**KNOWTHEHCAIN I QUESTIONS REGARDING FORCED LABOUR RISKS IN YOUR COMPANY’S LEATHER SUPPLY CHAIN**

In countries including but not limited to Pakistan, Bangladesh and India, leather processing is characterised by hazardous and poor working conditions, which may be early indicators or eventually lead to forced labour.[[1]](#footnote-1) In countries including India and China forced labour risks have been documented. Through this questionnaire, KnowTheChain would like to get a better understanding of **how your company is addressing risks related to forced labour specifically in its leather supply chain**.

**In answering these questions, please indicate where your company’s policies or practices specifically apply to** cattle sourcing, leather processing or leather goods manufacturing **countries at risk of forced labour and human trafficking** such as **Brazil, China and India**[[2]](#footnote-2) or other countries where you might have identified forced labour risks.

*Please note the information in blue indicates relevant existing disclosure identified for VF / Timberland.*

*Sources:*

* AP (March 2017): [Report examines grim Bangladesh leather trade, links to West](https://www.apnews.com/57003bedd3ae4e3e9d1633cf50effc31/Report-examines-grim-Bangladesh-leather-trade,-links-to-West)
* [Response to KnowTheChain Disclosure questions 2016](https://business-humanrights.org/sites/default/files/VF%20Corporation_Know%20the%20Chain_Engagement%20questions.pdf)
* Sustainability - materials: <http://sustainability.vfc.com/products/materials/>
* Tier 1 supplier list: <https://static1.squarespace.com/static/55649607e4b0576ead7365cd/t/5821ed6ae58c62e4fe06edd8/1478618528454/VFs_GlobalFactoryList_Q3_11.08.16.pdf>

**Overarching context for Timberland responses:**

Roughly 93% of the leather used by Timberland is for the production of footwear, which is what we’ll focus on in our responses. Given the prominent role of leather in our business, we have strict guidelines and high expectations for our footwear leather suppliers. In fact, they are held to the same standards as our Tier 1 suppliers.

**Traceability**:

Timberland publishes its global factory list on a quarterly basis. It can be downloaded from our CSR report found online at [www.timberland.com/responsibility.html](http://www.timberland.com/responsibility.html) (scroll down to Timberland Responsibility/Reporting and click on “See All Reports” then pull up the latest CSR Report. You’ll find the most recent factory list in the Factory Conditions – Compliance Ratings” section.) This list includes our leather suppliers, and provides factory names and addresses. We believe, along with others in our industry, that factory disclosure and collaboration can create common standards and shared solutions – helping to advance global human rights in all of our factories.

1. Leather goods manufacturing:
   1. In which countries does your company and/or your suppliers manufacture leather goods (option to indicate percentage or volume of supply from each country)? See factory list referenced above.
   2. What are the names and addresses of your company’s and/or your suppliers’ leather goods manufacturers? See factory list referenced above. Please indicate the nature of your relationship to them, e.g. direct owned or purchasing only (option to indicate workforce data you deem relevant, such as workforce composition (e.g. percentage of informal/migrant/female workforce) or rate of unionisation). What are the names of the persons legally responsible for the production facilities? Timberland (through VF) directly owns one footwear manufacturing factory, located in the Dominican Republic. All other suppliers referenced in our factory disclosure are contract manufacturers and supplier vendors.
2. Leather processing / tanneries:
   1. In which countries does your company and/or your suppliers process and produce leather? See factory list referenced above.
   2. What are the names and addresses of your company’s and/or your suppliers’ tanneries? See factory list referenced above. Please indicate the nature of your relationship to them, e.g. direct owned or purchasing only (option to indicate workforce data you deem relevant, such as workforce composition (e.g. percentage of informal/migrant/female workforce) or rate of unionisation). What are the names of the persons legally responsible for the production facilities? Timberland does not own any tanneries; all tanneries listed in our factory disclosure are contract suppliers.

Disclosure of tier 1 supplier list, which includes factories in China and India: <http://responsiblesourcing.vfc.com/factories-list/> (See Timberland-specific list referenced above, which includes tanneries.)

**Purchasing practices:**

1. How does your company use its leverage to influence its leather supply chain with regards to labour practices and/or reward suppliers with good labour practices? No production of VF branded or licensed products may take place in a facility until a factory inspection has been completed by VF Compliance, and the VF [Terms of Engagement](http://sustainability.vfc.com/vfs-terms-of-engagement/" \t "_blank) agreement has been signed. This includes Timberland-nominated tanneries. Violation of this policy can result in the termination of any existing contracts or licensing agreements. Timberland additionally requires all tanneries to be audited by the [Leather Working Group](http://www.leatherworkinggroup.com/) for environmental best practices, which includes hide traceability.
2. How does your company ensure its labour standards are cascaded down its leather supply chain beyond tier 1 suppliers? See above.

**Worker voice**:

1. Grievance mechanisms: Does your company ensure workers in its leather supply chain have access to grievance mechanisms? If yes, please explain what mechanisms are available for workers in both owned and third party leather goods production facilities and tanneries. Please also explain how your company ensures those mechanisms fulfil the [effectiveness criteria under the UN Guiding Principles for Business & Human Rights](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf), e.g., they are trusted and used by workers.
2. Worker engagement and empowerment: How does your company ensure that workers in its leather supply chain know about, and can exercise their rights (e.g. freedom of association or, where there are regulatory constraints for freedom of association, alternative means of organising)? Effective grievance mechanisms, and freedom of association, are strictly required by VF Global Compliance Principles. These are monitored closely in VF Compliance audits.

VF states that its supply chain workers and communities, including workers in the second or third tier of its supply chain, have access to its Ethics Helpline, and it prohibits suppliers from taking retaliatory action against workers using the mechanism. Further, VF encourages suppliers to establish their own grievance mechanisms.

**Monitoring / certification**:

1. Do you participate in sustainable leather sourcing / certification? Timberland requires all tanneries to be audited by the [Leather Working Group](http://www.leatherworkinggroup.com/) (LWG), for environmental best practices. Over 90% of our leather comes from tanneries that have achieved a Silver or Gold rating from the LWG, and our goal is to hit 100% by the year 2020.
2. If yes, how does the verification initiative/certification address labour rights, and how does your company ensure labour standards are adequately covered? The LWG certification does not address labour rights; as such, tanneries are required to be additionally audited by VF Compliance for adherence to its Global Compliance Principles.

As stated earlier, given the prominent role of leather in our business, we have strict guidelines and high expectations for our footwear leather suppliers. In fact, they are held to the same standards as our Tier 1 suppliers.

Factory audit scope includes sub-contractors such as cutting facilities, screen printers, embroiderers, laundries, and packaging locations. Audits include aspects such as direct payments of wages to employees, freedom of movement, accessibility to passports, etc.

VF also conducts Life Safety Audits (including Forced Labor) at facilities engaged in the production of Textiles, Leather, and Polymer (soles and foot beds).

**Stakeholder engagement**:

1. Does your company actively participate in one or more multi-stakeholder or industry initiatives focused on forced labour and human trafficking or work with peer companies to address risk in high risk regions/clusters of tanneries or manufacturers?
2. If so, please specify who you work with and how you address forced labour risk related to leather sourcing.

VF Corporation is actively engaged with the Mekong Club, to work collectively with others in the industry to eradicate slavery from the industry. <http://themekongclub.org/>

**Additional information**

Please provide any additional information regarding how your company addresses forced labour risks in its leather supply chain (e.g. related to risk assessment and due diligence, supplier training, recruitment) or regarding your company’s supply chain structure which you think is relevant.

In response to Transparentem report, Timberland and others said that while they weren't getting leather from the tanneries, they saw an opportunity to use their companies' leverage at the related factories to bring improvements, with some using threats, others offering auditors and support. Please note for clarification, that VF/Timberland’s approach was to offer support to help ameliorate conditions for workers.

**Background information**:

This questionnaire has been sent to the following companies:

* Footwear companies: Belle International, adidas, Nike, Kering (Puma), VF (Timberland)
* Luxury brands: Hugo Boss, Prada, Kering (Alexander McQueen, Balenciaga, Brioni, Gucci, Saint Laurent Paris, etc.), Ralph Lauren, PVH (Tommy Hilfiger, Michael Kors, Calvin Klein)

Please note your response will be made public on the B[usiness & Human Rights Resource Centre website](https://business-humanrights.org/en/knowthechain-outreach-to-footwear-and-luxury-goods-companies-on-forced-labor-risks-in-leather-sourcing). In addition, KnowTheChain will publish a short analysis to highlight better practices, as well as companies and areas where disclosure is limited. For an indication of what KnowTheChain regards as better practices, please review the [methodology](https://business-humanrights.org/sites/default/files/KTC_BenchmarkMethodology_FoodBeverage%20ApparelFootwear_V2.pdf) and the [findings report](https://knowthechain.org/wp-content/plugins/ktc-benchmark/app/public/images/benchmark_reports/KTC_A&F_ExternalReport_Final.pdf) of [KnowTheChain’s apparel & footwear benchmark](https://knowthechain.org/benchmarks/3/).

1. Associated Press (2017) - [Report examines grim Bangladesh leather trade, links to West](https://www.apnews.com/57003bedd3ae4e3e9d1633cf50effc31/Report-examines-grim-Bangladesh-leather-trade,-links-to-West); India Committee of the Netherlands (2017) - [Do leather workers matter?](http://www.indianet.nl/DoLeatherWorkersMatter.html); Undark (2017) - [Skin Deep: Feeding the Global Lust for Leather](https://undark.org/article/leather-tanning-bangladesh-india/); SOMO (2016) - [Hell-bent for leather. Labour conditions in the leather industry in Pakistan](https://www.somo.nl/hell-bent-for-leather/); Human Rights Watch (2012) – [Toxic tanneries](https://www.hrw.org/report/2012/10/08/toxic-tanneries/health-repercussions-bangladeshs-hazaribagh-leather). [↑](#footnote-ref-1)
2. The [US Department of Labor](https://www.dol.gov/ilab/reports/child-labor/list-of-goods/) identified risk of forced labour in the cattle industry in Brazil, the leather industry in China, as well as related to sourcing leather goods / accessories from India. [↑](#footnote-ref-2)