

# Thread

Recycled  
Fibre  
FINEX™ Buzz

Lyocell  
by Sateri

StretchCosy™  
EcoCosy® Partnership  
with DuPont Sorona®

The Future  
of MMCF:  
Vision  
2030

Outdoor,  
Casual,  
Children's Wear  
We've Got You All Covered!



# RECYCLED FIBRE FINEX™ BUZZ

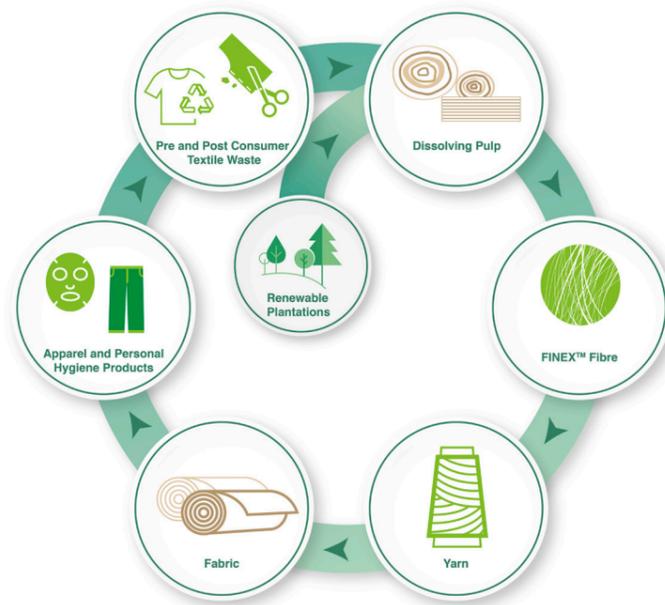
Globally, less than 1 per cent of material used to produce clothing is recycled into new clothing. This presents a huge opportunity for textile fibre recycling, particularly for China – the largest textile-producing country in the world.



Scan QR code to watch The Making of FINEX™

Sateri unveiled FINEX™ as its new product brand for recycled fibre in June 2020. FINEX™, short for 'Fibre Next', is an innovative next-generation cellulosic fibre containing recycled content.

FINEX™ was officially launched at a dinner event on the sidelines of Intertextile Shanghai Apparels Fabrics on 23 September 2020.



Produced on a commercial 35,000 ton line using a mix of dissolving pulp made from recycled post-consumer textile waste by Swedish company Södra, and other PEFC-certified wood pulp, FINEX™ is also certified to the Recycled Claim Standard (RCS). The certification provides verification of recycled raw materials through the supply chain and is intended for use with any product that contains at least 5% recycled material. Sateri has successfully produced FINEX™ viscose fibres with up to 20% recycled content.



The technology to regenerate textile waste into new cellulosic fibres is emerging and technically challenging, especially given that most textiles today are made from a blend of fibres. In the past few months, our R&D team has worked hard to find the right balance by developing a viscose product that is made out of recycled textiles without compromising quality.

Allen Zhang  
Sateri President

The breakthrough in commercial production of FINEX™ viscose fibre was made possible thanks to downstream yarn, garment manufacturing and brand partners.

With Linz Nanjing yarn spinning mill using two advanced technologies, Siro compact and Vortex, Sateri was also able to ensure stable yarn production without the need to adjust processes or parameters of existing



“Like our flagship brand EcoCosy®, FINEX™ is made from bio-based natural fibres. Innovation and technology has made cellulosic textile fibre recycling possible, and FINEX™ demonstrates how nature not only renews itself but that products made from nature can also be regenerated.

This, at its heart, is what circular fashion looks like.

Our brand promise to customers remains constant– Sateri’s products are sustainable, high quality, efficient, and cost-effective.

The FINEX™ tagline ‘Together For A Better Next’ expresses our aspiration to be the partner of choice for next-generation fibre.”

Tom Liu  
Sateri Commercial Vice President

spinning technologies. The result is a quality fibre with excellent spinning efficiency that delivers yarn evenness and tenacity.

Ahead of the official launch, Sateri partnered international outdoor brand Lafuma and independent Chinese designer Rico Lee to create apparel made from FINEX™ fibres. These were sold on e-commerce shopping platforms and demand has proven to be strong.

In the ‘2020 Sustainable Fashion Report’ released by China’s leading business news publication CBNweekly, results of a survey with stakeholders in the fashion value chain reinforced the potential of textile recycling as a solution to the problem of textile waste arising from over-consumption and production. The report identified technology and capital as the biggest barriers to textile recycling and highlighted the critical role brands play in mobilising manufacturers and consumers to advance sustainable fashion.

As part of its efforts to promote textile fibre recycling in China, Sateri is in dialogue with the China Association of Circular Economy (CACE) to undertake a comprehensive study on the industrial-scale textile waste recycling landscape in the country. The study is expected to commence next year.



# Lyocell by Sateri

CHINA

Sateri has now entered China's Lyocell market. Located in Rizhao, Shandong, China, Sateri's newly installed 20,000 ton per annum production line will broaden the company's portfolio of high-quality fibre products and bolster Lyocell supply to the textile and non-woven markets. Production commenced in May 2020.



The in-house development of Lyocell is testament to Sateri's pursuit of innovation, backed by the tenacity and hard work of our team in recent years. Sateri's commitment to innovation and improvement even in the face of global health and economic challenges underscores the fact that the company is not wedded to any single technology or process for fibre production.

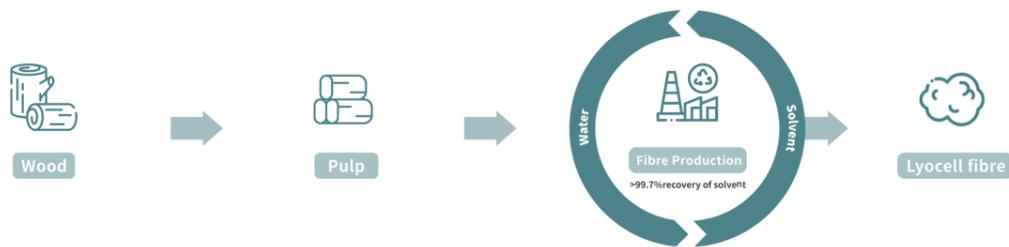


## ABOUT SATERI'S LYOCELL

A natural and biodegradable fibre, Sateri's Lyocell is made from wood pulp sourced from sustainable plantations. It is manufactured using closed-loop technology, requiring minimal chemical input during the production process, and utilising an organic solvent that can be 99.7% recovered and recycled.



Lyocell is used to produce high quality textiles and personal hygiene materials. Textiles made from Lyocell possess high tenacity and bright lustre. In fact, it shares similar qualities with textiles made from viscose – soft and silky with good drape, breathability, and absorption.



Lyocell is not only a higher value product but also an eco-friendly fibre that is bio-based and minimises chemical use and emissions. Sateri's investment in Lyocell is very much aligned with the aim for technical and product upgrading for China's textile industry.

Duan Xiaoping  
Deputy President of China National Textile and Apparel Council (CNTAC) and President of the China Chemical Fibers Association (CCFA)



The recent string of product portfolio expansion announcements (Lyocell and recycled fibre FINEX™) is underpinned by Sateri's business strategy to capture value and growth opportunities. Being the world's largest viscose producer gives us the advantages that come with volume, but delivering value will be what differentiates us. By this, we don't only mean higher value products like Lyocell or FINEX™, but also the value we bring to the countries we operate in, our communities and customers, and the environment.

Allen Zhang  
Sateri President

Lyocell  
By Sateri



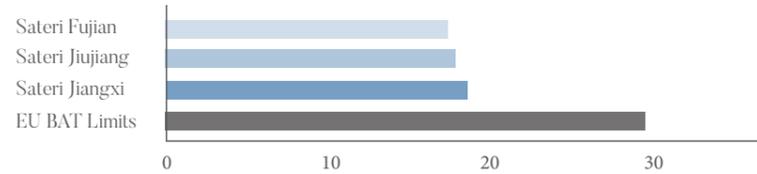
# More Sateri Mills Meet EU-BAT Environmental Emissions Limits

## WELL ON TRACK FOR ALL ITS MILLS TO BE EU-BAT COMPLIANT BY 2023

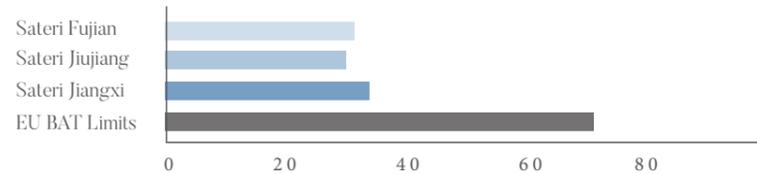
Two more Sateri mills in China, Sateri Jiujiang and Sateri Jiangxi, have received verification of compliance to the emissions limits set out in the European Union Best Available Techniques Reference Document (EU-BAT BREF) on Polymers. This brings the total number of EU-BAT compliant mills to three of five, accounting for over 60 per cent of Sateri's overall fibre production capacity. In April this year, Sateri Fujian was the company's first mill to be verified as being EU-BAT compliant.

Verified by independent consultant Sustainable Textile Solutions (STS), a division of BluWin Limited (UK), the parameters of the EU-BAT BREF assessed included resource utility efficiency, wastewater discharge and air emission. As a highlight, STS' assessment concluded that the energy intensity and air emission of Sateri Jiujiang and Sateri Jiangxi were well under EU-BAT norms for viscose production. Considering the EU-BAT energy requirements limit of 30GJ/MTf, the mills were each saving about 1,100 kg CO<sub>2</sub>/MT of fibre production. The mills also followed local requirements for controlling ecological impact for viscose production, and there were no gaps identified against EU-BAT.

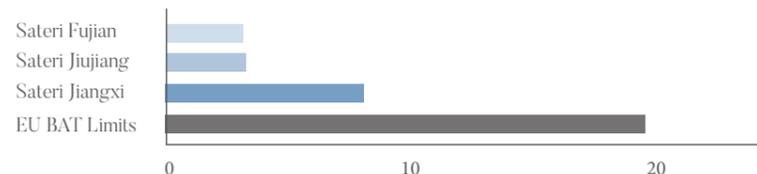
ENERGY INTENSITY (GJ/MTF)



PROCESS WATER (M<sup>3</sup>/MTF)



SULPHUR TO AIR (KG/MTF)



Sateri Jiangxi is a 16-year-old mill and the company's first and oldest, while Sateri Jiujiang was acquired and expanded in 2015. With three of Sateri five mills meeting the EU-BAT emissions limits in such a short span of time, Sateri is committed to continue investing in the best-in-class technologies – regardless of whether they are existing, acquired, or newly constructed mills.

The remaining two mills, Sateri Jiangsu and Sateri China which were acquired and newly-built in 2019 respectively are well on track to comply with EU-BAT's recommended emission levels by 2023.

EU-BAT complaint mills (top down): Sateri Jiujiang, Sateri Jiangxi, Sateri Fujian

# StretchCosy™ An EcoCosy® and Dupont™ Sorona® Partnership



The global sports apparel market is forecasted to hit around USD208 billion in 2025. Complemented by the rise of the athleisure fashion movement and an increase of stay-at-home workouts due to the ongoing COVID-19 pandemic, demand for clothing that is high performing yet comfortable is expected to continue growing.

StretchCosy™ is a new fabric developed by DuPont™ Sorona® and Sateri. It uses a blend of Sorona®, a partially plant-based fibre, and Sateri's ultra-comfortable and near weightless EcoCosy® fibres to achieve a soft material that is highly stretchable, shape-retaining and, most importantly, sustainably sourced.

Created in 2019, StretchCosy™ is a fabric breakthrough that made it possible for natural plant-based fibres to be more extensively used in various applications, e.g. T-shirts, shirting, bottoms, jackets, dresses, hoodies and underwear. Previously, cellulosic fibres were rarely found in sportswear, due to the risk of piling. The combination of Sorona® and EcoCosy® in StretchCosy™ has eliminated this concern, hinting at the future of activewear where performance combined with sustainability will be the norm.

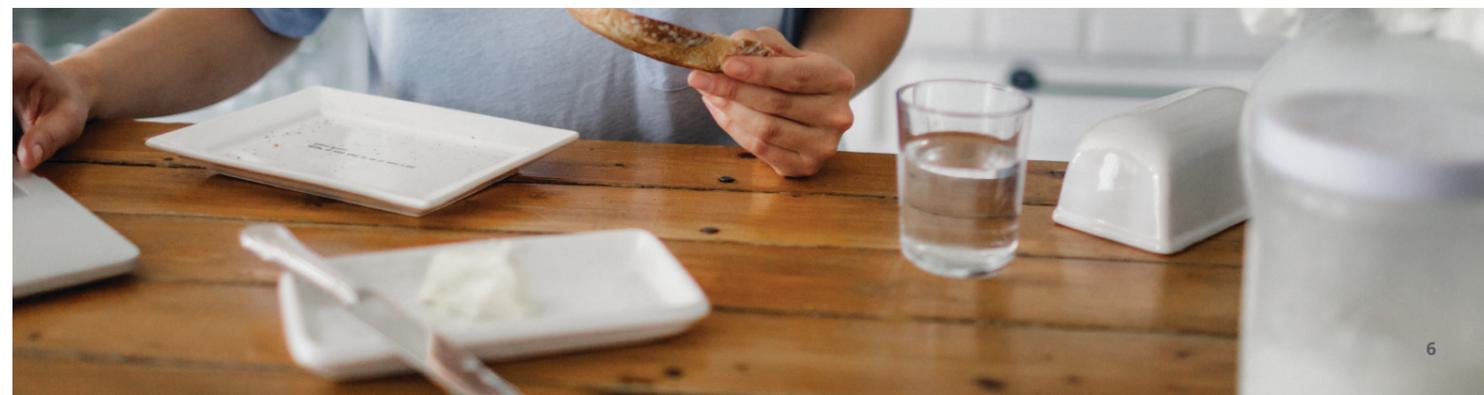
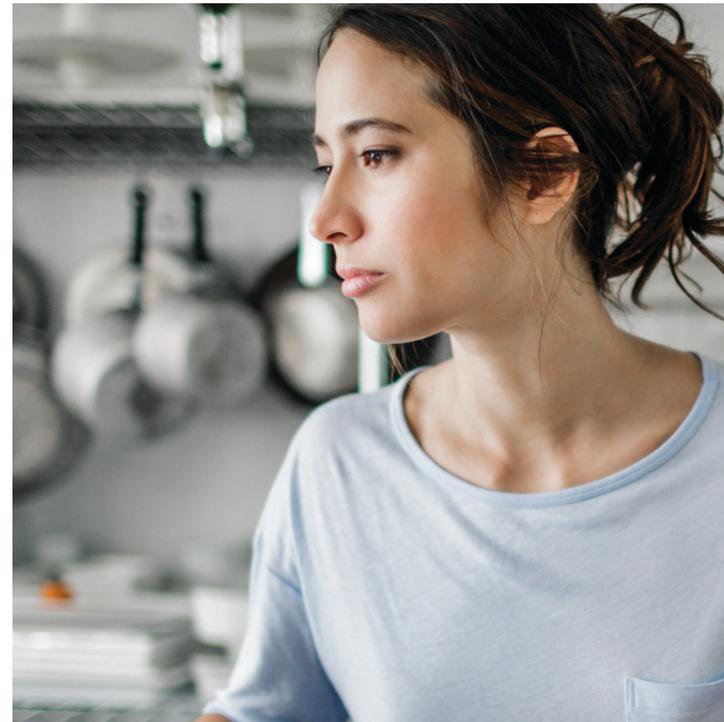
StretchCosy™ embodies the characteristics of high performing yet comfortable clothing, a win-win for sustainable clothing.

Renee Henze, Sorona® Global Marketing Director, said, "It is encouraging to see members of the same industry come together to collaborate for the better good. Our partnership with Sateri in creating StretchCosy™ combines innovation from both fiber offerings into a superior product that we believe not only will exceed consumer expectations, but is kinder to the environment."

### ABOUT STRETCHCOSY™

StretchCosy™ combines the mechanical stretch of Sorona® stretch fibres, which gives it excellent stretch and long-lasting, consistent recovery, with the soft, cotton-like breathability and smooth silk-like texture of EcoCosy® for an unparalleled fabric that is high-performing and well-suited for fashion and sportswear.

StretchCosy™ has been well-received by fabric manufacturers and various brands, including Shui Bing Yue (水冰月), In & On, and famous women's fashion brand, Eifini (伊芙丽). This positive uptake has prompted both companies to formalise and to deepen the strategic partnership with the introduction of StretchCosy™. Building on this success, both parties can confidently look toward more breakthroughs in the future.



# NON-WOVEN FIBRES

## *A Hopeful or Rough Future?*

### IMPACT OF COVID-19

The COVID-19 pandemic has inevitably had a significant impact on the textile and apparel industry. Orders have been cancelled as retail comes to a near standstill globally, with overall demand and prices falling. In the viscose industry, the operating rate dropped from 75 per cent from the end of 2019 to 60 per cent in June 2020 while prices have fallen by more than 20 per cent in the first six months of this year compared to the same period last year.

Despite these circumstances, Sateri's non-woven fibre production volume has increased by 30 per cent and sales have been healthy as demand for medical and personal hygiene products such as disinfecting wet wipes have increased during this time.

Wet wipes and masks are additional must-have items in our bags today. Soft and water absorbent nonwoven viscose fibre is a popular choice of raw material for these two items, driving the demand for nonwoven viscose fibre upwards.

**Wet Wipes**

Anti-bacterial wet wipes help to protect against viruses that may be on the surfaces that we touch every day.

**Masks**

A 3-ply mask with a middle filter layer that helps to keep droplets away.



Prior to Covid-19, the projected annual growth rate for nonwoven fibres was around 14 per cent, but the pandemic has fuelled greater demand for disinfectant products and antibacterial wipes.

Safety and health advantages have also become major drivers for industrial wipes used in medical and food service businesses during the pandemic. For example, using disposable nonwoven wipes lowers the risk of contamination, as opposed to using reusable laundered textiles. Given this trend, the growth projection for nonwoven fibres is expected to rise, with safety and hygiene being a priority in the foreseeable future.

Sateri has modified two of its current textile fibre production lines in Jiangxi province to produce nonwoven fibres – one is already in operation in mid-June, while the other will be ready later this year.

### THE EUROPEAN UNION (EU) SINGLE-USE PLASTICS DIRECTIVE (SUPD)

Both in Asia and globally, increased public awareness and support for environmental protection, higher disposable incomes and product functionality are the three main drivers of demand for plastic-free wipes.

The SUPD is the single most influential regulation that impacts the nonwoven feminine hygiene products and wet wipes across the world. Since its introduction in July 2019, member states are given two years to add the directive into the national law. To help facilitate the process, the directive has called on the European Commission (EC) to prepare corresponding guidelines to clarify its scope and objectives as well as its general terms and definitions, in particular its single-use plastic product definitions.

The initial classification of viscose and lyocell falls under the 'plastics' category. As the EU constitutes a major market for the nonwoven industry, the outcome of these classifications will bring about significant repercussions to the nonwoven industry, including Sateri. Sateri along with other nonwoven industry stakeholders have submitted a request regarding this matter, but should the appeal to European Commission fail, there may be market uncertainty and a global shortage of wipes, as prices will be pushed up due to an expected shortage of raw materials.

In reality nevertheless, while plastic-free wipes perform better on softness and water absorbency rate, which are two characteristics that consumers value, consumers can also be price-sensitive, so blended wipes will continue to have a role to play.



EcoCosy® 优可丝® **Thin·Soft**

— MORE THIN AND SOFT , MORE COMFORTABLE —

EcoCosy® 优可丝® **Fresh**

— ENJOY THE FRESH , PURE AND NATURAL —

EcoCosy® 优可丝® **Ultra Care**

— ENJOY THE PEACE OF MIND —

▶ 29th China New Fibres and Yarns Symposium (18 - 19 June 2020)



▶ The Greater Bay Intertextile, Yarn Expo Shenzhen, CHIC (China International Clothing Expo) and PH Value (Knitting Expo) (15 - 17 July 2020)



▶ EcoCosy® China Fashion Fabrics Design Competition Appraisal Meeting (12 August 2020)



▶ New ISPO Shanghai 2020 Exhibition (3 - 5 July 2020)



▶ 14th China International Trade Fair for Technical Textiles and Nonwovens (CINTE20) (2 - 4 September 2020)

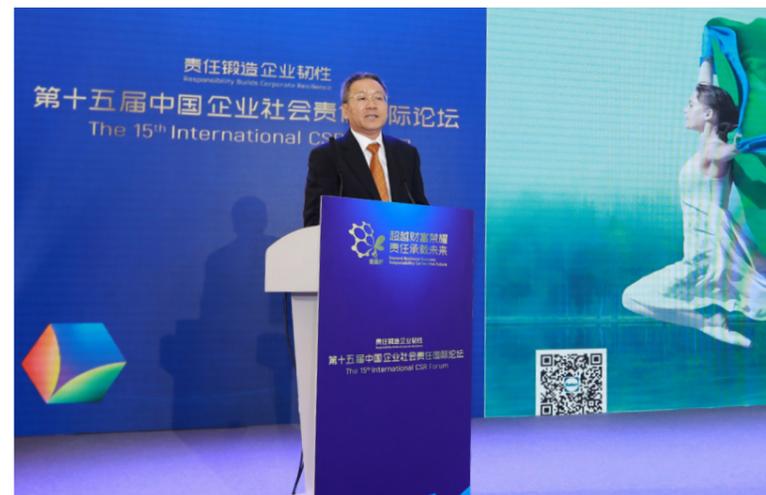


▶ Shanghai Intertextile (Autumn) Apparel Fabrics (23 - 25 September 2020)



▶ **Sateri Joins Golden Bee Global CSR 2030 Initiative**  
In support of the United Nations Sustainable Development Goals (SDGs), Sateri has joined the 'GoldenBee Global CSR 2030 Initiative' alongside 38 other companies and organisations. Sateri shared our top 3 goals at the 15th International CSR Forum held in Beijing on 6 August:

- 1 To reduce carbon emissions by 30%
- 2 To increase percentage of recycled fibre material
- 3 To meet the highest environmental standards in the industry



▶ **Sateri Receives CDP Influence Award on Climate Action**  
Sateri received the 'Influence Award on Climate Action' in recognition of its efforts in environmental management at the CDP China 2019 Annual Report Conference held in Beijing. Last year, Sateri scored 'A-' in the CDP Climate Change Report - the first time ever a viscose producer reached Leadership Band.



# Helping Farmers Go Online

Since the start of the Covid-19 pandemic, local farmers near Sateri mills have lost more than 80 per cent of their usual monthly sales revenue due to a drop in demand.

In order to help local farmers sustain their livelihoods during this challenging period, more than 4,000 Sateri employees are now purchasing their daily supply of vegetables, poultry, eggs and fish from local farmers with just a click on their mobile phones. This online platform has not only improved sales, but also provided a steady income stream for the farmers with subscription plans. What started as an employee-led initiative to help farmers go online has now evolved into various committees set up to facilitate online group purchases – all voluntary!



I really want to thank Sateri and all its employees for extending this programme to us. It has greatly helped us improve our sales over the last few months. I get to learn a new skill too – e-commerce – and that helps me keep up with the next generation!



I feel good knowing that I am helping the farmers in our communities during this tough time. What's better is I benefit from the convenience the programme offers!



**Zhou Xiao Zhen**  
Village Head/Poultry Farmer



**Ke Yu Yi**  
Sateri Learning Institute Trainer



# Flood Relief Efforts

In July 2020, China experienced its worst floods in recent decades due to heavy rainfall. Close to 1 million people in various parts of the country had to be evacuated. Sateri mills were not spared either. Our employees from various departments worked together to ensure that production was able to continue as per normal.



Even as our employees were busy ensuring the safety of their homes and our mills, we sent volunteers to deliver relief packages and daily necessities to frontliners at Yangtze river embankments who worked around the clock to contain the flood.

## Sateri's Poultry Farming Programme

Poultry farming is one of Sateri's flagship community development programmes. Villagers living near Sateri's mills who register for the programme are given free training and a batch of young livestock to rear. During the process, they receive ongoing guidance to ensure their livestock is healthy. The programme concludes with sales and marketing support to empower farmers to sell their harvest at competitive prices in nearby markets, with the ultimate aim to raise living standards and reduce poverty in these communities.



# The Future of MMCF: Vision 2030



## A Future Where Resilience and Regeneration Runs Through Every Fibre

By Dr. Sally Uren at Forum for the Future

Dr Sally Uren discusses the context for the MMCF Vision and the plans to build on Textile Exchange's MMCF Roundtable and the newer Hub in order to create a vehicle for accelerated action, faster collective innovation and problem solving and to build resilience and regenerating society and the environment.

Sateri is pleased to have supported and participated in the process to conceive the Vision alongside over 50 other stakeholders who provided their inputs over the past year.

Forum for the Future is a leading international sustainability non-profit organisation that specialises in addressing critical global challenges by catalysing change in key systems.

Many everyday items, from tissues to clothes, are made from fibres. It's a reasonably safe bet that something that you are wearing right now is made of cellulosic fibre - a category that includes cotton, as well as man-made cellulosic fibres (MMCF). For those who aren't familiar with the term, MMCF includes Viscose, Cupro, Rayon and Lyocell, just to name a few varieties. They are predominantly made from tree cellulose, but can also be made from pre-consumer waste cotton and agricultural residues. This cellulose is pulped using a process very similar to that of paper production and then, using a different chemical process depending on the type of MMCF, is dissolved, spun, washed, dried and turned into filament, fibre and yarn.

Though currently a relatively small part of the overall fibre market, the use of MMCF is on the rise. Before the pandemic hit, MMCF volumes were expected to increase significantly, nearly doubling to 10 million tons annually within the next 15 years. Whilst it may still only form a

small proportion of the total raw materials that fashion and home textile brands buy, volumes are set to rise, particularly as MMCF produced using waste materials offers an opportunity to make real progress towards a circular economy. Although demand in these sectors may have slumped temporarily over the last few months with the onslaught of COVID-19, demand will have continued to rise in the beauty and personal care sectors as we take extra care. Wipes, diapers or nappies, sanitary products - all of these product categories are experiencing a switch to MMCFs as key raw materials and this is set to continue.

Whilst MMCFs offer huge potential for a circular economy, production of the fibres can have negative impacts on both people and the planet. It is no surprise therefore that a number of prominent and respected organisations have turned the spotlight on MMCF producers. ZDHC, a collaboration of apparel and footwear brands and retailers, is paying particular attention to the chemicals that are used. The non-profit Canopy, which publishes The Hot Button Report, is paying attention to where and what kinds of forests the dissolving pulp originates from. In addition, organisations such as the Changing Markets Foundation are focused on the uniform adoption of best available standards.

**All in all, there is a lot of activity, but no shared view within the value chain - from manufacturers to brands - as to what a sustainable MMCF sector could look like.**

This is why at Forum for the Future, in partnership with Textile Exchange, we have been working for the last 12 months to support the industry in building a vision that sets out the contribution it can make to building resilience and regenerating society and the environment.

**The vision is very much a call to action. Not all of it is 100% possible, and it is certainly not 100% viable in today's economic system. But by using this vision as a guiding North Star, and by acting collectively on the enablers it sets out, including new financial mechanisms and policy advocacy, the industry could potentially play a huge part in creating a circular economy in textiles and beauty and personal care, protecting areas of high carbon value, and creating prosperity in a way that tackles some of today's structural inequalities.**

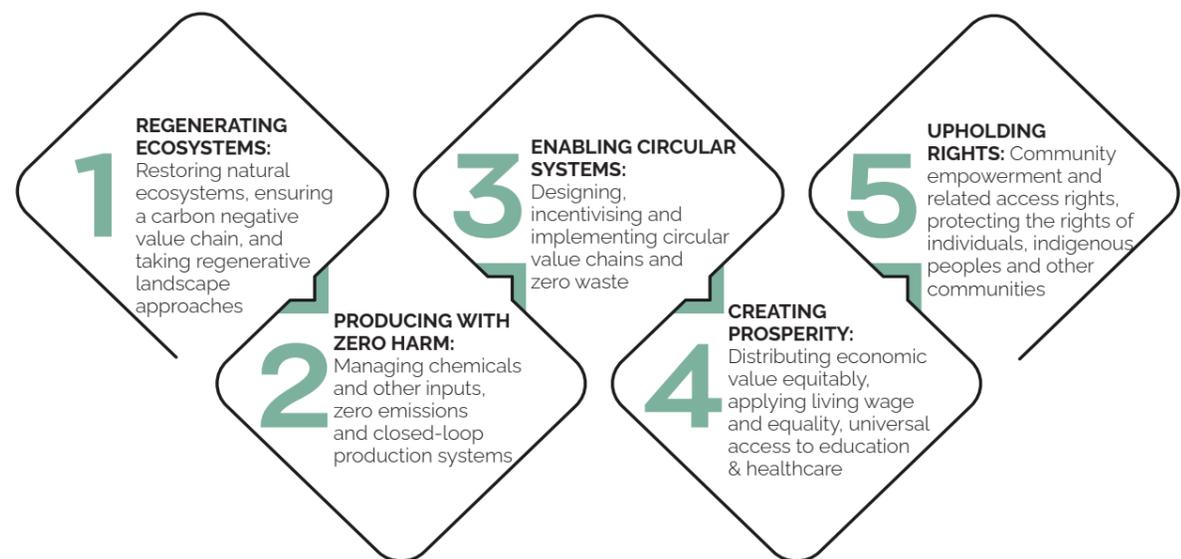
A vision is only as good as the action taken towards it. Just like in any industry, within the MMCF sector there are leaders and pioneers, there are organisations that are just waking up to the possibilities of regenerative business models, and there are those who remain in the dark. Through building this vision together, we hope that more organisations will take action along the value chain towards making it a reality.

In order to ensure that this action is coordinated and sufficiently ambitious, Forum, Textile Exchange and the industry are planning to build on the existing MMCF Roundtable and the newer Hub, to create a vehicle for accelerated action, faster collective innovation and problem solving, and to build a space where the warp and weft of many change makers' efforts can come together, to ensure that in every fibre lies a source of resilience and regeneration.



## MMCF VISION - Five Areas For Action

The MMCF 2030 Vision sets out five interrelated areas for ambitious and collaborative action along the entire value chain:



Contact [Anna Warrington](mailto:awarrington@forumforthefuture.org) at [awarrington@forumforthefuture.org](mailto:awarrington@forumforthefuture.org) if you are interested in finding out more.

► [Read more about the MMCF Vision](#)

ARMOUR / RICO LEE

# OUTDOOR, CASUAL, CHILDREN'S WEAR

We've Got You All Covered!



Founded in 1930, Lafuma started as a French brand that specialised in outdoor backpacks for the French army. After World War II, the rapid economic recovery helped Lafuma to quickly expand beyond the European market to other parts of the world. Over the years, its product offerings diversified to outdoor sports equipment and outdoor clothing line.

Rico Lee is an independent fashion label established in 2013. The brand is well-known for its use of high-tech materials to combine function with fashion. Over the past seven years, Rico Lee has achieved many important milestones and recognised for its innovation in recreating the concept of 'New Outdoor' and 'Urban Outdoor' clothing series at various international fashion and textile events.

MarColor is a children's wear brand founded in 2015. The brand specialises in children's wear from 0 - 7 years old, with a brand mission to put a smile on every young customer. Since its establishment five years ago, it has grown significantly in both offline and online retail sales, exceeding more than RMB 700 million in sales value.

## PARTNERSHIP WITH SATERI

**Lafuma:** Lafuma was one of the brands invited by Sateri to visit its supplier's upstream operations in Pangkalan Kerinci, Indonesia, in 2019. That trip allowed our senior management to better understand Sateri's sustainability efforts and the origin of our viscose fibre raw materials - renewable plantations. We saw alignment in our companies' sustainability visions, which naturally led to our partnerships and collaboration towards more sustainable apparel.

in promoting the use of renewable fibre in our products.

Our recent product launch using Sateri's FINEX™ recycled fibre was great. Sateri has been fully supportive in our product development journey and is capable of production on a commercial scale. I look forward to developing more new materials with Sateri.

**MarColor:** Our partnership with Sateri is

coincidental yet vital at the same time. As a children's wear brand, we focus on the safety and hygiene of our raw materials. We want our products to be skin and environmentally-friendly. Sateri follows a robust sourcing policy. They source from renewable plantations and one of their supply partners plants 300 million trees a year - that is remarkable.

We started our product development collaboration this summer on approximately 70 items, which is close to 15%-20% of our overall products. We hope that by cooperating with high-quality suppliers like Sateri, we can better align our products with consumers' expectations and allow children to be better protected in every possible way. In addition, we are embarking on a separate product development project to use EcoCosy® antibacterial fibres in our autumn and winter wear. The cooperation with Sateri amounts to 700,000 pieces of clothing throughout the year and we are fully expecting this number to increase steadily over the next few years.



Recently we launched our new product series made with Sateri's FINEX™ recycled fibre. The response has been incredible! It has completely changed the one-sided view of recycled fibre we had in the past. It was also immediately clear to us that there is strong market acceptance and demand for recycled fiber products.

**Rico Lee:** Environmental protection has always been core to our business ethos at Rico Lee. We believe that in order to produce a sustainable product, it has to start from our choice of raw materials. Therefore, we have been aggressive

## COVID19 AND WHAT IS NEXT

**Lafuma:** Although our group managed to avoid extreme consequences brought on by the pandemic, the dip experienced by the offline retail market has caused significant damage to our cashflow. We are fortunate to have established solid online retail channels since February of this year. The pandemic has accelerated the transition from offline retail shops to e-commerce and this new online world works by a completely new set of playing rules. While offline clothing stores impress customers with product diversity, quality and service, the online crowd looks for entertainment and interactions like through live broadcasts.

The current generation knows that 'technology changes lives', so the ability to harness the power of technology in every area of the business will be one of the key driving forces that makes a brand successful.

**Rico Lee:** The pandemic has disrupted all our expansion and new product development plans for the rest of the year. But at Rico Lee, we have succeeded in going against market conditions during this period. We also had the privilege to produce and donate protective clothing to frontline healthcare workers and play our part as an apparel brand in the global fight against COVID-19.

Customers are now more concerned about health, hygiene and the environment. In the last few months, we have been focusing on the development of antibacterial clothing series using Sateri EcoCosy® antibacterial fibres.

**MarColour:** In February, our business was badly hit by the pandemic and we could only achieve less than 30% of our usual sales amount. However in March, sales revenue grew to 80% because of our multi-pronged online marketing strategies. Brands who are not able to embrace digital transformation in time will only face an uphill battle. People who rarely shop online before the pandemic are now experts in online shopping. What does that mean? It shows that brands need to have a global marketing mindset and the ability to move into retail digitalization fast. This applies not only for our brand, but also for our entire supply chain. In short, the entire system must transition to be online-led in order to embrace the future of fashion and retail.

## FUTURE SUSTAINABILITY DIRECTION

**Lafuma:** In recent years, the Chinese government has been placing emphasis on their National Sustainable Development Strategy. It is no longer a concept. Now that the country has set the overall direction for private sectors and is actively providing public education around sustainability, our job as a company is to advance those first steps and integrate sustainability into our business model. Lafuma's FINEX™ T-shirt series is just a small step for us to enter this space and it is our statement that Lafuma is committed to sustainable development.

**Rico Lee:** Sustainable fashion is not just about environmental protection or the biodegradability of raw materials, it should be a collaborative effort where every node in the entire fashion value chain takes action. As a brand, the choice of raw materials is only one part of our sustainable strategy. We need to continue exploring the possibilities of sustainable development in every possible link along the value chain.

**MarColor:** For us, it is always about product development. We will expand our cooperation with Sateri EcoCosy®, not only for antibacterial fibres, but also work together to innovate and create more environmentally-friendly and functional products for consumers.



# Textile Exchange Member's Spotlight

## Why did you decide to do what you do?

Manmade Cellulose Fiber (MMCF) is gaining a lot of interest, and we are excited to be a significant producer in this segment. Our operations are well integrated with other RGE companies – from renewable plantation management to viscose and yarn manufacturing. This integration allows us to innovate and work closely with our sister companies to trial alternative feedstock. However, we recognize that fibers like FINEX™, which uses recycled textile waste, is not the be-all and end-all to sustainable production. We give equal attention to managing our emissions and environmental footprint through clean manufacturing. We recently entered the Lyocell market and are also exploring other closed-loop, clean manufacturing technologies.

Sharon Chong, Sateri VP of Sustainability

## What trends do you see in the sector?

There is an increasing interest in next-generation fiber, using alternative and recycled feedstock, to make the apparel industry more circular. However, progress, in scaling and mainstreaming it, is relatively slow. Being a member of RGE, our integration to upstream raw materials allows us to address the opportunities and challenges arising from these trends and accelerating commercial production while maintaining high quality and affordability.

## What do you think are the biggest challenges when it comes to shifting the needle in fiber and material sustainability?

Where textile recycling technology is concerned, the industry has some way to go before it can achieve quality and scale. Quality is essential as we want to upcycle and not downcycle, while scale, which lowers costs, is what will take us to the masses for meaningful impact. The industry will benefit from learning from other materials like paper and plastics that are more advanced in recycling, as well as fostering partnerships so that investment risks are managed, and innovation accelerates.



As the world's largest viscose producer, we acknowledge our responsibility to lead and are stepping up to it.

## What advice do you have for others?

I am concerned that in our zeal to define and promote sustainable materials, the industry is increasingly taking an exclusionary approach. My experience in the resource-based industries, particularly the agricultural sector, tells me that an inclusive approach is critical in moving the needle for sustainability. Our collective goal should be to encourage and bring others along to more sustainable practices and take into consideration local contexts and realities. Forest certification is an example. Less than 10% of the world's forests are certified. Instead of debating which certification standard is better, we should be discussing how to enable certifications to become more mainstream so that we have more sustainable sources.

## What is your main focus at the moment?

Sateri is working hard to increase the recycled content of FINEX™. We have ongoing collaborations with Sodra, re:newcell and Infinited Fibre Company (IFC), and are developing in-house solutions. We are also focused on bringing the sustainability performance of an acquired mill on par with the rest of our four viscose mills, including attaining EU-BAT standards for all mills by 2023. Later this year, we also hope to present Sateri Vision 2030, which builds on our excellent foundation of responsible sourcing and manufacturing to articulate where we see ourselves continuously improving through this decade. As the world's largest viscose producer, we acknowledge our responsibility to lead and are stepping up to it.



# Latest Memberships & Partnerships

## SAC

Sustainable Apparel Coalition (SAC) is the apparel, footwear and textile industry's largest alliance for sustainable production. Over the past few years, Sateri mills have been actively using the HiggIndex tools developed by SAC to measure our sustainability performance. Three of our five viscose mills have completed the Higg Facility Environmental Module (FEM) assessment, and plans are underway for the remaining two mills to complete these assessments too.



## EU Chamber of Commerce in China

The European Union Chamber of Commerce in China is a non-profit and non-governmental organisation established to support and represent the interests of companies from the European Union operating in China. As a member, Sateri will be involved in future conversations among various industry leaders and experts to better understand our European partners, suppliers and customers.



European Chamber  
中国欧盟商会

## EDANA

European Disposables and Nonwovens Association (EDANA) is the leading global nonwovens association. Sateri will work closely with relevant Working and Steering Groups on nonwoven industry development and market trends.



## CACE

China Association of Circular Economy (CACE) focuses on improving China's resource utilisation efficiency for the country's green transformation. As a Council Member, Sateri will work closely with CACE's Textile Waste Comprehensive Utilisation Committee to establish standards and promote industrial-scale textile waste recycling.



中国循环经济协会  
CHINA ASSOCIATION OF CIRCULAR ECONOMY

## UNFCCC

The United Nations Fashion Charter for Climate Action (UNFCCC) calls on the fashion industry to support the goals of the Paris Agreement in limiting global temperature rise to well below two degrees Celsius above pre-industrial levels, by achieving 30 per cent aggregate reduction in greenhouse gas (GHG) emissions by 2030, including the supply chain.



Sateri has signed the Fashion Industry Charter for Climate Action, becoming the first viscose producer in China to support this global fashion agenda. As a signatory of the Charter, Sateri looks forward to participating in relevant Working Groups which bring together stakeholders and experts in the fashion and textile sectors.

# Get In Touch

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