Responsible Down Standard International Working Group

February 8, 2018
Agenda

1. Introductions, Announcements, and Housekeeping
2. Scope of the Responsible Down Standard
   - Social Responsibility
   - Environmental/Chemical
3. Application of the CCS
   - Parallel production
4. Reminders
   - Charter
5. Feedback collection
Anti-Trust Guidelines

- Do not agree or discuss how each of the Participants will price their own goods or related products;
- Do not agree to allocate certain geographic markets (i.e., territories) or product markets (i.e., types of products) among each other;
- Do not discuss or agree to the cost or method of pricing products manufactured or sold by each other or otherwise direct each other’s business activities that are outside the scope of the IWG;
- Do not compare cost information that is confidential, such as labor cost, manufacturing costs or other variables affecting pricing;
- Do not agree among yourselves to not do business with certain vendors (potential “boycott”) or otherwise pressure other competitors or vendors to comply with certain pricing or cost policies;
- The IWG should not share with each other or discuss confidential, competitive information for individual Participants or any information that might affect the Participants’ own day to day business decisions related to cost, price or output of their own products. For example, this confidential competitive information may include: price lists or pricing plans, volume, rebate or refund programs, discount policies, credit policies, advertising credits or program allowances, slotting allowances, product cost variables or profit margins, customer lists or specific complaints, supplier contract terms, current or future marketing plans, bidding plans, purchasing plans, planning strategies, capital improvement plans, terms of sale or other contract terms, or competition in the sale or manufacture of competing products;
- The IWG should not facilitate agreements or coordination among Participants for the prices they charge for the products they manufacture or sell or other collusive conduct, including market allocation or refusals to deal with suppliers or customers, or organize boycotts against other manufacturers or retailers; and
- The IWG should not publish or share any information that would be suggestive or conclusory as to how any individual Participant should deal with individual contracting or other third party issues;
- Participants may discuss or share non-confidential, publicly available information or data
Chatham House Rules

When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.
Member Agreement

1. Agrees to contribute a reasonable commitment of time and expertise to participate in the Responsible Down Standard IWG.
2. Agrees to act respectfully to other Members of the IWG, and commit to honest and polite discourse.
3. Agrees that in order to maintain a level of trust and continuity, that all meetings and discussions of The RDS IWG and/or its Members remain strictly confidential and will treat any information that is shared within the RDS IWG as confidential in accordance with the Chatham House Rule (appendix A).
4. Agrees to comply with all applicable antitrust and anti-competitive laws, including, without limitation:
   a. Agrees that none of the information shared during or as part of IWG meetings may be used to cause competitive injury or disadvantage to another Member, participant, Textile Exchange or the RDS; and
   b. Agrees to abstain from any conversations or activities that may restrict competition or set prices).
5. Refrains from using any information obtained through the RDS IWG other than to advance the objectives of the IWG and in no event to disparage Members, their products, practices, businesses or their reputations.
6. Commits to promote the RDS as a meaningful tool to address animal welfare in the down industry.
7. Works openly and collaboratively to meet the objectives of the RDS and the IWG, sharing best practices and lessons learned.
SCOPE OF THE RDS (cont.)
Social Responsibility

• Currently, there are no social criteria on the farms or processing stages of the RDS.
• Should social criteria or questions be introduced on the farms?
• Should social criteria be introduced in manufacturing?
IKEA social responsibility in D&F supply chain

Slaughterhouse

• Labour
  – 7 requirements
• HSE*
  – 4 requirements

Farm

• Labour
  – 8 requirements
• HSE
  – 5 requirements
• Housing conditions
  – 2 requirements

* Health, Safety, Environment
### IKEA social responsibility in D&F supply chain

#### Slaughterhouse examples

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<td>1.1</td>
<td><strong>SR</strong></td>
<td>Child labour is not used at the Supplier Proof of age documentation for all Workers is in place 供应商不得使用童工。 供应商应建立并保存所有员工的年龄证明文件。</td>
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<td>1.6</td>
<td><strong>SR</strong></td>
<td>The Worker is paid a wage equal to or exceeding the legal minimum wage. 支付给员工的工资应不低于法定最低工资标准。</td>
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<td>2.1</td>
<td><strong>R</strong></td>
<td>Appropriate PPE shall be provided and being used by workers. 为工人提供合适的劳保用品并正确使用</td>
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## IKEA social responsibility in D&F supply chain

### Farm examples

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| 1.6 | R | Workers shall be covered with accident insurance for un-expected incidents under farm promise.  
    |   | 游戏场工人应投保意外伤害保险 |
| 2.3 | SR | Appropriate firefighting equipment shall be available and maintaining in good condition for each barn.  
    |   | 每个棚都应备有灭火设备，并保持良好可用 |
| 3.2 | SR | The accommodation for workers shall be separated from waterfowl feeding area.  
    |   | 工人住宿应和水禽喂食区分开 |
Social Responsibility

• Potential risks
  – Worker wages
  – Child labor
  – Health and safety

• Opportunities
  – Observation, recommendations
  – Data collection
  – Risk management
Environmental and Chemical Management
Environmental/Chemical

• Should environmental impacts on the farm be addressed by the Responsible Down Standard?
• Should environmental or chemical impacts in manufacturing be addressed by the Responsible Down Standard?
Environmental/Chemical

• Potential Risks
  – Water use, wastewater
  – Energy use
  – Waste management

• Opportunities
  – Observation, recommendations
  – Data collection
  – Risk management
APPLICATION OF THE CCS
Farm and Supply Chain Certification

Processing
All processing steps must be certified to make sure the chain of custody is maintained to the last level of production.

Farm, Transport, and Slaughter

Content Claim Standard
What is Parallel Production?

Carrying certified and non-certified waterfowl or down and feathers at the same location.
What is Parallel Production?
Risks of Parallel Production

• Some suppliers may knowingly sell live-plucked or force-fed down.
  – Against the spirit of the standard.

• Some suppliers may advertise as certified, but never trade certified material.
  – Risks the credibility of the standard, especially when brands don’t understand the requirements or transaction certificates.
Proposed Next Steps

• Require suppliers to disclose all of their sources (only to Certification Bodies)
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• Allow the Certification Body to inspect supply chains that are identified as “risky.”
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- Require slaughterhouses and suppliers to show certified material being bought and sold upon renewal of certification.
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- Allow the Certification Body to inspect supply chains that are identified as “risky.”
- Others?
Reminders

- Watch for RDS IWG Charter, to be signed
- Submit Feedback via the Feedback Form
- Review Work Plan, sign up for task groups
THANK YOU!