



Accelerate Your Brand to Zero Assessment: From Zero to Champion

Discover how CleanChain Compass can pave a quicker way to meeting your Brands to Zero goals and environmental commitments.

Introduction

Brands are particularly aware of what role they are playing in environmental sustainability and how they can improve their impact on the planet. A lot of this stems from creating transparency within supply chains: allowing the collection and monitoring of the right information and using this data to conform to authorities and organizations that understand how to create better sustainability within the industry.

Many initiatives, standards, and regulations have come into play over the years such as the Global Reporting Initiative (GRI), ISO 14001, Corporate Sustainability Reporting Directive (CSRD), US Securities and Exchange (SEC) climate disclosure rule as well as the ZDHC Manufacturing Restricted Substances List (ZDHC MRSL), which names the chemical substances banned from intentional use in textile, apparel and footwear manufacturing.

Brands to Zero

One of the most recognizable initiatives today is the Brands to Zero programme, developed for brands and their value chains to help reduce the fashion industry's chemical footprint. This programme has been implemented by hundreds of fashion brands to date and is becoming the ultimate place to state your brand's commitments, showcasing your improvements to better chemical management.

The Brands to Zero programme is designed to encourage brands to implement a harmonized and robust approach to delivering safer chemical management. Brands must understand that this is a continuous journey and pledge their commitment as part of the community by being transparent about their operations and chemistry products.

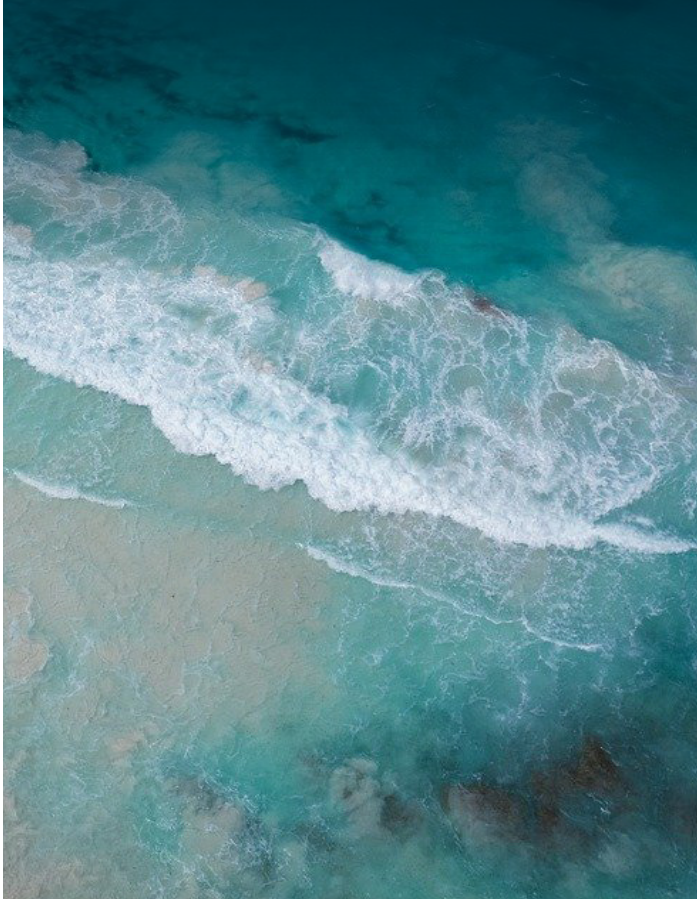
Brands to Zero Annual Assessment

The evaluation process includes the implementation performance of the ZDHC guidelines and protocols across two key themes: Corporate (Corp) and Supply Chain Performance (SCP). An independent party carries out the assessment and scoring of each brand based on their demonstration of fulfilling their strategy towards cleaner chemical management. Every claim the brand makes must be supported and evidenced by high-quality data.

Source: Brand to Zero Report, 2023

The Detox Fashion Radar

ZDHC has developed a Detox Fashion Radar that aims to help brands navigate their way to sustainable chemical management and compare themselves with like-minded brands. Based upon the results of the Brands to Zero annual assessment, it provides a quick snapshot of where the industry is today.





Challenges Brands Encounter in Data management

Brands face numerous challenges in data management, including the integration of diverse data sources, ensuring data accuracy, and maintaining data security. Managing vast amounts of data from multiple platforms can lead to inconsistencies and gaps, making it difficult to derive meaningful insights.

Additionally, the need for real-time data processing and the complexities of complying with various data protection regulations add further layers of difficulty. These challenges are compounded by the necessity for robust validation processes and comprehensive data collection, which require significant time and resources.



Challenge 1: Data Collection Complexity

Collecting data is challenging for brands due to complex supply chains and varying compliance capabilities among suppliers. Inconsistent data and privacy concerns can hinder information sharing. Brands must build trust and transparency with suppliers to ensure adherence to policies and a shared roadmap. However, managing this process is costly, time-consuming, and leaves little time for evaluations and improvements.



Challenge 2: Identify and Action Data Gaps

Once you receive data from suppliers, identifying and addressing data gaps can be challenging. Quick access to answers and knowing where to start is hindered by incomplete validation and data collection processes that do not integrate all aspects of supplier data. This makes identifying opportunities nearly impossible without investing considerable time and effort into manual work.



Challenge 3: Lack of Resources and Data Expertise

Having the right resources is crucial for effective data collection and management, requiring significant time, personnel, and financial investment. Many suppliers lack the expertise or tools, like advanced Excel skills or API knowledge, to gather detailed information. Reliable processes, infrastructure, and technology are essential, as human efforts alone are insufficient.

Does any of this sound familiar?

Well, you are not alone. Fortunately, technology has come a long way and once you get your head around what your challenges are, you can look to resolve them with the right tools. The right technology solution can help you regain time and resources, allowing you to focus on your journey towards sustainable chemical management.



Solution: CleanChain Compass

CleanChain Compass simplifies this process, helping you manage and interpret your data with ease, ensuring a smooth and successful assessment journey. It can also be used in a broader scope to measure your current sustainability performance, including your environmental and social impacts, making it a widely adopted and comprehensive tool in the textile, apparel and footwear industry.

What is CleanChain Compass?

CleanChain Compass collects, transforms, and models supply chain data to deliver performance monitoring and management. It aims to provide near real-time insights and enable continuous capture of key Brand to Zero SCP metrics, supplementing disclosure requirements. Continuous data collection and transformation into usable, auditable, and high-quality evidence to support claims and responses effectively.

The reporting dashboards cover the following:

1. **Supply Chain Performance**, which includes the following key metrics and a monthly snapshot that is recorded for historical tracing:
 - Number of connections (active/pending)
 - Number of performing ClearStream and InCheck
 - Supplier to Zero Performance
 - Suppliers that meet foundational and progressive levels in ClearStream
2. **InCheck Monitoring**, a near real-time view of your InCheck Performance from the total supply chain down to individual reports.
 - Number of InChecks per Supplier and across time
 - MRSL Conformance and non-conformance by weight and count
 - Which suppliers are bringing down your conformance average?
 - Chemical to Zero conformance
3. **Wastewater Monitoring**, a near real-time view of your ClearStream Performance from the total supply chain down to individual reports.
 - Number of ClearStream Reports per supplier, across time
 - Performance across Parameter Types e.g., MRSL, Conventional
 - Alerts, which Suppliers have failures and which parameters are failing the most?
 - Report and Parameter level results

How Does CleanChain Compass Work?



Step 1 - Supply Chain Engagement

Model your supply chain for improved collaboration and efficiency.

More than 94% of companies do not know what is happening throughout their supply chain, making it a challenge to ensure that your ESG data is both relevant and up-to-date. With supply chain mapping, you can:

- Create greater visibility by bringing data into a single source of record.
 - Have your supplier data curated and made visible in a format that works for your business needs.
 - Connect with tier 1, 2 and 3 suppliers and beyond, right back to the raw materials.
 - Automate the data-gathering process to make sure your relationships are current.
- Get continuous mapping updates on your progress toward external standards, business goals and other KPIs.

CleanChain Compass will:

- Identify the scope of assistance you require, your current available data and what is still missing.
- Engage your extended sourcing network to gather up-to-date information from all facilities worldwide.
- Implement a unified information system process and approach to maintain a single, secure source of record for all your supply chain data.
- Oversee your entire, up-to-date supply chain, ensuring the right data is available where and when it's needed, improving stakeholder decision-making.

Step 2 - Data Collection

Effortlessly load crucial datasets using your brand's API keys.

Supply Chain Performance - Using a brand's API keys, Compass will load the following datasets daily:

- Supply Chain Data (Connections)
- Chemical Inventories of your Suppliers
- InCheck Report metrics
- Wastewater Report Results down to the parameter level of each report
- ClearStream Report metrics
- Guideline Limits for ClearStream Reports

Supply Chain Adherence - Policies and documents are uploaded to the Cleanchain action module and distributed to suppliers according to your specified schedule. Progress is monitored, and CleanChain's Customer Success Team will follow up with any suppliers who are falling behind.

Step 3 - Monitoring and Opportunity Identification

Gain actionable insights through intuitive data visualization.

CleanChain Compass allows brands to manage performance on an ongoing basis. Your organization can answer and capture key Brand to Zero SCP metrics so that when it comes to disclosure, it's already taken care of.

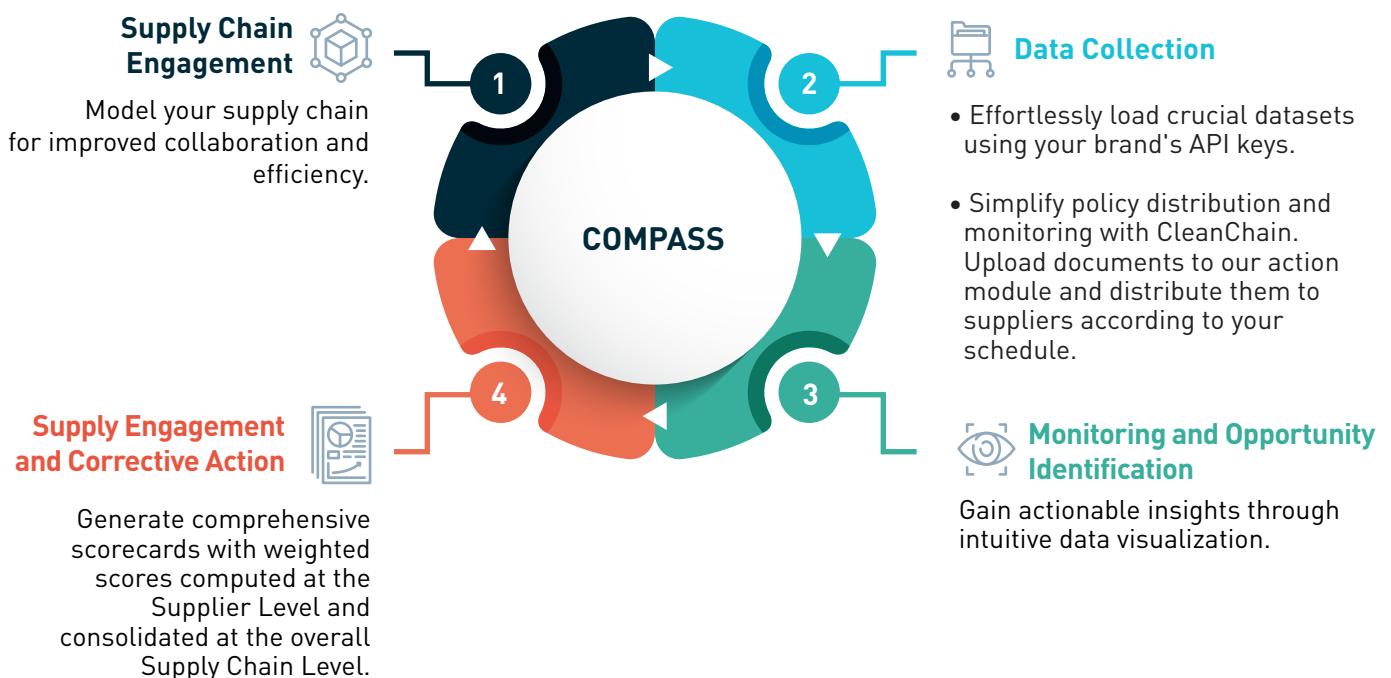
Data is visualized within each theme: Supply Chain, InCheck, and ClearStream:

- Weighted scores are computed at the Supplier Level and consolidated at the overall Supply Chain Level to generate scorecards.
- Data points are captured monthly according to the SCP thematic KPIs.

Step 4 - Supply Engagement and Corrective Action

Generate comprehensive scorecards with weighted scores computed at the Supplier Level and consolidated at the overall Supply Chain Level.

Unlock the Power of Data with Compass



Benefits of Using CleanChain Compass

- **Resource Efficiency:** Compass minimizes the internal time and resources required for compliance, allowing your team to focus on other critical areas of the business.
- **Accessible Data:** Enjoy anytime-anywhere access to your ZDHC data in user-friendly formats, making analysis and action easier, and facilitating informed decision-making and swift responses.
- **Streamlined Processes:** Accelerate the completion of compliance processes, providing a clear focus on identifying and seizing opportunities for improvement in your evaluations.
- **Effortless Integration:** Simply provide your keys and start using the platform without hassle, ensuring a smooth and quick setup with its user-friendly interface, allowing effortless integration into your operations.
- **Expert Support:** Our data experts offer context and insights, ensuring you make the most of your data by providing expert support to navigate complex data.
- **Data Alignment:** Ensure your data aligns seamlessly with relevant questions and KPIs, facilitating better reporting and compliance tracking.
- **Simplified Communication:** The tool eliminates the cumbersome process of using emails for supplier communication and compliance tracking, streamlining communication workflows to make the entire process more efficient.

Roadmap from Zero to Champion

2 Assessment Challenges:

Obstacles: Data collection, verification processes, and ensuring compliance across supply chains.



1 Brands pledge to Brands to Zero Programme:

The commitment by brands to achieve zero environmental impact.



3 Solution: CleanChain Compass

A platform designed to assist brands in navigating their environmental commitments, ensuring transparency, and aiding in achieving zero environmental impact goals.

