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SUSTAINABILITY

## Global Fashion Agenda, Deloitte launch Fashion Impact Toolkit

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Green solutions are at the core of the new utility. Image credit: Global Fashion Agenda

By ZACH JAMES

Nonprofit fashion sustainability organization Global Fashion Agenda and global consulting firm Deloitte are partnering to help those within the industry find areas of ecological improvement.

This month, the duo unveiled the Fashion Impact Toolkit to the public, providing businesses with the ability to identify and manage their environmental impact across the value chain. The release coincides with a report detailing actionable strategies for addressing adverse climate effects, from raw material production to the aftermath of consumer use.

"We hope that the Fashion Impact Toolkit will be a valuable resource for the textile industry as it navigates increasing regulatory and stakeholder pressure," said Federica Marchionni, CEO of the Global Fashion Agenda, in a statement.

"By identifying and acting upon the most critical sustainability implications across the value chain, companies can foster greater resilience, trust, and long-term transformation," Ms. Marchionni said. "We are proud to collaborate with Deloitte to support this much-needed shift."

The Fashion Impact Toolkit report is based on Deloitte and the Global Fashion Agenda's internal expertise and data, as well as information sourced from the United Nations Environmental Program, the Organisation for Economic Co-operation and Development, ThredUp, UNICEF and the Ellen McArthur Foundation, among others. Strategy suggestions are structured according to the European Financial Reporting Advisory Group's European Sustainability Reporting Standards.

## Identifying the problem

By using the Fashion Impact Toolkit, luxury labels are able to track nearly 3,000 potential effects of their practices across the supply chain.

Starting at raw material production, companies can follow their products' lifespan, including manufacturing, distribution, consumer use, end-of-life management, recycling and high-value recovery activities.



As spotlighted in the report, clothing sales have more than doubled since 2000, but the number of times a garment is worn has decreased by 40 percent. Image credit: Global Fashion Agenda

In line with European Sustainability Reporting Standards, the toolkit features a seven-step framework: "identify the position in the value chain, generate material- and geography-specific insights, translate potential sector-wide impacts to company-specific ones, quantify the identified potential impacts, define the risks and opportunities, shape the ambition and strategy and collaborate for systemic change."

The interactive, free program allows maisons to better assess their presence in the global circular economy and take stock in what they are doing well and where specifically they can improve and synergize their operations around the world.

Through the launch, Global Fashion Agenda and Deloitte are seeking to not only increase visibility on the many adverse environmental impacts throughout the value chain, but also better prepare for clothing's life after use, proposing recycling and recovery as key points to combat waste. According to sustainability nonprofit Circle Economy, 61 percent of textile waste was sent to landfills or incinerated in 2024.



Only 0.3 percent of the global textile industry is circular. Image credit: Deloitte

"An early outcome of Deloitte's collaboration with the Global Fashion Agenda, the Fashion Impact Toolkit is designed to help textile company leaders better understand their footprint across the value chain and help inform how they adapt their strategies to be more resilient," said Cecilia Dall Acqua, partner and strategy sustainability leader at Deloitte Spain, in a statement.

"These adapted strategies can help organizations identify opportunities to enhance performance, helping drive industry-wide progress."

## Future forward

With sustainability top of mind for affluent clientele and aspirational consumers, both groups are looking outside of traditional channels for their luxury spending.

Last year, upcycled clothing accounted for more than a quarter of the total high-end fashion expenditure in the United States (see story). With this focus on pre-loved goods, coupled with macroeconomic pressures, customers' interests in prestige retail are being pushed to the side (see story).



Some brands have been hesitant to adopt environmentally friendly practices despite wide-ranging demand. Image credit: eBay

Next year, the clothing business will receive a green boon, as digital product passports tokens that track an item's material sourcing and impact will become mandatory within the European Union. Recent findings showed that 90 percent of fashion brands view the upcoming compliance necessity as a burden (see story).

Despite this attitude, luxury clientele's demand for ecologically stable products is only growing with global consulting firm Bain & Company stating that "sustainability is no longer an option it's an expectation" (see story).

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