

**Industry Led – Consumer Focused**



**Partnership Proposal Pack**

1 January – 31<sup>st</sup> December 2021

# Sustainable Leather Foundation

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## A FRESH APPROACH:

Today's society is more informed and more conscious of the effects that production and consumption have on the earth's natural resources and its ability to regenerate; the negative impacts that can damage our ecosystem, the importance of fair and humane treatment of workers, and the welfare of animals.

The leather industry has the potential to impact positively and negatively on both our environment and also as part of a sustainable economy for the future. A traditional industry, leather making is responsible for employing millions of people worldwide, producing approximately 24 billion square feet of leather annually and resulting in an economy worth in excess of \$80 billion annually. These statistics make it vital that as an industry we ensure future sustainability by:

- protecting the environment
- driving innovation for improvement
- educating and encouraging the use of best available techniques
- supporting the health and wellbeing of workforces across the value chain.

There are many organisations and associations who work to support the leather industry, some specific to region or to specialist areas, however, there is a need for a cohesive organisation that can combine the efforts of the industry with the needs of the consumers, and society in general, in a more holistic way that will address the current and future responsibilities of the industry.

Welcome to the Sustainable Leather Foundation.

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## VISION

The Sustainable Leather Foundation's vision is to enable collective improvement and education globally, for more sustainable practices in leather manufacture and production. The Sustainable Leather Foundation is concerned with all aspects of sustainability – Environmental, Social and Governance. As a not-for-profit organisation, the foundation will provide a transparent and inclusive approach to demonstrating sustainable good practice throughout the value chain. Coupled with this, the foundation is committed to ensuring that consumers have a clear mechanism to see and understand the sustainable attributes of leather as a material and the work that the industry does to ensure good practice.

The foundation's objective is to bring together all leather value chain stakeholders to unite in ensuring a sustainable future for the leather industry by shining a spotlight on innovation and best practice, providing a mechanism for improvement and education, while also preserving the social and economic wellbeing of communities in less advanced regions. Working together is key to ensure that we can accelerate the action required for our society's future needs:

**Reduce ↓**

**Carbon Emissions**

**Pollution**

**Hazardous Chemistry**

**Deforestation**

**Land Conversion**

**Increase ↑**

**Good Animal Husbandry & Welfare**

**Health & Welfare of workers**

**Best Practice for Machinery**

**Best Practice for Processing**

**Collaborative cross-sector innovation and cooperation**

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## STRUCTURE:

The Sustainable Leather Foundation aims to provide the structure and support to enable leather manufacturers and associated facilities to work on the reduction and improvement criteria necessary to be successful.

At the heart of the foundation is a consumer focused, integrated platform, linked to a certification standard that assesses the compliance and performance of leather manufacturers and associated facilities against the three pillars of sustainability.

Our inclusive and transparent approach allows consumers to recognise and understand the product lifecycle management of leather articles for better informed purchasing decisions. This is possible by encouraging more secure value chain knowledge from farm to finished product, and by assessing and certifying leather manufacturers and associated facilities for their compliance and performance against the Sustainable Leather Foundation Audit Standard.

- ✚ Identify potential risk and impact
- ✚ Measure existing consumption and outputs
- ✚ Agree objectives for improvement
- ✚ Monitor progress
- ✚ Review results to provide future objectives



A dashboard approach to attainment and performance is key to transparency for both value chain customers and the end consumer, providing integrity and value. Avoiding unnecessary duplication of cost and resource is a key objective of the Sustainable Leather Foundation and therefore, should a company already hold an equivalent certification from another organisation or standard provider, it can be recognised within the foundation and added to the organisation's dashboard for transparent

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reporting and recognition. Comprehensive sustainability metrics will be assessed and measured, either directly through the SLF Audit Standard, or by a combination of existing certifications that offer equivalency to the overarching industry and legislative requirements, encompassing:

Environmental	Social	Governance
<ul style="list-style-type: none"><li>• Environmental Management Systems</li><li>• Environmental Footprint</li><li>• Land Use</li><li>• Energy Use</li><li>• Water Use</li><li>• Raw Materials &amp; Chemicals</li><li>• Machinery &amp; Equipment</li><li>• Air Emissions</li><li>• Effluent</li><li>• Soil Contamination</li><li>• Solid Waste</li></ul>	<ul style="list-style-type: none"><li>• Wages &amp; Benefits</li><li>• Compulsory Labour</li><li>• Age of Workers</li><li>• Ethical Business Practices</li><li>• Corporate Social Responsibility</li><li>• Staff Development &amp; Representation</li><li>• Working Hours</li></ul>	<ul style="list-style-type: none"><li>• Operating Permits</li><li>• Traceability &amp; Procurement</li><li>• Housekeeping</li><li>• Best Available Techniques</li><li>• Process Control &amp; Quality</li><li>• Chemical Control</li><li>• Risk &amp; H&amp;S</li><li>• Restricted Substances</li><li>• PR &amp; Comms</li></ul>

Additionally, leather manufacturers and associated facilities will not be excluded from partnership on the basis of non-conformance or non-certification in one or more areas. Instead, partnership will enable companies to demonstrate what they can comply with and where their outstanding areas of concern or improvement are, in order to give a fully transparent mechanism that supports continued improvement across the three pillars of sustainability.

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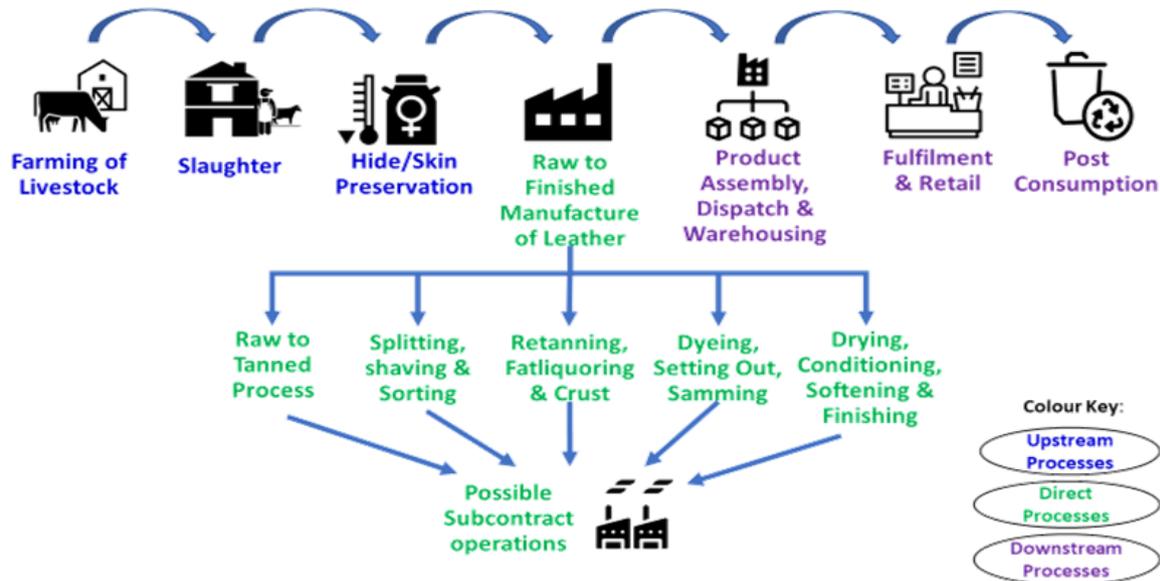
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## LEATHER VALUE CHAIN

The Leather Value Chain is complex and in order to achieve full transparency for sustainable production, there is a need for cross industry collaboration, from farming through to finished product, and increasingly onward to post-consumption considerations such as bio-degradability or re-cycling and re-purposing.

By working and communicating beyond the traditional lines of industry, the foundation aims to create economies of effort, enhanced problem-solving capabilities, improved transparency and traceability, and increased levels of innovation for improvement. The following illustration shows the wider value chain that includes both upstream and downstream processes as well as the direct processes for leather manufacture. All these processes interlink and rely on each other for success.



Flowchart of Key Processes in Leather Manufacture

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## PARTNERSHIP ROUTES:

Our partners enable the foundation to conduct the work we do and they are extremely important in helping us accomplish our goals. Partnership with the Sustainable Leather Foundation demonstrates a shared goal of improvement, best practice, collaboration and innovation and we welcome partners from across the value chain.



### Compliance Partners

Our compliance partners are industry related organisations who are involved in the physical manufacturing process of leather. These partners undergo auditing and certification across the environmental, social and governance criteria of sustainability. Compliance partners include:

**Leather Manufacturers, Chemical Companies, Traders, Machinery Companies, Testing & Verification Providers, Subcontractors, Product Manufacturers, Farmers, Abattoirs, Effluent Treatment Plant Providers**



### Contributing Partners

Our contributing partners do not have a direct manufacturing process but do represent important aspects of the wider leather value chain and are essential to ensuring the cohesive and harmonised approach to sustainable leather. Contributing Partners include:

**Industry NGOs, Certification Organisations, Educational Institutes, Industry Associations, Industry related individuals, Consultants**



### Licensed Partners

Our licensed partners are the sellers of leather products and goods. These partners are the link between the industry and the consumer and have a responsibility to ensure they are sourcing leather from organisations who uphold the highest standards of sustainability.

Licensed Partners include:

**Brands, Retailers, OEMs**

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## BENEFITS OF PARTNERSHIP:

Our partners benefit from being part of a community that is committed to adopting best sustainability standards, focused on driving change and creating positive impacts on our environment and within our communities. Furthermore, our partners benefit from:

### For All Partners

- Access to a multi-stakeholder platform that supports development & improvement within the leather value chain
- Access to support and training
- Access to meetings, workshops & other events
- Newsletters & periodic updates
- Access to an App that provides real time results and statistics
- The opportunity to actively work within Technical, Consumer & Industry focused Advisory Groups
- Access to an improvement and innovation fund designed to support advancements for a more sustainable leather industry
- Access to a wealth of resources and experience

### For Compliance Partners

In addition to the general partnership benefits, compliance partners will also benefit from:

- A Certification Programme to demonstrate compliance and performance for Environmental, Social and Governance criteria
- Additional recognition for technological innovation, social or sustainability projects, that exceed the norms of the Sustainable Leather Foundation Standard
- The ability to display certifications from multiple organisations in one platform

### For Licensed Partners

In addition to the general partnership benefits, licensed partners will also benefit from:

- Licensing to use trademarked logos and claims on product and POS materials.
- Support with use of claims language
- Access to a dashboard platform for transparency certification, performance and compliance data





## PARTNERSHIP AND FEE STRUCTURE

Our Work is funded by the fees paid by our partners. Fees are paid annually in advance and our subscription year runs from 1<sup>st</sup> January to 31<sup>st</sup> December. Partners joining mid-way through the year will be eligible for a pro-rata subscription fee in the first year and will pay a one-off joining fee of \$50.

Partnership Level	Partnership Fees per annum (£)
Individual	£250
Industry NGOs and Associations	£1,250
<b>Corporate Partnership (based on annual turnover) *</b>	
Turnover: 0 -£100,000	£500
Turnover: £100,000 - £1 million	£1,750
Turnover: £1 million - £500 million	£2,750
Turnover: £500 million - £1 billion	£4,000
Turnover: £1 - 3 billion	£8,000
Turnover: £3 billion +	£15,000
<b>Compliance Partners**</b>	
Registration and entry (including equivalency mapping)	£2,000
Environmental Audit	£3,500
Social Audit	£3,500
Governance Audit (including transparency & traceability)	£3,500
<b>All 3-audit package</b>	£8,000

\*Licensing fees for trademarks and POS will be in addition to the partnership fee. Please enquire for further information.

\*\*If only “gap modules” are required then costs will be reduced depending upon requirements.

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## GOVERNANCE:

The Sustainable Leather Foundation is a not-for-profit, Community Interest Company, and is set up and registered in the UK at Companies House Reg No. 12739406. The foundation is independent of any commercial interest or bias.

Surplus funds will be reinvested for:

1. further development of the foundation and
2. supporting innovation and improvement projects that will benefit the industry through a grant application process.

An Advisory Board of individuals, selected for their expertise and knowledge across the whole leather value chain, has been appointed to:

- advise on the appropriateness of the information disseminated
- review technical content
- support with the development of the foundation

The Advisory Board will also review all requests for funding for innovation projects and make recommendations to the Directors for final approval.

The foundation is governed under Articles of Association which can be accessed here: [Articles of Association - Sustainable Leather Foundation](#)