

Responsible Wool Standard International Working Group Update Meeting

June 20, 2017

Meeting Agenda

1. International Working Group
2. Certification Updates
3. Accreditation
4. Kick Start Program
5. Brand Updates – Eileen Fisher
6. Training
7. Mongolia

1.) International Working Group – RWS Governance Group

- Following the launch of the Responsible Wool Standard, the International Working Group that developed the standard decided to re-launched the IWG as an ongoing Governance Group to provide oversight and advice during the implementation of the standard.
- We have now reached a point in the implementation of the standard where this group is going to start to play a more active role.

In terms of structure, The RWS Governance Groups will consist of the following:

- Development Group: This group will collect information and manage data during the implementation of the standard, facilitate the other governance groups, and be responsible for any research and writing.
- Technical Guidance Committees: The role of the Technical Guidance Committees is to support the evaluation of the impact of certification and be responsible for providing oversight, strategic direction and advice during the implementation of the standard.
 - There will be two small representative groups focusing on animal welfare and land health respectively. The Animal Welfare committee has met a few times to discuss the auditing strategy and we will be looking to start up the Land Management committee soon. Once more farm certifications are underway and there is more extensive data to review these groups will become more active.
- Certification Body Committee: All CBs certifying to TE standards are expected to participate in calls and calibration activities. In addition to this Certification Bodies working with the RWS are expected to participate in additional calls focusing on the RWS (individual

and/or group) to discuss the effectiveness of the standard and identify opportunities for improvements. One call held to date, more to follow.

- Advisory Group: This group will advise on specific issues of knowledge related to their position in the industry or area of expertise. The Advisory Group will be provided with regular updates on the progress of the standard. Calls will be held approximately three times per year. Individual members of the Advisory Group may be called on for comment and direction related to their area of expertise in addition to these calls.
- Stakeholders: Updates and information will be posted on www.responsiblewool.org - invited and able to join the update calls

2.) Certification Updates

a) Certified sites listings on the website!

- We are very pleased to report that as of April this year, the certified sites listing is now up and running on the RWS website with certified sites representing each stage of the supply chain, from farms and top makers right through to garment manufacturers and brands.
- Certification Bodies are required to submit monthly reports and we will be updating these listings on a monthly basis.

b) First certified farms!

- As many of you will know Imperial Stock Ranch in the US was the first farm to become certified to the RWS. They have now been joined by amongst others, Avington Merino which was the first farm to become certified in Australia.

c) More farm updates

- We hope to see more announcements in the near future as certifications have taken place or are underway in:
 - New Zealand – Global Merino, New Zealand Merino (MOU in place)
 - Uruguay – Lanas Trinidad
 - Argentina – Ovis 21
 - South Africa – BKB
 - Australia – Fox & Lillie

3.) Accreditation

a) Slide with CB logos

- Accreditation and approval of Certification Bodies has been a key focus of our work since the release of the standard. Contact details and details of which scope that they are approved for can be found on the website (The RWS is divided into a Farm Scope and a Supply Chain Scope and certification bodies can choose whether to become certified to one or both scopes).

- We will shortly be adding one more Certification Body to our list. OIA, in Argentina, is in the process of approval. The shadow audits that form part of the licensing process is taking place next week and will also be combined with training of the accreditation body IOAS in the move towards accreditation instead of licensing of the Farm Scope of the RWS.

b) NSF Updates – Phillip Alexandrin

Million Farms – 100+ Breeds of Sheep

- Describe the setting of certification, the process, and the results we've seen
- RWS is comprehensive for all locations, farms, supply chains
 - How does a CB audit for all of these?
 - Different climates, different sheep, etc.
- What we've learned:
 - Documentation – training auditors, making sure they know how to document things in audit reports
 - Corrective actions – making sure farms facilities complete their corrective actions
 - The best way is not always the same for all groups/farmers, etc.
 - Must work closely at the start to figure out how to resolve the issues
 - Roles and responsibilities
 - Animal welfare practices have been in general excellent

c) Control Union Updates – Vicky Lacroze

- Farm audits in Australia
- Working with brokers, Fox and Lillie and certifying farms in Australia
- Farm audits for growers with BKB in South Africa
- Lanac Trinidad in Uruguay is certified as a processor
 - Also planning to certify farms
- Several processors certified in China

What Control Union has found (mostly in Australia)

- Farmers are castrating and tail-docking, but also looking into different ways of doing it and whether or not it is necessary to do it
- These first farms didn't have any difficulties
 - No non-compliances
- Farmers are very interested in the Kick Start program

4.) Kick Start Program

a) General

- Show farmers that brands have a strong and sustained commitment to responsibly grown wool
 - Build scale to spread the cost of certification over a greater number of goods
 - Give supply chain players the confidence to invest in RWS inventory and create buffer stocks that will allow them to respond quickly to demand
 - Provide one-time financial support to selected farmers embarking on certification
- b) Brand Commitments
- An important function of the Kick Start Program is to signal brand commitment to farmers and the supply chain.
 - If you would like to publically demonstrate your commitment to the RWS, please send us a copy of your logo that we can add to the listing that we already have on the website.
 - Share/set your target for the RWS, and to make it both realistic and meaningful. Here are some suggestions:
 - We commit to convert 100% of our wool supply to be certified to the Responsible Wool Standard by 2022
 - We commit to convert 15% of our wool supply to RWS-certified each year
 - We will certify 50% of our wool supply to the RWS by 2020.

We recognise that setting a meaningful target (and getting approval for communicating it) can be a process that can take a bit of time so it is absolutely fine to start with signalling your commitment by adding your company logo to the website and following this up with a target at a later date.

c) Demand Signal

This is a key step!

- Send demand signal to suppliers
 - What we really need is to have you start the process of getting RWS-certified wool into your supply chain. Your first step will be to decide whom you will want to work with: existing suppliers or new ones. Then you will let them know of your expectations, and follow up with purchase orders that clearly require RWS wool (with transaction certificates). Let them know that they will need to be certified themselves (for chain of custody), and that their suppliers will need to be certified, all the way back to the farms.
- Make use of the Brand and Supply Chain toolkits
 - We suggest you factor in reasonable timelines, and reference the RWS Toolkit for Brands and Retailers, and Supply Chain Certification as well as the RWS Pricing document. The further back in your supply chain you can go, the better, but even if you are only talking to a garment factory or fabric mill, they can go to responsiblewool.org to get the resources they need.
- Take part in demand survey
 - We will also be publishing anonymous information about supply and demand of certified RWS fiber onto the RWS website, which may help you in setting your

strategy. Look under Find RWS on the website. Anyone can participate, which will give the RWS the best chance of success.

d) Contribute to the Farm Support Fund

- As part of the Kick Start program we are asking participants to make a one-time financial contribution to be used to support farmers in achieving initial certification. This will be used to stimulate the supply of RWS wool in the supply chain: once we have enough farms and supply chain members working with the standard, efficiencies will be felt by everyone, and sourcing will be much easier for brands.
- Contributions are voluntary as we recognise that resources are limited and that some may prefer to direct investment towards their own supply chains.
- Thank you to H&M, William Sonoma, and Esprit!

Process:

- Applications are made to the CBs and the rebate will be applied through the CB, and given once certification has been granted and TE has received the farm questions
- The amount will be deducted from the total certification costs
- Funding will be allocated first-come, first serve based on when certification offer is accepted - CB will notify TE when this happens

Amounts:

- \$250 per farm
- \$250 times the square root of number of farms, up to a maximum of \$2000 per group

e) Speak for the RWS

- Last but not least, we would ask that you attend industry events and participate in RWS activities. Your involvement will help bring the standard to scale and increase its impact.
- If speaking opportunities come up we can provide presentations, talking points and additional materials. Please also let us know of events that TE can participate in.

f) Implementation Support

- As part of the Kick Start Program we are also offering tailor made packages of support to Kick Start participants to help to help facilitate bringing RWS into your supply chain. Profits generated from providing implementation support will go towards the Farm Support Fund.

Kick Start support can include:

- training of supply chain on chain of custody
- training of farms in your supply chain
- specific support for bring RWS through your supply chain
- staff training on RWS

- support in directing Kick Start funds to your farmers

As an example, we recently provided training to William Sonoma and their local suppliers in India on the RWS and the Supply Chain Scope.

5.) [Brand updates – Eileen Fisher](#)

Megan Meiklejohn, Supply Chain Transparency Specialist

- Sustainability goals: Vision 2020 program
 - All wool should be sourced from a responsible or recycled source by 2020
- What does responsible or sustainable wool mean to Eileen Fisher?
 - Sourced from completely traceable supply chain
 - Protects Animal Welfare
 - Preserve Land health
 - Has 3rd party verification
- Wool tour in Fall of 2016 to learn more about what responsible wool means to Eileen Fisher
 - Met with farm groups and farmers on the ground
 - Argentina – OVIS 21
 - Richardo – great opportunity to learn about regenerative agriculture and using sheep to build healthy soil
 - Dave Maslen – New Zealand Merino
 - Peter Vandeleur – New Merino in Australia
- RWS coordinated nicely with Eileen Fisher’s goals
 - Committed to purchasing RWS wool
 - Identifying the farm groups we want to work with
 - One global standard is ideal
 - Simplifies communication
 - Chain of custody certification to ensure authenticity and transparency
- Current Challenges:
 - Update of RWS certification in the market is slow
 - Need more farm groups and processors to become certified
 - Trying to educate them on the RWS
 - Fiber commitment timeline
 - Internal
 - We have to coordinate our commit schedule with individual countries and their timelines with certification, etc.
 - Capacity
 - Not enough fiber in the market
 - Hopeful that more farmers will get on board
 - Brands need to send the demand signal and encourage change

Updates from others:

Lanas Trinidad in Uruguay is now RWS certified by Control Union!

- Have also been working hard with Control Union at farm level
 - Organizing 10 farms (group) certified, more in the process
 - Shearing time will start in second half of July
 - End of August/Sept in position to deliver RWS certified wool!
 - Merino 18-21/22 microns / Uruguay Merino 18.5/19-29/30 microns
 - Need processors to become certified to process the greasy wool
 - Must have a good connection with potential partners and timing

New Zealand Merino has signed an MOU with Textile Exchange

- As a result of this agreement, wool grown under the ZQ Accreditation program (ZQ Merino and ZQ Premium Wool) can now be sold as RWS certified
- Audits are happening every day at the moment, wool will be coming pretty quickly
- Broad range of microns (12-40 microns) will be available

6.) Trainings & Events

a) Training & Events Overview

It's been a busy year since the release of the standard! Overview of the training events that we have held in the past year.

- Focus has primarily been on brand and supply chain trainings but the next event that will be taking place is for farmers and will be taking place in Argentina on 26 June in Argentina, organised by LETIS and Ovis 21.
- For those who haven't been able to attend the in-person training events, we post the materials online in the Tools and Support section of the RWS website.

b) Tool Kits

- Alongside the training events, we have developed a number of tools and resources that are available on the responsible wool website.
 - Brand and Retailer toolkit
 - Supply Chain Certification toolkit

c) Tools & Resources

- Logo Use and Claims Guide
- RWS and Pricing
- PR Guide (not published on website)

d) Training Plans

- Our plan for the rest of 2017 and going into 2018 is to focus more on certification body and auditor training.
 - We are developing resources using an online training system called Mindflash.
- Further open in person training events may take place if fully funded opportunities arise and if there is a need / interest we can carry out tailored brands & supply chain trainings through the Kick Start program.

7.) Anne's Report from Mongolia

- Spoke at an event in Ulaanbaatar hosted by Sustainable Fiber Alliance
- Sponsored to go by the Nature Conservancy
 - Focus on land management point of view
- Herding systems – how it works and its challenges
- Textile Exchange will not be developing a standard – SFA will lead the work on it

Close & Action Items

- Join the Kick Start program!
- Keep an eye on Find RWS portion of website for updates
- Let us know if you would be interested in joining the RWS Advisory Group or one of the Technical Committees.