Leather Working Group – Company Response

LWG Response to Earthsight 19 March 2025

Leather Working Group (LWG) has established an Audit Standard to independently assess and certify the operations of leather manufacturers. In line with our commitment to measuring best practices and driving continuous improvement, this standard has evolved over time. It includes a grievance process as part of its assurance framework.

Currently, and in alignment with LWG's core expertise, the standard is a site-level assessment that includes operating permits, sub-contracted operations, upstream leather manufacturing suppliers, environmental management systems, chemical management, restricted substance management, water and energy consumption targets, air and noise emissions, solid waste management, effluent treatment, and health and safety. These are all crucial aspects to ensure the protection for both the environment and the people involved in the production of leather. It recognises third-party social audits and incorporates a traceability component that tracks materials back to the slaughterhouse or equivalent stage, with additional deforestation due diligence requirements for hides sourced from deforestation-risk areas.

Deforestation-free leather, including EUDR, is an important key objective for LWG. Our Standard Development Programme is actively consulting with international NGOs and other stakeholders to expand and enhance our current deforestation due diligence requirements in the next evolution of our standard. This updated version is expected to be open for public consultation in the coming months, with publication planned for the first half of 2026.

This is separate from the Deforestation-Free Call to Action for Leather initiative which you can learn more about <u>here</u>.

We are unable to comment on the findings as reported, but if you have any further questions on our work, please don't hesitate to reach out.

LWG Response to Earthsight 12 May 2025

Many thanks for your email, the comments from Leather Working Group are as follows:

- The Leather Working Group (LWG) audit is currently a site-level assessment focused on leather manufacturers and traders. It does not include farm-level auditing within its scope; therefore, LWG certification is not intended to be interpreted as a guarantee of deforestation-or conversion-free status.
- As part of LWG's mission to drive continuous improvement, the current protocol includes incoming traceability, including an element of deforestation due diligencee, not as a critical requirement, but to support the development of best practice. This is intended to prepare audited facilities for the next phase, which will introduce mandatory reporting on this topic.
- LWG has long recognised the importance of supply chain transparency and has been working closely with its dedicated group of stakeholders who share a commitment to

understanding and establishing meaningful ways to measure and report on the complex relationships within the cattle and leather supply chain.

Our Standard Development Programme is actively engaging with international NGOs and other key stakeholders to expand and strengthen our current deforestation due diligence requirements and establish a chain of custody system. These enhancements will form part of the next evolution of our standard, which is expected to open for public consultation in the coming months, with publication planned for the first half of 2026.

The intention of this collaborative approach is to not only drive our purpose of continuous improvement but also to bring greater clarity to the broader conversation around transparency for brands and consumers alike.

Should you have any further questions regarding our work, please do not hesitate to reach out.