

Terms and Conditions for GRS/RCS Certification



1. General information

These Terms and Conditions apply to all organizations that have signed a contract agreement with TÜV SÜD Certification and Testing (China) Co., Ltd. and all its branch offices (hereafter as “TÜV SÜD(China)” or “Certification Body”) for the provision of GRS/RCS certification services.

TÜV SÜD(China) is the holder of GRS/RCS accreditations and as such has the overall responsibility within the TÜV SÜD group

Textile Exchange is the scheme owner of RCS/GRS, a global non-profit organization that creates leaders in the preferred fiber and materials industry.

The present document is to be applied in conjunction to the Legal Entity Regulations such as general Terms and Conditions of the specific country.

By signing this, both parties agree with Testing and Certification Regulations TÜV SÜD Group - <https://www.tuv-sud.cn/cn-scn/terms-and-conditions>.

2. Overview of Certification Process

2.1 Preparation of the Client for evaluation and certification

- 2.1.1 The information provided by the client in the “Application Form for GRS/RCS Certification” provides the basis for the certification. With the signature on the document the client confirms the correctness of the data presented there. Any changes shall be communicated to the Certification Body in writing.
- 2.1.2 Based on the application form, the Client receives a commercial quotation covering onsite and offsite activities and travel cost.
- 2.1.3 The document review will be conducted off-site prior to the onsite audit. Documents will be reviewed against the requirements of the certification standard(s).
- 2.1.4 The Certification Body decides on the composition of the audit team and ensures that the audit team meets the required qualification for carrying out the audit. The name of the proposed audit team is communicated to the client; this shall help the client to identify any potential conflict of interest. The client is entitled to reject any auditor if a conflict of interest might occur. In this case, the certification body shall suggest another auditor. The Certification Body reserves the right to carry out a monitoring audit of audit team members to evaluate the quality of their work.
- 2.1.5 Before each audit, the auditor prepares an audit plan which is sent to the Client prior to the audit. Relevant standards are specified in the audit plan, including the information if it is a single, group or multisite certification.

2.2 Conducting the audit

- 2.2.1 Each audit starts with an opening meeting with the Client, during which the audit plan is confirmed and if necessary adjusted.

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2.2.2 During the audit, the auditors examine and evaluate the effectiveness of the Client's management system with respect to all requirements of relevant standards. The audit consists of a documentation review, a review of production process on site (if relevant) and interviews with employees of the Client, or other involved groups. If required, the auditor can request that interviews with staff is conducted without the presence of a management representative so that comments can be given in confidence.

2.2.3 When the audit is finished, the Client is informed about the audit results in a closing meeting. Particular records of non-compliances are explained by the auditor. If minor and / or major non-compliances are identified, the deadlines for corrective actions are specified.

2.3 Audit Results

2.3.1 The audit team evaluates every identified non-compliance to determine whether it constitutes a minor or major non-compliance. Non-compliances lead to "corrective action requests" recorded in the Audit Report with specified deadlines.

2.3.2 A non-conformity is considered Critical if serious failure to meet the fundamental principles of the Standards, therefore shall be closed immediately. If not closed, Scope certificate shall not be issued or shall be suspended within a maximum of five business days from the day the critical non-conformity was identified, even if the entire audit has not yet been completed. TÜV SÜD(China) shall immediately notify Textile Exchange of all critical non-conformities, including details of the nonconformity.

2.3.3 Major non-conformities shall be issued in the following circumstances:

- For requirements which are indicated as major requirements in the Standard. OR
- Where, either alone or in combination with further non-conformities, the non-conformity results in or may result in a fundamental or systematic failure to meet the objectives of the Standard. This may be indicated by non-conformities which:
 - a. continue over a long period of time,
 - b. are repeated or systematic,
 - c. affect a wide area,
 - d. affect the integrity of the product or the Standard, or
 - e. are not corrected or adequately addressed once they are identified.

Major non-compliance should be closed within 30 days from the audit (closing meeting), and prior to recertification. If not closed, Scope certificate shall not be issued/reissued, and shall be suspended if the 30-day timeline ends before expiry of the scope certificate. Scope certificates shall be suspended immediately if there are five or more open major nonconformities.

2.3.4 Minor non-conformities occur when a single observed lapse has been identified in a procedure required as part of the client's management system.

- For requirements which are indicated as minor requirements, unless the certification body determines that the non-conformity is major based on the requirements above; OR
- Where the non-conformity is a temporary lapse, non-systemic, limited in scale, or does not represent a fundamental failure to achieve the objectives of the Standard.

Minor non-conformity shall be closed within 60 days from the audit. If not closed, minor non-conformity is upgraded to become a major non-conformity with a timeline

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30 days from the original deadline. TÜV SÜD(China) may grant extensions for minor non-conformities when circumstances are beyond the Organization's control.

2.4 Issue of a scope certificate and transaction certificate

- 2.4.1 After the audit is approved by the Certification Body the Client receives the Audit Report.
The client has the right to comment on the report and/or appeal against the certification decision within 14 days.
- 2.4.2 In order for a certificate to be issued, this implies compliance with all standards requirements without non-compliances. The payment of all obligations towards the TÜV SÜD and the client who signing of service agreement, which have to be fulfilled for granting the certificate.
- 2.4.3 The Scope certificate is valid for one year.
- 2.4.4 Following the shipment of certified products to the given standard(s), the client can apply for a transaction certificate. The transaction certificate here indicates that a certain batch of goods is produced according to a specific standard. Because the transaction certificate requires that all the steps of the product conform to the standard, the relevant authorities have a set of supervision system to ensure that each manufacture step of the goods from raw materials to finished products conforms to the standard.

3. Re-Certification Audit, unannounced audit and special visits

- 3.1 The re-certification audit is scheduled 12 months after the last day of the previous audit.
- 3.2 Re-certification audit should be conducted two months prior to the expiry of the certificate, in order to ensure a continuous certification.
- 3.3 Special or additional visits might be required if any non-conformities found during in audit.
- 3.4 An unannounced audit might be conducted to certified Facilities during the validity period of the certification to ensure that the Organization continues to satisfy the requirements of the Standard(s) for which it is certified. The unannounced audit will cover minimum 2% of the certified Organizations by TÜV SÜD(China) and randomly selected. Notice of no more than 48 hours may be given in advance of an unannounced audit. Unannounced On-Site Audits are in addition to the requirement for annual On-Site Audits and do not affect the validity date of the Scope Certificate.
- 3.5 TÜV SÜD(China) may conduct additional verification, either off-site or on-site, to Material Collectors and/or Material Concentrators that supply directly to the Organization. The additional verification will cover 10% of the total number of reclaimed material suppliers (minimum 1, if less than 10) randomly selected, with 2% chosen for physical inspection.

4. Duties and responsibilities

- 4.1 Obligations of the certification body
 - 4.1.1 TÜV SÜD(China) is obliged to handle all information on the Client's organization confidential and use it only for the agreed purpose. The documents presented are not passed to third parties. The only exception is a submission of a detailed report to an

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arbitration authority or Textile exchange in case of a dispute. The Client may relieve TÜV SÜD(China) from these confidentiality obligations. Moreover, accreditation authorities are not regarded as “third party” in this respect.

4.1.2 The client acknowledges Textile Exchange’s right to change the Standard and certification requirements and that certification is conditional on conforming to a new or revised version of the applicable Standard and new or revised certification requirements within the timeframes established by Textile Exchange. If revisions to Standards and/or TÜV SÜD(China)’s requirements are adopted, TÜV SÜD(China) shall determine the nature and extent of the necessary additional Audit activity, if any, and the required schedule for TÜV SÜD(China) to confirm conformity with the revised requirements.

4.1.3 TÜV SÜD(China) maintains a public directory of certified companies that indicates the specific scope of certification. The information is also shared with accreditation body as per its regulation.

4.2 Obligations of the client

The client/organization shall agree to:

- 4.2.1 return the original certificate and all copies to the certification body if the certificate is suspended or withdrawn.
- 4.2.2 allow the certification body to exchange information with other accredited certification bodies, authorized accreditation bodies, and Textile Exchange, as part of its ongoing evaluations.
- 4.2.3 agree to receive email communication from Textile Exchange and communicate directly with Textile Exchange in regard to certification and Standards.
- 4.2.4 disclose all information about any Textile Exchange Standard certification-related activity with other certification bodies.
- 4.2.5 confirm that it is not currently engaged, nor will it engage, with another certification body to certify them against the same Textile Exchange Standard(s) at the same time.
- 4.2.6 inform the certification body about any other certifications and certification body relationships that share the same scope as the Textile Exchange Standard(s) (e.g. other organic/sustainable cotton certifications for OCS).
- 4.2.7 make all necessary arrangements for:
 - the conduct of audits, including providing documentation and records, and access to relevant facilities, equipment, location(s), area(s), personnel, and client’s subcontractors
 - and
 - the investigation of complaints or other stakeholder comments.
- 4.2.8 only make claims regarding certification consistent with the scope of certification and following the issuance of the scope certificate.
- 4.2.9 discontinue its use of all advertising material that contains any reference to or claims regarding Textile Exchange certification and the Standard upon suspension, withdrawal, or expiry of certification.

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- 4.2.10 conform with the applicable Logo Use and Claims Guide, and any other requirements specified by Textile Exchange when referencing its certification or using marks of conformity in communication media such as documents, brochures, or advertising.
- 4.2.11 inform the certification body, without delay, of changes that may affect its ability to conform with the certification requirements, including but not limited to changes in the following:
- legal, commercial, organizational status, or ownership;
 - organization and management (e.g. key managerial, decision making, or technical staff);
 - contact address;
 - scope of operations;
 - major changes to the management system and processes; and
 - the environmental and social impact of the certified organization caused by incidents or events (if applicable to the audit scope).
- 4.2.12 acknowledge Textile Exchange's right to change the Standard and certification requirements and that certification is conditional on conforming to a new or revised version of the applicable Standard and new or revised certification requirements within the timeframes established by Textile Exchange.
- 4.2.13 consent to Textile Exchange and the accreditation body having the right to observe audits conducted by the certification body.
- 4.2.14 accept that the certification body may conduct semi-announced audits, unannounced audits, and/or confirmation visits, for the purpose of monitoring the organization's conformity.
- 4.2.15 accept that the accreditation body also has the right to conduct audits of the client, including semi-announced audits, unannounced audits, and confirmation visits, for the purpose of monitoring certification body conformity with Textile Exchange requirements.
- 4.2.16 accept that the accreditation body and Textile Exchange may become engaged in the case that a complaint or appeal escalates beyond the certification body's authority, and agrees to cooperate with investigations.
- 4.2.17 agree that Textile Exchange is given access to client data. Access is offered on the premise that Textile Exchange personnel have each signed a confidentiality agreement and conflict of interest declarations, and both required and used in a manner consistent with TE-501 Textile Exchange Standards Data Policy.
- 4.2.18 agree to adhere to the data policy specified in TE-501 Textile Exchange Standards Data Policy and to obtain the same agreement from all sites to be included in the scope of certification.

5. Certification and Use of Mark

For the duration of its certification, the organization can market and communicate the certification as well as use the certification logos, provided that all the requirements set out in the applicable RCS/GRS Logo Use and Claims Guide are fulfilled.

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It is the duty of the organization to fulfill the relevant requirement of Textile Exchange. Any misuse of certification mark or any incorrect/inappropriate declaration/claims on certification status observed is not allowed.

6. Termination, withdrawal and suspension of certificate

TÜV SÜD(China) has the right to suspend or withdraw a Certificate:

- a) if the Certificate is used other than as provided for in the standard terms and conditions in place;
- b) if the certified management system has persistently or seriously failed to meet certification requirements
- c) if the applicant does not allow quality activities to be conducted specified by TE
- d) if the applicant is found not be truthful with TÜV SUD regarding the status and effectiveness of the applicant's management system or any of their obligations stated within this agreement;
- e) if the applicant has voluntarily requested a suspension / withdrawal;
- f) or non-payment of fees;
- g) If the applicant does not reply with required corrective actions in the time frame identified.

Upon notice of withdrawal of certification, the applicant shall discontinue its use of all advertising matter that contains any reference to a certified status. (e.g., printed material, internet site, etc.)

In addition, the client shall acknowledge that:

- o TÜV SÜD(China) shall inform Textile Exchange, the accreditation body and all direct customers who have received transaction certificates from a certified Organization during the previous 12 months when a scope certificate is suspended or withdrawn.
- o If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.
- o TÜV SÜD(China) shall not issue transaction certificates relating to scope certificates which are suspended or withdrawn, regardless of when the product was sold, and shall not permit a suspended Organization to sell claimed materials or to use logos or labels for the Standard.
- o In all cases, if a scope certificate is not issued within 60 days of an initial audit, or if a certificate is suspended for 180 days or until its expiry, whichever is shorter, a new audit is needed before the organization may become (re-)certified.

7. Certification records

The Certification Body maintains certification project documentation records for ten years after they are invalid

8. Notification about changes in the certification procedure

The Certification Body informs the Client by e-mail about substantial changes in its certification and auditing procedures and/or about changes in the standards and requirements relevant to the certification.

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9. Complaints and Appeals

Any complaints or appeal can be addressed to “TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch. 3-13, No.151 Heng Tong Road, Jingan District Shanghai 200070 P.R. China” and certification.china@tuvsud.com