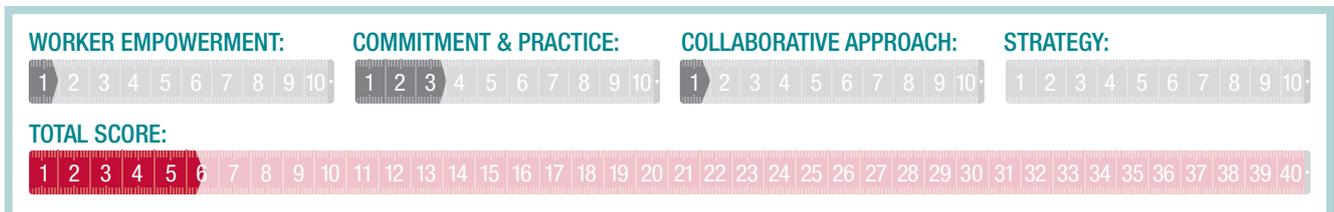


# G-STAR

Brands: G-Star Raw Denim



## COMPANY POSITION ON THE LIVING WAGE:

"G-Star supports the living wage principle as well as further research and exploration on defining 'what is a living wage'. We have not endorsed the living wage standard in our Code of Conduct ... Our code is actionable and we made the decision ... to only include actionable aspects that we can deliver at that/this moment in time.

"Our current, but not public definition is that living wage is defined as a wage paid for a standard working week meeting basic needs of workers and their families and to provide some discretionary income."

## WHAT WE SAY:

G-Star needs to make the leap of commitment towards a living wage. It is great that it is monitoring the wages it pays against real living-wage figures, but unless it puts this into its company policy, this support for the principle of a living wage is meaningless and the gap will not be bridged.



# G-STAR

## IN MORE DETAIL:

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### Has living-wage benchmarks?

Yes.

### Worker empowerment:

G-Star says: "The right to Freedom of association and collective bargaining has been incorporated in the G-Star Code of Conduct ... G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier training and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon."

### Commitment and practices:

G-Star has adopted a wage ladder to internally monitor its progress towards payment of a living wage. G-Star is using this ladder to carry out "internal overviews of wages by suppliers in comparison to the different wage levels - minimum wage, living wage, Asian floor wage."

G-Star says: "We are working internally on a project to further control prices vs wages paid."

Adding: "Currently we are doing research and investigate the topic of Living Wage in our supply chain. Based on the research G-Star has the intention to do a Living wage pilot at one of our suppliers in Q3-4 of 2014."

### Collaborative approach:

G-Star is involved in the Better Work programme. It has also taken part in an initiative in the Dutch textile and clothing sector, together with other brands, focusing on a living wage.

### Strategy:

G-Star has no strategy for ensuring workers in its factories are paid a living wage.

### Production overview:

**Number of suppliers:** G-Star did not disclose this information.

**Main production countries listed as:** Bangladesh (36%), China (31%), India (17%), Other (16%)

G-Star does not publish a full public list of the names and addresses of its supplier factories.

## COMMENTS:

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We are pleased that G-Star has started using a wage ladder to evaluate the wages paid to workers against figures that show how much it really costs to live with dignity in the countries where the company sources its goods. This is a good first step. Intriguingly, G-Star says it is also working on a project to control prices vs wages paid. We look forward to hearing more about this as it develops. It is vital that companies commit to addressing the price they pay to supplier factories when seriously considering how to bridge the gap between minimum and living wages. It will be important that G-Star takes this into account in its project. Simply gathering figures will not solve the problem.

G-Star demonstrates little evidence of working collaboratively with unions, NGOs or other companies to take forward work on a living wage. There is also little sign of work to combat the very real barriers to freedom of association and collective bargaining in its supply chains. Progress in these areas must go side by side with benchmarks if change is to be sustainable.

G-Star has yet to incorporate a commitment to pay the living wage in its code of conduct, although the company let us know when we sent it this profile that it plans to do this in early 2014. Our experience is that without this public policy statement in place, it is difficult to get a whole company on board with changes at all levels. We hope this will be addressed soon.