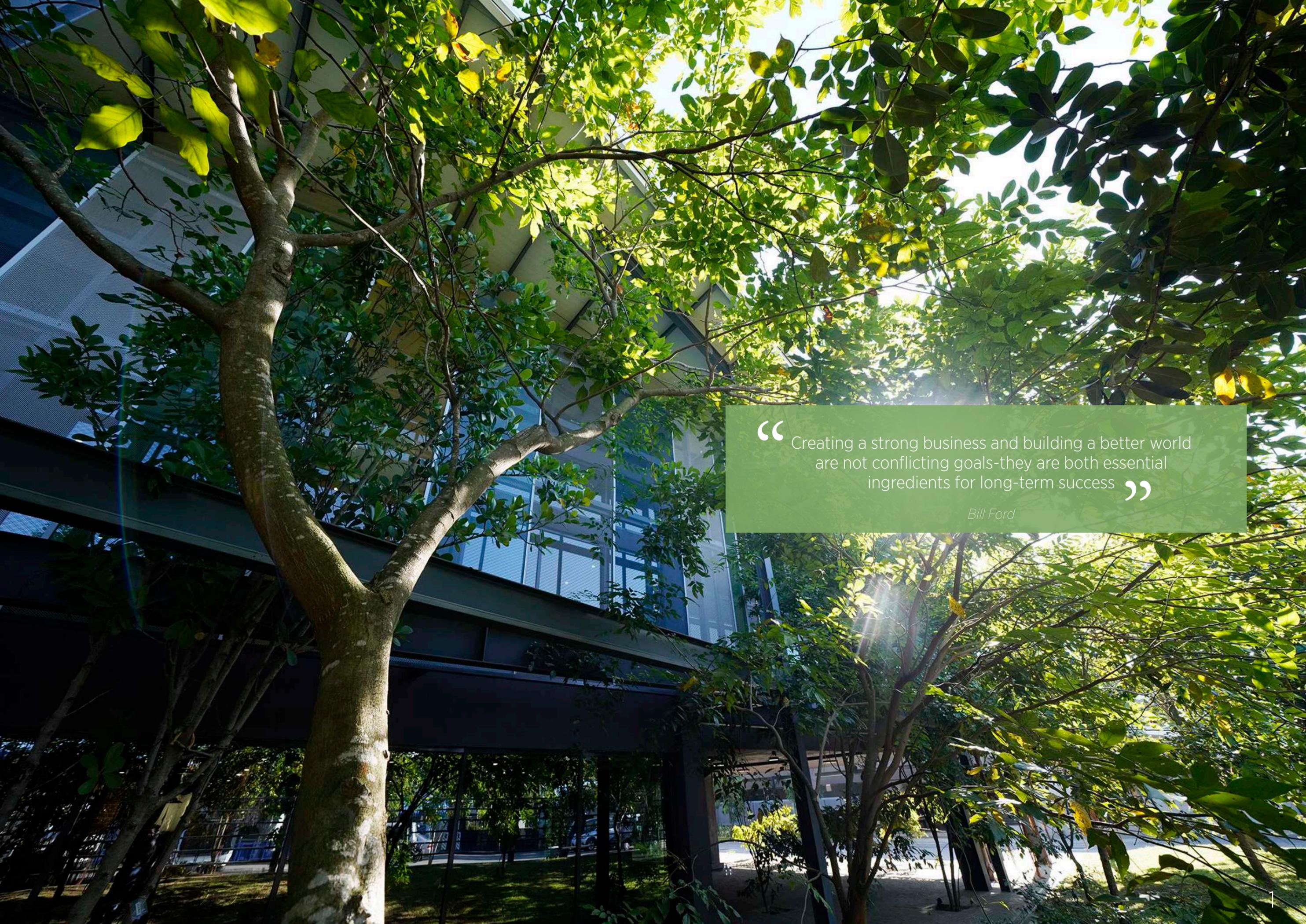


STAR
A Komar company

YOU ARE IN GOOD HANDS
The Conscientious Journey





“ Creating a strong business and building a better world are not conflicting goals—they are both essential ingredients for long-term success ”

Bill Ford

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OUR JOURNEY SO FAR

Founded in 1978 by a US company in the first export processing zone in Katunayake, with just one factory and 300 employees, STAR Garments grew swiftly, becoming the main exporter for major markets in the USA and Europe. In 2016 with Komar taking over operations, the revitalized company took a firm corporate decision to have environmental sustainability as one of our principle drivers in all aspects of our operations and as one of our key corporate attributes.

The year 2017 saw the opening of Sri Lanka's first Passive House sustainable construct by Star Komar, in the form of its Innovation Center, and later in 2018 saw the opening of its new headquarters which not only signified a fresh take on sustainable growth and practices but also ushered in a new phase in pioneering innovation and technologically advanced front-end services in design and product development.

The year 2019 saw the development of a detailed 5 year strategic plan for the improvement of our environmental sustainability. We have set some ambitious goals and have obtained the buy in of all levels of the company to ensure that they see fruition- but over the past 2 to 3 years we are saddened and dismayed to see the ever-increasing impacts of climate change. Human activity is releasing greenhouse gases into the atmosphere at an unprecedented rate, and global warming is now a daily newsworthy event.

According to the Ellen Macarthur Foundation, the global apparel industry is expected to account for over 25% of the world's carbon budget, in addition to adding over 22 million tons of micro fibers into the world's oceans. The collective responsibility of the apparel industry to take account for its staggering contribution to the planet's deterioration can no longer be avoided or swept under the rug.

In light of all this we at Star Komar Group decided that we needed to take tangible and meaningful action to take account for and to compensate for our own company's contribution to global warming. Therefore, with the full support of the management team, we brought forward our commitment on greenhouse gases by over 3 years and commissioned a comprehensive greenhouse gas assessment of all our factories and offices by The Carbon Consulting Company. On completion of the assessment, we have decided to completely reduce our unavoidable carbon footprint to Net Zero, by investing in globally recognized carbon credits for all our factories.

I am pleased to announce that we have completely offset over 17,000 tons of carbon dioxide equivalents which covers all of our 10 factories and other locations, to become Sri Lanka's LARGEST carbon neutral company and the ONLY apparel sector group in Sri Lanka to have ALL of its factories internationally certified as carbon neutral. We also believe we are also the WORLD's first group of factories to achieve carbon neutral status across our entire group.

I look forward to your continued support, encouragement and goodwill as we continue to drive our vision of being the country's MOST sustainable sourcing destination.

Arumugampillai Sukumaran | MD, Star Komar, Sri Lanka

STAR

At Star, we're a world-class apparel sourcing, design and manufacturing company. We provide expert, seamless execution in product development, technical innovation, on-time delivery and personalised customer service to ensure the best quality and value for each of our customers. We're proud to be a Komar company.

TEAM OF OVER
8,000
DEDICATED
ASSOCIATES



10
FACTORIES



40+
YEARS IN BUSINESS



1,200,000
PIECES PRODUCED
MONTHLY



COMPREHENSIVE
DESIGN SERVICES



HIGH QUALITY,
EFFICIENT AND
ON-TIME DELIVERY

70,000
SQUARE FOOT
INNOVATION CENTER



A VARIETY OF
PREMIERE GLOBAL
BRANDS

↖ ↗ PREMIER FULL-SERVICE
↙ ↘ PROVIDER OF FASHION APPAREL



OFFICES IN HONG KONG
AND USA



OUR VALUES

ADVENTUROUS
CURIOUS
FLEXIBLE
DEPENDABLE
CONSCIENTIOUS
RESPECTFUL

AT STAR, YOU ARE IN GOOD HANDS.

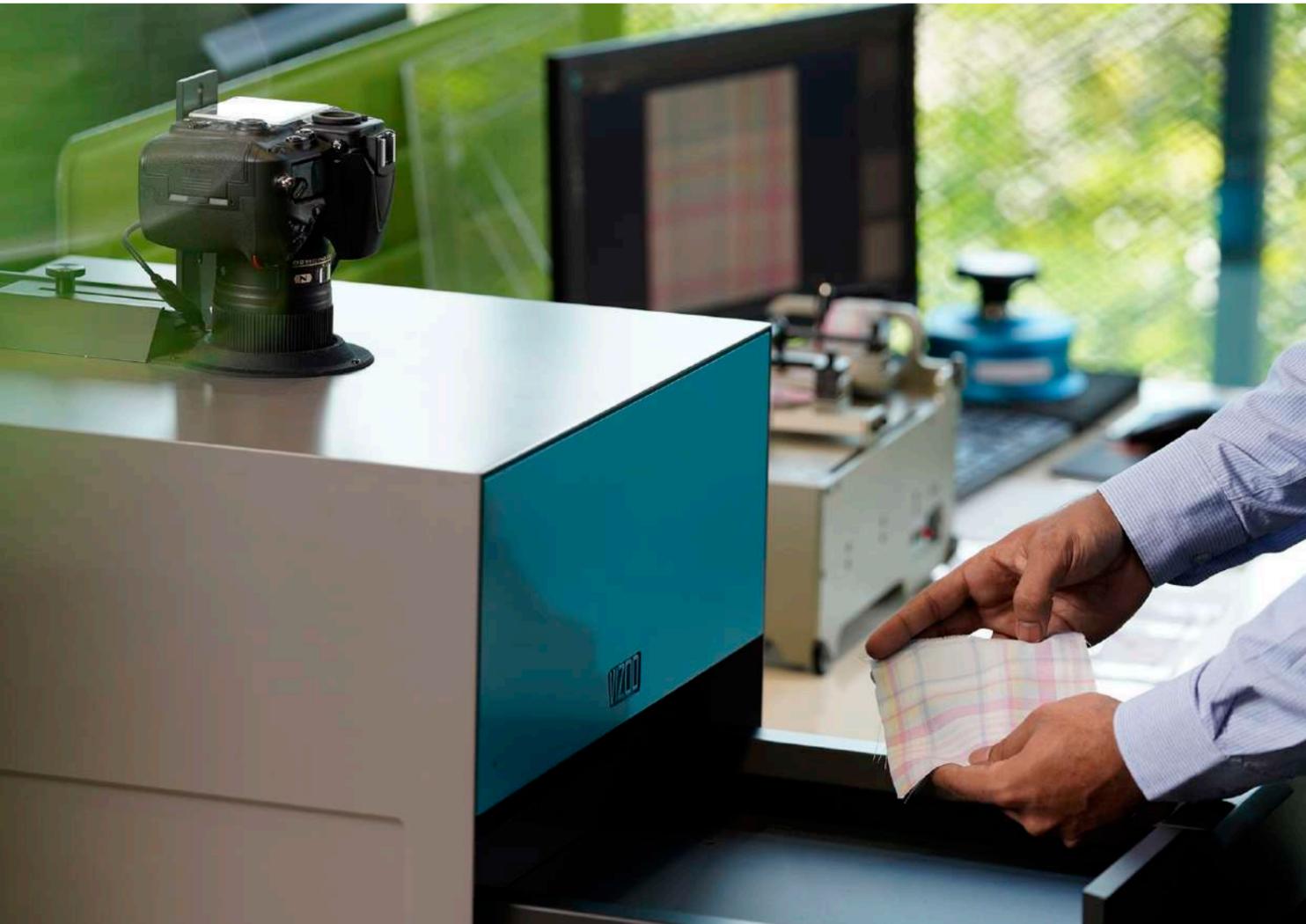
We take sustainability seriously and put our people and the planet first in our daily decisions.

Over three decades, Star has grown into a world class, responsible apparel company. We operate with a belief that faith in humanity and nature, and the possibilities that could arise when the two are treated with utmost respect, can drive success in any business. The right way.

As an industry the apparel sector is responsible for at least 8 % of the worlds' annual carbon emissions. We believe that taking small steps towards reducing our impact on the planet can contribute towards larger changes in the decades to come.

Our Innovation Center- South Asia's first Passive House- was our first step towards making little changes to work differently, with the greater good in mind. We have put great effort into plans to become Asia's first CarbonNeutral® apparel group and this is just the beginning.

As an employee, supplier, buyer or a well-wisher, with Star, you can be assured of an ethical, attentive and trustworthy partner. You will always be, in good hands.



WE ARE ADVENTUROUS

We are always adventurous. Experimenting with and implementing new technological solutions that make our processes simpler and more reliable makes us an efficient, 360° apparel solutions provider. Innovation is at the core of our operations, keeping us relevant and reliable and always state-of-the-art.

Our use of technology not only improves the finished product, but it also improves the quality of our team's experience working at Star by facilitating an instantaneous feedback loop and enabling highly accurate record keeping.

When it comes to production, our high end machinery provides detailed finishes including laser-cut, pleating and special stitching, while also allowing for seamless knitting of intimate apparel.

HOW WE DO IT

Utilizing 2D digital pattern technology and 3D virtual sample renderings and digital measuring.

This optimises the process and provides improved speed to market, better quality and improved efficiency.

Digital 3D samples that enable adjustments to color, fit and design without ever cutting or sewing a physical garment.

Decisions on fit, drape, color and prints are made before the garment is cut or a print is put into work.

Reduces time to market and costs.



WE ARE CURIOUS

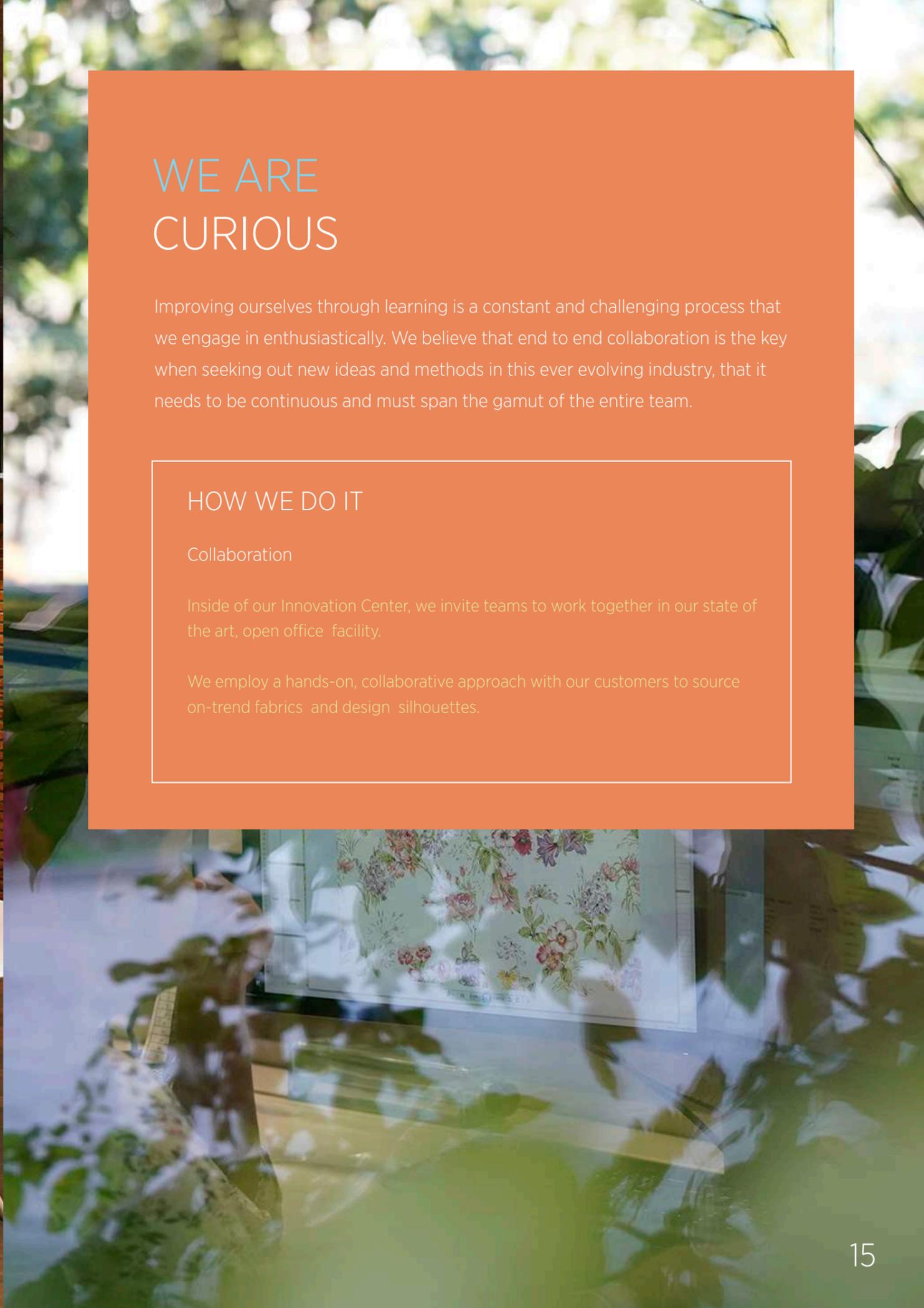
Improving ourselves through learning is a constant and challenging process that we engage in enthusiastically. We believe that end to end collaboration is the key when seeking out new ideas and methods in this ever evolving industry, that it needs to be continuous and must span the gamut of the entire team.

HOW WE DO IT

Collaboration

Inside of our Innovation Center, we invite teams to work together in our state of the art, open office facility.

We employ a hands-on, collaborative approach with our customers to source on-trend fabrics and design silhouettes.





WE ARE FLEXIBLE

We strive to attempt every possibility, and are proud to say that there is very little in the apparel world that we cannot do. Agility keeps us on our toes so that we keep our lead times shorter, designs top-notch and delivery in timelines that we take constant pride in.

For our customers the result of a simple change to our 3D digital sampling program is drastically reduced lead times, optimum fabric use and cost savings without compromising quality.

HOW WE DO IT

Komar Digital Asset Management.

Provides a central catalogue of existing assets.

Easily accessible database of all prints and images for design inspiration.

Copyright information is centralized and tagged with each print.

150,000 Digital Assets tagged and available for use.





WE ARE DEPENDABLE

With a proven track record of impeccable service and consistency, we continue to provide reliable solutions to our demanding clients. Coupled with our insistence on transparency and commitment, our integrity makes us an easy choice for a dependable partner.

From our talented design team to our production partners from around the world, we take pride in manufacturing garments where the highest level of quality is guaranteed. Consistent quality control processes are in place throughout production, from the initial stage of sourcing materials to the final finished piece.

HOW WE DO IT

Leadtec Shop Floor Control:

The Leadtec shop floor control system allows quality control to be managed in real time with RFID systems and software that keep operations optimized and more productive.

Quality Assurance:

We have established a proprietary cloud-based quality assurance system to eliminate paper and transposition error using an intuitive tablet, contributing to a fast, reliable service.





WE ARE CONSCIENTIOUS

We are purposeful and are fierce believers in social and environmental sustainability. We have firsthand experience of the positive impact of a conscious workplace and will continue to uphold the values of a responsible corporate citizen and will endeavor to help our clients be the same.

In keeping with our strong commitment to sustainability, our Innovation Center is the first passive house design in Southeast Asia, and one of eight factories of its kind in the world.

Our Corporate Social Responsibility initiatives are geared to uplift the lives of those in communities we operate in, and to ensure fairness and safety for our most important resource, our employees.





HOW WE DO IT

PASSIVE HOUSE

Intended to be a global model for the entire garment industry, the Passive House project sets a new high bar for sustainability, energy efficiency and occupant comfort. By choosing to renovate an obsolete building to Passive House standards, the project dramatically reduces the waste, carbon emissions and fossil fuels typically required for demolition and a new build, and cements Star's commitment to maintain high standards in social, environmental, ethical and safety compliance within the global fashion industry. Annual energy consumption is reduced by over 70% compared to a conventional modern building.

WHAT IS PASSIVE HOUSE?

Passive House is a design and construction methodology which results in ultra efficient, high performance buildings. Highly insulated walls and roof, combined with an airtight building envelope, energy recovery ventilation and carefully engineered windows and doors result in a building that requires significantly less energy to operate.

Overall energy reduction exceeds 70% for the facility as compared to a conventional new building.

90% reduction in dehumidification energy.

73% reduction in heat pump energy.

25x increase in insulation performance (u-value).

48,340 kWh/yr produced by solar panels.



WE ARE RESPECTFUL

We believe in being human first. Whatever we do, we do with the utmost respect for each other, our environment and our workplace. This makes us ethical and earnest individually and as an organization.

A pleasant working environment, where the management and staff are mindful of each others happiness and wellbeing, is the accepted norm, at Star. Workers, no matter what their position, are treated with dignity and respect and the company tries its best to provide essential services that help uplift their living standards.

HOW WE DO IT

Sri Lanka's apparel industry is renowned for high quality, on time delivery and reliability, and most importantly, for ethical and responsible business practices. We uphold full compliance in safety, labor laws, government and environmental stipulations and are approved by US Customs for C-TPAT. All of our manufacturing plants are socially compliant and certified by various organizations such as WRAP, SEDEX, WCA and SLCP.

Star Garment Group is STANDARD 100 by OEKO-TEX® certified for Customer Specific Product Groups.



SUSTAINABILITY

We take pride in analyzing every step of production to ensure we're being as environmentally responsible as possible. Star is a member of the Sustainable Apparel Coalition and all of our manufacturing plants are evaluated on the Higg Index Platform annually.

HOW WE DO IT

The CarbonNeutral® Group of Factories

We take pride in being Sri Lanka's (and perhaps the world's) FIRST complete group of garment factories to be certified CarbonNeutral® - a key landmark on our 5 year sustainability strategy. Given the increasing evidence of climate change and the growing need for URGENT action on the part of responsible companies, we re-prioritized our efforts across the entire group to enable us to achieve our group wide CarbonNeutral® status a full 3 years in advance of the originally planned dates.

The CarbonNeutral® certification is issued by Natural Capital Partners- the world's leading retailer of carbon credits and comes subsequent to an exhaustive greenhouse gas assessment of all the factories by The Carbon Consulting Company and independent verification by The Sustainable Future Group- the Asian region's representatives of Natural Capital Partners.

On completion of the greenhouse gas assessment any emissions that were unable to be reduced through internal mechanisms were offset through investment in the Andhra Pradesh, Rajasthan and Karnataka States' Solar Power Project in India through the globally accepted carbon credit mechanism.

THE CARBON NEUTRAL AUDIT

14 FACILITIES  = 17,581.09 tCO₂e
 TOTAL GHG emissions:



Category 1
 Direct GHG emissions from sources owned or controlled by the entity

Category 2
 Indirect GHG emissions from imported energy

Category 3
 Indirect GHG emissions from transportation

Category 4
 Indirect GHG emissions from products used by the organisation

Carbon offsets



Renewable Energy Credits from the Andhra Pradesh, Rajasthan and Karnataka States' Solar Power Project in India.



In addition Star Garments avoids

425tCO₂e

of carbon emissions through electricity exported to the grid from an installed solar power capacity of

367kW



Innovation Center
 30 kW/35 tCO₂e



Koggala Factory
 210 kW/250 tCO₂e



Galle Factory
 127 kW/140 tCO₂e



April 2020
 Innovation Center
 LEED Certified



THE FIVE YEAR SUSTAINABILITY STRATEGY

Moving forward the group's strategic sustainability focus remains on improving the sustainability metrics of the manufacturing operations and buildings design. With LEED (Leadership in Energy and Environmental Design- by the US Green Building Council) being the world's most highly recognized green building standard, we have set an ambitious goal of obtaining LEED certification for 2 manufacturing facilities by 2021 , and even further to have LEED certifications for all other Star owned factories by 2024.

The STAR Group will also benchmark themselves against the HIGG Index developed by the Sustainable Apparel Coalition, which has a suite of tools that enables brands, retailers, and facilities to accurately measure and score a company or product's sustainability performance.



MOVING FORWARD SUSTAINABLY

Growth in a business context and as an industry is an unavoidable reality. However we at the STAR Group do not believe that such growth is mutually exclusive to achieving and adhering to a sustainable business model. Our undeniable passion is to find that illusive middle ground that takes customer needs and market demands into consideration while ensuring that we act with responsibility and care towards our people and our planet.

IF we do this right... we are for the firm belief that the profit will follow.

If you care about where and how you conduct your business, if you value reliability and quality while demanding that stakeholders, employees and the planet are treated with utmost respect... be reassured;

You are in Good Hands.