

TRAMA Research Report

Methodology and Analysis

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1. Introduction

This research report details the research conducted in two stages, firstly through secondary data and then through a primary research of case studies with the use of self-administered questionnaires conducted as part of R1 - Curriculum and Job Profile. The objective of R1 is to perform in-depth research and analyses about the fashion value chain and identify case studies and best practices related to fashion houses and brands and their current value chains and needs, especially within the circular economy.

1. Our goal is to train Managers of the private and/or public sector responsible for procurement, supply chain management, buyers, etc not to purchase products or services that violate human rights or pollute the environment
2. Our goal is to promote the best practices in the area of the fashion and textile industry or/and procurement of garments, footwear, textiles and leathers by public or private sector companies that have managed to act on these risks through ethical and environmentally sustainable and transparent methods and practices
3. Our goal is to identify the skills needed and the processes followed to achieve the above point.

Intellectual Output R1 is part of the research stage which to us was detrimental in order to create an appropriate and useful content of a training programme that would meet its objectives. Through the Preliminary Tasks we identified the key players of the ecosystem of transparent fashion businesses in every partner country, and the major European ones. We created an excel sheet and did a situation analysis and research on these key players. All this data was presented by each partner during the kick off event in Athens.

During the kick off, we organised a design thinking action learning workshop with major stakeholders of the ethical fashion community in Athens, including ethical designers, ethical professionals, consultants, educators and representatives of nonprofits. This helped us interact with our local target group, recruit participants for our training programme and TRAMA supporters and ambassadors. Even more though this helped us identify how fashion entrepreneurs manage their supply chains to achieve ethical green transparent and traceable supply chains. We also managed to understand which are the needs and skills of supply chain managers, their major challenges, and their preferred training platform.

The results from these activities helped us understand our Research and Training Objectives which were gradually co-designed in the TRAMA Knowledge areas. The topic areas were in reality interrelated and interconnected and should be pursued simultaneously through the same means of research. We reviewed relevant literature on supply chain management and due diligence business skills and created our conceptual research framework for both constructs and entities.

After designing our conceptual framework, we decided we had to research in depth the best practices of transparent fashion enterprises in our countries to see how transparent supply chain management is achieved and what are the business skills that contribute to successful performance in accomplishing social, environmental, ethical, green, transparent and traceable supply chains. We selected our case organisations based on our specific selection criteria; we chose two per country and performed multiple interviews, observations, collected photographs and reviewed their corporate files and data. We performed an extensive analysis through analytic induction, multi-level coding and categorisation of elements. Based on the results of our qualitative study we designed our survey questionnaire. The results of our explorative qualitative study were sufficient to design the content of R2 training program and R3 handbook for trainers.



2. Literature Analysis of the Secondary Data

2.1. Introduction

“There is no beauty without truth and there is no truth without transparency”, Carry Somers Founder and Global Operations Director Fashion Revolution (Fashion Transparency Index, 2019).

The collision of major crises and economic shocks in recent years has impacted every part of the EU's economy and society and forced us to question assumptions, to rethink our economic model. The geopolitical situation with the invasion of Ukraine by Russia, the pandemic and recovery, the urgent need to respond to the climate and biodiversity crises has led to put a renewed strain on how we can increase the well-being of our citizens and ensure sustainable growth through using better the resources and the materials that make up the products we use every day, as well as improving the products themselves. By making products consume less energy, by using them more efficiently and for longer, by relying on recycled materials instead of primary raw materials, and by spreading front-runner circular economic models we can decouple our economic growth from natural resource use and environmental degradation. By promoting a harmonised approach at EU level, we can boost competitiveness, create new business opportunities and jobs, foster the greening of the single market in line with the sustainable growth agenda of the European Green Deal, enable consumers to save on costs, and make the EU economy more resilient to disruptions in integrated global value chains. Moreover, it will make a decisive contribution to achieving climate neutrality by 2050, to halting biodiversity loss and to achieving our zero-pollution ambition (EU proposed Ecodesign for Sustainable Products Regulation, 2022) .

2.2. The European Background & Significance of this Study

According to the EU Strategy for Sustainable and Circular Textiles (March 2022) in the EU, the textiles and clothing sector is economically significant and can play a prominent role in the circular economy. It comprises more than 160.000 companies and employs 1.5 million people, generating a turnover of EUR 162 billion in 2019. The consumption of clothing and footwear is expected to increase by 63% by 2030, textiles, accounts on average for the fourth highest negative impact on the environment and on climate change and third highest for water and land use from a global life cycle perspective. One of the main sources of unintentional release of microplastics pollution are textiles made of synthetic fibres. It is estimated that about 60% of fibres used in clothing are synthetic, predominantly polyester, and this amount is growing. About 5.8 million tonnes of textiles are discarded every year in the EU, approximately 11 kg per person, and every second somewhere in the world a truckload of textiles is landfilled or incinerated. The production and consumption of textile products continue to grow and so does their impact on climate, on water and energy

consumption and on the environment. The transition of the textile sector is slow and the environmental and climate footprint remains high. These negative impacts have their roots in the prevalent linear economic model based on take, make, dispose, that is characterised by low rates of use, reuse, repair and fibre-to-fibre recycling of textiles, and that often does not put quality, durability and recyclability as priorities for the design and manufacturing of apparel. The shedding of microplastics from synthetic textiles and footwear during all stages of their life cycle further adds to the environmental impacts of the sector. “The world will deplete many natural resources in the foreseeable future if there is no change in the way products are sourced, produced, delivered, used, reclaimed and regenerated” (Hazen et al., 2017).

The EU Strategy acknowledges that the complex and diverse global textile value chain is also faced with social challenges, in part driven by pressures to minimise production costs to meet consumer demand for affordable products. Child labour in the apparel industry is a grave source of concern. As women make up the majority of the low-wage and unskilled textile workforce, improving the sustainability of the supply chain has also an important gender equality dimension. The textile industry has the potential to advance gender equality as it is estimated that 75% of global garment workers are women (SWD, 2017).

Clothing production follows numerous stages before reaching the stores (cotton crops, farming, spinning of yarn, dyeing of fabrics, sewing, packaging, forwarding, air emissions from various stages of the supply chain, end user). The true environmental and social cost is high. Still, certain brands now sell their clothes for as little as a cup of coffee. We are living in a climate emergency and the fashion and textile sector is one of the most polluting and wasteful industries. The industry continues to lack transparency, with widespread exploitation of people working in the supply chain. Never before have there been this many people on the planet in slavery, and fashion is a key driver of this reality. Brands and retailers are still not taking enough responsibility for the pay and working conditions in their factories, the environmental impacts of the materials they use or how the products they make affect the health of people, animals and our living planet. Garments are made from materials and processes that require the extraction of natural, non-renewable resources and produce considerable negative environmental impacts.

Seventy-five (75) million people work directly in the fashion and textiles industry, about 80% of them are women. Many are subject to exploitation, verbal and physical abuse, working in unsafe conditions, with very little pay. Fashion is the second industry in modern slavery. In Greece, according to preliminary research conducted by the author of this study, garment production is at high risk of labour exploitation. Brands pay on average 1e-1.8e per garment; there are Greek tailors, mostly women, working in factories are paid 4e per day; there are unaccompanied minor migrants and refugees locked up in factories in Greece working under

conditions of slavery being paid 20e per month, with no liberty of mobility, with their documentation being withheld. (Fotiadi, 2019)

Trafficking in human beings is a grave and heinous crime that violates human dignity, and which can be found in the production of goods and in the delivery of services we consume daily. In 2016, 40.3 million people were living in modern slavery. It exists in every corner of the world yet is seemingly invisible to most people. Unravelling this problem requires sustained vigilance and action (Global Slavery Index, 2018).

Twenty-four point nine (24.9) million people work under conditions of modern slavery. One (1) out of four (4) are children. average age of enslavement 12 years old. There is an estimate of 2 billion informal workers around the world that lack basic labour, social and health protections. The value of products at risk of human trafficking imported by G20 are \$354 billion; the top five products at risk of human trafficking imported by the G20 are: 1) laptops, computers & smart phones with \$200.1 billion value, 2) garments with \$127.7 billion, 3) fish \$20.9 billion, 4) chocolate \$3.6 billion, and 5) sugar with \$2.1 billion.

Globally 218 million children between 5-17 years old are in work conditions. Of them 152 million are victims of child labour and 73million work under hazardous conditions.

Europe has 1,243,400 people in slavery. Greece is 2nd on the European list with 7.9/1000 percent of the population living in slavery about 89,000 people. Greece is known as "the centre of trafficking in human beings in Europe", as it is a country which, because of its geographical location, is the entry into the European Union and accounts for 90% of cases of illegal immigration into Europe. (Global Slavery Index, 2018).

According to the Special Eurobarometer published in March 2020, which reveals results from research that was conducted in December 2019, 94% of people believe that protecting the environment is important to them personally, while 76% believe that climate change is a very serious problem in their country. In Greece, those numbers equal to 70% and 82% respectively. Particularly for the clothing industry, 82% of people in Europe believe that there is not enough information about environmental problems and working conditions linked to clothing, while this figure for Greece rises up to 92% of respondents.

According to the Fashion Revolution Consumer Survey 2018, more than one in three people said they consider social and environmental impacts when buying clothes. 84% of respondents said that fashion brands should be tackling global poverty 85% said that fashion brands should be tackling climate change. 72% of the public said that fashion brands should do more to improve the lives of the women making their products. 80% said

that fashion brands should disclose their manufacturers. The majority of respondents (68%) agreed that the government has a role to play in ensuring that clothing is sustainably produced. Three-quarters of people agreed that fashion brands should be required by law to protect the environment at every stage of production, 77% agreed that fashion brands should be required by law to respect the human rights of everyone involved in the making of their products.

2.3. Supply Chains and Circular Economy

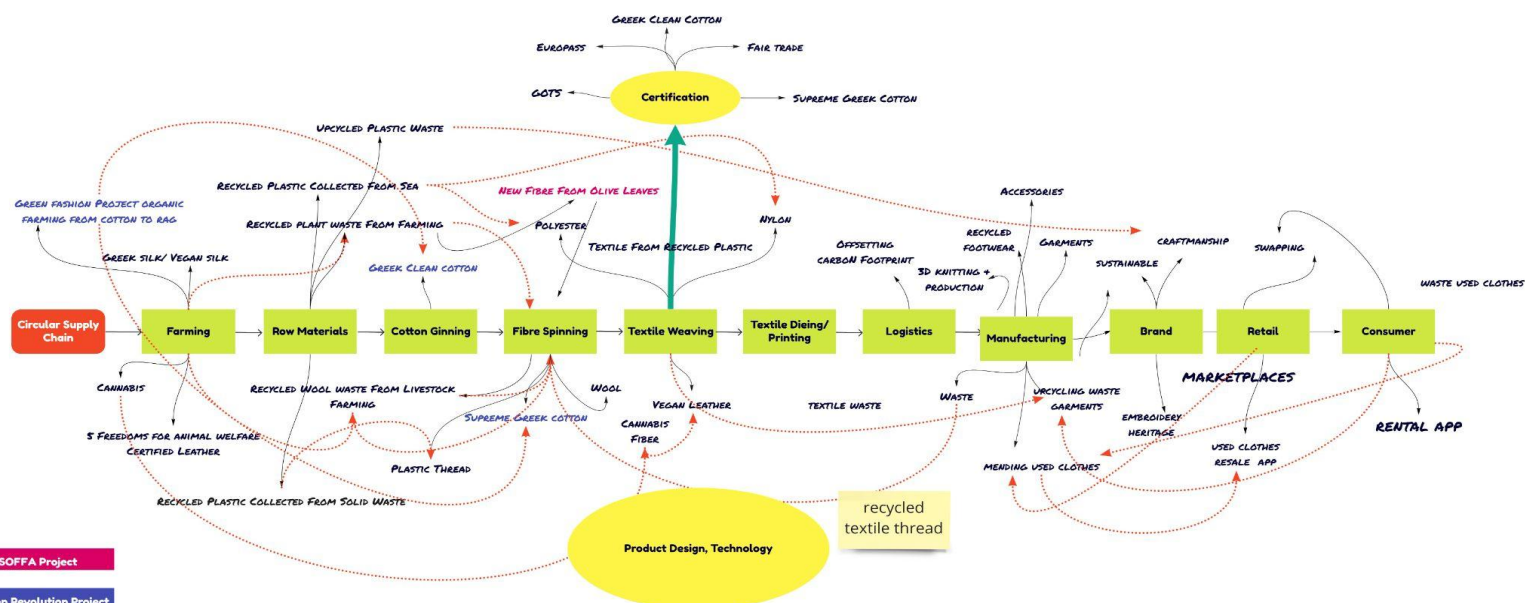
A fashion supply chain is a network between a company and its suppliers to produce and distribute a specific product to the final buyer. This network includes different activities, people, entities, information, and resources. The fashion supply chain also represents the steps it takes to get the product from its original state to the customer. Supply chains are developed by companies so they can reduce their costs and remain competitive in the business landscape. It is important to understand how to manage the supply chain in the right way. A supply chain is the network of all the individuals, organisations, resources, activities, and technology involved in the creation of goods and services. It encompasses all the activities and materials that go into goods or services. It covers the production of raw materials, manufacturing stages, transport, delivery, and end-of-life disposal. It also includes the activities of suppliers and sub-contractors (Morris, 2020).

Supply chain management (SCM) is the management of the flow of goods and services and includes all processes that transform raw materials into final products. It involves the active streamlining of a business's supply-side activities to maximise customer value and gain a competitive advantage in the marketplace. SCM represents an effort by suppliers to develop and implement supply chains that are as efficient and economical as possible. Supply chains cover everything from production to product development to the information systems needed to direct these undertakings. SCM is based on the idea that nearly every product that comes to market results from the efforts of various organisations that make up a supply chain. Although supply chains have existed for ages, most companies have only recently paid attention to them as a value-add to their operation.

The European Green Deal, the Circular Economy Action Plan and the Industrial Strategy identified textiles as a priority sector to pave the way towards a carbon neutral, circular economy, and a key product value chain with an urgent need and a strong potential for the transition to sustainable and circular production, consumption and business models. The EU is implementing its scope for the green and digital transition of the European textile and clothing sector through the EU Strategy for Sustainable and Circular Textiles, the proposal for a Regulation on Ecodesign for Sustainable Products and the Corporate Sustainability Due

Diligence Directive published in March 2022, the Transition Pathway for the Textiles Ecosystem. The Vision of the EU Textile Strategy is that by 2030 textile products placed on the EU market are long-lived and recyclable, to a great extent made of recycled fibres, free of hazardous substances and produced in respect of social rights and the environment. Consumers benefit longer from high quality affordable textiles, fast fashion is out of fashion, and economically profitable re-use and repair services are widely available. In a competitive, resilient and innovative textiles sector, producers take responsibility for their products along the value chain, including when they become waste. The circular textiles ecosystem is thriving, driven by sufficient capacities for innovative fibre-to-fibre recycling, while the incineration and landfilling of textiles is reduced to the minimum. The value of textiles is retained in the economy for as long as possible, reducing dependencies on virgin raw materials.

Circular Supply Chain Management has been defined as: “the coordinated forward and reverse supply chains via purposeful business ecosystem integration for value creation from products/ services, by-products and useful waste flows through prolonged life cycles that improve the economic, social and environmental sustainability of organisations” (Batista et al., 2018). A circular supply chain involves a company reusing or repurposing waste and customer returns to convert those into new or refurbished products. A circular supply chain aims to minimise the use of raw materials and minimise discarded waste materials. A number of concepts, such as sustainable supply chains, green supply chains, environmental supply chains, and closed-loop supply chains, have been introduced and used interchangeably. The chart below shows how a linear fashion supply chain creates loops, at different stages, and transforms into a circular fashion supply chain.



Circularity stands for the designing of products, services and businesses in a way that ensures the continuous flow of resources, with the aim of eliminating waste and creating more efficient, sustainable systems. It is closely related to the ideas of up-cycling and closed-loop economies, where resources are shared and reused, eliminating the need to extract new resources unnecessarily. Creating products that are made to last, from safe, recycled and more sustainably sourced materials (i.e. either naturally grown, cultivated or created using renewable processes) that can recirculate multiple times. Circular supply chains: Fuelling systems that recirculate products and support circular production processes and material flows. Circular customer journeys: Providing accessible ways to experience and engage in circular fashion where products are used more, repaired, reused, and recycled.

2.4. Ethical Supply Chains & Procurement

Government responses to identify risks on imports, public procurement and business supply chains are critical. The countries who take most action include: USA, UK, Sweden, Netherlands, Norway, Belgium, Spain, Portugal, Montenegro and Croatia. According to the government response rating the milestone percentage of Greece in supply chains is as low as 18.3%. The total score for Greece is 55.1% getting a BB rating. Netherlands scores highest in the region with 75.2% getting an A rating, followed by the UK (71.5% BBB), Sweden (68.7% BBB), Belgium (68.3% BBB), etc.

Public procurement refers to the process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies. Every year, over 250,000 public authorities in the EU spend around 14% of GDP on the purchase of services, works and supplies. In many sectors public authorities can be the principal buyers, often unwittingly, of tainted goods. The high-risk nature of public procurement is due to the fact that it is connected to many global markets and the hidden nature of much of today's workforce, where modern slavery is used as a brutal way of lowering the production costs of goods and services. Applying supply chain safeguards to the multi-billion euro buying power of cities and national governments could help establish common standards for ethical procurement.

Companies using, knowingly or unknowingly, victims of human trafficking to manufacture goods and provide services to governments have an unfair competitive advantage compared to businesses that respect human rights in their operations. Therefore, public authorities should create a level playing field by insisting on THB free supply chains to ensure that all businesses play by the same rules and there is no unfair advantage for companies exploiting victims of human trafficking.

In June 2013, the Human Rights Council adopted a resolution calling on States and businesses to combat THB including in supply chains. The Council of Europe Convention on Action against Trafficking in Human Beings, frames THB as a human rights violation and calls for better victim protection. The European Convention on Human Rights, Art. 4 para 2. prohibits forced labour. The EU Anti-trafficking Directive 2011/36/EU requires states to discourage the demand that encourages trafficking. The EU pledged: *“To fight against the trafficking in human beings (THB) in the EU for all forms of exploitation, including labour exploitation as well as all forms of child trafficking”* (Council of Europe, 18 May 2017). On 4 December 2017, the European Commission (“EC”) adopted a Communication requiring Member States to step up in “disrupting the business model and untangling the trafficking chain”.

European Parliament resolution of 5 July 2016 on the fight against trafficking in human beings in the EU’s external relations directly calls for multi-stakeholder dialogue and partnerships to bring together businesses anti-trafficking experts to carry out joint actions against THB and for the *“EU and the Member States to actively engage with national and international companies to ensure that their products along the entire supply chain are free from exploitation and to hold them accountable for trafficking in human beings occurring at any point along their supply chain, including for affiliated companies and sub-contractors”*.

International standards such as the UN Guiding Principles on Business and Human Rights, the UN Global Compact Principles, the ILO Tripartite Declaration of Principles concerning Social Policies, the OSCE anti-trafficking commitments and OECD guidelines. The UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the UN Convention against Transnational Organized Crime, 2000, (“UNTOC”) (the “Palermo Protocol” [/ “UN Trafficking Protocol”]) requires States to discourage the demand that fosters all forms of exploitation and to establish criminal liability for crimes relating to THB. The 2030 Sustainable Development Goals (“SDGs”) call for the end of forced labour by 2030. The UN Business and Human Rights Forum November 2018 session focussed on procurement as a lever for human rights due diligence in relation to SDG 12.7. The new 2014 EU Directives on public procurement confirm that social criteria can and should be used in public procurement.

Contractors are expected to be committed, proactive, and forthcoming in their efforts to address and reduce the risk of human trafficking in their operations and supply chains. At the same time, it is recognized that not all contractors are similarly situated and some, such as those with large supply chains, may face more challenges than others in meeting their responsibilities. In addition, not all risks are equal in their impact. Stated by the US the Procurement and Supply Chains Committee, of the Senior Policy Operating Group of the

President's Interagency Task Force to Monitor and Combat Trafficking in Persons ("the SPOG Committee"). Risk management practises safeguards have largely been modelled on successful practices in the private sector to increase stability and productivity within the workforce, including an employee awareness program, a hotline, a recruitment and wage plan, a housing plan (Mayock et al, 2016).

The Danish Institute for Human Rights published a toolkit (Morris, 2020) to enable public procurement policy makers, buyers and contract managers to implement requirements to promote respect for human rights by their suppliers.

The public procurement cycle consists of procurement planning, the procurement process, and contract management.¹ The Toolkit highlights how requirements that suppliers respect human rights can be incorporated across different stages of the procurement cycle. The scope of goods and services bought by public authorities ranges widely, from large-scale infrastructure and urban development projects, to the acquisition of complex items such as weapon systems, to commissioning of essential public services in the health and social care sector, and to buying common goods such as stationery, furniture, and foodstuffs. This Toolkit highlights how human rights requirements can be integrated into the majority of procurement exercises.

Given variation across national public procurement regimes, the Toolkit outlines a general approach intended to be relevant to different legal and market contexts. However, national laws and policies relating to public procurement may limit the direct applicability of some of the approaches outlined in this Toolkit or, on the other hand, may demand more stringent requirements. Therefore, the suggestions outlined in this Toolkit should be adapted by users to ensure their alignment with national laws and policies. In addition, adaptation to the local context should be informed by an assessment of current levels of knowledge, capacity and budget within the procurement function (Morris, 2020).

2.5. Fashion Transparency Index

Fashion Revolution publishes since 2016 the yearly Fashion Transparency Index (Ditty, 2020) which reviews and ranks 250 of the biggest global fashion brands and retailers according to how much they disclose about their social and environmental policies, practices and impact. Brands are chosen on the basis of their annual turnover, over \$400 million USD and representing a spread of market segments including high street, luxury, sportswear, accessories, footwear and denim from across Europe, North America, South America, Asia and Africa. FTI has been designed to give an illustrative look at how much brands know and share about the human rights and environmental impacts across their value chains. The

Fashion Transparency Index reviews publicly disclosed information/data on major brands' policies, procedures, performance and progress on human rights and environmental issues across the value chain.

The FTI focuses specifically on transparency by means of public disclosure and not everything that brands and retailers are doing internally and behind the scenes across their companies and supply chains. It does not offer an in-depth analysis of the content, quality, authenticity or accuracy of brands' policies, procedures, performance and progress in any given area. Verification of claims made by brands and retailers is beyond the scope of this research. The methodology provides insights that: Reveal patterns of transparent disclosure; Identify emerging themes and trends in industry transparency; Allow anyone to see where brands stand on transparency compared to their peers; Can be used as year-on-year comparison to track progress over time.

The FTI Index consists of the following sections and elements for evaluations:

1. POLICY & COMMITMENTS
 - 1.1. What are the company's human rights and environmental policies?
 - 1.2. What are the company's vendor/supplier policies covering human rights and environmental standards across the supply chain? (e.g. Code of Conduct, Terms of Engagement, Supplier Guidebook)
 - 1.3. Publishes the company's human rights and environmental management procedures (i.e. how the company is putting its policies 1.1 and 1.2 into action; simply auditing for compliance is not enough to score points)
 - 1.4. Publishes a strategic plan towards progressively improving human rights and environmental impacts (i.e. roadmap or vision document)
 - 1.5. Publishes an annual sustainability or corporate social responsibility report that is audited or verified by an independent third party. Reports published after January 2019
2. GOVERNANCE
 - 2.1. Publicly discloses contact details for the department the company that has responsibility for human rights and environmental issues
 - 2.2. Publicly discloses the company board member or board committee accountable for human rights and environmental issues
 - 2.3. Publicly acknowledges how the company prioritises money spent on managing and implementing CSR and sustainability activities
 - 2.4. Publishes how the company incorporates human rights and environmental performance into purchasing practices

3. TRACEABILITY

- 3.1. Publishes tier one factories (direct relationship with buyer e.g. production units, Cut Make Trim (CMT) facilities, garment sewing, garment finishing, full package production and packaging and storage)
- 3.2. Publishes processing facilities (e.g. ginning and spinning, knitting, weaving, sub-contractors, dyeing and wet processing, tanneries, embroidering, printing, fabric finishing, dye-houses, laundries, etc.)
- 3.3. Publishes suppliers of raw materials such as fibres, hides, rubber, dyes, metals, etc. (e.g. raw material providers, farms, slaughter houses, sewing yarn suppliers, filament and staple, chemical suppliers, etc.)

4. KNOW, SHOW & FIX

- 4.1. Know, Show & Fix: Publicly discloses human rights and environmental due diligence processes, outcomes and what brand is doing to remediate any issues identified. (Please note: Auditing by itself does not represent a due diligence process.)
- 4.2. Know: Publicly discloses how the company assesses implementation of its supply chain policies (as described in s/ction 1.2) by facility (e.g. at factories, processing facilities, and farms)
- 4.3. Show: Publicly discloses findings from its facility-level assessments (e.g. at factories, processing facilities, and farms)
- 4.4. Fix: Publicly discloses description and status of the remediation process

5. SPOTLIGHT ISSUES

- 5.1. DECENT WORK & PURCHASING PRACTICES
- 5.2. GENDER & RACIAL EQUALITY
- 5.3. SUSTAINABLE SOURCING & MATERIALS
- 5.4. OVERCONSUMPTION, WASTE & CIRCULARITY
- 5.5. WATER & CHEMICALS
- 5.6. CLIMATE CHANGE & BIODIVERSITY

Decarbonisation, deforestation and regeneration

Carbon emissions

Energy use

According to Fashion Revolution Transparency Index 2022:

- ☐ the overall score of the brands was 24%. 48% are disclosing their first-tier manufacturers
- ☐ 12% disclose information about their raw material suppliers
- ☐ 32% disclose some of their processing facilities
- ☐ 31% disclose supplier list

- ☐ 32% describe having permanent clothing take-back schemes in place, 22% disclose what happens to the clothes received
- ☐ 36% have published their progress towards reducing the use of virgin plastics for packaging, 18% do so for textiles
- ☐ 62% of big brands publish their carbon footprint in their own facilities, 34% disclose this information at processing and manufacturing level and 22% do so at raw material level.
- ☐ Italian brand **OVS** scored highest this year with 78%, **H&M** at 68%, **Timberland** and **The North Face** at 66%, **C&A** and **Vans** at 65%, **Gildan** at 63%, **Esprit** and **United Colors of Benetton** at 60%, **Tommy Hilfiger**, **Calvin Klein** and **Van Heusen** at 59% and **Gucci**, **Target Australia** and **Kmart Australia** at 56%

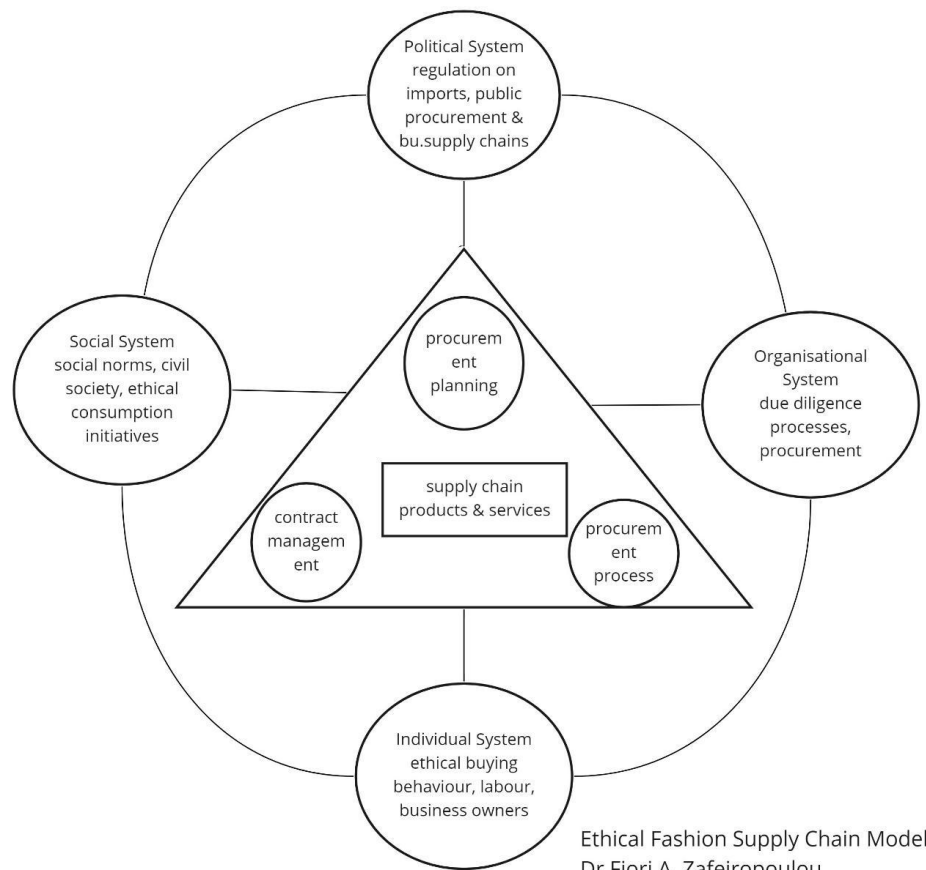
2.6. Conclusions

This research study investigates the issue of preventing the use of textile products and services that have been made through modern slavery and through climate deteriorating processes in the fashion industry. It studies a set of processes and procedures for governments to adopt. It also recommends a set of mechanisms and processes for private sector procurement and supply chain management. The area of focus is the fashion and textile sector in Europe. The study adopts a systems theory approach exploring the dynamics of the political, organisational, social, and individual spheres in transforming into sustainable and ethical fashion business supply chains. The study results have been used to build the Knowledge Areas for the educational training program for Procurement and Supply Chain Management activities, as well as the Conceptual Framework based on which the Transparency Manager in the Fashion Industry program has been designed. The results of the study were further operationalised through the design of a Questionnaire for an explorative primary research study to collect primary data from industry actors targeting procurement and supply chain officials in private companies in Europe.

3. Conceptual Framework

3.1. Conceptual Framework

Figure 1: Sustainable & Ethical Fashion Supply Chain Model



3.2. Knowledge Areas

Needs and Challenges of the TM	Tasks of TM	Skills and Competences of TM	Knowledge Areas
Knowledge of key global trends, and how they impact suppliers / clients	Identifying key risks and controls, recommend improved controls, perform controls readiness projects and identify and assess configuration of controls in reporting related business processes as well as in IT infrastructures, security, change management, operations	Financial reporting and information technology risks, processes and controls	Basic knowledge of Business Administration/Management, Procurement and Logistics, Fashion Relevant expertise
Risks, processes and controls related to financial and procurement reporting	Managing and coaching staff as they perform assessments to evaluate controls, security, and execute audit procedures	Value Chain Impact Measurement using the FTindex	Traceability & Transparency
	Simplify complex processes of the supply chain	Ability to simplify complex processes of the supply chain	
	Contribute to the continuous improvement of the services		Quality Control / Auditing + Change management
energy consumption	leading the development and implementation of a systematic approach		
Ecology	Protect for hazardous chemicals, for contaminating the planet, for distorting climate from production or farming		
	protect for animal rights		
	making information available to the public to encourage		

	transparency and accountability		
Towards Sustainable Global Value Chains	Creating Sustainable Business Partnerships & networks, Sharing Responsibility		
relationships with unions	how the company ensures human rights and environmental grievances from employees and workers are captured and addressed	external and internal communication on transformation , education, influence	
Global vs Local production	Leading the provision of training and advice to internal officers and suppliers' members on more complex cases	communicate with your consumers and the public what you do	
	Maintaining an awareness of the equality and diversity protocol/policy and working to create and maintain a safe and supportive environment where all people and their work are treated with dignity, fairness and respect.	Knowledge of firm's code of ethics and business conduct	Knowledge of firm's code of ethics and business conduct
	Comply with relevant Codes of Practice, including the Code of Conduct and policies concerning health and safety	Strong Ownership and Decision-making	
	Minimum living wages		
	Gender equality, Racial equality, Equal Opportunities, Equal Pay		The UN Guiding Principles for Business and Human Rights as a Framework for Action in Global Textile Supply Chains
sourcing sustainable and recycled materials and having responsibility of	Sustainable Fashion: From Production to Alternative Consumption	circular initiatives	



end of life, collect back from consumers			
waste management	New Business and Governance Approaches to Sustainable Fashion: Learning from the Experts		

- Needs and Challenges of the TM:** Knowledge of key global trends, and how they impact suppliers / clients.

Tasks: Identifying key risks and controls, recommend improved controls, perform control readiness projects and identify and assess configuration of controls in reporting related business processes as well as in IT infrastructures, security, change management, operations.

Skills and competences: Financial reporting and information technology risks, processes and controls.

Knowledge area: Basic knowledge of Business Administration/Management, Procurement and Logistics, Fashion Relevant expertise.

Module: Developing and Implementing Fashion Transparency Practices: Developing and implementing transparency practices, including the use of tools such as audits, certifications, and traceability systems.
- Needs and Challenges of the TM:** Risks, processes and controls related to financial and procurement reporting.

Tasks: Managing and coaching staff as they perform assessments to evaluate controls, security, and execute audit procedures. Simplify complex processes of the supply chain. Contribute to the continuous improvement of the services.

Skills and Competences: Value Chain Impact Measurement using the FTindex. Ability to simplify complex processes of the supply chain.

Knowledge areas: Traceability & Transparency, Quality Control / Auditing + Change management.

Needs and challenges of the TM: energy consumption, Ecology.

Tasks: leading the development and implementation of a systematic approach, Protect for hazardous chemicals, for contaminating the planet, for distorting climate from production or farming, protect for animal rights.

Two Modules: Data Management for Fashion Supply Chain Transparency: Learning how to collect, analyse, and report on data and information related to supply chain transparency, including sustainability metrics and performance indicators. **Continuous Improvement in Fashion Transparency and Sustainability:** Developing a process for



continuous improvement in supply chain transparency and sustainability, including setting goals and measuring progress.

3. **Needs and Challenges of the TM:** Towards Sustainable Global Value Chains, relationships with unions, Global vs Local production.
Tasks: making information available to the public to encourage transparency and accountability, Creating Sustainable Business Partnerships & networks, Sharing Responsibility, how the company ensures human rights and environmental grievances from employees and workers are captured and addressed, Leading the provision of training and advice to internal officers and suppliers' members on more complex cases.
Skills and competences: external and internal communication on transformation , education, influence, communicating what you do to your consumers and the public.
Two Modules: Transparency Communications in the Fashion Industry: Understanding how to effectively communicate transparency efforts to internal and external stakeholders, including customers, investors, and NGOs. **Collaboration and Networking: Building Relationships for Fashion Transparency:** Building relationships and networking with other organisations and industry groups to share knowledge and best practices.

4. **Tasks:** Maintaining an awareness of the equality and diversity protocol/policy and working to create and maintain a safe and supportive environment where all people and their work are treated with dignity, fairness and respect. Comply with relevant Codes of Practice, including the Code of Conduct and policies concerning health and safety. Minimum living wages, Gender equality, Racial equality, Equal Opportunities, Equal Pay.
Skills and Competences: Knowledge of firm's code of ethics and business conduct, Strong Ownership and Decision-making. Knowledge areas: Knowledge of firm's code of ethics and business conduct, The UN Guiding Principles for Business and Human Rights as a Framework for Action in Global Textile Supply Chains.
Two Modules: Introduction to Fashion Supply Chain Transparency: Understanding the importance of transparency within the fashion industry, including the benefits for companies, consumers, and the environment. **The Risks and Challenges of Fashion Supply Chain Transparency:** Identifying and managing risks and challenges related to supply chain transparency, such as human rights violations and environmental impacts. Understanding the legal and regulatory trends and eventual requirements related to supply chain transparency.

5. **Needs and challenges of the TM:** sourcing sustainable and recycled materials and having responsibility of end of life, collect back from consumers, waste management, circular fashion, sustainable packaging, second hand raw materials, regenerative farming and production.



Tasks: Sustainable Fashion: From Production to Alternative Consumption, New Business and Governance Approaches to Sustainable Fashion: Learning from the Experts.

Skills and competences: circular initiatives.

Three Modules: Understanding the Fashion Supply Chain: Learning about the fashion supply chain: history and geography, various types, and its impact on our planet. Supply Chain Innovation: Keep updated with new technologies and trends in supply chain management. **Fashion Supply Chain Phases 1 and 2:** Learning about the different stages of a fashion supply chain, including raw materials and sourcing. **Fashion Supply Chain Phases 3 and 4:** Learning about the different stages of a fashion supply chain, including manufacturing, and distribution.

4. Methodological Approach

4.1. Introduction

There are four main characteristics in qualitative research that we have addressed through our research design: control, replication, operational definition and hypothesis testing. Control in figuring out what the causes of our explanations are through our observations. We try to figure out the reason for the cause of the transparent supply chains and the behaviour of managers/officers within this context. We began our exploration by posing a number of research questions of 'how, what, why' and through our first case studies and interviewing with participants, these questions became eliminated and narrowed down to specific topics. Secondly, we have addressed the issue of replicability. Though various researchers consider replicating studies to be either important or unimportant; another replication of a study is another partial truth added to research (Horseborough, 2003). Thirdly, operational definition can be defined as elements that require a set of processes to measure these elements. We considered the following elements and described them clearly in our narration: what the purpose of the study is through narrative data; the inductive approach; the formation of research propositions; limited literature review prior to findings; naturalistic setting; our sampling has been purposive targeted for in-depth understanding; measurement has been through narration; our research design has been flexible and minimal disturbance; data collection through informal interviews and document collection; data analysis through analytic induction of what was said in the interviews; finally, data interpretation is speculative and examined on a continuous basis (Morgan, 2007). Both primary and secondary data have been the sources of our empirical study: primary data was collected from interviews, observation, conversation and self administered questionnaires. While secondary data came from many sources and in many forms mostly from the EU, and Greek central and local authorities in the form of reports, research, legislation, evaluation reports, strategy reports, specific programmes, public procurement bids, organisational reports from our case companies, websites and other.

Mixed methods approaches were used by the majority of researchers in business and management studies; their methodology indicates that data were collected in multiple rounds of data collection and from a variation of sources: participant observation, retrieval of archival data, in-depth interviews and case studies. The mixed method design allows for each methodology to target different perspectives on the objective of the study thus dealing with different enquiries. As it can be argued one of the differences between realism and pragmatism is that the former seeks reasoning of why things are the way they are, while the latter accepts things as they are and examines them. The use of a mix of methods helps by ensuring that the weaknesses and blind spots of one approach are compensated by the strengths of one or more other approaches (Saunders et al, 2009). Confidence in the conclusions is higher when different approaches have produced similar results. The use of

our mixed research design is a more pragmatic approach depending on the problem we are researching, our skills, preferences and resources available (Curran and Blackburn, 2001). Epistemological and methodological pluralism is a solution to the debate between the two research paradigms for many small business researchers. We are not simply crude mixing of two, on the contrary constructing interpretations and explanations which combine the results of the two paradigms is more difficult than when employing a single paradigm. We suggest the use of qualitative methods to explore meaning and then confirm or validate the findings by a quantitative study (Crotty, 1998; Curran and Blackburn, 2001; Saunders et al, 2009).

4.2. Conducting Qualitative Research

Interviews are more effective when drawing relational data as it helps establish trust (Sloane and O'Reilly, 2013). The interviews increased in focus and depth over the period because of the interactive and cumulative nature of the fieldwork.

Throughout the interview phase we used a comparison strategy to compare among informants and identify essential points of synergy or contrast. Throughout the process we refined emerging themes and asked respondents to comment on these new themes. So the questions that we asked were developing through time following a protocol that was being developed in parallel with the research project. The use of external participants who were asked to state what they knew about specific enterprises and network practices and effectiveness and to reference us to other entrepreneurs alleviated the potential bias of respondents and allowed us to draw more meaning from the data. Also to avoid bias we ensured anonymity and that the use of this data was strictly for academic use and would not be distributed to the Greek authorities. Parallel to that we were collecting various types of secondary data, like online reports, authority's strategic plans, research reports and evaluation studies, historical reports, legal and political documents. This provided us with hard copy material of the institutional context interventions and policies. So triangulation was accomplished to attribute reliability to our data and validate our findings (Yin, 2008). The process that we followed in conducting our empirical study which is known as analytic induction is also reported in similar research studies (Battilana and Dorado, 2010; Mair, Battilana and Cardens 2012; Sharir and Lerner, 2006).

We created a Research Protocol and a Template to Approach Cases (please see Appendix I) We then created our Interview Questionnaire based on the operationalisation of the Fashion Transparency Index.

4.3. Methodology of Quantitative Research

Following the 'tailored design' protocol (Dillman, 1978, 2007) we developed the self administered questionnaire (see Appendix A) (Tomaskovic-Devey et al, 1994). In forming the questions we addressed issues of information sought, question structure and question wording (Jankowicz, 2000). We included mainly close-ended questions with ordered choices allowing for open-ended choices and in the final section we added some open-ended questions which were replied only by a few respondents (see Appendix for full questionnaire). We always offered a similar choice to 'other, don't know'. According to existing research on social norms and alliances we used 5 point Likert-scales (Brown et al, 2000; Dong-Jin, 1997; Kaufmann and Dant, 1992; Mavondo and Rodrigo, 2001; Mollering, 2003; Morgan and Hunt, 1994; Rotter, 1967; Whipple and Gentry, 2000). We used both the behaviorally anchored rating scale (BARS)- the variable is assessed along a scale with clearly defined scale points containing examples of specific behaviours-, and the behavioural observation scale (BOS)-the variable is assessed in terms of the frequency with which specific behaviours are performed (DeCotiis, 1977).

To obtain validity we formed our operationalisation based on prior research studies (Dubin, 1978) through adaptation of scales or direct application; this has also been the practice of prior research (Mavondo and Rodrigo, 2001). Since our study was a pilot study we used different multi-item scales for the same variables to test their significance. To test the extent to which a conceptual model is empirically valid, survey investigations have to be executed in a way to determine its accuracy. Control variables were also included (Gulati, 1995b).

4.4. Research Protocol and Guidelines to Approach Cases

As not every partner may have experience in scientific research methods we have prepared the questions which should help all of us to get detailed information we use in 'best practice' description.

Partners will conduct interviews with the minimum 10 organisations selected from 10 short cases

For choosing organisations and respondents within organisations please review chapter 5. Sampling Design.

Finding gatekeepers. It is not easy to get access to companies, you may need to first contact the CSR or PR departments of these companies. You also may need to use references to these companies.

It is recommended to record the interview – the quotations will be necessary in your national report.

How to raise primary data:

- Face to face interviews please make appointment with organisation's representatives interview length 1 to 2 hours
- Observation, spend one day observing the organisation
- Gather photos and videos from your case organisation
- Secondary data, collect and analyse secondary data from your case organisations like websites, organisational reports, other

The report should be delivered through the questionnaires shared.

4.5. Operationalization of variables

Our survey questionnaire was designed primarily based on operationalization of our variables, these being the entrepreneurship skills that have already been identified. These skills were operationalized using existing scales from literature. We decided to use three point likert type scales to have more robust results with the option of a fourth choice NA which we did not measure..

Other issues that we wanted to research like challenges that fashion entrepreneurs face; barriers to employ people from disadvantaged groups; preferred methods to be trained, and others have been designed using ranking formats. They will be used for descriptive analysis and will not be included in any regression and correlation analysis.

4.6. Constructing the Questionnaire

The next issues according to the 'tailored method' (1978, 2007) that we considered in constructing our questionnaire were:

The question wording; we phrased our questions so as to be uniformly understood; not vague; to avoid bias; to avoid hypothetical questions; double questions or too demanding questions (Rotter, 1967). We used Instructions and labels in different colours. With reference to translation we used only English. As Dillman (1978) points out, the overall effect of the questionnaire is very important because it boosts the motivation of the respondents. Using the survey monkey platform helped us create respondent-friendly questionnaires (Dillman, 2007; Robson, 2002), easy to fill out, with simplicity of design and structured in a way to

maximise cooperation. It is also suggested to use coloured pages, different colours for instructions. Front page had only our cover letter. First questions were easy to answer; we also put the most important and useful first. We put the more difficult questions in the middle. We also group questions that are similar in content together. Then we group them according to answer formats, we also create a sense of logical flow and continuity to the questionnaire. Demographic questions were placed at the end. We included transitions to next sections.

The issue of providing 'Social Exchange' through rewards, to avoid costs for respondents and building trust were also considered. We provided as tangible reward a free sponsorship to respondents to attend our training courses. We also expressed to them their significance to the research being part of a carefully selected sample; by using personalization techniques allowed through the online platform; we expressed verbatim appreciation and asked for their opinion; stressed studies social usefulness; finally other tangible rewards were offered by offering them the opportunity to choose to receive results. In building trust we provided the logo of the European Commission

Pre-testing

We conducted a pre-testing to academics and researchers from different fields including psychology, economics, business and fashion. We also included fashion practitioners. Some very important points were made which were all incorporated, like the change of wording and jargon. As already said open ended questions were rarely answered but this limitation was addressed through our face-to-face qualitative research.



5. Sampling Design

5.1. Introduction

In qualitative research we used a purposive sampling technique. We are therefore seeking to have richness in our data, and so the sample is recruited purposefully (purposeful sampling) instead of randomly, which was the aim of this qualitative research (Teddlie and Tashakkori, 2006). The reason was so that the entrepreneurs could be interviewed specifically. Through the key informant sampling technique we targeted our units. In selecting respondents within sample units in both quantitative and qualitative studies we targeted through the key informants purposive technique the founders and co-founders of the ventures, the designers and collaborators, employees and managers; because these people have the deepest knowledge of the issues that we are investigating. Issues with non-probability sampling are that: findings can only be generalised to the population from which the sample was taken, findings may be specific to the characteristics of the population, findings may be locality specific, and findings may be temporally specific. The sources of errors in survey techniques are: sampling error, sampling-related error, data collection error, and data processing error. There is also the sampling frame error, the random sampling error and the non-response error. All these have been addressed at the previous section on errors and constraints.

Using a variety of online resources and conversations with key stakeholders in sustainable fashion, we located 10 cases in each of the five countries. Norms for theoretical sampling (Glaser & Strauss 1967) led us to select two cases per country leading to 50 cases in total that showed a variety in the type of activities and target groups. We conducted a minimum of one interview with procurement officials in each venture. Interviews were conducted through self-administered questionnaires in English. As part of the framework, and complementary to the survey, a set of case studies were identified, with the aim of gaining more in-depth insight into the co-creation and collaboration processes of fashion supply chain management processes.

The criteria for selecting the case studies were that they had to include all of the elements below to choose those organisations that are best practices and have the elements of:

- a due diligence process in place for managing their supply chains partners or/and subcontractors or/and procurement activities
- organisations active in the fashion industry (brands, designers, retailers, e-shops) or other similar nature big retailers in the furniture, homewear, cosmetics industries.
- Here is a list of the 250 retailers that score high in the FTI index published on the 14th of July 2022 <https://www.fashionrevolution.org/about/transparency/> the companies that score high will have a higher interest to participate in this research

- MAKE SURE that you choose companies and respondents/interviewees that possess the information needed to raise credible, reliable and generalisable replies. Otherwise we risk collecting poor data with non significance and thus creating an educational material of poor quality value.
- If you cannot reach 10 cases please liaise with us to support you. You can go beyond your city, region and country to collect data. You can even collect data from an international company, outside the EU if it is a best case example

A template was developed for having the first conversation with the selected case studies, and a research protocol designed, which recollected the process and incidences taking place during the interviews with stakeholders from the selected case studies.

Choosing respondents in the organisation. Please choose the people from the case company that have the knowledge to answer our research questions. there are:

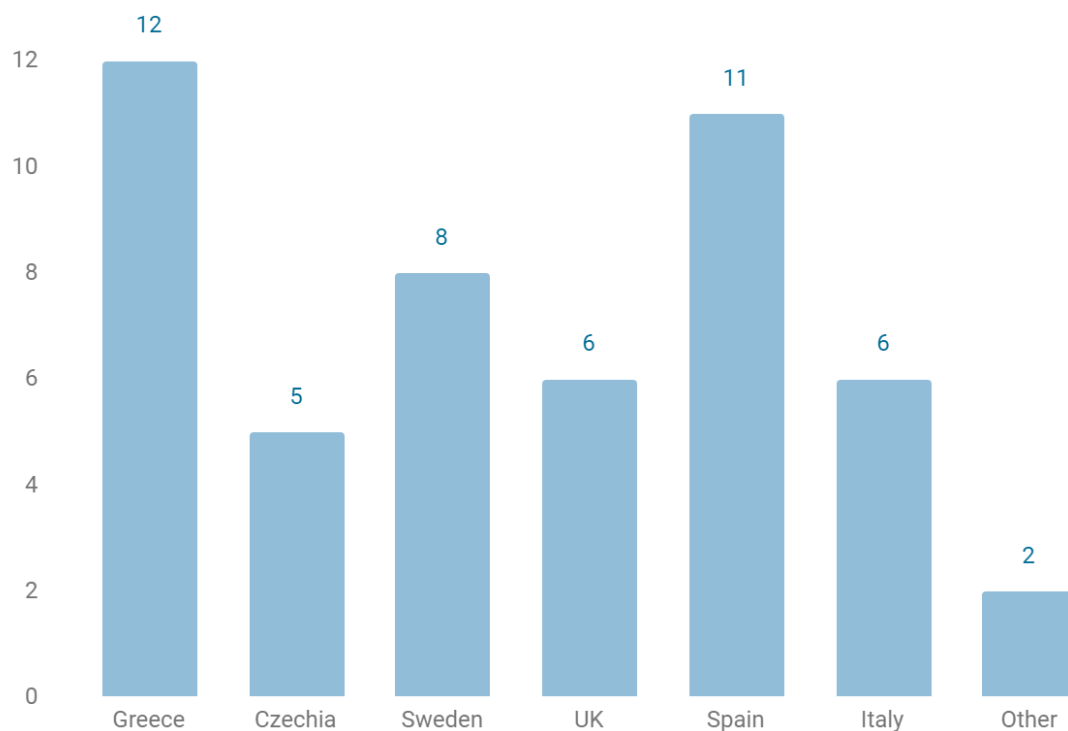
- procurement officials
- supply chain management officials
- buyers

Apart from reference date on place, date, interviewer, interviewee and if recording took place, the protocol asked the interviewer to describe the interview process using the following aspects:

- Atmosphere of conversation: Locality, sentiment, behaviour of interviewee
- Mental state: Of Interviewer, interviewee
- Rapport: Relationship between communicators
- Progress of conversation: Development dynamics of the entire interview
- Interactions: Specific phenomena between communicators
- Special features: Of general nature
- Remarkable topics: Ignored or highlighted topics related to research questions and beyond
- Interferences: During the interview

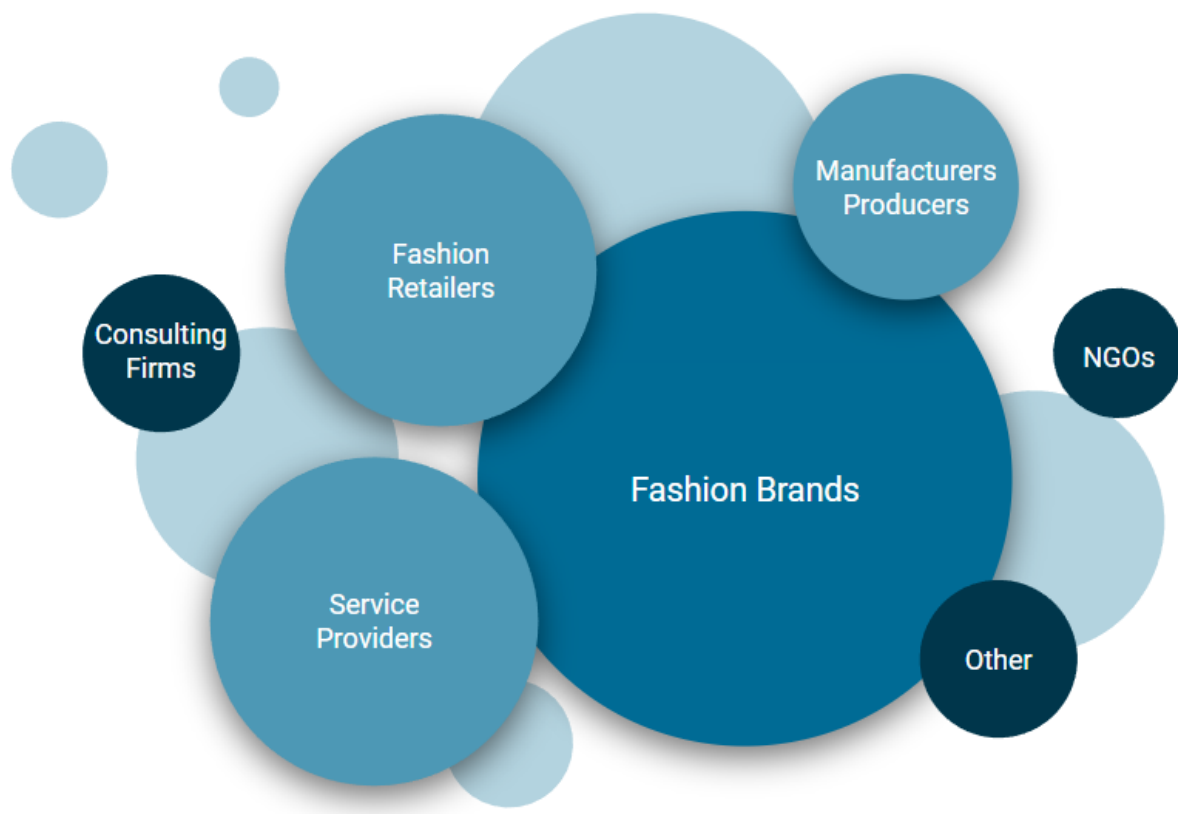
5.2. Geographic Representation

Each partner organisation used their connections and network in the fashion sector, from SMEs to large companies, to create a list of potential companies and individuals to interview. Respondents were selected from all partner countries and other countries where partners have a presence.



5.3. Organisation Type

In order to understand the wider issues affecting the entire industry, partners consulted a wide range of organisations within the fashion industry.





6. Discussion and Analysis of Primary Data

6.1. Introduction

Data analysis was conducted in stages which helped us to go back and forth and avoid premature analytical bias.

Firstly, in stage one we presented a narrative account of our findings by ordering raw material per social unit, it included quotes. To substantiate our understanding we checked the accounts with investigators from the opinion leaders group. We used data from these groups and from an archival analysis to support and balance those findings. In the beginning we tried to identify patterns by counting the frequency of words and phrases in data sets to see any repeated ideas and themes.

Secondly in stage two we identified themes and coded them. Using content analysis we produced categories (variables) of our constructs, we didn't use any existing categorization from other research thus allowing for categories to emerge from our data; this inductive open coding approach is appropriate for theory building; these codes are called first-order codes (Battilana and Dorado, 2010; Mair, Battilana and Cardens, 2012; Sharir and Lerner, 2006). These codes deal with storing, labelling and retrieving the data. We used data displays to facilitate us through graphs, diagrams, and drawings. The categories that we displayed consist of the data, coded data, and revised codes. Our coding scheme built out a map. Our scheme included a categorization of various spheres that emerged which were formal institutions, social institutions, organisational context and individual context. It included descriptions, labels using interviewees' own words, and relationships. In constructing codes we asked the questions that we have mentioned above.

The first stage resulted in creating codes for individual profile categories, social innovation model categories, formal institutions interventions categories and network embeddedness categories. We were interested in seeing where these categories intercept and the linkages that are created between the various spheres within which actors interact. Then in stage three we kept on collecting data and comparing with existing codes and categories to identify similarities and contrasts, relationships and patterns. Any new codes that emerged were grouped around the spheres we had identified. Codes were grouped together in broader codes or reformed. We reviewed codes and categorised them into broader codes (using words from the interviewees) and when codes seemed similar we grouped them under one coding name. This process is called axial coding (Mair, Marti, and Ventresca, 2012; Pratt, Rockmann and Kaufmann, 2006). The use of tables and matrices to compare patterns across cases is a common method used in qualitative data analysis (Alvord et al, 2004). At a later stage we went to existing theory to compare the emerging themes of our findings with other research findings.

The final stage was a confirmation of these refined themes and relationships with the broader set of data that we had gathered through all our research methods. The results from this process are presented in the formulation of propositions; the fact that these propositions are common across all cases strengthens their plausibility (Alvord et al, 2004). Content analysis was performed on the secondary data and reports we gathered through the archival research method comparisons were made with the primary data and other studies (Sharir and Lerner, 2006).

The first level coding took place on a country level and then second level and categories emerged from the aggregated analysis that was performed by WLY & Fashion Revolution Czech Republic.

6.2. Analysis of the Responses

Our methodology for analysing the data collected from the 50 organisations in the fashion industry focused on a comprehensive review of the responses. This process involved several key steps:

6.2.1. Review of Questionnaires/Interviews

We began by meticulously reviewing the interviews conducted with and the questionnaires submitted by the participating organisations. These questionnaires encompassed both rating-based and open-ended questions. The questionnaires are added as Appendices at the end of this report.

6.2.2. Analysis of Rating Questions

For rating-based questions, we performed an in-depth assessment of the responses. This analysis included summarising the number of responses falling into different rating categories. Where applicable, we supplemented this quantitative analysis with our own qualitative insights to provide a richer understanding of the results.

6.2.3. Examination of Open-Ended Questions

Open-ended questions were comprehensively analysed. We conducted a thorough review of all provided answers, aiming to identify commonalities and patterns within the responses. This process allowed us to extract key takeaways for each open-ended question. In some instances, specific points were mentioned by only a single organisation; however, we felt that it was still a pertinent issue that could potentially be faced by a broader spectrum of organisations.

6.2.4. Synthesis of Conclusions

Following the analysis of all questions and responses, we synthesised the collective findings into overall conclusions regarding this research. These conclusions provided a comprehensive overview of the state of sustainability, supply chain transparency, and social responsibility practices in the fashion industry.

It's essential to acknowledge that the sample size of this questionnaire was relatively small, consisting of responses from 50 organisations. Consequently, the insights gathered from this sample might not be entirely representative of the entire spectrum of fashion organisations. To gain a more comprehensive understanding of common patterns and practices within the industry, a larger and more diverse sample of brands and organisations would facilitate a more accurate assessment of prevalent trends and challenges in the fashion industry.

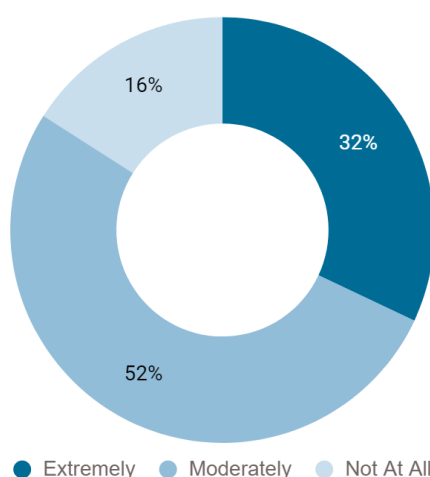
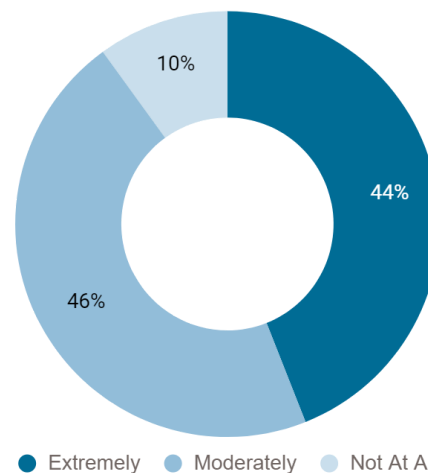
6.3. Limitations and Challenges

Partners faced difficulty in recruiting experts from within large organisations, and there was a general lack of access to supply chain or procurement personnel. There are protocols in place wherein individual employees cannot respond to such interviews. Designated spokespeople need authorisation before disclosing sensitive information about their practices in supply chain management. And authorities in the organisation are reluctant to support activities that may hinder their reputation when disclosing internal practices. In most cases, we can only study any publicly available resources about said company and their policies and challenges, but it is very difficult to interview them.

Smaller companies may not have the same procedures in place and could speak to us, but they are very busy and have limited resources. They also have limited oversight on any partner or supplier processes and practices.

Q1. To what extent is your organisation controlling the protection of human rights and the environment in the premises of your suppliers and vendors in your entire supply chain?

A significant portion of organisations demonstrate a high level of control and prioritise the protection of human rights and the environment throughout their supply chain. However, a large portion of organisations still have room for improvement in terms of enhancing their efforts in this area.

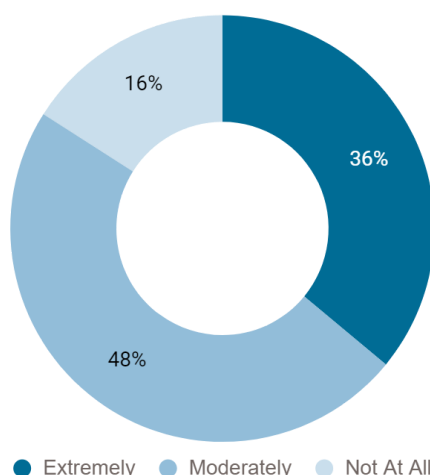
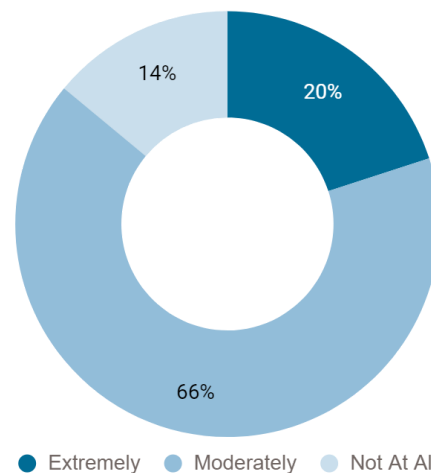


Q2. To what extent does your company inform consumers about the protection of human rights and the environment in the premises of your suppliers and vendors?

While a significant number of companies inform consumers to a moderate extent, there is still room for improvement in terms of transparency and communication. A smaller number of companies have extensive communication practices in place, demonstrating a high level of commitment to informing consumers about human rights and environmental protection. However, a notable portion of companies do not currently provide any information to consumers in this regard, indicating a need for stronger efforts in transparency and consumer education.

Q3. To what extent are the political institutions (EU & national governments) involved in the protection of human rights and the environment in the premises of fashion businesses, suppliers and vendors?

The majority of respondents perceive political institutions to be involved to a moderate extent. However, there are still a significant number of respondents who believe that political institutions either have limited involvement or are extremely involved in the protection of human rights and the environment. This indicates a need for ongoing efforts to strengthen political engagement and regulatory frameworks to ensure sustainable practices and the protection of human rights in the fashion industry.

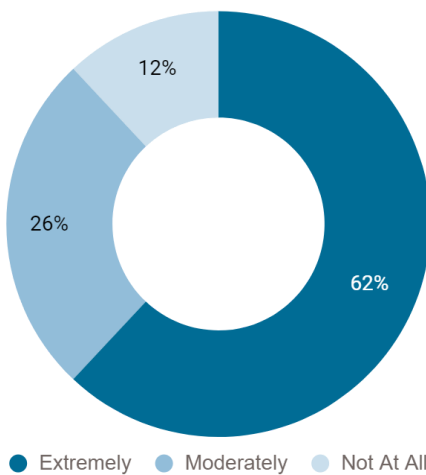
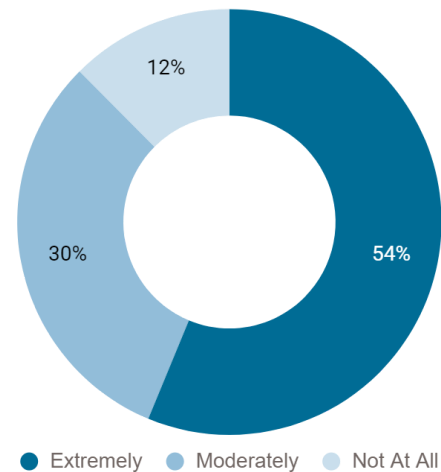


Q4. To what extent does your company place rules & regulations to protect human rights and the environment in the premises of your suppliers and vendors?

While a significant number of companies have moderate rules and regulations, there is still room for improvement in terms of strengthening and expanding their efforts. A smaller number of companies have extensive regulations, indicating a high level of commitment to protecting human rights and the environment. However, a notable portion of companies currently do not have any specific rules and regulations in place, highlighting the need for stronger measures to ensure ethical and sustainable practices throughout the supply chain.

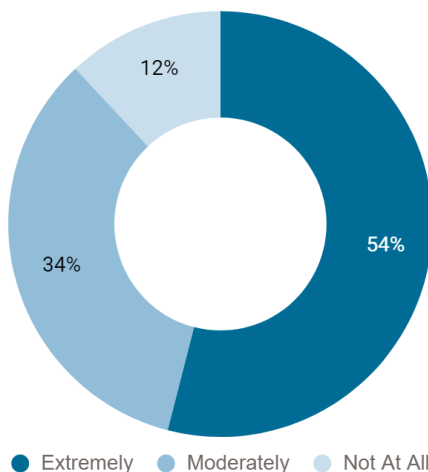
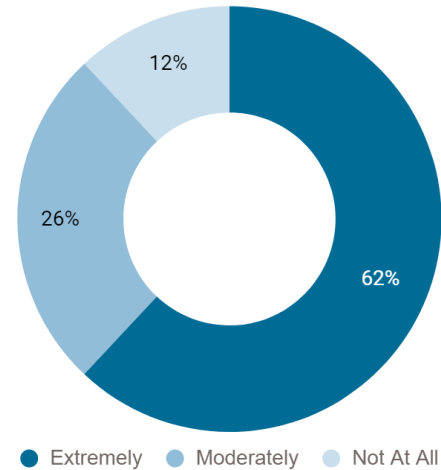
Q5. To what extent does your company implement the following vendor/supplier policies for protecting decent work and purchasing practices across your procurement and supply chain activities?

To prevent harassment and violence



To prevent child labour (labour rights and policies)

To prevent forced and bonded labour



To promote policies covering human rights standards and procedures across the supply chain

The majority of companies demonstrate some level of implementation of policies to protect decent work and purchasing practices across their procurement and supply chain activities. However, there is still room for improvement, particularly in areas where companies have indicated a moderate or no extent of implementation. It is essential for companies to continuously assess and enhance their policies to ensure ethical and responsible practices throughout their supply chain.

Q6. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to protecting decent work and purchasing practices

Local and European Sourcing

Many organisations mentioned a preference for sourcing materials or producing garments locally or within Europe. This approach allows for better oversight of supply chain conditions, adherence to local labour laws, and potentially higher ethical standards.

"We only produce clothing in Spain. All our suppliers are local. We respect all the high standards of the European Union. Our workers are being paid according to the law."

Emphasis on Transparency

Transparency emerged as a common theme, with organisations highlighting their efforts to communicate openly with customers about sustainability practices, pricing breakdowns, and supply chain information. This commitment to transparency is seen as a way to build trust with consumers.

Sustainability Focus

Many organisations emphasised sustainability and environmentally-friendly practices. This included upcycling materials, in-house fabric manufacturing, the use of recycled fibres, and the promotion of compostable and vegan products. These practices align with broader ethical considerations, including decent work and responsible purchasing.

Compliance and Certifications

Some organisations mentioned compliance with specific certifications and standards, such as those set by the European Union. They also indicated working with suppliers who have their practices and policies related to worker protection. This suggests a commitment to ensuring supplier compliance with rigorous ethical and environmental standards.

"Our suppliers ask us the DURC (the single document of social security compliance) is the certification of the regularity of payments to the INPS, INAIL and Cassa edile entities. This document is aimed at the repression of undeclared work and insurance and contribution irregularities."

Personal Relationships with Suppliers

Several respondents noted personal relationships with their suppliers, which can foster trust and accountability in maintaining ethical practices within the supply chain.

"We are using suppliers that we trust and know for years"

Audits and Vetting

Organisations mentioned conducting supplier vetting processes, including audits and visits to suppliers to ensure compliance with ethical standards. This proactive approach helps in verifying that suppliers adhere to ethical and decent work practices.

Avoiding Questionable Suppliers

Some organisations explicitly mentioned avoiding suppliers from countries with questionable working conditions. This reflects a commitment to responsible sourcing practices.

Limited Knowledge or Access

A few respondents indicated a lack of information or access to details about their suppliers' practices and policies. This suggests a need for improved communication and transparency within the supply chain.

Use of Existing Materials

Some organisations mentioned efforts to use existing materials and fabrics rather than demanding new production.

In summary, organisations in the fashion industry are adopting a range of practices and policies to protect decent work and promote ethical purchasing practices within their supply chains. These efforts include sourcing locally, emphasising transparency and sustainability, compliance with standards, and building personal relationships with suppliers. While challenges remain, these actions reflect a commitment to responsible and ethical fashion practices.

Q7. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to protecting decent work and purchasing practices in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)

Limited Control and Transparency

Many organisations encounter difficulties related to limited control over their suppliers' practices and a lack of transparency into supplier operations. This hampers their ability to ensure ethical work and purchasing practices across the supply chain, and it remains a significant challenge.

Resource Constraints

Small companies consistently struggle with resource constraints, including limited financial resources and difficulties in sourcing sustainable materials. These constraints hinder their capacity to effectively implement and enforce supplier practices and policies, making it a persistent challenge.

Lack of On-Site Inspections

Conducting on-site inspections remains challenging due to factors like geographical constraints or high costs. Organisations often rely on submitted documentation and certifications, which can create challenges in verifying compliance with human rights and environmental standards.

"There is no way to track transparency apart from the certificate. Ideally I could travel and visit the places of origin of the material... it would be great to visit and get transparency on the value chain."

Price Considerations

Price remains a significant factor influencing purchasing practices. Cost considerations can lead organisations to source from countries with cheaper labour, potentially compromising ethical standards. Balancing affordability with ethical concerns is a complex issue.

"In the long term, the main challenge we face is that we have lost our position as a supplier as these customers switch to buying their garments from cheaper countries, such as Bangladesh. In this way, they avoid having to take responsibility for everything related to the protection of decent work and purchasing practices."

Limited Data Sharing and Transparency

Organisations frequently face challenges related to limited data sharing and transparency from their suppliers. Some suppliers withhold information to protect their know-how or fail to provide comprehensive details about material origins, resulting in transparency gaps.

“Currently the suppliers that we can afford, and that actually have the materials that we need, are not readily offering information about transparency and other pressing topics.”

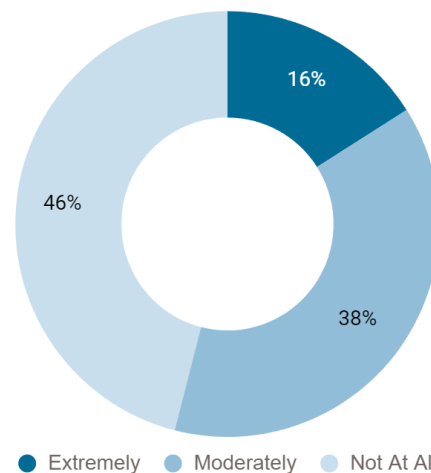
Certifications and Independent Auditing

Many organisations place high importance on certifications and reports from independent auditing firms to ensure human rights protection. Third-party verification is seen as crucial, especially when direct control over suppliers is lacking.

These main conclusions highlight the ongoing complexities within the fashion industry concerning the protection of decent work and ethical purchasing practices throughout the supply chain. These challenges persist across organisations of various sizes and underscore the importance of transparency, resource management, and sustainable sourcing practices.

Q8. To what extent does your company implement vendors/suppliers policies for protecting Unionisation & collective bargaining across your procurement and supply chain activities?

The majority of companies do not have policies in place to protect unionisation and collective bargaining in their procurement and supply chain activities. This highlights a gap in the efforts to support workers' rights and may indicate a need for companies to address this aspect of labour rights in their supply chain management practices. However, some companies have implemented policies to a moderate extent, and a smaller number of companies have implemented policies to an extreme extent, demonstrating a commitment to protecting workers' rights in relation to unionisation and collective bargaining.



Q9. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to protecting the rights of workers on unionisation & collective bargaining

Compliance with Local Worker Certificates

Some organisations stated that they collaborate with companies that possess valid worker certificates in their country. This suggests a commitment to working with suppliers who adhere to local labour regulations and standards.

"We work and collaborate with companies that have all the valid worker certificates in our country (Spain)"

Small Companies with Limited Need

Several organisations, especially small ones, mentioned that they are not applicable or that they have a limited need for specific policies and certificates related to workers' rights. This could be because of their size or the nature of their business.

Compliance with National and European Laws

Some organisations stated that their practices and policies follow European law. This suggests a commitment to adhering to regional regulations related to workers' rights.

Protection of Workers in Hiring Practices

Some organisations mentioned that they take care to protect workers' rights in their hiring and employment practices. This includes fair and inclusive hiring, contractual agreements, payment, and mental health considerations for their employees.

Openness and Support for Unionization

Several organisations expressed openness to workers joining unions, indicating a recognition of the importance of collective representation and bargaining. A few organisations explicitly mentioned support for freedom of association and no discrimination with regard to unionisation. This reflects a commitment to workers' rights to form unions and engage in collective bargaining.

"Our code of conduct includes provisions for freedom of association and no discrimination with regard to unionisation. We are very open and supportive to this."

Collective Agreements

Some organisations stated that they have standard collective agreements in place. These agreements likely include provisions related to workers' rights and protections.

In summary, these are the key points that were mentioned by multiple organisations regarding their worker certificates, policies, and practices related to protecting workers' rights. These points highlight a commitment to complying with regulations, protecting workers in hiring practices, and supporting unionisation where applicable.

Q10. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to protecting the rights of workers on unionisation & collective bargaining in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)

Limited Information and Transparency

Many organisations face difficulties in obtaining sufficient information and transparency from their suppliers about workers' rights. This lack of transparency poses a common challenge and hinders the ability to assess and ensure compliance with labour union and collective bargaining practices.

"We know what they tell us; we can't make them implement anything."

Limited Insight or Knowledge

Several organisations admitted to having little or no insight into unionisation practices in their partners' premises. This lack of awareness or knowledge about labour unions and collective bargaining within the supply chain is a common issue.

Resource Constraints

A family-owned business expressed resource limitations as a significant challenge. This indicates that conducting on-site inspections or visiting suppliers' premises may be financially or operationally challenging for smaller organisations.

Geographical Distance and Lack of Local Providers

Some organisations cite the challenge of being geographically distant from their supply chain partners, leading to a lack of local options for materials and services. This distance can hinder oversight and monitoring of workers' rights and unionisation efforts.

"Being far from the value chain and the certificates do not give information on protecting the rights of workers on unionisation & collective bargaining. If we had local (proximity providers) it would resolve most of this challenge. There are no local providers for the material we use, as Silk."

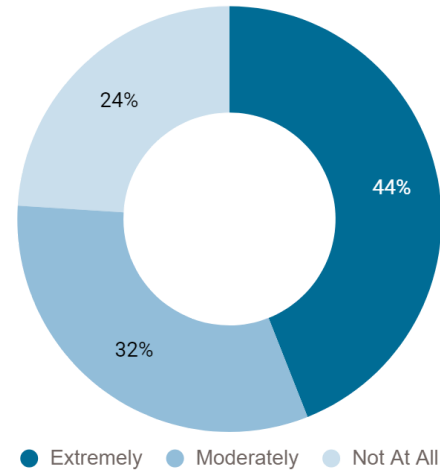
Perceived Relevance and Applicability

Some respondents indicated that the question was not applicable or not relevant to their specific business operations or supply chain. This suggests that, for some companies, unionisation and collective bargaining may not be considered significant factors in their procurement and supply chain activities.

Overall, these patterns of limited transparency, geographical challenges, resource constraints, limited insight or knowledge, and varying perceptions of relevance highlight the complexities and diverse circumstances that organisations face when implementing practices and policies related to workers' rights on unionisation and collective bargaining in their supply chains.

Q11. To what extent does your company implement vendors/suppliers policies for Diversity & Inclusion across your procurement and supply chain activities?

The responses show a mix of companies that have implemented policies for diversity and inclusion to varying extents. While a significant number of companies have implemented such policies to an extreme extent, a considerable number have not implemented any policies. This highlights the need for companies to prioritise and develop comprehensive strategies and initiatives to promote diversity and inclusion throughout their procurement and supply chain activities. The companies that have implemented policies to a moderate extent are making some progress but can also consider further enhancements to their efforts.



Q12. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to promoting diversity & inclusion (e.g. gender equality, equal pay, racial equality)

Inclusivity in Leadership and Partnerships

Many organisations expressed their commitment to diversity and inclusion by highlighting that their leadership teams include individuals from diverse backgrounds, particularly women. Some organisations also partner with women-led artisanal businesses. This reflects a proactive approach to promoting gender equality and diversity within their networks.

Promotion of Diversity and Inclusion in Marketing

Several companies mentioned promoting diversity and inclusion through their marketing strategies and creative campaigns. They emphasised featuring models of all shapes, sizes, ages, genders, and racial backgrounds in their promotional materials. This demonstrates their efforts to reflect and celebrate diversity in their branding.

"We are a highly inclusive company - promoting diversity is important to us. Our teams are diverse as well as models appearing in our communication campaigns."

Equal Treatment and Non-Discrimination

Many organisations stated that they treat all employees and partners equally, regardless of gender, race, or other characteristics. They emphasised a commitment to equal pay and the absence of discrimination in their workplace practices. This reflects a fundamental principle of fairness and non-discrimination.

Inclusivity in Hiring

Some respondents, particularly managers responsible for hiring, highlighted their efforts to ensure that discriminatory practices are not used in their recruitment processes. They aim to hire based on skills and qualifications rather than gender or race.

Inclusivity as a Common Practice

For some organisations, promoting diversity and inclusion is a common practice embedded in their company culture and values. They emphasised that they would not work differently, as inclusivity is considered a standard within their organisation.

Limited Information and Transparency

Some organisations mentioned challenges related to obtaining information or visibility into diversity and inclusion practices within their supply chain. This indicates a common difficulty in accessing data on these aspects, especially in global supply chains.

"We hope our partners/suppliers have this, but we cannot be sure."

Lack of Supplier Certifications

A few organisations noted that there are no specific suppliers or certificates that guarantee or address diversity and inclusion issues. This suggests that diversity and inclusion considerations might not be explicitly covered in their supply chain certification processes.

"There are no suppliers and certificates that guarantee or even address this issue. Maybe in Japan they care more than in India and China... we are not sure as we don't have visibility."

These findings highlight a commitment to diversity, inclusion, and non-discrimination within the fashion industry. Organisations are actively working to ensure equal treatment, equal pay, and representation in their leadership, marketing, and hiring practices. However, challenges related to information transparency and supply chain visibility persist, indicating the need for greater transparency and accountability in promoting diversity and inclusion throughout the supply chain.

Q13. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to promoting the diversity & inclusion in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)

Financial Constraints

Several organisations mentioned financial constraints as a significant challenge. This suggests that limited financial resources can hinder their ability to invest in diversity and inclusion initiatives, including conducting audits or assessments.

"Price and the fact that company's goal to make profit comes first."

Limited Resources

Some organisations indicated that they have limited resources, which can impact their capacity to monitor and enforce diversity and inclusion practices effectively. Limited resources can affect their ability to take proactive measures in this regard.

Compliance with Legal Requirements

One organisation highlighted the challenge of complying with legal obligations related to diversity and inclusion. This implies that ensuring compliance with applicable laws and regulations can be complex and demanding.

Lack of Knowledge or Insight

Some organisations admitted to a lack of knowledge or insight into the practices of other companies or their partners. This points to a need for increased transparency and information sharing regarding diversity and inclusion efforts within the supply chain.

Limited Supplier Engagement

A few organisations mentioned challenges related to engaging their suppliers in diversity and inclusion efforts. This suggests that there may be resistance or limited commitment from some suppliers to prioritise these issues.

Awareness and Communication

Some respondents suggested that awareness of diversity and inclusion issues among suppliers is relatively low. This highlights the need for improved communication and education about the importance of diversity and inclusion in the supply chain.

"I would say that this is just the beginning as not many of the "typical" suppliers are even communicating this!"

Accessibility and Inclusivity

One organisation mentioned challenges related to accessibility and inclusivity, particularly in terms of physical spaces. This underscores the importance of considering accessibility and inclusivity throughout the supply chain and addressing any barriers that may exist.

Small Brand Limitations

Some smaller brands mentioned limitations in their ability to influence or enforce diversity and inclusion practices among their suppliers. They often rely on larger brands or certifications to drive these initiatives.

Visibility and Certification

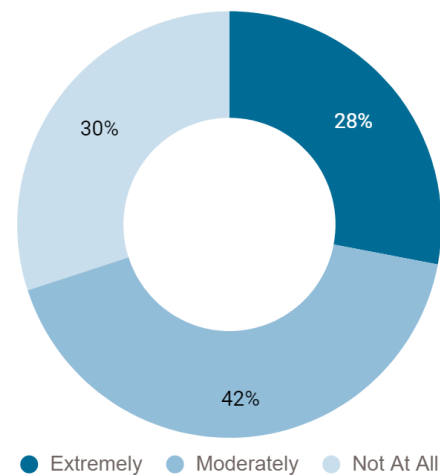
Visibility into diversity and inclusion practices of suppliers, especially smaller or new brands, can be challenging. Many organisations look for certifications or audit processes to gain assurance in this regard.

"We try to work with brands that promote diversity, but to be honest, we can't really know. We do look for certifications and such, but some brands are really small or really new and don't have these."

These findings highlight that while there is a growing awareness of the importance of diversity and inclusion in the supply chain, organisations face various challenges in effectively implementing practices and policies to promote these values. Financial constraints, limited resources, compliance with legal requirements, and a lack of knowledge or insight are among the common obstacles. To overcome these challenges, greater transparency, education, and collaboration with suppliers may be necessary.

Q14. To what extent does your company implement vendors/suppliers policies for the accountability of a board member or the board committee for human rights and environmental issues across your procurement and supply chain activities?

The responses indicate a mixed level of implementation of policies for the accountability of board members or board committees regarding human rights and environmental issues in procurement and supply chain activities. While some companies have implemented policies to an extreme extent, a significant number have not implemented any such policies. The companies that have implemented policies to a moderate extent are making some progress but can consider further enhancements to strengthen accountability in addressing human rights and environmental issues.



Q15. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to the accountability of your board members or your board committee for the protection of human rights and environmental issues

Commitment to Sustainability

Many organisations emphasise their commitment to sustainability and ethical practices. They often mention working with environmentally certified companies, advocating for local production, and promoting fair wages within their supply chains. This reflects a strong focus on sustainable and ethical business practices.

"We are a company committed to the sustainable development of the textile sector and researching in R&D."

Lack of Specific Policies

A significant number of responses do not provide explicit information about existing policies or practices related to board member accountability for human rights and environmental issues. Some organisations state that they do not have control over the entire value chain or do not provide details about any specific policies in place.

Collaborations and Partnerships

Some organisations highlight their collaborations, partnerships, or memberships with external entities focused on sustainability and corporate social responsibility. These partnerships often involve monitoring and evaluating sustainability practices, suggesting a commitment to accountability.

"We always want to work with companies that have European environmental quality certificates or that correspond to the textile industry."

Small Organisational Structure

Several organisations mention that they are small brands or companies operated by a small number of individuals. In such cases, the concept of board member accountability may not be as applicable due to the organisation's size and structure.

Overall, the responses indicate a diversity of approaches to sustainability and corporate social responsibility in the fashion industry. While many organisations are committed to sustainable and ethical practices, others may have limited specific policies or focus on smaller-scale collaborations. The fashion industry's efforts to address human rights and environmental issues vary widely based on individual organisational priorities and structures.

Q16. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to the accountability of your board members or your board committee for human rights and environmental issues in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)?

Lack of Awareness/Information

Many organisations express challenges related to limited knowledge and information about the policies and practices of their vendors and suppliers. This lack of awareness can hinder their ability to effectively monitor and ensure compliance with human rights and environmental issues. Improving transparency and communication with partners is crucial to address this challenge.

"We don't know what policies they have in place."

Limited Resources

A few organisations, particularly family-owned businesses with limited resources, mention resource constraints as a challenge. These constraints restrict their capacity to visit premises, conduct on-site inspections, or invest in extensive auditing processes. Resource limitations can be a significant barrier to effective oversight.

Proximity and Local Providers

One organisation highlights the challenge of being distant from the value chain. They suggest that having local proximity providers could simplify the process of ensuring compliance with human rights and environmental issues. This perspective underscores the potential benefits of working with local suppliers.

"If we had local (proximity providers) it would resolve most of this challenge."

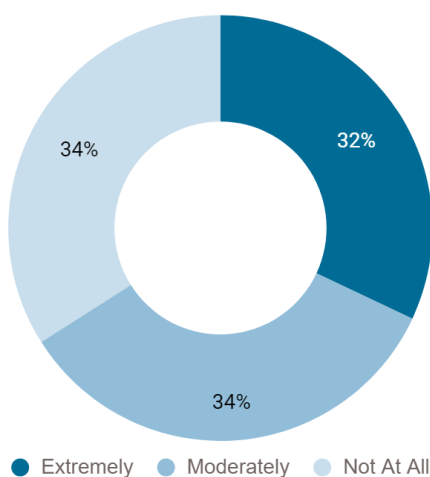
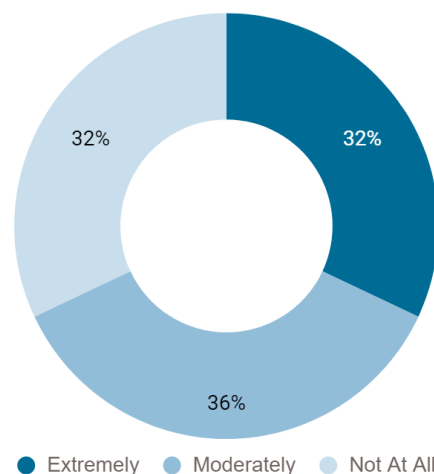
Irrelevant or No Need

Some organisations believe that the question is not relevant to their specific situations, or they express that they have no need for additional staff or involvement in certification and auditing processes. This suggests that for certain organisations, the issue of board member accountability for these issues may not be a priority.

In summary, the common challenges revolve around the need for improved awareness and information, resource constraints, proximity to suppliers, and varying perceptions of relevance. These challenges underscore the importance of transparent communication, resource allocation, and a tailored approach to addressing human rights and environmental issues in the supply chain.

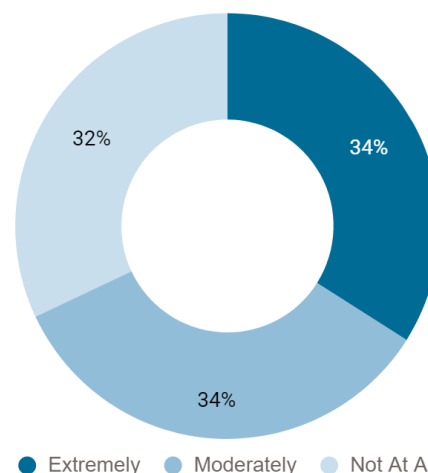
Q17. To what extent does your company implement vendors/suppliers policies for the traceability of products and services across your procurement and supply chain activities?

Traceability of tier one factories



Traceability of processing facilities

Traceability of raw materials



The responses demonstrate varying levels of implementation for the traceability of products and services across different aspects of the supply chain. While some companies have implemented policies to an extreme extent in certain areas, there are also a significant number of companies that have not implemented any policies or have only done so moderately. Enhancing traceability practices can contribute to increased transparency and accountability in supply chains, allowing companies to better understand and address potential social and environmental impacts.

Q18. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to the traceability of your products and services across your supply chain partners (e.g. digital passports, QR codes, etc)

Direct Human Contact for Traceability

Many organisations, especially those operating on a small scale, rely on direct human contact and personal relationships with suppliers for traceability. This approach enables them to know the origins of their products through firsthand knowledge.

"Our traceability, as mentioned above, is based on direct human contact because we operate on a small scale. Therefore, we know where all our products come from, as we can trace them directly"

Desire for Transparency

There is a prevalent desire among organisations to improve transparency in their supply chains. They recognize the importance of providing customers with information about the traceability of their products, and some are actively working to achieve this.

Material Recycling and Upcycling

A few organisations are focused on collecting waste materials and implementing recycling or upcycling processes. This approach allows them to trace and track the materials they have recycled or recovered, contributing to traceability within their supply chain.

Efforts to Prevent Falsification and Tampering

One organisation specifically highlights the use of blockchain technology and digital passports to prevent falsification, dilution, and tampering of materials. This reflects the adoption of technologies aimed at enhancing traceability and product authenticity.

"Create a blockchain secured digital identification platform that generates unique transaction certificates. These transaction certificates enable customers to trace the garment from its origin, proving its sustainability. This digital passport prevents the falsification, dilution and tampering of materials."

Trust in Suppliers and Material Quality

Trust in suppliers and the sourcing of pure and high-quality materials are emphasised by some organisations. Building strong relationships with suppliers and ensuring the integrity of materials are key components of their traceability efforts.

Limited Use of Digital Technologies

While some organisations mention the use of digital technologies like software platforms, digital passports, or QR codes for traceability, many others do not currently utilise these technologies. Smaller-scale or second-hand businesses, in particular, appear to be less reliant on digital traceability methods.

Varied Customer Communication

The level of communication and information shared with customers about supply chain practices varies across organisations. While some provide detailed information on their websites or upon customer inquiry, others have limited disclosure or reserve more information for special collections or high-end sub-brands.

"I do not want customers to trace products back to my supplier for competing market purposes and the lack of information. I have means the materials cannot be traced (upcycled materials). My suppliers do not supply to large corporations (no digital passports etc.)."

In summary, the fashion industry is increasingly recognizing the importance of traceability and transparency in the supply chain. Traceability practices range from direct human contact to digital solutions, and there is a growing emphasis on sustainable material sourcing and recycling. These organisations are actively exploring ways to communicate their traceability efforts to customers and foster trust in their supply chain practices.

Q19. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to the traceability of your products and services across your supply chain partners

Information and Transparency Concerns

Many organisations express concerns about sharing supplier information, either due to competition or potential risks to their business. This reluctance to disclose supplier details or the origins of products suggests a hesitancy towards transparency.

Resource Limitations

A significant number of respondents, particularly smaller businesses or those with limited resources, highlight challenges related to capacity and financial constraints. Implementing traceability practices often requires investments in technology, resources, and expertise, which may be challenging for companies with limited budgets.

Digital Transformation Hurdles

Some companies mention a desire to transition to digital solutions but cite the slow progress in adopting such technologies. The adoption of digital traceability systems appears to be a gradual process, possibly due to factors like cost, technical expertise, or resistance to change.

Supplier Cooperation

Challenges related to obtaining information from suppliers are mentioned, particularly in cases where small suppliers are hesitant to share their sources. This poses difficulties in ensuring traceability across the supply chain, as it relies on the willingness of suppliers to provide necessary data.

"We ask our brands for this information, but we don't reject them if they do not provide it."

Government Support and Funding

One respondent mentions a lack of government support and funding for sustainable business initiatives, indicating a need for external assistance and financial resources to implement traceability practices effectively.

Business Competition

Some organisations view supply chain traceability as a competitive advantage and are cautious about revealing supplier information, fearing that competitors could gain access to their sources and compete directly.

Cost and Expertise

The cost associated with implementing traceability practices and the expertise required to manage these systems are cited as challenges. This indicates that financial and human resource limitations are significant barriers.

"If other people get access to my supplier then they could set-up similar trading and compete with my sales or could find out the wholesale value of my products."

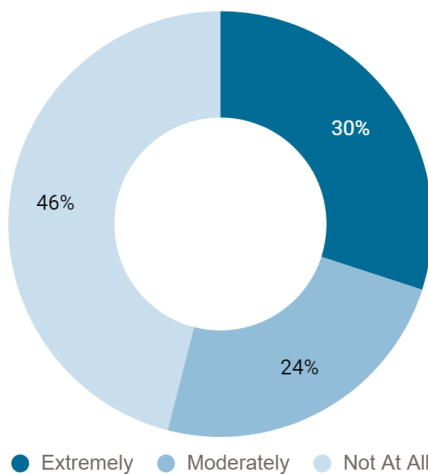
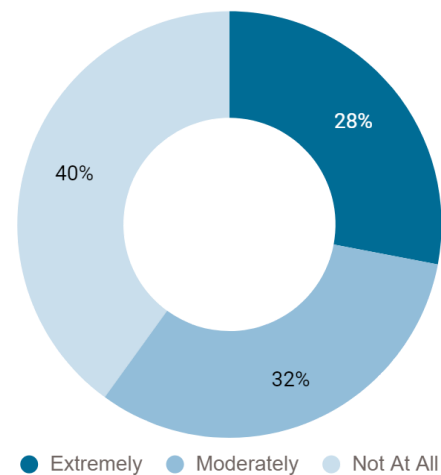
Lack of Regulation

The absence of regulations related to traceability in the fashion industry is mentioned as a challenge, suggesting that regulatory frameworks could help standardise practices.

In summary, these challenges reflect the complexities and barriers involved in establishing robust traceability systems across supply chains, particularly for smaller businesses with fewer resources. Balancing the need for transparency with concerns about competition and resource limitations is a common issue faced by organisations in the fashion industry.

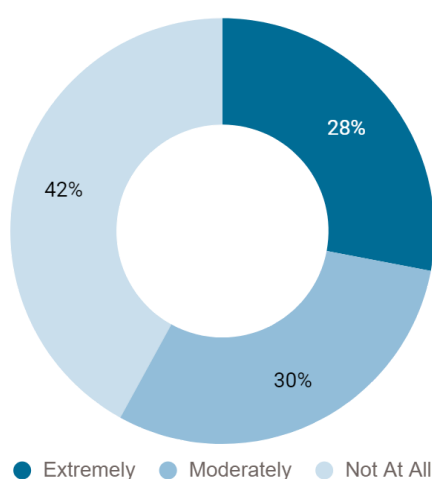
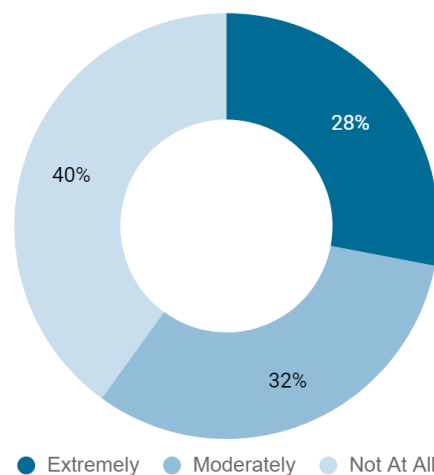
Q20. To what extent does your company implement vendors/suppliers policies for the existence of human rights and environmental due diligence processes across your procurement and supply chain activities?

For the involvement in due diligence processes by worker unions, women workers organisations, migration organisations



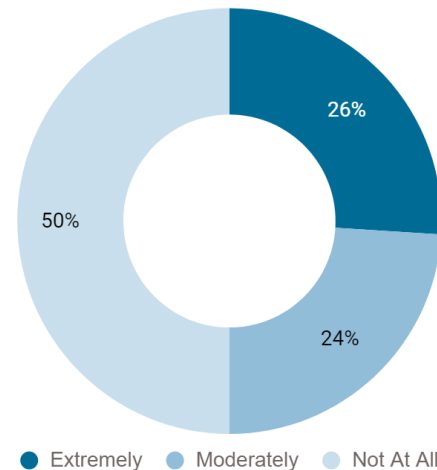
Based on credible international standards such as the Ethical Trading Initiative Base Code, relevant UN and ILO Conventions, OECD Guidelines for Multinational Enterprises, or the UN Global Compact

To have specific supply chain facilities audit processes



Cease, prevent, mitigate, and remedy violations (FIX)

To have whistleblowing or grievance mechanisms



The responses demonstrate varying levels of implementation of vendors/suppliers policies for human rights and environmental due diligence processes across different aspects of the supply chain. While some companies have implemented policies to an extreme extent in certain areas, there are also a significant number of companies that have not implemented any policies or have only done so moderately. Strengthening these policies and processes can contribute to better identification, prevention, and mitigation of human rights and environmental risks in supply chains.

Q21. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to the existence of human rights and environmental due diligence processes across your procurement and supply chain activities

Commitment to Sustainability and Environmental Considerations

Many organisations emphasise their commitment to sustainability and environmental conservation. This includes using recycled materials, implementing renewable energy sources, reducing CO2 emissions, and implementing closed water recycling systems. These efforts align with broader sustainability goals and environmental standards.

Certification and Audit Processes

Some organisations mention the use of certification and audit processes to ensure compliance with human rights and environmental standards. These external verification methods provide a structured way to assess and ensure adherence to due diligence practices.

Direct Human Treatment and Fairness

Several responses emphasise the importance of fair and direct human treatment. While specific details about existing practices and policies are not always provided, the focus on fair treatment suggests a commitment to ethical and humane practices in the supply chain.

Challenges and Relevance

Some organisations express challenges related to the relevance of human rights and environmental due diligence to their specific business. Smaller or specialised businesses may have different priorities or limited resources to dedicate to these areas.

Limitations and Lack of Information

A few organisations mention limitations or a lack of access to policies and information. These limitations may be due to the size and structure of the organisation or other factors that impact their ability to implement due diligence processes comprehensively.

Unique Approaches

Some organisations describe unique approaches, such as focusing on zero-kilometre supply chains and using recycled yarn, as a way to address human rights and environmental considerations. These approaches highlight innovation in sustainable practices.

Government Support and Funding

One respondent mentions a lack of government support and funding for sustainable business initiatives. This suggests a need for external assistance and financial resources to enhance due diligence processes.

In summary, there is a diverse range of approaches and practices among organisations in the fashion industry regarding human rights and environmental due diligence in their procurement and supply chain activities. While many are committed to sustainability and employ external verification methods, others may face challenges related to resources or relevance to their specific business model.

Q22. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to the existence of human rights and environmental due diligence processes in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)

Size and Resource Limitations

Many organisations, particularly small or family-owned businesses, cited their limited resources as a significant challenge. This limitation often extends to the availability of qualified personnel and budget constraints, making it difficult to allocate resources for due diligence activities.

Limited Control Over Remote Factories

Some organisations expressed challenges in exerting control or influence over remote factories or partners within their supply chain. This lack of control can make it challenging to ensure consistent standards and monitor compliance across geographically dispersed entities.

Reliance on Third-Party Certifications

One organisation mentioned relying on third-party certifications for due diligence requirements. This suggests that some companies may choose to depend on external certifications or standards as a way to ensure human rights and environmental compliance, potentially due to resource constraints or a desire for independent verification.

Limited Guarantee for Partners' Internal Policies

One organisation highlighted the challenge of carrying reputable brands but lacking the ability to guarantee their internal policies. This underscores the difficulty in ensuring complete transparency and alignment of practices with partners, which can be challenging for companies seeking to maintain strict human rights and environmental standards.

Lack of Knowledge Among Suppliers

Some responses indirectly suggest that suppliers may lack awareness or understanding of the importance and intricacies of human rights and environmental due diligence processes. This knowledge gap can hinder effective collaboration and compliance.

Difficulty in Finding Qualified Personnel

One organisation mentioned the difficulty in finding qualified professionals in the textile industry, particularly due to the retirement of experienced personnel and a lack of interest from younger individuals. This shortage of skilled personnel can impact the ability to carry out due diligence activities effectively.

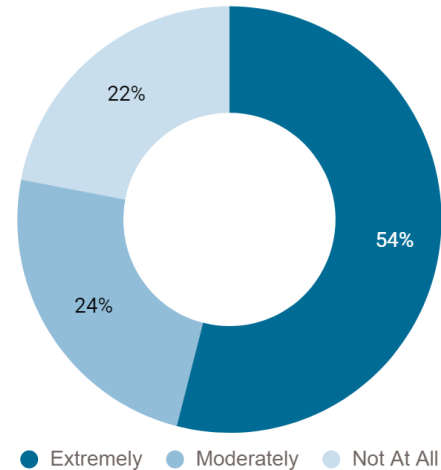
Lack of Local Suppliers

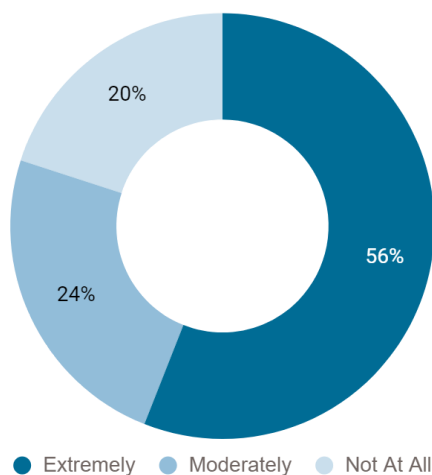
A few organisations noted that they are unable to find local suppliers. This might result in increased reliance on distant suppliers, complicating the monitoring and implementation of due diligence processes.

In conclusion, the challenges related to human rights and environmental due diligence processes in the fashion industry's supply chain often revolve around resource limitations, limited control over partners, and the need for external certifications. Addressing these challenges may require industry-wide initiatives, collaboration with partners, and innovative solutions tailored to the specific constraints faced by small and medium-sized enterprises.

Q23. To what extent does your company implement vendors/suppliers policies for the minimisation of the overconsumption and waste across your procurement and supply chain activities?

To adopt new business models that support clothing longevity, extended lifetime, and slow down consumption of new clothing such as renting and reselling

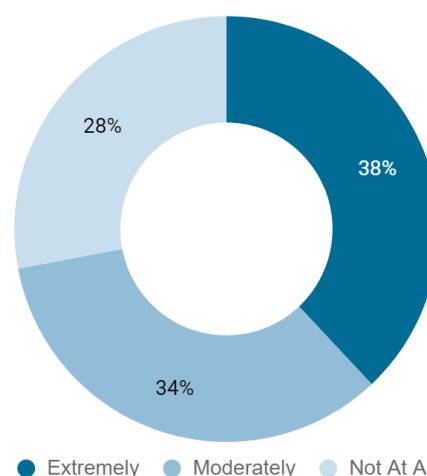




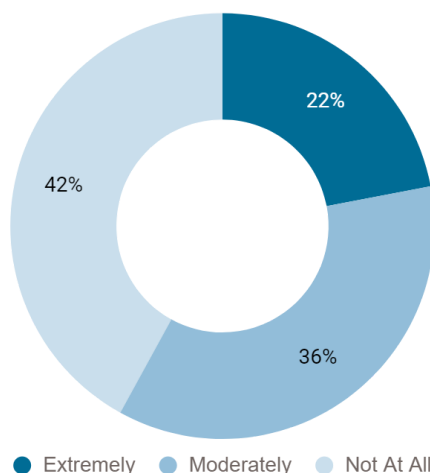
**Waste & Recycling
(Packaging/Office/Facility/Retail &
Product/Textiles)**

● Extremely ● Moderately ● Not At All

**To record the quantity of pre-production &
post-production waste generated annually (e.g.,
offcuts, scraps, threads, end-of-roll fabrics)**



● Extremely ● Moderately ● Not At All



To record the water footprint in a company's owned and operated facilities (e.g., head office, retail stores, distribution centres, warehouses, etc.)

Overall, the responses indicate that while some companies have implemented policies to a significant extent for minimising overconsumption and waste, there are others that have not adopted such policies or have done so to a lesser degree. There is a range of practices and approaches when it comes to adopting new business models, waste and recycling management, and measuring waste and water footprints in the procurement and supply chain activities. Further efforts may be needed to ensure comprehensive and consistent implementation of these policies across the industry.

Q24. Please describe any existing vendors/suppliers practices and policies already used by your organisation with reference to the minimisation of the overconsumption and waste across your procurement and supply chain activities

Upcycling and Recycling

Many organisations are actively engaged in upcycling existing materials or products to create new ones. This approach aligns with the circular economy concept, where waste is reduced by repurposing and extending the lifespan of materials.

Zero-Waste Practices

Several organisations have adopted zero-waste practices, which involve minimising waste generation during production. This includes zero-waste pattern cutting and utilising fabric remnants efficiently to leave little to no waste.

Responsible Material Sourcing

There's a focus on responsible material sourcing. Some organisations are using materials with a lower environmental impact, such as flax fabrics. This not only reduces waste but also minimises the environmental footprint of the materials used.

Education and Awareness

Many organisations prioritise educating their customers about sustainability. This includes educating them about the negative aspects of the fashion industry, proper care instructions for clothing, and responsible consumption habits.

Local Production and Small-Batch Manufacturing

Some organisations highlight the benefits of local production, such as reduced lead times and the ability to produce in small quantities. This approach helps minimise overproduction and waste.

Collaboration with Responsible Suppliers

Several organisations mention working with small companies or suppliers known for their sustainable practices. This demonstrates a preference for partnerships that align with their sustainability goals.

Circular Economy Approach

The circular economy concept is prevalent, with organisations aiming to create products that are infinitely recyclable. Some organisations also promote the recycling or upcycling of their products, ensuring they don't end up as waste.

Waste Separation and Proper Disposal

Proper waste separation and disposal methods are mentioned, highlighting a commitment to responsible waste management.

Energy Efficiency

Some organisations focus on energy efficiency and reducing resource consumption during production, as seen with initiatives like using green energy or energy panels.

Product Reuse and Rental

A few organisations are exploring product reuse and rental options, aligning with the idea of extending product life cycles and reducing the need for new production.

Product Reuse and Rental

A few organisations are exploring product reuse and rental options, aligning with the idea of extending product life cycles and reducing the need for new production.

Deadstock Management

Several organisations mention deadstock management, which involves selling or donating excess or unsold inventory, thus reducing waste.

Cradle-to-Cradle Design

Some organisations are adopting a cradle-to-cradle approach, designing products with the intention of being fully recyclable and reused in the future.

In conclusion, the fashion industry is making strides toward waste minimization and sustainable practices. The commonalities observed in the responses indicate a growing commitment to circularity, responsible sourcing, education, and awareness. These practices align with broader sustainability goals and contribute to reducing the environmental impact of the fashion industry.

Q25. What are the main challenges that you are facing in implementing vendors/suppliers practices and policies with reference to the minimisation of the overconsumption and waste in your partners' premises (producers, assembly factories, raw materials producers, material manufacturers, logistics)

Limited Control and Influence

Many organisations acknowledge the difficulty of exerting control or influence over their partners or suppliers. They often work with smaller companies or rely on submitted documentation, indicating that enforcing sustainable practices throughout the supply chain can be challenging due to limited control.

Resource Constraints

Resource limitations, especially financial constraints, hinder organisations from effectively implementing and monitoring sustainable practices. This includes the inability to visit premises or conduct on-site inspections, highlighting the challenges related to resource availability.

Cost Considerations

The higher costs associated with implementing sustainable practices are a significant challenge. This suggests that the financial implications of adopting eco-friendly practices can pose difficulties for some organisations.

Market Limitations and Subsidies

Some organisations face challenges related to market access, particularly in regions affected by crises. They express a need for subsidies and financial support to facilitate the adoption of sustainable practices, indicating a reliance on external assistance to overcome market-related challenges.

Company Orientation Towards Sustainability

Several organisations mention that their companies are not oriented toward sustainability or transparency. This indicates a misalignment between their organisation's current priorities and the implementation of vendors/suppliers practices and policies for waste minimization.

Specific Operational Challenges

Some organisations point out specific operational challenges related to plastic management, upcycling complexities, waste disposal, and lack of information. These challenges highlight the practical difficulties faced in implementing sustainable practices.

Customer Awareness

There is an acknowledgment that customer awareness about sustainability practices plays a role in shaping the challenges faced. Educating and creating awareness among customers about the importance of sustainability can be a key factor.

Cost of Scaling

Several organisations mention that the cost of scaling sustainable practices is a barrier. This cost consideration can impact their ability to implement these practices on a larger scale.

Lack of Information

Some organisations cite a lack of information as a challenge. This could be related to the availability of data or knowledge gaps regarding sustainable practices.

Profit as the Main Goal

In some cases, the primary focus on profit is mentioned as a challenge. This suggests that a strong profit motive can sometimes be at odds with sustainability goals.

In summary, the challenges faced by organisations in implementing vendors/suppliers practices and policies to minimise overconsumption and waste in the fashion industry's supply chain are complex. They include limitations in control and influence, resource constraints, cost considerations, market-related issues, company priorities, and specific operational difficulties. Addressing these challenges may require a combination of internal efforts, external support, and industry-wide initiatives to promote sustainability throughout the supply chain.

Q26. Triangulation: Interviewer's Questionnaire

A. What are the most important skills and competences that the procurement/supply chain staff in the case companies need to have in order to manage their vendors and suppliers in their entire supply chain?

The responses emphasise that procurement/supply chain staff in case companies need a blend of innovative thinking, ethical commitment, and practical skills to effectively manage vendors and suppliers. Managers are encouraged to look beyond the status quo, as exemplified by retexcycle's innovation stemming from nonconformity, and to embed transparency and honesty deeply in their operations. Upholding and enforcing values related to transparency are seen as crucial, with managers playing a key role in ensuring these principles are mirrored in every process and partnership, as in the case of Sepiia. Furthermore, the influence of brands on consumer behaviour is highlighted, suggesting that

trends towards transparency and sustainability, like those initiated by Hilaturas Arnau, can shape consumer demands. The essential skills identified for these roles include empathy and communication skills, flexibility, adaptability, risk management, the ability to simplify complex supply chain processes, knowledge of financial reporting and IT processes and controls, and an understanding of impact measurement. These skills are necessary not only for efficient operational management but also for guiding companies towards more ethical and sustainable practices.

B. What are the most important needs of the staff in managing their vendors and suppliers across the entire procurement and supply chain?

Focusing on the most important needs of staff in managing vendors and suppliers across the procurement and supply chain, the responses highlight a multifaceted approach that intertwines legal compliance, technological adoption, and strategic realignment. With European legislation increasingly favouring human rights and environmental protection, it's becoming essential for company practices and policies to align with these laws. This necessitates personnel being well-informed about their practices, underscoring the importance of transparency and traceability technologies to meet future requirements. Large companies are advised to deconstruct and reconstruct their business processes with transparency as a central value, while smaller, growing companies should establish these values from the outset, prioritising sustainability over profit despite the challenges. This commitment to sustainable processes, human rights, and environmental concerns is crucial. Additionally, staff needs include internal legal reinforcement of processes, access to technical resources, strong communication skills, a deeper understanding of the supply chain, and expert consultation to readjust their strategies accordingly. These elements are integral for navigating the evolving landscape of procurement and supply chain management, ensuring compliance with emerging regulations, and fostering a culture of ethical and sustainable business practices.

C. What are the biggest challenges of the staff in managing their vendors and suppliers across the entire procurement and supply chain?

Regarding the biggest challenges faced by staff in managing vendors and suppliers across the entire procurement and supply chain, several key issues are highlighted. A significant challenge is overcoming the inertia of traditional economic models and creating new systems that respect human rights and the environment. Another major hurdle is securing financing to support more sustainable practices, particularly as the higher costs associated with these practices can make it difficult to compete with less sustainable, lower-priced competitors. There's a call for public and private entities to support these companies with necessary resources to maintain good practices. Additionally, the recent establishment of a legal framework by the EU presents a challenge, particularly in Greece where brands have

not been fully informed of the impending legislations set to take effect by 2024. The lack of national dialogue around the green and ethical transition of brands creates a gap in education about transparency processes. This situation is compounded by difficulties in cooperation with suppliers and vendors, who may be either reluctant to share information or are themselves uninformed about the supply chain. These challenges underscore the need for a systemic approach that includes financial support, legislative awareness, and cooperative efforts between all stakeholders to foster a more sustainable and transparent procurement and supply chain environment.

7. Conclusions



After careful analysis of the interviews, we can highlight the following issues that respondents encounter within their organisations with regard to their business practices and those of their vendor and supply chain partners:

Supply Chain Transparency

There is a need for significant improvement in enhancing transparency and communication efforts across the fashion industry. Many organisations still lag behind in effectively communicating their supply chain practices related to human rights and the environment. Strengthening transparency measures should be a priority for organisations, as this is crucial for building trust with consumers and stakeholders.

Protection of Human Rights and Environment

Organisations in the fashion industry vary widely in their level of control and implementation of policies to protect human rights and the environment. Further action and improvement are necessary in supply chain management practices to ensure that human rights and environmental protection are consistently prioritised.

Consumer Communication

Companies differ in their efforts to inform consumers about supply chain practices related to human rights and the environment. Many need to significantly enhance their transparency and consumer education initiatives. Educating consumers about the importance of sustainable and ethical practices can foster greater demand for responsible products.

Political Involvement

Political institutions have a moderate level of involvement in protecting human rights and the environment in the fashion industry. However, ongoing efforts are required to strengthen political engagement and regulatory frameworks for sustainable practices. Collaboration between the industry and policymakers can be instrumental in driving positive change.



Implementation of Policies

While many companies have implemented policies for ethical practices, there is still ample room for improvement. Continuous assessment and enhancement of these policies are essential to ensure responsible practices throughout the supply chain. Companies should consider aligning their policies with international standards and best practices to elevate their sustainability efforts.

General Challenges

Organisations face a range of challenges, including limited control, transparency issues, resource constraints, cost considerations, limited data sharing, and certifications. Smaller companies face additional challenges, such as the availability of skilled staff and sustainable textiles. Overcoming these challenges requires innovative solutions, industry collaboration, and support for smaller businesses.

Unionisation and Collective Bargaining

Companies need to address the lack of policies protecting unionisation and collective bargaining in their procurement and supply chain activities. Those who have implemented policies in this regard demonstrate a commitment to workers' rights, and this commitment should be more widespread in the industry.

Adoption of New Business Models

Companies have started to implement policies supporting new business models that promote clothing longevity and reduce consumption through renting and reselling. However, greater integration of these models across the industry is needed to drive lasting change.



Waste and Recycling Practices

Many companies have implemented policies to manage waste and recycling effectively, showcasing a commitment to minimising waste generation. This is a positive step toward reducing the industry's environmental impact. More comprehensive monitoring and management of water consumption are needed. This reflects a growing awareness of the importance of water stewardship in the fashion industry.

Overall, the fashion industry exhibits a wide spectrum of commitment to transparency and sustainability, with leaders and laggards. Industry-wide initiatives, knowledge sharing, and best practices are crucial for encouraging all companies to integrate sustainable policies into their supply chain activities. Addressing the identified challenges is vital for fostering transparency, responsible practices, and environmental stewardship in the fashion industry.

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9. Appendices

- I. Case Study Questionnaire**
- II. Best Practices Questionnaire**
- III. Interviewers Questionnaire**

