

GII Apparel Group

CSR Report | FY 2024



GIII ATA GLANCE

FY 2024



\$3.10B

GLOBAL REVENUE



600+

RETAIL STORES
OPERATING GLOBALLY *

* Company and partner operated stores

8

COUNTRIES WITH OUR
CORPORATE OFFICES



8

RETAIL WEBSITES
(DKNY, DK, KL, KLP,
VBQ, BASS, WILSONS
LEATHER, SONIA RYKIEL)



30+

BRANDS ACROSS
A RANGE OF CATEGORIES



1,200

RETAIL PARTNERS
GLOBALLY



3,500

FULL-TIME EMPLOYEES
1,100 PART-TIME

To Our Stakeholders:

I am pleased to present our FY 2024 Corporate Social Responsibility (CSR) Report, which outlines our ongoing efforts in this space during the 2023 calendar year.

This was an important year for G-III, and I am proud of the results our team delivered. The strength, relevance, and recognition of our brands, along with our powerful corporate foundation enables us to develop products that inspire and create exciting brand experiences for consumers. Through it all, corporate social responsibility remains an essential part of how we do business. With expertise in design, sourcing, marketing, and distribution across a portfolio of over 30 owned & licensed global brands, we recognize our vital role in creating a more sustainable future.

G-III was born out of a factory in New York City more than 50 years ago by my father Aron. He believed that caring about the well-being of workers and giving back to the community was non-negotiable. We are proud to continue and expand that legacy with our work to protect the planet, ensure safe and fair conditions in our supply chain, build a great workplace for our own associates, and invest in the communities where we work and live.

This year, I am happy to share that we accelerated our sustainability efforts by conducting our first global materiality assessment, which identified the priority areas for our new sustainability strategy. This was a big step in understanding what meaningful changes we can make as a Company, while also staying aligned to new legislation and industry-wide efforts. I am also pleased with our corporate governance efforts to refresh our Board of Directors. Having diverse points of view and expertise is important to better position us for the future. We added three new Independent Directors in fiscal 2024 and have added five new Independent Directors over the past four years.

I am immensely proud of the powerful Company we are today and the many opportunities we see for G-III's future. This past year has set a strong CSR foundation to build upon and on behalf of our leadership team and the entire organization, we are all committed to driving this important work forward.

Best regards,



Morris Goldfarb
Chairman and
Chief Executive Officer

TABLE OF CONTENTS



SUSTAINABILITY

- Key Sustainability Milestones
- Our Approach
- Supply Chain Management
- Environmental



**OUR PEOPLE, DEI,
& PHILANTHROPY**



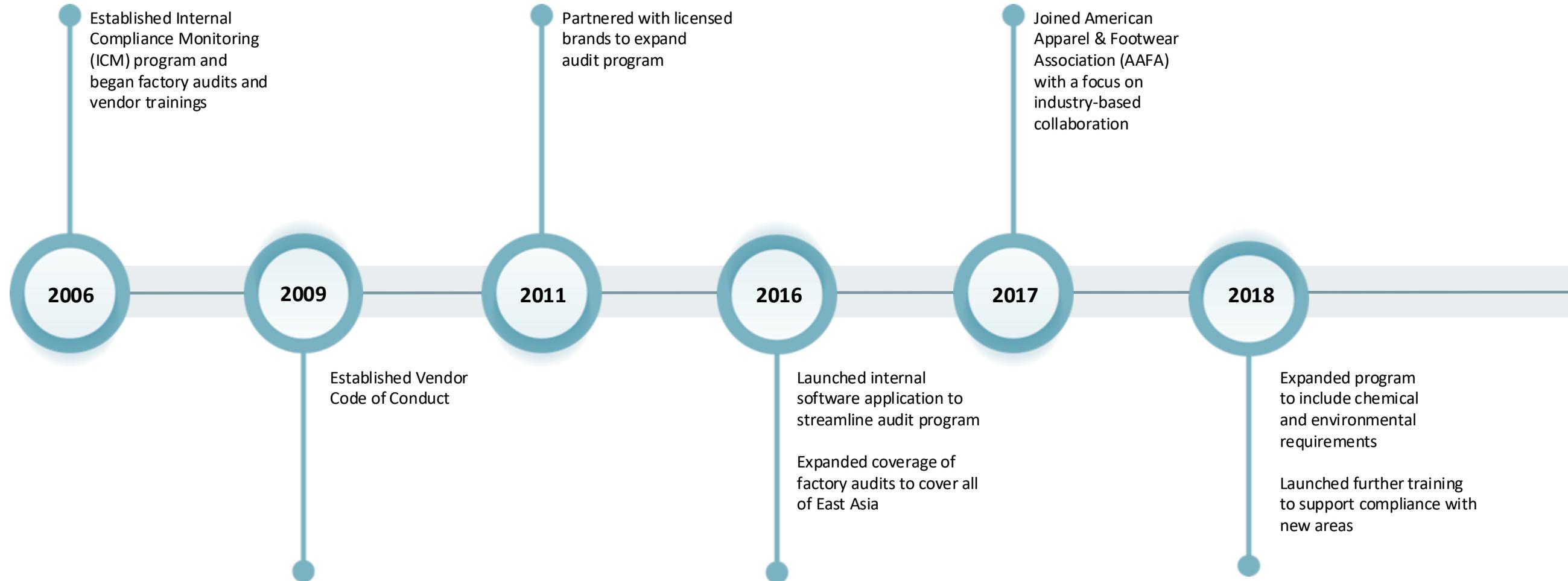
**GOVERNANCE
& ENGAGEMENT**

We are building on these programs by developing an enhanced go forward Corporate Sustainability Strategy.

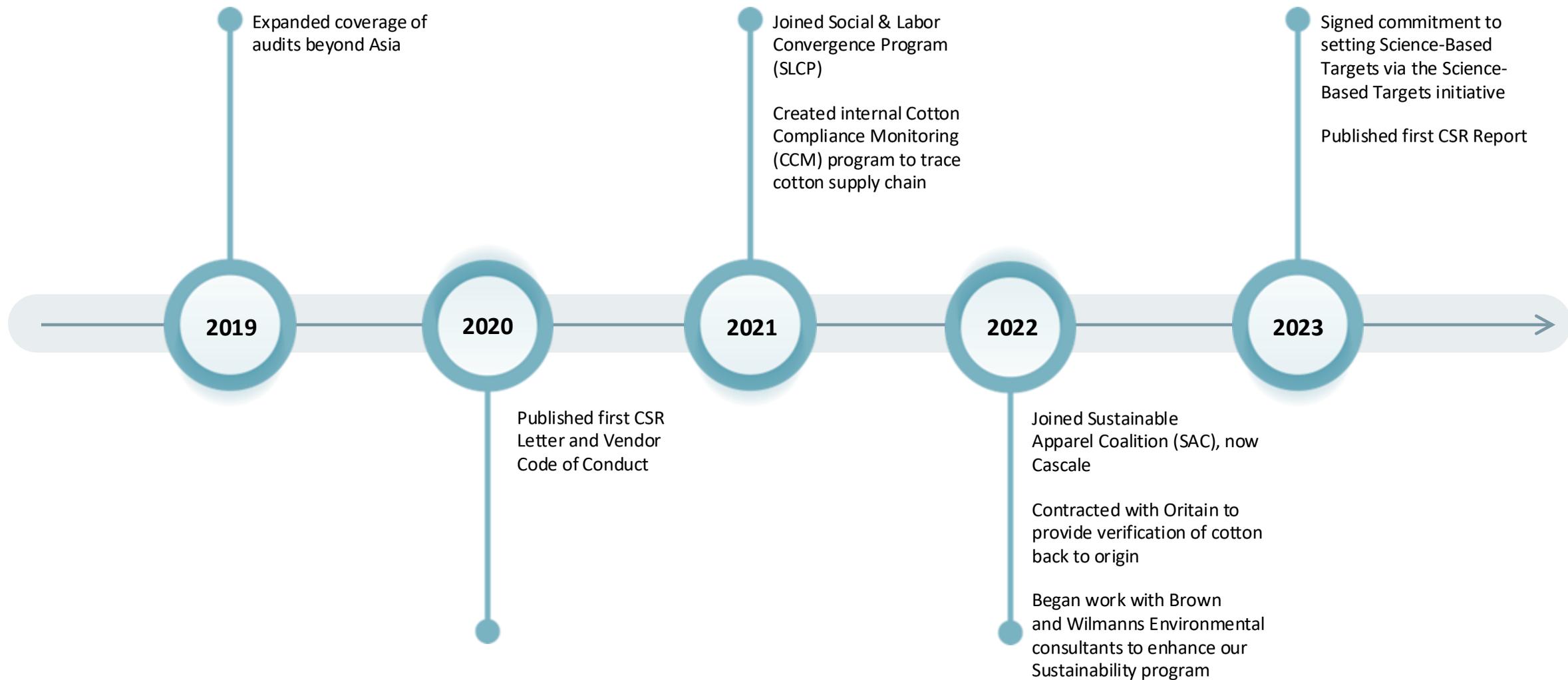
A pair of hands is shown holding a small green seedling with soil. The seedling has several leaves, some of which are covered in water droplets. The hands are positioned in the center of the frame, and the background is blurred. The word "SUSTAINABILITY" is overlaid in white, bold, uppercase letters across the middle of the image.

SUSTAINABILITY

KEY SUSTAINABILITY MILESTONES



KEY SUSTAINABILITY MILESTONES



OUR APPROACH: Ethics and Compliance



G-III is committed to conducting business with the highest moral, ethical, and legal standards while ensuring compliance with all applicable laws and regulations. Our approach is based on the fundamental belief that building a sustainable business that provides quality products to our consumers requires transparency, integrity, accountability, and a desire to continuously improve our own processes and those of our partners. We prioritize partnerships with vendors and factories that share this commitment. Through engaging with our vendors, we strive to ensure they are well-positioned to meet both our own requirements and continuously evolving regulatory standards.

OUR APPROACH: Ethics and Compliance

The G-III [Vendor Code of Conduct](#) codifies the set of standards reasonably required of all our business entities and partners to adhere to collectively commit to doing the right thing. Recognizing the diverse cultural, legal, and ethical environments in which our products are manufactured, our Vendor Code of Conduct establishes essential minimum requirements for all G-III vendors, partners, and factories. In instances where differences in standards arise, vendors are required to always apply the highest standard. To ensure adherence to these principles, G-III conducts Internal Compliance Monitoring (ICM) Audits or engages third-party firms to assess our business partners' compliance.

Select requirements include:



Maintain robust health and safety programs, fair wages, working hours, compensation, and benefits



Prevent child labor, forced or compulsory labor, human trafficking, unfair and/or harsh disciplinary practices, harassment, and abuse



Comply with all applicable laws and regulations



Ensure freedom of association, the right to collective bargaining, and non-discrimination



Recognize and avoid corruption and unsolicited payments

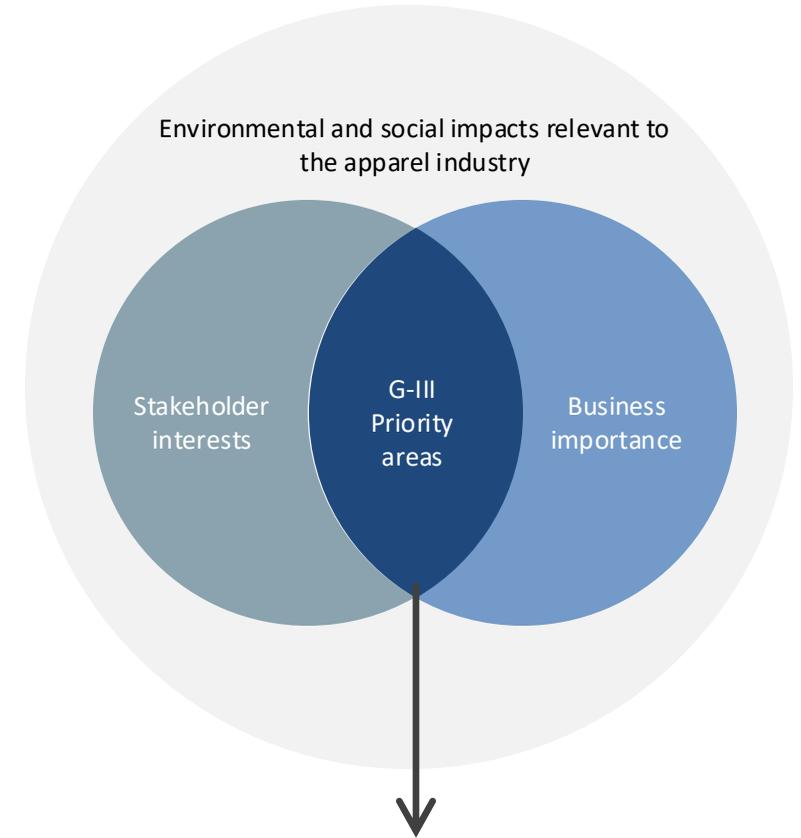


Continually mitigate negative impacts on the environment

OUR APPROACH: Materiality Assessment

In 2023, G-III conducted a materiality assessment to identify and evaluate the key sustainability topics that are important to our products, our operations, and our upstream and downstream supply chain. This assessment incorporated the negative and positive environmental and social impacts inherent in the apparel industry today, interests of internal and external stakeholders, aspects that are important to the business, together with a thorough assessment of G-III’s established management practices to identify where improvements can be made. The resulting priority areas have been essential to the development of our new sustainability strategy that began rolling out across the Company this year.

Our Approach to Materiality Assessment



Resulting G-III Priority Areas

- Sustainability and Business
- Procurement and Sourcing
- Materials
- Facilities
- Climate Change
- Communication

Some of the priority areas we have identified for immediate attention and have actively been working on include:			
Transparency and communication	Greenhouse gas emissions	Environmentally preferred materials*	Product environmental impacts

* G-III defines environmentally preferred materials the way the Textile Exchange has historically defined it: “one which results in improved environmental and/or social sustainability outcomes and impacts compared to conventional production”.

SUPPLY CHAIN MANAGEMENT: Overview

Our significant in-house Sourcing and Supply Chain Organization, with over 400 associates, manages our best-in-class manufacturing partners across the globe. Our approach to sustainability prioritizes collaboratively working with our suppliers because of the breadth of our operations and the level of influence we are able to exert over our largest factories and suppliers with the goal of improving sustainability across our supply chain.

Our partners play a key role in upholding our social and environmental standards at our Tier 1 suppliers. Due to our longstanding relationships with our vendors and partners, we are able to ensure there is a firm understanding of our requirements from the factories we work with. As a result, we are able to leverage the scale of our production operations to enhance compliance across our Tier 1 suppliers and ensure the partners we choose to work with have the proper resources, including management systems, in place to achieve and maintain compliance with all sustainability standards.

We partner closely with our vendors and Tier 1 factories and provide guidance to help them meet G-III's standards and those of our licensors and other partners. Our close collaboration with factories not only ensures standards are met, but also helps our suppliers enhance their internal processes to become more efficient and safer in the long term. We are continuing the work to map our Tier 2 suppliers and extend guidance to a broader portion of our supply chain.

Key operational areas include:



**Sourcing
Leaders**



Audit Team



**Supplier
Relationship
Managers**



**Compliance
Monitoring Team**

SUPPLY CHAIN MANAGEMENT: Audits



We strive to ensure that our products are produced in a legally and socially responsible manner and to prevent complicity in abusive employment practices. Our vendors share our commitment to environmental and social responsibility, and we expect them to abide by our Vendor Code of Conduct and continue to comply as standards evolve.

G-III Audits

Our Internal Compliance Monitoring Program audits our Tier 1* suppliers to ensure adherence to our own requirements and those of our various distribution partners, brands, and the regions in which we operate. Compliance verification in our supply chain includes both announced and unannounced audits of supplier facilities.



We work closely with suppliers to develop and implement strategies that align with our standards and follow up on all audits to ensure that any adverse findings are immediately addressed through formalized Corrective Action Plans. In rare cases where a supplier shows egregious noncompliance, we typically pause business until adequate actions are taken. We are actively invested in improving our supply chain at every step and support the creation of vendors' internal management systems to monitor facility environmental impacts. We also mandate a facility environmental representative at the manager level or higher to make sure environmental and social issues are prioritized appropriately.

*Tier 1 suppliers are suppliers involved in manufacturing, assembly or finishing of our final products.

SUPPLY CHAIN MANAGEMENT: Training



Vendor Training & Improvement

The social and environmental landscape is constantly evolving, and we work to continuously enhance our own performance and leverage our scale and relationships to encourage suppliers to improve their own environmental, social, and governance programs. We hold annual or semi-annual training sessions to ensure they are up to date on developments and best practices in sustainability. Internally, G-III conducts training on our vendor compliance program and related standards to ensure that personnel involved in supply chain management can identify a range of potential issues and take the proper actions.

Some of the training programs we develop and execute include:		
<p>Capacity Building Together with our licensing partners, we help develop and enhance processes and skills across our supply chain, such as worker well-being (i.e., timely payroll, health and safety, career enhancement) and environmental management (i.e., wastewater management and environmental audits).</p>	<p>Chemical Management Program Raises knowledge about prohibited substances and how to verify compliance.</p>	<p>Cotton Compliance Monitoring Educates internal staff and factories about our requirements and procedures for tracing the origin of cotton and ensuring its ethical sourcing.</p>

SUPPLY CHAIN MANAGEMENT: Our Tools

We are members of several industry-leading organizations to improve our visibility into our supply chain and work with other third parties to advance our supply chain management and compliance.

Our Tools



(formerly Sustainable Apparel Coalition):

A non-profit alliance of over 150 partners that works to reduce the social and environmental impact of global apparel and textile production. As a part of Cascale, we employ their standard Higg Facility Environmental Module (“FEM”), an environmental assessment of supply chain factories that grants us greater insight into our supply chain so we can identify areas for improvement. Cascale also fosters collaboration across the industry, allowing us to streamline our social and environmental programs and improve vendor performance.



G-III utilizes a formalized cotton traceability program to further mitigate the risk of forced labor being used to create our products. To enhance our programs, we engaged Oritain, a third-party testing platform measures the natural intrinsic properties of a product to verify its origin, enabling us to identify the exact source of our cotton and ensure it does not originate from regions with high risk for forced labor.



A non-profit multi-stakeholder initiative with industry-wide shared standards that aim to eliminate audit fatigue in global supply chains. Through our membership, we have increased the effectiveness of our audits and collected additional performance data from our suppliers while freeing up internal resources to better assist factories in addressing their most pressing issues.

ENVIRONMENTAL: Climate Impact

G-III FY2024 carbon footprint represents our baseline direct and indirect (Scope 1 and Scope 2) greenhouse gas emissions across our owned and operated activities, globally. The results of our first world-wide assessment show our impact on the climate and where we can find the biggest opportunities for swift actions to achieve meaningful reductions.

We are using this baseline to inform our target-setting process which is currently underway. In fact, we have committed to setting science-based targets covering Scope 1, Scope 2 and Scope 3 emissions and achieve target validation by the Science Based Targets Initiative (SBTi). Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.

We will begin assessing our upstream and downstream (Scope 3) emissions, an endeavor underway during 2024-2025. Consistent with our industry, our Scope 3 footprint will represent the majority of our overall greenhouse gas emissions, likely due to the energy used in raw material cultivation and extraction, as well as product manufacturing.

Looking forward, the insights we are gathering today will serve as the foundation for a long-term climate transition plan, designed to follow the latest climate science, meet public climate commitments, and align our operations to achieve those ambitions.

FY 2024 Baseline



Scope 1	2,256 metric tons	Direct greenhouse gas emissions from sources owned or controlled by G-III, such as natural gas for heating and use of our company-owned vehicles.
Scope 2	5,667 metric tons*	Indirect greenhouse emissions from the purchase of electricity, steam, heat, or cooling.

*Number represents market-based Scope 2 emissions. Location-based Scope 2 emissions were 6,145 metric tons.

ENVIRONMENTAL: Factory Engagement



We actively engage our production partners around the world to ensure compliance with our Vendor Code of Conduct, which is the foundation of our supply chain environmental management efforts.

In addition to our various social compliance programs, we monitor and measure our suppliers' environmental performance through on-site audits as part of our Internal Compliance Monitoring Program and through Higg Facility Environmental Module (FEM) self-assessments. We expect our vendors and suppliers to comply with all applicable environmental laws, rules, and regulations, including those related to emissions, discharge, and disposal of waste, chemicals, water, energy, hazardous chemicals, and air quality. Factories must adopt measures to mitigate negative impacts on the environment and nurture a better environment at the facilities and in the communities in which they operate.

ENVIRONMENTAL: Factory Engagement

Supplier Audits	Supplier Self-Assessments
<p>Our Internal Compliance Monitoring Program audits our Tier 1* supplier factories to ensure adherence with our Vendor Code of Conduct.</p> <p>In 2024, nearly 80% of all Tier 1 supplier factories were audited.</p> <p>All audit findings require that formal Corrective Action Plans are implemented and closed within 45 days, and that adequate preventive actions are taken to ensure issues do not recur.</p>	<p>We are working to make sure that each of our Tier 1* supplier factories complete Higg FEM assessments. These assessments help us measure and evaluate the environmental performance of our supplier factories in the following areas:</p> <ul style="list-style-type: none"> • Environmental Management Systems • Energy and Greenhouse Gas Emissions • Water Use • Wastewater • Waste Management • Air Emissions • Chemical Management <p>In 2024, nearly one third of all Tier 1 supplier factories (top 10% by order volume) completed a Higg FEM self-assessment.</p>

*Tier 1 suppliers are suppliers involved in manufacturing, assembly or finishing of our final products.

ENVIRONMENTAL: Chemical Management



Our chemical management program is essential to ensuring the safe, efficient, and compliant use of chemicals across G-III's Tier 1 supplier facilities. The program ensures compliance with the Company's Restricted Substances List (RSL), preventing the use of banned substances in our products, and phasing out the use of restricted substances across our supply chain.

The program includes the following elements

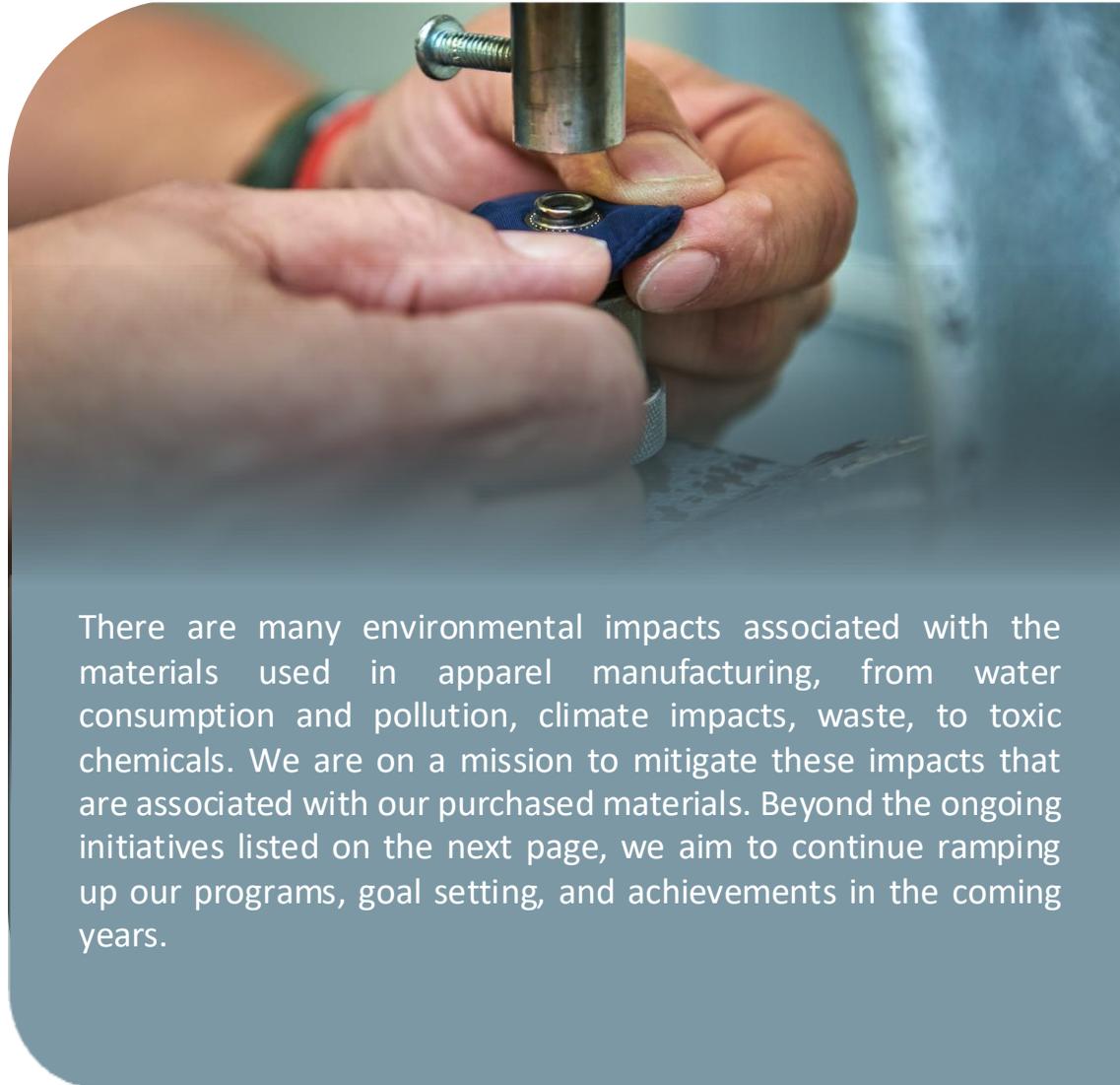
Restricted Substances List

- Follow and comply with evolving local and regional legislation, and licensor and customer requirements
- Maintain thorough procedures for RSL compliance verification
- Perform product testing for banned and restricted substances using preferred laboratories
- Consistently enforce full RSL compliance
- Continually improve program based on developments in product safety

Chemical Management Program

- Perform onsite audits to ensure Tier 1 suppliers have robust chemical management programs, including
 1. Standardized internal chemical management procedures for chemical handling, storage, and disposal
 2. Training for applicable employees based on those procedures
 3. Means to minimize environmental impact and promote worker safety through risk assessment and safety protocols
- Ensure all audit findings are corrected and closed per G-III Internal Compliance Monitoring Program

ENVIRONMENTAL: Preferred Materials



ENVIRONMENTAL: Preferred Materials



Our current materials-related initiatives:

- Company-wide commitment to 100% recycled materials for all synthetic fibers by 2030.
- Introduction of more certified recycled materials, including Recycled Claim Standard (RCS) and Global Recycled Standard (GRS) certifications, into our products.
- Incorporate certified organic fibers and materials that utilize better practices to lower impacts in their cultivation.
- Building relationships with fabric mills to significantly increase the use of preferred materials. We are working with mills like Lenzing to source more fibers made with environmentally preferred processes (i.e., viscose, Lyocell, etc.).
- Commitment to setting science-based targets and achieve net zero greenhouse gas emissions in the future.
- Improved traceability across supply chain by leveraging cloud-based platforms for improved insight and supplier communication.
- Vilebrequin's long history of using recycled or organic fibers. In 2018, Vilebrequin began eliminating virgin plastics from the manufacturing process. Today, all polyester and polyamide used in their core category men's swimwear are made with 100% recycled materials.
- Further development and roll out of natural fibers across Vilebrequin product lines. Following the launch of our wool swimsuit, we introduced our first linen swimsuit this year.
- KARL LAGERFELD's collaboration with Amber Valletta which resulted in a collection made of MIRUM® - a low-carbon, biobased, plastic-free alternative to leather.

ENVIRONMENTAL: Circularity

We are working on several initiatives to address and foster circularity within our industry. Some of our brands have a long history of incorporating circularity initiatives into their collections. We believe the learnings from these efforts provide valuable insights for future programs, with the goal of incorporating them into our broader operations.

Current initiatives include:

Excess inventory management

Working with our retail partners to seek solutions for unsold product to avoid unnecessary destruction.

Value and durability

Creating high-quality, fashionable products consumers want to keep or resell, which the Company continues to do as it develops some of our new core brands.

Increasing recycled, organic, and/or natural fibers

Of the **85%** of Vilebrequin products certified or labeled by standards such as OEKO-TEX 100 and ZQ ethical wool certification standards, **55%** are made from recycled materials.

98% of Vilebrequin men's swimwear is made from recycled materials.

2% is made from natural fibers.

Repair programs

Karl Lagerfeld launched a pilot initiative program in our Bleckmann warehouse.

Vilebrequin opened a workshop near the Champs-Élysées in Paris.

ENVIRONMENTAL: Industry Partnerships



Collective action in areas of environmental and social responsibility is essential to the success of our industry. We collaborate with a range of partners in our pursuit of improved sustainability performance.

- 1** Working with our licensees/licensors creates unique opportunities to leverage innovations across a broader scope of our business.
- 2** Our strong partnerships with our customers support continuously evolving programs, ensuring we collectively meet ever changing regulations and develop forward-thinking opportunities together.
- 3** Working with industry coalitions allows us to implement common tools, standards, and programs that align efforts across the apparel industry, reducing workloads and standardizing practices.
- 4** We work with best-in-class sustainability consultants to further drive progress at G-III.

A modern office interior with people working and socializing. The scene is dimly lit, with large white pendant lights hanging from the ceiling. In the foreground, a man in a brown jacket stands near a white counter, looking at his phone. In the background, several people are seated at tables, some working on laptops. A woman in a black blazer is walking through the center of the room. The overall atmosphere is professional and collaborative.

OUR PEOPLE, DEI, & PHILANTHROPY

OUR PEOPLE

Our people drive our growth and success. We are committed to fostering a strong and engaged workforce by attracting and retaining best-in-class talent and creating an environment where everyone can learn and grow. Our collective passion for what we create and produce, pride in our partnerships, accountability for how we show up every day, and our unwavering entrepreneurial spirit, all contribute to G-III's culture.

Key areas include:

- 1 Associate engagement initiatives supporting our brands and culture
- 2 Training and development opportunities in areas important to our associates
- 3 Lunch and Learns with our leadership teams
- 4 Continued investments in technology, including new HR systems
- 5 Policies, procedures and practices for safety, advancement, discrimination and harassment
- 6 Equal Opportunity Employer with procedures to ensure compliance with labor laws.

3,500

Global full-time associates

1,100

Global part-time associates

OUR PEOPLE

Associate Health + Wellbeing Benefits:

Supporting the health and wellness of our associates and their loved ones is a top priority. We offer comprehensive benefits and resources centered around physical, mental and financial wellbeing and are tailored to our regional businesses to best support our associates.

Our North America benefits include:



- Medical, Dental, Vision Insurance Plans
- Healthcare and Dependent Care Flexible Spending
- Reproductive Health Services
- 401k with Company Match
- Paid Time Off
- Life Insurance
- Supplemental Voluntary Benefits
- Employee Assistance Program
- Wellness memberships to Headspace and Noom
- Company brand discounts
- Corporate gym, travel and entertainment discounts
- Commuter benefits

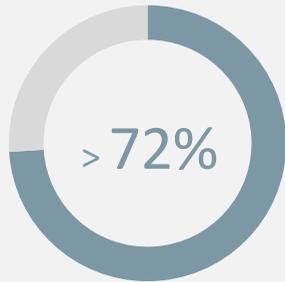
DIVERSITY, EQUITY AND INCLUSION

We are proud of the progress we have made and continue efforts to build a diverse workforce across our organization.



**of leadership
identify as women***

* Based on associates at the Vice President level and above at G-III's New York corporate offices as of Jan 31, 2024.



**of workforce
identify as women****

** Based on associates at G-III's New York corporate offices as of Jan 31, 2024.



**of Board of Directors
identify as women or
have diverse backgrounds*****

*** Based on Board of Directors elected at the June 2024 Annual Shareholder Meeting.



Creating a diverse, equitable and inclusive workplace which we believe is essential to success and are committed to providing opportunities for all.

This focus goes beyond our business, and we are proud to continue to support The Social Justice Center at FIT as a founding member and The Fashion Scholarship Fund, in the work they are doing to advance DEI efforts.

PHILANTHROPY

Our longstanding commitment to philanthropy and supporting the communities where we work and live is embedded in who we are. Several of our owned brands, along with G-III corporate, are focused on maximizing our global impact through partnerships with key organizations across several pillars.

Our Pillars

- Education
- Children & Families
- Diversity
- Homelessness
- Environment

Our Corporate Partners

- Ronald McDonald House (NY)
- Women in Need (Win)
- The Social Justice Center at FIT
- Delivering Good

Our Contributions

- Grants to signature programs
- In-kind donations
- Service hours
- Senior advisement/mentorship

Key Brand Partners & Initiatives



PHILANTHROPY

We believe in fostering a culture of giving through action. In addition to our corporate contributions, our associate philanthropic council collaborates with our brands and businesses to develop and execute charitable initiatives in which our associates can get involved.

Through volunteering, our associates have the opportunity to see firsthand the impact their time makes



Donna Karan/DKNY associates supported their longtime partner, Women In Need (Win), the largest provider of family shelter and supportive housing in NYC, to host activities through their CAMP Win program.



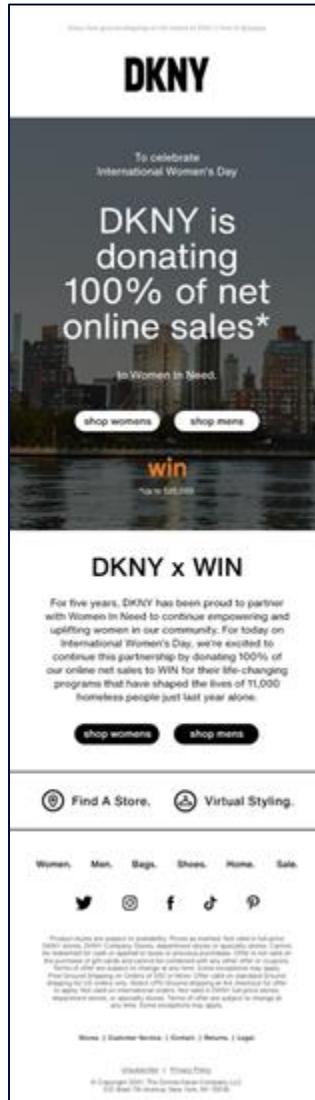
Protecting our world's oceans is a cause close to our brands. Vilebrequin and Karl Lagerfeld Paris associates regularly volunteer for beach cleanups for organizations like the Surfrider Foundation and Jutters geluk Foundation.



Our New York associates volunteer their time to serve dinner monthly to families staying at the Ronald McDonald House (NY) while their children receive treatment for cancer and other pediatric illnesses.

PHILANTHROPY

Financial and product contributions are another way we offer support to the philanthropic organizations working tirelessly to expand their programs and help more people in need.



In support of Women in Need (Win), DKNY and Donna Karan donated:

100%
of net ecommerce sales on International Women's Day

~\$20K
contribution



For the last five years, DKNY has partnered with Hetrick-Martin Institute (HMI), a non-profit organization providing empowerment, education, and advocacy for LGBTQ+ youth.

\$25K
donation was matched during pride month in June on DKNY.com

\$50K
raised for HMI

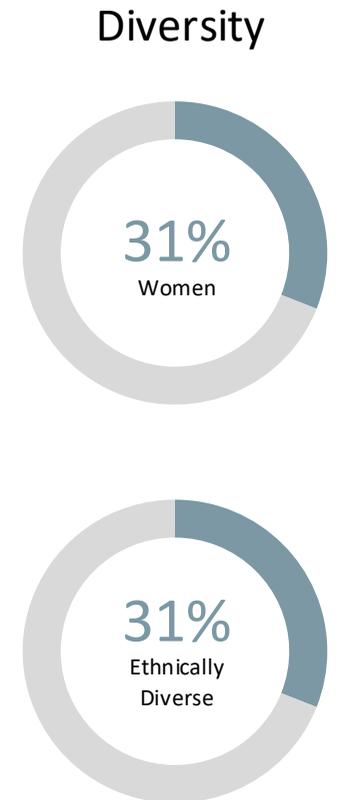
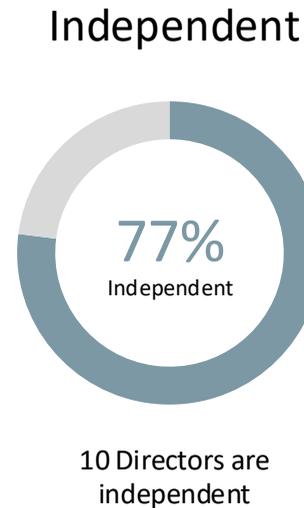
A blurred background image showing two people in a meeting. The image is dark with a white text overlay. The text reads "GOVERNANCE & ENGAGEMENT".

GOVERNANCE & ENGAGEMENT

We have made substantial progress with respect to Board independence and diversity. G-III's Board of Directors consists of thirteen members and includes ten or 77% of whom are independent.

While the Company does not have a formal policy with respect to tenure, we also strive to achieve a mix of experienced and newer directors, as shown by the election of 6 new independent directors over the last 5 years.

We greatly value the opinions of our stakeholders and have dedicated considerable resources to soliciting their views on a variety of topics, including governance and our Corporate Social Responsibility initiatives.



Calendar Year	Stakeholders Invited to Engage	Stockholders Choosing to Participate
2024	90%	60%
2023	88%	59%
2022	93%	70%
2021	89%	62%
2020	91%	59%

KARL LAGERFELD

KARL LAGERFELD is at the forefront of sustainability. The brand believes that as an aspirational lifestyle brand, it has an important role to play in improving its impact on the world and its communities through a focus across three core pillars:



Impact on people, including supply chain, office employees, retail store staff and consumers.



Mitigating climate change by achieving net zero emissions by 2050 through increasing use of more sustainable materials and a decarbonization strategy.



Committed to collaboration, driving positive impact by empowering its employees, communities, consumers and partners to make more sustainable decisions and implement better practices.

KARL LAGERFELD

The strategy is further rooted in Six Core Values:

Collaborate:

Work with partners to improve collective impact.

Respect:

Treat all consumers, employees and supply chain workers with fairness and integrity.

Inspire:

Encourage and support consumers to make more sustainable choices.

Innovate:

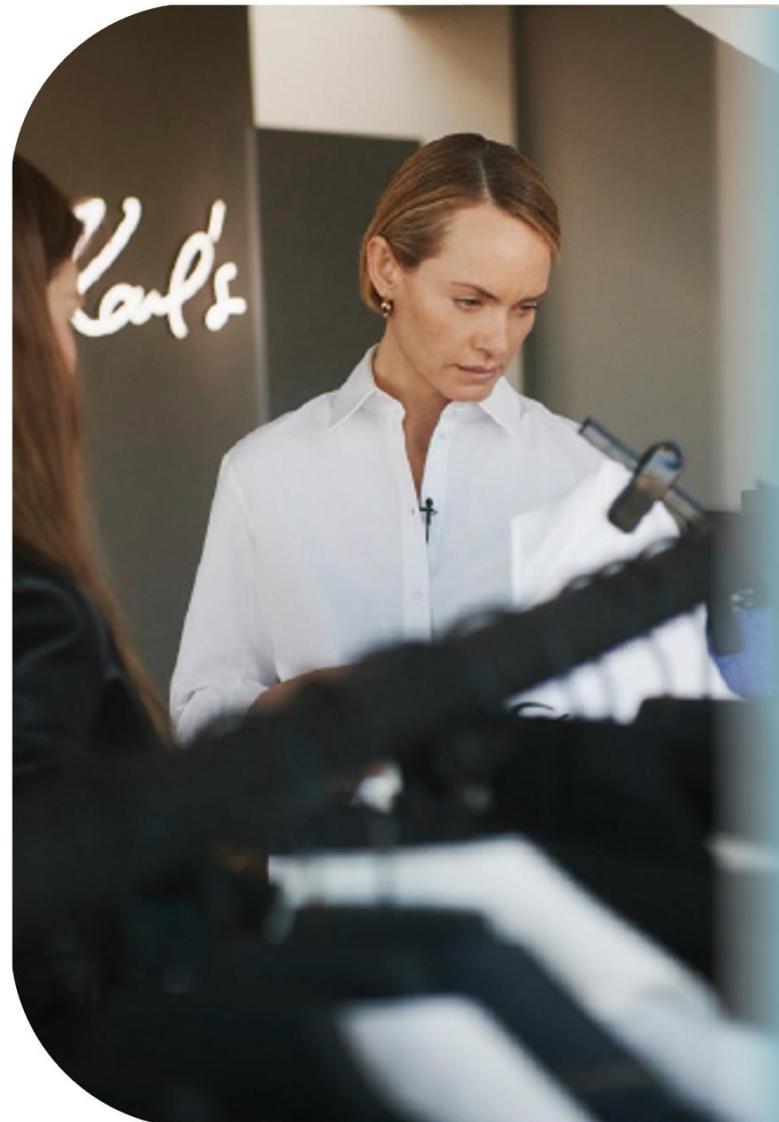
Continuously look for new initiatives and sector developments that move the needle.

Passion:

Drive positive change by championing social and environmental responsibility across the business.

Create:

Explore out-of-the-box solutions and new opportunities.



Amber Valletta has been the brand's Sustainability Ambassador since 2021. From collection concept to design, production and distribution, Amber's valued expertise helps to guide the KARL LAGERFELD team in creating more responsible collections with a holistic approach. In 2023, KARL LAGERFELD and Amber introduced collections across ready to wear and accessories that were developed with recycled and organic materials that were selected, designed, sourced and produced to reduce their effects on the environment.

“I am proud of our ongoing work to protect the planet, ensure safe and fair conditions in our supply chain, build a great workplace for our own associates, and invest in the communities where we work and live.”

MORRIS GOLDFARB, CHAIRMAN & CEO

A handwritten signature in white ink, reading "Morris Goldfarb". The signature is written in a cursive style with a large initial 'M' and 'G'.

|||

G |||

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