

Report of Fashion Summit (HK) 2019 - Panel Discussion

Date 1 (5 SEP) Panel Discussion Session

Panel Discussion 1

Topic: Fashion Brands Sustainability Achievements

Speakers:

- Ms. Sandy Liu, Sustainability Manager (North Asia), Lenzing Group
- Ms. Tracy Nilsson, Senior Director (Social Environmental Affairs), adidas Sourcing Ltd.
- Ms. Amina Razvi, Executive Director, Sustainable Apparel Coalition
- Ms. Susanna Wilson, Global Head of Sustainable Networks and Entrepreneurship, HSBC

Moderator: Mr. Pat-nie Woo, Partner of KPMG China

Summary

Fashion Summit HK 2019 has conducted a survey of the 43 signatories to the UN's recently launched Fashion Industry Charter for Climate Action. The 43 signatories of more than 90 brands represent US\$300 billion annual sales. The signatories started with 43 companies in Dec 2018 and currently increased to around 80 signatories. This survey is sponsored by HSBC and conducted by KPMG, to assess to what degree companies across the fashion industry are adopting the various measures already in place, which can enable the sector to become genuinely sustainable, particularly concerning the 30% reduction of greenhouse gas emission by 2030.

In this session, representative of KPMG, Mr. Pat-nie Woo presented a summary of the survey findings and implications. According to the survey, 7 of overall 16 commitments had been selected under review and concluded into three key findings containing implementation, consumer awareness, tools and standards. The 3 key findings are:

1. 53% of the signatories disclosed their S1 (Scope 1) & S2 emission data but fell to 37% in S3 emission, so a significant amount of work still need to be done
2. Consumer awareness needs to be enhanced
3. Existing tools and standards should be leveraged

In the panel discussion, Ms. Susanna Wilson elaborated on how retailers and suppliers could partner with financial institutions to make sustainability improvements. Ms. Amina Razvi also introduced how the instruments of SAC, like

Higg index, were helping companies to carry out sustainability. On the other hand, Ms. Sandy Liu and Ms. Tracy Nilsson shared about the sustainable achievements of Lenzing and Adidas. Most of the questions from audience were about the cost/pricing in the sustainability verification.

Panel Discussion 2

Topic: Enabling Sustainability in Global Supply Chains

Speakers:

- Mr. Manuel Baigorri, Senior Director Sustainability at Levi Strauss & Co.
- Ms. Shevanthi Fernando, Head of Sustainability and Diversity & Inclusion, MAS Intimates Division, MAS Holdings
- Ms. Karen Ho, Head of Corporate and Community Sustainability, WWF-Hong Kong
- Mr. Ajay Sharma, Regional Head of Global Trade and Receivables Finance, Asia Pacific, HSBC
- Ms. Joyce Tsoi, Senior Manager, Supply Chain Sustainability, VF Corporation

Moderator: Dr. Winnie Law, Associate Director and Principal Lecturer, Centre for Civil Society and Governance, The University of Hong Kong

Summary

During the self-introduction stage, The speaker from MAS did emphasis their opportunity in sustainability including: (1) Integrated supply chain, (2) Local sourced supply chain, (3) Geographical footprint (4) Collaboration, while VF talked about their sustainability challenge including (1) 100% sustainability integrated into every part of VF business, (2) Scaling VF impacts globally and collectively, (3) Transforming the apparel industry together.

The moderator recapped the important term “Collaboration” which was a term commonly being discussed in the fashion supply chain nowadays. Dr. Winnie Law , the moderator raised a question about how could brands further support the collaboration. Speakers tended to develop a common platform that could share sustainable actions and data, etc. to generate some figures or examples in achieving a more advanced level of sustainability. There were also discussion about “training” of people in sustainability, the use of “block-chain” on transparency and traceability in supply chain.

Panel Discussion 3

Topic: Sustainable Tech Development from a Brand Perspective

Speakers:

- Ms. Malin Lundahl, Sustainability Manager- Sales Market Greater China, H&M Group
- Mr. Chris Moses, Senior Director, Technical Strategy and Innovation, Gap Inc.
- Ms. Janice Ngai, Head of Sourcing Sportswear, Asia, HUGO BOSS Hong Kong Ltd.
- Ms. Brenda Tsang, Division Manager, Eurogroup Far East Ltd.

Moderator: Prof. Robert Meeder,
CEO of Academy of Design (AOD) Sri Lanka

Summary

Without rejection, it is believed that sustainability is about the environment, social, financial behavioral, and education altogether, yet the most indispensable aspect now is “technology”. To achieve those sustainability goals and overcome the challenges of cost and consumer’s perception, brands like Hugo Boss kicked off digital development project (with 3D technology) for the samplings to reduce cost, time and more important carbon footprint, while H&M set a new challenge on the Global Change Award to encourage technology development in sustainability.

The panelists from different brands agreed that it was important to integrate the fundamental value of sustainability instead of greenwashing. Current business is still cost driven, and cost is a limitation to apply the technology. The brands have the view that it is feasible to apply the sustainability technology in textiles when (1) the solution is readily available, (2) economically viable, (3) result is sustainable and (4) there is economy of scale.

Panel Discussion 4

Topic: The Way-forward to Achieve the Sustainability Goals

Speakers:

- Mr. Marc Beckmann Project Director FABRIC Asia of GIZ GmbH
- Mr. Frank Michel, Executive Director, the ZDHC Foundation
- Ms. Amina Razvi, Executive Director, Sustainable Apparel Coalition
- Mr. Alex Young, Group CEO, Tex-Ray Industrial Co. Ltd.

Moderator: Prof. Philip Yeung, Executive Director of Clothing Industry Training Authority

Summary

As the apparel industry alone represents 6.7% of global GHG emissions, equivalent to about 3.3 billion metric tons of CO₂-eq emissions. The fiber production, yarn preparation, and dyeing & finishing accounts for 79% emission and we have invited four successful and responsible fashion businesses in Asia to share their best practices of sustainability. They are Mr. Marc Beckmann Project Director FABRIC Asia of GIZ GmbH, Mr. Frank Michel, Executive Director, the ZDHC Foundation, Ms. Amina Razvi, Executive Director, Sustainable Apparel Coalition, and Mr. Alex Young, Group CEO, Tex-Ray Industrial Co. Limited.

Each Panelist has briefed their company roles and responsibilities. The moderators Professor Yeung asked if the panelists have achieved their goals set formerly. For the ZDHC goal to get zero discharge in 2020, Frank explained that the goals of 11 priority chemical groups have been achieved. But as the industry was rapidly growing, there were moving goals in the industry, so ZDHC would keep on detecting on the hazardous chemicals. Frank believed the biggest achievement started was to create awareness to industry and then implementing customer's requirements SAC had various modules and all should be ready in 2020. Amina explained the current situation and the goals were getting closer and closer.

Alex expressed that his factories were adopting 14 standards with at least 90% were of the same requirements and he needed to pay for the different 10% costly. Frank advised that multiple inventories of chemicals and standards could be merged to reduce complexity, cost and efficiency.

Panel Discussion 5

Topic: Collaboration for Nature and People – a Blockchain Pilot Case Sharing

Speakers:

- Mr. Amit Gautam, CEO & Founder, TextileGenesis
- Ms. Jennifer Tam, Business Development Director, Chickslifestyle
- Mr. Harold Weghorst, VP Global Branding, Lenzing Group

Moderator: Ms. Karen Ho, Head of Corporate and Community Sustainability, WWF-Hong Kong

Summary

Challenge in fashion industry is, for top 100 Fashion brand, majority of them have announced to use 100% sustainable fibers as the target, but less than 5% can identify the garment back to original fibers. Block-chain can be an enabler/ opportunity to

improve transparency and traceability.

Karen has run a panel discussion on block-chain as enabler in financing in last year Fashion Summit and this year was a 2nd step from concept note stage to approve of concept with the involvement of the brand Chicks and their suppliers, Textile genesis as the provider of the platform, and Lenzing the fiber supplier (originators of the fiber coins) in the pilot test.

At the outset, Ms. Karen Ho presented the results of a consumer survey by WWF and Chicks lifestyle this year about the consumer's attitudes towards the sustainability and transparency of the supply chain, which mainly investigated Hong Kong's consumers. The key findings of the survey are:

- Older respondents and those of higher income, has habit to read information on swing tag and those consider themselves eco-friendly prefer more information
- Female respondents are less likely to feel the provided information not enough

Amit has explained the block-chain technology and presented the pilot result of the consumer transparency app to verify fiber composition and supply chain transparency in retail store with demonstration.

Chicks shared the values and benefits of using the block-chain to their suppliers and get the suppliers on-board for this pilot in 2 weeks.

Lenzing mentioned the benefits of the value chain using the block-chain technology which include:

- (1) Enable transparency and create more consumer loyalty
- (2) Protect brand premium by washing out the fake products
- (3) Allow Lenzing to reach higher degree of cost efficiency.

Day 2 (6 SEP) Panel Discussion Sessions

Panel Discussion 6

Topic: The Positioning of Asia Pacific in Fashion Sustainability

Speakers:

- Hon. Felix Chung Kwok-pan, Member of HKSAR Legislative Council (Textiles & Garment)
- Ms. Catherine Cole, CEO, MOTIF, ALVANON
- Mr. Stanley Szeto, Chairman, Textile Council of Hong Kong
- Mr. George Yeung, Director of Operations, Jeanswest Corporation

Moderator:

Dr. Alison Gwilt, Associate Professor in Design, University of New South Wales

Summary

The moderator DR. Alison Gwilt has recapped the Fashion Summit (HK) 2019 Roundtables campaign in Melbourne, Australia on July 22, 2019.

Felix explained the reasons why destined to Australia:

- HK is manufacturing based and sustainability should start with Raw Material while Australia is strong in Wool & Cotton fiber supply in Asia Pacific
- BODW worked with Victoria & government last year and Victoria is the Fashion capital of Australia.
- Also Academies in Victoria like RMIT is specialized in design while Deakin is R&D based in Raw material.

The team believed the collaboration with Australia Raw material suppliers and designers could upgrade HK fashioners.

The team member Stanley also believed that HK Industry was a global one, and we should partner with brands instead of countries.

The team had the views that Sustainability was the cost of doing business, it was not a matter of choice, and if you did not do it, you were out of the games. They have discussed that Compliance was raised by consumer years ago among forefront US brands. Sustainability was dominated by the US & EU brands, it was not seen in Asia Pacific brands currently but believed the demand would come shortly.

Although HK companies have no more manufacturing, HK is still contributing 1/3 of global fashion supply.

In Australia, NGO like Ethical Clothing Australia publishes Sustainable fashion Sourcing guide for the shoppers and tourists while this concept can also be applied in HK. George quoted similar example of Laws D2 place with theme & topics in sustainability.

The team believed that HK government has already done a lot in Sustainability education e.g. vocational training. Some member expressed that government should educate the general public so that people would change behavior and drive up the brand. Also HKRITA should have funding to explore cheaper way to get sustainability faster.

Felix agreed that Technology could help and HK government support could do more, however the sustainability proposal had to go through three different Bureaus even the funding were ready, so the HK government needed to sort out the issue internally.

The team agreed that HK had the strengths to be the sustainability fashion hub while other Asian countries had difficulties in Language and not advance in Sustainability context

Members also said that HK strategically should collaborated with any countries to enhance mutual learning

Panel Discussion 7

Topic: Techstyle for Sustainability

- Mr. Mattias Jonsson, CEO of Re:Newcell
- Ms. Brooke McEver, Product Lead at Unspun
- Mr. Cédric Vanhoeck, Founder Regeneration bvba, resortecs
- Dr. Gloria Yao, Director, Project Development, The Hong Kong Research Institute of Textiles and Apparel

Moderator:

Mr. Alexander Chan, Co-Director of The Mills Fabrica

Summary

When talking about Innovation, people usually dwell on positive thinking, but “new” is a challenge, pathfinder must solve the challenges for achieving their innovation. In

the first session of panel discussion 7 “Techstyle for Sustainability”, four speakers moderated by Mr. Alexander Chan have accordingly introduced their innovation technologies across the world.

Beginning from recycling technology, Mr. Mattias Jonsson CEO of **Re:newcell** focus on cotton and other natural fibers, provided a textile reprocessing technique that decomposed the used fabrics into a new, biodegradable raw material, pure Circulose pulp. That created a sustainable loop between supply and demand for raw materials.

Ms. Brooke McEver, Product Lead at Unspun declared that as the future manufacturer, “**Unspun**” was a company trying to create a zero waste supply chain. By using 3D scanning technology to customize pants and reduce inventory, and 3D weaving technology to determine the resource waste from pattern cutting, samples fitting, and old business models.

The first two speakers are more on recycling while the third speaker Cedric’s focus is in separation. For easier repair and recycling, the founder of **Resortecs**, Mr. Cedric Vanhoeck demonstrated the principle of their heat dissolvable stitching thread, which could bring new life to recycled fashion stitch by stitch. The trims & components could be easily separated from the garment when the stitching thread dissolved.

HKRITA yearly involved over 19 million Hong Kong dollars to develop around 20 fashion technological projects for a better society, industry advantage, and sustainability. Their Project Development Director Dr. Gloria Yao has highlighted a few key projects in the panel, including an impact assessment tool, waterless NASM Dyeing System, post-consumer apparel recycling.

During the discussion session, speakers had shared their challenges, opportunities, and solutions to implement technology into beneficial fashion sustainability with the audience.

Panel Discussion 8

Topic: Getting Sustainable Fashion to Market

Speakers:

- Mr. Lorenzo Albrighti, CEO & Co-Founder of Lablaco

- Dr. Christina Dean, Founder/Chair of Redress and Founder/CEO of The R Collective
- Ms. Michelle Lee, Marketing Director of The R Collective and E-Commerce Consultant
- Ms. Dorothy Pun, Founder of 22 Factor & Vice President of Cobalt Fashion

Moderator:

Ms. Divia Harilela, Fashion Editor/ Consultant

Summary

Dr. Christina Dean quoted that Sustainable fashion accounted for 1-3% of fashion market and it was difficult to define about sustainable fashion. Also 97% profits of fashion retailing were picked up by the top 20 companies. Starting the discussion with the trend of sustainable fashion retail nowadays, consumers were more and more concern about every step of environmental impacts that fashion made. The rising interest of sustainable fashion brands from consumers might change the constitution of the fashion market of its specific gravity. Especially retails could be covered with social media and online shopping. Dr. Christina Dean also shared about the challenge and opportunity for bringing a sustainable brand into the market. Speakers pointed out some difficulties in the online fashion retailing and how technology played the role. It is really important telling a branding story to the right target consumer.

Panel Discussion 9

Topic: Interdisciplinary Collaboration in Sustainable Fashion Education

- Prof. Jane Gottelier, Master of Fashion and Knitwear Design, DeTao Masters Academy
- Ms. Cristina Kountiou, Professor of Fashion Marketing and Management, SCAD HK
- Prof. Robert Meeder, CEO of Academy of Design (AOD) Sri Lanka
- Ms. Basia Szkutnicka, Professor of Practice (Fashion Design), The Hong Kong Polytechnic University

Moderator:

Dr. Christina Dean, Founder & Chair of Redress, Founder & CEO of The R Collective

Summary

It was raised that sustainability education was still not enough, and currently not much top down sustainability education curriculum. The educators responded that

collaboration with the Industry to move Sustainability was a faster way than getting support and approval from the government and academies. All speakers had consensus that Sustainability should be the core subject in the programs and some speakers mentioned that it was already integrated into the curriculum instead of waiting to be approved by the academic committees. Speakers also raised that Funding was important and it was needed to have collaboration of Science and Design to push sustainability.

There was general consensus that fashion education in Asia should bring sustainability throughout all the programs in its academy and interdisciplinary levels, not just in the courses of fashion design, fashion marketing and management, and luxury fashion management, but to all aspects in schools. There required devoting efforts to connect student, NGO, and industries to figure out how fashion become more sustainable in the future; and how to spread out this significant message to the youth and even to the general publics.

Panel Discussion 10

Topic: Small Steps, Big Impact, Act Together!

- **Sustainable Vision for Hong Kong Retail Industry**
Mr. Arnault Castel, Owner & Founder of Kapok Ltd.

- **Rentable Runway – Solution to longer product like span**
Ms. Ellen Ng, Owner & Founder of Pret-a-Dress

- **Every little step to build a sustainable collection**
Ms. Dawn Lee, Founder & Owner of Ruri’s World

- **Take your sick clothes to the doctors**
Ms. Kay Wong, Owner & Founder of Fashion Clinic
Ms. Toby Crispy, Owner & Founder of Fashion Clinic

- **Waste or Treasure**
Ms. Sissi Chao, Founder of Remakehub

- **Ab Fab Sustainable!**

Mr. Kevin Germanier, Founder of Kevin Germanier

- **Youth voice on sustainable lifestyle**

Youth from WWF Hong Kong

Summary

In panel 10, we gathered 7 speakers, who are the leaders and founders in sustainable fashion labels, to share their experiences and stories of accessing sustainable fashion step by step, impact by impact. The presentations of the speakers were accompanied by fashion show with the real models dressed in their sustainable samples. The panel ended with the WWF youth voice on sustainable lifestyle.