



PROJECT IMPLEMENTATION REPORT (PIR)

for the project:

Transforming the Fashion Sector to Drive Positive Outcomes for Biodiversity, Climate, and Oceans

FY23

July 1, 2022 – June 30, 2023

Executing Partners

THE
FASHION
PACT



Project Information

Project Title:	Transforming the Fashion Sector to Drive Positive Outcomes for Biodiversity, Climate, and Oceans (Abbrev. <i>Transforming the Fashion Sector with Nature</i>)		
Country(ies):	Global	GEF ID:	10658
GEF Agency(ies):	Conservation International	Duration In Months:	35 months
Executing Agency(ies):	Conservation International	Actual Implementation Start Date:	11/15/2020
GEF Focal Area(s):	Climate Change, Chemicals and Waste	Expected Project Completion Date:	10/31/2023
GEF Grant Amount:	USD 2,000,000	Expected Financial Closure Date:	04/30/2024
Expected Co-financing:	USD 4,790,893	Date of Last Steering Committee Meeting:	1/30/2023
Co-financing Realized as of June 30, 2023:	USD 6,931,199	Mid-Term Review-Planned Date:	N/A
Date of First Disbursement:	11/4/2021	Mid-Term Review-Actual Date:	N/A
Cumulative disbursement as of June 30, 2023	USD 1,755,730	Terminal Evaluation-Planned Date:	04/01/23
PIR Prepared by:	Franklin Holley	Terminal Evaluation-Actual Date:	07/12/2023
CI-GEF Project Manager:	Daniela Carrión	CI-GEF Finance Lead:	Susana Escudero

Commented [DC1]: @Shannon Wiecks please review the table in this version, this is the final one.

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Minor Amendment Categories	Minor Amendment Justification
Results Framework <input type="checkbox"/>	Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5%. Please select the box that is most applicable for FY23 and include an explanation for the minor amendment request.
Components and cost <input type="checkbox"/>	
Institutional and implementation arrangements <input type="checkbox"/>	
Financial management <input type="checkbox"/>	
Implementation schedule <input checked="" type="checkbox"/>	

start date delayed to February 2021. Three month extension granted to finalize project activities. Revised implementation period is February 2021-June 2023. Rationale: Delays due to circumstances outside of the Executing Agencies' control, including Science Based Targets Network version releases (over a year delayed), staffing changes under Component 2, delays and change in delivery partner for Component 3 from UNDP to Textile Exchange due to agreement conflict, unforeseen legal delays with obtaining non-disclosure agreements (NDAs) with corporate partners, and technical and licensing delays related to project IP in Component 1. Project implementation completed June 30, 2023. Terminal evaluation and close-out to be completed October 31, 2023.

Executing Entity <input type="checkbox"/>	
Executing Entity Category <input type="checkbox"/>	
Minor project objective change <input type="checkbox"/>	
Safeguards <input type="checkbox"/>	
Risk analysis <input type="checkbox"/>	
Increase of GEF project financing up to 5% <input type="checkbox"/>	
Co-financing <input type="checkbox"/>	
Location of project activity <input type="checkbox"/>	
Other <input type="checkbox"/>	

MINOR AMENDMENT RESPONSE FROM CI-GEF

A non-cost extension was approved for this project to ensure all targets were met for each project component. The project closed programmatically on June 30, 2030 and close-out phase will be completed in October 31, 2023.

The CI-GEF Project Agency Project Implementation Report (PIR) is composed of six sections:

- Section I: Project Implementation Progress Status Summary:** provides a brief summary of the project as well as the implementation status and rating of the previous and current fiscal years;
- Section II: Project Results Implementation Progress Status and Rating:** describes the progress made towards achieving the project objective and outcomes, the implementation rating of the project, as well as recommendations to improve the project performance, when needed;
- Section III: Project Risks Status and Rating:** describes the progress made towards managing and mitigating project risks, the project risks mitigation rating reassessment as needed, as well as recommendations to improve the management of project risks;
- Section IV: Project Environmental and Social Safeguards Implementation Status and Rating:** describes the progress made towards complying with the Environmental & Social Safeguards and the Plans prepared during the PPG phase, the safeguard plans implementation rating, as well as recommendations to improve the project safeguards;
- Section V: Project Implementation Experiences and Lessons Learned:** describes the experiences learned by the project managers and the lessons learned through the process of implementing the project; and
- Section VI: Project Geocoding:** documents the precise and specific geographic location(s) of activities supported by GEF investments based on information available in project documentation.

SECTION I: PROJECT IMPLEMENTATION PROGRESS STATUS SUMMARY

PROJECT SUMMARY

In 2018, the United Nations Environment Programme (UNEP) reported that the fashion industry produces 20% of global wastewater and 10% of global carbon emissions — more than all international flights and maritime shipping ([World Economic Forum](#)). Furthermore, the release of the [IPBES report](#) in May 2019, created both a sense of urgency and recognition of the important role of the private sector in co-creating solutions to the “nature crisis.” In response to these conclusions, at the G7 Summit in August 2019, 32 companies in the fashion sector signed the Fashion Pact, a pledge to work together to address climate change, restore biodiversity and protect oceans. Since then, 31 more companies have joined bringing the total number of Fashion Pact signatories to 63.

Through partnership, the Fashion Pact has since elevated the sector’s enthusiasm and garnered commitments to a common agenda across three pillars: Climate (stopping global warming), Oceans (protecting oceans), and Biodiversity (restoring biodiversity). Through the GEF funded project CI partnered with the Fashion Pact to support the work to transform the fashion industry. As the delivery partner for The Fashion Pact’s Biodiversity Pillar, Conservation International is bringing critical information and thought leadership that is grounded in science and expertise in transforming raw production systems and supply chains that make up a significant portion of the environmental impacts of the corporate sector (including food/beverage, agriculture, and fashion). Together, CI and The Fashion Pact leverage this experience and knowledge about the risks of fashion supply chains and opportunities to reduce or eliminate those risks with the collective strength of all the signatories to impact nature more positively at scale.

The work within the Biodiversity Pillar is underpinned by this Fashion Pact project, Transforming the Fashion Sector to Drive Positive Outcomes for Biodiversity, Climate and Oceans. Showcasing the strength of their partnership, the project is jointly executed by The Fashion Pact association and Conservation International’s Center for Sustainable Lands & Waters. The project objective is to: Facilitate the development and implementation of effective science-based tools to enable companies to design individual and collective actions to drive delivery of The Fashion Pact’s biodiversity, climate, and oceans commitments. Work to accomplish this objective is divided into four components:

Component 1 is providing the fashion industry with a foundational understanding of environmental risks and impacts across fashion supply chains and key subsectors, with a focus raw material production and extraction.

Component 2 is facilitating the development of company specific science-based analyses that will enable companies to develop their own action plans and strategies that align with the Science-Based Targets for Nature frameworks.

Component 3 is identifying on-the-ground projects that can showcase a collective action fashion industry approach to leveraging positive environmental outcomes through transformed supply chain/sourcing. Three specific on-the-ground efforts are testing this collective approach and will focus on reducing mercury emissions in artisanal and small-scale gold mining, reducing deforestation (and GHG emissions, as a result) in leather supply chains, improving the agricultural management of collective grazing lands in cashmere production.

Component 4 is focused on establishing the structure, staffing and tools required to institute the The Fashion Pact association so that it can be widely recognized by the industry and environmental entities as the lead organization for establishing, taking action, and documenting and publishing progress on the fashion industry’s environmental metrics.

The project is aligned to the Climate Change and Chemicals and Waste GEF focal areas and contributes significantly to the Biodiversity focal area. Global Environmental Benefits are achieved through tracking the fashion company’s commitments and monitoring the pilot impact that will be achieved as a result of corporate engagement. Through this work, the project contributes to three GEF core indicators (1) area of landscape under improved practices, (2) GHG emissions mitigated and (3) quantity of mercury reduced with direct and indirect targets.

PRIOR PROJECT IMPLEMENTATION STATUS

The project objective has been to facilitate the development and implementation of effective science-based tools to enable companies to design individual and collective actions to drive delivery of the Fashion Pact's biodiversity, climate, and oceans commitments. Work to accomplish this objective began and was divided into four components: Global Supply Chain Mapping, Prioritizing Action, Sustainable Sourcing, and Fashion Pact Association Consolidation. Part of the challenge in year 1 was helping signatories understand the importance of setting SBTs for nature (and for their supply security) and *how* to go about setting and delivering upon such targets and strategies when the full set of guidance from SBTN was not yet available due to SBTN delays outside of project control.

Despite and because of the delays, the project's first 17 months (no PIR was completed for the first 5 months as the project started in February 2021), were focused on generating and sharing knowledge products to provide the background on the impacts of the fashion sector raw materials on biodiversity, climate, and oceans, then share resources and tools customized for their application in setting biodiversity strategies. 19 webinars/workshops were conducted with Fashion Pact signatories on topics ranging from an overview of biodiversity in general to how specific raw materials impact the landscape to an introduction of Science-Based Targets and how to get started with "no regrets" actions (Components 1, 2, 3 and 4).

The first Biodiversity Benchmarking (Component 4) was completed in 2021 to annually track Fashion Pact signatory progress towards setting credible science-based targets and biodiversity strategies. The Biodiversity Benchmarking included participation by 71% of Fashion Pact signatories and found that 10% of signatories have an explicit biodiversity strategy. The project also released a Biodiversity Strategy Tool Navigator (Component 1), assembled specifically for the fashion/apparel sector, to provide a one-stop-shop for resources, tools, and methods to help companies along each step of their SBTN journey.

Rich analysis was conducted towards the production of a Global Risk and Impact Assessment (Component 1; now titled *The Fashion Nature Risk Lens*) to show, broadly, the risks to nature of the fashion sector and highlight likely impacts as well as prioritization opportunities for companies to then go a level deeper on their own equipped with the knowledge we've shared and other tools. In parallel, several deep-dive analyses (Component 2) aligned with the SBTN guidance as it is known, were conducted with various levels of supply data to "road test" the SBTN methods for cotton production in the United States, leather in Brazil, and viscose in Austria and Indonesia.

Four pathways (Component 3: leather/Brazil, cashmere/Mongolia, artisanal gold/Kenya, and wildlife-friendly certified product/global) were identified as pilot opportunities to build supply of raw materials with specific biodiversity, climate, and chemical & waste outcomes. Year 1 of this project was focused on refining the opportunities and messaging with the Fashion Pact signatories to build a business case for investment.

Finally, the Fashion Pact as an organization (Component 4) streamlined functioning and grew the team from a staff of 1 to 15 strengthening their capacities and positioning within the fashion sector. External communications also took place: The Fashion Pact, Conservation International, and Burberry (a signatory) presented on a main stage panel at the 2022 Global Fashion Summit about the importance of SBTs for nature, despite the complexities, raising the profile of the sector's impact and the urgency to act.

CURRENT PROJECT IMPLEMENTATION STATUS (FY23)

Overall, this project has succeeded in providing a common understanding of the need and urgency for fashion sector brands and companies to set strategy and drive positive action to equitably address fashion's impact on biodiversity and nature, generating and disseminating new science and knowledge, and catalyzing robust opportunities for implementation and more sustainable sourcing of raw materials within companies and throughout the wider industry across various stakeholders. Thirty-nine (39) members of The Fashion Pact have noted that The Fashion Pact is a key forum to exchange, learn and share best practices around biodiversity (67%). Twenty-nine (29) members have stated that The Fashion Pact has helped their company get started on taking actions regarding biodiversity (50%) (2022 Benchmark Reporting – most recent Fashion Pact reporting). This is indicative of the trust, relevance, and credibility established largely by the work under this GEF-funded project. In addition to meeting or enabling significant progress towards most of the targets in our scope, it is clear that the project value goes well beyond the initial investment and project indicators, having been a significant catalyst in driving attention to and prioritization of biodiversity in the

fashion sector and beyond, when very little work had been done on biodiversity in fashion supply chains before, *much less at the collective level in a highly-competitive industry.*

Our work has also consistently been aligned with the Science Based Targets Network, and while we have had some delays that were out of our control as a result, the advantage of being able to receive first hand updates, build partnership and publish resources ([Raising the Ambition for Nature SBTN primer](#)) for companies, and give feedback into the development of SBTN frameworks has proven to have ripple effects beyond the membership of The Fashion Pact and the scope of this project. Trust, partnership, and credibility rarely come easy, however, especially with a large group of grantees and sub awardees who had not worked together before. To accomplish what is included in this report in under 3 years is due to the ambitious GEF investment and also the hard work and dedication of the executing agencies and delivery partners, who managed to achieve over USD 6 million in co-financing for this project that was leveraged from in-kind work done in addition to existing project budgets to meet project indicators or from related efforts that also deliver on many of the same outcomes identified in this project.

Because this work was new, and enabled largely by this GEF project, the first 1.5 years of the project were focused on generating and sharing knowledge, tools, and resources specifically crafted for Fashion Pact signatories to understand the impact of the fashion sector raw materials on biodiversity, climate, and oceans as well as pathways for improvement. As the scopes of the Component 3 pilot projects were not entirely developed before inception, the team also needed to work closely with delivery partners to align and then effectively communicate the needs/opportunities of investment to signatories. FY23 built upon on that foundation to move from the “what” and the “why” of corporate biodiversity action to the “how,” and we focused on setting and aligning biodiversity strategies with the SBTN and actively pursued securing signatory commitments toward investments in reducing mercury emissions from ASGM, as well as reducing GHG emissions and improving management of agricultural lands for leather and cashmere as part of the Component 3 pilots (later named Joint Pathways or Collective Action Pathways).

Over the course of 2023, 7 more webinars/workshops were conducted with Fashion Pact signatories on topics ranging from pilot investment opportunities, sharing results of scientific analysis related to the biodiversity impacts of key raw materials, Fashion Pact benchmark updates, SBTN V1 overview and deep dive, and training for signatories for the [Fashion Nature Risk Lens](#) (Component 1), a long-awaited global environmental risk analysis of several key raw materials as well as sub-sector breakdowns.

The second Biodiversity Benchmarking (Component 4) was completed in 2022. Participation increased from 71% to 77% of all members, an excellent participation rate for reporting of this type. Nearly all participants from the first benchmark participated in the second. Overall, results show that 21% (12 members) have a biodiversity strategy (up from 10% from prior year). [Note that as of May 2023, we undertook an informal desktop review to supplement the 2022 reporting and found **19 companies to have a public biodiversity strategy** that publicly states alignment with SBTN]. The Benchmarking also highlighted that 60% of members have a commitment to eliminate deforestation, **and in total among participants, 3.4 million hectares of productive land is under improved practices as part of their efforts through The Fashion Pact or other related nature and sustainability investments outside of The Fashion Pact.** 2023 Fashion Pact reporting (including the Biodiversity Benchmark) was open to signatories for data entry April 18-June 30, 2023. Results are expected in November 2023.

The [Biodiversity Strategy Tool Navigator](#) has now received nearly 2,000 unique visitors, and 38 of the 58 Fashion Pact signatories participating in the 2022 Benchmark noted that the tool has been helpful. As for new materials and resources released in FY23, in addition to the previously mentioned in Fashion Nature Risk Lens, the project also released several resources to further aid in understanding the impacts of fashion raw materials, navigating SBTN processes and setting SBTs for nature, and guidance documents for more responsible sourcing in line with the output targets per each component.

Component 1:

[Fashion Nature Risk Lens](#)

Component 2:

[Deep-Dive Report: Leather in Argentina](#)

[Deep-Dive Report: Cotton in USA](#)

[Deep-Dive Report: Viscose in Austria and Indonesia](#)

[Raising the Ambition for Nature: A fashion, textile, and apparel sector primer on the first science-based targets for nature](#)

[Fashion Sector Future Scenarios \(arcgis.com\)](#) and summary technical report

Component 3:

[Cashmere Guidance for Brands](#)

[Best Practices for Sustainable Sourcing for Biodiversity, Livelihoods, and Climate: Guidance Document](#)

Component 4:

See also C2: Raising the Ambition for Nature

[Fashioning a Nature Positive Future: Resource Roadmap for Transforming the Fashion Sector with Nature project](#)

In terms of the group action, four pathways (Component 3 pilots: leather/Brazil, cashmere/Mongolia, artisanal gold/Kenya, and wildlife-friendly certified product/global) were identified as pilot opportunities to build supply of raw materials with specific biodiversity, climate, and chemical & waste outcomes including global environmental benefits (GEBs) for land under improved agricultural practices, mitigation of greenhouse gas emissions, and reduction/elimination/avoidance of chemicals (mercury) of global concern. Through these on-the-ground activities and sustainable sourcing pilot platforms, **345,000 hectares have been or will be under improved agricultural practices** (such as verified deforestation-free and improved animal welfare outcomes for leather in Brazil and improved rangelands for Mongolian cashmere) as a direct result of corporate commitments enabled by the project. The Greenhouse gases mitigated through avoided emissions as a result of the deforestation-free hectares (91,000 ha) is estimated to be **3,513,131 tCO₂eq** (using Exact with 20 year period). Through the creation of a digital responsible mining platform, the project has **enabled the future elimination of 150-200 kg (0.15 – 0.2 metric tons) mercury/year** from artisanal and small-scale gold mining operations in Kenya. Furthermore, the indirect scale up effect of catalyzed commitments and action outside of the project scope includes 3.4 million hectares of land under improved agricultural practices. See the bulleted breakdown below for more detail on the direct impact of the project (through pilots).

- The Leather Impact Accelerator: managed by the Textile Exchange (TE) and focused on deforestation-free and better animal welfare leather supply chains in Brazil. The Accelerator operates through incentive credit purchases to de-risk investing in more sustainable practices and land management by farmer and ranchers (and others along the supply chain). Four companies have purchased LIA impact incentives, with two more committing to invest in upcoming budget cycle. Two pilots are ongoing over 12 farms in Sao Paulo, Mato Grosso, and Goias states. 345,000 hectares of farmland engaged with 91,000 hectares verified deforestation/conversion-free through 2025 or enrolled for assessment. After 2025, producers can continue to sell credits on the LIA market to sustain Deforestation & Conversion Free status.
- Sustainable Mongolian Cashmere: managed by the Textile Exchange (TE) to align organizations (including the Mongolia Sustainable Cashmere Program) working in Mongolia on various aspects of cashmere production around a common definition for “sustainable Mongolian cashmere.” TE has also adapted the Impact Accelerator framework for sustainable goat herd management in Mongolian cashmere production and worked with producer-facing organizations towards better grazing lands management and animal welfare. At least 140,000 hectares of rangelands in two soums in Dornod province is expected to be enrolled, pending corporate commitments. Partners include Responsible Nomads and Sustainable Fibre Alliance.
- Artisanal and small-scale gold: managed by The Dragonfly Institute/The Impact Facility (TDI/TIF) to enable the production of mercury-free or reduced artisanal and small-scale mined gold via The Impact Facility’s Lake Victoria Gold Program (or other identified source per signatory priority/investment). Initially, TIF had planned to work with 2-6 Fashion Pact signatories on book-and-claim, direct purchasing, or philanthropic donation investments to cover the costs for miners and workers to transition to new technologies in lieu of or that reduce mercury use and emissions. Ultimately, lack of current sourcing from those areas, perceived risk in ASGM, the budget cost, restructures in Fashion Pact membership and member organization, thematic fit, competition for funding, and the emergence of the Sustainable Watch and Jewelry Initiative were structural factors outside of the control of the project that contributed to lack of signatory buy-in for this pilot. Despite these challenges, TIF has managed to continue to build a digital platform for responsible mining credits. They have also built upon the work conducted to date with The Fashion Pact to establish an approach that is being rolled out in Kenya (with plans to reach Tanzania in future). This will involve 30 small-scale mines, over 3,000 miners and workers, and the expectation is that good practice would be replicated elsewhere in Osiri Matanda network over time - as a result of higher recovery rates affected through borax use vs. mercury - and for between 150 - 200kg of mercury per year to be eliminated by end of CY 2024 (after an initial 30 kg savings in CY 2023) based on projections and modeling from The Impact Facility’s work in the region.
- Wildlife-Friendly certified sourcing: managed by the Wildlife Friendly Enterprise Network (WFEN) to enable sourcing of specific products that are directly linked to impacts on particular species (such as guanaco, jaguar, puma) that are of high biodiversity value. WFEN currently works to protect key species across 5 continents and can adapt their approach for new opportunities/geographies. This pathway is not geographically specific, however, once a location/species is identified based on the raw materials sourced, then WFEN can create a tailored set of indicators for wildlife friendly certification and purchase by a company. Pointed outreach and 1:1 conversations were conducted with 7 signatories, all of whom ultimately declined, largely due to lack of necessary sourcing geography traceability to support the investment.

Finally, the Fashion Pact as an organization (Component 4) is functioning well, rotating through co-chairs with their first female CEO co-chair (Helena Helmersson, H&M Group), growing staff capacity continuously to meet the need, all of which strengthens their capacities and positioning further within the fashion sector. The launch of Raising the Ambition for Nature fashion sector SBTN primer took place via an executive, main stage panel at the 2023 Global Fashion Summit in Copenhagen and garnered over 500 media hits upon release. The Fashion Pact has now hosted ten Steering Committee meetings and eleven Operations Committee meetings, demonstrating the momentum across leadership to catalyze industry transformation, seen through the time dedication of CEO and other top leadership from TFP membership. CEO engagement and Internal engagement is increasing, with two employees resourced to work on these topics specifically. This focus has resulted in The Fashion Pact's Best Practice Sharing & CEO Breakfast, during which CSOs and separately, CEOs, can come together to hear presentations from members. This was successfully piloted with a CEO and a CSO and will continue forward. The staff & team has also grown exponentially, currently counting 14 staff including secondments from CHANEL and H&M Group. The inclusion of secondments further strengthens the ability for The Fashion Pact to design projects that will be effective and enticing from private sector investment, helping TFP to accelerate its work and increase its impact. The Operations Committee is also in the midst of a turnover, which with the inclusion and addition of new representatives from different organizations, will further amplify engagement and impact. Given the increased size of the organization along with the increased engagement of the members, the association has been able to launch numerous working groups, research & work streams, and concrete projects that address topics such as emissions, circularity, material sourcing, finance, and more. These topics directly have impact and will aid in industry transformation on biodiversity, climate, and oceans impact. With over 160 brands representing around one-third of the fashion industry by volume and representing 17 countries, the momentum catalyzed by the Global Environment Facility partnership has resulted in industry progress on topics beyond biodiversity strategies, and beyond direct engagement with The Fashion Pact but a general increase in attention and action throughout and across businesses towards The Fashion Pact's goals and targets. For example, 77% of members are participating in disclosing their progress annually through reporting, the number of members with biodiversity strategies has doubled to 21% with an additional 52% of members who have a strategy under development, and 58% of materials used by TFP members are coming from preferred sources (aligned with Textile Exchange definition), and 91% of TFP members are reducing impacts through one or more action including sourcing recycled or certified land-based materials, reducing volumes and improving transparency as a step towards this goal.

Risks & Safeguards

Overall, the identified project risks are unchanged or decreasing because of the hard work to raise awareness with the Signatories, the success of standing up the Fashion Pact Association, Delivery Partner alignment and communications, and CEO engagement. There have been no grievances reported, representation by women in the day-to-day is high, and a diversity of stakeholders (including and especially the signatories, but also other coalitions) are engaged in these activities or aware of them and increasingly, interested in collaborating.

Challenges (including challenges related to COVID-19)

- **Despite these gains, companies have so many competing priorities that it takes time to build the business case and relationships for investment in these new topic areas. Macro shifts, political, cultural, environmental, or economic, can affect their decision making and investments can change very quickly for better or worse. For this reason, it is important to stay the course with them as they continue to develop biodiversity strategies and set SBTs for nature so that stakeholders are well positioned to influence company direction and at the ready when companies can and will invest.**
- Similarly, while there is a keen interest in understanding fashion's impacts on nature and people, strong participation in project webinars and workshops, and support for the work within the Fashion Pact up to the highest levels of signatory leadership, signatories must be met where they are along their journey towards sustainable outcomes. Many signatories are still learning where their materials come from, what the keys risks are, and how to address such risks. Traceability in global supply chains remains less than ideal for the most rigorous analyses and targeted commitments. Relationships with suppliers must be established in order to move beyond purely transactional procurement based solely on the lowest cost available for a good or product.
- Similarly, trust between those in the supply and value chains must be established as well (e.g., agricultural producers) to make change. These relationships take time, especially when implemented collectively in a sector like fashion where collaboration with other (possibly competing) brands/companies is still a very new way of working. In addition to the project's scope of outputs, co-executors and delivery partners will continue to work hard to share learnings and examples of success from other sectors (food/beverage/agriculture) with signatories as well as help articulate the best way forward

where supply chain data availability may be less than ideal to enable the fashion sector to make progress as quickly as the planet needs.

- While there have been gains regarding representation of women in leadership, at the same time, there is little this one project can do to affect the lack of representation of women at the top of many fashion brands and companies. Further efforts will continue to look for ways it can diversify and increase representation by those less represented at the top.
- Aligning the Fashion Pact Governance schedule with the project’s decision-making timeline and corporate budget cycles has been tricky, but despite these constraints we’ve made great process to meet or nearly meet all targets.
- Uncertainties with COVID-19 continued to make travel planning and in-person meetings more difficult as well, as a result.

SUMMARY: PROJECT IMPLEMENTATION PROGRESS STATUS

PROJECT PART	PRIOR FY22 IMPLEMENTATION PROGRESS RATING	CURRENT FY23 IMPLEMENTATION PROGRESS RATING ¹	RATING TREND ²
OBJECTIVE	S	S	Unchanged
COMPONENTS AND OUTCOMES	S	HS	Increasing
ENVIRONMENTAL & SOCIAL SAFEGUARDS	S	S	Unchanged

PROJECT RISK RATING³

RISKS	M	M	Unchanged
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¹ **Implementation Progress (IP) Rating:** Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU). For more details about IP rating, please see the Appendix I of this report

² **Rating trend:** Improving, Unchanged, or Decreasing

³ **Risk Rating:** Low (L), Moderate (M), Substantial (S), High (H)

SECTION II: PROJECT RESULTS IMPLEMENTATION PROGRESS STATUS AND RATING

This section describes the progress made since the start of the project towards achieving the project objective and outcomes, the implementation progress rating of the project, as well as recommendations to improve the project performance. This section is composed four parts:

- a. Progress towards Achieving Project Expected Objective: this section measures the likelihood of achieving the objective of the project
- b. Progress towards Achieving Project Expected Outcomes (by project component)
- c. Overall Project Results Progress Rating, and
- d. Recommendations for improvement

a. Progress towards Achieving Project Expected Objective:

This section of the report assesses the progress in achieving the objective of the project.

PROJECT OBJECTIVE:	Develop and implement effective science-based tools to enable companies to drive delivery of the Fashion Pact’s biodiversity, climate, and ocean commitments.
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OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
<p>Indicator A. # companies that have developed strategies that align with global goals and the Science Based Targets for Nature framework for target setting. Target A: 20 companies.</p>	<p>19 – In the most current TFP benchmarking, 12 members reported in 2022 of having a biodiversity strategy. This figure, however, does not capture progress since the 2022 reporting period. Based on current desktop research of publicly available biodiversity strategies, 19 signatories of The Fashion Pact now have biodiversity strategies or have embedded the topic in their broader sustainability, climate, or nature strategy. 11 of these have publicly aligned with SBTN.</p>	<p>CA</p>	<p>In the 2022 reporting, 12 members reported having a biodiversity strategy, up from 5 in 2020. 30 companies are currently in the process of developing one. With the delays of SBTN’s guidance V1 release to mid 2023, companies have had to pause on the development of their strategies in order to ensure alignment with SBTN. In the next year, however, as the SBTN is piloted and as companies have time to implement the guidance, we expect the number of companies with biodiversity strategies to increase significantly. This conclusion is also evidenced by the details of Fashion Pact member reporting.</p> <p>In the 2022 Biodiversity Benchmark, members reported having the following regarding biodiversity targets:</p> <ul style="list-style-type: none"> • Under consideration - 25

⁴ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<ul style="list-style-type: none"> • Targets for protecting endangered or threatened species - 10 • Avoidance targets e.g., deforestation and/or land use conversion-free supply chains - 21 • Reduction targets e.g., reduced use of virgin materials - 17 • Targets for ecosystem restoration e.g., forestry - 5 • Targets for regenerative farming - 6 • Targets aimed to "Do No Harm" to biodiversity - 6 • Targets aimed for "No Net Loss" of biodiversity - 3 • Targets aimed for "Net Gain" or "Net Positive" for biodiversity - 3 • Other biodiversity-related targets – 6 <p>And the following regarding completion of SBTN steps based on initial DRAFT guidance:</p> <ul style="list-style-type: none"> • Not yet completed Step 1, but planning to – 19 • Step 1 (Assess): 5 • Step 2 (Interpret & Prioritize): 3
<p>Indicator B. # area of land under improved agricultural practices based on outputs of projects outlined in Outcome 3.1. Target B: 300,000 ha under improved agricultural practices.</p>	<p>345,000 hectares directly impacted by this GEF project consisting of:</p> <ul style="list-style-type: none"> • 205,000 ha of farmland in Brazil participating in LIA pilots, 91,000 of which is natural ecosystems either third-party verified as deforestation/conversion-free through 2025 or enrolled for assessment. • 140,000 ha (conservative estimate; range is 140,000-200,000) of more sustainable goat herd management on Mongolian rangelands imminently executable upon corporate investment via impact incentives or direct sourcing. <p>In addition, another 3+ million ha of productive land are under improved practices as part of other related signatory efforts/investments as reported in The Biodiversity Benchmark 2022 results.</p>	<p>CA</p>	<p>Leather Impact Accelerator:</p> <ul style="list-style-type: none"> • Pilot #1: 5 farms with 88,000 hectares of total farmland, including 37,500 hectares of natural ecosystems, third-party verified as deforestation/conversion-free (has taken place for two years over 2022 and 2023, and the full volume was purchased by 4 TFP signatory brands (Ralph Lauren, H&M, Capri, Zimmerman)) • Pilot #2 (new enrollment of as Q3): 7 farms with 117,000 hectares of total farm land, including 53,500 hectares of natural ecosystems, pre-assessed and third-party Deforestation and Conversion-Free verification scheduled for August 2023 (At least two TFP signatory brands are in active discussions with the facilitator about purchasing upcoming Impact Incentives

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>(names confidential, but can be provided upon request)</p> <ul style="list-style-type: none"> • Catalyzed by LIA and this GEF project, TE launched a Deforestation Free Call to Action for leather globally. 5 more TFP signatories are committing to sourcing DCF leather by 2030 and are making investment commitments to support farm-level impact. The Impact Incentives are one of the investment options to deliver on these commitments, expected to further drive the demand. <p>Sustainable Mongolian Cashmere:</p> <ul style="list-style-type: none"> • Land area for proposed Responsible Nomads Impact Incentive project: 70,000-100,000k ha • Land area for proposed Sustainable Fibre Alliance Impact Incentive project: 70,000-100,000 ha • The cashmere section of this GEF project had some administrative challenges and a change in lead organization so did not get underway until the end of March 2022. A year is a short time to get engagement with the sector and commitments from brands. • This is particularly true for budget commitments e.g., for Impact Incentives. Brands tend to have set cycles for budget setting which our requests for engagement did not always match. • A lot of brands wanted to have impact data on cashmere, and the reduction in impact that would result from sourcing from sustainable programs before they made decisions about sourcing/changing sourcing. • Some brands were interested in sustainable cashmere, but only if it could fit into their

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>existing supply chains. Not all brands were willing to share details of their supply chains.</p> <ul style="list-style-type: none"> • Many brands (and some processors) were already sourcing Chinese cashmere from the Good Cashmere Standard. We did not want people to drop that certified material to switch to Mongolian cashmere. <ul style="list-style-type: none"> ○ Some brands had concerns about the quality (color, micron, fiber length) of Mongolian versus Chinese cashmere which made them concerned about whether a switch would work for them. • Brands did not always provide the details of the quality of cashmere they wanted for us to compare with Mongolian availability. • Relationship management in Mongolia can be challenging. Having a Mongolian Cashmere Coordinator was crucial to the success of the project. It was important for some stakeholders that concepts and outcomes from the project could be presented in Mongolian, and some stakeholders were only able to provide information and documentation in Mongolian. Some programs in Mongolia consider themselves competitors and a lot of work was involved in ensuring that Textile Exchange and this project were seen as neutral so that all parties remained engaged. • Despite these challenges, there will be a continuation of work on Impact Incentives and Program Partnership Projects for cashmere as this work could not be completed during the project timespan. • There are three brands with strong interest; plus, one brand exploring options

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>for direct sourcing, but open to impact incentive projects if that does not work out.</p> <ul style="list-style-type: none"> • Our intent is to engage more brands as projects get finalized. • Now have two options for program partners in Mongolia – one linked to supporting herders to get RN certification, the other SFA certification. Both have components of rangeland improvement. . (SFA was not previously engaging with other partners, so this is a huge success in building alliances and opportunities for companies) • RN and SFA benchmarking provide suggested areas for improvement in their standards for both animal welfare and land management. This improves the outcomes of these standards for all brands purchasing certified materials. • Retention of part-time Cashmere Coordinator for Textile Exchange, based in Mongolia who is supporting continuation of cashmere work, and liaison with Mongolian stakeholders as well as improving links and options for brand sourcing choices with different Mongolian projects that weren't directly part of this work (e.g., Good Growth Company)
<p>Indicator C. Amount of greenhouse Gases (GHG) mitigated through transformed supply chains and sourcing practices through land restoration and improved agricultural practices. Target C: 500,000 metric tons of CO₂e.</p>	<p>3,513,131 tCO₂eq</p>	<p>CA</p>	<p>These figures are based on avoided deforestation calculations using the EX-ACT tool for a 20 year time period. Farms were dispersed across three states in Brazil: Mato Grosso, Goias, and Sao Paulo with 20 year deforestation rates of 23%, 16% and 14%, respectively, using Global Forest Watch data. The most conservative rate (14%) was applied across all 91,000 hectares that have been third-party verified as deforestation and conversion free or are enrolled to be assessed Q1 FY 24 via the Leather Impact Accelerator project in Component 3.</p>

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>Figures have not yet been calculated for GHG reductions due to a decrease in herd size or other rangeland management practices in Mongolia because corporate purchases or commitments are not yet secured, but they can be estimated when available (likely after the close of project)</p> <p>The Fashion Pact work in the climate pillar is also an example of leveraged outcomes by The Fashion Pact. The Fashion Pact's CVPPA project will add approximately 100,000 MWh of renewable electricity to the European grid, with the participation of 12 companies.</p> <p>The Fashion Pact has also leveraged the project to launch the Unlock project, in its climate pillar, which will which is testing an additional financial incentive ('Unlock Units') to encourage farmers' increased adoption of lower climate impact and regenerative farming practices. 25 brands have signed up to be active participants in the Unlock working group and pilot process.</p>
<p>Indicator D. Amount of reduction and elimination of mercury in artisanal mining operations providing gold to Fashion Pact companies. Target D: 0.1 tons of mercury reduction</p>	<p>Enabled future elimination of 150-200 kg (0.15 – 0.2 metric tons) mercury/year– conservative estimate. See justification</p>	<p>CA</p>	<p>There were initially 6 brands that had expressed interest in an investment aimed directly at .1 tons of mercury reductions through the Lake Victoria Gold Programme or direct sourcing. Two brands became likely participants and pursued discussing agreement terms. Efforts continued to formalize the participation of 1-2 other brands depending on brand readiness, but ultimately, formal commitments and buy-in have not been realized.</p> <p>Ultimately, lack of current sourcing from those areas, the budget cost, restructures in Fashion Pact</p>

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>membership and member organization, thematic fit, competition for funding, and the emergence of the Sustainable Watch and Jewelry Initiative were structural factors outside of the control of the project that contributed to lack of signatory buy-in.</p> <p>It is also often quite difficult for private companies to be leveraged in the early stages of system change that isn't tied directly to very specific supply chains where they already have trusted supply lines. In the case of ASGM, companies may not know where their material is coming from or choose to avoid artisanal gold altogether to avoid the associated risks. While interest remains high, the timing and execution likely require a more significant continued investment in the sector and in specific mining communities by philanthropy and public funding. Continued engagement of fashion brands over time is expected to result in uptake as approaches can be closer tied supply bases for specific supply chains and sourcing targets.</p> <p>GEF finance, for example, has helped TIF establish an approach which they are now rolling out in Osiri Matanda first and then, over time, with other mine sites in Kenya and beyond.</p> <p>Detail: TIF has been actively pursuing opportunities to apply these learnings and continue towards advancing the professionalization of the sector, include mercury reduction/elimination. In Kenya, for example, TIF will be working with the Danish NGO Dialaogos to construct a processing facility in the centre of the community in Migor, West Kenya, for piloting of borax and smelting; a process which mine process owners will fund through a lease-to-own repayment structure over an 18-month period. This collaboration is to be funded by the Danish Government and will include exchange visits to</p>

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
			<p>select mine sites in Uganda (where this technique is already used) as well as the introduction of international mine processing expertise. This will involve 30 small-scale mines, over 3,000 miners and workers, and the expectation is that good practice would be replicated elsewhere in Osiri Matanda network over time - as a result of higher recovery rates affected through borax use vs. mercury - and for between 150 - 200kg of mercury per year to be eliminated by end of CY 2024 (after an initial 30 kg savings in CY 2023).</p> <p>Beyond these figures, TIF expects an additional 150kg of mercury to be eliminated by the end of 2024 within the wider network of mines they are working with.</p> <p>Taken all together, these savings are equal to between 300kg - 350kg of mercury per year; on a ratio of 1.5 units of mercury for every unit of gold recovered, that's equal to as around \$20m worth of mercury-free gold recovered per year.</p> <p>Mercury will be replaced mainly by borax and smelting alternatives. In some cases - beyond Osiri Matanda - we will also explore the viability of using GDA (Gold Dressing Agent) as an environmentally neutral alternative to Cyanide, in the context of VAT-leaching too.</p>

OBJECTIVE IMPLEMENTATION PROGRESS RATING	JUSTIFICATION
S	<p>A Satisfactory rating is given to objective implementation. The project is ending and has successfully completed all objective targets. The achievements have a positive contribution to GEF global environmental benefits while engaging the fashion companies to set nature and biodiversity targets, regenerating land through the pilots and reducing associated GHG emissions. When it comes to mercury reduction, the project worked with partners to enable future elimination of mercury finding other alternatives to work with brands.</p>

b. Progress towards Achieving Project Expected Outcomes (by project component).

This part of the report assesses the progress towards achieving the outcomes of the project.

COMPONENT 1	Global Supply Chain Mapping
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Outcome 1:	More Fashion Pact companies use a supply chain methodology to identify the environmental & biodiversity impacts of supply chains.
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OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁵	COMMENTS/JUSTIFICATION
Outcome indicator 1.1.: Number of Fashion Pact companies tracking and reporting on their supply chain environmental & biodiversity impacts to inform their strategies.	Target 1.1: 35 Fashion Pact companies use the supply chain methodology to inform their strategies.	39 Fashion Pact companies have been trained on the Biodiversity Tool Navigator, and 12 companies reported having used the tool in their decision making. The website has almost 2,000 unique visits. 39 Fashion Pact companies have been trained on the Fashion Nature Risk Lens through both the launch webinar and office hours. Over 60 members have access to all training materials and can review the trainings on The Fashion Pact's internal platform.	CA	As of May 2023, the Biodiversity Strategy Tool Navigator has had 1,925 unique visitors. In 2022 (latest official signatory reporting), 12 companies reported that they use the Tool Navigator as a framework in their biodiversity-related decision making. As mentioned above in indicator A, due to delays in the release of the SBTN guidance, we expect that the Tool Navigator to be used more concretely as companies advance in their biodiversity strategy setting process. The Biodiversity Strategy Tool Navigator is an interactive website to guide fashion brands through the various stages of developing a biodiversity strategy aligned with the Science-Based Target Network. This includes traceability, risks and impacts, target setting, implementation plans, reporting and transparency. The Fashion Nature Risk Lens was publicly released and Fashion Pact Signatories were trained on the tool on June 21, 2023, followed by a help desk Office Hours workshop on June 30, 2023. All signatories of The Fashion Pact have access to the training materials on The Fashion Pact connect a survey was shared with over 20 signatories as well, and five companies took the time to respond. 80% of respondents believe that the tool can be useful to understand their nature-related risk & prioritize impact, and 60% of respondents foresee using the Fashion Nature Risk Lens in their biodiversity strategy setting process. 100% of respondents believe that the tool can be useful in defining sector-level priorities, commitments and actions. Companies shared that they plan to use the tool for training and highlights for boards and teams, to verify the impact of the company, to set actions that have less impact, to make colleagues understand risk of materials, to understand the importance and to use as an argument for the official impacts and numbers of the fashion sector.. As over 60 companies have

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OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁵	COMMENTS/JUSTIFICATION
				access to the training materials, the number of companies trained will naturally increase over time as companies engage with the training webinar, slides, and website itself on their own time.

COMPONENT 1 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
HS	A Highly satisfactory rating is given to component 1. The project worked with 39 companies, going beyond the initial target training them in the tools created to build and strengthen capacities in the fashion sector. Two key tools were developed and launched by the project with relevant information for the fashion sector: biodiversity strategy tool navigator and the fashion nature risks lens.	Increasing

This part of the report assesses the progress towards achieving the outcomes of the project.

COMPONENT 2	Prioritizing Sustainability Action
Outcome 1:	Fashion Pact companies participate in “deep dive analyses” on the key impacts from priority supply chains/materials.
Outcome 2:	Companies have developed strategies outlining actions that will be taken to address the Fashion Pact ‘biodiversity commitment ’and aligned with the Science – Based Targets for Nature framework.

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁶	COMMENTS/JUSTIFICATION
<p>Outcome indicator 2.1: Number of companies publishing detailed analyses of impact from key commodities and potential environmental mitigation actions and outcomes.</p>	<p>Indicator 2.1 Target 1: At least 5 companies produce deep-dive reports.</p> <p>Indicator 2.1 Target 2: Publication on the environmental impacts of key fashion supply chains including scenarios for outcomes with transformed practices.</p>	<p>Target 1: three company supply chains were selected for the deep dive analysis based on the stated selection criteria. Analyses were conducted, and three deep-dive reports with NDA supply chain specific data were produced, along with an additional three public-facing deep-dive reports for Argentinian leather, MMCF for Indonesia and Austria, and cotton in the USA. Deep-dive analyses are completed.</p> <p>Target 2: 6 total deep-dive publications were released: 3 confidential reports for companies deep-dive analyses and 3 public raw material analyses.</p>	<p>CA</p>	<p>CI and TFP created a list of 4 criteria* to select companies supply chains for deep-dive analyses. Based on the criteria, 20 companies were interviewed to assess their level of understanding, information required and interest in participating in the deep dive analyses. From this process, 3 company supply chains were selected for the deep dives analyses. There were, however, 4 different analyses because Austria and Indonesia were both selected for man-made cellulosic fibres (MMCF).</p> <p>The deep-dive analyses were completed in FY22, and reports were produced and presented to the Fashion Pact companies on November 9, 2022. The information in the deep-dives includes information the specific production system and its impacts on biodiversity, ecosystems and land, with insights into potential beneficial impacts based on production interventions by the companies, which can include meeting zero-deforestation commitments or transitioning production to an organic system.</p> <p>For the future scenario analyses, CI developed a methodology to estimate the fashion sector commodity impacts based on 6 different scenarios for cotton, wool, cashmere, and MMCFs. Results include:</p> <ul style="list-style-type: none"> • Scenario ‘solution’ footprints with both contraction and expansion of land use; • Biodiversity potentially protected or lost; Carbon potentially protected or lost; NCP potentially protected • Areas highlighted with high impact on biodiversity and carbon • ESRI Map with solutions and biodiversity & carbon data <p>Scenario analysis is complete, and the results were published as an ESRI Storymap graphical output and a PDF summary report on June 30, 2023. This output benefited from an initial TAG review and final review, taking place on March 7, and June 13, 2023 in advance of preparing a draft for publication in a scientific journal. While a draft was completed prior to the project end, a final journal submission will occur in August to Nature Sustainability and Conservation Science and Practice from the Society for Conservation Biology. Final publication date will depend on journal review and publication timelines.</p>

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OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁶	COMMENTS/JUSTIFICATION
		<p>Environmental impacts of key fashion supply chains and needed transformed company practices through scenario analyses is complete. Results are publicly available as an ESRI storymap and PDF summary report. Peer review publication pending journal timeline.</p>		<p>*Deep-dive companies and countries/commodities were selected based on the following four criteria:</p> <p>(1) If a company is an SBTN corporate engagement member: The project prioritized companies already engaged in and part of the SBTN corporate engagement community because this allowed us to "hit the ground running" with analyses and work to fulfill the deep-dive requirements, without the time needed to get the companies up-to-speed on SBTN and five step process. The project needed companies that were already exploring their supply chains and companies that could more readily integrate and implement any outputs from our work on the deep-dives. This all narrowed the pool of companies to ones that have the willingness, and knowledge to commit to action, but ones that don't have the key metrics, indicators, and analyses to make informed commitments.</p> <p>(2) if the commodity is a key component of the company's business and of the fashion industry: The project is prioritizing commodities that have high volumes sourced by the fashion industry. This is important because the project wants to tackle commodities that have large potential footprints, high importance to a wide-range of companies, and commodities that, if successful commitments are made across a wide-range of companies, could have a transformation impact on biodiversity and conservation. The project narrowed its interest to the top three traded fashion raw materials, cotton, viscose, and leather. Note that synthetics were out of the scope of this project as they don't have a land-based production system, though we are thinking through ways to deal with synthetic impacts in other realms.</p> <p>(3) the supply chain traceability of the commodity: The deep-dives will only provide as good of information on biodiversity impacts and strategies as the input information holds on locations and sourcing regions and volumes that go into the metrics and indicators. The project prioritized companies that had at least national level traceability of their commodities to ensure the outputs of our deep-dives had meaningful actions and assessments coming out of them. The project kept a range of supply chain traceability companies in the pilots, with some commodities and companies holding very high supply chain traceability to the farm level, and others that held some national level data and some multi-national data. This was to allow a test</p>

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁶	COMMENTS/JUSTIFICATION
				<p>and trial of the SBTN metrics and indicators across a variety of supply chain transparency levels.</p> <p>(4) the region where the commodity is being sourced: Biodiversity is unevenly distributed across the globe, and the project is aiming to focus on higher-biodiversity regions for this work to make sure the project is in areas of importance for protection of that biodiversity. Because of this, the project preferentially weighted companies that are sourcing commodities from the tropics as those areas are known to have higher biodiversity. Links below:</p> <p>Deep Dive Analyses: Viscose Report, Cotton Report, Leather Report</p>
<p>Outcome indicator 2.2a: Number of Fashion Pact companies engaged with the Science Based Targets for Nature framework.</p>	<p>Target 2.2a: At least 30 Fashion Pact companies.</p>	<p>36 companies reported that they are considering or are actively planning to align their biodiversity commitment with SBTN, or are members of the SBTN CEP. 37 Fashion Pact companies – Biodiversity Tool Navigator training 9 companies members of SBTN CEP]. 55 companies attended the SBTN</p>	<p>CA</p>	<p>In 2021, 71% of Fashion Pact signatories (52 companies) participated in the Biodiversity Benchmark. 46% of those participants (24 companies) noted that they planned to align with the SBTN framework.</p> <p>In 2022, 77% of Fashion Pact signatories (58 companies) participated. Only 19% indicated they planned to align with the SBTN framework, but another 47% noted it as under consideration (for a total of 50 companies). The SBTN V1 launch had not occurred at the time of reporting, and we expect that those delayed affected signatory responses here. The number of companies with a biodiversity strategy in place, however, more than doubled between 2021 and 2022 reporting.</p> <p>There are three ways the project considers a signatory to be engaging with the SBTN framework:</p> <ol style="list-style-type: none"> 1. SBTN Workshop engagement & attendance – <ol style="list-style-type: none"> a. August 2021 joint workshop with SBTN to share their initial guidance, new tools, and no regrets actions companies can take immediately (including specific targets that can be set): 21 companies attended this webinar. b. May 2023 and June 2023 joint workshops with SBTN to introduce and detail, respectively, the V1 guidance that was released in May 2023: 28 and 42 companies attended these webinars.

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁶	COMMENTS/JUSTIFICATION
		trainings & workshops held.		<p>2. Biodiversity Tool Navigator training participation: The Biodiversity Tool Navigator was designed and launched in FY22 Q4 by TBC and TFP in order to provide signatories (and other users) a fashion/apparel-specific resource catalogue for tools relevant to each step of the SBTN framework process. 39 companies attended this webinar. As of May 2023, the Biodiversity Strategy Tool Navigator has had 1,925 unique visitors. In 2022 (latest official signatory reporting), 12 companies reported that they use the Tool Navigator as a framework in their biodiversity-related decision making. As mentioned above in indicator A, due to delays in the release of the SBTN guidance, we expect that the Tool Navigator to be used more concretely as companies advance in their biodiversity strategy setting process.</p> <p>3. Company membership in the SBTN Corporate Engagement Program: several Fashion Pact signatories are actively engaged directly in the SBTN Corporate Engagement Program, where they hear first-hand about SBTN news and updates, share feedback, and ask questions. 8 companies are members of both TFP and the SBTN CEP. Furthermore, H&M and Kering have been selected and are participating in SBTN V1 validation pilot.</p> <p>Over the course of 2023, results will be shared with peers and used to improve further development of SBTN guidances and validation processes. The Fashion Pact and CI are working together on a deforestation and conversion free roadmap for collective action and these efforts will align as much as possible with the mitigation hierarchy and SBTN guidances.</p>
<p>Outcome indicator 2.2b: Number of Fashion Pact companies that have developed strategies aligned with Science Based Targets for Nature</p>	<p>Target 2.2b: 5 Fashion Pact companies.</p>	<p>5</p> <p>[This number is conservative and is based on companies having a publicly available biodiversity strategy that is publicly aligned with SBTN. It may be as high as 19, but that information is not</p>	<p>CA</p>	<p>See also Objective Indicator A. As of November 2021 (first year of benchmarking results), 5 TFP signatories reported having biodiversity strategies. At the time, however, one company had a public strategy publicly aligned with the SBTN (Kering). By the end of FY 22, the project was aware of two companies that had public biodiversity strategies publicly aligned with the SBTN (Kering and Burberry).</p> <p>As of the second year of benchmarking results, 12 companies reported having a biodiversity strategy. Based on our tracking, current as of June 2023, that total was 19. 5 of those companies, however, have a public biodiversity strategy that is also publicly stated to be aligned with SBTN [Bestseller, Burberry*, H&M Group, Kering, Prada, and Tapestry].</p>

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁶	COMMENTS/JUSTIFICATION
		yet publicly available].		<p>*Burberry was included in the 2022 figures, but their website link is broken and could not be confirmed, so we left the total at 5.</p> <p>It is important to note that over the course of this project, emphasis on biodiversity has shifted to a more holistic emphasis on Nature, in many cases. The SBTN, for example, is no longer expecting to release a specific biodiversity framework but is instead incorporating biodiversity indicators and outcomes into each of the other realm guidances. While nature and biodiversity are not synonymous, companies continue to grapple with how to talk about their work, impact, targets, and investments and set strategies that adequately address both. Biodiversity strategies are presented in many different ways, sometimes standalone, sometimes embedded in other strategies, which can make locating and assessing those strategies subjective. It is also worth noting here the delays from SBTN in publishing their first guidance, which was only released in the last months of the project. Due to this, many members had to pause the construction of strategies while SBTN worked to finalize their guidance, released only at the end of May 2023. In addition to the above reasons, we, therefore, expect our numbers for company strategies to be conservative, but we have nevertheless met (in this case of this indicator) or very nearly met (core indicator 1) our targets.</p>

COMPONENT 2 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
HS	A Highly Satisfactory rating is given to component 2 implementation. The project completed both outcomes engaging with companies in the deep dive analyses, producing the future scenario report and guiding companies in the SBTN engagement, with a fashion sectorial focus document for SBTN produced as part of this effort. Companies are reporting that they increasingly use the tools and knowledge products produced by the project. All project information is compiled in TFP website to ensure companies have access when needed.	Increasing

COMPONENT 3	Prioritizing Sustainability Action
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Outcome 1:	More Fashion Pact companies engage in a suite of efforts focused on sustainable sourcing through innovative field - based programs.
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OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION
<p>Outcome indicator 3.1: Number of Fashion Pact companies engaged in sustainable sourcing of at least 1 sustainable/environmentally friendly raw material program.</p>	<p>Target 3.1: At least 10 Fashion Pact companies engaged in collective action for sustainable sourcing that drives outcomes for environment, climate, and livelihoods</p>	<p>11 [including LIA pilot #1, pilot #2, and Deforestation Free Call to Action]</p> <p>Engagement for recruitment*: Leather: 31 (+25 non-Fashion Pact Brands)</p> <p>Cashmere: 5</p> <p>Gold: 4</p> <p>Wildlife Friendly: 7</p> <p>*(Note that these are separate engagements and many include some of the same companies)</p>	<p>CA</p>	<p>Four pathways were identified as opportunities for sustainable sourcing of raw materials with specific biodiversity, climate, and chemical & waste outcomes. At project design, these pilot pathways had not yet been detailed, though a high-level scope and intended delivery partner had been selected. CI and TFP worked directly with each lead over the course of the first year to refine the scope and workplan so that agreements could be put in place and messaging with the Fashion Pact signatories to build a business case for investment could be developed. CI, TFP and project leads then shared information through outreach designed specifically for TFP signatories, including overviews and webinars, and helped to facilitate follow up meetings and encourage uptake.</p> <p>Companies committing to each pathway is as follows:</p> <ul style="list-style-type: none"> • TE’s Leather Impact Accelerator (deforestation-free and better animal welfare): 3 companies committed to purchasing Impact Incentives in Brazil by end of 2022 (Ralph Lauren, H&M, and Capri Holdings). Zimmerman joined in FY2023 to complete the purchase of the full volume of impact incentives for DCF leather from Brazil. At least two further TFP signatory brands are in active discussions with the facilitator about purchasing upcoming Impact Incentives under Pilot #2 that has begun. (Names confidential but available upon request). 31 brand engagements pursued (2-6 meetings each). • Sustainable Mongolian Cashmere: 3 brands are currently interested and in active conversations about Impact Incentives projects (Names confidential but available upon request). 5 total brand engagement pursued via 1:1 mtgs. • Mercury-free or reduced artisanal and small-scale mined gold via The Impact Facility’s Lake Victoria Gold Program: active engagement with 4+ companies despite eventually declining. • Wildlife Friendly Enterprise Network certified sourcing: Pointed outreach and 1:1 conversations with 7 signatories, all of whom ultimately declined, largely due to lack of necessary sourcing geography traceability to support the investment.

⁷⁷ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION
				<p>It is worth noting that the LIA leather pathway was the most advanced at project inception and was thus able to quickly articulate the value add to signatories and begin recruitment early. LIA has also led to the launch of the Deforestation-Free Call to Action for Leather (from Textile Exchange and Leather Working Group). 5 more TFP signatory brands are committing to sourcing DCF leather by 2030 and are making investment commitment to support farm-level impact. The Impact Incentives are one of the investment options to deliver on these commitments, expected to further drive the demand.</p> <p>Cashmere was unfortunately delayed a year because of challenges with the original delivery partner and need for Textile Exchange to take on this role mid-project. Furthermore, the state of play of sustainable cashmere initiatives is competitive and trust had to be built to articulate opportunities for impact incentives. Finally, many companies who do source from China do so through Good Cashmere Standard (GCS), and we didn't want companies to displace sourcing of GCS for Mongolian cashmere.</p> <p>The ASGM focal point for partnership with Fashion Pact members adjusted over time - from exploring Chain of Custody integration of gold, to exploring direct routes to investing in mercury-free and mercury management solutions. The focus on CoC discussions was held up by the realities of full-physical integration of gold into finished products - all companies within Fashion Pact's membership have complex value chains, with the physical integration of gold often practically impossible in the context of composite products or else punitively expensive at the point of manufacturing in the interest of maintaining physical segregation. Against this backdrop, and in partnership with Fashion Pact, TIF initiated a raft of repeat-attempts to encourage member-companies to consider partnership within their mercury programme.</p> <p>One company expressed an interest in partnership, but on a bilateral level. In their case, they were most interested in a 'bespoke' set of solutions which would set them apart from other luxury brands, rather than investing as part of a consortium</p>

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION
				<p>A second was an example company who shared that they were not in a position to support mercury work as this did not align with their thematic priorities and also because their use of gold was limited. This (the thematic focus) was ultimately a position held by a separate company, too, who were separately approached for funding by the Impact Facility via their Gold Fund, in February 2023.</p> <p>A third was, in principle, interested in supporting partnership, but only on condition that others moved towards supporting too given the value of leveraging co-investments. But as others didn't materialize, neither did this engagement.</p> <p>In addition and in general, structural factors such as perceived ASGM risk, budget costs, restructures, and competition for funding for various Fashion Pact joint actions also contributed to lack of buy-in.</p> <p><i>Perhaps most importantly, however, is that none of these efforts are wholly stopping just because this project has ended. All organizations and initiatives are continuing work towards the outcomes identified in this project and leveraging the relationships, networks, knowledge transfer, and momentum enabled by the Transforming the Fashion Sector with Nature project. Furthermore, and catalyzed by this project's support for The Fashion Pact as an organization (C4), 25 companies are engaged in the Unlock platform, initially under the Climate pillar and focused on climate smart cotton. That project will have outcomes for both climate and nature as well as farmer livelihoods.</i></p>

COMPONENT 3 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
HS	A highly satisfactory rating is given to component 3 implementation. The project defined and executed three pilots. It has been a learning process to engage with companies and understand what their interest and buy in to each alternative is, co-creating with them with the feedback received. Furthermore, the cases represent the direct impact of the project accounting to the core indicators as well as how TFP has defined collective action to advance towards the sector targets.	Increasing

COMPONENT 4	Fashion Pact Governance, Coordination, and Communication
Outcome 1:	Fashion Pact is recognized as an industry lead organization for key environmental outcomes aligned with GEF goals.
Outcome 2:	Fashion Pact implements a Key Performance Indicators (KPI) tracking platform to collectively document environmental progress across all member companies.

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁸	COMMENTS/JUSTIFICATION
Outcome indicator 4.1.: % of the fashion industry that is actively participating in the Fashion Pact Association .	Target 4.1: At least 35% by volume of the global fashion industry is actively participating in the Fashion Pact Association .	Around one-third by volume participating	CA	TFP consider themselves to represent approximately 33% of the industry but given major industry fluctuations that occur constantly, it is impossible to correctly measure as there are no clear metrics to assess this accurately.
Outcome indicator 4.2.: Number of Fashion Pact environmental reports published based on the Key Performance Indicators platform and showing combined impacts of all Fashion Pact members.	Target: 4.2: 1 Fashion Pact monitoring report published at the end of project Year 2.	1 report published	CA	The Fashion Pact has partnered with the Textile Exchange to manage all Fashion Pact reporting and benchmarking via TE’s streamlined reporting portal. TE has worked with CI and TFP to align questions to needs of this project and TFP goals. The results have been packaged in a report that has been shared with the members along with the GEF. Certain results out of the full report have been pulled out through public communications.

COMPONENT 4 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
S	A Satisfactory rating is given to component 4. The Project has supported the strengthening of The Fashion Pact as an organization that is positioned to mobilize collective action of the fashion industry. It is tracking the progress towards the targets to show how progress is monitored and reported. The Fashion Pact has grown, strengthening their capacities to manage projects, but also shaping how the organization works to mobilize companies towards action. The lessons learned from this past three years, will help the organization advance and evolve to one stronger that continues to pave the way for fashion sector transformation.	Unchanged

^{8 8} **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

c. Overall Project Results Rating

OVERALL PROJECT RESULTS IMPLEMENTATION RATING

OVERALL RATING	JUSTIFICATION	RATING TREND ⁹
HS	A highly satisfactory rating is given overall to project components. Recognizing this has been a learning by doing process, engaging multiple partners, and strengthening a new organization as lead platform to connect with the fashion brands. The project team has made great efforts to achieve the ambitious targets, navigating the industry challenges and lack of knowledge in connecting nature with their supply chains. The tools and guidance developed for the sector are valuable and have set the enabling environment for companies to continue working towards achieving the targets and reducing their impact in nature and climate.	Increasing

d. Recommendations

CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
Ensure engagement with fashion companies continues and work is sustained in time through The Fashion Pact and its delivery partners.	TFP	NA

⁹ **Rating trend:** Increasing, Unchanged or Decreasing

SECTION III: PROJECT RISKS STATUS AND RATING

a. Progress towards Implementing the Project Risk Mitigation Plan

This section describes the activities implemented to manage and reduce high, substantial, modest, and low risks of the project. This section has three parts:

- a. Ratings for the progress towards implementing measures to mitigate project risks and a project risks annual reassessment
- b. Recommendations for improving project risks management

Progress towards Implementing the Project Risk Mitigation and Plan Project Risks Annual Reassessment

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
Risk 1: Post-COVID, there could be a lack of industry interest in sustainability as the fashion industry recovers financially from the pandemic.	The project is being designed so that, in the initial phases, much of the work can be undertaken with experts and then presented to companies. This strategy means that the companies themselves may not need to invest resources in designing strategies, transforming sourcing etc until a few months into the project (around Q1 2021), thereby allowing companies time to budget in activities	<p>Activity 1: Experts to do initial work and then present to companies. This strategy means that the companies themselves may not need to invest resources in designing strategies, transforming sourcing etc. until a few months into the project.</p> <p>Activity 2: Demonstrate the economic benefit of adopting sustainability practices through trainings and webinars</p>	CA	The interest and engagement has increased since the launch of The Fashion Pact, and member engagement continues to increase. Although COVID had effects on the roll out and execution of projects, the importance of supply chain transparency and resiliency was made clear by COVID-19 and that in turn has accelerated industry ambition and action. Throughout The Fashion Pact’s work, from 1:1 meetings to Steering Committee meetings to All Member Webinars, the economic benefit of adopting sustainability practices has been woven through and, along with the concrete outputs and projects, serves as encouragement for companies to move forward on their sustainability journey, especially through economic shifts that have happened since the height of the pandemic.	H	M	Decreasing

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¹¹ **Rating trend:** Increasing, Unchanged or Decreasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
	for 2021 and 2022. The project will also work to show the economic benefit of adopting sustainability practices.						
Risk 2: Climate change could impact the project by changing companies' traditional supply chains as some products may no longer be available from certain markets as the growing season changes.	While climate impacts may cause the fashion industry to identify new sources for some raw materials, it also provides an opportunity for companies to search for more sustainable options for those materials.	<p>Activity 1: Demonstrate the role companies can have in addressing climate change through nature through webinars and in collaboration with climate pillar of the fashion</p> <p>Activity 2: Encourage companies to search for more sustainable options for climate risk commodities through webinars on natural climate solutions and through the assessments/reports that will be coming out of Component 2</p>	CA	<p>We have not heard of companies traditional supply chains shifting significantly during the project period, though, that is expected in future and has been part of the messaging around the case for collective action.</p> <p>Furthermore, the climate pillar of The Fashion Pact has continued to develop projects and working groups, such as a collective Virtual Power Purchasing Agreement in which brands came together to accelerate renewable electricity adoption by seeking to add over 100,000 MWh per year of new renewable electricity to the grid.</p> <p>We also are focusing efforts on developing a project that incentivizes the uptake of low-climate impact cotton through recognition and rewarding farmers to transition to more sustainable practices.</p> <p>The messaging also highlights the intersectionality for all topics that The Fashion Pact addresses and therefore the linkages are clear between increasing capacity or competencies across subjects and their linkage with</p>	M	L	Decreasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
				climate goals. Messaging is consistent to emphasize natural climate solutions and underline the climate benefits of science-based biodiversity strategies & actions.			
Risk 3: The project will develop new approaches to supply chain analyses which will require detailed input from the scientific and academic communities. Some companies may be skeptical of the applicability of this approach in the fashion sector and may not adopt it as a sustainability strategy.	The project will use key fashion industry coalitions (“convenors”) and consulting groups to support the rollout of sustainability methodologies and approaches with individual companies. The project will also ensure regular engagement with companies during the development of the methodology to optimize their buy-in.	<p>Activity 1: Use key fashion industry coalitions (“convenors”) and consulting groups to support the rollout of sustainability methodologies and approaches with individual companies</p> <p>Activity 2: Ensure regular engagement with companies during the development of the methodology to optimize their buy-in</p>	CA	<p>This project has helped build a network of partners who did not previously exist or work together. The Fashion Pact regularly connects with members of the Fashion Convenors and different consultants to support the rollout of its methodology and projects, and regularly connects individually with companies to ensure that its projects are also aligned with members needs and capacities, which in turn helps optimize buy in. Examples include:</p> <ul style="list-style-type: none"> Ellen MacArthur Foundation ZDHC The Microfibre Consortium UNEP Apparel Impact Institute Textile Exchange Fashion For Good Sustainable Apparel Coalition Global Fashion Agenda Fashion Industry Charter / UNFCCC Science Based Targets for Nature Race to Zero Paris Good Fashion <p>Furthermore, 16 of 58 Biodiversity Benchmark 2022 participants noted that The Fashion Pact is seen as the main support to their company in developing biodiversity strategies. 39 of the 58 noted that The Fashion Pact is a key</p>	M	L	Decreasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
				forum to exchange, learn and share best practices around biodiversity, indicating a notable level of trust in biodiversity pillar approaches.			
Risk 4: There are radically varying levels of capacity and resources within specific fashion companies on environmental issues and resources to adopt significant climate/nature action.	The project design includes training in Fashion Pact methodologies and tools. These trainings will be designed and available in various formats to help ensure understanding and uptake. As Fashion Pact develops, there will be opportunities for in-person exchanges and visits among/between companies to see how they are addressing sustainability issues and the challenges each company is facing.	Activity 1: Design trainings and educational materials that can be understood at various levels – regardless of capacity and resources	CA	<p>The Fashion Pact continues to hold webinars to focus on capacity building of its members, examples of which include the webinars hosted for the GEF-funded project. Additional guidance documents have been produced and these knowledge materials are available to members on the internal knowledge-sharing portal, and address topics such as packaging or renewable energy.</p> <p>Further, webinars and tools are designed to be used by companies regardless of capacity. Special attention has been given to create content that is digestible while still technically rigorous. The project team recognizes that no two companies look alike or operate exactly alike. Therefore, we provide diverse examples (different geographies, different levels of transparency/traceability, different capacities) when sharing methods, approaches, and tools.</p> <p>Project staff have been available through either help desk functions or 1:1 when scheduled.</p>	M	L	Decreasing
Risk 5: Lack of high-level (Chief Executive	The fact that Chief Executive Officers have signed onto the Fashion Pact	Activity 1: Require letter from CEO (or equivalent) affirming their commitment	CA	The Fashion Pact still requires letters from CEOs to join The Fashion Pact, and individually onboards them to the mission and vision of the Association,	M	M	Unchanged

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
Officer) commitment to sustainability.	and that they are personally engaged through the Steering Committee means that there is a very high level of commitment and willingness to progress. Additionally, increasingly, consumers, driven by NGO campaigns, are demanding more sustainable fashion and are wanting companies approaches to align with their (consumers) values. Furthermore, while these are early days, there are indications that a post COVID economy may further spur a demand for sustainable products. The Fashion Pact will provide a reputable, sciencebased	to the Fashion Pact and their environmental goals Activity 2: Provide a reputable, science-based entity for brands to join, establish feasible yet substantial environmental commitments as well as means to communicate their progress.		and works through the new CEO Engagement role to continue their engagement after sign-on. The Fashion Pact is perceived as a reputable association and it has begun to externally communicate its goals and commitments both in press and in panel discussions. Through its partnerships with reputable organizations such as Conservation International or the Massachusetts Institute of Technology, the Fashion Pact also ensures its reputation as a science-based organization with substantial environmental ambitions.			

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
	entity for brands to join, establish feasible yet substantial environmental commitments as well as means to communicate their progress.						
Risk 6: Time constraints (given the other business decisions chief executive officers need to take on) may impact the speed at which they can approve company actions.	Regular Fashion Pact monitoring and reporting on company specific environmental goal progress will serve as a reminder to CEOs of the commitments they have made. The project is structured such that the companies will engage regularly with agreed joint targets and goals. However, also much of the work can progress independently of the companies.	Activity 1: Regular Fashion Pact monitoring and reporting on company specific environmental goal progress will serve as a reminder to CEOs of the commitments they have made.	CA	The Fashion Pact conducts an annual reporting survey, which was launched by the Boston Consulting Group but is now run by Textile Exchange. Through an annual survey, signatories are encouraged to report on their progress against environmental goals and serves as a reminder to continue to progress towards their individual and collective commitments. Furthermore, TFP governance bodies (Operations Committee and Steering Committee, namely Chief Sustainability Officers and CEOs, respectively) meet quarterly to review Fashion Pact progress and priorities and raise awareness around urgency and opportunity for engagement on pillar actions.	H	H	Unchanged
Risk 7: Capacities of newly created organizations in place to fully	Fashion Pact Association is a newly created organization,	Activity 1: Conduct trainings at the beginning of the project to ensure the FPA can execute GEF funds	CA	Trainings were completed on time, and the Fashion Pact was able to sign the grant agreement after having the correct policies and procedures in place as validated by CI-GEF. TFP continues to	M	L	Decreasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY23 RISK RATING	RISK RATING TREND ¹¹
operate the project.	established in March 2020. Trainings will be provided at the beginning of the project to ensure the organization can execute GEF funds aligned with CI GEF policies and procedures. Also, Fashion Pact Association will develop the documentation needed to ensure compliance with CI-GEF policies during the first months of project implementation. Signing the grant agreement is contingent to having the policies and procedures in place.	aligned with CI GEF policies and procedures. Activity 2: FPA will develop the documentation needed to ensure compliance with CI-GEF policies during the first months of project implementation. Signing the grant agreement is contingent to having the policies and procedures in place.		grow as an organization with increased staff, CEO engagement specialists to help on the CEO engagement topic, and operational areas, strengthening the association's capacity and ability to deliver on its objectives.			

OVERALL RATING OF PROJECT RISKS	JUSTIFICATION	RISK RATING TREND ¹²
M	A Moderate rating is given to project risks. The project completed all mitigation measures and managed the risks adequately. However, sustainability of the actions is key to continue and scale the work done by the project. A roadmap to ensure sustainability will include the risk management and TFP will use it as tool to continue the project results.	Unchanged.

Recommendations

MITIGATION AND CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
NA	NA	NA

¹² **Rating trend:** Increasing, Unchanged or Decreasing

SECTION IV: PROJECT ENVIRONMENTAL AND SOCIAL MANAGEMENT IMPLEMENTATION STATUS AND RATING

This section of the PIR describes the progress made towards complying with the approved ESMF plans, as well as recommendations to improve the implementation of the ESMF plans, when needed. This section is divided into seven parts:

- a. Progress towards complying with the CI-GEF Agency's ESMF
- b. Information on progress, challenges and outcomes on stakeholder engagement
- c. Information on the progress towards achieving gender sensitive measures/targets
- d. Information on the implementation of the accountability and grievance mechanism
- e. ESMF lessons learned and Knowledge Management Products developed and disseminated
- f. Overall project ESMF implementation rating
- g. Recommendations

a. Progress towards complying with the CI-GEF Agency's ESMF

MINIMUM ESMF INDICATORS	PROJECT TARGET	END OF YEAR STATUS	CUMULATIVE STATUS	PROGRESS RATING ¹³	COMMENTS/JUSTIFICATION
ACCOUNTABILITY AND GRIEVANCE MECHANISM					
Number of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism	0	No conflict or complaint cases have been reported.	No conflict or complaint cases have been reported.	CA	No conflict or complaint cases have been reported. The AGM email (fashion@conservation.org) and process were created and remain in place. Both were also communicated to all Delivery Partners at the Inception Workshop and are posted on The Fashion Pact website. The Project Manager can address any complaints and continue to follow the AGM throughout the project.

¹³ O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

Percentage of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism that have been resolved (<i>for projects approved before November 2020</i>)	0	0/0 resolved = 100% resolved	N/A	CA
Number of times the Accountability and Grievance Mechanism is communicated/disseminated to stakeholders (<i>for projects approved after November 2020</i>)	N/A	Periodic reminders about Grievance Mechanism and Anti-Trust have been included in All Delivery Partner calls as well as Fashion Pact webinars. The mechanism remains available on The Fashion Pact website	The mechanism remains available on The Fashion Pact website	CA

MINIMUM ESMF INDICATORS	PROJECT TARGET	END OF YEAR STATUS	CUMULATIVE STATUS	PROGRESS RATING ¹⁴	COMMENTS/JUSTIFICATION
GENDER MAINSTREAMING					
Number of men and women that participated in project activities (e.g. meetings, workshops, consultations)	75 men, 125 women	269 men men, 290 women	Cumulative: 393 men, 544 women, 9 unknown	CA	<p>FY 2023 Fashion Pact webinar/workshop attendance:</p> <ul style="list-style-type: none"> July 6, 2022: Sustainable Cashmere Webinar: 78% Women, 22% Men (39 women, 11 men) November 9, 2022: Deep Dive Analyses Learnings: 75% Women, 25% Men (60 women, 20 men) April 3, 2023: The Fashion Pact Reporting: 68% Women 32% Men (57 women, 27 men) May 31, 2023: SBTN Webinar: 71% Women, 29% Men (55 women, 22 men) June 21,2023 Fashion Nature Risk Lens: 81% Women, 19% Men (43 women, 10 men) June 26, 2023 SBTN Webinar 2: 82% Women, 18% Men (40 women, 9 men) June 30, 2023 Fashion Nature Risk Lens Training: 71% Women, 29% Men (15 women, 6 men) TOTAL (filtering for repeats) FY23: 184 (46 men, 138 women) <p>Cumulative Leather Impact Accelerator meetings, consultations (all counted towards FY23): CI, TFP – 5-7 women, ~40 meetings NWF, WWF, AFi –3 women / 2 men - 12 meetings GRSB – 3 women / 1 man, 8 meetings - plus participation in 20 monthly board meetings SBC – 4 women / 2 men, 15 meetings Produzindo Certo – 4 women / 1 man, 40 meetings IPAM – 3 women / 1 man, 5 meetings Imaflores – 4 women / 3 men, 10 meetings Control Union – 4 women / 4 men, 4 meetings Solidaridad – 4 women / 2 men, 12 meetings Proforest – 4 women / 3 men, 3 meetings meat packers (JBS, Minerva) – 3 women / 4 men, 20 meetings Brazilian farmers – 3 women / 10 men, 5 meetings/site visits ACT – 2 women / 4 men, 40 meetings Impact Alliance (including Proterra, GFP) – 5 women / 4 men</p>

¹⁴ O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

				<p>Be. Animal – 4 women / 1 man – 5 meetings Gold Standard – 2 women / 1 man - 5 meetings WEF – 4 women / 1 man, 1 meeting Global Forest Watch – 3 women / 1 man – 2 meetings Rabo Bank – 5 women / 1 man – 1 meeting Ceres – 4 women / 1 man, 2 meetings (TOTAL 75 women/93 men)</p> <p>Cumulative Leather Impact Accelerator Workshops: June 2022, JBS/Program Partner workshop: 4 women / 7 men (added to cumulative figure) June 2023, Verification Body Training: 1 woman / 4 men June 2023, Program Partner Training: 2 women / 2 men November 2021, workshop during Leather Round Table summit: ~80 participants (in-person and online) (added to cumulative figure) (CUMULATIVE TOTAL 47 women/53 men; FY23 TOTAL 3 women/6 men)</p> <p>Mongolian Cashmere trainings/workshops: September 15-16, 2022: Training 1 @ Rangeland Forum: 66 women/122 men November 29, 2022: Training 2 @ MSCP mtg: 8 women/2 men (TOTAL 74 women/124 men)</p>
Number of men and women that received benefits (e.g. employment, income generating activities, training, access to natural resources, land tenure or resource rights, equipment, leadership roles) from the project	450 men, 550 women	176 men, 215 women	<p>Total: (306 men, 474 women)</p> <p>Further enabled by project FY24+ (indirect/anticipated beneficiaries): 3,945 men, 2,043 women (Not benefitting during the project period but will benefit in future phases of work</p>	<p>Employment (<i>inadvertently not included in FY22 PIR; incorporated in cumulative figures</i>):</p> <ul style="list-style-type: none"> • Conservation International: 2 new positions (Director, Coordinator, 2 women) • The Fashion Pact: 2 new positions (with allocation to work on this project) (Coordinator, Project Lead, 2 women) • Textile Exchange: 2 new positions (Cashmere coordinator; Reporting manager), 1 woman, 1 man <p>Income generating activities:</p> <ul style="list-style-type: none"> • Within project period: C3 Leather Impact Accelerator Pilot 1 producers: 5 men (<i>should have also been included in FY22 PIR; incorporated in cumulative figure</i>) • C3 FY24+ enabled by project (<i>not counted in cumulative total</i>): <ul style="list-style-type: none"> ○ Brazil LIA pilot 2 producers: 3 women, 5 men ○ Mongolian Cashmere project: ~120 herder households (240 women, 240 men – based on conservative estimate of 4 ppl/household and 50/50 gender split) ○ ASG miners/workers: 5,500 (3,000 Kenya (2,000 men; 1,000 women); 2,500 Tanzania (1,700 men; 800 women)) (also includes access to equipment) <p>Training</p> <ul style="list-style-type: none"> • FY23 Signatory Webinar Attendance: FY23: 184 (46 men, 138 women); Cumulative: 471 (123 men and 348 women) • See above LIA trainings and cashmere trainings in participants section

			enabled by project activities and platforms that were established by the project).		
Number of strategies, plans (e.g. management plans and land use plans) and policies derived from the project that include gender considerations (this indicator applies to relevant projects)	5	5+	5+	CA	<p>The Fashion Pact governance policies require rotation of representatives on the Steering Committee (made up of 12 signatory CEOs). Given that the majority of fashion company CEOs are men, but women represent the majority of workers in non-executive positions in the industry and its supply chains, an intentional effort was made over the course of CY22 to recruit a female CEO. On May 23, 2023, it was announced that Helena Helmersson, female CEO of H&M Group, had been named co-chair of The Fashion Pact. Helena will serve alongside Paul Pollman in his continued role.</p> <p>The TDI/TIF Global Mapping Report for Mercury-Free and Reduced Gold does an excellent job of centering the issue of gender and women's engagement in ASGM and the risk as well as the opportunity work in the sector poses for women.</p> <p>12 Fashion Pact signatories as of the most recent official reporting in 2022 and 19 signatories as of informal desk research in May 2023 have publicly available biodiversity strategies with stated alignment with the Science Based Targets for Nature frameworks. With their V1 release of guidances in May 2023, SBTN also released Stakeholder Engagement Guidance with gender considerations including groups with identities that expose them to greater disenfranchisement and necessity of taking this power differential into account and importance of gender-inclusivity. The guidance acknowledges the false gender binary of word choice but notes the differing views men and women can have.</p>
STAKEHOLDER ENGAGEMENT					
Number of government agencies, civil society organizations, private sector, indigenous peoples and other stakeholder groups that	15 stakeholder groups	15	15	CA	<p>The Fashion Pact collaborates both formally and informally with a number of environmental coalitions and is in contact and holds regular check ins with many coalitions in the same space. In 2022, we reported that The Fashion Pact collaborated or had relationships in some form with 13 coalitions (not inclusive of the delivery partners for the GEF project and other delivery partners). This list has been updated to reflect the cumulative group –</p> <ul style="list-style-type: none"> • Ellen MacArthur Foundation • ZDHC • The Microfibre Consortium • Recyclclass • UNEP • Apparel Impact Institute • Textile Exchange

have been involved in the project implementation phase on an annual basis					<ul style="list-style-type: none"> • Fashion For Good • Sustainable Apparel Coalition • Global Fashion Agenda • Fashion Industry Charter / UNFCCC • Science Based Targets for Nature • Race to Zero • Paris Good Fashion • Policy Hub
Number persons (sex disaggregated) that have been involved in project implementation phase (on an annual basis)	20 men, 25 women	48 total on project team (15 men, 33 women)	48 total on project team (15 men, 33 women)	CA	Project Delivery team members/contact list.
Number of engagement (e.g. meeting, workshops, consultations) with stakeholders during the project implementation phase (on an annual basis)	25 engagements	343 engagements	378 engagements	CA	<p>Stakeholder engagement has been a critical and growing element of this work. Many of the relationships cultivated over the course of this project will continue to result in positive outcomes for biodiversity, climate, and oceans.</p> <p>FY 22: 19 webinars, 16 other engagements (see FY22 PIR for details)</p> <p>FY23: 7 webinars, 19 other engagements, 74 corporate engagements for joint action recruitment</p> <p>Other (recurring counted as 1 engagement): Weekly CI-TFP project management call; Monthly and bi-weekly progress update calls with project leads within Component; Internal working group meetings with TFP, CI and GEF for M&E related activities; Textile Exchange Annual Conference attendance (Nov, 2022); Technical Advisory Group Component 2 Future Scenarios review call (March 2023) and final review/close-out call (June 2023); Leather Impact Accelerator Brazil Field Trip (TE, Inditex, Puma, Tapestry, TFP, CI, Produzindo Certo) (April 2023); Attendance and participation (Eva von Alvensleben TFP, Sebastian Troeng CI, Oscar Garcia Maceiras Inditex) in executive mainstage panel at Global Fashion Summit followed by delivery partner and signatory reception to launch SBTN Primer for sector and 10 1:1 stakeholder engagement side meetings (June 2023)</p>

				<p>Component 3 Collective Action Recruitment Corporate Engagement Consultations- 74 (cumulative – not previously captured in FY22):</p> <ul style="list-style-type: none"> • Gold – 6 companies/engagements • LIA/leather – 31 Fashion Pact signatories/engagements (25 non-TFP brands) • Cashmere – 5 companies/engagements • WFEN – 7 signatories/engagements <p>Component 3 implementation trainings/workshops/meetings</p> <ul style="list-style-type: none"> • LIA/Leather* – 241 • Cashmere – 2 (Rangeland Forum and MSCP meeting) <p>*LIA/Leather detail</p> <p>a. Meetings/consultations (since start of project, June 2021) (237):</p> <p>CI, TFP – 5-7 women, ~40 meetings NWF, WWF, Afi – 3 women / 2 men - 12 meetings GRSB – 3 women / 1 man, 8 meetings - plus participation in 20 monthly board meetings SBC – 4 women / 2 men, 15 meetings Produzindo Certo – 4 women / 1 man, 40 meetings IPAM – 3 women / 1 man, 5 meetings Imaflora – 4 women / 3 men, 10 meetings Control Union – 4 women / 4 men, 4 meetings Solidaridad – 4 women / 2 men, 12 meetings Proforest – 4 women / 3 men, 3 meetings meat packers (JBS, Minerva) – 3 women / 4 men, 20 meetings brazilian farmers – 3 women / 10 men, 5 meetings/site visits ACT – 2 women / 4 men, 40 meetings Impact Alliance (including Proterra, GFP) – 5 women / 4 men Be.Animal – 4 women / 1 man – 5 meetings Gold Standard – 2 women / 1 man - 5 meetings WEF – 4 women / 1 man, 1 meeting Global Forest Watch – 3 women / 1 man – 2 meetings Rabo Bank – 5 women / 1 man – 1 meeting Ceres – 4 women / 1 man, 2 meetings</p> <p>b. Workshops (4):</p> <p>June 2022, JBS/Program Partner workshop: 4 women / 7 men June 2023, Verification Body Training: 1 woman / 4 men June 2023, Program Partner Training: 2 women / 2 men November 2021, workshop during LRT summit: ~80 participants (in-person and online)</p>
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b. Information on progress, challenges and outcomes on stakeholder engagement

The Fashion Pact, over the course of the last year, has increased its engagement strategy. Concretely, it has hired a Project Manager on Engagement & Reporting, and it has also hired a CEO Engagement lead to concretely develop and implement different forms of engagement across levels of members of The Fashion Pact to further help accelerate the association's work. The growth has not been a result of any particular challenges but rather a maturation of The Fashion Pact as an association and a direct result of the increased team capacity to focus on Engagement as a key topic. This has been always a key lever for the association in its strategy and is now being put into motion. As TFP is at the beginning of its stakeholder engagement journey, it is developing a strategy to ensure that members are engaged with the association during a time in which sustainability teams are very busy, have many different external obligations, and often limited team capacity and/or limited budget. This strategy is expected to grow and develop with time in response to the needs and status of the industry.

Within Companies

CEO level engagement: The Fashion Pact has now held ten CEO-led Steering Committee meetings. To further enhance engagement amongst CEOs, the members of the Steering Committee are piloting an ambassador program and an outreach program, which allow them to represent projects to the wider group of CEOs and also establish one on one connections with non-Steering Committee CEOs to further drive engagement within brands. In FY23 The Fashion Pact has also launched a Best Practice Sharing platform specifically for CEOs, called CEO Breakfasts, in which a CEO shares with their key insights and learnings with their fellow CEOs of The Fashion Pact. These closed sessions have just started, and the first was held on June 15th featuring the CEO of Inditex.

Sustainability Team engagement: The Fashion Pact continues hosting regular All Member Community Update to bring all members of the sustainability teams together to increase engagement. Also through the development of The Fashion Pact's internal knowledge sharing and library platform, The Fashion Pact Connect, we have increased engagement with signatories who can download slides to share within and throughout their organizations, or can go back and rewatch or refer to workshops, presentations, or other materials to help guide them in their work. The Fashion Pact has launched Best Practice Sharing sessions for Chief Sustainability Officers, which are closed door sessions in which one CSO will share their best practices and learnings to their peers, and other CSOs have a space to ask questions and discuss common challenges. One-to-One calls with different members continue to be a key forum for the Association to understand needs and drive uptake of The Fashion Pact's programs.

Externally

- Government: The Fashion Pact, at this point, does not engage directly in policy or in government relations. However, through its strong relationships with its delivery partners and other external organizations, TFP monitors current and potential future legislation that could impact its work and could impact the sustainability journey of its members. In regards to the impacts of legislation on all components of work within the GEF-funded project and beyond, The Fashion Pact relies on its delivery partners as experts to make informed decisions during the period of project design and project execution in reflection of relevant laws and forthcoming legislation. It's relevant for both component 3 or any project that involves delivery partners and signatories, though the pilots under this GEF project are not actively targeting or advocating for specific legislation. The Fashion Pact is currently exploring what concrete engagement in the Policy space could look like moving forward, however no concrete strategy has been formed yet. There is a secondment currently joining the team of The Fashion Pact who will partially focus on this topic.
- CSOs/NGOs: The Fashion Pact mainly works with private companies as it is an association of companies in the fashion industry, however through its various joint actions (and through the project funded by the Global Environment Facility), the Fashion Pact works with NGOs such as Conservation International, Textile Exchange, IUCN or UNEP-WCMC. As most of The Fashion Pact's work at this time is facing towards the fashion brands, its relationship with NGOs is that to work together on specific projects or outcomes as project delivery partners. It does maintain regular contact and the team holds regular update meetings however with representatives of various NGOs to ensure that the Association is tracking work in the space and exploring opportunities for collaboration where relevant.

- **Local Communities:** The majority of the work for The Fashion Pact is facing private, large fashion companies, however where projects could potentially interact with local communities, The Fashion Pact relies on trusted and verified partners to engage with communities in responsible ways. The Fashion Pact also works to account for the needs of local communities when designing future projects.
- **Private Sector:** The membership of The Fashion Pact signatories is made up of companies within the private sector, therefore our engagement is by nature primarily targeting this particular stakeholder segment. Please see above under Within Companies for more information here.
- **Academia:** The Fashion Pact is building relationships with academic institutions through informal conversations, such as NYU, Institut Français de la Mode, or HEC. Representatives from such institutions, and others, are represented in our technical advisory group to review outputs and give feedback. The Fashion Pact has also engaged the Massachusetts Institute of Technology on a partnership to help define and validate the focus areas, or white spaces, which the Association could focus on. The University of Cambridge is finally a delivery partner in the current GEF-funded project, helping to draft the SBTN Fashion Sector Guidance and creating a Resource Roadmap, to help companies uptake and utilize the key outputs from the past two years of work together.
- **Disadvantaged/vulnerable groups:** The Fashion Pact takes into consideration how its projects can affect, or support disadvantaged or vulnerable groups in its project design and relies on its delivery partners as experts to flag or recommend ways to advocate for sustainability projects, taking a holistic approach which includes the consideration of disadvantaged or vulnerable groups.

Stakeholder Engagement Plan Activities

- Regular one to one meetings are held with delivery partners to discuss projects, workplan activities, and more.
- Weekly meetings are held between The Fashion Pact and Conservation International
- The Fashion Pact has attended various industry events in the past year to engage with different stakeholders, such as the Textile Exchange Conference, the Global Fashion Summit, the ChangeNow summit, or the Future Fabrics Expo.
- The Fashion Pact and Conservation International meet with other experts including members of the Technical Advisory Group, other coalitions, other NGOs or consultancies.
- Stakeholder engagement conducted by the Delivery Partners on this GEF project is quite extensive, as detailed above in the justification for the reporting. Work within Component 1 and 2 consisted largely of consultation with the Technical Advisory Group (biodiversity and fashion experts in academia, corporate advising, and foundations). Component 3, joint actions in specific places, consisted of EA progress meetings with the Delivery Partners/Implementers as well as rich Delivery Partner consultations with Fashion Pact signatories and other companies for recruiting purposes to deliver on field objectives and supply pathway creation as well as in field stakeholder engagement/trainings/workshops with farmers/herders and other partners on the ground (technical assistance providers, existing certification bodies, aggregators, etc).

c. Information on the progress towards achieving gender sensitive measures/targets

Progress towards achieving gender sensitive measures or targets as documented at CEO endorsement/approval in the gender action plan or equivalent.

- a) All activities anticipated by the GMP were implemented? Yes/No Why? Yes. Activities in the Gender Mainstreaming plan have been implemented and are continuing to be implemented.
- b) Did the project face any challenges to implementing GMP as initially proposed? Please describe the challenges in case there were any. There have been no challenges in implementing the GMP, however, as The Fashion Pact is a CEO led organization from its membership, it is true that female representation amongst CEOs could be improved across the industry, and the representation of CEOs within The Fashion Pact would shift to higher female representation with a wider industry transformation that is underway. The Fashion Pact has therefore nominated female CEOs to key leadership positions in its CEO board, described below in section c. The Fashion Pact is a primarily female organization which has been achieved organically as the team and as the Association has grown. Many of the signatories' main

teams – those who are points of contact for their organization concerning The Fashion Pact related work and meetings – also demonstrate an achieved gender target. As The Fashion Pact is a coalition of private businesses, it is beyond the scope of work of the Association to be involved in staffing or in decisions related to gender representation for staff members of the signatories, both at the sustainability team level and at the CEO level, however its nomination of women to the Steering Committee, and as Co-Chair (details below) is exemplary for the industry to promote more equal gender representation.

- c) As compared to the original GMP, was any adaptive management applied to promote meaningful participation of women and advance towards other gender sensitive targets? No adaptive management has been undertaken as women are heavily represented in the day-to-day activities of The Fashion Pact. However, to address this, The Fashion Pact has nominated as its new co-chair a woman, Helena Helmersson, CEO of H&M Group, who joined The Fashion Pact as co-chair in May 2023. The Fashion Pact now has three women on its CEO board, Helena Helmersson, Libby Wadle (CEO of J.Crew Group), and Joanne Crevoiserat (CEO of Tapestry). This representation of women at the highest level is exceptional and can be exemplary for the rest of the industry and promote the increase of female representation and gender equality in leadership positions.
- d) Did the project team/stakeholders observe any unintended outcomes (positive or negative) related to gender equality, that are difficult to capture in a quantitative way during this period of time? There have been no large consequences as the bulk of the interaction for this project is with private businesses who have set structures and decision-making hierarchies that are outside of the scope of TFP and the project. However, women represent a very large portion of participants in workshops and webinars and represent a high percentage of representatives from the executing agencies and delivery partners. The majority of The Fashion Pact employees are women (14 women, 1 man), and its Executive Director & Secretary General is a woman.
- e) Considering all the above, what are the recommendations for next FY to continue advancing towards gender sensitive targets? The design of projects can continue to consider or favor where possible the empowerment of underserved communities, which often tend to include women. As The Fashion Pact is working on the rotation of its Operations Committee, it considers gender balance to ensure women have visible leadership roles. The Fashion Pact, as it grows in staffing, will continue to consider gender issues as well.
 - a. Regarding the Component 3 pilots, it is worth noting that – for example, in the case of cattle production (leather) in Brazil - it was observed both in the field and in meetings that the farm family is important to consider and not just the “head” or “main rancher” (typically male). The wives and daughters are clearly influential and engaged in farming operations and decision making and should be included in engagement and consultations.
 - b. Women are critical to the artisanal and small-scale gold mining workforce as well, in general assumed to be a 1 to 2 female to male ratio in East Africa. For this reason, the needs of women and their reality should be taken into consideration. Further, ASGM investment offers a unique opportunity to engage with women and improve their livelihoods, that of their children, and in many cases, of the community.
- f)

d. Information on the implementation of the accountability and grievance mechanism

- a) How is the project ensuring that all stakeholders are aware of the existing AGM? No conflict or complaint cases have been reported. The AGM email (fashion@conservation.org) and process were created and remain in place. Both were also communicated to all Delivery Partners at the Inception Workshop and are posted on The Fashion Pact website. The Project Manager can address any complaints and continue to follow the AGM throughout the project.
- b) Indicate any specific adaptations relating to making the AGM more accessible to disadvantaged groups during this period of implementation? (This may include but is not limited to adding new reporting channels, changing the name of the mechanism to make it more sensitive to cultural context, etc.) Considering the stakeholder groups for this project scope, the AGM was adequate. However, as the joint action pathways and sourcing projects develop, it may be necessary to adapt the AGM.

e. ESMF lessons learned and Knowledge Management Products (KMPs)¹⁵ developed and disseminated

What worked well:

1. Weekly meetings between co-executing teams (TFP/CI); monthly All Delivery Partner meetings to include everyone in full project updates/business; often taking external stakeholder calls jointly with both TFP and CI in attendance, especially at the start of the project; Component leads coordinating cross-component coordination when necessary given interlinkages between activities and outputs; Sharepoint site access, while not perfect, is essential for all of the Delivery Partners to have access to project docs and storage. Biweekly calls with different partners especially on Component 3 to ensure that all organizations working in lock step together.
2. Branding guidelines and templates from TFP so that all materials have a similar look and feel (easy for Delivery Partners to access and use and build from and easy for signatories who learn to recognize where the information is coming from)
3. Careful planning for signatory engagement via webinars and workshops to avoid overcrowding their calendars but simultaneously keeping the project activities going;
4. Experimentation and resetting, when necessary, for example regarding CISL's engagement in the project, to redefine their scope of work after low signatory engagement in the original proposal. The outcome of this has been their crucial support in the SBTN Fashion Sector Guidance and their help developing a "tool of tools", a report outlining how signatories can engage in all the different outputs achieved throughout the course of the *Transforming the Fashion Sector with Nature* project. This has also been efficient when engaging signatories around component three, to ensure that the projects meet companies where they are and provide opportunities relevant to the fashion sector & more precisely, The Fashion Pact's member's needs.
5. The TDI/TIF Global Mapping Report for Mercury-Free and Reduced Gold does an excellent job of centering the issue of gender and women's engagement in ASGM and the risk as well as the opportunity work in the sector poses for women. The report has been shared with signatories.

What needs to be improved:

¹⁵ Knowledge Management Products are those that are both intended to transmit knowledge but at the same time enable action by their audiences. For example, a lessons learned report, compilation of good practices and recommendations, etc.

1. Women are well-represented among the delivery partners, and in the NGO and Fashion Sectors as well, and The Fashion Pact has nominated women to key leadership positions in its Steering Committee, especially as Co-Chair of The Fashion Pact. As female representation increases in the private sector, The Fashion Pact can continue to nominate women to key leadership positions.
2. Gender disaggregating by male and female categories only is too limiting and biased towards cisgendered individuals and as not all webinars require pre-registration, the project team had to retroactively assign gender to the attendees in order to report to the GEF, by capturing and comparing with other webinars attendance lists with the same participants.

Knowledge Management developed and disseminated:

Because of the nature of the work under the initiative, the majority of the products the project is distributing or will distribute are designed and written for a corporate audience. To date, there have been 26 signatory-facing webinars/workshops as part of the GEF-funded project. During each event, questions are allowed to be chatted in identified or anonymously or asked directly. Questions submitted after via email are also granted a response to maximize stakeholder engagement via a comfortable, yet virtual, environment. Given the signatory membership, most webinars are during the business day for European-based members, however, US-based members are also able to join just outside of normal business hours. When guest presenters are involved (a Mongolian goat herder, for example), every effort is made to adjust the timing so that it is feasible for the presenter and still accessible by most, if not all of the signatories, during a reasonable time of day. After each event, the recording and materials (usually slides) are made available on The Fashion Pact's member portal for later access.

Web-tools:

The Biodiversity Strategy Tool Navigator released May 2022: <https://biodiversitystrategytoolnavigator.thefashionpact.org/>
Fashion Nature Risk Lens: <https://storymaps.arcgis.com/stories/8b83b45265964789848590badc1ebe4a>

Resources:

Fashion Sector Future Scenarios: [Fashion Sector Future Scenarios \(arcgis.com\)](#)
Raising the Ambition for Nature: A fashion, textile, and apparel sector primer on the first science-based targets for nature: [sbtn_primer_20230627.pdf \(cam.ac.uk\)](#)
Deep-Dive Report: Leather in Argentina
Deep-Dive Report: Cotton in USA
Deep-Dive Report: Viscose in Austria and Indonesia
Cashmere Guidance for Brands
ASM Gold and Mercury Overview
What does it mean to be Wildlife Friendly: Guidance Document
The Fashion Pact Biodiversity Roadmap Resource Mapping
Recruitment Overview One-Pager: Leather Impact Accelerator
Recruitment Overview One-Pager: Sustainable Mongolian Cashmere
Recruitment Overview One-Pager: Artisanal and Small Scale Mined Gold
Recruitment Overview One-Pager: Wildlife Friendly Sourcing

Webinars/Workshops/Trainings:

Climate and Biodiversity (3/2/2021)
Transforming the Fashion Sector with Nature project and Biodiversity Benchmark launch (3/24/2021)
Textile Exchange Biodiversity Benchmark drop-in clinic (4/14/2021)
On the Path to a Biodiversity Strategy: Getting Started (5/11/2021)
Sourcing Sustainably: Gold, Cashmere, and leather (6/2/2021)
Gold Workshop: Zooming in on Mercury (6/16/2021)

Gold Workshop: Toward a Successful Responsible Gold Sourcing Program (6/30/2021)
 Leather: An Introduction to the Leather Impact Accelerator & Impact Incentives (7/13/2021)
 Setting Science-Based Targets for Fashion – Updated Guidance from the SBTN (8/18/2021)
 What is Wildlife-Friendly Production: Sustainable Sourcing with Biodiversity in Mind (9/29/2021)
 TFP X TE Biodiversity Benchmark Results (10/27/2021)
 LIA Workshop Series 1: Investment Strategies (3/22/2022)
 Intro to Sustainable Mongolian Cashmere (3/23/2022)
 Gold project kick-off workshop (4/7/2022)
 LIA Workshop Series 2: Calculating Impact Incentives (4/12/2022)
 Wildlife Friendly Sourcing: What Does This Mean? Wool Case Studies (4/20/2022)
 LIA Workshop Series 3: Purchasing Impact Incentives (5/10/2022)
 LIA Workshop Series 4: Impacts and Claims (6/7/2022)
 LIA Workshop Series 5: Ask Me Anything (6/14/2022)
 Sustainable Cashmere II (7/6/2022)
 Deep Dive Analysis Learnings (11/9/2022)
 2022 Fashion Pact Reporting (4/3/2023)
 SBTN Webinar (5/31/2023)
 Fashion Nature Risk Lens Launch & Training (6/21/2023)
 SBTN Webinar II (6/26/2023)
 Fashion Nature Risk Lens Training Office Hours (6/30/2023)

f. Overall project ESMF implementation rating *(To be completed by the CI-GEF Agency)*

SUMMARY: PROJECT ESMF IMPLEMENTATION RATING BY TYPE OF PLAN

ESMF PLAN REQUIRED BY THE PROJECT	CURRENT FY23 IMPLEMENTATION RATING	RATING TREND
Accountability and Grievance Mechanism	S	Unchanged.
Gender Mainstreaming Plan (GMP)	S	Unchanged.
Stakeholder Engagement Plan (SEP)	HS	Unchanged.

OVERALL PROJECT ESMF IMPLEMENTATION RATING

RATING	JUSTIFICATION	RATING TREND
S	The project has continuously disseminated their AGM through their website and to partners and stakeholders in meetings. To date, the project has not received any grievances. On the GMP, the project was close to achieving the gender-disaggregated target for the in terms of percentage and overachieve it in numbers. For the second indicator of the GMP, the project achieved the gender disaggregated proportion target for direct beneficiaries, although not the numeric target. Also, the representation of women was lower for indirect beneficiaries. Numeric targets were surpassed. On the third GMP indicator, the project was	Unchanged.

SUMMARY: PROJECT ESMF IMPLEMENTATION RATING BY TYPE OF PLAN

ESMF PLAN REQUIRED BY THE PROJECT	CURRENT FY23 IMPLEMENTATION RATING	RATING TREND
	also able to achieve the target set. For the SEP, it is possible to see both in the quantitative results and the qualitative report, that the project increased significantly meaningful engagements during this FY. The project overachieved in two of the three SEP indicators and achieved the one on stakeholders' groups.	

g. Recommendations *(To be completed by the CI-GEF Agency)*

CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
NA	NA	NA

SECTION V: PROJECT IMPLEMENTATION EXPERIENCES, KNOWLEDGE MANAGEMENT AND LESSONS LEARNED

Required topics

1. Knowledge activities/products (when applicable), as outlined in the knowledge management plan approved at CEO endorsement/approval. The knowledge products completed for each component over the course of the projects are included in a summary list below. Learnings relevant to specific products are further detailed in the ensuing paragraphs.
 - [Fashion Nature Risk Lens](#)
 - [Biodiversity Strategy Tool Navigator](#)
 - [Deep-Dive Report: Leather in Argentina](#)
 - [Deep-Dive Report: Cotton in USA](#)
 - [Deep-Dive Report: Viscose in Austria and Indonesia](#)
 - [Fashion Sector Future Scenarios \(arcgis.com\)](#) and [summary technical report](#)
 - [Raising the Ambition for Nature: A fashion, textile, and apparel sector primer on the first science-based targets for nature](#)
 - [An Introduction to ASM Gold, Mercury Reduction, and ASM Support Programmes](#)
 - [Cashmere Guidance for Brands](#)
 - [Best Practices for Sustainable Sourcing for Biodiversity, Livelihoods, and Climate: Guidance Document](#)
 - [Fashioning a Nature Positive Future: Resource Roadmap for Transforming the Fashion Sector with Nature project](#) (note that this document also provides an orientation for signatories to all the resources and knowledge products developed as part of this project)
 - [Every signatory engagement webinar conducted under the project is available on the project sharepoint:](#)
<https://conservation.sharepoint.com/:f/s/FashionPactTeam/EjfdSBW63ZzNnlgQm0kMh5YBRf5mnGmRzsbgEc8jzuyIVw?e=V2iNnh>

136. As noted in the project results framework, this project will result in the development, testing, and peer-review of several methodologies that will be published and share within the fashion industry. Documents and training modules will be developed for these tools (namely, a Total Scope Assessment Methodology (TSAM) for Fashion Pact companies to assess/screen for environmental impacts and dependencies across their global supply chains; deep dive analyses on biodiversity impacts on key supply chains/materials; scenario analyses that use key commodity/supply chains to map out possible results/outcomes for climate and biodiversity of different interventions; training in sustainable sourcing strategies/methodologies for specific commodities; and a Fashion Pact tracking platform that will synthesize environmental progress across Fashion Pact member companies) will all provide critical learning for environmental goal setting, monitoring, and reporting. While this information will be provided directly to Fashion Pact member companies, general aspects of the adopted methodologies will be available to the wider fashion industry and more broadly. Importantly, the development and testing of these tools will also allow for knowledge sharing across and among Fashion Pact companies.

- TSAM: Words and presentation matter, and quite early the team learned how much information was going to be shared with signatories and how important it was to get it right. For clarity and differentiation, the TSAM was broken down into two tools, the first of which was a step-wise biodiversity strategy resource tool called the Biodiversity Strategy Tool Navigator, released in FY22. Thus far, interest has been quite high (almost 2,000 individual visitors), especially given that this is a tool specifically designed for fashion and apparel companies. In FY23, the Fashion Nature Risk Lens was released to complete the TSAM suite, offering a global view of biodiversity risks of specific fashion raw materials and sub-sectors. While companies are enthusiastic about tackling biodiversity and creating science-based biodiversity strategies, capacity is quite limited, so anything that can be user-friendly, mobile-accessible, and helpful for the fashion sector specifically, is much appreciated. However, because these resources are so important, more time for web design, IP management and data sharing, and multi-party review, editing, and approval processes should be allocated and planned for up front.

- Deep-dive analyses: 1) NDA agreements between multiple parties can take several months. We planned for 3 and it took 9, setting things back a bit. 2) Companies do not always have the supplier data they think they have or the data their suppliers has given them is misleading. In this case, we had to shift geographies for one analysis because of the data available.
- Fashion Sector Future Scenario Analysis: Over the course of the project, we learned over and over again about the importance of creating content that is easily digestible and relatable to companies at various different levels of technical capacity and at different places along their biodiversity strategy journey. Our hope is that having the visual story map for contrasting cotton, wool, and cashmere expansion and contraction scenarios will supplement the technical report, which is currently undergoing revisions in preparation for submission to a peer-reviewed scientific journal. This offers three different ways for readers to interact with and learn about the scenario results.
- Fashion Pact tracking platform: streamlining is key for better reporting. Companies complete so many surveys and into reporting platforms that the more streamlined the process, the more companies will participate and the better the information will be. As such, after Year 1, the Biodiversity Benchmark was streamlined into the Textile Exchange's CFMB reporting platform and now includes climate and oceans reporting for the Fashion Pact as well, eliminating the need for signatories to take three separate surveys to track progress across the whole of the Fashion Pact work. Participating increased from 71% of members to 77%, so that would indicate a positive response.

137. *During the project there will be regular communication with key stakeholders to ensure that the methodology, and knowledge gained through the project is disseminated widely. In this way, the 69 methodology tools and approaches will also be able to be embedded in other initiatives promoted by the stakeholders (e.g., Sustainable Apparel Coalition and Capital Coalition). Mechanisms, though, for example the Integrated Biodiversity Assessment Tool, will also be consolidated so that science-based data and tools are made available in an appropriate manner.*

- There is a lot of external interest in the outputs and knowledge products of this project, both to amplify but also to avoid duplication of efforts. That is a promising sign that when more of the outputs are available (thus far, only the Biodiversity Tool Navigator has been launched), wide dissemination will be possible.
- We are also quite aware of the leap to go from Fashion Pact engagement and learning about the tools/knowledge products for assisting in the development of biodiversity strategies aligned with the SBTN framework, to actually setting targets and strategies and delivering on those commitments. The tools and resources that are part of this project are designed with utility and applicability in mind, and CISL will be focusing more on how companies can move internally to advance their progress towards putting the tools to use and having biodiversity strategies in place by end of project period. To help with this, there are two critical knowledge materials that signpost to the different knowledge materials of the project as well as the SBTN technical guidance so companies can confidently progress to action with key information in just a couple of places:
 - Project Resource Mapping: A considerable amount of new information has been generated and new resources have been made available to the sector as a result of this project. For signatories, however, easily knowing what each of these tools is, where to find them, and how they can be helpful in crafting and implementing biodiversity strategies and SBTs for nature. Fashioning a nature-positive future was therefore released as a roadmap to navigate the robust library of tools and knowledge materials generated by the Transforming the Fashion Sector with nature project.
 - SBTN Primer – CISL, CI, and The Fashion Pact teamed up to intentionally and thoughtfully craft and launch the SBTN guidance document, Raising the Ambition for Nature: A fashion, textile, and apparel sector primer for the first science based targets for nature to provide a high-level introduction, detail a case study and set out specific challenges or considerations for the fashion, textile and apparel industry upon the launch of the SBTN v1 guidance in May 2023. Clearly of interest, the SBTN fashion primer garnered over 500 media hits upon its launch in June at the Global Fashion Summit. [This document would have been released considerably earlier in the project timeline, however, delays with the release of the SBTN v1 guidance were out of the control of the delivery partners and project management team.]

138. *Component 4 focuses on the establishment of the Fashion Pact Association. A communications strategy will be developed as a part of the anticipated outputs under this component. This strategy will include protocols for both internal and external (non-Fashion Pact member companies) as well as other constituencies including wholesale fashion buyers and consumers. This comprehensive strategy will also include marketing strategies for Fashion Pact work that will help attract new members to the fledgling organization. In addition, the Fashion Pact will develop, with support from IBM and others, a platform to store and update knowledge and tools for Fashion Pact companies.*

- The internal knowledge platform has been a great success and shown that signatories come back to information, and also need short or shareable versions of webinars or workshops, namely slides, to share within their organization. Having an internal platform available to signatories creates also a mechanism to have company engagement across multiple time zones, as The Fashion Pact is a global coalition and looks to continue to expand globally, this availability and adaptability provided is key to membership management.
- The Fashion Pact began implementing a new communications strategy in FY23 and communicating about its work including the Collective Power Purchasing Agreement (Climate Pillar) and particularly important to this project, Raising the Ambition for Nature, a primer for the sector on the first SBTs for nature official guidance. As stated above, there were over 500 media hits upon launch of the primer, indicating interest in the Association and its resources.

Additional topics (please choose two)

2. Engagement of the private sector
 - Data sharing is a big barrier – especially to design projects within companies direct supply chains
 - Contracting is a big barrier as the private sector represents massive organizations with very high legal standards and procedures
 - Private sector collaboration is new to many in this sector and so the learning curve on these new types of projects and contracts – in working together – can cause delays
 - Need to marry the priorities of a publicly funded project and science-based analyses with the realities of the private sector which is fast paced, constantly evolving and constantly shifting priorities and areas of focus. CEOs want to act fast, and brands (especially big brands) need their priorities met. Building this into project design is key to engaging the private sector within the project, and within project activities.
 - Macro- level political and economic shifts can have big impacts on private sector engagement outcomes. EU deforestation and due diligence regulations, for example, are adding to the pressures companies are feeling to gain more visibility into their supply chains and helping to drive some of them toward associations like The Fashion Pact. On the other hand, budgets are typically decided annually according to various fiscal years, but are often allocated quarterly. If economic contraction takes place, sustainability (and therefore nature and biodiversity) investments become harder to see materialize.
3. Scientific and technological issues
4. Interpretation and application of GEF guidelines
5. Financial management and co-financing
6. Project institutional arrangements, including project governance
 - A large team of delivery partners is a strong and powerful group IF well-coordinated and if each partner understands their role vis-à-vis the others and understands how their work fits into the bigger picture. This needs to be taken into consideration for future projects, especially MSPs, with more limited budgets to spread across the project and support good project management as well as partnership building, facilitation, and growth. It was especially clear in this project where many of the delivery partners hadn't work together before, and we had to be virtual due to COVID. The pressure of getting a sector to move strategically into a new space and take on new challenges while also tackling the day-to-day of project administration is demanding on the co-executing agencies and delivery partners in this arrangement with the resources allocated.
7. Capacity building
8. Implementation of safeguard policies, including gender mainstreaming, accountability and grievance mechanisms, stakeholder consultations

9. Factors that improve likelihood of long term sustainability of project impacts
10. Factors that encourage replication, including outreach, dissemination of lessons learned, and communications strategies

SECTION VI: PROJECT GEOCODING

This section of the PIR documents the precise and specific geographic location(s) of activities supported by GEF investments based on information provided in the Project Document. The following information should be contained in this section:

- a. Geo Location Information of Project Location(s) for the current fiscal year
- b. Project Map and Coordinates from Project Document

Geo Location Information of Project Location(s) for the current fiscal year (add additional columns as needed)

Geo Location Information	Location No. 1	Location No. 2	Location No. 3
CLASSIFICATION <i>Indicate whether the site is NEW (for new sites this FY23), EXISTING (already existing in the previous PIR) or CEO Endorsed/Approved (indicate whether the site is included at CEO Endorsement/Approval). Please add more columns for projects with more than 3 locations. <i>Note: if the site is NEW, provide a justification in the box after this table</i> </i>	Brazil (Mato Grosso, Goias, and Sao Paulo states) – EXISTING	Mongolia (Tsagaan-Ovoo soum and Bayandun soum, Dornod province) – EXISTING	Kenya - EXISTING
GEO NAME ID <i>Provide the location's Geo Name ID in a numerical format. IDs are available in the GeoNames' geographical database covering all countries and containing millions of placenames with free access at: http://www.geonames.org.</i>	3469034	2029969	192950
LOCATION NAME <i>Name of the geographic locations in which the activity is taking place. In instance when a GeoNames ID is provided above, the name of the said ID should be reflected. Otherwise, the location name provided will be considered as an exact location.</i>	Federative Republic of Brazil	Mongolia	Republic of Kenya
LATITUDE <i>Provide locations in Decimal Degrees WGS84 format, a notation expressing geographic coordinates as decimal fractions of a degree. Include at least four decimal points.</i>	-10	46	1
LONGITUDE <i>Provide locations in Decimal Degrees WGS84 format, a notation expressing geographic coordinates as decimal fractions of a degree. Include at least four decimal points.</i>	-55	105	38

Commented [DC3]: [@Rocky Marceline](#) your comments are still here. This is the final version - please review and clear.

Commented [RM4R3]: Cleared.

Commented [RM5]: We appreciate the correct data provided in this section.

Commented [FH6]: Was left blank in 2022 PIR

LOCATION DESCRIPTION <i>(Optional field) Text description that qualifies in a sentence or so the location in which an activity is taking place, such as for example “mini-grid energy system” or “park ranger site”.</i>	Cattle ranches	Collectively managed rangelands (goat herding)	Artisanal and small-scale gold mines
ACTIVITY DESCRIPTION <i>(Optional field) Text description that qualifies in a sentence or so the activity taking place at the location, for example, “Installing a mini-grid energy system”.</i>	No-deforestation fashion company investment pilot	Improved rangelands fashion company investment pilot	Mercury-free or reduced gold fashion company investment pilot

Please provide a justification regarding changes in location during implementation. Justifications should also be provided in the event the geographic location of key project activities cannot be provided at CEO Endorsement/Approval stage.

(Geo Name ID: Location Name)

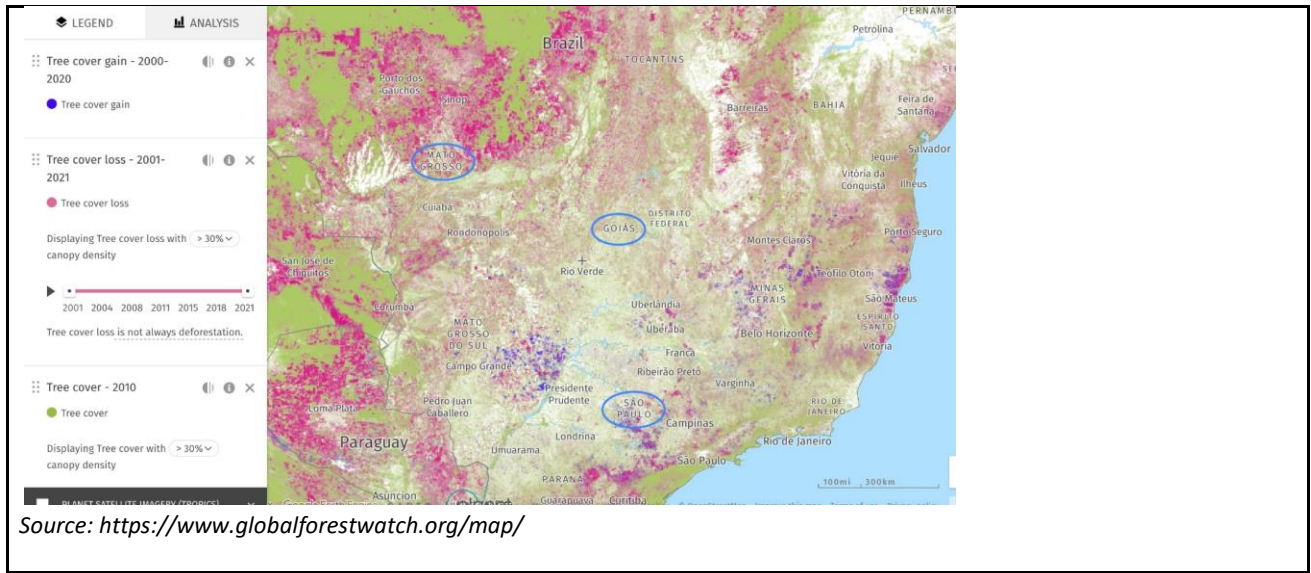
Justification: n/a

Project Map and Coordinates

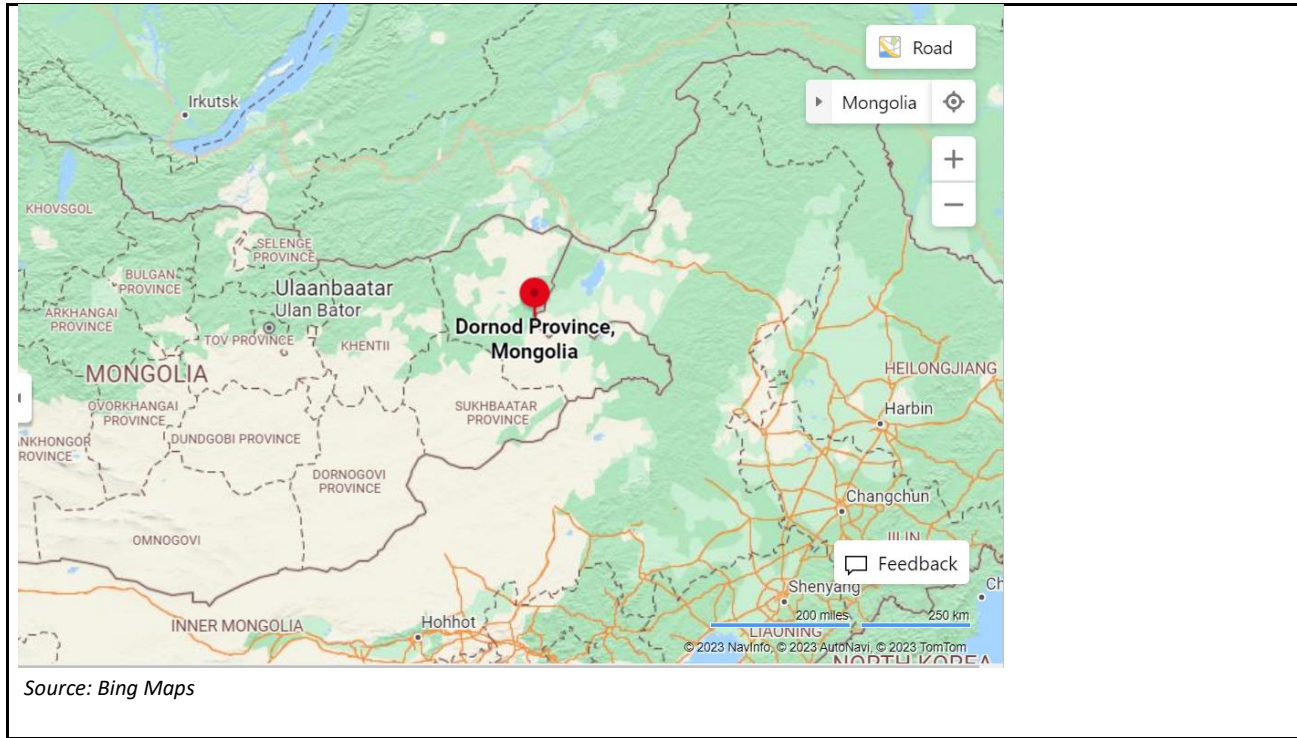
Please provide geo-referenced information and image map where the project interventions took place. If available, please provide attachments as appropriate such as in the case of locations presented along geometric shapes in popular formats like shapefiles, KML and GeoJSON.

(Geo Name ID: Location Name)

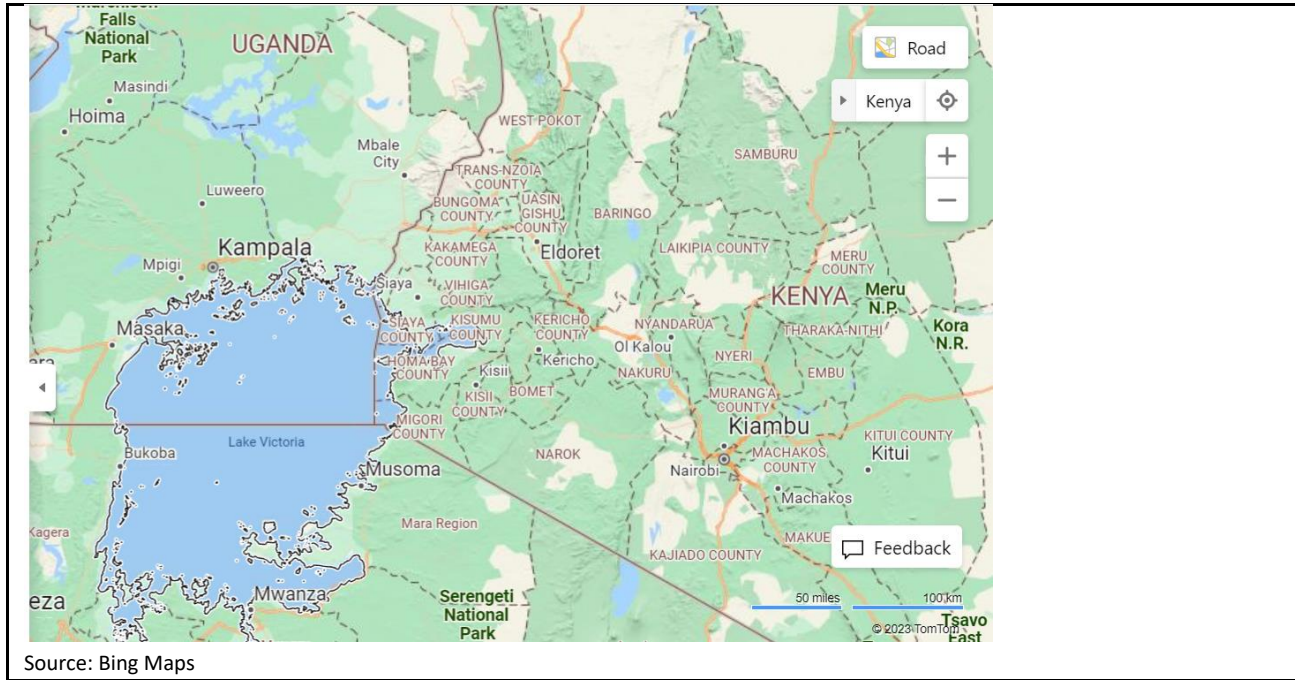
Map:



Source: <https://www.globalforestwatch.org/map/>



Source: Bing Maps



Source: Bing Maps

APPENDIX I: PROJECT ANNUAL IMPLEMENTATION PROGRESS RATING

Rating		Overdue (O)	Delayed (D)	Not started on schedule (NS)	Under implementation on schedule (IS)	Completed/Achieved (CA)
Highly Satisfactory (HS)	HS	0%			100%	
Satisfactory (S)	S	20%			80%	
Moderately Satisfactory (MS)	MS	40%			60%	
Moderately Unsatisfactory (MU)	MU	60%			40%	
Unsatisfactory (U)	U	80%			20%	
Highly Unsatisfactory (HU)	HU	100%			0%	

- **Highly Satisfactory:** 100% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project. The project can be presented as an example of “good practice” project,
- **Satisfactory:** 80% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; except for only 20% that are delayed and/or overdue and need remedial action,
- **Moderately Satisfactory:** 60% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 40% are delayed and/or overdue and need remedial action,
- **Moderately Unsatisfactory:** 40% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 60% are delayed and/or overdue and need remedial action,
- **Unsatisfactory:** only 20% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 80% are delayed and/or overdue and need remedial action, and
- **Highly Unsatisfactory:** 100% of the indicators: a) are overdue, and/or b) delayed in their implementation, according to the original/formally revised Project Annual Workplan for the project.

APPENDIX II: RISK RATINGS

Rating	
Low (L)	L
Moderate (M)	M
Substantial (S)	S
High (H)	H

- **Low Risk (L):** There is a probability of up to 25% that assumptions may fail to hold or materialize, and/or the project may face only modest risks.
- **Moderate Risk (M):** There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/or the project may face only modest risks.
- **Substantial Risk (S):** There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.
- **High Risk:** There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.

APPENDIX III: PROGRESS TOWARDS ACHIEVING PROJECT EXPECTED OUTPUTS

INDICATORS	PROJECT TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ¹⁶	COMMENTS/JUSTIFICATION
Outcome 1.1: More Fashion Pact companies use a supply chain methodology to identify the environmental & biodiversity impacts of supply chains				
Output 1.1.1: A Total Scope Assessment Methodology (TSAM) is developed for Fashion Pact companies to assess/screen for environmental impacts and dependencies across their global supply chains.				
Output Indicator 1.1.1a: Number of methodologies developed, tested, and published enabling Fashion Pact companies to map environmental and biodiversity impacts across their supply chains.	Target 1.1.1a: 1 methodology with guidance document.	FY22: 1 Biodiversity Strategy Tool Navigator has been launched and is available publicly. It is a fashion-focused tool that integrates the steps of the SBTN framework as well as the resources and tools specific to each step that can be helpful in companies' own mapping and target setting journey. FY23: As of the most recent official Fashion Pact benchmarking, 38 of 58 participants responded that the Tool Navigator had indeed been helpful. The Tool Navigator has also received nearly 2,000 individual visitors as of May 2023.	CA	Existing approaches were reviewed, and end-users consulted prior to the design. Draft guidance was sent around for comments in September 2021, comments received, and final version completed in October 2021. It was determined that The Fashion Pact was ultimately the best entity for hosting the web interface of this tool. Publication was then delayed pending website hosting challenges and illness. Final website interface is now available and was launched with Fashion Pact Signatories on May 17, 2022 with an accompanying training. https://biodiversitystrategytoolnavigator.thefashionpact.org/

¹⁶ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

Output Indicator 1.1.1b: Number of peer – reviewed reports published on global environmental impacts of fashion sub -sectors highlighting specific potential upstream supply chain impacts on biodiversity, land – based impacts on oceans, and climate.	Target 1.1.1b : 1 peer - reviewed report published.	1 Fashion Nature Risk Lens	CA	1 report reviewed by the TAG, CI, and TFP and published online on June 21, 2023 at Fashion Nature Risk Lens (arcgis.com) . Over the course of FY23, content was finalized, data transfer and associated data sharing agreements were put into place, design was complete, and launch included a training as well as a supplemental Q&A session. The Fashion Nature Risk Lens includes upstream supply chain impacts on specific environmental areas of key raw materials for fashion as well as a sub-sector breakdown.
Output 1.1.2: Individual brands/companies trained to map their supply chains and understand which business operations drive negative environmental impact.				
Output Indicator 1.1.2: Number of Fashion Pact companies trained in the Total Scope Assessment Methodology and supply chain mapping.	Target 1.1.2 : At least 40 Fashion Pact companies trained	FY22: 39 companies – Biodiversity Tool Navigator (TSAM) training webinar FY23: 21 companies – Fashion Nature Risk Lens launch training and office hours Accounting for duplicates, 55 companies were trained total over the course of the project	CA	21 companies participated in the launch and training webinar workshop for The Fashion Nature Risk Lens on June 21, 2023. The website is publicly available so we expect additional companies to engage with the tool moving forward.
Output 1.1.3: Companies pilot Total Scope Assessment Methodology to understand their environmental impact and to form the basis for prioritizing action and defining action pathways.				
Output Indicator 1.1.3: Number of companies piloting the Total Scope Assessment Methodology.	Target 1.1.3: At least 20 Fashion Pact companies	38	CA	As of the most recent official Fashion Pact benchmarking, 38 of 58 participants responded that the Tool Navigator had indeed been helpful. The Tool Navigator has also received nearly 2,000 individual visitors as of May 2023.
Component 2: Prioritizing Sustainability Action				
Outcome 2.1: Fashion Pact companies participate in “deep dive analyses” on the key impacts from priority supply chains/materials.				
Output 2.1.1: More Fashion Pact companies use enhanced methodology, decision trees, and tools to map environmental impact at different scales and results are used for prioritizing action for more sustainable supply chains.				

<p>Output Indicator 2.1.1a: Number of expert-reviewed methodologies available for Fashion Pact companies to develop strategies for addressing key environmental impacts at different scales.</p>	<p>Target 2.1.1a: 1 peer reviewed paper outlining screening methodologies for assessing risk/impact from their supply chains</p>	<p>1 literature review is completed</p>	<p>CA</p>	<p>The Literature review on biodiversity impact metrics has been conducted and reviewed by Conservation International team as well as by IUCN, UNEP-WCMC. Completed FY22 Q2 and available here. An expanding and ongoing working version is available here: Literature Review Draft 20211018.docx. This output is a completed review of publicly available data of 66 of the Fashion Pact signatories and the Textile Exchange’s Biodiversity Benchmark which 71% of Fashion Pact companies completed in 2021. Relevant environmental impact metrics are reviewed and discussed in the literature review report.</p>
<p>Output Indicator 2.1.1b: Number of Fashion Pact companies conducting environmental risk/impact screening for their supply chains.</p>	<p>Target 2.1.1 b : At least 5 Fashion Pact companies using detailed science -based methodologies to document the impacts of least one key supply chain on nature.</p>	<p>FY23: 21 companies FY22: 21 companies</p>	<p>CA</p>	<p>In the most recent Fashion Pact benchmarking, 21 companies indicated they have completed a biodiversity assessment for either some, the majority, or all of the fibers and materials in their supply chains. It is unknown whether these are the same companies as last year (also 21).</p> <p>LCA, EP&L, Fashion Pact Tool Navigator, Global Biodiversity Score, HCV/HCS approach, BIM, IBAT, STATRT, Global Forest Watch, SBTN Materiality Matrix, Ecosystem Intactness Matrix, UN Biodiversity Lab, and other were among those tools and methods listed as used.</p>
<p>Output 2.1.2: A suite of deep dive analyses are conducted (based on agreed “materiality analyses ” of key commodities/suppl y chains) highlighting potential impacts/risks of fashion sourcing/supply chains on the environment .</p>				

<p>Output Indicator 2.1.2: Number of deep dive raw material analyses conducted.</p>	<p>Target 2.1.2 : At least 4 deep dive raw material analyses.</p>	<p>4 deep-dive raw material analyses have been completed, for USA cotton, Argentinian leather, and MMCF for Indonesia and Austria</p>	<p>CA</p>	<p>Three Fashion Pact signatories participated in the raw material deep dives by sharing their sourcing volumes and sourcing geographies (to the extent they had them available). Four analyses (over 3 reports) were conducted – one version that was confidentially shared back with the individual signatories, and the other set is a publicly available version here since November 2023.</p> <p>Four criteria were used to select company participants:</p> <ol style="list-style-type: none"> 1. That they be a SBTN Corporate Engagement Member because this allowed us to “hit the ground running” with analyses and work to fulfill the deep-dive requirements, without the time needed to get the companies up-to-speed on SBTN and five step process. The project needed companies that were already exploring their supply chains and companies that could more readily integrate and implement any outputs from our work on the deep-dives. This all narrowed the pool of companies to ones that have the willingness, and knowledge to commit to action, but ones that don’t have the key metrics, indicators, and analyses to make informed commitments. 2. That they sourced commodities that have high volumes sourced by the Fashion Industry because the project wants to tackle commodities that have large potential footprints, high importance to a wide-range of companies, and commodities that, if successful commitments are made across a wide-range of companies, could have a transformation impact on biodiversity and conservation. The project narrowed its interest to the top three traded fashion raw materials, cotton, viscose, and leather. Note that synthetics were out of the scope of this project as they don’t have a land-based production system, though we are thinking through ways to deal with synthetic impacts in other realms. 3. That they sourced from areas of higher-biodiversity because biodiversity is unevenly distributed across the globe, and the project aims to focus on higher-biodiversity regions to make sure it is in areas of importance for protection of
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				<p>that biodiversity. As such, we preferentially weighted companies that are sourcing commodities from the tropics as those areas are known to have higher biodiversity.</p> <p>4. That the cohort have at least national level supply traceability and represent diversity at the sub-national level. The deep-dives will only provide as good of information on biodiversity impacts and strategies as the input information holds on locations and sourcing regions and volumes that go into the metrics and indicators. The project prioritized companies that had at least national level traceability of their commodities to ensure the outputs of our deep-dives had meaningful actions and assessments coming out of them. The project did keep a range of supply chain traceability companies in the pilots, with some commodities and companies holding very high supply chain traceability to the farm level, and others that held some national level data and some multi-national data. This was to allow a test and trial of the SBTN metrics and indicators across a variety of supply chain transparency levels</p>
Output 2.1.3: A series of maps and analyses produced illustrating potential impact on biodiversity from sourcing by fashion companies for raw materials.				
Output Indicator 2.1.3: Number of raw material analyses conducted.	Target 2.1.3: At least 3 (leather, cashmere, gold).	4 deep-dive raw material analyses were conducted in FY22 and completed in FY23, for USA cotton, Argentinian leather, and MMCF for Indonesia and Austria	CA	Our understanding of the target list was that it was exemplary. Given the Fashion Pact signatories' interest in expanding the opportunities to include non-luxury commodities applicable to more of the members, beef leather, cotton, and MMCF were selected. The impacts on biodiversity, climate, and the associated chemical/waste pollution also made these a strong choice to diversify the portfolio.
Output 2.1.4: Scenario analyses completed using some key commodity/supply chains to map out possible results/outcomes for climate and nature of different interventions by companies focused around improved sourcing of key raw materials.				

<p>Output Indicator 2.1.4: Number of scenario analyses conducted.</p>	<p>Target 2.1.4. : At least 5 scenario analyses.</p>	<p>6</p>	<p>CA</p>	<p>Scenario analysis is complete including 6 comparative scenarios for contractive and expansive cotton, wool, and cashmere production. The results were published as an ESRI Storymap graphical output and a PDF summary report with further detail on outcomes on June 30, 2023. This output benefited from an initial TAG review and final review, taking place on March 7, and June 13, 2023 in advance of preparing a draft for publication in a scientific journal. While a draft was completed prior to the project end, a final journal submission will occur in August to Nature Sustainability and Conservation Science and Practice from the Society for Conservation Biology. Final publication date will depend on journal review and publication timelines.</p>
<p>Outcome 2.2: Companies have developed strategies outlining actions that will be taken to address the Fashion Pact 'biodiversity commitment 'and aligned with the Science – Based Targets for Nature framework.</p>				
<p>Output 2.2.1: Companies are supported, trained, and provided with appropriate guidance on developing strategies that align with Science Based Targets for Nature and these strategies include specific actions through more sustainable sourcing.</p>				
<p>Output Indicator 2.2.1a: Number of companies trained in development of strategies aligned with the Science Based Targets for Nature.</p>	<p>Target 2.2.1a: 40 companies trained.</p>	<p>FY23: 55 companies attended the SBTN trainings & workshops held. total companies trained [77 companies – SBTN webinar 1; 49 companies – SBTN webinar 2]</p> <p>FY22: 47 total companies trained. [21 companies – SBTN webinar; 39 companies – Biodiversity Strategy Tool Navigator training]</p>	<p>CA</p>	<p>In FY22, CI and TFP held one SBTN webinar to train companies on science-based targets for nature methods and completed the webinar series in FY23 with two additional webinars introducing the SBTN V1 guidance on May 31 2023 and going into more detail on how to apply the guidance on June 26, 2023.</p> <p>The Biodiversity Strategy Tool Navigator was also launched in FY22, alignment with SBTN was demonstrated, and signatories were trained on its use in May 2022.</p>

<p>Output Indicator 2.2.1b: Number of guidance documents on Science Based Targets for Nature for fashion sector developed.</p>	<p>Target 2.2.1b: 1 peer reviewed guidance document.</p>	<p>1</p>	<p>CA</p>	<p>Raising the Ambition for Nature: A fashion, textile, and apparel sector primer on the first science-based targets for nature: sbtn_primer_20230627.pdf (cam.ac.uk)</p> <p>CISL, CI, and The Fashion Pact teamed up to intentionally and thoughtfully craft and launch the SBTN guidance document, Raising the Ambition for Nature: A fashion, textile, and apparel sector primer for the first science based targets for nature to provide a high-level introduction, detail a case study and set out specific challenges or considerations for the fashion, textile and apparel industry upon the launch of the SBTN v1 guidance in May 2023. Clearly of interest, the SBTN fashion primer garnered over 500 media hits upon its launch in June at the Global Fashion Summit. [This document would have been released considerably earlier in the project timeline, however, delays with the release of the SBTN v1 guidance were out of the control of the delivery partners and project management team.]</p>
<p>Output 2.2.2: Companies develop their own approaches/strategies that align with Science Based Targets for Nature framework and enable them to set science-based targets.</p>				

<p>Output Indicator 2.2.2: Number of companies setting strategies/commitments aligned with Science Based Targets for Nature.</p>	<p>Target 2.2.2: 20 companies.</p>	<p>19 companies with biodiversity strategies in place; 30 companies currently in process of developing one</p>	<p>CA</p>	<p>In the most current TFP benchmarking, 12 members reported in 2022 of having a biodiversity strategy (up from 5 in previous year's reporting) and 30 are currently in the process of developing one. This figure, however, does not capture progress since the 2022 reporting period. Based on current desktop research of publicly available biodiversity strategies, 19 signatories of The Fashion Pact now have biodiversity strategies or have embedded the topic in their broader sustainability, climate, or nature strategy. 11 of these have publicly aligned with SBTN. All 19 have components of SBTN alignment and many have targets for aspects of AR3T, even if not explicitly stated. With the delays of SBTN's guidance V1 release to mid 2023, companies have had to pause on the development of their strategies in order to ensure alignment with SBTN. In the next year, however, as the SBTN is piloted and as companies have time to implement the guidance, we expect the number of companies with biodiversity strategies to increase significantly. This conclusion is also evidenced by the details of Fashion Pact member reporting.</p> <p>In the 2022 Biodiversity Benchmark, members reported having the following regarding biodiversity targets:</p> <ul style="list-style-type: none"> • Under consideration - 25 • Targets for protecting endangered or threatened species - 10 • Avoidance targets e.g., deforestation and/or land use conversion-free supply chains - 21 • Reduction targets e.g., reduced use of virgin materials - 17 • Targets for ecosystem restoration e.g., forestry - 5 • Targets for regenerative farming - 6 • Targets aimed to "Do No Harm" to biodiversity - 6 • Targets aimed for "No Net Loss" of biodiversity - 3 • Targets aimed for "Net Gain" or "Net Positive" for biodiversity - 3 • Other biodiversity-related targets – 6 <p>And the following regarding completion of SBTN steps based on initial DRAFT guidance:</p> <ul style="list-style-type: none"> • Not yet completed Step 1, but planning to – 19 • Step 1 (Assess): 5
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				Step 2 (Interpret & Prioritize): 3
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Component 3: Sustainable Sourcing Action
Outcome 3.1: More Fashion Pact companies engage in a suite of efforts focused on sustainable sourcing through innovative field - based programs.
Output 3.1.1: Fashion Pact companies are supported and trained in sustainable ²⁹ sourcing actions that drive measurable outcomes for climate and biodiversity.

<p>Output Indicator 3.1.1a: Number of Fashion Pact companies supported and trained in sustainable sourcing actions.</p>	<p>Target 3.1. 1a: At least 50 Fashion Pact companies.</p>	<p>FY23: 29 participants attended the Sustainable Mongolian Cashmere webinar.</p> <p>FY22: 67 companies attended at least one webinar or workshop relating to sustainable sourcing actions.</p>	<p>CA</p>	<p>In FY23, there was 1 webinar within C3: Sustainable Mongolian Cashmere II (July 6, 2022).</p> <p>In FY22, there were 13 webinars within C3, including</p> <ul style="list-style-type: none"> • Sourcing Sustainably: Gold, Cashmere, and leather (6/2/2021) • Gold Workshop: Zooming in on Mercury (6/16/2021) • Gold Workshop: Toward a Successful Responsible Gold Sourcing Program (6/30/2021) • Leather: An Introduction to the Leather Impact Accelerator & Impact Incentives (7/13/2021) • What is Wildlife-Friendly Production: Sustainable Sourcing with Biodiversity in Mind (9/29/2021) • LIA Workshop Series 1: Investment Strategies (3/22/2022) • Intro to Sustainable Mongolian Cashmere (3/23/2022) • Gold project kick-off workshop (4/7/2022) • LIA Workshop Series 2: Calculating Impact Incentives (4/12/2022) • Wildlife Friendly Sourcing: What Does This Mean? Wool Case Studies (4/20/2022) • LIA Workshop Series 3: Purchasing Impact Incentives (5/10/2022)
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				<ul style="list-style-type: none"> • LIA Workshop Series 4: Impacts and Claims (6/7/2022) • LIA Workshop Series 5: Ask Me Anything (6/14/2022) <p>Recordings and slides/materials are all made available on The Fashion Pact member portal.</p>
<p>Output Indicator 3.1.1b: Number of guidance documents developed to help companies estimate raw material use.</p>	<p>Target 3.1.1b : 1 guidance document on best practices in sustainable sourcing for biodiversity and climate outcomes.</p>	3	CA	<p>What Does It Mean to Be Wildlife Friendly guidance document</p> <p>Raising the Ambition: A fashion, apparel, and textile sector primer for the first science-based targets for nature</p> <p>Fashion nature Risk Lens</p>
<p>Output 3.1.2: Commitments from Fashion Pact companies to source and support sustainable cashmere with scenarios to show potential outcomes for climate, biodiversity, and livelihoods.</p>				

<p>Output Indicator 3.1.2: Number of Fashion Pact companies committing to sourcing sustainable “traditional” cashmere.</p>	<p>Target 3.1.2: At least 5 Fashion Pact companies engaged.</p>	<p>3 brands are currently interested and in active conversations about Impact Incentives projects (Names confidential but available upon request). 5 total brand engagement pursued via 1:1 mtgs.</p>	<p>CA</p>	<ul style="list-style-type: none"> • Land area for proposed Responsible Nomads Impact Incentive project: 70,000-100,000k ha • Land area for proposed Sustainable Fibre Alliance Impact Incentive project: 70,000-100,000 ha • The cashmere section of this GEF project had some administrative challenges and a change in lead organization so did not get underway until the end of March 2022. A year is a short time to get engagement with the sector and commitments from brands. <ul style="list-style-type: none"> • This is particularly true for budget commitments e.g., for Impact Incentives. Brands tend to have set cycles for budget setting which our requests for engagement did not always match. • A lot of brands wanted to have impact data on cashmere, and the reduction in impact that would result from sourcing from sustainable programs before they made decisions about sourcing/changing sourcing. <ul style="list-style-type: none"> • Some brands were interested in sustainable cashmere, but only if it could fit into their existing supply chains. Not all brands were willing to share details of their supply chains. • Many brands (and some processors) were already sourcing Chinese cashmere from the Good Cashmere Standard. We did not
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				<p>want people to drop that certified material to switch to Mongolian cashmere.</p> <ul style="list-style-type: none"> o Some brands had concerns about the quality (color, micron, fiber length) of Mongolian versus Chinese cashmere which made them concerned about whether a switch would work for them. <ul style="list-style-type: none"> • Brands did not always provide the details of the quality of cashmere they wanted for us to compare with Mongolian availability. • Relationship management in Mongolia can be challenging. Having a Mongolian Cashmere Coordinator was crucial to the success of the project. It was important for some stakeholders that concepts and outcomes from the project could be presented in Mongolian, and some stakeholders were only able to provide information and documentation in Mongolian. Some programs in Mongolia consider themselves competitors and a lot of work was involved in ensuring that Textile Exchange and this project were seen as neutral so that all parties remained engaged. • Despite these challenges, there will be a continuation of work on Impact Incentives and Program Partnership Projects for cashmere as this work could not be completed during the project timespan.
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			<ul style="list-style-type: none"> • There are three brands with strong interest; plus, one brand exploring options for direct sourcing, but open to impact incentive projects if that does not work out. • Our intent is to engage more brands as projects get finalized. • Now have two options for program partners in Mongolia – one linked to supporting herders to get RN certification, the other SFA certification. Both have components of rangeland improvement. (SFA was not previously engaging with other partners, so this is a huge success in building alliances and opportunities for companies) • RN and SFA benchmarking provide suggested areas for improvement in their standards for both animal welfare and land management. This improves the outcomes of these standards for all brands purchasing certified materials. • Retention of part-time Cashmere Coordinator for Textile Exchange, based in Mongolia who is supporting continuation of cashmere work, and liaison with Mongolian stakeholders as well as improving links and options for brand sourcing choices with different Mongolian projects that weren't directly part of this work (e.g., Good Growth Company)
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Output 3.1.3: Fashion Pact companies engaged in efforts such as the International Working Group of Leather Impact Accelerator and supporting groups such as the Impact Alliance that illustrates a market -led approach to driving sustainable beef/leather production systems.				
Output Indicator 3.1.3: Number of companies tracking their leather purchases through a system such as the Leather Impact Accelerator (LIA) program.	Target 3.1.3 : At least 5 Fashion Pact companies track their leather using the Leather Impact Accelerator or similar tool.	6	CA	TE's Leather Impact Accelerator (deforestation-free and better animal welfare): 3 companies committed to purchasing Impact Incentives in Brazil by end of 2022 (Ralph Lauren, H&M, and Capri Holdings). Zimmerman joined in FY2023 to complete the purchase of the full volume of impact incentives for DCF leather from Brazil. At least two further TFP signatory brands are in active discussions with the facilitator about purchasing upcoming Impact Incentives under Pilot #2 that has begun. (Names confidential but available upon request).
Output 3.1.4: Fashion Pact companies support investment -led and smart sourcing approaches that reinforce better practices and outcomes from artisanal mining (= eliminate mercury use).				
Output Indicator 3.1.4: Number of Fashion Pact companies documenting the potential for mercury use reduction by sourcing gold from planetGOLD mines and/or engaged in investment-led approaches (e.g. social loans) to support improved practices.	Target 3.1.4: At least 2 Fashion Pact companies.	0	CA	There were initially 6 brands that had expressed interest in an investment aimed directly at .1 tons of mercury reductions through the Lake Victoria Gold Programme or direct sourcing. Two brands became likely participants and pursued discussing agreement terms. Efforts continued to formalize the participation of 1-2 other brands depending on brand readiness, but ultimately, formal commitments and buy-in have not been realized within this project period. Instead, other efforts were pursued to create a digital trading platform for responsible mining credits that would address the

			<p>challenges felt on both supply and demand side.</p> <p>Ultimately, lack of current sourcing from those areas, the budget cost, restructures in Fashion Pact membership and member organization, thematic fit, competition for funding, and the emergence of the Sustainable Watch and Jewelry Initiative were structural factors outside of the control of the project that contributed to lack of signatory buy-in.</p> <p>[Over the course of the project, The Watch and Jewelry Initiative 2030 was launched, a c-suite community including several members of The Fashion Pact (Kering, Chanel, among others). This initially created competition and slowed momentum, but The Impact Facility is now engaged with the Watch and jewelry Initiative and the expectation is that members will engage is ASGM efforts from there.]</p> <p>It is also often quite difficult for private companies to be leveraged in the early stages of system change that isn't tied directly to very specific supply chains where they already have trusted supply lines. In the case of ASGM, companies may not know where their material is coming from OR choose to avoid artisanal gold altogether to avoid the associated risks. While interest remains high, the timing and</p>
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			<p>execution likely require a more significant continued investment in the sector and in specific mining communities by philanthropy and public funding. Continued engagement of fashion brands over time is expected to result in uptake as approaches can be closer tied supply bases for specific supply chains and sourcing targets. GEF finance, for example, has helped TIF establish an approach which they are now rolling out in Osiri Matanda first and then, over time, with other mine sites in Kenya and beyond.</p> <p>Detail: TIF has been actively pursuing opportunities to apply these learnings and continue towards advancing the professionalization of the sector, include mercury reduction/elimination. In Kenya, for example, TIF will be working with the Danish NGO Dialaogos to construct a processing facility in the centre of the community in Migor, West Kenya, for piloting of borax and smelting; a process which mine process owners will fund through a lease-to-own repayment structure over an 18 month period. This collaboration is to be funded by the Danish Government and will include exchange visits to select mine sites in Uganda (where this technique is already used) as well as the introduction of international mine processing expertise. This will involve 30 small-scale mines, over</p>
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				<p>3,000 miners and workers, and the expectation is that good practice would be replicated elsewhere in Osiri Matanda network over time - as a result of higher recovery rates affected through borax use vs. mercury - and for between 150 - 200kg of mercury per year to be eliminated by end of CY 2024 (after an initial 30 kg savings in CY 2023). Beyond these figures, TIF expects an additional 150kg of mercury to be eliminated by the end of 2024 within the wider network of mines they are working with.</p> <p>Taken all together, these savings are equal to between 300kg - 350kg of mercury per year; on a ratio of 1.5 units of mercury for every unit of gold recovered, that's equal to as around \$20m worth of mercury-free gold recovered per year.</p> <p>Mercury will be replaced mainly by borax and smelting alternatives. In some cases - beyond Osiri Matanda - we will also explore the viability of using GDA (Gold Dressing Agent) as an environmentally neutral alternative to Cyanide, in the context of VAT-leaching too.</p> <p>Volumes from these efforts can be listed on the Responsible Mining Trading Platform and credits sold/purchased accordingly.</p>
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Component 4

Outcome 4.1: Fashion Pact is recognized as an industry lead organization for key environmental outcomes aligned with GEF goals.				
Output 4.1.1: Fashion Pact Association established and staffed.				
Output Indicator 4.1.1a: Fashion Pact Association established as an organization.	Target 4.1.1a : 1 Functioning Fashion Pact Association (Fashion Pact Association) .	1 functioning Fashion Pact Association was established.	CA	The Fashion Pact has been established as a functioning organization.
Output Indicator 4.1.1b: Percent women across the Fashion Pact Association structure.	Target 4.1.1b: At least 50% women.	93% of staff at The Fashion Pact are women	CA	The Fashion Pact staff is currently 93% women.
Output Indicator 4.1.1c : A Fashion Pact Grievance Mechanism and Social/Environmental Safeguards mechanism are established.	Target 4.1.1.c: A grievance mechanism and a social/environmental safeguards mechanism in place.	A grievance mechanism and a social/environmental safeguard mechanism has been put in place.	CA	The Fashion Pact Grievance Mechanism has been set up (fashion@conservation.org) and The Fashion Pact aligns with CI's Social/Environmental Safeguards for work pertinent to the GEF project and have established a comprehensive code of ethics which includes a conflict of interest policy, a segregation of duties policy, an anti-corruption and anti-bribery policy and an anti-fraud policy.
Output Indicator 4.1.1d: Workplans and budgets highlighting company contribution and other funding/fundraising opportunities developed and approved by Fashion Pact.	Target 4.1.1d: 3 Fashion Pact approved 12 - month budgets/workplans.	3 Fashion Pact budgets/workplans have been approved.	CA	The Fashion Pact budgets and workplans are approved by the Steering Committee.
Output 4.1.2: Collaboration with key fashion sector coalitions to deliver environmental outcomes.				
Output Indicator 4.1.2: Number of environmental coalitions that Fashion Pact collaborates with.	Target 4.1.2: 4 coalitions.	13 coalitions.	CA	The Fashion Pact collaborates both formally and informally with a number of environmental coalitions and is in contact and holds regular check ins with many coalitions in the same space. The Fashion Pact collaborates or has relationships in some form with many coalitions (not inclusive of the delivery

				partners for the GEF project and other delivery partners) such as – <ul style="list-style-type: none"> • Ellen MacArthur Foundation • ZDHC • The Microfibre Consortium • Recyclclass • UNEP • Apparel Impact Institute • Textile Exchange • Fashion For Good • Sustainable Apparel Coalition • Global Fashion Agenda • Fashion Industry Charter / UNFCCC • Science Based Targets for Nature • Race to Zero • Paris Good Fashion • The Microfibre Consortium • Policy Hub • Paris Good Fashion
Output 4.1.3: Fashion Pact communications plan developed targeting the fashion industry and public sector.				
Output Indicator 4.1.3 : Number of communications plans developed.	Target 4.1.3 : 1 Fashion Pact communication plan.	1 Communications Plan	CA	The Fashion Pact has been working with an external communications delivery partner to execute output-specific communications as the work of the association progresses. The result of this updated and agnostic planning is increased external communications on the work of The Fashion Pact.
Outcome 4.2: Fashion Pact implements a Key Performance Indicators (KPI) tracking platform to collectively document environmental progress across all member companies.				
Output 4.2.1: Fashion Pact tracking platform is available with defined and agreed metrics in place.				

Output Indicator 4.2.1: Number of Key Performance Indicators tracking platforms functioning and providing access to relevant information on supply chain monitoring, tools, environmental trends, etc.	Target 4.2.1: An online tracking platform is available to Fashion Pact companies.	An online platform is available.	CA	The Fashion Pact has developed an internal website for TFP signatories that host webinar recordings, information on targets, projects and workplans, and points to other informational resources for signatories to be able to find relevant information.
Output Indicator 4.2.2: Number of tracking platform learning modules (meetings, webinars, workshops) for Fashion Pact and fashion industry companies.	Target 4.2.2: 20 learning modules	40+	CA	The Fashion Pact has hosted around 40 workshops or webinars across the subjects of climate, biodiversity and oceans since March 2021. These recordings, slides and relevant resources are available to signatories on an internal knowledge-sharing platform. Those specific to the Biodiversity Pillar and supported by this GEF project are listed in the Knowledge Management section.
Output 4.2. 3: Fashion Pact companies measure progress on their targets and metrics.				
Output Indicator 4.2. 3: Number of Fashion Pact companies tracking and reporting on their agreed environmental targets and metrics.	Target 4.2.3a: 15 Fashion Pact companies regularly use the tracking platform. Target 4.2.3b: 2 Fashion Pact Association reports published.	Over 15 Fashion Pact signatories used the reporting tracking platforms 2 reports (Biodiversity Benchmark Baseline Results & Materials Benchmark: The Fashion Pact Reporting) on the aggregate results of signatory participation in the reporting tracking platform were shared with the signatories in October 2021 and in April 2023.	CA	58 signatories (77% of the coalition) completed the 2021 general reporting survey launched by BCG. 52 signatories participated in the 2021 Biodiversity Benchmark that was launched by Textile Exchange in March 2021. The Fashion Pact is integrated its reporting into Textile Exchange for 2022 and moving forward, thus allowing The Fashion Pact to integrate its general reporting questions (which look at general overview, climate, biodiversity and oceans) and the questions from the Biodiversity Benchmark. The 2023 cycle (outside of the scope of this project) was launched in April 2023 and will close

				end of June 2023, however the deadline will be extended to gather all responses.
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