

# FABRIC

*Fostering Action on Biodiversity  
through Responsible  
Investment in Clothing*

## Textile and Apparel Collaborative Engagement

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## Investors' Expectations - PHASE 1

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## **FABRIC (Fostering Action on Biodiversity through Responsible Investment in Clothing) Textile and Apparel Collaborative Engagement**

### **Investors' Expectations – PHASE 1**

- 1. Ambition**
- 2. Assessment & Traceability**
- 3. Targets & Action Plan**
- 4. Disclosure**
- 5. Governance, Influence and Stakeholders Engagement**

#### **1. AMBITION**

- a. Publicly commit to reducing the negative impacts on nature of the company's activities through the whole lifecycle of their products from sourcing to end-of-life and aim to align with the Global Biodiversity Framework's targets by 2030.

#### **2. ASSESSMENT AND TRACEABILITY**

- b. Assess your impacts, risk, dependencies and opportunities according to the TNFD LEAP Process and/or following the guidelines of the World Benchmarking Alliance's Collective Impact Coalition.
- c. Assess and publicly disclose the fibres mix used by the company alongside the volumes per type of fibre.
- d. Establish, implement and disclose an action plan to improve the traceability of the fibres and raw materials used, aiming at a farm-level precision, by prioritising the highest volume and the most impactful fibres to create a precise cartography of the supply chain. Conduct regular audits of the information acquired.
- e. Assess and disclose the impacts and dependencies of the company by establishing holistic Life Cycle Analysis of the products manufactured and/or sold, by geographical area.

#### **3. TARGETS AND ACTION PLAN**

- f. Set some science-backed, time-bound, clear targets to reduce negative impacts on nature with a concrete action plan tackling in priority the main impact drivers of the company. Among these:
  - Publicly commit to phasing out the use and purchase of virgin fossil fuels
  - Publicly commit to zero-deforestation and conversion in the whole value chain of the company by the end of 2025 in accordance with the Accountability Framework Initiative principles

- Publicly commit to a more circular business, notably by:
  - Extending the lifespan of the products through design and customer awareness raising
  - Using fibres and raw materials from recycled or sustainable sources
  - Drastically reducing textile waste in the production process
  - Improving end-of-life management by implementing collection mechanisms, promoting relevant local schemes and regulations and implementing a ban on disposal of unsold items.
- Set Science Based Targets on nature (SBTn) on Land Use and Freshwater, prioritising the biggest impact driver(s) of the company according to their impact assessment.

#### **4. DISCLOSURE & COMMUNICATION**

- g. Report publicly on biodiversity-related data in alignment with the TNFD framework
- h. Report publicly on the number of collections issued per year and the volume of products sold.
- i. Increase customer awareness on circularity impacts of and good practices
- j. Disclose your initiatives, investments (CapEx, OpEx) dedicated to transition towards nature-positive and their level of deployment.

#### **5. GOVERNANCE, INFLUENCE & STAKEHOLDERS ENGAGEMENT**

- k. Establish Board oversight and disclose management's role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.
- l. Disclose all lobbying activities especially on circularity in the countries where some products are sold without having a proper recycling scheme. Actively engage governments on « Extended Producer Responsibility » and act alongside other stakeholders to create a market dynamic allowing a better implementation of a circular economy.
- m. Engage with your suppliers and establish a strong sourcing policy; accompanied by concrete escalation measures in case of non-conformity; to ensure that both human rights and nature related topics are managed in the most sustainable way.
- n. Ensure that the cost of the transition towards a Nature Positive activity is attributed in a fair way; that does not penalize the suppliers; and accompany them towards those changes to ensure the efficiency of the actions undertaken.

## **ADDITIONAL SPECIFIC INVESTORS EXPECTATIONS BY SUB-CATEGORY OF ACTIVITIES**

### **Raw Materials, Fibres and Fabrics producers**

1/ Assess the water footprint (blue, green and grey) of its direct activities and have a plan to expand this assessment to its supply chain; and identify if some of these activities are located in water-stressed areas. If so, implement a water management policy addressing these sites in priority.

2/ Set time-bound targets with a subsequent action plan to reduce the use of pesticides, synthetic fertilisers and hazardous chemicals (especially during the dyeing process of the fibres) and phase out from the most hazardous molecules.

3/ Disclose the share / volume of the production that has been certified by a third-party on the sustainability of its production (e.g. Better Cotton Initiative)

4/ For animal-based fibres production: Assessment and management of the impacts induced by extensive grazing: habitat fragmentation, soil pollution caused by the effluents released, soil erosion, impact on wildlife and invasive species...

5/ Implement safeguarding measures and conduct thorough audits to ensure their implementation to safeguard human rights in the supply chain, especially the FPIC principles for indigenous peoples.

### **Synthetic Fibres Producers**

1/ Assess and report on the percentage of recycled materials in the total materials employed to manufacture the products. Disclose the origin of these recycled materials (fibres to fibres for example). Set targets to increase this percentage.

2/ Set time-bound targets with a subsequent action plan to manage and reduce the impact of the microplastics due to the manufactured fibres.

## Sportswear

1/ Set time-bound targets with a subsequent action plan to increase the percentage of recycled materials from a fibre-to-fibre circular production for the synthetic fabrics employed.

2/ Assess the impact of the chemical treatments employed to enhance performance features like moisture-wicking and antimicrobial properties; explore the options of substitution when feasible and implement safeguarding measures to minimise the impacts of their use; implement the guidelines of the **Zero Discharge of Hazardous Chemicals** Roadmap to Zero.

3/ Monitor and implement a policy regarding the number of collections issued each year to reduce waste.

## Luxury

1/ Identify and map the sourcing (to the farm) of wild species, exotic leather, rare skins and other potentially high-risk commodities on wildlife ensuring the alignment with the [CITES](#) convention.

2/ Set up a strong sourcing policy with a commitment to reduce the reliance on virgin materials and phase-out from rare skins and exotic leather.

3/ Review agricultural practices in the supply chain and support suppliers in transitioning to regenerative agriculture via incentive mechanisms.

4/ Implement an ambitious policy on the chemicals used during the garment treatment (especially for the dyeing and finishing agents) by implementing the guidelines of the **Zero Discharge of Hazardous Chemicals** Roadmap to Zero.

5/ Explore opportunities related to the circular economy: second-hand market, post-consumer products collection and repair services.

## Footwear

- 1/ Establish full traceability for leather to the animal's birthplace and implement incentives for suppliers to ensure sustainable farming practices and animal welfare.
- 2/ Advocate for the establishment of a more stringent cattle monitoring system in countries where traceability is more challenging.
- 3/ Assess and report on the proportion and origin of plastics used in the manufacturing process of the footwear; commit to phase out from virgin plastics.
- 4/ Develop biodegradable alternatives to plastics for the soles to reduce the micro-plastics pollution induced by their degradation.
- 5/ Expand the use of plant-based products to replace leather and synthetic materials at scale, using by-products of the food system. (E.g. coconut, cork...)

## Fast Fashion and Apparel Retailers

- 1/ Disclose the number of new items commercialised per year, the total annual production volume per unit of production and in kgs. Implement a policy regarding the number of collections issued each year to reduce waste.
- 2/ Implement an ambitious policy on the chemicals used during the garment treatment (especially for the dyeing and finishing agents) by implementing the guidelines and joining the [Zero Discharge of Hazardous Chemicals](#) Roadmap to Zero.
- 3/ Assess the water footprint (blue, green and grey) of its direct activities and have a plan to expand this assessment to its supply chain; and identify if some of these activities are located in water-stressed areas. If so, implement a water management policy addressing these sites in priority.
- 4/ Set targets to phase-out from virgin plastics for synthetic fibres and commit to increase the proportion of sustainably sourced natural materials in the fibre mix including certified sources (E.g. GOTS, Oeko-Tex Standard 100, bluesign or the EU Ecolabel)
- 5/ Disclose the annual SKU (Stock Keeping Units) and make a commitment with the subsequent action plan to reduce it.
- 6/ Establish a full mapping of Tier 1 suppliers with the location of their activities and implement a traceability system requiring them to report on the origin of their products.

8/ Implement a collection mechanism for post-consumer use products, work at a local level with other industrial actors to ensure an efficient circular system to ensure the recycling of the items collected.

9/ Set targets on products sold containing sustainable fibres including certified sources (E.g. GOTS, Oeko-Tex Standard 100, bluesign or the EU Ecolabel)