



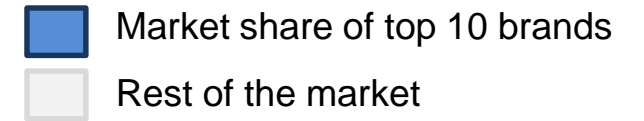
Creating transparent supply chains

Amit Gautam – CEO &
Founder

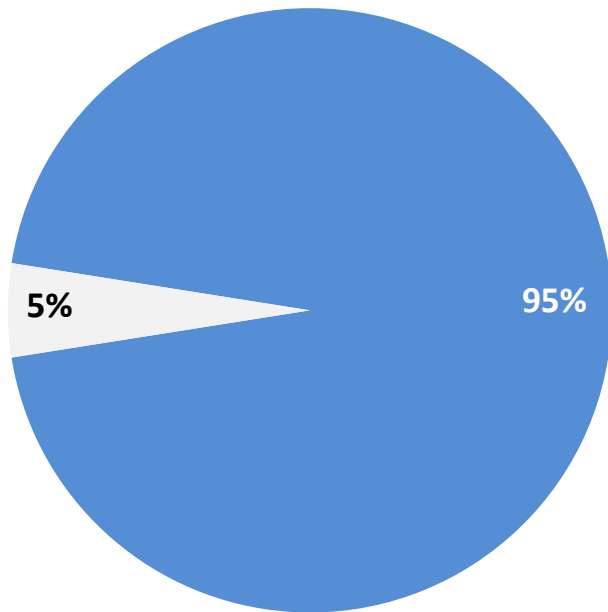
Confidential

Textile/fashion industry is one of the most fragmented sectors

Global market share - top 10 brands vs. rest of the market

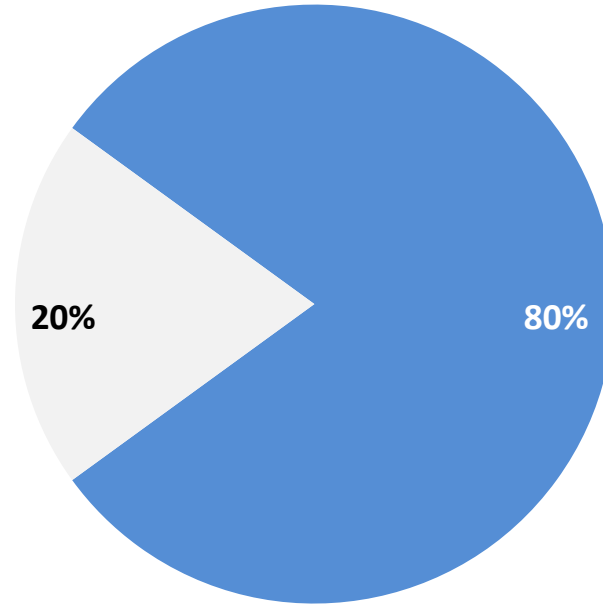


Consumer electronics



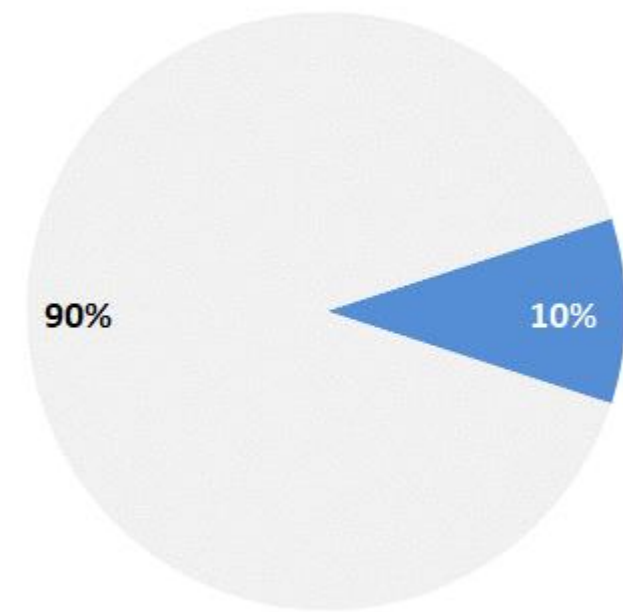
\$ 1.2 trillion¹

Automotive



\$ 2.2 trillion²

Fashion/Textile



\$ 2.4 trillion³

1. Consumer Electronics market, Zion market research
2. International Organization of Motor Vehicle Manufacturers (OICA)
3. State of Fashion 2017, McKinsey and Business of Fashion

“95% traceability gap” – an URGENT need of fashion industry



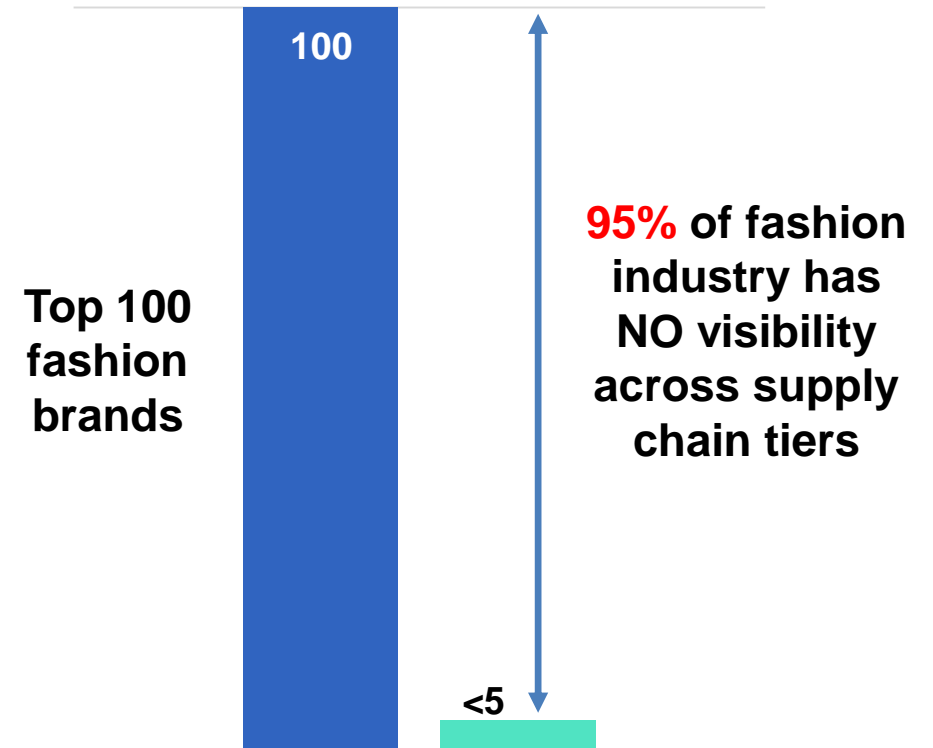
Top 100 fashion brands have set 100% sustainable fibers target by 2025...



...thus, sustainable textile fibers market is expected to triple by 2025 to 100 Bn USD



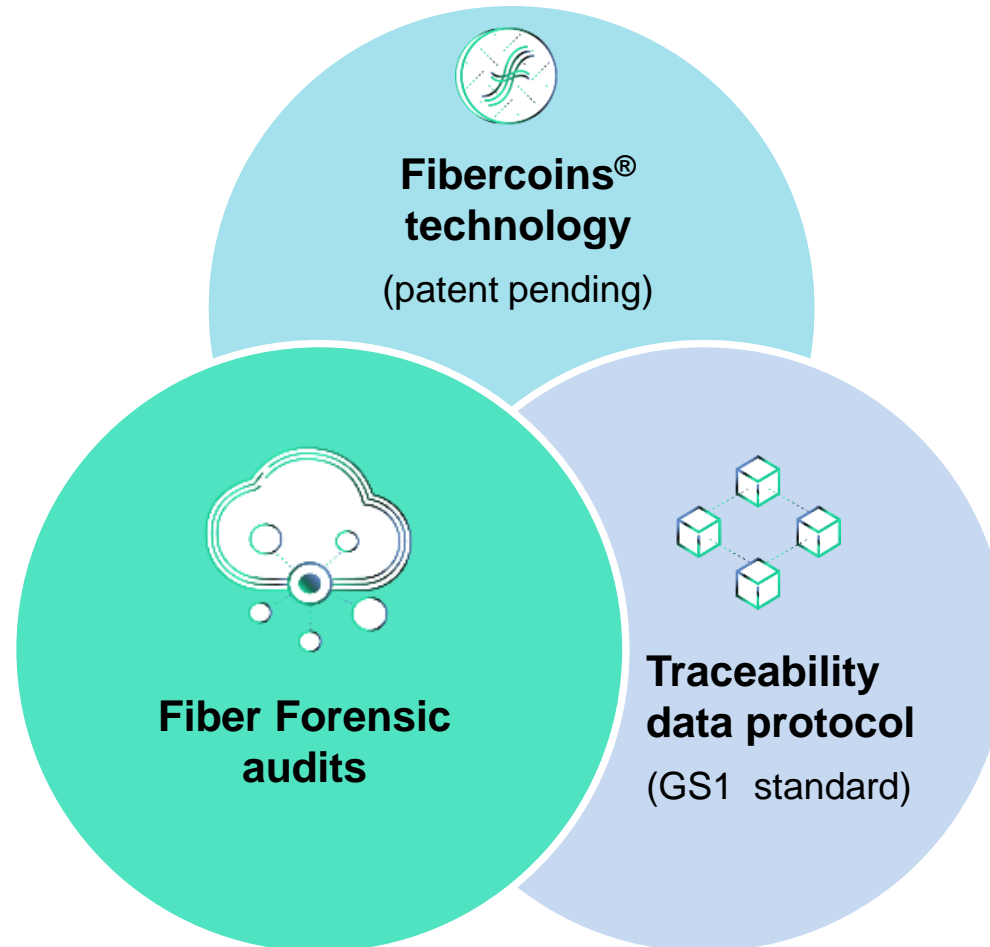
However, brands have limited raw material visibility



TextileGenesis™ - scalable enterprise solution for traceability

Three industry-leading innovations

Three key innovations
create first of its kind
traceability platform



Case study (1/2): A clear differentiation is emerging in textile fibers market based on sustainability and transparency

- 1 Strong NGO/activist approach & media focus on Viscose fibers industry... →
- 2 ...resulting in top global brands to make public commitment to sourcing sustainable and traceable viscose by 2023 →
- 3 Resulting in two distinct textile fibers markets – sustainable & traceable fibers vs. unsustainable/opaque

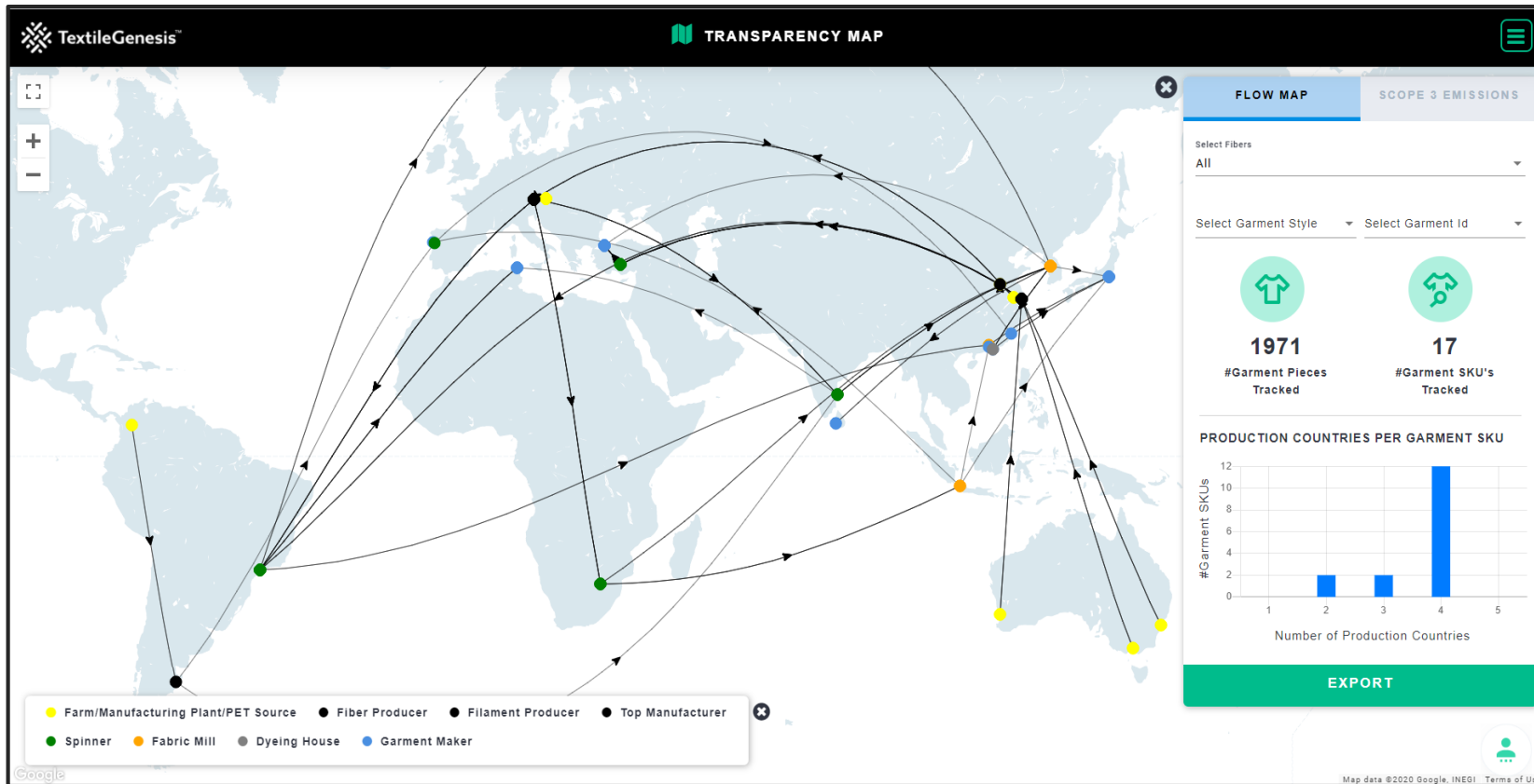


Strong market need for sustainable and traceable fibers in the fashion industry (e.g. for first time a clear distinction is emerging between good and bad viscose, lyocell, recycled PET, cotton, etc.)



Case study (2/2): Global pilots with multi-stakeholder: Lenzing, TE, WEF, ITC

Multi-stakeholder pilots conducted across the supply chain



- Cross industry initiative with Lenzing, WEF, ITC
 - Fiber-to-retail traceability for TENCEL™ Fibers from Austrian plant to Brand across all 5 tiers
- Complete **digital traceability using digital tokens Fibercoins™**
- 60 min training sufficient for suppliers to independently use the system
- **“Filed-tested” platform in 10+ textile countries and four major brands**
- **System being rolled out globally in Q4 2020** with Lenzing, Schneider (wool), and leading global brands

Case study (3/3): Textile Exchange & TG partnership is exploring completely electronic chain of custody

Checks:
physical
processing

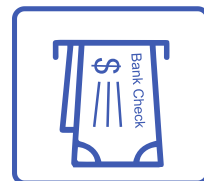


Banks +
Clearing
Houses



TC - Now

Checks:
digital
processing



CDS
(dTrackit)

Online
electronic
transfer



TE-TG
(eTrackit)

A smart digital textile traceability should focus on five key design principles

Five metrics to measure success of a 'digital' chain of custody

- ① **Industry-wide engagement** with leading brands, fiber producers, certification standards, and textile suppliers is fundamental to success of any traceability system
- ② **High system integrity by linking digital with physical** through “tokenization” of fibers at the source of origin, integration with fiber verification technologies and ‘risk-based’ audits
- ③ **Easy to use & deploy** on two dimensions: low training & IT requirements to on-board supply chain partners, and B2B transactions through data upload (instead of manual inputs)
- ④ **Inter-operability**: ability of the platform to listen & communicate with other external systems such as fabric certification systems, Textile Exchange
- ⑤ **Flexibility to model broad supply chains** such as cellulosic fibers, recycled polyester, and wool; and **ability to offer transparency layer** (mobile) for consumer engagement