UNIC
ITALIAN TANNERIES

2020

SUSTAINABILITY REPORT

THE ITALIAN TANNING INDUSTRY AND THE CHALLENGES OF **SUSTAINABLE DEVELOPMENT**

The Italian tanning industry has been able, in an exemplary and pioneering manner, to enact the principle of symbiosis and industrial ecosystem necessary for the implementation of a new business model, based on the concept of circular economy, which represents now the basis of European and global strategies for sustainable development.

Our sector is a fundamental junction of a network of supply chains. It is interrelated upstream (for the raw material) and downstream (for the recovery of scraps and waste for the agricultural and food chain. It supplies materials for the fashion, design, furniture and automotive industries. Through the transformation of a part of its processing scraps, it supplies precious raw materials to other industrial sectors, such as pharmaceuticals, agriculture, chemical (adhesives, glues), just to mention a few of them. In leather, innovation, creativity, style and the distinctive "know how" of Made In Italy interact to create value. Leather is a unique material, whose real qualities are not always known and recognized.

For this reason, the **Sustainability Report 2020** of the Italian tanning industry dedicates the first section to the material, to what leather is, to its peculiar characteristics that cannot be reproduced by other materials, even if they are terminologically related to it. There are many misleading communications about leather and its substitutes and in the debate the arguments are often untruthful. For this reason, the correct communication towards economic operators and, above all, to consumers, is and will be increasingly important.

The second important area of accountability is related to the impacts, both positive and negative, of the transformation process. They mainly concern the role in the socio-economic development of territories, the circular model, the consumption of resources and the actions taken for energy efficiency and reduction of carbon emissions.

Finally yet importantly, the Report includes a focus on traceability and ethical issues linked to animal origin, an area in which the Italian tannery is strongly committed to ensuring transparency on the dynamics of the supply chain to customers, consumers, institutions and the public.

The 2020 Report is in continuity with the 2019 analysis, of which it maintains the correlation with the Sustainable Development Goals (SDGs) of the *UN 2030 Agenda*.

CONTENTS

SECTION 1

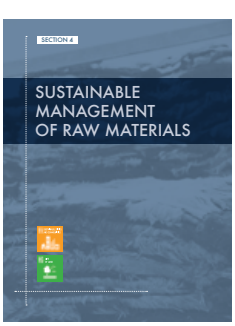
LEATHER. A NATURAL AND UNIQUE MATERIAL

SECTION 2

RESPONSIBLE GROWTH AND DEVELOPMENT

SECTION 3

THE GREEN NEW DEAL. CIRCULARITY AND ENVIRONMENTAL COMMITMENT



SECTION 4

SUSTAINABLE MANAGEMENT OF RAW MATERIALS

SECTION 1

LEATHER. A NATURAL AND UNIQUE MATERIAL

LEATHER
AND ITS CHARACTERISTICS

100 % renewable
100% biological origin
99.5%[1] recovered material

These are not just percentages. They are not just numbers. They are the mathematical demonstration of the excellence of its sustainable dimension, both current and future.
Leather is unique, natural and alive. Processes and workmanship at the highest level make it durable, of impeccable quality, versatile, ideal for satisfying a multiplicity of uses.
Despite the competition, often unfair, of alternative solutions, leather remains the material of excellence for high added value uses and applications. Its natural structure consisting of interwoven collagen fibers determines its aesthetic and non-reproducible performances and characteristics. These are shaped by creativity and craftsmanship and transformed into garments, fashion accessories, seats, car interiors, furniture and design objects of unrivalled excellence.
Leather is a material that finds in Italy and in the Made in Italy the best possible ecosystem.
It is a context that allows an increasingly efficient production in terms of use of resources and reduction of environmental impacts. The leather production in Italy is socially responsible and economically relevant, also thanks to the presence of a supply chain that represents the global benchmark of fashion and luxury, and that collaborates synergistically for the continuous improvement and innovation of articles and processes. All this while respecting and valorizing the original DNA of the material.

Italian leather combines tradition and memory of the past with the vision of a future made of natural materials, creatively declined to infinity, rich in performance and values that last over time.
Qualities that are more than successful in a context such as the current one. They make leather a concrete resource also in the perspective of a strong development of the sharing economy and models of purchasing more and more sustainable.
Those qualities show that leather is an extraordinary guarantee of modernity.

[1] *0.5% is the share of raw materials used by the tanning industry that is not always qualifying as by-products (e.g. some exotic skins)*

AUTHENTICITY AND TRANSPARENCY

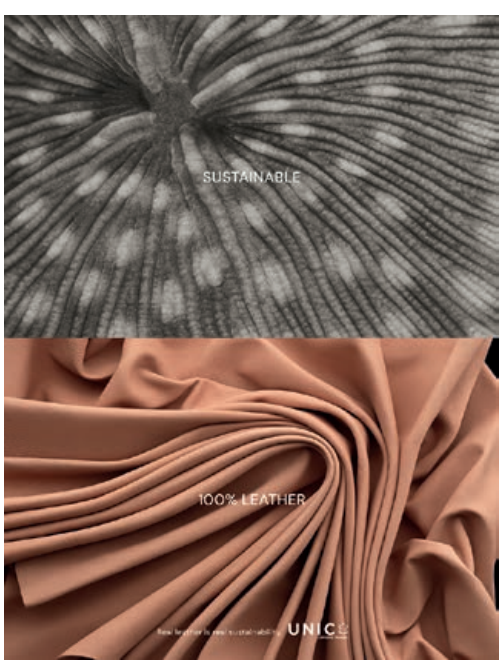
Communicating in a transparent way means giving the consumer the possibility to understand the real quality of the products on sale and put him in the conditions to make informed purchasing choices.
For this reason, it is essential that the consumer has the right tools to orientate himself in a commercial context increasingly characterized by a strong innovation in materials and, consequently, by the proliferation of improper descriptions, if not actually misleading, on articles and materials of common use.
The year 2020 can mark an important result in this area. The rising awareness activity, which is constantly carried out by the sector, has finally obtained, by the Italian government, the updating of the reference legislation on the correct use of sector terminology.
As of October 24, 2020, the ***Legislative Decree no. 68 of June 9, 2020***, has repealed the Law no. 1112/66 and **has renewed the definitions of the terms "leather" and "skin", regulating also the labeling** for sectors that are not covered by a harmonized law at European level, such as footwear (*Directive 94/11/EC*).
The Decree prohibits the use of leather related terms, as well as other more specific ones, whose definition is also established, for materials or manufactured articles that do not comply with **the requirements** established. The new provision **identifies "leather" as a material that must have at least two fundamental characteristics: the animal origin and the intact fibrous structure**, or namely, the two properties that make it such a high-performance material.
The use of terms that do not meet the definitions is forbidden even in combination with suffixes or prefixes, in languages other than Italian and in any kind of communication, also via web, in order to tackle unfair practices in the online commerce and advertising. The Decree sets also a mandatory labelling or marking for economic operators who use the leather related terms to describe and promote products for sale, in order to inform consumers about their composition.
The interest in this issue is also high in the rest of the EU, where the legislator has already expressed its orientation through the guidelines for the definition of unfair commercial practices and where other member states are currently engaging in the process of regulating in the same direction.
The hope is that transparency will increasingly become a priority in the international arena, for the benefit of consumers and all market operators.

THE "REAL" ECOLOGICAL LEATHER

The UNI 11427 standard establishes minimum process and product requirements (calculated per unit of leather produced) in order to define the true "ecological leather" and, therefore, to be able to use this term for a leather produced with a low environmental impact. Products conforming to the standard, after a certification released by *ICEC (Institute for Quality Certification for the Tanning Industry)*, can use the "*eco-pelle*" logo, issued by UNIC: an effective way to inform the consumer and ensure transparency.

INITIATIVES
TO PROTECT THE MATERIAL

Leather is an incredibly versatile material.
Its properties are numerous and can be declined in infinite variations adapted to the specific destination of use. Depending on the processing we can obtain elastic leather, very soft and thin or rigid and structured articles. Leather is a **breathable material**, but at the same time insulates from heat and cold and can become waterproof thanks to specific treatments.
What unites all the properties that characterize leather is the **natural origin**. The peculiar characteristics of leather make it a material that is synonymous with quality and value. As such, it counts many attempts at imitation that reproduce its aesthetic appearance, without being able, however, to replicate the technical properties and performances, closely related to the structure admirably built by nature.
Unfortunately, in recent times and in an increasing way, many economic operators, guided by different interests are questioning the use of leather, attacking it especially on sustainability issues and passing on to consumers misleading information that damage the image of the sector.
For this reason, among the many actions taken to protect the image of leather, one of the most important was the **communication campaign**, launched by UNIC at the end of 2019 focused on three main aspects: **communicating the true value of the leather**, in terms of naturalness, uniqueness and sustainability, **supporting the appeal of leather**, transmitting an image of contemporaneity and avant-garde, as well as versatility, and **promote transparency in sustainability claims**, especially on ethical aspects, such as animal welfare.
Currently the campaign is also running in the social media.



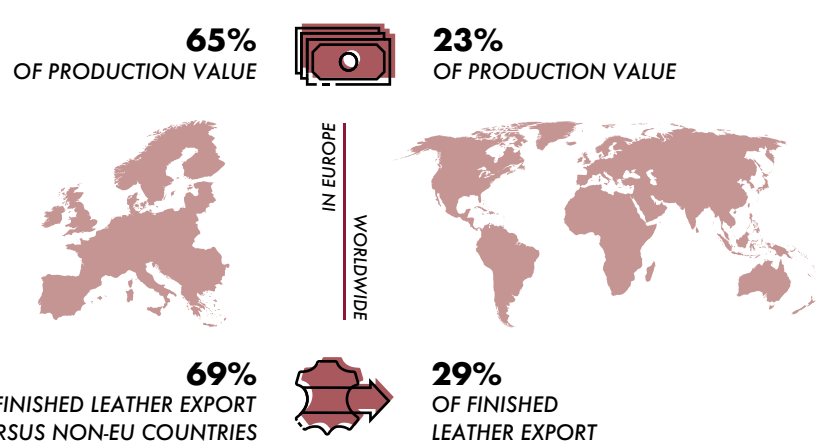
SECTON 2

RESPONSIBLE GROWTH AND DEVELOPMENT

THE **ECONOMIC** SITUATION

In 2019 the sector firmly confirms itself at the first place in Europe in terms of value creation, with a 65% share, which is now structural, and increases its incidence on the value of world production, rising to 23%.
The year was characterized by an overall decline for the Italian tanning industry and for other players in the international supply chain. Italian production has in fact recorded a drop in volumes produced (116 million square meters) and, with less intensity, also in the **value of production**, which stands at a total of **4.6 billion euros**.
The protection of employment levels, even in times of crisis, is a fundamental objective of the industry, whose demographics are shrinking, but much less severely than that of production.
The **1,180 companies** located throughout the country employ **17,515 people**.
Veneto, the first Italian district, slightly increased its share, which reaches 58% of the national turnover, followed by Tuscany with 28%, Campania at 6% and Lombardy at 4%. As a reflection of the international vocation of Italian tanneries, the contribution of **exports** remains central and amounted to 3.3 billion euros, equal to **73% of total turnover**.
The causes of the contraction lie above all in general uncertainties in the global economic situation and the cost containment policies of many important customer segments. However, this has not prevented the tanneries from confirm their high commitment to investments in sustainability, which exceed 4% of total turnover.
This strategy will prove to be even more important to intercept the opportunities for recovery from the crisis caused by the spread of the Covid-19 pandemic worldwide, which has abruptly and radically introduced changes in people's lifestyles and in the priorities of economic systems, putting even more at the center of the objectives of the supply chain the themes of competitiveness based on the criteria of sustainable development.

THE INTERNATIONAL LEADERSHIP OF ITALIAN TANNING INDUSTRY



THE **EMPLOYMENT** SITUATION

The **occupational structure** of Italian tanning sector remained generally **stable** in 2019.
The strong artisanal identity is well described by the high share of technical-operational profiles (80%), even in a context where administrative (16.2%) or organization-management (3.8%) profiles are constantly increasing.
The share of permanent contracts is also stable and involves 9 workers out of 10. The share of occupied women is in a sligh reduction, while foreign workers is increasing.
As a general picture, those figures describe a situation characterized by considerable variability in terms of gender, age and culture.
The share of under 35 employed in the sector is equal to 25%, while the over 55 represents a 14% share.
It is worth noting an increased interest for emerging profiles, related to the greater attention to quality of products, to process management and to the sustainability issues.
The skills of people are more and more a key element, both if they are developed in the working experience and if they are acquired through the selection of skilled profiles.

THE MAIN INDICATORS

21.5%
FEMALE EMPLOYMENT

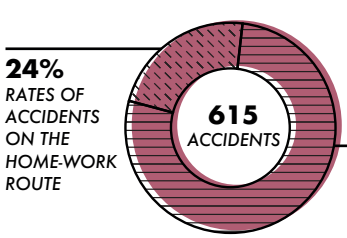
89.7%
PERMANENT CONTRACTS FRAMEWORK

23.8%
FOREIGN WORKERS

75%
2ND LEVEL BARGAINING (AT COMPANY/REGIONAL LEVEL)

The data related to the accidents in the workplace describe a working environment that pays much attention to safety and health of workers.
The picture provided by INAIL (the National Institute for Insurance against Accidents at Work) confirms for 2019 the **decreasing trend** (-42% since 2003). In a slight but constant reduction the accidents occurred in the working place, while the accidents "in itinere" reported an increase. The recognized illnesses decreased by 77 in 2018 to 66 in 2019, with a growing trend of osteo-articular pathologies.

INJURY DATA (SOURCE INAIL 2019)



25
DAYS AVARAGE DURATION OF INJURIES

63
RATES OF ACCIDENTS AT WORK

INITIATIVES FOR THE **COMMUNITY**

Being responsible and sustainable for a tannery means combining business with attention to the environment, social issues, culture and, in a broader vision, to the context in which it operates. **Italian tanneries are in a relation of interdependence with the local community.** While on the one hand they provide jobs and contribute to the local economy, on the other they depend on the quality of life, stability and level of development of the communities in which they are integrated. In addition, the companies' associations by pursuing the interests of their members, extends the perimeter of stakeholders' interest beyond the territories to promote leather and manufacturing excellence in the cultural environment, in the protection of heritage. An example of this is the collaboration with the ***Archaeological Park of Pompei***, for the restoration and the use of the largest artisanal leather processing area found in the ancient city (almost completed). Other two important initiatives are the restoration of the Orthopascha (an ancient illuminated manuscript in parchment and leather and leather, preserved in the *Marciana National Library in Venice*) and consultancies for the restoration of other assets of historical importance.

The protection of the cultural heritage tells and documents the role of leather in history. Also, many other initiatives that promote leather as a material of excellence for the future, among young people and operators in the supply chain, are undergoing. Leather is a material for consumer goods with high added value, but also a possible working environment, stimulating and rich in opportunities for professional growth. In 2019, now established initiatives have been put up once again, such as the "*Amici per la Pelle*" competition, which for 10 years has involved middle school students in the districts, and the project "*Le Belle Lettere della Pelle*" dedicated to students of the last year of primary schools. In addition, further initiatives have been promoted: the literary competition "*COSE DI PELLE*" for the high schools in the tanning districts, the training for the *carpentry course participants of San Patrignano* and the campaign "*Open Your Mind*", launched within the framework of the COSME project "Blueprint for sectoral cooperation on skills: showing casing careers in the textile, clothing, leather, footwear sector". To promote the use of leather among young designers, two contests have been promoted (Lineapelle contest and World leather contest), in which the most important international fashion and design institutes participated.

NUMBERS OF 2019

YOUTH TRAINING

- Target audience: students of secondary schools, post graduate specialization courses, fashion institutes and universities both in Italy and abroad
- **75** courses
- About **3,000** participants
- About **200** hours of lessons

TRAINING FOR THE SUPPLY CHAIN

- Target audience: employees of brand and manufacturing companies, retailers, designers
- **30** courses (Italy and abroad)
- **500** participants
- **140** hours of lessons

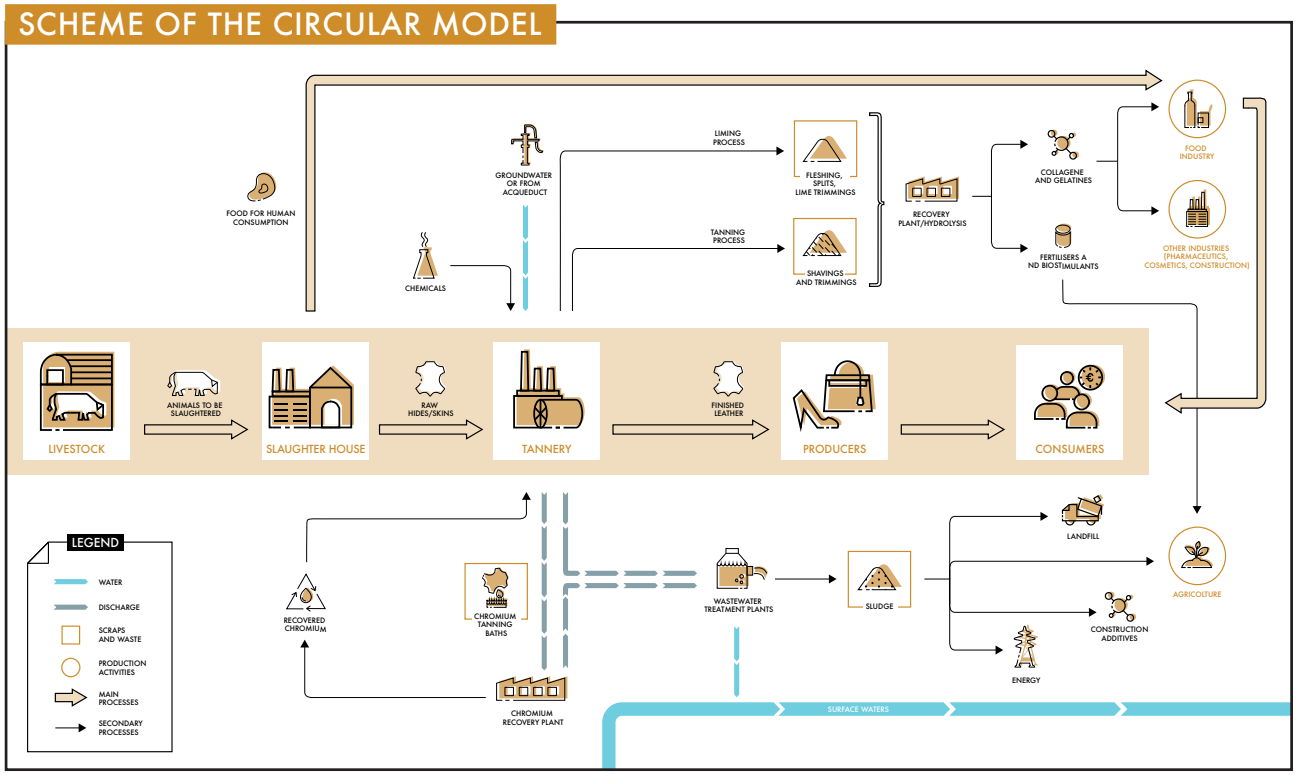
SECTION 3

THE GREEN NEW DEAL. CIRCULARITY AND ENVIRONMENTAL COMMITMENT

With the United Nations 2030 Agenda for Sustainable Development, the *European Green New Deal* defines a clear strategy for the transition towards a **model of economic development** that **aims** not only at profitability and profit, but **also at social progress and environmental protection**.

In this context, a more rational and sustainable **management of natural resources** becomes a crucial aspect. The issue has two dimensions. Upstream, it is a matter of managing resources more efficiently, i.e. increasing productivity in the working processes, reducing wastage, maintaining the value of products and materials as much as possible, increasing the share of recovery of scraps and by-products. Downstream, it is necessary to recover and use into production systems everything that is intrinsically valuable, instead of disposing it in landfills. These two aspects represent the essence of the **circular economy**, which aims at making economic activities more efficient and having less impact on the environment, through technological innovation and better management. In order to achieve this objective, it is essential **to create inter-sectoral economic ecosystems**, in which different industries can use the scrap from other production activities as raw material.

SCHEME OF THE CIRCULAR MODEL



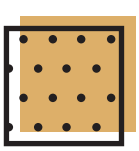
THE CIRCULAR MODEL
OF THE ITALIAN TANNING INDUSTRY

For the transition to the circular economy, **the approach of the Italian tannery is**, once again, **at the cutting edge**, having attention to define and manage the production processes taking into account not only the quality of the products, but also of the material that "inhabits" the product and of the waste that derive from such processing. Finished leathers are the high added value result of **transforming a scrap**, the spoils of animals, that are bred for food purposes and that, if not recovered, should be disposed of within a very short time, to avoid hygienic and sanitary problems.

In addition, part of the **chemical auxiliaries** used (tannins, fatliquors, caseins...) derive from recovered fractions of other industrial productions.

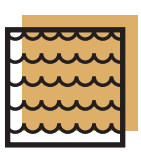
For the remaining **raw materials** used in the manufacturing processes (water, energy, chemicals in general) there is a high and continuous commitment to the progressive reduction of their use, through the adoption

THE MAIN INDICATORS OF CONSUMPTION



0.98
TOE/1000 m²
ENERGY CONSUMPTION

2.00
kg/m²
CHEMICALS CONSUMPTION



109.5
l/m²
WATER CONSUMPTION

TREND CONSUMPTION INDICATORS (SINCE 2003)

- 30%
ENERGY CONSUMPTION

- 9%
CHEMICALS CONSUMPTION

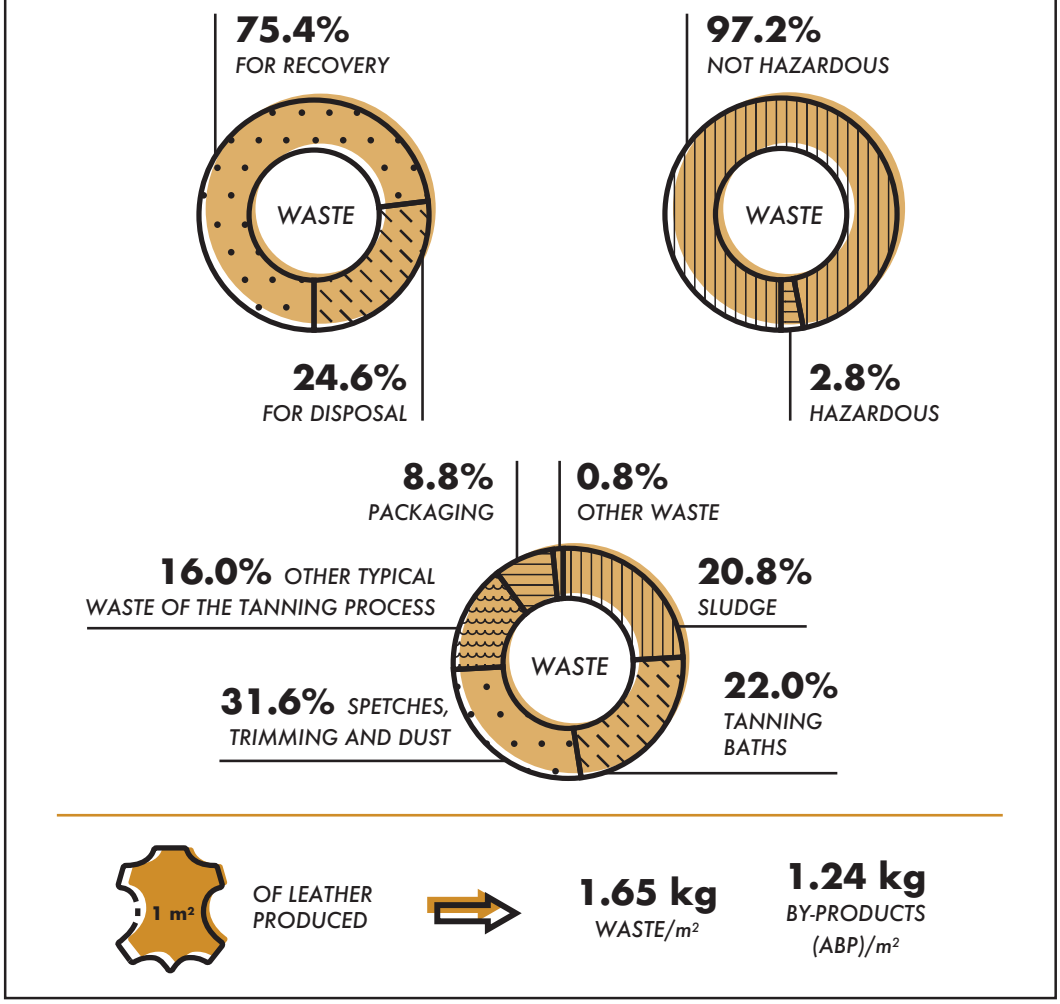
- 18%
WATER CONSUMPTION

of increasingly efficient production and organization systems.
These are accompanied by **good practices of reuse and recovery of scraps and waste**, some of which (generated during the first phases of processing, before tanning) are classified as ABP (animal by-products) and, as such, valorized without destruction of valuable organic matter. A BP become raw materials or many products: bio stimulants and fertilizers for organic farming; collagen, proteins and gelatin for various uses in the food industry and in nutriceutics (for the production of the so-called super foods, for example); in cosmetic and in pharmaceutical industry; additives and materials for construction applications.
Net of the scraps valorized as a by-product, most of the waste produced is nevertheless recovered (over 75%) reducing the fraction destined for disposal only to sludge and coating residues, absorbent materials, contaminated packaging or non-recoverable materials.
For example, tanned waste is used, after being suitably transformed, as fertilizers when not as ingredients for the production of materials for footwear and leather goods (regenerated leather fibers), papermaking (paper) and organic glues.
The waste of finished products (at least a part) can be usefully reused for small leather goods or transformed, after being appropriately shredded, into fertilizers or filling materials for various applications.
The amount destined for recovery is however variable, being influenced by the locally presence of subjects authorized to the treatment of the peculiar waste of tanning sector.

THE CYCLE OF MATERIAL

Virtualization often makes us forget where objects and materials come from, their history and their essence. The skin is part of a biological cycle in which proteins, amino acids and tissues (e.g. collagen), once assimilated and/or synthesized by the animal, can always find a use. These organic molecules constitute a precious and efficient storage of carbon and nitrogen that once collected can be regenerated, recovered and reused in multiple "production" cycles, before being reintroduced into the environment as CO_2.
The tanning process scraps, rich in these elements, become valuable raw materials for the agro-farming industry for example; by transforming carbon and nitrogen into substances that are highly bioavailable to plants, with less energy expenditure for the growth of their vital tissues. Collagen, proteins and amino acids also become the basis for the production of other industries.

WASTE PRODUCTION



DURABILITY

The pressure towards climate neutrality and the sustainable development goals will necessarily have to pass through a model of consumption based on the reuse of goods. In a horizon in which "we will consume less, but we will consume better", sustainable fashion will increasingly need materials that allow for repeated use over time, which keeps the end-of-life moment as far away as possible, also by sharing the value with other consumers. Reducing the amount of waste will also facilitate its management.
Leather is a durable and reusable material, which gives manufactured goods the possibility of upgrading, reparability and easy maintenance. These characteristics fully correspond to the eligibility criteria of the EU Green New Deal and the *European action plan for the circular economy*.

THE CYCLE OF **WATER**

Water is an essential element for life. But it is also a **fundamental resource in industrial processes** in which, as in tanning production, many phases imply water as a "environment" of reaction.

The water cycle in tanneries begins with the supply from groundwater (mainly from private wells) or from industrial and civil aqueduct. After a pre-treatment, in order to eliminate metals and other substances that could affect the reactions and the final quality of leather, the water enters the production cycle in the so-called wet phases of the processes. Water is also used for in the production of steam, in the washing and cleaning cycles and in the abatement and cooling plants.

In the tanning production, there is not a real consumption of water, as more than 93% of it is then discharged as wastewater. What does change significantly is the **quality of the water**, which during tanning process is loaded with chemical substances, that leather does not absorb or that are generated by the chemical reactions, as well as the residues released or removed from the hides and skins themselves. The wastewater generated must therefore be properly purified, in order to restore their characteristics to levels compatible with the environment.

To avoid impacts on the ecosystem, the tanning districts have been using, since a long time, advanced central treatment plants, that have reached a high level of specialization for tanning discharges. The continuous investments in technological and process innovations guarantee very high levels of sewage efficiency and, for this reason, they have been taken as a model by foreign tanning districts.

The central treatment plants play an essential role to guarantee the production of tanneries in the district of which they are a fundamental element. Thanks to research and development projects they promote the improvement of quality of effluents, for example, through the segregation and the separate treatment of different discharges or the experimentation of the reuse of purified water for non-technical uses in the tannery (such as washing) or the possible recovery of sludge generated by the plants. Wastewater of chromium tanning, in particular in Tuscany, are collected and treated separately and the tanning salts still possibly contained are recovered and returned to the tannery for further use.

REDUCTION OF POLLUTANTS IN WASTEWATER
(MEAN VALUE OF CENTRAL TREATMENT PLANTS IN TOSCANY AND VENETO)

-97.4% *COD*

-99.4% *SUSPENDED SOLIDS*

-99.4% *CHROMIUM III*

-96.4% *TOTAL NITROGEN*

AIR EMISSIONS
AND CLIMATE CHANGE

The international scientific community considers greenhouse emissions as the main cause of climate change. The greenhouse gases emitted from the tannery's activities are mainly due to carbon dioxide produced during combustion processes and directly related to fuel consumption.

On this front, **the commitment of the tanneries passes first and foremost through process efficiency**.

The increase in efficiency starts from an analysis of consumption and the identification of inefficiency elements of the system, such as high-consumption equipment or machines with high thermal dispersion (especially from pneumatic equipment) without heat recovery or with poor insulation of plants and rooms.

Another important action put in place is the **gradual replacement of diesel handling equipment with electrically powered ones**.

Having traced their own baseline of requirements, the path towards efficiency has led tanneries to evaluate different solutions and strategies to reduce consumption and climate-altering emissions.

Some tanneries, especially the largest ones that have a significant energy consumption, have equipped themselves with on-site **high-efficiency cogeneration plants**. For the tanning production system, characterized by a significant use of both thermal and electrical energy, these plants have the advantage of allowing the energy recovery of heat produced on site and considerably reduce the losses of electrical energy, traditionally related to distribution systems. The role of such good industrial practice is evident in the share of self-produced energy on the total energy used by the companies in the sample (11%). It is instead still residual the use of electricity produced from photovoltaic panels.

For the electrical energy supplied, several tanneries have increased the share of **green electricity**, i.e. from renewable sources with zero impact on carbon emissions.

Others have taken or planned to **balance their emissions of carbon dioxide**, through the purchase of certified carbon credits, related to the implementation of one or more environmental protection projects (e.g. planting).

In addition to equivalent carbon emissions, an important indicator for defining the impacts

AIR EMISSIONS

OF LEATHER PRODUCED

1.98 kg
CO_2 eq/m^2

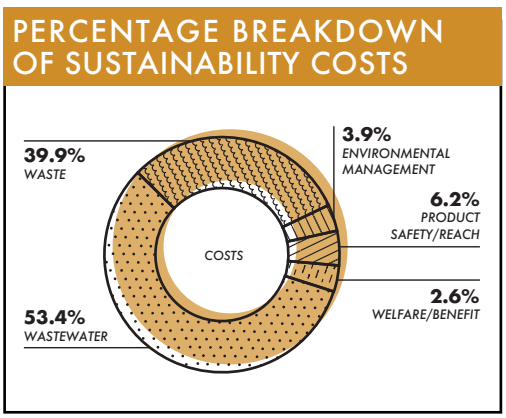
44 g/m²
VOC EMISSION FACTOR

of tanning activity on the atmosphere is the emission of solvents, mainly due to the final phase of leather processing (finishing). Also on this side, the results obtained are quite considerable: **the VOC emission factor (solvents used per square meter of leather) has decreased from 71 g/m² in 2014 to 44 g/m² in 2019, with a reduction of 38% only in the last 5 years**. This result is due to the use of new high efficiency technologies for the use of chemicals and reduction of emissions, as well as the progressive replacement of solvent-based finishing treatments with new water-based formulations.

ACTIONS FOR **GREEN AND DIGITAL** TRANSITION

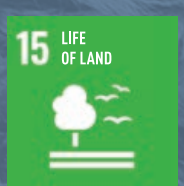
Digital and green are becoming increasingly two **fundamental pillars to ensure the competitiveness** of companies characterized by a high-level of artisanship such as tanneries. The commitment to create a sustainable industry passes through important economic and organizational investments and the human resources upgrading. These support **innovative production systems**, which for many Italian tanneries are now a reality, developed thanks to the close collaboration with machinery and plants suppliers, as well as formulators and producers of chemical auxiliaries.
By the way, **in the tanning industry, innovation is not only referred to the process, but also and above to product and articles**.
Finally, digital technologies generate efficiency in the **exchange of information** at all stages of the value chain. The combined application of innovation and **4.0 technology** allows achieving significant benefits in terms of flexibility, speed and exchange of information within the supply chain. In addition to these benefits, new technology can provide also higher levels of efficiency in the use of resources, especially for the consumption of water, chemicals and energy, thanks to the continuous monitoring of processes and parameters.

PERCENTAGE BREAKDOWN OF SUSTAINABILITY COSTS



SECTION 4

SUSTAINABLE MANAGEMENT OF RAW MATERIALS



THE ITALIAN TANNING SECTOR **COMMITMENT FOR TRACEABILITY**

Tracing back the origin of raw materials, Numerous are the obstacles for leather traceability, that are not easy to overcome: the particular nature of by-product of another industry, the animal origin, the absence of a specific mandatory regulation for the transmission of relevant information regarding the farms and the place of slaughter of the animals from which raw hides and skins derive, in a framework characterized by a highly fragmented and internationalized supply chain. To that, some technological complications are added.

In order to progress in implementing a traceability system that, can also transfer to tanning raw materials the relevant information,based on the mandatory documentation required by the meat industry, it is necessary **a joint effort of all stakeholders in the supply chain**, aimed at achieving the common goal of joining a model of responsible production and consumption.

The action of the tanning sector is therefore focused on the **continuous involvement of suppliers** on its information needs and on the participation in **important projects at international level, for increasing transparency** in the supply chains of our main client sectors and to be able to provide guarantees on important ethical aspects for the raw material, such as animal welfare and the protection of the ecosystem.

The project "***Traceability of Sustainable Value Chains - Enhancing transparency in the garment and footwear sector for***

CERTIFYING TRACEABILITY

The **ICEC TS410** and **ICEC TS412** schemes are specific for certifying the traceability of raw hides and skins and semi-finished leather, by mapping in an accurate way all available information on countries and places of origin (slaughterhouse) and breedings of the animals from which the hides and skins come from. Only documented and verifiable information is accepted. Certification is annual and includes the evaluation of purchase orders for 12 months. Product legislative compliance is always verified. The scheme is integrated with the application of system requirements to ensure the effectiveness of supply selection. The confidentiality of data analyzed is always guaranteed. At present, more than 60 certificates have already been issued, with an exponential growth of requests. This scheme, combined with at least one environmental certification (i.e. ISO 14000, EMAS) and one social certification (ISO 45000, UNIC's Code of Conduct), allows companies to obtain the ICEC certificate of sustainability.

informed and responsible choices", led by UNECE and ITC, in which UNIC participates together with more than 160 experts from the tanning sector, manufacturing, fashion brands, representative associations, certification bodies, NGOs and research institutes, has reached a crucial point for the tanning sector. Once described the supply chain model and the fundamental steps for the traceability model, the key elements to start the pilot project on leather must be defined. The project is very ambitious and it could mark a fundamental step to progress on this topic, hanks to a wide sharing of objectives.

ACTIONS AGAINST **DEFORESTATION**

Traceability, that is already a complex issue itself, is a tool to obtain reliable information on sensible topics for the public. The initiatives to support Amazon forest conservation are one of those.
The **"DCF (Deforestation and Conversion Free) Leather" project, built upon a collaboration between UNIC, ICEC and the National Wildlife Federation**, a NGO based in the US, aims at implementing a monitoring system and a **mapping of the farms to state that they are not located in areas involved in illegal deforestation**.
The initiative started to target Brazil, but it is now extending to other countries in South America.

THE DCF LEATHER CERTIFICATION

The ICEC traceability schemes include in their application different variants, including the one for mapping hides and leather of Brazilian and South American origin ("**DCFL - Deforestation and Conversion Free Leathers**").
In these specific cases it is necessary an ad hoc data collection and the integration of requirements with a best practices policy that the supply chain must join, to ensure that there has been no contribution to deforestation and improper land conversion. The project, developed by UNIC, ICEC and the American NGO *NWF (National Wildlife Federation)*, already sees two Italian tanneries certified and other companies with the certification in progress.

ANIMAL **WELFARE**

Animal welfare conditions in the supply markets are another issue on which the attention of customers and consumers is increasingly focused on.
Leather is constantly under media attacks, driven by opinion movements conceptually against any kind of animal production. For this reason and to react to misleading or even false information on the subject, **it is fundamental to spread real and reliable news about the situation**.
The attention of the sector on the topic dates back a long time ago, with the adoption by Italian tanning industry of an Animal Welfare Manifesto, inspired by *OIE (World Organization for Animal Health)* principles.
However, in 2019, thanks to the **collaboration between UNIC and the University of Milan (*Università degli Studi di Milano* - Department of Veterinary Medicine)**, research has intensified and, through the scientific approach adopted by expert veterinaries, has **analyzed and collected in a detailed report the real conditions of animal welfare in the reference markets for the Italian tanning industry**.
More than half of the raw materials imported come from the EU, which has implemented one of the most advanced regulatory systems worldwide in this field. The remaining share comes from other important areas that have adopted standards or regulations on the three key aspects of animal welfare: breeding, transport and slaughter.
From the mapping of existing legislation and from information on procedures used in different farming systems, it is possible to confirm the commitment of Italian tanneries. linked to the traceability systems already implemented by the sector, which can therefore **provide valid guarantees of a responsible management of resources**.

MAPPING OF ANIMAL WELFARE REGULATIONS IN THE REFERENCE MARKETS OF THE ITALIAN TANNING SECTOR

Main results – November 2020

UNIC CONCERIE ITALIANE

WITH THE **COLLABORATION** OF THE FOLLOWING TANNERIES

AMBASSADOR S.P.A.
BCN CONCERIE S.P.A.
BONAUDO S.P.A.
CONCERIA INCAS S.P.A.
CONCERIA MONTEBELLO S.P.A.
DANI S.P.A.
DEAN S.P.A. – INDUSTRIA CONCIARIA PELLI
DEVICONCIA S.N.C.
DMD SOLOFRA S.P.A.
EVEREST S.R.L.
GRUPPO MASTROTTO S.P.A.
LLOYD S.P.A.
LUFRAN S.R.L.
NUOVA OSBA S.P.A.
NUTI IVO S.P.A.
RINO MASTROTTO GROUP S.P.A. – BASMAR
RINO MASTROTTO GROUP S.P.A. – CALBE
RINO MASTROTTO GROUP S.P.A. – POMARI
RUSSO DI CASANDRINO S.P.A.
SCIARADA INDUSTRIA CONCIARIA S.P.A

THANKS FOR THEIR **CONTRIBUTION TO**

ACQUE DEL CHIAMPO S.P.A.
CONSORZIO AQUARNO S.P.A.
CONSORZIO CUOIO-DEPUR S.P.A.
ICEC
STUDIO BINI

Edit by
UNIC - ITALIAN TANNERIES

UNIC
ITALIAN TANNERIES

Via Brisa, 3 - 20123 Milano, Italy
T. +39.02.8807711 - F. +39.02.860032
unic@unic.it - www.unic.it