

Textile Exchange Certification Fee Structure

Textile Exchange licenses *certification bodies* to perform *certifications* in accordance with Textile Exchange *standards*. The certification body is charged the following fees based on the requirements in this document:

- a. A one-time application fee;
- b. An annual licensing fee per standard scope (*Removed for ASR-107-V2025.0);
- c. A fee based on each certified site; and
- d. A fee based on the day(s) spent auditing group certifications.

Textile Exchange does <u>not</u> charge fees for transaction certificates or for logo use and claims by certified organizations, certification bodies, or accreditation bodies at this time. There are no fees for accreditation bodies.

Please note that Textile Exchange does <u>not</u> charge fees to certification bodies' clients directly for certification services related to our standards at this time. Each certification body sets and charges its own fees, which may or may not include fees charged by Textile Exchange to the certification body. It is up to the certification body whether they directly pass on any fees to their clients or build it into their fee structure.

This **fee structure is effective January 1, 2025**, and all criteria of *ASR-107-V2025.0* apply as of that date. All scope certificates issued or sites which are added to a scope certificate on or after this date shall meet the criteria of this document. For RAF farm scope certificates which do not expire in 2025, the revised fees shall take effect for the 2025 anniversary date.

NOTE: The certification fee structure will undergo a major revision alongside the Materials Matter standard for 2026, which may include changes to how fees are calculated and charged for all participants of the Textile Exchange standards system. Any such updates will be shared via formal policy revision, release, and/or calibration as needed.

See <u>*TE-101 Terms and Definitions for Textile Exchange Standards and Related Documents*</u> for relevant terms and definitions. Defined terms are identified in italics in the first use in this document.

Questions about the costs of certification for companies? Read more about the total costs of certification on our FAQ page: <u>https://textileexchange.org/faq/how-much-does-certification-cost/</u>



Section A – Certification Body Fees

A1. Certification Body Application Fees

- A1.1 When a certification body applies to Textile Exchange to be licensed to certify to one or more Textile Exchange standards, they shall complete a one-time application and pay a fee in accordance with the following schedule:
 - A1.1.1 A fee of \$6,000 USD for an application from a new certification body.
 - A1.1.2 A fee of \$5,000 USD if the certification body names an accreditation body who is not previously authorized for at least one Textile Exchange standard (charged once per accreditation body). And
 - A1.1.3 No fee for an application from a certification body with an existing Licensing Contract with Textile Exchange.
- **A1.2** Any fees charged to Textile Exchange by an accreditation body shall be invoiced to the applicable certification body in addition to the fees in this document.
- **A1.3** Textile Exchange may reduce or waive application fees for specific geographic or standard scopes if there is a need for additional certification body capacity for that scope.
- A1.4 Textile Exchange shall not accept an application from an accreditation body who is not previously authorized for at least one Textile Exchange standard without nomination from a certification body.
- **A1.5** Application fees are non-refundable regardless of whether the application is subsequently accepted or rejected by Textile Exchange.

A2. Certification Body Annual Licensing and Textile Exchange Membership

- A2.1 Each certification body that is accredited to a Textile Exchange standard with a valid licensing agreement with Textile Exchange or covered under a grace period agreement (see <u>ASR-101-V2.1 Accreditation and Certification Procedures</u>, Appendix D) shall be considered a licensed certification body. No licensing fee shall apply.
- A2.2 Removed for ASR-107-V2025.0.
- A2.3 Removed for ASR-107-V2025.0.
- A2.4 Removed for ASR-107-V2025.0.
- A2.5 Removed for ASR-107-V2025.0.



A2.6 *Removed for ASR-107-V2025.0.*

- A2.7 Upon becoming licensed for one or more Textile Exchange standards, the certification body shall be eligible for membership in Textile Exchange (Supporter level) at no additional charge.
 - A2.7.1 If the certification body was a member of Textile Exchange prior to signing the licensing agreement, Textile Exchange will offer a partial credit for fees already paid.
 - A2.7.2 If a certification body's licensing and/or accreditation is withdrawn (including voluntary withdrawal), Textile Exchange membership benefits shall be immediately revoked upon contract expiry, at the withdrawal date, or phase-out end date (whichever comes first).

We would love to welcome all licensed certification bodies into Textile Exchange's membership community at the Supporter level. Supporter-level dues are waived for our licensed certification bodies.



Benefits include one in-person and two virtual complimentary passes to our Textile Exchange Conference. Members also receive access to the Membership Community on The Hub. It's our online community portal for engaging with fellow Textile Exchange members and team. It includes searchable directories and easy access to our fiber-specific libraries, publications, and webinar recordings as well as community forums.

For a detailed overview of benefits and their value, please visit https://textileexchange.org/membership/

There is no need for licensed certification bodies to apply for membership directly. Once licensing is confirmed, the membership team will reach out to welcome you and package your benefits. Membership renews on a rolling basis.

Section B - Certified Site and Audit Day Fees

B1. Fee Schedule

B1.1 Certified site and audit day (registration) fees are charged per site on a *scope certificate* as follows (see also B1.6):



- **B1.1.1** Main site fee charged for the main site of the certified organization (the site listed on the cover page of the scope certificate), including for the central management (ICS) of a group or farm area.
- **B1.1.2** Subsequent site fee charged for each additional site included in the scope certificate. No subsequent site fee applies for the following:
 - a. Sites which do not physically handle certified products (PR0000, PR0030, PR0035, and/or PR0041 process categories only). A main site fee applies for a site which does not physically handle products if it is named on the cover page of the scope certificate.
 - b. Subcontractors.
 - c. Farm group members (PR0011 or PR0038 process categories only).
 - d. Farm areas (PR0037 process category only). And
 - e. Distribution facilities which exclusively handle *final products* (PR0048 process category only).
- NOTE: Subsequent site fees may apply to supply chain sites (e.g. PR0031 warehousing, distribution, PR0040 scouring) included in a RAF farm scope certificate unless otherwise exempted by the criteria in B1.1.2.
 - **B1.1.3** Audit day fee (see also B1.6) for farm groups (PR0011 or PR0038) and farm areas (PR0037) as follows:
 - a. For RDS, charged per *audit day* spent auditing farms instead of the subsequent site fee for farm group or farm area scope certificates. Time spent auditing the *internal control system* (ICS) directly does not count towards this total. And
 - b. For RAF, charged per farm for the square root of the number of farms, rounded up, included in a farm group or communal farmer group at the time of the initial scope certificate issuance date, or at the anniversary date for renewals <u>as</u> <u>applicable</u>. There is no fee for farms added to the farm group following the scope certificate issuance date until the time of the next anniversary date. The subsequent site fee does not apply to farm groups.

NOTE: The audit day fee does not apply for individual farm certification.

B1.2 Fees are charged based on the named standard under which claims are made. For example, a final processor for RDS would pay the fees listed for RDS, even though the audit is according to the CCS criteria.



- **B1.3** If a site is included in more than one scope certificate to the same standard (see the applicable Certification Procedures for eligibility), the full fee is charged per scope certificate.
- **B1.4** Fees for RCS are not charged if the same site also holds GRS certification. If an organization becomes GRS and RCS certified at different times, site fees shall apply in accordance with the following schedule:
 - **B1.4.1** If an organization is GRS certified and subsequently becomes RCS certified at any later point while the GRS certification is valid, no site fee applies for RCS.
 - **B1.4.2** If an organization becomes RCS certified (initial or renewal scope certificate) and becomes GRS certified no later than the tenth day of the next calendar month, no site fee applies for RCS. The certification body shall ensure that this is reflected on the same month's site data submission. Or
 - **B1.4.3** If an organization becomes RCS certified (initial or renewal scope certificate) and becomes GRS certified after the tenth day of the next calendar month, an RCS site fee applies for that year.
- NOTE: Fees apply upon recertification even if the initial scope certificate was issued with a validity of less than one year.
- B1.5 If a certification body reports more sites than are certified (e.g. through including subcontractors in site counts (see B3.1), duplicates submitted through dTrackit[™]), more certification fees than are applicable (e.g. mis-reporting of a site with both RCS and GRS certification as per B1.4, or of an organization who has transferred from another certification body as per <u>ASR-112 Procedure for the Withdrawal of Certification Body Licensing</u>), and/or more audit days than were performed, the certification body shall pay fees based on the higher (reported) total if the related invoice(s) has already been issued. Textile Exchange may charge the certification body for the greater of the reported baseline and the number of scope certificates and certified sites ingested into dTrackit (i.e. in the case of unresolved duplicate submissions) at the time of invoicing.
- NOTE 1: The certification body is provided a period where adjustments may be submitted (see C1.3). The certification body is expected to pay each invoice as-is upon receipt (see C2.1)
- NOTE 2: Textile Exchange may charge a fee based on the time spent to evaluate credit requests related to data errors by the certification body, and any such fee may be deducted from any credit issued. See also C2.4.
- **B1.6** Below is a table of fees per standard in United States dollars (USD):



Logo	Standard	Main Site Fee	Subsequent Site Fee	Audit Day Fee	Associated Subcontractor Fee
CONTENTCLAIM STANDARD	Content Claim Standard (CCS)	\$175	\$125	N/A	\$O
Global Recycled Standard	Global Recycled Standard (GRS)	\$350	\$275	N/A	\$O
AND	Organic Content Standard (OCS)	\$225	\$200	N/A	\$O
	Recycled Claim Standard (RCS)	\$250	\$225	N/A	\$0
R-D-S Contraction	Responsible Down Standard (RDS)	\$325	\$275	\$150	\$O
RANS COMPANY C	Responsible Animal Fiber (RAF) Standards: Responsible Wool Standard (RWS) Responsible Mohair Standard (RMS) Responsible Alpaca Standard (RAS)	Individual Farm \$200	\$275	\$200	\$0
		All Others \$325			



B2. Standard-Specific Fee Criteria and Clarifications

Content Claim Standard

- **B2.1** When the CCS is referenced in non-Textile Exchange standards as the requirements for chain of custody, the fee per site is defined in this policy. Individual licensing arrangements will be made by Textile Exchange with the other standard owner. To read more about how the CCS may be embedded into another standard, please see *CCS-103 Using the CCS Outside of Textile Exchange Standards*.
- **B2.2** *Removed for ASR-107-V2024.0*

Responsible Down Standard

- **B2.3** For RDS Farm Group Certification and Farm Area Certification, the certification body shall pay site fees as applicable for each supply chain or slaughter site included in the scope certificate (minimum one main site fee), plus an audit day fee per audit day for the group or area members.
- EXAMPLE: A certification body spends three days auditing a sample of six farms within a *farm group* and one additional day auditing the ICS/slaughter site.
 - Main site fee: \$325 USD
 - Audit day fee: 3 x \$150 = \$450 USD
 - Total fee: \$325 + \$450 = \$775 USD
- **B2.4** When individual farms are audited as part of a slaughterhouse (PR0026) or down processor's (PR0007) certification where there is no internal control system (ICS), fees may be calculated as for a farm group.
- EXAMPLE: There are 50 farms included in the scope certificate of a down processor. The certification body performs on-site audits of all 50 farms, over a period of five days. The certification body would be charged \$1,075 USD (5 x \$150 + \$325), instead of \$16,575 USD ((50+1) x \$325).
- **B2.5** Each audit day is considered to occur within one calendar day. Partial days are not allowed (e.g. A four-hour day of auditing or a 12-hour day of auditing is to be reported as one day).



Responsible Animal Fiber Standards

- **B2.6** A *farm* may include multiple geographically distinct plots of land, but is considered to be a single site provided that the definition of farm is met (see <u>*TE-101 Terms and Definitions for Textile Exchange Standards and Related Documents*).</u>
- **B2.7** Although RAF farm scope certificates have a three-year validity period (see <u>RAF-102-V2.2</u> <u>RAF Certification Procedures</u>, D4.1.1), fees are charged annually at the anniversary date.
- NOTE: The certification body shall report all active sites on a RAF scope certificate on the anniversary date, regardless of whether the audit has occurred. Textile Exchange will assume the farm will continue to be certified and invoice the certification body accordingly. If the certification body knows the site will not continue to be certified, they shall not report that site in the annual report for that scope certificate.
- **B2.8** Audit day fees for RAF farm groups are calculated assuming one farm is audited per day at the minimum sample size for a low-risk farm group, even when the actual sample size is larger and/or multiple farms are audited in one day.
- **B2.9** If a farm or farm group is certified to multiple RAF standards, only one fee applies.

B3. Other General Standard Fee Criteria

- **B3.1** No fees are charged for associated *subcontractors*. Normal fees apply for a site which is part of a scope certificate, even if that site acts as an independently certified subcontractor for other sites which are part of other scope certificates.
- **B3.2** Each legal owner of certified product shall be included as a site in a scope certificate.
- NOTE: When a *certified organization* does not pay for its own certification, the paying company that has the certification contract with the certification body may make business arrangements with the certified organization to limit the use of the certification. Fees are calculated and charged to the certification body per scope certificate as usual.
- **B3.3** An organization with multiple scope certificates for different standards or sites is charged separately for each scope certificate except as described in this policy.
- NOTE: The same fee(s) apply whether the organization holds a multi-standard or single standard scope certificate.
- **B3.4** If a scope certificate is downgraded from GRS to RCS, or if an organization is banned from certification by Textile Exchange, no refund is provided for site fees paid.
- **B3.5** *Removed for ASR-107-V2024.0*



B4. Removed for ASR-107-V2025.0

Removed for ASR-107-V2025.0

Section C – Invoicing and Payment Terms

C1. Invoicing Schedule

- C1.1 Removed for ASR-107-V2025.0.
- **C1.2** Textile Exchange invoices the applicant certification body for application fees upon receipt of the certification body's application form.
- **C1.3** Textile Exchange invoices each certification body for certified site and audit day fees on a quarterly basis, as soon as data collection allows, after the end of the quarter. See also C2.6.
 - **C1.3.1** Fees for each calendar quarter will be billed on or after the 15th day of the calendar quarter for the previous quarter (i.e. April 15, July 15, October 15, and January 15 of each year).
 - **C1.3.2** The certification body may submit requests to adjustments for each quarter's billing until the end of the second month of the next calendar quarter (i.e. May 31, August 31, November 30, and February 28 or 29 of each year). Any adjustments submitted after these dates shall not be considered, unless it is to report additional sites, which will be invoiced accordingly.
- **C1.4** Textile Exchange may charge a financial penalty if data and/or invoice payment is submitted by the certification body 30 calendar days or more after the stated mandatory reporting and/or payment due date.
- C1.5 *Removed for ASR-107-V2024.0*
- C1.6 *Removed for ASR-107-V2025.0.*
- C2. Payment Terms
- C2.1 Payment for all invoices is due upon receipt.
- **C2.2** If payment is not received, Textile Exchange may take the following actions (see also <u>ASR-101-V2.1 Accreditation and Certification Procedures</u>, D1.3.3.):
 - C2.2.1 30 or more calendar days past due: Email follow-up to certification body;



- **C2.2.2** 60 or more calendar days past due: Email follow-up to certification body, including top certification body management;
- **C2.2.3** 90 or more calendar days past due: Email follow-up to certification body, including top certification body management and providing notice for withdrawal of licensing agreement with Textile Exchange; and
- **C2.2.4** 120 or more calendar days past due: Withdraw licensing agreement with Textile Exchange based on previous notice.

If a certification body consistently does not pay in a timely manner, Textile Exchange may take any of the actions identified in C2.2 beginning 30 calendar days after an invoice is due.

- NOTE: The timelines outlined in C2.2 begin on the date the invoice is first issued in all cases (e.g. awaiting a purchase order number from a certification body, or reissuing an invoice upon certification body's request does not change the issuance date, extend the timelines above, nor extend the invoice due date).
- **C2.3** In the event that a certification body's accreditation is suspended or withdrawn, the certification body shall remain responsible to pay all fees as required per this policy, including those that the certification body may have not yet reported to Textile Exchange.
- **C2.4** Any dispute related to an issued invoice shall be submitted within 14 calendar days of the invoice issuance date. The following details, and any others requested by Textile Exchange, shall be submitted to <u>accounting@textileexchange.org</u> in order for the dispute to be considered (as applicable):
 - **C2.4.1** A list of the related certification fees in dispute, the relevant data points (i.e. those required as per Trackit), and the reason(s) for the dispute (i.e. the related document code and criteria). And/or
 - **C2.4.2** Any reporting details outlined in *ASR-112 Procedure for the Withdrawal of Certification Body Licensing* (e.g. organization name, certificate number, anniversary dates from the preceding scope certificate and the new scope certificate, the type of audit conducted).
- NOTE: Textile Exchange may charge a fee based on the time spent to evaluate credit requests related to data errors by the certification body, and any such fee may be deducted from any credit issued. See also B1.5.
- C2.5 All invoices shall be issued to the certification body address as follows:
 - **C2.5.1** For an applicant certification body, the address as submitted in the *ASR-206 Certification Body Application Form.* Or



- **C2.5.2** For a licensed certification body, the address for which Textile Exchange has a contractual agreement, which is typically the office which holds accreditation and/or an approved grace period (i.e. as referenced in the *ASR-208 Textile Exchange Licensing Contract for Certification Bodies*).
- **C2.6** The certification body shall submit any request for alternative billing arrangements to <u>accounting@textileexchange.org</u> for consideration.
- NOTE: Textile Exchange may consider alternative billing arrangements (e.g. issuing invoices to alternate offices, monthly invoicing) provided that such arrangements are <u>not</u> temporary in nature and would not result in additional administrative work for Textile Exchange. Approval of such arrangements are at the sole discretion of Textile Exchange.
- C2.7 All fees shall be paid in United States dollars (USD) and are non-refundable.

C3. Other Taxes and Fees

- **C3.1** In the event that a certification body is required to or chooses to withhold a portion of payment from invoices, the fees described above shall be pro-rated such that the amount paid to Textile Exchange is consistent with the amounts above. If this is the case, the certification body shall inform Textile Exchange prior to invoicing.
- NOTE: All taxes applied in the certification body's home country on invoices issued by Textile Exchange are the responsibility of the certification body and may not be deducted from the invoice total.
- **C3.2** The fees described above are exclusive of any sales taxes which Textile Exchange is required to charge.
- **C3.3** All invoice payments should be submitted electronically (wire or ACH) as per the routing details provided by Textile Exchange. If there are governmental restrictions on electronic payments (wire or ACH) in the certification body's home country, Textile Exchange may accept payment via credit card for an additional fee (see C3.4).
- C3.4 All credit card payments are subject to a 3% fee (based on the invoice total).