

# SUSTAINABILITY IS ALL THE RAGE

Bermudas, fringes and a return to the 1940s: the trends for the season Autumn Winter 2021 are now set but the real must-have is sustainability.



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The fashion industry has taken a green turn. From big brands to fast fashion we see a new commitment to a more sustainable future.

The main objective of the sector is linked to reducing CO<sub>2</sub> emissions while the more ambitious approaches look at the sustainability of production processes and circular business models as well as the use of innovative fabrics and ecological materials.

The coronavirus emergency has seen the fashion industry take to the field to support health workers and citizens. It doesn't end there, however, given that the big brands are starting to talk about a more responsible and sustainable post Covid-19 future for fashion.

Pre-pandemic, the fashion industry's green ambitions reached a milestone at the Fashion Pact, presented in 2019 at the G7 summit in Biarritz.

This agreement brought together a global coalition of leading fashion and textile companies, suppliers and distributors, committed to achieving shared goals focused on three main areas: global

## THE FASHION PACT

The Fashion Pact brings together a coalition of 60 leading global companies in the fashion and textile industry.

warming, biodiversity and ocean protection. In Italy, it was the Lombardy region around Milan that first accepted the challenge. In 2020, projects for innovation and sustainability in the Lombardy textile industry got 10 million euros of funding.

## Green by vocation or by necessity?

There are many reasons that have brought on this turn to sustainability in the fashion world, including the sector's huge impact on the environment, expectations from both investors and customers, as well as European regulations.

According to data collected by Fashion for Good in 2020, the fashion sector is constantly growing and one of the most polluting industries, characterised by an unsustainable, linear business model. It is estimated that almost 60% of all garments produced go to landfill within one year of manufacture.

Environmental risks are now the subject of strong interest from an increasingly broad range of stakeholder groups. In terms of sustainability, another critical aspect of the industry is the supply chain and working conditions.

The UK online retailer Boohoo was recently enveloped in scandal after it was revealed that its Leicester-based suppliers put workers at risk, failed to protect them during the Coronavirus pandemic and exploited them. These events have highlighted the need for governments to adopt stricter control measures and to assess supply chains as well.

## New expectations

Companies' sustainable choices are perceived favourably by investors and financial markets point to green policies as strategic elements for competitiveness. There is also a new generation of consumers, increasingly sensitive to sustainability issues, whose purchasing choices are swayed by the conduct of brands. In addition, from

2018 in Europe, companies in the public interest or with more than 500 employees are required to publish a sustainability report, i.e. disclosures on the company's impact on people and the environment and related topics like anti-corruption.

When adding all these factors together, it is clear that sustainability has become more than a voluntary drive or a mere fashion but a necessity and often an obligation for companies.

## Sustainability strategy

A company's sustainability strategy is key in assessing its commitment.

Slogans, messages and marketing campaigns are not enough: the basis of a credible commitment is a concrete strategy that addresses material issues and impacts. The future research conducted by Lundquist in 2019 identifies the ingredients needed to gain confidence in this concrete challenge.

The first step is to define the commitment and the role the company intends to play for a more sustainable future.

After that, it is necessary to identify priorities and areas for action and, based on these, set precise medium- to long-term objectives. To demonstrate the ability to deliver on "promises" it is important to be able to measure achievements and show progress over time.

Finally, the value of a sustainability strategy is assessed on how it compares and adapts to a broader context of global and sectoral challenges and trends.

Only leading companies will be able to adapt their path to the wider context of sustainability.



The Giorgio Armani men's and women's Spring/Summer 2021 fashion show took place behind closed doors and was broadcast entirely, for the first time ever, in prime time on La7.

## Sustainable fashion trendsetters

Sustainability is a dynamic process of continuous improvement that looks to the future, whose success is based on companies' ability to understand the context in which they operate, identify challenges and opportunities, and develop effective strategies.

Climate change is now regarded globally as the most relevant sustainability issue by stakeholders. Companies that invest in research and innovation programmes today will be able to respond to the challenge tomorrow and will lead the way forward.

GlobeScan's "Sustainability Leaders" research, which asks sustainability professionals to identify companies they most admire, placed Patagonia in second place in 2019. The American company, which specializes in sportswear and outdoor wear, is considered a sustainability leader, just one step behind the consumer goods giant Unilever. Patagonia's model is now the

best practice in the industry and is mainly due to the fact that sustainability has been integrated into the company's culture and business since its inception.

The California-based group is active with numerous projects and initiatives to combat climate change and is distinguished by the involvement of its stakeholders in sustainability issues.

## The challenges of the future

The Covid-19 pandemic also challenges many aspects of the fashion industry and generates great uncertainty.

In this new scenario, will companies be able to successfully pursue their sustainability projects?

A strong signal has come from Ursula Von der Leyen, President of the European Commission, who recently indicated green as the most effective model for exiting from the crisis.