

Lenzing Aktiengesellschaft
Werkstraße 2
4860 Lenzing, Austria
www.lenzing.com

Phone +43 7672 701 2743
Fax +43 7672 918 2743
E-mail f.miermans@lenzing.com

Date November 06, 2020

New level of transparency in the textile industry: Lenzing introduces blockchain-enabled traceability platform

Sbtl.: Building on several successful pilot projects with TextileGenesis™, the digital platform for the traceability across the textile supply chain has now been introduced.

Lenzing – The Lenzing Group, a leading company in the area of wood-based specialty fibers, celebrates another milestone on the way to making the textile and apparel industry more sustainable and transparent. Since 2019, Lenzing has been using the blockchain technology powered by the Hong Kong start-up TextileGenesis™ to ensure the traceability of textiles from fiber to production and distribution. After several successful pilot projects, the digital platform was launched on 5 November for TENCEL™ and LENZING™ ECOVERO™ branded fibers. The platform provides customers and partners as well as consumers with an overview across the entire textile supply chain.

With the COVID-19 pandemic, more changes have been brought to the already transforming fashion and textile industries. To date, supply chain traceability has become a top priority for apparel and home brands¹. With the blockchain-enabled supply chain traceability platform powered by TextileGenesis™, Lenzing supports the entire supply chain in meeting the increasing demand for transparency and sustainability.

Phased onboarding and new digital certificates

A follow-up of a 12-month pilot program and field trials with four leading sustainable brands (H&M, ArmedAngels, Mara Hoffman and Chicks) and supply chain players from 10 countries in three regions, the global roll-out of Lenzing's blockchain-enabled supply chain traceability platform will be conducted in phases. During the first phase, Lenzing's supply chain partners based in South Asia (India, Bangladesh, Pakistan and Sri Lanka) will complete the onboarding process within Q4 2020. An estimated 300+ supply chain partners in China and Turkey

¹ ISPO consumer survey, fashion revolution

will also join the program in Q1 2021. It is estimated that by Q2 2021, most eligible Lenzing supply chain partners will be onboarded into the platform, ensuring full supply chain traceability.

One of the core components of the platform powered by TextileGenesis™ is integration with the Lenzing E-Branding fabric certification system, which allows brands and retailers not only to access the full supply chain traceability for TENCEL™ and LENZING™ ECOVERO™ branded fibers but also to view the results of forensic (physical) verification of fabric samples via the digitally signed Lenzing E-Branding fabric certificates.

“Over the past year, during the pilot program and field trials we have been receiving very positive feedback from brands and supply chain partners. Our brand partners have also been encouraging us to accelerate the global roll-out for traceability of Lenzing fibers. With this new system and the integration with Lenzing E-Branding fabric certificates, the entire Lenzing ecosystem will create an unprecedented level of transparency. This will provide consumers with the most sustainable and climate-friendly clothing and home textile products that are made of TENCEL™ or LENZING™ ECOVERO™ branded fibers”, says Robert van de Kerkhof, Chief Commercial Officer and Member of the Board at Lenzing.

“With increasing compliance and reputational risks, CEOs and Boards of top 100 fashion brands have committed to using 100% sustainable and traceable fibers over the next 5 years, with transparency being a core part of business priorities². Sustainability and traceability are two sides of the same coin, and it’s great to see Lenzing paving the way for the entire fashion industry to follow. Our supply chain traceability platform will create digital accounting for Lenzing’s innovative and sustainable fibers across the entire supply chain using Fibercoins™ traceability technology”, says Amit Gautam, Chief Executive Officer and Founder of TextileGenesis™.

Fibercoin™ technology to ensure traceability across supply chain

Through using the innovative Fibercoin™ technology of the TextileGenesis™ platform, Lenzing and other brand partners are now able to issue digital tokens (blockchain assets) in direct proportion to the physical shipments of TENCEL™ and LENZING™ ECOVERO™ branded fibers. These digital tokens provide a unique “fingerprint” and authentication mechanism, preventing adulteration, providing a more secure, trustworthy, digital chain-of-custody across the entire textile supply chain, and most importantly, ensuring the materials are sustainably produced.

Photo download:

<https://mediadb.lenzing.com/pinaccess/showpin.do?pinCode=x1ItZniTiOHq>

PIN: x1ItZniTiOHq

² TextileGenesis analyses of top 100 apparel brands

Your contact for Public Relations:

Filip Miermans

Vice President Corporate Communications & Public Affairs
Lenzing Aktiengesellschaft
Werkstraße 2, 4860 Lenzing, Austria

Phone +43 664 84 77 802

E-mail f.miermans@lenzing.com

Web www.lenzing.com

About the Lenzing Group

The Lenzing Group stands for ecologically responsible production of specialty fibers made from the renewable raw material wood. As an innovation leader, Lenzing is a partner of global textile and nonwoven manufacturers and drives many new technological developments.

The Lenzing Group's high-quality fibers form the basis for a variety of textile applications ranging from elegant ladies clothing to versatile denims and high-performance sports clothing. Due to their consistent high quality, their biodegradability and compostability Lenzing fibers are also highly suitable for hygiene products and agricultural applications.

The business model of the Lenzing Group goes far beyond that of a traditional fiber producer. Together with its customers and partners, Lenzing develops innovative products along the value chain, creating added value for consumers. The Lenzing Group strives for the efficient utilization and processing of all raw materials and offers solutions to help redirect the textile sector towards a closed-loop economy.

Key Facts & Figures Lenzing Group 2019

Revenue: EUR 2.11 bn

Nameplate capacity: 1,045,000 tons

Employees: 7,036

TENCEL™, VEOCEL™, LENZING™, REFIBRA™, ECOVERO™, LENZING MODAL™, LENZING VISCOSE™, MICROMODAL™ und PROMODAL™ are trademarks of Lenzing AG.

About TextileGenesis™ platform

TextileGenesis™ is a pioneering supply chain traceability platform for the fashion and textile industry, enabled by blockchain technology. Our award-winning Fibercoin™ traceability technology creates real-time digital accounting of sustainable fibers across the entire supply chain from fiber-to-retail creating an entirely new level of traceability for brands and retailers. The platform is custom-built for all sustainable fibers such as man-made cellulosic fibers, wool, recycled polyester and organic cotton. The technology is highly scalable with first of its kind fiber-to-retail traceability data protocol (based on GS1 standard) to drive seamless exchange of data across the textile value chain. The modular design ensures easy integration with various forensic (physical) verification methods used in the fashion industry.

Our global network of leading sustainable brands, fiber producers, textile suppliers, and key industry organizations ensures rapid deployment and implementation of end-to-end traceability. The cloud-based delivery model ensures easy accessibility from any device and is available globally in all major textile producing countries in three different languages. The TextileGenesis™ platform goes beyond traceability to incorporate Scope 3 emissions for full value chain, and creates strong business incentives for textile suppliers to pro-actively share supply chain traceability data.
