BIODIVERSIFY

Making the Business Case for Nature in Fashion

How brands can turn supply chain risk into strategic action

Fashion's risk exposure

The world's media, celebrities and fashion followers have been checking out the latest trends and styles coming down the catwalks of New York, London, Paris and Milan, with fashion week season in full flow through the month of September. As buyers, editors, stylists and influencers figure out where they'll be spending their dollars, pounds or euros for Spring/Summer 2027, sustainability managers and leaders struggle to tackle the negative impact the industry has on natural ecosystems, as well as the supply chain shocks to raw materials and commodities due to climate and nature crises.

The textile and fashion industry has a fraught relationship with nature. Its long, complex supply chains stretch from agriculture and petrochemicals, to manufacturing, logistics and retail, creating impacts and dependencies across water, materials, chemicals and energy. The industry generates 20% of global industrial wastewater and relies on synthetic fibres for almost 60% of its textiles, cementing a dependence on fossil fuels. With fibre production expected to demand an additional 115 million hectares of land by 2030, the industry's continued expansion poses an immediate threat to the world's remaining natural habitats, and highlights the importance of rapid action.

As one of the world's largest manufacturing industries, and one of its most visible, the sector attracts greater public scrutiny than many others.

20%

of global industrial wastewater comes from the textile and fashion industry

~60%

of textiles are made from synthetic fibres, tying the industry to fossil fuels

115m ha

of extra land needed for fibre production by 2030

Nature loss is a business risk

Nature loss is not only an environmental or reputational risk for fashion. It is also impacting the resources and supply chains that the industry depends on. Cotton provides a clear example – rising temperatures increase the crop's water requirements, particularly during the development of flowers and bolls. An estimated 73% of cotton is already grown with full or partial irrigation, while drought, freshwater constraints and unpredictable rainfall are expected to affect productivity across cotton-growing regions.

The consequences are felt by local economies, and throughout the global fashion supply chain. Fashion's dependence on nature is not limited to cotton, with materials including cashmere, wool, cellulosic fabrics and leather all relying on ecosystems that are increasingly under pressure from drought, land degradation, changing weather patterns and other environmental stresses.

While the sector has not yet experienced a disruption on the same scale as the recent cocoa crisis, these materials face many of the same underlying risks: declining ecosystem resilience, reduced productivity and greater price volatility. A recent report from the Apparel Impact Institute forecasts that on their current trajectory, apparel brands can expect to see a more than 30% hit to profit margins by 2030 due to increased supply chain disruptions and operating costs from climate and nature loss.

Despite the growing risks to supply chains, costs and reputation, only a handful of fashion leaders have begun embedding nature into sourcing and business strategy, with many companies still working out how to translate nature risks and opportunities into tactical commercial decisions.

73%

of cotton is already grown with full or partial irrigation

30%+

forecast hit to apparel brands' profit margins by 2030 on the current trajectory (Apparel Impact Institute)

THE QUESTION REMAINS

Why does the business case for nature continue to stall, and what can help move it forward?

Why nature strategies stall

Before building an effective business case, it is essential to understand why many often fail.

In our whitepaper 'Embedding Nature into Enterprise Strategy', we explored the main barriers raised by sustainability professionals, all of which can be directly linked to the fashion industry.

In fashion, these barriers are especially visible – nature-related risks are spread across multiple materials, geographies and functions. The result is that even when companies understand the issue, the business case can stall before it reaches the people or decisions that would enable action.

1

Too much material-level data, not enough decision-useful insight

Sustainability teams have access to increasingly detailed impact data across supply chains for materials such as cotton, viscose, leather and wool. However, there is often a lack of a clear link to cost, supply security, quality, compliance or brand risk. That data can be difficult to translate into a compelling "so what" in the boardroom.

2

Nature is disconnected from the decisions that shape impact

Many of the choices that determine nature-related impacts and dependencies sit outside sustainability teams, in sourcing, design, merchandising, supplier management and product development. However, sustainability often sits as a separate workstream rather than being built into these decision points. This means that sustainability teams often struggle to influence how products are actually made and bought.

3

Ownership is fragmented across functions

Nature-related risks often sit between sustainability, sourcing, procurement, legal, risk and leadership teams. This can create uncertainty over who is responsible for turning insight into action, particularly when the issue touches both environmental commitments and core business decisions.

4 Nature loses out to nearer-term commercial priorities – and other sustainability issues

Even where the risks are recognised, nature-related work often competes with more immediate budget priorities. Marketing activity, store expansion, product development or margin protection can take precedence over nature. Without a clear commercial case, investment in nature can be seen as important but not urgent. Additionally, nature is often grouped with other sustainability issues like carbon, creating capacity issues on where and when teams can take real action.

Overcoming these barriers requires more than better data. It means reframing nature as a commercial issue: one that affects supply resilience, cost exposure, regulatory readiness and long-term brand value.

The following section explores how different 'hooks' and framings resonate with different stakeholders, helping to turn nature data into strategic action.

"One of the biggest challenges for fashion and textile businesses is that nature is competing with a long list of other sustainability priorities. Sustainability teams are often small, and individuals may be generalists responsible for everything from carbon and chemicals to human rights, regulation and reporting. Nature can feel particularly complex because understanding impacts and dependencies often requires businesses to look much more deeply into their supply chains and consider location-specific issues. It isn't necessarily a lack of ambition; businesses can simply find themselves spread too thinly and unsure where to start."

Elizabeth Dakin
Sustainability Manager, UK Fashion & Textile Association (UKFT)

From hook to strategic action

Stakeholders do not respond to biodiversity as an abstract concept; they respond to identifiable business risk and opportunity. It's less about restoring nature, and more about ensuring business resilience, competitiveness and profitability. Different stakeholders require different entry points, or 'hooks'. The strength of the hook lies in choosing the framing that speaks directly to the decision-maker in the room.

STAKEHOLDER	HOOK	WHY IT RESONATES
CEO / Chief Strategy Officer	Nature is becoming a competitive factor in fashion. Brands can use it to strengthen resilience, profitability, reputation and market position.	**Competitive positioning**
CFO	Material price volatility is not a commodities issue; it is a nature and climate risk that has a tangible impact on margins now.	**Cost control, margin protection**
Chief Procurement / Sourcing Officer	Supplier concentration in ecologically stressed regions is a direct risk to continuity, quality and sourcing flexibility.	**Supply continuity**
Chief Risk Officer / Legal	Regulation is moving faster than many sourcing systems can keep up with – creating exposure across traceability, disclosure and due diligence.	**Regulatory exposure**
CMO / Brand	As scrutiny of 'sustainable fashion' claims grows, credible, proven nature strategies are becoming central to brand trust, with many brands falling down in dramatic fashion.	**Reputational differentiation, greenwashing risk**

Turning hooks into a joined-up business case

By framing the business case for nature within the commercial agenda, it is more likely to land. Each function may need a different entry point, but the underlying message is the same: nature-related risks are already shaping the conditions fashion businesses depend on.

The opportunity is to use nature insights to make better decisions on materials, sourcing, supplier engagement, risk management and brand positioning.

To move from insight to action, fashion businesses need to make the business case practical, focused and relevant to the people who shape commercial decisions. Here, we share three recommendations that employees, sustainability and nature managers, and their teams should consider to move the needle for nature within their organisation and with executive leadership.

1 Start simply, and start strategically

2 Make nature real for a variety of decision-makers

3 Build ownership and capacity beyond the sustainability team

Start simply, and start strategically

Progress often stalls early in a firm's nature journey because the very idea of 'nature' can feel too broad and complex an issue to tackle. Instead of attempting to address every issue at once, focusing on a single commodity or business challenge where risk is already visible and tangibly understood may kick-start action.

For fashion brands, this might be cotton, leather, wool or another priority fibre, or a commodity like water on which the fibre might rely. A 2022 report from WWF identified high risk of water scarcity in major garment manufacturing hubs in India and Bangladesh, with hubs in China forecast to move from medium to high-risk water scarcity in the years ahead. By focusing on this measurable and critical commodity, fashion brands can very quickly establish a baseline of risk and begin to develop initiatives and programmes that can offset these risks, ideally through nature-positive solutions and supporting water resilience programmes in their key sourcing areas.

WHERE TO START

Free tools like the WWF Risk Filter can provide organisations with a clear entry point to make tangible differences before moving on to larger frameworks like TNFD or SBTN.

AVOID PERFECTION PARALYSIS

"Businesses shouldn't allow the pursuit of perfect data to prevent them from getting started. Nature is a complex and evolving area, and organisations will inevitably be at different stages of the journey. The important thing is to understand what information you already have, identify your most significant dependencies, impacts and risks, and begin taking proportionate action. It should be approached as a process of continuous improvement – start where you are and build the quality and depth of your approach over time."

Elizabeth Dakin
Sustainability Manager, UKFT

Make nature real for a variety of decision-makers

Even if organisations were to have access to complete, robust data on nature, it only becomes relevant when people can see how it impacts business decisions across sourcing, costs, supply chains, product quality and consumer preference. Simplifying language, utilising specific hooks and creating opportunities for leaders to engage directly with nature can bridge the gap between abstract concepts and commercial realities.

Biodiversify team members have seen a number of fashion and apparel brands explicitly choosing not to use the word 'nature' in any discussions or strategy development regarding risks, procurement, or operations relating to natural resources, due to employee disconnect or misunderstanding.

> **"I would never use the term 'nature positive' in a commercial conversation. I talk about supply continuity, input cost."**
>
> A leader in the retail sector

The language sustainability and nature managers use to communicate the commercial risks and opportunities will and should be specific to the organisation itself, and in most cases does not require an industry glossary or expert terminology. If anything, establishing your own terminology that is bespoke to the vision and culture of your organisation is a worthy exercise to ensure the business case for nature is understood and appreciated.

A BUSINESS AND PEOPLE LENS

"The business case for nature becomes much clearer when businesses connect their dependencies on nature to potential future risk and financial impact… Nature loss, water stress and ecosystem degradation can directly affect the communities and workers within fashion and textile supply chains. Looking at nature through both a business resilience and people lens can help make the issue much more tangible for decision-makers."

UK Fashion & Textile Association

Build ownership and capacity beyond the sustainability team

Nature-related risk cannot be managed by sustainability teams alone. Having champions across procurement, finance and risk, among others, who can embed nature into business functions is more likely to generate lasting progress. Making nature a part of everyday decision-making across functions, rather than a siloed project, allows for long-term success.

For employees, particularly those at large, global corporations with significant footprints, nature and sustainability policies can feel distant and disconnected from the day-to-day employee experience. Executive leadership will make bold, confident statements about progress or initiatives on carbon emissions, resource resilience, certification or nature risk mitigation, but this can be received with scepticism by employees who aren't seeing these initiatives in their work lives.

Brands have a tremendous opportunity to embed nature into everyday work and communications, first by identifying those across the organisation – both in terms of business units and geographical territories – who are most passionate about nature and the role nature plays in delivering positive outcomes for the business, the brand, the environment and society. By uniting these individuals under a cross-business team or employee resource group, there is a clear remit for this team to bring the business case for nature to life for their teams and business units.

And there are quick actions that can be taken to showcase the role of nature in business resilience and competitiveness to employees and decision-makers – from site visits, to supplier engagement programmes, to pilot projects.

AS ONE OF OUR APPAREL PARTNERS SHARED

"To address the detachment between a finished project and its origin, we brought a cross-functional team to a farm to see the process first hand. By developing a regenerative pilot, sourcing hides from beef production, we were able to show rather than just tell how a product is actually made. Sometimes you have to put people in the situation to make the reality of biodiversity loss tangible."

A Biodiversify apparel partner

Having a strong business case for nature is no longer a ‘nice to have’ for those in the fashion industry.

With increasing pressure on natural environments, organisations are facing more risk than ever before from several angles. Nature is increasingly shaping the availability, cost and quality of the materials fashion organisations rely on, while growing scrutiny from investors, regulators and consumers is raising the stakes for action.

Yet despite growing business implications, many organisations continue to struggle to turn awareness into action. Too often, nature remains siloed within sustainability teams, disconnected from the sourcing, procurement, finance and risk decisions that ultimately shape business outcomes.

The good news is that progress does not require perfect strategy or complete data from day one. Organisations can build momentum by focusing on priority materials, translating nature into business-relevant language, and creating ownership across all functions, not just the sustainability team.

The businesses that are successful in the future will be those that treat nature as a core strategic organisational issue. As pressures on ecosystems continue to mount, so does the reality of nature impacting business performance.

The organisations best equipped to respond will be those that can translate nature-related risks and opportunities into better decisions, stronger supply chains and more resilient business models – today and into the future.

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