

SCOPE OF THE AUDIT

The purpose of this tannery auditing protocol is to evaluate the environmental performance of tannery operations.

The audit applies to all operations undertaken in any given site, with the following conditions:

- It includes the full range of operations referred to by any and all applicable operating licenses unless these are demonstrably unrelated to leather making. Example: a tannery produces automotive leather to a finished condition AND undertakes cutting operations. The cutting operations do not form part of typical tannery operations. Energy usage, water usage etc. associated with cutting operations can be excluded from the calculation of energy usage per square metre of leather, water usage per square metre of leather etc.
- it includes effluent treatment operations even if these are performed in a different location and/or in other companies
- it includes technical, maintenance and administrative activities even if these are being undertaken on behalf of other companies within a group
- it excludes residential aspects (dormitories, canteens etc.) even if within the site boundary, but only if these can be reliably separated from production aspects i.e. energy and water are on separate meters.
- it will be undertaken on the basis of 12 month's operations. These should be the most recent 12 months for which data is available, the last of which must not be more than three months prior to the audit (i.e. an audit undertaken in June would use data from no earlier than the preceding period April to March)
- in the energy section the value can be calculated on the basis of nine months' worth of data provided month by month data for production and each type of energy for a full year has been supplied and recorded in the report. The excluded three months must be consecutive.
- for audits undertaken whilst LWG recognises the Covid-19 pandemic is affecting global trade three months exclusion will be allowed for water and an additional three months for energy (i.e. including the three months seasonal allowance this could result in up to six months data exclusion for energy). The additional three months do not need to be consecutive but the same three months must be selected for both water and energy. Month by month data for production, water, and each type of energy for a full year must be supplied and recorded in the report. The allowance is only applicable during the Covid-19 pandemic and only applicable for audits undertaken using this (P6.7.0) protocol document.
- in the event that less than 12 but more than 6 months' worth of data are available (for example a new build tannery) an audit may be undertaken but the result will be given as a provisional result. Within this period data must be presented such that the performance of the tannery, with respect to energy and water consumption, may be given for the first three months, second three months, third three months and full year period. Award of a provisional result is further dependent upon a commitment to a full re-audit within 12 months.
- in those instances where insufficient industry benchmarking data was available to record a score for a particular section (i.e. the energy requirement for the production of

exotic leathers) the section will be reported as “not applicable”. These are expected to be exceptional circumstances and will not be decided at the time of the audit; each case being individually submitted to the LWG Technical Sub-Group and/or the LWG Executive Committee for approval (or pre-approval if data is available in advance of the audit).

- Although the LWG audit is primarily an environmental audit, certified tanneries are expected to demonstrate reputable practices in all areas of business. If an auditor witnesses’ practices globally recognized as being unacceptable (failure to safeguard the health of workers, worker exploitation, child labour etc.) or practices likely to lead to detriment of the reputation of LWG should the tanner be otherwise awarded certification, that auditor is required by LWG to refer the issue to the LWG facilitator. The LWG facilitator will consult with TSG/EC as appropriate to determine whether downgrading (including possible Failure) should be implemented in the light of the auditor evidence presented.
- The taking of photographs and their inclusion into the protocol report are a fundamental and necessary aspect of the audit. Refusal to allow the necessary photographic evidence required will lead to failure of the audit. Questions for which the auditor is required to include photographic evidence are identified with the following symbol 📷. Auditors may need to take additional photographs as required as supporting evidence.

In most cases a site will be considered to be one geographical location and the audit will be based on the full range of leather making operations (and relevant related activities) undertaken there. An exception will apply in those cases where two geographically different sites exist, but only if those sites are located close to each other, they operate as one unit and all operating permits issued apply to the two sites as one unit. Two companies operating on one site will be treated as separate audits only if they are distinct legal entities with separate operating licences and operating as separate units.

In those instances where one or more operations are being undertaken on behalf of the company at a different site (sub-contracted out) an assessment of the sub-contracted operations will be required. Depending on the work sub-contracted out different levels of assessment may be required.

It is a condition of the audit that the company being audited informs the auditor/audit body at the time of application for an audit of the full extent of operations undertaken off-site as additional time may be required to complete the risk assessment (full audit or mini-audit as appropriate) and additional charges may need to be levied.

CERTIFICATION PERIOD AND RE-AUDIT

All audit results are valid for 24 months. Certification remains valid over this timescale unless evidence becomes available to suggest that the audit result is no longer valid. A tannery being re-audited in the month preceding the certification expiry date will be issued with a certificate valid from the current expiry date. A tannery re-audited in the month following certification expiry will benefit from an extension of the current certification but only if the audit has been booked, paid for and the date confirmed as being no later than one month after expiry (these three conditions having been met prior to current certification expiry).

PROTOCOL SECTIONS

1. GENERAL FACILITY DETAILS

- **Critical Scoring Section**
- To be completed by: All categories.

This section gathers introductory information regarding the facility. Please record if the facility has operations or warehousing located off-site. As appropriate, the addresses and description of these off-site locations should also be noted. These operations should be included in this audit (subject to conditions outlined in “Scope of the Audit” above)

2. OPERATING PERMITS

- **Critical Scoring Section**
- To be completed by: All categories.

This section is designed to ensure that the facility is operating in compliance with the appropriate local permits and licences. It will also identify if there have been violations, warnings or fines, and what corrective actions have been implemented. The facility could fail the audit in this section.

The tanner may be required to supply an assurance to the auditor, in advance of the audit, that all necessary permits are available for assessment (photocopies could be supplied in advance). The tanner may also be required to supply the auditor with the contact names and contact details, as requested by the auditor, of the responsible authorities so that the auditor can determine in advance and independently the types of permit that are required.

3. TANNERY DATA

- **Critical Scoring Section**
- To be completed by: All categories.

This section is designed to connect the leather supply chain together and assess the risk and rating of those that are supplying part-processed and raw material. For those starting from part-processed material, their supplier’s engagement with the LWG audit process will be assessed.

All tanners will answer all applicable questions. In some cases, questions are not applicable, but all tanners are capable of attaining the maximum score of 100 through the pro-rata scoring of those questions that are applicable to each type of operation.

Tanners undertaking operations that fall into a combination of categories will also answer all applicable questions which will similarly be scored on a pro-rata basis.

Please provide data on production volumes. Do not double-count hides when entering the data below (i.e. firms that only process hides from the beamhouse through finishing should provide that data only).

4. RAW MATERIAL TRACEABILITY

- Non-Scoring Section
- To be completed by: All categories.

This section assesses the ability of leather manufacturers to trace their raw material back to the specific slaughterhouse of origin. It also provides a breakdown of country of origin and a description of the traceability system used.

Processors of fresh, salted or brined hides: Processors must be able to present documents that indicate the facility where slaughter occurred. Only those hides for which documentation can be presented that indicates that the entire consignment contains hides originating from the same (named) slaughterhouse, can be considered to be traceable.

Processors receiving hides in a part processed condition: Consignments may be made up on the basis of weight or quality and may therefore be made up of several pallets of material each of which may or may not support hides originating from different process loads. Only those hides on individually marked pallets for which documentation can be presented that indicates that the entire pallet contains hides originating from the same (named) slaughterhouse, can be considered to be traceable.

5. ENVIRONMENTAL MANAGEMENT SYSTEMS

- Critical Scoring Section
- To be completed by: All categories.

This section assesses if the facility has a documented, effective and active system for managing the environmental aspects of their business.

6. RESTRICTED SUBSTANCES

- Critical Scoring Section
- To be completed by: All categories.

This section assesses if the facility manages, understands and enacts the RS requirements of their customers. Or in the absence of specifications / requirements from customers, that the facility takes appropriate action to assess and manage RS risk themselves.

NOTE: In the next evolution of the Protocol, P7, the standalone Chemical Management Module (CMM) will be incorporated, which will include changes to this section relating to Chrome VI Management.

7. ENERGY CONSUMPTION

- Critical Scoring Section
- To be completed by: All categories.

This section assesses the energy usage per unit area for the specific type of production that is manufactured. It gives energy rewards for renewable energy generated on-site and energy tables and target metrics for the facility to achieve different medal ratings. Energy consumption includes ALL aspects of site operations such as administration, engineering, space heating, fork trucks, and operation of the wastewater treatment.

8. WATER USAGE

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses the fresh water usage, per unit area, for the specific type of production that is manufactured. It gives rewards for water that is recycled and usage tables and target metrics for the facility to achieve different medal ratings.

Describe water supply sources and site usage. Identify site usage for each (e.g., process, utility (boilers/cooling towers), sanitary/domestic, drinking, fire water etc.) Note - The term “run-off” refers to the water that falls onto the site e.g. roofing, and which is collected by the company itself into storage tanks from these sources. It is not applied to water that runs off land into a pond, lake, stream, river or other body of water.

9. AIR & NOISE EMISSIONS

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses the management of a facility’s air and noise emissions to the environment and requires inventories, management and monitoring.

10. WASTE MANAGEMENT

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses a facility’s management and control of the solid wastes generated by the site and requires inventories, categorisation of wastes, storage and disposal.

11. EFFLUENT TREATMENT

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses a facility’s management of their liquid wastes, either at their own site or at a third-party provider. It requires legal discharge of the wastewater and provides higher scores for those that achieve target levels of water quality using a range of metrics.

12. EMERGENCY PLANS

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses the facility’s ability to manage a range of emergency and health and safety risks. This includes systems, processes and responsibilities. It also requires an assessment of risk and management in relation to the creation of Hydrogen Sulphide on site.

13. HOUSEKEEPING

- **Critical Scoring Section**
- To be completed by: All categories.

This section assesses the facility's general management of manufacturing space, such as machinery, work in progress, material storage, walking and transport areas, etc. Although not a requirement of the audit, there is also the ability for an auditor to identify significant risks that fall outside the scope of the audit protocol.

14. MANUFACTURING PROCESSES

- Non-Critical Scoring Section
- To be completed by: All categories.

This is a non-critical section that assesses the facility's ability to control its manufacturing processes, reviewing best practices, measuring equipment use and calibrations, etc.

15. BEAMHOUSE PROCESSES

- Non-Critical Scoring Section
- To be completed by: Categories A, B, C and G

This is a non-critical section that assesses the facility's ability to control its manufacturing processes in the beamhouse, reviewing best practices, measuring equipment use and calibrations, etc.

16. POST TANNING PROCESSES

- Non-Critical Scoring Section
- To be completed by: Categories B, C, D, E and F

This is a non-critical section that assesses the facility's ability to control its manufacturing processes in the post tanning and dyeing areas, reviewing best practices, measuring equipment use and calibrations, etc.

17. FINISHING PROCESSES

- Non-Critical Scoring Section
- To be completed by: Categories C, D, and E

This is a non-critical section that assesses the facility's ability to control its manufacturing processes in the finishing areas, reviewing best practices, measuring equipment use and calibrations, etc.

18. COMPLAINTS AND PUBLIC RELATIONS

- Non-Critical Scoring Section
- To be completed by: All categories

This section assesses the facility's processes to manage and deal with site related complaints such as noise or odour.