

Developing a Foundation for Sole Classics'

Sustainability Strategy

Solicitation Number: EEDS017



Sole Classics

Project Team

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Executive Summary

The purpose of this project is to assist the Columbus-based sneaker boutique, Sole Classics, in developing a foundation for its sustainability strategy. In 2023, Sole Classics declared sustainability as a pillar of their business and expressed a desire to identify critical areas of sustainability and further integrate them into business operations. To achieve this, our capstone research group conducted a materiality assessment to gain insights into Sole Classics stakeholders and identify important Environmental, Social, and Governance (ESG) issues. Our objectives included engaging with internal and external stakeholders to gauge their opinions on each ESG issue and understand their perspective on sustainability. The end goal was to provide Sole Classics with relevant and meaningful sustainability recommendations for future actions, initiatives, and research.

To conduct this research, we surveyed Sole Classics' internal and external stakeholders and asked them to rank six environmental, social, and governance issues on a scale from 1 - 10 based on perceived importance. We also asked stakeholders to suggest sustainability initiatives for small businesses. The goal of this survey was to identify which ESG issues are important for Sole Classics to engage with to best align with stakeholder expectations. To supplement these findings and improve our recommendations, we conducted case study research on sustainability initiatives at other companies related to critical ESG issues.

The surveys revealed that social issues were considered more important than environmental and governance issues by both internal and external stakeholders. Environmental justice emerged as a top-rated issue in the environmental category for both stakeholder groups. However, the internal stakeholders ranked environmental categories relatively low overall.

External stakeholders expressed a desire for small businesses to prioritize sustainability, address social justice and equity issues, and engage with the community. Internal stakeholders shared many of these sentiments, but their suggestions heavily revolved around product life cycle management and store waste management, including recycling packaging, bags, and shoes.

Based on the results of both the internal and external surveys, we focused on key environmental and social areas for our recommendations. To reduce single-use plastics and waste, we recommended that Sole Classics utilize circular packaging made of materials that can be repurposed, recycled, or biodegraded. To incentivize customers to participate in circular packaging campaigns, Sole Classics could design a reusable tote bag and implement a rewards program or discount for customers using reusable bags. Additionally, pursuing environmental justice alongside social equity goals can help the brand attract and engage its community. Promoting educational campaigns through social messaging and collaborating with local entities can help Sole Classics pursue its social equity goals and promote sustainability.

Introduction

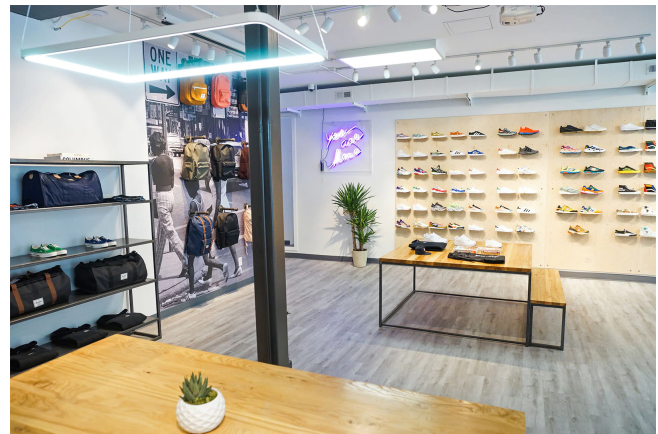
Overview of Sole Classics

Sole Classics is a Black-owned premier sneaker, apparel, and lifestyle boutique located in the Short North District of Columbus, Ohio. Dionte' Johnson founded the company in 2006 and the brand has since become known for its streetwear apparel and extensive footwear collections (Sole Classics, 2023). Sole Classics often participates in exclusive collaborations and general sneaker releases with highly influential shoe and fashion brands. The brand has shown significant support for the Columbus community through community engagement efforts. For

example, Sole Classics organized “Employ the Neighborhood,” a job fair event celebrating black entrepreneurs and providing professional resources and network building (Sole Classics, n.d.). They also engage the community through door-to-door outreach, such as the “Feed the Neighborhood” event, where meals purchased from minority-owned businesses were given to disadvantaged community members for free (Sole Classics, n.d.). They support Columbus’s youth with activities such as providing students from Columbus City Schools with new pairs of shoes and raising money for a Columbus non-profit, The Huckleberry House, that provides shelter for at-risk and homeless youth (Sole Classics, n.d.).



Sole Classics Short North store front located at 846 N High St, Columbus, OH (Sole Classics, 2023).



Inside Sole Classics - Short North location (Sole Classics, 2023).

Project Context

Our capstone group conducted a materiality assessment for Sole Classics. A materiality assessment is a formal exercise that aims to engage internal and external stakeholders to determine how important specific ESG issues are to them (Antea Group, 2021). Internal stakeholders include the business owner, executive leadership, managers, and employees.

External stakeholders can refer to customers, investors, community partners, and the general consumer market. The insights gained through this exercise help inform which ESG areas should be targeted for building a meaningful sustainability story for the brand (Antea Group, 2021).

ESG factors are a set of criteria used to evaluate the sustainability and societal impact of investments, companies, and business practices (Peterdy, 2023). Environmental factors refer to the impact of a company's operations on the natural world, including climate change, pollution, and natural resource depletion. Social factors refer to a company's impact on society, including its treatment of employees, diversity and inclusion efforts, and community engagement. Governance factors concern a company's internal practices, including how the firm is led, managed, and what kinds of internal controls exist to promote accountability and mitigate corruption (Peterdy, 2023).

Companies may choose to use ESG factors in their decision-making processes for several reasons. Integrating ESG considerations into a company's strategy has been shown to positively impact financial performance and long-term sustainability (Serafeim, 2020). Studies have found that companies with high ESG engagement are more likely to outperform their peers regarding stock performance, profitability, and revenue growth (Whelan et al., 2015). Additionally, utilizing ESG factors can help companies identify and mitigate risks, such as reputational, legal, or operational risks that could impact their bottom line. Incorporating ESG considerations can help companies attract and retain investors and customers who prioritize sustainability and social responsibility (Serafeim, 2020). Beyond the business case, ESG provides a framework for how businesses can be better corporate citizens by mitigating negative impacts and increasing positive impacts on customers, communities, and society.

Research Goals and Objectives

Sole Classics identified sustainability as one of its business pillars for 2023. The company desires to achieve greater participation with sustainability in a way that aligns with its existing community engagement efforts. We are motivated by the prospect of helping a local business by utilizing corporate sustainability to improve business decision-making. The overarching research goal is to engage stakeholders to identify ESG topics that are most relevant and important to Sole Classics. This research will guide recommendations and serve as a starting point to integrate sustainability into Sole Classics' business plan. To achieve these goals, our team created and executed the following objectives:

Objective I	<ul style="list-style-type: none"> Investigate ESG issues relevant to the Apparel, Accessories, and Footwear industry for use in the primary data collection process.
Objective II	<ul style="list-style-type: none"> Engage with internal stakeholders to understand which ESG issues are the most and least impactful to the business.
Objective III	<ul style="list-style-type: none"> Engage with external stakeholders to understand which ESG issues are the most important to Sole Classics' customers, partners, community members, and general consumers.
Objective IV	<ul style="list-style-type: none"> Provide Sole Classics with relevant and meaningful sustainability recommendations for future actions, initiatives, and research.

Methods

Investigating ESG Issues

To address our first research objective, we researched ESG topics relevant to Sole Classics. We utilized the Sustainability Accounting Standards Board (SASB) resources that identify sustainability factors pertinent to a company's financial performance. SASB standards

are industry based and developed from extensive feedback from companies, investors, and other market participants (Sustainability Accounting Standards Board, 2022). We utilized the topics SASB has identified for the Apparel, Accessories, and Footwear Industry to begin our ESG issue prioritization.

We started with a list of ESG issues that included ten issues per section (i.e. Environment as one section and Social as another section, etc.), using definitions of each ESG issue based on the SASB standards. However, we conducted further research to shorten the list of ESG issues and simplify definitions for the intended audience. We researched companies with established sustainability initiatives and materiality matrices and determined that Nike had the clearest and most concise list of ESG topics and definitions. We then mirrored our survey definitions and topics to Nike's. Our final ESG issue list included six topics per section, with each topic and definition customized to Sole Classics and to their external stakeholders. Appendix A outlines our final ESG issues and definitions utilized in our internal and external stakeholder surveys.

Survey Construction and Distribution

Following ESG issue prioritization, our team began the process of creating internal and external surveys. The internal survey started with background information on the survey's purpose and sustainability, then asked respondents to state their role at Sole Classics.

Respondents proceeded by ranking each ESG issue from one being the least important/relevant to Sole Classics to ten being the most important/relevant to Sole Classics. Lastly, respondents were given the opportunity to suggest one or two sustainability goals for Sole Classics to focus on in the future. Our internal survey had 23 questions total, including questions in which respondents ranked metrics and answered open-ended questions. Sole Classics is a small

company with less than 30 employees, and all employees were given a chance to take the survey. It was distributed through email and text messages sent by our project contact at Sole Classics, Miicah Coleman. There were no incentives for internal stakeholders to complete the survey.

We mirrored this process to create the external survey and tailored the survey to external stakeholders. For example, we changed the survey introduction to include pertinent information about Sole Classics and how the results will be used. The external survey also prompted respondents to select their relation to Sole Classics based on a dropdown list of options including customer, partner, community member, or general consumer (someone who purchases footwear and apparel but has never shopped at Sole Classics). The external stakeholder survey followed the same question format as the internal stakeholder survey; however, it asked respondents to rank each ESG issue based on its importance to the respondents rather than its importance to Sole Classics.

The external stakeholder survey was distributed to community partners through a direct email from Sole Classics. Distribution to customers was facilitated through the Sole Classics newsletter and an in-shop flyer where customers could scan a QR code and complete the survey. In addition, the survey was released on Nike Air Max Day, an annual, nationally recognized “holiday” in the sneaker and streetwear community that is guaranteed to generate increased foot traffic at Sole Classics. We incentivized customers to complete the survey by awarding the first five respondents with a \$25 gift card to Sole Classics.

Results

Internal Stakeholder Survey

The internal stakeholder survey had 9 participants out of Sole Classics' 21 total employees. Due to this low sample size, the differences in responses are not statistically significant. However, differences exist between the ratings of each ESG issue implying that on average internal stakeholders find specific ESG issues more relevant to Sole Classics than others. These findings can still be used as a guide to get a general understanding of which areas internal stakeholders believe have the most and least significant impact on the business. For example, the social ESG issues received the highest importance rating from the internal stakeholders, with an average score of 8.85, compared to the environmental and governance ESG issues, which received average scores of 4.56 and 7.37, respectively. According to Figure 1, internal stakeholders perceived Community Engagement as the most important ESG issue for Sole Classics, with Trust & Reputation and Diversity & Equal Opportunity following shortly behind. The figure also shows that the lowest-ranked categories are among the environmental ESG section.

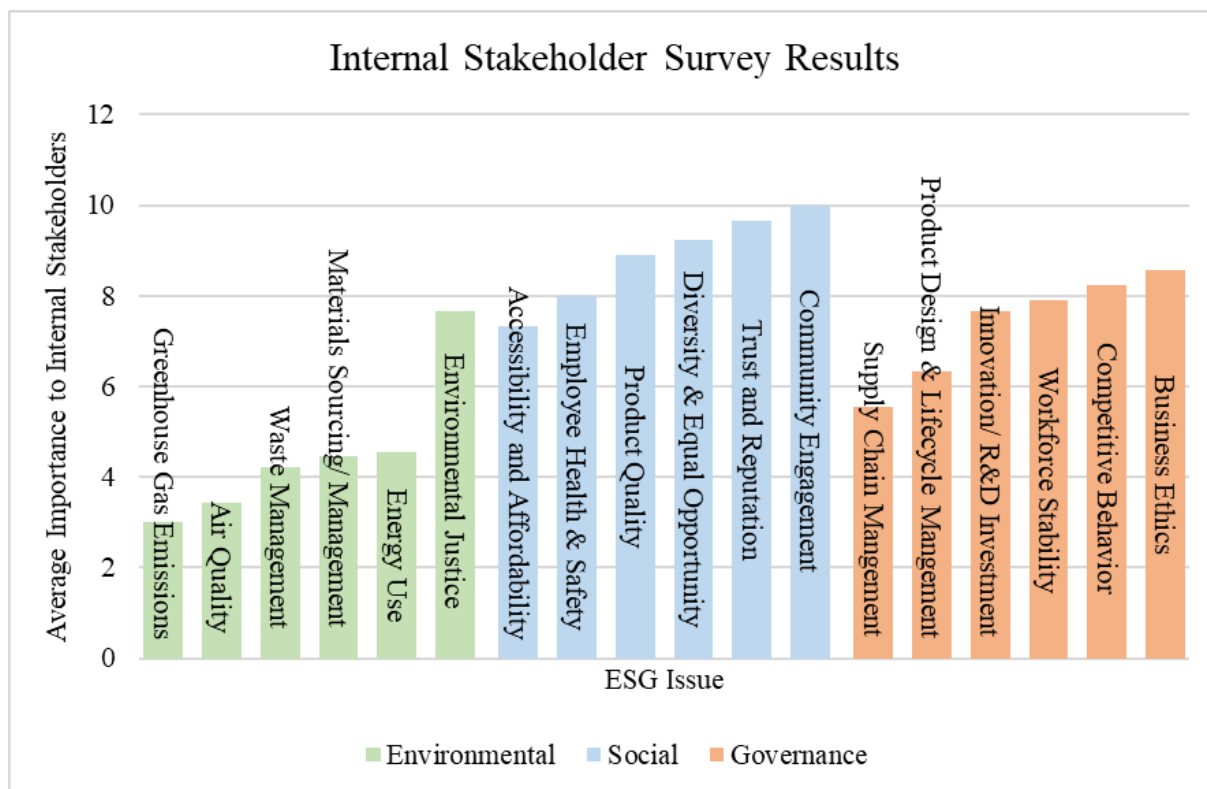


Figure 1. Internal Stakeholder Survey Results.

In an open-ended question asking respondents to suggest sustainability goals for Sole Classics, nearly every respondent suggested environmental initiatives despite rating these issues as having lower importance to the business. 55% of respondents emphasized that Sole Classics should do more in terms of waste management by recycling merchandise packaging, finding alternatives to plastic bags in-store, or finding opportunities to recycle used products. 22% of respondents suggested that Sole Classics make more of an effort to work with brands dedicated to sustainability and explore ethical considerations when sourcing and merchandising products. A small number of responses mentioned community engagement efforts and reducing energy use as additional future focus areas.

External Stakeholder Survey

A total of 137 stakeholders participated in the external survey. Similarly to the internal stakeholders, the external stakeholders rated the social categories as the most important. Social issues received an average score of 9.06, compared to environmental and governance, which received an average score of 8.36 and 8.37, respectively. Figure 2 displays the average external stakeholder ranking of each ESG issue with the error bars displaying the potential variability in the data. There is an overlap between error bars, most notably with the social and governance issues, indicating that these results are not statistically significant. The data is not strong enough to confidently demonstrate differences in the importance of issues that are ranked similarly. However, we can still draw general insights about which ESG areas external stakeholders prioritize.

External stakeholders ranked Product Quality as the most important ESG issue and Greenhouse Gas Emissions as the least important. Like the internal stakeholder survey, the highest-rated environmental ESG issue was Environmental Justice. Governance issues were generally perceived as having lower importance compared to the other ESG categories overall. Figure 2 shows that external stakeholders, on average, ranked each ESG issue higher than the internal stakeholders. For example, the lowest-rated ESG issue from the internal survey received a 3.0, while the lowest-rated ESG issue from the external survey received a 7.75.

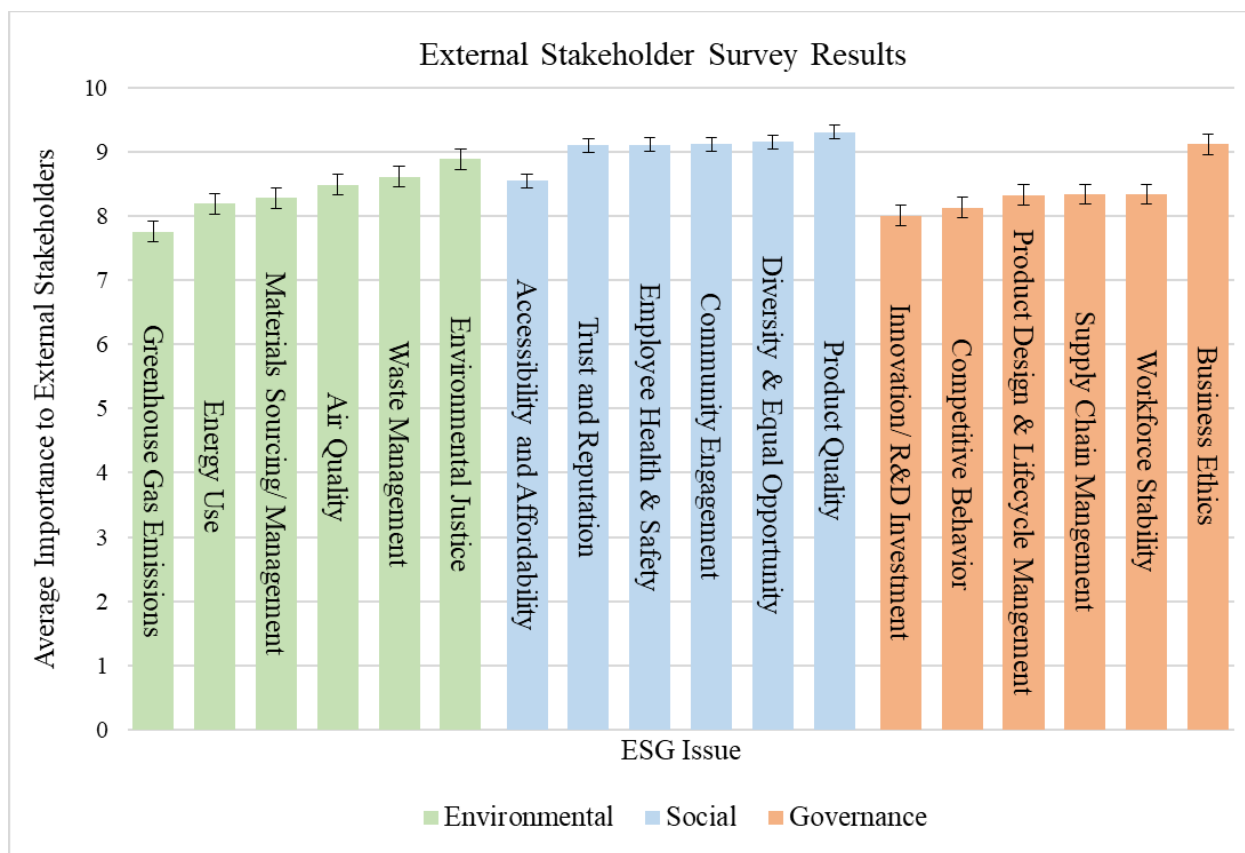


Figure 2. External Stakeholder Survey Results.

The external stakeholder survey asked the same open-ended question regarding suggested sustainability goals for Sole Classics as the internal stakeholder survey. A few key issue areas repeatedly emerged in external stakeholder responses, including environmental sustainability, social justice and equity, and community engagement. Many respondents indicated that they would like to see small businesses in their community take steps to reduce their environmental impact. This includes initiatives like reducing waste, using eco-friendly materials, and adopting general sustainable practices in their operations. Another common theme was the desire for small businesses to address social justice and equity issues through initiatives like fair labor practices, diversity and inclusion, and supporting marginalized groups. Additionally, several respondents

suggested small businesses engage more with their community and contribute to local causes by volunteering, sponsoring community events, and supporting local charities. This open-ended question enabled respondents to suggest sustainability initiatives, which contributed to our sustainability recommendations for Sole Classics that will meet stakeholder expectations.

Materiality Matrix

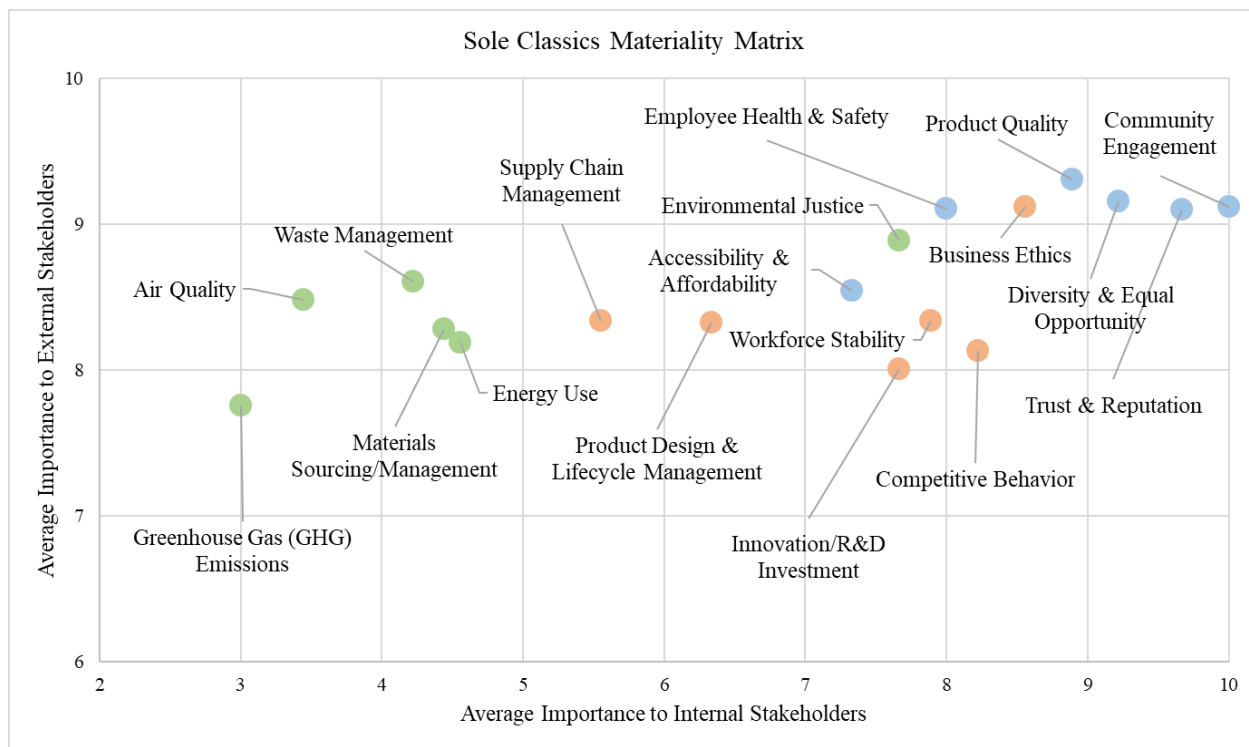


Figure 3. Sole Classics Materiality Matrix

The materiality matrix in Figure 3 displays the combined internal and external stakeholder survey results. The average importance of each ESG issue to internal stakeholders is plotted on the x-axis, and the average importance of each ESG issue to external stakeholders is plotted on the y-axis. Each ESG section is color coded with environmental issues in green, social issues in blue, and governance issues in orange.

The highest-rated ESG issues, located in the top right quadrant, are dominated by social issues. Environmental Justice is the only environmental issue ranked highly for both internal and external stakeholders, signifying its potential to serve as a sustainability focus area for Sole Classics. The stakeholder groups agreed on Business Ethics being the most important governance issue, while other governance issues were more widely distributed across the matrix. These results shed light on how stakeholder opinions align and can serve as a foundation and valuable resource in building Sole Classics' sustainability story. However, since the data is not statistically significant, Sole Classics should not rule out lower-rated issues when determining the next steps in their sustainability journey. Further research and data collection could be conducted to produce more statistically significant results while continuing to be responsive to stakeholder preferences.

Peer Company Research

To further discern the most relevant recommendations for Sole Classics, our team conducted case study research on peer companies. These companies included Corporate Got Em, Exhibition, Rule of Next, UNheardof, Kith, and Union. Research on these brands revealed that most did not have any publicly available information regarding sustainability or future plans to incorporate sustainability into their business practices.

However, several of these brands demonstrated commitments to the social pillar of ESG, with a particular focus on community engagement. For example, Corporate Got Em located in Cincinnati, Ohio, has created a non-profit organization called Bigger Than Sneakers which aims to empower and inspire the leaders of tomorrow (Bigger Than Sneakers, n.d.). Similarly, Kith

created the non-profit, Kinect Foundation, which aims to effect social change through education, community, and social impact (Kinect Foundation, n.d.). During an interview, owners and partners of Corporate Got Em, expressed that the lack of industry standards and general sustainability knowledge has posed a barrier to incorporating it into retailers' business plans (M. Tomamichel & R. Smith, personal communication, April 5, 2023).

Case Study Research

The sustainability suggestion section of the internal survey yielded support for Sole Classics to improve the store's waste management and circular packaging. Looking at brands like Reformation, we found that their response to consumers' demand to reduce waste by offering reusable bags provided grassroots advertising (Bergstein, 2017). Shopping bags serve as long-term marketing opportunities, while disposable bags are fleeting advertisements from point A to B. Brand promotion is not the only motivation to eliminate single-use carrier bags, as in the footwear brand Aldo's plans to phase out single-use shopping bags. Aldo is replacing single-use bags with a shoebox made from recycled cardboard, featuring a practical rope handle that helps double as a bag (AFP-Relaxnews, 2019). Transitioning to reusable packaging is Aldo's effort to align itself with social enterprise groups advocating for ocean conservation. Brand advocacy motivates consumers whose values align with the brand's purpose and mission.

In addition to waste management, community engagement and education was a common theme discussed in the sustainability suggestion section of both surveys. Community Engagement received one of the highest importance ratings from both internal and external stakeholders. Therefore, addressing stakeholder expectations starts with addressing community engagement and education. The Slow Factory is a community-centered organization that offers

free sustainability courses which teach community members about fundamental issues centering on sustainability (Hardy, 2022). Slow Factory believes the way to create change in sustainable fashion happens by educating consumers and creators about environmental literacy, not inventing new products or manufacturing solutions. Literacy in sustainable fashion makes connections between science, fabrication techniques, and cultural origins (Hardy, 2022). Sustainability does not fit comfortably in a single definition or solution, it exists in various facets of global systems, and creating change starts with educating each other. The Slow Factory offers a space for individuals passionate about fashion, community, history, and science to share their own experiences with sustainability to engage in environmental action within the community.

Other businesses and organizations like The Slow Factory are taking initiatives to engage community members while also addressing Environmental Justice issues. For example, corporations developing climate action campaigns have an opportunity to engage consumers to take environmental action through crowdsourcing. In response to President Trump's federal government environmental rollback, Patagonia promoted a line of T-shirts called "Vote The Asshole Out," with slogans like: "vote with planet Earth in mind" and "defend it or lose it" (Roth, 2020). The appeal of the shirts had more to do with Patagonia's vocal campaign to protect public land than the design. Making environmental change often feels too overwhelming for people, but retail activism is a way for consumers to advocate for themselves and the enforcement of environmental laws and policies. Similarly, Nike has launched the Community Climate Resilience Program to invest and create awareness about climate-related inequities, particularly in urban communities that have limited access to green space (Nike, 2022b). Climate

change has a global impact on sports, leading Nike to be proactive about investing in green space and protecting public lands.

Our research on other brands revealed that while many large streetwear and sneaker brands have begun taking steps towards sustainability, smaller companies like Sole Classics have the opportunity to be leaders in this area. Looking at larger brands like Nike, The Slow Factory, Aldo, and Patagonia, we can see examples of accomplished sustainability initiatives that focus on critical issues like reducing carbon emissions, using sustainable materials, and engaging with local communities. Sole Classics can leverage this information and take the initiative to integrate a well-rounded sustainability strategy into its brand. By doing so, they have the opportunity to create a positive brand image among consumers who are increasingly conscious of their environmental and social impact and make a positive impact on their local community.

Recommendations

We recommend Sole Classics bridge the gap between social equity and sustainability through investments in circular packaging, educational campaigns, and green space. Sole Classics can achieve this by selecting packaging that can be repurposed, recycled, or biodegraded, and by pursuing environmental justice alongside social equity goals through educational events and advancing green spaces. These can include financial investment and community engagement through avenues such as newsletters, social media posts, or community events. Engaging the community through informative events would give Sole Classics a platform to discuss important issues with external stakeholders.

Circular Packaging

Results from both the internal and external surveys showcase numerous stakeholders who would like to see Sole Classics implement ways to reduce single-use plastics and waste. Sole Classics can bring awareness to the impacts of single-use plastic by designing a reusable tote bag. Reusable bags are a viable method for reducing waste while improving brand image and exposure. Consumers are becoming increasingly environmentally conscious shoppers, but are more encouraged to participate in circular packaging campaigns when they're incentivized financially or through education. Researchers at The Ohio State University found that 42% of survey respondents preferred financial incentives to use reusable bags over single-use bans or additional fees (Bartolotta and Hardy, 2018). Sole Classics could implement a rewards program or discount for customers using reusable bags.

Future capstone projects could perform cost-benefit analyses of alternative fabrics, dyeing methods, and printing processes. Research could focus on sourcing the raw materials for circular products by vetting, selecting, and managing supplies. Lastly, they could research competitive brands to develop a rewards program or discount for consumers choosing circular products. This recommendation is a starting point for developing a life cycle analysis and taking Sole Classics' circular packaging initiative further.

Educational Campaigns

Pursuing social equity at Sole Classics could involve collaborative community events or panels to educate community members on taking environmental action. Behavioral change in consumers takes place in education, and Sole Classics has an opportunity to leverage its social equity strengths by promoting educational campaigns. These campaigns could be done through

social media posts, written or recorded website content, and campaigns supported by a combination of local government, retailers, and community groups (Wagner, 2017). Social equity plays a large role in Sole Classics' brand strengths, and attracting the same community engagement with environmental justice is important for sustainable development.

We recommend future capstone projects help develop educational goals and content to organize and plan these community events effectively. A project could involve developing a lineup of community partners and organizations wanting to attend the event and asking them to share it with their networks via social media, newsletters, etc. This may include designing presentations or digital media to effectively transfer and share learning content beyond the event.

Investing in Greenspace

We also recommend Sole Classics use Nike's Move to Zero Campaign as a guide to address environmental justice within Columbus communities. Regarding the case study findings, race and income inequality often determine access to Columbus parks, trails, and other green spaces. Nike developed projects to focus on two areas; (1) transforming asphalt and concrete schoolyard into recreational spaces (2) and receiving funding through grants from Trust the Public Land and Inclusive Community Investment Program (ESG News, 2022). Based on Nike's project development and stakeholder survey results, Sole Classics could participate in funding or organizing projects that improve air quality and waste management.

Future capstone projects could develop these focus areas, and research grants would be applicable for advancing climate resilience in communities disproportionately impacted by climate threats. Additionally, Sole Classics' mission statement and community engagement efforts meet certain requirements for obtaining 501(c)(3) nonprofit status. Establishing a

nonprofit entity would be an extension of Sole Classics' for-profit corporation, not a conversion to a nonprofit entirely. Establishing part of Sole Classics' brand as a nonprofit would allow for community growth and accessibility to public land grants.

Recommendation Considerations

It is important to emphasize that our recommendations are starting points for Sole Classics' sustainability goals and not the only options. We encourage Sole Classics to explore additional ways to get feedback from their stakeholders, such as conducting a round of feedback from their internal stakeholders about the recommendations made here. This will help them refine their goals and determine a consensus among decision-makers. If the results of the study are met with resistance or differences of opinion among decision-makers, we recommend that Sole Classics do more internal reflection and discussion before committing to any recommendations. By taking these steps, Sole Classics can move forward confidently with a sustainability strategy that aligns with its values and goals.

Limitations and Barriers

The short window of time for conducting surveys posed a significant limitation to our project, which may have impacted our results. It can be challenging to gain a diverse sample of external stakeholders. Therefore, our results may not be representative of the whole consumer population. It is crucial to acknowledge that while the survey results provide valuable insights, they are not necessarily conclusive. To mitigate these limitations in future assessments, it may be helpful to allocate more time for surveying, utilize multiple methods for data collection, and focus on reaching a more diverse sample of external stakeholders.

Another barrier we faced was a lack of initial structure for our project. While capstone projects normally provide some instructional foundation and clarity, our group was tasked with creating the project idea, scope, and objectives independently. This limited our time to conduct research and build our recommendations further. Additionally, working with a company that is new to sustainability and does not have staff dedicated to this area can mean there is a steep learning curve to navigate. Lacking precedents, it can be challenging to develop effective sustainability strategies that align with the company's existing operations. However, our company contact helped us overcome this barrier with biweekly meetings and frequent, open communication about our project needs. To continue further research while reducing these sorts of barriers, it is essential to remain in consistent contact with the company to ensure the project remains aligned with company expectations and goals.

Conclusion

Our collaboration with Sole Classics to integrate sustainability into their business plan identified the ESG issues that matter most to both internal and external stakeholders through a materiality assessment. The findings from the survey highlighted the importance of social issues, packaging waste, and environmental justice, as well as a community desire for local-level sustainability initiatives that promote social equity and reduce environmental impact. Our research on peer companies and large brands engaging in sustainability revealed noteworthy ESG initiatives that Sole Classics could participate in, which could position them as a sustainability leader among small retailers. By prioritizing these issues and initiatives, Sole

Classics can build a meaningful sustainability story for the brand, align with stakeholder expectations, and position itself as a responsible and socially conscious business.

This work can be used to guide future capstone groups to assist Sole Classics in pursuing sustainability initiatives. Circular packaging and community engagement are recommendations that, if prioritized by The Ohio State University and Sole Classics, can make this pilot model a long-lasting collaboration. Continuing research for these types of partnerships allows The Ohio State University to build relationships with local businesses and provides companies like Sole Classics access to academic resources to continue building their understanding of sustainability.

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Appendix A

Table 1. Environmental ESG Issues & Definitions.

Environmental ESG Issues	
GHG (Greenhouse gas) Emissions	“Greenhouse gas emissions in material sourcing, manufacturing, transportation, and other business activities” (Nike, 2022a, p.140). These include chemicals such as carbon dioxide and methane that contribute to climate change.
Energy Use	Energy used for electricity, managing energy efficiency, choice of non-renewable and renewable energy sources (Nike, 2022a).
Materials Sourcing/Management	“Choice and sourcing of non-renewable and renewable materials; consideration of social and environmental impacts associated with the types of materials used and the source; prioritizing less impactful options and third-party certifications” (Nike, 2022a, p.141). This includes choice of packaging material with consideration of sustainability, life-cycle, and end of life management.
Waste Management	Waste generated throughout Sole Classics’ value chain; activities to reduce, reuse or recycle, and responsibly manage/dispose of waste (Nike, 2022a).
Air Quality	Pollutants to the air from Sole Classics’ operations, products and services, and supply chain excluding greenhouse gas emissions (Nike, 2022a). These include heavy metals and particulate matter and air pollutants that have detrimental effects on human health and other living organisms.

Environmental Justice	Sole Classics' acknowledgement and advocacy for environmental justice which includes furthering the "fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws and regulations" (US EPA, 2014).
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Table 2. Social ESG Issues & Definitions.

Social ESG Issues	
Community Engagement	Relationships between Sole Classics and the communities in which they operate. This can include making a positive impact through philanthropic efforts, engaging with community partners, volunteer efforts, cultivation of local workforces, impacts on other local businesses, etc. (Sustainability Accounting Standards Board, 2022).
Trust and Reputation	Addresses the company's ability to gain customer, community, and stakeholder trust. This category analyzes the company's reputation within the community and people's perception of the business. Includes the company's commitment to transparent and accurate marketing that does not mislead or deceive customers (Sustainability Accounting Standards Board, 2022).
Accessibility and Affordability	"Addresses the company's ability to ensure broad access to its products and services, specifically in the context of underserved markets and/or population groups"

	(Sustainability Accounting Standards Board, 2022).
Product Quality	Addresses the company’s ability to offer products or services that serve their purpose, satisfy customer expectations, and meet industry standards (Sustainability Accounting Standards Board, 2022).
Employee Health and Safety	Sole Classic’s ability to maintain a safe and healthy workplace environment by implementing safety management plans, developing training requirements for employees and contractors, and conducting regular audits of their own practices as well as those of their subcontractors (Sustainability Accounting Standards Board, 2022).
Diversity and Equal Opportunity	“Fairness of treatment and compensation across all levels of the business; representation of female and minority employees in workforce, management and board” (Nike, 2022a, p.140).

Table 3. Governance ESG Issues & Definitions.

Governance ESG Issues	
Product Design and Lifecycle Management	“Designing products, packaging and processes for durability, reuse, recycling, and circularity” (Nike, 2022a, p.141).
Supply Chain Management	“Transparent processes and systems to help ensure suppliers uphold standards on environmental, social, and ethical business practice issues” (Nike, 2022a, p.141).

Business Ethics	Addresses the company’s approach to managing risks and conducting business ethically. Unethical business conduct may include fraud, corruption, bribery, and other behavior that may have an ethical component (Sustainability Accounting Standards Board, 2022).
Competitive Behavior	Addresses the business’s ability to conduct itself in market situations involving actions and reactions to achieve advantage over rivals. This includes Sole Classics’ selection of exclusive and high-value items that give them a competitive edge (Doyle, 2011).
Innovation/Research & Development Investment	Addresses the company's “process of developing and commercializing new ideas, implementing new processes, or changing the way the business makes money. It can also be viewed as the activities required to keep your business competitive and sustainable for the long term” (What is R&D and Innovation?, n.d.).
Workforce Stability	Involves a company’s employee turnover rate and the degree to which workers remain employed with an organization. Workforce stability indicates a business’s performance and employee morale (Sustainability Accounting Standards Board, 2022).

Appendix B

Dataset #1: Sole Classics Internal Survey Results

Source: Jotform survey distributed on February 28th and closed on March 13th.

Description: Internal stakeholder survey results including rankings of each ESG issue and open-ended question responses. These data were used in Figures 1 and 3 in the report. This dataset includes the survey questions.

Dataset #2: Sole Classics External Survey Results

Source: Google Forms survey distributed on March 7th and closed on April 8th.

Description: External stakeholder survey results and questions, including rankings of each ESG issue and open-ended question responses. These data were used in Figures 2 and 3 in the report. This dataset includes the survey questions.

Dataset #3: Transcript of interview with Matt Tomamichel conducted by Michaela Mason.

Source: Matt Tomamichel, Owner of Corporate Got 'Em, mt@corporategotem.com

Description: Interview transcript and notes from the conversation with Matt Tomamichel, owner of Corporate Got 'Em, regarding sustainability from a midwest sneaker boutique perspective.

Questions included:

1. Who are you and what is your role at Corporate?
2. Is sustainability a part of Corporate's current business model? If not, is it something the brand is thinking about?
3. What are current sustainability initiatives and/or goals?

4. What tools and/or resources do you think could help streetwear retailers become more sustainable?
5. Why should brands, boutiques, and retailers care about sustainability? What does it mean to the sneaker and streetwear culture?
6. Are there any brands, businesses, or people in Ohio, or the midwest, that you suggest I reach out to for more insight?