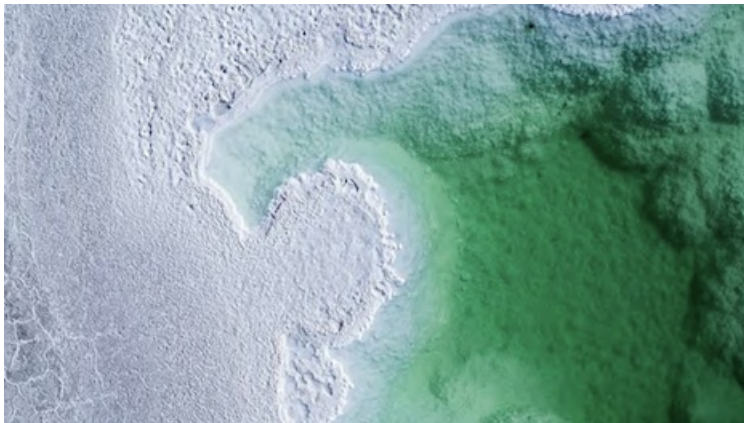


SUSTAINABILITY

Collaboration proving essential' to effective ESG efforts: Positive Luxury

May 23, 2023



Titled, "The Way to Win," a new report dives into the merits of intersectional environmentalism and approaches to conscious luxury. Image credit: Positive Luxury

By EMILY IRIS DEGN

As the UN's 2030 mark approaches, teamwork is becoming increasingly important to the success of the industry's sustainability initiatives, according to a new report from Positive Luxury.

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The organization's **2023 Predictions Report** calls on luxury brands to keep in mind five points for effective sustainability, placing collaboration in a central place. Titled, "The Way to Win," the report dives into the merits of intersectional environmentalism and approaches to conscious luxury.

"There is so much we can learn from luxury companies," said Diana Verde Nieto, co-founder and CEO of **Positive Luxury**, London.

"Luxury creates ideas that people can transfer, that others can adopt almost in the open-source model rather than giving people a view of your system, helping them poach it and teaching them to adopt it," Ms. Nieto said. "Some good examples would be Kering creating a materials lab and giving access to everyone, or Chanel acquiring their suppliers, upgrading their workshops and factories and not making it exclusive to them."

For the report, Positive Luxury conferred with a number of experts, including David Koo Hjalmarsson, founder of post-natural skincare brand, Tiny Associates; Nick Pye, cofounder of global strategy and sustainability firm Mangrove Consulting; Martin Townsend, global head of sustainability and circular economy at the British Standards Institution and Wonsik Jeong, investment manager at global impact venture capital firm D3 Jubilee Partners. Providing insights using an ESG framework, research is divided into four parts: "I. Environment," "II. Social," "III. Governance" and "IV: Innovation."

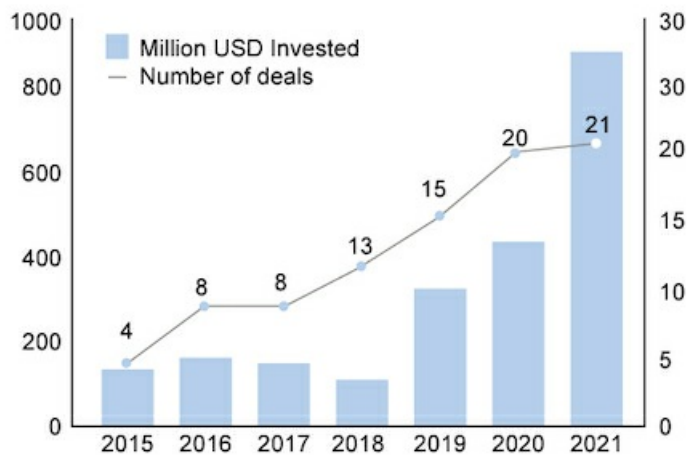
Collectively conscious

Tapping five sustainability minds, Positive Luxury explored collaboration as both a form of climate activism and a powerful way for luxury brands to put their money where their marketing is.

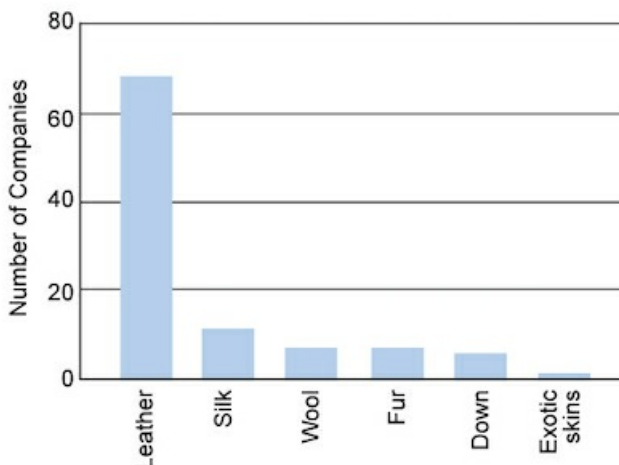
For starters, luxury brands are heavily reliant on raw natural resources. Various players, many of whom operate

under one of the most ecologically-damaging industries – apparel production – are starting to catch on to the value of having environmental experts onboard their teams and ambassador rosters ([see story](#)).

Annual investment in next-gen material companies (2015-21)



Companies working on different next-gen materials



Per Positive Luxury, the amount invested in next-gen materials in 2021 more than doubled compared to 2020, reaching nearly \$1 billion. Image credit: Positive Luxury

Today, new sustainability roles are being created annually, as the industry widens its consciousness of blind spots, damaging practices and, most of all, a desired final destination.

As leaders work with scientists and environmental advocates across categories, it not only allows brands access to a wealth of eco-knowledge, but it weaves a new level of sustainability into the brand's culture itself. Positive Luxury predicts that roles such as sustainability managers, conservationists ([see story](#)) and responsible sourcing researchers will no longer be niche, but rather, core parts of the business in the near future, just like fashion designers and photographers.

In an ecosystem that relies on the consumption of goods, partnering with those that can navigate ethical consumption is becoming more critical. Additionally, brands that are leaning into immersive, biophilic activations and experiences possess the potential to rise above in today's luxury landscape.

"Luxury brands may organize events or experiences that allow customers to engage with nature in unique and memorable ways," Ms. Nieto said.

"For example, they might host exclusive outdoor dining experiences set in stunning natural landscapes, where guests can savor gourmet cuisine while surrounded by scenic beauty," she said. "Alternatively, luxury brands might organize adventure trips, such as heli-skiing or yacht expeditions, that combine exhilarating activities with awe-inspiring natural environments.

"Overall, when a luxury brand facilitates a human-to-nature connection, it strives to create experiences or products that offer a harmonious blend of luxury and the natural world, enabling individuals to appreciate and connect with nature in a meaningful and sustainable manner."

Whichever routes are preferred, definitions of sustainability will need to evolve, and concrete actions will need to be expanded and improved upon as what scientists call the "Point of No Return" nears.

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Positive Luxury's report points to the reality that, for example, carbon-neutral certifications will need to be swapped for net-zero certifications.

Adapting to the climate emergency will require great shifts. The release makes clear that the ask is no longer limited to canceling harmful practices. Rather, brands are now beholden to restoring damage imparted in the years spent holding onto them.

Experts make clear that the sector must let go of its focus on undoing harm after it is already committed and take up a mindset of reimagining "business as usual."

Climate-neutral is no longer enough. For companies to participate in truly conscious luxury, achieving climate positivity needs to be the new goal, which as Positive Luxury puts it, will require a widespread embrace of collaboration between businesses and environmental experts.

From the source

As humankind begins to understand the true impact of consumption, sourcing has become a huge topic of concern.

French luxury conglomerate Kering is among those taking on the greening of its supply chain ([see story](#)). The industry giant started working with nonprofit experts to support green herding practices and ecofeminism efforts to ensure ethical wool is used in both an environmental and social sense.

In 2022 transparency was a central theme of Positive Luxury's report ([see story](#)). Just as it was then, this will be essential for businesses to garner public trust after years of greenwashing and practices that are proven to have driven the crisis at hand.

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Though Scope 3 emissions were ignored for years in environmental reports on the part of brands, this will now be a minimal requirement for the sake of transparency, as the public learns more about the true cost of current business models ([see story](#)).

Young people continue to rise to power, shaping the global discourse and spending habits at large. As they are key drivers of sustainable change ([see story](#)), brands that embrace this collaborative approach to conscious luxury stand a better chance of capturing the loyalty of the demographic.

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