

G-STAR

2025

MAKING IT MATTER.

Turning action into measurable impact.

SUSTAINABILITY REPORT 2025

Progress isn't perfect. It's real.

The full report.

- | | | | |
|-----------|------------------------------|-----------|-----------------------------------|
| 01 | Why Impact, Why Now | 08 | Communities, Not Checkboxes |
| 02 | The Year In Impact | 09 | Action Over Alignment |
| 03 | Products As The Engine | 10 | Measuring What Matters |
| 04 | Materials Matter | 11 | Defining What Matters Most |
| 05 | Designed For Circularity | 12 | Responsibility Sits With Us |
| 06 | Less Footprint. More Effect. | 13 | What's Next |
| 07 | Impact On People | 14 | Other Reads & Further Information |



CHAPTER 01

Why Impact, Why Now

0

1

Making sustainability matter, in the real world

Sustainability is no longer new to the fashion industry. Over the past decade, frameworks, standards, and collaborations have helped create shared language and expectations. They have increased transparency, enabled comparison, and brought sustainability into mainstream business conversations.

That progress matters. It created the foundation for action. But today, the question is no longer whether sustainability matters. The question is what it actually delivers.

Across the fashion industry, environmental and social impacts are becoming increasingly visible, from climate instability and resource scarcity to working conditions and community resilience. At the same time, expectations from regulators, consumers, and partners are shifting toward evidence, accountability, and real-world outcomes.

For G-STAR, this moment is not only a responsibility, but also an opportunity. An opportunity to turn commitments into action.

To focus on products, materials, and partnerships that create measurable change.

And to be transparent about what worked, what proved more complex, and what still needs to improve.

This report reflects that approach. It highlights tangible progress, from the expansion of circular programs and increased use of recycled materials to community initiatives in sourcing regions and concrete steps to improve working conditions across the supply chain.

Because in the end, sustainability only matters if it leads to change in the real world.

Moving from commitments to impact

Sustainability only matters if it leads to real-world outcomes.

That is why this report focuses on impact, not as a concept, but as a question:

What actually changed as a result of our actions?

An impact perspective shifts attention from participation to responsibility, from alignment to outcomes but also from intention to effect

Regulations, standards, and reporting frameworks play an important role. They provide structure and help establish a baseline for responsible business conduct. But compliance alone does not reduce emissions, extend product lifecycles, or automatically improve working conditions.

This report reflects a deliberate choice: to focus on impact over activity, and outcomes over optics.

That choice means asking direct questions:

- What changed because we acted?
- Where did progress fall short and why?
- Which actions delivered measurable improvement?
- Where do we need to adjust course?

Answering these questions requires transparency, accountability, and a willingness to learn, including from what does not work. It also requires acknowledging that progress is rarely linear, and that meaningful impact often demands trade-offs.



Products at the center of impact

At G-STAR, we believe impact starts with products.

Decisions made during product design from material selection and construction to durability and end-of-life determine a significant share of environmental and social impact across the value chain. If products are not designed to last, to be repaired, reused, or recycled, no amount of reporting can compensate for that.

That is why products sit at the center of our approach.

By focusing on sustainable products, we move sustainability from a reporting exercise to a tangible outcome. We design with circularity in mind, prioritize lower-impact materials and processes, extend garment lifecycles, and explore how products can serve communities not just markets.

This is where impact becomes real: in what people wear, use, and keep. This is not a catalogue of initiatives. Or a collection of promises and it is definitely not a declaration of success.

It is a report that shows:

- what changed as a result of our actions
- where progress is measurable and where it is not
- how products function as a primary lever for impact
- how strategy, innovation, and governance support outcomes rather than define them

Impact is not static, and it is never finished. But it can be measured, challenged, and improved.



How we define what matters most

To focus our efforts where they have the greatest effect, G-STAR applies a double materiality approach.

This means we assess sustainability topics from two perspectives:

- the significance of our impacts on people and the environment, and
- the financial risks and opportunities these topics create for our business.

This assessment helps determine which topics shape our strategy, actions, and reporting. The priorities reflected in this report from product-led impact to eco-effectiveness and social equity are grounded in this process.

A detailed explanation of our double materiality assessment, including methodology and outcomes, is provided in the Chapter 11 – What matters the most.

Progress in sustainability is best understood through outcomes. During 2025, G-STAR advanced its product-led sustainability strategy, strengthened supplier-level environmental action, expanded circular programs, and deepened social and community engagement in sourcing regions.

Some initiatives delivered measurable improvement. Others revealed structural constraints or complexities that will shape future action.

Together, these outcomes show where impact is being created across the value chain and where further work is still needed.

The year in impact

Products and the materials that build them, where 2025 moved.



PRODUCT & CIRCULARITY

Products remain the primary engine of impact. In 2025, G-STAR expanded circular models and tightened product design around circularity principles.

23%

of fabrics Cradle to Cradle Certified®

+3

countries added to the Resell program — Belgium, France, Germany

3 000 kg

post-consumer denim collected through Return Your Denim and recycled

1413

repaired items through the Certified Tailors Program in Netherlands and South Africa



MATERIALS

Material sourcing remains one of the strongest levers for reducing environmental impact in apparel.

95.7%

Preferred fibers (incl. Better Cotton mass balance)

72.3%

certified Preferred fibers (excl. mass balance)

Leader

Textile Exchange Material Benchmark — Leader Level

3

brand-level certifications — OCS · GRS · RWS

The year in impact

Less footprint, more effect — where 2025 moved on environment.



CLIMATE & EMISSIONS

G-STAR's climate plan is aligned with the Paris Accord and SBTi-validated targets of -42% by 2030, measured against a 2021 baseline.

-31%	Scope 3 absolute reduction vs 2021 baseline
-20.5%	Scope 3 year-on-year reduction (2024 → 2025)
-29%	Scope 1 + 2 absolute reduction vs 2021 baseline
-51%	Scope 2 (market) year-on-year reduction — RECs added
26%	of PO-allocated factories on renewable electricity
A-List	CDP A-List status for SEA (Southeast Asia)



WATER, WASTE & SUPPLIER PROCESS

Environmental improvements at supplier level — wet-processing, chemistry and energy operations — delivered through ZDHC Brands to Zero and supplier-level Carbon Leadership Program

Champion	ZDHC Brands to Zero · highest tier achieved
3	production facilities completed coal phase-out
91.6%	chemical conformance by count (90.9% by weight)
81%	average Clearstream conformance (all parameters)
24%	facility-network water-recycling rate
5	suppliers with Zero Liquid Discharge

T1 with icons · Page C (Environment + Operations)

The year in impact

The people behind the product and the communities they belong to.

PEOPLE & WORKING CONDITIONS

Social impact in 2025 focused on responsible purchasing practices, factory safety, and remediation where issues were identified, alongside connecting farm workers to state welfare entitlements.

100% Tier 1 CMT factories covered by social audits (Tier 2: 93%)

1 230 safety remediation actions completed under the International Accord

77 406 workers covered under the International Accord

2 366 workers linked to government welfare schemes

99% CMT factory workers paid via digital channels

1 163 workers enrolled in Government Insurance Schemes

COMMUNITIES

Community engagement became more closely integrated with sourcing regions and sustainability operations.

155 children newly enrolled in school through Growing Change

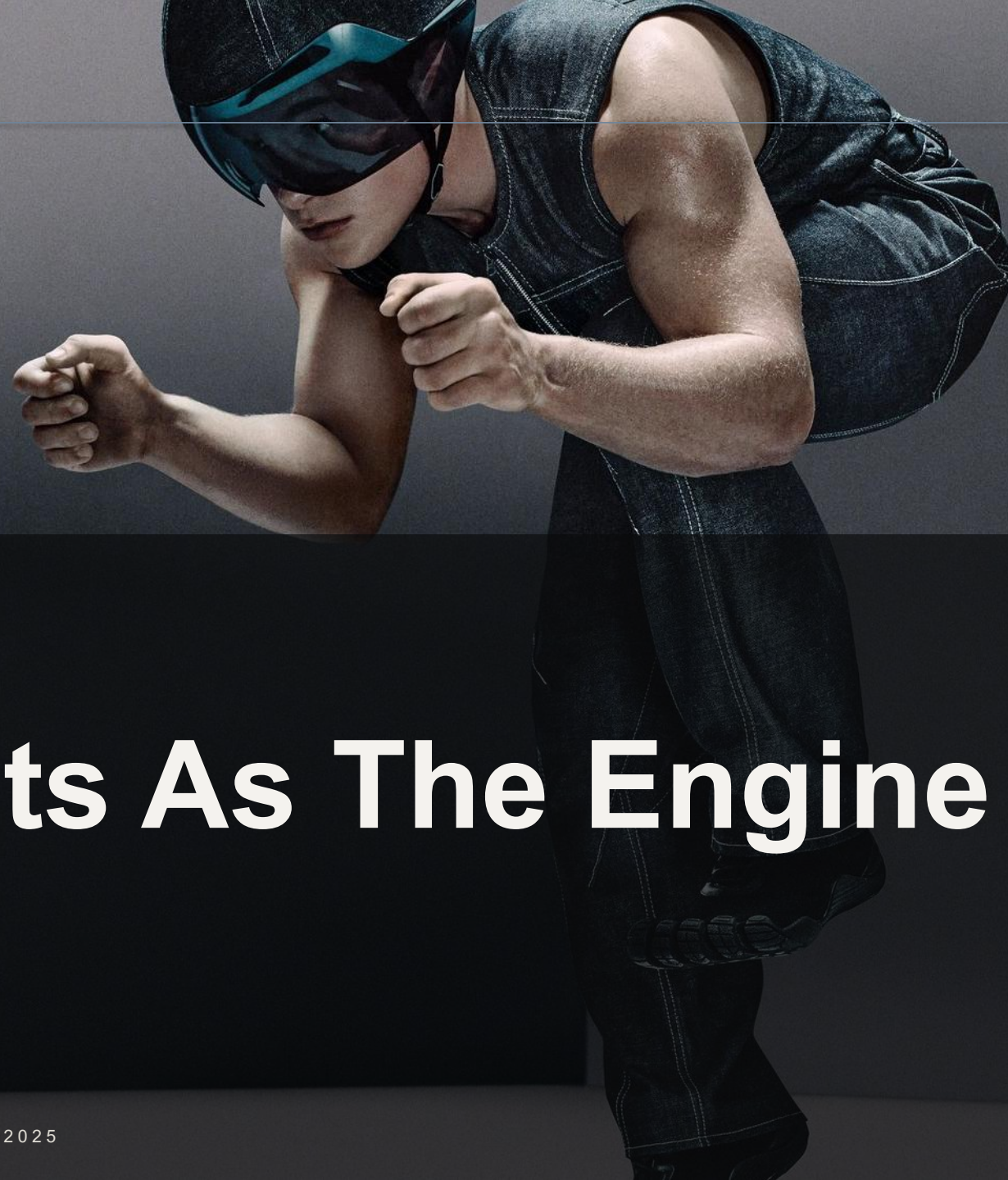
1132 children tracked to ensure school attendance

7 motivation centers established

6 Adolescent Girls' Resource Centers (supporting ~155 girls)

100 community members in the Child Rights Protection Forum

48 members in the Mothers' Committee



Products As The Engine

0

3

Where impact actually happens

Sustainability does not begin with reporting. It begins with design and is delivered through operations. Every decision made during product development, from material selection to end-of-life potential determines a significant share of impact created across the value chain.

That is why products sit at the center of our approach.

A new strategy, built around products

In 2025, G-STAR introduced a refreshed sustainability strategy to better reflect where impact is created and how it can be scaled. Rather than organizing sustainability around functions, memberships, or reporting frameworks, the strategy is product-centered and action-oriented. It recognizes that products are the most powerful lever for shaping environmental and social outcomes across the value chain.

This is not a reset of ambition. It is a sharpening of focus.

Sustainable Products at the core, supported by impact areas, foundation, and enablers

OUR STRATEGY FRAMEWORK

Sustainable Products at the core, supported by impact areas, foundation and enablers.



Eco-Effectiveness and Social Equity define the impact areas. Innovation and Community Engagement form the foundation. Governance and Transparency act as enablers.

How the strategy works

At the core of the strategy sits *SUSTAINABLE PRODUCTS*, the engine through which impact is created. From this core, two interconnected impact areas drive outcomes, supported by two enabling layers.

ENHANCE ECO-EFFECTIVENESS

Focused on reducing environmental footprint and improving system-level efficiency, including:

- Climate
- Water
- Waste
- Pollution

ADVANCE SOCIAL EQUITY

Focused on fairness and wellbeing across the value chain, including:

- Human rights
- Health & safety
- Fair working conditions
- Diversity & inclusion

SUPPORTING LAYERS

FOUNDATION

Innovation & Community Engagement

Innovation and community collaboration enable new solutions and long-term progress.

ENABLER

Transparency & Governance

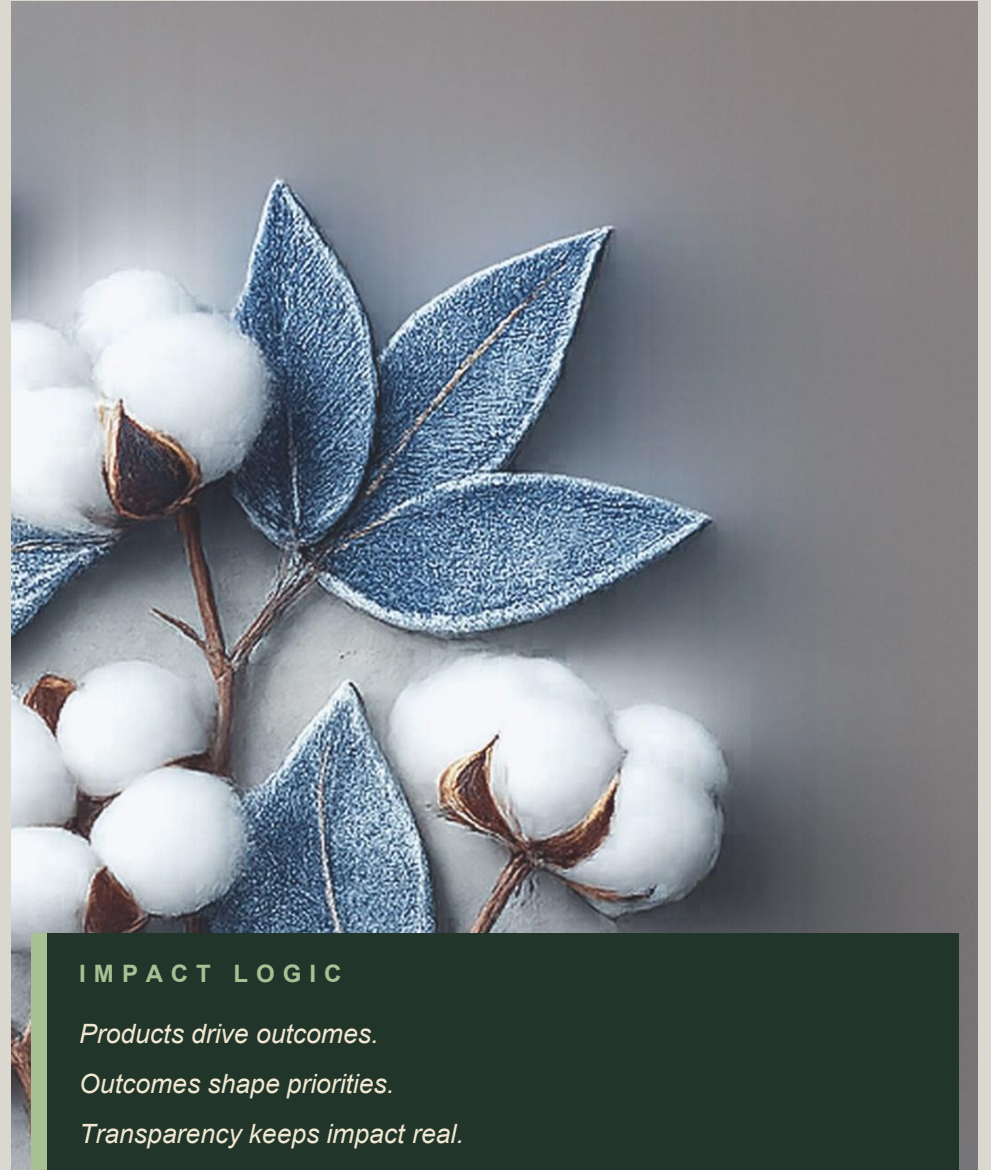
Clear governance and transparent monitoring ensure accountability, learning, and credibility.

IMPACT LOGIC

Products drive outcomes.

Outcomes shape priorities.

Transparency keeps impact real.



*“Impact cannot be added at the end of the process.
It has to be designed in from the start.”*

G-STAR · PRODUCT STRATEGY

Designing impact in from the start

Five disciplines that turn product design into impact.

01

Circularity as a design principle

Circularity is not an end-of-life solution. It is a design discipline. Guided by the strategy, circularity is addressed through:

- Durability that supports long-term use
- Construction that enables repair and reuse
- Material choices that support future recycling
- Design simplicity that reduces unnecessary complexity

Impact focus *Products designed to stay in use and return.*

02

Prolonging the life of garments

The most sustainable product is often the one already made. Extending garment lifecycles reduces the need for new resources, lowers emissions, and minimizes waste. It also reshapes the relationship between people and products, from disposable to durable. Longevity is built through:

- Strong construction
- Materials matched to how garments are worn
- Design decisions that support repeated wear

Impact focus *Fewer replacements. More years in use.*

03

Lower-impact materials, chosen with intent

Material choices play a decisive role in a product's footprint. Our approach prioritizes fibers and materials with lower environmental impact, while balancing performance, availability, certification requirements, and product integrity. This requires navigating complex systems and making informed, sometimes imperfect, decisions.

Impact focus *Better materials, chosen deliberately, not symbolically.*

04

Manufacturing processes that do more with less

How products are made matters as much as what they are made from. Through collaboration with production partners, we work to reduce the environmental impact of manufacturing while strengthening long-term capability across the supply chain. Cleaner processes, energy efficiency, and continuous improvement are central to this effort.

Impact focus *Less resource use. Stronger partners.*

05

Products with a social dimension

Products do not exist separately from the people who make them. Beyond environmental performance, our product strategy considers how design and sourcing decisions affect workers and communities. This includes:

- Inclusive participation in the supply chain
- Long-term supplier relationships
- Preference for partners who demonstrate strong social practices
- Connection between product origin and community impact

Impact focus *Products that respect the people behind them.*



Why this shift matters

This strategy reflects a deliberate move away from sustainability as an abstract ambition and toward impact as a design outcome.

By anchoring sustainability in products:

- Impact is addressed at its source
- Trade-offs become visible earlier
- Decisions become more intentional and repeatable
- Change can scale beyond individual initiatives
- It also embeds sustainability into everyday business decisions, where it has the greatest influence.

Impact cannot be added at the end of the process. With the 2025 strategy in place, sustainability considerations are integrated earlier in product development influencing outcomes across the full lifecycle of a garment:

- Fiber sourcing
- Manufacturing processes
- Use and care
- Repair, reuse, and return

Design becomes not only a creative process, but a responsibility.

Materials Matter

0

4

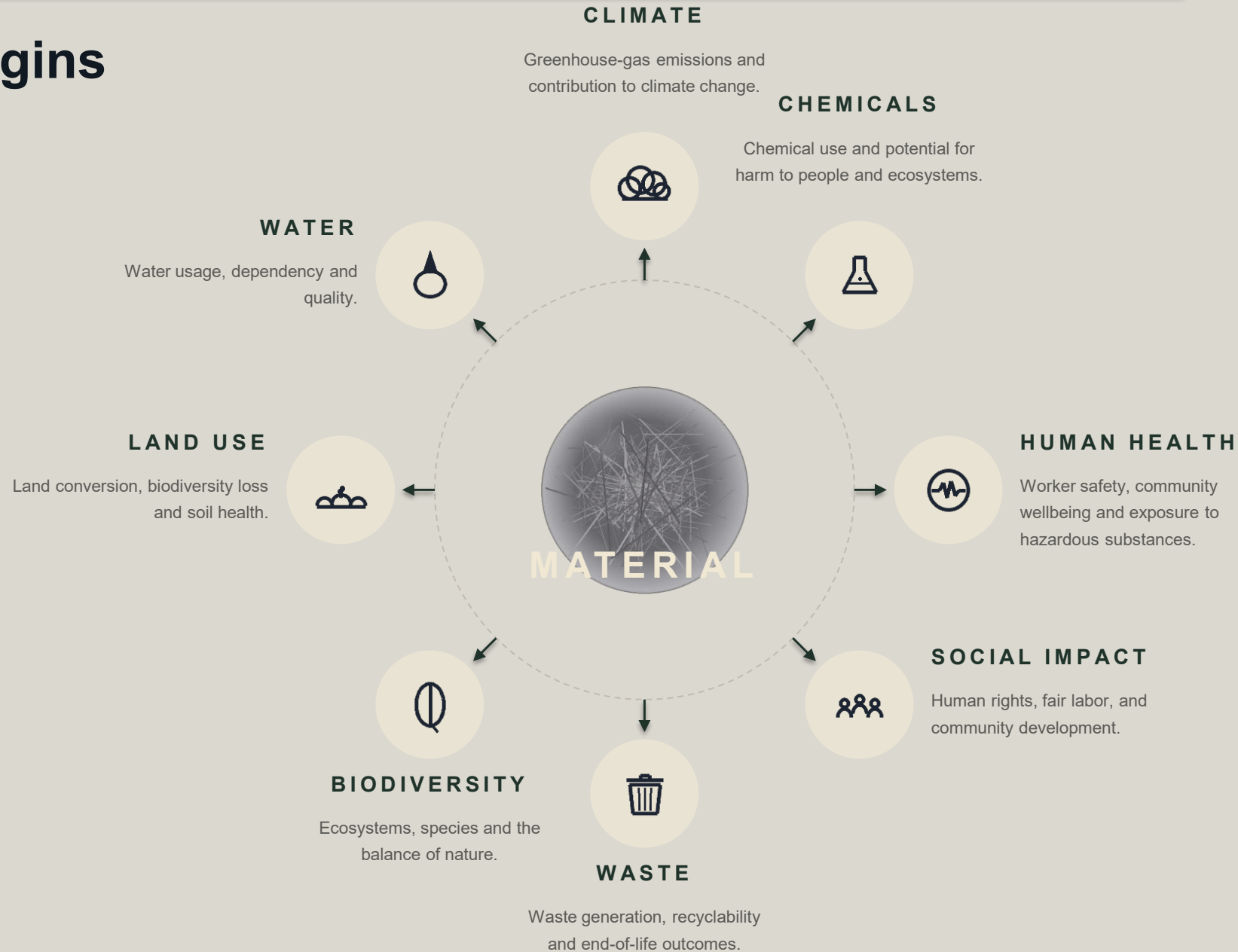


Where product impact begins

Materials sit at the start of every impact pathway. The choices we make in fiber and fabric set the limits of everything that follows.

EIGHT IMPACT AREAS

Every fiber we choose creates ripples across climate, water, land, biodiversity, waste, social outcomes, human health and chemicals. The diagram on the right shows where those ripples start and why material choice is the most powerful lever we have.



Preferred fibers, progress with transparency

Material choice remains one of the most significant levers for reducing environmental impact. In 2025, G-STAR continued increasing the share of preferred fibers across collections, while strengthening traceability and certification integrity.

WHAT'S CHANGED

- Continued increase in sustainable fiber share (+7%)
- Achieved Textile Exchange Material Benchmark — Leader Level
- Maintained brand-level certifications (OCS, GRS, RWS)

MEASURABLE OUTCOMES

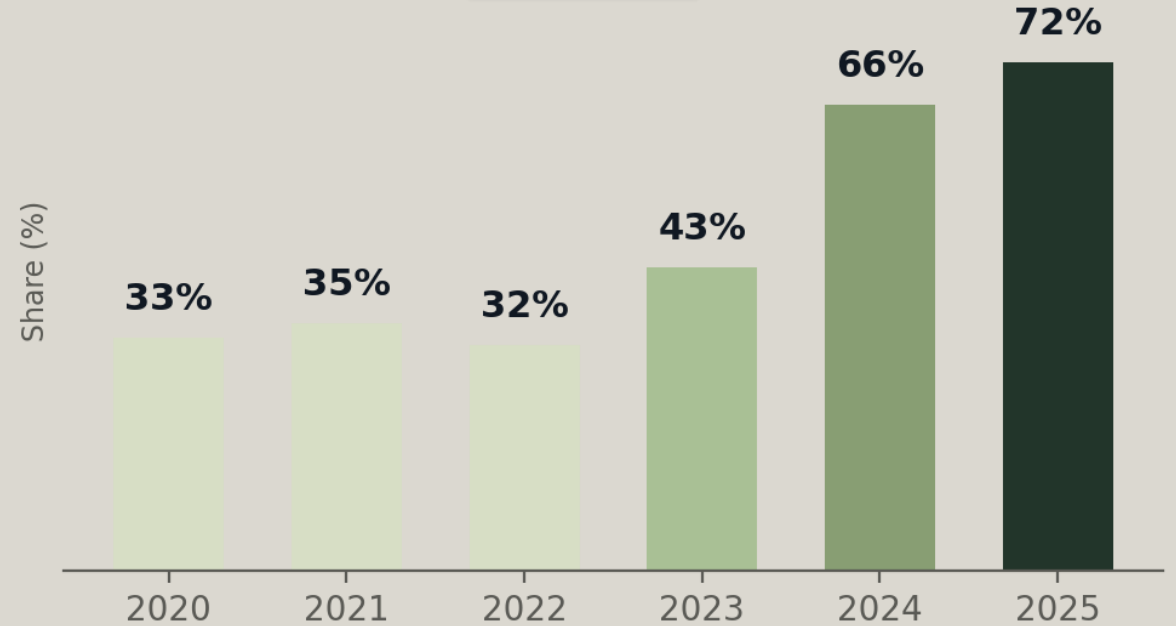
72.3%

Preferred fibers · excl. mass balance

95.7%

Preferred fibers · incl. mass balance

Preferred fibers · 6-YEAR TREND



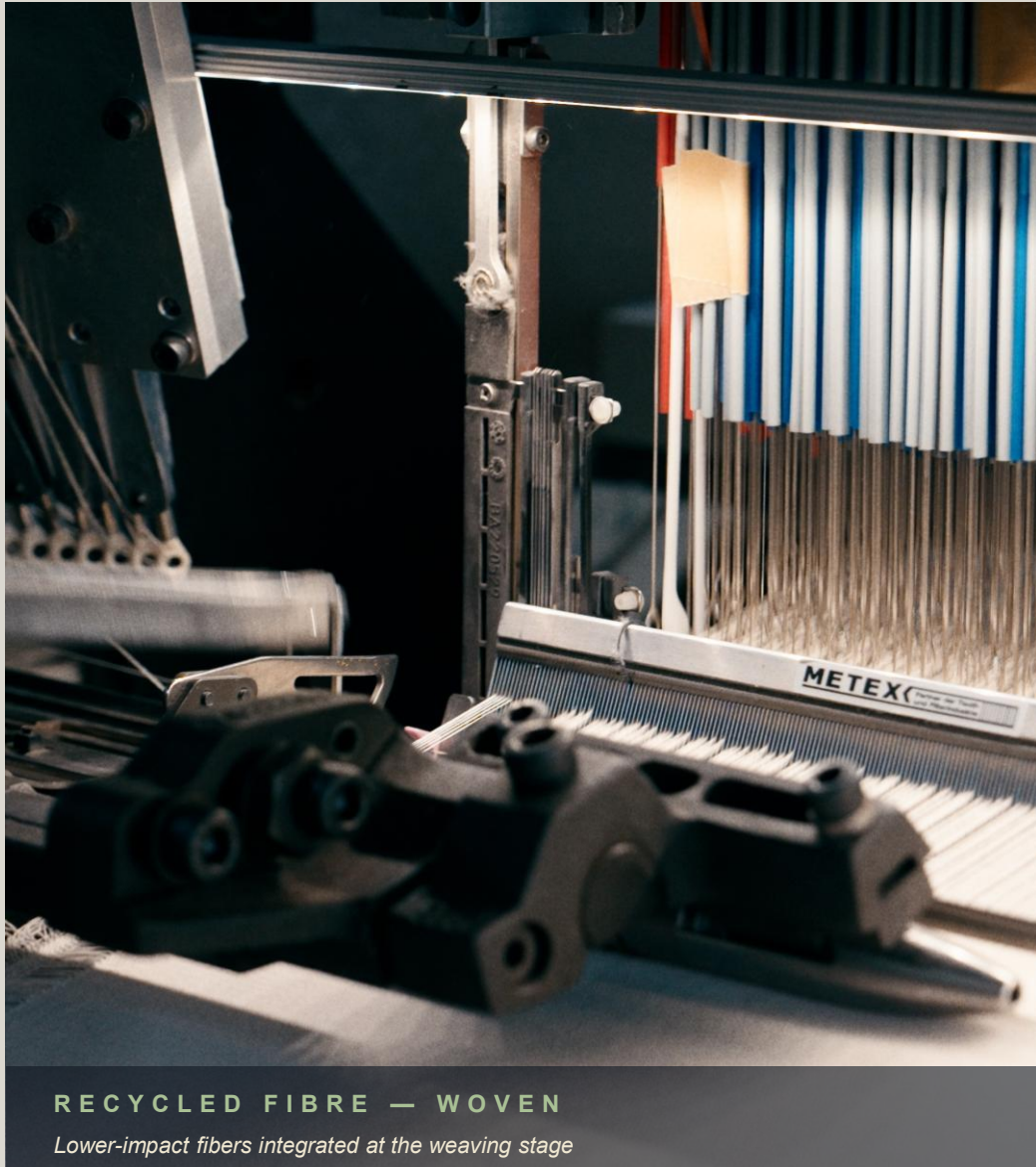
Share of Preferred fibers (excl. mass-balance). +7pp vs 2024.

IMPACT FOCUS

Material responsibility requires more than percentages. It requires traceability, verification, and transparency when systems limit how sustainability can be measured.

TARGET NOT FULLY ACHIEVED — 72.3% vs 75%

The 75% sustainable-fiber target (excluding mass-balance sourced cotton) was not fully achieved — the share reached 72.3%. Certification and traceability constraints meant some leftover fabric stock met sustainability criteria but could not be certified retrospectively, so it could not count toward the target. Including mass-balance sourced cotton through Better Cotton, the total share exceeded 96%.



RECYCLED FIBRE — WOVEN
 Lower-impact fibers integrated at the weaving stage

Recycled and lower-impact materials

Scaling recycled fibers reduces pressure on land, water, and primary resource extraction. In 2025 G-STAR continued increasing the use of recycled materials across both cotton and synthetic fibers.

As a denim-focused brand, material use is predominantly cotton-based. Increasing recycled cotton remains technically challenging. Durability and performance requirements limit the proportion of recycled fibers that can be applied without compromising product quality.

WHAT'S CHANGED

- Recycled materials integrated across cotton and synthetic lines
- Improved blending strategies to maintain durability and performance
- Continued reduction of virgin material use where feasible

MEASURABLE OUTCOMES

11.49%
 of total materials from recycled sources

4.32%
 recycled cotton share within total cotton use

IMPACT FOCUS

Reducing virgin input lowers environmental pressure upstream. Durability and product performance remain essential.

Scaling lower-impact materials, the rise of regenerative cotton

Regenerative cotton is gaining momentum as an approach to cotton cultivation that goes beyond reducing impact, aiming to restore soil health, support biodiversity, and strengthen resilience in farming communities.

Unlike conventional cotton production, regenerative practices focus on improving soil structure, increasing organic matter, reducing synthetic inputs, and promoting more resilient agricultural systems over time.

WHAT'S CHANGED

- Increased integration of regenerative cotton across collections
- Expanded sourcing from suppliers adopting regenerative practices
- Stronger alignment between material sourcing and soil-health outcomes

MEASURABLE OUTCOMES

35.33%

of total material portfolio · 2025

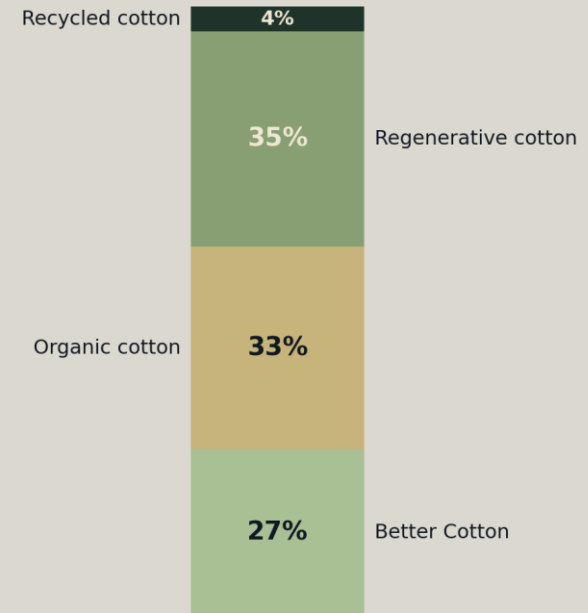
+11.33pp

vs 2024

IMPACT FOCUS

Supporting farming practices that restore natural systems and strengthen long-term resilience.

COTTON MIX · 2025



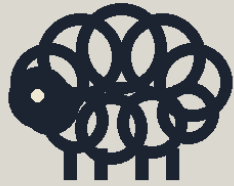
REGENERATIVE COTTON · 2025

Regenerative cotton now the largest share of the cotton mix at 35% — up from 24% in 2024.

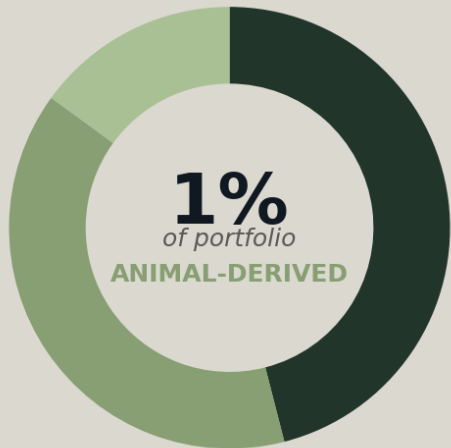
35.33%

regenerative cotton

↑ +11.33% vs 2024 — across material portfolio



ANIMAL-DERIVED · 2025 BREAKDOWN



- Conventional · 46%
- Better than conventional · 39%
- Recycled · 15%

Animal-derived materials are 1% of total portfolio. Leather is 100% LWG-certified; wool 86% certified (62% RWS + 24% recycled); fur-free maintained.

Animal-derived materials and animal welfare

Animal-derived materials represent a limited but material share of G-STAR's portfolio. Their use requires strict sourcing controls, traceability, and alignment with verified animal welfare standards.

In 2025, G-STAR updated and strengthened its Responsible Materials & Animal Welfare Policy reinforcing requirements across all materials of animal origin and clarifying restrictions and certification expectations.

WHAT'S CHANGED

- Responsible Materials & Animal Welfare Policy updated
- Wool sourcing aligned with RWS / OCS / recycled certifications
- Fur-free retailer status maintained
- Mulesed wool prohibited

MEASURABLE OUTCOMES

1% → 1%

share of animal-derived materials · YoY

100%

leather from LWG-certified tanneries

IMPACT FOCUS

Material responsibility includes animal welfare. Standards must be verified, not assumed.



OCTAVE · PILOT · 2025
Satellite view of sourcing-region cotton farms

PILOT · 2025

OCTAVE — satellites over our sourcing farms

In 2025, G-STAR opened a selection of its cotton farms to OCTAVE, an ESA-funded pilot delivered by FFBS – Fashion For Biodiversity Solutions GmbH in collaboration with Parametry AI and the University of Strathclyde.

The pilot combines Sentinel-2, Planet Labs and PRISMA satellite data with AI to monitor crop health, water use, soil conditions and potential sustainability risks across cotton fields. To validate satellite observations, soil and cotton samples undergo isotopic testing for forensic origin verification. Farm outputs are then matched with ginning batches and recorded on a blockchain-based system, creating a tamper-proof chain of custody from farm to fashion and supporting credible sustainability reporting and supply chain transparency.

WHAT THE PILOT LOOKS AT

- Water stress and irrigation patterns — too dry, or too wet, per field
- Pesticide application signals through multispectral imagery
- Soil health, vegetation vigor and land-use change over time
- Farm-to-gin mass-balance and isotopic cross-checks on cotton origin

IMPACT FOCUS

Better data from above the field. Earlier signals on water, chemistry and soil can support farmers, sharpen environmental practice, and underpin the traceability our claims rely on.

What we've learned so far

Materials sit at the starting point of product impact. Better materials create the foundation for lower impact.

01 Materials sit at the starting point of product impact.

02 Improving materials is continuous, verification, innovation, trade-offs.

03 Integrity grows through traceability and stronger standards.

04 Reduce reliance on virgin resources without compromising durability.

05 Every improvement at fiber level multiplies across the product lifecycle.

LOOKING AHEAD

Material choices alone do not close the loop. To translate better inputs into real system change, products must also be designed, used, and recovered differently. Circularity connects material sourcing with durability, repair, reuse, and recycling, ensuring that resources remain in circulation rather than becoming waste.

Designed For Circularity

0

5

Circularity is not a shortcut

A long-term commitment, not a single program.

Circularity is often presented as a solution. In reality, it is a long-term commitment. For G-STAR, circularity has never been a single program or a final state to reach. It is an ongoing journey of design decisions, system-building, experimentation, and learning, spanning product development, material sourcing, and consumer engagement.

CIRCULARITY AT G-STAR STARTS WITH

- Designing products to last
- Reducing unnecessary complexity in construction
- Considering repair, reuse and recycling from the outset



Cradle to Cradle® — from framework to fabric to finishing

Our engagement with Cradle to Cradle® reflects a long-standing commitment to circular thinking. The framework supported internal learning, material health, recyclability, and system responsibility and translated into certified fabrics used across collections.

In 2025, our target of 20% C2C-certified fabrics across collections was both met and exceeded. This work expanded not only through certified fabrics but also through process improvements in denim finishing. Beyond fabric certifications G-STAR continued integration of Cradle to Cradle-aligned principles in fabric and washing processes

WHAT'S CHANGED

- Cradle to Cradle criteria integrated earlier in fabric development
- Stronger alignment between certification and product design
- Process improvements introduced in denim finishing

MEASURABLE OUTCOMES

23%

of fabrics Cradle to Cradle Certified®

C2C

principles in finishing

IMPACT FOCUS

Circularity is not only about what a product is made of but also how it is made.



Innovation in durability — NEO RAW

Durability enables circularity. Garments that maintain their quality, shape and appearance over time stay in use longer and reduce the need for replacement.

NEO RAW is an evolution of raw denim engineered to preserve its deep indigo after machine washing, while still developing natural wear over time. The fabrics combine recycled and regenerative cotton, are dyed with pre-reduced indigo (no reduction chemicals at the mill) and require no final wash.

WHAT'S CHANGED

- Raw denim engineered to hold color after machine washing
- Recycled + regenerative cotton integrated into fabric composition
- Pre-reduced indigo simplifies the dyeing process
- No final wash applied — finishing steps reduced
- Cradle to Cradle Certified® Gold achieved, alongside GRS and OCS

MEASURABLE OUTCOMES

C2C Gold

NEO RAW fabrics certified

GRS · OCS

verified preferred-fiber inputs

IMPACT FOCUS

Durability reduces impact. Products that keep color, structure and fit stay in use longer, extending lifecycles and reducing replacement demand.



NEO RAW · 2025
C2C Gold · GRS · OCS



Keeping products in use — repair and resale

Circularity is not only about what a product is made of. It is also about how long it stays in use. Extending garment life delays replacement and reduces demand for new production.

Through Certified Tailor we support garment repair as an alternative to replacement; through Resell we extend product life into second ownership.

+3

resell-program countries
Belgium · France · Germany

1413

repairs completed via Certified Tailor

4

markets with repair availability

3000

kg denim collected through Return your Denim

1634

items resold · second ownership

3000

kg post-consumer denim recycled into new fibers

IMPACT FOCUS

Keeping products in use is circularity in action. Repair and resale often deliver impact faster than recycling — and they strengthen the systems needed to close the loop.

*“Repair is the most direct form of circularity.
Keeping products in use often delivers impact
faster than recycling.”*

G-STAR · CERTIFIED TAILOR PROGRAMME

Closing the loop

Circular design only works if products can return.

RETURN YOUR DENIM · 2025

-Through Return Your Denim, customers send post-consumer denim back for collection, sorting and recycling. In 2025, a portion was recycled into new fibers with Purfi, a Belgium-based recycler specialising in soft mechanical textile recycling designed to maximise fiber retention. This grounds circularity in operational systems, not theory.

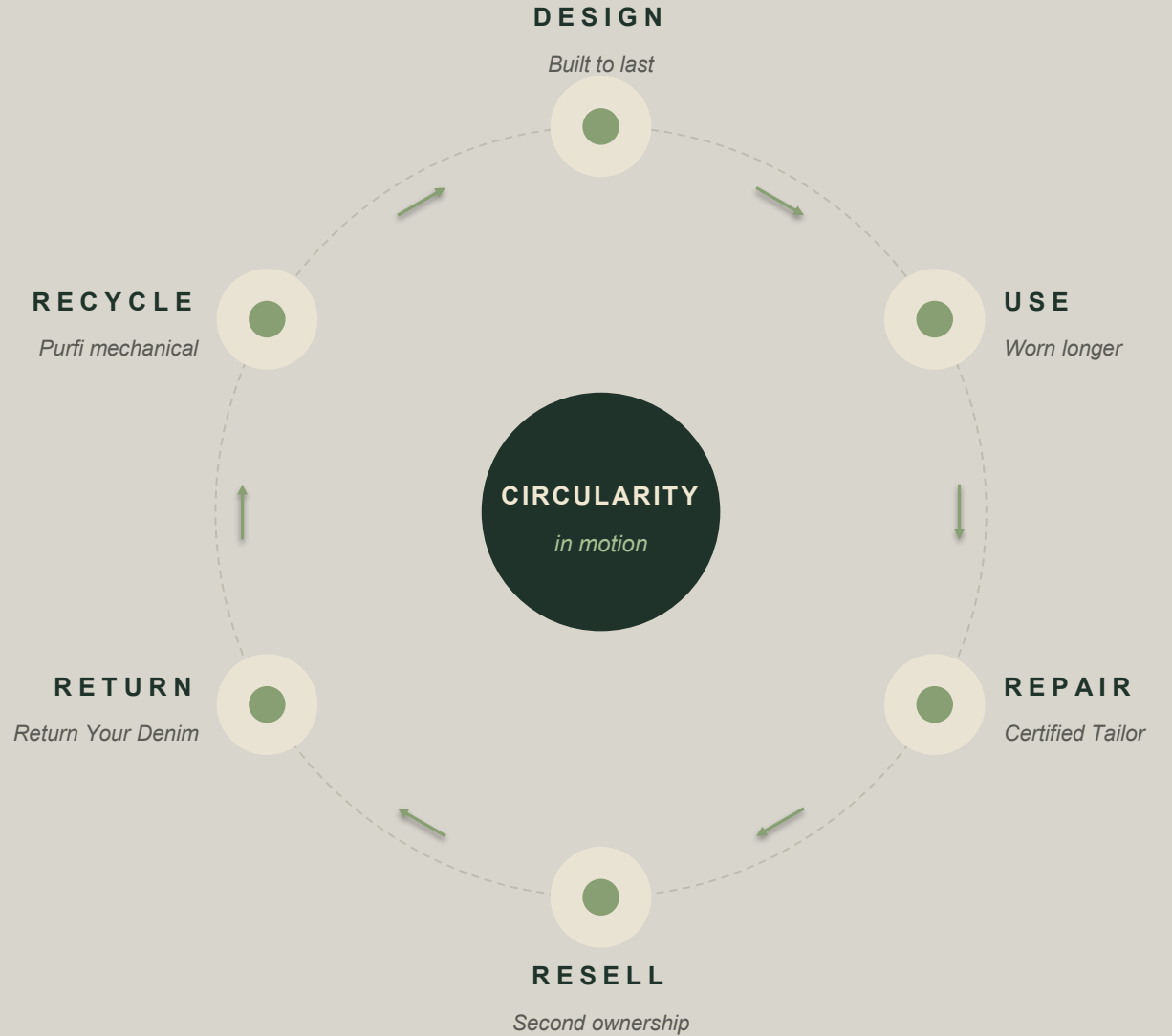
3 000 kg

post-consumer denim collected

recycled with Purfi mechanical technology

IMPACT FOCUS

Recycling improves when design, sorting and processing align.





MODULAR DESIGN · 2025

8 modular styles · multi-use per garment

Modular design — extending use through versatility

Some products are designed to serve more than one purpose. Modular garments are designed with adaptability in mind — a single product worn in multiple ways.

In 2025, G-STAR continued to explore modular design as a way to increase product use and extend garment lifecycles across innovation-led collections.

WHAT'S CHANGED

- Continued development of modular design in innovation collections
- Integration of multi-functional design features
- Adaptability used to drive longer in-use lifecycles

MEASURABLE OUTCOMES

8

modular styles introduced

Multi

use scenarios per garment

IMPACT FOCUS

More use per product. Extended relevance over time.

When circular innovation doesn't scale

A field note · learning from what didn't work

Not every circular innovation leads to a product and that matters. During the reporting period we tested an alternative fiber derived from brewing by-products with a beer company. While conceptually circular, the material did not meet the durability and wash performance standards required for product longevity.

DISCONTINUED — 2025

01 THE TRIAL

Alternative fiber derived from brewing by-products, tested in collaboration with a beer company.

02 THE GAP

Material did not meet durability and wash performance standards required for product longevity.

03 THE LEARNING

Project discontinued before production — proceeding would have compromised garment lifespan and contradicted the principle that circularity needs durability to be real.

WHAT WE TOOK AWAY

*"Circularity
without durability
is not sustainability."*

What we've learned so far

Circularity is not linear, progress comes through iteration, partnership and persistence.

01 Design decisions shape circular potential more than end-of-life solutions.

02 Durability is non-negotiable.

03 Repair and reuse often deliver faster impact than recycling.

04 Recycling performance depends on sorting quality and material simplification.

05 Innovation requires acceptance of failure.

LOOKING AHEAD

Keep garments in use longer. Scale circular material uptake. Strengthen recyclability. Improve system efficiency. Practical, product-led and persistent.

Less Footprint. More Effect.



Turning data into evidence

Environmental impact is not defined by intention. It is defined by what changes in practice. Reducing environmental footprint requires evidence that shows where impact is created, where it is reduced, and where structural change is required.

In apparel, most impact is embedded in materials and manufacturing, long before a product reaches a customer. Reducing footprint therefore depends on changes across the value chain, not only within own operations.

At G-STAR, environmental impact occurs across two levels:

Own operations — offices, warehouses, stores, packaging, and controlled logistics

Supply chain operations — material production, wet processing, manufacturing, and upstream transport

These levels differ in scale and control. Most impact sits upstream, where influence exists, but direct control is limited. The data presented reflects where measurable reductions were achieved, where progress is ongoing, and where structural constraints continue to shape outcomes.

Climate — reducing emissions where leverage exists

Climate change remains the most systemic environmental challenge in apparel. For a denim brand, emissions are driven primarily by material production, dyeing, washing, and energy use across supplier regions. Operational emissions represent only a small fraction of total footprint. This means climate action must focus on structural levers:

- Energy transition in manufacturing regions
- Coal phase-out
- Lower-impact material sourcing
- Transport optimization

Because meaningful reduction occurs where energy systems change, not where emissions are simply offset.

WHAT'S CHANGED

- Coal phase-out completed at 3 strategic production facilities
- 8 factories completed Carbon Leadership Program since start
- 8 factories have set SBTi or implemented a climate roadmap
- Renewable Energy Certificates secured leading to market-based Scope 2 ↓ 67%
- 13 of 15 GHG Protocol Scope 3 categories now reported

MEASURABLE OUTCOMES

-31%

Scope 3 vs 2021

-29%

Scope 1 & 2 vs 2021

8

CLP factories

3

facilities coal phase-out

IMPACT FOCUS

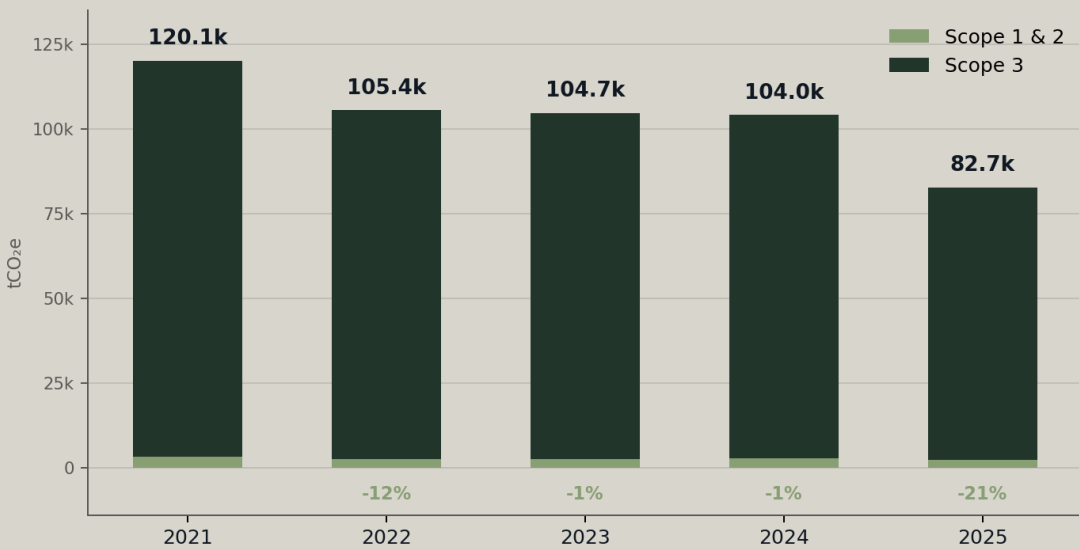
Climate action must focus on structural levers: energy transition, coal phase-out, and supplier-level decarbonization deliver scale.



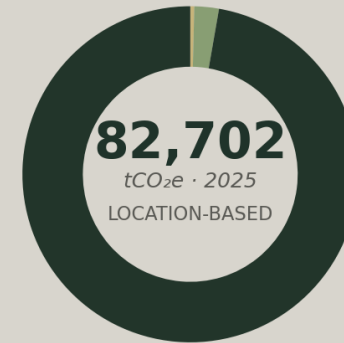
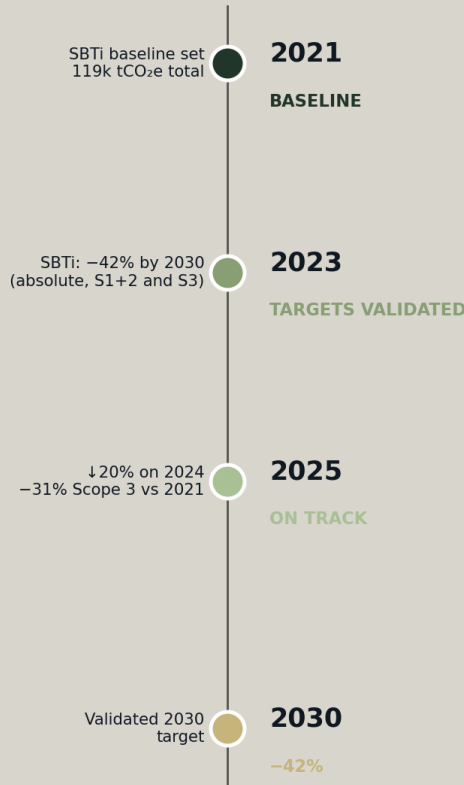
Our 2025 carbon footprint at a glance

In line with the Paris Accord and limiting warming to 1.5°C, G-STAR has set Science Based Targets, validated by SBTi, to reduce absolute emissions 42% by 2030 vs 2021 baseline, across both operational (Scope 1 & 2) and value-chain (Scope 3) emissions. We work alongside the sector through the Fashion Charter (UNFCCC) and Cascale (formerly SAC). Collaboration that accelerates supplier decarbonisation, shared measurement (Higg FEM) and industry-wide standards.

5-YEAR TREND · tCO₂e



SBTi ROADMAP



Scope	Percentage	Value
SCOPE 1	0.4%	319 tCO ₂ e
SCOPE 2	2.4%	1,951 tCO ₂ e
SCOPE 3	97.3%	80,433 tCO ₂ e

TOTAL FOOTPRINT

82,702
tCO₂e · 2025 · location-based

YoY CHANGE

↓ **20%**
vs 2024 · all scopes

REDUCTION vs BASELINE

↓ **31%**
Scope 3 vs 2021 · ahead of SBTi linear path

Scope 1 & 2 — direct emissions and purchased energy

Operational scopes are the emissions G-STAR controls most directly, from owned vehicles, gas heating and refrigerants (Scope 1) and from electricity, heat and cooling purchased for HQ, offices, distribution centers and retail (Scope 2). Together they account for 2.4% of total footprint. In 2025 we secured Renewable Energy Certificates that cut market-based Scope 2 by 67% versus the location-based view. The single largest operational lever this year.

SBTi · -42% ABSOLUTE REDUCTION OF SCOPE 1 AND 2 BY 2030 · VS 2021 BASELINE

SCOPE 1

DIRECT OPERATIONS

↑ 22%

Δ YoY · vs 2024

319

tCO₂e · 2025

- Mobile fuel — vehicle fleet (~69%)
- Stationary natural gas (~31%)
- Refrigerants — minor share

Increase driven by mobile fuel. Vehicle fleet activity rose after broader return-to-office and DC consolidation moves.

SCOPE 2 · LOCATION

PURCHASED ENERGY

↓ 15%

Δ YoY · vs 2024

1,951

tCO₂e · 2025

- Reflects local grid mix per country
- HQ, office, DCs and retail stores
- Baseline view — no instrument matching

Drop reflects DC consolidation, store-network adjustment and gradual greening of local grids.

SCOPE 2 · MARKET

PURCHASED ENERGY + INSTRUMENTS

↓ 51%

Δ YoY · vs 2024

1,218

tCO₂e · 2025

- Reflects contractual energy mix
- Includes Renewable Energy Certificates (RECs)
- ↓ 733 tCO₂e from RECs vs location-based

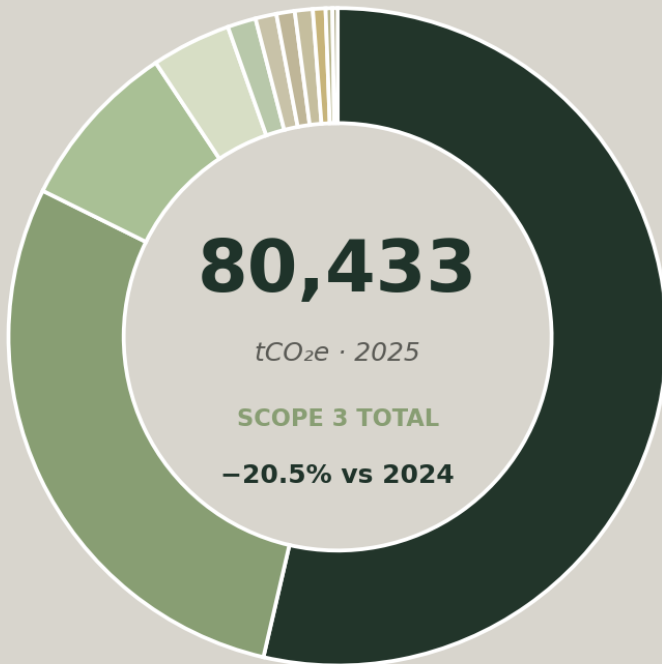
Biggest operational reduction lever in 2025. RECs cover the majority of purchased electricity contractually.

SCOPE 1 + 2 TOTAL · 2025 · 2,270 tCO₂e (location) · 1,537 tCO₂e (market) · 2.4% of total footprint

Scope 3 — value chain emissions

13 of 15 GHG Protocol Scope 3 categories reported. Cat 1 (purchased goods) and Cat 11 (use phase) together account for 82% of value-chain footprint.

CATEGORY BREAKDOWN · tCO₂e · 2025



#	CATEGORY		tCO ₂ e	% SHARE
1	Purchased goods & services	<i>Cotton, denim, dyeing</i>	43,130	53.6%
11	Use phase	<i>Washing, drying, care</i>	23,090	28.7%
4	Upstream transport	<i>Inbound freight</i>	6,721	8.4%
9	Downstream transport	<i>Distribution to markets</i>	3,140	3.9%
2	Capital goods	<i>Equipment, fit-outs</i>	1,122	1.4%
12	End-of-life	<i>Disposal & recycling</i>	832	1.0%
7	Employee commuting	<i>Daily commute</i>	723	0.9%
3	Fuel & energy-related	<i>Upstream of fuels</i>	707	0.9%
14	Franchises	<i>Franchise stores</i>	499	0.6%
6	Business travel	<i>Air, rail, hotel</i>	266	0.3%
5	Waste in operations	<i>Operational waste</i>	204	0.3%
TOTAL SCOPE 3 · 2025			80,433	-20.5% vs 2024

Cat 1 deep dive — purchased goods & services

Cat 1 is the largest single category at 55% of Scope 3. Tier 1 & 2 facility-level emissions are where measurement is most granular and reduction levers are most direct.

TIER 1 & 2
Cut, make, trim, wet processing

-22.1%
vs 2024

30,677
tCO₂e · 2025

TIER 3 & 4
Yarn, fabric · raw materials

-16.1%
vs 2024

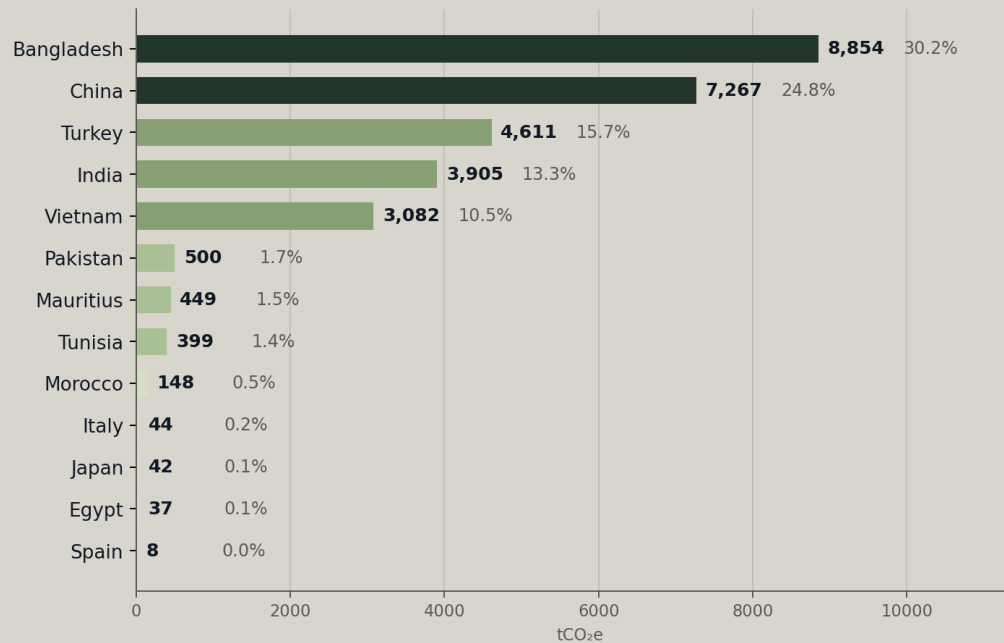
13,511
tCO₂e · 2025

OTHER
Trims, accessories, finishing

-70.1%
vs 2024

922
tCO₂e · 2025

BY MANUFACTURING COUNTRY · tCO₂e · 2025



CAT 1 LEVERS
Where reductions come from

COAL PHASE-OUT
Remaining facilities · highest-impact lever in the short term.

RENEWABLE ENERGY
Tier 1 mill adoption in Bangladesh, China priority.

MATERIAL SUBSTITUTION
Recycled and lower-impact fibers reduce upstream factor.

LOWER WASTE
Dyeing & finishing efficiency at direct facility lever.

5
countries

Account for 95% of Tier 1&2
BD · CN · TR · IN · VN

SBTi
aligned

Factory-level decarbonization
BMI · ZDHC program

CLIMATE · SUPPLIER ENERGY

Decarbonizing where emissions sit — supplier renewable electricity

Cat 1 (54% of footprint) is dominated by supplier electricity. The biggest indirect lever in our value chain is helping factories switch to renewable sources, tracked via Worldly (Higg FEM) across active suppliers.

ACTIVE-ORDER FACTORIES ON RENEWABLE ELECTRICITY

26%

16 of 61 PO-allocated factories

~606 GWh (2,182 TJ) renewable energy at Tier 2 facilities · biomass 78% · purchased renewable electricity 13% · solar PV 9% · wind <1%

TIER 1 · CUT, MAKE, TRIM

Garment assembly

24%

8 of 33 factories
on renewable electricity

TIER 2 · WET PROCESSING

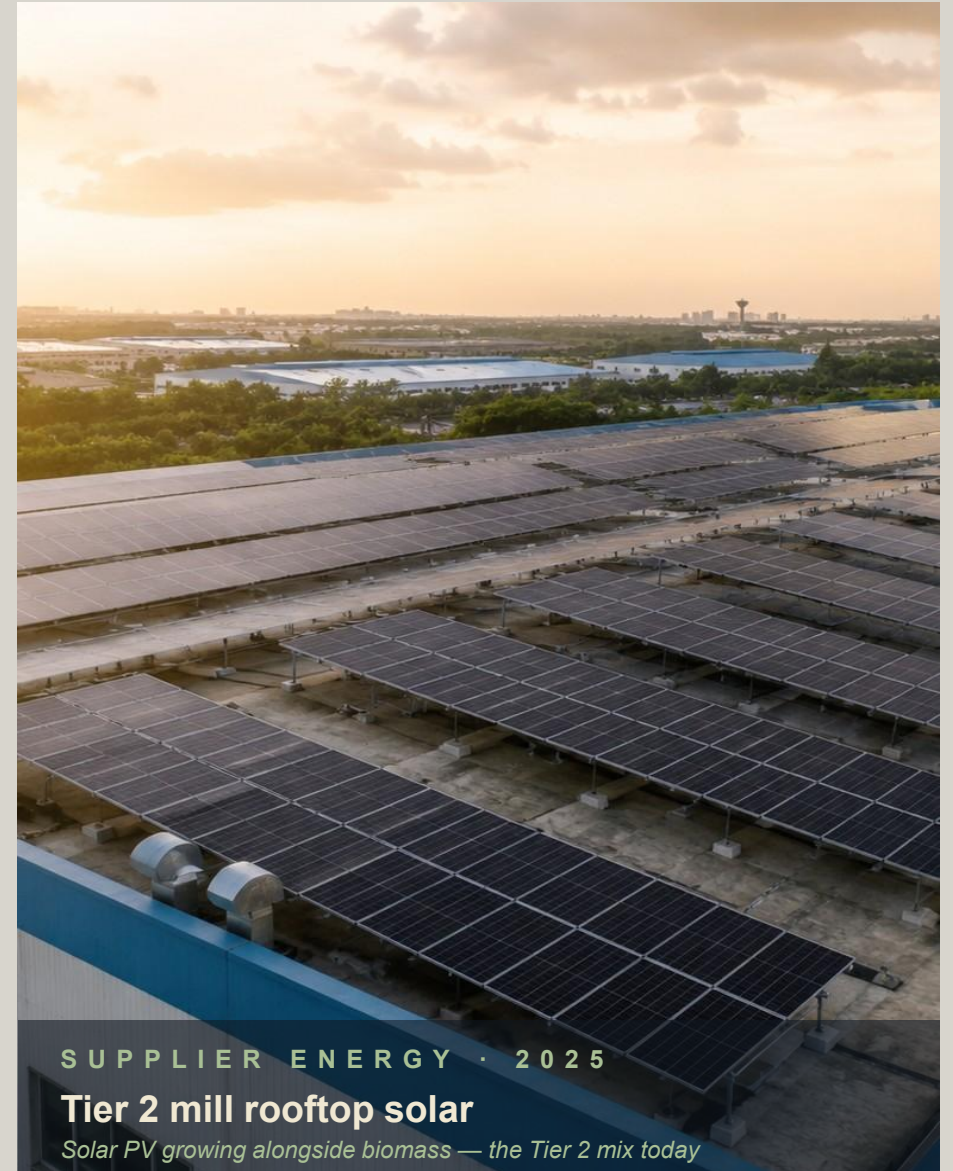
Fabric production

30%

8 of 27 factories
on renewable electricity

WHAT WE'RE DOING

- CLP** 8 factories joined a Carbon Leadership Program including energy audits + renewable adoption planning
- TIER 2 LED ROADMAP** Wet processing leads adoption at 30%. This is also where the highest electricity intensity sits
- MIX TODAY** 8 factories have set SBTIs or implemented a climate roadmap
- NEXT STEP** Biomass 78% of renewable energy (thermal/boilers) · Renewable electricity 22% (solar, wind, purchased)
- NEXT STEP** Move from facility-count to energy-share tracking



Cat 11 use phase — the second biggest lever

Cat 11 (consumer use phase) is 29% of Scope 3, second-largest single category. These are the emissions when consumers wash, dry and care for G-STAR products. The lever is structural: design choices that reduce wash-cycle impact across millions of garments.

<p>CAT 11 · 2025</p> <p>23,090</p> <p><i>tCO₂e · 29% of Scope 3</i></p>	<p>YOY CHANGE</p> <p>↓ 17%</p> <p><i>vs 2024 · driven by volume</i></p>	<p>PER GARMENT</p> <p>~1.0</p> <p><i>kgCO₂e/pc · typical wash care</i></p>
---	--	--

OUR LEVERS · DESIGN CHOICES THAT REDUCE WASH IMPACT

<p>CARE-INSTRUCTION REDESIGN</p> <p>Cold-wash labelling</p> <p><i>Care icons updated to default to 30°C wash, line-dry guidance, and inside-out instructions on all new product labels. Direct lever on the largest contributor to Cat 11.</i></p>	<p>DURABILITY AS CLIMATE STRATEGY</p> <p>Longer life = fewer cycles</p> <p><i>Reinforced denim construction, fade-tested indigo, button-fly durability standards. Each additional wear-cycle reduces wash-emission intensity per garment-life.</i></p>	<p>LOWER-IMPACT DYES</p> <p>Wash-out at 30°C</p> <p><i>Indigo and reactive-dye recipes selected for clean wash-out at low temperature. Reduces re-wash, longer color retention, lower energy per cycle.</i></p>	<p>TAKE-BACK & REPAIR</p> <p>G-STAR Rewear · Resale</p> <p><i>Repair, resale and second-life program extend product use. Distributing Cat 11 across longer life and reducing per-piece footprint.</i></p>
--	--	---	---

IMPACT FOCUS

The customer wash is not within G-STAR's direct control, but the product is. Every design choice that lowers wash temperature, extends life, or reduces re-wash directly cuts Cat 11.

What got cut — 2025 reduction initiatives

Initiatives below contributed to the 2025 reduction. Quantified savings reference internal RECs accounting, BMI case-study modelling, and GHG Protocol allocation. Where reductions are embedded in supplier emissions factors they are not isolated here.

TOTAL ABSOLUTE DROP · 2025 vs 2024

↓ **21,328**


tCO₂e absolute reduction
across all scopes

↓ **20% YoY** · across all scopes

↓ 31% Scope 3 vs 2021 baseline · ahead of SBTi linear path

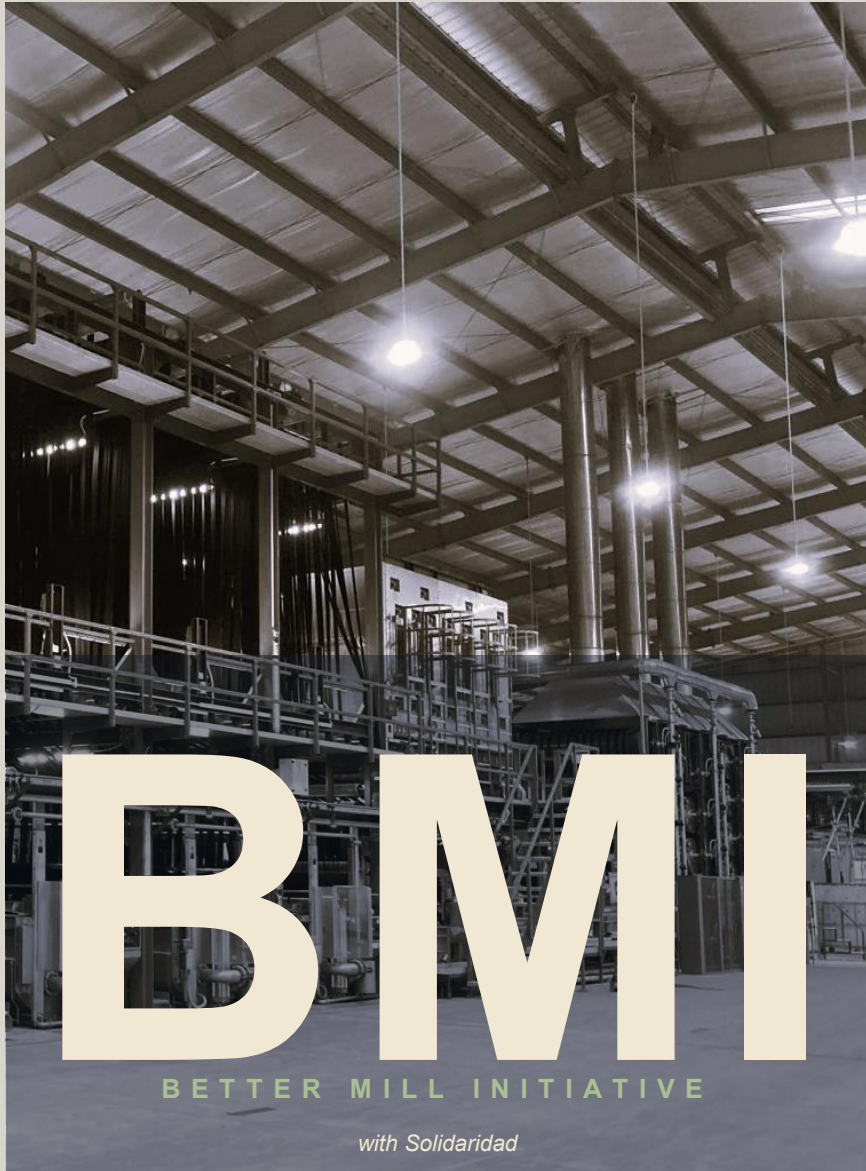
CONTRIBUTING INITIATIVES · 2025

INITIATIVE	WHAT IT DID	SAVING · tCO ₂ e
Renewable Energy Certificates · Scope 2	Contractual renewable instruments — market-based	733
Coal phase-out · 3 strategic facilities	Boiler conversion at top-tier suppliers	embedded in Cat 1
CLP, SBTi or Climate Roadmap implementation	Emissions audits + transition	embedded in Cat 1
Ozone washing · BMI Group case	Chemical-free finishing — ~80% water/energy saved	~1,200 (modelled)
Boiler tuning · BMI Group case	Steam-system efficiency upgrades	~850 (modelled)
Volume reduction	Order-driven, demand-led production	volume-attributable



*“Most impact sits upstream where influence exists,
but direct control is limited.”*

G-STAR · ENVIRONMENTAL FOOTPRINT



Supplier-level environmental improvements

Environmental performance in wet processing remains one of the most material impact areas in denim production. Improving outcomes requires both technical expertise and investment capacity at supplier level.

Through initiatives such as the Better Mill Initiative (with partners including Solidaridad), G-STAR supports factories in identifying and implementing process improvements.

WHAT'S CHANGED

- Structured environmental improvement program for wet processing
- SBTi target-setting and decarbonization roadmaps at factory level
- Chemical management and wastewater policies aligned with ZDHC

MEASURABLE OUTCOMES

BMI

Better Mill Initiative engagements

ZDHC

aligned chemical & wastewater policies

IMPACT FOCUS

Environmental improvements in manufacturing require both technical capability and consistent implementation at factory level.

CASE STUDIES

BETTER MILL INITIATIVE · 2025 OUTCOMES

Better Mill Initiative — supplier-level decarbonization in action

The Better Mill Initiative (BMI), G-STAR's supplier decarbonization program delivered with Solidaridad, paired technical assistance, energy and chemistry audits, and on-site capability building with verified measurement of outcomes. Two 2025 cases show the range. At G-STARs Tier-2 mill, ozone exposure at ambient temperature has replaced conventional bleaching, fading and oxidation steps — chlorine bleach, hydrogen peroxide, PP spray, enzyme and stone washing. In addition, burner tuning was shifted from annual to quarterly, with air–fuel ratio optimization and continuous O₂, CO₂ and stack-temperature monitoring. Both deliver measurable carbon reduction at the source.

CASE 01 · WET PROCESSING

Ozone washing — cleaner chemistry, lower energy

~226

tCO₂e/year reduction (water · wastewater · thermal)

\$52.8K

annual operating savings

\$400K

CAPEX · 7.6-year payback

Cut

hazardous-chemical dependency at the source

CASE 02 · ENERGY OPERATIONS

Boiler tuning — discipline before capital

~397

tCO₂e/year reduction

~5%

natural-gas reduction (≈ 202 521 m³/year saved)

\$44.5K

annual savings on \$3K investment

~21

days · payback period

Two BMI interventions, two paths to the same outcome: measurable carbon reduction at supplier level, not compliance theatre.

Logistics — moving products with lower impact

Transport decisions directly influence climate footprint. While logistics is part of Scope 3, it is a distinct lever where planning and operational discipline translate into measurable reductions.

Upstream and downstream transport together account for ~12% of G-STAR's Scope 3. 6,721 tCO₂e inbound (Cat 4) and 3,140 tCO₂e outbound (Cat 9). The base mode mix is favorable: ocean still moves 83% of inbound volume. A temporary increase in air-freight share lifted 2025 transport emissions, but the corrective lever is already identified, shifting return air-freight back to sea is quantified at ~5,700 tCO₂e avoidable, the single largest direct-control reduction in our value chain.

WHAT'S CHANGED

- Prioritization of ocean and road over air freight
- Strategic nearshoring where feasible
- Lower-emission last-mile delivery in key markets
- Mode-shift program launched · target air-freight share < 8%

MEASURABLE OUTCOMES

83%

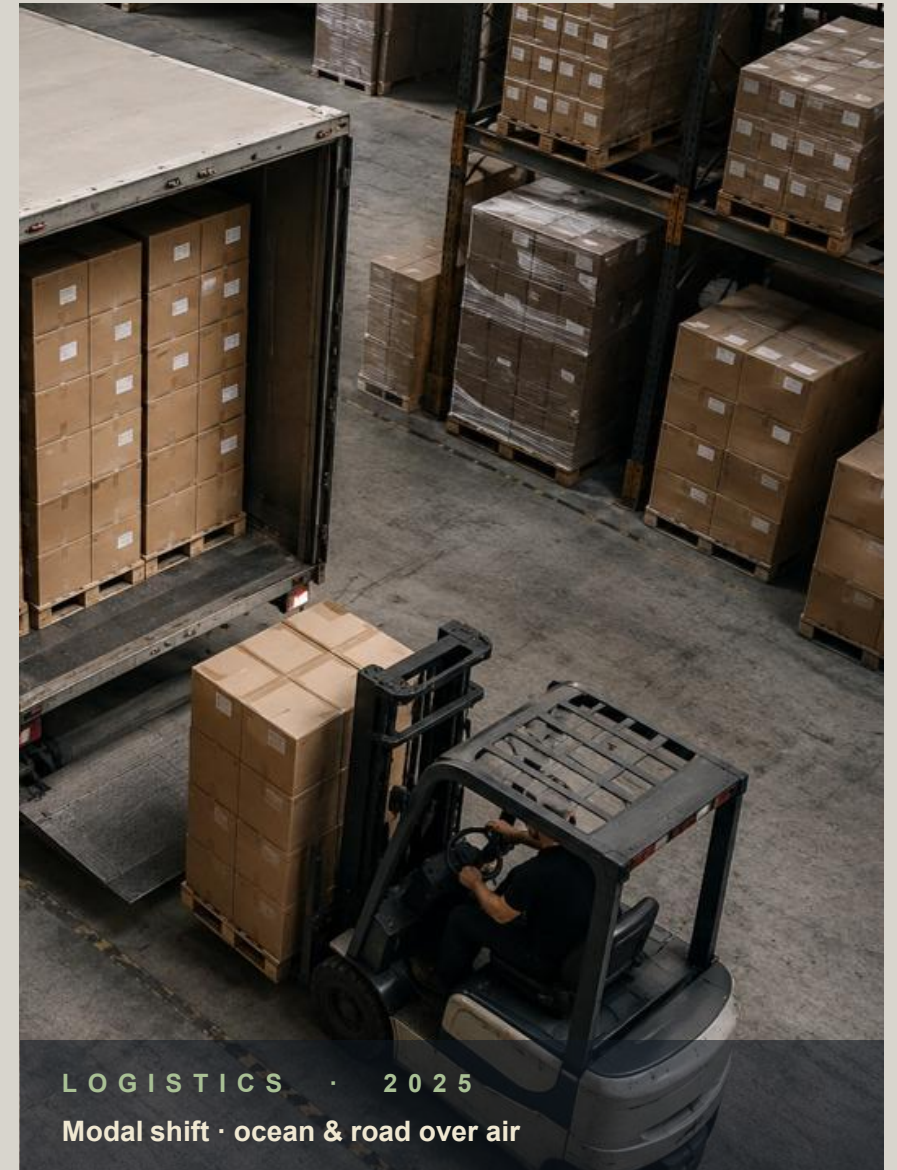
inbound volume via ocean — base mode mix remains low-impact

12%

share of Scope 3 — smallest, most directly controllable

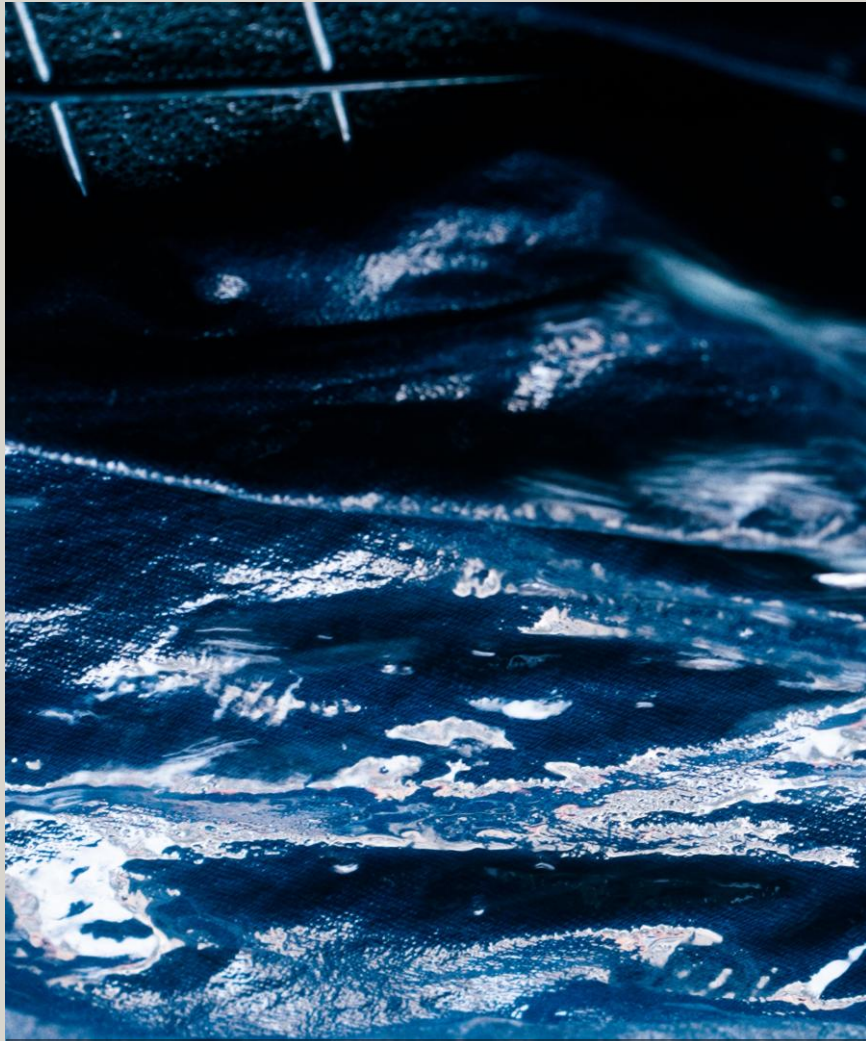
IMPACT FOCUS

Mode and distance are choices — not factors locked into supplier operations. The 2025 rise is real, quantified, addressable and reversible.



LOGISTICS · 2025

Modal shift · ocean & road over air



WATER · 2025
Intensity · stewardship · location

Water — managing a critical resource

Water is inseparable from denim production. From cotton cultivation to indigo dyeing and garment washing, water is both an essential input and a potential environmental risk.

Water impact is not uniform. It depends on geography, water stress levels, and production methods. Reducing water use in one region does not carry the same environmental significance as reducing it in a high-risk basin. For this reason, water management focuses on intensity, stewardship and location and not only volume

SUPPLY CHAIN WATER USE

Across G-STAR's directly-tracked supplier facilities, ~1.0 billion liters of water were withdrawn for production and ~244 million liters recycled back into process, a network-level recycling rate of approximately 24%. The majority of remaining water use occurs in cotton cultivation and wet processing.

WHAT'S CHANGED

- Improved water efficiency in dyeing and washing processes
- Increased supplier-level water-data visibility
- Adoption of water-saving technologies (ozone, laser finishing)
- Continued wastewater monitoring aligned with ZDHC expectations

MEASURABLE OUTCOMES

5

Suppliers with Zero Liquid Discharge

24%

Facility-network water-recycling rate

40%

facilities with water-recycling systems

81%

wastewater compliance rate

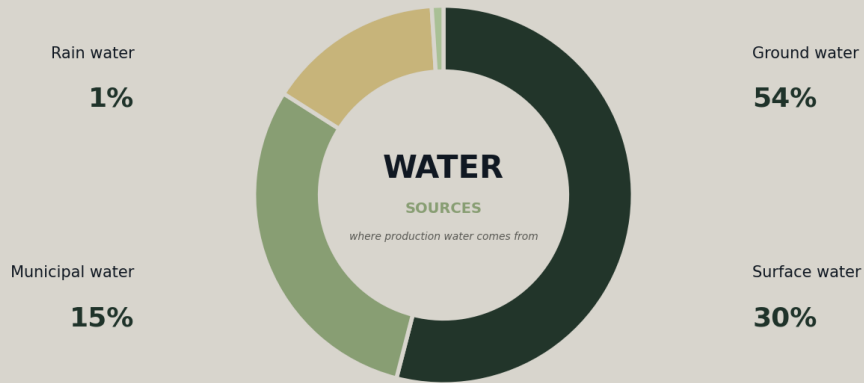
IMPACT FOCUS

Reducing water intensity and improving wastewater quality are central to minimizing environmental impact in denim production.

Water — stewardship & location

Volume alone does not describe water impact. The same liter carries very different significance in a stressed basin than in one with abundant supply. Stewardship therefore depends on knowing where water is drawn, where it returns, and where production sits on the global water-risk map.

WATER SOURCES



Groundwater and surface water together account for 84% of supply-chain water. The streams most exposed to depletion and basin stress.

HIGH-RISK BASINS

Supplier facilities mapped against the WRI Aqueduct Water Risk Atlas. Highest-risk regions in G-STAR sourcing footprint:

Ganges-Brahmaputra

BANGLADESH

Densely populated, monsoon-fed basin under increasing pressure from agricultural draw, industrial discharge and climate variability.

Tamil Nadu

INDIA

Persistent groundwater depletion and recurring drought; high concentration of textile and wet-processing capacity.

Shandong

CHINA

Northern Chinese basin with extreme overdraw of groundwater for industry and agriculture; long-term sustainable-yield risk.

WHAT WE DO IN HIGH-RISK BASINS

At farm level: OCS, OCA and Better Cotton certifications support cotton growers in cutting water use through efficient crop placement, irrigation training and reduced chemical load on soil.

At facility level: water-saving technologies (ozone, laser finishing), supplier water-recycling systems, ZDHC wastewater testing and biological ETP coverage reduce both withdrawal and discharge impact.

Waste — reducing what does not belong in the system

Waste in apparel production is often the result of design complexity, material inefficiency and process limitations. The most effective waste-reduction strategies begin upstream.

Through design simplification, material optimization and improved planning, waste is reduced before it ever reaches a collection point. In 2025 G-STAR also enrolled three pilot sites: HQ, warehouse and the PC Hooftstraat flagship, in the Circular Vooruit program to identify upstream waste-reduction opportunities across operations.

WHAT'S CHANGED

- Centralized PreZero contract at HQ and warehouse — weight-based reporting
- Reverse-logistics pilot recovering cardboard + plastics from stores
- Return Your Denim live across ~85 stores · Rewear (FAUME) in NL, BE, DE, FR

MEASURABLE OUTCOMES

~430 t

cardboard + plastics recovered via reverse logistics from stores

48% / 52%

hazardous / non-hazardous waste at supplier facilities

100%

paper and cardboard recycled at HQ & warehouse

IMPACT FOCUS

Improved reporting enables more targeted waste reduction. Most waste prevention happens upstream, in design.



WASTE · 2025

Prevention upstream — at the cutting table



Biodiversity — protecting what surrounds production

Denim production depends on healthy ecosystems, fertile soils, freshwater systems and the species that sustain them. Loss of biodiversity is a material supply-chain risk, not only an environmental concern.

At farm level, organic and regenerative cotton sourcing reduces synthetic-input pressure on surrounding habitats, supports pollinators and protects soil organic carbon. The OCTAVE satellite pilot extends this by tracking vegetation health and land-use change across G-STAR's sourcing farms. At supplier level, biological ETPs and ZDHC-aligned wastewater testing protect downstream aquatic life. Work is underway to map sourcing sites against biodiversity-sensitive areas and to address microplastic release from synthetic blends.

WHAT'S CHANGED

- Organic + regenerative cotton sourcing, biodiversity-positive material choice
- OCTAVE pilot — satellite tracking of vegetation, soil and land-use change
- Biological ETPs + ZDHC-aligned wastewater testing protecting downstream life
- In progress: site-level biodiversity-risk mapping & microplastic action plan

MEASURABLE OUTCOMES

68%

organic + regenerative cotton share

84%

Wastewater treated in Biological ETPs

1

sourcing farms monitored via OCTAVE

81%

ZDHC wastewater compliance rate

IMPACT FOCUS

Protecting soil, water and species around production keeps the supply chain viable.

BIODIVERSITY · 2025

From farm soil to factory wastewater



PACKAGING · 2025
100% recycled FSC or PEFC

Packaging — minimizing material beyond the product

Packaging protects products but adds material and transport weight. While not the largest environmental hotspot, packaging is directly controllable and visible to consumers.

G-STAR's packaging strategy focuses on reducing material inputs and improving recyclability across both consumer and logistics flows. Hangtags, polybags and shipping mailers are designed with recycled and certified inputs by default, and mono-material construction is prioritized so each component can re-enter a single recycling stream rather than being separated or landfilled.

WHAT'S CHANGED

- Continued use of 100% recycled FSC or PEFC paper
- 100% post-consumer recycled polybags
- Reduction in e-commerce mailer weight
- Increased mono-material design for recyclability

MEASURABLE OUTCOMES

100%
recycled FSC or paper

100%
post-consumer recycled polybags

Mono
material design

IMPACT FOCUS

Reducing packaging weight lowers material use and associated transport emissions — a controllable, visible action.

Pollution & Chemicals — cleaner processes, safer systems

Chemical management and wastewater quality are critical to reducing pollution risks in denim production. Pollution prevention depends on supplier capability, monitoring systems and safer input selection.

Through ZDHC, suppliers operate against the ZDHC Manufacturing RSL (MRSL), restricting hazardous chemicals in production inputs and conduct ZDHC-aligned wastewater testing at facility level for chemical and ecological indicators. On top of this, G-STAR applies its own Restricted Substances List (RSL) at finished-garment level and performs due-diligence laboratory testing: targeted checks at production and shipment to minimise the risk of hazardous substances reaching consumers.

WHAT'S CHANGED

- Achieved ZDHC Champion / Brands to Zero status — highest level
- G-STAR RSL & MRSL applied alongside ZDHC requirements
- Due-diligence chemical testing on finished garments
- Increased wastewater testing transparency at facility level

MEASURABLE OUTCOMES

Champion

ZDHC Brands to Zero · 2025

91.6%

chemical conformance by count

81%

avg Clearstream conformance

IMPACT FOCUS

Cleaner processes require continuous supplier capability building. Not just compliance.



ZDHC BRANDS TO ZERO · 2025

Champion status, highest level achieved

What the data tells us

Environmental impact reduction is cumulative. Incremental improvements matter, but structural transformation delivers scale.

01 Structural shifts deliver measurable reductions.

02 Scope 3 remains the dominant impact area.

03 Design and material decisions shape downstream footprint.

04 Reporting transparency improves accountability.

05 Credibility depends on clarity, not perfection.

LOOKING AHEAD

Environmental performance will continue to be guided by eco-effectiveness. Reducing footprint while strengthening system capability and resilience across the value chain.

Impact On People

0

7

Health & safety, protecting the basics

Safe working environments are foundational. Without them, no other social improvement is meaningful.

Health and safety risks in global apparel production require consistent monitoring, prevention systems, and remediation follow-up, particularly in higher-risk regions. Through participation in the International Accord and ongoing supplier engagement, G-STAR continued to focus on identifying risks, implementing corrective actions, and strengthening factory-level safety systems.

WHAT'S CHANGED

- Continued implementation under the International Accord
- Progress on remediation actions at covered factories
- Strengthened monitoring of high-risk production areas
- Increased safety awareness and preventive practices at factory level
- Added component of boiler safety in Bangladesh

MEASURABLE OUTCOMES

12

factories under the Accord

77 406

workers covered

1 230

remediation actions completed

IMPACT FOCUS

Prevention, follow-up, and culture change reduce risk more effectively than inspection alone.



HEALTH & SAFETY · 2025
Boiler safety inspection



FAIR WORKING CONDITIONS · 2025

All

Recruitment related fees repaid · Mauritius

in collaboration with supplier

Fair working conditions, beyond compliance

Fair working conditions extend beyond health and safety. They include responsible recruitment practices, wage stability, grievance access, and protection from exploitation.

Where issues were identified, remediation was prioritized, not only correction on paper, but restoration where harm occurred. During the reporting period, G-STAR took action associated to the repayment of recruitment-related fees to migrant workers in Mauritius, in collaboration with the supplier, with careful attention to worker protection and confidentiality.

WHAT'S CHANGED

- Recruitment-related fees repaid to affected migrant workers
- Recruitment controls strengthened across affected sites
- Oversight expanded to identify and prevent fee-related risks
- Worker protection and confidentiality safeguarded throughout

MEASURABLE OUTCOMES

All

recruitment fees repaid · Mauritius

Direct

remediation when harm identified

IMPACT FOCUS

When harm is identified, remediation follows. Accountability means acting, not explaining.

Responsible purchasing — turning buying decisions into social impact

The way a brand buys influences how a factory operates. Lead times, pricing negotiations, forecasting reliability and order changes all affect production pressure, working hours, and supplier stability.

In 2025 G-STAR set up a cross-functional Responsible Purchasing Practices working group with a roadmap spanning product, sourcing, merchandising, quality, design and sustainability. Purchasing indicators are now integrated into vendor performance scorecards, with structured supplier feedback feeding back into internal planning.

WHAT'S CHANGED

- Cross-functional RPP working group + roadmap established
- Purchasing indicators integrated into vendor scorecards
- Structured supplier feedback feeding internal planning

MEASURABLE OUTCOMES

3.8 → 4.2

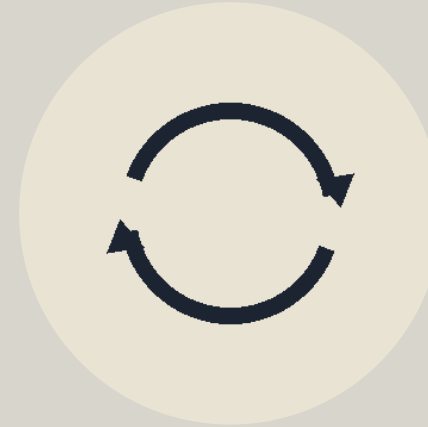
ACT Purchasing Practices Survey score

3

internal trainings delivered

IMPACT FOCUS

Responsible purchasing reduces pressure and supports more stable working conditions in practice.



RESPONSIBLE PURCHASING · 2025

3.8 → 4.2

ACT survey score

cross-functional working group and roadmap launched

“Equity is measured in outcomes not intentions.”

G-STAR · IMPACT ON PEOPLE



FAIR WAGES · 2025

99%

Tier 1 workers paid digitally

95% Tier 2 digital coverage · 100% min-wage adherence

Fair wages — wage systems that protect workers

Fair wages remain one of the most material and complex social challenges in the apparel sector. For G-STAR, wage progress is supported through both industry collaboration and factory-level wage system improvements.

Beyond wage levels we focus on wage-system integrity: how wages are paid and documented affects transparency, worker protection, and access to social benefits. Digital wage payments reduce risk of wage manipulation, improve traceability and strengthen worker access to proof of income.

WHAT'S CHANGED

- ACT on Living Wages membership maintained
- Wage indicators monitored across Tier 1 and Tier 2
- Digital-payment coverage expanded across suppliers

MEASURABLE OUTCOMES

100%

workers paid minimum wage · Tier 1 & 2

99%

Tier 1 (CMT) workers paid digitally

95%

Tier 2 (fabric) suppliers paying digitally

IMPACT FOCUS

Fair wages require both wage progress and wage systems workers can trust.



OCA · Farm-Level Impact — strengthening upstream livelihoods

Impact on people begins before garment production. Through the Organic Cotton Accelerator (OCA) and direct-to-farm sourcing, G-STAR supports better farming practices and more resilient livelihoods for cotton farmers.

OCA's Farm Program focuses on strengthening farmer income, working conditions, and environmental practices by providing access to training, better inputs and more stable market conditions — alongside premium payments linked to their cotton.

PROGRAMME IN NUMBERS

128

farmers supported across the program

2

sourcing regions engaged · India & Turkey

OCA

Farm Program partnership maintained

2025

Turkey expansion · direct-to-farm sourcing

WHAT THE PROGRAMME DELIVERS

- Training, better inputs and access to stable markets
- Premium payments linked to certified cotton
- Direct-to-farm relationships across key regions



Growing Change — mapping the community, building voice

Growing Change is a community-based program in the cotton-growing regions of India. It pairs farm-level mapping with a grievance mechanism, giving workers a direct, trusted channel to raise issues.

Across 10 villages, G-STAR partners worked alongside organic cotton farmers to map the workforce, secure commitments to a shared Code of Conduct, and set up a multi-lingual toll-free helpline for dispute resolution, emergency assistance and social-security inquiries.

PROGRAM IN NUMBERS

944

organic cotton farmers mapped across 10 villages

10

villages engaged in the program

729

organic cotton farmers signed a Code of Conduct

115

helpline inquiries received (Jun-Dec 2025)

HOW THE GRIEVANCE MECHANISM WORKS

- Multi-lingual toll-free helpline available across villages
- Covers dispute resolution, emergency, social-security inquiries
- Direct, confidential channel to raise on-farm concerns

Growing Change — turning on-farm protection into a lasting safety net

In G-STAR's organic-cotton villages in India, Growing Change moves from listening to acting. The same partner network that maps the workforce and runs the multi-lingual grievance helpline also equips workers with safer pesticide-spraying practices and helps them register for the state welfare schemes they are legally entitled to, turning protection and entitlement into something workers can feel in their daily lives.

ON-FARM HEALTH & SAFETY

Safer pesticide handling, on-farm first aid

Theme-based training paired with monitored PPE and first-aid distribution, reinforced through community formats: puppet shows, flyers and local meetings. Designed to land across literacy levels.

722

workers trained on pesticide spraying & safety

141

PPE kits distributed to sprayers

136

first-aid boxes distributed

WHAT WORKERS NOW HAVE

- Equipment + training to spray pesticides more safely
- On-farm first-aid access with usage guidance
- Health & safety reinforcement through community formats

WORKER WELFARE SYSTEMS ACCESS

Connecting workers to state welfare schemes

Many farm workers operate informally, outside social-security registers and without access to state insurance or welfare. Growing Change closes this gap through financial-literacy training and one-to-one enrolment support.

2 366

workers linked to government welfare schemes

1 216

workers registered for e-Shram cards

1 163

workers linked to Government Insurance Schemes

WHAT WORKERS NOW HAVE ACCESS TO

- e-Shram cards, nationwide portability of entitlements
- Government Insurance: life, accident, health protection
- Financial literacy: budgeting, banking, digital payments

Harvesting the Future — scaling impact through collaboration

Alongside Growing Change, G-STAR participates in *Harvesting the Future*, a multi-brand initiative led by Fair Labour Association, operating in cotton-growing regions beyond our direct sourcing footprint.

While Growing Change focuses on villages directly connected to our sourcing footprint, Harvesting the Future applies the same community-led model at broader scale through shared brand responsibility, extending impact beyond individual brand-linked villages and aligning engagement efforts across multiple sourcing stakeholders.

WHAT'S CHANGED

- Expanded regional coverage through multi-brand collaboration
- Increased coordination across participating brands and partners
- Alignment of education and resilience objectives across initiatives
- Continuity strengthened through shared investment and governance

MEASURABLE OUTCOMES

Multi-brand
collaboration · cotton regions

Shared
investment & governance model

IMPACT FOCUS

Collaboration increases scale. Shared responsibility strengthens continuity.



Human-rights due diligence — necessary, but not sufficient

Human-rights due diligence remains a core part of how G-STAR manages social risk across its value chain: supplier onboarding, risk assessments, social audits, grievance mechanisms, and alignment with international frameworks.

However, experience has shown that compliance systems alone do not always lead to sustained improvement. Audits capture conditions at a moment in time; documentation can meet requirements while underlying pressures or vulnerabilities persist.

WHAT'S CHANGED

- Tier 1 & Tier 2 social-audit coverage maintained
- Grievance mechanisms and international-framework alignment continued
- Limits of compliance-based monitoring acknowledged

MEASURABLE OUTCOMES

100%

Tier 1 CMT factories covered by social audits

93%

Tier 2 factories covered by social audits

IMPACT FOCUS

Visibility is essential. Sustained improvement requires deeper engagement.



HUMAN-RIGHTS DUE DILIGENCE · 2025

100%

Tier 1 CMT audit coverage

93% Tier 2 audit coverage maintained in 2025

Diversity & inclusion — equity starts with who is included

G-STAR is shaped by its people. Diversity is a strength, but inclusion is the work. In our own operations and across our supply chain, we aim to build environments where people are treated fairly, feel safe, and have access to opportunity regardless of gender, background, identity, or role.

In 2025 we continued to strengthen D&I through internal culture-building and supply-chain focus areas — gender equality, worker representation, health and safety for all workers, and prevention of harassment.

WHAT'S CHANGED

- Gender-disaggregated monitoring continued across Tier 1 & 2
- Inclusion focus on harassment prevention and worker representation
- Empowerment through training and capability-building
- Monitoring policy and implementation of breastfeeding breaks and childcare services

MEASURABLE OUTCOMES

50% / 20%

female workers / supervisors · Tier 1

21% / 19%

female workers / supervisors · Tier 2

IMPACT FOCUS

Diversity is not only a workforce statistic. Inclusion is reflected in safety, voice, and equal access to opportunity.



DIVERSITY & INCLUSION · 2025

50%

female workers · Tier 1

gender-disaggregated monitoring across Tier 1 & 2

A shift toward worker engagement

From 2026 onward the focus is on centering participation, dialogue and worker voice alongside existing due diligence systems.

01 Workers understand their own conditions best.

02 Sustainable improvement requires dialogue.

03 Engagement builds trust and long-term resilience.

04 Confidentiality and psychological safety are non-negotiable.

LOOKING AHEAD

In 2026, G-STAR will begin implementing structured worker engagement initiatives alongside existing due diligence, improving early identification of issues, strengthening transparency and trust, and measuring social impact through worker experience, not documentation alone.

Communities, Not Checkboxes

0

8

From foundations to integration

Community impact is strongest when it is embedded. Not running alongside the business, but inside it.

Over time, G-STAR's approach to community engagement has evolved. Foundation-led work built meaningful value. In 2024 we moved community engagement closer to our sustainability operations and sourcing regions, so projects are developed with a stronger connection to where products are made.

A NEW MODEL FOR COMMUNITY ENGAGEMENT

01

Embedded in operations

Initiatives linked directly to sourcing regions and sustainability priorities.

02

Built on partnership

Local stakeholders shape priorities, solutions and outcomes, not just recipients.

03

Designed for continuity

Projects developed with long-term presence, learning and durability in mind.

Rather than running parallel initiatives, we chose to integrate community engagement into the work itself.

“Community engagement is not an add-on to sustainability it is how responsibility is exercised across the value chain.”

G-STAR · COMMUNITIES, NOT CHECKBOXES

Growing Change — the first steps in India

A community-led initiative is opening new doors for children in India's cotton regions. In rural Madhya Pradesh, families are increasingly choosing education as the foundation for their children's future.

Growing Change is led by Arisa, G-STAR, MV Foundation, Pratibha Syntex and Vasudha Swaraj. The initiative works with local communities, schools and civil-society organizations to strengthen educational access and awareness of children's rights. By building local capacity and strengthening collaboration between communities and schools, the program aims to create durable pathways for youth development.



155

children newly enrolled in school

Reflecting growing community engagement and increased awareness of the importance of education for both girls and boys.

MOTIVATION CENTRES

Supporting learning & confidence

A key pillar of Growing Change is the establishment of Motivation Centers, safe and accessible learning spaces where children receive academic support before and after school.

These centers help children strengthen foundational skills, remain engaged with learning, and transition successfully into formal education. Over time, they have become trusted spaces for both children and families. Parents frequently describe the centers as providing structure, confidence, and encouragement for their children. Many see education as a pathway to opportunities that were previously beyond reach.

Families increasingly emphasize the importance of education for both girls and boys, reflecting growing awareness of gender equality within the community.

COMMUNITY MOBILISERS

Bridging families & schools

At the centre of the initiative are trained community mobilisers who visit households across participating villages to support families in navigating school enrolment and attendance.

Their work is built on trust. Mobilisers understand local realities, speak the community's language, and provide practical support to families encountering the education system for the first time.

They also work closely with teachers to ensure children entering or returning to school receive consistent follow-up. In this way, mobilisers help strengthen the link between families, schools, and local institutions

Growing Change — strengthening systems around education

Growing Change recognizes that sustained school participation depends not only on enrolment, but also on supportive community and school systems. Local governance structures such as Child Rights Protection Forums and Mothers' Committees play an important role in identifying challenges, supporting families, and strengthening awareness of children's rights. The initiative also supports Adolescent Girls' Resource Centers, which provide safe spaces for girls to discuss gender issues, explore education opportunities, develop life skills, and build confidence.

ACTIVITIES SUPPORTING SUSTAINED PARTICIPATION

- Monitoring student attendance and follow-up on absences
- Supporting retention of children at risk of dropping out
- Helping out-of-school children transition into formal education
- Supporting the government's annual school-enrolment drives
- Identifying migrant children and ensuring education continuity
- Regular meetings with teachers and school leadership
- Assisting families with documentation for school registration
- Identifying infrastructure / transport barriers to school access



MEASURABLE OUTCOMES · 2025

1,132

students with attendance monitored and followed up

155

children newly enrolled in school

100

community members in Child Rights Protection Forums

48

community members in Mothers' Committees

6

Adolescent Girls' Resource Centers supporting 155 girls

14

community mobilisers trained & engaged

IMPACT FOCUS

Community-led education strengthens resilience and reduces long-term vulnerability in sourcing regions.

Ghana — the next chapter

Building on lessons from India, a new community initiative in Ghana was developed in 2025 and is scheduled to begin implementation in 2026.

The Ghana project reflects the same integrated principles, embedded within sustainability operations, aligned with sourcing context, designed in partnership with local stakeholders, and structured for long-term presence and learning.

WHAT'S CHANGED

- New community initiative scoped and partner-aligned in 2025
- Implementation begins in 2026 within integrated model
- Same principles as India: embedded, partnership-built, continuity-designed

MEASURABLE OUTCOMES

2026

implementation begins

1

new sourcing-region initiative

IMPACT FOCUS

Learning applied. Integration scaled.



GHANA · 2026

2026

Ghana initiative begins

developed in 2025, implementation phase from 2026

Learning applied. Integration scaled.

As the integrated model evolves, community engagement will remain closely connected to sustainability strategy and sourcing regions.

01

Continuity over visibility.

03

Partnership over delivery.

02

Proximity over distance.

04

Learning over reporting.

LOOKING AHEAD

Future initiatives will prioritize continuity, learning and integration. Community engagement that strengthens sustainability rather than running alongside it.



Action Over Alignment

0

9

Why following the system is no longer enough

Progress measured in alignment is not the same as progress measured in impact.

The apparel industry has made progress. But too often, that progress has been measured in alignment rather than impact. Over time, sustainability has become shaped by memberships, frameworks, and compliance models that reward participation more than outcomes. While these systems have helped create shared standards and language, they have also created distance between intention and real-world change. For G-STAR, that distance has become increasingly difficult to justify. This chapter explains why we are questioning established sustainability models and how doing so creates space for more direct, measurable action.

Compliance plays an important role, but compliance alone is not change.

COMPLIANCE PROVIDES

- Structure and shared standards
- Comparability across reporting
- Accountability for non-compliance
- A common language for stakeholders

But compliance alone does not reduce emissions or improve conditions.

ACTION DELIVERS

- Reductions in emissions where they happen
- Tangible improvements in working conditions
- Resilient sourcing communities
- Better products by design

From participation-driven activity to actions that deliver measurable outcomes.

A GUIDING QUESTION

"What actually changes as a result of this effort?"

*If the answer is unclear or symbolic, the approach is reassessed.
Acting with intent.*

This is not about rejecting standards. It is about asking what actually changes and where direct, measurable action can replace symbolic alignment.

Rethinking how resources are used

One of the clearest expressions of this shift is how we evaluate the use of sustainability resources: time, budget, and internal capacity.

Rather than defaulting to recurring memberships or initiatives with limited on-the-ground impact, we are increasingly exploring how those resources can be redirected.

WHERE RESOURCES ARE BEING REDIRECTED

- Direct action in the supply chain
- Worker wellbeing and community resilience
- Capability-building where it matters most

THE CRITERION

“What actually changes as a result of this effort?”

IMPACT FOCUS

This approach requires careful consideration, transparency, and a willingness to challenge familiar structures.



RESOURCE REALLOCATION · 2025

Redirected time · budget
capacity

*“This is not about doing less.
It is about doing what works.”*

G-STAR · ACTION OVER ALIGNMENT

Direct action and accepting responsibility

Challenging the status quo means getting closer to where impact is created and owning the trade-offs that follow. Across this report, examples illustrate how direct action has led to tangible outcomes such as the four examples below. These actions share a common trait: they prioritize outcomes over optics.

01 Coal phase-out

Production sites moved off coal in key supplier regions.

02 Carbon leadership

Supplier participation in factory-level carbon program.

03 Recruitment-fee remediation

Direct repayments to migrant workers in Mauritius.

04 Community in sourcing

Initiatives embedded in sourcing regions

ACCEPTING THE TRADE-OFFS

TRADE

Familiar structures give shared ownership and lower individual exposure.

CHOICE

Direct action gives outcomes but increases individual accountability.

OWNERSHIP

Owning impact means owning the hard parts too — slower progress, complexity, imperfect results.

WHAT WE ACCEPT

"By choosing direct action, we also accept greater responsibility for outcomes including the hard parts. Each example reflects direct action where it can be measured, and accountability for outcomes that follow."

Measuring What Matters

1

0

Accountability requires focus

Impact only matters if it can be measured. At G-STAR, sustainability performance is tracked through a comprehensive internal KPI framework covering products, climate, water, waste, chemicals, social impact, and community engagement across the value chain. This framework supports operational management, risk mitigation, and continuous improvement. For this report, we disclose a focused set of 13 key impact indicators. These indicators are derived directly from our internal KPI framework and selected to ensure external accountability while allowing internal teams the space to manage complexity, test solutions, and improve performance over time.

WHAT THIS REPORT DESCRIBES

- Product and circularity decisions · Ch 3 & 4
- Environmental performance · Ch 5
- Social equity and purchasing practices · Ch 6
- Community engagement · Ch 7

Outcomes, not operational control — a layered approach

Why these 13 indicators and how they sit within a wider measurement framework.

WHY THESE 14 INDICATORS

Our internal KPI framework includes a wide range of performance and management indicators. The 13 published here are selected because they:

- Reflect our most material impacts on people and environment
- Show outcomes rather than only activity or compliance
- Are meaningful and understandable to external stakeholders
- Can be tracked consistently over time

They do not represent the full scope of what we manage internally. They show progress where impact is most significant.

THREE INTERCONNECTED LEVELS

01 **IMPACT INDICATORS** *EXTERNAL*
 The 13 indicators disclosed in this report are used to demonstrate outcomes and progress.

02 **PERFORMANCE INDICATORS** *INTERNAL*
 A broader set of KPIs used to manage programs, suppliers, and thematic performance areas.

03 **MANAGEMENT INDICATORS** *INTERNAL*
 Detailed metrics used for day-to-day decision-making, experimentation and learning.

IMPACT FOCUS

Outcomes are what we publish. Activity is what we manage.

Our 13 public impact indicators

Grouped in line with our sustainability strategy: where impact is created, reduced, or remediated.

PRODUCT & CIRCULARITY

4 indicators

How circularity and material integrity translate into measurable change.

72.3% Sustainable fibers (excl. mass balance)

95.7% Sustainable fibers (incl. mass balance · Better Cotton)

4.32% Recycled cotton in total cotton use

23% Cradle to Cradle Certified® fabrics · exceeded 2025 target of 20%

ECO-EFFECTIVENESS

5 indicators

Reduction of environmental footprint where it matters most.

82,702 Total GHG emissions · tCO₂e · Scopes 1, 2 + relevant 3

1.35 GHG intensity per product · kgCO₂e/pc · Tier 1 & 2

3 Strategic sites with coal phase-out completed

46% Facility-network water-recycling rate

48/52% Hazardous / non-hazardous waste split at supplier facilities

SOCIAL EQUITY & COMMUNITIES

4 indicators

Outcomes for people — not the existence of policies or memberships.

1,230 Workers reached through safety remediation actions

All Recruitment-fee repayments completed for migrant workers (Mauritius)

100% Strategic suppliers covered by social audits · Tier 1: 100% · Tier 2: 95%

3 Active community projects in sourcing regions · Growing Change · Harvesting the Future · Ghana

What we publish shows progress. What we manage drives change.

Credible reporting includes what we know and what we cannot yet measure with confidence.

DATA QUALITY & LIMITATIONS

Where the data comes from and where it still falls short.

Impact data is drawn from multiple sources: internal systems, supplier reporting, certification bodies and program-level monitoring. Data quality continues to improve, but limitations remain, particularly in complex value-chain areas such as Scope 3 emissions, wage outcomes and long-term community impact. Where estimates, assumptions or evolving methodologies are used, this is clearly explained.

01

Measurement strengthens action, it does not replace it.

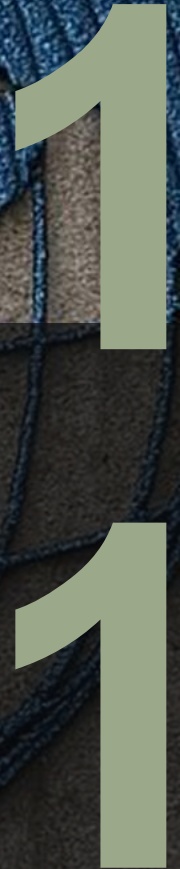
02

A focused 13-indicator set keeps the report transparent without reducing sustainability to a scoreboard.

LOOKING AHEAD

As expectations, methodologies and regulations evolve, our approach to impact measurement will continue to adapt. What will not change is the principle: clarity over scoreboard, outcomes over activity.

Defining What Matters Most



Double materiality — choosing where responsibility is greatest

Impact only becomes meaningful when focus is deliberate.

To ensure our sustainability strategy addresses the areas where responsibility and risk are highest, G-STAR applies a double materiality assessment. It identifies and prioritizes environmental and social topics from two complementary perspectives, each capturing something the other cannot.

IMPACT MATERIALITY

Where G-STAR's operations create the most significant environmental and social effects.

FOCUS AREAS

- Product design and material selection
- Manufacturing and processing impacts
- Working conditions and human-rights risks
- Environmental pressures linked to denim production
- Severity, likelihood, and stakeholder reach assessed

FINANCIAL MATERIALITY

How sustainability-related topics may affect G-STAR's ability to create and protect value over time.

FOCUS AREAS

- CSRD and due-diligence regulation
- Supply-chain resilience and resource availability
- Cost volatility linked to climate and materials
- Market expectations and consumer demand
- Opportunities from circular product innovation

Together, these perspectives ensure that our strategy reflects both responsibility and resilience — severity and responsibility are not overridden by short-term economics.

Double-materiality matrix — what matters most

Topics evaluated through both impact and financial lenses, grouped by ESRS category.

IMPACT (POS / NEG) + - RISK / OPPORTUNITY R O

CLIMATE CHANGE (E1)	WATER & MARINE RESOURCES (E3)	WORKERS IN THE VALUE CHAIN (S2)
<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 10px;"> ○ GHG emissions & energy - <li style="display: flex; justify-content: space-between; align-items: center;"> ○ Dependency on suppliers & raw materials R 	<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center;"> ○ Water consumption and withdrawals - 	<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ H&S in the upstream value chain - <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Child labor & forced labor upstream - <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Fair working conditions upstream - <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Discrimination & harassment upstream - <li style="display: flex; justify-content: space-between; align-items: center;"> ○ Human-rights violation within supply chain R
POLLUTION (E2)	MATERIAL USE & CIRCULAR ECONOMY (E5)	BUSINESS CONDUCT (G1)
<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 10px;"> ○ Chemicals & pollution of water and soil - <li style="display: flex; justify-content: space-between; align-items: center;"> ○ Chemical pollution R 	<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Sustainable resource use + <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Waste - <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 5px;"> ○ Waste reduction + <li style="display: flex; justify-content: space-between; align-items: center;"> ○ Circular business model O 	<ul style="list-style-type: none"> <li style="display: flex; justify-content: space-between; align-items: center; margin-bottom: 10px;"> ○ Partnership and collaboration + <li style="display: flex; justify-content: space-between; align-items: center;"> ○ New ESG-related laws & regulations R

What materiality changed in 2025

Three concrete decisions the assessment shaped this year, so materiality reads as a working tool, not a paper exercise.

01

Carbon Leadership Program refocused

Budget shifted from broad supplier engagement to the highest-emission mills identified through the impact-materiality matrix. Concentrating effort where the absolute footprint sits.

02

Water stewardship redirected to high-stress basins

Materiality flagged geographic concentration of water risk. Reporting and intervention now prioritize the Ganges-Brahmaputra, Tamil Nadu and Shandong basins ahead of volume-only metrics.

03

Worker engagement moved from compliance to voice

Severity weighting in the social pillar elevated worker-voice mechanisms above audit-only monitoring. Preparing the shift toward direct engagement from 2026 onward.

Materiality is the question we keep asking, not the answer we filed.

Responsibility Sits With Us

1

2



What keeps impact real and who is accountable for it

Accountability for sustainability cannot be outsourced.

While external frameworks, certifications, and initiatives play an important role, responsibility for outcomes sits within the business with leadership, teams, and decision-makers who influence how products are designed, sourced, and made.

Senior leadership holds accountability for sustainability direction, priorities, and long-term ambition. Sustainability performance is reviewed as part of broader business governance, ensuring it is not treated as a parallel or secondary agenda. Responsibility for implementation sits with sustainability, product, sourcing, and supply chain teams working together. Accountability at this level is about execution, not reporting alone.

SENIOR LEADERSHIP — STRATEGIC ACCOUNTABILITY

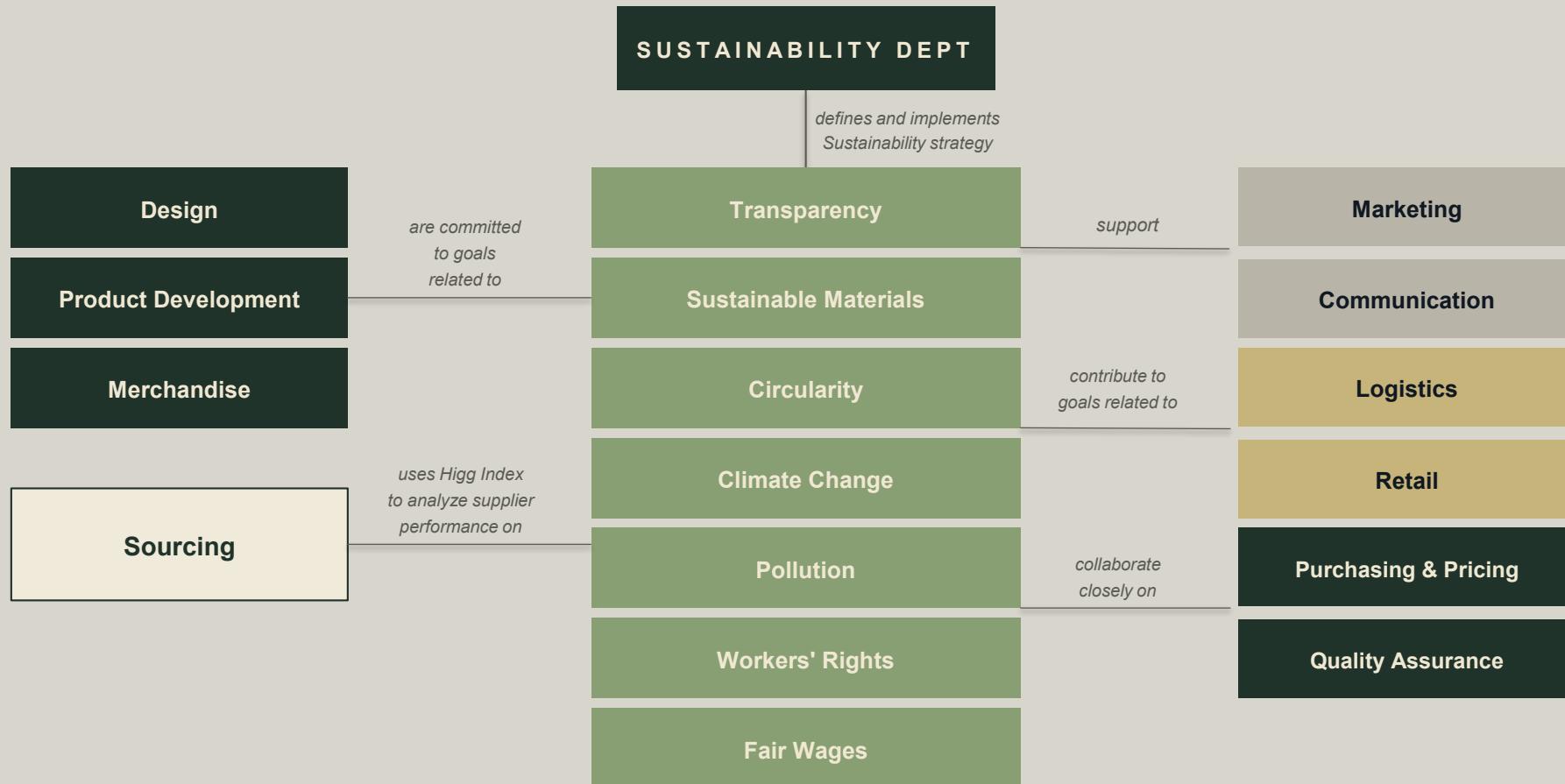
- Approval of sustainability strategy and targets
- Oversight of progress against key impact indicators
- Accountability for trade-offs when goals are not met

OPERATIONAL TEAMS — EXECUTION ACCOUNTABILITY

- Translating strategy into action across product & sourcing
- Engaging suppliers; monitoring performance and remediation
- Embedding sustainability criteria into day-to-day decisions

Operational accountability — how the organization contributes

The Sustainability Department defines and implements our Sustainability Strategy. Every function contributes: commitment, support, contribution, collaboration.



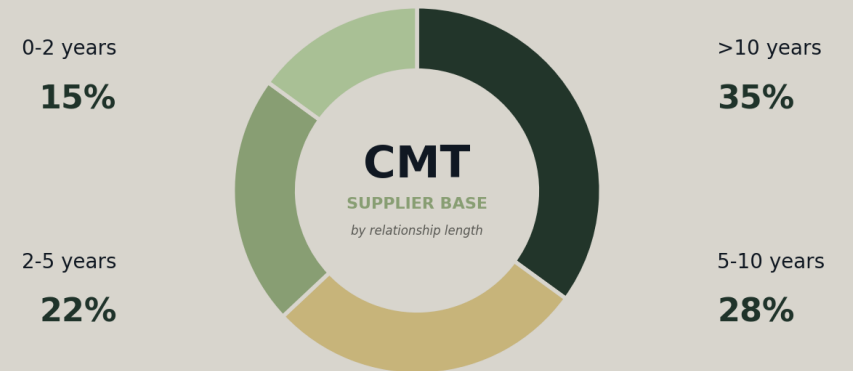
Transparent supply chain & long-term partnerships

G-STAR does not own production facilities. Responsibility therefore depends on how we work with our suppliers.

A significant share of production is sourced from suppliers with whom we have established multi-year relationships, enabling continuity, mutual accountability and effective implementation of environmental and social improvements. As of 2025, 63% of our CMT supplier base has worked with G-STAR for more than five years and 35% for more than a decade. Supplier performance is monitored through a vendor scorecard covering operational, commercial and sustainability criteria.

SUPPLIER RELATIONSHIP · CMT

<p>MANUFACTURING LIST</p> <p>Direct suppliers, sub-factories, processing facilities and nominated fabric mills disclosed publicly.</p>	<p>OPEN SUPPLY HUB</p> <p>Factory data also published via the Open Supply Hub for broader industry transparency.</p>	<p>VENDOR SCORECARD</p> <p>Operational, commercial and sustainability criteria — informing engagement and sourcing decisions.</p>
---	---	--



CONTINUOUS REVIEW & ESCALATION

Where harm is identified, remediation is required, not optional. Accountability means acting when outcomes fall short.

Memberships & accountability: Tools, not achievements

External initiatives support learning, benchmarking and verification. They never replace internal accountability.

CATEGORY	MEMBERSHIPS	ACCOUNTABILITY NOTE
MEASURING & CONVERGENCE	Cascale · Higg BRM / FEM / FSLM · SLCP · Science Based Targets initiative	<i>Strengthens measurement and alignment. Delivery remains G-STAR's responsibility.</i>
CLIMATE & DECARBONISATION	UN Fashion Industry Charter (signatory)	<i>Collaboration supports scale. Emissions reductions must be delivered.</i>
MATERIALS & CIRCULARITY	Cradle to Cradle Certified® · Better Cotton · OCA (Organic Cotton Accelerator) · Textile Exchange	<i>Standards support credible claims. They don't guarantee outcomes alone.</i>
CHEMICALS & ENVIRONMENT	ZDHC (Zero Discharge of Hazardous Chemicals)	<i>Participation reduces risk. Compliance must still be delivered.</i>
HUMAN RIGHTS & WORKING CONDITIONS	International Accord (BD + PK) · ACT on Living Wages · C2RR — Responsible Recruitment · OECD Due Diligence	<i>Collective initiatives enable scale. Remediation remains non-negotiable.</i>
ANIMAL WELFARE	Fur Free Retailer	<i>Commitments define direction. Implementation and verification remain essential.</i>

Stakeholder engagement: listening that informs action

Engagement is an ongoing process, not a one-off activity. It supports learning, accountability and continuous improvement — particularly where outcomes fall short.

ENGAGEMENT IN PRACTICE · 2025

- Ongoing dialogue with suppliers and manufacturing partners
- Worker engagement via grievance mechanisms and programs
- Multi-stakeholder forums and industry working groups
- Speaker / panel roles at sector conferences
- Input into policy discussions and consultations
- Internal engagement across product, sourcing, sustainability

STAKEHOLDER MAPPING — WHO WE ENGAGE AND HOW

Suppliers & partners	Direct dialogue, assessments, scorecards
Workers	Grievance, remediation, worker programs
Communities	Local projects, field visits, partnerships
Industry peers	Multi-brand forums, working groups
NGOs & civil society	Dialogue, partnerships, consultations
Policy makers	Consultations, policy dialogue
Customers	Product info, transparency tools
Investors & partners	Reporting, dialogue, data sharing

FROM ENGAGEMENT TO IMPACT

Engagement only matters when it leads to change: Strategy, policy, community projects and remediation are all shaped by what we hear.

Accountability means acting when outcomes fall short.

External frameworks and memberships are tools, not achievements. Responsibility remains internal.

01

Senior leadership owns sustainability direction and trade-offs.

03

Transparency through the Manufacturing List and Open Supply Hub.

02

Operational teams own execution, not reporting alone.

04

Memberships support learning, they never replace accountability.

LOOKING AHEAD

Engagement will continue to be embedded in strategy, sourcing and product decisions and where outcomes fall short, remediation will follow. The role of memberships will be reassessed where they no longer support real-world impact.

What's Next

1
3



Key sustainability-related risks and opportunities

Based on our double materiality assessment, G-STAR has identified climate transition risk, resource availability, and human-rights risks in complex sourcing regions as the most significant sustainability-related risks to the business. Key opportunities include circular product design, material innovation, improved supplier capability, and operational efficiency. Which support both impact outcomes and long-term business resilience. These risks and opportunities directly inform our sustainability strategy, priorities, and action plans.

KEY RISKS

- Climate transition risk
- Resource availability
- Human-rights risk · complex sourcing

KEY OPPORTUNITIES

- Circular product design & material innovation
- Improved supplier capability
- Operational efficiency

Impact is a direction, not a destination.

Impact does not stand still.

The outcomes documented in this report: progress made, goals missed, systems challenged, are not an end point. They are inputs. What matters most is how those insights shape what comes next. This chapter sets out the priorities that will guide the next phase of G-STAR's sustainability journey. Informed by evidence, grounded in action, and aligned with our product-led strategy.

From learning to action

The past reporting period reinforced one clear insight, impact improves when effort is focused.

01 EMBEDDED IN DECISIONS

Progress was strongest where action was embedded into design and sourcing decisions, not added on top.

02 RESPONSIBILITY AT THE SOURCE

Responsibility was taken closer to where impact is created. Distance dilutes accountability.

03 MEASUREMENT INFORMS CHANGE

Measurement worked when it informed change, not just reporting. Better questions, better data, better decisions.

TIME HORIZONS

SHORT-TERM

Operational lift

Operational improvements, remediation, and data-quality strengthening across the reporting cycle.

MEDIUM-TERM

Scaling impact

Scaling product-led impact, supplier capability development, and eco-effectiveness initiatives.

LONG-TERM

Systemic change

Systemic change in materials, circularity, and value-chain resilience.

Priorities for the next phase

Five focus areas, measured by outcomes, not ambition alone.

01 · PRODUCT-LED IMPACT

Deepening product-led impact

- Circular design across collections
- Lower-impact materials where performance allows
- Durability, reparability, end-of-use at design

02 · ECO-EFFECTIVENESS

Accelerating eco-effectiveness

- Energy transition across the supply chain
- Water reduction in wet processing
- Waste reduction and circular material flows
- Data quality across environmental indicators

03 · SOCIAL IMPACT

Deeper social impact

- Worker engagement that strengthens voice
- Supplier capacity for dialogue & improvement
- Remediation remains central when harm is identified

04 · COMMUNITY IMPACT

Integrating community impact

- Launch the Ghana community project (2026)
- Apply lessons from India to new contexts
- Link sourcing regions to community outcomes

05 · MEASUREMENT

Strengthening how impact is measured

- Refine key impact indicators based on learning
- Improve traceability and product-level insight
- Integrate worker voice alongside quantitative data

Making it matter, continuously.

An ongoing commitment to act, learn and improve, even when progress is uneven or complex.

01

Designing better products that last longer.

03

Listening more directly to workers and communities.

02

Reducing footprint where the greatest leverage exists.

04

Measuring outcomes with clarity and transparency.

LOOKING AHEAD

As expectations evolve and regulatory frameworks expand, the underlying responsibility remains the same: focusing effort where impact is most significant, being transparent about progress, and adjusting course when results fall short.

Other Reads & Further Information

1
4



Due diligence & supply-chain transparency

This Sustainability Report is part of G-STAR's broader approach to transparency and due diligence.

The following documents provide further detail on our policies, guidelines, and actions across the value chain. Extending what is published in this report.

SUSTAINABLE SUPPLY CHAIN HANDBOOK

- G-STAR's Compliance Policy
- Supply-chain structure overview
- Sustainability monitoring tools & processes
- Supplier onboarding procedures
- Supplier Development Program

TRANSPARENCY TOOLS

- Manufacturing Map · direct suppliers (2+ year relationships)
- Visibility into sub-factories, processing facilities and nominated fabric mills
- Factory data also published via the Open Supply Hub

Policies & guidelines

G-STAR policies define expectations, responsibilities and standards across our operations and supply chain.

Supplier Code of Conduct

Defines core expectations for suppliers across labor, environment and ethics.

Social & Labour Guidelines

Detailed expectations on working conditions, wages, recruitment and grievance.

Environmental Guidelines

Standards for chemical management, water, waste and energy use.

Materials Policy

Sustainable-fiber commitments and traceability requirements.

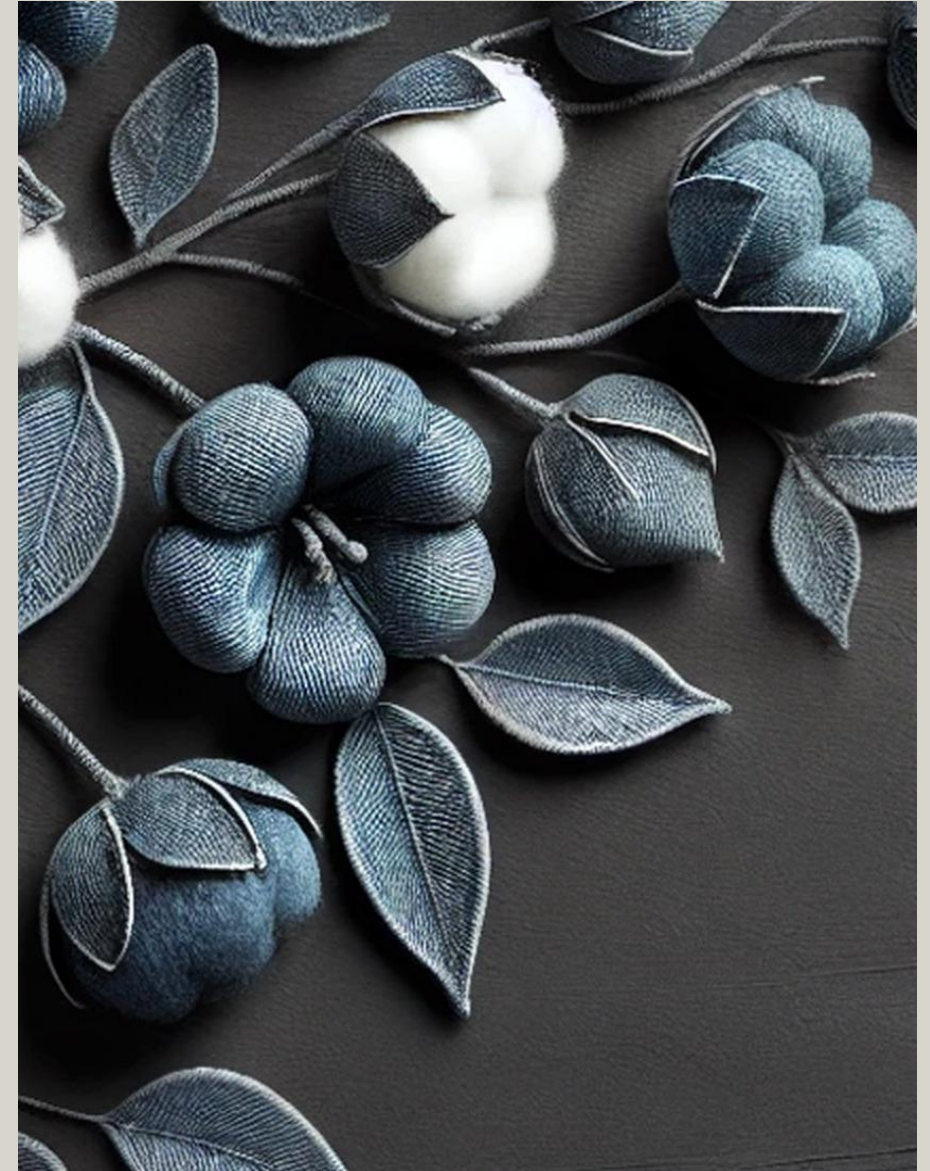
Animal Welfare Policy

Restrictions on animal-derived materials and certification expectations.

Restricted Substances List (RSL)

Chemicals restricted in garments and production — RSL & PRSL.

AVAILABLE AT · [G-STAR Responsibility webpage](#)



Methodology · how we measure and what we count

G-STAR's carbon accounting follows the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Standard. Aligned with CSRD/ESRS E1 and IFRS S2 disclosure requirements.

REPORTING STANDARD

GHG Protocol Corporate Standard
GHG Protocol Scope 3 (Value Chain) Standard

REPORTING BOUNDARY

Operational control
Global G-STAR Raw operations

SCOPES COVERED

Scope 1 (direct) · Scope 2 (location-based and market-based) · Scope 3 (13 of 15 GHG Protocol categories)

EXCLUDED CATEGORIES

Cat 8 (upstream leased assets) · Cat 13 (downstream leased assets) · Cat 15 (investments) Not material to apparel value chain

BASE YEAR

2021, fixed for SBTi target tracking. Recalculation policy: re-state when methodology or boundary changes materially.

RESTATEMENTS · 2025

Cat 1 methodology refined in 2024. Tier 1&2 mapping updated using Worldly/Higg FEM data. Prior-year figures recalculated for comparability.

TARGETS

SBTi-validated 2023 · -42% absolute emissions by 2030 vs 2021 baseline, covering both Scope 1+2 and Scope 3 (Cat 1 + Cat 4).

THIRD-PARTY SUPPORT · DATA SOURCES

Carbon footprint compiled with external GHG accounting partner. Primary data via Worldly (Higg FEM) for Tier 1&2 suppliers · supplier-specific factors where available · DEFRA / ecoinvent activity factors for residual scope.

Assurance & contact

How this report is reviewed — and how to reach us.

ASSURANCE

Partially externally assured

This report has been partially subject to external assurance. G-STAR continues to strengthen governance, processes and data quality in preparation for future assurance requirements.

CONTACT

cr@g-star.com

Questions, comments or concerns, please get in touch.

OR BY POST

G-STAR C.V.

Attn.: Sustainability Department

Joan Muyskenweg 39

1114 AN Amsterdam

The Netherlands

LOOKING AHEAD

Impact will continue to be reviewed, challenged and refined, with transparency as the foundation that enables this work.

MAKING IT MATTER. CONTINUOUSLY.

Impact is not a destination. It is something that is built over time through decisions, adjustments, and continued effort.

Over the past year, G-STAR has continued to evolve its approach to sustainability, placing products at the center, focusing on measurable outcomes, and embedding responsibility closer to where decisions are made.

Some initiatives delivered clear progress. Others revealed structural limits in existing systems. In some cases, remediation was required where risks or harm became visible. Each of these experiences provided direction for the work ahead.

This report reflects a shift in how sustainability is approached: with greater emphasis on results, accountability, and the real-world effects of decisions.

Impact is rarely linear. Environmental improvements depend on systemic change across supply chains. Social equity is shaped by everyday practices, not policies alone. Community resilience develops through long-term engagement rather than short-term visibility.

There is no single solution. Progress depends on consistent effort across many areas, designing better products, reducing footprint where the greatest leverage exists, improving purchasing practices, addressing harm when identified, listening to workers and communities, and measuring outcomes with clarity.

As expectations evolve and regulatory frameworks expand, the underlying responsibility remains the same.

WHAT MAKING IT MATTER MEANS IN PRACTICE

- Designing better products
- Reducing environmental footprint
- Improving purchasing practices
- Addressing harm when identified
- Listening to workers & communities
- Measuring outcomes with clarity

Impact is not defined by perfection, but by sustained effort and evidence of change.

THE WORK CONTINUES.

MAKE IT MATTER, CONTINUED.

Sustainability is not a finish line.
It is a discipline of staying honest
*about what changes and what
doesn't.*

Read the full report at [g-star.com](https://www.g-star.com)

We welcome challenges to our claims, our numbers, and our omissions.