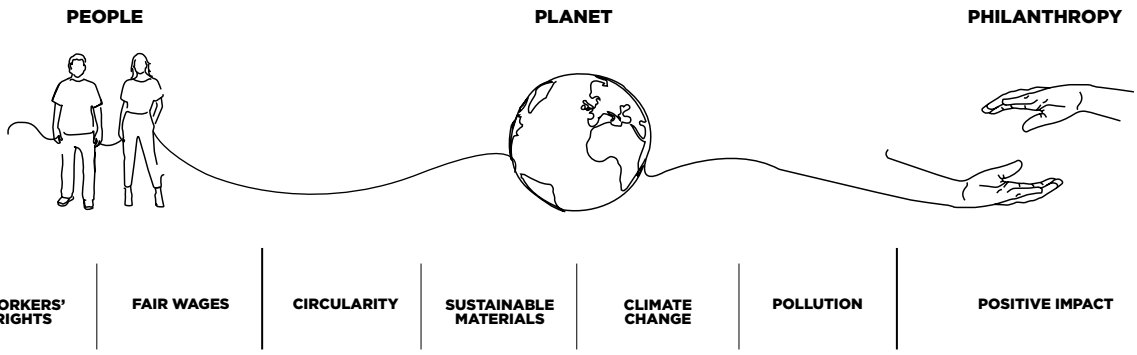
G-STAR is dedicated to the cloth, the craft and the culture of denim since 1989. It has a unique position as a progressive denim brand, creating the future of denim. G-STAR is driven by creativity, constantly turning ideas into denim, while consistently following their own distinctive path. The premium denim brand operates worldwide with a focus on the United States, Europe, Japan and South Africa.

About RAW Responsibility

Sustainability is key to how we operate at G-STAR. It is a process of continuous improvement in both the social and environmental impact of our products and operations. We have been embedding sustainability in the core of our business since 2006. Take a look at our RAW Responsibility webpage to see our ongoing journey.

Our ambition is to produce our products in the most responsible way, for the future of fashion. We do this by improving our social and environmental impact across our complete value chain, from farm to factory to store to end-of-life. This is our RAW Responsibility journey.

Our journey is focused on three pillars: PEOPLE, PLANET and PHILANTHROPY, along a foundation of transparency.



PEOPLE

It is our priority to safeguard fair, safe and healthy working conditions, as well as protect the human rights of the people working for G-STAR and the people that work in our supply chain.

PLANET

We produce and operate responsibly by selecting the most sustainable production processes and resources and drive excellent performance in climate adaptation and water management.

PHILANTHROPY

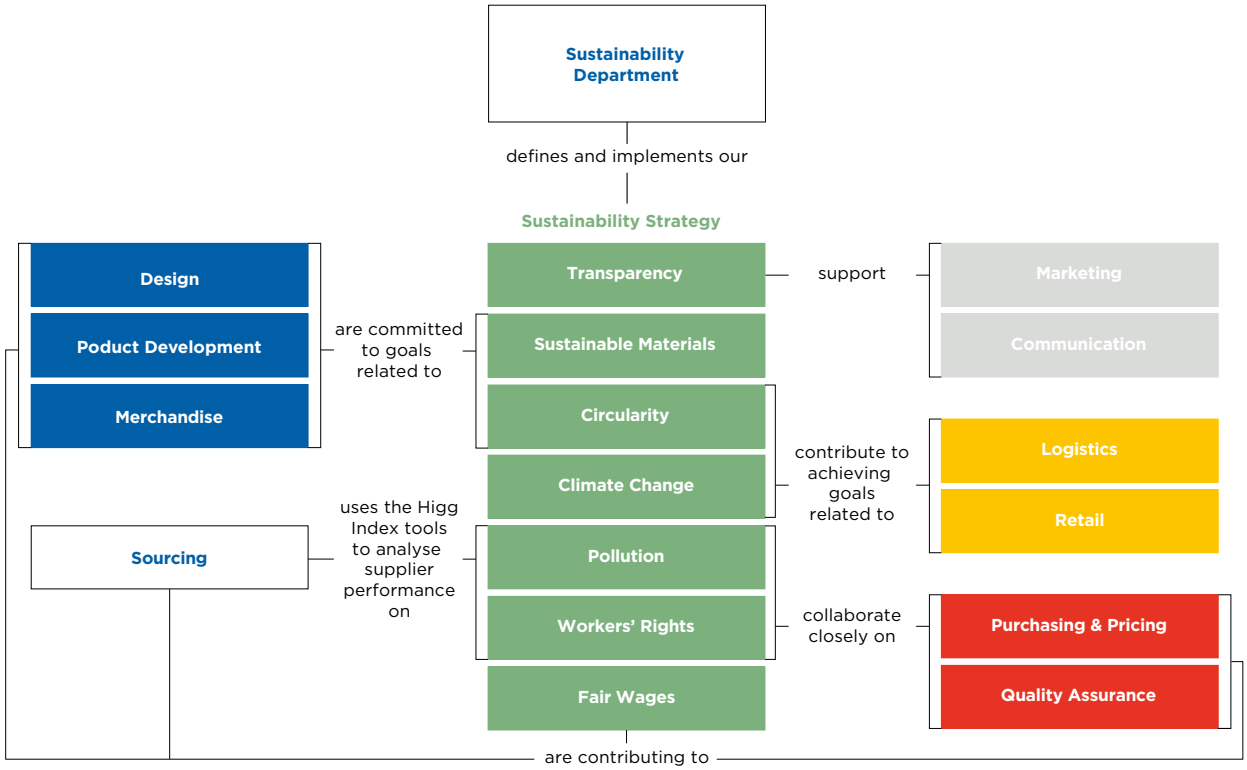
We want to make a positive and lasting impact on the lives of people in countries where G-STAR produce. Through the GSRD Foundation we provide education and stimulate entrepreneurship through philanthropic efforts, including training and coaching

INDEX

Internal Cooperation

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

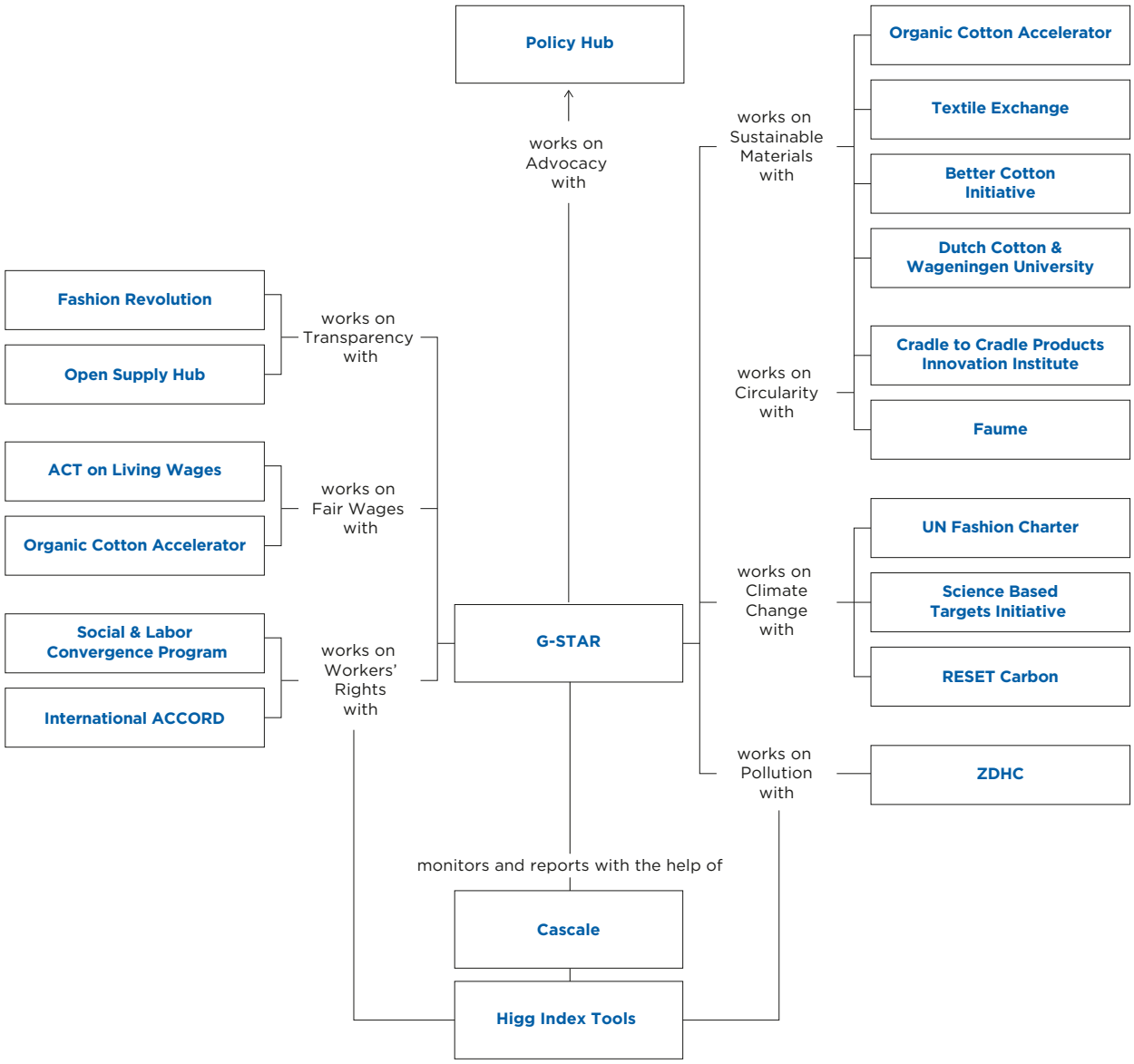
The departments that help manifest our Sustainability Strategy include Design, Product Development, Merchandise, Purchasing & Pricing, Quality Assurance, Sourcing, Logistics, Marketing, and Communications. Sustainability is an integral part of our overall business strategy and a shared responsibility of the whole organization. Our Sustainability Strategy is translated into team and individual goals across the above mentioned departments; the figure below shows how we work collaboratively to bring our Sustainability Strategy together.



INDEX

External Partnerships & Stakeholder Engagement

G-STAR collaborates with various stakeholders to help define and develop our sustainability strategy. The overview below demonstrates how these partners and stakeholders are involved at a strategic level.



INDEX

2024 HIGHLIGHTS

Successfully **GREW COTTON IN A GREENHOUSE** — using 95% less water, no pesticides, then transformed it into denim locally, showcasing closed-loop innovation from seed to fabric in the Netherlands.

Launched a collaborative project in India to **SUPPORT COTTON FARMING COMMUNITIES** by improving access to education and strengthening health and safety conditions.

95% of the materials we used were organic, recycled, regenerative, bio-based, compostable, or sourced through the Better Cotton Initiative (mass balance principle).

Achieved a **B RATING** in the Carbon Disclosure Project (CDP), reflecting strong performance in climate transparency and action.

Achieved the **HIGHEST LEVEL OF ZDHC** implementation performance in chemical management and supply chain practices, being awarded the title of **ZDHC CHAMPIONS**.

Achieved **BRAND LEVEL CERTIFICATION** for Organic Content Standard, Global Recycling Standard and Responsible Wool Standard.

We introduced **292 PRODUCTS** made with Cradle to Cradle Certified® fabrics, including 54 fully certified styles.

Supported **125 FARMERS IN INDIA** by sourcing organic cotton directly from farms and paying premiums through OCA.

INDEX

SUSTAINABILITY STRATEGY

INDEX

SUSTAINABILITY STRATEGY

Our long-term focus within our RAW Responsibility strategy includes key sustainability priorities specified in goals for 2025 and 2030.

Our goals and ambitions are built upon internationally recognized human rights guidelines and standards, such as the International Labour Organization (ILO) Core Conventions and the United Nations Universal Declaration of Human Rights. In addition, they are founded upon 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 Cascale 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, within our business operations and across our value chain.

Goals & Ambitions

PEOPLE	PRIORITY	GOAL
Workers' Rights	Elevate and improve fair, safe and healthy working conditions in G-STAR's supply chain.	**2025** Strengthen workers voice by offering a complaints system including fair terms, anonymous accessibility, process for complaints handling and capacity building to workers in at least 30% of production countries. **2030** Realize fair, safe and healthy working conditions for all workers in G-STAR's supply chain.
Fair Wages	Collaborate industry wide through 'ACT on Living Wages' to improve wages at both industry and country level. Ensure that G-STAR's purchasing practices enable the payment of fair wages. Support suppliers to implement effective wage management systems that classify jobs according to skill level and pay workers according to their competence.	**2025** Realize effective wage management systems that classify jobs according to skill level and pay workers according to their competence in strategic factories in Bangladesh **2030** Actively support ACT to realize 2 country and/or industry wide wage improvements with the end goal to decrease the wage gap between paid wage and living wage.

INDEX

PLANET	PRIORITY	GOAL
Climate Change	Reduce GHG emission by switching to renewable energy, using more sustainable materials and increasing the use of low energy-intense production methods.	**2025** Reduce 15% of GHG emissions (base year 2021). **2030** Reduce 42% of GHG emissions (base year 2021).
Pollution & Waste	Ensure the continuous ban of hazardous chemicals in G-STAR's supply chain.	**2030** Achieve 100% low impact chemical applications (Cradle to Cradle approved chemicals and/or ZDHC level 2 & 3 chemicals) in G-STAR's products.

PRODUCT	PRIORITY	GOAL
Sustainable Materials	Increase the use of sustainable materials by partnering with innovative suppliers and initiatives that transform and/or innovate conventional and virgin materials.	**2025** Ensure 75% of the materials in our collections are regenerative, recycled, organic, bio-based and/or compostable. **2030** Ensure 100% of the materials in our collections are regenerative, recycled, organic, bio-based and/or compostable.
Circularity	Design for durability and recycling to extend the life of G-STAR's products and offer solutions for re-use, remake or recycling.	**2025** Ensure 20% of G-STAR's collection is made with Cradle to Cradle Certified® fabrics. **2030** Ensure 1.000.000 jeans repaired, reused or recycled.

SUPPLY CHAIN TRANSPARENCY	PRIORITY	GOAL
Transparent business & supply chain	Report on G-STAR's sustainability performance through a verified industry benchmark (Higg Brand & Retail Module). Offer full product transparency on lower impact fibers and production processes, certifications, recyclability and manufacturing units through a developed claims framework.	**2025** Achieve full product transparency on fibers, lower impact production processes, certifications, recyclability and manufacturing unit on all G-STAR products. **2030** Achieve 100% traceability, up to the raw materials that were used.

INDEX

Policies & Requirements

At the base of our Sustainability Strategy we have multiple policy documents to uphold our RAW Responsibility. We developed the G-STAR 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. We continuously monitor and collaborate with our suppliers and external industry experts, to uphold these standards, improve where needed and conduct our due diligence. How we do that is explained in our Sustainable Supply Chain Handbook.

An overview of all policy documents can be found here.

Business Ethics

Social & Labour Guidelines

Environmental Guidelines

Material & product

Materials Policy & Animal Welfare policy

G-STAR Restricted Substances List (RSL)

G-STAR Manufacturing Restricted Substances List (MRSL)

Double Materiality Assessment

In 2024, we conducted a double materiality assessment (DMA) in alignment with the EU's Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The DMA was conducted by Enact Sustainable Strategies Group. The assessment was a key step in strengthening our sustainability strategy and ensuring compliance with evolving regulatory requirements.

Double materiality considers both impact materiality, how our activities affect people and the environment, and financial materiality, how sustainability-related risks and opportunities may affect our business. Through this process, we identified and prioritized the sustainability topics most relevant to G-STAR.

The assessment involved a comprehensive desktop analysis of our value chain and a series of stakeholder interviews, including internal experts and external partners such as NGOs and vendors. This helped us map actual and potential impacts, as well as financial risks and opportunities, across environmental, social, and governance dimensions.

Each identified issue was evaluated for its severity, likelihood, and financial effect. Based on this analysis, we identified 16 material impacts, risks, and opportunities (IROs), which were grouped into six key material topics. The process of the assessment and the identified six key material topics can be found in Appendix A.

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 Module (BRM) from Cascale (formerly known as the Sustainable Apparel Coalition) a global sustainability measurement performance tool in the apparel and footwear sector.

Besides reporting through the Higg BRM we also report through different memberships and benchmarks such as Textile Exchanges Fiber Ranking, ZDHC's Brands to Zero, Fashion Transparency Index and Carbon Disclosure Project. 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 2021 Sustainability Report presented our updated Sustainability Strategy including our long-term goals and ambitions based on our extended risk assessment. Our 2024 Sustainability Report reflects on our achievements in 2024 and projects our actions for 2025.

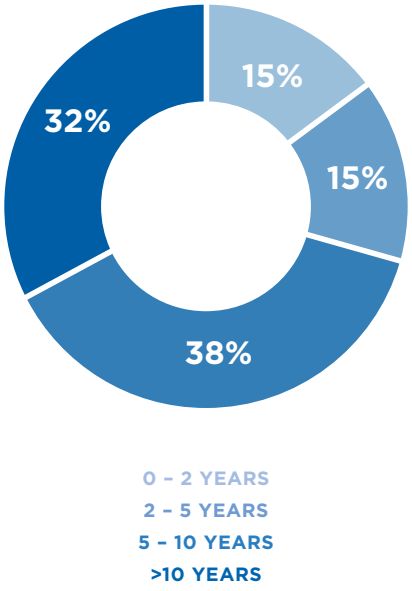
Higg Brand & Retail Module (Higg BRM)

G-STAR completes the Higg Brand & Retail Module (BRM) on an annual basis. The BRM is a self-assessment questionnaire made up of 347 questions to evaluate environmental, social and labor performance across a brand's management systems, stores, brands, operations and logistics. Our Sustainability Strategy translates the key Higg BRM topics into actions and goals to improve our sustainability performance over time.

In 2023 Cascale released a major update to the BRM to more effectively deliver on industry needs and drive positive impact. The updated tool features a new assessment structure and updated methodology, underpinned by a due diligence approach. A brand's total score now consists of three separate scores that represent the overall points achieved across the entire questionnaire for all environmental, social and governance questions. After the release of this new update, we conducted a verification by a third party of our BRM scores. 2024 is the fifth consecutive year we have completed the Higg BRM.

Transparent supply chain

G-STAR does not own any production factories; therefore, we work together with external business partners, our suppliers, who keep high standards. Providing oversight of the supply chain is part of our commitment to the apparel sector. Nine years ago, we published the factories we work with online – so anyone can trace the origin of a G-STAR product. We publish details on our direct suppliers, their sub-factories, processing facilities and nominated fabric mills in our Manufacturing List, showing all suppliers that we have been working with for over 2 years. The list also offers background information such as the type of product produced and number of male and female workers. Our factory list is also available on the Open Supply Hub, an open-source tool that maps garment factories worldwide.



Vendor Scorecard

Annually we create a scorecard for our vendors, scoring them on various themes related to different departments within G-STAR. The objective of our scorecard is to monitor, evaluate and incentivize suppliers to improve their practices. It also acts as a tool to support our teams in selecting existing and new suppliers for our production.

The vendors are scored based on indicators such as research & development, cost effectiveness, speed, quality, delivery time and sustainability benchmarks. The sustainability benchmarks are based on the programs and tools explained in the PEOPLE and PLANET chapters.

Although scoring is not the end-goal of social assessments, it does offer a way to benchmark our factories and suppliers. This way, we can compare supplier performances and understand with whom and on which topic we need to intensify our engagement.

Additionally, the vendor scoring is used as input for our sourcing decisions, ensuring that supplier performance and progress directly influence our sourcing strategy. This allows us to prioritize partnerships with suppliers who align with our quality, speed, and sustainability goals, supporting our ambition to drive continuous improvement across our supply chain.

INDEX

Social Benchmark
- Higg verified FSLM data and/or third-party audit score
- Active independent union
- Serious breaches of G-STAR Code of Conduct

Environmental Benchmark
- DETOX Input report
- DETOX Process report
- DETOX Output report
- Higg verified FEM data
- Science Based Targets
- Zero direct coal used
- Uses renewable energy sources
- Uses recycled water in processes

Supplier Conference

In April 2023, we invited all our world class suppliers to our headquarters in Amsterdam for our Supplier Conference focused on our sustainability strategy and sharing industry best practices. This will be a bi-annual event, meaning in 2025 we will welcome our tier 1 and tier 2 suppliers in our office again. However, to continue the conversation together, in 2024 we organized a virtual conference with all our suppliers. During this online meeting, we discussed our strategy, our challenges and how we would like to move forward together.

INDEX

PEOPLE

INDEX

PEOPLE

Our social responsibility strategy is focused on achieving fair, safe and healthy working conditions for our own employees and for the people working in our supply chain.

People are the foundation of our collective success, which is why we prioritize the well-being of individuals within our company and across our supply chain.

We do this by engaging in key industry partnerships and multi-stakeholder initiatives. Through our approach, we have a clear understanding of the social risks in our supply chain and focus on safeguarding worker's rights and enabling fair wages at industry and country level. In addition, we prioritize diversity, inclusivity, and equality within our own operations and throughout our supply chain.

INDEX

SAFEGUARDING WORKERS' RIGHTS

We work closely with our supply chain partners to improve **fair, safe and healthy working conditions** in our supply chain. We deliberately work with a limited number of suppliers to ensure high quality and continuity in our sustainability initiatives. Although the factories are owned and run by others, G-STAR feels responsible to positively contribute to the labor and environmental conditions on site.

Our social framework includes supplier development tools to support direct and indirect suppliers consistently in applying high labor standards based on the G-STAR Supplier Code of Conduct.

This framework consists of:
- Use of the Social and Labor Convergence Program (SLCP)
- Higg FSLM and other social standards
- Development and implementation of a complaint system
- Supplier trainings and other supplier social development programs

Continuous monitoring for improvement

In order to uphold our standards and work on necessary improvements, we continuously monitor and collaborate with our suppliers and external industry experts. G-STAR is a signatory of the Social and Labor Convergence Program (SLCP). The mission of this project is to implement a common assessment framework to measure improvement in working conditions. They do this by generating comparable and verified high-quality data that increases the opportunity for transparency and eliminates audit fatigue. Up to date, the Higg Facility Social & Labor Module (Higg FSLM) and Better Work assessment both make use of the SLCP framework for monitoring.

We use the assessments to monitor the facilities we work with on whether working conditions, such as **health & safety, freedom of association, remuneration and working hours** are in line with our Code of Conduct and identify improvement opportunities. In our Sustainable Supply Chain Handbook we explain in more detail how the information from the Higg FSLM and Better Work assessment is analyzed and used to monitor our suppliers.

MONITORING PROGRESS

Being a signatory of the SLCP, we encourage factories to complete both the self-assessment and a verified FSLM or Better Work assessment. If a factory does not currently have a verified SLCP assessment, we also accept other verified social audit standards such as BSCI, SA8000, and SMETA.

We require all our tier 1 and tier 2 suppliers to complete a social audit and expect the same from our tier 3 and trims suppliers. For a full overview of the social audits per factory, see our Manufacturing List.

INDEX

STATUS

In 2024, 100% of our tier 1 production volume came from CMT factories who performed a verified Higg FSLM or comparable third-party audit.
- o Over 95% was produced at verified FSLM or Better Work assessed factories
- o 5% of volume came from BSCI and SMETA audited factories

In 2024, 87% of our tier 2 production volume came from fabric suppliers who have done a verified Higg FSLM or comparable third-party audit.
- o 73% was produced at verified FSLM or Better Work assessed factories
- o 14% of volume came from BSCI, SMETA and WRAP audited factories

Key fair supply chain indicators

The social monitoring assessments offer us insight into the working conditions on specific risk categories at our suppliers. We have developed indicators to monitor any changes.

FAIR SUPPLY CHAIN INDICATORS	2024	2023	PRIORITY
% of CMT factories with worker committee/ worker representatives	88%	67%	Towards 100%
% of fabric suppliers with worker committee/ worker representatives	73%	55%	Towards 100%
% of yarn suppliers with worker committee/ worker representatives	80%	63%	Towards 100%
% of CMT factories with Collective Bargaining Agreement	9%	14%	Monitoring
% of fabric suppliers with Collective Bargaining Agreement	27%	23%	Monitoring
% of yarn suppliers with Collective Bargaining Agreement	20%	13%	Monitoring
% of CMT factories with digital payment system	94%	81%	Towards 100%
% of fabric suppliers with digital payment system	92%	84%	Towards 100%
% of yarn suppliers with digital payment system	100%	100%	Towards 100%

Strengthening workers' voice

The data gained via audits provides a good basis to understand the working conditions, supplier performance and to identify areas for improvement. However, we recognize that audits are limited and cannot share the full picture of the situation. It is therefore very important that workers are always able to raise issues or share feedback on their work situation. In 2021 we carried out a risk assessment that identified the need for a proper grievance mechanism to remediate worker issues. As a result, we are working towards improving our complaint systems towards global independency and confidentiality to strengthen worker voices in our supply chain.

As we are a signee of the International Accord for Health and Safety in the Textile and Garment Industry, workers employed in our Bangladesh and Pakistan factories also gain access to the Accord complaint mechanism. In Mauritius starting 2023, workers now have direct access to the G-STAR compliance team (via phone & e-mail) if they want to raise a concern. In 2024 we have investigated and contacted several grievance system solutions, and we aim to have a new system in place by end of 2025.

INDEX

WORKING TOWARDS LIVING WAGES

Based on our risk assessment, one of the most important steps to improve fair working conditions is through wages. In September 2019, G-STAR joined the Action, Collaboration, Transformation (ACT) on Living Wages agreement, which brings together global apparel brands, retailers, and the IndustriALL Global Union. The primary goal of this initiative is to secure a living wage for all textile workers through collective bargaining within the industry. By becoming a part of ACT, we have pledged to implement purchasing practices with our suppliers that ensure fair payment terms, cover wage increases comprehensively, improve forecasting and planning, provide training, and establish responsible exit strategies. Our 2025 goal is to work towards an industry-wide agreement on regional living wages and support their implementation in the countries where G-STAR production occurs.

A Collective Bargaining Agreement in Cambodia

In 2024, ACT entered into a binding agreement with IndustriALL Global Union to promote fair wages negotiated through collective bargaining and to enhance working conditions in Cambodia's garment, textile, footwear, and travel goods sectors. To advance the collective bargaining agreement (CBA) process, ACT collaborated closely with key Cambodian stakeholders, including the employers' association TAFTAC, trade unions, ACT-affiliated brands, and IndustriALL.

This agreement outlines a structured approach for supporting manufacturers who are signatories, with commitments related to order volumes, labor cost transparency, operational efficiency, and contributions to a shared skills development fund. The finalized CBA ensures several worker benefits: a higher base salary, employment contracts lasting at least six months, ten additional days of maternity leave, and — for the first time in Cambodia — fully paid paternity leave.

Wages in our supply chain

To understand the wages and potential living wage gaps in our own supply chain, from 2021 we initiated a thorough Wage Gap Analysis at our supplier factories to identify the gap between the legal minimum wage and the living wages necessary for workers in their respective areas. We made a public commitment towards an industry wide agreement on regional living wages and to support implementation in our production countries. For the last three years, we have continued this analysis to help monitor wage gap data.

We are committed to continuously improving wages for all workers involved in our production, ensuring they can meet their basic needs and achieve a decent standard of living. We monitor our facilities to ensure they pay at least the legal minimum wage to guarantee a minimum income that supports not only the worker but also their family, including some discretionary income, all within legal working hour limits. In addition, we monitor access to social protection in our suppliers' factories. Where necessary, we work with our business partners to strengthen workers' awareness about their rights to social insurance and benefits related to retirement, medical treatment, maternity and unemployment.

INDEX

Purchasing Practices

Purchasing practices are an important part of the interaction between brands and their suppliers. The way we buy from and work with our suppliers can have a significant impact on working conditions in their factories. By joining ACT, we pledged to the five purchasing commitments that ensure fair terms of payment, full coverage of wage increases, better forecasting and planning, training, and responsible exit strategies. Using sector-wide common indicators, the ACT accountability and monitoring framework helps us measure progress toward more equal supplier partnerships. We are continuously improving our purchasing practices in line with the principles of ACT.

For instance, we focus on planning ahead wherever possible, as last-minute orders or design changes can make it difficult for factories to manage worker schedules, production capacity, and costs effectively. By improving our planning, we aim to reduce pressure on our suppliers and support better working conditions within our supply chain.

Commitment 1 — Brands commit that purchasing prices include wages as itemized costs.
Commitment 2 — Brands commit to fair terms of payments.
Commitment 3 — Brands commit to better planning and forecasting.
Commitment 4 — Brands commit to undertake training on responsible sourcing and buying.
Commitment 5 — Brands commit to practice responsible exit strategies.

To understand how our purchasing practices are perceived by our supplier and our own employees, we participate in the bi-annual ACT Purchasing Practices survey. The purpose of these surveys is to gain feedback on our purchasing practices from our suppliers as well as from our own employees. 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 Purchasing Practices surveys and their global results here.

In 2021 and 2023, together with other ACT member brands we conducted the Brand and Supplier Survey. In 2024, we discussed G-STAR's results internally with our employees and initiated an internal Responsible Purchasing Practices Taskforce. The RPP Taskforce is responsible for rolling out the RPP improvement action plan. For example, we have initiated a workshop roadmap on specific RPP topics for 2025. In 2025, a new Brand and Supplier Survey will be conducted again, giving us insight into our improvement results.

Project: Supporting cotton farmers in India

There is a growing recognition within the organic cotton sector of the importance of supporting smallholder farmers and farm workers in achieving fair working conditions. G-STAR has been a partner of the Organic Cotton Accelerator (OCA) since 2021, actively participating in their multi-stakeholder project, 'Textile in Transition: Boosting Transparency and Farmer Livelihoods in Organic Cotton Supply Chains.' Inspired and initiated by the Dutch Agreement on Sustainable Garments and Textile, this project fosters industry commitment to improving human rights and environmental protection in the textile industry. Through this partnership, we are taking critical steps to enhance working conditions, secure the livelihoods of thousands of organic cotton farmers, and promote the regenerative benefits of organic farming for the environment. By investing in capacity-building, raising awareness, and implementing monitoring systems, OCA aims to equip farming partners with tools that empower the communities within their network. We are proud to support OCA through our ongoing partnership.

First OCA sourced collection

In 2024 we launched our first collection with cotton sourced from farmers who are part of the OCA Farm Programme. For this collection 125 farmers have grown and harvested cotton, for which they have received a premium payment. The payments to farmers are digital, which means that OCA can verify whether these payments are correct and according to the contract. OCA's Farm Programme aims to improve farmer livelihoods by establishing a stable market for their cotton and providing them with essential training, support, and access to high-quality seeds and other vital inputs required for organic cotton production.

INDEX

DIVERSITY & INCLUSION

G-STAR is shaped by its people; we all contribute to making G-STAR what it is today and what it will be tomorrow. G-STAR believes that our diversity is our strength, and we actively embed inclusion and diversion in our culture, offices and operations. We find it of utmost importance to have a diverse and inclusive workplace that makes everyone, regardless of who they are or what they do for the business, feel equally involved, supported and valued.

Within G-STAR
To review whether G-STAR employees feel happy and safe during their work, we periodically conduct an employee welfare survey which includes questions to measure whether G-STAR leadership is supportive of a diverse and including working environment.

Additionally, we have developed several policies to build a more inclusive and responsible workplace. These policies include supporting breastfeed during working hours, a work abroad policy, a quiet room at the office and parental leave policies. We are continuously reviewing where we can improve and do better, for example via our employee surveys.

To help address unconscious biases, G-STAR offers all employees an online Unconscious Bias Training. This training increases awareness of personal biases and provides practical guidance on how to recognize and address them. In addition, unconscious bias training is integrated into our Young Talent Program and Intern Supervisor Program to ensure these values are embedded across all levels of the organization.

Within our supply chain
In addition, for the coming years we want to focus on gender equality and inclusivity within our supply chain, at the facilities we source from and their surrounding communities. Equality is an important enabler of human rights within our value chain, which is why we actively strive for more inclusion and equality within our value chain, focusing on:

- Gender equality within our supply chain, promoting female rights.
- Health and safety for all workers in our supply chain, including zero tolerance policies and prevention practices of workplace harassment.
- Empowerment of female workers in training programs.

Gender equality can be complex, as cultural differences between countries have to be considered. We therefore will partner up with external expert associations to do this right.

FACTORIES IN 2024	% FEMALE IN 2024	% FEMALE IN 2023	% FEMALE SUPERVISORS IN 2024	% FEMALE SUPERVISORS IN 2023	% FACTORIES OWNED/MANAGED BY A WOMAN IN 2024	% FACTORIES OWNED/MANAGED BY A WOMAN IN 2023
TIER 1 (CMT)	60%	54%	29%	40%*	20%	35%*
TIER 2 (FABRIC)	28%	32%	14%	14%*	27%	28%*

* Data includes factories that have done a vFSLM.

INDEX

REFLECTIONS ON 2024

STRATEGIC TOPIC	2024 ACTION & GOALS	2024 HIGHLIGHTS AND PROGRESS	2025 ACTION & GOALS
Workers' Rights	Adopt Higg FSLM verified assessments or similar assessment for Tier 1 CMT suppliers that represent 100% of business volume.	Adopted Higg FSLM verified assessments or similar assessment for Tier 1 CMT suppliers that represent 100% of business volume.	Continue Higg FSLM verified assessments or similar assessment for Tier 1 CMT suppliers that represent 100% of business volume.
	Adopt Higg FSLM verified assessments or similar assessment for Tier 2 fabric suppliers that represent 80% of business volume.	Adopted Higg verified FSLM assessments or similar assessment for Tier 2 fabric suppliers that represent 87% of Tier 2 business volume.	Continue Higg FSLM verified assessments or similar assessment for Tier 2 fabric suppliers that represent 90% of business volume.
	Onboard and implement a new grievance system to function in selected factories in minimum 2 countries.	We evaluated several potential systems or systems already in place in factories to understand their impact and rated them according to the needs of our suppliers and G-STAR.	Onboard and implement a new grievance system to function in minimum 2 factories
	Increase direct to farm sourcing by expanding sourcing to one additional country and increase sourcing in India with 20%. Increase direct to farm sourcing by expanding cotton sourcing through OCA programs to one additional country and increase sourcing in India with 20%.	Together with OCA, we initiated a pilot on direct to farm sourcing of regenerative cotton in Türkiye and we increased our OCA program in India with 20%.	Expand pilot on direct to farm sourcing through OCA program in Türkiye and continue our OCA program in India.

INDEX

STRATEGIC TOPIC	2024 ACTION & GOALS	2024 HIGHLIGHTS AND PROGRESS	2025 ACTION & GOALS
Fair Wages	Cover 100% of Tier 1 factories in our Living Wage Gap Analysis.	We covered 100% of our Tier 1 factories in Bangladesh in our Living Wage Gap Analysis.	Cover 100% of Tier 1 factories in our Living Wage Gap Analysis.
	Disclose the percentage of workers that receive payments digitally. Explore approaches to increase digital payment.	99% of workers received wages digitally in 2024.	Increase the percentage of workers that receive payments digitally. Explore approaches to increase digital payment.

INDEX

PLANET

INDEX

PLANET

At G-STAR, we take responsibility for limiting our environmental impact on our planet. We produce and operate responsibly by selecting the most sustainable production processes and resources, and we contribute to effective climate adaptation and a positive impact on biodiversity. We do this within our own operations and, together with our business partners, throughout our supply chain.

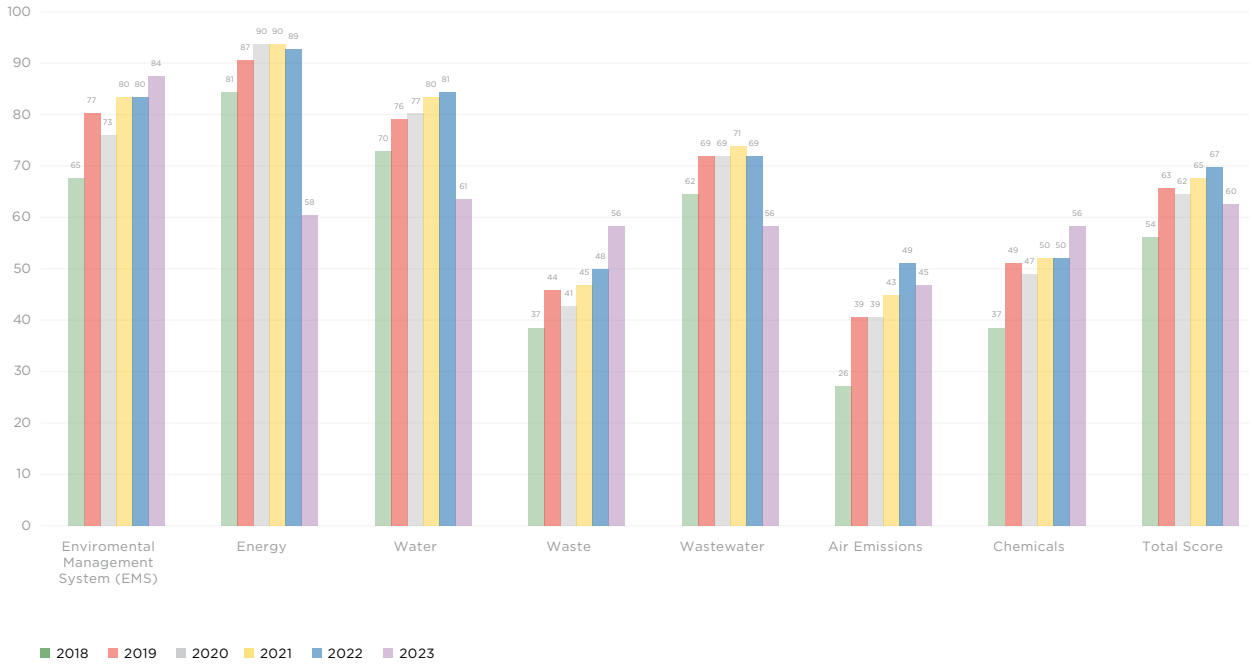
Our planet faces many human-driven environmental challenges, including climate change, biodiversity loss, resource depletion, and air, water, and soil pollution. These challenges affect everyone, and addressing them is central to our commitment to operate responsibly and contribute to a more sustainable future.

Monitoring environmental performance

The Higg Facility Environmental Module (FEM) allows manufacturing factories to measure their environmental performance, benchmark their results against peers, and identify areas to make meaningful improvements. It also guides factories through a step-by-step approach to environmental management. Scores are reported by suppliers and verified by a third-party; results refer to the previous year, meaning the figure below demonstrates verified FEM scores from 2023.

In total, 31 production facilities and 36 material processing facilities completed the Higg verified FEM in 2023. This means that 96% of our products were produced and 78% of our total material volume was processed in facilities with a verified environmental assessment. Across these 67 facilities, the average FEM score was 60%. This is slightly lower than in 2020 and 2021 due to the transition from Higg FEM 3.0 to 4.0, which expanded the scope and requirements of the assessment.

AVERAGE HIGG VFEM SCORE



N.B. FEM results always refer to the previous year, hence this chart refers to 2023

Looking at this information in a more granular manner, we are able to identify some of the hotspots in our supply chain and thus, areas of improvement. It is also important to note that the scores for the later years represent a higher number of factories.

INDEX

CLIMATE CHANGE

At G-STAR, we recognize the critical role we play in mitigating climate change and the importance of reducing our carbon footprint. As a result, we focus our climate impact work in our supply chain and on consumer engagement, while also taking steps in our own offices and stores.

Science Based Targets

In July 2019, G-STAR signed the UN Fashion Charter and publicly committed to addressing the topic of climate change. Read more about the start of this journey here. As a result, G-STAR committed to the Science Based Targets initiative (SBTi), making sure our emission reduction goals align with the latest climate science and drive us towards meeting the 2015 Paris Accord, on limiting global warming to well below 2 degrees Celsius above pre-industrial levels. In November 2022, G-STAR submitted its carbon reduction targets to the SBTi and the targets were validated in July 2023. The process included an in-depth analysis of our carbon emissions for the year of 2021, which is our emissions baseline year.

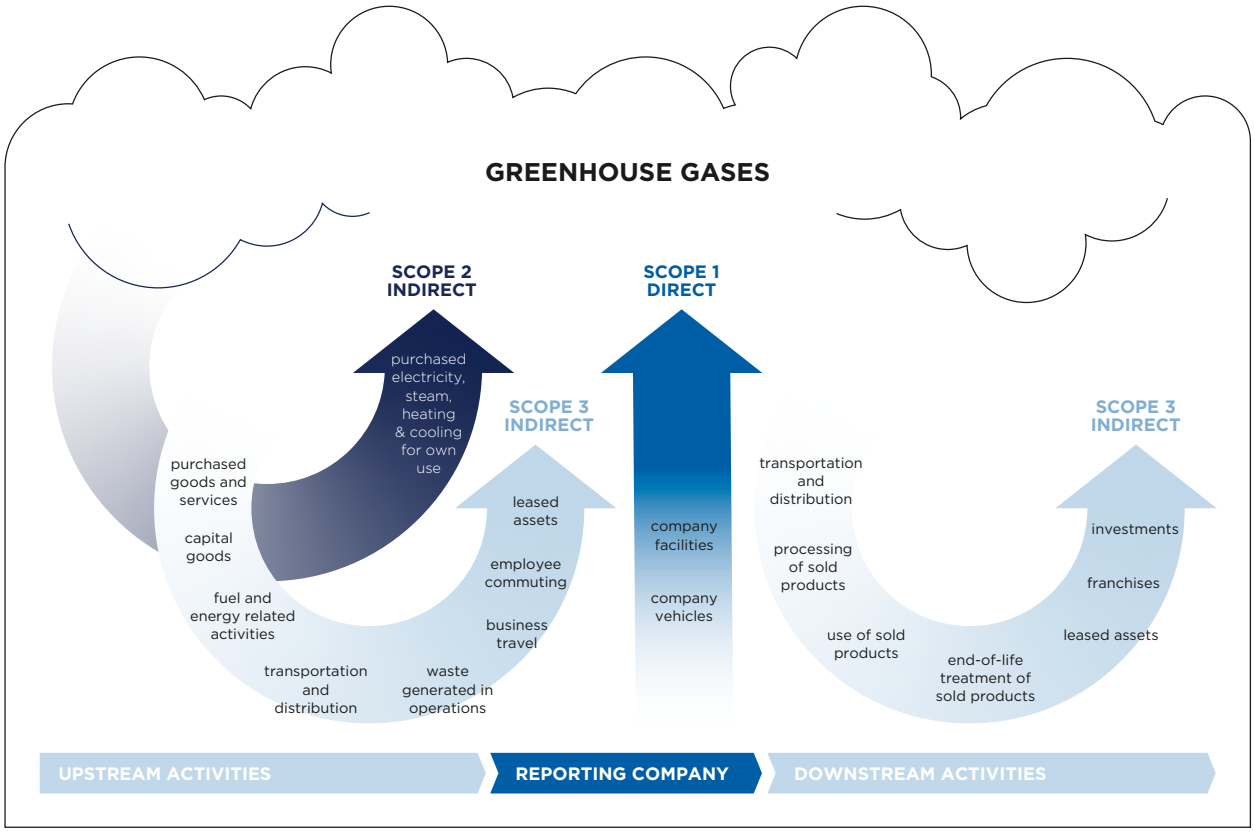
With the SBTi target validation, G-STAR commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 42% by 2030, compared to 2021 baseline. G-STAR also commits to reduce absolute Scope 3 emissions from purchased goods and services and upstream transportation and distribution by 42% within the same time frame. In 2024, our audited calculations indicate a –13% in scope 1&2 emission (location based) decrease in emissions compared to baseline year and a -12% reduction in Scope 3 emissions from purchased goods and services and transportation and distribution. Overall, this results in a decrease of –12% in emissions compared to our baseline line SBTi target.

You can also find G-STAR listed on the SBTi website

INDEX

2024 Carbon Footprint Calculations

Our carbon accounting follows the Greenhouse Gas (GHG) Protocol Corporate Standard, which categorizes emissions into Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy), and Scope 3 (all other indirect emissions across the value chain), as shown in the figure below. These definitions are aligned with the Climate Action Playbook and the Fashion Industry Charter for Climate Action commitments. Scopes 1 and 2 align with the Science Based Targets initiative, while Scope 3 covers additional categories required by the GHG Protocol, ensuring that we measure and manage emissions across our full value chain.



- Scope 1 emissions are directly emitted from G-STAR owned and controlled operations.
- Scope 2 emissions are coming from the generation of electricity and heat and steam purchased by G-STAR.
- Scope 3 includes all of G-STAR's indirect emissions from value chain activities. Examples include purchased goods and services, transportation and distribution, business travel, employee commuting, and use of sold products.

To calculate our carbon footprint, we followed the guidelines provided by international standards, including the GHG Protocol for Scope 1, 2 and 3. We utilized accurate data and robust estimation methods to ensure the reliability of our results and shared these with a third-party verifier, Carbon Footprint Ltd., who provided a limited assurance verification report.

Carbon Footprint Ltd. completed the review in accordance with the 'ISO 14064 Part 3 (2019): Greenhouse Gases: Specification with guidance for the verification and validation of greenhouse gas statements'.

Based on the results of their verification process, Carbon Footprint Ltd. found no evidence that the GHG emissions statement:

- is not materially correct and is not a fair representation of the GHG emissions data and information
- has not been prepared in accordance with the GHG Protocol

INDEX

It is Carbon Footprint Ltd.'s opinion that G-STAR has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of GHG emissions for the 2024 period and boundaries.

Scope 1&2

A total of 112 owned and operated sites were included in G-STAR's inventory for the 2024 reporting period. The breakdown per site type and location can be found in Appendix C.

In 2024, Scope 1 and 2 emissions amounted to 2,801 tCO2e for location-based emissions and 3,980 tCO2e for market-based emissions. Compared to 2023, this represents a +11% increase in location-based emissions. Relative to the baseline year of 2021, there is a -13% reduction in location-based emissions. This is mainly due to the increase in physical stores and an increase in data points due to automation of systems compared to last year.

To further reduce our Scope 2 emissions, G-STAR will begin purchasing green energy through its energy contracts in various locations. In the Netherlands, where a significant number of G-STAR sites are located, green energy purchases will start in 2025.

SCOPE 1 + 2 EMISSIONS					COMPARISON	
	2021	2022	2023	2024	YoY	vs. Baseline
LOCATION-BASED	3.204	2.404	2.527	2.801	1%	-13%
MARKET-BASED	3.703	3.089	1.860	3.980	114%	7%

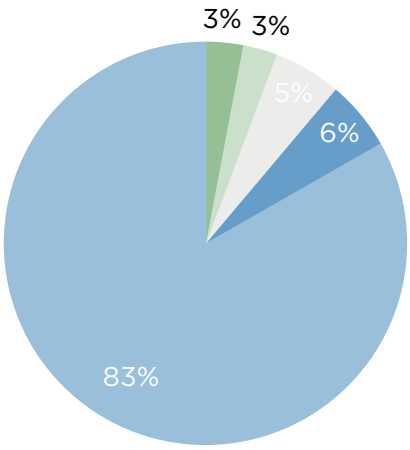
2024 Scope 1+2 emissions and comparison vs 2023, 2022 and baseline year (2021).
Breakdown of Scope 1 and Scope 2 in Appendix C.

In terms of the distribution between Scope 1 and Scope 2 emissions, Scope 2 emissions accounted for 91% of the total emissions using location-based grid factors and 93% using market-based grid factors.

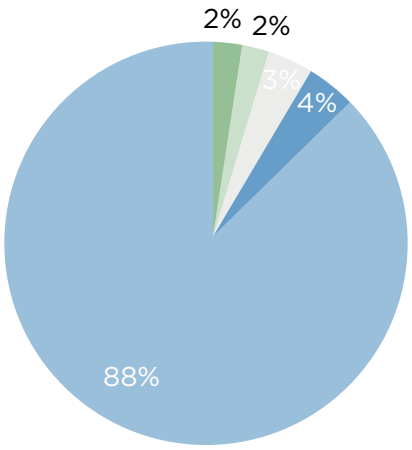
Purchased electricity made up the largest portion of Scope 2 emissions, accounting for 83% of the total when using the location-based calculation method. For Scope 1 emissions, 31% were due to natural gas combustion, while mobile fuel combustion contributed the remaining 69%.

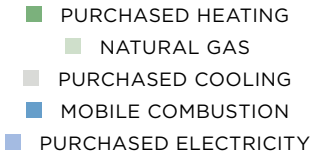
INDEX

SCOPE 1&2 EMISSION BREAKDOWN LOCATION-BASED



SCOPE 1&2 EMISSION BREAKDOWN MARKET-BASED





Scope 1 and 2 emissions are primarily concentrated in four countries: the Netherlands, South Africa, Japan, and Germany. Together, these countries account for 92% of location-based emissions and 88% of market-based emissions.

In the Netherlands, three key sites — the G-STAR headquarters and two warehouses in Amsterdam — collectively account for 24% of the country's emissions. In South Africa, Japan, and Germany, emissions are primarily driven by G-STAR's mono-brand and outlet stores.

For information relating to Scope 1, 2 and 3 methodology, please refer to Appendix C.

Scope 3

As in previous years, G-STAR's carbon footprint in 2024 was largely driven by Scope 3 emissions, which accounted for 97% of the company's total location-based emissions. Compared to 2023, Scope 3 emissions declined by 1%, marking a total reduction of 13% relative to our 2021 baseline year.

The most significant year-over-year changes in our Scope 3 emissions are primarily the result of improved data coverage and methodological updates:

- Waste emissions (Category 5) increased by 1,910% compared to 2023, due to the expansion of reporting beyond our headquarters to also include waste from stores, warehouses, and offices.
- Upstream transportation (Category 4) decreased by 62%, as we split the reporting of upstream and downstream transportation for greater accuracy. Emissions from downstream transport are now separately reported under Category 9.
- Employee commuting emissions (Category 7) dropped by 83% following a methodological improvement: instead of using proxies, we gathered actual commuting data through an employee survey. The results showed that the majority of employees commute by bicycle, significantly reducing the estimated impact.
- Emissions from capital goods (Category 2) rose by 65%, reflecting increased investments in store and office assets.

Finally, emissions from the use of sold products (Category 11) continued to rise steadily, reflecting increased product sales and associated consumer use-phase impacts.

INDEX

SCOPE 3 CATEGORY	2021	2022	2023	2024	% CHANGE YoY	% CHANGE VS. BASELINE (2021)
Cat 1 – Tier 1&2	35,836	37,943	40,061	39,395	-2%	10%
Cat 1 – Tier 3&4	13,249	14,469	16,047	16,107	0.40%	21%
Cat 1 – Other	13,003	7,753	1,207	3,080	155%	-76%
Cat 2 – Capital Goods*	1,688	-	2,546	4,203	65%	149%
Cat 3 – Fuel and energy related	626	703	788	1,240	57%	98%
Cat 4 – Upstream transportation**	25,073	11,351	9,895	3,746	-62%	-85%
Cat 5 – Waste***	709	188	20	402	1,910%	-43%
Cat 6 – Business travel	166	567	372	364	-2%	119%
Cat 7 – Employee commuting	2,513	3,209	2,703	468	-83%	-81%
Cat 7 – Transport and distribution	-	-	-	3,200	-	-
Cat 11 – Use of sold products	21,987	25,206	27,156	27,666	2%	25%
Cat 12 – End-of-life of sold products	847	914	845	795	-6%	-6.1%
Cat 14 – Franchises	1,202	732	539	561	4%	-53%
TOTAL	**116,889**	**103,035**	**102,178**	**101,229**	**-1%**	**-13%**

Total Scope 3 emissions and comparison vs 2023 and baseline year (2021).

* Category 2 – Capital Goods was added to G-STAR's carbon inventory during SBTi target validation, covering assets such as office/store furniture and office/store hardware.

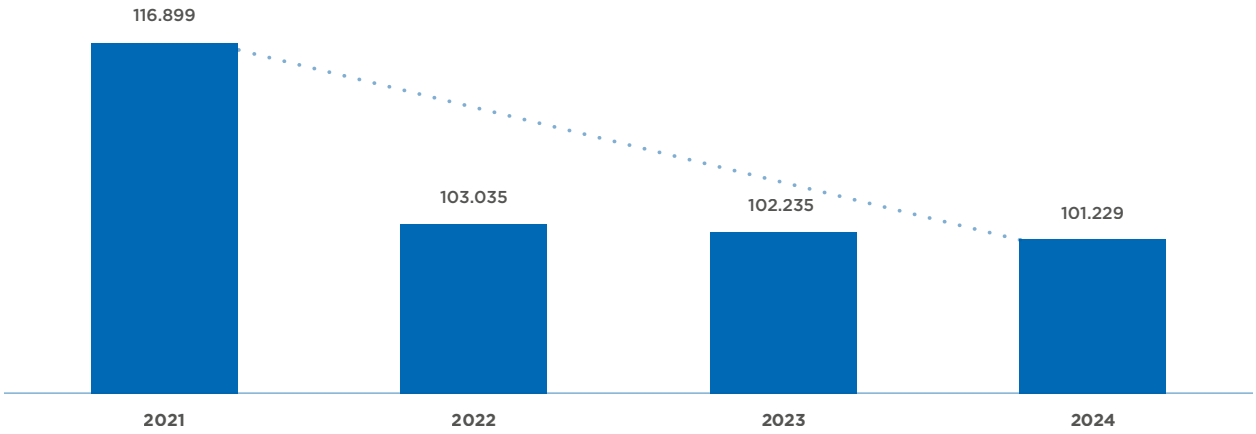
** Category 4 – Upstream transportation covers both upstream and downstream emissions from 3rd party transportation and distribution paid by G-STAR.

*** Category 5 – Waste covers a broader set of facilities including stores, warehouse and offices, hence the increase.

**** At SBTi's request, Category 13 – Downstream leased assets were removed from G-STAR's carbon inventory because they related to the emissions of tenants at G-STAR's HQ in Amsterdam. Since energy and heating suppliers are defined by G-STAR and tenants cannot switch suppliers, these emissions are now accounted for within G-STAR's Scope 1 and 2 inventory.

INDEX

TOTAL SCOPE 3 EMISSION



Considering SBTi targets, which covers Category 1 and Category 4, G-STAR had a decrease of -3% from 2023 to 2024 and a decrease of -12% compared to the 2021 baseline. This is mainly due to Category 4, as inbound air emissions have decreased significantly.

SBTi SCOPE 3 CATEGORY	2021	2022	2023	2024	% CHANGE YoY	% CHANGE VS. BASELINE (2021)
Cat 1 – Tier 1&2	35.836	37.943	40.061	39,395	-1.66%	9.93%
Cat 1 – Tier 3&4	13.249	14.469	16.047	16,107	-0.37%	22%
Cat 4 & 9 – Transportation	25.073	11.351	9.963	6.946	-30.27%	-72.28%
TOTAL	**74.158**	**63.763**	**66.071**	**59.248**	**-10.33%**	**-20.11%**

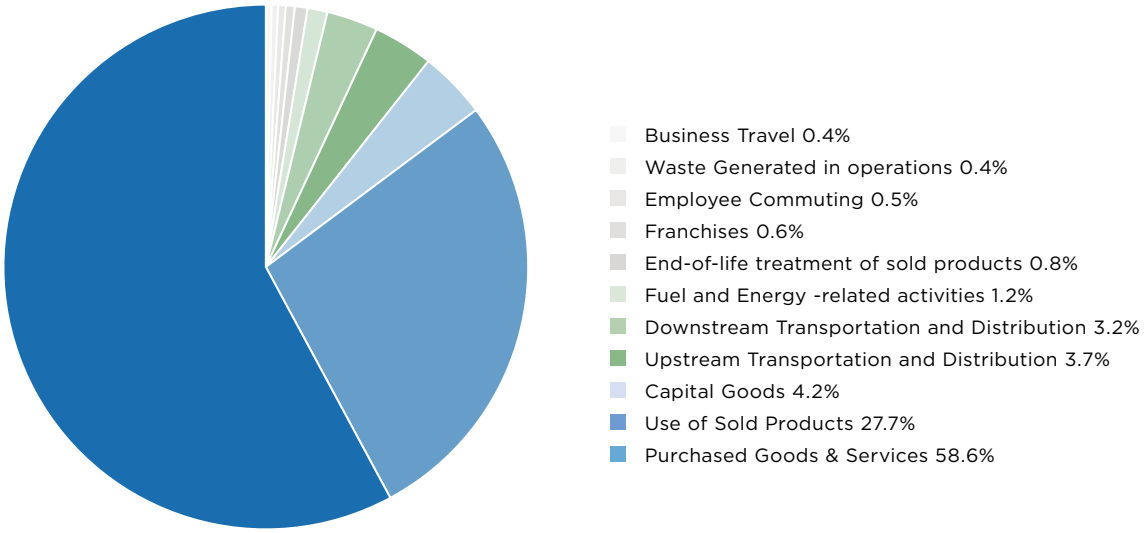
Scope 3 emissions – SBTi target boundary

Looking ahead, we aim to support the transition to clean energy at our current sites and move production to facilities powered by clean energy where possible. We will also prioritize production closer to our markets — such as nearshoring and vertical production units — to reduce transportation needs and use materials with a lower environmental impact. Additionally, we will continue to improve our logistics practices to operate more efficiently and further minimize the use of air transport for inbound and outbound logistics.

Among Scope 3 categories, Category 1 (Purchased goods and services) had the highest contribution, accounting for 58% of total emissions, followed by Category 11 (Use of sold products) at 27%, Category 2 (Capital goods) at 4%, and Category 4 (Upstream transportation) at 4%. Together, these categories accounted for 93% of our total Scope 3 emissions in 2024.

INDEX

2024 SCOPE 3 EMISSION BREAKDOWN



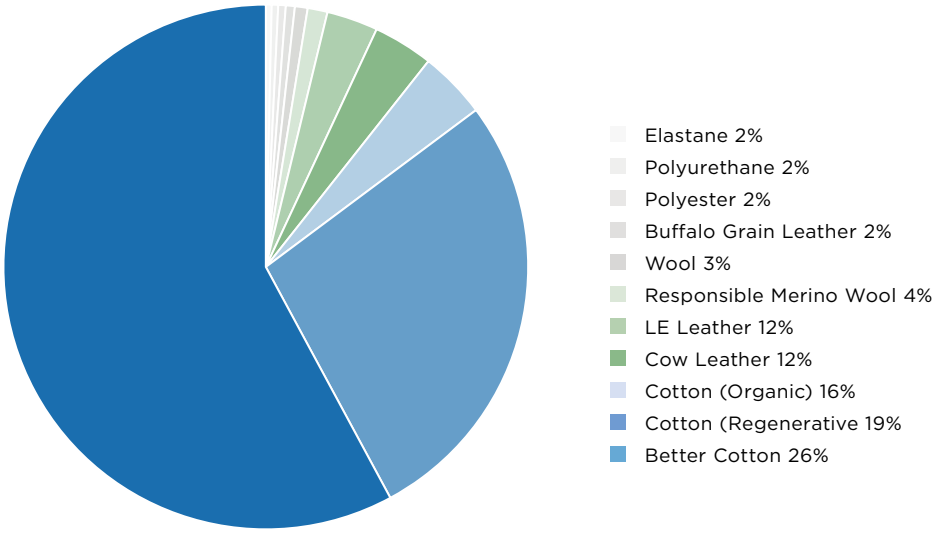
This distribution pattern remained consistent with previous years carbon footprint calculations. Within Category 1, emissions from Tier 1 and 2 suppliers had the greatest impact, contributing 67.24% of the total Category 1 emissions. Tier 3 and 4 emissions (materials) accounted for 27.5% of Category 1 emissions, while other purchased goods (actual)/other made up only 5.25%. Compared to the previous year, there is a significant increase in the “other” sub-category because some inputs in this sub-category were calculated using actual data rather than a spend-based approach (e.g., waste emissions).

In terms of material emissions, cotton had the highest contribution, amounting to 52% of the total material emissions. Better Cotton emerges as the leading contributor to material emissions, accounting for 26% of the total, followed by regenerative cotton at 19% and organic cotton at 16%. The significant emissions associated with cotton can largely be attributed to the substantial volumes purchased. Meanwhile, wool, Responsible Wool, and Responsible Merino Wool show a high emission intensity due to their inherently higher impact per unit.

It is important to note that the emission factors applied to both Better Cotton and regenerative cotton are currently the same as those used for conventional cotton. This decision follows the Material Sustainability Index (MSI) Life Cycle Assessment (LCA) methodology and reflects a conservative approach. We deliberately chose not to assume reductions in emissions for these cotton types until there is robust, standardized data demonstrating consistently lower environmental impacts. This ensures credibility and conservatism in our reporting, allowing for future updates as improved data becomes available.

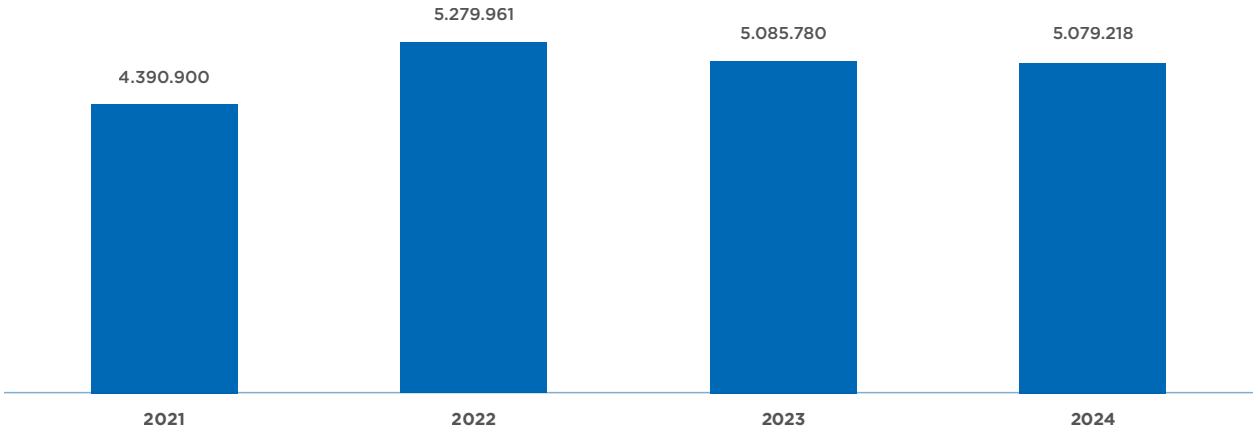
INDEX

TIER 3&4 EMISSION BREAKDOWN BY MATERIAL TYPE



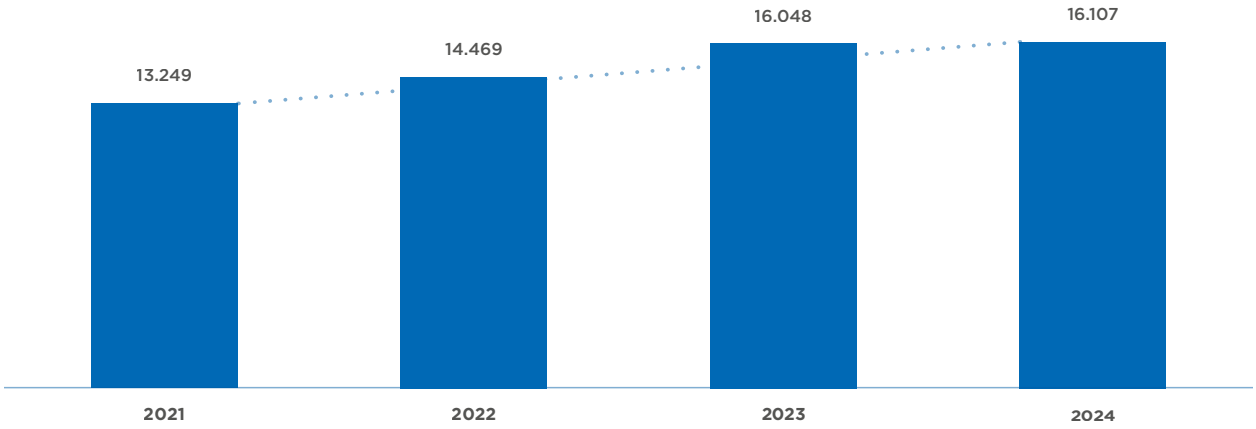
In 2024, overall, Tier 3 and 4 emissions increased by 0.4% compared to 2023, despite a 0.13% reduction in the total fiber weight. This rise is attributed to a shift toward materials with higher emission factors.

FIBERS WEIGHT (KGS)



INDEX

TIER 3&4 EMISSIONS



Examining Category 4 in more detail reveals several key trends. Despite the total shipping volume in tonne kilometers (tkm) remaining relatively steady, there is a notable 72% reduction in total emissions compared to 2021.

SCOPE 3 - TRANSPORT (TCO2E)					COMPARISON	
	2021	**2022**	**2023**	**2024**	**YoY**	**vs. Baseline**
Inbound Air	16.425	4.662	2.193	2.857	30%	-83%
Inbound Sea	949	1.164	964	755	-22%	-20%
Inbound Road	1	-	179	134	-25%	17800%
Outbound B2B Air	2.215	1.442	1.335	987	-26%	-55%
Outbound B2B Road	591	423	313	351	12%	-41%
Outbound B2C Air	4.460	3.490	4.759	1.794	-62%	-60%
Outbound B2C Road	225	169	152	69	-55%	-69%
Warehouse Storage	208	-	69	N/A	N/A	N/A
TOTAL TRANSPORT	**25.073**	**11.350**	**9.963**	**9.963**	**-30%**	**-72%**

2024 Transport emissions and comparison vs 2022 and baseline year (2021).

This decrease is primarily due to a significant reduction in inbound air shipment volume which saw a remarkable 83% decline in emissions compared to the baseline year of 2021. Concurrently, emissions from inbound sea have decreased and road transport have increased relative to the baseline year. This shift aligns with expectations, as road transport have taken on the shipping volume previously handled by air. Additionally, the rise in inbound road emissions can be attributed to G-STAR's nearshore sourcing strategy, which brings production closer to consumer markets.

INDEX

INBOUND TRANSPORT	WEIGHT (TONNES)	% OF TOTAL WEIGHT
Air	308	7%
Ocean	3.767	84%
Truck	400	9%
GRAND TOTAL	**4.475**	**100%**

2024 inbound transport volume.

For information relating to Scope 3 calculation methodologies and methodology updates, please refer to Appendix C.

Energy Consumption

G-STAR own operation
Below table indicates our 2024 energy consumption and energy sources.

The four energy sources that have been used for G-STAR's own operation were distributed, as per below:

CATEOGORY	QUANTITY	UNIT
Natural Gas	352,732	m3
Purchased cooling	232,200	kWh
Purchased electricity (grid)	744,0651	kWh
Purchased heat	211,465	kWh

Purchased electricity was consumed across 11 countries, with the highest consumption in the Netherlands, followed by Germany, Belgium, South Africa, and Japan. Natural gas was used in four countries, with the majority consumed by our operations in the Netherlands. In Japan, purchased cooling accounted for 100% of our reported consumption in this category.

A detailed overview of energy consumption by country and site type can be found in Appendix C.

Energy consumption in the supply chain (Tier 1&2)

ENERGY BREAKDOWN OF TIER 1

The energy data of the supply chain has been analyzed using the verified data from the Facility Environmental Module (FEM) to identify the sources and contributions of energy in various countries where G-STAR has suppliers. The analysis focuses on tier 1 facilities and includes data from 2023, covering eight different countries where G-STAR has manufacturing activities.

In terms of total energy consumption, Bangladesh has the largest energy footprint, followed by Mauritius, Vietnam and China. Regarding energy sources, Natural gas is the highest contributor, followed by Purchase Electricity and Diesel. Details can be found in Appendix C.

For Tier 1 facility, in Bangladesh around 69% energy comes from Natural Gas. In China Purchase electricity is the most prevalent one that contributes 42%. In terms of purchase renewable China, India, Tunisia and Türkiye contributes 1% of the total energy contribution. Details can be found in Appendix C.

ENERGY BREAKDOWN OF TIER 2

The energy data of the supply chain has been analyzed following the verified data of Facility Environmental Module (FEM) to identify the source of energy and contribution of each source in different countries that G-STAR have suppliers. The analysis contains the data of FEM 2023 and represents ten different countries where G-STAR have manufacturing activity. In terms of total energy consumption, the largest energy footprint is with India followed by China, Bangladesh, and Türkiye that have the highest footprint. In terms of source, Propane is the highest contributor followed by natural gas and purchase steam. Details in Appendix C.

For Tier 2 facility, in Bangladesh around 68% energy comes from Natural Gas. In China Purchased steam is the most prevalent one that contributes 57%. In terms of purchase of renewables, Japan, Türkiye and Spain have the most which are 12%, 2% and 2% of the total energy contribution. Türkiye is the only country where wind energy is also available which contributes 1% of the total energy consumption in the country. Details can be found in Appendix C.

Decarbonization of the supply chain

G-STAR is committed to limiting global temperature rise to 1.5°C above pre-industrial levels and has set Science Based Targets (SBTs) validated by the Science Based Targets initiative (SBTi). Recognizing that the majority of its emissions come from the supply chain, G-STAR is actively working to decarbonize this sector. A primary strategy involves increasing the use of renewable energy, which requires substantial support to our suppliers. To aid suppliers in this transition, G-STAR participates in programs that facilitate collaboration between stakeholders and the supply chain through both direct and indirect investments. A notable initiative is the engagement of 2 suppliers in the Carbon Leadership Program (CLP), an effective and innovative program developed by Reset Carbon and the Apparel Impact Institute (AII). This program focuses on driving significant reductions in carbon emissions and water within the supply chain by setting facility-level carbon reduction targets, which also include energy efficiency and renewable energy action plans as well as water reduction targets based on assessment from engineers. One of our key mills has been enrolled in the Better Mill Initiative by Solidaridad which includes thorough decarbonization mapping, including SBTi target setting.

INDEX

WATER

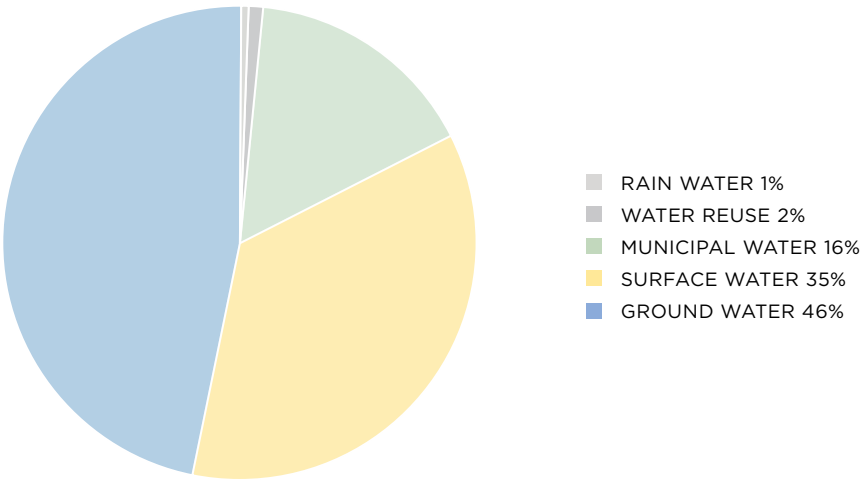
At G-STAR, we are committed to reducing our water footprint and to implementing innovative technologies and solutions to minimize our impact on water resources. We focus on reducing water use throughout our entire supply chain, from the farm level to the creation of our final garments.

Cotton, our most widely used raw material, is a relatively water-intensive crop. To address this, we have progressively shifted from conventional fibers to organic cotton sourced through OCS and OCA certification, as well as Better Cotton (BC). These initiatives aim to educate and train farmers, improve working conditions, and support the adoption of efficient practices — such as better crop placement and irrigation methods — to reduce water use in cotton cultivation.

Fabric processing, particularly for denim, also requires significant water, especially during dyeing and washing stages. Reducing water consumption during these processing stages is a key priority for us. To drive progress, we collect data on water consumption and track the sources of the water used during garment production.

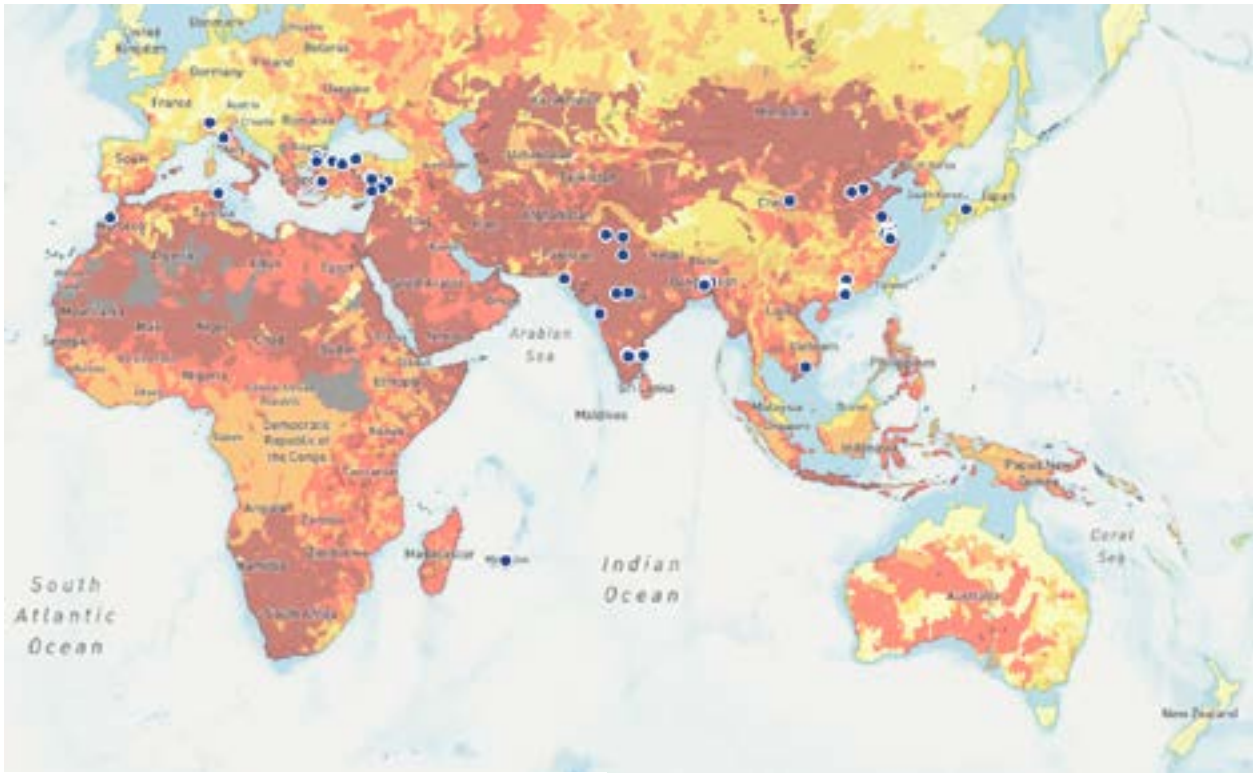
A substantial part of the water used in our supply chain comes from groundwater sources. We monitor the breakdown of our water use into “blue water” (freshwater from lakes, rivers, and aquifers) and “grey water” (water that has already been used and contaminated through production, municipal, or wastewater sources) to better understand and manage our water footprint.

WATER SOURCES



To better understand potential water scarcity risks within our supply chain, we have mapped our suppliers and their factories using the open-source Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI). This tool categorizes water risk on a five-point scale, from low (0–1) to high (4–5), assessing factors such as rainfall, groundwater, and overall baseline water stress. This analysis helps us identify where water-related challenges may arise and guides where we need to implement production innovations and processes to reduce water use in high-risk areas. Currently, our highest-risk areas include the Ganges-Brahmaputra basin in Bangladesh, the state of Tamil Nadu in India, and Shandong province in China.

INDEX



Water Usage

Using data from the Higg database, we track the amount of water recycled within our supply chain and the share of garments produced in factories with wastewater recycling capabilities. Currently, over 5% of our total water use is recycled, and about 52% of our garments are produced in facilities where water is recycled.

Many of our suppliers have already adopted innovative solutions to reduce water consumption and protect water quality. These include regenerative indigo dyeing processes (with waste designed for use as agricultural fertilizer), ozone dyeing, laser finishing technologies (Jeanologia), and wastewater treatment plants that prevent polluted water from entering natural water systems. We continue to collaborate with suppliers to expand these practices and explore additional sustainable solutions.

It is also important to recognize that the use phase of our garments contributes to water consumption. We encourage customers to wash their clothes less frequently, at lower temperatures, and to line dry to extend garment life, reduce water and energy use, and minimize microplastic emissions into the environment.

INDEX

WASTE & PACKAGING

Our Packaging
Packaging is an inevitable and important part of shipping products from one place to another without damaging them. However, packaging requires additional resources, such as plastics and cardboard. To limit the environmental impact of the packaging we have developed requirements for our packaging, which are based on the same circular principle as our products

OUR KEY PACKAGING REQUIREMENTS

- 100% packaging is made of recycled content
- 100% recyclable packaging
- Continuous, absolute reduction in plastic packaging

In 2024 we have been working on our Packaging RSL, and we are now using 100% recycled FSC paper.

Progress
Since 2022, all our suppliers use polybags made from 100% post-consumer recycled content. We also started using smaller and thinner polybags for most product groups, beneficial as these require less material. Our packaging components are made of one material, which makes recycling easier. And to encourage the correct recycling of packaging, products ordered via G-STAR.com are first unpacked in our Amsterdam-based warehouse so that polybags can be disposed of correctly and placed in the recycling bin.

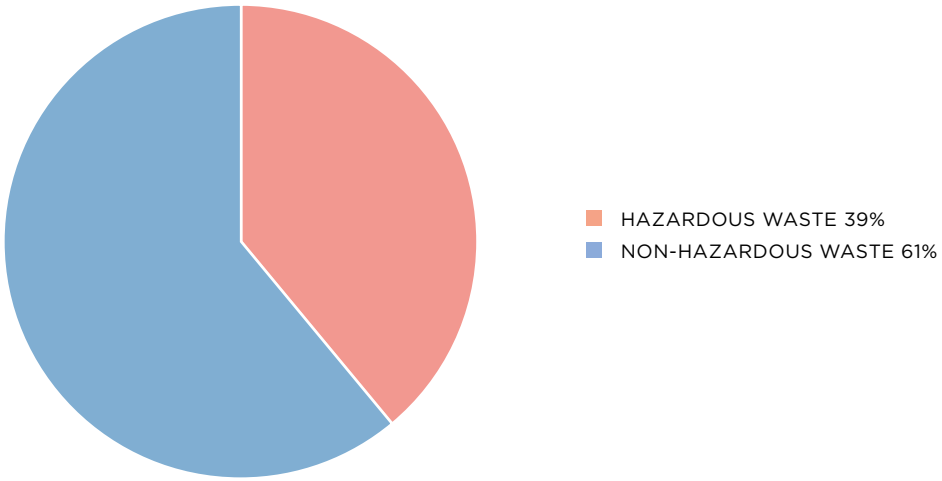
We have been taking steps to reduce our packaging material. In 2022 we introduced paper mailing bags for e-commerce deliveries outside of the Netherlands as a replacement for boxes, reducing the weight of shipping. In 2024 we further reduced the average weight of our e-commerce mailerbag packaging from 160 grams (in 2023) to 80.7 grams average, a weight reduction of 50%.

Tackling Supplier Waste

Besides packaging, most waste can be attributed to our production phase. Waste is generated during the different stages of production in our supply chain, from the material production – with knitting, dyeing or printing – and finished product assembly (cutting, washing, packing) towards transportation and finally the end of life of our products.

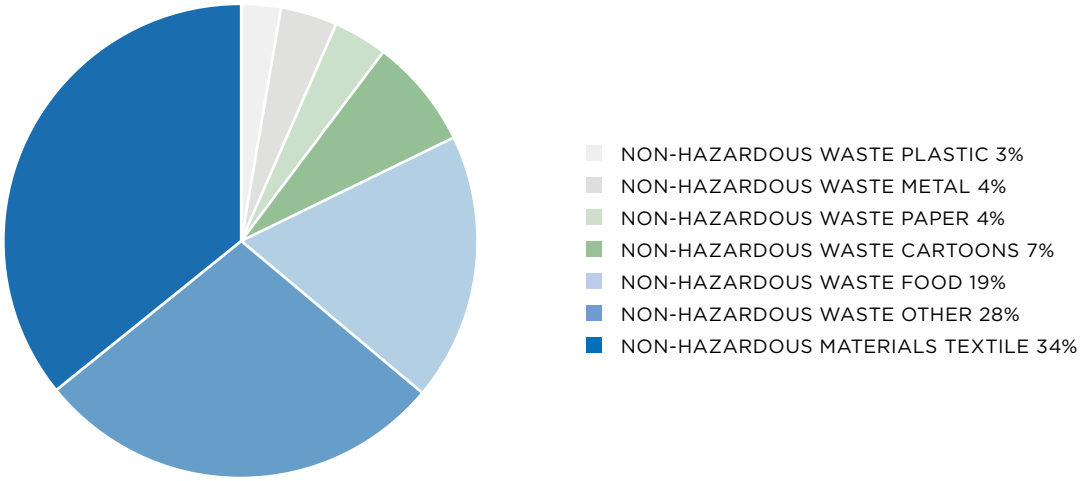
Via the Higg FEM we gather data from our suppliers regarding their generated waste. Below figure shows an overview regarding how much of this can be considered hazardous/non-hazardous.

HAZARDOUS VS NON-HAZARDOUS WASTE



Non-hazardous waste accounts for 61% of the waste generated at our suppliers and hazardous waste accounts for 39% waste generated at our suppliers.

NON-HAZARDOUS WASTE BREAKDOWN



Managing waste is a crucial concern that begins with identification, segregation, and proper storage. Through monitoring we have identified that most of the waste is sold to specific dealers, where it undergoes processes such as reuse, recycling, and upcycling. With a focus on circularity, G-STAR encourages suppliers to handle waste in ways that maximize its utility, contributing significantly to the circular economy.

INDEX

Climate Neutral Delivery

Besides scoping our emissions, we are already implementing more climate-friendly solutions to reduce our emissions. One example is our standard delivery option with DHL Parcel in the Netherlands. DHL Parcel has extended its electrical fleet and launched a carbon offset program called GoGreen.

- In 2023, **65%** of international e-commerce parcels shipped to customers were carbon neutral through offsetting. This means an increase of 38% compared to 2022.
- In 2024, **100%** of parcels delivered to customers in the Netherlands were carbon neutral through 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.

INDEX

ELIMINATING CHEMICALS & CHEMICAL POLLUTION

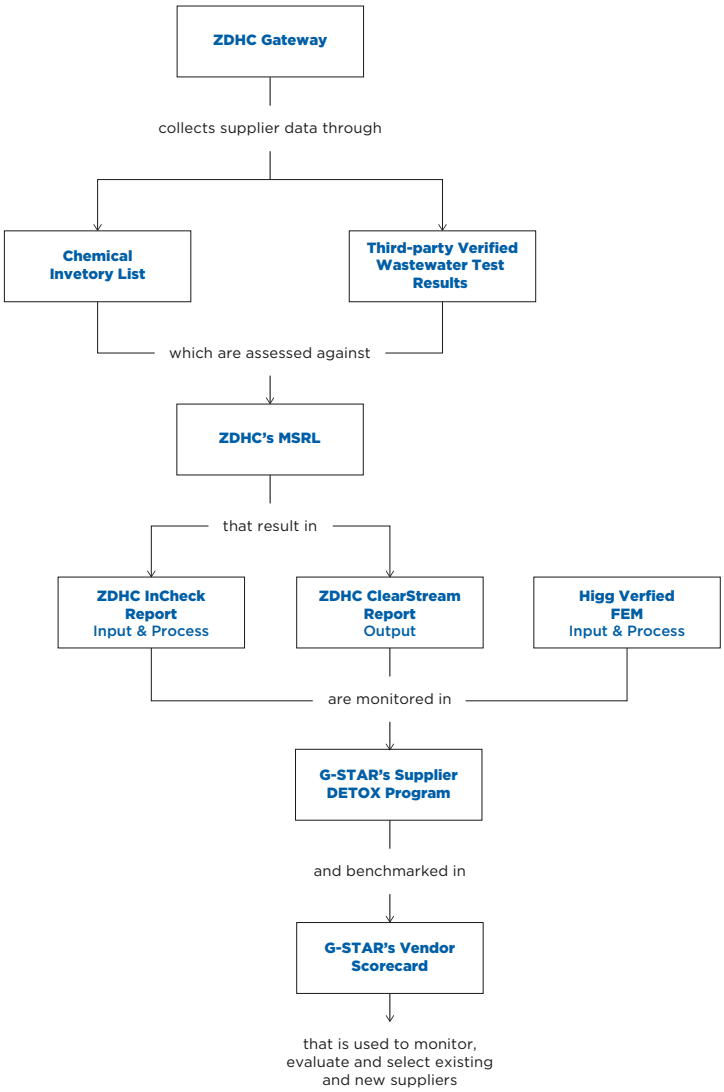
Minimizing pollution and eliminating all hazardous chemicals have been a major priority for us since signing the DETOX Commitment with Greenpeace in 2013. Through the DETOX Commitment we committed to ban the use of hazardous chemicals from our products and production processes in our supply chain. To monitor the performance of our suppliers, G-STAR has been running its Supplier DETOX Program since 2018. We require all suppliers to improve their performance in the input, process and output areas of chemical management within the facilities used to produce our products.

Zero Discharge on Hazardous Chemicals (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 supply chain partners are required to:

- Follow ZDHC's Manufacturing Restricted Substances List (MRSL).
- Upload their Chemical Inventory List (CIL) in the ZDHC Gateway monthly, checking chemicals against the latest ZDHC MRSL.
- Obtain a certificate of completion of the Supplier to Zero program (Level 1, 2, or 3), which is a roadmap to sustainable chemical management leadership.
- Carry out a wastewater test twice a year, following the latest ZDHC Wastewater Guidelines.



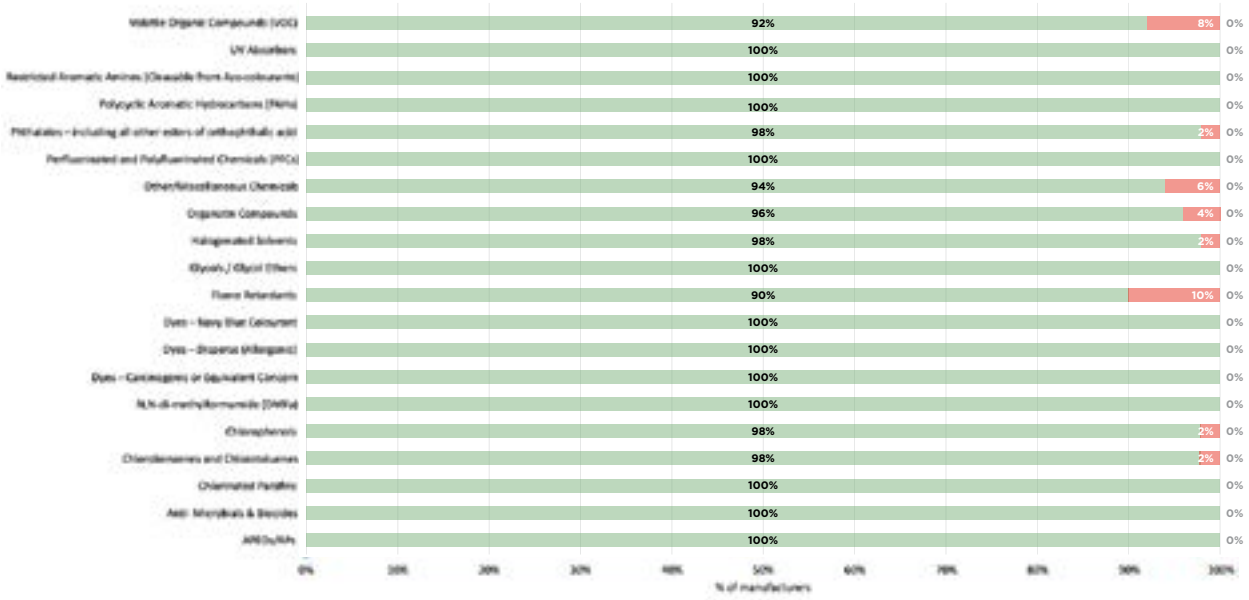
INDEX

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 chemicals. Alongside the CIL, wastewater is tested according to the latest ZDHC Wastewater guidelines, providing verified data on each supplier's chemical performance. This is used to generate a ZDHC InCheck and a ZDHC Clearstream report which, we request twice a year from our suppliers.

In 2024, we supported our Tier 1 and 2 suppliers in implementing the ZDHC Roadmap to Zero program by providing 26 ZDHC Implementation Tokens. These tokens allow suppliers to access free training through the ZDHC eLearning Academy and to onboard to the Supplier to Zero (StZ) program. Out of the 26 tokens issued, 18 were used for the StZ program, enabling all participating factories to achieve the Foundational Level (Level 1) certificate.

The performance of chemical substances per parameter in the Supplier DETOX Program is shown in the overview below. This performance covers all Tier 1 and Tier 2 wet processing factories that fall under the ZDHC scope in 2024, amounting to 71 in total. Over 80% of these factories' wastewater were tested against MRSL, heavy metals, and other parameters, some of which were detected. To maintain and improve these we ensured that suppliers failing to meet ZDHC requirements conducted a Root Cause Analysis (RCA) and developed a Correction Action Plan (CAP).

ALL FACTORIES - PERFORMANCE BY PARAMETER (MRSL SUBSTANCES)



G-STAR achieved Champion Level for the second consecutive year in the 2024 ZDHC Brands to Zero assessment, reflecting our strong implementation of ZDHC requirements within our operations and across our supply chain. This assessment also recognizes how we actively engage with suppliers to advance chemical management practices. We are proud of this achievement and remain committed to expanding the use of ZDHC tools throughout our supply chain.

INDEX

Supplier Detox Program

The Supplier DETOX Program combines ZDHC 2024 results from the InCheck and ClearStream reports, and supplier level on the Supplier to Zero program.

Once we receive this data it is analyzed based on 3 separate areas of chemical management:

- **Input** – The level of risk regarding chemicals used in the supply chain is assessed through latest ZDHC InCheck results.
- **Process** – The level of risk regarding chemical management on factory premises is assessed. This is also based on Higg FEM 2023, Chemical Section and Supplier to Zero level of certification.
- **Output** – The level of risk regarding wastewater treatment is assessed. This is based on ZDHC ClearStream reports (wastewater testing).

By providing a risk qualification in each of these 3 areas, opportunities for improving a facility's overall chemical management system are easily identified.

For each of the 3 areas one of the following 5 risk qualifications is listed in the supplier report:

- Best in class
- Low risk
- Medium risk
- High risk (non-compliance)

We share their performance with our suppliers in individual DETOX Supplier Reports. These serve as a starting point between G-STAR and our suppliers to decide which future actions can and should be taken towards zero discharge of hazardous chemicals and more sustainable performance. From 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.

	ZDHC CLEARSTREAM REPORT		ZDHC INCHECK REPORT	
	Responded	**Did not respond**	**Response**	**No response**
2021	88%	12%	81%	19%
2022	62%	38%	48%	52%
2023	82%	18%	71%	29%
2024	70%	30%	80%	20%

DETOX PILLAR	APPLICABLE SCOPE	TOTAL NUMBER OF UNITS ADOPTED	PERCENTAGE
ZDHC Gateway	71	71	100%
Supplier To Zero (Level 1 & Level 2)	71	64	90%
Incheck report/Input Platform	71	57	80%
Clearstream Report	71	50	71%
	100%	85% (Average, By count)	82% (Average, By weight)

Moving forward, in 2025, we will continue to work with the ZDHC tools and standards to monitor the production and manufacturing performance of suppliers in the DETOX program.

INDEX

REFLECTIONS ON 2024

STRATEGIC TOPIC	2024 ACTION & GOALS	2024 HIGHLIGHTS AND PROGRESS	2025 ACTION & GOALS
Pollution	As a minimum, achieve a verified FEM score for Tier 1 suppliers that represent 86% of business volume, and Tier 2 suppliers that represent 82% of business volume.	Achieved a verified FEM score for that represents 96% of Tier 1 suppliers and 78% of Tier 2 suppliers.	Achieve a verified FEM score for Tier 1 suppliers that represent 86% of business volume, and Tier 2 suppliers that represent 82% of business volume.
	Achieve a minimum of 90% conformance with parameters set by ZDHC Wastewater Guidelines.	Our DETOX program included 71 factories under the ZDHC scope, with an average of 99.6% conformance with the parameters set by ZDHC Wastewater Guidelines.	Achieve a minimum of 95% conformance with parameters set by ZDHC Wastewater Guidelines.
	Improve allocation of ZDHC implementation tokens to suppliers to implement the Roadmap to Zero program.	Provided 18 ZDHC implementation tokens to new and existing Tier 1 and 2 suppliers to implement the Roadmap to Zero program.	Improve allocation of ZDHC implementation tokens to suppliers to implement the Roadmap to Zero program.
	Increase the amount of ecommerce parcels to be delivered carbon neutral.	65% of international e-commerce parcels shipped to customers were carbon neutral. 100% of parcels delivered to customers in the Netherlands were carbon neutral.	Increase the amount of ecommerce parcels to be delivered carbon neutral.
Climate Change	Advance towards our Science Based Target of -42% reduction	Achieved -3% in scope 3 YoY (biggest impact) and -12% vs baseline	Advance towards our Science Based Target of -42% reduction
	Prioritized road and sea routes for transportation	Decreased by -83% inbound air transportation vs baseline and -55% and -60% respectively for B2B and B2C air deliveries.	Innovate in routes and delivery methods to drive further reduction in transportation

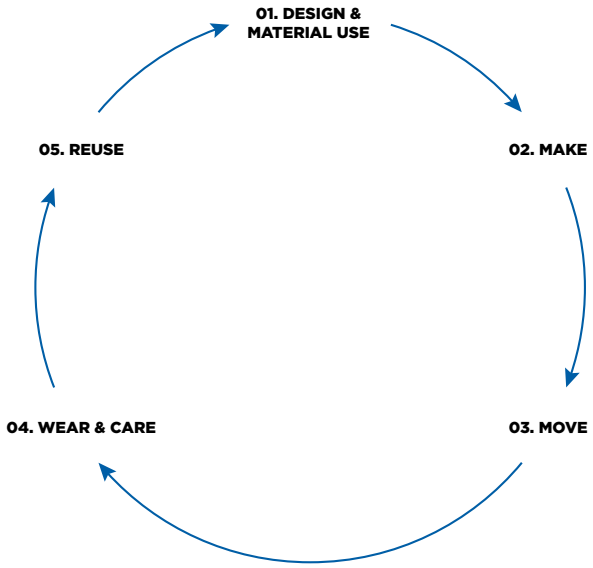
INDEX

PRODUCT

INDEX

PRODUCT

Creating products with the lowest possible environmental impact and working towards a circular fashion industry are central to how we design at G-STAR. We consider every stage of a product's journey — from the choice of raw materials and fibers to responsible fabric and garment production, consumer care, and end-of-life. Circularity is the foundation of our product pillars and Product Life Cycle, guiding the way we design and produce. If we want to remain a denim brand for the future, we need to design in closed loops today.



Responsible Materials

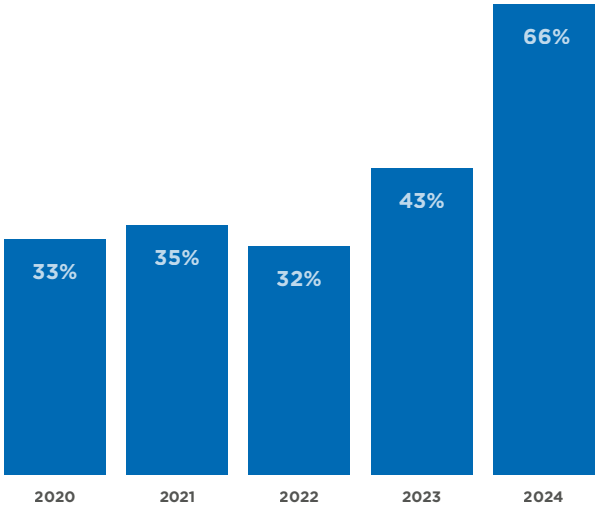
We are committed to ensuring that all raw materials used in our products are grown and manufactured in a responsible way that preserves resources and respects human and animal rights.

After reaching our materials goals in 2020, we set new targets that are part of our Sustainability Strategy moving forward. These are broken down below and are also reflected in our Responsible Materials Ranking.

PRODUCT	GOAL 2025	GOAL 2030
Responsible Materials	75% of our collection will be made with regenerative, recycled, organic, bio-based and/or compostable materials.	100% of our collection will be made of regenerative, recycled, organic, bio-based and/or compostable materials.

INDEX

Currently, 66% of our materials are either regenerative, recycled, organic or bio-based. We consider materials that fall into this scope to be more responsible. The remaining 34% of our materials consist of Better Cotton sourced via a mass balance system, better than conventional, and conventional materials. Including Better Cotton, approximately 95% of our materials can now be classified as “more sustainable” compared to conventional alternatives.

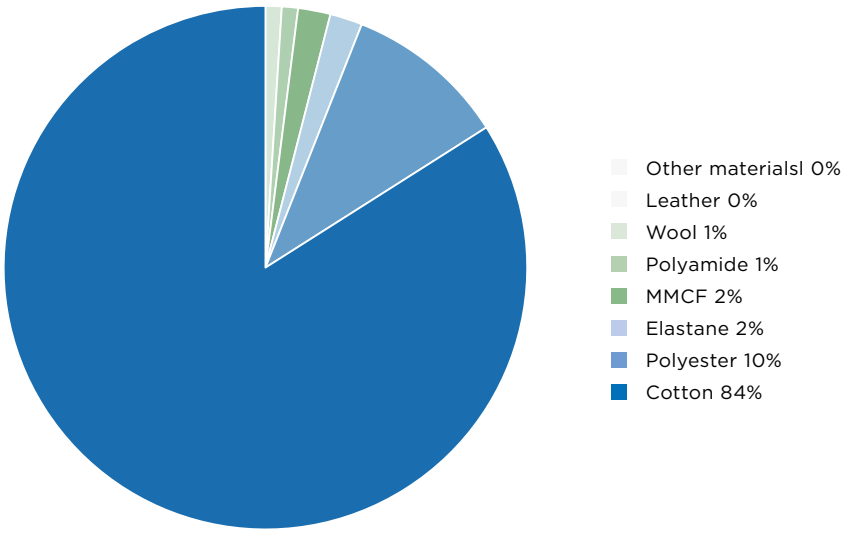


MATERIAL CATEGORY	%
Recycled or mostly recycled	12%
Organic, bio-based or compostable	54%
Better Cotton	28%
Better Than Conventional	<1%
Conventional	6%

Our materials portfolio

As we are a denim brand to the core, 84% of the raw material we use is cotton, a crop that has historically been associated with high water and pesticide use. 99% of all cotton we use is either organic, recycled, regenerative or sourced through Better Cotton (BC) via a mass balance system.

The remaining 16% of our material mix includes polyester (10% of total) and other materials such as man-made cellulosic fibers, elastane and animal fibers. Below provides a breakdown of our complete material mix.



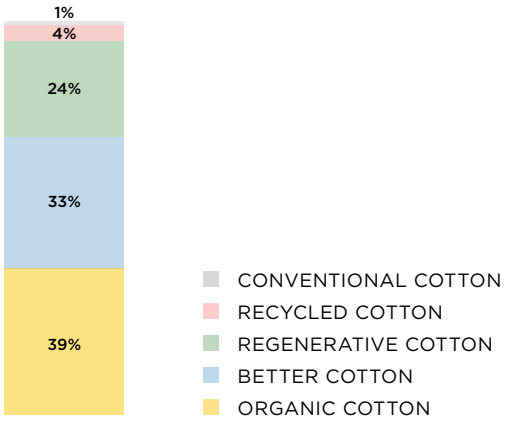
INDEX

A CLOSER LOOK AT OUR KEY MATERIALS

Cotton

In 2024, Cotton made up around 84% of our complete material mix. 4% of this is recycled, 24% is organic cotton, 10% is regenerative cotton, 33% of this is sourced via the Better Cotton Initiative and less than 1% is conventional cotton.

We are working with our suppliers to continuously increase the share of organic, regenerative and recycled cotton in our collections. Being a partner of the Organic Cotton Accelerator, we also invest in supporting farmers in their transition from conventional farming towards organic farming practices.



Polyester

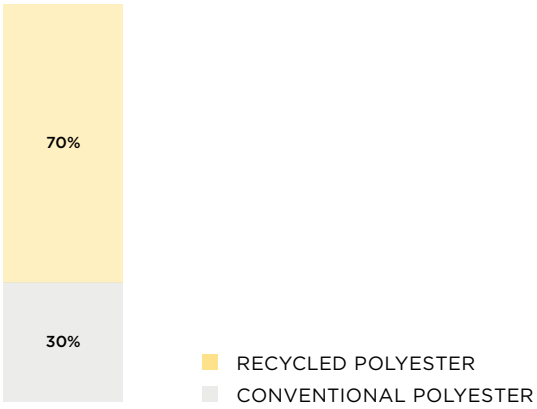
In 2024, polyester made up 10% of our total material mix, of which 70% is recycled polyester, which has a significantly lower climate footprint than conventional polyester. We are committed to exploring fiber-to-fiber recycled materials moving forward and, overall, to reducing the use of synthetics in our products.

To strengthen our responsible materials goals we signed Textile Exchange's 2025 Sustainable Cotton Challenge in 2020 and its 2025 Recycled Polyester Challenge in 2021. In addition, through our partnership with the Organic Cotton Accelerator (OCA), we support farmers in their transition to organic cotton cultivation. In 2023 the cotton was harvested and our 24Q3 collection included our first products with organic cotton via OCA.

In 2024 we achieved brand-level certification to the Organic Cotton Standard (OCS), the Global Recycled Standard (GRS) and Responsible Wool Standard (RWS). OCS aims to expand organic agricultural production whilst GRS strives to increase the use of recycled materials and includes social and environmental processing requirements as well as chemical restrictions; RWS farmers and ranchers are evaluated against animal welfare, land management, and social requirements set in the standard. These certifications enable G-STAR to make on-product claims that are verified by a reputable third party.

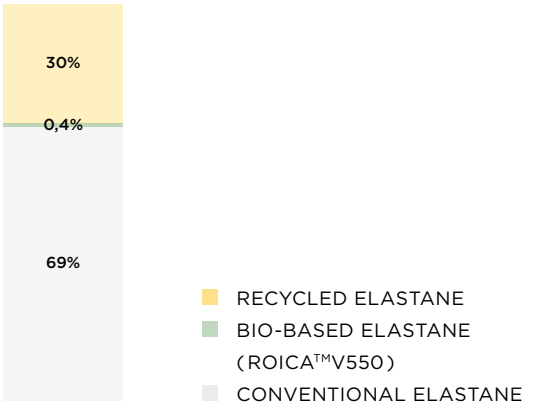
Polyester

In 2024, polyester made up 10% of our total material mix, of which 70% is recycled polyester, which has a significantly lower climate footprint than conventional polyester. We are committed to exploring fiber-to-fiber recycled materials moving forward and, overall, to reducing the use of synthetics in our products.



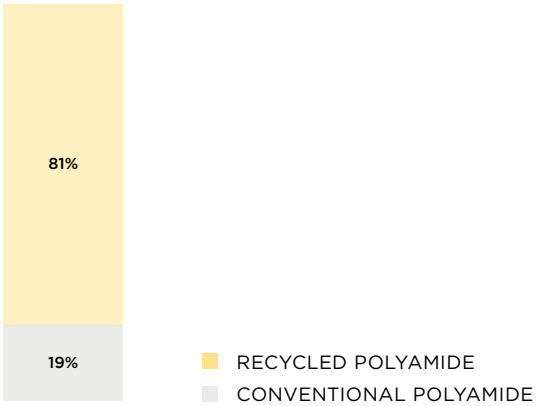
Elastane

Elastane makes up around 2% of our total material mix and is used to improve comfort, shape and fit. More than 30% of all elastane used in 2024 came from more responsible alternatives, such as recycled or bio-based options. For example 30% was T400® EcoMade, which contains 50% recycled PET content. We also continued using ROICA™ V550, which is a stretch yarn based on the Asahi Kasei polymer science. The yarn achieved a Gold Material Health Certificate in Biological cycle from the Cradle-to-Cradle Product Innovation Institute.



Polyamide

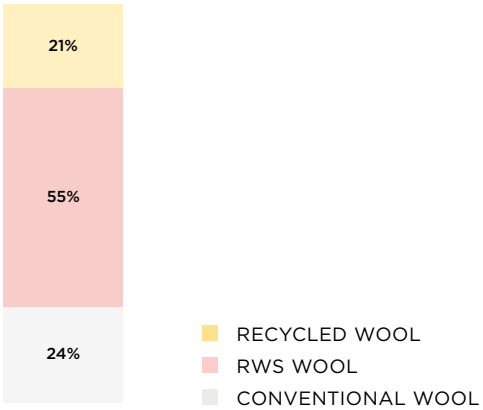
In 2024, our share of polyamide use was around 1% of our material portfolio. Of this, 81% came from recycled resources. Similar to polyester, we work towards 100% recycled polyamide.



INDEX

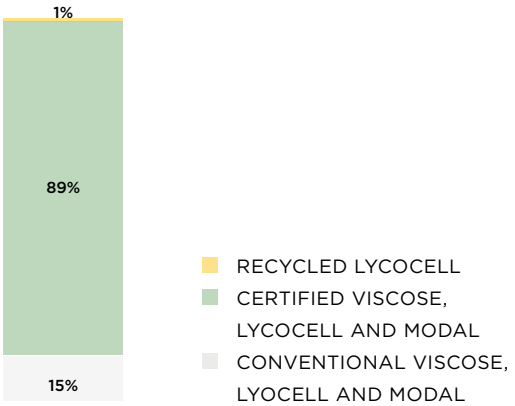
Animal-derived Fibers

Around 1% of G-STAR's products were made using animal-derived fibers in 2024. Whilst these make up a relatively small proportion of our materials, we have an Animal Welfare Policy in place to help ensure these fibers come from safe and ethical sources. The leather tanneries we work with both hold Gold level Leather Working Group certificates. In the future, we aim to phase out the use of virgin animal-derived fibers across G-STAR products.



Man-Made Cellulosic Fibers

In 2024, Man-Made Cellulosic Fibers (MMCF) made up 2% of our total material mix. Certified fibers such as TENCEL™ Lyocell and Modal and LENZING™ ECOVERO™ Viscose made up 84% of this and 1% was recycled (Lyocell LENZING™ REFIBRA™).



INDEX

OUR CIRCULARITY JOURNEY

We strive to excel in circular denim innovation. To achieve this, G-STAR has committed to ensuring 1 million pair of jeans to be repaired, reused or recycled by 2030. In 2023, we continued to design products for durability and educate customers on how to wear and care for their garments.
We recognize that our product's life cycle does not only focus on the supply chain and garment use but also, its end of life phase for which, we take responsibility and ask our customers to do the same. In support of this, we have launched several programs that aim to extend the life of our products, as well as ensure responsible end of life.

MATERIALS	GOAL 2025	GOAL 2030
Circularity	20% of our collection will be made with Cradle to Cradle Certified® fabrics.	Design for durability and recycling to extend life of 1 million pair of jeans by offering solutions for re-use, remake or recycling by 2030.

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 one in the world designed for a circular product economy and it requires unparalleled levels of transparency across the supply chain. Cradle-to-Cradle designs strive to mimic the principles of nature, where there is no concept of waste. Everything effectively becomes food for another organism or a system, and all the materials are reutilized in cycles.

To implement this philosophy into products, a Cradle-to-Cradle certification standard, powered by the Cradle-to-Cradle Products Innovation Institute, is used as a framework. Cradle-to-Cradle also known as 'C2C' is the only certification designed for a circular product economy. It is the most rigorous, requiring unparalleled levels of transparency, collaboration throughout multiple tiers of the supply chain and a holistic design perspective. The extensive certification is further amplified by varying levels that can be achieved, ranging from bronze, silver, gold to platinum. All whilst taking into consideration these five aspects:

- **Material Health**: Ensuring all the selected materials are safe for humans and the environment
- **Product Circularity**: Enabling a circular economy through regenerative products and process design
- **Clean Air and Climate Protection**: Protecting clean air, promoting renewable energy, and reducing harmful emissions
- **Water and Soil Stewardship**: Safeguarding clean water and healthy soils
- **Social Fairness**: Respecting human rights and contributing to a fair and equitable society

G-STAR has committed to ensuring 20% of our collection contains Cradle to Cradle Certified® fabrics by 2025. In 2024, 8.6% of all fabrics in our collection was C2C certified. G-STAR recognizes the need to actively involve suppliers as part of the Cradle to Cradle roadmap and collaboration will improve our sourcing options throughout the supply chain.

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 dyes from Archroma, Huntsman and DyeStar, throughout our collections. Read more about our Cradle to Cradle Certified® progress here.

INDEX

REPAIR: Certified Tailors Program

Our Certified Tailors program aims to extend the lifetime of our jeans by offering free repairs on G-STAR denim via G-STAR Certified Tailors. This initiative was first launched in 2021 across 5 cities in the Netherlands and in 2022 was extended to Germany, Belgium, and South Africa following its success. We work with tailors that have been trained to become G-STAR denim experts, teaching them all about denim, our stitching, 3D designs, and the fit and fabrics. In 2024, in the Netherlands alone, we had around 600 repairs in total and in South Africa over 1262 denims have been repaired. Learn more about our repair program, or find a certified tailor in your neighborhood here.

REWEAR: G-STAR Rewear Program

We create durable garments designed to last a lifetime. With each piece thoughtfully produced and made to wear and rewear. We are sure of this, which is why we offer customers the opportunity to return their G-STAR pre-owned garments back to G-STAR (online and offline) for resale on our Rewear platform. This way, products can be enjoyed by other customers again. G-STAR checks and washes each garment for its quality, so that our customers can shop and sell original second-hand clothing in perfect condition on G-STAR REWEAR. During the first phase, REWEAR is only available in the Netherlands.

2024 was the first full year since we launched the REWEAR platform, in which 2145 products were returned for resale. In 2025 we plan to learn from this first phase and focus on growing and enhancing our circularity journey.

RECYCLE: Return Your Old Denim

In 2021 we re-initiated a product take-back service during a pilot across two stores in the Netherlands. This included our outlet in Roermond and our mono-brand store in Rotterdam. In 2022 we extended this program to seven countries including Belgium, France, Germany and Austria. To encourage our customers to return their denim, G-STAR offers a discount on a new pair of jeans.

In 2024, we have continued our program by collecting 4914 denims in five countries and explored long-term solutions for recycling or repurposing the jeans we collected. What is possible with denim? We want to explore the endless possibilities of denim.

INDEX

INNOVATIVE PRODUCTION PROCESSES

As a denim brand for the future, we also invest in production processes for the future. Below we list some of our impactful innovations in 2024.

Modular Design: One Garment, Multiple Ways to Wear

In 2024, we re-introduced modular products designed with versatility in mind, allowing one garment to be worn in multiple ways. Whether it's a long jacket that transforms into a short one or a style that adapts to changing weather and occasions, these designs offer flexibility without compromising on style or quality. This approach extends the life and relevance of each piece in a wardrobe, giving customers more value and creative freedom. A total of 8 modular styles were introduced as part of our innovation-led collection

Neo Black: Smarter Colour for Recycled Polyester

In 2024, we introduced Neo Black products, a new generation of recycled polyester fabrics developed in collaboration with Jacobros. What makes Neo Black different is its innovative eco black process, where color is added during the raw material stage, before the polyester is spun into yarn. This drop dyeing method significantly reduces water and energy use, and requires less dyestuff compared to conventional recycled polyester dyeing. By rethinking when and how color is added, Neo Black offers a more efficient and environmentally conscious way to produce deep black tones on recycled fabrics.

Aniline-Free Indigo: Cleaner Chemistry for Iconic Denim

In 2024, we expanded the use of aniline-free indigo dyes in our denim production, collaborating with Archroma and Advance Denim to implement DENISOL® PURE INDIGO 30. Traditional indigo dyeing processes can leave behind aniline, a toxic substance harmful to aquatic life. By using DENISOL® PURE INDIGO 30, we eliminate aniline impurities from our dyeing process, reducing water pollution while preserving the deep, authentic indigo shades denim is known for. This cleaner chemistry supports our goal of making 20% of our collection from Cradle to Cradle Certified® fabrics by 2025 and demonstrates how sustainability and style can go hand in hand.
a C2C Certified®Gold rating.

INDEX

HOMEGROWN DENIM

Rethinking Cotton from the Ground Up

At G-STAR, we're committed to pushing the boundaries of how denim is made, used, and worn. As the foundation of denim, cotton plays a vital role in shaping our environmental impact. That's why we launched **Homegrown Denim** — a pioneering experiment exploring greenhouse-grown cotton as a way to dramatically reduce the footprint of cotton farming. It's part of our broader mission: to make the best denim possible, starting from the very first fiber.

The Idea

What if cotton could be grown better — anywhere? Could we create denim using locally grown greenhouse cotton, minimizing or even eliminating the environmental impacts of farming, manufacturing, and transporting raw materials?

To explore this, we partnered with **Dutch Cotton**, a company growing cotton in sustainable greenhouses and **Wageningen University & Research** to test this bold idea. Together, we examined the potential to optimize the entire cotton-growing process in a controlled, climate-resilient environment.

Step 1: Growing the Cotton

Over six months, we monitored a cotton crop grown in a greenhouse research facility in Bleiswijk, the Netherlands. We evaluated fiber quality, yield, environmental footprint, and overall viability. The greenhouse used precision irrigation, recycled rainwater, and renewable energy to cut impact while maximizing efficiency.

Key Benefits Identified:

- **Higher Yields:** Plants grew up to 4 meters tall, producing 5–23 times more cotton than traditional crops.
- **Extended Harvest Season:** Controlled conditions allow for longer growing and harvesting periods.
- **Cleaner Cotton:** Protection from weather reduces contamination and damage.
- **No Pesticides:** Pests and diseases are naturally limited in enclosed systems.
- **Up to 95%** Less Water: Recycled rainwater systems dramatically cut water use.
- **No Soil Degradation:** Soilless growing protects soil health and prevents erosion.
- **Local Impact:** Growing cotton closer to home reduces transport needs and supports local economies.
- **Longer Plant Life:** Multi-season growing improves efficiency and sustainability.

Step 2: Making the Denim

A typical pair of jeans can travel thousands of kilometers before it's complete. In contrast, our Homegrown Denim stayed within just 644 km. Working with local partners, we created our first pair of jeans entirely within one country, from ginning and spinning to weaving, dyeing, and sewing. Even the transport between suppliers was done using electric vehicles, keeping the supply chain as short and low impact as possible.

To learn more, you can read the full research report on Homegrown Denim on our website, where we share detailed findings, challenges, and the potential for scaling this innovative approach.

INDEX

REFLECTIONS ON 2024

STRATEGIC TOPIC	2024 ACTION & GOALS	2024 HIGHLIGHTS AND PROGRESS	2025 ACTION & GOALS
Circularity	Proceed upscaling of Cradle to Cradle Certified® fabrics with the aim to reach 20% Cradle to Cradle Certified® fabrics in 2025.	7.8% of our products are made with Cradle to Cradle Certified® fabrics.	Proceed upscaling of Cradle to Cradle Certified® fabrics with the aim to reach 20% Cradle to Cradle Certified® fabrics in 2025.
	Expand recommerce platform to at least 1 more country.	70% growth in recommerce trade-ins.	Expand recommerce platform to at least 3 more countries.
	Increase amount of discarded denims collected and recycled.	In-store take-back is now active in 97 stores across 7 stores.	Increase amount of discarded denims collected and recycled.
	Increase amounts of repaired denim and set up a system to better track amount of denims repaired beyond South Africa	Around 600 denims repaired in the Netherlands and 1262 denims repaired in South Africa.	Increase amounts of repaired denim and further improve our repair and data management process in the Netherlands
Responsible Materials	Recertify G-STAR according to the Organic Content Standard and Global Recycle Standard and achieve brand level certification for the Responsible Wool Standard.	Achieved brand-level certification for the OCS, GRS and RWS.	Recertify OCS, GRS and RWS brand level certification.
	Increase volumes sourced through the OCA program to one additional country and increase sourcing in India with 20%.	We launched a pilot project with OCA in Türkiye and achieved a 20% increase in cotton volumes via our India program.	Increase volumes via OCA program in current sourcing countries.

INDEX

PHILANTHROPY

INDEX

PHILANTHROPY

The GSRD Foundation was established in 2007 as G-STAR's corporate foundation, with the mission to create a positive impact on the lives of people and communities in the countries where G-STAR products are made. It focused on supporting projects centered around education, training, and coaching for young adults. Guided by the belief that knowledge, an entrepreneurial mindset, and self-empowerment are essential to economic independence and social development, the foundation directed its efforts toward education and entrepreneurship.

Education

Vocational training and education for young adults, focusing on knowledge and skills that will help them learn a trade, improving their chances of acquiring employment and building a better future.

Entrepreneurship

Life-skills training and coaching for young adults, helping them become independent, take initiative, and leverage opportunities to build self-sufficient livelihoods — whether as proactive employees or through self-employment.

The activities of the GSRD Foundation directly contributed to Sustainable Development Goals (SDGs) 4, 8, 10, and 17, and indirectly supported SDGs 1, 2, 3, 5, and 13. For explanation on the SDGs, please see Appendix B.

Direct Impact

Indirect Impact

INDEX

The GSRD Foundation was active in 4 G-STAR production countries:
Bangladesh, China, India and Vietnam.

- **Bangladesh** Active since 2008
- **China** Active since 2009
- **India** Active since 2008
- **Vietnam** Active since s 2014

The GSRD Foundation has been working together with **57 partners** over the past years.
109 projects have been supported since 2008.

The Foundation supported all of its projects through partner organizations, which had a proven track record in education and entrepreneurship in countries where GSRD focused its efforts. It strove for long-term relationships in order to strengthen the projects it supported and the partner organizations that ran them. All projects sought to help people leverage opportunities to become more self-sufficient, either as proactive employees or through self-employment.

A New Chapter

In 2024, the complete portfolio and assets of the GSRD Foundation were transferred to the Blue Ambition Fund at the Wilde Ganzen Foundation. This transition ensures the continuation and amplification of the social impact that the GSRD Foundation was created to deliver. As a result of this transfer, the GSRD Foundation has formally ceased to exist.

Looking ahead, we are working toward a new setup focused on supporting valuable community and environmental projects, more directly aligned with our company's sustainability strategy. This evolution reflects our commitment to long-term, positive impact in the regions where we operate.

INDEX

APPENDICES

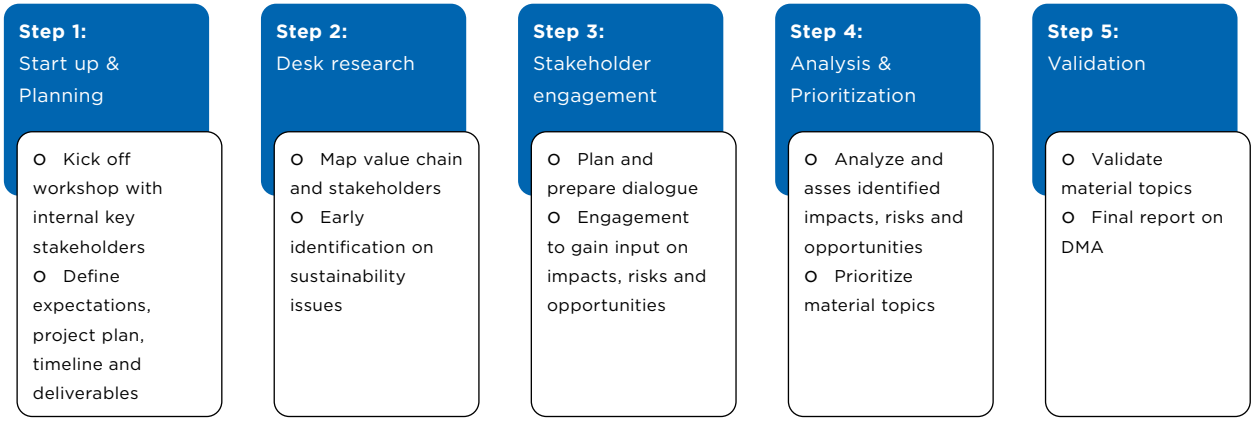
INDEX

APPENDIX A

DOUBLE MATERIALITY ASSESSMENT

Process of DMA

The materiality analysis is based on five steps, which are grounded in the requirement of CSRD and ESRS. At first a Kick-off workshop was organized with the key stakeholders to introduce the project plan and define expectations, a timeline and the deliverables. During the desk research a comprehensive review of internal and external sources was conducted to identify G-STAR's impacts, risks, and opportunities, removing irrelevant topics. The list of topics was further refined during interviews with relevant stakeholders by confirming and expanding on the identified impacts, risks and opportunities. The materiality of identified impacts, risks, and opportunities was assessed based on severity, scale, scope, and likelihood, with time horizons categorized as short, medium, or long term. Lastly, a workshop with the steering group and sustainability experts validated the assessment of financial risks and opportunities, identifying material issues based on qualitative analysis.



INDEX

Assessment input and criteria
The finalized Gross list of Impacts, Risk and Opportunities (IRO), created during the desk research (step 2) and the stakeholder engagement (step 3) contained 29 items.

POSITIVE IMPACT	NEGATIVE IMPACT	RISK AND OPPORTUNITIES
Partnership and collaboration	GHG emissions and energy	Dependency on suppliers and raw materials
Sustainable resource use	Chemicals and pollutions of water and soil	Chemical pollution
Waste- reduction	Water consumption and withdrawals	Human Rights violation within supply chain
	Health and safety in the upstream value chain	Circular business model
	Child labor and forced labor in the upstream value chain	new ESG related laws and regulations
	Fair working conditions in the upstream value chain	Human rights violation within value chain
	Discrimination and harassment in the upstream value chain	Water consumption
	Waste	OHS practices in supply chain
	Biodiversity change and land degradation	Corruption and bribery
	Water and land related impacts	Responsible marketing practices
	Secure employment	IT security
	Health and safety in 3PL and stores	Sustainability certificates and labels
	Health and safety in own warehouses	OSH practices for own workforce

During the analysis and threshold phase, specific criteria were utilized to prioritize the impacts, risks, and opportunities. The risks and opportunities were evaluated based on financial effect and likelihood. The impacts were assessed using four criteria: (1) the scale of positive and negative impacts on the environment, people, or societies, (2) scope, (3) irremediability, and (4) likelihood.

Outcome

Sixteen (16) material IROs were identified for G-STAR and validated by the company's steering group (step 5), which included representatives from management. These material IROs have been grouped into six material topics that will guide the content of G-STAR's sustainability reporting and drive its sustainability efforts moving forward.

IMPACT (POS/NEG) = + −

RISK/OPPORTUNITY = R O

CLIMATE CHANGE (E1)

- GHG emissions & Energy −
- Dependency on suppliers and raw materials R

POLLUTION (E2)

- Chemicals and pollution of water and soil −
- Chemical pollution R

WATER & MARINE RESOURCES (E3)

- Water consumption and withdrawals −

MATERIAL USE & CIRCULAR ECONOMY (E5)

- Sustainable resource use +
- Waste −
- Waste-reduction +
- Circular business model O

WORKERS IN THE VALUE CHAIN (S2)

- Health and safety in the upstream value chain −
- Child labor & forced labor in the upstream value chain −
- Fair working conditions in the upstream value chain −
- Discrimination & harassment in the upstream value chain −
- Human rights violation within supply chain R

BUSINESS CONDUCT (G1)

- Partnership and collaboration +
- New ESG related laws & regulations R

The outcomes of this Double Materiality Assessment go beyond compliance and reporting. The identified material topics are being actively integrated into G-STAR's corporate strategy, informing both short-term priorities and long-term sustainability ambitions. Each material topic serves as a strategic anchor for shaping new initiatives, allocating resources, and setting performance targets. For instance, issues such as GHG emissions, circular business models, and fair working conditions directly inform roadmap development in product innovation, supply chain transparency, and responsible sourcing. The findings also help refine internal governance structures and risk management frameworks, ensuring that emerging Environment, Social and Governance (ESG)-related risks are addressed proactively. Going forward, G-STAR will use these material topics as a lens for evaluating partnerships, investments, and business development, embedding sustainability more deeply across all operations and decision-making processes.

INDEX

Appendix B

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 17 SDGs and defined 4 high impact goals that are most closely linked to our core operations and value chain. Next to that, 7 high impact SDGs are identified that relate to the 4 main high impact SDGs. Our operations are indirectly linked to the final 6 SDGs.

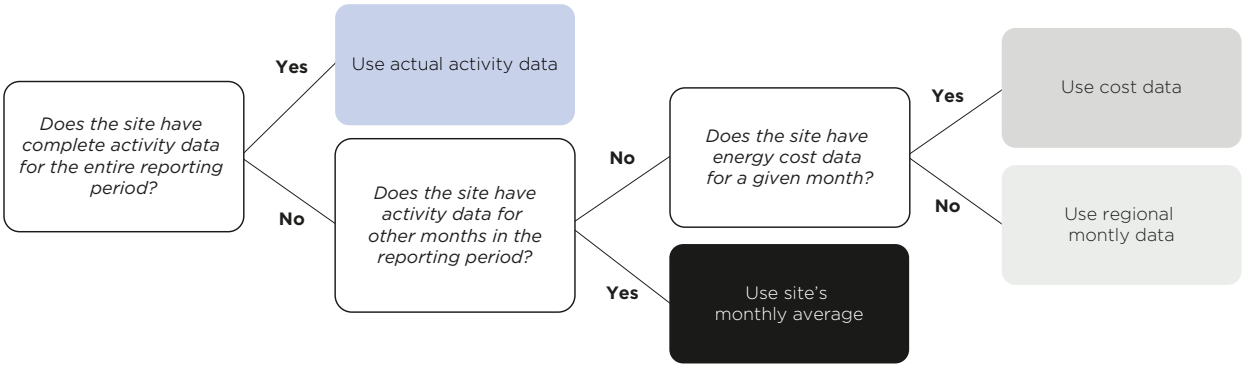
INDEX

Appendix C

FASHION INDUSTRY CHARTER FOR CLIMATE IMPACT – CARBON FOOTPRINT CALCULATIONS

Methodology for calculating Scope 1, 2 and 3 emissions
This flow diagram demonstrates the methodology used for Scope 1 and 2 calculations.

Total GHG emissions (tCO2e)= Σsources (Activity data x Emission factor[1] x Global Warming Potential[2])



1. Emission factors from internartional standards are used (e.g. IEA, US e-GRID, GHG Protocol, DEBRIS)
2. Global Warming Potential of Fourth Assessment Report published by Intergovernmental Panel on Climate Change (IPCC AR4) is adopted

This table below demonstrates the methodology used for calculating Scope 3 emissions.

CATEGORY	SUB-CATEGORY	QUANTIFICATION METHOD	SOURCE OF DATA	SOURCE OF EMISSION FACTORS/ REFERENCES
Cat 1: Purchased goods and services	Tier 1 and 2	Supplier specific and extrapolation	Procurement data, Higg Facility Environmental Module (FEM)	Emissions directly extracted from Higg FEM or proxy used when not on Higg
	Tier 3 and 4	Average data	Weight by material type	Higg Material Sustainability Index (MSI) LCA number
	Other purchased goods and services	Spend data	Spend on other purchased goods and services	DEFRA - Conversion factors KgCO2 per £ spent, by SIC code 2020
Cat 2: Capital goods	-	Spend data	Spend on capital goods (i.e., store/ office furniture)	UK DEFRA

CATEGORY	SUB-CATEGORY	QUANTIFICATION METHOD	SOURCE OF DATA	SOURCE OF EMISSION FACTORS/ REFERENCES
Cat 3: Fuel and energy related activities (not included in Scope 1 or Scope 2)	-	Company-specific data	Energy consumption data from G Star's operation (Scope 1 and 2)	UK DEFRA
Cat 4: Upstream transportation and distribution	-	Average data	Inbound delivery reports	UK DEFRA
Cat 5: Waste generated in operations	-	Spend data	Bills from an average store extrapolated to all stores and bills for offices	UK DEFRA
Cat 6: Business travel	Business air travel	Average data	Business air travel record	UK DEFRA
	Business rail travel, road travel and hotel stays	Spend data	Business rail and road travel and hotel stays record	GHG Protocol Scope 3 Evaluator
Cat 7: Employee commuting	-	Average data and extrapolation	Employee numbers, transport type and distance assumptions based on allowance type	UK DEFRA
Cat 9: Downstream transportation and distribution	-	Company-specific data	Outbound delivery report	UK DEFRA
Cat 11: Use of sold products	-	Average data	Sales volume by product type	IEA grid factor
Cat 12: End of life treatment of sold products	-	Average data	Sales volume by product type and region	UK DEFRA, waste disposal methods from The World Bank "What a Waste Global Database"
Cat 14: Franchises	-	Average data and extrapolation	Franchises' Sales Surface Area, purchased volume from G-STAR's licensee	IEA grid factor

INDEX

These tables present the breakdown per site type and location used for Scope 1 and Scope 2 calculations:

SITE TYPE	NUMBER OF SITES
O&O	55
Office	3
Outlet	52
Warehouse	2
GRAND TOTAL	**112**

COUNTRY	NUMBER OF SITES
Austria	2
Belgium	10
Canada	3
France	16
Germany	10
Japan	28
Netherlands	24
South Africa	5
Spain	2
United States	11
Bangladesh	1
GRAND TOTAL	**112**

SCOPE 3 - TRANSPORT (TCO2E)					COMPARISON	
	2021	**2022**	**2023**	**2024**	**YoY**	**vs. Baseline**
Scope 1	356	342	367	261	-29%	-27%

2023 Scope 1 emissions and comparison vs 2022 and baseline year (2021).

SCOPE 3 - TRANSPORT (TCO2E)					COMPARISON	
	2021	**2022**	**2023**	**2024**	**YoY**	**vs. Baseline**
Scope 2 (Location-based)	2.848	2.062	2.160	2.540	18%	-11%
Scope 2 (Market-based)	3.347	2.748	1.493	3.719	149%	11%

2023 Scope 2 emissions and comparison vs 2022 and baseline year (2021).

INDEX

The table presents the calculation of Scope 3.

GREENHOUSE GAS PROTOCOL SCOPE 3 CATEGORY	DESCRIPTION
Cat 1: Purchased goods & services	Emissions from tier 1, 2, 3 and 4 suppliers and emissions from other purchased goods and services
Cat 2: Capital goods	Emissions from the production and delivery of durable items, such as office/store furniture and office/store hardware
Cat 3: Fuel and energy-related emissions not included in Scope 1 or Scope 2	Upstream emissions related to production of fuels and energy consumed by G-STAR own operations
Cat 4: Upstream transportation and distribution	Emissions from 3rd party transportation and distribution paid by G-STAR
Cat 5: Waste generated in operations	Emissions from waste disposed from G-STAR's operations
Cat 6: Business travel	Emissions from G-STAR employees' business travel, including air, sea, rail, land travel and hotel stay
Cat 7: Employee commuting	Emissions from G-STAR employees' commuting
Cat 9: Downstream Transportation and distribution	Emissions from 3rd party transportation from warehouse to consumers/stores/3rd parties' vendors
Cat 11: Use of sold products	Emissions from washing and drying of G-STAR sold products
Cat 12: End-of-life treatment of sold products	Emissions from disposal of G-STAR sold products
Cat 14: Franchises	Emissions from G-STAR's franchisees and licensees

INDEX

The table below shows the Greenhouse Gas Protocol Scope 3 categories that were excluded from the calculations and their respective justifications.

GREENHOUSE GAS PROTOCOL SCOPE 3 CATEGORY	DESCRIPTION
Cat 1: Purchased goods and services (packaging materials and financial costs)	Excluded due to insufficient data available
Cat 8: Upstream leased assets	All upstream leased assets are captured in Scope 1 and 2 emissions
Cat 10: Processing of sold products	Not relevant. No additional processing is required for G-STAR sold products (i.e. finished goods)
Cat 13: Downstream leased assets	Energy and heating suppliers are defined by G-STAR and tenants at G-STAR HQ cannot switch suppliers, so accounted for in Scope 1 and 2 emissions
Cat 15: Investments	Investment is not a relevant emissions category for G-STAR based on its business model

INDEX

Overview purchased electricity

COUNTRY	PURCHASED ELECTRICITY (KWH)
Austria	107,456
Bangladesh	51,097
Belgium	463,107
Canada	21,626
France	115,078
Germany	494,670
Japan	266,695
Netherlands	5,359,653
South Africa	375,031
Spain	21,261
United States	164,977
GRAND TOTAL	**7,440,651**

Overview purchased natural gas

COUNTRY	NATURAL GAS (KWH)
Austria	98,714
Belgium	55,691
Canada	1,872
Netherlands	196,456
GRAND TOTAL	**352,732**

Overview purchased cooling

COUNTRY	PURCHASED COOLING (KWH)
Japan	232,200

Overview purchased heating

COUNTRY	PURCHASED HEATING (KWH)
Netherlands	221,465

Please see here the Table for the Country specific Energy breakdown & percentage for Tier 1.

Please see here the Table for the Country specific Energy breakdown & percentage for Tier 2.

INDEX