

**Module: MAN3000**

**Fashion Management**

**Tutor: Claire Marsh**

**Week 8**

**Sourcing & Transparency**

## Week 8 – Sourcing & Transparency

We will look at possible sourcing routes available to retailers and regional strengths & weaknesses. Transparency is also becoming an important part of sourcing strategies. We will look at what is involved and how retailers are held to account for their sourcing behaviours.

The buyer now has the “shopping list” of what they need to buy. All they need to do is buy at a good price....

Simple???

A buyer must consider multiple factors when looking for a good supplier



It is likely that a high percentage of the range already has a suitable source.

A buyer will conduct an assessment with the trading team (merchandiser, designer and technologist) to decide if the current supply base is suitable. They will assess:

- Costings
- Sampling
- Product Innovation
- Critical Path management
- Adhering to policy
- Quality / Customer Returns
- Sustainable and ethical policies
- Factory Audits
- Future growth & alignment

Once the assessment has been made, suppliers are allocated a *red, amber, green* status:



= Grow



= Maintain



= Decrease or Exit

## Sourcing

Sourcing new suppliers is usually the job of a sourcing team which is an independent team who support the buying team.

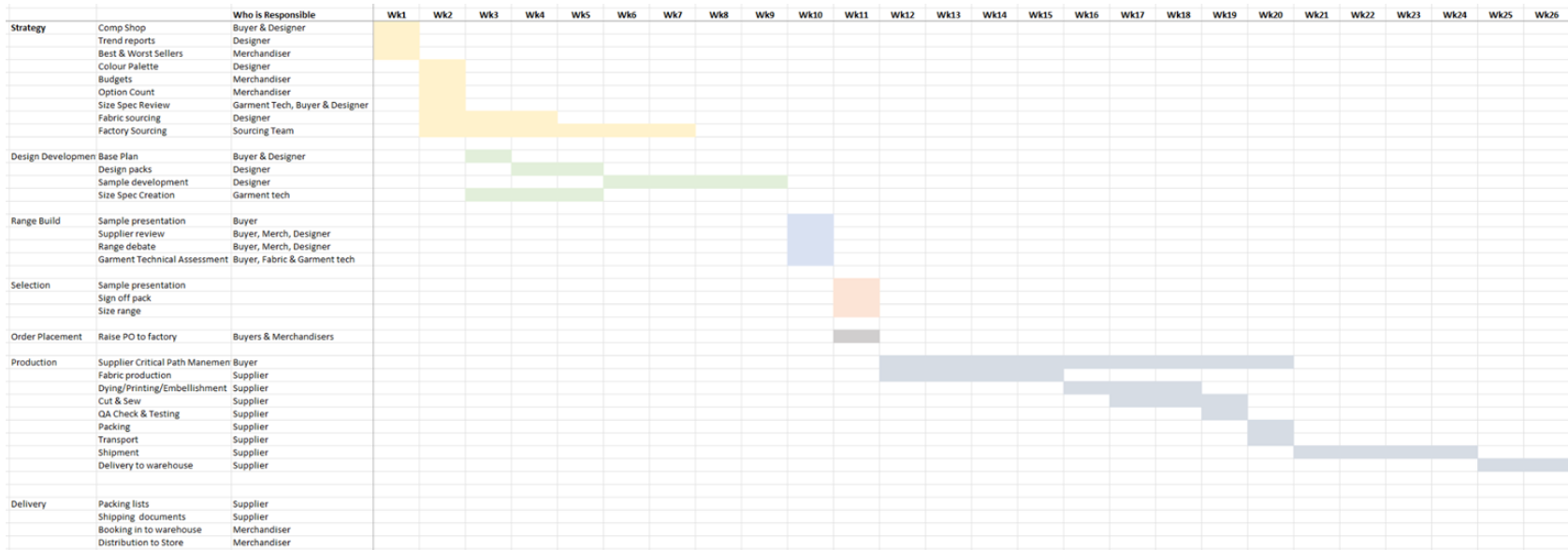
## What is sourcing?

**Sourcing:** a set of business processes and activities by which businesses acquire and deliver components or fully finished products or services from outside of the organization, with the objective of:

**Finding, evaluating, and engaging suppliers** for appropriate goods and services to achieve long-term competitive advantages.

# Critical Path

Sourcing a new supplier can happen at any point through the buying process and the need for a new supplier can be triggered by a number of different factors:



## Reasons for needing to source a new supplier:

- New product requirements
- Increasing capacity
- Political instability
- Increased costs (unfavourable exchange rate, increased labour costs, local yarn costs)
- Sustainability strategy
- Ethical policies
- Future proofing / product innovation
- Capabilities (digital printing, NFT development, DTC - Direct to Consumer)
- Lead times
- Suppliers producing for competitors
- Exiting/disengaging an existing supplier

It is very important that the supply base case can:

- Achieve the right price
- Deliver the desired product
- Manage the required quantities
- Work within required lead times
- Provide transparency for any claims they make ie sustainability and factory audits

Any Questions or Comments?

## Finding a Source

Sourcing objectives will differ depending on the buyers requirements

Factories are specialists and vary in skills.

The screenshot shows a Uniqlo product page. On the left is a plain white t-shirt. On the right is a man wearing a grey puffer jacket over a light blue t-shirt. Below the man is the text: "Height: 6' / 182cm Size: M". To the right of the man is a comparison table for the t-shirts.

UNI QLO UNIQLO UK · £129.90

YOUR T-SHIRT TODAY	ALGALIFE TECHNOLOGY
2,600 LITER WATER	500 LITER WATER
1/2 KG CHEMICALS	0 KG CHEMICALS
1/2 KG FERTILIZERS	0 KG FERTILIZERS
32.2 KG OF CO <sub>2</sub>	0 KG OF CO <sub>2</sub>

A good supplier will invest in the future: products, sustainability, ethical sourcing and stable costs

Price can be impacted by:

- Fibre & Yarn - a factory with its own spinning mill can offer lower prices than those who don't
- Living wage / labour costs - directly impacts how much a factory owner must pay workers
- Procedures - a factory who has a highly automated & organised system can offer lower costs because they save on labour costs
- Duty - some countries do not have a free trade agreement with the UK and buyers are charged a % duty to import goods (ie India & Bangladesh)
- Supplier margin



Suppliers are set up to manage different volumes of orders



Luxury fashion specialise in sourcing, innovation, detail & development





In general, Bangladesh factories are set up to produce volume.



Freight times are another key factor as this impacts lead times. Short lead times mean buyers can react quickly to trends



There are 3 methods of transport that are used by UK buyers:

1. Air
2. Truck
3. Sea

# DMU Fashion Management



## Asia

- Domestic supply

## Europe

- China
- Cambodia
- Myanmar
- Vietnam
- Indonesia
- Sri Lanka
- India
- Pakistan
- Portugal
- Turkey
- Morocco
- Egypt
- UK
- Italy

## USA

- Mexico
- Guatemala
- Honduras
- Asia



Any Questions or Comments?

Each country often has their own specialist product areas which usually evolve from its natural resources or social or political structure. Eg, China: great innovation and huge breadth of sourcing capabilities from soft apparel to accessories, plus cotton and polyester fibres and fabric development. India & Pakistan has a rich crop of cotton. Bangladesh produces large volumes at low prices. Europe has lower MOQ's and shorter lead time to EU therefore useful for quick reaction and Open to Buy (OTB)

When choosing the right source for the range, buyers will take in to account the following:

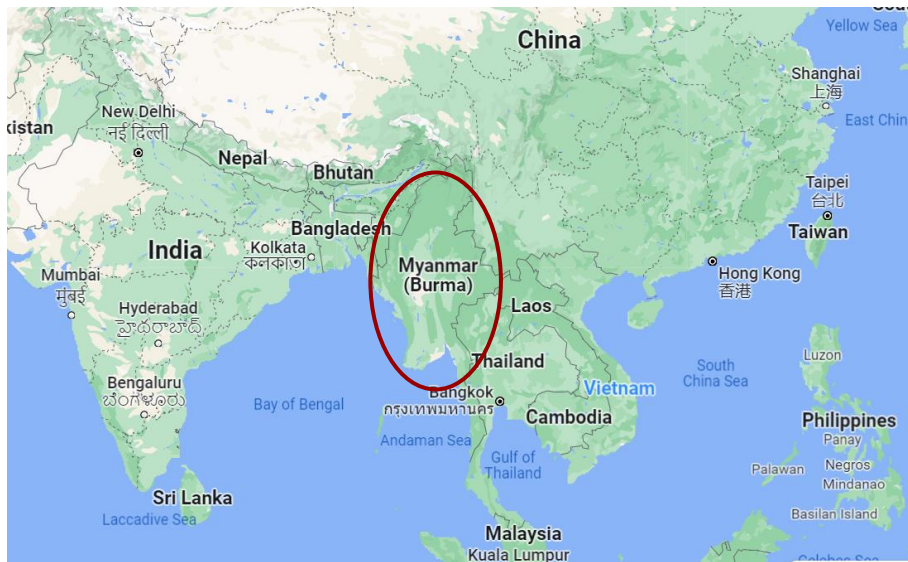
- Factory capabilities
- MOQ's
- Price
- Lead times
- Other customers (retailers)
- Relationship status
- Social & Ethical sourcing status

It is good practice to conduct a PESTLE analysis to help with the decision making. PESTLE is a mnemonic, which stands for:

- Political
- Economic
- Social
- Technological
- Legal
- Environmental

## PESTLE analysis - Examples of questions to ask:

- What is the country's political situation? Is it stable? How will it impact the business? What are the risks?



- Clothing, Textiles & Bags are Myanmar's 2nd biggest export
- Since the take over by the military in 2021, retailers and brands have been concerned about being connected with suppliers whose manufacturing practices do not reflect their CSR policies.
- The WTO may review its current duty-free, quota-free access for all exports (except arms and ammunition)
- Retailers are starting to find other sources

Sourcing from a country whose ethical policies may differ from UK sourcing requirements

## What is SMETA?

SMETA (Sedex Members Ethical Trade Audit) is an audit method used across 150 countries to evaluate all aspects of responsible business practice in global supply chains. Specifically, the 4-pillar SMETA encompasses labor standards, health and safety, the environment, and business ethics. The Supplier Ethical Data Exchange (Sedex) developed SMETA for suppliers to share ethical practices and reduce audit duplication, saving time, money, and resources.



# The SMETA Method

1

**Before**

- Conduct a 4-pillar SMETA self-assessment
- Self-diagnose problems or areas within the supply chain
- Commission the SMETA

2

**During**

Auditors will conduct the audit while referring to the measurement criteria of the following areas:

- Environment
- Social
- Governance

3

**After**

- Review the SMETA report for non-compliances
- Implement the corrective action plan
- Perform SMETAs annually or biennially

## A SMEETA audit looks at the following aspects of a supplier:

### Environment

- Management Systems and Training
- Greenhouse Gas Emissions and Energy Usage
- Air Emissions
- Water Management
- Waste Management
- Packaging
- Pollution Prevention
- Other Raw Materials
- Transportation

## Social

- Workplace Management
- Health and Safety
- Emergency Management
- Forced Labor
- Child Labor and Young Workers
- Discrimination
- Freedom of Association and  
Collective Bargaining
- Harassment and Abuse
- Compensation
- Hours of Work

## Governance

- Accountability
- Grievance and Remediation
- Supplier Management
- Stakeholder Engagement

# After the SMETA

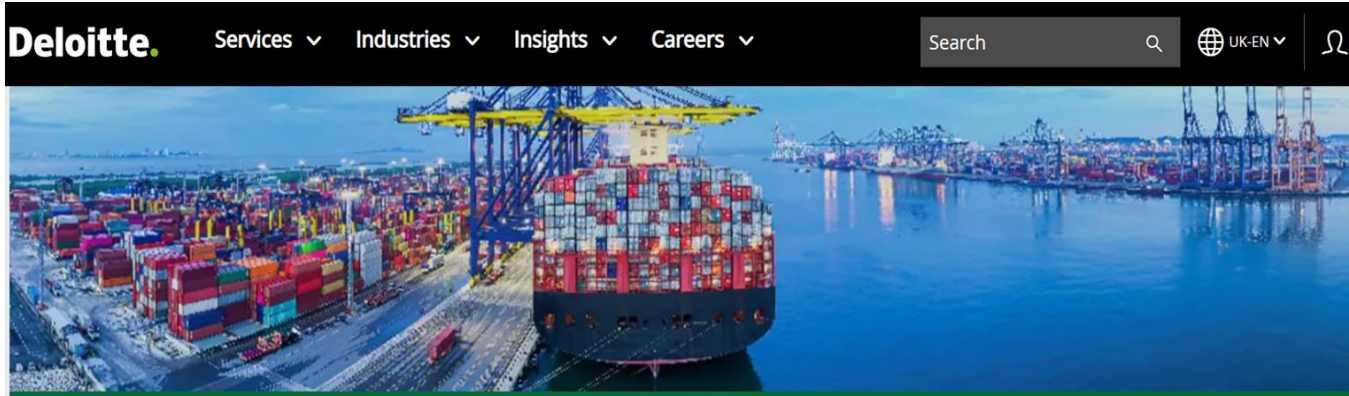
- Review the SMETA report for recorded non-compliances (e.g. failing to meet local and national regulatory requirements), raised observations (e.g. no system in place to monitor performance), and good examples or exceptionally good performance of the four key pillars.
- Implement the corrective action plan and validate its effectiveness.
- Perform SMETAs annually or biennially to continuously optimize your supply chain and improve your demonstration of responsible business practice.

Further Reading

[Free SMETA Audit Checklist | PDF | SafetyCulture](#)

## PESTLE analysis - Examples of questions to ask:

- Are there any new or pending legislations which may impact the industry?



Article

### UK Trade with India

This week, the UK and India formally began negotiations on a Free Trade Agreement. There are clear benefits to businesses and consumers on both sides in liberalising trade and investment flows between the two countries, with the UK government estimating an FTA could increase bilateral trade by up to £28 billion per year.

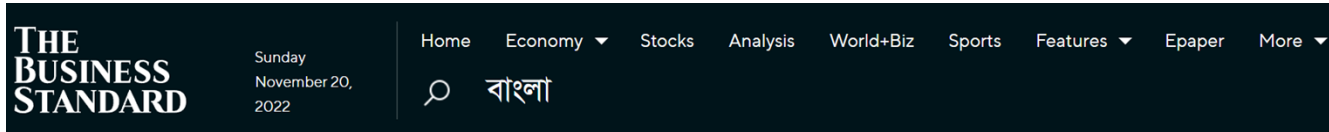
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Submit RFP

A free trade agreement (FTA) between UK & India will see the end to the current 7.6% duty which buyers add to their cost prices from the India factories

## PESTLE analysis - Examples of questions to ask:

- How stable is the cost of living? Are wages stable?



In the year recently ended, the cost of living in Bangladesh rose by 6.5 percent, with the prices of products and services going up by 6.08 percent.

The Consumers Association of Bangladesh (CAB), in a report published on Tuesday, noted that the increase in the prices of goods and services has adversely affected the lives of people.

Rise in cost of living will put pressure on factory owners to increase their wages. Workers wages are a direct component when costing a product. So an increase in wages will therefore mean an increase in garment cost.

PESTLE analysis - Examples of questions to ask:

- How stable is the cost of living? Are wages stable?

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## Surging costs puts Dr Martens in a spot of bover: British brand hikes price of its classic boot to £169

Dr Martens is bumping up the price of its boots for a second year as it battles the soaring cost of staff, energy and supplies.

The British bootmaker, whose classic lace-up design costs £159 a pair, will add £10 to the price.

It came as its shares crashed 22.7 per cent, or 65p, to 221.7p as it warned higher costs and a slowdown in demand would hit profits.

Cost of living increase in the UK forces Dr Martens to increase their retail price.

This contributed to the drop in share value.

Owner believes customers will not be put off by this move.

<https://www.dailymail.co.uk/money/markets/article-11467183/Surging-costs-falling-demand-boot-Dr-Martens.html>

## PESTLE analysis - Examples of questions to ask:

- How stable is the exchange rate?

1.00 US Dollar =

0.84 Pound Sterling

Last updated - 20 November at 13:07 UTC



Buyers have the option of trading in any of the following currencies:

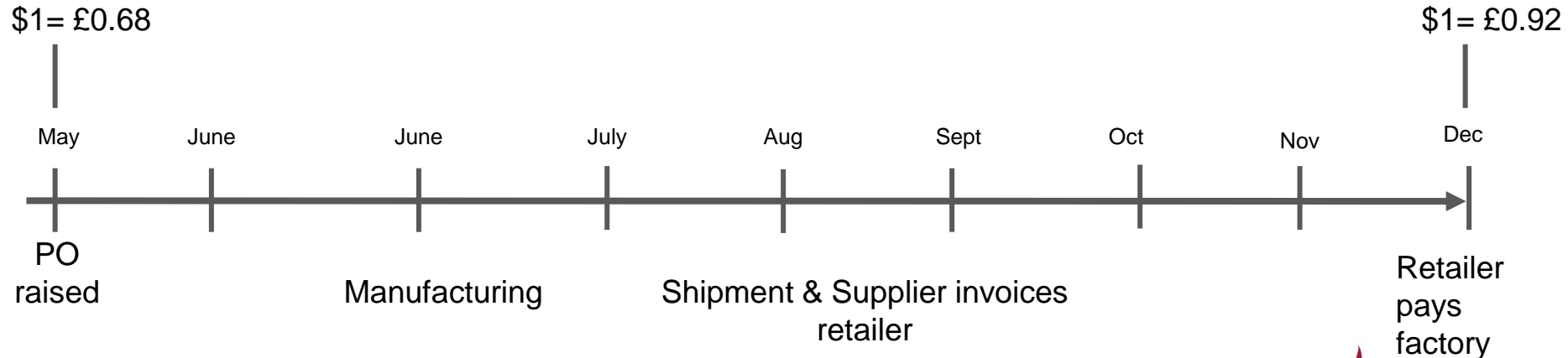
- Local currency
- USD
- GBP
- EU

A currency which fluctuates too much poses a risk because of the time delay in booking an order and paying a cost.

Example of UK retailer trading with a supplier in USD:

If a buyer negotiates a price for a t-shirt for \$1 and places 500,000 units. The order value is the equivalent of \$500,000 or £340,000 ( $\text{£}0.68 \times 500,000$ ). £340,000 is the agreed cost price.

With movement in rate of exchange, the cost in GBP is £460,000



What's the impact to the business??

Let's say that the range of t-shirts has been signed off to sell at £3.50 each.

The cost is £0.68 at the time of placing the PO.

Gross profit is £2.82 ( $£3.50 - £0.68$ )

Total profit is £1,410,000 ( $£2.82 \times 500,000$ )

If at the time of payment a change in rate of exchange means the pound is worth £0.92:

Gross profit is £2.58 ( $£3.50 - £0.92$ )

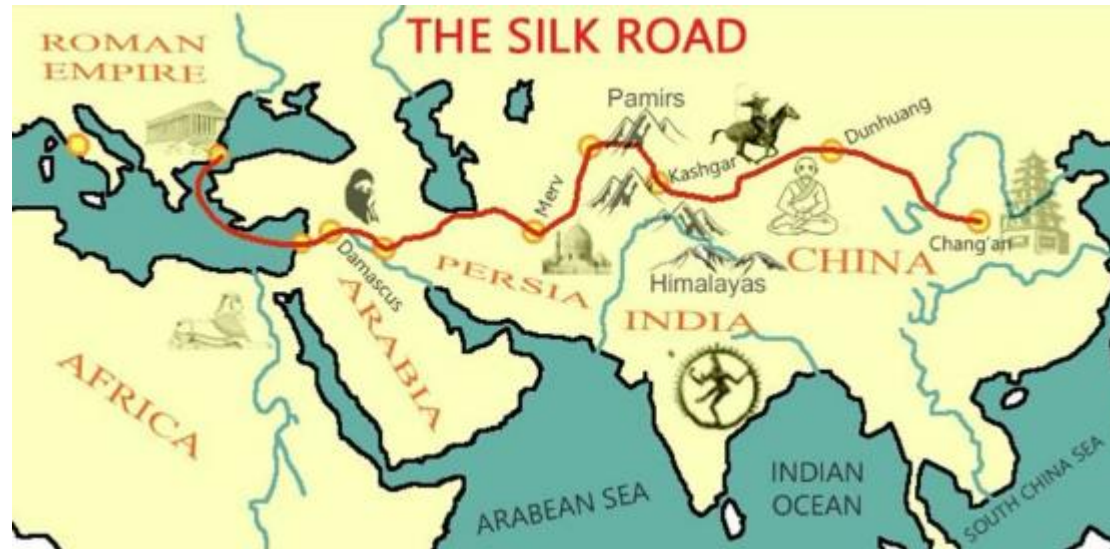
Total profit is £1,290,000 ( $£2.58 \times 500,000$ )

The difference in exchange rate means the buyer is delivering £120,000 less than what was signed off by the business ( $£1,410,000 - £1,290,000$ )

In this case, the retailer may choose to increase selling prices which could mean the number of t-shirts sold at full price is less than planned.

PESTLE analysis - Examples of questions to ask:

- Where is the country positioned in the global sourcing trend?



“The Old Silk Road” was a the first trading route established 5th Century BC stretching from Persia to Europe. It later included India and Africa. This laid the foundations for a bridge between East & West trading routes.

Initial trade was with tradesmen in the west swapping cotton & horses for silk & jade from the east.

As empires rose & fell, each nation ensured they were protected as it was a valuable route for economic trade.

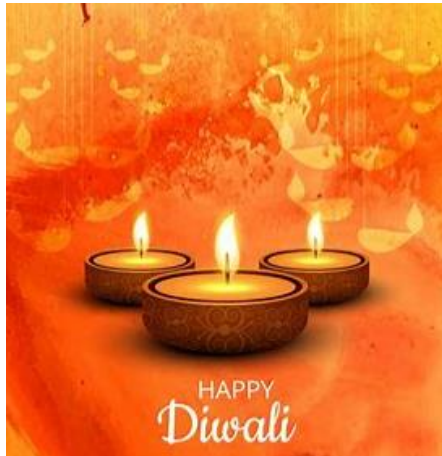
As global economics and politics change, so does the dynamics of global sourcing.



- Hong Kong was once a focus for China apparel sourcing. This is now more widespread across China.
- China owned businesses are expanding in to other countries where the cost of living is lower.

PESTLE analysis - Examples of questions to ask:

- What are the cultural and demographic trends? Holiday periods which may impact lead times.

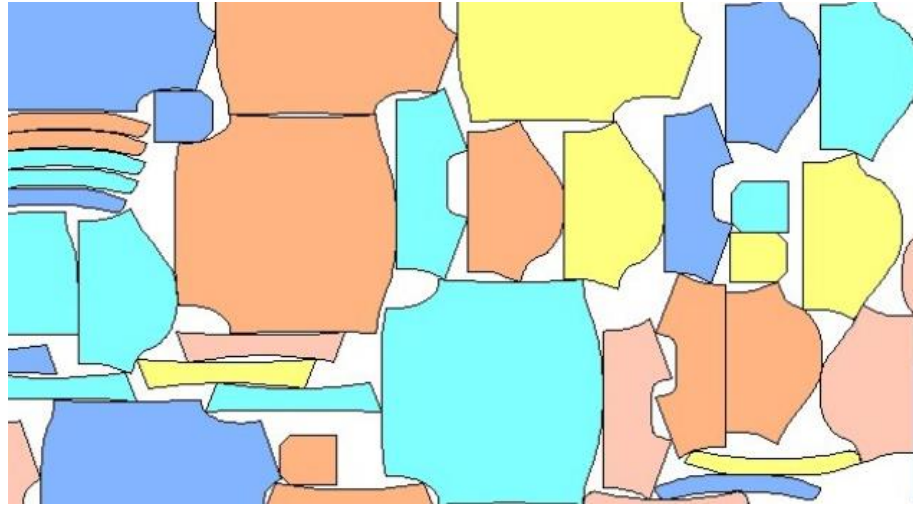


PESTLE analysis - Examples of questions to ask:

- What micro changes are happening? Changes within individual factories can impact supply routes:
  - Change in management
  - Competitor changes
  - Improved machinery
  - “Downtime” advantages

PESTLE analysis - Examples of questions to ask:

- What are the technological advances are being made and how will this affect the structure of supply? Machinery, automation. Print processes ie digital printing



Lay plan A



Lay plan B





PESTLE analysis - Examples of questions to ask:

- What consumer laws need to be taken in to account. What other policies need to be considered? ie retailers workers rights policy. Buildings safety



**KIDS are still at risk from supermarket Halloween costumes that can erupt into a fireball within seconds, a Sun Online investigation can reveal.**

Firefighters are today warning about the dangers of getting close to a naked flame while wearing [fancy dress](#) - as we test out six supermarket brands on their fire resistance.

In cases such as consumer safety, it is vital that suppliers can demonstrate they follow due process and regulations required by the retailer and are open and transparent with their processes, testing, recording and monitoring their production line.

Retailers often conduct unannounced audits on suppliers or issue spot-check requests on audit or testing documentation. Failure to comply in a timely manner and fulfil the requirements can mean the supplier is immediately disengaged and stock must be destroyed.

Woven Table 13: Wadded Garments		Retailer Test Requirements	
<b>Fibre Content – mandatory requirements for all countries</b>			
<b>Fibre Composition</b>	ISO 1833	For blended fabric <b>only</b> - single fibres require mill confirmation letter only.	Blends - +/-3% against declaration
<b>Physical Test Requirements</b>			
<b>Dimensional Stability to Washing</b>	BS EN ISO 6330	5N @ 50°C Tumble Dry Low Heat  Regenerated Cellulosic and blends 5N @ 50°C Flat/Line Dry	Warp 0 to -3% Weft 0 to -3% Regenerated Cellulosics Warp 0 to -4% Weft 0 to -4%
<b>Seam Slippage/Seam Strength</b>	BS EN ISO 13936-1 SO @ 6mm/ BS EN ISO 13935-2	To be performed in the non- stretch direction only	Light weight <150g/m2 – 10kg Medium weight 150 – 250g/m2 – 12kg Heavy weight >250g/m2 – 15kg
<b>Tensile Strength (Grab)</b>	BS EN ISO 13934-2 - 25mm Grab	To be performed in the non- stretch direction only	Light weight <150g/m2 – 15kg Medium weight 150 – 250g/m2 – 20kg Heavy weight >250g/m2 – 25kg
<b>Tear Strength</b>	BS EN ISO 13937-1	To be performed in the non- stretch direction only	Light weight <150g/m2 – 700g Medium weight 150 – 250g/m2 – 900g Heavy weight >250g/m2 – 1000g
<b>Abrasion Resistance</b>	BS EN ISO 12947-2	Not required on fabrics <130g/m2	Light weight <150g/m2 – 10,000 rubs Medium weight 150 – 250g/m2 – 15,000 rubs Heavy weight >250g/m2 – 20,000 rubs All Weights – Shade Change Grade 3 – 5,000 rubs
<b>Pilling Resistance after Washing</b>	BS EN ISO 12945-2	Required for spun synthetic blends (if the only synthetic fibre is elastane then no pilling required)	Grade 3-4 @ 2000 rubs
<b>Mass per Unit Area</b>	BS EN 12127		+/-5%
<b>Residual Elongation &amp; Extension</b>	BS EN 14704-1	For fabrics containing elastane Strip Method Load 4kg Tested in stretch direction	Max 5% Unrecovered Elongation Minimum 15% Extension

<b>Spray Rating</b>	BS EN 24920	For shower resistant products only.	Before wash/as received - Grade 4 & no water penetration on reverse. After 3 care label washes and dries - Grade 3 and no water penetration on reverse
<b>Hydrostatic Head</b>	BS EN 20811	For performance rainproof/water proof products only.	Before Wash
		For a product to be Waterproof the garment and it's seams must be tested.	Min 2000mm head of water
			After 5 x 4N at 40°C washes Min 2000mm head of water
<b>Water Vapour Permeability Index</b>	BS 7209	For breathable products only.	Before Wash 50% low activity 60-80% high activity  After 5 x 4N at 40°C washes 50% low activity 60-80% high activity
<b>Fibre Percolation</b>	In-house Test Method 10	Synthetic Fibres	6 fibres maximum
	BS EN 12132-1	Feather & Down	
<b>Durability of Wadded Garments</b>	In-house Test Method 4	Only required at Base Stage. Test in composite or garment form	No fibre migration occurred
<b>Thermal Resistance of Layered Textiles</b>	BS 4745-Single Plate Method	This test is required for Outerwear Coats & Jackets only, where the main body panels are constructed with wadding/Padding or fibrefill, with a minimum overall thickness of 5mm including padding & lining.	Below 2.99 tog : No star rating 3.0 tog to 4.49 tog: 2** (Two star) 4.50 tog and above: 3*** (Three star)
Cleanliness of Feathers and Down	BS EN 1162	Feather and down filled only	Oxygen Index of less than 20
<b>Snagging</b>	BS 8479	Filament yarns only	Grade 3-4 @ 2000 revs
<b>Colour Fastness Requirements</b>			
<b>Fastness to Washing</b>	BS EN ISO 105 C06	BS EN ISO 105 C06 B2S @ 50°C Not applicable on whites, creams & ivory colourways	Shade Change Grade 4 Stain Grade 4 Cross Staining 4-5
<b>Fastness to Water</b>	BS EN ISO 105 E01		Shade Change Grade 4
		Not applicable on whites, creams & ivory colourways.	Stain Grade 4 Cross Staining 4-5

Fastness to Dry Rubbing	BS EN ISO 105 X12	Not applicable on whites, creams & ivory colourways.	Stain Grade 4 Indigo dyes, Sulphur dyes, pigment dyes/prints and leather: Adultwear Stain Grade 3-4 Childrenswear Stain Grade 4
Fastness to Wet Rubbing	BS EN ISO 105 X12	Applicable to outerwear only Not applicable for Indigo dyes, sulphur dyes, whites, creams & ivory colourways	Stain Grade 3-4
Fastness to Light	BS EN ISO 105 B02 Exposure Cycle A1: Normal Conditions	Applicable to outerwear only Not applicable for Indigo dyes, sulphur dyes, whites, creams & ivory colourways	BWS 4 to grey scale 4
<b>Chemical – mandatory requirements for all countries</b>			
pH	BS EN ISO 3071		pH between 4.5 and 7.5 is required
Spot Formaldehyde	Lab Spot Test Method	Applicable for childrenswear 0-36 months,	Pass – if Fails, sample must be tested for Free Formaldehyde
Free Formaldehyde	ISO 14184-1	Applicable for childrenswear 0-36 months	0-36 months <20 ppm Direct skin contact - < 75 ppm
<b>Garment Test Requirements</b>			
Print/Motif Durability	In-house Test Method 1	For prints or motifs only Not required for Reactive, Acid, Disperse or Discharge Prints. Durawash or Twin Tub 1 wash at 50oC Tumble Dry Low Heat	Shade Change Grade 4 Cross Staining 4-5 Overall Appearance Satisfactory
Durability of Foil Prints	In-house Test Method 2	For foil prints only  Wascator 5kg wash load 5 washes at 4N @ 40oC. Dry as care label	Shade Change Grade 4 Overall Appearance Satisfactory
Multiple Wash Appearance Assessments of Garments – 4N Method	In-House Test Method 14	For Gold Seal Production samples  Wascator 2kg wash load 5 washes at 4N @ 40oC. Dry as care label	Shade Change Grade 4 Stain Grade 4 Cross Staining 4-5 Overall Appearance Satisfactory

PESTLE analysis - Examples of questions to ask:

- Which suppliers have the most vertical route? A vertical route offers stability, visibility & control



Any Questions or Comments?

Once a new supplier has been identified, the buyer can begin the onboarding process.

This can be lengthy depending on individual retailers requirements

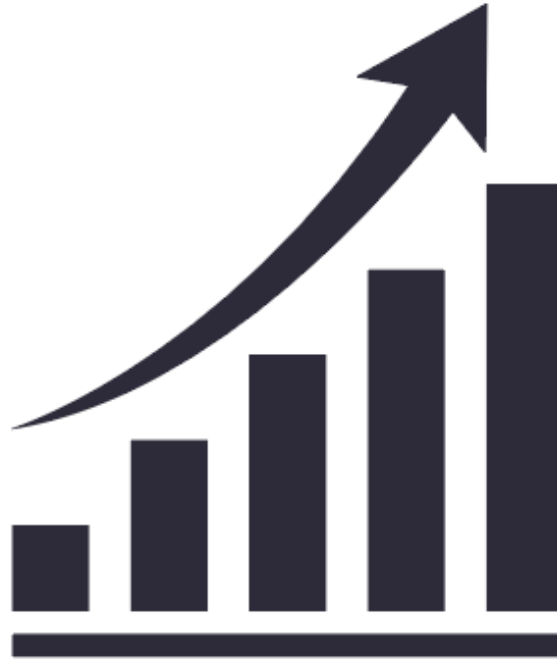
- Buyer raises a business case to justify onboarding a new supplier
  - New product
  - Sales value
  - Long / Short term partnership
  - Sample assessment
  - Factory audits
  - Factory visit

Any Questions or Comments?

For a supplier to be signed off they must:

- Provide profitable costings
- Work to a compatible lead time (time takes from PO raising to shipment)
- Good communication skills
- Pass factory audits
- Have adequate production capacity
- Have future plans & policies which align with the retailer

Once signed off, a factory will usually be introduced slowly to minimise any risk to sales whilst they are getting used to working together. The sourcing team will often conduct unannounced factory visits to check their compliance. Buyers will aim to grown the business steadily to mitigate any risk.



Any Questions or Comments?

How does this apply to me?

## Example Retailer



## Example Product



Curly Borg Mid Length Coat

**£32.00**

2 colours





As Primark work on a tight margin, they haven't been able to absorb the difference in cost between factories so have had to pass this on to the customer.

This makes their price architecture (pricing range) confusing to the customer.



## Myanmar coup will hamper apparel sourcing

Amena Kamal Khan

🕒 Posted on February 4, 2021 6:46:05 pm 🕒 Last updated at February 8, 2021 10:33:03 am

### Brands may seek to move orders to associated factories already in place in Bangladesh and Vietnam

The latest coup in Myanmar has changed the dynamics of the whole region. Especially puts foreign investment – FDI commitments into Myanmar were worth \$5.5bn in the 2020 FY, which ended in September – in the country’s apparel manufacturing at risk, poses a great threat with looming trade sanctions, and may push some clothing retailers to cut their sourcing ties with the country.

Though Myanmar’s readymade garment (RMG) sourcing is new compared to its neighbors, the country’s RMG export has seen steep growth since it began to arise from decades of seclusion and military rule around 10 years ago and sums brands and retailers including M&S, Next, H&M, Bestseller and C&A among its clients.



My recommendation would be for Primark to quickly establish a source for AW24, this may mean that they are unable to place the volume they usually would in “downtime”. This could have an impact on cost. To mitigate cost impact, they could focus on design and product development which would offer the customer value for money.

Any Questions or Comments?

The Rana Plaza Disaster in 2013 was the start of change...



8 Stories - Rana Plaza Video

<https://vimeo.com/79092132>

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**WE MUST RECOGNISE THE CONNECTION BETWEEN THE CLOTHES WE BUY AND THE PEOPLE WHO MAKE THEM. THE POWER OF CONSUMERS AND THE MEDIA SHOULD NOT BE UNDERESTIMATED. FOR CONDITIONS TO CHANGE WE MUST DEMAND TRANSPARENCY IN SUPPLY CHAINS.**

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## <https://hmgroup.com/sustainability/standards-and-policies/code-of-ethics/>

### Sustainability reporting

How we report

Materiality

Reporting frameworks and indexes

### Leading the change

Vision and strategy

Goals and ambition

Transparency

Supply chain

Responsible purchasing practices

Innovation

Awards and recognitions

Memberships and collaborations

Stakeholder engagement

### Circularity & climate

Climate

Biodiversity

Our work with WWF

Circularity

Designing for circularity

Circular business models

Collect, recirculate and recycle

Materials

Cotton

Man-made cellulosic fibres

Microfibres

Synthetics

Packaging

Built Environment

Animal welfare

Water

Chemicals

Key Milestones

Chemical restrictions

### Fair & equal

Human rights

Our approach to respecting human rights

Due diligence

Gender equality in our supply chain

Working conditions

Wages

Community engagement

### Standards & policies

Code of Ethics

Sustainability Commitment

Responsible Marketing

Modern slavery statement

Human rights policy

Sustainable Impact Partnership Program

<https://corporate.primark.com/en-gb/a/primark-cares/sustainability-report/our-ethical-approach>

Animal Derived Material Policy

Code of Conduct

Environmental Policy

Global Sourcing Map

Modern Slavery Act

Supply Chain Human Rights Policy

Wood & Wood Derived Fibre Policy

<https://globalsourcingmap.primark.com/>

Store Locator

PRIMARK®

UK ▼

WOMEN MEN KIDS BABY HOME BEAUTY INSPIRATION PRIMANIA PRIMARK CARES



**Our global sourcing map**

Explore by country

India ▼

**Country info | India**

The number of factories we source from is:

 101

Start exploring by using the dropdown below or switching to map view above

Select factory ▼

**About this map**

The factories featured on the map are Primark's suppliers' production sites which represent approximately 94% of Primark products for sale in our stores

[Find out more](#)

[Back to global info](#)

Information last updated October 2023 | [Find out more](#)

<https://www.balenciaga.com/en-gb/sustainability-3>

## SUSTAINABILITY AT BALENCIAGA

### OUR APPROACH

Aware and convinced of the challenges linked to sustainability, Balenciaga has acted to reduce the environmental impact of its creativity and activity while pursuing progress within fundamentally important social issues.

We are committed to the sustainable and ethical management of our operations. The goal of reducing our environmental impact influences our decisions. At all levels and in all locales—whether at offices and stores or along the supply chain—we respect high standards for social and ecological responsibility. Balenciaga is also fur-and exotic leather-free.

### WHAT WE DO

For several years, Balenciaga has committed to reducing its footprint within the design and production processes of its collections, as well as its offices, events, stores, and packaging, for example by introducing more responsible, recycled, and upcycled materials in lieu of others.

The remaining carbon emissions generated by all our activities along the supply chain in scopes 1, 2, and 3 of the GHG Protocol are carefully calculated, and we commit to invest funds into carbon removal projects that protect and restore natural ecosystems.

<https://www.balenciaga.com/en-gb/re-sell-program>



<https://www.ysl.com/en-us/sustainability-standards>



## **SUSTAINABILITY STANDARDS**

AS PART OF KERING, SAINT LAURENT IS ENGAGED IN A MULTIFACETED STRATEGY TO ACHIEVE A MORE SUSTAINABLE AND RESPONSIBLE DEFINITION OF LUXURY. THE HOUSE AND ITS PARTNERS FOLLOW CODES AND STANDARDS DEVELOPED AND REFINED BY KERING SINCE THE GROUP'S ESTABLISHMENT OF ITS FIRST CODE OF ETHICS 25 YEARS AGO. THESE OPEN-SOURCE GUIDELINES, WHICH ARE REVIEWED AND UPDATED REGULARLY IN CONSULTATION WITH SUBJECT-MATTER EXPERTS, ADDRESS TOPICS SUCH AS HUMAN RIGHTS, BIODIVERSITY, RAW MATERIAL SOURCING, AND INTERNAL OPERATIONS.

### **TOWARD A MORE SUSTAINABLE SUPPLY CHAIN**

[KERING GROUP CODE OF ETHICS](#)  
[SUSTAINABILITY PRINCIPLES](#)  
[HUMAN RIGHTS POLICY](#)

### **TOWARD MORE SUSTAINABLE MATERIALS AND MANUFACTURING**

[BIODIVERSITY STRATEGY](#)  
[ANIMAL WELFARE STANDARDS](#)  
[STANDARDS FOR RAW MATERIALS AND MANUFACTURING PROCESSES](#)  
[PRODUCT RESTRICTED SUBSTANCES LIST](#)  
[MANUFACTURING RESTRICTED SUBSTANCES LIST](#)

<https://sheingroup.com/code-of-ethics/#:~:text=All%20employees%2C%20contractors%2C%20suppliers%2C,accepting%20improper%20payments%20and%20benefits.&text=We%20are%20committed%20to%20creating,respect%20individuals'%20dignity%20and%20values.>

**SHEIN**

[ABOUT US](#) [OUR BUSINESS](#) [OUR IMPACT](#) [NEWSROOM](#) [CAREERS](#) [Q](#)

## Code of Ethics

SHEIN is a group of affiliated companies operating under several brand names throughout the world. Collectively, the SHEIN Group provides consumer access to a global ecommerce platform or, in some jurisdictions, a marketplace, offering consumer products, fashion, home goods, and related products.

SHEIN has adopted a code of ethics to enable employees, contractors, suppliers, and other SHEIN related parties to understand how to comply with applicable anti-corruption laws and regulations, and our ethical commitments.

### Conflicts of Interest

We have set out a framework applicable to all employees, contractors, and suppliers to operate its business free from conflicts of interest. SHEIN prohibits individuals from using their position with us or through related relationships for private gain or to obtain benefits for close relatives. Prohibiting personal or family benefits includes instances of financial or related interest or any other unethical or illicit behavior.

### Anti-Bribery and Anti-Corruption

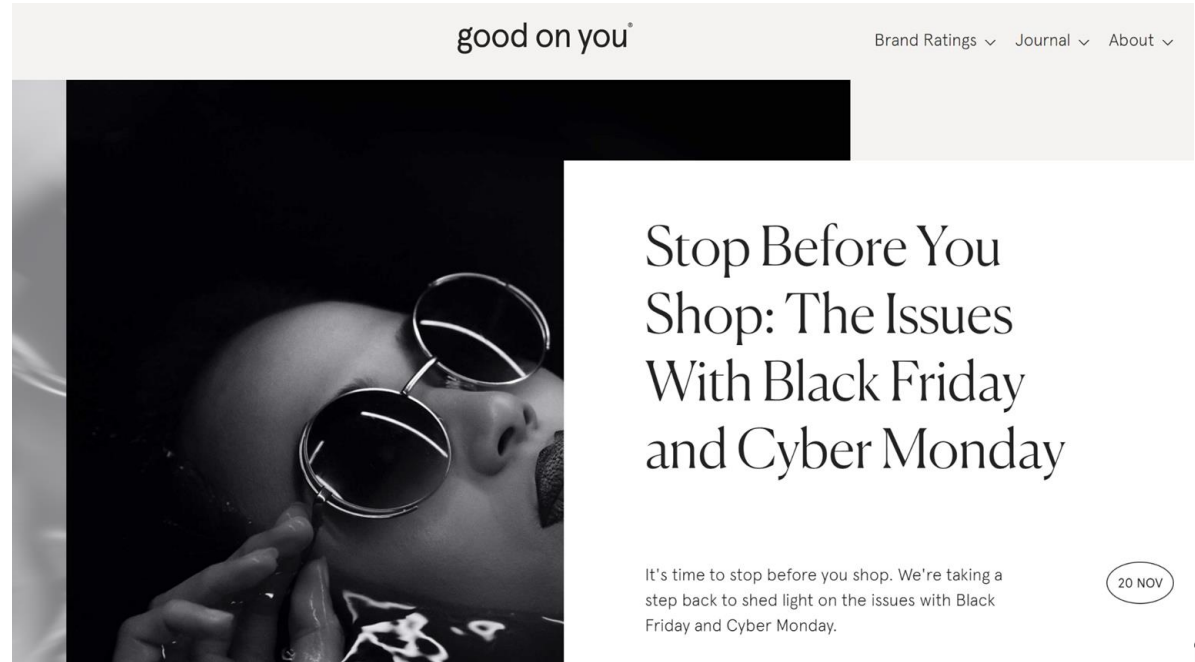
SHEIN is committed to doing business with integrity and in accordance with the highest anti-bribery and anti-corruption standards. All employees, contractors, suppliers, and other third parties are required to comply with applicable laws and are forbidden from offering or accepting improper payments and benefits.

### Anti-Discrimination

We are committed to creating and maintaining working environments that respect individuals' dignity and values. SHEIN has a zero-tolerance for sexual or other forms of harassment, discrimination, or retaliation either by its employees or its suppliers. SHEIN employees are given equal

Forming an opinion can be difficult as the definition of ethic and sustainability can be subjective. Use credible websites to research and challenge your findings.

<https://goodonyou.eco/>



The image shows a screenshot of the Good On You website. At the top, the logo "good on you" is displayed in a light grey bar, with navigation links for "Brand Ratings", "Journal", and "About". Below the navigation bar is a large black and white photograph of a person wearing round sunglasses, with their hand near their face. To the right of the photograph, the article title "Stop Before You Shop: The Issues With Black Friday and Cyber Monday" is written in a large, serif font. Below the title, a short paragraph reads: "It's time to stop before you shop. We're taking a step back to shed light on the issues with Black Friday and Cyber Monday." In the bottom right corner of the article area, there is a small circular badge containing the text "20 NOV".

<https://goodonyou.eco/news-edit-14-august-23-2/>

# News Edit 14th August: The SHEIN and Temu War, New EU Laws, and Reflecting on the Sustainable Development Goals

Every week, the Good On You team scours the internet, so you can have easy access to the ethical and sustainable fashion news that matters. Here's everything you need to know this week.

In the know

[SHEIN Sued Temu. Temu Sued SHEIN. The War Over Fast Fashion Is Heating Up.](#)

It is easy for a retailer or brand to make claims of sustainability or ethical policies, but it's key to understand how they measure their actions and how transparent they are.

There are a number of corporations which exist to help retailers measure and employ more sustainable & ethical policies...

<https://sdgs.un.org/goals>



Department of Economic and Social Affairs  
Sustainable Development

- Home
- SDG Knowledge
- Intergovernmental Processes
- HLPF
- SIDS
- SDG Actions
- Engage
- News
- About

## THE 17 GOALS

**169**  
Targets

**3862**  
Events

**1347**  
Publications

**7780**  
Actions



<https://apparelcoalition.org/tools-programs/higg-index-tools/#:~:text=The%20Higg%20Index%20is%20a,and%20measuring%20areas%20of%20improvement.>

# HIGG INDEX TOOLS

The Higg Index is a suite of five tools that assess and measure the social and environmental performance of the value chain and the environmental impacts of products. We developed these tools to help organizations **make systematic change** by identifying, understanding, and measuring areas of improvement.



## Product Tools

**Purpose:** To understand the environmental impacts of different production choices when designing a product

These tools provide insights into environmental impacts of producing materials and products.



## Facility Tools

**Purpose:** To identify opportunities for continuous sustainability improvement in manufacturing facilities

These tools provide insights into social and environmental performance of facilities.



## Brand & Retail Tools

**Purpose:** To identify opportunities for continuous sustainability improvement in company operations

BRM

This tool provides insights into social and environmental performance of brands and retailers.



<https://www.patagonia.com/social-responsibility/>

## Our Progress This Season



**86% of the products in our line are made in a Fair Trade Certified™ factory.**



**75,000+ workers benefit from Patagonia's participation in the Fair Trade program.**

**2,000+ farmers are part of our Regenerative Organic Certified® cotton program.**

Patagonia Video

<https://apparelcoalition.org/tools-programs/higg-index-tools/#:~:text=The%20Higg%20Index%20is%20a,and%20measuring%20areas%20of%20improvement.>

# <https://makeitbritish.co.uk/opinion/rana-plaza-ten-years-on/>

## Customers That Buy From Independent British-Made Brands DO Care Where Their Clothes are Made

We know from working with thousands of independent British-made brands over the last decade, that their customers really do care where their clothes are made. They appreciate the fact that their clothes are made in a country where there are decent working conditions. That has laws to protect workers from being exploited, and where factory buildings don't collapse, because there is legislation in place that makes sure it doesn't happen.

Time and time again, these brands go to events and meet up with customers, who say that the reason they love the brand is because it is made in the UK. They may pay a little more for it, but with that comes the reassurance that it has been made in the right way.

Whereas ten years ago it was very hard to find UK manufacturers unless you knew where to look, nowadays you have companies like Mars, a knitwear manufacturer in Leicester, making videos on YouTube [encouraging consumers to find out where their clothes are made](#).

## Fast Fashion Brands Have Given UK Manufacturing a Bad Name

Despite the fact that the majority of UK garment factories abide by the rules, there are always a few companies willing to exploit the system in order to make a profit.

# Homework

Choose 3 retailer and research their ethical & sustainability policies available on their website

1. Luxury Brand
2. High Street Brand
3. Discounter / Fast Fashion

Lets discuss in next weeks lecture

Next week we will run through examples  
of past papers and discuss the  
preparation needed for the online tutorials  
on 8th & 15th Dec

Thank you & have a great  
weekend!