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Gunze Limited

In May 2022, Gunze announced its medium-term management plan, "VISION 2030 Stage 1," and declared that it will contribute to society and achieve sustainable growth for Gunze through sustainable management that balances "Social value" and "Economic value". In this newsletter, the company provides information on our sustainable management initiatives.

Our apparel business is engaged in a variety of sustainable management initiatives. These include the development of sustainable and universal design products and our newly launched circular fashion initiative.

## Move to 100% sustainable sewing thread by 2030.

Today, the fashion industry is concerned about the negative environmental impact caused by the consumption and mass disposal of clothing. As a result, many apparel manufacturers are focusing their efforts on using and researching sustainable materials that are friendly to the global environment, such as natural materials that do not use harmful chemicals and recycled materials. Natural materials are those that can be returned to the soil after disposal. Then, they have less impact on the natural environment and generate less waste.

Cotton thread is one of them, and Gunze has a wide range of cotton threads. We also offer sustainable threads used 100% recycled polyester comes from PET bottles. The company continues to explore renewable resources and develop environmentally friendly products.



Sustainable threads used 100% recycled polyester comes from PET bottles

## Move to 100% sustainable sewing thread by 2030

In response to customer demand, the Gunze Threads and Accessories Division has focused on the development of sustainable sewing threads made from recycled raw materials. Today, in addition to polyester sewing threads, we've developed recycled nylon sewing threads. These sustainable sewing threads currently account for 5% of total sales.

The company aims to increase this to 30% by 2024 and 100% by 2030.

Through continuous technological innovation, we aim to develop sustainable products of the same quality and price level as existing products worldwide.



Mr. Oka, General Manager of  
Threads and Accessories Division

Develop universal design products that are easy for anyone to use.

Gunze's vision for its apparel business is to contribute to society and achieve sustainable growth by increasing the lifetime value of its customers. Even as customers' tastes and preferences change, Gunze apparel products will always be close at hand and needed, and we hope to contribute to our customers' lifetime value by creating a state of "being connected somewhere" even as their life stages change.

The company aims to provide products that have high wear value for customers and are appropriate for each stage of life, so that customers can wear them for a long time. Providing universal design products that are easy for everyone to use is one of these efforts.



Ms. Kurata, who product planned the "SELFEAR"



Universal design products  
"SELFEAR"

## Thoughts behind the product planning of "SELFEAR"

"SELFEAR" is based on the concept of self-care. Gunze launched this brand based on the concept of products that care for oneself without limiting the wearer, age, or occasion. I believe that physical discomfort, such as aging or sudden illness, can make people feel depressed. I wanted to support people to be themselves and be positive in any situation with innerwear, so we designed the products to be easy to wear and add functionality for daily use.

Also, since this is innerwear that is worn every day, I focused on timeless designs and color variations to make it fun to choose everyday wear. The products use our unique seamless technology, and I strive to create products that are gentle on the skin and do not show through to outerwear.

The line also includes snap front innerwear that is easy to put on and take off with half the effort of traditional products. Front-fastening innerwear is also designed to be comfortable during hospital stays, antibacterial and deodorant resistant, and tumble-dryable. With the know-how cultivated at Gunze, the company continues to produce products that are easy for everyone to use and will be loved for decades to come.



Ms. Kurata, Gunze Apparel  
Company Product Planning  
Department

## Circular fashion initiatives started.

The apparel industry has long promoted initiatives aimed at horizontal "Product-to-product" recycling, but few have been able to achieve this due to the high level of difficulty in terms of cost, quality and collection. Innerwear, the main product of our apparel business, is also difficult to collect, and even if it could be collected, technological innovation is required to return it to yarn and recycle it into products that meet our quality standards.

Gunze has just begun to do what it can, but aims to achieve horizontal recycling from " Innerwear to innerwear " in the near future. As the first step, the company has begun converting fiber waste, which is difficult to recycle as fiber, into paper used for business cards, brochures and other items used within the company. Cotton fabric waste was sold as a valuable resource for use in rags and other products. Unique to this initiative, the company worked with a paper company to create a system that allowed for continuous reuse within the company. We hope to increase employee awareness and expand circular initiatives.



Circular cotton paper production process



Business cards and others using circular cotton paper

### Next steps for circular cotton paper

It's not easy to use "circular cotton paper" for all paper products used within the company due to cost issues, but we would like to aim for its use in some brands and categories, such as environmentally friendly product packaging. In the near future, we need to reduce costs and then expand the scope of our business activities beyond the apparel business. As a step towards this goal, the Company believes that one of the first steps is to use our environmental initiatives in sales promotion tools to give customers an opportunity to learn about our environmental initiatives.



Cotton scraps used as circular cotton paper  
Mr. Inoue, Environmental Impact Strategy

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