

# GOOD FASHION FUND

## INVESTEE FACT SHEET

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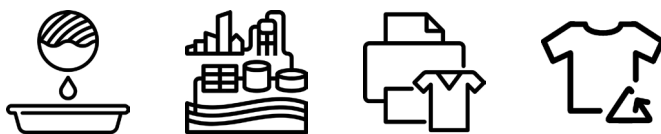
### INTRODUCTION

The Good Fashion Fund is an impact fund that invests in the adoption of state-of-the-art and disruptive technologies and innovations in the textile & apparel manufacturing industry.

The Fund supports manufacturers and operators in building a restorative and regenerative apparel supply chain. This means for instance the use of recyclable and safe materials, reduction of water usage and efficient wastewater technologies, clean and less energy, closed-loop manufacturing and creation of fair jobs and growth as well as improvement of labour conditions.

Our aim is to create “more good” instead of simply being less bad. We look for capital intensive investments in the manufacturing process, example technologies relate to:

- Waterless dyeing
- Effluent treatment plants
- Recycling / upcycling
- Digital printing
- Low liquor washing
- Sustainable finishing
- CMT Automation



### OBJECTIVES

The Good Fashion Fund addresses this gap by connecting the most promising impact technologies to the industry to collaboratively tackle its challenges. We enable manufacturers in the apparel supply chain in Asia (mainly India, Vietnam, Bangladesh) to invest in circular innovations, delivering both economic growth and good fashion practice across the Five Goods:

#### GOOD WATER

Increase treated wastewater / decrease consumption  
SDG 6

#### GOOD ENERGY

Reduction in energy use  
SDG 7

#### GOOD ECONOMY

Revenue growth  
SDG 8 & 9

#### GOOD MATERIALS

Avoidance of waste and hazardous chemicals  
SDG 9 & 12

#### GOOD LIVES

Fair jobs created, improved (gender-based) working conditions  
SDG 8

The Fund aims to demonstrate how to invest beyond sustainability and the goal is the adoption of recyclable and safe materials, renewable and efficient energy, closed loop manufacturing and the creation of fair jobs and growth by apparel manufacturers.

## HOW WE INVEST

### TARGET GEOGRAPHY

India, Bangladesh and Vietnam

### TARGET PORTFOLIO

Textile & apparel manufacturers and operators

### INVESTMENT AMOUNT

Range of USD 1 – 5 m, possibility of syndicated deals

### FINANCING STRUCTURES

Senior debt, Flexible, Project or corporate level, Security

### TERMS AND CONDITIONS

USD-debt, Long tenor (up to 5 or occasionally 7 years); if applicable, grace period

## HOW TO QUALIFY FOR A LOAN

- Intrinsically motivated manufacturer in GFF's focus countries with ambition to become more sustainable.
- Export-oriented profitable business with track record in the apparel industry.
- Clear investment plan for adoption of sustainable technologies.
- Investment should lead to at least a 50% reduction in one of the 3 relevant Goods (Water, Energy, and/or Materials).
- 50% or more of the investment plan is related to purchase of relevant sustainable technologies/equipment.
- Willingness and ability to contribute to the financing of the investment plan.

## WHY YOU SHOULD PARTNER WITH US

### Cost-effective long-term USD finance:

We offer risk tolerant debt financing for investments into green, sustainable and circular technologies in the apparel manufacturing industry

### Unique industry network

Unmatched access to frontrunners, relevant brands and SME manufacturers in Fashion for Good's (FFG) network

### Access to disruptive and state-of-the art sustainable technologies

Introduction and access to relevant innovators in FFG's programmes as well as other relevant early-stage and state-of-the art technologies for the apparel industry

### Access to environmental and social impact expertise.

GFF works with local and international impact advisors to strengthen its investees

### Leverage

The Fund Manager has ample experience in impact financing in emerging economies and will seek partnerships with local, regional and international financial institutions for cooperation in financing of GFF's investees

## THE FUND

Laudes Foundation is an anchor investor alongside The Mills Fabrica, with an initial 'close' in September 2019 of USD 12.4 million junior capital. The Fund has a blended finance structure with junior and senior equity and debt. With Rabobank as an additional investor, the Fund's size is currently around USD 19m, the target size is USD 60m. The investment period is 5 years (until September 2024).

## FUND MANAGEMENT

FOUNT, a Dutch investment and consultancy firm with representatives in the Asian region, is the Fund Manager. Fashion for Good is the sub-advisor to the Fund.

## FOR MORE INFORMATION, PLEASE CONTACT

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