



ksapa

Advise

Invest

Advocate

Online meeting instructions

Please note the following webinar instructions:

- You can change your **name**, but it's better for everyone to know who you are!
- You are automatically **muted** – use the chat function and presenter may invite to speak or relay your question
- Your **camera is automatically turned off** to save bandwidth and minimize our collective carbon footprint for attending this event
- You are welcome to **invite other participants**
- Feel free to use social media including **@Ksapaorg** so that everyone may track the discussion
- A partial list of registered **participants** is publicly available on LinkedIn
- A short **poll** will be activated. Please contribute so we may improve future webinars and connect participants as necessary!



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ksapa

WEBINAR

Circular Fibers: Helping the Textile Industry
Decide, Set Goals and Chart Progress

26 January 2021

About Ksapa

- Ksapa's 3 Core Services
- Ksapa's Team and Network
- Ksapa's Inbuilt Commitment to Advocacy



Farid Baddache
CEO

Introducing Ksapa

Ksapa (from the Sioux): Discernment, Wisdom, Soundness, Reasonableness

As a mission-native company, our purpose is to actively contribute to shifting the economic world toward economically, socially and environmentally performant operating and investment models.

Ksapa draws on its team's sustainability and finance expertise across the corporate, investors, institutional, academic and non-profit sectors, to combine ESG, Sustainability Consulting and Innovative Impact Investment services.

Working with our clients, we design and implement scalable solutions towards building more resilient, inclusive and competitive operating models.



We Advise

Ksapa provides strategic advice helping companies and investors to generate competitiveness with resilience and inclusiveness

- ESG / SDG Materiality
- Sustainability & Business Strategy
- ESG Risks assessment & Due Diligence



We Invest

Ksapa provides scalable innovative financing solutions and impact investing programs generating return and accelerating impact on Global Goals

- Impact Investing Fund
- Sustainability-themed Investment Program
- Active Ownership

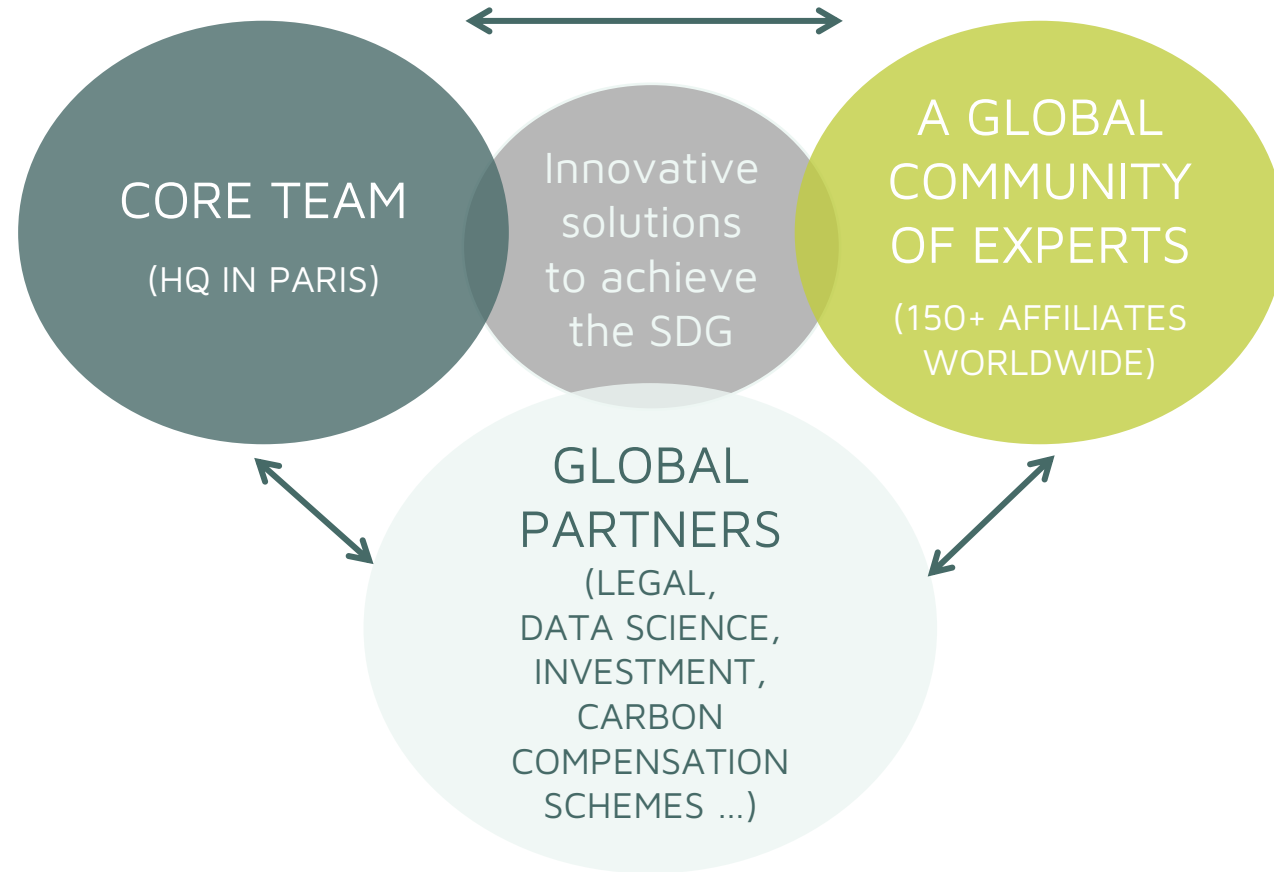


We Advocate

Ksapa is a social purpose corporation sharing insights to show businesses and investors why and how to embed resilience and inclusiveness across investment and business decisions

- Media
- Social Media
- Blog
- Reports & Briefs
- Webinars

A Global Network for Maximum Impact



As a team, Ksapa operates through a network of partnering international organizations and affiliated experts. By working together, we provide our clients with locally-relevant solutions to efficiently meet their needs.

As an Impact Business, Ksapa's Advocacy Commitment is Inbuilt in its Incorporative Statutes

REPORTS
& BRIEFING PAPERS

ILLUSTRATIVE LIST
OF BLOG ARTICLES

REGULAR
WEBINARS



January 2020 

TOWARDS 2030

THE SUSTAINABILITY
DELIVERY DECADE

Using digital & financial innovations to accelerate business transformations and contributions to a more resilient and inclusive society



3 SOLUTIONS TO BOOST CIRCULARITY AMID COVID-19 SANITARY CHALLENGES

[DOWNLOAD](#)

29 Oct



Covid-19 Provokes Profound Changes in the Circular Economy

25 Jun

KSAPA WEBINAR

SANITARY CHALLENGES AND PLASTICS STEWARDSHIP

Boosting Circularity Amid Current Headwinds

Panelists

	GROUP SVP SUSTAINABILITY AND CORPORATE RESPONSIBILITY	MARIA OUTTERS
	SUSTAINABILITY, ENVIRONMENT & HUMAN RIGHTS DIRECTOR	DAVID CROFT
	SVP SUSTAINABILITY, PACKAGING MATERIALS	EIJA HIETAVUO

Covid-19 and Plastics: Boosting Circularity Amid Current Headwinds




Mar 23

Traceability and Capacity-Building Solutions for Agricultural Commodities



Apr 27

Human Rights Due Diligence: Legally-Binding Instruments to date

A photograph of a green plant with large, rounded, slightly wavy-edged leaves. The plant has a central stem and is set against a light green, slightly textured background. The lighting is soft, highlighting the veins on the leaves.

Circular Fibers:
Helping the Textile
Industry Decide, Set
Goals and Chart Progress

Circularity, a Necessity Too Few Take Seriously

New circular economy models have emerged that target 6 priority sectors :

1. Mainstreaming renewable materials in manufacturing
2. Generalizing recycling
3. Remanufacturing end-of-life products
4. Securing durability and longer use
5. Sharing assets
6. Leasing assets

- Though promising, the circular economy concept would seem to have difficulty attaining the scale and pace necessary to effectively address sustainability challenges.
- A major challenge stems from the fact plastic remains so cheap, convenient and lends itself to multiple applications.
- While stakeholders' perception of plastics has rapidly evolved, changing industrial processes takes time, pertinent technologies and capital.
- Public and private players have however opted to curb plastic use and boost recyclability, anticipating a trend among young consumers and emerging economies adverse to plastics.



In January 2020, Ksapa's Towards 2030 Report already included a call to urgently accelerate the circular transition and eliminating unnecessary plastics components.



Covid-19 Impacts on Global Fashion



Canada Goose now may face legal action from consumers and animal rights organizations over ethical sourcing claims



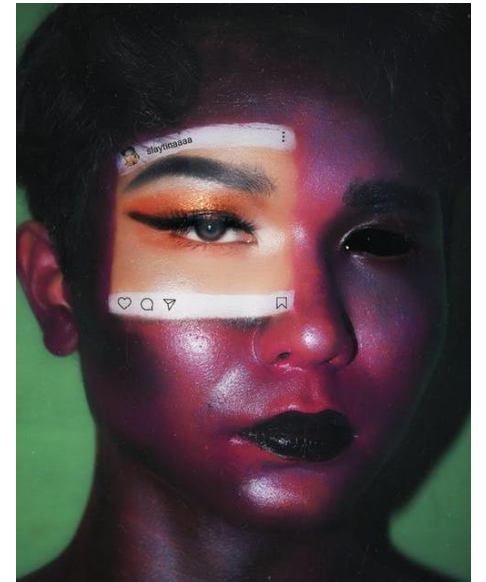
In 2019 Boohoo announced banning all wool from their collections before reversing their decision a few hours later.

- The pandemic shock may have caused as much as a 30% reduction on year-on-year revenues for fashion.
- As with other industries, fashion's heavy reliance on global supply chains has generated raw material shortages and delivery disruption.
- Regardless of corporate investments in e-commerce platforms, consumers lack the appetite to spend on discretionary products. As a result, online sales rapidly declined during the pandemic, by 5-20% in Europe, 15-25% in China and as much as 30-40% in the USA.
- These reduced sales led to around USD 2.9 billion worth of exports being cancelled or suspended by April 2020, affecting the livelihood of more than 2 million workers.
- 23% of global consumers want brands to lead by example and 75% of US consumers want companies to pursue positive impact initiatives they launched because of Covid-19.

Ellen MacArthur Foundation, The Circular Economy: A Transformative Covid-19 Recovery Strategy: How Policymakers Can Pave The Way To A Low Carbon, Prosperous Future (2020)

Regulatory Incentives to Transition Toward Circular Fashion Amid Covid-19

- In December, representatives from France and the Netherlands jointly proposed greenwashing laws to the European Commission that would require European companies to prove claims of sustainability in marketing to the EU's European Securities and Markets Authority.
- As early as the 1990's, California passed the Environmental Marketing Claims Act, that more strictly forbids deceptive marketing, but even that has a maximum fine of just \$2,500.
- Without much guidance from regulatory bodies, brands may turn to independent organizations and audited certifications like B Corp.
- Beyond researching a brand's practices, informal censures like class action lawsuits and social media criticisms are often consumers' best option for evaluating sustainability claims.



fashion**positive**⁺

Introducing the Circular Materials Guidelines 1.0



Sasha Radovich
Executive Director

Fashion Positive's mission is to drive the vision, definition and implementation of safe and circular materials for the fashion industry

1

Define and educate the industry on the term "circular materials" through our Guidelines and learning series on key issues facing circularity in the industry

2

Enable the development of circular high-volume materials through R&D and shared tools including the innovators roundtable

3

Accelerate the use of circular materials through collaborative vehicle for investment to scale change

Standards, Certifications and Organizations Included in the Fashion Positive Guidelines

Amid a dense ecosystem of reference points, the Circular Fibers Guidelines define just what constitutes circular fibers and offers recommendations for design to apply them toward fostering a truly circular fashion.



Dovetailing existing standards and certifications, the Circular Fibers Guidelines offer “better” and “best” categories to build a roadmap for companies to integrate circular-ready expectations into fiber development.

Fashion Positive, Circular Materials Guidelines 1.0 (2020)

Key Insights from the Fashion Positive Guidelines

The Circular Fibers Guidelines target raw materials and feedstock and fiber development, delving into how fibers will be used and cycled through either the biological or technical cycle after use.

A dark teal rounded rectangular box containing the text "FEED STOCK" in white, uppercase, sans-serif font.

FEED STOCK

A medium teal rounded rectangular box containing the text "CHEMISTRY" in white, uppercase, sans-serif font.

CHEMISTRY

A light teal rounded rectangular box containing the text "WATER" in white, uppercase, sans-serif font.

WATER

A bright lime green rounded rectangular box containing the text "ENERGY" in white, uppercase, sans-serif font.

ENERGY

To be deemed circular, materials must match Better OR Best category requirements. All 4 recycled content, chemistry, water, and energy module recommendations for “Better” must at least be met.



Key Insights from the Fashion Positive Guidelines

FEED STOCK

Requirement 1 – Feed Stock

- Recycled and/or Reclaimed Material
- Renewable Sources (remaining Feedstock Content from Virgin Sources)
- Incorporating recycled or reclaimed material into fabric

Requirement 2 – Fiber Recyclability Potential

CHEMISTRY

The vision behind this category is to eliminate hazardous chemicals out of textile products and processes and promote safer alternatives.

Requirement 1 – Managing Input Chemistry

Requirement 2 – Transparency into formulations

Requirement 3 – Non-petroleum feedstock for synthetic alternatives (i.e. for polyester, nylon, etc.)



Key Insights from the Fashion Positive Guidelines

WATER

In a circular economy we take a resource, use it and then we return it to the earth without causing harm. The vision behind this category is to provide a roadmap to achieving zero discharge.

Requirement 1 – Water Stewardship

- Quality
- Recycle and Reuse
- Conservation and using less

ENERGY

The vision behind this category is to offer a roadmap to achieving as close to zero greenhouse gas emissions as technology allows, while aligning with industry charters and commitments, including the UN Fashion Charter (~30% reductions by 2030).

Requirement 1 – Decrease greenhouse gas emissions





Alante Capital

The Case for Investing in the Circular Fashion



Karla Mora
Founder and Managing Partner



Alante Capital invests in innovative technologies that enable a resilient, sustainable future for apparel production and retail.

Investing across new materials and consumer, enterprise and clean technologies, Alante builds a risk-adjusted portfolio that targets above market-rate returns alongside transformative social and environmental impact.

Alante Capital helps brands identify scalable technology that:

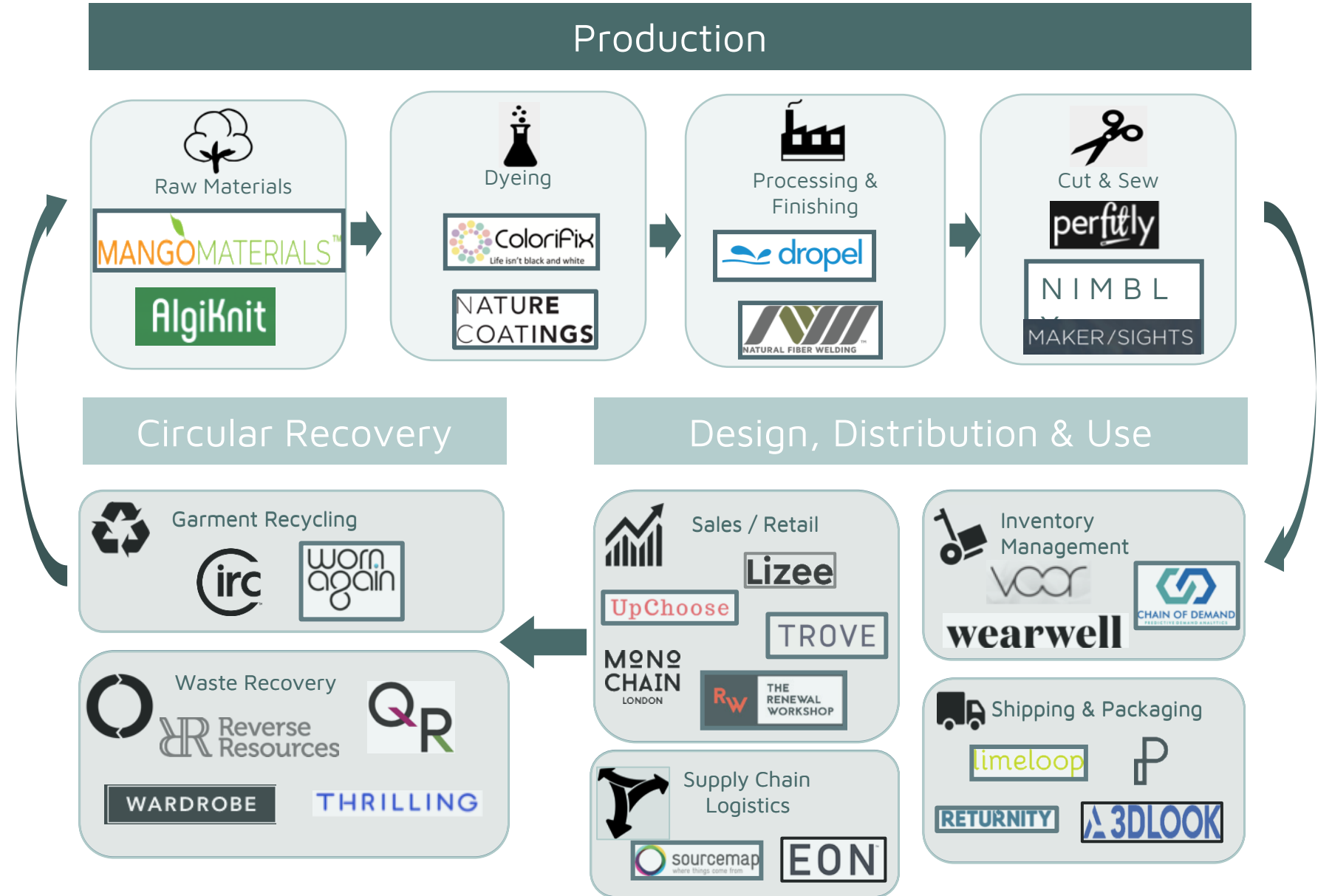
- Competes on quality, cost, improves operational efficiency, and/or enhances the customer experience
- Integrates seamlessly into a company's operational strategy, and/or drops into pre-existing supply chain
- Are priorities in the near term for our industry partners

Alante Capital facilitates engagement between brands and innovators via:

- Strategy development for identifying and engaging with innovation
- Pilot support including identifying non-competitive go-to-market partners, decreasing risk and costs
- Scaling assistance to identify a tiered engagement plan for market-ready innovation



How Alante Capital Tracks Innovation



A Partnership Approach to Assessing Viability

Key considerations

- Cost Competitive Or Provide New Revenue Streams?
- Compete On Quality And/Or Provide An Enhanced Customer Experience?
- Effectively Integrate Into An Apparel Company's Operations?



fashion**positive**⁺



EILEEN
FISHER



OUTERKNOWN

patagonia[®]

Gap Inc.



KERING


A strong market for exits



Materials Science



Loop Industries IPO | chemical PET recycling (2017, CAD 500M mkt cap)



Erber to DSM | natural feed additives (2020, EUR980M)



PrimaLoft to Victor Capital & Allstate | synthetic insulation for apparel (und., 2017)

Returns & Resale

The RealReal IPO | online luxury resale (2019, 1.4Bn market cap)



Stadium Goods to Farfetch | sneaker resale (2018, \$250M)



Corporate investments | returns optimization (UPS-2016, Ikea-2019, eBay-2020)

Digital Solutions



GT Nexus to Infor | global supply chain management platform (2017, \$675M)



Body Labs to Amazon | digital, 3D body modeling (2017, ~\$80M)



Celect to Nike | predictive analytics software provider (2019, \$110M)



Mirror to Lululemon | at-home workout platform (2020, \$500M)

Centric Software to Dassault | PLM software for fashion and consumer goods (2018, und.)

Ethical Brands

EVERLANE



Everlane PE round led by L. Catterton (2020, \$85M equity infusion)

REFORMATION



Reformation majority stake to Permira (2020, in process)

T.RowePrice



Allbirds Series D capital raise (2018, \$1.4BN valuation led by T. Rowe Price)

FINNISH
TEXTILE &
FASHION

Use case



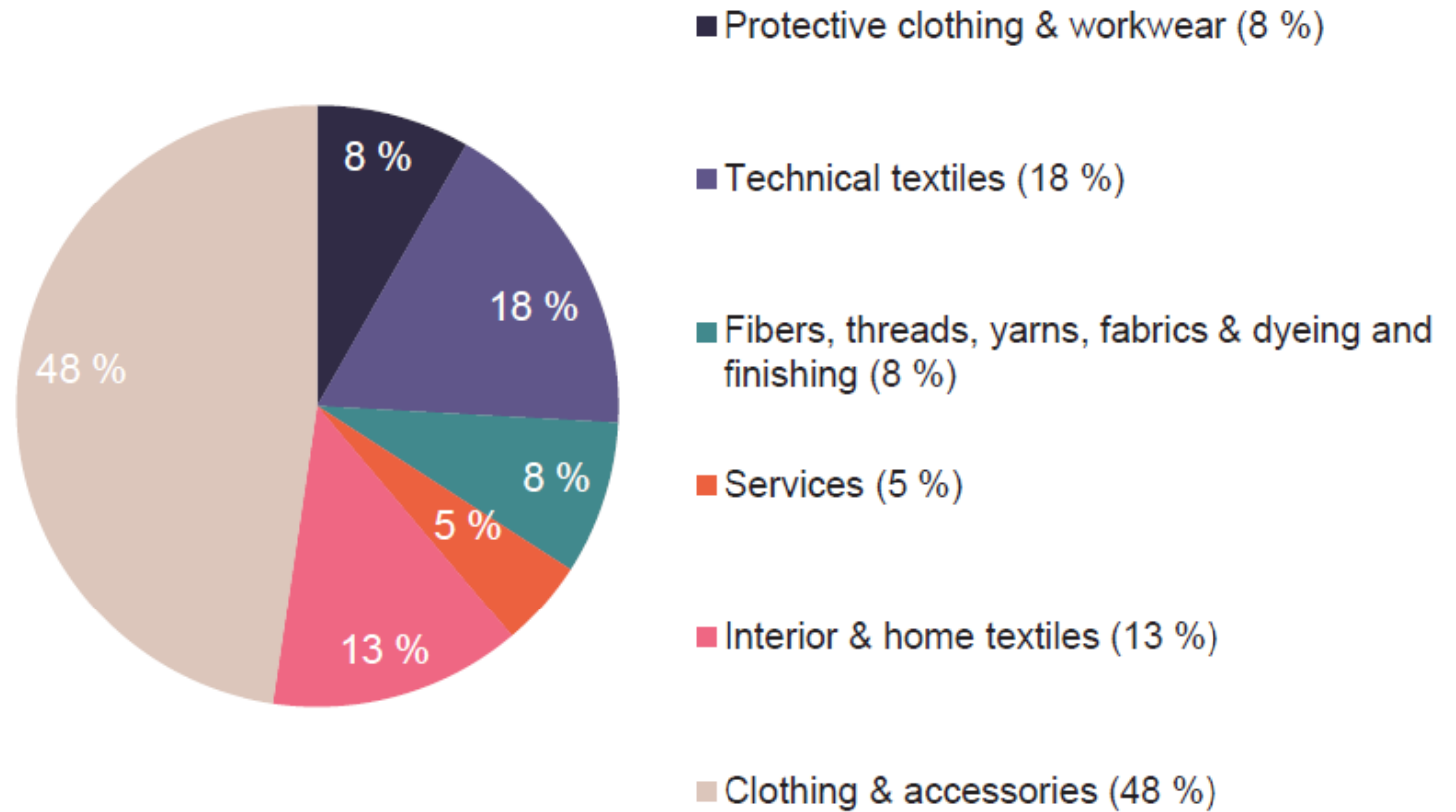
Satumaija Mäki

Chief Advisor, Sustainability and
Circular economy

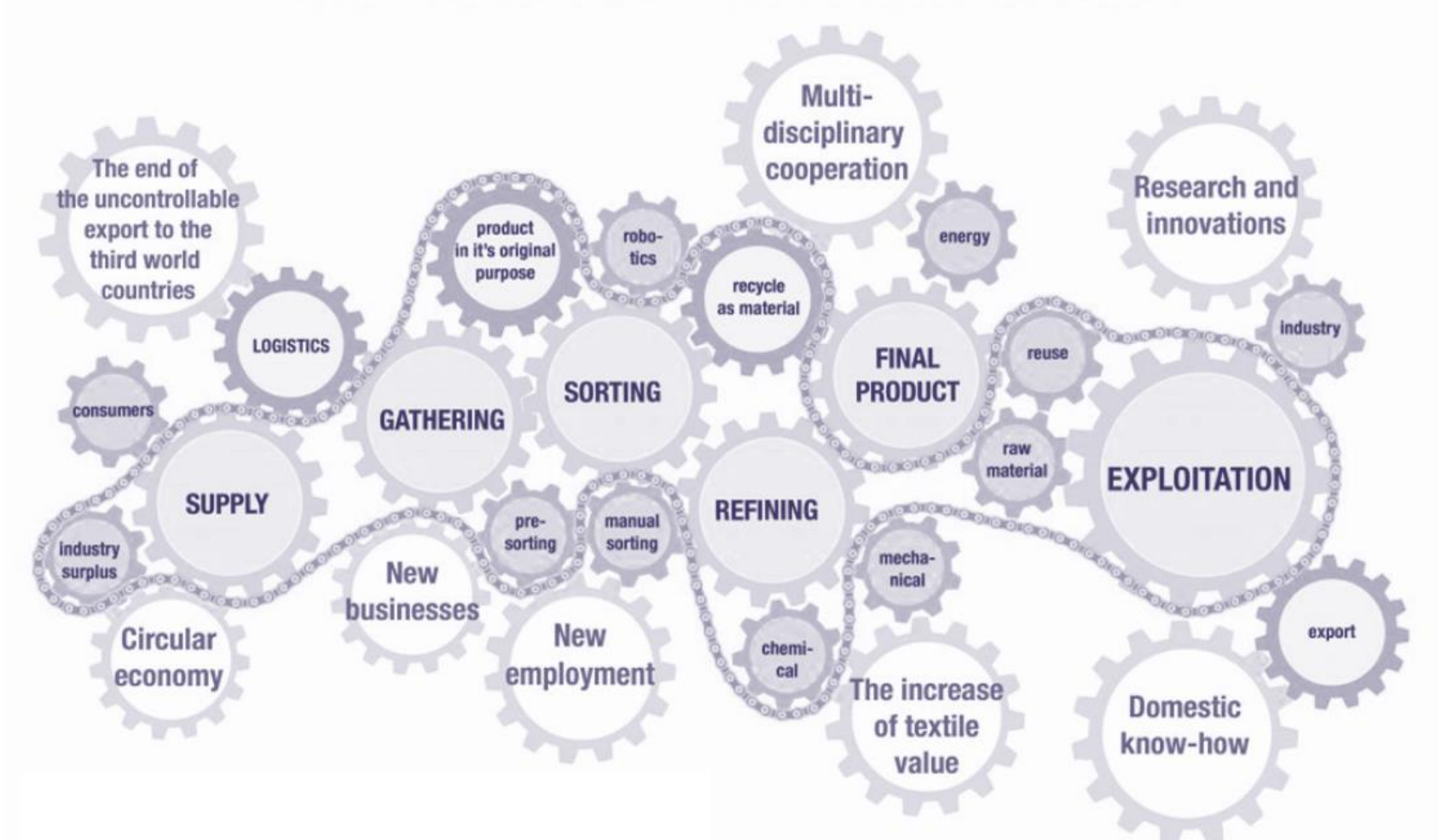
About Finnish Textile and Fashion

FINNISH
TEXTILE &
FASHION

Finnish Textile and Fashion
gathers 199 member companies



Mapping the Circular Textile Ecosystem in Finland



Source: <https://telaketju.turkuamk.fi/en/about-telaketju/>

Key Solutions from the Finnish Textile and Fashion Community



INFINITED FIBER



SPINNOVA®



Pure Waste

Recommendations for Circular Fashion Amid the Pandemic Shock

Recommendations

Illustrative Set of Action Plans

Ksapa Solutions

1

Choose your
Battles

- Start somewhere – aim for continuous improvement and developing systems not yet in place.
- Innovate – nurture new business models by working with brands throughout their circular strategy.
- Anticipate – identify solutions contributing to greater systems change, not just in the now but in the future.



Stakeholder Engagement
Strategy Design and
Activation

2

Invest in
Innovative
Models

- Invest in new innovative solutions with the necessary scale and pace to match global challenges.
- Focus on systems – pilot solutions and address risks at different points of your supply chain to achieve scale up.
- Share resources to mainstream alternative industrial technologies and circular fibers solutions.



Impact investment
model structuration and
activation to mobilize
available liquidities

3

Boost
Collaborations

- Work with authorities, investors and businesses on best practices to boost positive impact.
- Converge on pertinent norms and regulations to cut waste, accelerate recycling programs and mainstream circular fibers.
- Encourage brands to engage thoroughly in model recalibration for systemic change.



Collaborative Initiative
Development and
Coordination

Perspectives From our Panelists. Facilitation: Farid Baddache, CEO, Ksapa

1

Choose your Battles

2

Invest in
Innovative Models

3

Boost Collaborations



REGISTER NOW FOR THE
NEXT  **ksapa** WEBINAR

Circular Materials:
Helping Industry Decide,
Set Goals and Chart Progress

With insights from our expert panelists

fashionpositive⁺

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FINNISH
TEXTILE &
FASHION

SATUMAIJA MÄKI
CHIEF ADVISOR, SUSTAINABILITY
& CIRCULAR ECONOMY



Closing Remarks
Questions/Answers

Stay Appraised of Ksapa's Latest Insights

– Upcoming Ksapa webinars –



Mar
23

Traceability and Capacity-
Building Solutions for
Agricultural Commodities



Apr
27

Human Rights Due Diligence:
Legally-Binding Instruments to
date

Find out more directly from our [website](https://www.ksapa.org) [ksapa.org](https://www.ksapa.org)



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