ZDHC Overview Presentation

for Planet Textiles 5th Annual Conference on 22 October 2013 in Pudong, Shanghai, China

RØADMAP TO ZERO **DISCHARGE OF HAZARDOUS** CHEMICALS







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INDUSTRY LEADERS COMMIT TO

ZERO DISCHARGE

Signatory Brands

- Started with 6 in 2011
- Now at 17

Commitments

- Committed to high standards of consumer, environmental and worker safety.
- The Joint Roadmap includes specific commitments and timelines to move towards the shared goal of zero discharge.

AN AMBITOUS PLAN

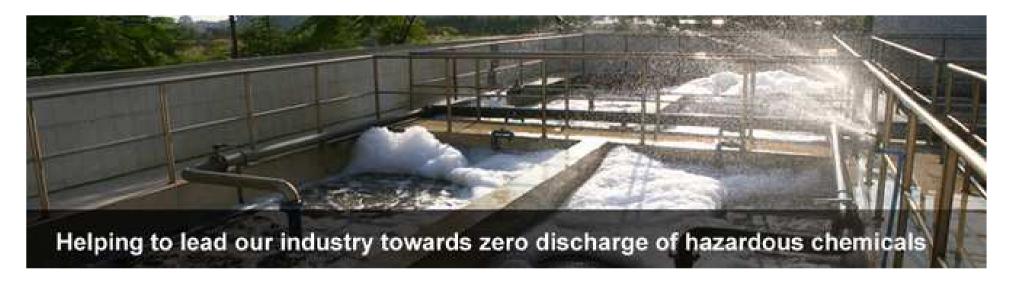
One that sets a new standard of environmental performance for the global apparel and footwear industry.



CHALLENGES AND OPPORTUNITIES

TO GET
STARTED
WE ASKED
OURSELVES:

- How do we know which hazardous chemicals are in use in our supply chains?
- When are these chemicals used in a way that poses harm?
- Which chemicals should we prioritise?
- How can we train and communicate to our suppliers?
- How can we encourage both end-of-pipe controls AND input management?



PROGRESS TO DATE

- Completion of benchmarking effluent testing at 19 sites
- Creation of an apparel-industry specific chemical inventory
- Created generic audit protocol and piloted audit in 2 locations
- Finalized benchmarking study on targeted phase out actions in the supply chain
- Completion of an extensive DWR research report
- Publication, with OIA, of Chemical Hazard Assessment guidance
- Online release of supplier training
- Co-hosted supplier symposium with China National Textile
 & Apparel Council

Joint Roadmap, Version 2

Released June 2013

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BUILDING ON EXPERIENCE

AN AMBITIOUS PLAN

Sets a new standard of environmental performance for the global apparel and footwear industry

Version 2 of the Roadmap

- communicates the long-term vision and goals
- High-level strategic document
- Includes action plan with goals, milestones, deliverables and responsibilities

THE JOINT ROADMAP, VERSION 2

updated understanding of challenge

Outlines vision, mission, guiding principles, and 2020 goals Incorporates and reflects on comments received from stakeholders Builds on the first Joint Roadmap but does not replace it

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LEADING THE WAY FORWARD

WHERE ARE WE GOING?

ZDHC Vision

We envision an apparel and footwear industry that delivers high quality products, using safe chemistries, operating in ways that keep communities free from unintended, downstream environmental impacts and delivers to a market where sustainable chemistry practices are preferred and rewarded.

HOW WILL WE GET THERE?

ZDHC Mission

The ZDHC Programme is a multi-stakeholder group working on developing and promoting best practice to improve environmental performance and chemical safety in the global apparel and footwear industry.

The ZDHC Programme and its partners will transform the global apparel and footwear industry by delivering a safer and cleaner environment as we work towards zero discharge of hazardous chemicals in the life cycle of all products by 2020.

ZDHC IS WORKING TOWARDS

ACHIEVING THE FOLLOWING BY 2020

- Elimination or substitution of hazardous chemicals in our members' products and their manufacture
- Development of a transparent process screen and eliminate hazardous chemicals in the apparel and footwear industry
- Tools training and capacity building programmes that support the entire supply chain
- Development of common, harmonised assessment tools to be used throughout the industry and clear guidelines on best practices available for all supply chain stakeholders.
- Development of a system of disclosure created in partnership with the supply chain that allows communities and consumers to access information about potential exposures to chemicals
- The entire system of suppliers, brands, governments and NGOs is engaged and participating, innovating and fulfilling their respective responsibilities to ensure the safe use of chemicals
- Development of a transparent and continuous stakeholder engagement process that helps build trust and ensures strong alignment amongst all parties

OUR GUIDING PRINCIPLES

Precautionary Principle

A cautious approach should be taken in advance; an examination of the full range of alternatives

Right to Know

Practices that allow members of the public access to environmental information

Systemic Change

Wider societal and policy change to achieve zero discharge of hazardous chemicals

Collective Action

We cannot accomplish our aspirations alone; we need collaboration across the supply chain

Actionable Efforts

Actionable, on-the-ground efforts that are grounded in science

SEVEN KEY WORKSTREAMS

The Joint Roadmap, Version 2, outlines our focus on seven workstreams.



WS 1: Chemical Hazard Assessment, Prioritisation and Action



WS 5: Management Systems Approach, Structure and Documentation



WS 2: Training



WS 6: Stakeholder Partnering



WS 3: Right to Know



WS 7: Chemicals

Management Best

Practices



WS 4: Assessments and Audits

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Chemical Hazard Assessment, Prioritization and Action

Key Objectives

- Develop a transparent, validated process to prioritize hazardous chemical substances
- Develop key actions against hazardous chemicals
- Encourage research and development of safer and more sustainable chemicals and processes

Near Term Actions

Hazard Assessment and Prioritization

 Provide a list of chemical substances and prioritise for phase out or further research

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WORKSTREAM 1 (continued)

Chemical Hazard Assessment, Prioritisation and Action

Near Term Actions

Phase Out Actions

- Increase awareness of chemicals targeted for elimination and substitution
- Develop a KPI to track phase out at supplier location
- Define and implement MRSL

Research Actions

 Conduct research project on durable repellency technologies to substitute perfluorinated and polyfluorinated substances with safer alternatives

Training

Key Objective

Develop training materials that will support awareness and knowledge transfer of necessary skills and education to achieve and maintain it for all parts of the supply chain

Near-Term Actions

- Roll out and promote training in first key market (China)
- Expand to two additional markets
- Integrate training in external projects

Right to Know

Key Objectives

- Improvements around responsible use and disposal of chemicals
- Identify facilities that can deliver ZDHC requirements by communicating performance
- Measure the performance of factories in delivering zero discharge
- Facilitate disclosure of data from chemical industry
- Create incentives for facilities to disclose data
- Provide the public with information to re-assure them that products and suppliers are managed responsibly

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WORKSTREAM 3 (continued)

Right to Know

Near-Term Actions

- Define criteria that will be included in the Right to Know performance rating of mechanism
- Develop process for creating a positive list of chemicals and dyestuff
- Publish extensive research into different methods for managing chemical compliance including Pollutant Release and Transfer Register (PRTR)

Assessments and Audits

Key Objective

Deliver a structure to audit and support improvements at a Tier 1 and 2 suppliers

Near-Term Actions Develop shared dye house audit protocol with third party

Management Systems Approach, Structure and Documentation

Key Objective

A management framework that allows all parties to understand their roles by developing clear guidelines for all parts of the supply chain

Near-Term Actions

- Develop ZDHC EMS Manual
- Develop guidelines for brands, Tier 3 suppliers and mills
- Develop ZDHC EMS procedures

Stakeholder Partnering

Key Objective

Engage stakeholders and stakeholder organisations to build alliances, align activities and address system barriers and leverage points to achieve the 2020 goals

Near-Term Actions

- Engage with key influencers in the system
- Engage stakeholders against specific work streams
- Engage with chemical suppliers to identify and implement best practices
- Increase the number of partner brands to at least 40 members by 2015

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Chemicals Management Best Practices

Key Objective

Evaluate business case for implementing best practices to reduce environmental pollution

Near-Term Actions Pilot best available chemistry practices to determine best outcomes

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Ongoing Engagement

RØADMAP TO ZERO **DISCHARGE OF HAZARDOUS CHEMICALS**































GALVANISING A MULTISECTOR

GLOBAL ALLIANCE

YOUR SUPPORT IS CRITICAL

We want active engagement with:

- Brands
- Suppliers
- Textile associations and NGOs
- Regulatory agencies in Asia, Europe and the United States
- Environmental and social NGOs
- Chemical industry
- International development organisations
- Academic institutions

PARTICIPATING IN THE MULTISECTOR GLOBAL ALLIANCE

WHAT CAN YOU DO?

- Join the group:
 - as a brand member
 - as an associate member (open to non-brands)
- Stay current on ZDHC progress and areas of participation by visiting <u>www.roadmaptozero.com</u> and subscribing to <u>info@roadmaptozero.com</u>
- Identify opportunities for mutual collaboration
- Participate in online training

BENEFITS OF MEMBERSHIP

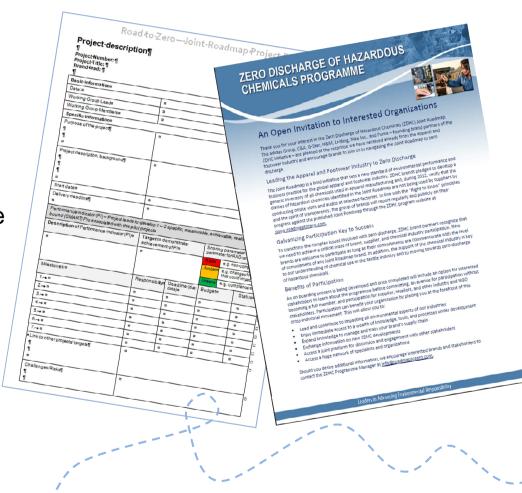
BECOME A
SIGNATORY
BRAND OR
ASSOCIATE
MEMBER

- Be viewed as industry leader and innovator
- Boost brand image and attract new customers
- Access tools, training and capacity building to manage and train your brand's supply chain
- Defray cost of reaching the goal of zero discharge
- Access to joint platform for support from regulatory agencies, academia, NGOs, chemical industry, funders, manufacturers and media
- Align between brands for media engagement and communication related to zero discharge
- Benefit from transparent and continuous stakeholder engagement process for strong alignment required to achieve zero discharge

MEMBERS CAN ACCESS TOOLS

AND PROCESSES LIKE...

- Action Plan to phase out 9 chemical classes
- Inventory of Chemicals
- Screening tool for chemical hazards
- Audit Protocols generic, dye house, printer
- Training materials and knowledge transfer
- Chemical disclosure platform
- Unified Communication Protocol
- Guidance is available to help you write your Joint Roadmap Model Statement



ZDHC INFORMATION

SIGNATORY BRAND AND ASSOCIATE MEMBERSHIP

email: info@roadmaptozero.com

PROGRAMME INFORMATION

www.roadmaptozero.com

ZDHC welcomes your support and collaboration!!