

Responsible Wool Standard and Responsible Mohair Standard International Working Group Charter

General

The Responsible Wool Standard (RWS) and Responsible Mohair Standard (RMS) International Working Group (IWG) is a forum for stakeholders and interested parties to review, revise, and maintain the Responsible Wool Standard and the Responsible Mohair Standard. The IWG is designed to be a pre-competitive and collaborative environment where participants can share their knowledge and experience, and work together to ensure the RWS and the RMS continues to meet the needs of the industry while driving positive impact.

RWS and RMS IWG Objectives

The objectives of the IWG shall include the following:

- Define the goals, objectives, and theory of change for the RWS and RMS, to be expressed in the RWS and RMS Terms of Reference.
- Review the criteria of the RWS and RMS and draft a revision of the standard, in accordance with the RWS and RMS Terms of Reference.
- Support interpretation decisions and minor revisions following the release of the updated RWS and RMS.
- Support the monitoring and evaluation of the standard against the goals identified in the RWS and RMS Terms of Reference.
- Support the success of the RWS and the RMS through identifying risks and opportunities.

Textile Exchange Responsibilities

Issues relating directly to the RWS and RMS and its application will be addressed by Textile Exchange, at its sole discretion, with the input of content experts, and will not be handled directly by the IWG or Task Forces.

As the Secretariat of the IWG, Textile Exchange will:

During the Revision:

- Provide the administrative support for meetings, including setting agenda, taking notes, and providing multiple options for the IWG to provide input.

- Maintain an updated list of Members of the IWG.
- Ensure that Member Agreement, Chatham House rules, and anti-trust rules are followed.
- Provide moderation when needed.
- Lead revision activities in accordance with the ISEAL Codes of Good Practice. We will follow the Textile Exchange Standard Setting and Revision Procedures Document, available online: <https://textileexchange.org/wp-content/uploads/2019/05/Textile-Exchange-Standard-Setting-Procedures-2.1.pdf>.
- Manage financial contributions and the budget, if applicable.
- Manage all communications related to the RWS and RMS and the IWG.
- Manage and retain rights to all materials, tools, and final standards developed through the IWG.
- Update, amend and revise the Charter and related rules and guidelines for the IWG as it deems appropriate.

Following the release of the standard, Textile Exchange will:

- Collect feedback and implementation issues, for input into interpretation guidance, minor revisions, or the next major revision of the Standard.
- Provide documentation and research to support the interpretation decisions of the IWG.
- Provide updates on the impact and adoption of the Standard.

International Working Group (IWG) Membership

Voluntary, open to all

Participation in the IWG is voluntary and open to all stakeholders and interested parties of the value chain. Applicants may apply to Textile Exchange for membership in the IWG, subject to agreement with the terms of this Charter and applicable rules of the IWG that may be in effect. IWG Membership terms last up to five years.

Representative

The IWG strives to include representation from all major sectors and subsectors of the apparel and textile industry, including, without limitation: **Brands and Retailers** (Apparel, Home, Hospitality, and others); **Supply Chain** (Scouring, Spinning, Weaving, Knitting, Manufacturing, etc), **Material Producers** (Farmers), **Civil Society** (NGO's, Government Agencies, Consumer Groups), and **Professional Services** (Certification Bodies, Consulting Firms).

Engaged

IWG Members provide their input into the RWS and RMS in key ways:

Meetings

Meetings will be scheduled periodically, as needed, in person or by phone or video-conference. All members are encouraged to engage in as many meetings as possible, and to join or lead task groups. During the revision, there may be 2-3 calls per month.

The purpose of the meetings and deliberations of the RWS and RMS IWG is to develop and promote the RWS and RMS and related issues and participation in such meetings shall not be used as a platform for unrelated purposes or causes.

Written Feedback

Textile Exchange will provide opportunities for written feedback from IWG members, such as follow-up questions, surveys, documents for review, etc. IWG Members are encouraged to respond quickly and thoroughly to all relevant requests for feedback. Most communication following the revision will be limited to written requests, with occasional update calls.

IWG Members that have not participated in meetings or written feedback opportunities for more than two months may be removed from IWG Membership, with notification.

Decision-Making

Our decision-making process is outlined in the Textile Exchange Standard Setting and Revision Procedures Document, available online: <https://textileexchange.org/wp-content/uploads/2019/05/Textile-Exchange-Standard-Setting-Procedures-2.1.pdf>.

Nothing in this Charter and no action taken by any Member or Textile Exchange, or any of its representatives or employees, shall be deemed to create a partnership, joint venture, or syndicate between or among any of the other Members or with the IWG. Members of the IWG are not authorized to bind the IWG or its other Members or Textile Exchange to any contractual commitments. Each Member is solely responsible for his/her actions and omissions, and each organization Member is solely responsible for their actions and omissions of its individual representatives. Each Member is also solely responsible for its compliance with applicable law, including, without limitation, any rules and regulations applicable to antitrust and competition.

Confidentiality

Textile Exchange is committed to an open and transparent process for setting and revising standards. In order to maintain a level of trust and continuity, it is essential that all meetings and discussions of the IWG follow the Chatham House Rule (see Appendix A).

“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.”

In accordance with the Chatham House rules, Textile Exchange may, however, share information related to the RWS and RMS IWG and Standard Revision process publicly provided it does not include any identifying information of any Member without their express written approval and/or the information is in the public domain. Information to be shared publicly may include, but is not limited to:

- Current drafts of the Standard documents.
- Meeting Notes from all key IWG meetings, without statements or quotes attributed to the speakers.
- A summary of the progress so far.
- Members of the IWG, subject to their approval.

- Information on our stakeholder engagement and standard revision process (e.g. work plans, estimated completion date, etc.).
- Information on how to participate in the process.

Communication

Members shall not use the name of any other Member or Textile Exchange to generate publicity unless that Member or Textile Exchange, as applicable, provides prior written authorization.

No Member shall use the RWS and RMS or the Responsible Wool Standard and Responsible Mohair Standard IWG name and/or logo in any manner without the prior approval of Textile Exchange. Trademarks, service marks, copyrights, and logos for the RWS and RMS (collectively, “Marks”) created for the IWG, registered or otherwise, are the property of Textile Exchange. Use of the term “RWS and RMS IWG” shall be governed by such policies, procedures, and guidelines as may be established and approved by Textile Exchange from time to time, and in accordance with applicable law.

Members may have their company name, logo and point of contact included in IWG communications and website but are responsible for providing Textile Exchange with written authorization for such use, including the appropriate logo and information.

The RWS and RMS IWG shall not engage in any lobbying activities. No Member shall engage in any lobbying activities on behalf of or as a representative of the IWG.

Termination

Members may terminate their participation in the IWG upon written notification to Textile Exchange. Textile Exchange may also terminate a Member’s participation in its sole discretion, including, without limitation, for violations of the Chatham House Rule. Obligations of confidentiality shall continue notwithstanding termination.

Costs

There is no charge to be a member of the RWS and RMS IWG. However, specific activities and projects may require separate funding.

Responsible Wool Standard (RWS) and Responsible Mohair Standard (RMS) IWG

Member Acknowledgment and Agreement

The undersigned has read and understands the RWS and RMS IWG Charter and agrees with Textile Exchange and the other Members of the IWG to the terms therein.

The undersigned further:

1. Agrees to contribute time and expertise to participate in the RWS and RMS IWG.
2. Agrees to act respectfully to other Members of the IWG and commit to honest and polite discourse.
3. Agrees that in order to maintain a level of trust and continuity, that all meetings and discussions of the RWS and RMS IWG and/or its Members remain in accordance with the Chatham House Rule (appendix A).
4. Agrees to comply with all applicable antitrust and anti-competitive laws, including, without limitation:
 - a. Agrees that none of the information shared during or as part of IWG meetings may be used to cause competitive injury or disadvantage to another Member, participant, Textile Exchange or the RWS and RMS; and
 - b. Agrees to abstain from any conversations or activities that may restrict competition or set prices).
5. Refrains from using any information obtained through the RWS and RMS IWG other than to advance the objectives of the IWG and in no event to disparage Members, their products, practices, businesses or their reputations.
6. Commits to promote the RWS and RMS as a meaningful tool to verify responsible wool production.
7. Works openly and collaboratively to meet the objectives of the RWS and RMS and the IWG, sharing best practices and lessons learned.

I understand that failure to abide by the terms of my membership in the RWS and RMS IWG in any material way may result in my termination of Membership and ability to participate in the RWS and RMS IWG and its initiatives.

SIGNED

Name _____ Signature _____

Company _____ Date _____

I give permission for my company to be publicly listed as a member of the IWG: ____ Yes or ____ No

I would like to be a Voting member of the IWG: ____ Yes or ____ No

Appendix A: 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.”

Additional clarification is provided:

- Participants have the right not to disclose their participation. Only they can decide this. No content will be attributed to any participant, unless the participant wishes it be attributed and formally makes this clear.
- Participants have the right to expect that institutional information not be publicly disclosed except by themselves.
- Participants may openly speak of their own contribution, if they wish, and cite general concepts, challenge areas, or agreed collaborative outcome projects, but may not cite any other individual or organization’s contribution, unless it is first made public by that individual or organization.
- To ensure a fluid discussion environment, confirmed participants may be allowed to know with whom they will be in discussion. We request that the names of other participants remain confidential.

On the use of technology:

Textile Exchange requests that no recording devices be used during a dialogue held under our application of the Chatham House Rule. We also request that notes not be taken on laptop computers or any device connected to the Internet. This is partly to protect participants against inadvertent public disclosure of sensitive remarks, but also to ensure an atmosphere of attentive, engaged discussion and dialogue. We prefer that notes be taken on paper and that remarks not be attributed to speakers in the notes. Though Chatham House permits tweeting of concepts and ideas, without attribution, we request that use of social media be restricted to breaks and preferably until the end of the event. All participants are expected not to infringe on the rights of other participants under our application of the Chatham House Rule (see section immediately above).

Appendix B: Anti-trust Declaration

It is the policy of Textile Exchange to comply strictly with the letter and spirit of all applicable federal, state, and international trade regulations and antitrust laws. Any activities of Textile Exchange - related actions of its staff, officers, board members, committee members, task force members, volunteers or members that violate these regulations and laws can be detrimental to the interests of Textile Exchange and are contrary to Textile Exchange policy.

During both the formal and informal parts of any meetings, participants shall not enter into discussions, agreements or concerted actions that may lead to restriction of competition.

Accordingly, it is necessary to avoid discussions of sensitive competitive topics and especially important to avoid recommendations with respect to such subjects. Agreements to fix prices or fees, to allocate markets, to engage in product boycotts and to refuse to deal with third parties are automatically illegal under the antitrust laws. It does not matter what the reason for the agreement might be.

An antitrust violation does not require proof of a formal agreement. A discussion of a sensitive topic, such as fees, followed by parallel action by those involved in or present at the discussion is enough to show a price fixing conspiracy. In any list service discussions about prices or fees, including elements of prices such as payment terms, quality ratings of suppliers, statements or discussion that might be interpreted as a dividing up of territories or customers, and statements or discussions which may cause a competitor to cease purchasing from a particular supplier, or selling to a particular customer, must be avoided.

Following is a list of subjects which may not be the subject of any type of agreement among competitors, whether explicit or implicit, formal or informal, and which therefore should not even be discussed in Textile Exchange Meetings:

1. Prices or fees to be charged to clients or by suppliers
2. Specific methods by which prices or fees are to be determined
3. Division or allocation of markets or customers
4. Coordination of bids or requests for bids
5. Terms and conditions of sales, including payment terms
6. Specific profit levels
7. "Profit" levels. e.g., "here's what we need to make money"
8. Exchange of price information as to clients or groups of clients
9. A boycott of or a refusal to deal with a customer or supplier
10. Compilation of "approved" lists of customers or suppliers
11. Whether a firm's pricing practices are "unethical," "improper," etc.
12. Coordination of "bids," "requests for bids," or "requests for proposals"
13. Standards or codes to eliminate competition