

SUSTAINABLE LEATHER FOUNDATION Claims Framework



Sustainable Leather Foundation Claims Framework

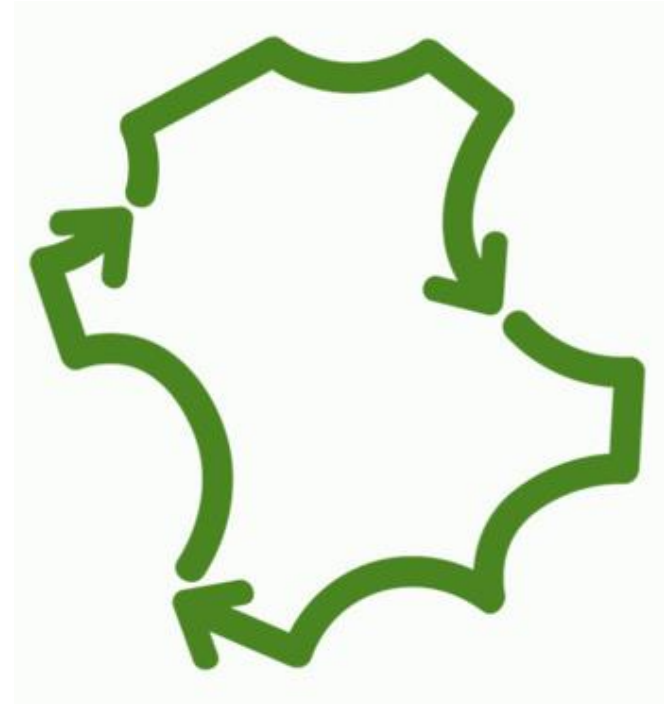
About this document



This framework document covers SLF's commitment to ensuring our partners communicate appropriately.

The framework offers guidance around claims language, with examples for use by partners, that supports accurate, fair and verifiable information to inform customer purchasing decisions.

Additionally, this framework is designed to meet the EU Green Claims Directive and the UK Green Claims Code.



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Introduction

The leather industry faces an extensive diversity of claims in the form of text statements, names, trademarks, pictures, and figurative signs that convey explicitly or implicitly characteristics or performance in the material or product labelling and its advertising.

The main objective of product claims is to enable consumers to make informed purchasing decisions, to choose products that better answer their needs and expectations. Today consumers, and particularly millennials and generation Z, are expressing their interest in the impacts of products and are reportedly willing to pay more for sustainable products and services. A product claim can be a powerful tool to shape consumer behaviour towards more sustainable choices. Verified claims can also help to increase consumer confidence in associated products and provide companies with an important advantage in an increasingly competitive market.

However, consumers require accurate and credible information on the sustainability performance of products to enable them to make informed and responsible decisions. For that purpose, it is essential to ensure that the information about the sustainability characteristics of the products conveyed to consumers through such claims is clear, useful and reliable.

What Are Sustainability Claims?

There is a difference between a “general claim” and a “sustainability claim” (or green claim as they are sometimes referred).

General claims are all statements, symbols, information, logos, graphics, labels, slogans and product brand names that companies use in connection with their materials, products and activities, intended to promote products or to influence consumer behaviour. Claims can appear on a product or service label, its packaging, in related advertising material, in promotional and point-of-sales material, and other forms of marketing.

Sustainability Claims seek to suggest that a product is made, a service is delivered, or an organization is run in accordance with defined principles of sustainability, sustainable consumption and production. This could include, among others, claims relating to the environment and climate change, biodiversity, animal welfare, deforestation, workers’ human rights or corporate social responsibility.

Sustainability Claims are intended to suggest that a product is made; a service is delivered; or an organisation is run in accordance with defined principles of sustainability, sustainable production or sustainable consumption.



When purchasing products, consumers are challenged with a wide range of sustainability claims. According to the European Commission in 2020 there were more than 450 environmental labels active worldwide and more than 200 environmental labels active in the European Union (EU) alone. This leads to uncertainty about the meaning and reliance of claims on the sustainability performance and impacts of products, and this results in a lack of consumer trust.

Moreover, making effective sustainability claims is complex and can leave many companies open to charges of greenwashing.

In 2021, the European Commission along with national consumer authorities conducted a screening of websites for greenwashing, examining 344 seemingly dubious claims in more detail and found that:

The Challenge of Greenwashing

- In more than half of the cases, the trader did not provide sufficient information for consumers to judge the claim's accuracy.
- In 37% of cases, the claim included vague and general statements such as “conscious”, “eco-friendly”, “sustainable” which aimed to convey the unsubstantiated impression to consumers that a product had no negative impact on the environment.
- In 59% of cases the trader had not provided easily accessible evidence to support its claim.
- In 42% of cases the claims were exaggerated, false or deceptive and could potentially qualify as unfair commercial practices under EU rules (Unfair Commercial Practices Directive).

This lack of credibility of sustainability claims is a crucial issue to the advancement of sustainable development.

Legal Developments

The legal landscape on sustainability claims is evolving.

EU legal initiatives have been put in place aimed at providing clear, trustworthy, easy to understand and verifiable information, empowering consumers and companies to demand responsible consumption and production and allowing the creation of trust among all relevant stakeholders.

The EU is looking to build sustainability and circularity into textile and leather value chains to help achieve environmental targets.

At the end of March 2022, the European Commission adopted a package of proposals aimed at making sustainable products the norm. The Strategy for Sustainable and Circular Textiles¹ includes among its measures actions to tackle greenwashing and a new digital product passport.

The digital product passport is intended to make it easier to track products' value chain journeys, and to make it easier to repair or recycle them. Tighter controls on greenwashing would include stricter rules on sustainability claims to protect consumers.

SLF's Two Key Principles for Sustainability Claims:

- 1. They must be truthful and not misleading*
- 2. They must be supported by data that substantiates their reliability.*

On March 30th 2022, the European Commission also adopted a proposal for a Directive on Empowering Consumers in Green Transition² that aims to make business-consumer relations fair and transparent and ultimately support the EU economy.

The directive strengthens consumer rights and contributes to a circular, clean and green EU economy by enabling consumers to make informed purchasing decisions and thus contribute to more sustainable consumption.

The EU believes that the circular economy has to be achieved through better consumer participation. In particular by providing consumers with better information on the durability and reparability of certain products, and by increasing consumer protection against unfair trade practices that impede sustainable purchasing, such as:

- greenwashing practices (i.e., misleading environmental claims)
- premature obsolescence practices (i.e., premature failure of goods)
- and the use of unreliable and non-transparent sustainability labels and information tools.

¹ https://environment.ec.europa.eu/strategy/textiles-strategy_en

² <https://www.europarl.europa.eu/legislative-train/theme-a-european-green-deal/file-consumers-in-the-green-transition>

The EU Green Claims Directive (EU GCD)

The EU Green Claims Directive³ aims to protect consumers from misleading marketing practices and help them make better purchasing choices.

Under the Directive:

- Generic environmental claims and other misleading product information will be outlawed
- Only sustainability labels based on approved certification schemes or established by public authorities will be allowed
- Guarantee information has to be more visible and a new guarantee extension label will be introduced

The directive was overwhelmingly adopted on Wednesday 17th January 2024, with 593 votes in favour, 21 against and 14 abstentions, and it will now go for Council approval. Once granted, there is likely to be a 24 month period before it enters into law.

In parallel, the regulatory framework at the national level is progressing. To cite a few examples, France recently adopted a "circular economy law" and a "climate and resilience law," which include provisions on how to communicate and promote sustainability and prohibit the use of claims such as "sustainable and environmentally friendly".

The UK Competition and Markets Authority has also issued new guidelines on environmental claims and reportedly increased enforcement activity.

In Germany, consumer associations are increasingly taking legal action against sustainability advertising, with subsequent decisions by the courts.

All these initiatives will jointly seek to establish a coherent policy framework to help the European Union make sustainable goods, services, and business models the norm and transform consumption patterns in a more sustainable and circular direction.

SLF's Claims Framework

The Sustainable Leather Foundation welcomes the legislative initiatives at the EU and national level as the right approach to protect against unfair commercial practices and misleading environmental claims. The proposed changes to legislation are suitable for strengthening both consumer protection and the competitiveness of the leather sector in this area.

SLF supports a harmonised common criteria to be followed for the justification of claims used in relation to leather products and is committed to supporting the industry with the definition of a framework for the development of reliable sustainability claims.

By establishing common criteria, the leather value chain will be able to offer a high guarantee to consumers to safeguard against deceptive claims in relation to non-leather imitation materials, and brands will be able to re-establish trust with their consumers.

³ [MEPs adopt new law banning greenwashing and misleading product information | News | European Parliament \(europa.eu\)](https://www.europarl.europa.eu/news/en/press-room/2024/01/statement-by-the-president-of-the-parliament-on-the-adoption-of-the-eu-green-claims-directive)

SLF's Claims Checklist

- ✓ Clearly indicate if the claim applies to the product, the packaging, or both, or to components or materials.
- ✓ Develop specific and not ambiguous claims.
- ✓ Ensure that the claim is clear and understandable for the target audience.
- ✓ Specify if the claim's benefit is likely to be realised when the product, component or package is manufactured, used or disposed of (indicate which stages of a product's life-cycle the claim refers to).
- ✓ Present the claim in an accurate, honest and truthful manner.
- ✓ Take into account the product's nature.
- ✓ Show the direct link between the environmental benefits and impacts of the product and the related claim.
- ✓ Refer to the context to which the claim applies or clearly present this context.
- ✓ Comply with applicable laws or regulations in products' advertising and marketing.
- ✓ Go beyond what is already prescribed by the law.
- ✓ Base your claims on robust, independent, verifiable and generally recognised evidence which takes into account the latest scientific findings and methods.
- ✓ Make available appropriate and adequate test methods or scientific data supporting the claim.
- ✓ Use verification procedures and audits to substantiate the claims.
- ✓ Conduct verification on the actual product (or one that is substantially identical) to ensure that the results are applicable to the advertised product for which the claim is made.
- ✓ Verify, before publication, that environmental data and information supporting the claim are in compliance with the reference standard.
- ✓ Conform to the principle of fair competition.
- ✓ If the claim refers to the reduction of components or elements having an environmental impact, make clear what has been reduced.
- ✓ State clearly the limits of the claim.
- ✓ Make available to customers and authorities the documentation that substantiate the claim, including information about products' specific claims and the traceability systems that support the claim.
- ✓ Allow consumers to understand the evidence behind the claim.
- ✓ Include qualification or explanations in proximity to the claim being qualified to ensure that they are read together and clear to customers.
- ✓ Make sure that a visual claim is not confusing.
- ✓ In case of comparative claims, use agreed calculation methodologies that facilitate comparability.
- ✓ Analyse the trade-offs resulting from the attribute to prove the claim, if the claim conveys that a product has an overall environmental benefit because of a specific attribute.
- ✓ Avoid technical barriers for the consumers and make the claim accessible and visible for them (front of pack, appropriate font size, graphics/logo).
- ✓ Update the claim regularly.
- ✓ Provide up-to-date information to consumers.
- ✓ Promote consumer education and awareness on the meaning and proper interpretation of claims.

The below are examples of recommended claims language that our Partners can modify according to their individual capabilities within the Transparency Dashboard data for their value chain:

1. [Name of Company] is a partner of the Sustainable Leather Foundation. This means we are committed to sourcing leather from suppliers that meet the ESG (Environmental, Social and Governance) standards as prescribed in SLF's Audit Standard Certification Programme.
2. XX% of our leather is sourced from tanneries who are certified through Sustainable Leather Foundation for ESG standards.
3. XX% of our leather is sourced from tanneries and product manufacturers who are certified through Sustainable Leather Foundation for ESG standards.
4. The leather that was used to make this product was sourced from tanneries who are certified through Sustainable Leather Foundation for ESG standards.
5. The leather that was used to make this product was sourced from companies who are certified deforestation-free through Sustainable Leather Foundation.
6. The leather that was used to make this product was supplied by companies who are certified Chrome free through Sustainable Leather Foundation.

SLF Claims Language



7. The leather that was used to make this product was supplied by companies who are animal welfare certified through Sustainable Leather Foundation.
8. The leather that was used to make this product was supplied by companies who are certified through Sustainable Leather Foundation for social responsibility, ensuring the safety and welfare of their workers.
9. The leather that was used to make this product was supplied by companies who are certified through Sustainable Leather Foundation for Governance Good Practice, ensuring that the business operates ethically and responsibly.
10. The leather that was used to make this product was supplied by companies who are certified through Sustainable Leather Foundation for environmental responsibility.
11. The leather that was used to make this product was supplied by companies who are by-product certified through Sustainable Leather Foundation.

Credible Communication

Through the development of credible claims it is possible to provide clear and accurate data to consumers, secure value chains and prove commitment to sustainability.

The Sustainable Leather Foundation believes that trustworthy and engaging sustainability communication is key to driving more sustainable consumer behaviour and operational change within businesses.



“Let’s be the change that secures the future!”

***Deborah Taylor,
Founder and Managing Director, SLF***



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