

Responsible Leather Stakeholder Meeting

September 21st, 2017

Agenda

1. Updates
2. News & Information
3. Setting Context
4. Review of the RLI
5. Further Progress
6. Our Thinking

1. Updates

- Anne attended Climate Week NYC event: “Going All In” to Address Commodity-Driven Deforestation”
 - A great example of NGOs and initiatives sharing information about what they are doing and looking for ways to connect and align
 - We are in a good position to leverage and add value to the work that is already being done
- GRSB Board meeting in Australia
 - TE had a call with the executive director who presented our work to the GRSB and set us up for further engagement and collaboration
- Public Eye report: <https://shoes.publiceye.ch/>
 - Brought to light social issues in tanneries across Europe
 - Pointed out that we need to pay attention to some of these issues

2. News & Information

- JBS scandal news: <https://www.ft.com/content/161e2be8-9895-11e7-a652-cde3f882dd7b>

3. Setting Context

- Info & Stats in the leather industry (see slide #15)

4. Review of Responsible Leather Initiative (RLI)

- Overlapping Stakeholders
- Theory of Change
 - Start off with a bell curve – worst to best practices (any level of the supply chain)
 - Set the line for “Responsible Leather”
 - Interact between the brands and the industry (supply chain)
 - TE provides the industry with data and recognition, in turn they give us engagement

- We want to continuously shift the bell curve over to the right (the standard)
 - In order to do this, we cannot rely only on the standard
 - Creation of Industry Action & Government Engagement programs
 - Funded and supported by the brands, who in turn will receive stories, metrics, KPIs, and impacts
 - Comment: Meat packers have farm audit programs in place
 - Look at Tyson: <http://www.tysonfoods.com/responsible-food/animal-well-being/audits-and-team-member-training>
- 2017 Work Plan
 - We have made progress on all points in the plan
- Seed Funding
 - Original target was \$60,000 for 2017, we have \$55,000 to date from brands and organizations
 - We are requesting additional support to:
 - Cover staff costs
 - Convene a small key stakeholder meeting
 - Begin work in 2018
 - Looking to raise \$250,000 for the first year
- Stakeholder Groups
 - Certification bodies
 - Consultancies
 - Brands and retailers
 - Leather suppliers
 - Food industry
 - Automotive industry
 - Animal welfare groups
 - Environmental NGOs
 - Leather industry groups
 - Slaughterhouses
 - Farms
 - Tanneries
 - Standard Bodies

5. Further Progress

- Framework for looking at Issues (see slide #24)
 - Current Task Groups:
 - Animal Welfare/Multiple Species
 - Land Use Conversion/Deforestation
 - Social Issues
 - Traceability/Supply Chain Mapping

- Upcoming Task Groups:
 - Tanneries
 - Land Health/Climate Change
 - Solutions Models
 - Verification
 - Government Engagement program
 - Industry Action program
 - Data Collection
 - Benchmarking

Task Group reminder

- Meet outside of the regularly scheduled stakeholder meetings
- Focus on a single issue at a time
- Identify issues and activities related to the topic
- Discuss options and presents them to the full International Working Group (IWG)
- Do not make decisions
- Are time-limited
- Supported by Textile Exchange
- Can be led by TE or someone else

Task Group Updates/Work Flows:

1. Addressing Multiple Species/Animal Welfare Task Group

- Framework for looking at issues
- Standards Mapping
- Task Group Work Flow
 - Next call will be after TE conference in October
 - Calls will focus on different issues

2. Supply Chain Mapping/Traceability Task Group Work Flow

- Will be sending out a survey
- 2nd call in late October
- 3rd call in November

3. Wet Processing (Tannery) Task Group Work Flow

- Will kick-off after TE conference
- Driven by results of survey
- Looking at LWG, ISO standards, etc. for equivalencies

Traceability Pre-Slaughter

- By working with initiatives like the GRSB and WWF, etc. we may be able to address the pre-slaughter areas of the supply chain
- Biggest impact through Government Engagement and Industry Action programs

4. Social Issues Task Group Work Flow

- Will schedule next call after TE conference
- Will look specifically at issues in the farm, slaughter, and tannery levels of the supply chain including: Occupational health and safety, forced labour, child labour
- Schedule another call after if needed
- Comment: Labour Behind the Label campaign to come out on shoes in India if reach 10,000 signatures

5. Deforestation Task Group Work Flow

- CONE: Conversion of National Ecosystems
 - Removing natural ecosystems (forests, grasslands, wetlands) to meet other land needs, such as plantations, agriculture, settlement, pasture for cattle and mining.
- Accountability Framework – looking at how we can align our work with them. Provides a common set of norms and guidelines for companies that have adopted corporate responsibility commitments on deforestation
- CFA (Collaboration for Forest & Agriculture) – funded by WWF; working on a common definition, elaborating a zero-deforestation protocol for Brazil/South America.
 - Anne met with the head of the CFA in NY
- Task Group Work Flow:
 - Next meeting on October 24th
 - CFA may be speaking on this call

6. **Our Thinking**

- Verification Options/ideas
 - Three options: 1. Responsible Leather Certified 2. Better Leather Verified 3. Better Leather Sourced
- Responsible Leather Certified
 - Set a standard with clear criteria covering the agreed scopes
 - Reference the GRSB principles for farm and slaughter
 - Develop desired outcomes
 - 3rd party certification of key areas
 - Chain of custody to final product
 - Product or company claims will be supported

- Collect data through the verification to map to quality and to report on impacts
 - Will capture those following best practices initially
- Solutions Models (see slide #40)
- Tannery Options & Scope
 - Looking at criteria for other standards (LWG, ISO, etc.) and trying to understand how it fits into the scope of our work
- Optional Modules
 - Would we allow for different levels of claims, or just look for joint claims (eg; RLS and LWG on a hang tag)
- Better Leather Verified
 - Farm level: self-assessments, 2nd party assessments or 3rd party verifications
 - Slaughterhouse (small): self-assessment, slaughterhouses (large): 3rd party verification
 - Book and Claim system – do we need to link to the brands' supply chains?
- Better Leather Sourced
 - Applied to farm or farm and slaughter
 - 3rd party assessment
 - RLI will set risk criteria
 - Applies to a defined geographic region (large or small or a defined group of farms)
 - What kind of data can we collect and report on?
 - Government Engagement and Industry Action programs would be a key part of this
 - Comment: The book and claim system has the issue where we will find there are more claims than actual responsible leather supplied. This is an issue for Egyptian cotton, which they are now working on to tighten their certification/claim process
- Government Engagement Program
 - A platform for collective influence
 - Give visibility to regional initiatives, programs and existing regulations
 - Brands will be encouraged to add their voice on issues that are important to them
 - TE will hold information on website
- Industry Action Program
 - More specific activities than Gov't Engagement Program
 - Brands will be able to learn about the work being done and make connections
 - TE will help to facilitate and keep the groups together, holding information

- Data Collection – what we will do will really be defined by the solution model we chose, but data collection will be essential.
 - Information that will help inform industry and gov't actions
- Equivalencies (see slide #51)
 - We do not want to recreate the wheel, want to leverage the work that has already been done
 - “Chinese menu approach” – companies can pick and choose what issues are important to them to be certified
 - How do we assess?
 - Too complicated?
- Core RLI + Optional Modules
 - Core: Animal Welfare + CONE
 - Options: Social, Tanneries, Land Health
 - Comment: Good approach to focus on Animal Welfare and CONE

7. Conference & Meetings

- Conference Breakout Session - Leather and Cashmere: Impacts and Opportunities
 - Wednesday, Oct 11th | 2:45-4:15pm
- Responsible Leather Initiative Meeting (Post Conference)
 - Thursday, Oct 12th | 1:00pm-5:00pm