Assessor Meeting

14 March 2024

Confidential:

Not for further circulation or citation

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Proposed Agenda

1. C2CPII 2024 objectives/workplan overview
2. Update on Certification Process and Operations
3. Update on Certification Program Products
4. Update on Certification Program Profile
5. AOB/Open discussion

C2CPII 2024 Objectives/Workplan

Elwyn Grainger-Jones

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2024 objectives:
Relaunching the program and Institute

① Process: efficient, credible, predictable and transparent certification operations

1. Much faster and better certification experience
2. End-to-end digitisation of streamlined certification process and customer journey
3. Expanded C2CC ecosystem
4. ISO and EU recognition

② Products: optimized products available for maximum impact

1. Version 4.1 launched
2. "Safer Circular" launched
3. Certified training product(s) developed/potentially launched
4. Product scorecard released and digital product passport readiness

③ Profile: greater external engagement for awareness, recognition and impact

1. Greater program recognition
2. Greater overall and sector-level community engagement
3. Digital consumer communications campaign launched
4. Lighthouse/Ambassadors program launched
5. Reinvigorated fundraising effort

Process Update: Certification

Efficient, credible, predictable and transparent certification operations

1. Much faster and better certification experience
2. End-to-end digitisation of streamlined certification process and customer journey
3. Expanded C2CC ecosystem
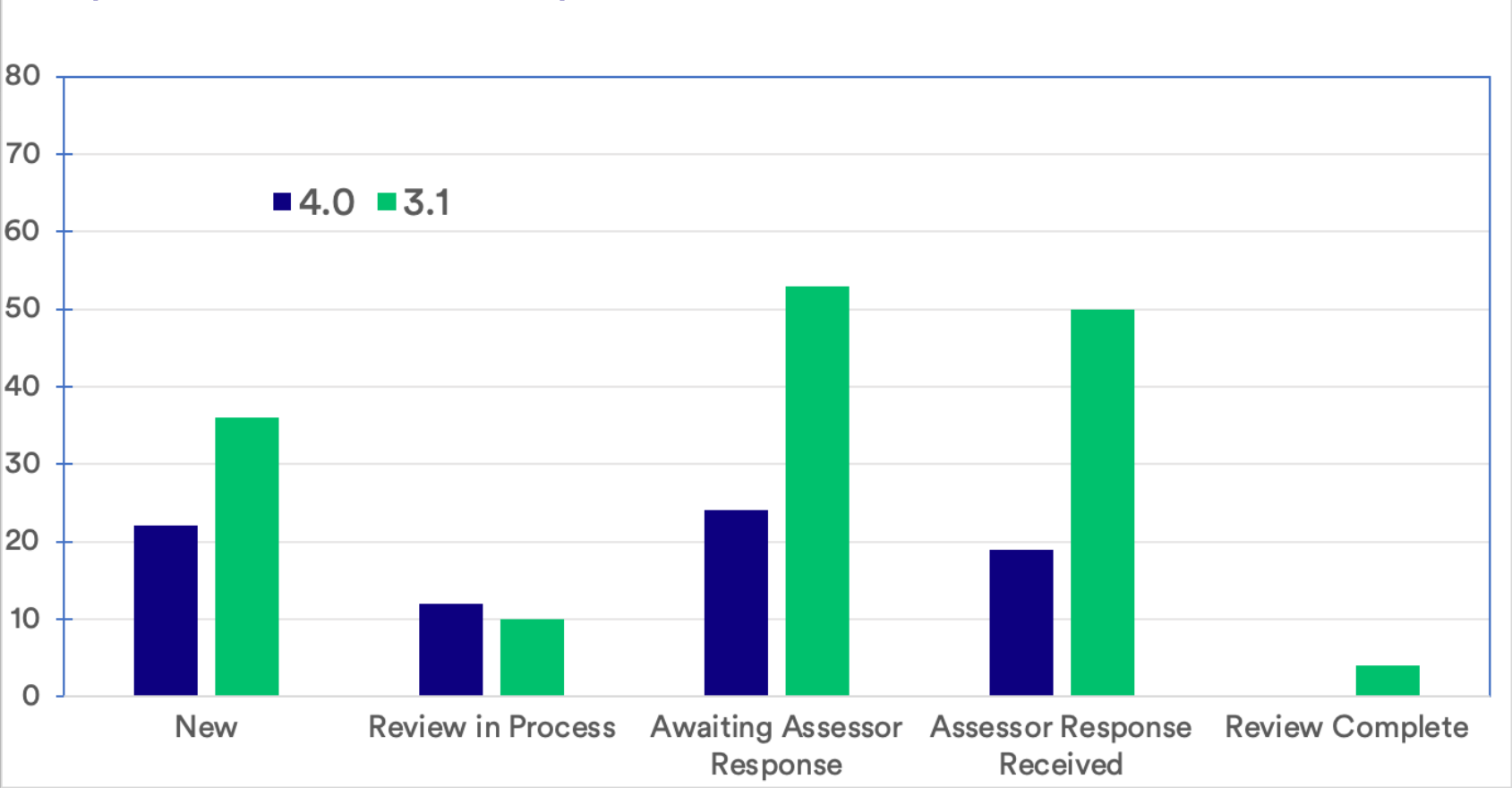4. ISO and EU recognition

Sebastian Häfele

Elwyn Grainger-Jones

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Data Snapshot – Certifications as of March 13

		Certifications Issued (2023)	Planned or Under Assessment by Assessors*	Under Review by C2CPII	Certifications Issued (YTD)
Version 3.1	New	59	0	35	19
	Recert	286	439	118	42
	Subtotal	345	439	153	61
Version 4.0	New	32	81	43	6
	Recert.	7	58	34	9
	Subtotal	39	139	77	15
	TOTAL	384	578	230	76

*As per most recent submitted assessor pipeline projections and corrected for ASFs submitted ytd

Assessments in C2CPII Queue
(As of 13 March 2024)
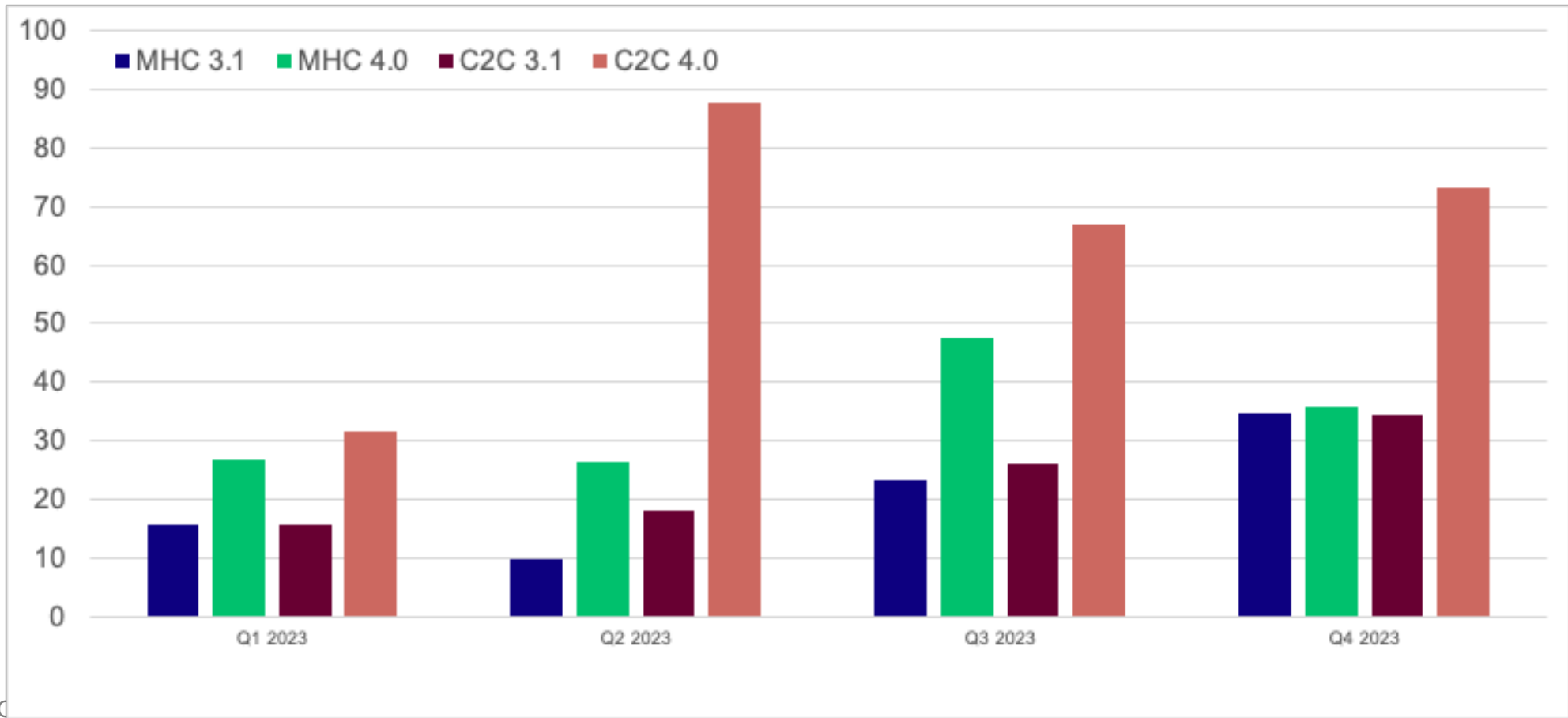

- *New*: ASF received, but review not started yet (due to capacity or unpaid fees)
- *Review In Process*: ASF review started by C2CPII
- *Awaiting Assessor Response*: Review questions sent to assessor for further information
- *Assessor Response Received*: Assessor response received, but not yet reviewed
- *Review complete*: Assessment pending certification decision
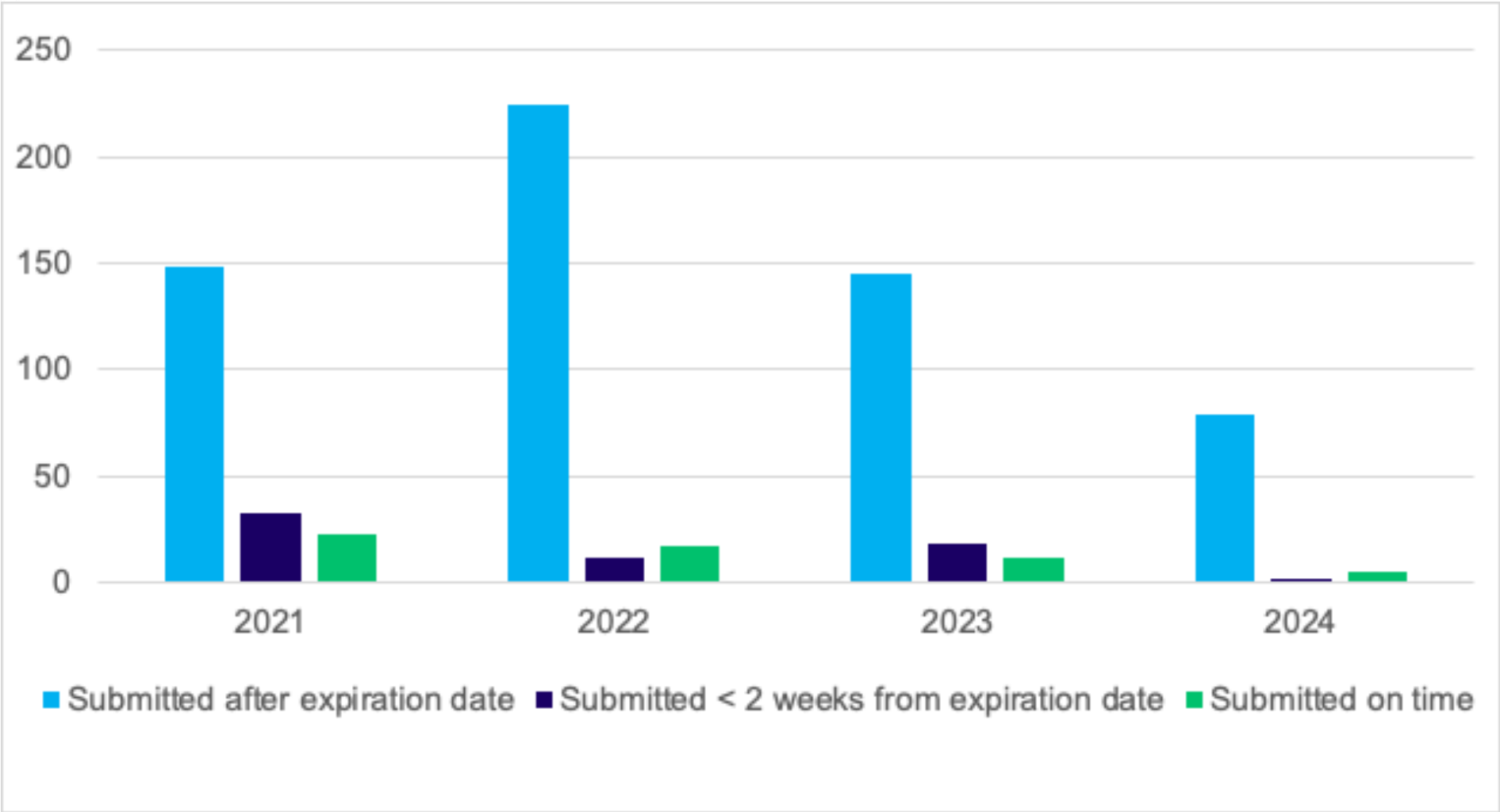
Current Review Times

For all ASFs (new and recertifications, not PLCs or IARs) submitted from January 1, 2023 until December 31, 2023 the average time to send initial comments from C2CPII is (note this includes holiday break):
- 31 days for V3.1 (Full C2C: 31, MHC: 31)
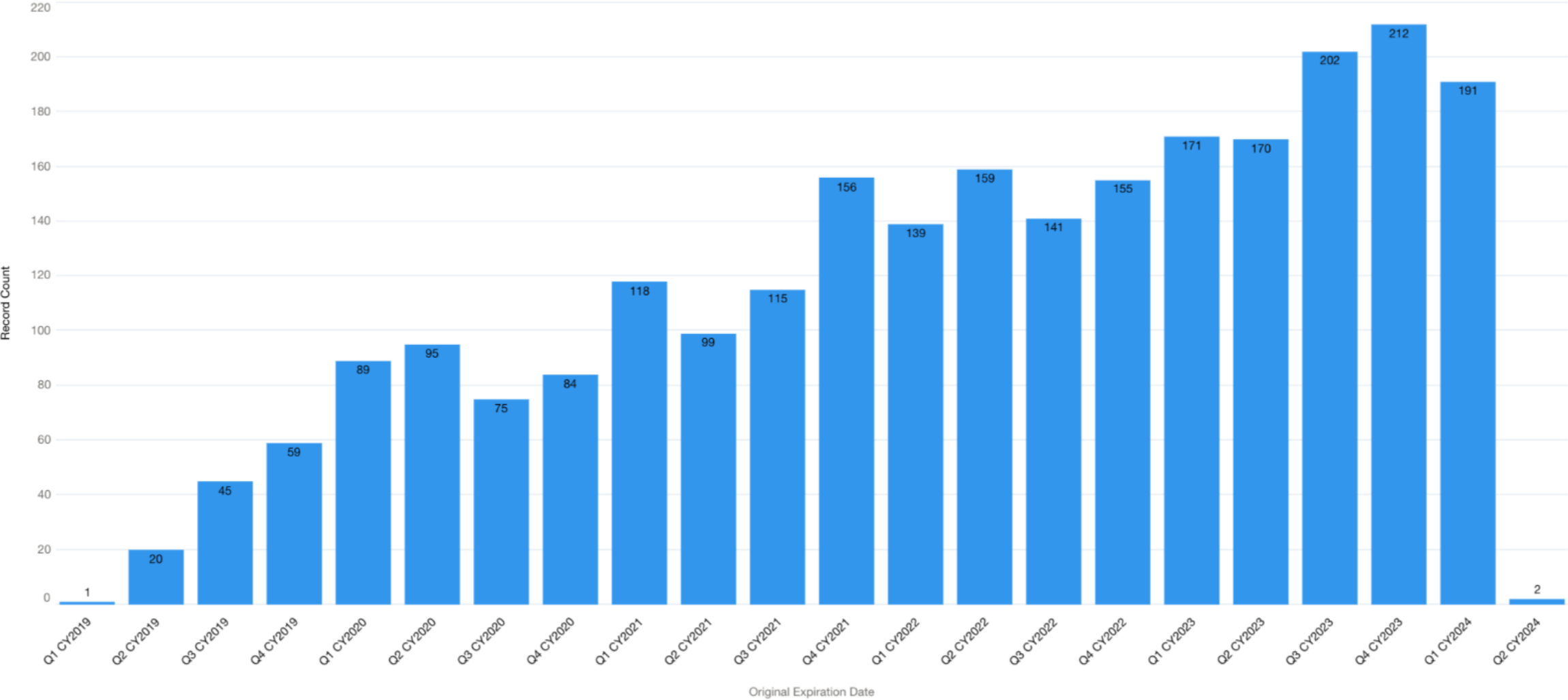- 44 days for V4.0 (Full C2C: 72, MHC: 33)

ASF Submission Times
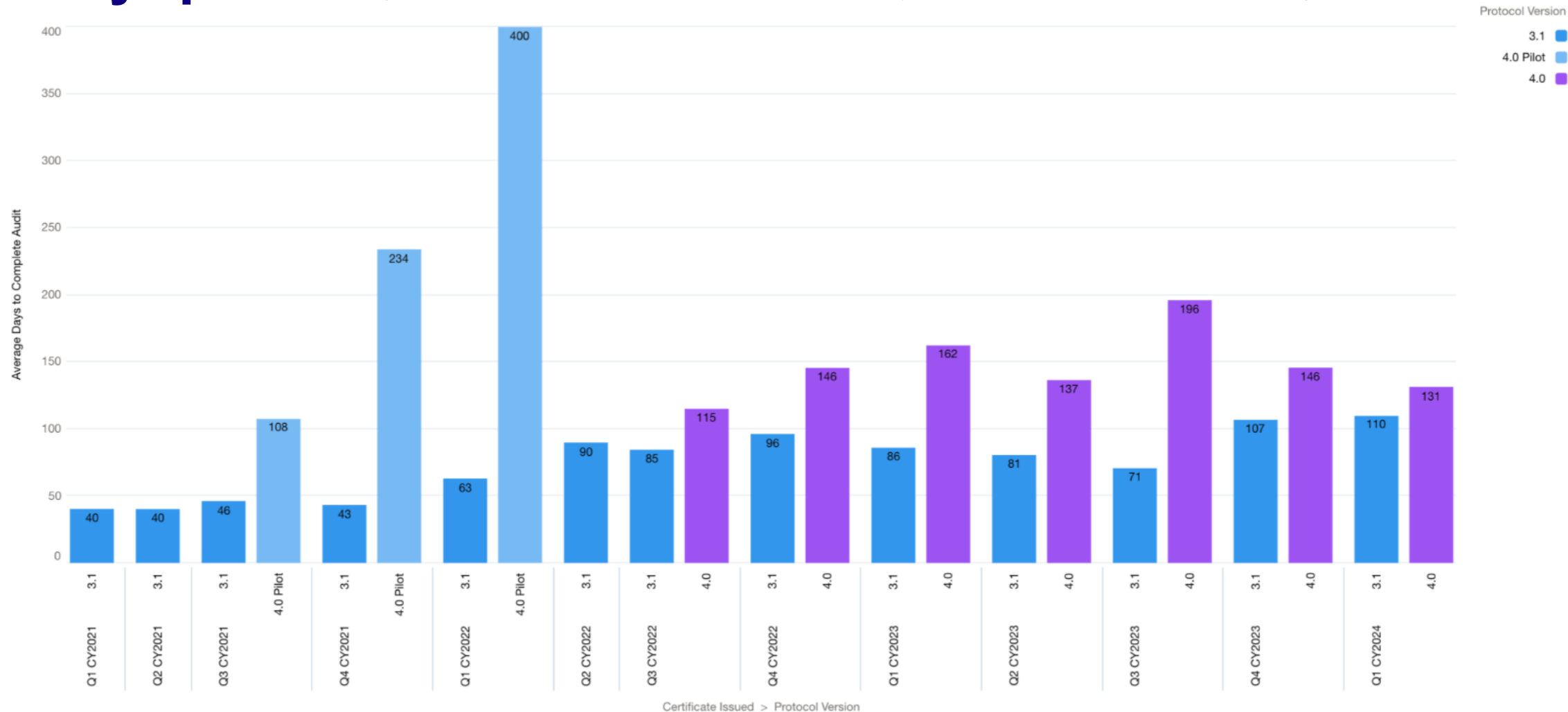(for ASFs submitted from January 1, 2021 – March 13, 2024)

Average Time it Takes to Complete Certification Review - by quarter (For certificates issued from January 1, 2021 – March 13, 2024)

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C2CPII Actions & Next Steps

- Assessor training and practice assessment, including example ASF (completed in 2023)

- Risk-based ASF review approach (ongoing)

- One on one assessor calls to address problem areas (ongoing)

- Communications to cert holders/applicants (ongoing)

- Development of 'benchmark' Version 4.1 ASF to assist with reviewer consistency and effectiveness (ongoing)

- Digital platform with improved certification process (in development)

- Strengthening review capacity:
  - Training additional reviewers (Q2)
  - Hiring new Certification Associate (Q2)

- Version 4.1 updates to assessor training (Q2-Q3)

Requested Assessor Actions & Next Steps

- Start recertification process sooner so ASFs are submitted well before the expiration date and paid extensions are not needed

- Improve ASF quality
    - Follow instructions and ensure all requested information is included in each ASF
    - Ensure all requirements have been met and QA'ed before submission
    - Address all questions/requests for additional information in response
    - No partially completed ASFs or responses

- Inform clients about:
    - Certification process (C2CPII review of ASF needed prior to cert issuance)
    - Current review timelines (~5 weeks; 44 days for V4.0 and 31 days for V3.1)

- Take Version 4.0 assessor training and practice assessment (Updates for V4.1 available asap)

Email Responses to C2CPII Reviews

- Emails with subject that starts with: "[C2CPII Review] - #### - …"

- Please respond directly to these emails <u>without</u> writing new emails or with new subject lines

- This way C2CPII can more efficiently track review-related communications as these are synched to our database

- Email thread is clearly linked to individual certification and increases clarity

Translation of Required Documents

A direct translation of an entire document is highly encouraged, but not necessary, if the following conditions are met:

- It is clearly described in the ASF column "Assessor's Explanation/Comments" where in the documentation the specific evidence can be found that shows that the requirement is met. This is indicated by section numbers, pages, or similar that enable a clear identification of the respective relevant part of the documentation. Please ensure that the reference is as specific as possible, (e.g., in cases where a section spans several pages, not only the section is stated, but also the page number and paragraph.)
- The specific, relevant evidence/language in the document is clearly highlighted (e.g. yellow highlighted text)
- The document is machine-readable, i.e., C2CPII reviewers are able to copy the respective sections and paste them into an online translator.

Please note that C2CPII reserves the right to request documentation to be translated into English when one or more of these conditions is not met or when software-supported translations do not enable C2CPII to review the documentation properly.

New Program Fees Effective 1 May 2024

Certification Fee in US$ per certificate	Old fee	New fee as of 1.5.2024	
Cert 3.1	3,600	4,300	(valid for 2 years => 2,150 p.a.)
Cert 3.1 Private Label Companies only	3,000	3,600	(valid for 2 years => 1,800 p.a.)
Cert 4.x	3,600	5,500	(valid for 3 years => 1,833 p.a.)
Cert 4.x Private Label Companies only	3,000	4,600	(valid for 3 years => 1,533 p.a.)
Recert 3.1	2,000	2,400	(valid for 2 years => 1,200 p.a.)
Recert 4.x	2,000	3,600	(valid for 3 years => 1,200 p.a.)

Annual Fee in US$ per company Based on annual revenues	Old fee	New fee as of 1.5.2024
<10m	1,800	1,500
10-100m	4,200	3,900
100-500m	9,000	10,100
>500m	15,000	16,800

Three reasons for adjustment:
i) certification and recertification fees have not been adjusted for inflation over several years (19% inflation from 2021-23)
ii) fee for Version 4 needs to take into account the increased time-period (from 2 to 3 years) and
iii) increased workload for team

The annual fee helps grow the C2C Certified movement and to support the Institute. The revenue-neutral adjustment aims to help smaller companies.
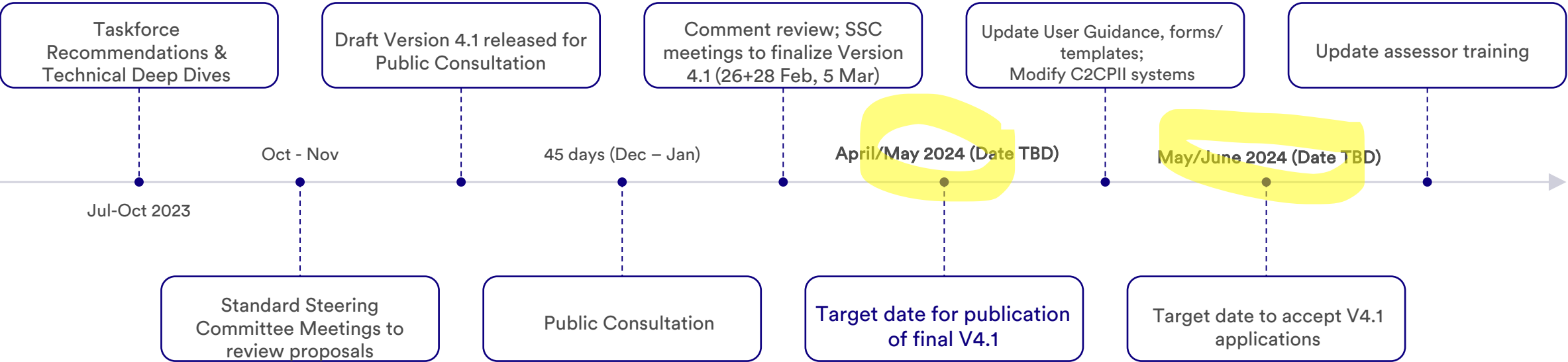
Products Update

Optimized products available for maximum impact

1. **Version 4.1 launched**
2. **"Safer Circular" launched**
3. **Certified training product(s) developed/potentially launched**
4. **Product scorecard released and digital product passport readiness**

Susan Klosterhaus

Elwyn Grainger-Jones

An Exception to the Version 3.1 to 4.0/4.1 Transition Policy

For existing certification holders that need to transition to 4.0/4.1 that are relying on components with Material Health Certificates (MHCs) still at Version 3.1:

- Applications for <u>new</u> certificates under Version 3.1 for these products from existing certification holders will be accepted until the end of 2024

- To avoid a similar challenge next year, need component suppliers to recertify to Version 4.0/4.1 as soon as possible

Hybrid Version 4.0 Certifications

- Similar to the policy for Version 3.1 "hybrid" certifications, certification applicants may certify to whole categories of the Version 4.1 requirements as part of overall Version 4.0 certifications to assist in the transition to Version 4.

- C2CPII will accept submissions of Version 4.0 ASFs that include assessments against the Version 4.1 requirements prior to the publication and effect date of Version 4.1 (TBD May/June 2024); however, submissions before the Version 4.1 effective date are not encouraged because the User Guidance and assessment forms and templates will not yet have been updated.

- All requirements within a given category must be assessed against either Version 4.0 or Version 4.1. It is not allowable to certify to a mix of both Version 4.0 and Version 4.1 requirements within a single standard category.

Hybrid Version 4.0 Certifications

- C2CPII will not be able to provide a Version 4.1 ASF before Version 4.1 is in effect. Assessors are required to use the Version 4.0 ASF and explain how a requirement was assessed to Version 4.1 in the Assessor Verification section (column K in the Version 4.0 ASF).

- The following applies for these "hybrid" Version 4.0 certifications that are submitted before the Version 4.1 effective date:

  - Review Version 4.1 requirements will begin only after it has been confirmed by the assessor that the product is in compliance with the final Version 4.1 standard.

  - The assessor must clearly indicate which sections were evaluated against the Version 4.1 standard on the Version 4.0 ASF Admin tab, table 1.4.

  - Certifications that include compliance with Version 4.1 requirements will only be issued on or after the Version 4.1 effective date.

Applications for Version 4.1 Certifications

- Applications and ASFs for overall Version 4.1 certifications will be accepted beginning on the effective date (TBD May/June 2024)

- Applicants who wish to submit an ASF for a Version 4.1 certification <u>before the effective date</u> may submit an ASF following the same requirements noted previously for hybrid Version 4.0 certifications.

Sunset Date for Version 4.0 Certifications

- Applications and ASFs for product certifications to Version 4.0 will be accepted until 31 December 2025.

- Applications and ASFs received after 31 December 2025 will be required to certify to Version 4.1.

"Safer Circular" - the concept

A new C2CC certificate using key parts of the circularity and material health categories of Version 4.1. Designed to be widely accessible and scalable, and an on-ramp to the full certificate. Developed with scaling partners and delivered through Assessors via a new end-to-end digital platform.

Profile Update

Greater external engagement for awareness, recognition and impact

1. Greater program recognition
2. Greater overall and sector-level community engagement
3. Digital consumer communications campaign launched
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5. Reinvigorated fundraising effort

6. Elwyn Grainger-Jones

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RECOGNITION OF C2C CERTIFIED

EU Green Deal Legislation

Legislation addressing transparency and communication of environmental claims
- Empowering Consumers Directive (**ECD**)
- Substantiating Green Claims Directive (SGCD)

ISO Standards

Accreditation of C2C Certified is needed for recognition in ECD and SGCD as well as BREEAM
- ISO 17065 - Requirements for bodies certifying products, processes and services
- ISO 14024 - Principles and procedures for developing Type I environmental labelling programs

RECOGNITION OF C2C CERTIFIED

GREEN BUILDING STANDARDS

- LEED
- WELL
- Green Star
- DGNB – APPROVED – DETAILS FORTHCOMING
- Living Building Challenge – In progress
- BREEAM - Planned – requires ISO accreditation

RETAILER PLATFORMS, E.G.,

- Amazon
- Walmart
- BOL.
- Zalando

OTHER CERTIFICATIONS, E.G.,

- Oeko-Tex – In progress – nearly there on CACP+WSS, hiring consultant on SF

GOVERNMENT PROCUREMENT, E.G.,

- U.S. EPA Envi. Preferrable Purchasing for federal agencies
- German Federal Government Guidelines for Sustainable Textile Procurement
- City of San Francisco
- Green Button

CORPORATE PROCUREMENT SPECIFICATIONS, E.G.,

- GOOGLE (CARPET SPECIFICATIONS)
- Gensler
- HOK

DIGITAL PASSPORTS, E.G.,

- EON

GREEN TOURISM, E.G.,

- Green Key
- Green Globes - In progress

CERTIFICATIONS RECOGNIZED IN C2C CERTIFIED®

Currently Recognized

Standard Setting Organization	C2CPII Recognized Standard
Aid by Trade	Cotton Made in Africa
American Carbon Registry	American Carbon Registry
Better Cotton Initiative (BCI)	Better Cotton Initiative (BCI)
Biodegradable Products Institute (BPI)	BPI Compostable
Center for Resource Solutions	Green-e
Clean Development Mechanism	Clean Development Mechanism
Climate Action Reserve	Climate Action Reserve
DIN CERTCO	DIN-Geprüft: Industrial Compostable
EKOenergy	EKOenergy
European Bioplastics	Seedling
European Commission	European Union Energy Label
European Commission	EU EcoLabel for Textiles
Fair Trade Certified (USA)	Fair Trade Certified (USA)
Fairtrade International	Fairtrade International (all)
Forest Stewardship Council (FSC)	Forest Stewardship Council (FSC)
Global Organic Textile Standard (GOTS)	Global Organic Textile Standard (GOTS)
OEKO-TEX	OEKO-TEX® STeP
OEKO-TEX	OEKO-TEX® MADE IN GREEN
OEKO-TEX	OEKO-TEX 100
Programme for the Endorsement of Forest Certification (PEFC)	PEFC ST 2002:2020
Programme for the Endorsement of Forest Certification (PEFC)	PEFC-ST-1003-2018
Renewable Energy Assurance Limited	Compostable Materials Certification Scheme (CMCS)
Roundtable on Sustainable Palm Oil (RSPO)	Roundtable on Sustainable Palm Oil (RSPO)
Supplier Ethical Data Exchange (SEDEX)	Sedex Members Ethical Trade Audit (SMETA)*
Social Accountability International	SA8000*
Social and Labor Convergence Program (SLCP)	Converged Assessment Framework*
Textile Exchange	Global Recycled Standard
Textile Exchange	Recycled Claim Standard
Textile Exchange	Organic Content Standard
Textile Exchange	Responsible Wool Standard
Textile Exchange	Responsible Down Standard
The Gold Standard	The Gold Standard
TÜV AUSTRIA	OK Compost HOME
TÜV AUSTRIA	OK Compost INDUSTRIAL
United States Environmental Protection Agency/ Department of Energy	EnergyStar
Upcyclea	myUpcyclea
Verified Carbon Standard	Verified Carbon Standard

In Progress

Standard Setting Organization	C2CPII Recognized Standard
UL	UL 2809
Green Circle	Green Circle
Green Blue	RMS Certified
SCS	Recycled Content Certification
ISCC	ISCC+

Expansion of Recognition

Standard Setting Organization	C2CPII Recognized Standard
OEKO-TEX	OEKO-TEX® STeP
OEKO-TEX	OEKO-TEX 100

Planned

Standard Setting Organization	C2CPII Recognized Standard
amfori Business Social Compliance Initiative (BSCI)	amfori Business Social Compliance Initiative (BSCI) audit*
Ethical Trading Initiative (ETI)	Ethical Trading Initiative Base Code audit*
Better Work	Better Work's Global Compliance Assessment Tool (CAT)*
Fair Wear Foundation	Fair Wear audit*
Sustainable Fiber Alliance (SFA)	Sustainable Fiber Alliance (SFA)

*These standards and protocols have been or will be reviewed for equivalency and are, or may be, accepted for meeting certain C2CC requirements.

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CRADLE TO CRADLE CERTIFIED® LEADERS FUND

1 Strengthen our core

2 Position for growth

3 Expand our reach

Goal: Raise $2MM by end of 2025

Major program stakeholders, including:
  Certification holders
  Green building schemes
  Retailers
  Specifiers
  Government agencies

Other funders, including:
  Foundations
  High net-worth individuals

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UPCOMING EVENTS

Institute

20 March Community Forum, Amsterdam

27 November Community Forum, Amsterdam

External

22-24 May Circularity, Chicago

14-17 October Sustainable Brands

Textiles Innovation Forums, Europe and US