

Guide to the Good On You Brand Rating System

Good On You provides ethical brand ratings for 2,000 fashion brands. Our robust methodology rates brands on how they treat their workers, the environment and animals.

Shoppers can use the Good On You app to check how their favorite brands rate and discover new brands that do better on the issues they care about.

Brands and retailers use Good On You to improve their sustainability performance and connect with conscious consumers.

Our principles

The following principles guide our approach to brand ratings.

- 1. Transparency comes first** - To increase accountability and drive improved outcomes for workers, the environment and animals, brands should be transparent about their supply chain systems and operations. Consumers have a right to know how a brand impacts on the issues they care about.
- 2. Consider companies' impact across their supply chain** - Companies should be held responsible for the impacts caused to workers, the environment and animals at each stage of their supply chain, from how their products are produced and distributed to how their products are used and then recycled.
- 3. Consider issues in proportion to their materiality** - The rating system should consider each material issue that impacts on labour, the environment and animals according to an assessment of relative importance based on the views of a wide range of industry, NGO and academic experts.
- 4. Ensure the methodology is open and evidence based** - How the rating system works and how it is applied to a brand should be transparent, based on robust research and underpinned by a good governance process.
- 5. Update ratings responsively** - Ratings should be based on up-to-date information, reviewed and updated regularly, and in response to significant new information – whether identified by the rating system or advised by a brand or stakeholder.
- 6. Be pragmatic in order to be effective** - The rating system should produce data that can readily be accessed by users including consumers, brands and retailers. It should be fit for the problem that the user is trying to solve; including for consumers to inform their shopping decisions, for retailers to communicate the sustainability performance of brands to shoppers and/or to choose more ethical brands to stock.
- 7. Improve iteratively based on learning** - The rating system should be improved regularly taking into account new knowledge gained from research and stakeholder input.

What we rate - material issues

The Good On You brand rating system provides transparent information on three key areas of concern to consumers: labour, the environment and animals.

For each key area (labour, environment and animals) we consider the *material issues* identified as the most important from our own research and input from industry experts, summarised in the table below.



In addition we adjust ratings for 'positive citizenship (eg industry leadership on sustainability initiatives) or 'negative citizenship' (eg political lobbying against the interests of workers, the environment or animals).

| Labour | |
|--|---|
| Worker policies and empowerment | Workers' rights principles applied across the supply chain including monitoring health and safety, child labour, forced labour, freedom of association, collective bargaining, non-discrimination, non-excessive hours and the right and capacity to make a complaint |
| Low risk production | Risk of labour abuse in supply chains and participation in multi-stakeholder initiatives to improve labour conditions |
| Living wage | Living wage definition and implementation across the supply chain |
| Knowing suppliers | Supply chain transparency including publishing supplier lists and tracking subcontractors |
| Supplier relationships | Auditing and assurance practices across the supply chain and public reporting including unannounced visits and off-site worker interviews |

| Environment | |
|--|--|
| Resource management and disposal | Types of materials used, efforts to reduce fabric and material waste in design and manufacturing, types of packaging used, deforestation impacts, product durability and promotion of long-term use |
| Energy use and greenhouse gas emissions | Energy use including direct emissions and indirect emissions (purchased electricity, emissions generated from the supply chain beyond own operations), setting science based GHG targets and reducing GHG emissions through emissions reduction activities |
| Chemicals use and disposal | Chemical use and disposal, setting goals to reduce or eliminate chemical use and adopting alternatives such as vegetable based or water based dyes |
| Water usage and effluent | Water usage policies and practices, engagement on water issues, specific targets to improve water stewardship and quality and treatment of waste |

| Animal | |
|--------------------------|---|
| Fur | Use of fur, shearing and karakul lamb fur and commitment not to use fur |
| Leather | Use of leather and if upcycled/recycled |
| Wool | Use of wool and if sourced from non-mulesed sheep or upcycled/recycled |
| Down and feathers | Use of down and feathers and how sourced |



| | |
|----------------------------|---|
| Angora | Use of angora and commitment not to use angora |
| Exotic animal hairs | Use of exotic animal hair such as pashmina, cashmere, mohair, alpaca, llama, vicuña and shahtoosh |
| Exotic animal skins | Use of exotic animal skin such as crocodile and alligator |

How we rate

We collect information and score each brand against each issue, using the Good On You brand rating tool. Consistent with the requirement for brands to be transparent, all data is obtained from public sources.

Good On You aggregates data from a large number of external rankings, certifications and standards systems, as well as public company reporting to assess a brand's performance against each material issue. The data sources used to compile Good On You ratings are identified in more detail below.

We distinguish between small and large brands based on annual turnover and the number of employees. We expect larger brands to publish more detailed information on policies and targets and to have greater influence over their supply chain.

The rating process

1. We identify brands to rate, with priority given to user requests, to brands with the largest market share and to brands that are likely to rate highly.
2. We determine if the brand has a parent company, and if it should be rated using our small or large brand rating tool.
3. We collect public information to assess how the brand performs against the material issues identified in the rating tool, using data scraping and other aggregation technology supplemented by desk research.
4. We verify the collected data with automated internal validation and human review.
5. A score is calculated automatically for each of the three key areas (labour, environment, animals) and overall for the brand.
6. We generate a text summary of each brand's rating and identify similar brand recommendations using smart algorithms.
7. We collect further information about the brand, including price range, product type, style(s) and retailers.
8. The scoring, summary and further information are reviewed and approved by our Head of Ratings.
9. The approved brand listings are uploaded to the Good On You app and made available for use in Good On You content.
10. Ratings are reviewed periodically and whenever material new information is presented or discovered.

The rating labels

Brands are rated from 1 (We Avoid) to 5 (Great). Overall ratings are derived from an average of the brand's scores for each key area (labour, environment, animals).

Great = These brands score highly in at least two areas and usually have one or more broad-based certifications. They are often built to be sustainable and ethical from the ground up and are very



transparent.

Good = These brands adopt many positive initiatives and are often leaders on one or more key issues.

It's a Start = These brands are transparent about some important issues and are making good progress on one or more of them.

Not Good Enough = These brands have provided some information in one or more area, but not enough to address key issues or assess impacts across their supply chains.

We Avoid = These brands provide little to no relevant or concrete information. In some cases the brand may make ambiguous claims that look like greenwashing. Consumers have a right to know more.

Data Sources

Our key data sources are:

1. Certifications, accreditations and other standards systems
2. Independent ratings
3. Brand and parent company websites
4. Credible third party reports

The Good On You rating methodology does not consider any information that is not in the public domain, including any private brand communications. Where a brand approaches us with information, we encourage them to publish that information and take account of it only when it is in fact published.

Certifications, accreditations and standards systems

There are a large number of certifications, accreditations, voluntary standards and model codes of conduct ("standards systems") that seek to address all or some of the issues relevant to the clothing, footwear and accessory industries.

Each standards system works in different ways. Some apply to products, some to factories or other facilities and some are designed to be adopted by a brand and applied to all or part of their supply chain. Assurance of compliance varies between standards systems, with different requirements for transparency, auditing or other assurance methods.

Good On You has reviewed each of the standards systems to identify their scope and assurance methodology in order to assess how to score a brand that is certified by or complies with a standards system.

A list of the main certifications, accreditations and standards systems that we consider is below.

Independent rankings

The rating methodology incorporates credible independent rankings of brands where they map to all or a significant subset of the material issues we consider. For example the 2018 Ethical Fashion Report by Baptist World Aid rates 330 brands on material labour issues. Where available the Good On You score for labour is based on the ranking in the Ethical Fashion Report. We continuously review other third party rankings to consider their validity for inclusion in the methodology.



Brand and parent company websites

Information from a brand's and their parent company's publications including websites is taken into account in scoring the brand. Good On You only uses information that is factual, concrete and relevant.

Credible third party reports

From time to time brands are the subject of investigation by organisations such as the International Labour Rights Forum or Transparentem. Where reports from those organisations expose significant issues, we take them into account in rating the brand.

Standards systems

We reference the following certifications, accreditations, standards and guidelines when rating brands.

- Better Cotton Initiative
- Blue Angel
- bluesign® system
- Business Social Compliance Initiative Code of Conduct (BSCI)
- Canopy Style Initiative
- Carbon Trust Standard
- Caregora
- Clean Clothes Campaign Code of Labour Practice
- Climate, Community & Biodiversity Standards - CCB Standard
- Cradle to Cradle Basic, Bronze, Gold, Platinum and Silver
- Ethical Clothing Australia
- Ethical Trading Initiative
- EU Ecolabel
- Fair Trade USA
- Fair Wear Foundation
- Fairtrade International - Hired Labour
- Fairtrade International - Small Producers Organizations
- Fedex Members Ethical Trade Audit - SMETA Best Practice Guidance
- Fair Labour Association Workplace Code of Conduct
- Global Organic Textile Standard
- Global Recycle Standard
- Global Traceable Down Standard
- International Labour Organization Labour Standards
- International Wool Textile Organisation
- ISO 14001:2004
- Leather Working Group
- National Wool Declaration Integrity Programme
- Naturland
- Naturtextil Best
- Nordic Swan
- OEKO-TEX STANDARD 100
- OEKO-TEX MADE IN GREEN
- Organic Content Standard
- Responsible Jewellery Council
- Responsible Down Standard



- Responsible Wool Standard
- Social Accountability International - SA8000
- Soil Association Organic Standards
- TerraChoice - EcoLogo Program (UL Ecology Certification)
- Traceable Down Standard
- Triple Sello - unicef
- WFTO Guarantee System
- Workplace Condition Assessment
- Worldwide Responsible Accredited Production (WRAP)
- ZQ Merino Label

The following initiatives that are not standards systems are also referred to in the brand rating tool.

- Agreement on International Humane Trapping Standards
- CDP (formerly the Carbon Disclosure Project)
- Detox Catwalk Greenpeace
- PETA
- Zero Discharge of Hazardous Chemicals Programme

Development and evaluation

The Good On You rating system was developed in consultation with industry, NGO and academic experts.

Our Head of Ratings is responsible for the ongoing review and improvement of our brand rating methodology, including proactive stakeholder engagement.

If you have any feedback, or are interested in joining our methodology review committee, please contact us.

