

KNOWTHECHAIN I QUESTIONS REGARDING FORCED LABOUR RISKS IN YOUR COMPANY'S LEATHER SUPPLY CHAIN

In countries including but not limited to Pakistan, Bangladesh and India, leather processing is characterised by hazardous and poor working conditions, which may be early indicators or eventually lead to forced labour.¹ In countries including India and China forced labour risks have been documented. Through this questionnaire, KnowTheChain would like to get a better understanding of how your company is addressing risks related to forced labour specifically in its leather supply chain.

In answering these questions, please indicate where your company's policies or practices specifically apply to cattle sourcing, leather processing or leather goods manufacturing countries at risk of forced labour and human trafficking such as **Brazil, China and India**² or other countries where you might have identified forced labour risks.

Traceability:

1. Leather goods manufacturing:
 - a. In which countries does your company and/or your suppliers manufacture leather goods (option to indicate percentage or volume of supply from each country)?
 - b. What are the names and addresses of your company's and/or your suppliers' leather goods manufacturers? Please indicate the nature of your relationship to them, e.g. direct owned or purchasing only (option to indicate workforce data you deem relevant, such as workforce composition (e.g. percentage of informal/migrant/female workforce) or rate of unionisation). What are the names of the persons legally responsible for the production facilities?

2. Leather processing / tanneries:
 - a. In which countries does your company and/or your suppliers process and produce leather?
 - b. What are the names and addresses of your company's and/or your suppliers' tanneries? Please indicate the nature of your relationship to them, e.g. direct owned or purchasing only (option to indicate workforce data you deem relevant, such as workforce composition (e.g. percentage of informal/migrant/female workforce) or rate of unionisation). What are the names of the persons legally responsible for the production facilities?

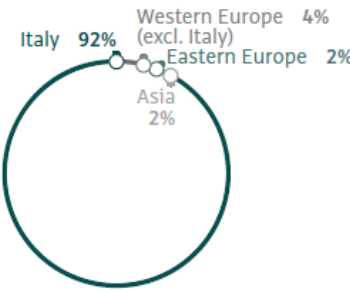
¹ Associated Press (2017) - [Report examines grim Bangladesh leather trade, links to West](#); India Committee of the Netherlands (2017) - [Do leather workers matter?](#); Undark (2017) - [Skin Deep: Feeding the Global Lust for Leather](#); SOMO (2016) - [Hell-bent for leather. Labour conditions in the leather industry in Pakistan](#); Human Rights Watch (2012) – [Toxic tanneries](#).

² The [US Department of Labor](#) identified risk of forced labour in the cattle industry in Brazil, the leather industry in China, as well as related to sourcing leather goods / accessories from India.

The supply chain for Luxury activities is composed of thousands of small suppliers with strong craftsmanship component. The average number of employees by supplier is below 100, and suppliers are based, for their vast majority, in Italy.

The table below shows the geographical breakdown of direct suppliers and contractor for Luxury activities in 2016, including leather goods manufacturing.

92% of these suppliers are based in Italy.

Market	Supplier portfolio	Size of suppliers	Geographical location of Kering's suppliers
Luxury market	Thousands of small suppliers, highly fragmented market, strong craftsmanship component	Average number of employees by supplier = fewer than 100	<p>96% in Western Europe, very predominantly in Italy⁽¹⁾:</p>  <p>Italy 92% Western Europe (excl. Italy) 4% Eastern Europe 2% Asia 2%</p> <p>Strong government presence, comprehensive and tested labour law, highly developed social dialogue</p>

(1) Geographical breakdown of direct suppliers and contractors to the Luxury activities, managed within the centralised system introduced by Kering in 2016.

Source: Kering Reference Document 2016 Chap 4.3 page 122:

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Regarding tanning activities, Kering owns four tanneries:

- France Croco, based in France and specialised in precious skins
- Caravel, based in Italy and specialised in precious skins
- Blutonic, based in Italy and specialised bovine skins
- Luxury tannery, based in Serbia and specialised in precious skins

The other tanning activities are primarily based in Italy (more than 90%).

Please note that as of 31 December 2015, 69% of leather skins used by the Group for Luxury activities are traceable up to the country of origin of the animal. This figure reaches 91% for bovine leather and 91% for crocodilian.

Source: Kering Target Report 2016 p12-15 and 23-27:

http://www.kering.com/sites/default/files/kering_sustainability_targets_report_2016_onlinepdf.pdf

In the context of its sustainability strategy 2025, Kering furthermore commits to ensure traceability of key raw materials reaches 95% by 2018, and 100% by 2025.

Source: Kering 2025 sustainability strategy press kit:

http://www.kering.com/sites/default/files/kering_2025_sustainability_strategy_-_press_kit_0.pdf

Purchasing practices:

3. How does your company use its leverage to influence its leather supply chain with regards to labour practices and/or reward suppliers with good labour practices?
4. How does your company ensure its labour standards are cascaded down its leather supply chain beyond tier 1 suppliers?

Sustainability Principles have been phased into supplier contracts since 2016. Each supplier is in turn tasked with imposing these principles on its own subcontractor network, if any.

These principles are split into two broad categories: those that are mandatory due to requirements imposed by international and national laws, and those embodying Kering's additional expectations and best practices in the field of sustainability. They also make reference to conventions, agreements and major international texts, for which they represent a practical extension (ILO Conventions and the United Nations Guiding Principles on Business and Human Rights, Millennium Ecosystem Assessment, Ramsar Convention, etc.).

Sustainability principles implemented for all Luxury houses in 2015, divided into three areas:

a) The social aspects related to human rights, labour rights, and health and safety: elimination of child labour, forced labour, human trafficking in all its forms and discrimination, compliance with statutory working hours, respect for the freedom of association and the right to collective bargaining, etc.

b) Environmental aspects: compliance with laws as well as restrictive lists of chemicals defined by Kering, environmental management, wastewater treatment, etc.

c) Aspects related to the supply of raw materials and packaging: respect for animal welfare and the five related freedoms, sourcing and traceability requirements for a number of key materials used by Kering, prohibition of certain substances and / or certain sourcing regions (for reasons related to the social conditions of production – use of child or forced labour, for instance – or environmental conditions), etc.

Kering sustainability principles are publicly available on Kering website:

http://www.kering.com/sites/default/files/document/kering_sustainability_principles_for_luxury_division_0.pdf

Worker voice:

5. Grievance mechanisms: Does your company ensure workers in its leather supply chain have access to grievance mechanisms? If yes, please explain what mechanisms are available for workers in both owned and third party leather goods production facilities and tanneries. Please also explain how your company ensures those mechanisms fulfil the [effectiveness criteria under the UN Guiding Principles for Business & Human Rights](#), e.g., they are trusted and used by workers.
6. Worker engagement and empowerment: How does your company ensure that workers in its leather supply chain know about, and can exercise their rights (e.g. freedom of association or, where there are regulatory constraints for freedom of association, alternative means of organising)?

An ethics hotline is available for all Group employees in their country or area of operation. The hotline assists the Ethics Committees in reporting information, questions and complaints from employees and can be called by anyone in the Group who prefers this system over contacting one of the three Ethics Committees directly (a Group committee and two regional Committees, Asia-Pacific and Americas). The Group's three Ethics Committees seek to ensure compliance with the Code of ethics, and may have matters referred to them by any employee, either directly or via the ethics hotline set up for all Group employees worldwide in 2013.

Each of the three Committees is made up of representatives from Kering and representatives from the Group's brands to ensure greater diversity. Employees are able to call on these Committees to request clarification or ask a question regarding the interpretation of the Code, if they are unsure how to behave in a specific situation or if they wish to submit a complaint to the Committee for alleged non-compliance with one of the principles of the Code for examination.

the Code of Ethics sets itself alongside the major international reference texts in terms of ethics and human rights, which include the United Nations' Universal Declaration of Human Rights and the European Convention on Human Rights, the various conventions of the International Labour Organization, especially 29, 105, 138, 182 (child labour and forced labour), 155 (health and safety of workers), 111 (discrimination), 100 (remuneration), 87 and 98 (freedom of association, right to organise and collective bargaining), the OECD (Organisation for Economic Co-operation and Development) guidelines for multinational companies, the UN convention on children's rights and the 10 principles of the United Nations Global Compact. Since 2013, the Code has included the Group Suppliers' Charter, which sets out in detail Kering's specific expectations of its commercial partners in respect of social and environmental issues.

In 2016, against a backdrop of increasing attention paid by stakeholders and observers of the corporate world on respect for human rights, Kering examined possible ways of further improving its Code of ethics and the systems already in place. Indeed, whether in response to national lawmakers (like France's law imposing a duty of vigilance on parent companies or the United Kingdom's 2015 Modern Slavery Act, in respect of which Kering has issued a statement available on its website) or from growing soft law in this area (such as the United Nations Guiding Principles on Business and Human Rights, increasingly used to assess companies), the Group aims to work towards increasing efficiency in its policies and procedures. To this end, Kering in 2017 plans to conduct an analysis of the gap potentially existing between its internal procedures and the UN Guiding Principles, and to examine more closely how to further develop its remediation mechanisms and ways of addressing employee grievances about its supply chains based on the same principle that already exists for all Group employees worldwide (dedicated ethics hotline).

*Source: Kering Reference Document 2016 Chap 2.3 p72-73 and Chap 4.3 page 122:
http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf*

Monitoring / certification:

7. Do you participate in sustainable leather sourcing / certification?
8. If yes, how does the verification initiative/certification address labour rights, and how does your company ensure labour standards are adequately covered?

Kering is committed to create a Supplier Index of Sustainability to ensure Kering Standards for key raw materials and processes are 100% implemented by suppliers by 2025. This raises the bar on social welfare, environmental protection, traceability, animal welfare and chemical use.

Source: *Kering sustainability strategy 2025:*

http://www.kering.com/sites/default/files/kering_2025_sustainability_strategy_-_press_kit_0.pdf

To reach this target, Kering is building on its Smart Sourcing programme, launched in 2013, which provides recommendations and guidance for brands, allowing them to use raw materials produced sustainably and responsibly. This project involves the Material Innovation Lab and supply chain management, R&D and sustainability teams working closely with the Group and its brands to come up with responsible sourcing solutions tailored to the specific needs of each brand.

With the publication of its sustainability objectives in 2012, Kering set out basic principles and guidelines on responsible procurement, consistent with its general sustainability policy, targets, and existing good practices. These guidelines cover responsible procurement, environmental management and management of chemicals.

As the Group's sustainability strategy entered a new phase, in 2016 the guidelines were restructured into the Kering Standards, which give fuller details on material and process requirements. The new Kering Standards would specify criteria to be met by the Group and its suppliers on five main points: traceability, chemicals, social impact, environmental impact and animal welfare. They cover leather, precious skins, fur, cotton, paper, wood, plastic, gold, diamonds, cellulose based fibres, feathers and down. And in 2017 coverage will be widened to include wool, silk, synthetic fibres and other metals (silver and brass). Kering Standards have also been drawn up for the Group's main production processes, namely tanning, textile manufacture stages and leather work. In 2017 coverage will be extended to include metal transformation and precious stone cutting processes.

Source: *Kering Reference Document 2016 Chap 3.4 p105 and Chap 4.3 page 120-121:*

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Kering standards are the common framework applied across the Group but the brands are free to supplement it with specific approach. This is the case for Gucci and Bottega Veneta, respectively embarked in 2007 and 2009 on the process of obtaining SA 8000 (Social Accountability 8000) certification. This global standard takes into account not only the Company itself, but also the companies in its production chain. It requires the certified company and its suppliers to respect nine corporate responsibility requirements – relating to child labour, forced labour, health and safety, freedom of association and collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management systems – and to continuously improve working conditions by setting up a specific management system for this purpose. In 2013, Gucci and Bottega Veneta received SA 8000 certification for all their activities. Kering's international logistics platform for its Luxury brands (Luxury Goods International, LGI) also enjoys SA 8000 certification. Gucci is also heavily involved in SAI (Social Accountability International), which developed the SA 8000 standard. It is a member of SAI's Advisory Committee, and hosted a Board of Directors meeting at its premises in Florence in 2016. The Stella McCartney brand has also developed its own complementary code of conduct, based on the principles of the ETI (Ethical Trade Initiative), which the House joined in 2012.

Source: *Kering Reference Document 2016 Chap 4.3 page 120-121:*

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Lastly, in terms of monitoring, 2016 marked a turning point for the Luxury houses in the approach to supplier management and assessment, with the complete redesign of the organisation. Noting that different houses had potentially adopted different practices, and distinct audit and risk evaluation methods, and that a single supplier working for several of the Group's brands could potentially face multiple audits, the decision was made in 2015 to significantly improve the system's efficiency and to unify practices and the monitoring of the process across Kering's entire Luxury business. On that basis, a single central body allowing Kering to control the compliance of its Luxury houses' suppliers was established in late 2015, ready to start operations in January 2016.

The new organisation is based on six key pillars:

1. Sustainability principles laid down for all Luxury houses in 2015, divided into three areas:
 - a. The social aspects related to human rights, labour rights, and health and safety: elimination of child labour, forced labour, human trafficking in all its forms and discrimination, compliance with statutory working hours, respect for the freedom of association and the right to collective bargaining, etc.
 - b. Environmental aspects: compliance with laws as well as restrictive lists of chemicals defined by Kering, environmental management, wastewater treatment, etc.
 - c. Aspects related to the supply of raw materials and packaging: respect for animal welfare and the five related freedoms, sourcing and traceability requirements for a number of key materials used by Kering, prohibition of certain substances and / or certain sourcing regions (for reasons related to the social conditions of production – use of child or forced labour, for instance – or environmental conditions), etc.
2. Kering provides central management through a team of 14 people (10 auditors specialised in conducting supplier audits and monitoring anomalies, and 4 people dedicated to risk management, control of procedures, and management of information support systems); depending on needs (locations, workload), this team can be assisted by an external service provider selected in 2016.
3. Clear and single procedures for all Luxury houses, corresponding to the different stages of the supplier relationship: activation procedure, evaluation procedure, suspension of the contractual relationship, etc.
4. A risk evaluation used, on the basis of cross-information (information in the possession of the relevant house(s) and self assessment of the supplier prior to activation), to classify suppliers in accordance with three levels of risk (high, medium or low) and to construct an audit plan. Audit plans are updated monthly based on the needs of the various houses and / or the occurrence of particular events.
5. A single and comprehensive audit methodology, including not only the key chapters related to social compliance, but also the essential elements relating to health and safety, and environmental management. Containing 88 questions, the comprehensive audit questionnaire is divided into 12 categories (child labour, forced labour, health and safety, freedom of association and right to collective bargaining, discrimination, environment, etc.) and aligned with the best standards in this area, in particular the SA 8000 and SMETA standards. The results are naturally pooled between the houses in order to avoid any overlap. Follow-up audits with a smaller Scope focus on the area(s) in which breaches of compliance were identified or observations were made during the first comprehensive audit.

6. Anomalies classified in four categories and standard responses to each case:
 - a. Breaches subject to zero tolerance (relating to the most serious situations liable to be encountered, specifically child labour, forced labour, irregular work, undeclared subcontractor, threats, discrimination, serious breaches of regulations, counterfeit, etc.). Identification of a zero-tolerance breach triggers the immediate establishment of a crisis unit bringing together the Kering audit team and the relevant house(s) to decide on the future of the relationship with the supplier: immediate shutdown of the approval process if the supplier is in the process of being activated but has not started working; and discussions about the possibility of remediation and support for the supplier or about the need to terminate the contractual relationship if the supplier is working on orders. The brand is the ultimate decision-maker on the most appropriate response.
 - b. Serious breaches of compliance. The supplier is given one month to resolve the serious breach of compliance, and a follow-up audit is scheduled to confirm that the issue has been resolved.
 - c. Moderate breaches of compliance. The supplier is given three months to resolve the moderate breach of compliance, and a follow-up audit is scheduled to confirm that the issue has been resolved. For each of the 12 categories of the comprehensive audit questionnaire, a detailed description of what constitutes zero-tolerance breaches, serious breaches of compliance, moderate breaches of compliance and observations has been prepared. For example, in the health and safety category, any situation potentially endangering the lives of workers is a zero-tolerance breach; the absence of mandatory documentation on aspects liable to jeopardise the health or safety of workers (certificate relating to fire safety for instance) is a serious breach of compliance; the absence of mandatory documentation other than that addressing areas bearing on the health or safety of workers (minutes of the meeting of site Health and Safety representatives for instance) is a moderate breach of compliance; and a deviation from existing procedures (for example, first aid training running behind schedule) is an observation.
 - d. Observations give rise to a remedial action plan, and are the subject of a dedicated checklist at the next audit. The supplier has six months to remedy the observation given.

Depending on the results of audits, suppliers are classified as:

- compliant (no zero-tolerance breaches, no compliance breaches, serious or moderate, fewer than five observations);
- partially compliant (no zero-tolerance breaches, no serious compliance breaches, fewer than five observations);
- non-compliant (cases of zero-tolerance breaches, and naturally whenever more than five compliance breaches, whether serious or moderate, are identified).

The new organisation, effective since January 01, 2016, was phased in throughout the year, both for Kering's Luxury houses and for their suppliers. Its deployment will be completed in 2017 with the inclusion of the remaining houses yet to be brought into the system and the expansion of supplier inclusion to full coverage by the end of 2017. The transformation of the supplier compliance management system for Kering's Luxury business will then be complete, notwithstanding any developments and future improvements made as part of the Group's continuous improvement process.

For the Luxury activities:

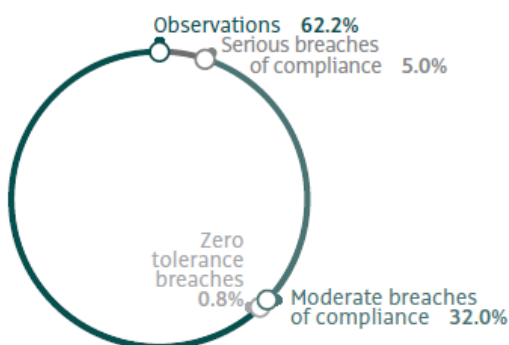
The supplier base managed by the Kering central team for the Luxury houses has the following characteristics:

- it does not yet integrate all suppliers, 2016 being a year of transition. The number of suppliers managed centrally has been growing, but does not yet cover all suppliers; in particular, two houses are to join the system in 2017. Watches & Jewelry brands will join the system in 2017;
- it covers 2,611 suppliers, breaking down as follows:
 - 22% direct (a supplier is deemed direct when it has no subcontractor),
 - 12% contractors (direct suppliers working for one or more houses, which subcontract part of their production),
 - 66% subcontractors and suppliers.

A total of 1,822 audits were conducted within this portfolio of suppliers in 2016 (comprehensive and follow-up audits).

These 1,822 audits revealed anomalies that break down as follows:

REMEDIATION OF THE ANOMALIES OBSERVED DURING THE AUDITS CARRIED OUT IN 2016 WITHIN THE LUXURY ACTIVITIES (CENTRALISED MANAGEMENT)



Robust corrective action plans were put together following the audits, wherever breaches of compliance, and particularly serious breaches, were identified. Follow-up audits were then conducted to verify the resolution of the problem. The few zero-tolerance breaches found during the audits were the subject of immediate attention in accordance with established rules and in coordination with the relevant houses.

In addition to the 1,822 audits conducted by central team at Kering, 433 audits were conducted by the two houses that are to join the system in 2017, bringing the total number of audits for the Luxury activities to 2,255.

Source: *Kering Reference Document 2016 Chap 4.3 p122-125*

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Stakeholder engagement:

9. Does your company actively participate in one or more multi-stakeholder or industry initiatives focused on forced labour and human trafficking or work with peer companies to address risk in high risk regions/clusters of tanneries or manufacturers?

10. If so, please specify who you work with and how you address forced labour risk related to leather sourcing.

In 2016, Kering continued its collaboration with Origem, a consulting firm specialising in responsible sourcing, to further explore the environmental and social challenges facing the leather (cattle, sheep and goat) industry. This study will allow the Group and its brands to assess the risks and opportunities stemming from leather supplies in each of its sourcing countries, and minimise its environmental impacts.

As well as working on its own value chains, Kering is also committed to encouraging the take-up of sustainability practices industry-wide. The international workshop Kering ran in 2016 to spotlight challenges and solutions in the development of traceable and sustainable cattle leather supply chains was attended by 50 people from the scientific community, civil society, UN organisations, and companies in the household goods, luxury and clothing sectors. The workshop publication addressed the development of sector-specific initiatives to improve traceability, certification and allowance for animal welfare in textile brands' value chains.

The Report is publicly available on Origem website: <http://www.origem.fr/wp-content/uploads/2017/01/Final-Leather-Report-Paris-Smart-Sourcing-Workshop.pdf>

Kering also maintained its commitment with partner organisation the Nicolas Hulot Foundation and various meat industry stakeholders to ensure its brands purchased skins through specific supply chains. The aim is to help the leather industry improve traceability and implement best practices in animal welfare.

As an example of the positive results achieved here, the tracking systems set up by Gucci and Saint Laurent with their tanneries in 2016 ensure traceability of 90% and 80% of leather used to produce their leather goods ranges respectively. Other brands implement approaches specific to particular product lines: for example, the high volume iconic products in Bottega Veneta's Cabat range made entirely from nappa leather are traceable and certified by ICEC (Institute of Quality Certification for the Leather Sector).

Kering is also involved in the Leather Working Group. This organisation unites players in the leather industry in the aim of improving the environmental and social performance and traceability of its member tanneries. Following PUMA's commitment to the LWG, Kering chose to join the organisation in 2014 in order to speed up the work related to leather traceability and improve the environmental footprint of its tanneries. Kering also shared PUMA's progress in terms of the traceability of leather at the LWG's 2016 annual conference in Shanghai.

In 2016, Kering and its Luxury brands organised two major supplier meetings. In April 2016, the main tanneries working for the Group's maisons were invited to an event dedicated to the management of chemicals, as part of Kering's commitment to phase out hazardous substances by 2020. The event brought together 30 key tanneries alongside production teams from the various maisons. The key lessons from pilot projects conducted in 2015 on the deployment of the Manufacturing Restricted Substance List (MRSL) were presented and discussed, as was the methodology used to deploy large-scale implementation of the MRSL in tanneries. A second meeting, held in November 2016, brought together leading European textile suppliers for a full day of presentations and discussions regarding the development of more sustainable supply chains. It was held in Novara, near Milan, and was attended by over 430 people, including 300 suppliers. The agenda covered the sustainability

strategies of both the Group and its Luxury maisons, as well as aspects including legal and compliance, quality, management of chemicals, social audits, the Group's environmental requirements and responsible sourcing via the Materials Innovation Lab (MIL). Dedicated workshops were also devoted to the EP&L, the certification process, the implementation of the MRSL and energy efficiency with the Clean By Design project.

Source: Kering Reference Document 2016 p118-119 and 126:

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Additional information

Please provide any additional information regarding how your company addresses forced labour risks in its leather supply chain (e.g. related to risk assessment and due diligence, supplier training, recruitment) or regarding your company's supply chain structure which you think is relevant.

Management of chemicals:

As well as complying with fundamental national and international regulations such as REACH (Registration, Evaluation and Authorisation of Chemicals, European Union), GB (Guo Bio, China), CPSIA (Consumer Product Safety Improvement Act, United States), KC Mark (Korea Certification Mark, Korea), Kering has set itself the target of eliminating all hazardous chemicals from all its brands' products and production processes by 2020.

To do so, the Group has established two types of lists of substances subject to restrictions: one for production processes, the Manufacturing Restricted Substance List (MRSL), and one for products, the Product Restricted Substance List (PRSL). There is a single MRSL covering the entire Group, and several PRSLs, one for the Luxury business and one for each Sport & Lifestyle brand.

The MRSL is focused on discontinuing the use of dangerous chemicals in the manufacturing process, first to ensure that workers in the supply chain of the Group's brands are not exposed to hazardous substances, and second to reduce toxic discharges into water. Implementation of the MRSL began in 2014 with a pilot phase at 13 key tanneries, including the four Kering tanneries, involving analysis of more than 3,500 chemicals, plus in-depth chemical tests on samples of leather, water discharge and chemical inputs. In 2015, this pilot scheme was extended to textile suppliers. In 2016, MRSL implementation continued across both leather and textile product supply chains.

- **Leather:** building on the experience acquired during the pilot phase, guidelines, tools and methodologies were developed to step up MRSL implementation. In April 2016, Kering began wide-scale rollout of the MRSL, which today covers 38 key tanneries (36 for leather goods and two for footwear) accounting for 80% of leather purchasing for Luxury brand leather goods. The methodology includes identifying the substances to be replaced and developing phase-out plans for each supplier. Kering has coordinated the whole project, steered technical discussions on data collection with chemicals suppliers, and carried out additional tests on chemical formulations.
- **Textiles:** the MRSL rollout pilot phase continued in 2016, involving eleven suppliers (four direct suppliers and seven subcontractors): five dyeing, three printing and three wool spinning sites, covering the whole production cycle. The suppliers evaluated the presence of MRSL-listed substances in the chemical formulations used in their production processes (a total of 2,000 chemicals). Tests were also carried out on 65 substances and 12 wastewater samples. In April 2016, Kering officially joined the Zero Discharge of Hazardous Chemicals group (ZDHC) as signatory member, after being an

observer member since 2015. ZDHC comprises twenty or so major international brands working to eliminate the most dangerous chemicals from textile and footwear industry supply chains by encouraging sector-wide take-up of best practices and sustainable chemicals use. Kering takes an active part in ZDHC, primarily in research, guidelines for MRSL compliance, and the cross-functional subject of data and publications, as well as co-leading work on MRSL 2.0. PUMA, an active founder member of ZDHC since 2012, sits on its board. It is also a member of AFIRM (Apparel and Footwear International Restricted Substances List Management Group).

Source: *Kering Reference Document 2016 p113*:

http://www.kering.com/sites/default/files/document/kering_referencedocument2016.pdf

Background information:

This questionnaire has been sent to the following companies:

- Footwear companies: Belle International, adidas, Nike, Kering (Puma), VF (Timberland)
- Luxury brands: Hugo Boss, Prada, Kering (Alexander McQueen, Balenciaga, Brioni, Gucci, Saint Laurent Paris, etc.), Ralph Lauren, PVH (Tommy Hilfiger, Michael Kors, Calvin Klein)

Please note your response will be made public on the [Business & Human Rights Resource Centre website](#). In addition, KnowTheChain will publish a short analysis to highlight better practices, as well as companies and areas where disclosure is limited. For an indication of what KnowTheChain regards as better practices, please review the [methodology](#) and the [findings report](#) of [KnowTheChain's apparel & footwear benchmark](#).