AMERICAN UNIVERSITY OF BEIRUT

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY IN THE CONTEXT OF THE FAST FASHION INDUSTRY: CHALLENGES AND OPPORTUNITIES

by
NADINE ABI GHANNAM

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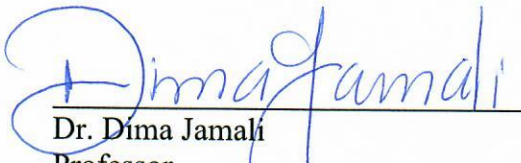

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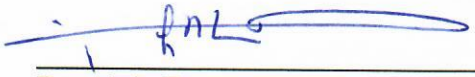
Professor
Suliman S. Olayan School of Business

First Reader



Dr. Alain Daou
Assistant Professor
Suliman S. Olayan School of Business

Second Reader

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AN ABSTRACT OF THE PROJECT OF

Nadine Abi Ghannam for Master of Human Resource Management
Major: Human Resources Management

Title: Corporate Social Responsibility & Sustainability in the Context of The Fast Fashion Industry: Challenges and Opportunities

The fast fashion industry has been widely expanding during the last two decades due to globalization, consumer capitalism, and the large marketing campaigns among brands. And the though the fast fashion industry has several advantages such as big profits, economic growth, and employment opportunities; it also has numerous disadvantages such as child labour, slavery, and exploitation of humans, animals, and the environment. Consequently, most of the fast fashion brands started working on ways in order to enhance their supply chain, through adopting CSR and sustainability initiatives and securing a greater business value.

The purpose of this study is to examine the similarities and differences of the CSR and sustainability initiatives among three fast fashion brands in the United Kingdom; as well as, to examine the challenges and opportunities of conducting CSR and sustainability initiatives in the fast fashion industry.

The findings of this study have shown that all brands conduct CSR in a similar manner, yet the only difference was the size of sustainability initiatives, which varies with respect to the brands' budget. When it came to their challenges and opportunities, most brands showed difficulty in controlling their global supply chain; on the other hand, most

brands stated that technological innovations might bring good opportunities for resolving such challenges and therefore the future of sustainability in the fast fashion industry will be depending on the forthcoming technological innovations.

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CHAPTER I

INTRODUCTION

According to Gupta and Hodges (2012), globalization has been the main cause behind the exploitation of human capital as well as environmental resources in the fast fashion industry, since most of the international retail stores depend on outsourcing manufacturers in search for less expensive labor and production cost. Unethical practices started occurring in foreign factories and sweatshops, particularly in developing countries, which led consumers to start questioning the source of their garments (McAspurn, 2009).

A research done by Elliot and Freeman (2001) has shown that consumers are willing to pay more for ethically manufactured products. Therefore, Corporate Social Responsibility (CSR) increases the company's competitive advantage and delivers numerous advantages such as cost savings, improved customer relationships and better human resource management (Mut, 2015). Such advantages have attracted top fashion designers as well as worldwide retailers to conduct CSR & Sustainability programs in the scope of their specialties. Leading the fashion brands to start adding "Ethical" and "Sustainable" products into their business agenda (McAspurn. 2009). On the other hand, some scholars have entitled this act of interest in CSR to be related to the intentions of market competitiveness and profits, where it is also believed that CSR is becoming more popular due to the consumer's interest in purchasing Sustainable and Ethical products. According to Shen (2014), sustainability is an important factor when it comes to marketing

and branding products since it will most probably lead to strengthening customers' interest and loyalty.

This paper focuses on studying the CSR and sustainability programs in the context of the fast fashion industry, which has been adopted by main fast fashion brands. The research scope will be focused on brands in the United Kingdom due to the increasing interest in CSR in this country.

CHAPTER II

RESEARCH OBJECTIVES

The main objective of this case study is to examine the status of CSR and sustainability Initiatives implemented by the main fast fashion brands in London, United Kingdom by identifying the similarities and differences of CSR and sustainability initiatives on one hand, as well as spotting the challenges and opportunities of those initiatives from the perspective of the brands, on the other hand; while comparing CSR and sustainability Initiatives to the triple bottom line theory of sustainability. In other words, this study examines the effectiveness of CSR and sustainability in the context of the fast fashion industry. According to De Brito et al. (2008), sustainability influences the: economy, environment, and society, stating the following effects that those three axes of sustainable development bring to the fashion retail supply chains:

Figure 1. The Axes of the Triple Bottom Line

Taken from (De Brito et al. 2008)

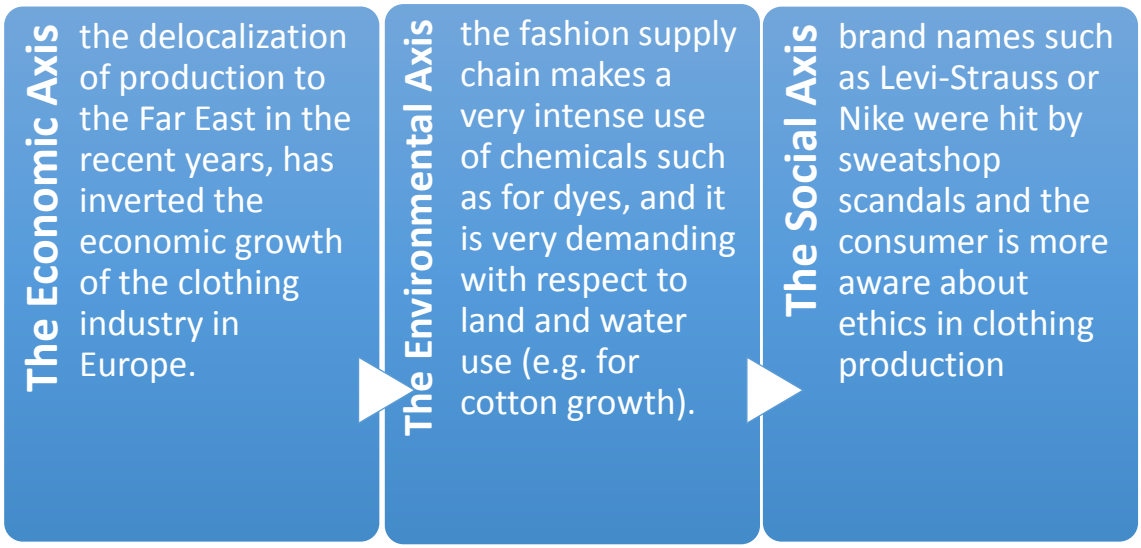


Figure 1 explains the triple bottom effect coming from any business change, where it shows that even when a company is doing well economically it should as well pay attention to its role and potential positive and negative externalities on the environmental and social side. Therefore, to be considered sustainable, a company should have a well-balanced triple bottom line. Taking into consideration, that the fast fashion industry has direct negative effects on the triple bottom line; and therefore, by targeting those three Axes, brands would be directly targeting the negative aspects of fast fashion.

Research questions:

- *What are the similarities and differences of the CSR and sustainability projects conducted among the fast fashion industry?*
- *What are the challenges facing the brands while conducting CSR?*
- *What are the opportunities that could change the future of CSR and Sustainability in the fashion industry?*

- *What is the level of effectiveness of the fashion CSR programs with respect to the Triple Bottom Line?*

CHAPTER III

LITERATURE REVIEW

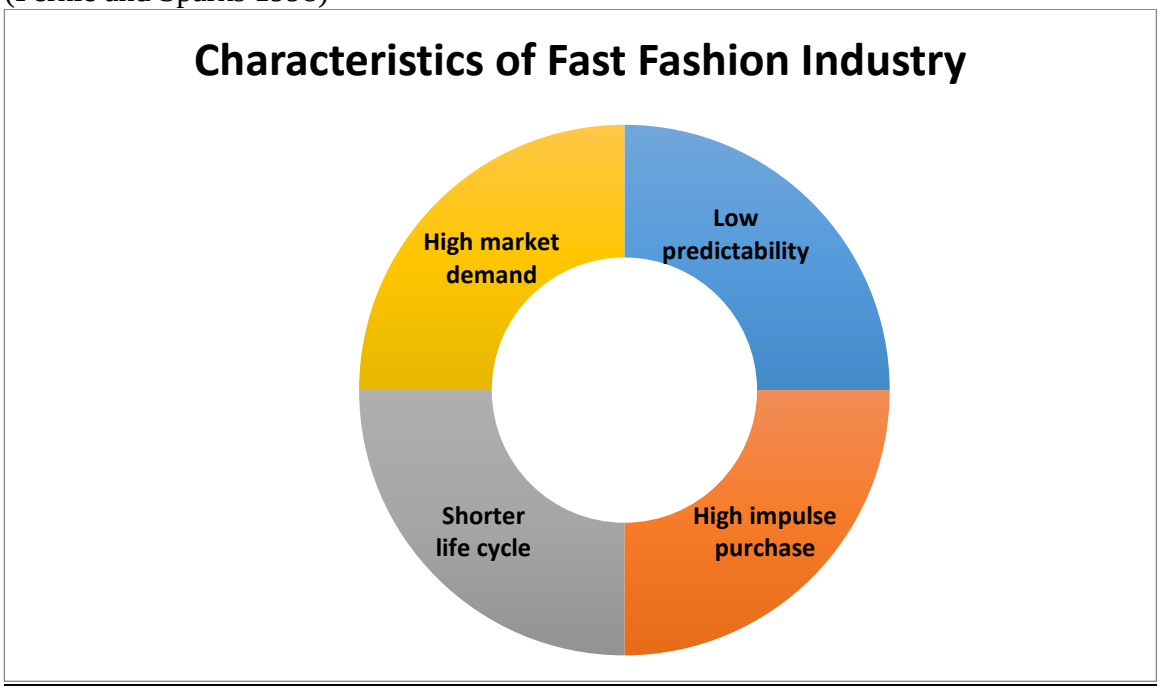
A. Fast fashion Overview Definition

During the past 20 years, the world has been witnessing the fast fashion phenomenon; tend to use extremely efficient supply chains to release more of these collections each year than other retailers. Best defined by Cachon and Swinney (2011) as "*a fashion system combining quick response production capabilities with enhanced product design capabilities to both design "hot" products that capture the latest consumer trends and exploit minimal production lead times to match supply with uncertain demand.*" Fast fashion's supply chain, has been best described by Remy et al. (2016) as a large and sophisticated kind of business. In other words, the impressive performance of fast fashion in the global market during the recent years helped it to become the most recognized business model in the fashion industry (Kim et al., 2013), due to mass production. The increase in production has led brands to have a shorter life cycle when it comes to product turnover (Sproles, 1979), changing from two seasonal collections in the 1980s Spring/Summer and Autumn/Winter (Bhardwaj and Fairhurst, 2010) to reaching six seasonal collections in the 1990s (Bailey, 2001). That is when the number of collections started to increase more and more every year. According to Remy et al. (2016), the company Zara produces 24 new collections every year, concluding that the average

number of collections produced by European apparel companies has been dramatically increasing after the year 2000.

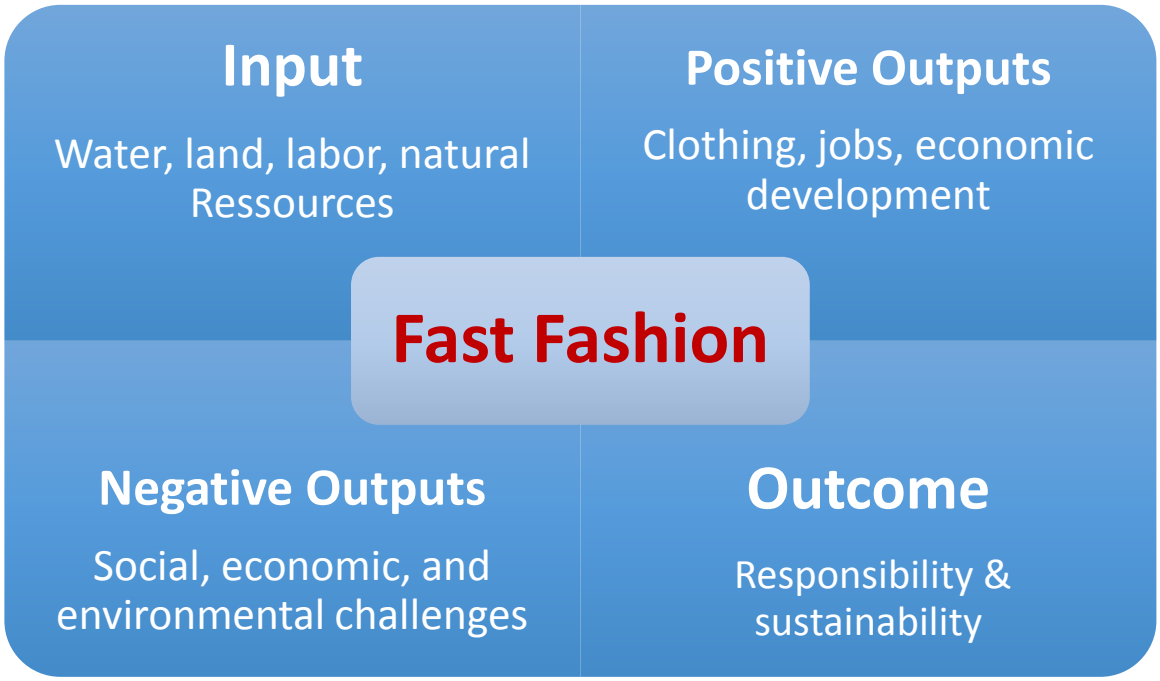
On the other hand, such a dramatic increase in production came mainly from the changes in consumers' lifestyles as well as the increase in consumers' demand for specific occasions of fashion clothing (Bhardwaj and Fairhurst, 2010). Also, in order to have a high competitive advantage, brands seek to lower their prices and increase their production, while depending on the cheap labor of developing countries, for a low-cost advantage (Bruce et al., 2004). The aim of fast fashion was initially an attempt to gain a competitive edge over the fashion market through speed and mass production (Birtwistle and Freathey, 1998). This aim has lead top fast fashion brands to grow tremendously in the last 30 years; for example, the ZARA, which was established in Spain in 1975 as a small store, is now spread over 77 countries, with 5,044 stores and an approximate 12,527 million euros of annual sales a year (Inditex Group, 2011). In addition, despite the financial crisis, most European fast fashion brands are expanding by over 20% per year in sales and profits (Sull and Turconi, 2008).

Figure 2: The Characteristics of Fast Fashion Industry
(Fernie and Sparks 1998)



Fast Fashion by definition includes 4 main characteristics, such as low predictability, high purchase, shorter life cycle, and high market demand (Fernie and Sparks, 1998). Yet in order to understand the main ethical and sustainable concepts used by brands to solve the problems caused by the fast fashion Industry, it is important to first understand the inputs and outputs behind this phenomenon:

Figure 3: An Overview of the Fast Fashion Industry



Based on figure 3, it is clear that the main inputs of the fast fashion are the resources that come at a low cost and allow the mass production, enhancing profits and prosperity of the industry. Remarkable outputs being achieved from this industry such as employment, cheap prices, and economic development, yet its negative outputs are much bigger and have a negative social, economic and environmental impact; leading fast fashion brands to desperately seek CSR and sustainability, in order to achieve a well-balanced triple bottom line.

B. The Dynamic Causes of Fast Fashion

Globalization:

Globalization is one of the main factors of fast fashion, ever since the production of most fashion brands started being produced in developing countries in the Far East and Africa in the past 30 years (MacCarthy and Jayarathne, 2010). It has been significant that even brands that used to depend on domestic production, such as Marks & Spencer and Zara, have shifted their production to various countries such as China, India, Bangladesh, Morocco, and Turkey (Tokatli et al., 2008). This relocation in manufacturing has negatively affected the traditional textile industry in Europe, resulting in a high level of unemployment for European textiles, sewing and weaving workers (De Brito et al., 2008; Taplin, 2006).

Moreover, according to Turker et al. (2014), the fast fashion globalization has led to a worldwide negative impact on the environment as well, due to the heavy pollution occurring from the increased transportation mileage. In other words, the time pressure imposed by the fast fashion industry orders, leads to an ample amount of air shipments every day, resulting in a significant increase in CO2 emissions (Saicheua et al. 2012).

Consumption:

The dramatic increase in consumption has led to the increase of the fashion production in the past 20 years; where according to Remy et al. (2016), the clothing production has doubled from 2000 to 2014, with a 60% increase in the number of garments

purchased by average consumers, due to falling costs, streamlined operations, and rising consumer spending.

In order to obtain a high competitive advantage in the fast fashion industry, brands are mostly pressured to offer the newest trends to the consumers with the least production cost (Christopher et al., 2004). This fact usually leads to shortened market cycles, more seasons, exploitation of clothing raw material, and shorter production duration (Barnes & Lea-Greenwood, 2006).

As a matter of fact, fashion products are becoming more of disposable products, which are the kinds of products that the consumer uses up and have a shorter life cycle or shelf life, such as: food and beauty products; contrary to non-disposable products with larger life cycles, such as: cars, homes, and properties. According to Remy et al. (2016), estimates suggest that consumers tend to discard the lowest-priced after just seven or eight wears. On the other hand, the low price of fast fashion products is the main driver for the increased consumption (Barnes & Lea-Greenwood, 2006). In addition, fast fashion brands have also attracted consumers through the continuous production of stylish products; yet, the low quality and overly trendy products cause consumers to wear the trendy garments for no more than two seasons (Kim et al. 2013) and therefore it forces them to continuously buy new collections, in order to stay trendy and up-to-date.

According to Remy, N. et al. (2016), shoppers are buying more items of clothing when there are lower prices and greater variety. This is why brands try attracting customers into stores in order to increase the sales of new styles (Barnes & Lea-Greenwood, 2006),

this attraction is usually implemented through advertisements that play a big role in increasing the sales of the fast fashion Brands.

Materialistic Values:

Fast fashion is a concept of materialistic consumption, where it is the tool for consumers to show off their belongings to represent their personal style and personality. Consumers are more concerned about their image rather than ethical issues coming from the Fast Fashion industry such as sweatshops, child labor, and pollution (Joergens, 2006). Yet in recent years, some conscious consumers started paying attention to the harmful effects of the fast fashion industry and started questioning the unethical practices of brands (Kim et al. 2013) and started making their buying decisions accordingly. However, the vast majority of the global consumers are becoming more demanding and fashion savvy, causing a frequent increase in the fast fashion consumption while disregarding its negative social environmental, and economic impact (The Economist 2005).

Media:

The fast fashion industry feeds on the advertisements that attract consumers to stores and therefore increase sales and profits; where enormous marketing campaigns have led fast fashion brands to become highly competitive with respect to ethical fashion products. On the other hand, the media is becoming contradictive, as it covers harmful effects of fast fashion consumerism, yet the vast majority of the news is full of advertisements for those same fast fashion brands. Studies have indicated that consumers are often willing to purchase and pay more for environmentally friendly and ethical goods

(Gam et al., 2009; Kahn, 2009; Pookulangara et al., 2011); yet not enough spotlight is being directed on such ethical brands in media, in comparison to the highly competitive fast fashion brands.

C. The Outputs of the Fast Fashion Industry

The Fast Fashion supply chain faces very demanding challenges along all three pillars of sustainability: economic, environmental and social. As a matter of fact, the fast fashion Industry brings too many negative effects to almost everything involved during the manufacturing, production, and consumption processes. In fact, for something to have such a low price, it means that the cost of production is low. Therefore, companies made changes in the supply chain in order to produce more products at a lower cost, depending on the outsourced supply from developing countries, such as Bangladesh, India, china; taking advantage of the lower production costs and more lenient regulations (Bonacich et al. 1994). Yet, taking no actions for change in the fast fashion industry will lead to the growth of these negative effects as more clothes are produced (Remy et al. 2016).

The economic axis:

Ever since the delocalization of the fast fashion production to the Far East, the European fashion production has been facing a disastrous downturn; leading to the unemployment of too many textile workers in Europe (De Brito et al. 2008). Yet the best people taking advantage of this delocalization are the owners of those fast fashion brands; in fact, it is no coincidence that the Forbes (2016) list of the world's richest people in the world, identified the Stars of the fast fashion industry, such as Amancio Ortega the founder

of Zara, the 2nd richest person in the world, who has a Net Worth of $67 Billion; also among the list are the founders of Wall-mart, H&M, Nike (Forbes, retrieved March 15 2017). Most of those billionaires have managed to make money out of the strategy of cheap prices and mass production while justifying their low-cost strategies by stating that sweatshops & child labor are normal practices in the developing countries such as the Far East (Morgan, 2015). In return, fast fashion brands blame low wages on the Far East governments, who tend to hold down the wages of its citizens in order to attract retailers into more production (Morgan, 2015).

The fast fashion industry walks hand in hand with the concept of Consumer Capitalism, which is the economic theory that feeds on the global demand for clothing, which has been on the rise. And it is set to continue increasing significantly over the coming decade, due to the fact that millions of the middle-class people are spending more on apparel. Yet, on the other hand, lower production costs might put companies in riskier positions in case of social and environmental scandals leaking to the public, since nowadays consumers tend to boycott the brands with unethical conduct (Remy et al. 2016).

The environmental axis:

The fashion industry harms the environment through the emission of CO2 during the transportation process, the extensive of pesticides during cotton production. The fast fashion supply chain produces polluting chemicals while production, specifically in the dyeing, drying and finishing phases of production; it also exploits natural resources such as

land, water, and energy (De Brito et al. 2008); leading those resources to become scarce upon the increase of mass production in the fast fashion industry (Allwood et al. 2006).

Next, the Cotton production is one of the most critical productions in the fast fashion supply chain, as Cotton is the fiber used in most clothing, accounting for about 30% of all fiber consumption (Remy et al. 2016). Yet the industrialization of agriculture leads to treating land as if it was a factory, where farmers put huge amounts of chemicals in the fields to grow cotton while spraying for pesticides and using a lot of water and fertilizers (Remy et al. 2016). Moreover, in the past years genetically modified cotton came into the market and increased the level of negative effects. As it is another source of profit to big corporations who are selling this high priced seeds of modified cotton; which also needs large amount of pesticides in order to protect it from insects; meanwhile farmers are being abused through the production of cotton, where they get into debt and eventually lose their lands to the company selling the cottonseeds, leading to more than 250,000 recorded suicides in India in the last 15 years (Morgan, 2015). Not to mention the pollution that is caused by the textile production, as it has been estimated that for each 1 kilogram of fabric produced an average of 23 kilograms of greenhouse gasses is generated (Remy et al. 2016). Chemicals from factories contaminate lands, air, and water of all the surroundings, causing various health problems, which are mostly fatal; including birth defects, cancer, and mental illness. These facts prove that fast fashion is the second polluting industry after the Oil & Gas industry, not to mention the emission greenhouse gases that are generated post production, from washing and drying garments; as according to Remy et al. (2016)

"Washing and drying 1 kilogram of clothing over its entire life cycle, using typical methods, creates 11 kilograms of greenhouse gases".

On the other hand, with the increase of consumption more consumers tend to discard more textiles after fairly using them due to the growing interest in "Cheap Chic" (Bove and Dorsett, 2009; Morgan and Birtwistle, 2009). This has led to an increase from 7% to 30% of textile waste weight in just five years (Morgan and Birtwistle, 2009). Unfortunately, even though several fast fashion brands have been claiming to recycle, yet previous research has proven otherwise; According to Remy et al. (2016), recycling methods are being done poorly nowadays, especially in the fashion industry, where "nearly three-fifths of all clothing produced ends up in incinerators or landfills within a year of being made"; where only 15% of garments are being recycled in the United States, 12% in Japan, and 10% in China.

The social axis:

The most controversial fast fashion effects occurred into the workers in the supply chain, as big brand names such as Levi-Strauss or Nike were hit by sweatshop scandals, leading to the increase of awareness in the areas of ethics in the process of clothing production (De Brito et al. 2008). As a matter of fact, many clothing companies are facing problems with labor conditions due to the long distance supply chain, where problems like child labor, low wages, and health & safety hazards are hard to be spotted due to the brands' dependence on foreign suppliers, and lack of accountability strategies on inhuman mistreatments of these suppliers (Remy et al. 2016).

Sweat Shops**:**

The fast Fashion industry requires mass production in short timelines for faster inventory turnovers; this has led to higher order fulfillment rates from overseas suppliers (Barnes and Lea-Greenwood, 2006). The latter started creating what is known as "Sweatshops" in order to meet the brands' mass production requirements (Barnes and Lea-Greenwood, 2006). According to Ritch (2016), "The term 'sweatshop' was derived from historical context, reflecting the conditions experienced by workers". A Sweatshop, by definition, is a manufacturing setting in developing countries, known for discrimination, bad treatment, low wages and long working hours (Ichimura, 2011). As a matter of fact, the fashion industry has taken advantage of the lenient laws found in the developing countries in order to decrease the production cost; leading factory workers to get paid less than a dollar per day. In fact, the scandal of "Blood diamonds" has exploded in the fashion industry due to the use of sweatshops under poor conditions; n many cases, the workplace conditions might be fatal for workers (Viederman, 2013). In addition, sweatshops cause people to work under low wages, especially when it comes to young and poorly educated people, such as women and children who are willing to accept work at lower wages; while increasing the percentage of poverty in the developing countries (Ritch, 2016; Turker, 2014).

Female Labor:

Employment in the fast fashion industry is not reliant on skills or education, which has lead unskilled women to account for 85% of the textile production workforce (Lerner-

Kinglake, 2009). Minimum working standards are being imposed on those women who, in most cases, leave their families and migrate to obtain work (Rivoli, 2009; Lerner-Kinglake, 2009). The migration of women results in a loss of education, therefore reducing the option of alternative employment which forces them to continue working in the fast fashion industry regardless of the work conditions in order to provide food and shelter for their children (AA, 2007). According to Wong and Taylor (2000), "women face discrimination in the workforce, specifically pregnant women who often experience forced abortions, loss of their job should they marry, and physical labor which can harm the unborn child". Additionally, the employment law does not protect women from such abuse. For example, Bangladesh's labor law lacks any protection for female workers when it comes to maternity leave, compensation for accidents in the workplace, deadlines for salaries and stronger health and safety codes (Lerner-Kinglake, 2009).

Child Labor:

The scandal of employing children to work in sewing garments overseas has found its way to several well-known brands in the fashion industry, where the media has exposed child labor among Nike, Adidas, and Gap supply chains. As a matter of fact, the BBC media has publicized evidence of child labor in the supply chains of brands like Primark, whom in return admitted the lack of visibility within their supply, and decided to implement a supply chain mapping project to facilitate visibility across all manufacturing suppliers in order to make sure that no more children are being included in their supply chain (Perry et al. 2009).

Safety Hazards:

Factory owners ignore the alarming safety issues until tragedies occur, in order not to waste production time while renovating or spending money on safety requirements. This negligence has resulted in multiple tragedies, such as factory collapses, sweatshop fires, and factory intoxications, where the most famous ones were:

According to reports done by the BBC (2013), the eight-story Rana Plaza factory building collapsed on 24 April 2013 killing more than 1,100 people; it was then discovered that the collapse was caused by the negligence of the factory owners who also serve top American and European Brands. In fact, today's reports imply that factory workers are still underpaid and exposed to unsafe and hazardous workplace conditions; especially when it comes to handling production material which requires extensive chemical processing such as cotton and leather (Remy et al., 2016).

Such challenges in the fast fashion supply chain have led several brands to start ethical and sustainable initiatives in order to lessen the negative impact of this industry. Ethical concepts started appearing among top retail brands, and special collections started being produced such as H&M's Conscious and ASOS Eco edit; also new fair trade brands started launching such as People Tree, whose main mission is to produce sustainable products in the most ethical manner.

CHAPTER IV
AN OVERVIEW OF SUSTAINABILITY IN THE FAST FASHION INDUSTRY

A. Corporate Social Responsibility and Sustainability in the Context of the Fast Fashion Industry

Upon the rise of CSR, sustainable and ethical fashion has influenced various retailers, high street fashion brands (such as Zara, H&M, and Topshop), as well as luxury designers (such as Yves Saint Laurent, Donna Karan, and Proenza Schouler). A significant growth in CSR has been observed among the ethical consumer market, where surveys have shown that consumers are becoming more loyal to businesses that conduct fair trade and protect the environment (Joergens, 2006). Moreover, a study done by Goodpurpose stated that 67% of consumers are more likely to buy products and services from a company that supports a good cause (Allen and Klein, 2011).

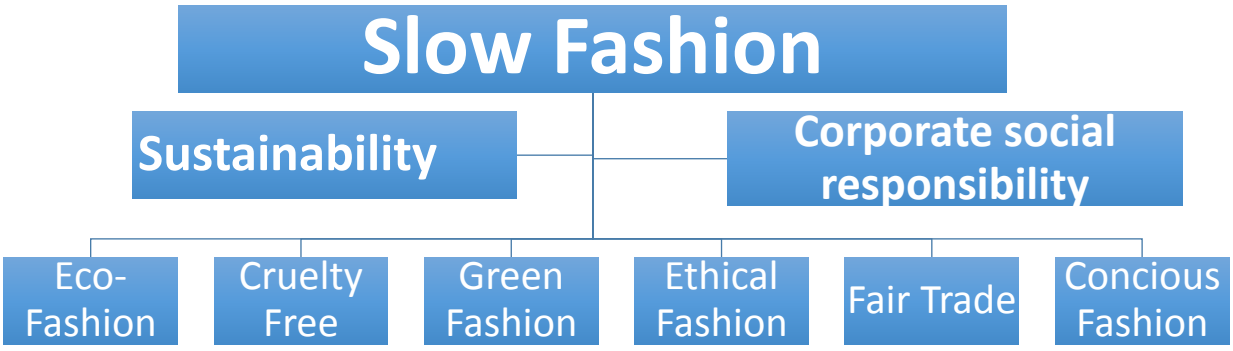
Over the last decade, sustainability, social responsibility, ethics and human rights became well known and relevant to the market. Combining all those words together, one would realize the importance of CSR, which is a phenomenon that has lured a lot of controversial industries into its web. Some fashion brands are taking the industry to a new "ethical" and "sustainable" level, with their CSR sustainability programs. As a matter of fact, CSR and sustainability have been widely spreading since the end of the 1990s, as almost 90% of Fortune 500 firms have publicly embraced CSR in their annual reports

where they considered their initiatives to be important elements of their organizational goals (Boli and Hartsuiker, 2001)

B. CSR and Sustainability Concepts in the fast fashion Industry

According to Joergens (2006), the concept of Ethical fashion is "*to source garments ethically while providing good working standards and conditions to workers and to provide a sustainable business model in the clothes' country of origin*." Since too many drawbacks have been identified among well-known fashion brands and retailers, sustainable and ethical fashion became a very serious topic, leading to the birth of many ethical concepts. In other words, ethical fashion refers to producing fashionable clothing without harming the environment, workers, or any living thing during the whole production process. In fact, ethical fashion has common characteristics with other concepts such as fair trade, ecology, green fashion, sustainable fashion, eco-friendly fashion, and organic fashion (Joergens, 2006). In this section, a broad definition will be given to all the concepts related to CSR and sustainability in the fashion industry in order to identify the similarities and differences, as brands usually mention these concepts in their codes of conducts or while describing their CSR and sustainability initiatives. The following concepts are commonly used in the discussion of this subject:

Figure 4: The Concepts of CSR and Sustainability in the Fast Fashion Industry



1. Slow fashion

The Slow fashion concept goes hand in hand with the social responsibility, as it is set to be the complete opposite of Fast Fashion. According to Fletcher (2010), "*slow fashion represents a vision of sustainability in the fashion sector based on different values and goals to the present day*". As a matter of fact, the slow fashion movement has emerged in opposition to current abuses in the fashion industry, such as: Over consumption, lack of business ethics, lack of sustainability, anti-environmentalism, and lack of valuing local economies and labor (Ro, 2010). Slow fashion is a broad movement against all the disadvantages of the fast fashion industry where it is concerned with environmental, social and economic issues (Hethorn and Ulasewicz, 2008).

This movement has led some fast fashion retailers to actively respond to the Slow Fashion concerns by launching slow fashion brands or leading pro-environmental and sustainable movements (Kim et al. 2013). The terms "*Ethical fashion*", "*Eco-fashion*" and "Sustainable fashion" are all encouraged by the Slow Fashion movement where, according to Fletcher (2008), "*Slow fashion does not refer to time as its name suggests, but rather to*

a philosophy of attentiveness which is mindful of its various stakeholders' respective needs (with ''stakeholders'' referring to designers, buyers, retailers, and consumers) and to the impact that fashion production has on workers, consumers, and eco- systems."

2. Corporate social responsibility (CSR)

Dickson and Eckman (2006) defined Social Responsibility as a philosophy that seeks the balance between ethics and profitability while contributing to the environment and the society. On the other hand, the World Business Council for Sustainable Development (WBCSD, 1999, p.3) defined CSR as: "*the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.*"

CSR has been conceptualized in various ways during the last century. Originally, it was referred to as business adoption of an act that exceeds the legal, economic and public expectations to accomplish specific social benefits that could bring a positive impact on ethics or sustainability (Davis, 1973). Another precise definition has been given to CSR in a more accurate manner, stating, "*CSR is about businesses and other organizations going beyond the legal obligations to manage the impact they have on the environment and society. In particular, this could include how organizations interact with their employees, suppliers, customers, and the communities in which they operate, as well as the extent they attempt to protect the environmen*t" (The Institute of Directors, UK, 2002). According to Carroll (1979), CSR should be a combination of economic, legal, ethical and discretionary

initiatives that shall be conducted in a way to fulfill the corporation's stakeholder expectations. However, CSR is mainly concerned with the moral and ethical obligations that protect and improve the welfare of society (Ritch et al., 2016).

3. Sustainability, Ecofriendly, and Green Fashion

The concept of sustainability has been defined and adopted by the United Nations' World Commission on Environment and Development (1987) as "*means being able to satisfy current needs without compromising the possibility for future generations to satisfy their own needs*". According to the United Nation's (UN) Agenda 21, sustainability's main aim is to meet the needs of the present generation without compromising any future generations; it also states that sustainability covers 3 dimensions: economy, environment, and society. As a matter of fact, sustainability initiatives are crucial especially to companies in sensitive business areas, which consist of the intensive use of natural resources, poor labor conditions, or in other words the fast fashion industry (Smith, 2003).

It is very normal for most of the companies nowadays to be integrating sustainability into the apparel design process (Gam and Banning, 2011; McAspurn, 2009). As a matter of fact, according to Shen (2014), "Sustainable fashion products are made in an environmentally and socially friendly manner along the supply chain, which includes raw material production, manufacturing, distribution, and retailing". Thus, brands should be producing clothing that does not harm the environment during all its processes: from the first stage of production to the last stage of distribution.

4. Ethical fashion

Ethical fashion is defined by Joergens, C. (2006) as "fashionable clothes that incorporate fair trade principles with sweatshop-free labor conditions while not harming the environment or workers by using biodegradable and organic cotton." Brands applying CSR and sustainability initiatives are usually striving to be granted the Ethical Fashion title.

Ethical fashion has common characteristics with other movements, such as fair trade, ecology, and green fashion where the term ethical fashion is also known as "fashion with a conscience" (Mirza, 2004; Laub, 2005). In addition, several new ethical fashion brands have been strongly hitting the market in the past decade, such as American Apparel and People Tree, bringing remarkable styles with a responsible sourcing simultaneously (Joergens, 2006).

5. Fair trade

Trade between companies in developed countries and producers in developing countries should be accomplished through fair work conditions and fair wages paid to the workers. Fair trade insures a fair price and fair working conditions for producers and suppliers through promoting an equitable trading agreement. Therefore, the concept of Fair Trade is against low wages, excessive working hours, under-age employees, or other exploitative practices (Weadick, 2002). As a matter of fact, consumers have started supporting fair trade products, with the latter's sales doubling between 2001 and 2003 (Fairtrade Foundation, 2003), which insures a future for a fair trade fashion production.

6. Cruelty Free

The cruelty-free concept applies to animal protection from the harm of the fast fashion supply chains, mainly the ones that require testing new products on animals and using animal body parts for producing goods. By definition, "cruelty-free" is the absence of intentional harm upon any non-human animal. In this case, the fashion industry's use of real animal fur, which is acquired by skinning animals, is leading to the extinction of a lot of species, especially bears and wild animals.

In this case study, we chose to talk about CSR and sustainability as two complementary concepts; where sustainability refers to protecting the natural resources and preserving the environment for future generations. While CSR refers to protecting people from the harms of the fashion industry; particularly protecting their wellbeing, living standards, and social status. Therefore, by discussing "*CSR*" and "*sustainability*", we will be referring to a combination of all the concepts listed above; while unanimously studying the protection of humans, animals, and the environment in the context of the fast fashion industry.

CHAPTER V
DATA ANALYSIS

A. Demographic Data of Sample

The data sample selected for this study was based on a preliminary research done for spotting the main brands that are involved in CSR and sustainability projects, where a list of 6 brands have been selected based on their CSR activity listed on their website. It was essential to select brands with the same type in order to be comparable; therefore brands were selected with respect to the following criteria:

- All brands selected are high street fast fashion brands; therefore, this study has excluded High-level designer brands.
- All brands selected for this study have high sales and high profits.
- All brands selected for this study have big advertising and marketing campaigns.
- All brands selected for this study depend on mass production in developing countries, such as the Far East and Africa.
- All brands selected for this study have an Ethical and sustainability department in their headquarters offices in the UK.
- All brands selected for this study have up-to-date CSR and sustainability reports published on their websites.

B. Research methodology:

The research methodology used in this case study involves compiling relevant data from past CSR and sustainability reports gathered internally by the brands involved in this survey. The data collection for this case study has been crafted through contacting UK brands directly via an official email from the Primary Researcher of this study. Particularly, six UK fast fashion brands were contacted, and three have accepted the participation in this project. The data collection was done using two sources of information. First, we interviewed CSR directors of three multinational brands based in the UK that accepted to participate in this research in order to identify the challenges and opportunities of CSR and sustainability initiatives in the fashion industry. Then, compiled secondary data collected from the archives of the participating brands concerning reports on their CSR and sustainability; which were used to spot the similarities and differences of the listed initiatives.

C. Survey Items

The CSR and sustainability directors/ managers have been contacted with a survey that consisted of the following items:

1- Summary of the brand CSR projects.

2- What are the ***factors*** of a successful CSR/ sustainability initiative?

3- What are the ***opportunities and challenges*** that you are facing while conducting CSR and sustainability initiatives?

4- What are the ***lessons learned*** from previous CSR projects and how will you address these lessons for future ventures?

D. Summary of Data Collected

Brand A

- Founded: 2000
- Revenue: 1.158 billion GBP (2015)
- Number of employees: 4,000

Brand A has a UK-based Ethical Trade Management Team within the Sourcing Department, which ensures that new suppliers and factories are selected for both their ethical and commercial performance indicators. This team works in the Buying, Merchandising and Technical Departments with training, factory visits, and resources. The team also coordinates country-specific projects, working alongside Brand A's regional ethical trade teams and external organizations to deliver long-term improvements in local working conditions. In order to have an overview along the whole supply chain, Brand A's regional ethical trade teams located in their key sourcing regions – China, Eastern Europe, India, Turkey and the UK – are also responsible for monitoring and supporting suppliers and factories to help them reach the standards required to grow commercially with Brand A. The Ethical Trade program is focused on three strategic objectives:

- Sourcing practices are reviewed against Brand A's Ethical Standards and are continuously improved.
- Brand A's suppliers share its ethical trade vision and work with the brand to achieve it.

- Workers in Brand A's supply chain have good worker-management relations, are employed in safe environments and have improved financial security.

Brand A currently has 188 suppliers, who between them use 505 factories across 28 countries. Brand A's regional Ethical Trade teams are located in its main sourcing regions – China, Eastern Europe, India, Turkey and the UK – where 88% of the factories making Brand A's products are located. The Ethical Team has carried out 430 factory assessments during the last year to monitor how factories are performing against Brand A's standards. In June 2016, Brand A started to undertake unannounced audits, meaning the factories were not made aware of their visit in advance, allowing Brand A to obtain a more realistic picture of actual day-to-day working conditions. Brand A only works with suppliers and factories who share their ethical vision and are committed to both meeting our standards and improving conditions for the 98,638 people working in their supply chain

Brand A's Supplier Ethical Code defines the minimum standards that it requires from all of its suppliers and factories.

- Child Labor Remediation and Young Worker Policy: Sets out the steps suppliers and factories need to take to protect young workers and to ensure children are not involved in the manufacture of any of our products.
- Migrant and Contract Worker Policy: Newly developed in 2015, sets out supplier and factory requirements for the recruitment and management of migrant and contract workers – two groups vulnerable to exploitation.

Ethical trade partnerships:

- Brand A re-launched an open online Corporate Responsibility Report.
- Brand A published their fourth UN Global Compact COP.
- Brand A published their first Slavery and Trafficking Statement – a legal requirement under the UK Modern Slavery Act (2015).
- Brand A is a Member of the Ethical Trading Initiative (ETI) since 2009.
- Brand A became a signatory in UN Global Compact in 2012, where they have committed to supporting its 10 principles. These principles cover basic human rights, labor standards, steps to safeguard the environment and anti-corruption measures.

Sustainable sourcing program:

It's Brand A's mission to keep fashion moving forward in the most sustainable way, ensuring that customers never have to compromise on choice; While using the brands' growing global reach to promote products that are socially and environmentally responsible, they are also passionate about engaging customers on sustainability.

Brand A's sustainable sourcing program comprises four pillars:

- Traceability of raw materials: Mapping the brand's commodities to better understand and influence how they are sourced.
- Lowering environmental impact of raw materials: Increasing the conversion from traditional materials and processes to lower-impact alternatives. It aims to source more sustainable raw materials, be able to reduce our carbon, water, and waste footprint, limit chemical and pesticide usage, prevent deforestation and protect

fresh water and biodiversity; while taking into consideration the health and well-being of suppliers working with dangerous chemicals in order to produce certain textiles such as:

Table 1: Impact and Solutions to non-sustainable production

Production	Negative Impact	Sustainable Solution
Dyeing and finishing	Dyeing and finishing a product can use substantial amounts of water; involve large quantities of dyes and chemicals whilst leaving behind polluting residues.	Brand A works with denim suppliers to encourage them to use methods that use less water and chemicals, such as ozone and enzyme finishing
Sandblasting	Apparel sandblasting involves projecting fine sand with compressed air to create a worn look on denim and other products.	Sandblasting can be extremely damaging to the health of workers and can lead to a potentially fatal lung disease. Brand A has banned the use of sandblasting.
Leather production	Chemicals are often used to tan leather, combined with solid waste from processing, are sometimes discharged into water in developing countries without being treated. This can cause soil, water, and air pollution.	Brand A imposed Chemical management process in order to meet a global regulatory compliance which includes mandatory testing requirements for high-risk products, as well as testing a proportion of all of our other own-label products before they go on sale.

- Investing in Craftsmanship: through projects that support local skills and community development. Suppliers and partner organizations are also helping brand A in reducing the impact of manufacturing processes on the environment and on the health of those working and living in and around the sites where its products

are made.

- Engaging customers on sustainability: Providing customers with opportunities to buy sustainable fashion and to reduce their environmental footprints.

Carbon footprint:

Brand A developed a new carbon strategy, to reduce its carbon intensity while focusing on reducing its energy consumption, and delivery and packaging emissions, while increasing it is renewable energy usage. Brand A has reduced its carbon intensity by approximately 4% (measured by grams of CO2 per customer order) by:

- Significantly lowering flight and courier emissions.
- Improving energy efficiency at Brand A's data center.
- Implementing more accurate data capture methods.
- Sustainable Clothing Action Plan to measure and reduce the carbon, water and waste footprint of Brand A's products.
- Energy saving in Brand A's buildings and stores
- Reducing packaging.
- Reducing how much packaging waste goes to landfill.
- Increasing the amount of packaging waste that is recycled and recovered thereby reducing how much packaging waste goes to landfill.

Animal welfare:

Brand A's Animal Welfare Policy applies to all of their branded and own-label suppliers. It states they must:

- Not use fur, including rabbit hair (angora) or Mongolian lambs' fur.
- Not use any part of vulnerable, endangered, exotic or wild-caught species in their products.
- Not use a feather and down, shell, horn or bones in Brand A's own-label products.
- Not test any products or ingredients on animals.
- They must: Only source certain types of leather, wool, cashmere, mohair and other animal hair from suppliers with a good track record of animal welfare.

Charities:

Brand A's colleagues are highly engaged in the wider community, as the brand makes sure to give its employees support, encouragement and opportunities to contribute in practical and effective ways. We have a number of workplace schemes to support those employees who want to donate their time or money.

Table 2: List of Brand A's Donations

20% **Of employees regularly donated from their pay to charity.**
2,258 **Employee volunteer hours donated.**
£22,578 **Fundraised by our employees.**
£134,556 **Charity funds raised through sample sales**

Brand B

- Founded: 1969
- Revenue: 1.528 billion GBP
- Number of employees: 10,001+

Workers' rights:

Brand B's CSR team works closely with the people in its supply chain – buyers, suppliers, and factories – to monitor progress, and to encourage learning from each other. All suppliers, factories, agents, and units must commit to and demonstrate continued adherence to, Brand B's Ethical Aims, which set out its standards for fair and safe working conditions. The Aims align with the International Labor Organization's conventions, and the Ethical Trade Initiative's Base Code, to improve the labor standards of workers around the world. Brand 3 had the following achievements in 2016:

Figure 3: List of Brand B ethical achievements

Reached 100% of factories through third party audit program: actively engaging with suppliers to improve working conditions in our supply base.
Reached over 160 factories with our training in worker awareness and labor rights
Expanded specialist projects on gender equality to 11 factories, including empowering homeworkers and millworkers in India, engaging in training for female supervisors in Bangladesh, and promoting health awareness in China and Vietnam.
Become learning members of the Better Cotton Initiative to improve global cotton production.
Delivered health and safety projects to nearly 200 factories around the world.
Became members of ACT, an initiative between international brands and retailers, manufacturers and trade unions to address the issue of living wages in the textile

and garment supply chain.
Operate a zero tolerance policy towards any form of modern slavery, forced/compulsory labor and human trafficking in our day-to-day operations and in our supply chains.
Became member of the Ethical Trading Initiative (ETI)
Adopted the ETI's Base Code of Labor Practice, which is based on the standards of the International Labor Organization (ILO) as the foundation of our Ethical Aims. Under those Aims, employment should be freely chosen; forced, bonded or child labor cannot be used.
Code of Business Ethics, which sets out the ethical standards we require our people and those we work with to live up to. As a result of the Modern Slavery Act 2015, we have developed a policy dealing specifically with guarding against modern slavery and human trafficking.
Created a Fair pay & safety policy: Keeping workers safe and improving the quality of their jobs is one of our main ethical objectives. In 2012 we worked with more than 200 factories employing 143,000 workers to make this a reality.

Carbon footprint:

Brand B works on all business aspects that may impact the environment and then work to reduce those impacts. This is done by improving energy efficiency, reducing waste and minimizing water use. Safeguarding the environment supports the sustainability of Brand B and it also makes good business sense. Brand B works hard to manage the environmental impacts of its stores, offices and distribution centers. Also, Brand B focuses on the environmental impact of the manufacturing and transporting of its products through our supply chain, which has a much bigger impact on the environment, where every stage of the life cycle of its products has an environmental impact associated with it, such as:

- The resources used to grow the cotton for Brand B's collections.

- The fuel consumed to distribute the latest designs to Brand B's stores.
- The way Brand B's customers care for their clothes.

Brand B is taking important steps to reduce the environmental impact of its garments in the supply chain through several operations; urging customers to understand and embrace more eco-friendly ways to care for their clothes.

Animal welfare policy:

Animal-friendly fashion: Brand B believes that it is never acceptable to harm animals in the manufacturing or testing of products and has excellent standards of animal welfare that goes hand in hand with creating fashion. Brand B developed an animal welfare policy to cover all the products they sell so that their customers can get the look of fur, leather, exotics, suede, wool or silk without any harm to animals. Brand B policy covers any animal-derived materials used in their products, where if those materials are part of their product ranges, they have to be sourced from farms with good animal husbandry. This means animals have:

a) Freedom from hunger and thirst: access to fresh water and a diet to maintain full health and vigor.
b) Freedom from discomfort: an appropriate environment including shelter and a comfortable resting area.
c) Freedom from pain, injury or disease: prevention or rapid diagnosis and treatment.
d) Freedom to express normal behavior: sufficient space and proper facilities for all

kinds of animals.

e) Freedom from fear and distress: making sure conditions and treatment avoid mental suffering.

Brand B also has a strict policy against Animal Testing, which recognizes that animal safety is of paramount importance while assuring the quality of their products without the use of animal testing.

Charities:

Brand B has a Foundation to support charities and community partnerships that make a positive difference to people's lives. Brand B has raised over £330,000 for their charity partners, and their community partnerships in India link closely to their work on Corporate Social Responsibility. Brand B is educating girls and women in the Far East and also has fundraising projects against Cancer.

Brand C

- Founded: 1991
- Revenue: £300 million
- Number of employees: 1,000+

Brand C has a dedicated team committed to ethical trade and, through their continuing efforts each year, they strive to make that the Brand ethically responsible through the following achievements:

- Joined the Ethical Trading Initiative and adopted the ETI base code. Where all suppliers working with Brand C sign up to this ethical commitment, which forms part of the terms and conditions of trade.
- Factories producing Brand C's products are monitored through independent ethical audits to help them adhere to this strict code of conduct.
- Constantly developing improvement plans that will provide long-term benefits for their employees.
- Working in partnership with an NGO that promotes humane production workplaces through training and mentoring.
- Brand C holds ethical trade workshops that give suppliers the chance to discuss issues, challenges and best practice openly.
- Listening to the views of our suppliers' employees and understanding their needs.
- Brand C uses Anonymous Survey technology among workers: Topics covered in the survey included worker-management communication, job satisfaction and opportunities for advancement.

Workers policies and procedures:

Brand C has created a workers policies and procedures, to be used across all suppliers:

- Companies shall develop or participate in and contribute to policies and programs, which provide for the transition of any child, found to be performing

child labor to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labor" being defined in the appendices.

- These policies and procedures shall conform to the provisions of the relevant ILO standards.
- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income.
- Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week
- There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.
- Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to

impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
- A clean, safe and healthy working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Brand C believes that everyone should be treated with respect and dignity, and joined the Ethical Trade Initiative and adopted the ETI Base Code as integral to our Responsible Sourcing Commitment. The ETI base code provisions, together with the ILO conventions that they are based upon are considered Minimum Requirements for working conditions within the supply chain.

Environmental impact:

Brand C has an Environmental law among all suppliers to ensure all reasonable effort is made to reduce their environmental impact of business activities. Suppliers must ensure all sites involved with the production are in compliance with local laws and

regulations and are kept up to date with current guidance. Brand C uses a green policy to make sure that its shipments are not harming the environment. The paper used for its catalogs and offer cards is a recyclable and renewable product, made using wood sourced from sustainably managed forests and chlorine-free, bleached pulp. Brand C ensures that its packaging is recyclable and is made from recycled materials too. Brand C joined forces with Rainforest Concern a few years back to help preserve and maintain 1300 acres of rainforest in Colombia and Ecuador.

Charities and initiatives:

Brand C's ethical trade team are constantly working to implement new initiatives that will help improve the lives of employees both inside and outside of factories, below are some of the charity involvements:

- Women's empowerment initiative: It aims to increase knowledge, improve behavior and provide wider access to critical health services for women working in factories. This initiative reached over 250,000 workers in 250 factories, in 14 countries, including China, India, Kenya, and Mexico; which is an initiative that is now recognized as a leading innovation for women's health by the UN Every Woman, Every Child initiative.
- Women in factories program: an initiative that focuses on training opportunities that give women the tools and confidence to grow their career. The aims of this program are: Female workers are empowered with the skills and knowledge to improve their opportunity for career advancement. Factories see the value of

investing in female workers and have the capacity to continuously improve their performance.

- Charity Commitments: Brand C is always looking for opportunities to engage with local communities. Most recently they worked with US charity No Kid Hungry, whose aim is to end child hunger in America.

CHAPTER VI

DISCUSSION

The data collected was compared according to Carroll (1991) who created the CSR pyramid with a sequence of economic, legal, ethical and philanthropic responsibilities. It has been discovered that the 3 Brands have followed Carroll's theory when it came to conducting their CSR and sustainability practices:

Table 4: Summary of CSR and sustainability Practices

Axis	Practices	Brand A £1.158 B	Brand B £ 1.52 B	Brand C £ 300 M
Social	Committed Ethical Trade Team	×	×	×
	Factory Audits	×	×	
	Health & Safety	×	×	×
	Child Labor and Young Workers	×	×	×
	Working Hours	×	×	×
	Supply chain Management Systems	×	×	×
	Freedom of Association	×	×	×
	Health & Safety Training	×	×	×
	Working Conditions	×	×	×
Economical	Pay and benefit system	×	×	×
	Living Wages	×	×	×
Legal	Association with non-governmental organizations	×	×	×
Environmental	Lowering environmental impact of raw materials	×	×	
	Engaging customers	×	×	
	Carbon reduction strategy	×	×	
	Reducing Packaging Waste	×	×	×
	Animal Welfare Policy	×	×	

Philanthropic	Charitable Donations	×	×	×

Knowing that Brands A and B are bigger and more profitable than Brand C, all brands have a similar coverage when it comes to the social, legal, and philanthropic CSR initiatives:

- On the social factor: All Brands have a committed ethical trade team, child labor policy, ethical trade policy, health, and safety training and a supply chain ethical code. However, Brand C lacked the option of having their ethical team visit factories in order to micromanage the supply chain on a "hands-on" basis. Such visits are essential since they target the working environment and workers safety in factories, they also protect workers from abuse and unethical actions such as working long hours, working in an unsafe environment, and being physically and emotionally abused by factory supervisors.
- On the economic factor: All Brands worked on achieving better working conditions in factories, as well as better pay and benefits system. The three brands have created internal policies, which protect the rights of all workers in achieving fair pay. This act will enable all workers to have a fair pay and benefits while working in the factories; in fact, if this action spreads among all factories in the Far East then the poverty percentage will decrease, leading to a better economic situation.
- On the legal factor: All brands have associations with non-governmental organizations, which guides them and advises them on their CSR and sustainability

projects. Some brands follow the UN global compact, the Ethical Trading Initiative (ETI), the International Labor Organization (ILO), the Universal Declaration of Human Rights, or create their own code of ethics and fair trade.

- On the Environmental factor: When it comes to the environmental initiatives it was clear that Brand C is doing less than the Brands A and B. As a matter of fact, brands A and B are implementing an environmental plan on a larger scope, including: Lowering environmental impact of raw materials: Such as the production of Cotton, Leather, and Denim; where several strategies are being adopted by Brands A and B, in order to decrease the negative impact of manufacturing on the safety of the worker and the environment.

Engaging customers on sustainability: where brands A and B are educating customers on sustainable ways to lessen the environmental impact of high consumption.

Carbon reduction strategy: Brands A and B are reducing their carbon emission through a more sustainable supply chain, as well as through sustainable transportation of goods, and the use of less energy along the whole supply chain. Also through including the energy efficiency policies in buildings and stores.

Reducing Packaging Waste: By using recyclable packaging, most packages are being reused and approximately none go to waste.

Animal Welfare Policy: the animal life is not being taken for granted by Brands A and B, as they have a strict policy when it comes to the wellbeing of animals, including a strict animal testing policy. Animal protection is a serious problem in the fashion industry

due to the compulsive use of leather and fur; yet brands A and B have a zero tolerance policy towards the use of any animal part, including feather, wool, and cashmere, while stressing on the idea of cruelty-free processing.

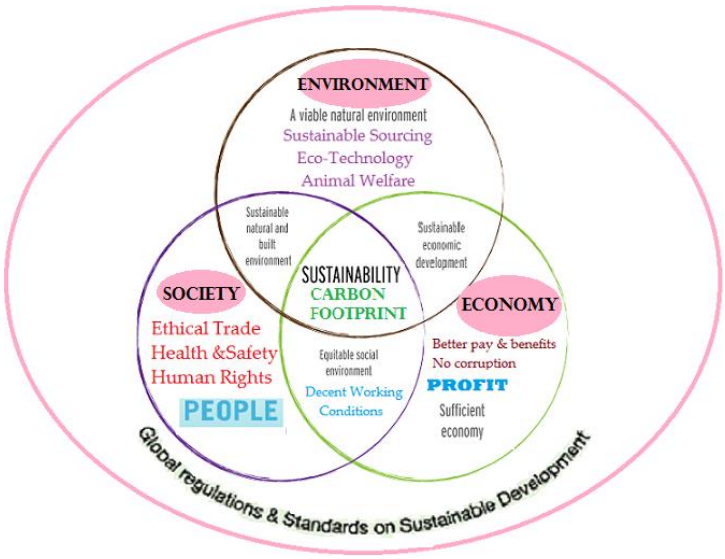
On the other hand, Brand C has ignored all of the above environmental initiatives, due to the scarcity of budget in comparison to the ones of Brand A and B. According to Welford and Frost (2006), larger firms are better positioned to implement CSR than smaller firms, who are less able to overcome obstacles such as lack of resources and skills, lack of awareness of stakeholders' demands and inefficient production techniques.

The philanthropic factor: All brands have their share of different charity activities, which includes donations, volunteering, fundraising to various organizations.

In comparison to the Triple Bottom Line, the framework used in the literature review which covers the social, environmental (or ecological) and financial axis of sustainability; it was recognized that the CSR and sustainability initiatives done by Brands A, B, and C work closely along the triple bottom line in order to tackle the negative Environmental, Social, impacts of the Fast fashion Industry while managing on keeping a good revenue record.

Figure 5: The Measurements of the Triple Bottom Line

Adapted from De Brito (2008)



This figure explains how Brands achieve sustainability through applying social and environmental initiatives, such as ethical trade and sustainable sourcing while maintaining profits. Therefore, continuously using profits in order to keep on contributing to the society and the environment. On the other hand, one finding emerged from the interviews conducted with the CSR directors, revealing the essential role of technology in achieving a sustainable supply chain in the Fast Fashion Industry. As a matter of fact, answers regarding the challenges of a sustainable fast fashion industry were aligned around various areas such as:

1- The globalization of the supply chain.

2- The budget burden to implement a sustainable supply chain.

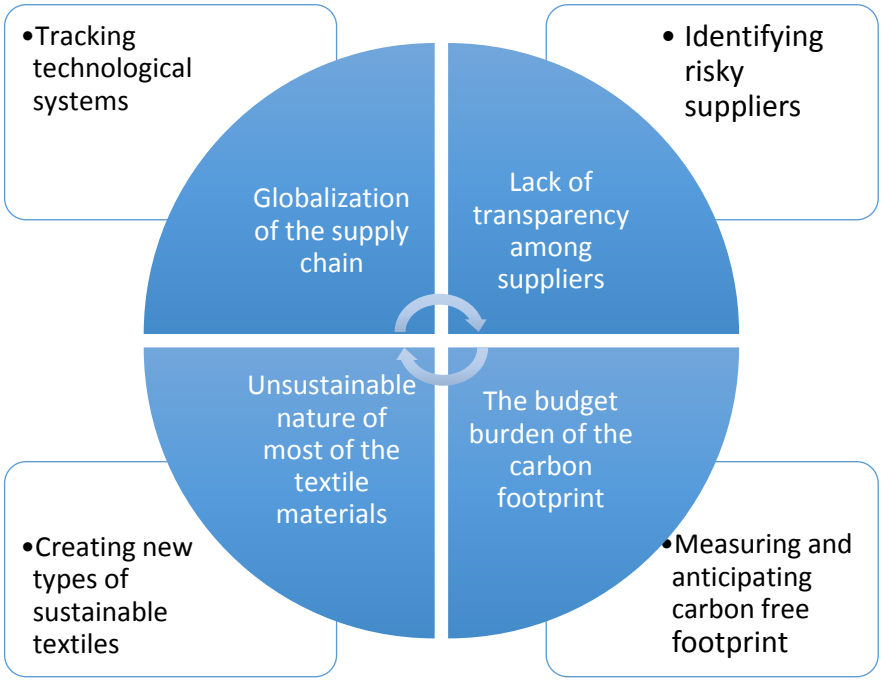
3- The lack of sophistication in the media, the lack of transparency among suppliers.

4- The unsustainable production of most of the textile materials.

Yet, when CSR directors were asked about the future opportunities in the fast fashion industry, all three answers were related to Technology; implying that the future of sustainability could be achieved through a better use of technology.

Figure 6: Technology and Sustainability

Adapted from Scott (2016)



According to Scott (2016), several issues in the fast fashion supply chain could be resolved through the accurate use of technology:

- Lack of transparency among suppliers: Brands A, B and C showed concern on this matter, as it is not always accurate to trust suppliers in the global supply chain. According to brand B, it is hard to communicate with suppliers in many countries around the world, for most of them have different economic and cultural values. Suggesting the use of an advanced supply chain information management system, where brands will be able to screen suppliers automatically based on their country of operation, products, existing audits, and using pre-existing data, this system can increase the communication between brands and suppliers while decreasing the risks of the fast fashion supply chain such as: abuse, slavery, and child labor. According to Brand C, better barcoding technology used on items will help brands to have a better control over the supply chain. Leading to a more transparent communication between brands, suppliers, factories and lower tier suppliers (such as mills, trims producers, printers etc.) For example, “the software company EVRYTHNG and packaging maker Avery Dennison have together launched an effort to tag clothing so consumers can trace how individual items were produced all along the supply chain." (Remy et al., 2016)
- Globalization of the supply chain: Brand A, B and C considered that Technology can be used to create, schedule and conduct audit in factories no matter how far they are from the head office, through sending live photos and videos of what is happening

in the factories. Knowing that Brands A and B already conduct factory visits by their ethical team, yet technology will be able to enhance the work of the factory audits ethical team.

- Measuring and anticipating carbon free footprint: The strength of the carbon footprint initiatives depends on the brand's budget, where Brand C have stated that the lack of budget is one of its the biggest challenges. Consequently, Brand C suggested the idea of operating software tools to help brands determine the carbon footprint of each supplier while using this software to anticipate what is the carbon footprint of all future purchases might be generated, in order to inform their decisions accordingly.
- Sustainable fabric: Brand A suggested creating new sustainable textiles that could be more recyclable. Both Brand A and B agreed that several Brands have been making use of technology in order to achieve a more sustainable supply chain. According to Remy et al. (2016), chemical recycling could be driven by future technology advances, which is a better kind of textile recycling than the mechanical recycling and has a higher quality that makes it more appealing. According to Remy, et al. (2016), firms started investing in the development of new fibers that will lower the environmental effects of production and garment making, giving the example of the Walmart who granted nearly $3 million to five US universities in order to support research on improving the textile manufacturing in order to achieve sustainability and efficiency. In addition, Marks and Spencer, have been dealing with innovation and technology in several ways in order to achieve a more sustainable supply chain;

and started using new types of fiber that are considered more sustainable and durable than traditional fibers. Where Marks and Spencer (2016), have listed the use of the following sustainable fibers in their production process:

Table 5: The innovation of new sustainable fibers

Adapted from Mark and Spencer (2015)

New fiber	Fiber Description
Hemp	According to M&S, hemp feels a bit like linen and can be beautifully soft when blended with other fibers like cotton. Even better, hemp is produced in a way that growing the natural fibers helps reduce the impact on the environment than other fibers.
Modal	It is a blended fabric that has softness; good drape and is comfortable for wearing. According to M&S, Modal® is produced in a way that reduces the impact on the environment, used in clothing across lingerie, women's wear, men's wear, children's wear.
Tencel	According to M&S, Tencel® is man-made fiber made from sustainable forests. The process of producing this fiber is very sustainable, and it feels similar to leather, suede or silk.
Jute	M&S explained that Jute is being produced in large quantities and might be taking the place of cotton soon, as it has little need for fertilizer or pesticides, and therefore has a lower environmental impact, which makes it a better alternative to cotton.

- Design and production wastes: Brand B believes that the electronic innovations will bring a big benefit to the fast fashion industry through decreasing the design and production wastes; for according to Papachristou and Bilalis (2016), "3D Virtual Prototype, 3D visualization, 3D Body Scanning and virtual try-on technology solving the proper fit problem, while providing efficiency in its supply chain, can help the clothing sector meet green targets, without damaging the environment through wasteful manufacturing processes." On the other hand, instead of

philanthropic activities, brands could benefit sustainability through investing in the creation of carbon-free production technologies, sustainable fabrics, and a well-controlled supply chain coding.

CHAPTER VII

IMPLICATIONS AND CONCLUSIONS

A. Conclusions

The fast fashion industry has been widely expanding during the last two decades. Globalization, consumer capitalism, and an ample of marketing campaigns have led this industry to become one of the biggest worldwide. The high market demand has resulted in the founding of several brands, aiming for the maximum amount of production and the lowest amount of cost; thus, shifting the production to developing countries that are known for lenient labor and environmental laws. This strategy has led several brand founders to occupy a spot on the world's list of Billionaires, such as Amancio Ortega the founder of the famous Zara, and the second richest person in the world listed right after Bill Gates (Gam et al., 2009; Kahn, 2009; Pookulangara et al., 2011).

The fast fashion industry has several advantages such as big profits, economic growth, and employment opportunities; however, it comes with numerous amounts of cons. Recently, the media started revealing horrible actions within the supply chain; such as child labor, slavery, and exploitation of humans, animals, and the environment. When the media started shedding the light on such problems, most of the fast fashion brands started working on ways in order to enhance their supply chain; consequently, CSR and Sustainability initiatives have been adopted by those brands in order to ensure a greater business value.

The purpose of this study was to examine the similarities and differences of the CSR and sustainability initiatives among three fast fashion brands in the United Kingdom; as well as, examining the challenges and opportunities of conducting such CSR and sustainability initiatives in the fast fashion industry. The findings of this study have shown that all brands conduct CSR in a similar manner, yet the only difference was the size of sustainability initiatives, which varies with respect to their budget. When it came to their challenges and opportunities, most brands showed difficulty in controlling their global supply chain, and in insuring a sustainable supply chain. On the other hand, most brands stated that technological innovations might bring good opportunities for attenuating the challenges in the fast fashion supply chain; and therefore the future of the sustainability in the fast fashion industry will be depending on the forthcoming technological innovations.

B. Limitations and Recommendations

This study is subject to several limitations. The first is the sample size. Although it provides useful insights for both scholars and practitioners, there is a need for new studies that deepen the results of this study by analyzing more company reports and other company documents. Second, there is a significant research limitation on the relation between technology and sustainable supply chain, in this case, further research on how innovation will aid in achieving sustainability in the fast fashion industry would be very helpful in giving innovative business plans for CSR and sustainability practitioners.

This study has several implications for CSR and sustainability Managers in the fast fashion industry; those managers can take advantage of this case by investing in research

that aims to discover new technologies. This kind of CSR will help in achieving a sustainable supply chain and might be more beneficial to society in the long run, as spending charities that will only aid the society on the short term. Another implication would be to carefully examine all the entities that are involved in the supply chain, as it is very easy for fast fashion brands to lose control over how their products are being produced.

This study also has implications for consumers, as it educates them on what is really happening in the fast fashion industry; as the strongest cause of mass production is the mass consumption, which is why it is essential to raise awareness on the negative effects of mass consumption on the society and the environment. Such awareness will also help consumers choose which brand to buy and which brand to avoid, based on the brands' social and environmental practices in their supply chain.

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APPENDIX

Brand A

Q1: What are the factors of a successful CSR initiative?

"Brand A's sourcing strategy focuses on three key areas: ethical trading, sustainable sourcing and animal welfare. It is important to be specific about what you mean by 'CSR' and 'sustainability'. Every company will interpret these differently. Essentially there are two main areas of work in CSR – firstly reducing the harm caused by your activities, and secondly adding social value through community investment. These two areas have very different challenges and indicators of success.

We have programs on both sides of corporate responsibility. We follow the UN Global Compacts priority areas of human rights, labour conditions, environmental impact, and business integrity. However we also consider issues such as young people's confidence and body image, equality and inclusion. Every CSR initiative:

- *Needs to be central to the business, not a separate 'add on' activity*
- *Needs to be lived and breathed and endorsed by the CEO and senior management team*
- *Needs to be appropriately resourced*
- *Needs to have expert advice, either from internal experts or others*
- *Often it is not enough to work alone – most serious issues are systemic ones.*
- *Needs to collaborate with other companies, trade unions, local and national NGO's to drive real change.*

- *Use 'critical friends' e.g. NGO's to ensure you have the right perspective.*
- *Audits are an important supplier and factory monitoring tool but need to be used as part of an overall continuous improvement program.*
- *Our regional teams build long-term relationships with our suppliers to enable us to better identify, understand and tackle evolving local and factory level issues."*
- *Our ethical trade program aims to ensure that every worker in our supply chain is respected and protected. We do this by:*
- *Mapping our supply chain for better visibility of where our products and raw materials come from.*
- *Regularly visiting factories to assess how they are performing against our standards and to provide support for implementing improvement plans if required.*
- *Providing a hotline to over 800 factory workers in the UK through which they can raise concerns about their working conditions anonymously. We plan to roll our hotlines and worker surveys to other key sourcing regions in the near future.*
- *Collaborating with others to bring about sustainable improvements in workers' lives. For more information see collaborating with others.*

Q2: What are the opportunities & challenges that you are facing while conducting CSR and sustainability initiatives?

Opportunities:

- *Making your employees feel proud to work with a company of integrity and thus improving engagement and retention*

- *Customers have higher expectations of companies than ever before – so you are living up to these expectations and building your brand appropriately*
- *Usually there are clear benefits of doing things well rather than doing them cheaply. Example, where there are good supply chain working conditions, staff turnover is lower, quality is higher, and less is spent on re-training and correcting mistakes*
- *To be doing the right moral thing*
- *Creating new sustainable textile that could be more recyclable*

Challenges

- *The work can be complex, there are systemic challenges at all levels, and it takes a lot to make fundamental changes in the way things are done. This is completely different to the kind of CSR where you donate money to a charity and get a report at the end.*
- *Often you are working at a very long geographical distance from the issue you are trying to deal with. Perspectives of stakeholders vary enormously in different regions. Social norms in different countries vary enormously, eg in regard to 'what is a child' or 'what is a normal working week'.*
- *The lack of sophistication in the media in response to complex ethical trading issues make it extremely difficult to bring them into an arena where they can be discussed and addressed at industry wide or society wide level."*

Q3: What are the lessons learned from previous CSR projects and how will you address these lessons for future ventures?

"It is easy to find shock horror stories in any supply chain; it is a lot harder to change them."

Brand B

Q1: What are the *factors* of a successful CSR/ Sustainability Initiative?

"Our strategy at Brand B is to put workers at the center of our agenda. We first listen to their needs and understand their challenges; and then work with suppliers, supporting them to become better businesses that offer more secure, sustainable jobs. It works the other way too - we can also learn a lot from our suppliers, such as understanding more about the specific local challenges they face and how they are tackled. Our relationship with suppliers is always an equal partnership – we work together closely, using their feedback to shape and influence our strategies. There are many factors influencing the success of the implementation of a CSR initiative. To us, CSR is about improving the lives of workers throughout the supply chain while working in a way to protect the environment and promote animal welfare. In order to create long-lasting positive change, we need to address the root causes of the challenges affecting global supply chains. This requires close collaborations with our suppliers and other stakeholders across the fashion industry. It means we often work on holistic projects that simultaneously tackle more than one of the three pillars of our CSR strategy. We make long-term commitments and set ambitious targets to encourage continuous progress and increase our impact for each pillar. Our CSR team uses regular impact assessments to collect results from projects around the world and identify areas for improvement. In a nutshell, a successful initiative is one that

is inclusive of all stakeholders, strategic to the company, addresses root causes of pressing challenges, causes positive impact, imparts knowledge and empowers relevant stakeholder groups, can be self-sustained and scaled to a wider population."

Q2: What are the *opportunities & challenges* that you are facing while conducting CSR and sustainability initiatives?

"The industry has made great improvements in recent years. Ethical issues are normally intertwined between the social and economic roots of specific countries; hence it's difficult for individual companies to make much of a difference on their own. We believe the industry is learning rapidly and tackling ethical issues in a collaborative way, which wasn't done before. One of the main challenges the industry faces is the size of global supply chains. We work with factories in many countries around the world, most of them with different economic and cultural values. One of the main challenges is the lack of one-size-fits all solution. Different countries require different approaches, hence different partnerships are needed with local, national and international organisations which help us gather all the necessary knowledge for our projects to be successfully implemented in order to make a difference to the workers."

Q3: What are the *lessons learnt* from previous CSR projects and how will you address these lessons for future ventures?

"We see collaboration as the future path for successfully overcome the ethical issues underpinning this industry. Only through collaboration with other industry players, such as NGOs, trade unions and other brands we can achieve a positive and long-lasting

change within the garment industry. The Accord on Fire and Building Safety in Bangladesh is an example of a successful collaborative initiative to bring about positive change in the industry, putting the health and safety of the workers first.
It's important for us that our projects have a long-lasting and positive impact upon workers. Many of our collaborations aim to pave the way towards setting new industry standards that will make a true difference on the ground."

Brand C

Q1: *"By sourcing responsibly, reducing waste and helping communities, we believe we can do our bit to help protect the planet. We work with our partners, employees and customers around the world to achieve our goals."*

Q2 & Q3: *"The biggest challenges are budget and lack of information, plus transparency. If you want to dig deep in our supply chain and uncover issues, especially issues that are "softer" such as gender discrimination and debt bondage, you need to first uncover the issues. This is actually very difficult as it's hardly ever detected in audits. Because of this, it's hard to tackle the issues (as you kind of do it in the blind, maybe offering training but never knowing if things have actually improved or not). By not knowing exactly what issues are going on in the different factories your sourcing from, and not being able to trace progress, it's also hard to get budget - it's hard to get senior management interested and seeing the importance of tackling an issue that you can't say for 100% that X is happening in Y factory to Z amount of people. Another very difficult task in ethical trading within the fashion industry is transparency - actually knowing where your products are being made (the problems with unapproved subcontracting) and then also knowing where*

units are further down the supply chain (weaving, yarn making, ginneries, cotton production, tanneries, trims components, homeworkers).

Opportunities: I think the most vital tool in tackling the challenges faced with transparency will be the use of enhanced technology. Better data systems, better barcoding on more items and easier communication between brands, suppliers, factories and lower tier suppliers (such as mills, trims producers, printers etc.)"