



**CONTACT:**

Susana McDermott

ICCR, Director of Communications

212-870-2938

[smcdermott@iccr.org](mailto:smcdermott@iccr.org)

**FOR IMMEDIATE RELEASE**

**ABUSES IN LEATHER INDUSTRY PROMPT INVESTORS' CALL TO ADD LABOR COMPLIANCE  
TO INDUSTRY AUDITS**

***In a letter to the Leather Working Group, 62 institutional investors cite pervasive labor violations in a call for broadening scope to include labor as well as environmental due diligence at tanneries.***

**NEW YORK, NY, TUESDAY, OCTOBER 3<sup>RD</sup>, 2017** – As a result of reports highlighting hazardous working conditions and child labor in leather processing in a number of countries, a group of investor members of the Interfaith Center on Corporate Responsibility have written the Leather Working Group (LWG) requesting that it broaden its mandate beyond environmental concerns to include social compliance.

While the LWG currently tracks company performance on environmental risks such as water pollution that are endemic in leather production, there is currently no audit protocol for labor concerns. According to its website, the objective of The Leather Working Group is to: *develop and maintain a protocol that assesses the environmental compliance and performance capabilities of leather manufacturers and promotes sustainable and appropriate environmental business practices within the leather industry.*

The investors argue that the industry is exposed to serious and systemic social risks including labor rights violations such as forced and child labor, wage theft and worker exposure to hazardous chemicals in the tanning process that need to be managed by sector-specific protocols like the Leather Working Group.

Said Lauren Compere of Boston Common Asset Management, ***“Investors don’t have the information they need to fully assess how companies are measuring and managing salient human rights risks in their leather supply chains, especially at the tannery level. We need look no further than the Rana Plaza tragedy or abuses in seafood supply chains to understand how a lack of human rights due diligence can impact an entire industry.”***

In their letter, the investors cite two reports, Transparentem’s in-depth investigation of conditions at tanneries in [Hazariabagh, Bangladesh](#) and KnowTheChain’s report, [“How footwear companies and luxury brands tackle forced labor risks in their leather supply chains,”](#) both of which highlight pervasive hazardous working conditions and child labor in leather processing in a number of countries including, Bangladesh, China, India and Pakistan.

Said Nadira Narine who leads ICCR's food and water programs, ***"The significant and growing body of evidence documenting systemic human and labor rights violations in the leather industry threaten every company in these supply chains. Sustainability is not confined to environmental issues alone; the social sustainability of the sector must also be addressed."***

***"Since 2005 the Leather Working Group has had the important work of certifying leather tanneries that are performing in a responsible way,"*** said David Schilling, senior program director at ICCR. ***"In order to be credible moving forward, the initiative must address the tragic labor abuses taking place in tanneries today where children are employed and exposed to toxic chemicals, and serious injury."***

### **About the Interfaith Center on Corporate Responsibility (ICCR)**

Celebrating its 46th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for social change. Its 300 member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and other socially responsible investors with combined assets of over \$400 billion. ICCR members engage hundreds of corporations annually in an effort to foster greater corporate accountability. [www.iccr.org](http://www.iccr.org)

###