

## 1. Introduction

These Scheme Rules have been written in accordance with the requirements of the applicable IAF Member Accreditation Bodies such as IOAS under Accredited Certification Schemes and GOTS and Textile Exchange. **GCL INTERNATIONAL LTD**, hereafter known as "**GCL**" also comply with all conditions. These Scheme Rules form a part of the contract with each operator as stated on the quotation.

## 2. Scope

**GCL** provides independent third party audits and registration services for companies who have implemented management systems against the following standards/codes of practice:

- Global Organic Textile Standard (GOTS-Scope 1,2,3 and 4)
- Textile Exchange Standards such as
  - Content Claim Standard (CCS)
  - Recycled Claim Standard (RCS)
  - Global Recycled Standard (GRS)
  - Organic Content Standard (OCS)
  - Responsible Down Standard (RDS Supply Chain)
  - Responsible Animal Fiber (RAF – RWS, RMS, RAS)

## 3. Confidentiality

- a) **GCL** agrees not to disclose any information relating to the operator's business or affairs except information, which is in their possession before the date of acceptance of the **GCL** quotation/contract.
- b) Where information is required to be disclosed to a third party either by law or as required under maintenance of certification by an Accreditation Body, the operator shall be informed of the information as required by law.

A consent shall be obtained from Operator before any data to be shared with third parties. The data shall be limited to the information under the scope of certification and merely for purpose in related to supply chain performance. The data recipients shall not further disclose the data to other third parties and this shall abide by Non-Disclosure Agreement.

- c) **GCL** has right to exchange operators' information with other Certification Bodies, accreditation bodies, Textile Exchange (as specified in TE-501 Textile Exchange Standards Data Policy) and the Global Standard gGmbH to verify the authenticity of the information.
- d) For the purposes of registration verification, information contained on all issued certificates can be verified using the registration number shown on the certificate from the certification check on the **GCL** web site which is located from the following URL [www.gcl-intl.com](http://www.gcl-intl.com)  
GOTS & Textile Exchange certificate must be available on their database at <http://www.global-standard.org/> or <http://textileexchange.org/integrity/>.
- f) The operator informs the **GCL** if they do not want their certification information that is reported monthly to Textile Exchange to be made publicly available. In this case, the **GCL** will inform Textile Exchange.
- g) if the operator provides copies of the certification documents to others, the documents shall be reproduced in their entirety or as specified in the certification scheme.
- h) Operator shall ensure that any non-certified operator of the certified (its) entity is made aware about the applicable licensing conditions for using the applied on-product GOTS labelling (according to chapter 5.1 if the non-certified operator is a processor, manufacturer or B2B trader and according to chapter 5.2 if it is a retailer).
- i) Operator agree that Textile Exchange is given access to client data. Access is offered on the condition 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.
- j) 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.

## 4. General Conditions

**GCL** basic conditions for gaining and maintaining registration with are that all operators agree to and comply with the following rules:

- a) All information deemed necessary by **GCL** in order to complete the registration process shall be made available to the operator company.
- b) If **GCL** are not satisfied that all requirements for registration have been met it shall inform the operator in writing stating which requirements.
- c) When the operator can demonstrate that effective corrective action has been taken within a specified time limit, then **GCL** will arrange only to repeat necessary parts that cannot be verified by the submission of documented evidence.
- d) If the operator fails to take effective corrective action within the time limit, then **GCL** may repeat the audit in full at additional cost.
- e) Identification of conformity shall only apply to site(s) inspected and within the scope of registration as shown on the **GCL** certificate of registration.

- f) All fees must be paid as shown on the individual quotation. No certificate shall be issued for initial or re-audit until fees have been paid in full. Registration may be suspended if annual fees are not paid in full within the time frame set out within the individual quotation.
- g) Failure to return all certificates of registration shall result in legal action being taken against the operator for unauthorised use or registration and accreditation marks and on misleading and inaccurate claims of registration.
- h) The operator must allow **GCL** to conduct annual/re-audit visits at the times stated within the individual quotation.
- i) **GCL** offices which hold accreditation directly with an accreditation body or hold "critical location" status are responsible for, and retain authority for, decisions relating to accredited certification, including the granting, maintaining, renewing, extending, reducing, suspending and withdrawing of certification.
- j) Provide to **GCL**, IOAS, scheme owners such GOTS, Textile exchange and the assessment bodies appointed by the scheme owners on their behalf the right of access to premises, personnel and information, including documents and any records related to their certified production or certified trade, also to units where no GOTS/TE products are processed, stored or administered, if applicable. The notification of visits could be announced / unannounced/ short notice or partial notice (exact details of the sites to be visited may not be provided), the assessments could be done physically / remotely / virtually during the normal operating time of the operator.
- k) The operator confirms that they are not currently engaged, nor will they engage, with another Certification Body to certify them against the same GOTS and Textile Exchange standard(s) at the same time.
- l) The Operator confirm that in addition to audit notes, **GCL** audit team can collect photographs and hard and soft copies of documents and also samples for residue testing may also be taken by the auditor during the required on-site audit, either as back-up to the audit process or in case of suspicion of contamination or non-compliance.
- m) The operator confirms to comply with the relevant criteria of the GOTS and Textile Exchange standard(s), the Manual for the Implementation of GOTS and Textile Exchange standard(s), the Conditions for use of GOTS Signs/ Standard Claim Policy and other provisions of the GOTS certification program as provided by the Global Standard GmbH and standards Logo Use and Claims Guidelines as provided by Textile Exchange.
- n) the operator makes all necessary arrangements for
  - 1) the conduct of the evaluation (see 7) and Re-evaluation/surveillance, including provision for examining documentation and records, and access to complete, up-to-date, and accurate information, along with access to their operations to demonstrate conformity with the CCS. Access shall at minimum include the following:
    - a. Access to all parts of the physical site.
    - b. Access to all documents and records related to conformity with the CCS and the standard upon which claims are made, which may include financial records;
    - c. Access for auditors to interview personnel without restriction and without observation by management representatives
    - d. Equivalent access to all sites and associated subcontractors included in the scope certificate
  - 2) investigation of complaints.
  - 3) the participation of observers, translator/interpreter and technical experts if applicable.
- o) The operator confirms to comply with the certification requirements, including implementing appropriate changes when they are communicated by the **GCL**. Specific to Textile Exchange: Textile Exchange expects all operators certified under Textile Exchange standards to comply with all applicable local, national, and international laws and regulations at all times.
- p) The operator itself must conduct regular laboratory testing of samples of their products based on internal risk analysis.
- q) **GCL** shall use any findings of the background check that indicate a high probability of the site not meeting critical or major criteria to raise the risk level to the high risk level. In such cases, **GCL** shall: i. Inform the operator of the adjusted risk level and the reasoning used to change it, and ii. In the case of disagreement by the operator about the assigned high risk level, notify the site that they have the right to file a complaint with Textile Exchange as per ASR-110 Complaints and Feedback Policy.
- r) the operator confirms and agree to receive email communication from Textile Exchange and communicate directly with Textile Exchange in regard to the certification and standards

## 5. Application for Assessment

On receipt of a completed Application for Quotation form, **GCL** will conduct a pre-contract review of the system and a quotation shall be prepared and sent to the prospective operator, together with these Scheme Rules.

## 6. Contract Acceptance

Prior to any arrangement being made for an evaluation/audit

- a) the quotation is required to be signed by the Operator. Signature on the quotation/contract indicates formal acceptance of these rules as stated within the quotation/contract.

- b) **GCL** email the Briefing about the standard, current manual/standards, implementation manuals, Document checklist, Audit report, GOTS approved list of dyes and chemicals, chemical check-list (for GOTS-Scope-4), Conditions for the use of GOTS signs and Textile Exchange standards Logo Use and Claims Guidelines before planning any Initial Evaluation/Audit at operator premises. Also the current version of these documents can be download from the GCL website [www.gcl-intl.com](http://www.gcl-intl.com) at [related standard page](#).
- c) Operator shall submit the Information (Client information section) together with Operator legal and other documents such as chemical inputs, business licenses, policy/procedures, supplier certificates..

## 7. Initial Evaluation/Audit

Audit is carried out to verify information and compliance with certification requirements applicable to the operator. It shall follow a set protocol to facilitate impartial and objective audit.

The on-site audit protocol shall at the very minimum undertake the following, as applicable to the operator:

- a) Assessment of the processing system by means of visits to facilities and storage units (which may also include visits to non-organic areas if there is reason for doing)
- b) Review of records and accounts in order to verify flow of goods (input/output reconciliation and the tracing back);
- c) Identification of areas of risk to product integrity;
- d) Verification that changes to the standards and to related requirements have been effectively implemented; and
- e) Verification that corrective actions have been taken, with special focus on corrective actions for non-conformities which have been closed since the previous audit; and
- f) If the previous audit was conducted by another certification body and within two years prior to the audit, a full evaluation of any nonconformities which were issued in the previous audit report, whether or not they were previously closed.
- g) Financial records and correlation of purchased and sold materials records should be reviewed to validate the volumes of recycled and claimed materials (GRS, CCS, RCS, OCS, RDS, RWS, RMS) purchased and sold.
- h) Operator shall receive approval from GCL and an updated scope certificate prior to outsourcing to a new subcontractor
- i) Operator shall have a valid contract with each associated subcontractor which identifies the work to be outsourced and specifies that the subcontractor shall: ( this clause does not apply to independently certified subcontractors. Purchase orders are sufficient as long as the contract language is present.)
  - i. Meet all applicable certification criteria of the Standard;
  - ii. Maintain physical separation of the claimed material from all other materials present at the subcontractor's site;
  - iii. Agree to allow the organization's certification body to conduct audits of the subcontractor in accordance with the Standard;
  - iv. Not make any claims related to the Standard, including claims of the subcontractor being certified to the Standard or any use of the Standard's logo; and
  - v. Not further outsource any processing or storage of the claimed material.
- j) Operator shall have a valid contract with each independently certified subcontractor which identifies the work to be outsourced and specifies that the subcontractor shall:
  - i. Meet all applicable certification criteria of the Standard under their own certified system;
  - ii. Within seven calendar days, inform the organization of any change in their certification status, including suspension, withdrawal, expiry, or recertification; and
  - iii. Provide the organization with an updated scope certificate upon recertification.

If **GCL** has concerns that a subcontractor which is independently certified by another certification body is not meeting the criteria of the Standard, **GCL** should submit a complaint about the subcontractor to either the subcontractor's certification body or to Textile Exchange.

- k) If the operator is acting as a subcontractor for another contracting operator who is certified to the Standard, the operator shall notify their certification body of the arrangement and shall ensure that all criteria in the contract with the contracting organization are met
- l) Specific objectives for GOTS Audits

- I. Audit of the chemical inputs (dyes and auxiliaries) and accessories used and assessment of their compliance with the applicable criteria of the GOTS.
- II. Audit of the wastewater (pre)treatment system of wet processors/chemical input producers;
- III. Verification of the operator's risk assessment of contamination and residue testing policy potentially including sample drawing for residue testing either as random sampling or in case of suspicion of contamination or non-compliance.
- IV. Verification of adherence to the defined minimum social criteria. In particular the audit protocol must include:
  - o Audit of processing and storage units, toilet facilities, rest areas and other sites of the company with access for workers
  - o Interview with management and confidential interviews with workers and worker's representatives
  - o - Review of personnel files, such as list of workers employed, workers' contracts, pay rolls, shift and working time protocols, age verification, social insurance docs. training records, anonymous non-discriminatory whistle-blower mechanism.
- V. For GOTS scope 4 in addition to the onsite audits, auditor/document reviewer would conduct the document review with the presence of chemical checklist, SDS and other related documents such as, no intentional use declarations, sources of data for hazard and toxicity, Laboratory test reports based on risks and complete the audit report based on assessment results.
- VI. On-site audit shall be conducted for GOTS-Scope-4 during the 1<sup>st</sup> year and 3<sup>rd</sup> year of granted letter of approval or standard revision whichever is earlier covering, Product Stewardship, Environment and Health and Safety Requirements

#### 8. Certification/Letter of Approval

- a) On completion of the on-site evaluation the lead auditor reports back to **GCL**. The reviewer of **GCL** shall review the report and supporting information, including the recommendations made by the lead auditor and decide whether to grant certification/**Letter of Approval**.
- b) For any non-conformities raised, the operator shall conduct root cause analysis and send details of corrections, corrective action and preventive action to **GCL**. This information shall be reviewed by a qualified lead auditor and the operator shall be informed of the result via email.
- c) Upon acceptance of the corrective actions the Reviewer shall review the full report and make a decision. Should the Reviewer not accept the report the impartiality committee shall be informed for the purpose of holding an internal appeal.
- d) For any non-conformity or other situation that may lead to suspension the lead auditor shall report to **GCL** and the suspension process shall take effect as defined within these rules.
- e) the certification/**Letter of Approval** applies to ongoing production, the certified/approved product continues to fulfil the product requirements
- f) the operator makes claims regarding certification/approval consistent with the scope of certification /**Letter of Approval**.
- g) If it is found that the operator is knowingly and/or repeatedly operating with nonconformities or purposely violates the requirements of the standard, the GCL must suspend the operator's certification/approval status and inform GOTS/ Textile Exchange. The operator will be allowed to re-apply for certification/letter of approval two years after the date of the suspension.
- h) For GOTS Scope 4 - In case of positive approval decision the GCL will issue conformity documents (= 'Letters of Approval') in accordance with the 'Policy and Template for issuing Letters of Approval for Colourants/Textile Auxiliaries' as released by the Global Standard gGmbH to the chemical input producer / supplier who has applied for input approval.

#### 9. Re-Evaluation/Audit

- a) The GCL shall regularly re-evaluate operators annually (Prior to the end of the previous certification period a re-evaluation/audit application should be made) to verify whether they continue to comply with GOTS and Textile Exchange Standards, the Manual for the Implementation of GOTS, Textile Exchange and Conditions for the use of GOTS signs. Mechanisms shall be in place to effectively monitor whether corrective actions have been implemented.
- b) The **GCL** shall report and document its annual activities and shall keep operators informed about their certification/ Letter of Approval status.
- c) Re-evaluation/surveillance is a full audit and generally follows procedures outlined in 'Evaluation' Section 7 Evaluation in this document.
- d) GCL shall control the use and display of licenses, certificates, Letter of Approval and logos.
- e) Communicate to the Operator to plan the re-audit/surveillance and find out if there are any changes such as change of production units, subcontractors, recipes or new suppliers, raw materials, production methods, etc. Operator needs to complete

audit checklist, list of suppliers including each of supplier license number, list of all subcontractors (including independently certified subcontractor's certification body, license number, and scope certificate expiry date), chemical checklist. GCL will Send audit report to client by mail and after fill up client will send back the audit report to GCL for review. Normally, the re-evaluation after initial certification is to be within 12 months of the last day of the initial audit. However, providing that sufficient evidence has been collected as above, to provide confidence that the certified management system is effective consideration may be given to postpone the first surveillance for a period not normally exceeding 2 months (14 months from date of initial certification). Otherwise, the certificate has to be suspended or the scope reduced.

- f) Recertification audits should be completed no later than 60 days prior to the expiry of a scope certificate. For GOTS-Scope-4 on-site audit shall be conducted in 1<sup>st</sup> and 3<sup>rd</sup> year of granted letter of approval.

#### 10. Use & Mis-Use of Certificates, Letter of Approval, Logos & Certification

Once a Certificate has been issued, then the operator has the right to publish the fact and to apply the logo on their stationery and promotional material without label grade.

The GOTS and Textile Exchange marks can only be used as specified in Conditions for the use of GOTS signs and Textile Exchange standards Logo Use and Claims Guideline. Other conditions are as follows related to certification:

- a) That no misleading statements are implied or made regarding certification.
- b) That no certification document is used in a manner that would mislead operators or registered companies or the public in general.
- a) Upon suspension, withdrawal or cancellation or expiry of validity cease with immediate effect to use of the marks on advertising, such as brochures, letterheads, business cards, web sites, etc, and return the certificate to **GCL** if demanded.
- b) Should a scope of registration be reduced, amend all advertising materials where details of the scope have been published. For all reductions or increases in scope the original certificate to be returned to **GCL**, prior to any updated certificate being issued.
- c) That nothing is implied, or an impression is given that certification activities are outside of the scope of certification.
- d) Not to use certification in any way as to bring into disrepute the credibility of **GCL** or of Accredited Certification that could affect public trust and confidence.
- e) in making reference to its product certification in communication media such as documents, brochures or advertising, the operator complies with the requirements of the GCL or as specified by the certification scheme.
- f) For GOTS Scope 4- Use of the GOTS logo directly on a product, product packaging, product technical specification or SDS is not allowed. Use of the GOTS logo is allowed on lists of approved GOTS chemical inputs with a reference to the approving Certifier and only after use of the logo is approved by the Approved Certifier via the " Labelling Release Form-GOTS-Additives".

#### 11. Termination, reduction, suspension or withdrawal of Certification/ Letter of Approval

When a nonconformity with certification requirements is substantiated, either as a result of annual audit or otherwise such as announced audit, **GCL** shall consider and decide upon the appropriate action.

##### a) Suspension

- i. as a result of continued misuse of a certificate or logo.
- ii. failure to implement corrective action within the specified time scale as a result of concern identified at Evaluation/Audit.
- iii. any other breach of the **GCL** quotation and/or Scheme Rules.
- iv. when a critical or major non-conformity is raised during any visit, after the Initial evaluation.
- v. under suspension it is not permitted to use any logos on any advertising materials until the suspension has been lifted.
- vi. the Standard Manager of **GCL** shall write to the registered operator outlining the suspension conditions and how the suspension can be lifted.
- vii. For suspensions, due to non-conformities please refer to section 23 of this scheme rules

##### b) Scope Reduction

Reduction in the scope of certification to remove nonconforming product variants. Should a reduction in scope be recommended by a **GCL** Lead Auditor at a re-evaluation visit this has to be noted in the report and the Standard Manager informed.

##### c) Withdrawal of Certificate / Letter of Approval

Such withdrawals could be as a result of:

- i. failure to respond to requests/time scales made by **GCL** after suspension of Certification.
- ii. failure of an operator to settle an account with **GCL** within 1 month of formal notification of a failure to settle an account.

- iii. voluntary withdrawal, in such a case **GCL** require this in writing.
- iv. the certificate of registration/ letter of approval shall be returned to **GCL** when **GCL** has informed the operator that withdrawal has been complete. No copies of certificates/ letter of approval shall be used or logos displayed after withdrawal has taken place.
- v. Falsifying of any certification documents which includes Scope Certificate, Transaction Certificate, Label Release, Letter of Approvals etc.
- vi. For denials and withdrawals due to non-conformities please refer to section 23 of this scheme rules

## 12. Appeals

If the operator is not in agreement with the Lead Auditor's recommendation after an Initial and/or annual audit then they are at liberty to lodge an appeal with the CEO of **GCL**. The Operator shall support his/her reasons by objective evidence.

All appeals will be heard by a Appeal-Committee of the **GCL** Impartiality Committee. The Appeal-Committee may hear evidence from the operator's representative and the Lead Auditor. The decision of the Appeal-Committee is final and binding on both the Operator and **GCL**. No counter claim will be allowed by either party. No costs, for whatever reason, will be allowed for either party as a result of an appeal.

In case of any appeal, information related to handling of appeals can be found at (<https://www.gcl.uk/about-us/appeals/>)

## 13. Complaints

### a) General Requirements

All operators are required to maintain a log of all customer complaints raised against them. This log must be available for review during all Initial and/or annual audit. This log shall also be available to **GCL** Staff, Global Standard gGmbH Textile Exchange and IOAS upon request. Also, the operator

- I. takes appropriate action with respect to such complaints and any deficiencies found in products/chemical inputs that affect compliance with the requirements for certification/ letter of approval, and
- II. documents the actions taken.

### b) Complaints from Operators Regarding Auditor

If a operator has a complaint about the conduct of any **GCL** Auditor then this should be sent in writing to the **GCL** CEO. If the complaint involves the CEO or Standard Manager then the complaint is to be addressed to the Chairman of the Impartiality Committee of **GCL**. If complainant not satisfied with the result then it can be addressed to IOAS, GOTS and Textile Exchange.

### c) Complaints from Users of Operators Products (including chemical inputs) & Services

For complaints received from users of operators products (including chemical inputs) and/or services shall be lodged and then acknowledged to the complainant. Follow-up shall then be taken with the registered company in question.

Note: If fraud or other misrepresentation is found to exist, the **GCL** will take appropriate action as specified at this Point 1: also Point:22 (including extra audit) in this document.

The operator shall take appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with the requirements for certification/Letter of Approval.

**Note:** accept that the accreditation body and Textile Exchange may become engaged in the case that a complaint or appeal escalates GCL's authority, and agrees to cooperate with investigations.

In case of any Complaint, information related to handling of complaints can be found at (<https://www.gcl.uk/about-us/complaints/>)

## 14. Witnessed Visits

As part of the on-going surveillance of **GCL**, the operator agrees to allow representatives from accreditation bodies and scheme owners such as IOAS, GOTS and Textile Exchange the right to witness **GCL** conducting their audit duties. The fact that an Accreditation Body representative attends an audit will not affect the audit. Also, from time to time **GCL** may have to have trainee auditors or internal audits on an audit team.

## 15. Short Notice Audits

For operators that have been suspended or where **GCL** has received complaints then a short notice audit maybe required for follow-up and verification/validation of the implementation of corrective and preventive measures. In such cases the operator agrees to cooperate with **GCL** audit team members and allow the required access.

## 16. Terms of Payment

Payment shall be made in accordance with the individual invoice and the quotation/contract document.

## 17. Indemnification

In respect of any claim, loss, damage or expense however arising, **GCL's** liability to the operator shall in no circumstances exceed the amount of **GCL's** fees paid by the operator. Under no circumstance shall **GCL** be liable for any consequential loss.

## 18. Impartiality

GCL Auditor shall receive Code of Ethics Acknowledgement letter which shall be signed by Lead Auditor and client at the opening and submit to GCL.

**GCL** or any **GCL** representative shall **NOT**:

Provide management system consultancy which includes: preparation or production of manuals or procedures, or give specific advice, instructions or solutions towards the development, structure and implementation of a product management system

- a) allocate auditor(s) for a operator in where provided internal audit, or other related management system consultancy on the management system, within two years following the end of the consultancy.
- b) Certify an operator or Approve chemical inputs when a relationship with a management systems consultancy poses an unacceptable threat to impartiality. Provide an internal audit service to any certified operators or to approved chemical input producers.
- c) outsource any audits to a management consultancy company involved in management systems as described with the scope of these rules.
- d) have within any marketing materials any linkage to management system consultancy.

For any threats to impartiality that are discovered or reported, then the impartiality committee shall be informed, and responses shall be made and communicated.

## 19. Intellectual Property

The ownership of all issued audit reports remains the property of **GCL**.

## 20. Notification of changes made by the operator

- a) Should there be any significant changes cited in the application and with the operator organisation such as change of address, ownership, organization and management such as management representative, scope or product related changes, major changes to the management system and processes and the environmental, ethical and social impact of the certified organization caused by incidents or events (if applicable to the audit scope) then **GCL** should be informed by operator within five working days of occurrence.
- b) **GCL** shall determine whether the announced changes require further investigations. If such is the case, the operator shall not be allowed to release certified/approved products produced under the changed conditions until **GCL** has notified the operator accordingly.
- c) In response to an application for amendment to the scope of a certificate/ letter of approval already granted, **GCL** shall decide what evaluation procedure, if any, is appropriate, in order to determine whether or not the amendment should be made, and shall act accordingly.
- d) Operator shall inform **GCL** immediately of any planned changes that could affect product conformity to the relevant standard(s) such as change of production units, subcontractors, recipes or new suppliers) and not market products under the respective label before receiving **GCL**' approval.
- e) Operator shall hold a valid scope certificate whenever claimed materials are labelled with assured claims, shipped, or sold. Blending, mixing, and processing may occur between an audit and the time a scope certificate is issued with **GCL** prior approval. Otherwise, the materials shall not be considered to be certified.
- f) To notify **GCL** immediately of any application of prohibited substances or any differing residue analysis in any part of the operation.
- g) Prior to sending each shipment of claimed material for outsourcing to an independently certified subcontractor, the operator shall:
  - i. Ensure that a current and valid scope certificate is on file for the subcontractor;
  - ii. Inform **GCL** of the outsourcing and follow the **GCL** instructions regarding transaction certificates for outsourcing; and
  - iii. Ensure that sufficient transport records are used to track the movement of outsourced claimed materials, both when materials are sent to the subcontractor and when they are returned to the organization.
- h) When an operator suspects that any input or product is not in conformity with this Standard, they shall withdraw references to the claimed material content of the related product until they can confirm the valid certification of the product and shall inform **GCL** within seven calendar days. If the product has already been sold, they shall inform **GCL** and their customer within seven calendar days.

- i) If an operator is in the process of becoming certified and has had an on-site audit, the operator may request that **GCL** allow them to begin blending, mixing, or processing claimed materials before the scope certificate is issued. **GCL**'s approval is needed before proceeding. If input claimed materials are processed prior to the audit, they are not eligible for certification.
- j) For GOTS Scope 4- GCL shall ensure that each client in the chemical input approval procedure is notified of any relevant changes in the requirements relevant for the assessment and approval of chemical inputs without delay. Operator shall inform the GCL about any relevant changes related to applied or already approved input(s), such as:
  - change of supplier of raw materials used,
  - change of processing method / technology used or even
  - change of (concentration of) raw materials / ingredients used

## 21. Amendments to Scheme Rules

- a) **GCL** reserves the right to amend these Scheme Rules without prior notification. Should the Scheme Rules be updated the latest version shall be put on the web site and all operators informed about the changes.
- b) Operator should record the Scheme Rules as an "external document" within their management system for document control.

## 22. Serious Events, Semi-announced/Unannounced, Extra Audits

**GCL** informs the Textile Exchange and the Global Standard gGmbH with the name and certification Information of the certified organization. This register

- a) will be made publicly available on the website of the Textile Exchange and GOTS.
- b) The operator discloses all information about any Textile Exchange standard certification related activity with other Certification Bodies.
- c) New information or changes with regards to the certification procedure and requirements in the Textile Exchange and GOTS will communicate to third parties through **GCL** website and emailing operators directly.
- d) 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.
- e) In the event that the organization becomes aware of legal proceedings with respect to product or legality and there is evidence or suspicion of nonconformity within the certified organization **GCL** can carry out an extra audit to assess the issues.
- f) In serious cases, when certification shall be denied or withdrawn, Textile Exchange and Global Standard gGmbH are to be notified immediately.

### Semi-announced & Unannounced audit

Organization accepts that **GCL** may conduct semi-announced audits, unannounced audits and/or confirmation visits, for the purpose of monitoring the organization's conformity.

Organization 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 **GCL** conformity with GOTS and Textile Exchange requirements.

Explain and confirmed that an unannounced/semi-announced audit program is part of the certification. Participation in the unannounced/semi-announced Audit program is mandatory. Notice of no more than 2 business days may be given in advance of a semi-announced audit and shall not receive any advance notice for unannounced audit.

**Note:** Unannounced/semi-announced audit is not a full audit and GCL auditors checks the following (**but are not limited to**);

- verification of NCN which raised at previous visit
- Traceability of product (when a certification done without any production in place and just based on operator's management system then during the unannounced audit GCL auditors check and verify whether the certified material(s) production done as stated in the operator' management system or not), financial records of certified input and output materials
- Total quantity balance of the raw material and TCs, volume reconciliation
- If operator has wet processing. GOTS Chemical list, recipes and letter of approval needs to be checked randomly.
- The risky areas will be more emphasized. The risky areas are identified during the announced visit.
- Identification and segregation will be checked if production running during audit
- On-product claims relating to the Standard which are present on-site, including when labeling is done on behalf of a customer

### Extra Audit

- 1) An extraordinary event affecting a certified organization or **GCL** may temporarily prevent the **GCL** from carrying out planned audit on-site. When such a situation occurs, **GCL**, operating under the Scheme

need to establish (in consultation with certified organizations) a reasonable planned course of action.

- 2) Particular requirements to address high-risk situations **GCL** shall perform an Additional/Extra including unannounced audit if any following issues raised during any audit.
- 3) Samples for GOTS and TE standards (such as for residue testing for GOTS) may be taken by the auditor during the audit, either as back-up to the audit process or in case of suspicion of contamination or non-compliance. Additional samples of goods may be taken from the supply chain for testing such as wastewater or chemical residue tests at any time without advance notice.

GCL can decided to perform an Additional/Extra including semi-announced/unannounced audit if any following issues raised during any audit. Potential high-risk situations and related measures include:

- Parallel processing of certified and non-certified products: to prevent comingling or confusion of certified products with other products that do not meet the standards,
- Where an operator is certified by other Certification Bodies for a standard that shares the same scope (e.g.: organic cotton for the Global Organic Textile Standard and OCS), the **GCL** should seek information exchange with the other Certification Bodies involved to prevent misuse of certificates.
- High demand and low supply for certain products.
- If any critical or Many Minor or Major non-conformities found during the regular audit
- Very high price difference between organic and conventional products (very high price difference between allowed and illicit inputs,)
- Where an operator has been granted 30% reduction on audit man days

### 23. Closing-Out of NCN

#### Textile Exchange

##### a) Initial Audit

Critical NCN- Must be corrected and closed out before initial certification

Major NCN- Must be corrected and closed out before initial certification

Minor NCN - Minor Must be corrected and closed out 60 days from the audit (closing meeting)

##### b) Re-certification Audit

Critical NCN- Scope certificate shall be suspended immediately. the suspension shall be enacted within a maximum of five business days from the day the critical non-conformity was identified.

If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.

Major NCN- In case of major non-conformities, it must be corrected within 30 days (closing meeting), if operator can not correct the Major NCN then the certificate shall be suspended immediately.

Scope certificates shall be suspended immediately if there are five or more open major non-conformities.

If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.

Minor NCN - Minor Must be corrected and closed out 60 days from the audit (closing meeting)

Minor Non-conformity is upgraded to become a major non-conformity with a timeline 30 days from the original deadline

Note: Critical Practices- Specific to the worst forms of child labor, as defined by ILO C182 – Worst Forms of Child Labour Convention, 1999 (No. 182) and forced labor, as defined by ILO C029 – Forced Labour Convention, 1930 (No. 29), it is expected that no organization certified under Textile Exchange standards violates these fundamental human rights as afforded by Customary International Law. GCL have the authority to withdraw certification should such practices be taking place and Textile Exchange has the authority to ban such organizations from future certification.

### GOTS (Scope 1, 2,3 and 4)

#### a) INITIAL AUDIT

Critical NCN- Shall be corrected and closed out before initial certification/Letter of Approval

Major NCN- Shall be corrected and closed out before initial certification/Letter of Approval

Minor NCN - Minor Shall be corrected and closed out 60 days from the audit (closing meeting)

Note: Certification decisions shall be completed within 60 days of the audit. If a certificate is not issued by this date, certification shall be denied, and a new audit shall be required before the organization may become certified to the Standard.

#### b) RE-CERTIFICATION AUDIT (For Scope 1, 2 and 3 which is conducted annually)

Critical NCN- Scope certificate shall be denied or withdrawn immediately

Major NCN- In case of major non-conformities, the Scope certificate shall be suspended until implementation of corrective actions can be demonstrated.

If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.

Minor NCN - Minor Shall be corrected and closed out 60 days from the audit (closing meeting), if not is upgraded to become a major non-conformity.

**Note: For GOTS Scope 4 only**

- For GOTS Scope4 On-site audit is conducted in 3<sup>rd</sup> year (Re-Certification Audit) of granted Letter of Approval or Standard Revision, whichever is earlier.
- Reasons for denial of approval of applied inputs shall be stated with clear reference to the GOTS criteria or other approval requirement violation.
- In case reasons for denial or withdrawal or suspension of approval include fraudulent activities of the operator, GCL shall promptly notify Global standard gGmbH who will circulate among all approved certification bodies details of such entities.
- GCL shall not offer input approval to such entities where fraudulent activities have been detected for a time period specified by Global standard gGmbH.
- In case a chemical input, which was included in the latest circulated summary list needs to be removed from a "Letter of Approval" because of non-conformities found, a notification is to be sent to the GOTS Technical Director for circulation to all Approved Certifiers. This notification shall include the kind of non-conformities found so that the risk potential related to the use of that particular input can be estimated.
- The result of document review and on-site is either "approved" or "not approved", and GCL inform the client with the reason of disapproval
- If one of the points in the checklist is answered as "not approved", the product cannot be approved.

#### **24. Labelling Release and Transaction Certificate**

Operator shall be informed on how to use GOTS and Textile Exchange standards logo and to get Transaction Certificate (once they are certified) by the Lead auditor at closing meeting.

Operator shall send all the artwork and Labelling Release form to the GCL for approval prior to use.

Note: CCS product can not be labeled with the CCS logo or make reference to the CCS.

#### **Labelling Release and Claim Approval**

- Operator gets the related standard's Labelling Release form or Claim Approval Application from the GCL
- Operator submit the artworks together with completed related Labelling Release form or Claim Approval Application form
- GCL is to review the Labelling release form and Artworks for the compliance with related guideline(s) Conditions for the use of GOTS signs or Textile Exchange Standards Claims Policy and give approval through the Label Release Form or Claim Approval Application form.
- For Textile Exchange Approval of artwork is valid for up to one year or until the artwork changes.
- If, at any time, an approved claim falls out of conformity with the requirements of Textile Exchange Standards Claims policy, the claim maker shall cease using the claim.
- Extra care shall be taken with assured claims to ensure they are removed from ineligible locations and/or products.
- If **GCL** identifies any disallowed claims by an organization that is not currently certified or in the application process, then GCL should report these claims to Textile Exchange by filing a complaint with Textile Exchange through the online complaint form as per ASR-110 Complaints and Feedback Policy.

#### **Transaction Certificate**

Transaction Certificate (TC) is issued by the GOTS/ Textile Exchange approved/accredited Certification Companies. The Operator who certified by GCL can email GCL and ask to provide a Transaction Certificate.

The Transaction Certificates confirm that the products have been produced and certified against the respective standards such as GOTS or Textile Exchange standards (CCS, OCS, GRS, RCS,RDS,RWS,RMS).

Operator complete and the Transaction Certificate Form and send it to GCL together with all required documents.

Amendment and Invalidation of Transaction Certificate –

- a) To downgrade the claim from GRS to RCS
- b) To reduce the quantity of claimed material included on the transaction certificate, if further evidence shows that it was inaccurate
- c) To correct typographical errors ( including increasing the quantity of claimed materials), within seven calendar days of issuance only
- d) To invalidate the transaction certificate.

GCL shall invalidate a transaction certificate if GCL learns that any of the following apply –

- a) The organization presented falsified or fraudulent documents to obtain the transaction certificate

- b) If GCL identifies that it has issued the transaction certificate in error
- c) The applicable input transaction certificate is invalidated
- d) d.The claimed materials/products are otherwise shown to ineligible for claim being made
- e) In case that a claimed material is shown not to be eligible for a GRS transaction certificate due to not meeting the criteria of social, chemical, or environmental modules of the GRS the transaction certificate may be downgraded to RCS provided the operator is RCS certified

#### **25. Change of Certifier (GCL) -Migration, Closure of business or withdrawal of Approval/Accreditation**

GCL accept certificates and letters of approval issued in accordance with the Global Organic Textile Standard/Textile Exchange by other Certifiers approved by the Global Standard gGmbH/Textile Exchange, in order to conclude final certification.

Operators should not apply to GCL to bypass observations / NCs raised by the old CB. Under normal circumstances, migration to a new CB is not permitted if there are open non-conformities.

Upon termination GCL transfer documentation on all operations certified by GCL under the GOTS/ Textile Exchange to another Approved Certifier.

In the event of a GCL closing operations or withdrawal of approval/Accreditation, Operator will be nurtured through the process of moving to another CB-Approved Certifier.

GCL shall provide the certified operator with at least 90 days' prior written notice before ceasing any or all certification activity should GCL voluntarily cease Textile Exchange Standard(s) activities. Such notice period shall not apply if the site is withdrawn or suspended for any reason.

#### **26. Privacy Notice**

We take the privacy and the protection of personal information seriously. Our Privacy Notice sets our details about we gather, use and share personal information and about individual privacy rights. How we use personal information depends upon the context in which it is made available to us. Our Privacy Notice is available from our website: <http://gcl-intl.com/privacy-policy-cookies/>

GCL International strictly comply with the legislation requirements as stipulated in The Data Protection Act 2018. The Data Protection Act 2018 is the UK's implementation of the General Data Protection Regulation (GDPR).

#### **27. Arbitration and Disputes**

Any dispute, controversy, proceedings or claim between the parties relating to this Agreement shall be settled amicably. If no agreement is reached, the matter will then be referred to an arbitrator nominated by both parties.

#### **28. Applicable Law and Jurisdiction**

This Agreement and any dispute, controversy, proceedings or claim between the parties relating to this Agreement shall be governed by, and construed in accordance with, the laws of England and Wales.

#### **28. GCL Policies**

GCL follows policies as stated on GCL's website (<https://www.gcl.uk/about-us/policies/>)

#### **28. GCL Anti-bribery and Corruptions**

GCL follows policies as stated on GCL's website (<https://www.gcl.uk/about-us/policies/>)