

## What Does Product Safety Mean in 2022?

Matt Priest
President & CEO

Thomas Crockett
VP, Government Affairs





# Protecting Your Product to Protect Consumers

- 4 Areas of Focus Today
- Traditional product safety
- Forced labor
- Sustainability
- Ocean shipping





#### **Protecting Your Product**

## Traditional Product Safety

- Consumer Product
  Safety Commission
  (CPSC)
- Toxic Substances
   Control Act (TSCA)
- Patchwork of state chemical safety laws





# Protecting Your Product From Forced Labor

## (Current) Withhold Release Orders for XUAR

- 12 WROs in 2 years: manufacturers, XPCC, tomatoes, cotton
- Lack of info from CBP
- footwear impact?





# Protecting Your Product From Forced Labor

## (New) Uyghur Forced Labor Prevention Act

- rebuttable presumption: any good tied to XUAR
- enforcement strategyhearing this week
- June timeframe





# Protecting Your Product On Sustainability

## SEC's Proposed Climate Disclosure Rules

- public companies
- disclose climaterelated risks in financial statements
- Scope 1 vs. Scope 3





# Protecting Your Product On Sustainability

#### **New York Fashion Act**

- map supply chain: 50%
- publicly disclose environmental and social impacts
- Short timeframe, citizen enforcement, huge fines

## FDRA

FDRA Policy Insights | MARCH 2022

# CLIMATE DISCLOSURE

#### SEC PROPOSED CLIMATE DISCLOSURE RULE

#### **OVERVIEW**

A growing pool of consumers, investors, and government officials are becoming attuned to the environmental, social, and governance (ESG) standards of businesses. With a particular eye on climate change concerns, the Securities and Exchange Commission (SEC) recently released a 500-page proposal to mandate new climate-related disclosures in registration statements and periodic reports that corporations file with the agency. In an effort to provide investors with "consistent, comparable, and reliable" information for investors, newly required information would include climate-related risks to business operations and finances, as well as details about the oversight and mitigation strategies for such risks. Certain financial metrics, attestations, and information about publicly touted climate goals are also among matters the SEC wants businesses to explain in their disclosure documents. While this move is likely to continue

the concepts and vocabulary of two standards already popular among climate-engaged entities around the world — the Task Force on Climate-Related Financial Disclosures and the Greenhouse Gas Protocol. The SEC is hopeful reliance on such known benchmarks will facilitate a "balance between eliciting better disclosure and limiting compliance costs."

The breadth of the proposal is wide. The agency seeks information on "any climate-related risks reasonably likely to have a material impact" on a business, and it notes that materiality is determined by the "substantial likelihood" that it would affect the buying, selling, or voting decisions of investors. A company would be required to explain how such risks might affect business operations or finances in undefined short, medium, and long terms, as well as how they might affect the registrant's strategy, business model, and outlook. It would also need to disclose its processes for identifying assessing

# SHOE SUSTAINABILITY BRIEFS

Europe ESG

Highlights -

**European Union** 

Learn about the latest in policy affecting sustainability/ESG in the footwear industry:



SEC Proposed Climate Disclosure Rule Report



Europe ESG Highlights – Netherlands



NY State ESG Reporting Regulations **Brief** 



Europe ESG
Highlights –
United Kingdom



Europe ESG Highlights – Overview



Europe ESG
Highlights –
Europe Matrix



Europe ESG Highlights – **France** 



Europe ESG Highlights – **Germany** 





# Protecting Your Protect in Transit

Shipping and supply chain challenges

- COVID in China again: factory shutdowns
- Huge ocean shipping fees and shipping delays
- Port labor negotiations: July 1<sup>st</sup> deadline

#### FDRA Product Safety Digital Conference



**Recycled Polyester Testing and Verification** 

Sandeep Khatua, Global Technical Director, TÜV SÜD

1:45 pm

Go Hand in Hand for Sustainability Growth

Betsey Zhou, Testing Line Vice President, HQTS

2:00 pm

Prop 65 Updates: Chrome VI in leather, BPA in socks, new short form warning labels

Bao M. Vu, Counsel, Stoel Rives LLP

Kelly Beskin, Counsel, Stoel Rives LLP

2:15 pm

How Transparent and Traceable is Your Supply Chain?

Justin Leard, VP, Account Management & Global Commercial Applications, Bureau Veritas Consumer Products Services, Inc.



## Event Agenda

#### FDRA Product Safety Digital Conference



#### 2:30 pm

Preparing to Undertake a Product Rework Project

Jeff Leake, Business Development, Quality Corrections & Inspections

#### 2:45 pm

Protecting Your Products from Mold and Moisture Damage Michael Hanrahan, SVP, Americas, Superdry International

#### 3:00 pm

Recent State-Level Initiatives to Regulate Chemical Safety in Footwear Karl Wasmuth, Global Sustainability Policy Manager, Government & Public Affairs, NIKE, Inc.

#### 3:30 pm

Wrap-Up & Adjournment

## Event Agenda

# Questions?