DOWN
STAKEHOLDER
ROUND TABLE

Textile Exchange Conference in Milan
October 22, 2018
UNITED BY ACTION:
ACCELERATING SUSTAINABILITY IN TEXTILES & FASHION

THANK YOU TO OUR SPONSORS

Agenda

• 09:00 Introductions & updates on the Down Working Group 2.0
• 09:30 Industry facts & figures
• 09:50 Industry updates
  • 09:50: Standards/certification – a portfolio of options
  • 10:00: Industry trends – what are suppliers and brands and retailers doing?
  • 10:10: Consumer trends – what does the consumer think?
• 10:30 Refreshment break
• 11:00 Working sessions
  • 11.00-11.40: Small group discussion Q1: Why still Down?
  • 11.00-11.40: Small group discussion Q2: What should the role of this group be?
• 12:00 Next steps for the Down Stakeholder Working Group
• 12:30 Close
Introduction & Updates - Down Round Table 2.0
9.00-9.30
## History and Milestones

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>January 2012</td>
<td>OIA-EOG Down Task Force launches at Outdoor Retailer Winter Market in partnership with Textile Exchange; regular working group calls commence</td>
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<tr>
<td>November 2013</td>
<td>Patagonia publicly releases the Traceable Down Guidelines</td>
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<td>January 2014</td>
<td>The North Face and Textile Exchange publicly release the Responsible Down Standard</td>
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<td>June 2014</td>
<td><strong>Global Down Stakeholder Meeting #1 - Frankfurt, DE</strong></td>
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<td>Summer 2014</td>
<td>1st RDS Revision process launched</td>
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<tr>
<td>November 2014</td>
<td><strong>Global Down Stakeholder Meeting #2 - Portland, OR, USA</strong></td>
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<tr>
<td>January 2015</td>
<td>Traceable Down Standard publicly released by NSF International</td>
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<tr>
<td>February 2015</td>
<td><strong>Global Down Stakeholder Meeting #3 – ISPO, Munich, DE</strong></td>
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<td>March 2015</td>
<td>Responsible Down Standard 2.0 publicly released by Textile Exchange</td>
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<th>Date</th>
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<tr>
<td>January 2016</td>
<td>4&lt;sup&gt;th&lt;/sup&gt; Global Responsible Roundtable, ISPO, Munich, DE</td>
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<td>January 2017</td>
<td>5&lt;sup&gt;th&lt;/sup&gt; Global Responsible Roundtable, ISPO, Munich, DE</td>
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<tr>
<td>Oct./Nov. 2017</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; RDS Revision process launched</td>
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<td>January 2018</td>
<td>6&lt;sup&gt;th&lt;/sup&gt; Global Responsible Roundtable, ISPO, Munich</td>
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<td>October 2018</td>
<td>Down Stakeholder Roundtable 2.0, Textile Exchange Conference, Milan</td>
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Ground Rules

1. **Respectful conversations** – authentic and trust-based
2. Active Listening
3. **Attention to balance** – dominant and underrepresented voices
4. **Solution focused** discussion
5. **Additive comments** – efficient time use
6. **Chatham House Rule**
Chatham House Rule

"When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed".

Source: http://www.chathamhouse.org/about/chatham-house-rule/chatham-house-rule-translations
Anti-trust Guidelines

Summary: Participants in this meeting are free to exchange or discuss publicly available information. However, the participants should avoid any discussions or joint efforts regarding confidential competitive information such as non-public cost or price information, non-public volume information, strategic plans or other information that is not “reasonably necessary” to achieve the purpose and goals of this Responsible Down Roundtable.

Detailed guidelines
• Do not agree or discuss how each of the Roundtable participants will price their own goods or related products;
• Do not agree to allocate certain geographic markets (i.e., territories) or product markets (i.e., types of products) among each other;
  • Do not discuss or agree to the cost or method of pricing products manufactured or sold by each other or otherwise direct each other’s business activities that are outside the scope of Responsible Down Roundtable;
  • Do not compare cost information that is confidential, such as labor cost, manufacturing costs or other variables affecting pricing;
  • Do not agree among yourselves to not do business with certain vendors (potential “boycott”) or otherwise pressure other competitors or vendors to comply with certain pricing or cost policies;
• The participants of the Responsible Down Roundtable should not share with each other or discuss confidential, competitive information for individual signatories or any information that might affect the signatories’ own day to day business decisions related to cost, price or output of their own products. For example, this confidential competitive information may include: price lists or pricing plans, volume, rebate or refund programs, discount policies, credit policies, advertising credits or program allowances, slotting allowances, product cost variables or profit margins, customer lists or specific complaints, supplier contract terms, current or future marketing plans, bidding plans, purchasing plans, planning strategies, capital improvement plans, terms of sale or other contract terms, or competition in the sale or manufacture of competing products;
• The participants of the Responsible Down Roundtable, as well as the EOG acting as it’s facilitator, should not facilitate agreements or coordination among participants for the prices they charge for the products they manufacture or sell or other collusive conduct, including market allocation or refusals to deal with suppliers or customers, or organize boycotts against other manufacturers or retailers; and
• The participants of the Responsible Down Roundtable, as well as the EOG acting as it’s facilitator, should not publish or share any information that would be suggestive or conclusory as to how any individual participant should deal with individual contracting or other third party issues
• The participants of the Responsible Down Roundtable may discuss or share non-confidential, publicly available information or data.
Meeting Scope

What we ARE discussing
- Industry facts & figures
- Standards and certification
- Industry trends
- Consumer trends
- Why still down?
- What should be the role of this group?

What we are NOT discussing today
- Details of specific standard
- Other fibers and materials beyond down and potential substitutes
Industry Facts & Figures

- Preferred Fiber and Materials Market Report 2018
  - Focus: production

- Preferred Fiber and Materials Benchmark Results 2018
  - Focus: brand and retailer uptake

- Down Stakeholder Survey 2018
  - Focus: different stakeholders
Preferred Fiber and Materials Market Report
Preferred Fiber and Materials Market Report

>270,000 mt of down and feathers produced globally

70–90% produced in China

75–90% from ducks, rest from geese*

* This figure was updated after the Round Table discussions.
Preferred Fiber and Materials Market Report

RESPONSIBLE DOWN STANDARD (NO. OF SITES)

- 2014: 108
- 2015: 299
- 2016: 698
- 2017: 698

DOWNPASS (NO. OF SITES)

- 2017: 4500

GLOBAL TRACEABLE DOWN STANDARD (NO. OF SITES)

- 2016: 7
- 2017: 9
Preferred Fiber and Materials Benchmark Results
The Preferred Fiber & Materials Benchmark helps companies systematically measure, manage and integrate a preferred fiber and materials strategy into mainstream business operations.
Preferred Fiber and Materials Benchmark Program

There was for the first time a preferred down module in the Benchmark Program in 2017!

The preferred down module included:

- Downpass RDS TDS
- Recycled down
- Organic down

The number of brands and retailers who completed this module in 2017 was:

37 Participants

= 33% of all 111 participants
Preferred Fiber and Materials Benchmark Program

Types of down used by the brands and retailers as % of their consumption volumes:

- Responsible Down: 65%
- Traceable Down: 11%
- Downpass: 6%
- Organic Down: 3%
- Recycled Down: 1%
- Conventional Down: 5%
- Other: 11%

37 Participants
Preferred Fiber and Materials Benchmark Program

Targets for preferred down:

- Have targets: 81%
- Targets in development: 7%
- No targets: 12%

- Overall targets for pDown: 92%
- Specific targets: 86%
- 100% reached: 78%

Participants: 37
Preferred Fiber and Materials Benchmark Program

Communication:

- Own communication / labelling: 43%
- Standards communication / labelling: 35%
- Online communication: 65%

37 Participants
Down Stakeholder Survey
Down Stakeholder Survey

Majority were brands and retailers...

- Apparel / Clothing / Outdoor brand: 37%
- Down & Feather Trader/Supplier (virgin, recycled): 24%
- Retailer with own shops (incl. some online activity): 19%
- Bedding / Interiors brand: 14%
- Pure online Retailer (e-tailer): 2%
- Water Fowl Slaughter House and/or Meat Processor: 2%
- Trade Association: 2%
- Standard Owner: 2%

~50% were companies with less than 200 employees...

59 Participants
How well is the **industry on average doing** in terms of implementing environmental (incl. chemical management), social/labour and animal welfare credentials?

- Environmental credentials: 2.18
- Social/labour credentials: 1.7
- Animal welfare credentials: 2.55

59 Participants
What are your organizations` biggest concerns?

- Volatility of certified down prices: 4.94
- Down-stream customer not willing to pay for higher price of certified down: 3.91
- Availability of certified down: 3.76
- Down Quality: 3.67
- High work load to keep up required standards of control and traceability: 3.55
- Other: 1.18

59 Participants
What are your organisation's biggest concerns with regards to the value chain?

- Environmental management in slaughter houses: 1.83
- Labour Conditions (farm to processing): 1.71
- Waste management (farm to processing): 1.65
- Water management (farm to processing): 1.64
- Animal Welfare issues (farm to slaughter house): 1.64
- Environmental impact (also on the land): 1.59
- Health & safety issues (farm to processing): 1.56
- Chemical management (farm to processing): 1.5

59 Participants
The focus of Global Down Roundtable 2.0

- Risk and Barriers to growing the supply of responsible down: 4.74
- Consumer Engagement (Marketing, Education): 4.72
- Alignment of Requirements: 4.29
- Life Cycle Assessment: 3.97
- Supply chain mapping/landscaping: 3.8
- Building Demand: 3.66
- Stakeholder Dialogue: 3.37

59 Participants
Most useful SPECIFIC information

- Animal Welfare impact data: from the use of standards such as the
- Social Impact: Labour conditions in the supply chain.
- Closed loop recycling of down: What and how.
- Environmental Impact: Down Life-cycle-assessment (LCA) data.
- Case Study/Studies: Environmental Impact
- LCA: Comparison of real down vs. synthetic 'down'
- Case Study/Studies: Animal Welfare Impact
- Down Value Chain: Where is the down from, and how is a down...
- Transparency: Public disclosure of supplier lists.
- Different down qualities, and their meaning.
- What kind of down goes into what kind of product.
- Basic info on 'synthetic' down.

59 Participants
Strategic audience

- End customers: 6.03
- Point-of-sale retailers (brick-and-mortar): 4.44
- Point-of-sale retailers (pure e-tailers): 4.36
- Media: 4.36
- Apparel / Bedding / Interiors brands: 4.26
- Campaign Organisations (NGOs): 3.36
- Other: 1.21

Participants: 59
Industry Updates
9.50-10.30
Industry Updates

• Standards/Certification – A portfolio of options
• Industry trends – What are suppliers and brands and retailers doing?
• Consumer trends – What does the consumer think?
Industry Updates

Standards – A portfolio of options

- Ashley Gill, Senior Manager of Industry Integrity, Textile Exchange
- Stacey Mack, Sustainability Business Unit Manager, NSF
  + Amber Dzikowicz, Business Unit Manager, NSF
- Ines Chucholowius, Downpass

Certification

- Bryan Mortenson, Global Audit Manager, IDFL
- Mark Prose, Team Manager Textile & Social Compliance, Control Union
Control Union and RDS

- CU – First CB approved for RDS
- Member of RDS IWG
- Responsible Down Standard
  - Prohibition of force feeding and live plucking
  - Compliance to local legislations
  - Five freedoms
  - Global supply chain from hatchling through to final garment assembly - traceability
RDS in numbers (2017)

• More than 350 projects in 25 countries
• 3640 certified farms
• Over 550 million waterfowls under farm certification
• 674 certified facilities
Recycled Down

- From collection, typically from used pillows, blankets, etc.

- Unknown history, impossible to trace back to farm – cannot be RDS certified

- GRS, RCS – post-consumer recycled product
TE Standards certified by CU

![Bar chart showing total TE standards certified facilities by CU.](chart)
Industry Updates

Industry trends – What are suppliers and brands and retailers doing?

Daniel Uretsky, President, Allied Feather & Down

Caroline Zapf, CSO, Sustainable Down Source
Industry Updates

Consumer trends – What does the consumer think?

Nicholas Allen, Traceability Manager, Patagonia

Carol Shu, Sustainability Manager, The North Face

Nina Jamal, Four Paws
Refreshment Break
10.30-10.50
#TextileExchange18

Working Sessions

11.00-12.00
Small group discussion Q1: Why still down?

40min
11.00-11.40
Working Sessions

Small group discussion Q2:
What should the role of the Down Round Table 2.0 be?

40min
11.00-11.40
Next Steps for the Down Stakeholder Group
12.00-12.30
THANK YOU!

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