

Faeda – Company Responses

Initial Response – 21 March 2025

Please note the 'attached declaration' referred to below refers to a copy of the statement sent by Durlicouros to Earthsight in response to our findings, which can be found [here](#).

We would like to point out our position in regards of your letter:

1. Attached you will find the declaration from Durli answering to your comments that probably you already received
2. As second attachment you can find a study conducted by one of the most important Italian university about the driver of the deforestation (leather is not among them, as you well know it is a scrap of the food industry and not the cause of the deforestation)
3. Faeda does not use hides from Brasil for Fendi.

Earthsight Reply – 21 March 2025

Thank you for your response and for sharing the attachments. We acknowledge receipt of your comments and appreciate your engagement on this matter.

We would like to request further clarification on a few points:

1. Does Faeda segregate leather in its supply chain by country of origin? If so, could you please provide details on how this is done?
2. Do your business partners require evidence of segregation to ensure that the leather they purchase is not linked to illegal deforestation or other violations?

In order to fully consider your comments before the publication of our upcoming story, we kindly ask that you provide your responses **by 24th March 2025, 6:00 PM GMT**.

Thank you again for your attention to this matter.

Response – 24 March 2025

1. We use a bar code system for leather batches traceability from the raw material till the end of the process;
2. We are subjected to audits at least once per month from different customers, having never received complains for our identification system.
3. We obtained the traceability certification of raw material from a third part auditor , audit conducted once per year.

Earthsight Reply – 24-March 2025

Thank you for your email. We would like to clarify a few points in relation to your response:

Regarding your first point, at what point in its supply chain does Faeda consider hides to be 'raw material', and therefore where this traceability system begins? I.e., are bar codes added to the hides only from the point that they arrive at Faeda facilities, or does the company request that its suppliers implement this system also?

Regarding your third point, is the traceability certification referred to Leather Working Group certification? If not, what stage in the leather supply chain does this traceability certification extend to, and could you provide the name of the certification scheme and third-party auditor company?

Response – 24 March 2025

Raw = leather with hairs if from Europe

Raw = wb from the rest of the world

Every batch of raw leather is identified by the supplier with a bar code, this bar code then is linked into our system to our bar code system to warranty full traceability inside our process.

For more details on our certifications please check on our website on the page "sustainability".

Earthsight Reply – 27 March 2025

In follow-up to our previous emails, we would like to share further findings regarding Faeda:

- In addition to Fendi, Faeda supplies leather to Coach, Hugo Boss, Chanel, Balenciaga, Gucci, Louis Vuitton, and Chloé.
- These brands are similarly exposed to leather linked to illegal cattle ranching in the Brazilian Amazon via Faeda's imports of leather from Durlicouros in Pará state, Brazil. For further detail on these illegalities, please refer back to our original letter dated 7 March 2025.

In addition to welcoming your comments on these findings, we would like to ask:

1. Gucci states that since 2023, it has achieved 100 per cent traceability for leather in its supply chain. Kering Group, which owns Gucci in addition to Balenciaga, similarly states that by 2025, its suppliers must provide traceability to farm level. Kering's pathway to deforestation- and conversion-free supply chains by 2025 also includes third-party verified traceability to direct and indirect farms supplying slaughterhouses. **Does Faeda meet these traceability requirements? What systems has Faeda implemented to trace cattle back to farm level?**

We welcome any comments and queries you may have for us in response to these questions. Kindly send your response before **3 April 2025** for it to be considered in our investigation. **In the meantime, can you please kindly confirm receipt of this email?**

Response – 28 March 2025

Now I have a question for you, then I will be back to you for the rest, when you write in your report the 2 numbers in bold, the second one due to your estimations includes the 14950 of the first paragraph or must be added to that?

Thanks for your quick feedback.

- By examining animal transport permits, EIA exposed how cattle raised in Apyterewa were moved to farms outside the Indigenous land before being sold to Frigol slaughterhouses – a practice known as ‘cattle laundering’. One ranch in the municipality of São Félix do Xingu called Sítio 2 Irmãs that received cattle from seven illegal ranches within the territory **sold over 14,950 cattle to Frigol between 2020 and early 2023**. This equates to 65% of the more than 23,000 cattle the farm sold in this period.
- In November 2024, the Brazilian Federal Prosecutor’s Office in Pará filed 25 civil lawsuits against 33 individuals and 2 companies suspected of selling cattle illegally raised in Apyterewa territory, by entering false data into animal transport permits. 40% supplied Frigol with cattle between 2020 and 2023. **EarthSight estimates the total number of cattle sold to Frigol by these individuals during this period to be at least 17,000 and as many as 21,500.**

EarthSight Reply – 1 April 2025

Our investigation examined cattle sold to Frigol by the individuals targeted with lawsuits by the Federal Prosecutor's Office for illegal cattle ranching in Apyterewa. The owner of Sítio 2 Irmãs farm - mentioned in EIA's investigation - was targeted by the Federal Prosecutor's Office and therefore the 14,950 figure will to a certain extent be included in the range we have provided.

Response – 3 April 2025

To arrive at a transparent and clear conclusion avoiding any misunderstanding we would like to point out the following:

- a) Durli hides we bought in the period jan20_dec23 were used for upholstery market which has nothing to deal with the brands you mentioned below nor any other leather goods brand that we supply
- b) Brazilian hides due to their low quality level cannot be used for luxury brands of leather goods
- c) You received an answer from our suppliers which underlined that your data are not true

As previously expressed the leather is not a driver of the deforestation and if you do your own research you will see that the CO2 emissions of a tannery per hide are the same of leaving the leather in the landfill; with the leather can be made shoes, bags, sofas that on the other hand would be made for a certain % of PU so plastic with a much more high impact of CO2 emissions, I sincerely do not understand why you are fighting with the leather world instead of addressing your job to other activities which are the real responsible of the deforestation which is a common problem that we need to solve together.