

The GoodCloth Circular Fashion Framework

Lifecycle stage	Principles	What	How	Commercial benefits
01/ Materials & supply chain	Resource traceability Resource stewardship Ecosystem resilience	Recycled and/or renewable materials Safe chemistry Renewable energy Lower water use	Visibility of T4 supply chain Decarbonisation policy Water management policy Traceability platform Certified materials	Supply chain resilience Risk management Energy independence
02/ Product design	Value creation Resource stewardship	Design for desirability Design for durability & performance Design for recyclability	Product-specific circular design guidance Product development planning Digital tools, accurate specs Technical standards	Supply chain resilience Risk management Cost efficiency
03/ Product management	Value creation Resource stewardship	Accurate range planning Efficient sampling AI-facilitated forecasting Accurate buy planning Smarter trade decisions	Incentivise full-price sell-through Focus on full lifecycle profitability Buy-to-sell-out mindset AI forecasting and inventory management tools	Reduce markdown Improve the customer experience Improve brand perception and value Increase profitability Reduce cash tied up in slow inventory
04/ Production	Value creation Value sharing Resource stewardship	Optimal mix of flexibility, unique handwriting, reliability and margin Effective critical path management Fair prices & optimal quality	Optimal sourcing strategy Supplier scoping, review and management tools Transparent critical path management Effective quality management	Improve full-price sell-through Reliable partnerships Flexibility
05/ Customer engagement	Value creation Value sharing Resource stewardship	Repair and resale integration Brand, product, craft and design stories Product care Reduce returns Post-purchase relationships	Clarity on business purpose Digital product IDs Integrate repair and resale Quality product information Warranties	Reduce cost of returns Command higher prices Increase brand loyalty Better understand customers

The Circular Economy principles

Principle	Definition
01/ Systems thinking	Businesses take a life cycle perspective and apply a long-term approach when considering their impacts on environmental, social and economic systems.
02/ Value creation	Businesses recover, retain or add value by providing effective solutions that contribute to socio-economic and environmental value, and use resources in an efficient way.
03/ Value sharing	Businesses collaborate with interested parties along the value chain or value network in an inclusive and equitable way, for the benefit and well-being of society, by sharing the value created with the provision of a solution.
04/ Resource stewardship	Businesses manage resources in a sustainable way including by closing, slowing and narrowing resource flows to contribute to resource accessibility and continued availability for present and future generations and to reduce risks associated with dependence on virgin resources.
05/ Resource traceability	Businesses collect and maintain data to enable tracking of resources through their value chains and are accountable for sharing relevant information with interested parties.
06/ Ecosystem resilience	Businesses develop and implement practices and strategies that protect and contribute to the resilience and regeneration of ecosystems and their biodiversity, including preventing harmful losses and releases and taking into account planetary boundaries.