

DEPEND-GETTING STARTED FASHION RETAILER SUSTAIN-ABILITY TOOLKIT

THE TIME IS NOW

If humans continue with our current ways of living and working, we will miss the Paris Climate Agreement's target to limit a rise in global temperatures to 1.5 degrees by 2030. Scientists have warned that beyond 1.5 degrees, it will become significantly harder for humans to adapt to the changes ahead that will have a particular impact on resources, ecosystems, biodiversity, food security, cities, tourism, and carbon removal. With the likelihood of missing the 1.5 degrees target, scientists are now pushing to stem global heating to 2 degrees.

Global warming surpassed 1 degree in 2017 and we are beginning to see the impact of the climate crisis globally, including on our businesses in the UK. This summer, the hottest day ever recorded in the UK decimated footfall on the high street. Extreme weather events like these are set to become more frequent, and more extreme, as the climate changes.

Further down the supply chain, these climate impacts will have an even greater impact on those in the Global South, where the majority of apparel is grown and made, which will, in time, come to affect our businesses too.

Research puts fashion's carbon footprint at somewhere between 2% and 10% of global totals, depending on the source. No matter what the actual figure, it's clear fashion's role in the climate crisis is significant. Unless we change.

It is imperative that every agent in the fashion industry works towards reducing their environmental footprint and reducing inequalities along the value chain to give everyone on Earth a fair chance at combatting the challenges ahead.



WHAT CAN INDEPENDENT BOUTIQUES DO?

It can be easy to look at the huge problems caused by the fashion industry and feel like you can't make a difference. However, you are one of 13,980 independent fashion boutiques across Great Britain (source: Local Data Company's retail tracker 10 Aug 2022). Collectively, we can make a huge difference.

Independents may not have the big teams or budget that chain stores do, but we believe they have many other qualities that make them well positioned to influence the industry in sustainable change:

- · The ability to implement changes quickly and be more agile
- A strong and more personable relationship with your customers that allows you to have real and trustworthy conversations with them about sustainability
- Strong relationships with your suppliers so that you can support each other in making positive change

Safia Minney, former CEO of fairtrade clothing brand People Tree and founder of REAL Sustainability and Fashion Declares

"We're not just buying product to commercialise it. I spent 20 years working with independents while at People Tree and it's just wonderful how they very much work to strengthen the community. I do see us as cultural providers and cultural leaders. I don't think it's just about selling stuff."



HOW TO USE THIS TOOLKIT

This toolkit has been designed to explore the key areas all fashion retailers need to address to move towards a more sustainable way of working. It covers making a plan, operating your store(s) in a more eco-conscious way, sourcing mindfully, embracing circularity and speaking to your customers about what you do.

Whether you are starting out on your sustainability journey or looking to improve on what you've already done, this is intended to be a practical and useful guide. It contains helpful information, case studies, input from experts, lists of helpful resources and activities you can do to make it relevant to your business.

HOW TO USE THIS TOOLKIT

We understand that sustainability can feel overwhelming and unmanageable at times as a small business. Independent retailers are often overlooked in the sustainability conversation despite playing an important role in the industry and in local communities. That's why we created this toolkit.

You don't have to complete the toolkit all in one go. Why not set aside some time with your team once a month to tackle each section? Including everyone in your business in the efforts that you are making can help you feel less alone and helpful ideas can come from anyone, no matter how big or small their role in your business. Sustainable fashion retail is ultimately a change in mindset and by bringing the whole team together to understand your values and ways of working will help you achieve this more quickly.

We wish you the best of luck with your journey!



MAPPING YOUR IMPACT AND CREATING A STRATEGY

The first challenge you will likely encounter when addressing sustainability in your business is where to start. It's true that sustainability is a big topic and that can feel overwhelming but I'm sure you felt that way when you launched your business. All it took was a plan.

This chapter doesn't tell you precisely how to make a plan, most business owners are already expert planners, but explores some of the core principles that are important to sustainability strategies. Even if you've already begun implementing some changes, it's worth stopping to take stock and consider your next move.

Education and understanding the impact of fashion is also an important starting point. There are a huge number of resources out there to help with this, we've highlighted some of them throughout this chapter and in the "helpful resources box". Don't feel that you need to learn everything about sustainability before you start. Your sustainability strategy will be a work in progress that grows and develops the more you understand, the more viable solutions come to market and the more you understand what works for you and your business.

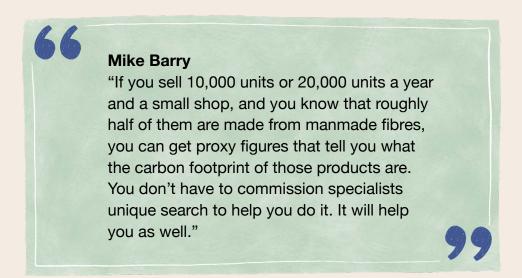
UNDERSTANDING YOUR IMPACT

A considered sustainability plan needs to understand your baseline starting point first to be able to highlight the most important areas for change, see what's achievable and track progress.

Unlike some areas of your business, like financials, your environmental footprint can be hard to quantify. As a small business, you don't need to pay for an expensive audit, but consider what you can track and do your research to understand the impact of certain activities and products. You might also want to consider a climate literacy course, such as the SME Climate Hub's <u>Climate Fit online course</u>, to better understand the climate crisis and how you can act on it. The Fashion Declares! <u>Fashion Industry Action Pack</u> also has lots of information specifically aimed at the fashion industry, alongside webinars with leading experts to help you understand key issues.

Some of the areas you may want to consider including in an impact assessment for your business are:

- Energy use and greenhouse gas emissions
- Water and chemical use
- Waste
- Worker rights



The second activity at the end of this chapter is designed to get you and your team thinking about your impact and possible changes you could make.

UNDERSTANDING SCOPE 1, SCOPE 2 AND SCOPE 3

The <u>Greenhouse Gas Protocol</u> is the most widely used standard for companies and governments to measure their emissions. They categorise the types of emissions a company contributes into three groups:

- SCOPE 1: Emissions from sources that are directly owned by the company. For an independent fashion retailer these would include heating and lighting the store(s) and emissions from company owned vehicles.
- SCOPE 2: Emissions from purchased electricity for company-owned assets.
- SCOPE 3: Emissions that occur as a result of the activities of the company but are not owned by the company. For an independent fashion retailer these would include emissions in growing raw materials, production of garments, transport of goods, postage of ecommerce parcels, end-of-life treatment of sold products and many more.

The vast majority of emissions for most businesses come from scope 3. This presents a challenge as they are harder to track and harder to change but it's important to understand the full picture. Scope 1 might be where you can make some quick and easy wins in sustainability, while scope 3 might take longer but will have a more significant impact. It also provides a helpful, shared framework to talk about emissions with other businesses and ensures accountability for the full range of emissions created by a business.

If you find this approach helpful, you could also consider scope 1, scope 2 and scope 3 in relation to other sustainability issues, such as waste or water usage as we have done in the activity at the end of this chapter.



SETTING GOALS

Once you have a baseline to work from, you can begin to set goals to work towards. Goals give you a clear focus and can be helpful when communicating your sustainability commitments to your staff and customers.

Remember the SMART pneumonic to ensure your goals are well created. SMART goals are: specific, measurable, achievable, relevant and time bound. This short video <u>explains SMART goals</u> in more detail.

Here are some examples from small brands and retailers who have communicated some of their impacts, goals and actions publicly for inspiration;

- 69b Boutique Eco Manifesto
- L'Estrange Impact Website
- Birdsong Impact Report 2020
- Beaumont Organic AW21 Sustainability Story

The goals of individual businesses should also be aligned with our greater goals as a global community. Many fashion companies, including Pure, use the United Nation's Sustainable Development Goals (SDGs) to identify the most pressing issues of our age and unite themselves with other businesses, industries and governments in a shared vision. Many of the SDGs go beyond limiting our impact to improve and regenerate our world for a better future.

You can read more about the SDGs and how they apply to fashion later in this chapter.

HELPFUL RESOURCES

United Nations Conscious Fashion and Lifestyle

Network

SME Climate Hub

Fashion Declares! Fashion Industry Action Pack

Greenhouse Gas Protocol



THE BUSINESS OF SUSTAINABILITY

The final part in building your sustainability strategy is to create a plan for how you will reach your goals. What smaller steps need to be taken to meet your goals? Who will be responsible for them? When can you realistically achieve them?

It can feel like sustainability is yet another long list of things to add to your to do list. But, thinking of sustainability as a lens through which you make business decisions, you can incorporate many of your sustainability tasks into your normal business routines: document the mix of materials in your buy when you place orders, review your energy supplier when your current contract is up and search for new packaging solutions when your current stock is running low, for example.

What's more, incorporating sustainability reporting into your main business plan and reports is considered best practice. The Financial Conduct Authority has urged all listed companies to <u>include climate-related disclosures in their annual results</u> and one of the targets of UN Sustainable Development Goal 12, responsible consumption and production, is to <u>increase the number of companies incorporating sustainability information into their reporting cycle</u>. Sustainability should sit alongside other business goals to ensure the long-term viability of the business, but also that sustainability is not compromised by other business activities.

Rethinking your business aims to include positive impacts, as well as financial success, is explored in this Tedx Talk by social finance pioneer Sir Ronald Cohen. He speaks of how the "impact revolution" is changing the value of companies. While he is speaking to large corporations, there will undoubtedly be trickle down affects for small businesses. The evidence suggests that access to financial support in the near future will be strongly linked to social and environmental impact, making the case for creating a robust sustainability plan now.

LEARN ABOUT SUSTAINABLE FASHION

The True Cost Documentary

River Blue Documentary

Fashionopolis by Dana Thomas

To Die For by Lucy Siegle

Kyna Intel Sustainable Fashion Resource Centre

(collates global news on sustainable fashion)

WHAT ARE THE UN SUSTAINABLE DEVELOPMENT GOALS?

Kerry Bannigan, co-founder of the UN Conscious Fashion and Lifestyle Network

The Sustainable Development Goals, adopted by all United Nations Member States in 2015, are the blueprint to achieve a better and more sustainable future for all. They are an urgent call for action by all countries - developed and developing - in a global partnership to address the challenges the world faces, including poverty, inequality, climate change, environmental degradation, peace and justice. The SDGs recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests.

Given its scale, the fashion industry holds the unique ability to connect suppliers, designers, corporations, and consumers from all over the world. With this connectivity, the industry is uniquely positioned to increase engagement and collaboration around the 17 Sustainable Development Goals (SDGs), particularly in relation to climate action, gender equality, and responsible production and consumption. Yet despite this potential, critical action is imperative to lead the sector towards achieving a fair and inclusive industry for people and planet.

The SDGs are a useful tool for businesses to adopt as they provide a fundamental, all-encompassing ethical framework for growth. The goals can help guide businesses on how to be more involved in causes of passion whilst guiding how to incorporate sustainable practices into operations.







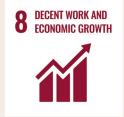






























Considering the fashion and lifestyle sector's significant impact on societies and the environment, the United Nations Conscious Fashion and Lifestyle Network fosters transparent, inclusive, and transformative engagement of global stakeholders to drive urgent action for sustainability. The network provides an impartial platform for the industry and the UN system. Its key objective is to mobilize expertise, innovation, technology, and resources towards a sustainable and inclusive COVID-19 recovery, with the Sustainable Development Goals as a guiding framework.

The network is a joint initiative of the United Nations Office for Partnerships, the Division for Sustainable Development Goals - United Nations Department of Economic and Social Affairs, and the Fashion Impact Fund.

By joining the United Nations Conscious Fashion and Lifestyle Network, registered commitments are able to expand their opportunities for partnerships and collaborations in the industry, alongside increasing exposure via a global platform. Members of the network regularly participate in panels, podcasts, trade shows, United Nations side events and more. These industry engagements are a great chance to meet with like-minded organisations to expand networks and share knowledge.

ACTIVITY SHEET

As a team, discuss and write down which of the 17 Sustainable Development Goals feel most relevant to your business? Which would you like to focus on as a retailer going forward?				



Use the table below to begin an initial brainstorm of the impact you have as a business both in your direct control (scope 1) and in your supply chain (scope 3). Then complete the column with as many ideas as you can think of for how to improve them.



You can also add the things you already do to demonstrate your commitment or consider how you could take these further. The aim is not to find perfect solutions, the aim is to get as many ideas on the table as possible to give you options.

IMPACT AREA	SCOPE 1	SCOPE 3	IDEAS FOR CHANGE
Emissions	E.g. Heating the store	E.g. Shipping of stock	E.g. Switch to a renewable energy supplier Ask suppliers about low carbon shipping options

IMPACT AREA	SCOPE 1	SCOPE 3	IDEAS FOR CHANGE
Water and chemical use	E.g. Using clothes steamer	E.g. Dyeing of fabrics	E.g. Train staff on when and how to use steamer efficiently Ask suppliers about using non-AYZO dyes
Waste	E.g. Excess stock	E.g. Off-cuts in clothes production	E.g. Introduce pre-order for VIP customers Research zero-waste brands to stock
Worker rights	E.g. Employment of 2 full-time staff and 1 part-time	E.g. Workers in supply chain of brands stocked	E.g. Join Living Wage Foundation Create a code of conduct for suppliers
Animal welfare		E.g. Wool knitwear	Transition to sourcing only certified wool products
Plastic pollution	E.g. Plastic hangers	E.g. Polyester garments	E.g. Expand lifespan of current plastic hangers and research recycling them at end of life Document current amount of polyester in collection and commit to reducing it next season
Habitat conservation	E.g. Impact on the store's street	E.g. Insecticide/pesticide use on cotton	E.g. Plant bee-friendly flowers at front of the store Increase number of organic cotton products stocked



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