Conference Services

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**OPPORTUNITY:**
GROWING DEMAND OF TEXTILE PRODUCTS

Current textile production - estimated at 75 Million tons - is expected to grow faster than population and food

Source: Icac report (World Textile Consumption 2011) and updates, Lenzing estimates (annual report)
WORLD FIBER MARKET:

World Textile Fiber Consumption

- 62% Cotton
- 7% Cellulosic Fiber
- 5% Other natural fiber
- 1% Wool
- 7% Synthetic fibers

Consumption of Cellulosic and Cotton Fibers in Million Ton

<table>
<thead>
<tr>
<th>Year</th>
<th>Cellulosic Fiber</th>
<th>Cotton Fiber</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>4.2</td>
<td>22.4</td>
</tr>
<tr>
<td>2015</td>
<td>6.2</td>
<td>26.5</td>
</tr>
<tr>
<td>2020</td>
<td>10.0</td>
<td>26.2</td>
</tr>
<tr>
<td>2025</td>
<td>14.5</td>
<td>26.6</td>
</tr>
<tr>
<td>2030</td>
<td>19.3</td>
<td>26.0</td>
</tr>
</tbody>
</table>

Cellulose Gap: due to available land and high environmental costs, the supply of Cotton fiber will not be able to meet the increasing demand, creating a gap for Cellulosic fibers.

Source: “Eco Fibers Market by Type, by Application and by Region - Global Forecast to 2020” report by MarketsandMarkets

Source: Lenzing Investor Presentation – Full year results 2015 March 23, 2016 and Eco Fibers report by organicexchange.org

Textile Fibers

<table>
<thead>
<tr>
<th>Natural fibers</th>
<th>Man-made fibers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protein based</td>
<td>From natural polymers</td>
</tr>
<tr>
<td>Cellulose based</td>
<td>From synthetic polymers</td>
</tr>
<tr>
<td>Synthetic fibers</td>
<td>From anorganic polymers</td>
</tr>
</tbody>
</table>

Orange Fiber

Cellulose Fiber from citrus
Artificial (Natural, non-Synthetic)
A SUSTAINABLE MATERIAL FOR FASHION
made with a patented cellulosic fiber from citrus byproducts
alternative to wood consumption

FROM A RENEWABLE SOURCE
• 60% of the weight of an orange is considered waste (after juice production)
• Italy produces 700,000 Tons of citrus byproducts every year
• 80% of orange juice production is from the US (patent granted), Brazil and Mexico (patent pending)
### SUSTAINABILITY MARKET TREND

#### THE STATE OF FASHION 2018

<table>
<thead>
<tr>
<th>TRENDS</th>
<th>DISRUPTIONS</th>
</tr>
</thead>
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<tr>
<td>01. Geopolitical turmoil, uncertainty, and unpredictability are the new normal.</td>
<td>Globalisation reasserts itself as the rise of nationalism, protectionism, and retarding globalisation will not stop.</td>
</tr>
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<td>02. Despite the rise of nationalism, protectionism, and retarding globalisation, globalisation will not stop.</td>
<td>Asian players will assert their presence in the global fashion scene, fashion firms and retailers will have to adapt.</td>
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<td>03. Asian players will assert their presence in the global fashion scene, fashion firms and retailers will have to adapt.</td>
<td>The question for fashion brands is how to develop a business model that is more sustainable.</td>
</tr>
<tr>
<td>04. Personalisation and customisation are more important to the consumer.</td>
<td>Platforms that enable consumers to create their own fashion have become more prevalent.</td>
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<td>Mobile technology is a game-changer.</td>
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<td>Sustainability and value creation are more important to the consumer.</td>
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<td>Off-price discounting continues to increase.</td>
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<td>Off-price discounting continues to increase.</td>
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<td>10. Off-price discounting continues to increase.</td>
<td>Sustainability to reduce the amount of waste and improve the sustainability of the product lifecycle.</td>
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</tbody>
</table>

#### GLOBAL ECONOMY
- Volatility and uncertainty
- Global interconnectivity and competition
- Growth shift from West to South and East
- Digitisation of technologies with acceleration of adoption
- Urbanisation

#### CONSUMER SHIFTS
- Commodified and in control
- Sustainable and meaningful during shopping journeys
- Expanding zero friction
- Shoring up supply information, reviews, recommendations
- Expecting it all: Convenience, quality, value, orientation, awareness and price

#### THE FASHION SYSTEM
- Digitisation across the value chain, with rededication to structure
- Accelerated industry moves: Leaders push the limits of time from design to shelf
- Brands experimenting with direct-to-consumer
- New innovative business models
- Brick-and-mortar traffic in decline – reimagining the store
- Proliferation of data, providing business opportunities and challenges in control and security

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### OUR UNIQUE SELLING POINT

**Sustainability**
Orange juice secondary product

**Ingredient Brand**
Communicate directly to end-consumers
FERRAGAMO ORANGE FIBER COLLECTION

INDUSTRY FEATURED PUBLICATIONS

Circular x Fashion Tech
Trend Report 2018

H&M FOUNDATION & ACCENTURE - 2018

ELLEN MACARTHUR FOUNDATION & CIRCULAR FIBRES INITIATIVE - 2017

GREENPEACE - 2017

THE URBAN BIO-LOOP
GROWING, HOPPING & REGENERATING

ARUP - 2017
FROM PATENT TO FIRST GLOBAL COLLECTION

Patent filed in Italy

First fabric prototype produced

PCT entered national phases in top citrus juice producers countries: Europe, Brazil, USA, India, Mexico (pending)

Global Change Award from HM Foundation

Contract signed with Salvatore Ferragamo (exclusivity contract valid until Dec 2017)

1st collection made with OF by Salvatore Ferragamo sold in boutiques worldwide

Technology & Operation development

Major Awards and recognition

Sales and contract with clients

WORLD LEVEL AWARDS & RECOGNITIONS

Fashion for Good - Plug & Play Accelerator Program - March 3, 2018 - Fresh for Good, Plug & Play C.A.S.

Nominated for Premio Compasso d'Oro 2016 (Italian Design) - ADI Associazione per il Design Industriale.

Technology and Innovation Award - Green Carpet Fashion Awards Italy 2017, Camera Nazionale della Moda Italiana, Eco Age.

Premio per l’Innovazione 2015 ADI DESIGN INDEX - ADI Associazione per il Design Industriale.

EY Entrepreneurial Winning Women EU Class of 2016 - Ernst & Young Global Limited.

Winner of Global Change Award 2015 – H&M Foundation, €1,500k - 6-year accelerator program - Accenture, KTH Royal Institute of Technology in Stockholm.

COTEC Premio Nazionale per l’Innovazione “Premio del Prenot” 2016 (Italian Design) - Repubblica Italiana, ADI Associazione per il Design Industriale.

Ideas & Change Award 2015 - UNECE Genève.

ELLE Impact3 for Women in Italy - ELLE, Comitato di Innovazione, Gruppo Intesa San Paolo.

Changemakers for EXPO 2015 - Telecom Italia, EXPO 2015, Milan e Cuba.
“Real luxury is based on authenticity and sincerity – product is almost secondary to the experience. But if your products are not in sync with a higher set of values, then you aren’t going to survive in this business”

Mr. François-Henri Pinault – CEO and Chairman, Kering Group