



Pursuing Sustainability:
The Prospects of Global
Fashion Corporations
An In-depth Analysis of Patagonia and H&M

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Abstract

In an era where fashion crosses continents and cultures, the global fashion business gives space for creativity, innovation, and self-expression. Beyond the fascinating and attractive exterior, the fashion industry is a worldwide environmental and social threat. As it tries to stay up with trends, it causes environmental damage and labor abuse. While global fashion companies have taken steps toward more sustainable business models, they are often targeted by greenwashing accusations and scandals in their supply chain. By investigating the intricacies of these global operations, this study reveals the difficult challenges and promising solutions, in order to uncover the authentic essence of sustainability within the fashion industry. From the analytical exploration of the sustainability efforts of two global fashion companies, Patagonia and H&M, it was possible to acknowledge the degree of polarization in the industry. Qualitative research was used to acquire valuable insights and possible approaches through in-depth interviews with experts. These initiatives include collaborative efforts within and across industries, a focus on circularity, priority on recycled materials and waste, transparent supply chains, and the crucial shift toward sustainable production practices. All of which offer actionable pathways for fashion companies in the direction of greater sustainability and ethical responsibility.

Title: Pursuing Sustainability: Unveiling the Feasibility of Global Corporations' Sustainable Practices, An In-depth Analysis of Patagonia and H&M

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Keywords: sustainable fashion, Patagonia, H&M, comparative analysis, sustainability practices, environmental responsibility, fast fashion, slow fashion.

Resumo

Numa era em que a moda atravessa continentes e culturas, o negócio global da moda abre espaço para a criatividade, inovação e auto-expressão. Por detrás do seu exterior fascinante e atraente, a indústria da moda é uma ameaça ambiental e social a nível mundial. Ao tentar acompanhar as tendências, causa danos ambientais e abusos laborais. Embora as empresas de moda globais tenham adotado medidas no sentido de modelos de negócio mais sustentáveis, são frequentemente alvo de acusações de greenwashing e de escândalos na sua cadeia de abastecimento. Ao investigar as complexidades destas operações globais, este estudo revela os desafios difíceis e as soluções promissoras, a fim de descobrir a verdadeira essência de sustentabilidade na indústria da moda. A partir da exploração analítica dos esforços de sustentabilidade de duas empresas globais de moda, a Patagonia e a H&M, foi possível reconhecer o grau de polarização na indústria. A investigação qualitativa foi utilizada para adquirir conhecimentos valiosos e possíveis abordagens através de entrevistas aprofundadas com especialistas. Estas iniciativas incluem esforços de colaboração dentro e entre indústrias, foco na circularidade, prioridade aos materiais e resíduos reciclados, cadeias de abastecimento transparentes e a mudança crucial para práticas de produção sustentáveis. Todas elas oferecem vias de ação para as empresas de moda no sentido de uma maior sustentabilidade e responsabilidade ética.

Título: Em busca da sustentabilidade: Desvendando a viabilidade das práticas sustentáveis de empresas globais, uma análise aprofundada da Patagonia e da H&M

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Palavras-chave: moda sustentável, Patagonia, H&M, análise comparativa, práticas de sustentabilidade, responsabilidade ambiental, fast fashion, slow fashion.

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1. Introduction

1.1 Problem Definition and Relevance

The fashion industry, a globally significant and ever-evolving sector, represents not only a domain of self-expression and creativity but also holds considerable influence in shaping the environmental scenario. The impact of this industry on the environment encompasses several stages such as sourcing raw materials and disposal and distribution of garments.

As consumer demand for new trends and styles intensifies, the fashion industry has witnessed a paradigm shift in its production models. Two distinct approaches have come to the forefront: slow fashion and fast fashion.

Slow fashion companies, exemplified in this study by Patagonia, prioritize sustainability and environmental responsibility, seeking to create timeless, high-quality pieces with a reduced ecological footprint. On the other hand, fast fashion giants like H&M follow a rapid production model, churning out low-cost, trendy clothing to cater to fast-changing consumer preferences. The fast fashion industry, driven by relentless cycles of production and consumption, has become one of the most polluting sectors globally. The massive consumption of natural resources, the emission of greenhouse gases, and the generation of vast amounts of waste have serious implications for the environment. Furthermore, the fashion industry's reliance on chemically intensive processes and unsustainable raw materials exacerbates water pollution and ecological degradation.

While the slow fashion movement has gained momentum again in recent years, and some companies have taken commendable strides toward sustainability, there is still a long way to go in addressing the environmental challenges posed by the fashion industry.

1.2 Objective and Research Questions

The main objective of this study is to critically evaluate the potential for sustainability within the fast fashion sector and to discern whether fast fashion companies can transform their practices to align with sustainable principles. This study seeks to provide a comprehensive exploration of sustainability in the context of the fast fashion industry, defining what sustainability means within this sector and examining the challenges and opportunities for its realization. The study focuses particularly on the practices of Patagonia and H&M and

analyzes the contrast in their sustainable practices and compromises, business models, and overall approaches. Through this analysis, the aim is to assess the fashion industry's potential to adopt sustainable practices and lower its impact on environmental changes and social causes. Therefore, the research questions are:

RQ1: Can fast fashion companies transition to sustainable practices?

This research question intends to investigate whether companies in the fast fashion industry, known for its rapid production and consumption cycle, can make a shift towards more environmentally and socially sustainable practices. It's essentially asking if it's feasible for these companies to adopt practices that reduce their negative impact on the environment and society. For this, it compares the practices of two global corporations, one with the fast fashion model and the other with the slow fashion model.

RQ2: What are the obstacles to achieving sustainability?

The main objective of the second research question is to identify and understand the challenges and barriers that block the fashion industry's progress forward with sustainability. It seeks to uncover the various factors, such as economic, logistical, or cultural, that may obstruct the adoption of sustainable practices in the fashion sector.

RQ3: What should Global Fashion Corporations do to become more sustainable?

This research question takes center stage as it tries to identify the high-impact actions that global fashion corporations should prioritize in their journey toward sustainability. It emphasizes that these actions are not only advantageous but necessary for major companies to reduce their environmental and social footprint and contribute to a more sustainable fashion sector. This question essentially aims to provide a roadmap for global fashion giants to move their practices in a direction that aligns with sustainability goals.

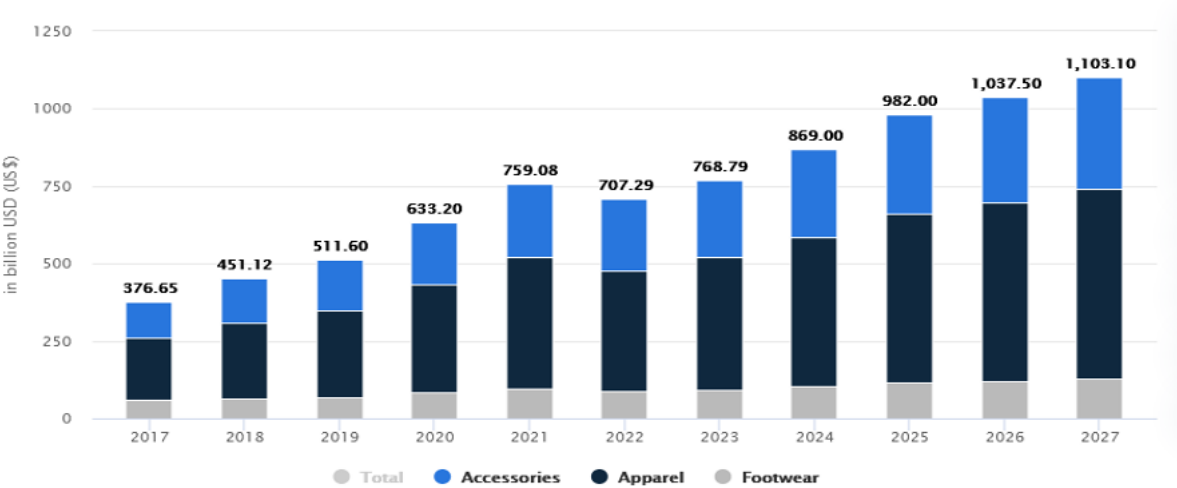
2. Literature Review

2.1. Sustainability in the Fashion Industry: Fast Fashion and Sustainable Fashion

The fashion industry, including the design, manufacturing, distribution, and sale of clothing and accessories, holds a significant position in the global economy. It serves as a reflection of cultural trends, personal expression, and economic dynamism. With an estimated revenue of \$693.10 billion in 2023, according to Statista (2023), the industry's colossal economic impact is undeniable. As consumer preferences evolve, driven by factors like digital transformation and changing demographics, the industry is set for further expansion.

Revenue is expected to grow at an annual rate of 9.36% from 2023 to 2027, reaching a projected market volume of \$991.40 billion by 2027, as specified by Statista (2023). China is the largest market for the fashion industry, with a projected market volume of \$226.90 billion in 2023 (Statista, 2023). Figure 1 illustrates the revenue of the global fashion industry.

Figure 1: Global Fashion Industry's Revenue



(Source: Statista, 2023)

The term “Sustainability” stands for the ability to preserve or even support a process in a continued manner and over time. In the world of business and policy contexts, sustainability is seeking to prevent natural or physical resources’ depletion, therefore they remain available at any time and for a long term (McNeill and Moore, 2015; Jones, 2017). Sustainability can

be broken down into three major concepts, Environmental Sustainability, refers to using natural resources and managing ecosystems to ensure long-term balance and health, allowing current and future generations to fulfill their needs without endangering the planet's capacity to support life. The second concept of sustainability is economic sustainability, which refers to the economy's ability to function significantly without depleting its available natural resources or even being the reason for environmental, social, or cultural damages. The last concept of sustainability is social sustainability, whereas one refers to the society's ability to meet the requirements of its members, thus will be also without compromising the ability of the future generation to meet their requirements, respectively (Lotfi et al., 2018; Rattalino, 2018; Michel et al., 2019). In short, sustainability is the ability to do business without negatively impacting the society, community, or environment as a whole. These specified definitions emphasize the importance of reducing the social and environmental influences of the fashion industry while highlighting the urgent need to consider the entire lifecycle of a garment, even from its production up to its disposal (Johnson and Plepys, 2021; Castagna et al., 2022).

Many authors have attempted to define the terms “Fast Fashion”, and “Sustainable Fashion”. Fast fashion is a clothing supply chain model that aims to respond quickly to the latest fashion trends by updating the available clothing products in stores (Bhardwaj and Fairhurst, 2010; Kim et al., 2013; Zamani et al., 2017). According to Kim et al. (2013), fast fashion is used to describe the fast production of trendy and cheap clothing that may lead to pollution, waste, and overconsumption. Accordingly, companies that adopt the fast fashion attitude can typically use a lot of low-cost materials and labor. Moreover, they often focus on sweatshops to produce their clothing. As Papadas et al. (2017) commented, fast fashion is often associated with waste, overconsumption, and pollution. In addition, fast fashion can be seen as fueled by significant trends that may last only for a specified fleeting moment and, therefore can be later replaced instantly by the appearance of something more exciting on the markets. This is the reason that this phenomenon is known as “fast” and can be noticed as distinguished by the highest demand, which is accompanied by mass production, at the lowest costs (Yang et al., 2014; McNeill and Moore, 2015; Zamani et al., 2017).

As a fundamental point, the fast fashion industry is detrimental to the environment, while contributing to global temperature rise and climate change (Bhardwaj and Fairhurst, 2010;

Kim et al., 2013; Yang et al., 2014; McNeill and Moore, 2015; Zamani et al., 2017). As an example, the processes of production and transportation can contribute to global warming, where greenhouse gases are emitted, polluting rivers, air, and streams.

However, in contrast to this type of fashion, the other type “slow or sustainable fashion” refers to the companies working toward sustainability in fashion solutions (Pucker, 2022). The term “Sustainable Fashion” is used to describe clothing, which is produced in a way that is seen as less harmful to the workers and the environment. Typically, the companies that adopt sustainable fashion use organic or recycled materials, while paying their workers fair wages. Following the explanation of Papadas et al. (2017), sustainable fashion is often associated with slow fashion which is regarded as a movement that emphasizes the longevity and the quality of clothing. The sustainable fashion term’s definition covers producing apparel by adopting high-quality sustainable materials and appropriate working conditions while focusing on the sustainability of the business model of the company, as urged by Joergens (2006). The sustainable fashion involves the green marketing approach in the used business strategy (Papadas et al., 2017; Pucker, 2022).

Sustainable fashion includes the popularity of second-hand apparel and as well as upcycling of the apparel, in order to preserve its lifetime (Fletcher, 2013; McNeill and Moore, 2015). The main objective of second-hand and upcycling is to maintain the apparel’s values simply for a longer period of time while minimizing overproduction and waste (Guedes et al., 2020). Adaptation of second-hand and upcycling sales is linked to the circular economy principle and as well as may also form a closed loop in the production and material used of the apparel. Both second-hand fashion and upcycling fashion are considered common examples of sustainability in the fashion industry (Pucker, 2022).

However, the perception of both may differ significantly from the consumers’ perspectives (Castagna et al., 2022). The perception of upcycling is directly linked to circularity and sustainability. The perception of second-hand apparel is to a notable extent more often linked to rear pieces of the apparel while representing such significant style or even representing such cheap shopping options (Vehmas et al., 2018; Pucker, 2022).

Recently, there has been a tremendous awareness of the social and environmental impacts of

this industry. The fashion industry's production requires a large amount of energy, water, and chemicals, whereas the disposal of clothing contributes to many environmental challenges since a lot of them end up in incinerators or landfills (Heinze, 2020; Pucker, 2022). The most environmentally problematic issues of this industry include water pollution, air pollution, and landfill waste, whereas the result appears in the rise of fast fashion companies which have started taking steps, in order to become more sustainable (Guedes et al., 2020). One approach for a company to move toward sustainability involves utilizing environmentally friendly materials like organic cotton and recycled polyester, as suggested by Heinze (2020), which can help mitigate its ecological footprint and contribute to a more responsible and eco-conscious business model.

Indeed, achieving sustainability goes beyond a singular solution. One avenue companies can pursue is through a structured business framework like Corporate Social Responsibility (CSR), as outlined by Moon (2014), wherein companies acknowledge their responsibility for the impact of their operations and aim to make positive contributions to society. This could encompass a multi-faceted approach considering environmental, economic, and social aspects, but various strategies and models beyond CSR also exist for companies to adopt in their journey toward greater sustainability. The environmental corporate social responsibility (ECSR) can pertain to the organizations running their business in a significant way that does not compromise our planet's well-being. Therefore, this can be related to actively making specified choices that, in the long run, cause little influence on the climate (Wickert and Cornelissen 2017). The urge to do eco-friendly business decreases fast fashion's popularity. In case consumers do not have such a positive outlook toward sustainable marketing, companies should strive to persuade them to do so, as urged by Yang et al. (2014).

To help answer the Research Questions of this study, it will be analyzed and compared the progress of two companies, Patagonia and H&M, focusing on their sustainability practices.

3. Data Analysis: Patagonia's and H&M's approaches to sustainability

3.1 Patagonia and H&M – Background

3.1.1. Patagonia

“My company, Patagonia, Inc., is an experiment. It exists to put into action those recommendations that all the doomsday books on the health of our home planet say we must do immediately to avoid the certain destruction of nature and collapse of our civilization. Despite near-universal consensus among scientists that we are on the brink of an environmental collapse, our society lacks the will to take action. We're collectively paralyzed by apathy, inertia, or lack of imagination. Patagonia exists to challenge conventional wisdom and present a new style of responsible business. We believe the accepted model of capitalism that necessitates endless growth and deserves the blame for the destruction of nature must be displaced. Patagonia and its thousand employees have the means and the will to prove to the rest of the business world that doing the right thing makes for good and profitable business.”

- Chouinard, 2005

Founded in 1973 by Yvon Chouinard, Patagonia is one of the biggest examples of a successful green business model in the fashion industry today. Born for outdoor sports lovers, the company produces high-quality products while it assures to create no unnecessary harm to the earth since it is not only where its customers practice their activities, but also theirs and everyone's home. Patagonia, Inc. leads in sustainable innovation and transparency, constantly searching for new ways to keep in business and protect the environment.

Based in Ventura, California, Patagonia is a private, for-profit American outdoor clothing retailer. To better understand the company's model and motivations, it is essential to understand its minimalist approach which was present even before the brand had its name. Yvon Chouinard started producing climbing steel pitons for himself and some of his friends in the 1950s. A piton is a metal spike with a small ring that a climber attaches to the rock and its climbing rope. The production eventually became bigger than a small business for peers and two decades later, Chouinard Equipment turned out to be the biggest hardware climbing supplier in the US. By this time, Chouinard and his partner Tom Frost, realised their product

and its dimension were also creating an environmental problem, as the pitons were damaging the rocks. At this point, the partners decided to reduce the steel piton business and found an alternative: aluminum chocks - the first environmental step the company took over the past decades (Patagonia, 2022)¹. As the company grew, the portfolio started to grow and soon included clothing and extended its collection to other sports such as surfing, snow sports, and trail running, as it is known today. It also resells pre-used items as it believes the best sustainable practice an apparel company can have is to cut production and take advantage of what is already produced.

For all of its existence, Patagonia always had minimalism as the foundation of its production. Compared to other brands, Patagonia has a limited collection of products. The same goes with product design which shows a preference for simplicity and utility since the goal is to create a long-lasting product that will not need to be replaced for many years. For the brand, a quality product is one that prioritizes function, repairability, and durability (Patagonia, 2022)². Having these three concepts as the core of the production process, helps the company to be as sustainable as it wishes, since making a product that lasts or that can be recycled, is one of the biggest environmental impacts the company can make.

3.1.2. H&M

H&M, founded in 1947, stands as a prominent Swedish multinational clothing retailer, renowned worldwide for its extensive network of over 4,700 stores across 74 countries. Noted for its affordable pricing and fast-fashion business model, H&M has been instrumental in shaping global clothing trends (Brydges, 2021). Contrary to Patagonia, Erling Persson's Company did not start its business with sustainability as one of its main values, but instead to make affordable fashion available to everyone (H&M, 2022)³. Its first step toward a sustainable approach was 50 years later in 2002, when the company released its first *Corporate Social Responsibility* Report. However, the brand has faced criticism for its environmental impact, largely stemming from the disposable nature of fast fashion. Despite these concerns, H&M has demonstrated a growing commitment to enhancing its sustainability

¹ Patagonia, Inc., *Patagonia Official Website*, accessed 25 May 2023, <<https://eu.patagonia.com/es/en/company-history/>>

² Patagonia, Inc., *Patagonia Official Website*, accessed 25 May 2023, <<https://eu.patagonia.com/es/en/core-values/>>

³Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <<https://hmgroup.com/about-us/history/>>

practices.

Recognizing the urgent necessity to address environmental concerns, H&M has launched many projects with the objective of promoting more responsible production and consumption practices. H&M is implementing a significant initiative to achieve a target of including 100% recycled or sustainably produced materials in all its products by the year 2030. This commitment highlights the company's acknowledgment of the role that materials play on the overall environmental footprint of clothing production (H&M, 2023)⁴.

In comparison to its minimalist counterpart Patagonia, H&M's approach to sustainability reflects the complex considerations that come with operating within the fast-fashion sector. While still grappling with criticisms about its impact, H&M's efforts toward more sustainable operations are representative of a broader trend toward eco-friendliness in the corporate world. Consumer participation and support in sustainable practices are crucial to the success of such programs, as is the company's ability to transform aspirations into tangible actions (Johnson and Plepys, 2021; Khitous et al., 2022). The forthcoming section delves deeper into the distinct sustainability practices of both industry giants, Patagonia and H&M.

3.2. Overall Sustainability Approach

Each of Patagonia and H&M has its mission and vision concerning adopting sustainable techniques. H&M states that is making all efforts and possible ways to attain sustainability. According to its sustainability manager; *“We’re ambitious in our goals to make our business more equitable and sustainable so the world is better for future generations. Part of that is making the decision to amplify the voices of role models who are making a difference today: kids.”* (DeAcetis, 2021).

Finally, it is critical to consider those brands, which are certified by a third-party organization, such as the “Fair Trade Federation” or the “Sustainable Apparel Coalition” (Radhakrishnan, 2015). Indeed, Both Patagonia and H&M are currently certified by the Sustainable Apparel Coalition (SAC). The SAC is a non-profit organization, which is working with the aim of promoting sustainable practices in the fashion industry. Therefore, the SAC's certification program focuses on a set of rigorous standards, which can address economic, social, and

⁴Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <<https://hmgroup.com/sustainability/leading-the-change/goals-and-ambitions/>>

environmental sustainability. On the other hand, Patagonia is also certified by the Fair Trade Federation (FTF). The FTF is a non-profit organization, which is promoting fair trade practices in the global marketplace. The FTF's certification program ensures that workers in the fashion industry are paid fair wages, work in safe conditions, and have the right to organize (Radhakrishnan, 2015).

Patagonia's mission is to "build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis." The company's vision is to "save our home planet." Patagonia's sustainability efforts are focused on three main areas; product, supply chain, and corporate operations (Chouinard and Stanley, 2013; Jones and Gettinger, 2016; Michel et al., 2019).

Patagonia proudly holds the certification of a B Corporation, boasting an impressive score of 151.5. Over the years, it has been consistently awarded as one of the 'Best of the World' companies by B Corporation, especially in contributions to both the Community and the Environment (B Corporations, 2023)⁵. An important development that warrants recognition, took place at the close of 2022, Yvon Chouinard and Patagonia have transferred ownership of the company, valued at approximately \$3 billion, into a meticulously crafted trust and nonprofit organization, Holdfast Collective. This move was crafted to safeguard the company's independence and dedicate its annual profits, totaling around \$100 million, to the noble causes of combating climate change and preserving undeveloped land across the globe. Yvon Chouinard's letter about the subject can be found in Appendix 1.

3.3. Sustainable Materials

The choice of materials for the production of garments carries strong implications for sustainability. It affects everything from the environmental impact of production to the well-being of workers and the longevity of garments. It illustrates the urgent need for the fashion industry to rethink its material choices and embrace sustainability as a means to address pressing global challenges.

⁵Benefit Corporation, *Benefit Corporation official website*, accessed May 28 2023, <<https://www.bcorporation.net/en-us/find-a-b-corp/company/patagonia-inc/>>

Patagonia has been at the forefront of sustainable fashion, prioritizing eco-friendly materials like organic cotton, recycled polyester, and Tencel in its production processes. Notably, the company has set a clear target to transition to 100% recycled and renewable raw materials by 2025 (Rattalino, 2018; White, 2015). Patagonia reported that 98% of its Spring/Summer 2023 collection was crafted from recycled materials (Patagonia, 2023)⁶. Its goal is to stop using virgin materials and instead harness waste streams, aligning its practices with a sustainable future that prioritizes resource conservation and responsible consumption.

In 2020, H&M reached its goal of using partially recycled and sustainable materials in all of its collections with its cotton use, while only sourcing recycled cotton, cotton sources, or organic cotton through the Better Cotton Initiative (BCI), as commented by DeAcetis (2021). By 2030, the company wants to have 100% of its materials recycled or sourced sustainably, and by 2025, it wants to have 30% of its resources recycled (H&M, 2023)⁷. One of the most significant disparities between the two businesses' strategies is their preference for recycled materials, especially when considering their respective production volumes.

For both companies, cotton is a key material; at H&M, it accounts for 61% of all materials, as shown in Figure 2 (H&M, 2023)⁸. Conventional cotton's environmental impact is undeniably detrimental, with its high water usage, carbon footprint, and harm to workers due to pesticides. Organic virgin cotton is prioritized by Patagonia since it cuts CO₂ emissions by 82% per kilogram (Patagonia, 2023)⁹. Ahead of its time, in 1996, the company understood the impact of the material and committed to using exclusively virgin cotton with organic practices. The three types of virgin cotton the company uses now are Organic cotton; Cotton in Conversion (transitional organic cotton sold during the certification process) and Regenerative Organic Certified® Cotton (sustainably grown, prioritizing soil health, no-till methods, and ethical treatment of people and animals) (Patagonia, 2023)¹⁰.

⁶ Patagonia, Inc., *Patagonia Official Website*, accessed 1 June 2023, <<https://eu.patagonia.com/es/en/why-recycled/>>

⁷ Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <<https://hmgroup.com/sustainability/circularity-and-climate/materials/>>

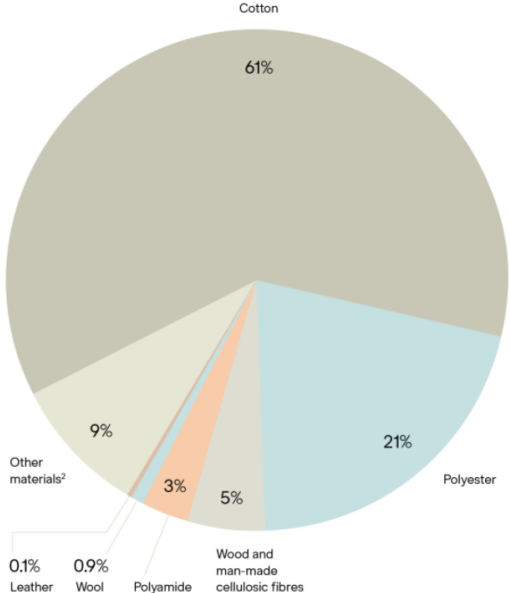
⁸ Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <<https://hmgroup.com/sustainability/circularity-and-climate/materials/>>

⁹ Patagonia, Inc., *Patagonia Official Website*, accessed 1 June 2023, <<https://eu.patagonia.com/es/en/our-footprint/recycled-cotton.html>>

¹⁰ Patagonia, Inc., *Patagonia Official Website*, accessed 1 June 2023, <<https://eu.patagonia.com/es/en/our-footprint/cotton-for-change.html>>

H&M is the world’s largest user of organic cotton, due to the volume of production the company has, it is not because it is the only type of cotton it uses. as mentioned before. According to the company, “Organic cotton accounts for less than 1% of all the cotton produced in the world. We buy more than that, so only buying organic wouldn’t be possible”. All the cotton of the company is sourced in more sustainable ways than before. However, according to the company, the cotton sourced through the Better Cotton Initiative, which trains farmers to produce it in a more sustainable manner, may be mixed with conventional cotton during the process (H&M, 2023)¹¹.

Figure 2: Share of Materials Sourced by H&M Group in 2022,



(Source: H&M, 2023)

3.4. Lifespan of the Product and Manufacturing Process

As to the lifespan of the product and the process of manufacturing, Patagonia designs clothes that are more long-lasting and can be easily repaired or recycled. Patagonia’s practices are significantly designed in order to decrease the environmental impact, whereas it works with

¹¹Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <https://www2.hm.com/en_ie/sustainability-at-hm/our-work/innovate/our-cotton-explained.html>

specific suppliers who are using sustainable practices, considering that Patagonia has its Code of Conduct, which all of its suppliers should follow (Rattalino, 2018; White, 2015). The company has implemented the concept of “Worn Wear” Accordingly, this program encourages its customers to trade their garments or to reuse and repair the products purchased from it, which includes a variety of resources to assist customers in the process of repairing their clothes and offering a mail-in repair service (Chouinard and Stanley, 2013).

As to H&M, the lifespan of a product can vary depending on the type of product and how it is cared for. However, in general, H&M products are designed to last for a few seasons. This means that they should be able to withstand regular wear and tear for about 1-2 years. After that, they may start to show signs of wear and tear, such as fading, pilling, or loose threads. The manufacturing process at H&M is complex and involves many steps. The first step is to source raw materials, such as cotton, wool, and polyester. These materials are then shipped to factories around the world, where they are processed and turned into fabric. The fabric is then cut and sewn into garments, which are then shipped to H&M stores (Boynton, 2017; Marfil, 2017; Shen, 2014).

3.5. Process of Packaging

As to the process of packaging, Patagonia’s packaging is exclusively manufactured from specified recycled materials, that can continue to be recycled. The company believes that “the best packaging, is no packaging”, and so it is still working and studying alternatives to make this packaging more minimal and sustainable (Patagonia, 2023)¹².

¹² Patagonia, Inc., *Patagonia Official Website*, accessed 1 June 2023, <<https://eu.patagonia.com/es/en/packaging.html>>

Table 1: Patagonia’s Packaging Components and Respective Materials

Packaging Component	Material
Product Tags	Recycled kraft paper, 100% PCW, FSC certified
Product Stickers	Transfer premium coated matte white paper, FSC certified, permanent/APEO free
Tag Strings	Made from Nylon
Product Polybags	Made from 100% recycled plastic
Product Bands	Recycled kraft paper
Product Band Stickers	Matte white paper, 100% PCW, FSC certified
Shipping Envelopes	Recycled kraft paper, 90% PCW
PCWShipping Boxes	Sustainable Forestry Initiative (SFI) certified with 100% recycled corrugated cardboard (16x16x18 & 16x16x30 size boxes have 40-60% recycled content)

While looking at the case of H&M, it appears that concerning its packaging; H&M uses a variety of materials including paper, plastic, and cardboard. The type of packaging material used depends on the product being shipped. For example, delicate garments may be shipped in a box made of corrugated cardboard, while heavier items may be shipped in a plastic bag (Shen, 2014). As to the Packaging design, it is simple and straightforward. The goal is to make the packaging easy to open and recycle. The packaging also includes information about the product, such as the size, care instructions, and country of origin (Marfil, 2017). According to the company, in 2022 the plastic packaging volume was reduced by 44% compared to 2018, to which 55% is post-consumer recycled plastic. The company states that its customers are switching to bigger online shopping habits, so H&M keeps working on alternatives to improve its packaging and use recycled materials when possible, keeping in mind that some of its nonspecified packaging requires virgin materials (H&M, 2023)¹³.

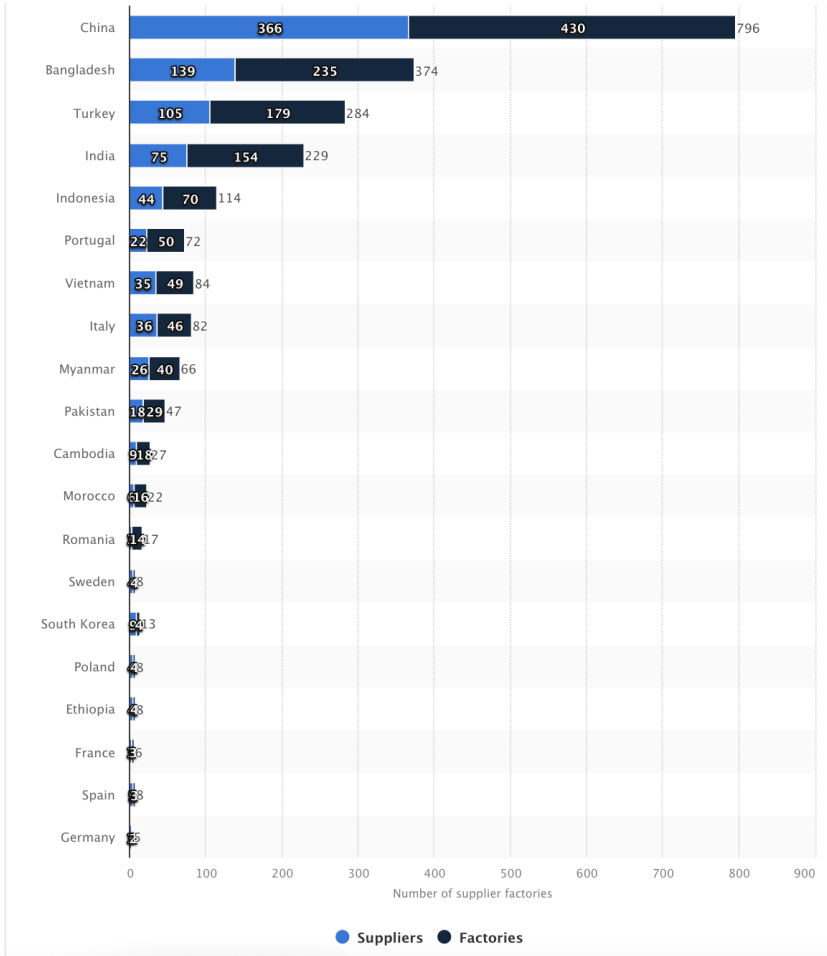
3.6. Environmental, Social, and Economic Impacts

Despite both companies' efforts to reduce waste, such as through recycling or upcycling initiatives, there is still a lot of criticism of the business models of fast fashion companies. These criticisms include environmental, social, and economic impacts (Johnson and Plepys,

¹³Hennes & Mauritz Co., Ltd, *HM Group Official Website*, accessed 27 May 2023, <<https://hmgroup.com/sustainability/circularity-and-climate/packaging/>>

2021). As to the environmental impacts, the production of fast fashion clothing needs a large amount of energy, water, and chemicals, significantly. This, in turn, can pollute the environment, while contributing to climate change. As to the social impacts, one can figure out that the production of most fast fashion companies takes place in some developing countries. As can be seen in Figure 2, H&M’s biggest production markets are in China and Bangladesh. Given that, workers in these developing countries may be exploited, while being paid the lowest wages, respectively. Furthermore, there is the economic impact of the fast fashion industry, which corresponds to the fact that such rapid production of new clothing designs may make the matter difficult for this business to compete. This consequently leads to regular job losses and most importantly, causing economic instability. Despite such criticisms, the models of fast fashion companies remain popular, due to the theme of their offering a variety of affordable clothing options to loyal consumers (Zamani et al., 2017).

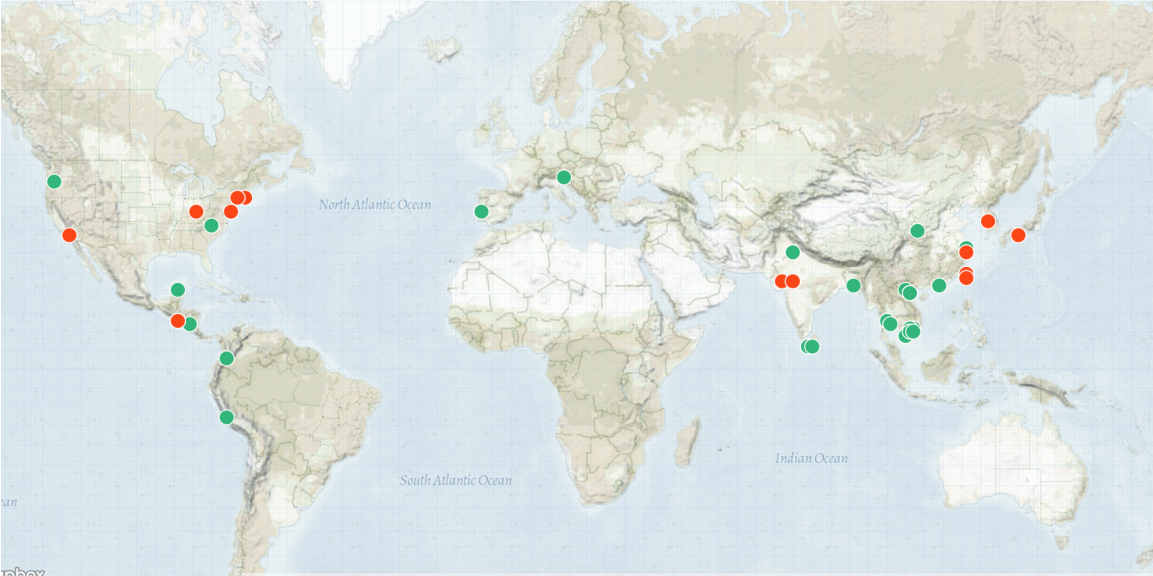
Figure 3: Number of suppliers and factories of the H&M Group as of January 2023



(Source: Statista, 2023)

H&M includes more than 2,000 factories and suppliers, evidencing a large mass production model, especially when in comparison to Patagonia, which has a total of 65 Factories and Mills spread worldwide as seen of figure 3.

Figure 4: Patagonia’s Distribution of Factories and Mills



Vedeikyte and Lechmanova (2019) conducted a study on sustainability in H&M. The authors argue that corporate social responsibility (CSR) and the triple bottom line (TBL) provide a set of responsibilities that fast fashion companies should uphold. CSR focuses on the social and environmental impacts of a company's operations, while TBL includes these two aspects as well as financial performance. The authors used these theories to assess how well H&M's corporate obligations aligned with research and real-world events. In other words, they wanted to see how H&M's stated commitments matched up with its actual practices.

The authors decided not to rely solely on H&M's own reports about its sustainability efforts. Instead, they used peer-reviewed studies and other independent sources to gather information. They divided their analysis into three stages. In the first stage, they analyzed H&M's own data on its sustainability commitments. They used this data to identify the company's priorities in terms of sustainable fashion production. In the second stage, they looked at sources that presented a different perspective on H&M's sustainability efforts. This included reports from non-governmental organizations (NGOs) and other independent organizations. In the third

stage, they synthesized the findings from the first two stages and drew conclusions about H&M's sustainability performance (Vedeikyte and Lechmanova, 2019). They compared H&M's stated commitments to sustainability with the findings of independent sources. They identified several main challenges that H&M faced in achieving its sustainability goals. These challenges included:

- **Overproduction:** H&M produces a large amount of clothing, which leads to waste and environmental pollution.
- **Low wages:** H&M's suppliers often pay their workers low wages, which can lead to poverty and exploitation.
- **Environmental impact:** H&M's production processes have a negative impact on the environment, such as through water pollution and greenhouse gas emissions.

The authors concluded that H&M's CSR approach is leading to some improvements in the company's community and surroundings. However, they also found that not all of the triple bottom line branches (economic, social, and environmental) were being maintained equally sustainably.

However, H&M has also made some efforts to improve its sustainability record. For example, the company has started to produce organic clothing, reduce water and energy consumption, and recycle materials. These efforts have helped to improve H&M's image, but there is still more work to be done. Vedeikyte and Lechmanova, (2019) believe that some of H&M's sustainability goals, such as making all apparel from 100% recycled materials, are unrealistic. As a result, there is a balance between sustainability and profitability, but some misleading information can still be found. Finally, even though the company does not mention it frequently, profitability is still considered a business responsibility.

H&M's business strategy is based on providing trendy and affordable clothing in a fast-changing cycle. This strategy has both positive and negative impacts on society. On the one hand, it allows customers to have access to a wider variety of clothing at a lower price. This can be beneficial for people who are on a budget or who want to stay up-to-date on the latest fashion trends. This strategy can also lead to overconsumption. When people can easily buy new clothes at a low price, they may be more likely to buy more clothes than they need. This can contribute to environmental problems, such as waste and pollution. According to

CSR, businesses have a responsibility to operate in a way that is beneficial to both themselves and society. H&M's business strategy may be profitable for the company, but it is important to consider the environmental and social impacts of this strategy as well (Vedeikyte and Lechmanova, 2019).

To sum up, H&M's sustainability model is not perfectly balanced. They argue that the company's focus on profitability outweighs its commitment to social and environmental sustainability. Additionally, they point out that some of H&M's sustainability claims may be misleading.

Patagonia significantly is considered a member of 1% for the Planet, a non-profit organization, which encourages businesses to donate one percent of their specified profits to environmental causes. It donated over one hundred million dollars to environmental organizations through 1% for the Planet, respectively (Jones and Gettinger, 2016; Michel et al., 2019).

3.7. Transparency and Ethics

There is an urgent need to treat everyone equally and fairly, particularly in the workplace. In addition, it is fundamental for all companies to adhere to ethical standards and implement government regulations and laws. Ethics acts as a guideline for a company's decision-making processes, therefore, companies should have a well-outlined CSR to assist in bolstering their branding image.

Patagonia in its years of operations as a leading cloth line, prides itself on being an emblem of affluent outdoor adventure, whereas its success is attributed to its wide range of products. Moreover, it is among the Fair Labor Association's founding members. However, the internal audits have illustrated several instances of forced labor, exploitation, and human trafficking, as illustrated by White (2015). Reports showed Patagonia's factories were responsible for assembling, sewing, and cutting products, and the mills, which produce significant fabrics from raw materials. In addition, it appeared that a quarter of the audited mills were Taiwan-based, while most recorded exploitation and trafficking instances, as urged by White (2015). However, such problems in the mills arise from directing the company's hiring process to labor agents and brokers, who, alternatively extortionate a lot of migrants

with the highest charges possible, in order to offer them regular jobs. The company addressed this issue as it looked for solutions to not be a victim of deceit again in its supply chain model.

While looking at the case of H&M, it has a code of ethics that outlines its commitment to transparency and ethical business practices. The code of ethics covers a range of topics, including Labor, while it commits to ensuring that its suppliers respect the rights of workers, including the right to a safe and healthy work environment, the right to fair wages, and the right to freedom of association. Its code includes Environment, whereas it commits to reducing its environmental impact, including reducing water usage, minimizing waste, and using sustainable materials. Most importantly, it has specified codes for its Business practices, whereas H&M commits to conducting business in an ethical and responsible manner, including avoiding corruption and respecting human rights (Marfil, 2017; Shen, 2014).

Settling upon that, the values of both companies are different, though their objectives are similar, attending sustainability. The slow sustainable fashion industry, such as Patagonia has its values to focus on its employees and the surrounding environment, while the other company, H&M focused on mass production as well as profitability.

On such basis, Patagonia as a slow and sustainable fashion is more transparent in its sustainability focus, while the company is working by obviously communicating its commitments to CSR since it can only benefit them while attracting loyal and conscious consumers. On the other hand, H&M is still criticized for its ignorance of sustainability basis and not being as environmentally friendly, as its mission suggests.

3.8. Comparison Table Patagonia and H&M

In the realm of sustainable fashion, Patagonia and H&M have stood out for their commitment to incorporating environmental responsibility and ethical practices into their operations. These two brands, while sharing the goal of sustainability, have adopted distinct strategies and principles. Examining various dimensions including mission and vision, use of sustainable materials, manufacturing processes, packaging techniques, certifications, socio-environmental-economic impacts, fair labor practices, transparency, and ethical considerations, this analysis provides a holistic view of their sustainable endeavors. The forthcoming table offers a condensed and organized comparison, illuminating the divergent

paths taken by Patagonia and H&M as they navigate the landscape of a more responsible fashion industry.

Table 2: Patagonia and H&M Comparison

Aspect	Patagonia	H&M
Mission & Vision	<ul style="list-style-type: none"> - Mission: "Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis." - Vision: "Save our home planet." 	<ul style="list-style-type: none"> - Mission: "Make fashion enjoyable and accessible for all" - Vision: "Lead the change"
Sustainable Materials	<ul style="list-style-type: none"> - Uses organic cotton, recycled polyester, and Tencel. - Aiming for 100% recycled and renewable raw materials by 2025. - 98% recycled materials for the summer collection of 2023. 	<ul style="list-style-type: none"> - Reached the goal of partially recycled/sustainable materials in all collections. - Aim to reach 30% of recycled materials in 2025
Lifespan & Manufacturing	<ul style="list-style-type: none"> - Designs long-lasting, easily repairable, and recyclable products. - "Worn Wear" program encourages product reuse and repair. 	<ul style="list-style-type: none"> - Products designed for a few seasons (1-2 years).
Packaging	<ul style="list-style-type: none"> - 100% recycled and recyclable packaging 	<ul style="list-style-type: none"> - Uses various packaging materials - Efforts to reduce plastic - Emphasizes the need to use virgin materials
Certifications	<ul style="list-style-type: none"> - Certified by Sustainable Apparel Coalition (SAC) and Fair Trade Federation (FTF). - Certified B-Corporation 	<ul style="list-style-type: none"> - Certified by Sustainable Apparel Coalition (SAC).
Environmental, Social & Economic	<ul style="list-style-type: none"> - Focuses on reducing waste and environmental impact. - Ethical labor practices and benefits for employees. - Donates its profit to environmental causes. 	<ul style="list-style-type: none"> - Faced criticism for prioritizing profits, environmental problems, low wages, and human rights violations. Some efforts to improve sustainability

Transparency & Ethics	- Transparent and vocal about its sustainability commitments. - Addresses ethical issues and challenges.	- H&M has a code of ethics emphasizing transparency and ethical practices in labor, environment, and business. - Criticized for issues related to labor practices and transparency.
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4. Methodology and Data Collection

4.1. Research Method

This dissertation follows a structured framework that includes both primary and secondary data sources. The secondary data, presented in the Literature Review chapter, provides a key basis for situating the study within the existing body of knowledge. This section is based on a collection of studies conducted by reputable authors, that explore at the many ways fast fashion affects the world and society.

The following chapter, "Data Analysis," plays a crucial role in this study. The addition of secondary information from the websites of both businesses and from other writers is a key part of providing a fuller picture of the different points of view of the companies involved. Moreover, the inclusion of the companies' updates provides access to the most current data available, which is a critical aspect given the continuously evolving nature of sustainability within the fashion industry.

To mitigate potential bias stemming from the secondary data collected directly from the source, while having the possibility to rely on more up-to-date data, this study has embraced a qualitative research approach. This choice serves a dual purpose: firstly, to augment the depth and authenticity of the research findings, and secondly, to comprehensively address the central research inquiries.

Central to the data collection strategy, a process of conducting in-depth interviews with esteemed experts renowned for their profound comprehension of Sustainability, particularly within the intricate domain of Fashion, was undertaken. Through this approach, the aim was to capture nuanced insights and holistic perspectives essential for a comprehensive understanding of the research topic.

In the subsequent section of this dissertation, the qualitative research methodology and the insights gathered from these expert interviews will be elaborated upon, demonstrating their pivotal role in shaping the research outcomes.

4.2. Research Design and Data Collection

The choice of qualitative research for this study stems from its inherent ability to delve into the depths of human experience, meaning, and perspective. Unlike quantitative methods that

primarily focus on numerical data, qualitative research enables us to explore the intricacies of participants' thoughts, feelings, and perceptions (Hammarberg et al., 2016). It allows us to understand phenomena from the viewpoint of those directly involved.

Specifically, the decision to utilize semi-structured interviews as the primary data collection method in this study is driven by several compelling factors. Firstly, semi-structured interviews offer flexibility in exploring the research topic while allowing for in-depth investigation of specific issues, setting them apart from structured interviews. Moreover, this method facilitates productive interactions between the researcher and participants, allowing for guidance when needed to keep the conversation focused. The two-way communication it fosters encourages open-ended responses, enabling us to gather comprehensive insights. Furthermore, semi-structured interviews are widely recognized and utilized across various fields, making them a preferred choice for novice researchers in effectively managing interviews and exploring research issues (Islam & Aldaihani, 2021).

The selection of experts for this study was carefully curated based on their professional qualifications and accolades, particularly focusing on their achievements and recognitions. A targeted search was conducted on LinkedIn using specific keywords related to the study's focus, including "fashion," "sustainability," "circularity" and "traceability".

During this process, a total of seven experts who met the eligibility criteria were identified and contacted. Unfortunately, three of them did not respond to the initial outreach. One expert, initially included, was subsequently excluded from further consideration as it became evident that their expertise was not the most suitable for the study's objectives. Another expert initially agreed to participate in an interview but later ceased communication, leading to their exclusion as well.

Taking these factors into account, two experts were ultimately selected to advance to the next phase of the study for in-depth analysis. This rigorous selection process ensures that the chosen experts possess the relevant expertise and background necessary to contribute effectively to the dissertation's research objectives.

Experts from the companies under analysis (Patagonia and H&M) were intentionally excluded from consideration in order to maintain impartial and unbiased perspectives regarding these companies. In the preceding chapter, it was already gathered valuable insights directly from the companies themselves. Furthermore, the primary aim of the qualitative research was to

acquire a comprehensive industry-wide viewpoint on sustainability within the fashion sector, rather than solely focusing on these two specific companies. This approach ensures a broader and more holistic understanding of the industry's sustainability landscape.

Table 3: Interview Experts

ID	Role
Expert 1	Founder and CEO of the most sustainability-awarded Portuguese Brand, Sustainability Fashion Specialist, Trainer in the area of fashion design for external entities, European Climate Pact Ambassador
Expert 2	Sustainability Author, Consultant, and Speaker

One crucial aspect of this methodology is the systematic coding of interviews, a method that is employed to analyze and interpret different segments of the data collected (Linneberg & Korsgaard, 2019). Coding interviews serves as a fundamental technique in qualitative research, facilitating the categorization and consequent interpretation of the information gathered during the in-depth interviews. This coding process allows us to distill meaning from the extensive range of perspectives and insights shared by our interviewees. The process was done through inductive coding because of the expansive nature of the dissertation's theme. This way, it is possible to authentically capture the multifaceted nature of the data, giving room for organic insights to arise from participants' expressions and experiences, thereby facilitating a comprehensive exploration of emergent themes and patterns (Linneberg & Korsgaard, 2019). The open-ended questions can be consulted in Appendix 2.

A color-coding system was developed to facilitate the grouping of topics discussed by experts, making interpretation and comparison more straightforward. Some parts of the discussion cover more than one code and theme, hence they are represented in both colors. A portion of this color code creation process is detailed in Appendix 3. The codes and associated themes included in this system were as follows:

Table 4: Interview Codes and Respective Themes Covered

Code	Theme
Key Insights	Core takeaways and important observations made that are important to consider and affect all the other themes in discussion.
Environmentally Harmful Industry Practices	Current practices within the fashion industry that have negative environmental impacts.
Supply Chain Practices	Current processes and practices within the fashion supply chain, including the location of production.
Industry Challenges	Experts analyze the challenges and obstacles faced by the fashion industry in achieving sustainability goals.
Impact of Government and Legislation	How government regulations and legislation toward sustainability affect the fashion industry.
Consumer Behavior and Role	How consumers make choices related to fashion, considering sustainability factors, and the analysis of the role and impact they have on the industry.
Innovative Industry Practices	Innovative and forward-thinking approaches within sustainable fashion that are currently being made.
Suggested Approaches and Solutions	Experts provide recommendations and solutions to address sustainability challenges in fashion. The theme anticipated to offer the most significant insights for addressing RQ1

5. Findings & Analysis

5.1. Key Insights

During the interview process, both experts emphasized several critical factors related to sustainability in the fashion industry. Expert 1 pointed out that sustainability in fashion encompasses various aspects, and it is challenging for a company to address them all comprehensively. Therefore, companies often choose to focus on specific aspects. For instance, an essential consideration in the fashion industry is the frequency of product use and durability. For instance, leather products tend to be more durable compared to vegan, biodegradable alternatives. To illustrate, the expert cited Pinatex, a material made from pineapple leaf fibers, which decomposes too quickly, in a few months, necessitating frequent product replacements and consequently increasing consumption. Sustainability is a broad spectrum, extending beyond just materials to encompass social responsibility, environmental responsibility, thoughtful design, and eco-friendly practices that consider the entire product lifecycle from the beginning. Given the broad nature of sustainability, it becomes unfeasible for brands to address all these aspects comprehensively.

Both experts also highlighted the significance of company size in achieving sustainable practices. Smaller companies often find it more manageable to exercise greater control over their production and supply chain practices because they don't engage in mass production and can opt for local production methods.

Finally, it is important to note that the fashion industry is inherently rooted in consumption, creating an inherent contradiction with sustainability, which strives to reduce consumption. Fashion is renowned for its culture of excessive consumption and production, as Expert 1 mentioned.

5.2. Industry Challenges; Environmentally Harmful Industry Practices; and Supply Chain Practices

One of the most detrimental practices in the fashion industry, as highlighted by Expert 1, has unfolded in recent decades: a heavy reliance on petroleum-based materials due to their cost-effectiveness and durability. This reliance has created environmental consequences, as these materials do not naturally decompose, posing a significant threat to our ecosystem.

Global corporations like Patagonia face a challenging dilemma. They must generate substantial profits per item, given their extensive responsibilities. Consequently, relocating production to places with better labor conditions and guarantees often results in significantly increased costs. This scenario highlights the complex reality that companies, especially the largest ones, rarely have full control over every aspect of their supply chain, particularly beyond the second and third tiers of production. Expert 2 shed light on the prevalent practice of greenwashing, where companies attempt to portray transparency and responsible practices to consumers, when the company itself may not possess the complete picture of its supply chain intricacies. This explains why, in response to question 7, both experts agreed that achieving transparency cannot occur overnight; it must be a gradual process, allowing companies to gain better control over their operations before fully unveiling their practices. One example provided by Expert 2 is for corporations like H&M, wherein customer trust faces oscillations, due to scandals that may arise, sometimes without the company's prior knowledge because of its lack of control in its supply chain.

The solution for these big corporations that feel obligated to produce overseas and not opt for local production is monitoring. Periodic audits contributed to consequent scandals within these companies' supply chains, due to the lack of control when no auditor is present. The experts note that the situation often worsens without oversight. Local agents, with conflicting interests, contribute to this challenge. It is noteworthy that the significance of these agents is declining, hence necessitating more comprehensive pre-partnership investigations in order to mitigate the risk of deceit. Despite the financial implications, both Experts recommend for companies to establish a dedicated internal monitoring mechanism within their facilities at all times.

Lastly, in response to question 6, Expert 2 delved into the intricate relationship between affordability and sustainability. Balancing the need to pay fair wages throughout the supply chain with maintaining affordable garment prices presents a formidable challenge. A sudden shift towards fair compensation could lead to exorbitantly high prices that consumers cannot bear, potentially causing the fashion industry and the economy to collapse. Therefore, finding this balance is a gradual and delicate process, ensuring that it doesn't disrupt consumption patterns while gradually empowering consumers to afford more sustainable products.

On the bright side, Expert 1 enhanced the supply chains and production centers that exist here in Europe, especially in Portugal. One example is Citeve Laboratory, which has been working on sustainability textiles for the last 15 years. According to the Expert, the Portuguese industry was for a long time considered the most sustainable in Europe. Portugal is not a country of big brands but one that works for them. Producing in Europe is preferable for the Expert because the labor protection laws are known, and guarantees in advance significant worker protection.

According to Expert 1, the primary concern with the business model of fast fashion corporations lies not so much in what gets consumed but rather in what goes to waste. A significant portion, roughly half, ends up in landfills with no functional life because these corporations find it more cost-effective to produce in large quantities. The Expert believes that cutting these unused garments would have a major impact on the environment.

5.3. Consumer Behavior and Role; and Impact of Government and Legislation

Fashion companies and the industry are not the only ones responsible for driving the shift towards sustainability; governments and consumers also play significant roles. In response to question 5, Expert 2 believes, that governments have not been proactive enough in this regard, placing a more substantial burden on the private sector and consumers.

Contrarily, Expert 1 holds high expectations for the impact of government initiatives, particularly in Europe, where both consumers and authorities exhibit a greater environmental consciousness. A notable example is the introduction of the Digital Product Passport (DPP) under the new Ecodesign for Sustainable Products Regulation (ESPR) in the European Union (EU). This regulation mandates that every garment entering the EU must disclose all production locations. Previously, products could claim to be made in Europe, even if only a small portion of their production occurred there, without revealing the primary production location. Expert 1 believes that for products produced in Europe, complying with these regulations won't be overly challenging, as they align with established processes. However, in other regions, this might not be as easy, since adapting to these requirements is a time-consuming and economically costly endeavor. This shift positions Europe favorably in the industry. It also necessitates the development of comprehensive sustainability reports,

sparkling significant work and training in this field. Environmental technicians in the fashion industry, sustainability “accountants” and other new roles are expected to emerge, catalyzing a substantial revolution.

However, both experts acknowledge that governments have room for improvement in their efforts to promote sustainability, particularly in areas such as recycling, where circular economies often suffer from incomplete loops due to inadequate government action.

Regarding consumers, Expert 2 emphasizes the importance of citizens using their voices effectively. It is also essential to recognize that each consumer approaches fashion differently, particularly in terms of economic considerations. Not everyone has the possibility to prioritize quality over quantity or is willing to engage in conversations about sustainable fashion. This diversity in consumer preferences is a reality, as some individuals prioritize following trends and acquiring new items frequently. However, Expert 2 believes that there is a substantial and growing segment of consumers embracing the principles of slow fashion.

“It is important to acknowledge that not everyone will adopt sustainable fashion practices, and that is acceptable”. Instead, the expert encourages consumers to consider their broader impact and how they can contribute to social and environmental responsibility in other aspects of their lives. This balanced approach allows individuals to align their personal values with their responsibilities to society and the environment.

5.4. Suggested Approaches and Solutions and Innovative Industries Practices

In the course of these interviews, the insights shared by both experts have illuminated a spectrum of initiatives and suggested approaches within the fashion industry that contribute to more sustainable business models. These initiatives encompass a diverse range of strategies, from reevaluating materials and supply chains to fostering consumer awareness and embracing collaborative approaches.

Collaboration within the industry: Uniting often competitive companies, is a key point of emphasis according to Expert 2. This collective approach addresses shared challenges and has notably improved worker benefit programs, particularly in cases where companies lack their own factories. This cooperative spirit reflects both ethical commitment and practical

problem-solving, highlighting the industry's capacity for change through collaboration.

Circularity: Expert 1 believes that a key focus lies in circularity, where products are designed for reuse and longevity. Collaboration between different industries is essential, especially concerning the end of a product's life. Some industries may transform into suppliers for others, fostering a more sustainable ecosystem. An example of this is bio-leather products, which the Expert considers to be one of the most sustainable materials since it is made solemnly from the waste of the food industry.

Production: Experts advocate for a fundamental shift from overproduction to producing in alignment with actual consumption. This involves reducing the quantity of items in favor of quality. Smaller production quantities can result in higher prices, encouraging consumers to opt for fewer, higher-quality items, even though both Experts recognize this has to be a slow shift.

Materials: Expert 1 believes that a core principle in sustainable fashion revolves around the choice of materials. Fashion should prioritize products designed not to be excessively durable, such as products derived from petroleum, enabling reusability and natural decomposition, with a strong preference for plant-based or natural materials. According to the Expert, the main source of materials should be waste. Transforming it into a valuable resource, mitigating the need for further extraction from the Earth.

Supply Chain: Within the domain of fast fashion, experts emphasize the critical importance of embracing fair labor practices and ensuring transparency throughout the supply chain. Companies must cultivate a comprehensive understanding of their supplier logistics, spanning all tiers, to foster a holistic view of their operations. While investing in extensive audits and appointing responsible individuals to oversee production centers may incur costs, these measures are indispensable for sustainability. Collaborative efforts within the industry can facilitate more effective implementation of these practices, advancing the cause of ethical and transparent supply chains.

Relocation of Production: A fundamental shift involves relocating production to align with sustainable practices, reducing the carbon footprint associated with fashion manufacturing, and ensuring better labor conditions.

6. Conclusion

The purpose of this dissertation was to examine the potential for global fashion corporations to mitigate their environmental and social impacts, therefore fostering a more sustainable and ethical global landscape. To accomplish this objective, the research aimed to examine the existing business models in the fashion sector, employing two unique companies as case studies to highlight the situation. The dissertation aims to elucidate the key methods via which these objectives might be attained, specifically focusing on the potential modifications that firms can make to their existing business models.

Addressing the first and second research questions, it is shown that fast fashion business methods conflict with environmental goals. The qualitative research confirmed that fashion is anchored in consumption, which conflicts with the main sustainability principles of lowering consumption and limiting the ecological footprint. However, a spectrum of commitment to sustainability principles can exist in the fashion industry. Smaller businesses often find it more feasible to adopt more efficient sustainability practices due to their greater control over operations and supply chains. In contrast, the large corporations in study, particularly those in the fast fashion sector, prioritize consumer demands and affordability, as seen to be the main mission of H&M. Consequently, these companies will struggle to integrate effective sustainable practices while maintaining their existing business models, that revolves on mass production of garments, resulting in substantial waste. Additionally, prioritizing countries with fewer labor restrictions, exacerbating both environmental and social concerns.

The problem extends from logistical to also cultural, since consumers started relying on the past decades to big consumption habits for a reasonable price. Consumers often prioritize quantity over quality, showing a preference for fast fashion over sustainable brands or second-hand clothing. Consequently, companies must transition gradually to more sustainable models, to avoid sudden disruption and potential business collapse that is associated with the increase of pricing. On a more positive note, trends for more responsible choices are emerging as consumers get more informed of the market reality.

The previous subchapter outlined several practices that experts deem essential for companies regarding sustainability. While companies have indeed taken steps to align their business models with more sustainable practices, it's clear that more significant efforts are required. One of the main being the supply chain. Companies must prioritize the assurance of fair labor

practices within their supply chains. However, it's worth noting that achieving this goal isn't always straightforward due to various challenges, such as the cost of garments in governments where fair labor is guaranteed. Nevertheless, a crucial step, and one that should be considered a priority, is to ensure that a designated representative from the company is present in every factory they engage with in their business operations. Collaboration within the industry emerges as a strong strategy for mitigating these challenges. Furthermore, extending collaboration across different industries, as advocated by experts, can yield significant benefits, since the waste generated by one company can serve as a valuable source of raw materials for others, as exemplified in the case of leather production. This collaborative practice serves a dual purpose: it minimizes waste in general and redirects the focus from acquiring new resources from the planet to harnessing the potential of existing waste materials, promoting sustainability on a broader scale.

In conclusion, the concept of circularity within the fashion industry presents a compelling vision for a more sustainable future, yet its realization remains a distant goal, one that must be urgently prioritized. While the challenges are formidable, it's imperative to recognize that global fashion corporations are not the sole agents of change in this matter. Governments and consumers play pivotal roles in shaping the path forward, and their active engagement is indispensable. As we navigate this complex landscape of environmental and ethical concerns, it becomes increasingly evident that this pursuit is not merely a choice but an imperative—a collective responsibility that transcends boundaries and sectors. In embracing this responsibility, we move closer to fashion's transformation from a linear, resource-intensive industry into a circular, regenerative force for a more sustainable world.

7. Limitations and Future Research

Future research in the field should delve deeper into the evolving role of governments and legislation in shaping sustainability within the fashion industry. This involves exploring how governmental policies and regulations can incentivize or enforce sustainable practices, as well as the extent to which they impact the decisions made by fashion corporations. Additionally, investigating the interplay between global and regional regulations would provide valuable insights into the effectiveness of legislative measures in promoting sustainability.

In the pursuit of advancing our understanding of sustainability in global fashion corporations, future research should extend particularly to each subchapter contained within this dissertation, with special emphasis on the Data Analysis chapter, which was comprehensively provided in this research. However, it is important to thoroughly examine each subject individually in order to enhance comprehension of the topic.

The research faced constraints regarding access to detailed information from fashion companies, particularly concerning their tier 2 and 3 suppliers. This limitation hindered a comprehensive evaluation of the supply chain's sustainability practices. The information provided by fashion companies may be inherently biased, as companies often present themselves in a favorable light. This potential bias could influence the accuracy of the findings and conclusions drawn in this study. To have a broader understanding and not be limited by the company's direct information this study included studies of remarkable authors that, unfortunately, some were based on data and information that may have become outdated. Given the dynamic nature of the fashion industry and evolving sustainability efforts, more recent data would provide a more accurate reflection of current practices.

Additionally, the research relied primarily on qualitative data and case studies. Access to more quantitative data, such as the number of garments produced or specific environmental metrics, would have allowed for a more precise analysis of sustainability practices.

Ultimately, qualitative research, though invaluable for its in-depth exploration, has inherent limitations in terms of generalizability. Given the study's reliance on insights from just two experts, who, it should be noted, significantly enriched and positively influenced the research,

the findings may not be universally applicable to all fashion companies. Therefore, there is a clear need for further quantitative research to validate and extend the qualitative insights presented in this study.

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Appendices

Appendix 14

Earth is now our only shareholder

“If we have any hope of a thriving planet—much less a business—it is going to take all of us doing what we can with the resources we have. This is what we can do.

By Yvon Chouinard

I never wanted to be a businessman. I started as a craftsman, making climbing gear for my friends and myself, then got into apparel. As we began to witness the extent of global warming and ecological destruction, and our own contribution to it, Patagonia committed to using our company to change the way business was done. If we could do the right thing while making enough to pay the bills, we could influence customers and other businesses, and maybe change the system along the way.

We started with our products, using materials that caused less harm to the environment. We gave away 1% of sales each year. We became a certified B Corp and a California benefit corporation, writing our values into our corporate charter so they would be preserved. More recently, in 2018, we changed the company’s purpose to: We’re in business to save our home planet.

While we’re doing our best to address the environmental crisis, it’s not enough. We need to find a way to put more money into fighting the crisis while keeping the company’s values intact.

“Truth be told, there were no good options available. So, we created our own.”

One option was to sell Patagonia and donate all the money. But we couldn’t be sure a new owner would maintain our values or keep our team of people around the world employed.

Another path was to take the company public. What a disaster that would have been. Even public companies with good intentions are under too much pressure to create short-term gain at the expense of long-term vitality and responsibility.

Instead of “going public,” you could say we’re “going purpose.” Instead of extracting value from nature and transforming it into wealth for investors, we’ll use the wealth Patagonia creates to protect the source of all wealth.

Here’s how it works: 100% of the company’s voting stock transfers to the Patagonia Purpose Trust, created to protect the company’s values; and 100% of the nonvoting stock had been given to the Holdfast Collective, a nonprofit dedicated to fighting the environmental crisis and defending nature. The funding will come from Patagonia: Each year, the money we make after reinvesting in the business will be distributed as a dividend to help fight the crisis.

It’s been nearly 50 years since we began our experiment in responsible business, and we are just getting started. If we have any hope of a thriving planet—much less a thriving business—50 years from now, it is going to take all of us doing what we can with the resources we have. This is another way we’ve found to do our part.

Despite its immensity, the Earth’s resources are not infinite, and it’s clear we’ve exceeded its limits. But it’s also resilient. We can save our planet if we commit to it.”

Appendix 2

Table 5: Interview Guide

ID	Question
Question 1	How would you define the concept of sustainability in the context of the fashion industry, and in your opinion, what are the main indicators of a truly sustainable fashion company?
Question 2	Looking at the evolution of the fashion industry over the last decade, what notable changes have you observed in how companies approach sustainability? Do you believe the situation is improving or worsening?
Question 3	Do you believe these differences have also affected consumer perceptions and behaviors?
Question 4	The fashion industry has been criticized for its contribution to waste and pollution. In your perspective, how can fashion brands, regardless of their business model, contribute to a circular economy and reduce their environmental footprint?
Question 5	Given the global nature of fashion supply chains, what role can regulations and policies play in guiding the industry toward more sustainable practices? Is there any region or country leading the way in this domain?
Question 6	Could you discuss the balance between sustainability and affordability? How can fast fashion companies strike a balance between producing affordable clothing and reducing their environmental impact?
Question 7	Transparency and traceability are crucial components of sustainable fashion. How can fashion companies ensure transparency throughout their supply chains, and how might this transparency influence consumer trust?
Question 8	Collaboration within the industry can play a significant role in driving sustainability. Are there examples of successful collaborations or initiatives between different stakeholders, such as brands, suppliers, and consumers, that have positively impacted sustainability in fashion?
Question 9	Fast fashion companies like H&M often prioritize low-cost, high-volume production. In your view, what are the main challenges they face in adopting sustainable practices, and have you seen any innovative solutions emerging to address these challenges?
Question 10	Patagonia has been celebrated for its commitment to sustainability. How do purpose-driven brands like Patagonia influence consumer expectations and the overall landscape of sustainable fashion practices?
Question 11	Looking into the future, what, in your opinion, are the most critical areas for improvement and

	innovation in the fashion industry to achieve more sustainable outcomes? Are there emerging technologies or practices that hold promise?
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Appendix 3

A color-coding system was conducted in order to have a greater analysis of the in-depth interviews. Here is an example of how this code was made.

Color Codes:

Consumer Behavior and Role

Environmentally Harmful Industry Practices

Supply Chain Practices

Industry Challenges

Impact of Government and Legislation

Innovative Industry Practices

Suggested Approaches and Solutions

Key Insights

Materials

Question 9: Fast fashion companies like H&M often prioritize low-cost, high-volume production. In your view, what are the main challenges they face in adopting sustainable practices, and have you seen any innovative solutions emerging to address these challenges?

Expert 1: Brands' communication is crucial. Consumers tend to have a hard time believing what H&M says. The major issue with their business model is not what is consumed but what isn't. Fifty percent of what they produce goes to landfills. The first step is not to produce more than what is being consumed. This is the significant change needed—swapping quantity for quality. H&M offers prices that other fast fashion companies can't match because they still produce in countries where others have withdrawn due to social responsibility concerns. For example, Inditex will establish a eucalyptus factory in Galicia, which will create sustainable production, more jobs, but there have been significant protests against large-scale eucalyptus production in the region. There is no one-size-fits-all solution. Everything requires extensive research. What often happens is that we can have pieces made in Indonesia, where 90% of the production occurs, and if they are finished in Europe, they can be labeled as made in Europe. European legislation is changing this, requiring at least 50% of production to occur in Europe by 2025.

Essentially, it involves relocating production. Producing in Portugal is preferable because we understand Portuguese labor protection laws. We have the second-best worker protection laws

in Europe, and low wages are offset by taxes that protect workers. Everything produced in Europe already guarantees significant worker protection. However, this works better for smaller companies. A global company like Patagonia needs to make a substantial profit per item because it has a lot of responsibility. Therefore, it has to produce in countries outside Europe where production costs are much lower but with greater production oversight. Here lies the problem: either you have someone monitoring continuously at high cost, or you have someone checking everything during audits, but the reality is much worse when they are not there. This can happen because companies often rely on local agents who often have significant vested interests that may contradict transparency. These agents are disappearing, and now extensive research is conducted before partnering with producers to ensure they are not being deceived.