





# Contents RWS Brand Sourcing Guide

Introduction	4
Ten Reasons to Source RWS Wool	
Why Wool?	
Essentials of Working with the RWS	. 11
1. Make a Commitment	12
2. Set a Target	. 13
3. Define Qualities & Quantities	. 14
4. Choose Partners	15
5. Certify the Supply Chain	17
6. Communicate	18
A Final Note	. 20



# Introduction

# Introduction RWS Brand Sourcing Guide

## About Textile Exchange

Textile Exchange is a nonprofit organization that inspires and equips people to accelerate sustainable practices in the textile value chain. We focus on minimizing the harmful impacts of the global textile industry and maximizing its positive effects by building capacity, interpreting and disseminating information, and sharing best practices across the entire value chain – from farmers and raw material providers to brands, retailers, and consumers.

# About Textile Exchange Standards

Textile Exchange Standards work to support the integrity of product claims by providing verification from an independent third-party. All of our standards have been developed by a multi-stakeholder approach to address gaps in current industry standards.

# About the Responsible Wool Standard

The Responsible Wool Standard is an industry tool designed to recognize the best practices of farmers, ensuring that wool comes from farms with a progressive approach to managing their land, and from sheep that have been treated responsibly.

## About this Guide

This guide has been developed to provide practical support for companies wishing to set up new or enter existing RWS certified supply chains.

#### It provides guidance and

recommendations, case studies from brands and suppliers, as well as links to further guidance and support on specific topics.

## The Role of Standards

Standards are an extremely effective tool to drive change in the industry, and to ensure compliance to a given set of criteria. However, they do not guarantee 100% compliance, 100% of the time; instead they significantly narrow the margins for non-compliance by making expectations clear, and by providing a level of oversight through inspections, interviews and document checking.

Many standards represent a snapshot in time, where a site is evaluated against the criteria of the standards through inspections, interviews and document checking. These inspections may happen every year, or at a lower frequency, such as every three years.

Textile Exchange standards require yearly inspections and certification renewal, and use the transaction certificate system to keep continual track of the flow of goods from one site to another. This gives a higher level of confidence in the chain of custody of certified goods.



# Ten Reasons to Source RWS Wool

# Ten Reasons to Source RWS Wool

# RWS Brand Sourcing Guide

# Protect Animal Welfare

The Five Freedoms of sheep are protected at all times: freedom from hunger or thirst, from discomfort, from pain, injury or disease, to express normal behavior, and freedom from fear and distress.



# **Preserve Land Health**

The RWS provides a means for brands to communicate their fiber and traceability expectations clearly and consistently to any and all points in their supply networks. Multiple brands working with a single standard means economies of scale can be more quickly reached.



# **Reduce Risk**

The RWS reduces the risk to brands, the supply chain and wool growers.

# **Preserve Land Health**

Progressive methods of land management are practiced on RWS farms, protecting soil health, biodiversity, and native species.

# Protection from Activist or Media Attacks

Let the RWS and all of its users provide a united response to any claims against member of your supply chain or the wool industry in general.

# Ten Reasons to Source RWS Wool

# RWS Brand Sourcing Guide

# 6

# Messaging & Story-Telling

The RWS brings the story of sheep farming to consumers, presenting an opportunity to learn about the farmers, the incredible work that they do, and the good care that they take of their land and their animals.



# **Credible Certification**

A professional, third party certification body audits each stage in the supply chain.



# **Drive Industry Change**

Support the development of an industry benchmark that will drive improvements in animal care and land management where needed.

# Connection to the Farms

The RWS provides an opportunity for brands and farmers to better understand each other's realities and to meet each other's needs.

# Get What You Ask/Pay For

The identity of RWS wool is maintained at all times: from the farm to the final product, through a robust chain of custody.

# Why Wool?

# Why Wool? RWS Brand Sourcing Guide

# The Environmental Impact of Wool

Is the 'E' rating for wool in the MADE-BY Environmental Benchmark for Fiber accurate and if so how does this align with studies showing benefits across all stages of the life cycle of wool – from carbon sequestration through to end of life?

#### Life Cycle Analysis and Wool

Life Cycle Analysis is commonly used a tool for measuring environmental impact. However, there are some limitations in the application of LCA to agricultural products such as wool. This is due to a number of factors including:

- The diversity of sheep farming systems producing the greasy wool raw material,
- The complexity of allocating the environmental burden between coproducts such as fibre and sheep meat,
- The range of wool products from high value apparel to interior textiles and industrial insulation.

There has been a lot of work in recent years on adapting the methodology of LCA to for example, explore how to allocate the burden between the different products. To learn more about this and the application of LCA to wool visit: https://www.iwto.org/work/wool-LCA

# Grazing for Carbon?

Recent research offers evidence that properly managed grazing lands can have positive land use impacts through improved soil health and drainage and may actually mitigate GHG emissions through carbon sequestration.<sup>1</sup>

## Use and End of Life

The use phase is not commonly considered in environmental rating tools (e.g. the Higg Index or the MADE-BY benchmark). However, the fiber content of a garment has an impact on the use and disposal stages of the life cycle. Recent studies have found that wool has got significant potential benefits both during the use phase as well as the end of life stage.<sup>2</sup>

<sup>1</sup>Daniel Kane, "Carbon Sequestration Potential on Agricultural Lands: A Review of Current Science and AvailablePractices," National SustainableAgriculture Coalition, November 2015. <u>sustainableAgriculture.net/</u> <u>wp-content/uploads/2015/12/Soil C review Kane Dec 4-final-v4.pdf</u>

<sup>2</sup> Laitala, Kirsi; Klepp, Ingun Grimstad; Henry, Beverley (2018): Does Use Matter? Comparison of Environmental Impacts of Clothing Based on Fiber Type. Source: <u>https:// oda.hioa.no/en/item/does-use-matter-comparison-of-</u> environmental-impacts-of-clothing-based-on-fiber-type

Laitala, Kirsi; Klepp, Ingun Grimstad (2017): Clothing Reuse: The Potential in Informal Exchange https://oda.hioa.no/en/item/clothing-reuse-the-potential-ininformal-exchange



# Essentials of Working with the RWS

# Essentials of Working with the RWS RWS Brand Sourcing Guide





Work with all of your internal and external stakeholders to make a firm commitment to the RWS.

#### The benefits are:

- Internal buy-in from all parts of your organization is a key factor to success: educate your colleagues about the standard: use the tools available on the website, attend webinars or training events, ask Textile Exchange for support.
- Having a public commitment for where you are going will give you a level of defense against any activism.
- Your supply chain will be better able to meet your needs when they clearly understand your expectations, and are part of setting realistic timelines.

What advice would you give to someone interested in sourcing RWS wool/designing an RWS certified product?

Spend more time in answering the why than the what and the how; bring suppliers on the journey so that it becomes their cause and not just yours; be focused in terms of products that you want to convert and give upfront volume commitments; celebrate small successes with suppliers and appreciate their hard work."

– Manu Rastogi, Kathmandu





## Targets need to be:

#### Realistic

Take into account the lead times to get farms certified, and for certified wool to move through the supply chain.

#### Relevant

Demonstrate how responsible wool connects to the broader sustainability targets of your company (connect back to the 'why section).

#### Meaningful

Volume is how you can drive change in the industry and demonstrate to farmers and consumers that you are serious about animal welfare and land health.

# Tip #1:

Unless you are only using very small volumes, it will take time to convert all your products to RWS. Therefore, it's a good idea to set a timeline for reaching your conversion target, e.g. 25% in year 1, 50% in year 2, 75% in year 3, and 100% in year 4.

# Factors to consider when setting targets:

- When do you want RWS certified wool to be in your products?
- What amounts and qualities of RWS certified wool does your supplier believe they can realistically deliver for your timeframe? Think about the buffer stocks you will need.
- Do you want individual products or product lines to be RWS certified? Be sure that the qualities and quantities are well understood by your supplier so that they can give you realistic expectations on delivery and price.
- Is your goal to convert a percentage of your total wool use to RWS?
   If so, you may want to consider incorporating some RWS blended products into your mix, as that will give your supplier more flexibility to obtain certified material that will meet your quality, quantity and price needs.
- What are your communications goals? Do you want to label onproduct with the RWS logo and add details about your certification to product pages? Or is communicating about your use of RWS wool in your general marketing or in reports enough?







# Creating a strategy for RWS use will require input from internal and external partners.

Work with your internal team and your suppliers, and ask for support from your Certification Body or Textile Exchange as needed. The internal groups that may have input on your RWS strategy are: top management, sourcing, design, marketing and your CSR department.

Expect to work back and forth with your supply chain partners until you have your strategy finalized. In particular, you will need to communicate about proposed timelines.

# Tip #2:

Unless you are only using very small volumes, it will take time to convert all your products to RWS. Therefore, it's a good idea to set a timeline for reaching your conversion target, e.g. 25% in year 1, 50% in year 2, 75% in year 3, and 100% in year 4.

# Choose Products or Categories and Set Volumes

#### Step 1

Look at the wool that you use, and identify the types, qualities, and if possible the rough quantities of each.

#### Step 2

Identify key products that will be attractive for a supply chain in consideration of:

- **Volume:** Look for a product with a significant volume that will allow the processors to meet their economic minimum lot sizes, blending requirements and segregation needs.
- **Yarn Type:** If possible, it is advised to start with a commonly used yarn size, to leverage what is happening with other brands. If you are not aware of the yarn sizes you use, you can ask your suppliers, or contact Textile Exchange for further support.
- Be flexible to adapt the qualities and quantities to match the delivery capacity of your suppliers.

# **Timelines & Demand Signal**

Until RWS is stocked in the supply chain, it will take longer to bring certified fiber into your product mix. Each step will take some time.

You must communicate your volume and timing expectations down through the supply chain. The demand signal will have to make its way to the farms, so be sure to allow time for this to happen. Send clear communications to your suppliers so they know to send the demand for the certified wool down the chain. Take into account that there are a number of factors that impact on timing:

- Farmers generally only shear once a year
- Shearing can take many weeks
- Wool then needs to be transported from farm to warehouse
- The wool is then tested and appraised for quality
- The audit will take a day plus any follow up to correct non-conformities
- The supply chain must also be audited

# Tip #3:

While you cannot label products containing a blend of RWS and non-RWS wool, blending allows you to build volume with less risk while getting your supply chain organized. When blending this way, the overall use of RWS fiber can still be tracked and counted towards company goals and targets for RWS use and a general marketing claim may be made IF the material is verifiable through certification documents.



# Choose Partners Essentials of Working with the RWS

Look at your current supply chain and identify which suppliers you know and evaluate their willingness and potential to work with the RWS. Decide if you can work with your current suppliers or if you need to find new ones.

If you need new suppliers, please visit: responsiblewool.org or contact: ResponsibleWool@TextileExchange.org.

There are several options for where in the supply chain to work with, and you can choose just one, or several. The following section will provide more details on each.

#### Manufacturers

In some cases, you may be able to find a finished goods manufacturer that can handle the sourcing of RWS wool through the supply chain. This will be most common with accessories, such as gloves and hats or vertical operations.

- In most cases, you will want to reach further back in the supply chain (to fabric or even yarn) to drive the use of RWS wool.
- The manufacturer will need to be certified for chain of custody for the RWS and collect Transaction Certificates (TCs) from their fabric vendors.

## Fabric Mill

Set clear expectations for RWS wool in your products and send your mill to responsiblewool.org and advise them to read up on the chain of custody requirements. (and supplier toolkit) They should take the necessary steps to ensure that the yarn is certified, and the garment maker (who will also have to be certified for chain of custody) will need to collect transaction certificates from them.

#### **Spinning Mill**

This is a good stage to work with, as they will be sourcing the fiber and some have connections through to farms. Like the fabric mill, they will be responsible to bring the RWS fiber into their operation. You can give support by sending a clear request for RWS wool, and working with them to establish yarn types and volumes that will meet their needs, setting quality parameters, and linking them with your nominated fabric mill. They will need to run the RWS wool through in segregate batches, so higher volumes will make this more economical.

#### Scourer/Top Maker

The scourer/top makers take ownership of the wool after shearing. They may buy greasy wool directly from farms, or through the auction system. They may have the capacity to organize for RWS certification of farms needed to supply your qualities and quantities.

#### Wool Broker

May also be known as a wool "grower representative". They do not take ownership of the wool, and like the suppliers, have the capacity to organize for RWS certification of farms needed to supply your qualities and quantities.

Visit ResponsibleWool.org/RWS-Supply-Chain-Farm to see partners committed to the RWS.

Note: RWS is not designed to identify supply chains and provide this information to the brand. A brand may take the decision to do this additional investigation, but it is not included as part of the RWS. If you are interested in doing the work of identifying all of these sites, then you would need to work directly with your suppliers and request that they disclose their sources to you.



## Collaborate with your Suppliers

Making the RWS a success is going to take effort from everyone in the industry, but the outcomes will be worth it. Take a long term and holistic look at this challenge, and collaborate with your suppliers: they are making real investments to bring RWS fiber into the production chain.

- An early purchase agreement helps both sides to plan ahead.
- Build long term partnerships to bring RWS through the supply chain.
- Communicate early and often.
- Understand their realities and needs; explain yours.
- Be flexible to adapt the qualities and quantities to match the delivery capacity of your suppliers.
- A price differential reflects and compensates for the additional efforts that certified farmers and suppliers have invested in the RWS. Be realistic on setting price and timelines.
- Help to build volume of RWS: through your own products, and through encouraging other brands.
- Build in flexibility where you can.
- Honor your commitments.

Being RWS certified means we're aligned with brands and customers who recognize the value of good agricultural practices. It is an important step in deepening the connections and relationships from the origins of wool fibers to the array of amazing products those fibers become."

- Jeanne Carver, Imperial Stock Ranch





The RWS requires all sites to be certified, beginning with the wool farmers and through to the seller in the final business to business transaction. Usually the last stage to be certified is the garment manufacturer or brand. Retailers (business-to-consumers) are not required to be certified.

Farms are certified to the Animal Welfare and Land Management Modules of the RWS. Subsequent stages of the supply chain are certified to the <u>Content Claim</u> <u>Standard</u> requirements.

In order for products to be labelled as RWS certified, the supply chain must be certified at every stage before the final retailer. Certification requirements are different at the farm level and the processing level.

The RWS is not designed to identify supply chains and provide this information to the brand. A brand may take the decision to do this additional investigation, but it is not included as part of the RWS. If you are interested in doing the work of identifying all of these sites, then you would need to work directly with your suppliers and request that they disclose their sources to you.

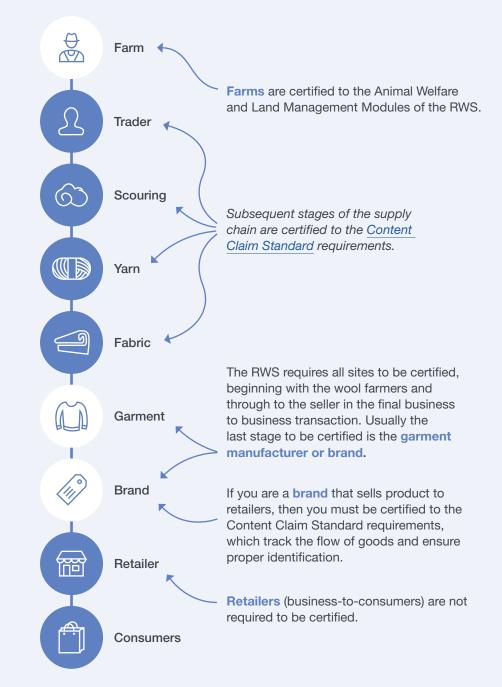
#### The Cost of Certification

It is impossible to say what the certification costs will be, as each site is individual. When you apply with a certification body, however, they will give you an offer that includes the expected costs.

Keep in mind the following:

- Your supply chain will be making a considerable investment in time and resources to get your wool supply certified. It is reasonable for them to expect a strong purchase commitment from you before they sign the contracts for certification. Consider long term, fair pricing.
- It is always best to drive higher volume through a smaller number of suppliers, so that the certification costs are spread more widely
- Understand the factors affecting cost along the supply chain and work together to find opportunities to reduce them. Link to the Certification Toolkit.

**Tip #4:** If you have a large or complicated distribution network, there are different certification options you may choose to reduce time and costs. See the <u>Content Claim Standard</u> (CCS) and the <u>CCS Implementation Manual</u> for more information.





Look for every opportunity to talk about the RWS and your work with it. You deserve recognition for your efforts, and your work will inspire others.

Be transparent about where you are, and how long it will take to get to your targets.

Use the RWS as a means to form a closer relationship with your customers, and even with the farmers in your supply chain. It is an excellent chance to tell compelling stories about the positive impact that RWS products have on animals, land and people.



INSTAGRAM: @ARKETOFFICIAL

What advice would you give to someone interested in sourcing RWS wool/designing an RWS certified product?

"From a brand perspective; make sure you have internal buy-in, set a goal if possible since this makes your ambition clearer. Then communicate both internally and externally why a standard like RWS is important, how it really supports responsible wool production and make the wool industry more resilient and sustainable long term."

– Madeleine Ericsson, H&M

**Tip #5:** Always reference the <u>RWS Logo Use & Claims Guide</u> when planning your communications; the type of claim you make will depend on the level of certification acheived, among other things.



# A Final Note

# A Final Note RWS Brand Sourcing Guide

Textile Exchange is pleased to offer assistance when needed with questions or concerns about sourcing RWS wool.

Along with a series of additional resources designed to help navigate your path to responsible sourcing, we are available to answer any questions you may have.

# Find Us Online

Website: ResponsibleWool.org

Email: <u>ResponsibleWool@TextileExchange.org</u>

# **Resources & Tools**

**RWS Standard** 

**RWS** Implementation Manual

RWS Logo Use & Claims Guide

 Find RWS Suppliers:
 ResponsibleWool.org/Find-RWS-Certified-Organizations

 Explore the RWS Supply Chain:
 ResponsibleWool.org/RWS-Supply-Chain-Farm

Learning Center: Preferred Wool

Other Tools & Resources

I believe that the only way we'll have a more responsible industry is if we help lead the change. That means engaging with partners who share our values—other brands, our suppliers and our customers. And that's how we approached responsible wool: by partnering with Textile Exchange, and the right farms."

– Eileen Fisher

