

Annual Report 2025





Overview of our activities

The IEM Caring Foundation continues its mission of bringing together individuals committed to fostering a more caring, conscious, and sustainable society. In 2025, our activities remained aligned with our new four core impact areas:

- Emotional intelligence
- Fast fashion and Textile waste
- Sustainability awareness
- Education of women in Afghanistan

This year, we placed particular emphasis on the theme “Fast Fashion and Textile Waste”, while continuing to expand our work in sustainability education and systemic thinking. Through collaborative initiatives, and reflective spaces, we have empowered participants across Europe and beyond to rethink their role in shaping a more regenerative future. Hard work was also put in the Club of 100, ensuring support can reach motivated students with financial struggles.

Key Activities in 2025

Fast Fashion and Textile Waste

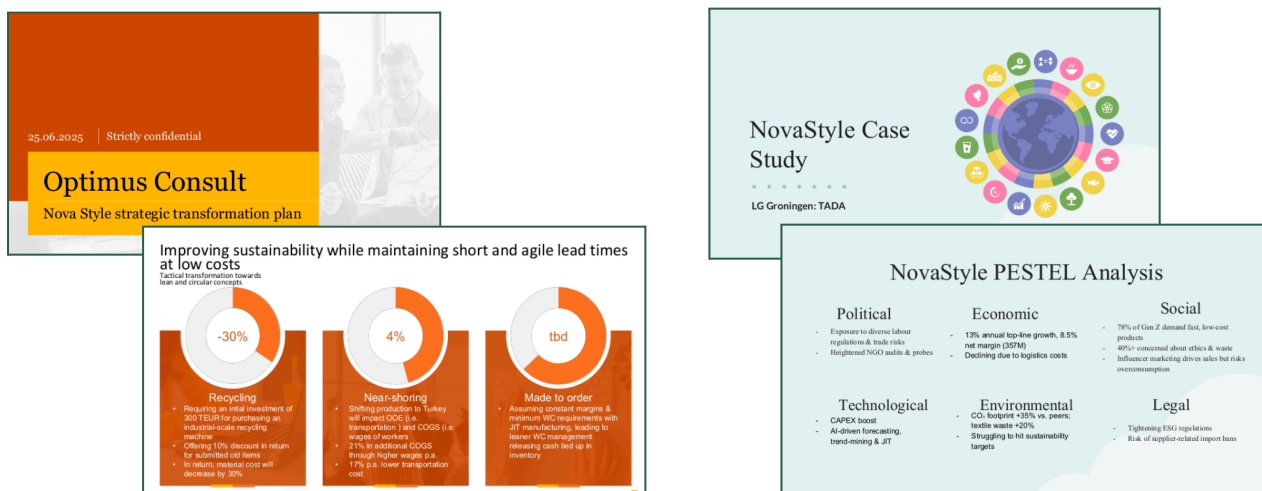
TIMES Case Study – Circular Economy Focus

The Foundation designed and delivered a case study for the final round of the TIMES Competition. Eight teams of bachelor’s and master’s students from across Europe engaged in an intensive four-hour deep dive into Circular Economy challenges within the fashion industry.

Participants explored:

- Root cause analysis using PESTEL, Value Chain Analysis, and Life Cycle Assessment (LCA)
- Transformation strategies using Circular Economy principles, Lean Thinking, and Multi-Criteria Decision Analysis (MCDA)
- Feasibility and trade-offs via Discounted Cash Flow (DCF) and risk analysis
- Implementation planning through X-Matrix and Balanced Scorecard frameworks
- Communication and ESG governance strategies

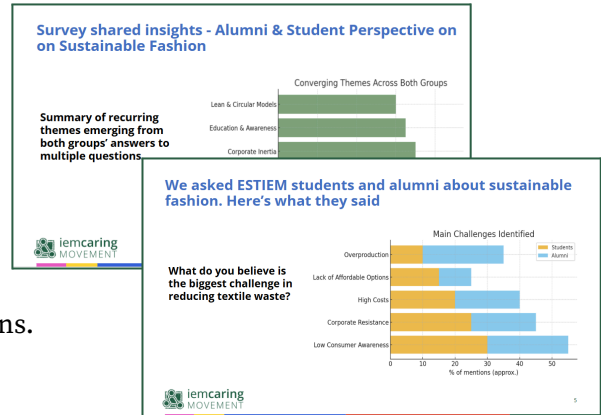
This activity strengthened participants’ technical, analytical, and systemic thinking skills while connecting engineering practices with sustainability challenges.





Survey on Fast Fashion Awareness

A survey was conducted within the network to assess understanding of fast fashion and the role of Industrial Engineers in addressing textile waste. Initial findings were presented at the ESTIEM Council Meeting in Niš, sparking reflection and dialogue among participants. The survey also served as an educational tool, prompting respondents to critically evaluate their own knowledge and assumptions.



Published Article on the ESTIEM Magazine

The article "Lean Thinking Against Fashion's Overproduction Crisis" was published in the 69th issue of the ESTIEM Magazine. It explored how lean methodologies can reduce inefficiencies and environmental impact within the fashion industry, encouraging readers to consider innovative process improvements.

02 Focus Topic

Anne Kagure Mugo-Dietrich
LG Berlin

Food of the article:
"Grapes"

Song of the article:
"Con Mucha Nata - Ara Malkian"

Lean Thinking Against Fashion's Overproduction Crisis

Every second, a truckload of textiles is landfilled or burned somewhere in the world. The fast fashion system, designed to buy at short intervals, has created a scale of waste and inefficiency that is difficult to fathom. The consequences are environmental, economic, and social — a crisis of resource depletion, pollution, and financial waste.

The churn of collections in fast fashion is fuelled by two main drivers: volatility and competition. Trends can explode overnight through social media and fade as quickly. Retailers overproduce to guarantee availability, even if the stock risks becoming obsolete. Forecasting models, which hope to anticipate demand months in advance, frequently overshoot. The result is a glut of unsold goods.

This "dead stock" comes with steep costs. Warehouses fill up with garments that must be stored, handled, and disposed of. Brands face painful decisions: slash prices, ship clothing to landfills, or incinerate surplus stock. Each option corrodes financial performance and damages reputation.

Beyond immediate losses lies a hidden toll. Capital is tied up in fabric, dyes, and logistics instead of being invested in innovation. Water and energy used in production go to waste. Workers in supplier countries bear the brunt of volatile production cycles, as factories are pressured into fulfilling unrealistic orders only to be left idle when demand falls short.

The overproduction trap is reinforced by the reliance on conventional stock management. Most systems operate on push-based logic: goods are manufactured in anticipation of demand, and large safety stocks are maintained to hedge against uncertainty. While this prevents stockouts, it ensures chronic surplus. Reactive overproduction compounds the problem: when one trend spikes, factories are pushed to churn out replacements at speed, only for demand to collapse shortly after.

Markdown culture, where products are routinely sold at 50-70% discounts, erodes both financial margins and brand equity. Shoppers grow accustomed to bargain pricing, devaluing the notion of quality. Meanwhile, unsold stock ties up resources and reduces liquidity.

Lean manufacturing, pioneered in the automotive sector, offers a framework for rethinking fashion's wasteful practices. Its tenets — waste minimization, continuous improvement (CI), and value creation — align naturally with sustainability goals [1].

Value Stream Mapping helps uncover bottlenecks in design, sourcing, and production. Kaizen fosters a culture of CI, embedding efficiency gains rather than treating them as one-offs.

02 Focus Topic

Some brands are experimenting with alternatives to volume-driven models:

Make-to-order production: *Luxury houses and startups produce after an order is placed, nearly eliminating dead stock.*

Small-batch drops: *Zara pioneered agility by releasing limited runs that sell out quickly, then using data to decide on restocking.*

Rental platforms: *Services like Rent the Runway challenge ownership, extending garment lifecycles.*

Cross-industry inspiration: *The automotive sector demonstrates how global supply chains can be synchronized while minimizing waste.*

A transformative concept is just-in-time (JIT) production: manufacturing goods only in response to confirmed demand rather than speculation. In fashion, this means smaller, more frequent runs aligned with sales, cutting down dramatically on surplus [2]. To make JIT viable, companies can deploy Kanban systems, where visual signals regulate production and stock movement across the chain. Digital Kanban boards allow suppliers, manufacturers, and retailers to coordinate in real time, ensuring inventories remain lean [3].

Equally important is the transition to pull-based inventory systems. Production is triggered by actual consumer purchases reducing financial risk and environmental burden [2]. Real-time data tools strengthen responsiveness, while Takt time synchronizes production pace with demand, preventing both bottlenecks and excess.

The complexity of fashion supply chains demands systemic collaboration. Partnerships with suppliers and logistics providers reduce lead times and enhance transparency. Data sharing ensures all stakeholders respond to the same demand signals. Consumer campaigns can highlight the true cost of waste, while

initiatives such as repair services, buy-back programs, and recycling extend product lifecycles. Extended Producer Responsibility laws hold brands accountable for disposal, incentivizing cautious production. Tax breaks for sustainable practices can accelerate the transition to leaner, eco-conscious models.

Fast fashion's overproduction crisis is the result of systemic choices about forecasting, production, and consumer messaging. By applying lean thinking and proven manufacturing tools, the industry can decouple profitability from waste. A future where fashion is leaner, smarter, and more sustainable is possible — but it will require engineers, managers, policymakers, and consumers to rethink the systems that brought us here.

References

[1] Womack, J. P., Jones, D. T., & Roos, D. (1990). *The Machine That Changed the World*. Rawson Associates.

[2] Monden, Y. (1998). *Toyota Production System: An Integrated Approach to just-in-Time* (3rd ed.). Industrial Engineering and Management Press.

[3] Womack, J. P., & Jones, D. T. (1996). *Lean Thinking: Banish Waste and Create Wealth in Your Corporation*. Free Press.

iemcaring FOUNDATION



ESTIEM Clothes swapping movement



Following the results of the survey, a disparity in cultural disparities on using second-hand clothes was observed. An initiative was tested out to swap clothes at the Council Meeting. The objective being to promote the culture of swapping clothes with your friends and using second-hand clothes. Unfortunately, due to the business of the organizers, it was not possible to have the ESTIEM Clothe-swapping station in the ESTIEM Fair, as planned. The promotion material and logistic planning will be proposed in 2026 to another CM or event.

Education of women in Afghanistan

Due diligence and support

With the view of supporting those women in need. A due diligence was performed on Rukshana Media to understand its potential to help journalists from Afghanistan. Given the positive result, “Giving Tuesday” was promoted among the community members, together with the recommendation of projects where to donate:

Club of 100

The [Club of 100](#) consist on a group of people who commit themselves to donate at least € 500 per year for a period of five years. The Club of 100 is open to all individuals who have shown to appreciate ESTIEM as a network. We boost the support of ESTIEM by providing equal opportunities for individual ESTIEMers who otherwise could not have been active in ESTIEM.



Girls' Education in Kenya

Girls in Apondo are missing school or facing exploitation simply to afford sanitary pads. Help [provide puberty education and menstruation pads](#).



Women Journalists in Afghanistan

Empower voices and stories in Afghanistan through [Rukhshana Media](#).

Emotional Intelligence

ESTIEM wellbeing retreat

A physical event in Greece on the topic of ESTIEM Wellbeing retreat was organized in October, but due to lack of early applicants, which could ensure the financial viability of the event, it was cancelled. The workshop that was going to be presented was then used at another event from outside the foundation: “The Málaga Flow”.



Sustainability Awareness

Online Movie Forum – “Water is Love”

The Foundation hosted an online screening and discussion forum for the documentary “Water is Love”, produced by Ripples of Regeneration. The event provided participants with a deeper understanding of the water cycle and its vital role in sustaining life. The forum afterwards created a space for dialogue, idea-sharing, and collective reflection on environmental stewardship. The documentary can be watched through [this link](#).



“Evolve Your Thinking” Course

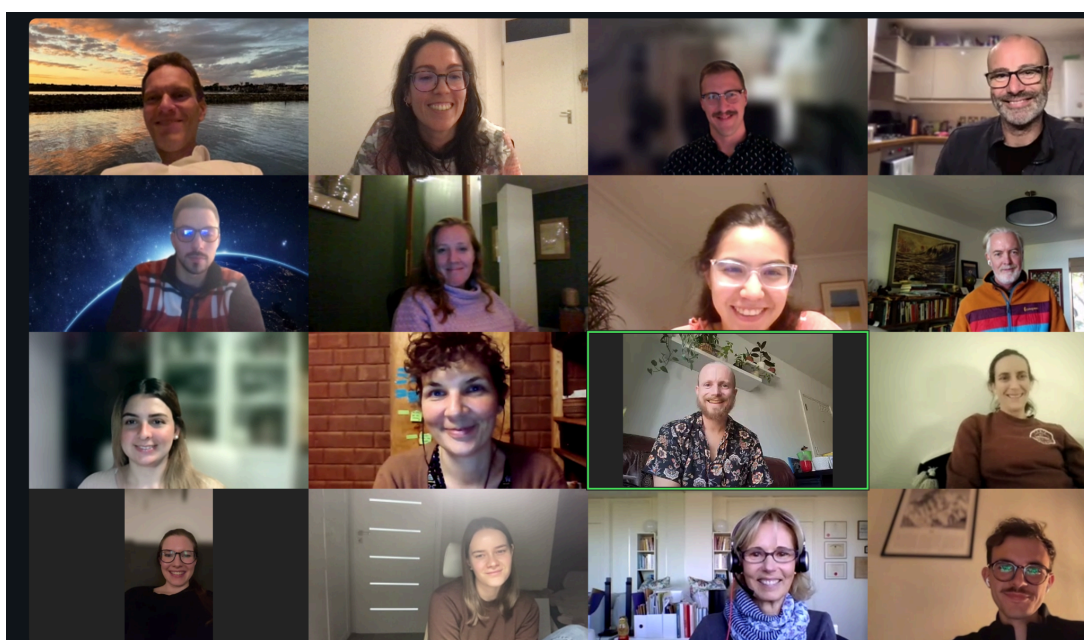
In collaboration with the Metacrisis Diplomats, the Foundation launched the first cohort of the “Evolve Your Thinking” course. This online program spanned two months and included four sessions:

- Systems Thinking
- The Metacrisis
- Regeneration
- Integration and future pathways

Participants explored how human behaviors, paradigms, and systemic patterns have shaped modern society. The course encouraged a broader perspective on humanity’s relationship with nature and fostered a deeper sense of purpose and responsibility. It also encouraged participants to meditate on our way of living and the role we wish to play in the world.

Justine Duvigneaud, a participant, reflected:

“The training has shaken my perception of human society and modernity. It invited me to put my daily life in perspective and offered me hope for possible futures with more meaning, connection and alignment with nature and our deep self. It opened a door to a new beginning.”





Club of 100

Continuous work was also up-kept at the Club of 100. The Club of 100 had 24 members at the beginning of 2025. During the year, recruitment efforts were intensified and in response, eight new members joined the Club of 100 during the year. As none of the members resigned, the total number of members at the end of the year increased to 32. Recruitment efforts will continue in 2026.

The funds of the Club of 100 were distributed in 2025 as follows:

- Leadership scholarships: 24 granted, out of 28 applications.
- Participation scholarships: 51 granted, out of 85 applications.
- Ad Fundum: award granted with maximum spend of EUR 1000

A triumvirate consisting of a Fellow from the IEM Caring Foundation, the ESTIEM President and a member of the Club of 100 is continuously working throughout the year to offer scholarships to students to participate in ESTIEM events and develop the network. Furthermore, the Club of 100 granted the Ad-Fundum awards to a project launched by an ESTIEMer: “Self-ESTIEM: A journey to your best self”.

Impact on Participants

Across all activities, the IEM Caring Foundation prioritized experiential learning, critical reflection, and personal growth.

- **Enhanced Systems Thinking:** Participants developed the ability to analyze complex global challenges through structured frameworks and interdisciplinary approaches.
- **Increased Awareness:** Activities on fast fashion and sustainability encouraged participants to reconsider consumption patterns and industry practices.
- **Practical Skill Development:** From technical tools like LCA and DCF to strategic frameworks, participants gained applicable knowledge for real-world challenges.
- **Community and Dialogue:** Forums and workshops created safe spaces for sharing perspectives, fostering empathy, and building meaningful connections.
- **Personal Transformation:** Programs like *Evolve Your Thinking* inspired participants to reflect deeply on their values, behaviors, and role in society.

Finances

In 2025, the Foundation did not receive any general income as there were no cost-incurring events hosted under the umbrella of the IEM Caring Movement during the calendar year. According to policy applied in 2020, the foundation receives 5% of revenue fee for all events hosted under the umbrella of the IEM Caring Movement.

Operational expenses amounted to EUR 368 and consisted of bank account fees and costs related to hosting the Foundation website. The costs were partly offset by interest income accumulated during 2024 on the foundation savings account, amounting to EUR 160. From 2026 onwards, the interest income is expected to cover the operational expenses, as it will be accumulated on a full year basis instead of just one quarter in 2024.



In 2025, the finances of the Club of 100, the Leadership Camp and Lean Six Sigma Courses, ESTIEM Alumni and donation campaigns Project SOS and Lake Victoria were managed by the Foundation.

The Club of 100's reserves increased by EUR 3725 in 2025. The underspend was driven by increased number of members and one-off donations during the year; number of applications and sum of total granted scholarships remained stable compared to 2024.

The Leadership camp made a profit of EUR 19,764, mainly due to costs of the Lean Six Sigma event being delayed to 2026. Once transactions are finalised, neither the Leadership Camps nor the Lean Six Sigma course is not expected to make profit.

ESTIEM Alumni received an income of EUR 42 from webshop commissions but had no expenses during the year.

The Project SOS donation campaign officially ended in 2023. However, an overpaid donation of EUR 426 was returned in 2025, netting the project balance almost completely out.

A new donation campaign 'Project Lake Victoria' gathered donations amounting to EUR 264 during the year. Since these were paid out only in 2026, the campaign recorded no expenditure in 2025.

Table 1: Balance sheet 2025

Assets	01.01.2025	31.12.2025	Equity and Liabilities	01.01.2025	31.12.2025
Cash and cash equivalents	55,980.58€	87,154.96€	Reserves	55,193.15€	79,158.57€
Current account	5,980.58€	16,995.12€	General	8,241.33€	7,986.10€
Current account savings	50,000.00€	70,159.84€	Leadership Camp & LSS	5,195.90€	24,959.34€
Accounts receivable	12,452.84€	9,802.84€	Sustainability Boot Camp	445.75€	445.75€
Receivables Foundation	1,165.00€	1,165.00€	Club of 100	37,174.46€	40,899.27€
Receivables C100	11,287.84€	8,637.84€	ESTIEM Alumni	4,544.07€	4,586.47€
			Project SOS + Quake	-408.36€	17.64€
			Project Lake Victoria	0.00€	264.00€
			Liabilities	13,240.27€	17,799.23€
			Accounts payable	189.00€	189.00€
			Deferred income (Club of 100)	11,971.27€	16,530.23€
			Reservation (AdFundum+installments)	1,080.00€	1,080.00€
Total Assets	68,433.42€	96,957.80€	Total Equity and Liabilities	68,433.42€	96,957.80€



Table 2: Profit and loss statement 2025

	Expenses	Incomes
Club of 100	-16,576.00€	20,300.81€
Conventions		
General	-46.87€	
Operational	-368.20€	159.84€
ESTIEM Alumni	0.00€	42.40€
Leadership camp and LSS	-16,336.56€	36,100.00€
Project SOS	0.00€	426.00€
Project Lake Victoria	0.00€	264.00€
Profit/Loss	23,965.42€	
Club of 100 – profit	3,724.81€	
ESTIEM Alumni – profit	42.40€	
Leadership camp and LSS	19,763.44€	
Project SOS	426.00€	
Project Lake Victoria	264.00€	
Other	-255.23€	
Total	-33,327.63€	57,293.05€

Fellows of the IEM Caring Foundation

Ida Korpivaara (Finnish, 1993)

Carmen García Wang (Spanish, 1993)

Sofia Cabeça (Portuguese, 1994)

Arthur Michalczyk (Geman, 1993)