Sustainability in fashion. Is it really possible?
CERTIFICACIÓN, TRANSPARENCIA Y RESPONSABILIDAD
CERTIFICACIÓN, TRANSPARENCIA Y RESPONSABILIDAD
**FIGURE 1: GROWTH OF CLOTHING SALES AND DECLINE IN CLOTHING UTILISATION SINCE 2000**

1. Average number of times a garment is worn before it ceases to be used

The rise of fast fashion

Sales of clothing have nearly doubled from 1 Trillion Dollars in 2002 to 1.8 trillion dollars in 2015, projected to rise to $2.1 trillion by 2025.

Clothing production doubled from 2000 to 2014
The number of garments exceeded 100 billion by 2014

The average person buys 60 percent more items of clothing and keeps them for about half as long as 15 years ago.

Global trade in used clothes reaches 4.3 million tonnes, many are unlikely to be worn again.

Since 2000 there has been an "explosive expansion" in fast fashion, led by the brands H&M and Zara.
Exhibit 1
The Planetary Boundaries Have Already Been Breached

- Planetary boundary
- Distance from planetary boundary
- Energy emissions
- Land use
- Water consumption
- Chemicals usage
- Waste creation
Exhibit 2  Fashion's Trajectory on Key Resources Further Deteriorating

Projected global fashion consumption\(^1\) (Million tons)

<table>
<thead>
<tr>
<th>Environmental Impact</th>
<th>2015</th>
<th>2030</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>79</td>
<td>118</td>
<td>+50%</td>
</tr>
<tr>
<td>Energy emissions</td>
<td>1,715</td>
<td>2,791</td>
<td>+63%</td>
</tr>
<tr>
<td>Chemicals usage</td>
<td>37</td>
<td>Pulse Score not to be projected</td>
<td></td>
</tr>
<tr>
<td>Waste creation</td>
<td>92</td>
<td>148</td>
<td>+62%</td>
</tr>
<tr>
<td>Labor practices</td>
<td>14</td>
<td>21</td>
<td>+52%</td>
</tr>
<tr>
<td>Health &amp; safety</td>
<td>1.4</td>
<td>1.6</td>
<td>+7%</td>
</tr>
<tr>
<td>Community &amp; ext. engagement</td>
<td>7</td>
<td>9</td>
<td>+35%</td>
</tr>
</tbody>
</table>

1. Fashion consumption of apparel and footwear
Resource Consumption¹

- 2015: 98 million tonnes
- 2050: 300 million tonnes

Textiles Industry's Share of Carbon Budget²

- 2015: 2%
- 2050: 26%

Microfibres in the Ocean

- 22 million tonnes added between 2015 and 2050

Figure 10: Microfibres from the washing of clothes enter the ocean and food chain

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¹ Consumption of non-renewable resources of the textiles industry, including oil to produce synthetic fibres, fertilisers to grow cotton, and chemicals to produce, dye, and finish fibres and textiles

² Carbon budget based on 2 degrees scenario

Source: Circular Fibres Initiative analysis – for details see Part I
As consumer spending increases, especially in emerging economies, the clothing industry’s environmental impact could expand greatly.

Increases in environmental impact if 80% of emerging markets achieve Western per capita consumption levels

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2025(^2)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CO₂ emissions</strong></td>
<td>1,714</td>
<td>3,030</td>
<td>+77%</td>
</tr>
<tr>
<td></td>
<td>millions of metric tons</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Water use</strong></td>
<td>141</td>
<td>170</td>
<td>+20%</td>
</tr>
<tr>
<td></td>
<td>billions of cubic meters</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Land use</strong></td>
<td>38</td>
<td>41</td>
<td>+7%</td>
</tr>
<tr>
<td></td>
<td>millions of hectares</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{1}\) Rest of world maintains its current levels of per capita consumption.
\(^{2}\) Estimated.

McKinsey&Company | Source: World Bank; McKinsey analysis
LINEAR ECONOMY

TECHNICAL & BIOLOGICAL MATERIALS MIXED UP

ENERGY FROM FINITE SOURCES

CIRCULAR ECONOMY

MAKE

CONSUME

MAKE

ENRICH

RETURN

USE

BIOLOGICAL MATERIALS

TECHNICAL MATERIALS

ENERGY FROM RENEWABLE SOURCES

PRINCIPLES OF A CIRCULAR ECONOMY

WASTE = FOOD

RETURN TO STRONGER

ECONOMY = STRENGTH

ENERGY = RENEWABLES

PRICE = REAL COST

BIOLOGICAL MATERIAL

SAFELY ENRICHES

NATURAL SYSTEMS...

TECHNICAL MATERIALS

DO NOT COMPOST; THE PRODUCTS ARE

MADE TO BE MADE AGAIN...

ELLEN MACARTHUR FOUNDATION
Rethink the future

WWW.ELLENMACARTHURFOUNDATION.ORG/EDUCATION
THREE CORE PRIORITIES FOR IMMEDIATE IMPLEMENTATION

**SUPPLY CHAIN TRACEABILITY**
Trace tier one and two suppliers

**EFFICIENT USE OF WATER, ENERGY AND CHEMICALS**
Implement water, energy and chemicals efficiency programmes in processing stages

**RESPECTFUL AND SECURE WORK ENVIRONMENTS**
Uphold standards for the respect of universal human rights for all people employed along the value chain

FOUR TRANSFORMATIONAL PRIORITIES FOR FUNDAMENTAL CHANGE

**SUSTAINABLE MATERIAL MIX**
Reduce the negative effects of existing fibres and develop new, more sustainable fibres

**CLOSED-LOOP FASHION SYSTEM**
Design products and invent novel collection and recycling systems that enable the reuse and recycling of post-consumer textiles at scale

**PROMOTION OF BETTER WAGE SYSTEMS**
Collaborate with industry stakeholders to explore opportunities to develop and implement better wage systems

**FOURTH INDUSTRIAL REVOLUTION**
Embrace the opportunities in the digitalisation of the value chain and engage with other brands, manufacturers and governments to prepare for disruptive impact and the transition of workforces

GLOBAL FASHION AGENDA
FIGURE 5: AMBITIONS FOR A NEW TEXTILES ECONOMY

1. Phase out substances of concern and microfibre release
2. Increase clothing utilisation
3. Radically improve recycling
4. Make effective use of resources and move to renewable inputs

Renewably sourced feedstock
Anaerobic digestion & composting
Other material streams
**+ sustainable** ——— **- sustainable**

<table>
<thead>
<tr>
<th>CLASS A</th>
<th>CLASS B</th>
<th>CLASS C</th>
<th>CLASS D</th>
<th>CLASS E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycled Cotton</td>
<td>Tencel from Lenzing</td>
<td>Conventional Hemp</td>
<td>Virgin Polyester</td>
<td>Conventional Cotton</td>
</tr>
<tr>
<td>Recycled Nylon</td>
<td>Organic Cotton</td>
<td>Ramie</td>
<td>Poly-acrylic</td>
<td>Virgin Nylon</td>
</tr>
<tr>
<td>Recycled Polyester</td>
<td>PLA</td>
<td>Modal</td>
<td></td>
<td>Cupro</td>
</tr>
<tr>
<td>Organic Hemp</td>
<td>Conventional Flax</td>
<td></td>
<td></td>
<td>Bamboo Viacose</td>
</tr>
<tr>
<td>Organic Flax</td>
<td></td>
<td></td>
<td></td>
<td>Wool</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Generic Viacose</td>
</tr>
</tbody>
</table>

**Made by**

CERTIFICACIÓN, TRANSPARENCIA Y RESPONSABILIDAD
ITUC GLOBAL RIGHTS INDEX 2017

Ten worst countries in the world for working people

BANGLADESH
- Police brutality
- Mass arrests
- Discrimination

COLOMBIA
- Murders
- Collective bargaining undermined
- Discrimination

EGYPT
- Discrimination
- State repression
- Discrimination

GUATEMALA
- Violence and murder
- Arrest of union leaders
- Lack of due process

KAZAKHSTAN
- State repression
- Elimination and murder
- Discrimination and dismissals

PHILIPPINES
- Violence, intimidation and murder
- Discrimination

QATAR
- Forced labour
- Migrant workers excluded from labour law

SOUTH KOREA
- Repression of protests
- Elimination and murder

TURKEY
- Discrimination
- Precarious work

UAE
- Forced labour
- Migrant workers excluded from labour law

Results by region

Europe 2.49

Americas 3.50

Africa 4.00

Middle East and North Africa 4.53

Asia Pacific 4.14

The 2017 ITUC Global Rights Index covers 139 countries, reporting takes place April 2016 – March 2017. The ITUC documents violations of internationally recognized collective rights by governments and employers, each country is evaluated against a list of 9 indicators derived from ILO conventions and jurisprudence and represents violations of workers' rights in law and practice. The final country score determines which rating a country will get, 1 being the best rating and 5 being the worst rating.
CERTIFICACIÓN, TRANSPARENCIA Y RESPONSABILIDAD
Supply chain? Traceability?

Well, here you have one example. It is said that the fashion industry has the longest value chain, so often it is extremely difficult to know all of the parts involved. Here in India you have all of them. Check the picture to meet our organic cotton farmers, spinners, weavers, garment makers... the only one missing here is you!
Including our 2020 commitments with the Global Fashion Agenda and the Textile Exchange Organization, here are our objectives:

Where are we going?

Raw materials

- Increase by at least 25% our use of recycled polyester compared to 2017 (1)
- 100% of styles containing low-impact fibers (28% in 2012 | 92% in 2018)
- 100% of our cotton will be organic (17% in 2012 | 67% in 2017)
- 20% of the range made with recycled waste (including 10% from post-consumer waste) (1)

Circularity/Recycling

- 100% of our stores offering Repair Service and used garment collection points
- 30% of our collection will be easily recyclable through reduction of fiber mixes and trims (1)
- 100% of stores offering Repair Service and used garment collection points

Carbon footprint

- 30% Reduction of CO2 emissions by 2020 (Scope 1, 2 and 3)
- 100% renewable energy usage in HQ and stores (0% in 2012, 72% in 2017)

Where do we want to go?

- We are searching for new materials. Technology is changing so new materials and processes will be coming at affordable prices.

- Involvement with companies in this sector to co-create materials and processes out of post and pre-consumer discarded materials.

- Extensive use of post consumer recycled goods in our collections.

- Use of our network to recuperate used garments from our final customers and their social and family networks. This will include our wholesale customers to whom we want to help to do the same as we do.

- Second life for our leftover garments, upcycling programs, repairing service... we are on our way already!

- Renewable energy in all our premises. A lot done but we want to increase and help the 700 stores of our customers to join in and increase the change effect.

- More involvement in projects where we can help generate knowledge and positive impact, share experiences, joint ventures, pushing certifications across our network of suppliers...

(1) Skunkfunk is a signatory of the 2020 Circular Fashion System Commitments (Global Fashion Agenda).

(2) Textile Exchange rPET working group commitment.
We also...

**Eco Packaging & Tagging**

During 2016, 56% of our cardboard boxes coming from shipments were reused. Currently, we use biobased and biodegradable plastic bags, recycled paper and paper from sustainable sources.

**In-store Recycling**

In association with Koopera, a Basque initiative, we collect used garments to give them a second life.

**Swapping Events**

The swapping events are meetups where our customers exchange Skunkfunk pieces they don’t use anymore between one another. It’s interesting to see how they interact, how they discover a variety of pieces to give them a new home. Both in-house repairing and swapping events are about giving a second chance to long lasting clothing designed consciously with an atemporal style.

**Carbon Footprint Commitment**

At Skunkfunk we are committed to reducing our carbon footprint.

We transport 100% of our production by sea freight and our headquarters and shops in Spain are 100% powered by renewable energy, certified by Goiener. Go ahead, learn more about it at: goiener.com and check our carbon footprint report at: skunkfunk.com/en/ethical.
Yes we can

OUR BUYING HABITS CAN CHANGE THE WORLD.

It's easy to buy something you just saw and fell in love with. But what about the impact of your purchase? What about the consequences for the people, the environment, the land and the water? What about every person involved – and perhaps mistreated – in the process of making that garment that you think you need?

Ok, wait a minute, it's not about feeling guilty about your buying habits. It's about taking the time to think about and understand the true impact that your purchasing power has. It's not a secret that the global clothing production has doubled over the past 20 years, to an astonishing 85,000 million garments in 2016. Textile waste occupies nearly 5% of landfill space, and all of us, tend now to keep that beloved pair of trousers for half as long as we did 15 years ago. In fact, many cheap garments we buy today do not last due to the intentional poor quality and craftsmanship.

Buy cheap, discard fast and create a huge pile of non-degradable garbage along the way is an unsustainable model, isn’t it?

At Skunkfunk we firmly believe that every one of you can make a difference. We’d like to encourage you to ask yourself this three questions before buying:

**Environment:**
Is the brand committed towards their employees, their suppliers and their impact on the environment? How so?

**Fibers:**
Do they mainly use – or are moving towards – including in their collections low impact and sustainable fibers such as organic cotton, ramie, lyocell, linen or recycled polyester?

**Certifications:**
Do they have third party certifications? What do these certifications mean?

Additionally, we invite you to consider these seven tips for better buying, recycling and taking care of your garments:

1. Before buying, ask yourself if you really need it.
2. Avoid products with unnecessary packaging.
3. Consume recycled / upcycled products.
4. Wash whenever possible in cold water.
5. Wash only if necessary and try to reduce the chemicals used in the process.
6. Forget about the electric dryer. Try natural air drying, it’s also cheaper!
7. If it’s broken don’t throw it away. Try to fix it, if not, donate it or try to exchange with friends the garments you don’t use anymore.

Of course it won’t be easy, we all need to do our homework. Take some time to do some research, get involved and above all, inform ourselves before buying.

REMEMBER, OUR MONEY IS MORE POWERFUL THAN OUR VOTE. THE PURCHASING POWER IS IN OUR HANDS AND CHANGE BEGINS AT HOME. BE PART OF THE CHANGE YOU WANT TO SEE!
OBJETIVO NEUTRALIDAD en CARBONO en 2025

Science Based Targets: el método más robusto de medir emisiones y fijar objetivos en línea con el acuerdo de París.

Nuestro esfuerzos por reducir el CO2 en 2018 han ayudado a que SKFK evite: 1889 toneladas de emisiones de CO2. Eso equivale a las emisiones de más de 400 coches de pasajeros (966.308 litros de gasolina) o el equivalente a las emisiones que genera la carga de batería de 240.870.769 smartphones.
Calcule el impacto por producto

Primera herramienta en comparar ahorros: por producto para cada etapa del ciclo de vida comparado con prendas convencionales.

Basado en la base de datos ADEME del gobierno francés.

1200 puntos de dato

OBJETIVO: Ser todos “consumactores”
HACIA LA NEUTRALIDAD EN CARBONO

SKUNKFUNK VEHICLES (Scope 1) = 210

- Vehículos combustibles: 17
- Vehículos eléctricos: 7
- Total: 24

Vehículos: 12

Total emisiones: 18,93 Tn CO2

ENERGY USE (Scope 2) = 460

- 72% de la energía utilizada proviene de fuentes renovables.
- Energía: 12KWh

EMPLEADOS & PRODUCTOS TRANSPORTE (Scope 3) = 3,051

- Empleados viajaron 196,100 km en 2016.
- Empleados viajaron 655,000 km en viajes de negocios.

- 58% de los empleados son conductores verdes.
- 112 compensaciones rastreadas.

- Quantidades de productos transportados (Kg): 17,000
Nuestras oficinas centrales y tiendas en España están abastecidas al 100% por energía renovable, certificada por Goiener.
El equipo de SKFK plantando árboles para la compensación del carbono.
THE CUSTOMER HAS THE ULTIMATE POWER!

We have more power with our euros than with our votes.

With our purchase, we give shape to the world we live in.
CHANGE

#STOPGREENWASHING

SKFK
Eskerrik asko!
Tack!
Thank you!