



G-Star Detox Strategy 2014 as part of our Environmental strategy

On the 29th of January 2013 G-Star signed a Detox solutions commitment with Greenpeace. In the agreement G-Star, in line with its long-term sustainability program, recognizes the urgent need for eliminating industrial releases of all hazardous chemicals. According to its approach based on prevention and the Precautionary Principle G-Star is committed to zero discharges of all hazardous chemicals from the whole product lifecycle and all production processes associated with the making and using of G-Star products by 01 January 2020. We recognize that, in line with the 'Right to Know principle', to achieve this goal, mechanisms for disclosure and transparency about the hazardous chemicals used in our global supply chains are important and necessary.. Therefore we are increasing the public availability and transparency of our restricted substance list and audit process and working on public disclosure of discharges of hazardous chemicals in our supply chain. G-Star also commits to support systemic (i.e. wider societal and policy) change to achieve zero discharge of hazardous chemicals from the G-Star supply chain and product lifecycle) within one generation or less. This commitment includes sustained investment in moving industry, government, science and technology towards systemic change across the industry towards this goal. The 2020 goal demands the collective action of industry, as well as engagement of regulators and other stakeholders. To this end, G-Star will continue to work with other companies in the apparel sector, as well as material suppliers, the broader chemical industry, NGOs and other stakeholders to achieve this goal. The scope of the commitment is a long term vision, nonetheless with short term practices necessary.

This document lists G-Star's steps towards zero discharge of hazardous chemicals in 2014. This is a follow up document of our Individual Action Plan of 2012.

1. Product and Consumer safety

G-Star Restricted Substances List:

In September 2013 G-Star updated the G-Star Restricted Substances List (RSL) version 1.2. As the European list of Substances of Very High Concern (SVHC) is currently updated twice a year, G-Star updates the G-Star RSL annually. The next publication of the G-Star RSL will take place in 2014.

Manufacturing Restricted Substances List:

The G-Star RSL only focusses on product content. Use of restricted substances may also occur on the production floor in production processes even though the restricted substance is not added to the product. The MRSL addresses the input chemicals which are used during production. Hence, we will also focus on the input and not only on end of pipe with the implementation of an MRSL. In addition to the development of a MRSL within the ZDHC, G-Star will develop its own MRSL to be implemented in the G-Star supply chain. The G-Star MRSL will be aligned with the ZDHC MRSL and bluesign.

We intend to publish the first version of a G-Star MRSL 1.0 in the 3rd quarter of 2014. The document will be updated on a yearly basis.

RSL testing program:

In 2012 we started an intense testing program on restricted substances on all garments delivered by our supplier base. The results showed us that we had to draw attention to the compliance level of our products in more details. G-Star experienced that the end products did not comply with the levels given for restricted substances in our RSL (which goes beyond legal limits). As a result of our RSL testing program, continuous advice and guidance we provided to our suppliers during the previous 2 years, we have seen huge improvements in regards to G-Star's RSL compliance.

The set-up of the product testing program will be maintained in the upcoming years. On a seasonal base and following our risk assessment, G-Star requests to receive 3 samples first out of production - that will be subject for chemical and physical testing. Styles will be selected based on a seasonal risk assessment and have to be sent to the G-Star RSL team. Suppliers are requested to send G-Star only A-choice pieces and to strictly follow the procedures to avoid delay in shipments. The RSL team will send the pieces to an accredited laboratory in Europe for testing. All orders that are subject to testing can only be shipped after positive test results and approval of the RSL team.



When new potential suppliers come in sight, the RSL team requests them to deliver fabrics for testing prior to starting production with the supplier. Testing fabric prior to production can diminish product testing failures significantly.

Phase out of Hazardous Chemicals in line with other commitment:

1. *APEO elimination policy*

G-Star has informed all suppliers in February 2012 about the G-Star APEO elimination policy. We see in the test results that the G-Star CMT suppliers are APEO free. As we want to maintain a complete ban of APEO in our supply chain, products will be tested on compliance to the APEO elimination now and in the future.

2. *Phthalates elimination policy*

G-Star acknowledged it is a priority to eliminate the use of Phthalates across our global supply chain. Therefore G-Star has enforced a Phthalates ban in 2013. Current testing results show that G-Star products are Phthalates free; nonetheless in future testing programs Phthalates will be included to create long term compliance.

3. *PFCs elimination policy*

As of January 2015 (for G-Star 15-1 pre collection) all G-Star garments must be PFC free. G-Star is currently running trials with several suppliers on PFC elimination. In order to track compliance, we will test on additional PFC CAS numbers. These will be included in the RSL update 1.2. A case file on our work done to eliminate PFCS will be published on Subsport this year.

More sustainable alternatives

DMFa/PU

G-Star experiences that it is currently very difficult to source Polyurethane coated fabric which is Dimethylformamide (DMFa) solvent free. In our current testing programs we expand the tests on Dimethylformamide (DMFa), a solvent that can be found often in Polyurethane. During supplier visits in China, G-Star and its suppliers have searched for good Water based Polyurethane coated fabric - Currently Water based Polyurethane - that fulfills all our conditions has not been found. In the upcoming year more research will be done to find an alternative for solvent based.

2. Transparency

Disclosure

In line with G-Star's commitment to the public's 'right to know' the chemical substances used within its global supply-chain and the products it sells, G-Star has taken several actions in the past year:

We have published an updated 'Restricted Substances List' (including detection limits) and audit processes. G-Star will annually publish an updated RSL.

G-Star publically disclosed discharges of hazardous chemicals and detection limits in its supply chain (i.e. location and individual data of each facility) on an individual facility level, disclosing chemical-by-chemical use and discharge data in 2013. We published data of around 80% of our Global South suppliers via the IPE and G-Star website in 2013. We will continue to promote the disclosure of discharge data and detection limits via IPE to our suppliers the coming year.

Additionally G-Star will stay an active stakeholder in the Right to Know work stream and collaborate to find a PRTR solution via the ZDHC.

G-Star is cooperating in pilot audits of the ZDHC conducted with the ZDHC Generic Environmental audit protocol. The aggregated results of these audits will be compiled in a report and published on the Roadmap to Zero website. Future pilots will be conducted as part of WS7 best practices work stream. G-Star has nominated 5 suppliers for this pilot in 2014. When results will become available, these results will be published on the Roadmap to Zero website and made available for other stakeholders.

https://www.g-star.com/nl_nl/corporate/responsibility/responsible-supply-chain/index.htm#zdhc

Water testing

Based on the results of water testing done in 2013 at suppliers in the G-Star supply chain, further root cause investigation of Water Discharge Report (WDR) I and II is currently taking place at our suppliers. With this first round of chemical inventory and water testing we have set our baseline by which we can compare and measure improvements in the next round of testing which we have planned to process after our MRSL implementation.

As a next step G-Star will pilot the ZDHC Generic Environmental audit protocol for environmental auditing. This protocol includes a specific section focused on chemical use and water treatment. The environmental audits will be performed by STS. After reviewing the results of the audits a decision will be made to move forward with this type of auditing in our supply chain (which includes chemical water testing) and to combine this with programs such as:

- Bluesign for mills and suppliers currently already partner of Bluesign
- WaterPact at 1st and 2nd tier suppliers in Bangladesh

Several suppliers have already conducted environmental and chemical management audits. Based on risk assessments of vertical CMT suppliers and fabric suppliers, the suppliers will be subject to one of the above environmental and chemical audits on a yearly basis.

We will focus on G-Star suppliers and their factories in China that have processes in house that create a higher environmental and chemical risk. As well as vertical integrated CMT suppliers with printing, dyeing and/or washing in house and our denim suppliers with in-house laundries.

3. Training

Supplier training

In 2013 G-Star has carried out awareness training at suppliers about the G-Star Detox Commitment and Chemical management. The awareness training was a first step to make suppliers familiar with the road G-Star has taken towards Chemical management and the implications it has for the supply chain.

In 2014 we need to provide suppliers direct and practical guidance to move towards Zero Discharge of Hazardous Chemicals by 2020. Several types of training are planned in the upcoming years to reach this goal:

- ZDHC training: The Joint Roadmap has set up a comprehensive in class 2 day training on Chemical management that can be rolled out in 2014 in the brand supply chains. (start: target 2014 continuing towards 2020)
- The Indian company Nimkartek has launched a practical online training tool that is in line with the ZDHC in class training. Suppliers can test their current knowledge with this online tool and specify their specific needs for more information on certain topics to Nimkartek and G-Star.(start: target 2014 continuing towards 2020)
- The RSL team will proceed with yearly visits including training at G-Star suppliers.
- In Bangladesh the G-Star suppliers are taking part in the WaterPaCT program of Solidaridad. This program is expecting to foresee in chemical management training in Bangladesh in cooperation with TNO, Made by and ZDHC in 2014.

Internal training:

In addition to training suppliers within the G-Star supply chain it is of utmost importance to create more awareness within the G-Star organization. Several departments are directly involved with suppliers, the type of product we create and the impact they have on the choice for fabric, dyes and printing.

Internal training shall be given to our product development teams, merchandising team and sourcing team as well as our local production offices.

Timeline Environmental/Detox strategy 2014

TIMELINE DETOX STRATEGY 2014										
Months	RSL UPDATE	MRSL	RSL TESTING	G-STAR AUDIT	BLUESIGN	ZDHC ACTIVITIES	WATERPACT – till 2018	IPE PROMOTION	CASE STUDIES	CHEMICAL MANAGEMENT OR RSL TRAININGSUPPLIERS
01										
02										
03										
04										
05										
06										
07										
08										
09										
10										
11										
12										
	(M)RSL		FOLLOW UP WDR I & II					TRAINING		