MEMBERSHIP OFFER

For use from 1st May 2020
WHO WE ARE

The Sustainable Fibre Alliance (SFA) is a non-profit international organisation working with the extended cashmere supply chain, from herders to retailers, to promote a global sustainability standard for cashmere, in order to preserve and restore grasslands, ensure animal welfare and secure herder livelihoods.

Our vision is for all cashmere to be produced in a way that minimises environmental impact, safeguards herder livelihoods and meets high welfare standards.

Our mission is to ensure the long-term viability of the cashmere sector by promoting the SFA Cashmere Standard and encouraging the adoption of responsible production practices throughout the supply chain.

We have three key goals:

- Rangeland and wildlife resources are conserved
- Cashmere production is welfare friendly
- Herders are more resilient to livelihood risks
OUR MEMBERSHIP OFFERS

The SFA is a multi-stakeholder alliance that connects actors along the cashmere supply chain. We encourage participation from all stages of the cashmere value chain, from processors and manufacturers, to brands and retailers.

Membership is voluntary and based on an annual fee. Companies can join as individuals or as groups, and the membership fee is dependent on the annual turnover of the company or group. We have two membership offers, Full and Supporter, with the fee structure outlined below in Table 1. A complete breakdown of member benefits is provided in Table 2.

**Full Membership** provides access to the full suite of member benefits, including the ability to participate in our chain of custody development and make *on-product claims* for SFA Certified cashmere.

**Supporter Membership** offers a 12-month membership trial at a reduced fee and with restricted benefits. Most importantly, Supporter Members are unable to make on-product claims for SFA Certified cashmere.

### Table 1: SFA Membership Fee Structure

<table>
<thead>
<tr>
<th>Annual Turnover (GBP)</th>
<th>Supporter Member (GBP)</th>
<th>Full Member (GBP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 4 million</td>
<td>1,000</td>
<td>2,000</td>
</tr>
<tr>
<td>4 – 6.9 million</td>
<td>2,000</td>
<td>4,000</td>
</tr>
<tr>
<td>7 – 9.9 million</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td>10 – 109.9 million</td>
<td>5,000</td>
<td>10,000</td>
</tr>
<tr>
<td>110 – 209.9 million</td>
<td>7,500</td>
<td>15,000</td>
</tr>
<tr>
<td>210 – 309.9 million</td>
<td>10,000</td>
<td>20,000</td>
</tr>
<tr>
<td>310 – 409.9 million</td>
<td>12,500</td>
<td>25,000</td>
</tr>
<tr>
<td>410 – 509.9 million</td>
<td>15,000</td>
<td>30,000</td>
</tr>
<tr>
<td>510 million or over</td>
<td>17,500</td>
<td>35,000</td>
</tr>
</tbody>
</table>

1 Groups should consider their turnover to be the sum of the turnovers of the trading entities joining (each trading entity must be listed on the application form in order to be counted as a member): liability for all membership fees is held jointly and severally.

2 Companies and groups that do not deal solely in cashmere products, but trade as a single entity, should consider their turnover to be the turnover of the entire company/group, not only that part of it related to cashmere.

3 Supporter Membership is a one-time offer - at the end of the 12-month period, members must either upgrade to full membership or cancel their membership.
Membership Benefits

Consultation & Support
As an SFA Member, you will be regularly consulted for your input into the SFA Cashmere Standard. You will also have the opportunity to participate in our Sustainable Cashmere Working Groups, working alongside independent experts and interest groups to address various issues related to rangeland management, livelihood security, animal welfare, and our own standard system. The primary function of these groups is to facilitate knowledge transfer, and provide advisory support for the SFA and the wider cashmere sector in addressing key sustainability concerns. Current working groups include:

- Standard Setting and Revisions Committee
- Animal Welfare Working Group
- Chain of Custody Working Group
- Covid-19 Working Group

Sustainability Reporting
Reporting on our progress is a crucial part of ensuring we achieve our long-term impacts of environmentally friendly, socially responsible, and high welfare cashmere production. Our monitoring and evaluation process is industry approved, and involves independent verification and third-party quality assured accreditation. As a member, you will not only have the opportunity to influence and strengthen our reporting process: you can utilise SFA progress reports to add value to your own sustainability reporting efforts.

Influencing and Lobbying
SFA Membership links you to a unique alliance, helping to shape the future of responsible land management and support better production practices for cashmere fibre. Outputs from our working groups include policy briefs for government and wider stakeholders, helping drive policy decisions that will support our efforts to transform the sustainability of the cashmere sector.

Commercial Benefits

- Managing reputational risk: Being a member will help protect your company’s reputation in the face of mounting pressure to demonstrate good welfare practices, social responsibility, and environmental sustainability. It will reassure your consumers and investors that, as part of a global alliance, you are supporting better production practices to secure a long-term future for cashmere.

- Credible claims: As a member, you can make credible claims regarding your support of responsible cashmere production, based on our independent, third-party accreditation process for the SFA Cashmere Standard. These claims will be accompanied by access to our reporting data, testimonials and case studies from the field, adding value to your communications and marketing initiatives. Once our chain of custody model is in place, full members will also have access to credible claims regarding SFA Certified fibre.

- Value for money: Being an SFA member reduces your need for spending and consultancy costs related to sustainability management. Our network enables an improved understanding of the end to end cashmere supply chain and provides access to a wide support base of stakeholders.
<table>
<thead>
<tr>
<th>Table 2: SFA Membership Benefits</th>
<th>Supporter (12 months only)</th>
<th>Full</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of SFA Membership</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>electronic</td>
<td></td>
</tr>
<tr>
<td></td>
<td>hardcopy</td>
<td></td>
</tr>
<tr>
<td>Your logo on our website</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SFA Quarterly Newsletter(^1)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access to Sustainable Cashmere Working Groups</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Discount on SFA events</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>Access to the SFA Monthly Bulletin</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Use of SFA general marketing claims</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access to exclusive details in the SFA Register</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access to Members Area of SFA website</td>
<td>full</td>
<td>full</td>
</tr>
<tr>
<td>Invitation to participate in the Standard Setting and Improvement Committee</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Inclusion on the SFA Register(^2)</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Use of SFA logos and approved information on your website and sustainability reports</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Ability to make SFA-Certified product content claims(^3)</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Guidance and support on using SFA-Certified product content claims</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Access to compelling testimonials, case studies and KPIs for your own marketing</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Invitation to input into media opportunities when they arise</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Opportunity to support individual work programmes(^4)</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>1-1 consultation service</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

\(^1\) Issued in April, July, October and January; an overview of the SFA’s completed and current projects, new members, and feature interviews

\(^2\) Details shown will be at each member’s discretion

\(^3\) Once our chain of custody system is in place

\(^4\) An overview of potential programmes is available in the Members Area of our website
WHAT YOU COMMIT TO AS A MEMBER

The SFA represents a global network of supply chain actors and stakeholders that are working together to transform the global cashmere sector. Joining us offers a way to take decisive steps towards securing a more sustainable future for cashmere.

As an SFA member, you commit to supporting our mission by promoting the SFA Cashmere Standard and encouraging the adoption of responsible production practices. You also understand and follow the Member Code of Conduct in all your dealings as an organisation. Breaches of this Code of Conduct may lead to termination of your membership.

MEMBER CODE OF CONDUCT

The SFA is focused on bringing about behavioural change that leads to better outcomes for people, animals and the environment. Credibility is crucial to our success. The SFA and our members strive to act with integrity at all times.

In practice this means:

1. Members commit themselves to the mission and strategic aims of the SFA.

2. Members promote and communicate this commitment throughout their own organisation and to external partners.

3. Members act responsibly and are transparent in their engagement with the SFA.

4. Members follow our Claims Framework and do not make any misleading or unsubstantiated claims about the production, procurement or use of SFA certified cashmere, nor about the impacts of our work programmes.
CLAIM STATEMENTS

You can start making claims as soon as your SFA membership has been approved. Claims are available to all SFA members, including brands, retailers, manufacturers, processors, suppliers, traders and civil society members. Detailed information about claims allowed for SFA members is given in the SFA Claims Framework. Please contact us if you have any queries about the claims you can make related to your membership.

Membership/commitment statement

The following claim statements can be used to demonstrate your support of the SFA’s mission and our work on the ground to improve the sustainability of cashmere:

“We (or name of the organisation) is/are a proud member of the Sustainable Fibre Alliance/SFA”

“We (or name of the organisation) are/is committed to improving cashmere production practices globally with the Sustainable Fibre Alliance/SFA”

“We (or name of the organisation) is/are member of the Sustainable Fibre Alliance and supports the responsible production of cashmere. The SFA works with herding communities and domestic industry, providing training in rangeland stewardship, animal welfare and clean fibre processing. With the SFA Cashmere Standard, we promote production practices that are better for people, animals and the environment to help ensure the long-term viability of the cashmere sector”

On-Product Claims (FULL MEMBERS ONLY)

Membership does not validate your company’s sustainability claims or represent certification of cashmere products. Product-based claims such as those included on labels and swing tags will be permitted once we have established a robust chain of custody system for tracing SFA Certified fibre through the supply chain. It is vital that we do not jeopardise any future claims of SFA certified cashmere made by our members, or cause problems for our own membership with ISEAL.

A chain of custody model is being piloted in 2020 with select supply chain pathways and we hope to roll this out on a larger scale from 2021. Supporter members are not permitted to use on-product claims.
INDIVIDUAL WORK PROGRAMMES

Increasingly, brands and retailers in the cashmere sector are looking for ways to enhance their corporate social and environmental responsibility. As a member of the SFA, you will have the opportunity to invest directly and efficiently in multi-year, field-level sustainability efforts in Mongolia and Inner Mongolia.

For many companies, there is a strong motivation to support something unique and individual to their brand – a project they can take ownership of. Our individual work programmes are targeted at particular herding communities and offer a powerful tool to create shared value along the entire value chain of your company. At the heart of the programmes lies the integration of social-ecological considerations within your broader strategic goals of building secure supply chains, reducing your environmental footprint, and adding value to your product. Furthermore, they offer a direct route for your company to contribute to the UN’s 2030 Sustainable Development Goals.

All of our programmes allow for the integration of our member’s own vision, core values and existing operational structure. The SFA will provide support in selecting a programme that best fits your requirements. Your selected programme will become your story to tell, providing you with measurable impact to share with your consumers that will demonstrate your commitment to a sustainable cashmere sector. Examples of our individual work programmes include:

- Young Herder Training
- Sustainability Awards
- Women’s Empowerment
- Improving Animal Welfare
- Water Stewardship
- Breeding Improvement
- Wildlife Guardian Project
NEW MEMBERS - HOW TO APPLY

Application process

1. Request a Membership Application Pack from membership@sustainablefibre.org or contact us via our website.

2. Submit a completed Membership Application Form to membership@sustainablefibre.org, along with your logo/s to display on our website.

3. Your application will be processed by our team.

4. An invoice will be issued to you within 7 working days.

5. Upon receipt of your payment, we will issue you with a Certificate of Membership and a Members Welcome Pack.

6. We will include your company’s name and logo in the next monthly Member’s Bulletin.

EXISTING MEMBERS

Shifting to our new membership offer

If you are already a member of the SFA or had applied for membership and were issued an invoice prior to 1st May 2020, your membership is classed under the terms and conditions of our original membership offer. Once your annual membership is up for renewal, you will be asked to review and agree to the terms and conditions of our new membership offer, including completing a new copy of the Application Form.

Please read this document carefully and take note of the revised fee structure and associated benefits of the two different membership offers: Full and Supporter.

Our fee structure has been revised to provide greater flexibility to small and medium enterprises at the lower end of the annual turnover, while fees for higher turnovers have increased slightly to reflect the expansion in the scope of our work since our establishment in 2015. We are now in a position to offer greater benefits to our members and we hope that these minor increases in fees will be understood by our members.

Please contact membership@sustainablefibre.org if you have any queries about our new membership offer.

SUPPORTER MEMBERS

Upgrading to full membership

Supporter membership is offered at a discounted rate for a 12-month trial period. Towards the end of this trial period you will have to choose whether to upgrade to full membership or cancel your membership.

Supporter membership is only available once – if you cancel your membership and later re-join, you will have to apply for full membership.

Supporter members may choose to upgrade to full membership before the end of the 12-month trial period by paying an additional fee. The cost of upgrading will depend on how much of the trial period has elapsed, and will be assessed on a case-by-case basis.
RENEWING MEMBERSHIP

**Membership is an automatic renewal.**

As we approach the end of your membership period, we will issue a reminder and then an invoice for your next year of membership. For supporter members reaching the end of their trial period, this will be when the decision to upgrade to full membership or to cancel the membership must be made.

**Process**

1. Renewal reminder issued
2. Invoice for next membership period issued

CANCELING MEMBERSHIP

**Membership can be cancelled at any time.**

Full refunds will be provided if the cancellation is requested within the first 14 days of membership. Beyond this 14-day period, we are unable to offer refunds on any fees paid.

Membership will be cancelled with effect from the end date of the currently paid membership period.

Unless otherwise specified, you will still be eligible to receive all the benefits of your current membership up to the end of your paid membership period.

**Process**

1. Contact us at membership@sustainablefibre.org or through the website enquiry form and request cancellation of membership
2. Details of the cancellation will be agreed and put into effect as appropriate

FURTHER INFORMATION

For further information on our membership offers, please contact us via our website or directly at membership@sustainablefibre.org. We are happy to answer any queries, or to discuss how we can help you achieve your sustainability goals and help transform the cashmere sector to one that is environmentally, socially, and economically sustainable.