

Only leather is more sustainable than leather

2023





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The ESG commitment of Italian tanneries is a fact.

UNIC Concerie Italiane is a non-profit organization that has been working since **1946** to protect the Italian leather industry, a strategic sector for Italy's economic and manufacturing fabric, and a consolidated **international leader in its field**.

Since **2003**, UNIC has been measuring and communicating the efforts and activities of Italian tanneries towards the development of truly sustainable consumption.

This year, it does so by using **key terms** for each ESG (**Environmental**, **Social**, and **Governance**) indicator.



Environment

Respect for the environment and the animals with whom we share our world, respect for the natural resources we use in our process.

Leather is a natural resource, and minimizing its environmental impact is the primary goal of development and innovation in the tanning process. There is also a strong commitment to ensuring that, at the end of its life, leather returns to nature with a neutral balance.



Inimitable,

The unique characteristics of leather.

More than 99% of the **raw hides and skins** used by the tanning industry as raw material are **recovered from the food chains of cattle, sheep, goats, and pigs**.

These hides are classified as **ABP, Animal By-Products** (under EU Regulation 1069/2009), and the recovery process carried out by tanneries prevents their disposal in landfills as waste.

No cattle, sheep, goat, or pig is raised or slaughtered for its hide.

Leather is a circular, renewable, durable, and biodegradable material: in short, it is sustainable and bio-based. Thanks to its natural fibrous structure, it boasts unique aesthetic and performance characteristics, which are enhanced through the tanning process, making leather **incredibly versatile**.

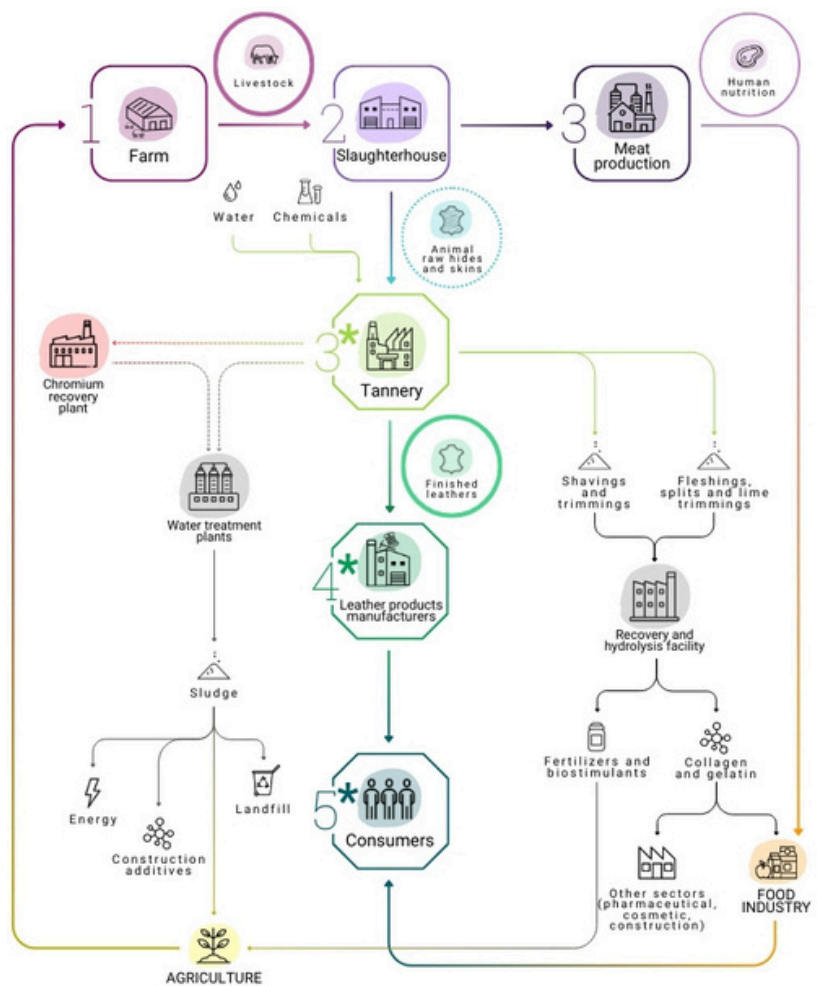


Circularity, Circular by nature

The **processes for recovering tanning waste** represent an interesting case study of **circular bioeconomy**. For example, the agricultural use of recovered tanning biomass, currently the predominant practice, exemplifies the ideal **closure of the natural materials cycle**.

In Italian tanneries, the main processing waste is then recovered to produce:

- Fertilizers and biostimulants for agriculture;
- Gelatins and collagen for food, cosmetics, pharmaceuticals, and adhesives;
- Inert aggregates and bituminous conglomerates for construction.



Efficient,

Main production resources

WATER CONSUMPTION

Water is the medium in which most processes take place, but it is not "consumed": **95%** of the water used in tanning processes is sent to **treatment plants**.

122 [L/m²]
Water consumed per m²
of leather produced
Data 2022

- 8,5%
Variation 2002/2022

ENERGY CONSUMPTION

The leather production process requires both **electrical energy** for the operation of machines and **thermal energy** for heating process water and facilities.

In recent years, the Italian leather industry has significantly reduced the amount of energy used, while also striving to increase the use of **renewable sources** and the adoption of **high-efficiency cogeneration systems**.

0,88 [TOE/1000 m²]
Energy consumed per m² of leather produced
Data 2022

- 38,3%
Variation 2003/2022

↑ 82%

Renewable energy as a percentage
of total purchased electricity
Data 2022

↑ 38%

Renewable energy as a percentage
of total energy consumption
Data 2022

CHEMICALS CONSUMPTION

Chemicals are used in the various stages of the process to act on the structure of the dermis and impart the necessary aesthetic and physico-chemical properties for the production of tanned and finished leather.

Leather chemistry is continuously evolving, with more effective products that are environmentally compatible and work safety-conscious being developed through collaboration between tanneries and chemical producers.

2,46 [Kg/m²]
Chemicals consumed per m² of
leather produced
Data 2022

Effective,

Main outputs of the production process

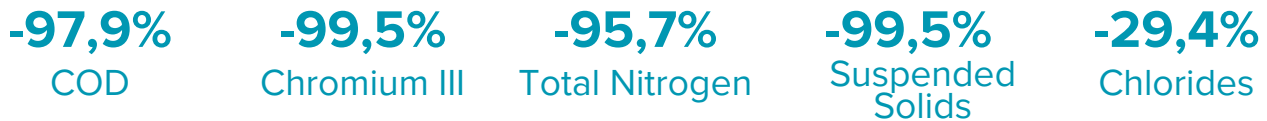
Like any industrial activity, the leather production process generates environmental impacts, the extent of which is minimized through specific treatments.

WASTEWATER

The wastewater from tanning districts is treated by **consortium treatment plants**, which represent an international example of inter-company collaboration aimed at environmental sustainability.

Efficiency analyses of the treatments are based on the ratio between the concentration of pollutants at the output of the treatment system and that at the input, and are conducted on the **main parameters that characterize tanning effluents**.

Levels of Removal of Major Pollutants in Water
(Treatment Plants in the Tanning Districts of Tuscany and Veneto)
Data 2022



EMISSIONS

The **emissions generated** by boilers and energy generators depend, in particular, on the type of production process, with significant variations based on the type of product.

The **emissions** release a range of gases into the air that can contribute to the greenhouse effect (such as CO₂ and nitrogen oxides). For these, the impact indicator considered is the CO₂ equivalent content, calculated based on energy consumption, evaluating both direct (gas, diesel, and other fuels) and indirect (electricity consumption from off-site generation) contributions.

The emission of **VOCs** (Volatile Organic Compounds), on the other hand, is significantly influenced by the intended use of the leather. Filters and scrubbers installed to safeguard the facilities minimize pollutant emissions and help meet regulatory parameters.





SOLID WASTES

Less than 30% by weight of the raw hides that enter the tannery are transformed into finished product. The remaining portions of organic material from the raw hides are discarded during the process, generating **by-products** and **waste**. These vary in nature depending on the stage of the cycle from which they originate and may therefore have different final destinations.

The **flesh**, which results from the mechanical removal of subcutaneous tissue from the hides in the liming process, hair, and other solid residues from the early stages of processing are not classified as waste under current regulations, but as **ABPs**.

1,83 [Kg waste/m²]

Waste produced per m² of leather produced
Data 2022

1,35 [Kg ABP/m²]

By-products (ABP) produced per m² of leather produced
Data 2022

1,14 [Kg waste/m²]

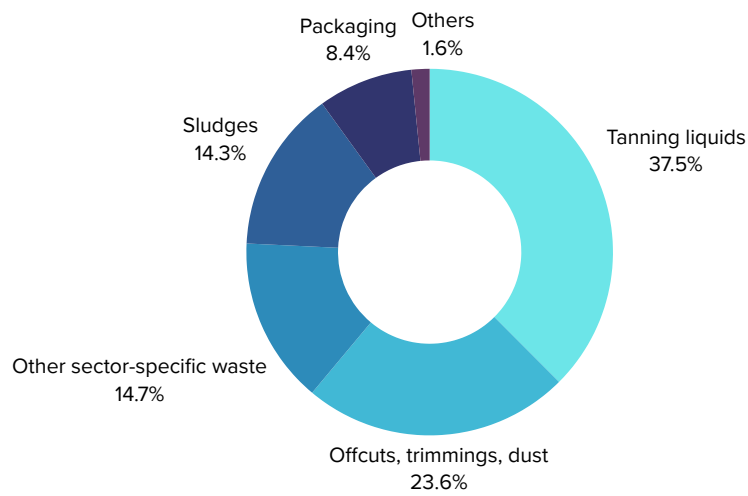
Waste produced excluding tanning liquids
Data 2022





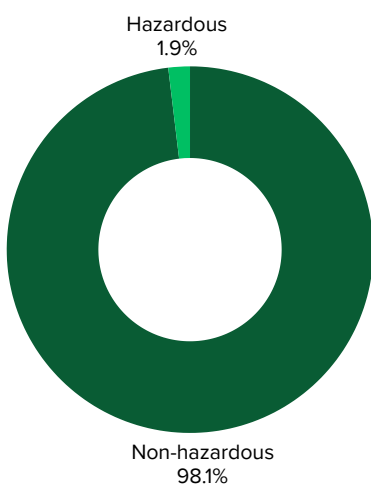
Types of waste

Data 2022



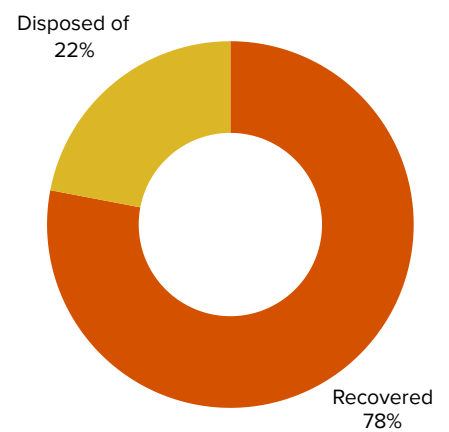
Hazardousness of waste

Data 2022



Waste destinations

Data 2022





Social

Respect for the people working in our supply chain and for those who consume our products.

The focus on people, both consumers and workers, is of great importance to the Italian tanning industry, a sector with a strong artisanal and creative foundation.

The sector

Socio-economic framework



1.139

Companies



17.882

Employees



99,4

Millions of m²

Production volume



4,3

Billions of €

Production value



62%

Of European
production



25%

Of Global
production

79%

Permanent
workers

19,7%

Female employment
share of the total

13,6%

Foreign employment
share of the total

Prevention,

Health and safety in the workplace

The safety and health of workers in tanneries are key elements of the Italian tanning industry's **social responsibility**.

The industry's focus on the health and safety of workers has led to significant results over the years in terms of **prevention**, as shown by INAIL data related to workplace injuries and occupational diseases.

530

Number of injuries
INAIL data 2022

81,7%

Workplace injuries
Data 2022

18,3%

Commuting injuries
Data 2022



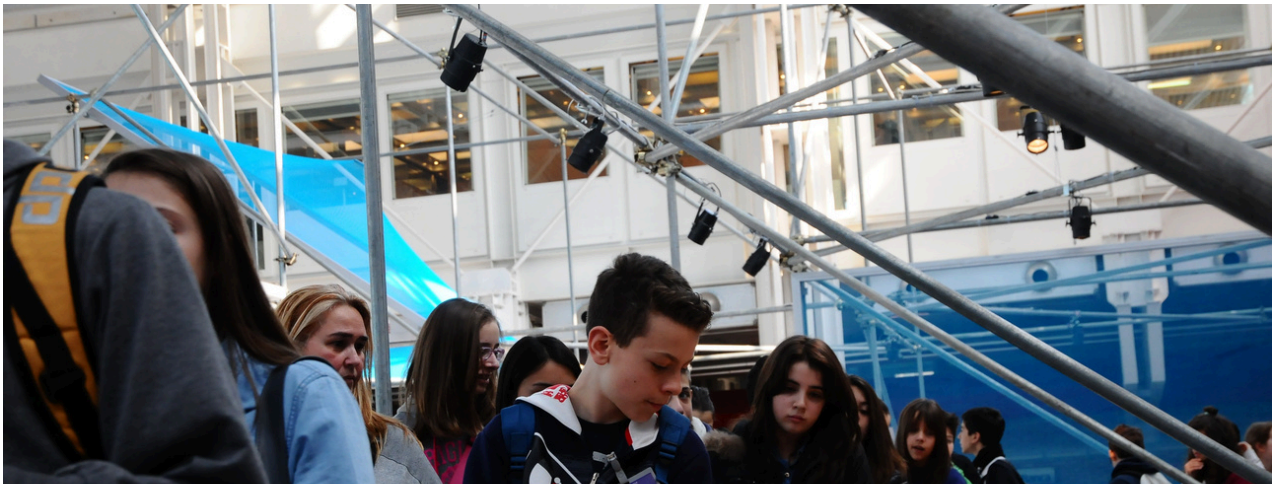


Evolution,

Training by UNIC Italian Tanneries

One of the goals of the SDGs for 2030 is to substantially increase the number of young people and adults with relevant skills, including technical and professional skills, for employment and entrepreneurship.

In this context, UNIC and the industry's ongoing commitment to **training** and **promoting the culture of Italian leather and its values** is positioned. This includes educational initiatives at schools, higher education institutions, and universities, as well as training for commercial operators throughout the entire supply chain.



TRAINING OF YOUNG PEOPLE

TARGET: high schools, IFTS, ITS, Fashion Institutes, and Universities, both in Italy and abroad.

118 courses
2,817 participants
367 hours of lessons

TRAINING IN THE SUPPLY CHAIN

TARGET: brand operators, manufacturing companies, retailers, designers

31 courses (Italy and abroad)
553 participants
75 hours of lessons



Governance

An open and inclusive approach towards collaborative relationships with stakeholders and shared responsibilities.

The "governance" initiatives are mainly focused on promoting activities aimed at increasing the level of transparency of information towards customers, consumers, and the public, as well as managing the sustainability aspects of raw hides, the primary raw material used. In this regard, the Italian tanning industry has always been committed to the sustainable use of terrestrial ecosystems, implemented through targeted actions to enhance traceability along the supply chain.

Responsible,

Traceability, Animal welfare, Deforestation



TRACEABILITY IS A TOOL, NOT AN OBJECTIVE

Traceability for Italian leather is a method to ensure that raw hides and skins come from **ethically acceptable and sustainable sources**, with a particular focus to the issues of **deforestation, animal welfare**, and the **environmental impact of livestock farming**.

The Italian tanning industry has been committed for years to collecting and sharing information about its supply chain.

GUIDES, STANDARDS AND CERTIFICATIONS

Traceability systems have the greatest value when implemented using relevant **standards and regulations**, including for the data to be collected and exchanged.

The sector has developed a range of tools, such as standards, guidelines, and certifications, to create traceability systems and ensure **high levels of compliance** with stakeholders on this issue. One of the most widely used tools among these is the **ICEC TS 410 and 412 certification**.



FIGHT AGAINST DEFORESTATION

The Italian tanning industry has always been attentive to the issue of deforestation and land conversion. Biodiversity and forests are fundamental to food security, human health, and social and economic development.

For over 15 years, UNIC has supported the tanning industry and the entire supply chain in its projects and actions aimed at eliminating potential links to livestock farming created or developed through illegal deforestation practices (particularly in South America).

Part of these traceability objectives has been pursued through collaboration with non-governmental organizations such as **NWF** (National Wildlife Federation) and **WWF USA** (World Wide Fund for Nature), which led to the 2019 **DCF** (Deforestation and Conversion Free) **Leather Project**. This project aims to track livestock farms through a mapping system to ensure they are not located in areas of South America affected by illegal deforestation.

ANIMAL WELFARE

Animal welfare is defined as a **system for evaluating** the conditions of animal breeding, transport, slaughter, and processing, with the aim of **promoting well-being and minimizing suffering**. Since raw hides are a by-product of the meat supply chain, the responsibility for managing animal welfare lies with the operators in this supply chain, namely breeders and slaughterhouses. The tanning industry has an extremely limited role in influencing the rules and practices of these operators, partly because its commercial leverage as a customer is very low (the value of hides relative to the total value of an animal historically ranges from 1% to 5%).

Nevertheless, given the growing ethical importance of this issue in today's social context, the Italian tanning industry has been actively engaged in monitoring animal welfare practices, supported by international standards such as those from the **FAO** and **OIE**, as well as strict regulations in many regions, including the European Union. It is also important to note that, although compliance with these regulations entails additional costs, it also brings ethical benefits and improved leather quality.

In 2019, UNIC decided to intensify its research and analysis activities by launching an important multi-year collaboration with the **Department of Veterinary Medicine and Animal Sciences at the University of Milan** to map animal welfare conditions in sourcing markets.

Industry statistics indicate that **78% of hides come from Europe, North America, and Oceania**, regions where comprehensive regulations on the subject are in place, while the remainder comes from emerging developing countries, where rural components, agricultural culture, and extensive farming practices are still prevalent.

Finally, it is worth noting that **ICEC** has developed a certification project to ensure the responsible management of animal resources, applying models for assessing animal welfare based on collected data (TS 410 and TS 412).



Collaboration,

Partnerships for sustainability

The sustainability of leather necessarily stems from the commitment of the entire supply chain towards this goal.

The tanning industry operates only in a part of the supply chain, and therefore analyzing and measuring the sustainability of leather requires **strong and active involvement** from all the other actors that make it up.

From this perspective, UNIC, in addition to being a member of the main international organizations representing the tanning industry and participating in numerous sectoral and cross-sectoral working groups focused on sustainability, is currently engaged in several collaborations, both with established supply chain partners and with "new stakeholders":



In 2018, UNIC and **NWF National Wildlife Federation** signed a collaboration agreement to develop activities and projects focused on the fight against deforestation.



In July 2021, UNIC, ICEC, and **WWF USA** formed a partnership on various environmental issues: the fight against deforestation, responsible water management, human rights, and air emissions.



In December 2021, UNIC signed the **Terra Carta**, an initiative launched by the then Prince Charles of England to promote the protection of nature.



In February 2022, UNIC became a member of the United Nations **Global Compact Network**.



UNIC has been a member of **SARCA Southeast Asian Reptile Conservation Alliance** since 2018, a multi-stakeholder initiative involving stakeholders from the reptile leather supply chain, aimed at defining responsible and transparent supply chains.



Since 2015, UNIC has collaborated with **ZDHC Zero Discharge of Hazardous Chemicals**, a multi-stakeholder initiative focused on the safe management of chemicals in the fashion industry. After being a member for many years, UNIC is currently a Trainer Provider for ZDHC.



At the sectoral level, UNIC is a member of the main international organizations representing the tanning industry, including:



COTANCE Confederation of the European Tanners – The representative body of the European leather industry. It is a non-profit organization that promotes the interests of the European tanning industry at the international level.



ICT International Council of Tanners – A global organization for the leather industry, founded in 1926.

At the sectoral standardization level, UNIC participates in:



The **UNI 013 Technical Committee "Leather, Hides, and Leather Goods,"** of which it holds the presidency.



Working Group CEN 289 "Leather", of which it holds the secretariat.
Working Group CEN 473 "Circular Economy", of which it is a member.
Working Group CEN 411 "Biobased products", of which it is a member.



Technical Committees ISO 120 "Leather", of which it is a member.

In Italy, at the industrial level, UNIC is a member of:



Confindustria – The main representative association for manufacturing and service companies in Italy, with a voluntary membership base of over 150,000 companies of all sizes.



Confindustria Accessori Moda – A confederation that brings together companies associated with Assopellettieri, AIP (Italian Fur Association), ASSOCALZATURIFICI, and UNIC Italian Tanneries.



Tanneries that collaborated for data:

Ambassador S.p.a.
BCN Concerie S.p.a.
Bonaudo S.p.a.
Conceria Emmedue S.r.l.
Conceria INCAS S.p.a.
Conceria Italia S.p.a.
Conceria La Veneta S.p.a.
Conceria Montebello S.p.a.
Conceria Pegaso S.p.a.
Conceria Pietro Presot S.r.l.
Conceria Settebello S.p.a.
Conceria Sirte S.p.a.
Dani S.p.a.
D. L. Leather S.r.l.
Gruppo Mastrotto S.p.a.
Rino Mastrotto Group S.p.a – Basmar
Rino Mastrotto Group S.p.a. – Calbe
Rino Mastrotto Group S.p.a. – Pomari
Nuti Ivo Group – Nuti Ivo S.p.a.
Nuti Ivo Group – Everest S.p.a.
Nuti Ivo Group – Lloyd S.p.a.
Poletto S.r.l.
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SCAN THE QR CODE

and access the website dedicated to the sustainability of leather and the Italian Tanning Industry.

