Copenhagen Fashion Summit: Kering CEO announces plan to unite fashion and luxury leaders on sustainability

By Olivier Guyot - 16 May 2019

The attendance of the Kering CEO at the Copenhagen Fashion Summit, held on 15 and 16 May in the Danish capital, had already demonstrated the importance that environmental questions now hold in the fashion and luxury sectors. But on Wednesday morning, François-Henri Pinault made much more than a presentation on the recent actions taken by luxury titan Kering, owner of labels including Gucci, Saint Laurent and Bottega Veneta. Speaking to a full auditorium, the executive called on global fashion groups to unite.

“It isn’t true that the big groups aren’t doing anything. Each one is undertaking many tasks individually,” he explained. “But the fact is that collectively, we aren’t there. We must think about collective intelligence because we are in an urgent situation. The private sector isn’t used to that but [we] need to change and to work beyond what we are doing in our own companies. That means working together with shared objectives.”

Pinault is seeking to put into practise this desire to unite the sector. He accepted the task entrusted to him by the president of the French republic as part of the plans for the next G7 summit which will be held in Biarritz, France, from 24-26 August 2019.

“It’s an official mandate. We must create a coalition. I want to invite CEOs to join the movement and become involved via the ‘Fashion Pacte’ [Fashion Pact].”
Brune Poirson, state secretary to the Minister for the Ecological and Inclusive Transition, also travelled to Copenhagen and explained that for this G7 summit, the presidency chose to concentrate on certain themes in order to show to the public that this meeting will indeed be useful, and that fashion is considered a key way of raising awareness amongst citizens.

According to Pinault, for fashion industry players this will be by means of an analysis of their area of activity and the whole supply chain, without compromising business results. Once tabled, the companies have to announce their objectives.

“The countdown is on. I don’t want businesses to get involved only when they know they have a solution. I want to convince my peers that they must start trying even if we don’t have all the answers. We must accept feeling uncomfortable; it will force us to advance. We have announced our wish to reduce our [environmental] impact by...
40% between now and 2025. We already have a solution for the first 20%; we still have to find a solution for the other 20%. But that’s the way it has to be to make progress. And the solutions we find must be open-source. It’s a new way of thinking,” he said.

The executive, whose group is listed on the French stock exchange, launched another major appeal: he hopes to open discussion with large financial institutions. “If financial institutions change the criteria they use to quantify the value of a business that will change the dynamic. Trimester after trimester, businesses are judged on their financial performance. Taking into account the environmental and social performance would also change the primacy of short-term gains. I hope I will be able to convince the leaders of these large financial organisations. With the persuasion of 10 people it would break away from the tenet of ‘business as usual’.

It is a huge challenge. To convince the decision-makers, Pinault would certainly need the support of the coalition of CEOs that he wants to form. The G7 summit is just as important as what is at stake.

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