

## ReThread Collective

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
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**Advisor(s):** Christine Cahill

**Topic Title:** Rethink Fashion: ReWeaving a Waste-Free System

**Audience:** Board of Directors of Inditex

### Sustainable Development Goals

SDG #12 - Responsible Consumption and Production: Ensure sustainable consumption and production patterns.

SDG #13 - Climate Action: Take urgent action to combat climate change and its impacts.

### Executive Summary

In recent years, the fast fashion industry has expanded rapidly. Fast fashion refers to a business model focused on rapidly producing large volumes of clothing at the lowest prices. While this model has made fashion more accessible, it has also accelerated overproduction and waste while raising concerns about its ethical and environmental sustainability. Large quantities of unsold merchandise are often discarded or destroyed rather than reused or recycled. In many cases clothing waste accumulates in locations such as the Atacama Desert in Chile, where massive piles of unsold garments from fast fashion retailers are dumped, contributing to severe environmental degradation. The fast fashion industry is now the second largest consumer of water and generates 10% of global CO2 emissions, making it one of the most environmentally damaging industries.

Zara, a global fashion leader, owned by Inditex, has revolutionized the retail industry with its high-speed production and trend-driven inventory model. However, producing approximately 24 collections per year, far more than the tradition 4-6, has intensified challenges such as overproduction, synthetic fiber use, and the environmental impact of rapid distribution systems. To address this challenge, we recommend implementing the Zara ReWear System, an integrated circular strategy designed to reduce waste, cut emissions, and strengthen supply chain transparency. This system includes Digital Product Passports, an expanded buy-back and resale program, Design for Disassembly standards, and AI-driven demand forecasting to minimize excess inventory. By implementing the Zara ReWear System, Zara could reduce production related CO2 emissions by 10-20% and reduce overproduction by 20-30%. Ultimately, this will allow Zara to more effectively align with its sustainability goals and mission to achieve net-zero emissions by 2040, strengthening their environmental and ethical impact.