



Council of Fashion Designers of America Publisher

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SUSTAINABLE STRATEGIES TOOLKIT

Introduction

The CFDA aims to strengthen the global impact of American fashion. As global citizens, we want to deepen our work and commitment to emerging and established designers by providing support, opportunities, and partnerships.

As we recognize the best of what American fashion brings to the world and celebrate the leaders who support our world, we are faced with the challenge of rethinking design systems for the future of the planet and our industry.

We have a leadership role in sustainable fashion through both domestic production and collaboration between other fashion councils and advocacy groups in support of the United Nations Sustainable Development Goals, the Global Fashion Agenda, and the Sustainable Apparel Coalition to help advance a shared global agenda.

Our vision and efforts are informed by many of the world's leading experts, and through our own partnerships, programs, communication and interconnected efforts on key social, environmental and economic issues, we can bring about and support positive change. Together, we can maximize the impact of American fashion globally.

Our manifesto is a pledge to our members, partners and the industry to broaden awareness, and support a path to sustainability and more resilient business futures.



ABSTRACT -

Toolkit

The Sustainable Strategies Toolkit is a combination of practical information, resources, research, and exercises to help brands broaden awareness, deepen knowledge, and develop a framework for future strategies to incorporate sustainability into their business model and company culture.

Aims:

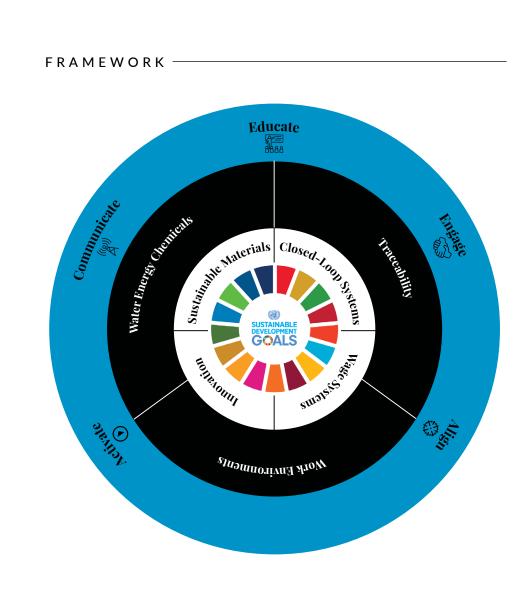
- Assess current state of business practices.
- Provide a comprehensive review of what's happening in the landscape of sustainability.
- Identify the issues connected to your brand's core values.
- Uncover opportunities for positive impact.
- Provide a systems-approach to align on a shared understanding and opportunities.
- Align strategies with overall business strategic objectives.
- Set compelling and achievable goals.
- Encourage collaboration and interdependencies across the value chain to accomplish goals.
- Communicate out to customers, employees, partners, and stakeholders.

- An established starting point, shared awareness of sustainability, and key impacts.
- Sustainability accessible to all employees and stakeholders.
- Employees engaged in setting an agenda and priorities.
- Aligned priorities with what sustainability components best reflect and support brand's values and primary sustainability goals.
- Plans that are specific and contain enough detail to provide clarity so all are able to contribute.
- Defined targets and metrics in place for review and reporting.
- Communication plan with shared intentions, progress and next steps.
- Sustainability embedded throughout company value chain.

UN GLOBAL COMPACT -



"A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals."



Sustainability Strategy Framework



EDUCATE —

Information & Awareness

The goal is to educate leaders, personnel, and partners to use learned knowledge to create and achieve sustainability impact. Understand the value of doing good (social purpose) and doing well (profitability).

Design an information deck containing content which includes:

Overview

• Sustainability defined

Sustainability Landscape

- By the numbers
- Global agenda
- Pillars of sustainability: environment, social, and economic
- Sustainability + fashion Industry
- Key factors affecting fashion

A Case for Change and Resources

- Examples of brands reducing impact
- Materials impact: fibers + fabrics
- Design + development considerations
- Environment
- Human rights
- Financial perspectives
- Challenges + opportunities

Outcomes

- Baseline understanding of the context and issues facing fashion industry
- Illicit meaningful "aha's" that will serve as a basis to engage further
- Bring people together
- Spark conversation
- Begin to build capacity

CFDA Guide to Sustainable Strategies

Comprehensive resource guide designed with designers in mind spanning the entire lifecycle of a product. For information, design strategies, case studies, tools, and resources <u>click here</u>.



ENGAGE ——

Catalyze Action

Engage by building mutually beneficial relationships and ideas through collaboration with stakeholders and partners across the value chain. More than ever, people today have a yearning for purpose. Focusing on a company's social purpose enables employees to find meaning in and at work.

Designer/CEO

- Priorities and focus must start from the top
- They decide the sustainability agenda
- Define the company's long-term purpose
- Articulate the business case
- Co-create priorities with leaders and community
- Make sustainability central to company objectives
- Make into the leadership goals

Leadership Team

- Own the sustainability agenda
- Prioritize sustainability commitments
- Shape engagement opportunities
- Co-create priorities with leaders and community
- Map targets
- Collaborate with other leaders on achieving goals

Employee Community

- Understand the business case
- Own the agenda
- Broadened awareness
- Shared commitment
- Shared voice for input and co-creation
- Act as advocates and change agents; sustainability champions

Partners

- Support the agenda
- Clearly understand the expectations and goals
- Work with brand to create progress

Outcomes

- Employees:
 - Are part of shaping goals and are advocates for bringing goals to life
 - Observe consistency between what the company says about its values, its mission, and what it practices
 - Are enabled and empowered to make decisions and take action to redesign practices and processes
 - Share a social purpose and create meaning in the workplace
- Workplace:
 - Are able to provide mechanisms and opportunities for involvement, participation, and ownership that are integrated into the framing of company culture
 - Commitment credibility
 - Decisions at each level in the company are conducted through the sustainability lens
 - Strategic, operational, and cultural success

Beware Of

- Positioning sustainability as a person or single team responsibility
- Not including employee community and partners
- Thinking of employees as a separate group
- Making sustainability a 'project'

ALIGNMENT —



Collaborate, Co-Create, Commit

After having an understanding of sustainability and its impacts, the designer and leadership teams should spend time discussing key areas of focus most aligned with the company's mission, vision, and objectives. Aligning on a meaningful and strategic purpose and cocreating commitments and priorities will bring about optimal results.

Specificity

- Which pillars of sustainability will you choose to focus on first?
- Within that pillar, what do you want to do? Reduce impact? Increase awareness?
- Why do you want to do it?
- What benefit will it bring?
- What outcomes are you hoping for?
- What are the potential risks?

Find Common Ground

- Use a systems-thinking approach to create a holistic path to sustainability
- Understand interconnections and interdependences so as not to operate in a vacuum
- Create connections throughout
- Understand differing perspectives
- Outline risks or impacts across areas
- Learn more about each others areas
- Build consensus around core values connected to sustainability opportunities

Initial Focus

- What would surprise you the most to learn about how your products are being produced, manufactured, and transported?
- What would be a 'deal breaker'?
- What goes against your values and beliefs?
- What do you fear happening?
- What conditions would warrant breaking off a partner relationship?
- What would jeopardize your brand reputation?
- What is most important to you?
- What are essential parameters/behaviors that you expect from each other and outside partners?

Synthesize

- Use tools and methods for generating ideas
- Collaborate on prioritizing the most important and the most urgent
- Synthesize the ideas and opportunities
- Keep the list short
- Create a short brief for each area and idea
- Articulate the what, why, and expected outcome

- Collaboration
- Clarity
- Commitment
- Deeper sense of awareness of other teams
- Deeper consideration of working holistically
- Alignment with overall business strategy
- Integration of additional voices
- Developed business case
- Focus and prioritization

ACTIVATE —

Company Blueprint

Create a blueprint for the company's sustainable growth strategy that clearly articulates how the company's success is ultimately tied to the success of sustainability commitments. Highlight a higher purpose by creating and activating positive change.

Strategic Framework

- Document the plan, objectives, and tactics
- Document the targets and milestones
- Define the metrics that will be measured
- Define the process for reviewing and sharing information

Manifesto

- Framework for building your manifesto (page 28)
- Document what sustainability means to your brand
- Establish your values
- Communicate your long-term direction
- Communicate your commitments and inspiration
- Clear and concise so that the whole company knows what to focus on
- Simple so that every employee can easily articulate what the brand values most

- Improved business practices
- Shared capacity
- Collaboration
- Development of shared priorities and goals
- Facilitate plausibility of initially agreed outcomes
- Elements for a manifesto
- Set targets
- Map for the plan: who, what, when, and how
- Progress is monitored
- Translated learnings into practice and innovation

C O M M U N I C A T E -----

Transparency

Make sustainability evident internally and externally.

Internally

- Communicate the why's behind your sustainability commitments
- Provide transparent information about commitments and performance
- Communicate results, progress, and challenges
- Focus on the human-centered perspective

Externally - with Partners

- Share manifesto and goals with your partners
- Work to build agreements and partnerships to achieve shared goals
- Communicate challenges, progress, and results
- Focus on the human-centered perspective and what means the most to your stakeholders

Externally - with Customers

- When you feel comfortable, share information with customers
- Use your website to share the most up-to-date information about the company's commitments
- Market through social media campaigns
- Focus on the human-centered perspective and what means the most to your customers

Sustainability Plan

- Align around a holistic vision
- Roadmap for building and operating more sustainably
- Help to set clear, specific goals and priorities in support of a sustainability agenda

Components

- 1. An introduction preface from the designer/CEO
- 2. Statement about the why and your approach to sustainability
- 3. Value of sustainability to the company
- 4. Manifesto (or at the very least your mission and core values)
- 5. Company engagement
- 6. With highlights to:
 - Who, what, when, and how
 - Commitments
 - Share what is not included and what isn't there (it may be that you don't have the ability)
 - Progress to date
- 7. Iterate and communicate next steps

- Highlighted achievements
- Built engagement
- Raised awareness for the company on the importance of integrating sustainability
- A forum for communicating and reinforcing commitments, values, and progress
- Clarity to stakeholders on expectations





DISCOVERY -



Brand's Initial Sustainability Meeting

High Level Evaluation Outline

- Designer/CEO areas of interest
- What is the primary driver of focusing on sustainability?
- What is the general level of interest/commitment between company leaders?
- Which areas does the brand want to know more about?
- Are there any areas of priority that feel important to make progress on in the near term?
- High level inventory of primary materials used in products, number of factories, location of facilities, primary transportation methods for moving goods, all the way down to customers and number of workplaces

Share for Reference

- CFDA Sustainable Strategies Toolkit on general areas of sustainability: Social, Environment, Economic (People, Planet, Profit)
- UN Sustainable Development Goals as the center of sustainability
- Global Fashion Agenda (industry lens)
- Excercise how to select and specify which areas to focus on
- If you choose to focus on the environment, what areas under environment are most important to you? Is it waste? Is it climate change? Water?
- For example, if waste is important, then by waste do you mean reducing excess waste of materials used in making your products? Reducing use of plastic? By providing clarity it is easier to start conversations and focus areas.

Activate

- Take a simplistic approach and demystify sustainability
- Utilize tools and resources offered by CFDA to learn more and take steps towards framing a sustainability plan
- After outlining an initial frame of understanding, bring a broader group of leaders together to collaborate and work holistically on identifying opportunities and priorities





Developing a Sustainability Plan

Aligning with fashion industry goals will help further improvement and impact across the industry. Each individual brand should select and choose a focus most closely aligned with your priorities and core values.

Business Case

- Realistic targets, goals, and metrics
 - Specificity
 - Prioritization

Collaboration

- Engagement + Awareness
- Alignment
- Shared responsibility

Commitment

- Leadership commitment
- Company commitment

Communication

- Keeping community informed
- Reporting
- Plans

Holistic Vision

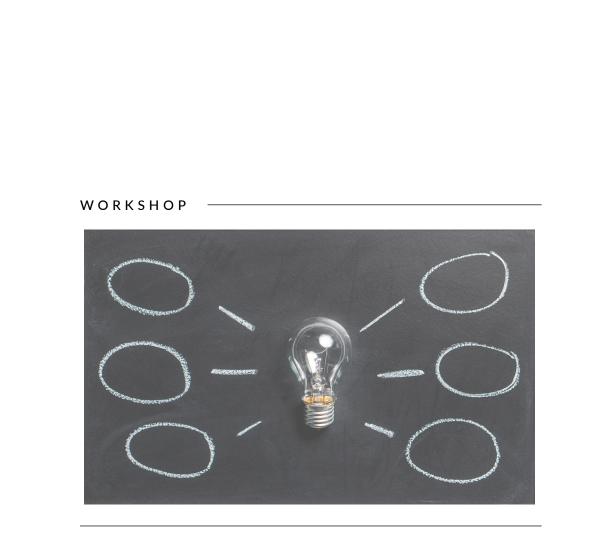
- Shared values
 - Integration
 - Manifesto

Implementation

- Monitoring
- Review process
- Adjustments

Iteration

- Assess
- Plan
- Improve



Workshop + Frame: Vision, Opportunities, and Readiness. Beyond obvious opportunities. Explore where natural alignment is and develop vision and culture for setting the foundation.



AGENDA

Brainstorm & Discussion

Goals: During this workshop you'll develop a holistic vision and integrated approach to sustainability

- Who? Designer and cross-section of leaders
- A vision/mission statement that integrates and aligns sustainability with core values and company objectives
- Brainstorm building blocks for sustainability and what is needed to holistically integrate sustainability
- Brainstorm 'north star' stakes
- Alignment and consensus on areas of most opportunity for the brand and business
- Indentify 1-3 organizational breakthrough goals that can produce the greatest benefits

<u>Agenda</u>

Introduction (20 minutes)

- Introductions and each person shares brief thought on what's most important to focus on in the short term
- Share background information on the why
- Frame the opportunity
- Share any themes from the decks that have the most energy and alignment for exploration
- Share the agenda

Brainstorm and group break-out (40 minutes) Report out (15 minutes)

Synthesize and Prioritize (5 minutes)

Rapid voting with stickers

Group Discussion (10 minutes)

- What stands out most based on outcomes from voting?
- What's still needed to further define and decide on strategy?
- What are your fears?

Questions and parking lot items (5-10 minutes)

Wrap-up and next steps (5 minutes)

Close-out questions (5 minutes)

- Alignment, awareness, and shared vision
- Articulates why a plan is a strategic imperative and an essential part of your brand's continued journey to sustainability and social consciousness
- Ideas are designed with intention and the capacity to inspire
- Defined areas of focus and the desired impact your organization will work to achieve
- Specific starting point that holistically considered environmental, social, and financial impacts
- Foundation for communicating and engaging employee community to co-create priorities and plans



Ground Rules

We want all the ideas. The good, bad, wild, technically unfeasible ones, and the 'north star' ideas just as much as we want near-term realistic opportunities and solutions. There will be plenty of time later to think rationally and edit. The more ideas, the more confident you will be in your path forward.

Ground Rules

- Allow each person to contribute
- Be mindful of talking over others or talking too much
- Encourage anyone who has not shared an idea to contribute
- Every idea is considered
- Do not discourage ideas that may not seem relevant
- Encourage wild ideas
- Generate as many ideas as you can
- Go for quantity over quality
- Build on ideas of others
- Defer judgement
- Stay focused on the topic
- Have a notetaker and send to key players



GROUP EXERCISE -

Details for Group Breakout

Generating Ideas into Four Buckets

- Spend 3 minutes on each and write down as many ideas as possible on individual post-its
- Timekeeper will let you know when to move on to the next bucket
- Everyone within each group participates

Bucket 1: What is needed to holistically integrate sustainability at the company?

Bucket 2: What are some 'north star' stakes that the company should pursue over the next 12-24 months? For example, focusing on areas such as sustainable design, production, sourcing, workplace, facilities, recycling, and communication.

Bucket 3: What are the biggest roadblocks to integrating sustainability throughout the company?

Bucket 4: Identify 1-3 major breakthrough ideas or goals you think would produce the greatest benefits to the company and customer

Review, discuss, distill and prioritize (25 minutes)

- Prioritize the top 3 areas of greatest opportunity within each bucket
- Be bold regardless of resources, dollars, and time
- Write each idea down on a flip chart or paper that can later be collected

Report Out (15 minutes)

• Each group does a short report out of the top 3 themes and recommendations

Synthesize and Prioritize (5 minutes)

- Whole group goes up and does rapid voting with stickers
- Each person is given 5 stickers and are instructed to place theirs next to what they see as greatest opportunity
- You will end up with a visual of where the energy is
- Select the top 5 from votes

Group Discussion (10 minutes)

- What stands out the most based on outcomes from voting?
- What's still needed to further define and decide on strategy?

Questions and parking lot items (5-10 minutes)

Wrap-up and next steps (5 minutes)

- Outline next steps by when and who
- Tell group what is going to happen with all the information (will notes be sent, will there be a follow up meeting, communication out to the company?)

Close-Out (5 minutes)

• Ask each person to share their feelings on the direction

F O C U S ------

The How:	Explore: Learning, information gathering, and business case	Proof of Concept (Feasibility) + Prototype (Viability)	Launch: Launch experiments and tests towards transition	Scale: Roadmap and pace to evolve
Concept/Idea				
By when				
Concept/Idea				
By when				
Concept/Idea				
By when				

Focus on identifying ideas and prioritization.

SURVEY



What's the consensus?

- How do employees view the role of the company versus their own responsibilities for becoming more sustainable?
- What is the level of understanding and interest in sustainability?
- Which sustainability areas connected to the workplace most resonate?
- What are areas of natural alignment?
- Would you take a majority response as an area to prioritize?
- Prioritize initiatives to promote greater environmental awareness and responsibility

What to do with survey results?

- Results can help create the business case for project identification and action
- Help to define some key commitments and recommendations into a brief that can be shared with leadership
- Frame considerations for the project plan (e.g., resources, investment, timing, and pace
- How you will measure and report on results?

Focus on Critical to Quality (CTQ)

- Most critical to learn and what is valued most
- Put the more challenging questions in the middle of the survey
- Keep it simple and easy to complete
- Use short questions with simple words (no acronyms)
- Questions should be straight-forward
- Spend time on organizing the order
- Survey should not take more than 5 minutes

Logistics

- Send an email with a clear subject line. In the body keep the message short and clear and explain why you are sending it
- Include a call to action, the benefit of taking the survey and confidentiality
- How long it will take to complete and by when you want responses
- How and when you plan to share the results in summary form

Example Questions:

What do you see as the primary drivers of sustainability? (Select top 3)

- Environmental considerations
- Health + Safety considerations
- Contribution to society (good corporate citizens)
- Human Rights
- Save money/operational costs (operational excellence)
- Marketing opportunity
- Competitive edge
- Attract employees
- Other (please specify)

Over the next 12 months, which of the following areas would you like to see us improve on? (Select top 3)

- Shift to more environmentally preferable products. For example recycled products, glass instead of plastic, or fair-trade coffee.
- Shift to more energy efficient products and practices.
- Shift to more sustainable fabrics, dyes, trims and processes.
- Shift to more sustainable shipping options.
- Sustainability part of the organizations stated goals.
- Sustainability included in the organizations mission/vision statement.
- Sustainability efforts are included in quarterly and annual reporting.
- Sustainability efforts included in store and product messaging.
- Sustainability efforts prioritized over time, resource, and cost constraints.
- Other, please specify.



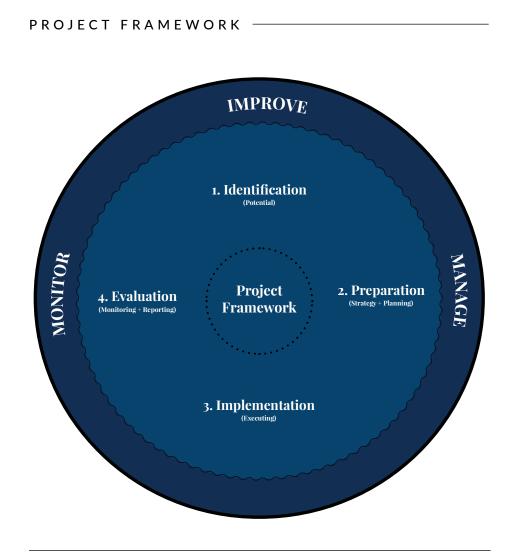


How to Define: Objective, Strategy, and Tactic?

SUSTAINABILITY COMMITMENT -

Knowledge Brand has their arms around the key areas, challenges, opportunities, education, awareness	Alignment There are natural sustainability connections to process and systems that are aligned across teams - and with the overall business and company objectives	
Commitment	Prioritization	
There is a shared commitment	There is confidence in decision making	
across the company leadership, teams,	and prioritized opportunities	
community, and partners	aimed at producing the greatest benefits	

Conditions for sustainability commitments.



EXAMPLE —



Framing Opportunity & Priorities

Example: Create a code of conduct to ensure ethical treatment of workers. For example, focus on the Human Rights Pillar » Supply Chain.

Opportunities:

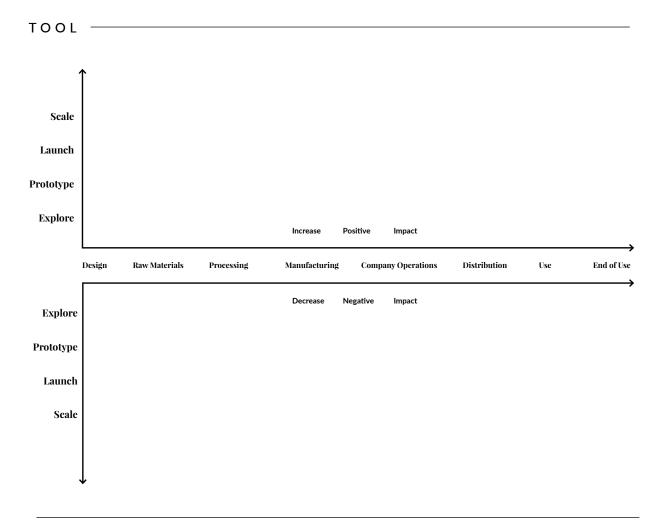
- A code of conduct has value both as an internal guideline and an external statement of your commitments, expectations, and criteria.
- Clarity to your manifesto, mission, and values and links to standards of responsible conduct.
- Becomes the frame for how you will trace and deepen your understanding and commitment to working with your partners to improve conditions and minimize negative impacts.
- Helps put stakes in the ground on what is most important and also what could potentially put you at most risk.
- Helps you to begin to trace and map your suppliers and creates a matrix that is easy to update against your criteria.
- It can be revised and updated as you further define your roadmap and priorities.
- You can start simple this does not have to be a lengthy document.

Potential Challenges:

- By nature, a code of conduct is not legally binding. How well 'rules' are followed remains a matter of internal control and monitoring.
- Will someone internally be responsible for auditing or will you employ a third party?
- If you are not specific enough, there is room for interpretation. For example, "we expect fair hiring practices," what does 'fair' mean to you?
- The efficiency of codes of conduct in curbing unethical behaviors lies with the integration of the company culture and with optimum communication to employees.
- Adding too many requirements that could potentially hinder progress.

Risks:

- You find that a key partner acts in direct conflict to what is most important to your company.
- What do you do if your partner has a big piece of your business? Are you willing to walk away if they are not willing to work towards compliance?
- You develop a code of conduct in response to an event with unfortunate outcomes.
- Inquiries, articles, or focus that emerges either from the facility or directed at your brand through the press or customer inquiry.



Tool to map out top priorities.



FRAMEWORK

Project Identification

Framework for Project Identification: Initiating, Planning, Executing, Monitoring, and Reporting Project Potential

- Collect data and assess opportunity
- Purpose of the Project Initiation, for example, reduce plastic
- What are the goals and objectives for reducing plastic in workspaces?
- What are the expectations of leaders, employees, and partners?
- Success factors/benefits (e.g., discretionary investments can lead to financial savings)
- For example, the cost of all the plastic over <u>x</u> period of time versus cost of flatware?
- This overall contributes to operational efficiency and positive culture shifts towards sustainability

Project Options: Planning Strategy and Detail

- Scope: How broad or how specific?
- Project plan, who will lead, what's included, what to measure, how to measure, who to report results to, how will progress and results get communicated?
- Timeline
- Project risks and known issues (if any)
- Project constraints, assumptions and conflicts with other projects
- Final tweaks and strategy
- Project refinement

Project Implementation: Executing

- Implementation
- Timeframe and pace
- Assigned resources and budget

Project Monitoring and Reporting: Maintenance

- Review benchmarks: when will you check-in to see if you're meeting targets? Do you need to shift? How will this be maintained going forward?
- Reporting: how will progress be reported? Do you need to shift?

PROJECT PLANNING -

Sustainability Mission / Vision Statement: (aligned with overall brand statement) (Why)					
	or a better future, sustainable sourcing and d on the Global Fashion Agenda and UNSDO		ess, respect for people in the value chain		
Environmental: Si Climate Change, Resource Scarcity, Biodiversity Loss	ocial: Economic: Human Rights Efficient and Communities Cost effectiv		ls		
Objectives:	Objectives:	Objectives:	Objectives:		
Priorities: (What) Optimize carbon footprint through use of alternative fuels, raw materials and carbon offsets Implement water, energy and chemical efficiency programs in processing stages Zero discharge of hazardous chemicals from apparel and footwear supply chain	Priorities: Actively participate in the development and monitoring of worker-well being Trace suppliers Invest in and uphold standards for the respect of universal human rights for all people employed along the value chain who make your clothes	Priorities: Implement energy efficient practices to reduce impact Shift to more sustainable products and services Collaborate with industry stakeholders to explore opportunities to develop and implement better wage systems	Priorities: Find solutions and processes to limit the use of water in fabric and garment manufacturing Design products and invent novel collection and recycling systems that enable reuse and recycling of post- consumer textiles at scale Reduce negative effects of existing fibers and develop new, more sustainable fibers		
Tactics: (How)	Tactics:	Tactics:	Tactics:		
Value Created: (Outcome)	Value Created:	Value Created:	Value Created:		

Project Planning Framework Example.

PROJECT PLANNING -

Sustainability Mission / Vision Statement: (aligned with overall brand statement) (Why)				
Key Areas of Focus: Conscious design f chain, long-term sustainable success. (manufacturing, resource efficient busin UNSDG goals)	ness, respect for people in the value
Environmental: So Climate Change, Resource Scarcity, Biodiversity Loss	ocial: Human Rights Communities	Economic: Efficient and Cost effectiv	Design: Long-lasting desig e solutions Sustainable materi	
		РАСКА	AGING	
Objectives:	Objectives:		Objectives:	Objectives:
Priorities: (What) Focus on recycled, renewable, reusable materials Reduce or eliminate hazardous and toxic chemicals Reduce carbon footprint	Priorities:		Priorities: Reduce the amount of waste and increase efficiency at plant operations	Prioritics: Reduce the amount of materials and volume Materials that are easy to recycle, reuse or repurpose
Tactics: (How)	Tactics:		Tactics:	Tactics:
Value Created: (Outcome)	Value Created:		Value Created:	Value Created:

From the overarching sustainability strategy: Use the same framework to drop-down into specific areas of focus. The example here is packaging.

MANIFESTO —

Manifesto	Call to Action	Core Values
Manifestos are an inspiring declaration of your values and what really matters to you — your intentions — they help you examine what you stand for, what you want to create, change or solve, and it becomes a statement of commitment that you could reference and share as you start to build out your roadmap to sustainability.	The Why. Declared statement of change / impact that sharpens your purpose.	Core values should inspire / evoke authenticity and emotion.
 A good brand manifesto will inspire, create energy, connection and focus. Focus on external goals (e.g., environmental) that shape and 		Vision
guide internal creative and business direction.Advocate a need or new idea to carry out and provoke change.		What do you believe? What drives your brand? Why do people come to work everyday for this brand?
*For greater momentum and results, share long range hopes but choose a single focus to start. For example: focus on environmental impact and then select 1-3 focus areas such as: reducing waste , reducing energy and water consumption , and reducing hazardous materials .		

Manifesto Framework.

MANIFESTO -



Manifesto Framework continued.