



Leather Production Social Standards Benchmark 0.1

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The *Leather Production Social Standards Benchmark* is effective as of January 5, 2021.

English is the official language of the *Leather Production Social Standards Benchmark*. In any case of inconsistency between versions, reference shall be made to the English version.

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Please note that all LIA documents and processes will be piloted during 2021, which will help better understand how they will work in practice. The learnings of the pilot year may lead to adjustments in these documents or processes.

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The *Leather Production Social Standards Benchmark* will be updated at the end of the 2021 pilot year and will undergo a revision process at least every five years.

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Introduction

About the Leather Production Social Standards Benchmark

The goal of this document to set a threshold of better social practices in leather production facilities and identify standards that meet this threshold through a benchmark approval process; standards that meet the benchmark will be qualified as LIA-approved standards.

Brands, retailers, and other stakeholders will refer to LIA-approved standards to identify leather production facilities that meet the better social practices threshold set by LIA.

Leather production is considered to be all hide transformation stages from beamhouse to finished leather. The scope of this document does not include slaughterhouse or cut and sew.

About the Leather Impact Accelerator (LIA)

LIA is a framework that sets existing industry tools into a coherent package and enables leather supply chain members – from farmers to retailers – to contribute to a more responsible leather supply chain. To this end, LIA uses benchmarks and protocols to set a minimum threshold for practices at the farm and leather production levels and gives recognition to those who meet or exceed them. Brands can use Impact Incentives to provide direct financial support to farmers that meet LIA benchmarks, and the *LIA Claims Guide* provides support for all LIA participants to make credible claims.

About Textile Exchange



LIA is owned and managed by **Textile Exchange**. Textile Exchange is a global non-profit that works closely with our members to drive industry transformation in preferred fibers, integrity and standards, and responsible supply networks. We identify and share best practices regarding farming, materials, processing, traceability, and product end-of-life in order to reduce the textile industry's impact on the world's water, soil and air, and the human population.

Benchmark Approach

The industry already has many standards in these areas, so a benchmark approach has been adopted to leverage and add value to the standards and programs that are already in use. In addition to benchmarking, LIA includes requirements for traceability systems and verification protocols.

Benchmarks set a minimum threshold for practices and give recognition to those who meet or exceed them. LIA uses benchmarks to assess animal welfare standards at the farm level and environmental and social standards during leather production.

The *Leather Production Social Standards Benchmark* sets a threshold to identify existing standards that meet better social practices in leather production facilities.

A standard owner has the possibility to apply for a benchmark assessment through the LIA *Benchmark Approval Process*. Under this process, the standard requirements will be assessed against the benchmark requirements.

In order for a standard to be recognized to this benchmark, all the requirements listed in this document must be addressed in the standard. Additionally, as for all the other components of LIA, the standard will be required to comply with the *Standards Management Criteria*, which ensures the standard is developed, audited, and maintained in a transparent fashion, including multi-stakeholder consultation and decision-making, and clear and auditable conditions in the standard itself.

Any standard that meets the *Leather Production Social Standards Benchmark* and the *Standards Management Criteria* shall be listed on the LIA website as a LIA-approved standard. In addition, as the requirements outlined below are based on the SSCI's social benchmarking program, and SSCI also evaluates standards management, all social standards assessed and recognized by the SSCI's social benchmarking program shall automatically be approved by LIA and listed as LIA-approved on the LIA website.

How to Use This Document

The following terms are used throughout the document to indicate requirements, recommendations, permissions, and possibilities or capabilities:

- "shall" indicates a requirement
- "should" indicates a recommendation
- "may" indicates a permission
- "can" indicates a possibility or a capability
- "may not" indicates a prohibited action

The abbreviation "e.g." is used to indicate an example, while the abbreviation "i.e." is used to provide clarification of meaning.

Section A - Benchmark Criteria

The below requirements assess social standards for processing/manufacturing facilities from all sectors and are not exclusive to leather production.

A1. Social Policy

- A1.1** The standard shall require that a written human rights policy statement is in place, approved at the most senior level.
- A1.2** The standard shall require that the human rights policy statement is communicated to all personnel.
- A1.3** The standard shall require that clear responsibility is assigned for the implementation of the human rights policy statement.
- A1.4** The standard shall require that personnel in relevant business functions receives adequate training on human rights. Training attendance shall be documented.
- A1.5** The standard shall require that the requirements on human rights are communicated to relevant business partners and other relevant parties.
- A1.6** The standard shall require that records and documentation are maintained to demonstrate compliance with the standards' requirements.

A2. Legislations

- A2.1** The standard shall require that all applicable legal requirements are complied with (national, regional, and local).
- A2.2** The standard shall require that if all applicable legal requirements set a different level of adherence than set by the scheme, the scheme shall require that whichever affords the highest level of adherence for workers is audited against.

A3. Forced Labor

- A3.1** The standard shall require that the organization does not engage in the use of involuntary, forced, or trafficked labor, as defined in ILO Convention 29.
- A3.2** (This also applies to prison labor. All workers shall enter into employment voluntarily and may terminate employment with reasonable notice)

- A3.3** The standard shall require that the facility does not force any person to work under the menace of any penalty or sanction.
- A3.4** The standard shall address recruitment fees to prevent against debt bondage or recruitment that may lead to situations of forced or compulsory labor.
- A3.5** (It is recommended to specifically address the use of employment agencies.)
- A3.6** The standard shall require that no monetary deposits, financial or collateral guarantees, or personal possessions are demanded as a condition of employment.
- A3.7** The standard shall require that workers are not held in debt bondage or forced to work for an employer or any other entity to pay off debt.
- A3.8** The standard shall require that if the possibility of advances and loans to workers is provided, a written policy about the terms and conditions is in place that is communicated to workers in an understandable manner. These terms (and related interest rates) shall not be used to bind workers to employment.
- A3.9** The standard shall require that no personal documents or any valuable possessions, such as identity or immigration papers, work permits, or travel documents are confiscated, retained, nor shall workers be required to lodge them with the employer and/or recruiter.
- A3.10** The standard shall require that if a secure storage option for personal documents and valuable possessions is provided, it shall be ensured that:
- a. it is the choice of the worker to utilize the storage;
 - b. storage is documented; and
 - c. workers have free access to their possessions
- A3.11** The standard shall require that the facility does not restrict worker's freedom of movement. The facility shall not require workers to remain at the workplace at the conclusion of their working hours or confine them in any worker accommodation.
- A3.12** The standard shall require that if cases of forced or compulsory labor have been found, the organization shall implement effective remediation, such as compensation for personal and material damages. The remediation actions taken shall be verified and recorded.

A4. Child Labor

- A4.1** The standard shall require compliance with the minimum age for work as defined by all applicable legal requirements or the age of completion of compulsory education, whichever is higher. The minimum age for work shall not be less than 15 years.
- A4.1.1** If, however, local minimum age law is set at 14 years of age in accordance with ILO Convention 138, this lower age may apply.
 - A4.1.2** The standard may allow for the exceptions of performing light work when in accordance with ILO Convention 138 and in line with all applicable legal requirements.
 - A4.1.3** The standard shall require that details on any children under the age of 15 years that are found to be working at the facility are reported in the audit or assessment report.
- A4.2** The standard may allow for training/apprenticeship schemes and shall verify that these are not exploitative and are in line with all applicable legal requirements
- A4.3** The standard shall:
- A4.3.1** Define young workers (e.g. under the age of 18)
 - A4.3.2** Require that young workers are not be engaged in the worst forms of child labor or hazardous child labor, as defined in ILO Convention No. 182 and Recommendation No. 190
 - A4.3.3** Set limits on the working hours for young workers
- A4.4** The standard shall require that age verification mechanisms are established for all workers, and valid age verification records are maintained.
- A4.5** The standard shall require that if child labor was found, effective remediation procedures are in place that put the best interest of the child first.
- A4.6** The remediation plan shall be documented and verified, and actions put in place to avoid recurrence.

A5. Freedom of Association

- A5.1** The standard shall require that workers have the right to join or form trade unions or other worker organizations of their own choosing - or refrain from doing so - and to bargain collectively in accordance with all applicable legal requirements

- A5.2** The standard shall require that worker representatives or members of trade unions are not discriminated against or otherwise penalized because of their membership in or affiliation with a trade union or worker organization in accordance with all applicable legal requirements.
- A5.3** The standard shall require that duly elected worker representatives of trade unions and other worker organizations have access to the workplace to carry out their representative functions in accordance with all applicable legal requirements.
- A5.4** The standard shall require that where there are no legal protections for the right to collective bargaining or freedom of association, the facility strives to engage workers through alternative lawful mechanisms of engagement to allow worker representatives to enter into a dialogue about workplace issues.

A6. Fair Treatment of Workers

- A6.1** The standard shall require that equal opportunities and treatment in employment and occupation are respected. Workers shall not be discriminated against in recruitment or employment practices based on any legally protected characteristics and any personal characteristics that do not interfere with a worker's ability to do a specific job.
- A6.2** The standard shall require that the facility does not engage in, support, or tolerate the use or threat of corporal punishment, mental or physical coercion, bullying, harassment, including sexual harassment, or abuse of any kind.
- A6.3** The standard shall require that written disciplinary procedures are in place, and they are effectively communicated to workers.
- A6.4** The standard shall require that records of all disciplinary action are kept.

A7. Operational Health and Safety (OHS)

- A7.1** The standard shall require that safe, healthy, and clean conditions are provided in all workplaces, worker accommodation, and other facilities as provided or mandated.
- A7.2** The standard shall require that clear responsibility for the development, implementation, and performance of the occupational health and safety management system and the achievement of the relevant occupational health and safety objectives is allocated.
- A7.3** The standard shall require that all workers of the facility receive effective health and safety training as required to carry out the duties and responsibilities of the job.

A7.3.1 Health and safety training is provided timely and repeated on a regular basis. It shall also be repeated for new or reassigned workers of the facility and when changes in the process or machinery present new risks.

A7.3.2 All training shall be documented.

A7.4 The standard shall require that all workers are provided with health and safety training at the cost of the employer.

A7.5 The standard shall require that risk assessments are performed as appropriate to detect and assess potential threats to the health and safety of workers, and effective measures are taken to address the findings from the risk assessment.

A7.6 The standard shall require that the facility maintains written records of all health and safety incidents in the workplace and all other facilities, as provided or mandated.

A7.7 The standard shall require that the cause of health and safety incidents is determined when they occur. Appropriate corrective actions are taken to prevent the recurrence of similar incidents.

A7.8 The standard shall require that appropriate and effective personal protective equipment (PPE) is provided as needed. PPEs shall be provided free of charge to the workers. PPEs shall be maintained and replaced as necessary. Workers shall be instructed and monitored on the proper use of PPE.

A7.9 The standard shall require that clear arrangements for providing first aid and medical assistance are in place for any workplace accidents or incidents.

A7.10 The standard shall require that all workers are provided with free potable water and clean toilet facilities.

A8. Building Safety and Emergency Preparedness

A8.1 The standard shall require that adequate documented emergency and fire safety procedures are in place, including in worker accommodation and other facilities as provided or mandated.

A8.2 The standard shall require that all workers are trained on emergency and fire safety procedures.

A8.3 The standard shall require that fire exits, escape routes, firefighting equipment, and fire alarms are properly marked according to national and industry standards. Fire exits and escape routes are open, accessible, and clear of obstacles so as to permit

safe evacuation in case of an emergency. A designated safety assembly point is recommended.

- A8.4** The standard shall require that workers have the right to remove themselves from imminent serious danger without seeking permission.
- A8.5** The standard shall require that appropriate measures are taken to evaluate and monitor the strength, stability, and safety of buildings and equipment, including worker accommodation where provided or mandated. Corrective action is taken where required.
- A8.6** The standard shall require that if accommodation facilities are provided or mandated, these are located separately from production or storage facilities.

A9. Wages

- A9.1** The standard shall require that workers are informed about their employment terms and conditions in writing and in an understandable manner to the worker before they enter into employment.
- A9.2** The standard shall require that work be performed by individuals with a formal verifiable working relationship in accordance with all applicable legal requirements
- A9.3** The standard shall require that no employment arrangements are used in order to avoid obligations to workers under applicable labor and social security laws.
- A9.4** The standard shall require that compensation for standard working hours meets or exceeds applicable legal minimum wages, industry standards, or collective bargaining agreements (where applicable), as well as other benefits mandated by law.
- A9.5** The standard shall require that wages are paid in full in a timely manner, using legal tender.
- A9.6** The standard shall require that where a facility establishes a pay rate for production, quota, or piece work, it allows workers to earn at least a wage which respectively meets or exceeds applicable legal minimum wages, industry standards, or collective bargaining agreements (where applicable) within standard working hours.
- A9.7** The standard shall require that all workers are compensated for all overtime as required by applicable legal requirements or a collective bargaining agreement.
- A9.8** The standard shall require that all workers are provided with clear and written details of their wages for the pay period concerned each time that they are paid.

- A9.9** The standard shall require that no deductions from wages are made unless permitted by all applicable legal requirements or a collective agreement. Workers are informed about any deductions in writing and in an understandable manner to the worker.
- A9.10** The standard shall require that no deductions from wages are made as a disciplinary measure.

A10. Working Hours

A10.1 Standards shall:

A10.1.1 Set limits on overtime and/or address transparency around working hours, with the goal to drive improvement when needed

A10.1.2 Ensure that any overtime does not have negative impacts on the health and safety of the workers

NOTE: We recognize that working hours are one of the most challenging issues, but it is understood that setting limits can drive issues underground where it is not addressed. Ideally, standards will work in partnership with facilities to improve overtime situations.

- A10.2** The standard shall ensure that any overtime being worked is properly compensated, is voluntary, and there is no risk of forced labor.
- A10.3** The standard shall require that overtime is not requested on a regular basis.
- A10.4** The standard shall require that all workers have the right to breaks during work shifts.
- A10.5** The standard shall require that workers have the right to at least one rest day of 24 consecutive hours every week.
- A10.6** If the standard grants exceptions to the number of rest days, these shall be clearly defined, in line with applicable legal requirements, and it is demonstrated that appropriate safeguards are taken to protect the worker's health and safety. At a minimum, workers shall be granted two rest days, each of consecutive 24 hours, in a 14 days period.
- A10.7** The standard shall require that workers are granted paid leave (public and annual holidays, maternity/paternity leave, sick leave, etc.) in accordance with all applicable legal requirements.

A11. Grievance Mechanisms

- A11.1** The standard shall ensure there is a written procedure to address complaints or concerns and is accessible to all.
- A11.2** The standard shall require that the confidentiality of any complaint raised is provided, and information is revealed only as necessary to investigate and handle the complaint.
- A11.3** The standard shall require that any person that lodged a complaint in good faith is retaliated against.

A12. Business Ethics

- A12.1** The standard shall require that the facility prohibits any involvement in any act of corruption, extortion, embezzlement, nor in any form of bribery - either directly or indirectly.
- A12.2** The standard shall require that the facility does not falsify any information regarding their activities, structure, and performance and is not involved in any act of misrepresentation in the supply chain.

Appendix A – Definitions

Workers: "worker" is understood to cover all categories of workers, employed or not.

Employee: Worker holding an explicit or implicit employment contract which gives him or her a basic remuneration that is not directly dependent upon the revenue of the unit for which he or she works. (SOURCE: ILO, <https://metadata.ilo.org/thesaurus/1193469614>)

Forced labor: All work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself [or herself] voluntarily. (SOURCE: ILO, <https://metadata.ilo.org/thesaurus/-1845041722.html>)

Child labor: Children's work which is of such a nature or intensity that it is detrimental to their schooling or harmful to their health and development. (SOURCE: ILO, <https://metadata.ilo.org/thesaurus/606552611.html>)

Debt bondage: A system whereby people are required to repay a debt by working for their creditors. (SOURCE: ILO, <https://metadata.ilo.org/thesaurus/2024894941.html>)

Freedom of association: Applies particularly to the freedom of workers and employers to establish and join organizations of their own choosing without previous authorization. (SOURCE: ILO, <https://metadata.ilo.org/thesaurus/-1375685182.html>)

Personal protective equipment (PPE): Device or appliance designed to be worn or held by an individual for protection against one or more health and safety hazards (SOURCE: ISO 15384:2018, 3.12)

ILO Conventions and Recommendations referred to:

ILO Convention No.29: C029 - Forced Labour Convention, 1930 (No. 29). Its object and purpose is to suppress the use of forced labor in all its forms irrespective of the nature of the work or the sector of activity in which it may be performed.

The full convention is available here:

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029

ILO Convention No. 182: C182 - Worst Forms of Child Labour Convention, 1999 (No. 182). By ratifying this Convention No. 182, a country commits itself to taking immediate action to prohibit and eliminate the worst forms of [child labour](#).

The full convention is available here:

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182

Recommendation No. 190: R190 - Worst Forms of Child Labour Recommendation, 1999 (No. 190). This recommendation contains, among others, recommendations on the types of hazards that should be considered for inclusion within a country-based definition of Worst Forms of Hazards faced by Children at Work.

The full recommendation is available here:

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R190

Appendix B – References

In this first version of LIA, the leather production social requirements are based on SSCI Benchmarking Requirements, Version 1.0, PART III - Processing and Manufacturing scope (social), developed by the Sustainable Supply Chain Initiative (SSCI) of The Consumer Goods Forum and launched in 2019.

The SSCI Social Criteria are informed by international reference frameworks such as principles from relevant ILO Conventions, the 1998 Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the CGF Priority Industry Principles on Forced Labour.

Reference Documents:

- [SSCI, Version 1.0, PART III - AI: Processing and Manufacturing scope \(social\)](#)
- [ISEAL Code of Good Practices](#)