

# SUSTAINABLE CERTIFICATION



### Introduction

Textile Solutions innovates at the intersection of tradition and technology, uniting decades of manufacturing experience with cutting-edge IT. As a leader in Supply Chain Traceability, Sustainability Certification, and Carbon Footprint Management, General Intelligence harmonizes craftsmanship and digital expertise, driving efficiency and sustainability for suppliers through technology. We navigate the textile landscape, shaping a future where sustainability, compliance, and efficiency seamlessly coexist.

### **Embarking on the Journey**

GI envisions a future where industry practices seamlessly incorporate sustainability. This concise white paper guides stakeholders through the opportunities and challenges of sustainable certification, showcasing diverse standards. GI plays a pivotal role in simplifying the certification process, streamlining requirements with innovative solutions like automation and AI. Partnering with GI ensures efficient use of time and resources, allowing businesses to prioritize sustainable practices. Join us in unraveling the intricacies of sustainable certification, paving the way for an integrated and resilient future with GI as your trusted companion.

### **Company Overview**

• Innovative Compliance for the Textile Landscape

Our proprietary **All-in-One** platform serves as the nexus for compliance, seamlessly consolidating various requirements.

AI Empowered Solutions

Textile Solutions is underpinned by integration, automation, Artificial Intelligence (AI), and block chain – collectively forming the backbone of our innovative solutions.

Mitigating Compliance Risks

**End-to-end** traceability ensures compliance with various standards while reducing risks in key markets.



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### Challenges and Opportunities in Sustainability for the Textile Industry

### Introduction

The sustainability landscape in the textile industry is marked by a complex interplay of challenges and opportunities. As the industry strives to embrace eco-friendly practices and meet the demands of environmentally conscious consumers, it encounters several hurdles that demand careful navigation. Simultaneously, these challenges present opportunities for growth, innovation, and enhanced market positioning.

### Challenges

### 1. Volume and Variety:

The textile industry's diverse product lines, transactions, and production processes often necessitate various certifications, each with its unique set of standards. This volume and variety of certification requirements can be overwhelming, leading to complexities in compliance.

### 2.Dynamic Updates:

Certification standards are not static; they evolve over time. Staying current and ensuring compliance with updated standards requires constant monitoring and adjustments to established practices. This dynamic nature can be resource-intensive and time-consuming.



### 3. Overlapping Standards:

Some certifications may have criteria that overlap, causing confusion for textile manufacturers in determining which is the most appropriate certification to pursue. This overlapping can also raise questions about whether multiple certifications are necessary, potentially adding to the cost and administrative burden.

### 4.Brand Reputation:

Blockchain technology can be used to record and verify certificates of compliance, quality standards, and proofs of production processes. This is crucial for meeting international trade and industry regulations.

### **5.Legal Repercussions:**

Non-compliance with sustainability certifications can result in significant legal and financial ramifications. Hefty fines, legal disputes, and even market bans in certain regions can occur due to non-compliance, putting the financial health and market access of textile companies at risk.

### 6. Lost Opportunities:

Many retailers and business partners now prioritize sustainable practices. The absence of specific certifications can result in missed business opportunities, as potential partners may require or prefer suppliers with particular sustainability credentials.

### **Opportunities**

### 1. Risk Mitigation:

The challenges presented by sustainability certifications also offer an opportunity for risk mitigation. By staying well-informed and proactive in their compliance efforts, textile companies can avoid financial penalties and legal disputes.



### 2.Innovation:

Navigating the ever-evolving sustainability landscape necessitates innovation. Companies that invest in research and development to meet certification requirements can develop unique and environmentally friendly textile products that appeal to eco-conscious consumers.

### 3. Market Differentiation:

Textile companies that successfully obtain and maintain the relevant certifications can differentiate themselves in a crowded market. Certification badges can serve as powerful marketing tools, attracting consumers seeking eco-friendly products.

### 4. Supply Chain Resilience:

Addressing certification challenges and ensuring supply chain compliance can enhance the resilience of the entire production and distribution network. A well-managed supply chain reduces the risk of production halts and recalls, safeguarding operations.

### 5. Market Differentiation:

By meeting sustainability requirements, textile companies can forge partnerships with retailers and business partners who prioritize eco-friendly practices. These partnerships can open new distribution channels and business opportunities.

In conclusion, the textile industry faces a range of challenges in its pursuit of sustainability, but these challenges are accompanied by significant opportunities. Successfully navigating the certification landscape not only ensures compliance but also allows companies to build a reputation for eco-friendliness, reduce risks, and tap into a growing market of environmentally conscious consumers. Ultimately, embracing sustainability can position textile manufacturers for long-term success in an increasingly eco-aware world.



### List of Common Sustainability Certifications

### Introduction

In today's world, sustainable practices have become an integral part of various industries. With a growing awareness of environmental and social responsibilities, certifications play a crucial role in ensuring transparency and adherence to sustainable standards. This provides an overview of some commonly used sustainable certifications, their standards, and the impact they make in promoting responsible business practices. Scope Definition and Goal Setting:

Define the scope of measurement, encompassing the entire lifecycle from raw material procurement, production, transportation, to the final product.

Set measurable goals for carbon emissions, specifying a particular timeframe for assessment.



### **Major Certifications in Global Trading**

Certification or Standard	Area of Focus	Applicable Fiber Types
Fairtrade	Social fairness, adequate wages and working conditions, sustainable agriculture	Cotton, wool, etc.
FLOCERT	Fair trade, social responsibility	Various types of fibers
Fair Wear Foundation	Workers' rights, fair working conditions	Various types of fibers
SA8000	Social responsibility, fair working conditions	Various types of fibers
Green Seal	Environmental protection, sustainability	Various types of fibers
Cradle to Cradle certification	Environmental protection, sustainability, recycling	Various types of fibers
Organic Content Standard	Organic production, environmental protection	Organic cotton, organic wool, etc.
Recycled Claim Standard	Recycling, environmental protection	Recycled fibers
Responsible Down Standard	Animal welfare, down production	Down
GRS (Global Recycled Standard)	Recycling, environmental protection	Recycled fibers
The Responsible Wool Standard (RWS)	Animal welfare, environmental protection, wool production	Wool
The Responsible Alpaca Standard (RAS)	Animal welfare, environmental protection, alpaca wool production	Alpaca wool
The Responsible Mohair Standard (RMS)	Animal welfare, environmental protection, mohair production	Mohair
BCI (Better Cotton Initiative)	Environmental protection, sustainability, cotton production	Cotton
GOTS (Global Organic Textile Standard)	Organic production, environmental protection, social responsibility	Organic cotton, organic wool, etc.
OEKO-TEX® STANDARD 100	No harmful substances, safety	Various types of fibers
Blue sign	Environmental protection, safety, sustainability	Various types of fibers
Climate Neutral Certified	Carbon emissions, carbon neutrality	Various types of fibers
ECOCERT Textile	Organic production, environmental protection	Organic cotton, organic wool, etc.

Textile Exchange offers a range of standards, including the Global Recycled Standard (GRS), Organic Content Standard (OCS), Responsible Wool Standard (RWS), and Recycled Claim Standard (RCS). These standards collectively form a comprehensive framework for responsible material sourcing and the establishment of transparent supply chains.



In addition to these foundational standards, Textile Exchange provides Scope Certification (SC) and Traction Certification (TC) to further strengthen the recognition and certification of organizations and their specific sustainability initiatives within the broader context of these standards. SC and TC are tailored to acknowledge organizations excelling in specific areas, serving as valuable complements to the GRS, OCS, RCS, and other standards. Together, these initiatives contribute significantly to the promotion of sustainability and responsible practices throughout the industry.

One notable standard within Textile Exchange's portfolio is the Global Recycled Standard (GRS). Functioning as an international and voluntary full product standard, GRS places a primary emphasis on recycling and environmental protection, especially concerning applicable fiber types. It encompasses the certification of recycled content, chain of custody, social and environmental practices, as well as chemical restrictions. GRS assumes a pivotal role in advancing sustainable practices, ensuring responsible sourcing, and facilitating the production of goods with a clear set of criteria for third-party certification within the recycling industry.

### **Conclusion**

These certifications and standards play a pivotal role in promoting sustainability, transparency, and responsible business practices across various industries. By adhering to these standards, organizations contribute to a more environmentally and socially responsible world while also gaining credibility and trust among consumers and stakeholders. As sustainability continues to be a driving force in global business, these certifications will remain essential tools for guiding ethical and responsible practices.

In addition, it's worth noting that the GI platform currently offers comprehensive coverage for all certifications, making it an all-inone solution platform for businesses aiming to meet their sustainability and compliance goals.

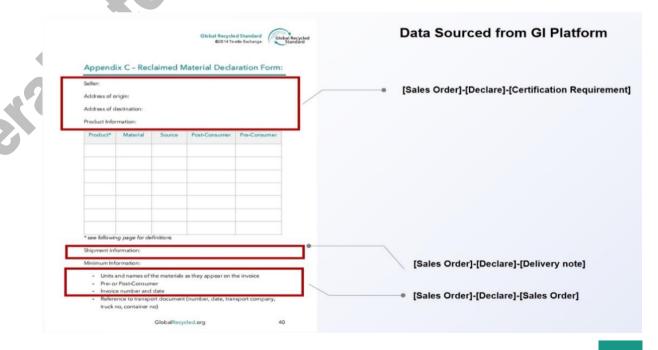


### List of Sustainability Certification (GRS) Requirements Information

### Introduction

In the intricate landscape of sustainability certifications, one truth shines brightly: they wield immense influence in molding industries, guiding consumers, and cultivating a world that's more responsible and transparent.

These certifications are often organized into Scope Certification (SC) and Transaction Certification (TC), each meticulously tailored to address specific standards and criteria. This article offers a comprehensive exploration of one of the most widely used certifications, the Global Recycled Standard (GRS), within its TC/SC framework.





Based on the provided diagram, it is evident that the information required under the Global Recycled Standard (GRS), such as "seller, address of origin, address of destination, product information," can be readily located within the General Intelligence (GI) "order" module under the "sales order" section. For instance, shipment information can be accessed on the GI platform through the Sales module, specifically by navigating to "Declare" and selecting "Delivery Note."

Similarly, details related to invoice information and whether the product is can also be found on the GI platform. In this case, one can refer to the "sales order" section within the "declare" category. The relevant information for invoice-related details and the nature of the product (pre or post-consumer) is accessible by navigating through the "sales order" module.

This structured arrangement within the GI platform's sales module not only aligns with the requirements of the GRS standard but also provides a centralized and efficient means for accessing diverse information crucial for meeting certification criteria.

Notably, the comparison below underscores the striking alignment between the materials required for certification and those uploaded to the General Intelligence (GI) traceability platform. This alignment not only streamlines the process but also serves to avoid redundancy, offering a more efficient and coherent approach to ensuring compliance with sustainability standards.

GI is an all-in-one solution platform that provides a seamless and time-saving path to achieving and maintaining these vital certifications, solidifying its place as a key ally in the pursuit of sustainable and responsible business practices.



How the GI Platform
Streamlines
Certification
Processes and
Reduces Time,
Effort, and Costs for
Suppliers

### Introduction

In today's highly regulated business landscape, certification is a crucial component for suppliers across various industries. Meeting the requirements for certification can be a time-consuming and costly endeavor. However, the General Intelligence (GI) platform offers innovative solutions that significantly reduce the time, effort, and costs associated with certification for suppliers.

### 1.Centralized Documentation and Certification Report Generation (Reduced Workload and Time)

One of the standout features of the GI platform is its ability to centralize documentation and streamline the certification process. Suppliers often find themselves repeatedly creating and submitting the same documents for different certifications. With GI, this repetitive and labor-intensive work is eliminated. The platform stores essential documents, making them readily available for various certifications. There is no need to duplicate efforts for each certification application.



Moreover, GI goes a step further by automating the generation of certification reports. Instead of suppliers manually collating data and creating reports, GI compiles the necessary information, ensuring accuracy and consistency. This not only reduces the workload but also significantly cuts down the time needed to prepare certification documentation. With GI's features and tools, suppliers can allocate their resources more efficiently and expedite the certification process.

### **2.Parallel Upload Improved Timeliness:**

One of the standout features of the GI platform is its ability to allow suppliers at different processing stages to upload their data in parallel. This ensures that every link in the supply chain can contribute to the certification process simultaneously, enhancing efficiency and cooperation across the board.

With readily accessible data at their fingertips, suppliers can promptly submit their applications, resulting in significantly shorter certification timelines. This not only saves time but also streamlines the certification process, making it more efficient and effective.

Furthermore, the platform is dedicated to meticulously maintaining data accuracy and currency, thereby reducing the risk of errors and discrepancies that might otherwise cause certification delays. With their data well-prepared and accessible, suppliers can confidently meet the stringent deadlines set by certification bodies and regulatory agencies, ensuring they remain both compliant and competitive in the fast-paced industry. The GI platform's innovative approach to parallel data uploads has revolutionized the certification process, offering a more efficient and collaborative path towards certification success.



### 3. Streamlined Document and Data Review (Reduced Review and Revision Time):

Certification processes typically involve document and data reviews, which can be time-consuming and stressful for suppliers. However, with GI, these challenges are minimized. GI conducts comprehensive pre-audits on the documents and data that suppliers have already uploaded for traceability, ensuring alignment with certification requirements. This proactive approach not only identifies and corrects discrepancies and errors but also eliminates the need for prolonged exchanges between suppliers and certification bodies. As a result, the certification process is not only expedited but also less likely to face delays due to non-compliance.

In conclusion, the GI platform is a game-changer for suppliers aiming to streamline their certification processes. By centralizing documentation, automating report generation, and providing pre-existing data, GI significantly reduces the time, effort, and costs associated with certification. Suppliers can operate more efficiently, meet certification deadlines, and maintain compliance with greater ease, ultimately enhancing their competitiveness and profitability.



Collaborative
Success: How the GI
Platform Facilitates
Win-Win Scenarios
for Third-Party
Certification Bodies

### Introduction

In today's rapidly evolving regulatory landscape, third-party certification agencies face increasing challenges in managing the certification process efficiently and cost-effectively. The General Intelligence (GI) platform emerges as a game-changer, fostering close collaboration between the platform and third-party certification agencies to achieve mutual success. Here, we delve into three key aspects of this partnership:

### 1. Cost Savings through Collaborative Synergy:

One of the primary benefits of the GI platform is the significant reduction in third-party "man-day" costs, a critical metric for certification agencies. By working closely with these agencies, the GI platform streamlines processes, reduces administrative burdens, and minimizes the time and effort required to manage and execute certifications. The result is a tangible and remarkable reduction in the financial burden on third-party certification agencies. This cost-saving feature not only enhances profitability but also allows these agencies to allocate resources more efficiently, ultimately benefiting their clients.



### 2. Efficient Management of Multiple Clients and Orders:

The GI platform's robust certification tools provide a comprehensive solution for third-party certification agencies, enabling them to simultaneously manage multiple clients and their numerous orders. This capability facilitates the efficient coordination of certification activities, ensuring that every client's needs and deadlines are met. With the certification tool's user-friendly interface and robust features, agencies can maintain oversight of multiple projects seamlessly, streamlining their workflow and enhancing productivity. This ensures that third-party certification agencies can serve a broader client base while maintaining high standards of quality and compliance.

### 3. Seamless Data Integration and Full Automation:

The GI platform's commitment to collaboration extends to integrating with third-party certification agencies' current systems through open APIs, facilitating the uploading of 100% of the required data. This full data integration results in a level of automation that was previously unattainable. The seamless transfer of information between the GI platform and certification agencies' systems ensures that certification processes are not only efficient but also entirely error-free. This represents a transformative shift towards full automation in data reporting, eliminating human errors and enhancing the reliability and accuracy of certifications. It also empowers certification agencies to meet regulatory requirements with ease, enhancing their reputation and trustworthiness.

In conclusion, the GI platform is revolutionizing the certification landscape by establishing a symbiotic relationship with third-party certification agencies. Through collaborative synergy, cost-saving measures, efficient order management, and seamless data integration, this platform is helping certification agencies achieve win-win outcomes. As the industry continues to evolve and face new challenges, this partnership exemplifies how innovation and collaboration can drive success for all stakeholders involved. By embracing the GI platform, third-party certification agencies are better equipped to deliver outstanding service, reduce costs, and ensure compliance, all while thriving in a competitive market.



## A Groundbreaking Partnership in Textile Sustainability & Carbon Footprint Certification

### Introduction

We are thrilled to announce that General Intelligence (GI) is set to revolutionize the textile industry's approach to carbon footprint certification with an exciting new pilot plan. This transformative collaboration, involving PVH, CU/TUV, Smart Shirt, UPW, and GI, is geared towards empowering the creation of comprehensive textile carbon footprint assessment reports. It will significantly enhance transparency in the selection of suppliers for brand's business orders.

Notably, this pilot program is expected to be completed within three months and is scheduled to commence in the first quarter of **2024**, underscoring our commitment to a swift and efficient approach.

As part of this groundbreaking initiative, we will deliver a brand-new sustainability certification issued by the agencies on GI platform, with GI leading the creation of products based on the plan's recommendations. This endeavor will not only enhance our existing traceability platform but also serve as a showcase of complete carbon footprint reports for ready-to-wear textile products.



### **Highlights of the Collaboration:**

- 1. Revolutionizing Carbon Footprint Certification
- 2. Transparency Enhancement
- 3. Timeline and Efficiency Commitment
- 4. New Sustainability Certification
- 5. Traceability Platform Enhancement
- 6. All-in-One Platform
- 7. Inclusion of Certification Marks

In summary, GI incorporates electronic certification papers and reports. Moreover, it facilitates the incorporation of certification-related marks within the traceability reports (CoC)





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### **Insights Into GI Online Tools**

Elevate your business with GI's online tools, empowering enterprises with assessments on fundamental operations, internal IT capabilities, product traceability, sustainable raw material certification, and product carbon footprint proficiency.

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