



# Content Claim Standard 3.0

## — User Manual

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The CCS 3.0 replaces CCS 2.0 and is effective as of July 1, 2021. All audits conducted on or after July 1, 2022 shall be conducted using CCS 3.0.

English is the official language of the CCS 3.0. In any case of inconsistency between versions, reference shall be made to the English version.

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The CCS 3.0 will undergo a revision process at least every five years. The next revision is tentatively scheduled to begin in 2025, for completion in 2026. You may submit feedback to the standard at any time; send to [Standards@TextileExchange.org](mailto:Standards@TextileExchange.org). Points of clarification may be incorporated into supplementary and guidance documents prior to 2026. More substantive feedback or suggested changes will be collected and reviewed as part of the next revision of the document.

## Document Revision History

Content Claim Standard 1.0, released September 2012  
Content Claim Standard 2.0, released January 2016  
Content Claim Standard 3.0, released July 2021

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## Introduction

### About the Content Claim Standard User Manual

The Content Claim Standard (CCS) User Manual is intended to support companies in the implementation of the Content Claim Standard 3.0. This CCS User Manual is a separate document existing alongside the Content Claim Standard 3.0.

### About the Content Claim Standard

The goal of the CCS is to ensure the accuracy of content claims. It tracks verified input material through the supply chain and applies to any product, from any industry. The CCS is intended to maintain the integrity of the *claimed material's* attributes from the original input source to the *final product*. The CCS is verified by an accredited third-party *certification body*.

The Content Claim Standard provides:

- The chain of custody foundation for all of Textile Exchange's standards;
- Industries with a tool to build trust with consumers about content claims; and
- Companies with a tool to verify business-to-business content claims.

The Content Claim Standard is owned and managed by Textile Exchange.

### About Textile Exchange



Textile Exchange is a global nonprofit that creates leaders in the sustainable fiber and materials industry. The organization develops, manages, and promotes a suite of leading industry standards as well as collects and publishes vital industry data and insights that enable brands and retailers to measure, manage, and track their use of preferred fiber and materials.

With a membership that represents leading brands, retailers, and suppliers, Textile Exchange has, for years, been positively impacting climate through accelerating the use of preferred fibers across the global textile industry and is now making it an imperative goal through its 2030 Strategy: Climate+. Under the Climate+ strategic direction, Textile Exchange will be the driving force for urgent climate action with a goal of 45% reduced CO2 emissions from textile fiber and material production by 2030.

## How to Use This Document

This document includes:

- Guidance on compliance to the CCS 3.0 criteria; and
- Additional information, that is not required for conformity, but may be useful when planning full chain of custody.

Specific standards guidance and additional information follow the standard to which they apply.



### Criteria Guidance

Criteria guidance is marked with the compass. This provides additional details on what conformity with the corresponding criterion will look like. Explanation of application, documents required, templates that may be used, and information to be collected in your records are all listed here.



### Additional Information

Additional information is also provided for some criteria, which includes information that may be beneficial but does not necessarily relate to conformity with the standard.

## Terminology


In the CCS, the following terms are used to indicate requirements, recommendations, permissions, and possibilities or capabilities:

- “shall” indicate requirements that are binding;
- “should” indicates a recommendation (non-binding);
- “may” indicates a permission (non-binding); and
- “can” indicates a possibility or a capability.

Any time “Standard” is used, it refers to the Content Claim Standard or the standard to which the organization is ultimately seeking certification (e.g. the Organic Content Standard, Recycled Claim Standard, or Responsible Down Standard).

Any time reference is made to labeling, it refers to the standard to which the organization is seeking certification (e.g. the Organic Content Standard, Recycled Claim Standard, or Responsible Down Standard).

“Desired outcomes” have been included to detail the intent of criteria, but they are not criteria themselves. They are designated by an icon before each module, see the following example:



**Desired outcome:** Claimed material is properly identified with its unique attributes and integrity is maintained by all involved organizations.

### Standard conformity and certification decision

When a non-conformity is identified during an audit, it will be classified as critical, major, or minor in the written audit report that the certification body will provide to the (to be) certified site after the audit. A certification decision can be expected once all non-conformities are resolved. Please see Appendix B in the [ASR-101 Accreditation and Certification Procedures for Textile Exchange Standards](#) for a classification and management of non-conformities.

### Legal Compliance

The CCS does not include criteria related to product quality or legal compliance. Textile Exchange expects all organizations certified under Textile Exchange standards to comply with all applicable local, national, and international laws and regulations at all times. The criteria in the Content Claim Standard (CCS) may be more or less strict, or equivalent to applicable laws. Where applicable laws and/or regulations are stricter than the CCS criteria, the law will take precedence. Where CCS criteria are stricter, the criteria of the CCS will take precedence. The intent is that where laws and the standard criteria overlap, the strictest takes precedence. Each organization is expected to ensure their own compliance with applicable laws. If there is concern that a Textile Exchange standard is in conflict with an applicable law, the organization’s certification body should contact Textile Exchange.

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. Certification bodies 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.





## Section A - General Information

### A1. References

**A1.1** All *organizations* are subject to the criteria of the following documents. All can be found at [TextileExchange.org/Standards](https://TextileExchange.org/Standards).

**A1.1.1** [\*TE-301 Standards Claims Policy\*](#) – This document describes the language and design criteria for communication related to the Standard.

**A1.1.2** [\*CCS-201 CCS User Manual\*](#) – This document accompanies the CCS and should be used for interpretation and guidance for users of the CCS, including all sites subject to certification.

**A1.2** Key auditing and certification criteria for certification bodies are specified in the following documents:

**A1.2.1** [\*ASR-101 Accreditation and Certification Procedures for Textile Exchange Standards\*](#);

**A1.2.2** [\*ASR-103 Policy for Scope Certificates\*](#);

**A1.2.3** [\*ASR-104 Policy for Transaction Certificates\*](#);

**A1.2.4** [\*ASR-213 Materials, Processes, and Products Classification\*](#); and

**A1.2.5** [\*CCS-102 CCS Certification Procedures\*](#).

## A2. Conformity Levels

- A2.1** The certification body issues critical, major, or minor non-conformities when a site is found to not meet the criteria of the standard. Full criteria for issuing *non-conformities* are found in [ASR-101 Accreditation and Certification Procedures for Textile Exchange Standards](#).



See Appendix B in *the ASR-101 Accreditation and Certification Procedures for Textile Exchange Standards* for a classification and management of non-conformities. A few examples for Critical, Major, and Minor criteria are as follows:

- **Critical:** Critical non-conformities represent serious failures to meet the fundamental principles of the Standard. For example, the organization has falsified incoming transaction certificates (C1.5);
- **Major:** Major non-conformities occur if, either alone or in combination with further non-conformities relating to other criteria, they result in, or are likely to result in, a fundamental or systematic failure to achieve the objectives of the standards system. For example, no annual review of the volume reconciliation was conducted (C3.8); and
- **Minor:** 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 example, training records were not maintained for staff trained during the last year (C2.2).

## Section B - Principles of CCS Certification

### B1. Scope

- B1.1** CCS certification applies to all *supply chain sites* that own or take physical possession of the *claimed material* up to and including the *brand* of the final *product*, except as indicated below (B1.2)
- B1.2** *Traders*, who do not take physical possession of products, are not required to be certified if all of the following conditions are met:
- B1.2.1** The trader is not a *brand*;
  - B1.2.2** The trader's supplier(s) for claimed materials is/are certified to the Standard;
  - B1.2.3** The trader is identified on the *transaction certificate*;
  - B1.2.4** Records are provided to the certification body of the trader's supplier sufficient to track the sale of the certified material to the trader's customer;
  - B1.2.5** There is no change in the certified or total volume; and
  - B1.2.6** The certified material is shipped directly from the trader's supplier to the trader's customer (i.e. no *outsourcing* is done by the trader).
- B1.3** Traders shall become certified in order to sell claimed material if they do not meet the conditions from B1.2. The trader may also choose to become certified. In this case, all audits may be conducted remotely at the certification body's discretion.
- B1.4** Distributors are not required to be certified if they are handling final products on behalf of a brand (including brand-owned and outsourced locations). See E3 for further details.
- B1.5** *Retailers* are not required to be certified unless they are brands or are conducting processing which is not minor in nature.



Retailers may carry out minor processing on products, such as printing, embroidery, or garment alterations. In most cases this will not affect the certification status of the final product, which means the product could still be labelled.

Processing may be considered to be minor in nature if:

- The standard's logo is not applied, modified, or altered by the organization;
- The retailer's input product would be suitable for sale to the end user (e.g. a finished t-shirt), and the processing is limited to printing, embroidery, and garment alterations;
- Processing is not outsourced; and
- If the processing is a print process or if chemicals are used, the standard is not GRS.

If these conditions are not met, the retailer is required to become certified to the applicable Textile Exchange standard.

**B1.6** The Standard may apply globally.

**B1.7** The Standard may apply to materials and products of any type.



Claims may be made on a full product (e.g. a shoe) or on a product component (e.g. shoelaces) as long as it is clear to the consumer what the claim applies to.

Examples of full product claims:

Product Category	Product Details	Material & Material composition	Standard (Label Grade)
Women's Apparel (PC0002)	Sweaters (PD0004)	100% Responsible wool (RM0083)	RWS (RWS)
Women's apparel (PC002)	Sweaters (PDO04)	50% Responsible mohair (RM0064) = 50% Wool (RM0077)	RMS (RMS)
Women's apparel (PC0002)	Seaters (PD0004)	50% Responsible wool (RM0083) + 50% Responsible mohair (RM0064)	RWS (RWS), RMS (RMS)
Footwear (PC0016)	Shoes - upper material (PD0035)	100% Organic cotton (RM0104)	OCS (OCS 100)

Footwear (PC0016)	Shoes – lining (PD0035)	100% Organic cotton (RM0104)	OCS (OCS 100)
Footwear (PC0016)	Shoes – lining (PD0035)	51% Recycled post-consumer polyamide (nylon) (RM0185) + 49% Polyamide (nylon) (RM0182)	GRS (GRS)
Footwear (PC0016)	Shoes – lining (PD0035)	20% Recycled post-consumer polyamide (nylon) (RM0185) + 80% Polyamide (nylon) (RM0182)	GRS (No label)
Men’s apparel (PC0001)	Jacket – Inner fabric (PD0001)	100% Recycled post-consumer polyester (RM0189)	RCS (RCS 100)
Men’s apparel (PC0001)	Jacket- trims (PD0001)	20% Recycled pre-consumer metal (RM0248) + 54% Copper (RM0292) + 26% Silver (RM0246)	RCS (RCS Blended)

**B1.8** A site may process and handle both claimed and non-claimed material. Claimed material shall have one or more attributes which form the basis of the *claim*.

## B2. Claims

- B2.1** Reference to the CCS is not permitted on any *consumer* products or consumer-facing product marketing.
- B2.2** Non-assured claims related to the CCS are allowed and shall be subject to the criteria of [TE-301 Standards Claims Policy](#). When the CCS is used to make claims for a *primary standard* other than a Textile Exchange standard, that standard’s claims criteria shall apply instead.

It is important to understand the connection between chain of custody and product labelling. Only products that are fully certified to all applicable CCS criteria qualify for product labelling to the applicable standard (e.g. Responsible Down Standard or Global Recycled Standard). Product labeling is considered to be an assured claim and is required to conform with all criteria in [TE-301 Standards Claim Policy](#) and [TE-302 Standards Logo Use Specifications](#).

As a generic chain of custody standard, it is not permitted to make a product-related claim that references the CCS. Examples of claims that are not permitted include, “this product is CCS certified” or “this product contains 50% CCS certified material.”

Textile Exchange also authorizes other standards to use the CCS for their chain of custody. In this case, the audit is conducted using the CCS, but the other standard’s claims criteria are to be followed. This may include a claims approval process which differs from that of Textile Exchange.



It is important to understand the connection between chain of custody and product labelling. Only products that are fully certified to all applicable CCS criteria qualify for product labelling to the applicable standard (e.g. Responsible Down Standard or Global Recycled Standard). Product labeling is considered to be an assured claim and is required to conform with all criteria in [TE-301 Standards Claim Policy](#) and [TE-302 Standards Logo Use Specifications](#).

As a generic chain of custody standard, it is not permitted to make a product-related claim that references the CCS. Examples of claims that are not permitted include, “this product is CCS certified” or “this product contains 50% CCS certified material.”

Textile Exchange also authorizes other standards to use the CCS for their chain of custody. In this case, the audit is conducted using the CCS, but the other standard’s claims criteria are to be followed. This may include a claims approval process which differs from that of Textile Exchange.

## B3. Certification Criteria

**B3.1** The following module shall be applicable to all CCS *organizations*:

### Section C - Management System Criteria

C5. Outsourcing applies to all organizations who are *outsourcing*, except for the outsourced storage of *final products* where the *contracting organization* is a brand. Outsourced storage facilities shall not include any facilities that perform processing.

**B3.2** The following module shall be applicable to all CCS *processor, trader, and distributor sites*. *Brands* are only required to meet this module if they are also processors.

### Section D - Processing and Handling Criteria

D3. Material Handling and Processing applies to all sites listed in B3.2 who take physical possession of claimed materials.

D4. Blending and Mixing applies to all sites listed in B3.2 who *blend* or *mix* claimed materials.

D5. Transport and Sale applies to all sites listed in B3.2 except for brands.



*Brands* are only required to meet this module if they are also processors and are not required to meet D4.

**B3.3** The following module shall be applicable to all CCS *brands*:

### Section E - Brand Criteria

E1. Receiving Final Products applies to all brands who are not implementing Section D - Processing and Handling Criteria.

**B3.4** The following module shall be applicable to all CCS *organizations* with two or more certified *sites*:

### Section F - Multi-Site and Group Criteria

**B3.5** All sites subject to certification are audited on-site at least once annually, unless the site falls under an exception to allow for less frequent or remote audits.



Some audits may be conducted remotely in place of an on-site audit but restrictions apply.

EXAMPLE: If an organization is certified to one or more Textile Exchange standards, or to GOTS, the initial audit may be conducted remotely. (This does not apply to GRS.)

[CCS-102 CCS Certification Procedures](#) further defines auditing criteria, including cases where risk-based auditing may be conducted.



## Section C - Management System Criteria



**Desired outcome:** The organization has sufficient management practices and records in place to ensure that the integrity of claimed materials is maintained across the organization and to ensure that audits may be conducted effectively, chain of custody may be demonstrated, and there is confidence in the system consistently meeting the goals of the CCS.

### C1. General Management System Criteria

- C1.1** The *organization* shall operate a management system that ensures that all applicable criteria of the Standard are fully implemented.



The management system required in the CCS may be integrated into an already existing quality management system, such as ISO 9001.

- C1.2** The organization shall establish, implement, and maintain documented procedures and/or work instructions covering all applicable criteria of the CCS.
- C1.3** The organization shall maintain a documented management plan that describes processes, including the points of risk as well as a material and process flow diagram.
- C1.4** The organization shall appoint a management representative to be responsible for the overall conformity with the CCS.



An individual in a management role is required to oversee the conformity with the CCS standard. The management representative should have enough authority over operations to ensure that all applicable criteria of the Standard are implemented.

- C1.5** The organization shall provide the certification body with 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:

- C1.5.1** Access to all parts of the physical site;

- C1.5.2** 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;
- C1.5.3** Access for *auditors* to interview *personnel* without restriction and without observation by management representatives; and
- C1.5.4** Equivalent access to all sites and *associated subcontractors* included in the *scope certificate*.



Access for the certification body means access to all relevant facilities, including (but not limited to) warehouses, subcontractor's sites, and worker dormitories where applicable to the Standard.

- C1.6** The organization shall demonstrate that it is a registered legal entity with legal permission to operate and shall maintain a listing of the name, location, and processes performed at each site, along with documentation of legal permission to operate for all processing sites.



Legal permission to operate is defined as the applicable national and local law(s) within their jurisdiction. This includes (but is not limited to) holding a valid business license as well as applicable approvals for fire safety, building safety, industrial water usage, industrial water disposal, waste disposal, and electricity usage as required by the law(s).

- C1.7** The organization shall conduct a regular (at least annual) internal inspection process to evaluate their own conformity with the CCS. The internal inspection shall be documented along with any non-conformities identified.



The internal inspection may be conducted by the management representative named under C1.4 in most cases.

The organization should use a checklist with the applicable CCS criteria to identify conformity during the internal audit. Special attention should be paid to material tracking and handling, and to volume reconciliation.

For multi-site and group scope certificates, see Section F - for additional criteria and guidance relating to internal inspections.



Internal inspections are intended to give each organization an opportunity to identify potential mistakes or non-conformities in their system in advance of each audit.

## C2. Training

- C2.1** The organization shall maintain and communicate clearly defined roles and responsibilities for all responsible personnel that may have an impact on the implementation of the Standard.
- C2.2** The staff responsible for each procedure impacted by the Standard shall be given proper and regular training with regards to the implementation of the Standard and documented training records shall be maintained.



All staff who are handling claimed materials or responsible for meeting CCS criteria should at minimum be aware of the standard and of the organization's certification/application for certification.

Specific training on CCS criteria is not required if the staff member meets the applicable criteria by following the organization's standard operating procedures, even when those procedures do not directly reference the CCS or the applicable Standard. In this case, records of staff training on standard operating procedures should be made available.

## C3. Volume Reconciliation



**Desired outcome:** The organization does not sell more products as certified than they were able to produce given their available CCS inputs.

- C3.1** The organization shall maintain a system that controls and quantifies volumes of claimed input and output materials at all times.
- C3.2** The organization shall maintain:
- C3.2.1** Complete and up-to-date records of the description, quantities, origins, and/or destinations of all claimed materials purchased, sold, received, or delivered;
  - C3.2.2** Transaction certificates for any incoming claimed materials; and
  - C3.2.3** *Volume reconciliations* performed.
- C3.3** The organization shall conduct an ongoing volume reconciliation per lot or batch production to balance the quantities of each claimed material purchased, in stock, and sold.



The objective of volume reconciliation is to ensure that certified output volume does not exceed available certified input (from transaction certificates) after factoring in production losses. In order to maintain full chain of custody, detailed records or systems are needed which identify which inputs were used in the production of a given output product.



On a high level, the volume reconciliation formula looks like this:

$$\textit{Input weight} \quad - \quad \textit{Processing loss} \quad = \quad \textit{Output weight}$$

The calculation starts with the input weight (e.g. 100 kg of dyed fabric made with 100% organic cotton). You then subtract the process loss (10% of manufacturing waste). Finally, the resulting value is the output weight (e.g. 90 kg of t-shirts made with 100% organic cotton). In this example, thread is considered a trim and is not required to be included in the calculation.

Examples of simple volume reconciliation formulas for the cotton supply chain are below.

**Processing step: Ginning**

$$\begin{array}{rclcl}
 \textit{Input weight} & - & \textit{Processing loss} & = & \textit{Output weight} \\
 1000 \text{ kg} & & 650 \text{ kg} & & 350 \text{ kg} \\
 \text{of seed cotton} & & (65\% \text{ waste rate}) & & \text{of lint cotton}
 \end{array}$$

**Processing step: Spinning**

$$\begin{array}{rclcl}
 \textit{Input weight} & - & \textit{Processing loss} & = & \textit{Output weight} \\
 350 \text{ kg} & & 105 \text{ kg} & & 245 \text{ kg} \\
 \text{of lint cotton} & & (30\% \text{ waste rate}) & & \text{of highly combed} \\
 & & & & \text{cotton yarn}
 \end{array}$$

**Processing step: Knitting**

$$\begin{array}{rclcl}
 \textit{Input weight} & - & \textit{Processing loss} & = & \textit{Output weight} \\
 245 \text{ kg} & & 5 \text{ kg} & & 240 \text{ kg} \\
 \text{of combed cotton} & & (2.1\% \text{ waste rate}) & & \text{of greige knitted} \\
 & & & & \text{fabric}
 \end{array}$$

**Processing step: Dyeing & Finishing**

$$\begin{array}{rclcl}
 \textit{Input weight} & - & \textit{Processing loss} & = & \textit{Output weight} \\
 240 \text{ kg} & & 24 \text{ kg} & & 216 \text{ kg} \\
 \text{of greige knitted fabric} & & (10\% \text{ waste rate}) & & \text{of dyed knitted} \\
 & & & & \text{fabric}
 \end{array}$$

**Processing step: Garment manufacturing**

$$\begin{array}{rclcl}
 \textit{Input weight} & - & \textit{Processing loss} & = & \textit{Output weight} \\
 216 \text{ kg} & & 54 \text{ kg} & & 162 \text{ kg} \\
 \text{of dyed knitted fabric} & & (25\% \text{ waste rate}) & & \text{of women's apparel}
 \end{array}$$

Additional guidance around how to calculate claimed material content can be found under D4.2.4.

- C3.4** The volume reconciliation calculation shall be conducted based on the standardized weight of the materials, except when final products are the inputs. Where the final products are the input, the number of items is permitted.

**C3.5** The organization shall specify the equations used for the volume reconciliation and content claims, including an example of the equations being applied.



The organization should submit their formulas and sample volume reconciliation calculations to their certification body in advance of their audit. It is recommended that certified sites keep track of their formulas and sample volume reconciliation by process category, by product category, and specific product.

See examples of simple volume reconciliation in C3.3 Criteria Guidance.

Examples have been provided below for calculating claimed material content in cases of mixing or blending and for how to adjust the formula when mixed or blended materials have different processing loss rates. These calculations rely on the simple volume reconciliation calculation in C3.3 but include additional steps to calculate the claimed material content.

As a rule, when the processing loss rates of each material in the composition of the product are the same, the content percentages can be calculated using the input weight of each material. When the processing loss rates are different for each material, the output weights should be calculated separately first, then used to calculate the claimed material content.

Because these examples are a bit more complex, the following letters are used to represent the elements of the equations:

A = Total input weight (kg)

A1 = Input claimed material weight (kg)

A2 = Input non-claimed material weight (kg)

B = Processing loss (%)

B1 = Processing loss of material A (%)

B2 = Processing loss of material B (%)

C = Total output weight (kg)

C1 = Output claimed material weight (kg)

C2 = Output non-claimed material weight (kg)

D = Claimed material content percentage (%)

*Example 1: All input materials have the same processing loss rate.*

- Processing Step: Dyeing & Finishing

- Total input weight (A): 300 kg of fabric
  - 100 kg of claimed material (A1)
  - 200 kg of non-claimed material (A2)
- Processing loss (B): 10% (assuming both materials have same loss rate)

**Volume Reconciliation Formula:**

Total input weight – Processing loss = Total output weight

$$(A) - B(A) = C$$

$$(100 \text{ kg} + 200 \text{ kg}) - 10\% (100 \text{ kg} + 200 \text{ kg}) = 270 \text{ kg}$$

**Claimed Material Content Percentage Calculation:**

When the processing loss rates of the claimed material and the non-claimed material are the same, the percentage content of the claimed material is calculated using the input weights.

Claimed material input weight / Total input weight = claimed material content percentage

$$A1 / A = D$$

$$100 \text{ kg} / (100 \text{ kg} + 200 \text{ kg}) = 0.33$$

*(convert to 33% claimed material content)*

*Example 2: Each material has different processing loss rates.*

- Processing Step: Dyeing & Finishing
- Total input weight (A): 200 kg of fabric
  - 100 kg of claimed material (A1)
  - 100 kg of non-claimed material (A1)
- Processing loss: In this example, we assume materials A1 and A2 have different processing loss rates:
  - B1 = 10%
  - B2 = 20%

In this example, because the processing loss rates of the input materials are different, the output weight of each material is calculated first before calculating the claimed material content percentage.

**Volume Reconciliation Formula:**

Input material weight – Processing loss = Output material weight

*Material A1 (Claimed Material):*

$$(A1) - B1(A1) = C1$$

$$(100 \text{ kg}) - 10\% (100 \text{ kg}) = 90 \text{ kg}$$

*Material A2:*

$$(A2) - B2(A2) = C2$$

$$(100 \text{ kg}) - 20\% (100 \text{ kg}) = 80 \text{ kg}$$

Each output material weight is added to get the total output material weight.

$$C1 + C2 = C$$

$$90 \text{ kg} + 80 \text{ kg} = 170 \text{ kg}$$

**Claimed material Content Percentage Calculation:**

In contrast to the first example, the material output weight is used to calculate the claimed material content percentage.

Claimed material output weight / Total output weight = claimed material content percentage

$$C1 / C = D$$

$$90 \text{ kg} / 170 \text{ kg} = 0.529 \text{ (convert to 52\% claimed material content)}$$

*Example 3: The product includes components which might be eligible for exclusion from the content calculation.*

- Processing step: Women’s apparel production – dresses.
- Total input weight (A): 200 kg of polyester fabric, 6 kg of sequins (embellishment)
  - 100 kg of certified Recycled post-consumer polyester fabric (A1)
  - 100 kg of non-claimed polyester fabric (A2)



- 6 kg of sequins (embellishment) dye (A3), candidate for exclusion from content calculation.
- Processing loss (B): 3% In this example, the assumption is that materials A1 and A2 have the same processing loss rate.

**Sequins (embellishment) Content Percentage Calculation:**

To determine whether materials are eligible for exclusion from the claimed material content percentage, the output percentage of the additive is calculated using the formula for claimed material content calculation from Example 1. If the processing loss rates for the sequins (embellishment) differed from the other materials, then both formulas from Example 2 are used to identify the dope dye percentage content.

Sequence (embellishment) input weight / Total input weight = Sequins (embellishment) content percentage

$$A3 / A = \text{Sequins (embellishment) content percentage}$$

$$6 \text{ kg} / (206 \text{ kg}) = 0.029 \text{ (convert to 3\% claimed material content)}$$

This is less than 10% and therefore qualifies for exclusion from the claimed material content percentage (see C3.3 for additional guidance).

**Claimed Material Content Percentage Calculation:**

The same formula as Example 1 is used, with the sequins (embellishment) excluded from the calculation. If the processing loss rates of the materials are different, use the formula from Example 2.

Claimed material input weight / Total input weight = claimed material content percentage

$$A1 / A = D$$

$$100 \text{ kg} / (200 \text{ kg}) = 0.50 \text{ (convert to 50\% certified RCS PET)}$$

Additional options may be used if they produce the same results. This may include formulas built into a database. To adjust these formulas for products with more than two components or materials, simply add additional material options. For example, instead of A1 and A2 for the two materials of the fabric in the example above, perhaps the product has A1, A2, A3, and A4.

It is not required to submit all content calculations to the auditor ahead of the audit, but examples should be provided from each processing step or product category within the scope of certification.

- C3.6** The organization shall define the expected waste factors for each processing step. Where waste factors vary, separate waste factors shall be defined to cover all products and processing steps listed on the scope certificate. The organization shall specify the basis for determining waste factors.



All process losses (waste factors) are dependent on combinations of process category, product category, product detail, raw material, and material composition (including both claimed and non-claimed material).

Certified sites are required to keep detailed records on waste factors per process and product. Textile Exchange published the [2019 Fiber Conversion Methodology](#) (see page 11-15) which may be used to help calculate waste factors.

- C3.7** The volume reconciliation calculation shall take into account inventory levels, waste, rejected goods, and claimed materials sold without certification claims.

- C3.8** The organization shall review the volume reconciliation at least annually to ensure that information is correct. This shall include:

- C3.8.1** Taking a physical inventory of any claimed materials in stock, including inputs, materials in the production process, and outputs;
- C3.8.2** Comparing the actual waste factors to the expected waste factors. Deviations of more than five percent from the expected waste factors shall be investigated;



Textile Exchange published the [2019 Fiber Conversion Methodology](#) (see page 11-15) which may be used to calculate waste factors or as a comparative analysis.

- C3.8.3** Consideration of claimed material sold without certification claims;
- C3.8.4** Comparing the production of claimed and non-claimed material to the site's production capacity; and
- C3.8.5** Maintaining a record of the reviewed volumes.

- C3.9** If the organization uses a continuous production method where batch level segregation of product is not possible, volume reconciliation may be permitted on an alternative basis. See *CCS-105 Alternative Volume Reconciliation (VR2)*.

## C4. Record Keeping



**Desired outcome:** The organization shall keep complete traceability of product from raw material purchase to final product sales.

- C4.1** The organization shall maintain complete, up-to-date, easily auditable, and understood records to demonstrate conformity with all criteria of the CCS.
- C4.2** All records used in the implementation and/or verification of the CCS shall be retained by the organization for a minimum of five years.

## C5. Outsourcing



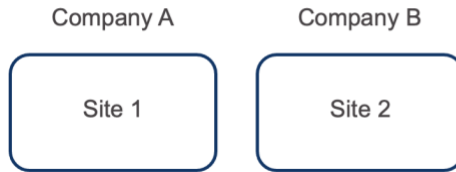
Section C5. Outsourcing applies to all organizations who are outsourcing, except for the outsourced storage of final products where the contracting organization is a brand.

- C5.1** The organization may outsource the handling and processing of claimed materials to subcontractors. In this case, the organization is acting as a *contracting organization*. The organization shall maintain full responsibility for conformity with the Standard for outsourced materials. Subcontractors shall not have *common ownership* with the contracting organization.

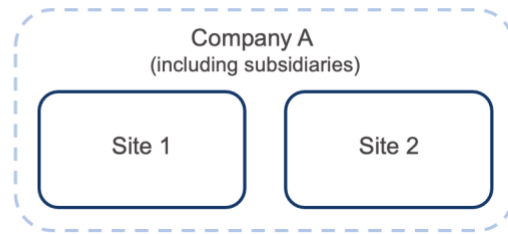


The graphics below visualize separate and common ownership, contracting organizations vs. subcontractor, as well as site vs. subcontractor.

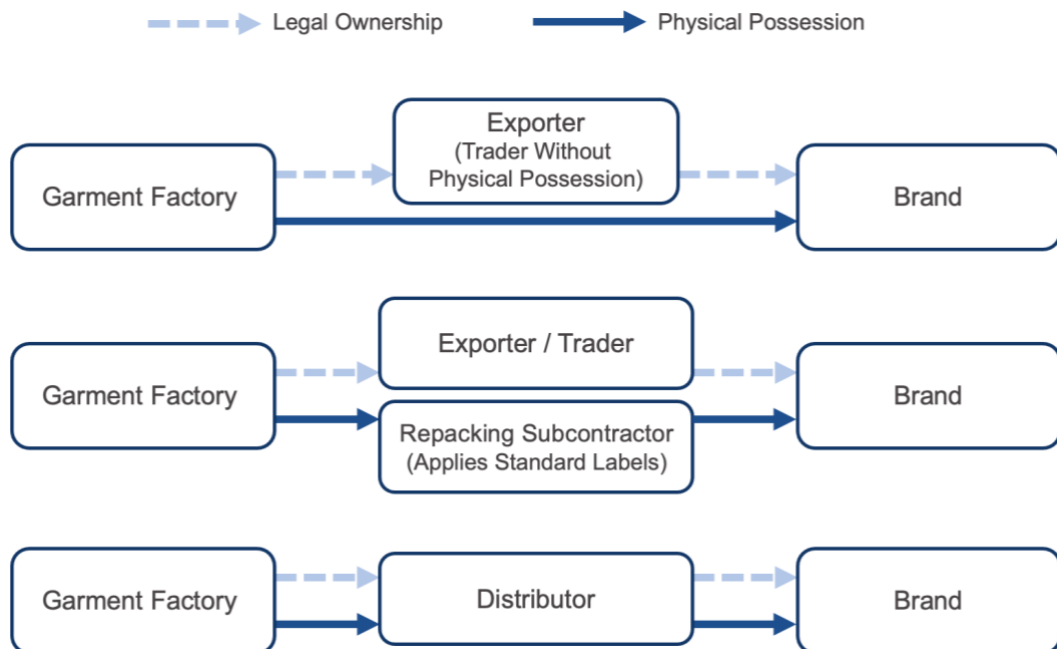
**Separate Ownership**



**Common Ownership**



In the diagram on the left, Site 1 may use Site 2 as a subcontractor. In the diagram on the right, Site 1 could not outsource to Site 2 because they are under common ownership.



**C5.2** The organization shall classify each subcontractor as either:

- C5.2.1** An *associated subcontractor* who is not independently certified to the Standard, and who is audited as needed under the organization’s scope certificate; or
- C5.2.2** An *independently certified subcontractor*, who holds a scope certificate to the Standard independent from the organization.



The certification body audits associated subcontractors as part of the organization’s audit, on a risk basis. Independently certified subcontractors do not receive an additional audit as part of the organization’s audit. Textile Exchange recommends that subcontractors for high-risk processes, including all GRS subcontractors, be independently certified. Subcontractors are not required to be independently certified.

- C5.3** The organization shall maintain a list of all subcontractors who may be used to store or process claimed materials, including the subcontractor’s name, address, contact details, and outsourced processing steps. For independently certified subcontractors, the list shall also include the subcontractor’s certification body, license number, and scope certificate expiry date.
- C5.4** The organization shall receive approval from the certification body and an updated scope certificate prior to outsourcing to a new subcontractor.
- C5.5** The organization shall have a valid contract with each associated subcontractor which identifies the work to be outsourced and specifies that the subcontractor shall:
  - C5.5.1** Meet all applicable certification criteria of the Standard;
  - C5.5.2** Maintain physical separation of the claimed material from all other materials present at the subcontractor’s site;
  - C5.5.3** Agree to allow the organization’s certification body to conduct audits of the subcontractor in accordance with the Standard;
  - C5.5.4** 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
  - C5.5.5** Not further outsource any processing or storage of the claimed material.



C5.5 does not apply to independently certified subcontractors. Purchase orders are sufficient as long as the contract language is present.

- C5.6** The organization shall have a valid contract with each independently certified subcontractor which identifies the work to be outsourced and specifies that the subcontractor shall:

- C5.6.1** Meet all applicable certification criteria of the Standard under their own certified system;
- C5.6.2** Within seven calendar days, inform the organization of any change in their certification status, including *suspension*, *withdrawal*, expiry, or recertification; and
- C5.6.3** Provide the organization with an updated scope certificate upon recertification.



Only certified subcontractors are permitted to further subcontract to another organization.

- C5.7** Prior to sending each shipment of claimed material for outsourcing to an independently certified subcontractor, the organization shall:
  - C5.7.1** Ensure that a current and valid scope certificate is on file for the subcontractor;
  - C5.7.2** Inform the certification body of the outsourcing and follow the certification body's instructions regarding transaction certificates for outsourcing; and
  - C5.7.3** 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.
- C5.8** If the organization is acting as a subcontractor for another contracting organization who is certified to the Standard, the organization shall notify their certification body of the arrangement and shall ensure that all criteria in the contract with the contracting organization are met.

## Section D - Processing and Handling Criteria



**Desired outcome:** The organization handles CCS inputs and products such that the integrity of the claimed material is maintained



Section D explains how materials or products with claimed materials are to be handled and identified to ensure that the integrity of the claimed material is maintained. In most cases, the claimed material will be identified and verified by another standard. For example, the Recycled Claim Standard includes criteria for what qualifies as recycled content, which is the claimed material for those standards.

Claimed materials are to be identified according to all applicable legal guidelines and the applicable standard. The most common example here is that in most contexts it is not legally allowed to call rayon made from bamboo simply “bamboo.” This type of legal violation is also not permitted on related documents such as scope and transaction certificates.

Geographic origin of all claimed raw materials is now included on all transaction certificates.

The CCS may be used to make claims related to non-Textile Exchange standards, provided that the certification body has express written permission to do so from both Textile Exchange and the standard owner. Use of the CCS to make generic claims about a material is possible with approval from Textile Exchange.

### D1. General Product Certification Criteria

- D1.1** The organization 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 the certification body’s prior approval. Otherwise, the materials shall not be considered to be certified.



Claimed materials may be received by organizations prior to their initial audit, provided that they are available to be physically inspected by the auditor at the time of the initial audit.

The seller is always required to hold a valid scope certificate in order to label a product with product specific claims, or when a claimed material is shipped or sold. Any claimed material which is processed, shipped, or sold by the applicant before a scope certificate is issued or after a scope certificate expires is not considered to be certified and is not eligible for a transaction certificate.

NOTE: There is an exception to this for Responsible Animal Fiber (RWS, RMS, RAS) farms only. See [Section G of the applicable RAF](#) standard for further details.

If an organization is in the process of becoming certified and has had an on-site audit, the organization may request that the certification body allow them to begin blending, mixing, or processing claimed materials before the scope certificate is issued. The certification body's approval is needed before proceeding. If input claimed materials are processed prior to the audit, they are not eligible for certification.

## D2. Managing Inputs

**D2.1** The organization shall maintain a complete list of suppliers of claimed materials, including each supplier's license number.



The organization needs to maintain a list of claimed inputs from certified suppliers. For example, if the organization is producing fabric (knitting/weaving), the input material from their certified supplier would typically be yarn.

**D2.2** The organization that receives qualified claimed materials as inputs shall inspect the documents accompanying the inputs to confirm that the description, quantity, quality, blend and mix percentage, and source described in the document match the products received.



The documents to be inspected might include packing slips, bills of lading, and other delivery documentation, along with invoices, transaction certificates, import/export documentation, and lab test reports depending on the material and the purchasing process.



**D2.3** For claimed materials already certified to the Standard, a CCS transaction certificate shall accompany the claimed materials, confirming they were produced by an organization certified to the Standard.

**D2.4** For all claimed materials entering the supply chain which are not yet certified to the Standard, there shall be verification or certification documentation that confirms the identity of the claimed material as an accepted input according to the Standard. This documentation shall at minimum include:

**D2.4.1** The name and address of the supplier;

**D2.4.2** The quantity, quality, and description of the product(s);

**D2.4.3** Reference to claims being made about the material(s);

**D2.4.4** Shipping document(s);

**D2.4.5** Financial record(s) of the purchase; and

**D2.4.6** Transaction certificate(s), where the material is already certified to a non-Textile Exchange standard which allows for transaction certificates.



Shipping documents and invoices may be used to supply this information, though a separate document may also be created to do so.

Separate transaction certificates for inputs not already certified to the standard apply in the following cases:

- Organic farm audit report, scope certificates, transaction certificates, for organically grown material inputs to OCS first processors (e.g. the gin in the case of cotton), as required in [OCS-101 Organic Content Standard](#);
- Transaction certificates for another standard where full equivalency has been granted by Textile Exchange, such as GRS transaction certificates for inputs to an RCS certified site (see [ASR-106 Accepted Equivalent Standards](#) for a list of equivalencies).
- Transaction certificates for the first site which is using the CCS for a claim related to a non-Textile Exchange standard, if the standard includes this.

**D2.5** For claimed materials moving from one site to another within the same organization (i.e. covered under the same scope certificate) there shall be corresponding records that reference the initial claimed materials, the quantity, quality, blend and mix

percentage, and description of the claimed materials being received, sufficient to identify the corresponding incoming transaction certificate.



Corresponding records should match the way the organization is identified in their certification documents, if relevant. If a product is sold between two sites under common ownership but separate scope certificates, a transaction certificate is required. Transaction certificates are required to document each time that claimed material changes ownership.

**D2.6** The organization shall provide copies of all incoming transaction certificates to the certification body.



If a site's claimed material inputs are certified to a separate standard (e.g. GRS certified material is accepted as input for RCS certified products), this inventory is reported to the responsible certification body and confirmed that it has not been used for that other standard's production. The purpose of this criterion is to prevent certified goods being 'double counted' (i.e. claimed as inputs for two separate standards).

If a site is certified to both RCS and GRS, or to both OCS and GOTS, the same certification body is required to conduct both audits. (See [RCS-102 RCS Certification Procedures](#), [GRS-102 GRS Certification Procedures](#), and [OCS-102 OCS Certification Procedures](#)).

**D2.7** If there are any doubts about the validity of the incoming goods, the processing of the claimed material shall not begin until conformity is demonstrated.

**D2.7.1** If received products are suspected of not conforming with the criteria of the Standard, the consignee of any claimed material shall inspect the related documentation (e.g. invoice, bill of lading, transaction certificate) to verify the origin and nature of the certified products upon receipt of the product.

**D2.7.2** When an organization 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 their certification body within seven calendar days. If the product has already been sold, they shall inform their certification body and their customer within seven calendar days.

## D3. Material Handling and Processing



**Desired outcome:** *The organization has a system in place to manage chain of custody of physical materials, based on segregation and controlled blending of those materials.*



Section D3. Material Handling and Processing applies to all sites listed in B3.2 who take physical possession of claimed materials.

- D3.1** The organization shall demonstrate control over the flow, segregation, and identification of claimed materials within the site, including recipes used, material composition, material quality, and stock quantities.



There are three main principles of chain of custody to be maintained at all times:



### 1. Identification

Identification, which requires that all raw materials are clearly identified at all stages of the supply chain. An example of a good identification practice is a gin that has OCS certified cotton bales marked with an OCS label on printed cloth bags with the gin's name, address, and certification licensing number.



### 2. Segregation

Segregation requires that, at all stages throughout the supply chain, processes are in place to prevent commingling of certified and non-certified materials except under planned and documented blending or mixing. This includes the following:

- Claimed materials are not blended or mixed with non-claimed materials (except as specifically permitted).
- Certified materials are stored separately from non-certified materials.

- Organizations that process claimed and non-claimed materials at the same site take precautions to prevent commingling, including cleaning out the machinery before processing claimed material inputs if not doing so may result in a contamination which affects the deviation of the volume reconciliation.
- Claimed materials have a dedicated area for storage before, during, and after production, or another method (e.g. storage in sealed, labeled containers) is used to clearly identify claimed materials at all times.
- Training is provided to all workers regarding handling and storage of claimed materials.
- Extra precautions are taken at production sites with a higher risk of contamination, such as ginning and spinning of cotton.
- Workers are trained on the segregation of certified and non-certified material.

Several chain of custody models exist in product certification. The following models are relevant to sites certified under the CCS via the respective standard (e.g. RDS, OCS, GRS, etc.):

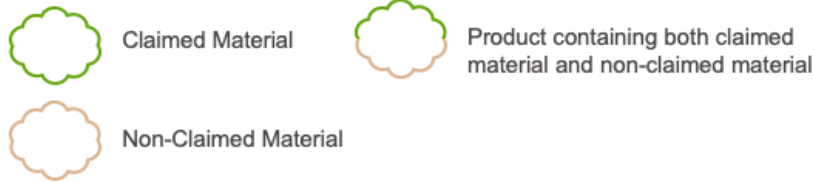
The primary form of chain of custody the CCS requires is the controlled blending model<sup>1</sup>. In this model, claimed materials may be blended or mixed with other materials (including other materials of the same type) at a batch level. The exact material composition of each product or batch is known. Volume reconciliation for this model should be performed at the batch level with precise calculation of certified and non-certified inputs and outputs per batch. See Controlled Blending Model below.

Additionally, there are some Textile Exchange standards which further require segregation<sup>2</sup>. Under segregation, claimed materials are kept fully separate from non-claimed materials of the same type during production. Mixing of claimed and non-claimed materials of the same type is not allowed. Segregation is required at each stage of the supply chain for final products to qualify for labeling to OCS 100, RCS 100, RDS, and the RAF standards. See Segregation Model below.

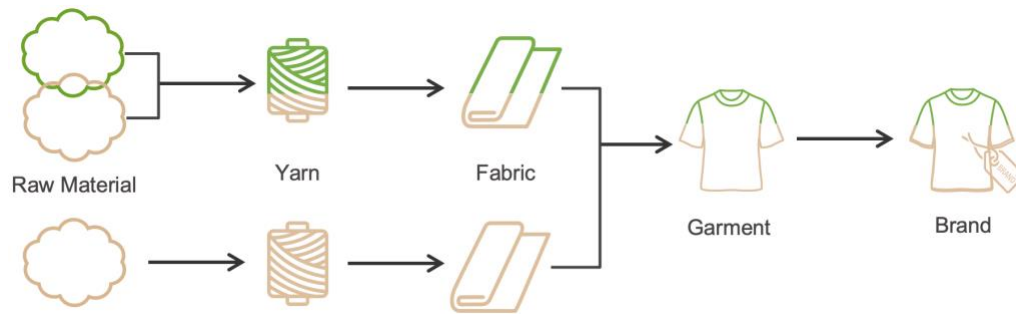
<sup>1</sup> ISO 22095 – Chain of custody – General terminology and models.

<sup>2</sup> ISO 22095 – Chain of custody – General terminology and models. Note that ISEAL refers to this model as “Batch-level mass balance,” [https://www.isealalliance.org/sites/default/files/resource/2017-11/ISEAL\\_Chain\\_of\\_Custody\\_Models\\_Guidance\\_September\\_2016.pdf](https://www.isealalliance.org/sites/default/files/resource/2017-11/ISEAL_Chain_of_Custody_Models_Guidance_September_2016.pdf).

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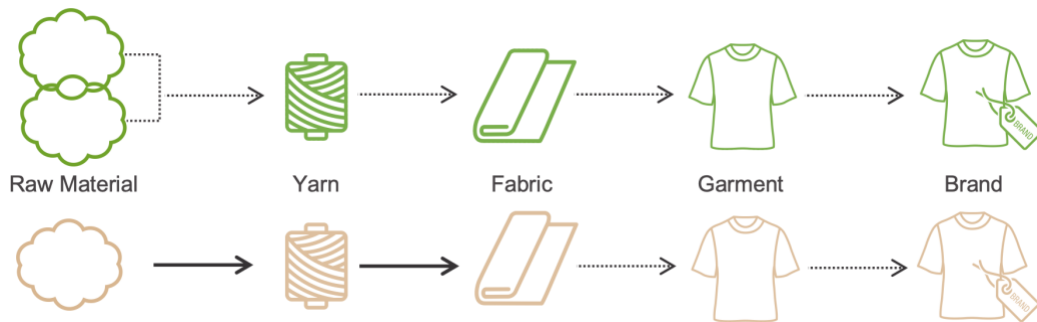


**Controlled Blending Model**



In the controlled blending model, which is applicable for most Content Claim Standard users, each step in the supply chain is permitted to blend or mix claimed materials. Organizations are required to calculate the input and output of claimed materials in order to properly calculate the claimed material content of each batch of products. Blends with less than five percent claimed material are not permitted by most Textile Exchange standards.

**Segregation Model**



Where applicable, products certified in the segregation model are not allowed to be made from mixing claimed material and non-claimed material of the same type. Blending restrictions also apply according to the label grade. If any site along the supply chain does not meet these blending or mixing criteria, the product may still

be considered certified, but will lose eligibility for labelling. See D4 for more information.

Textile Exchange has provided for an alternative method of volume reconciliation which is conducted at the site level rather than the batch level. This is only allowed in particular cases and with restrictions. See *CCS-105 Alternative Volume Reconciliation (VR2)* for further details.

Identity Preserved is a variation on the segregation model where the products can be tracked through the entire supply chain with all supply chain information available to the end of the supply chain (e.g. the brand). The CCS does not currently support this model, but Textile Exchange hopes to be able to offer this as an option via an upcoming database system.



### 3. Volume Reconciliation

Volume reconciliation ensures that inputs are appropriately balanced with outputs. Read more about volume reconciliation in Section C3.

- D3.2** The claimed materials shall be clearly identified as they move through production at all times. This may include, but is not limited to, direct labeling of claimed material, machines, storage vessels, or storage areas.



In some cases, it may be necessary for the claimed materials to be labelled directly, while in others, it will be sufficient for the machines, carrying vessels, and storage containers or areas to use clear signage. A digital system (e.g. unique barcodes on each storage container) may serve as identification.

It may also be possible that no identification is needed, as in the example of a spinning mill that processes 100% OCS cotton only, or a garment factory which processes RWS wool and non-woolen fabrics only.

Labels and signage should be visible and understandable by all workers operating in the area, considering the language(s) understood and the literacy level of workers.

- D3.3** The claimed material shall be separated from non-claimed material at all times, except as allowed by D4.

- D3.4** Machinery shall be free of non-claimed material prior to use for claimed material if not doing so may result in a contamination which affects the deviation of the volume reconciliation.



Cleaning protocols may be appropriate to ensure contamination does not exceed the limits of the conversion factor in the volume reconciliation. Fiber combing, carding, and spinning machines are examples of processing machinery that should be cleaned between processing claimed and non-claimed material. Sewing machines typically would not need cleaning to avoid contamination.

**D3.5** The storage of claimed material shall be managed in order to identify and segregate claimed material from non-claimed material. Procedures shall be in place to prevent commingling or substitution of the claimed material with other materials or products.

**D3.6** Extra precautions shall be taken where claimed materials are being shipped, stored, or processed alongside non-claimed materials of the same type to ensure that no accidental commingling or substitution occurs.

## D4. Blending and Mixing



Section D4 Blending and Mixing applies to all sites listed in B3.2 who blend or mix claimed materials.



Blending refers to combining raw materials of different types (e.g. cotton with polyester), while mixing refers to combining raw materials of the same type with different attributes (e.g. organic cotton with conventional cotton).



Some standards which use the CCS do not allow public-facing, product-related claims or logo use when products contain claimed materials mixed with non-claimed materials of the same type. This is summarized in the table below and may also apply to non-Textile Exchange standards which use the CCS for chain of custody.

Standard	Minimum % Claimed Material for Claim on Transaction Certificate	Label Grade	Minimum %	Blending Allowed?	Mixing Allowed?
OCS	5%	OCS 100	95%	Yes	No
		OCS Blended	20%		Yes
RCS	5%	RCS 100	95%		No
		RCS Blended	20%		Yes
GRS		-	50%	Yes	
RDS	5%	-	5%	Yes (no composition calculation if component claim is made on down)	Only with GRS or RCS down
RAF Standards (RWS, RMS, RAS)		-	5%	Yes	Only with GRS or RCS animal fiber of the same type

**D4.1** Blending and mixing of claimed materials with non-claimed materials is allowed and shall be managed at a batch level.



See also *CCS-105 Alternative Volume Reconciliation (VR2)* for alternative volume reconciliation. Sites may be eligible for this alternative model in limited circumstances.



**D4.2** When blending and mixing claimed materials with non-claimed materials, or different claimed materials with different percentages of certified content, the organization shall prepare *composition calculations* which include the following:

**D4.2.1** Documentation of all input materials to the product or specified *component* resulting from the blending or mixing, including their material, material composition, weight of product used, and claim percentage;

**D4.2.2** Calculation of the percentage of claimed content and content per raw material based on the weight and claim percentage of each input along with a material composition test report;



Mathematically calculated percentage is based on input(s), and process loss for each certified and non-certified material. Variations of up to three percent from the calculated percentage versus the percentage listed on a third-party test report may be accepted.

See guidance under C3.5 for examples of how to calculate claimed material content percentage.

**D4.2.3** Consideration of loss factors per input material and product; and

**D4.2.4** Demonstration that the final calculated content is representative of the actual claimed material present following processing.



The tables below show an example of composition calculations for a batch of yarn. In this example, the product is made of three inputs:

Product Category	Product Detail	Material composition	Standard (Label Grade)	Total Weight	Certified Weight
Undyed fibers (PC0034)	Lint cotton (PD0074)	100% Recycled post-consumer cotton (RM107)	RCS (RCS 100)	100 kg	100 kg
Undyed fibers (PC0034)	Staple fibers (PD0079)	50% Recycled post-consumer polyester (RM0189) + 50% Polyester (RM0186)	RCS (RCS Blended)	100 kg	50 kg

The two fibers are each composed of 100% claimed material and 50% claimed material (D4.2.1).

Considering the claim percentage and total weight of the material, the certified weight is 100 kg of the first fiber, 50 kg of the second fiber (D4.2.2).

A processing loss of 10% for each fiber (from fiber to yarn) (D4.2.3).

This results in output material weights as follows:

50% Recycled post-consumer cotton = 90 kg

50% Polyester = 90 kg

- 50% Recycled post-consumer polyester = 45 kg
- 50% polyester = 45 kg

$$\frac{\text{Total Certified Weight}}{\text{Total Weight}} = \frac{90 + 45}{90 + 90} = 75\% \text{ claimed material}$$

With 75% claimed material, an RCS Blended label is allowed.

The percent content of each raw material is calculated as follows (e.g. Recycled post-consumer polyester):

$$\frac{\sum \% \text{ content} \times \text{Total Weight of Component}}{\text{Total Weight}} = \frac{50\% \times 90}{90 + 90} = 25\% \text{ Recycled post-consumer polyester}$$

The percent content of each raw material is calculated as follows (e.g. Recycled post-consumer cotton):

$$\frac{\sum \% \text{ content} \times \text{Total Weight of Component}}{\text{Total Weight}} = \frac{100\% \times 90}{90 + 90} = 50\% \text{ Recycled post-consumer cotton}$$

Using this formula, the final product composition is as follows:

Product Category	Product Detail	Material composition	Standard (Label Grade)	Total Weight	Certified Weight
Greige Yarn (PC0030)	Open-end Yarn (PD0066)	50% Recycled post-consumer cotton (RM0189) + 25% Recycled post-consumer polyester (RM0189)	RCS (RCS Blended)	180 kg	135 kg

**D4.3** Composition calculations may be made per batch or per article included within the batch.

**D4.4** *Trims* may be excluded from composition calculations of textile products and footwear when they are not the claimed material and when the total trims do not account for more than ten percent of the total product weight.



This guidance applies to textiles and footwear only: only certified trims should be specified as products. Non-certified trims may be included in the product's material composition, though this is not required.

## D5. Transport and Sale



Section D5. Transport and Sale applies to all sites listed in B3.2 except for brands.

**D5.1** The organization shall ensure that the products containing claimed material shall be transported to other units, including wholesalers and retailers, only in appropriate packaging, containers, or vehicles that are closed/sealed in such a way that

substitution and contamination of the content is not possible without manipulation or damage to the container.

**D5.2** All shipments of claimed materials shall be labeled with identification that clearly links them to the relevant invoices or shipping documents. Alternatively, this information may be presented on an accompanying document, as long as such documents can be undeniably linked with the packaging, container, or transport vehicle of the claimed material.

**D5.3** The organization shall apply for a transaction certificate from their certification body for all products sold by the organization to another business which reference the Standard on sales or shipping documentation, which carry the Standard’s logo, or which are identified as certified to the Standard in marketing materials.



Products may be advertised as available as certified (e.g. “Available as GRS certified on request”) if the company does not want to apply for a transaction certificate for every order.

It is important to apply for a transaction certificate as soon as possible after the order is shipped. Transaction certificate applications received by the certification body more than 90 days after the shipment date or after a change in certification bodies might not be eligible for a transaction certificate. For exact transaction certificate application timelines, please refer to [ASR-104 Policy for Transaction Certificates](#).

It is possible to include more than one shipment on a single transaction certificate. The seller should receive the buyer’s permission in advance and should agree with the buyer on the time period which will be covered by each transaction certificate. The buyer will need to receive the incoming transaction certificate before they may apply for a transaction certificate for the sale of the same materials.

The choice of a time period requires a balancing of costs and risks. While using a single transaction certificates for multiple shipments should reduce the annual cost of transaction certificates, it does mean that there will be periods of time during which goods being sold have not yet been verified by a certification body. This may be of concern to the buyers of the product.

**D5.4** The transaction certificate application shall include documented proof of the claimed material’s sale. The organization shall provide the information requested by the certification body, which may include but is not limited to:

**D5.4.1** Invoices, purchase orders, financial records, third party product quality test reports (input and output), and shipping documents (e.g.

government transportation documents) that show outgoing products have been sold to the named buyer of the products;

**D5.4.2** The identity of the claimed materials, quality and quantities;

**D5.4.3** Invoices, shipping documents (e.g. government transportation documents), financial records, and incoming transaction certificates to validate the purchase of the certified inputs;



Examples of country specific documents issued by government entities include Eway Bills (India) and Fapiao (China).

**D5.4.4** Composition calculations as detailed in D4;

**D5.4.5** A balanced volume reconciliation as detailed in C3;

**D5.4.6** The identity of any subcontractors who handled the material while it was owned by the organization; and

**D5.4.7** Any Standard-specific documentation.



An example for Standard-specific documentation would be a GMO test report from an OCS certified gin.

**D5.5** Only products that are issued a valid transaction certificate from the responsible certification body shall be considered certified, regardless of whether or not assured claims are being made. The scope certificate and all outgoing transaction certificates for an organization shall be issued by same certification body.

## Section E - Brand Criteria



**Desired outcome:** The brand maintains the integrity of certified products up to the point of sale.



A brand is an organization that controls the design, development, and purchase of *final products* for sale under their own name or private label. Brands may sell to wholesalers, *retailers*, or directly to *consumers*. This does not include organizations who sell a branded intermediate product for use in further processing steps.

See the below examples:

- A company designs products and sells them through multiple distribution channels. The company controls the labeling and branding of the product. This company would be considered a brand.
- A company is a major retailer and sells several different brands of products, including some of their own private label products. This company would be considered a brand only for their own private label products. Only these products should be within the scope of certification for this company.
- A company provides an online platform for a specific product category. They work with key vendors and brand partners but are not involved in product design or development. This company would not be considered a brand.

### E1. Receiving Final Products

**E1.1** The brand shall maintain a complete list of suppliers of claimed materials, including each supplier's license number.

**E1.2** The brand shall obtain transaction certificates for all claimed materials purchased, including all products which carry the Standard's logo or any other product-related assured claim.

**E1.3** The brand shall have a system to ensure that claimed materials received match the description, quantity, quality, blend percentage, and source specified on the

transaction certificate. This should include physical inspection of products where possible.



The brand may combine different types of checks to meet this criterion, such as verifying that physical products received match shipping documentation at the warehouse where they are received, and matching shipping documentation to transaction certificates at the brand's office. If transaction certificates are delayed, these checks should still be conducted upon receipt of the transaction certificate.

The brand may choose to conduct these checks on a sampling basis, but should ensure that shipments from new suppliers or suppliers where previous issues have been encountered, are always checked.

Quality inspections at an outsourced facility qualify as a physical inspection. At a minimum, transaction certificates should be linked to the orders received.

- E1.4** If there are any doubts about the validity of the claims associated with the claimed materials, the brand shall contact their certification body for guidance and shall follow the guidance provided by the certification body or by Textile Exchange.

## E2. Claims Control System

- E2.1** The brand shall ensure that any consumer-facing assured claims meet the criteria of the [TE-301 Standards Claims Policy](#) and [TE-302 Standards Logo Use Specification](#), regardless of who conducts the final sale of the product. This includes communications made by non-certified retailers who are selling the brand's products.



To conform to this criterion, brands could require their retailers to check with them prior to making any claims about certification.

Brands should take care to follow the criteria within [TE-301 Standards Claims Policy](#) for any joint marketing or communication related to standards or in guidance provided to smaller retailers.

- E2.2** All assured claims shall be submitted for approval by the certification body. This includes hangtags, printed labels, sewn labels, and online claims.



It is allowed to track multiple claims together on one template.

## E3. Management of Distribution Sites

- E3.1** The brand shall maintain a list of all sites which take physical possession of claimed materials while they are owned by the brand, excluding retail sites. This includes the brand's own distribution sites and the brand's distribution or warehousing subcontractors.



This criterion is restricted to the brand's own warehouses and distribution channels and does not apply to locations that are under the retailer's purview

- E3.2** The brand shall ensure that the certification body may access the brand's own and subcontracted distribution facilities to verify product storage and tracking, including for physical site visits.



No on-site auditing of the brand's distribution sites or subcontractors is required as part of regular auditing criteria. The certification body may visit or request a remote tour of a distribution site or subcontractor as part of an investigation.

An exception is the Global Recycled Standard, where the social, environmental, and chemical criteria apply to brands and may require on-site auditing to take place.

## E4. Product Identification and Sale

- E4.1** The brand shall establish and maintain product identification which allows the brand to identify and link final products, as sold to the consumer, back to a specific incoming transaction certificate.



This criterion may be met in one of several ways. Hangtags or sewn-in labels may include information that can be compared to information on the transaction certificate such as a lot number, records may be kept on lots or batches that went to a specific retailer. The outcome of linking products to the corresponding transaction certificate is most important.

- E4.2** The brand shall maintain a tracking system for all outgoing products which are labeled or identified as certified, and shall maintain documentation to demonstrate the link to incoming purchasing documentation and transaction certificates.



**E4.3** If the brand is selling certified products to another business (i.e. not a *consumer*) the brand shall include the following information on each invoice or on a supplementary sales document which accompanies the invoice:

**E4.3.1** The brand's license code;

**E4.3.2** The acronym of the Standard, placed to allow clear identification of which products are and are not certified; and

**E4.3.3** If the brand's customer is prior to the final retailer (i.e. a wholesaler), the information shall be included on a supplementary sales document which is intended to be passed along to the retailer and which specifies this information.



This criterion does not apply when brands are selling products to their own subsidiaries, retail stores, or organizations under common ownership, unless the organization is certified under another scope certificate.

Brands may provide this information for products sold to consumers, but this is not required.

## Section F - Multi-Site and Group Criteria



Multi-site certification is intended for organizations which own multiple sites and choose to include them under the same scope certificate. This is possible right away.

Textile Exchange will begin a pilot project to allow multi-site certification to be audited on a sampling basis in 2021. This will be documented in *CCS-107 Policy for Multi-Site Certification with Sampling of Sites*.

Group certification is intended for organizations which are managing the certification for a number of independent small companies. An organization may manage a group certification for companies they regularly do business with (e.g. suppliers), or for companies which they have no other relationship with outside of the certification group. Group certification will start to be possible with a pilot project which Textile Exchange will begin in 2021. This will be documented in *CCS-106 Policy for Supply Chain Group Certification*.

### F1. Eligibility

**F1.1** An organization may include multiple sites in the scope of a scope certificate, provided that one of the following options applies:

- F1.1.1** All sites are under *common ownership* with the organization (*multi-site certification*);
- F1.1.2** The organization is managing a supply chain *group* certification, in which case *CCS-106 Policy for Supply Chain Group Certification* shall apply; or
- F1.1.3** The scope certificate has a *primary scope*, and the *primary standard* allows for sites without common ownership (e.g. farm groups).

**F1.2** An individual site shall not be part of more than one scope certificate for a Standard, except for primary scopes where the primary standard allows for this.



Subcontractors are not sites; this section does not apply for outsourcing.

RDS and RAF farms as well as RDS slaughter sites may be included in more than one scope certificate under certain conditions. See the applicable certification procedures for more details.

## F2. Internal Control System Criteria

- F2.1** The organization shall have an *internal control system (ICS)* in place.
- F2.2** The organization shall appoint an *ICS Manager* who is responsible for the management of the ICS and for ensuring conformity to the Standard by all sites.
- F2.3** The ICS shall ensure that the certification body is provided with the access specified in C1.5 for all sites and shall assist with the coordination of information.
- F2.4** The ICS shall maintain documented procedures showing how certification criteria are met, including documented procedures for at least the following elements:
- F2.4.1** Adding and removing sites;
  - F2.4.2** Maintaining records;
  - F2.4.3** Training of site and ICS personnel;
  - F2.4.4** Internal inspections of sites; and



Internal inspections of sites by the ICS are not required for multi-site scope certificates where auditing is not done on a sampling basis.

- F2.4.5** Claims about the Standard for the multi-site or group certification in accordance with B2.
- F2.5** The ICS shall maintain the following records:
- F2.5.1** A documented management structure of the ICS, and
  - F2.5.2** A complete list of sites, including the site's name, address, contact details, products, and processing steps.

**F2.6** The ICS shall ensure that:

- F2.6.1** All certification criteria are implemented for all sites. The ICS may manage some requirements directly, or may delegate this to sites;
- F2.6.2** All sites have access to a copy of the CCS, [TE-301 Standards Claims Policy](#) (if the site is making claims), and any documented procedures which are maintained by the ICS; and
- F2.6.3** All sites understand the relevant certification criteria and are aware of consequences of non-conformity.

**F2.7** Site and ICS personnel shall be provided with training regarding the CCS which is sufficient to meet their responsibilities. Training records shall be maintained.

### F3. Site Criteria

**F3.1** Sites shall conform with the criteria of B3.

### F4. Auditing of Sites

**F4.1** The ICS shall ensure that the certification body is granted access to all sites as described in C1.5 for auditing purposes.

**F4.2** The organization shall acknowledge that the certification body will audit all sites on-site annually, unless:

- F4.2.1** The site is a *trader* or a *distributor*, where a remote audit may be allowed;
- F4.2.2** The organization is managing a supply chain *group* certification, in which case *CCS-106 Policy for Supply Chain Group Certification* shall apply; or
- F4.2.3** The organization is being audited on a sampling basis, in which case *CCS-107 Policy for Multi-Site Certification with Sampling of Sites* shall apply.



CCS-106 Policy for Supply Chain Group Certification and CCS-107 Policy for Multi-Site Certification with Sampling of Sites will be published later in 2021.

## F5. Adding and Removing Sites

- F5.1** Sites may only be added to the scope certificate upon approval by the certification body.



Approval of a new site will only be granted after completion of a successful audit of the site, unless one of the situations described in F4.2 applies.

- F5.2** The ICS shall have the authority to remove sites from the scope certificate. If a site is removed, the ICS shall notify both the site and the certification body of the removal in writing, including the reason for removal (e.g. voluntary, non-payment, non-conformity).



The ICS is expected to remove any sites from the scope certificate whose non-conformity with the standard threatens the integrity of the supply chain. The ICS may also remove sites from the scope certificate for other reasons including non-payment of fees owed to the ICS.

## Appendix A – Definitions

Refer to [TE-101 Terms and Definitions for Textile Exchange Standards and Related Documents](#) for definitions of terms used in these procedures. Key definitions are included below. Defined terms are shown in italics in the first usage in this document, and in some other uses for clarity.

**Associated Subcontractor:** A *subcontractor* who is not certified independently from the *contracting organization* and is instead audited as part of the contracting organization’s audit.

**Assured claim:** Assured claims are those that result from an assurance process against a Textile Exchange Standard and refer to a product, process, business, or service that has been certified to be in conformity with such Standard.

**Blending:** The process of combining multiple different materials of different types into a single product. See also *mixing*.

**Brand:** An organization that controls the design, development, and purchase of *final products* for sale under their own name or private label. Brands may sell to wholesalers, *retailers*, or directly to *consumers*. This does not include organizations who sell a branded intermediate product for use in further processing steps.

**Chain of Custody:** A system to document and verify the path taken by a defined input material through all stages of transfer and production, to the final product. The chain of custody preserves the identity of the input material.

**Claim:** An oral, written, implied, representation, statement, advertising, or other form of communication that is presented to the public or buyer that relates to the presence of a *claimed material* in the content of a product.

**Claimed Material:** The specific material that is being verified by the CCS or another Standard as a content claim in a product which is sold. A reference to a Standard followed by the word “Material” refers to material claimed under that Standard (e.g. RDS Material, RMS Material, RWS Material, etc.).

**Common Ownership:** The status of *sites* or companies as being owned directly or indirectly by the same person or entity. This includes cases where one site owns the other, or where both sites are owned by the same parent entity. In cases of partial ownership, this refers to a majority or controlling share.

**Component:** A uniquely identifiable material that is included or intended to be included as a part of a finished product. Components can be easily identified by consumers on the finished product.

**Composition Calculation:** A calculation showing the material composition of a *site*'s output material after any *blending* and/or *mixing* done by the site.

**Consumer:** The individual or company who make the final purchase of a product for their own use. Includes companies using products for commercial use (e.g. hotels purchasing bedding, linen rental company purchasing linens).

**Contracting Organization:** An *organization* which outsources processing or storage to another site.

**Distributor:** A *site* which takes physical possession of claimed material, but which is not a *processor* and does not transform products, including any (re)packaging which affects labeling or identification of materials (e.g., bagging of bulk down, or applying a logo to finished products).

**Independently Certified Subcontractor:** A *subcontractor* which holds their own certification to the Standard, independently of any *contracting organization*.

**Internal Control System (ICS):** The system used by an *organization* for the oversight and management of conformity with a Standard for multiple sites, such as a *group*.

**Mixing:** The process of combining multiple different grades of the same raw material into a single product (e.g. two different grades of cotton). See also *blending*.

**Multi-Site Certification:** A certification which covers more than one *site* under a single *scope certificate* and is not a *group*.

**Organization:** A legal entity which is *certified* to or in the process of becoming certified to a *Standard*. A scope certificate is held by an organization, and an organization has one or more sites.

**Outsourcing:** The process of sending *claimed material* to a *subcontractor* for services to be provided.

**Primary Standard:** The standard used as the basis for a claim, e.g. the RDS when a claim is made using the CCS for RDS down.

**Processor:** Entity engaged in construction or transformation of a product, including the addition of trims or application of logos. Also referred to as a “manufacturer”.

**Retailer:** An organization which sells products to individual consumers. Includes both physical stores and online sales, and may or may not also be the *brand*. The definition of retailer includes distribution centers which are controlled by the retailer.

**Scope Certificate:** A document issued by the *certification body* which verifies that an *organization* is competent to produce and sell specified *claimed materials* in conformity with a Standard. See [ASR-103 Policy for Scope Certificates](#).

**Site:** Any geographically distinct unit within a certificate scope. Locations which are geographically distinct or have different civic addresses are considered to be separate sites. *Subcontractors* are not considered to be sites. Includes: farms, *processors*, and offices

**Standard:** The relevant Textile Exchange-owned standard, which may be any of the following: the Content Claim Standard (CCS), Organic Content Standard (OCS), Recycled Claim Standard (RCS), Global Recycled Standard (GRS), Responsible Down Standard (RDS), Responsible Wool Standard (RWS), Responsible Mohair Standard (RMS), Responsible Alpaca Standard (RAS), or any other standards that come under the ownership of Textile Exchange.

**Subcontractor:** A legal entity hired by an *organization* to perform services (e.g. storage, processing) on a *claimed material*. Subcontractors take physical possession but not legal ownership of claimed materials, and are independent of the organization which *outsources* the material.

**Trader:** A *site* which takes legal ownership but not physical possession of claimed material.

**Transaction Certificate:** A document issued by a *certification body* that verifies that products being sold or shipped from one *organization* to another conform to a given Standard and may be treated as *claimed materials* by the receiver. See [ASR-104 Policy for Transaction Certificates](#).

**Trim:** Supplemental item added to a product for decorative or functional reasons (e.g. embroidery, buttons, zippers).

**Volume Reconciliation:** The process of documenting quantities of material purchased, present on-site, and sold for a particular *site*, and reviewing the quantities for accuracy and consistency.



## Appendix B – Sites, Subcontractors, and Outsourcing (Informative)

Scope certificates may include both sites – which are owned by the organization – and subcontractors – who are independent organizations who store and or process claimed materials. A summary of the differences between a site and a subcontractor is as follows.

	Site	Subcontractor
<b>Certified?</b>	Yes	Only with an independent certification
<b>Physical possession/processing of certified materials?</b>	Yes (*some sites may not take physical possession)	Yes
<b>Ownership</b>	Common ownership with organization	Independent of organization
<b>Legal ownership of certified materials?</b>	Yes	No
<b>Listed on scope certificate?</b>	Site Appendix (Page Three)	Associated Subcontractor Appendix (Page Three)  Or Independently Certified Subcontractor Appendix (Page Three)

Subcontractors may be *associated subcontractors*, who are not independently certified to the Standard, or *independently certified subcontractors*, who hold their own scope certificates to the Standard.

Associated subcontractors are audited by the certification body on a risk basis.