



Authentico Integrity Scheme





INTRODUCTION

For nearly a century, Schneider Group has been a leading name in the processing and trading of fine wools and speciality fibres. Nowadays Schneider is a world leader in the processing and supply of high-quality wools and natural fibres and operates in Italy, Argentina, China, Mongolia and Egypt

Schneider Authenticity Integrity Scheme is the flagship integrity code for wool established by the Schneider Group. The foundation of the scheme is to drive best practice in animal welfare and regenerative agriculture on a farm level. Additionally, Authenticity ensures a transparent supply chain from the farm gate of Authenticity verified wool growers to the delivery of wool tops to customers of The Schneider Group by using its integrated supply chain. By doing so Authenticity connects wool growers with the rest of the supply chain.

Purpose

By introducing the Authenticity Integrity Scheme, the Schneider group will provide its customers with a credible verification system ensuring brands and consumers that wool is sourced from farms applying best practices following the Authenticity Integrity Scheme and international standards.

automatically be certified and recognised as audited for the Authenticity Integrity Scheme.

Within the Integrity scheme, compliance can be distinguished:

- **Authenticity Verified Grower** – Complying with all basic Authenticity requirements

Scope

The Authenticity Integrity Scheme makes use of existing standards, best practices and legislations honoured by Australian and New Zealand wool growers. These standards are set as the baseline for;

- Animal Welfare
- Land and pasture management
- Social Responsibility
- Transport and
- Traceability

The Schneider Group will purchase Authenticity Integrity Scheme accredited wool that is suitable for a wide range of types, privately or at auction, to build commercial quantities for export to the Schneider group owned specialized combing mills in Italy, Egypt and China. The wool will be scoured and combed into wool tops for sale to spinners, weavers and retailers. During this entire process the wool is fully traceable back to its origin.

RWS – Authenticity will recognise and acknowledge that growers who are certified to Input Standard with The Responsible Wool Standard, will

Registration process



Wool growers who wish to be part of the Authenticity Integrity Scheme can register online by filling in a short registration form. After registration all farmers will have to familiarise themselves with the Authenticity Integrity Scheme and declare full compliance by submitting the self-declaration form and completing the checklist. Once the documentation is verified, the wool clips are allowed to be listed in the catalogue as Authenticity licenced and verified.

Traceability

Authenticity Integrity Scheme verification enables brands to trace lot-based wool from grower to combing mill. All wool sold under the Authenticity scheme is tested to international standards according to the wool testing specifications set out in the International Wool Textile Organisation White and Red Books and will be accompanied with an independent test house certificate. Additionally, wool coming from growers in Australia is declared through the National Wool Declaration (NWD) program on the test house certificate. This information captures data on mulesing status and dark and medullated fibre (DMFR) risk declared by the grower. The Schneider Group strong integrated supply chain allows for the tracking of wool further through the supply chain.

Demonstrating compliance

All levels of the Authenticity Integrity Scheme require growers to be in compliance with local legislation and national laws including animal welfare, labor rights and land management as well as the standard requirement of the Authenticity Integrity Scheme. The assessment process follows the following:

1. All farms must complete and sign the online self-declaration checklist (see appendix 1), declaring full compliance with all basic requirements.
2. The declarations will be assessed desktop based by the Schneider Group.
3. This desktop audit will indicate if this farm is complying with all critical and major requirements of the integrity scheme.
4. All farmers can be subject to an on-site audit at any time allowing to validate the self-declaration.

Additionally, any individually RWS certified farm can apply to the Authenticity Integrity Scheme based on its valid scope certificate.

Audit types

- *Internal desk audit*
Desk audit conducted by the Schneider group to verify the self-declarations submitted by growers.
- *Internal on farm audits*
On farm audit conducted by the Schneider group or appointed representatives on growers supplying into the Schneider supply chain.
 - As part of the process, Authenticity will recognize that AWEX will conduct desk top and on farm audits for the NWD
- *External 3rd party on farm audits.*
On farm audit conducted by a certified 3rd party auditor, like Control Union Australia, on growers supplying into the Schneider supply chain verifying compliance with the Authenticity Integrity Scheme (AIS).
- *External 3rd party Office audit*
Office audit conducted by Control Union Australia on the Schneider group demonstrating the integrity



of the scheme and verifying the control system is functioning effectively.

More guidance on the external audits and the requirements is given in the “Schneider Authenticity ICS” Document.

Audit frequency

- *Internal desk audit*

An internal desk audit shall be conducted on every grower upon registration. Subsequently an internal desk audit will be conducted at the end of the year on all growers who supplied wool into the Schneider supply chain.

- Classed to code of practice
- Registered classer stencil
- Completed NWD to NM/CM compliance

- *External 3rd party on farm audits.*

On farm audit conducted by an independent certifying body on Australia growers supplying into the Schneider supply chain shall be conducted annually on a sample of the total number of growers listed under the Authenticity Integrity Scheme. The minimum of growers that shall be assessed externally is the square root (rounded up) of the total number of group members whose wool was purchased for certified Authenticity orders.

- RWS certified and annually audited growers can be included in the number required to audit under the square root equation.

- *External 3rd party Office audit*

Office audit conducted by an independent certifying body on G

Schneider Australia shall be conducted annually.

Assurance statement

After the annual external audit, Control Union Australia will issue a summary assessment report, based on the findings of the assessments, covering results and possible shortcomings.

As a final result an assurance statement will be issued.

This statement will provide assurance to the Schneider Group stakeholders on accurate implementation and credibility of the Authenticity Integrity code. No claims on individual products can be made.



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1. PRINCIPLES OF AUTHENTICO INTEGRITY SCHEME

Australia and New Zealand have developed a range of regulatory processes to protect animal welfare. 'Codes of Welfare' define minimum standards that all animal producers must conform to and specify the obligations of people who own or are in charge of animals, this also includes farmed livestock and farm service animals.

All growers part of AIS must comply with the Australian and New Zealand animal welfare regulation and applicable legislation (whichever is higher).

1.1. Principles

- 1.1.1. Grower shall provide Schneider representative 3rd party auditors full access to the farm and operations that fall under the Authentico Integrity Scheme scope.
- 1.1.2. Grower is currently supplying to the Schneider group.
- 1.1.3. Grower has not been the subject of a successful prosecution under applicable national, state and/or regional animal welfare legislation.
- 1.1.4. Grower has not been the subject of a successful prosecution under occupation health and safety legislation.

1.2. Traceability

- 1.2.1. All Australian growers have completed the AWEX National Wool Declaration (NWD) for Mulesing Status and Dark & Medullated Fibre Risk.
- 1.2.2. All growers have certified the Authentico Integrity Scheme declaration by completing the NWD acknowledging Authentico as their QA program for supply into the Authentico supply chain.
- 1.2.3. All supplied wool is accompanied with independent IWTO licenced test house certificate.
- 1.2.4. All wool is classed to industry best practice standards by a registered wool classer.
- 1.2.5. Clear records are being kept and maintained on wool produced and sold.



2. ANIMAL WELFARE

With animal welfare principles as the core of the Authentico Integrity Scheme, there is a strong focus on optimal support of welfare of sheep and all other animals on farm. All growers part of the scheme must provide the five key freedoms for all animals;

- *Freedom from thirst, hunger and malnutrition;*
- *Provision of appropriate comfort and shelter;*
- *Prevention, or rapid diagnosis and treatment of injury, disease or infestation with parasites;*
- *Freedom from distress; and,*
- *Ability to display normal patterns of behavior.*

2.1. Handling and Management

A high degree of caring and responsible management is vital to ensure good animal welfare.

- 2.1.1. Growers or farm managers are thoroughly skilled, trained in animal husbandry and animal welfare and have a good working knowledge of their system and the livestock under their care.
- 2.1.2. Growers, managers and stockpersons of sheep should have an appropriate staff induction program, periodically review existing practices, and be aware of new developments as well as the AIS requirements.
- 2.1.3. Sheep shall be handled humanely at all times; mistreatment of animals is unacceptable. Mistreatment includes rough physical contact such as kicking, striking, slamming gates on the sheep, tripping, throwing or dropping animals.
- 2.1.4. Best practices should apply to all animals on farm. Continuous confinement of any animal on the farm is prohibited. Animals shall receive nutrition, care, handling and veterinary attention as required for their health, safety and comfort.
- 2.1.5. Records shall be kept for a minimum of five years.

2.2. Nutrition

Sheep must have access to fresh water and a diet designed to maintain full health and promote a positive state of well-being.

- 2.2.1. Sheep shall have access to adequate nutrition, that's palatable and meets nutritional requirements suited to the animals' age and needs.
- 2.2.2. Sheep shall have an adequate access to sufficient water of suitable quality to meet physiological needs.
- 2.2.3. Body condition, fat scoring or weighing system should be used to indicate adequate feeding.
- 2.2.4. If sufficient feed and water cannot be provided to sheep, options that should be considered are to relocate, sell or humanely kill the sheep before sheep welfare is adversely affected.
- 2.2.5. Feed shall be stored properly, segregated from hazardous material.
- 2.2.6. Sheep shall only be deprived of feed and water for reasonable management practices (such as shearing, transport, or slaughter). Deprivation periods shall be no longer than 24 hours.
- 2.2.7. Diet changes shall be introduced gradually, allowing the sheep to adapt to the new feed.



- 2.2.8. Sheep in ill health or poor condition shall not be deprived of food or water until they recover.
- 2.2.9. Ewes in late pregnancy or lactating ewes shall not be deprived of water for more than 8 hours.
- 2.2.10. Lambs should be supplementary fed with ewes (imprint feeding) before weaning, where appropriate for the production system, so that the lambs learn to accept supplementary feed.
- 2.2.11. Weaned lambs should gain weight and be provided with appropriate energy and protein supplements when grazing dry pastures or stubbles.

2.3. Infrastructure

Growers are managing their infrastructure to ensure animal welfare. Specifically to limit the impact of threats to their welfare, including extreme weather conditions, natural disasters, disease, injury and predation.

- 2.3.1. Shed, fences, yard systems and handling shall be designed, constructed and maintained to minimize stress and the likelihood of injury to the sheep at all time including during handling.
- 2.3.2. Fencing shall be appropriate and inspected and maintained regularly
- 2.3.3. Effective shade, shelter and/or windbreaks projects are in place to protect sheep from adverse weather conditions.
- 2.3.4. Long term close confinement in crates or tethering is prohibited and shall only be used for a minimum time to address a special need.
- 2.3.5. Housing shall be well ventilated.
- 2.3.6. Animals shall be protected from the threat of predators
- 2.3.7. Predator control shall be humane.
- 2.3.8. Housed sheep shall have access to a dry bedding area sufficient to avoid

discomfort and floors shall provide good traction.

2.4. Health

- 2.4.1. A management plan shall be in place for flock health, animal husbandry and animal welfare.
- 2.4.2. Measures shall be taken to prevent or control external and internal parasite infestations such as fly strike, ticks, lice, gastro-intestinal worms and scab.
- 2.4.3. Sheep should be vaccinated against relevant diseases in accordance with directions. Records of treatments should be kept.
- 2.4.4. Routine welfare inspections and monitor for signs of disease or production disorders shall be done.
- 2.4.5. Treatments shall be appropriately administered in accordance with registration conditions or manufacture's advice.
- 2.4.6. Sheep that are found suffering from health problems shall be treated promptly.
- 2.4.7. Flock is assessed for mortality and mortality rates are recorded.
- 2.4.8. Sheep that cannot move on their own shall only be moved using a humane conveyance method.

2.5. Animal Husbandry

Growers part of the AIS must demonstrate best practice when planning and carrying out animal husbandry procedures. At all times Growers must adhere to the National law or state legislation on Animal welfare. However, some AIS requirements for animal husbandry procedures best practice may exceed these regulations.

- 2.5.1. Sheep should be handled to take advantage of their natural flocking behaviour when mustering, yarding

and handling. People handling sheep should have an understanding of the flight zone.

- 2.5.2. Sheep should be restrained and isolated for the minimum time necessary. In case individual isolation cannot be avoided, Sheep isolated in a pen should be provided with a pen mate or a mirror.
- 2.5.3. Extra care should be taken when handling sheep with special needs — for example, young lambs, heavily pregnant ewes, lame sheep and rams.
- 2.5.4. Care shall be taken when introducing rams or new sheep to a new group; sheep shall be monitored for signs of aggression.
- 2.5.5. The decision to carry out injurious husbandry procedures, including tail docking and castration, shall be based on a welfare risk/benefit analysis. Procedures results in:
 - a. benefits to life-time sheep welfare
 - b. better flock management
 - c. reduced work (occupational) health and safety risk.
- 2.5.6. Animal husbandry procedures including tail docking and castration shall be performed by competent stockperson, or be under direct supervision of a skilled practitioner, using well maintained equipment designed specifically for the purpose.
- 2.5.7. Good hygiene practices shall be followed in relation to facilities, personnel, handling and instruments.

2.6. Tail Docking and Castration

- 2.6.1. Monitoring for signs of post-operative complications shall be done and appropriate corrective actions taken after tail docking and castration.
- 2.6.2. Most appropriate, well-maintained, clean and fit-for-purpose equipment must be used for castration and tail docking.

2.6.3. For all methods, pain relief shall be applied when available.

2.6.4. Lambs should be separated from their mothers for the shortest possible time.

2.6.5. Tail docking shall be performed using:

- a. Application of a rubber ring (applied between 24 hours and 7 days of age only)
- b. Thermocautery, from 24 hours to 6-week average age/individual maximum of 10 weeks of age.
- c. Tail docking for lambs over 10 weeks of age is done by a licensed veterinarian with anaesthesia and analgesia

2.6.6. Tail length must cover the vulva for females and equivalent length for males.

2.6.7. Castration shall only be carried out when lambs are between 24hrs and 7 weeks, using rubber ring, emasculator or surgical (with mandatory pain relief).

2.6.8. Castration or using the cryptorchid method on sheep that are more than six months old without using appropriate pain relief and haemorrhage control for the sheep is prohibited.

2.6.9. Least painful method available to castrate sheep that is applicable to the production system.

2.6.10. Lambs shall not be castrated until the ewe/lamb bond has become established

2.6.11. Lambs destined for slaughter before they are 12 weeks old, or before the onset of puberty, should not be castrated.

2.7. Breeding

Breeding and management practices shall be in place to maximise the welfare of sheep.

- 2.7.1. Lambing is timed to align with feed availability and climatic conditions favourable to good welfare and survival. The last 4-6 weeks of pregnancy, management practices should minimize stress on ewes and when lambing, monitor but disturb as little as possible.
- 2.7.2. Artificial breeding procedures shall be carried out by a skilled practitioner who has relevant knowledge, experience and skills.
- 2.7.3. Practices and procedures for lamb feeding and provisions for fostering shall be planned prior to the start of lambing.
- 2.7.4. Ewes that receive severe injuries during lambing or that are affected by a severe adverse outcome (prolapsed uterus, unable to remove lamb) should receive urgent treatment or be humanely killed without delay.
- 2.7.5. Close restraints of ewes for the purpose of lamb fostering is allowed only when other methods are not possible.
- 2.7.6. Laparoscopic artificial insemination and embryo transfer should be done using sedation, analgesia and aseptic technique
- 2.7.7. Semen collection using an artificial vagina should be used in preference to electroejaculation.
- 2.7.8. Lambs shall have access to milk in their diet until they are at least 4 weeks old.
- 2.7.9. Weak or orphaned lambs with very little chance of survival should be humanely killed without delay.



2.8. Mulesing

Since the Australian and New Zealand wool industry has made strategic commitments to develop and implement alternatives to mulesing, the Schneider group took a leading role in supporting farmers and promote wool coming from non-mulesed or ceased mulesing farms.

- 2.8.1. Mulesing (including tail stripping) is prohibited.
- 2.8.2. Ceased mulesed status is allowed. No lamb born on the property in the past 12 months has been mulesed.

2.9. Shearing best practice

The Authenticity Integrity Scheme Shearing must be carried out in ways that minimize animal injury and suffering.

Principle and planning

- 2.9.1. Wool classing is being done by a Registered Wool Classer
 - 2.9.2. Annual shearing is planned to take into consideration local climatic conditions to reduce welfare risk of freshly shorn sheep. In preparation, the flock is managed to ensure sheep are kept dry, not scouring and are crutched prior to shearing.
 - 2.9.3. Shearing shed and yard facilities are prepared to provide a working environment that meets local occupational safety and health and animal welfare requirements with hazards minimized to humans and livestock.
 - 2.9.4. Shearing shall be carried out under the direct supervision of the grower or a person appointed by the grower.
 - 2.9.5. Shearers and shearing staff indicate appropriate handling, skill and training throughout the wool harvesting process. Specifically, sheep handling should minimise the risk of stock pain, injury and distress.
 - 2.9.6. Shed hands are briefed before shearing begins by wool classer/owner to communicate expectations and responsibilities.
- 2.9.7. Mechanical plant and equipment are well- maintained.
- Wool harvesting*
- 2.9.8. Sheep shall be handled calmly and confidently to minimize stress.
 - 2.9.9. The time off water and feed prior to shearing is appropriate for stock class.
 - 2.9.10. Sheep held in sheds or yards for shearing shall be monitored for signs of distress during time held off feed and water and remedial action taken.
 - 2.9.11. In the event of a server injury, the procedure is to cease shearing and treat the injury. If topical pain relief treatment is available it should be applied in accordance with its veterinarian advice.
 - 2.9.12. A quarantine pen must be present for injured stock.
 - 2.9.13. In the event of changing weather conditions impacting the welfare of the sheep during shearing. The following actions should be considered:
 - a. When adequate shelter is not available, stop shearing if cold, wet and windy weather is being experienced or predicted.
 - b. Snow combs are recommended as best practice in circumstances of cold weather conditions.
 - c. Shorn sheep shall be released into adequate shelter or allowing sheep to remain in the shed until the risk has passed.
 - d. Ensuring there is adequate feed and water available for newly shorn sheep.
 - 2.9.14. Rams that are sedated for shearing or crutching should be managed to prevent exposure, sunburn and smothering and in accordance with the directions of the prescribing veterinarian.



2.9.15. Sheep that grow and retain long wool should be shorn at least annually.

Post wool harvesting

2.9.16. Additional water, feed and shelter provisions made for the 24 hours immediately after shearing. If needed due to extreme weather conditions additional water, feed and shelter provisions must be made for the following 14 days after sheering.

3. LAND AND PASTURE MANAGEMENT

Land and pasture management utilises practices and processes oriented to the preservation of the environment. By implementing agricultural practices that avoid degradation, the AIS stands for a system of farming and grazing principles and practices that focus on regenerating top soil, increasing biodiversity, improving water retention and plant uptakes to enhance ecosystems.

Requirements

3.1. Soil Health and Land Management

- 3.1.1. A management plan should be in place indicating risk area's on soil and land health including forage resources, soil erosion, compaction, organic matter.
- 3.1.2. Degraded land caused by overgrazing and/or other management techniques shall be prevented at all times.
- 3.1.3. Key indicators of land health shall be set for pasture composition and soil degradation and monitored on a regular basis.
- 3.1.4. Systems shall be in place to monitor and manage;
 - a. Soil erosion
 - b. Soil compaction
 - c. Soil organic matters

Hazardous materials

- 3.1.5. Hazardous materials are not disposed of on farmland unless

specifically allowed by law and it is safe to use affected land for grazing

Water and biodiversity

- 3.1.6. Grower shall monitor the population of predators and wildlife (birds, mammals, or reptiles) on the farm and apply livestock husbandry practices that maintain biodiversity.
 - 3.1.7. Lethal control shall be minimized and done humanely by targeting specific individual animals.
 - a. Use of poison for lethal control is prohibited.
 - b. Use of leg hold traps and snares is prohibited.
 - 3.1.8. Biodiversity shall be protected by monitoring and managing sensitive and high conservation areas and wildlife species. If needed proper action shall be taken:
 - a. Deforestation is prohibited.
 - b. Sensitive areas are not grazed if there is risk of impacting the eco system.
 - 3.1.9. The grower shall ensure the freedom of animals and species that co-inhabit the farmland.
 - 3.1.10. Water recourses on the growers property are managed to conserve water.
 - 3.1.11. Contamination of water sources must be prevented and special care shall be taken to limit or prevent harmful effluent.
- ### Pesticides
- 3.1.12. Strategies are used to prevent, observe and monitor crops and



pastures for pests and pesticide use recorded.

An Integrated Pest Management (IPM) plan or strategy based on the principles of prevention, observation, monitoring and intervention shall be in place and reviewed annually

Fertilizers

3.1.13. A fertilizer strategy is in place including calculation of crop requirements taking account of available nutrients in soil, organic manures, composts and crop residues is in place and be based on the principles of efficiency and reduction of use. This plan shall be reviewed at least annually.

3.1.14. Chemical fertilizers are only allowed if they do not contain heavy metals.

3.1.15. Fertilizers are applied to using equipment that is in good working order, minimizing waste and pollution, cleaned after use and regularly calibrated.

3.1.16. Storage of fertilizers must be done separately from food and other products to avoid contamination.

3.1.17. Grower test and record soil nutrient levels, at intervals relevant to maintaining a healthy vibrant soil.



4. SOCIAL RESPONSIBILITY

All growers as part of the Authentico Integrity Schema are required to follow the set of national standards of employment for all Australian and New Zealand employees including casual workers, occupational health and safety regulations, and (pension) payments. In New Zealand Employment Relations Act 2000, the Human Rights Act 1993 (New Zealand) and common law cover the key legislative documents. In Australia the Fair Work Act 2009 (FW Act) and the Fair Work Regulations 2009 is the main legislation.

Human Resources and Employee Rights

- 4.1.1. Employees shall receive work contracts that are transparent, written in an understandable language and provide for regular and expected compensation.
- 4.1.2. Appropriate records shall be kept for all employees. Including casual employees, shearing staff and other contractors.
- 4.1.3. Using consecutive short-term contracts and/or false apprenticeship or other schemes to avoid meeting obligations to personnel under applicable labour laws and regulations is prohibited.

Fair Remuneration

- 4.1.4. Wages and benefits shall be paid in legal tender following at a minimum, national legal standards or industry benchmark standards, whichever is higher. Payment shall be done without delay or substitutions.
- 4.1.5. Overtime should be reimbursed at a premium rate in accordance with all local applicable laws or as established by a collective bargaining agreement, whichever is greater.
- 4.1.6. Payment of Award Wages and Superannuation/ Kiwi saver for all Employees shall be made (for permanent and/or casual staff including shearing staff and other contractors).

- 4.1.7. All employees shall be provided with written and understandable information about their employment conditions including wages before they enter employment.
- 4.1.8. Deductions from wages as a disciplinary measure are not permitted.

Safe and hygienic working conditions

- 4.1.9. Grower shall ensure a safe and hygienic working environment is provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.
- 4.1.10. Facilities for proper hygiene and comfort, including hand-washing facilities and toilets, and a place to store food shall be available.
- 4.1.11. Appropriate personal protective equipment must be provided to the employees and visitors, including casuals and it must be assured that these are being used whenever necessary.
- 4.1.12. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Children and Young workers

- 4.1.13. Child labour is prohibited. Grower shall not employ workers under the age of 15 or legal minimum (whichever is higher).



4.1.14. Growers shall comply with the Employment New Zealand Young Employees law and Australia's Fair work Ombudsman best practices for young workers and Fair Work Act 2009 ensuring young workers are protected.

Working circumstances

4.1.15. Working hours comply with national laws and benchmark industry standards.

4.1.16. Growers shall ensure there is no kind of discrimination e.g. in hiring, compensation, access to training, promotion, termination or retirement.

4.1.17. Physical abuse or discipline, sexual or other harassment and verbal abuse or other forms of intimidation or threat are prohibited.

4.1.18. Corruption, extortion, bribery to workers or families are prohibited.



5. Appendix 1

Authentico Registration Form (attached)