Public Comment period for Raw Materials Sourcing in Apparel project

1) The proposed change to the “priority raw materials” definition in the qualitative metric will improve alignment with common industry practices and guidance. But the cost of implementation for companies is a concern. The disclosures should be enhanced to make them more useful.

2) I don’t agree with the rationale to structure metrics by priority raw material (e.g., cotton, leather, etc.) versus by another component such as sourcing region or environmental/social factor (e.g., water scarcity, animal welfare, etc.). Every geographical region has its typical challenges and peculiarities and we can’t ignore them. For example, even the stance taken by the EU in EU taxonomy for gas and nuclear is driven by these concerns.

3) Yes, the proposed changes to the quantitative metric are useful and will improve the comparability, completeness, and usefulness of disclosures. However, they are a bit more complex from the value-added perspective. Always, costs benefit analysis should be a priority while looking at expanding the disclosure and reporting norms.

4) We agree with the Board’s conclusion to not expand the scope of the Raw Materials Sourcing disclosure topic to include materials used for packaging because there are multiple factors involved in this decision and in addition, the contribution of packaging material in overall material consumption is relatively small.