



Benefits of GoodWeave's licensing and certification programme for Indian exporters

December 2024

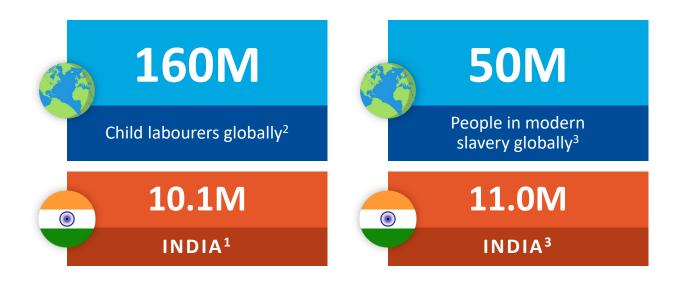
Our mission

99 97 GoodWeave's mission is to stop child labour in global supply chains. Permanently.

GoodWeave brings visibility to global supply chains; protects informal and marginalized workers; provides assurance that products are free of child, forced and bonded labour; and restores childhood to vulnerable children so they can laugh, learn and play.

ecember 20

Child, forced and bonded labour are widespread in global supply chains



Exporters work hard to make sure their supply chains are transparent and that factories are operating under safe and ethical conditions. However, there is still widespread exploitation in outsourced supply chains, including in subcontracting facilities and home-based worksites.

In India, the informal sector makes up 83% of the workforce. Many production processes are outsourced for capacity and cost related efficiencies.¹



AIN

СН

 \geq

٩

SUP

Z

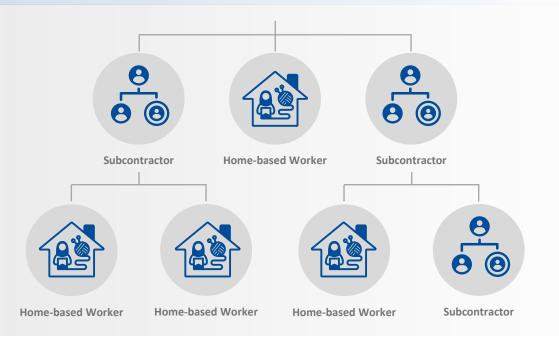
DDE

Т

Consumer

CARPET AND HOME TEXTILE SUPPLY CHAIN





Exploitation in subcontracted production is a risk to your business

Child, forced and bonded labour are crimes under national and international laws. Suppliers associated with these forms of exploitation risk public exposure and loss of business.

Buyers are seeking further assurance against exploitation in their supply chains due to consumer pressure and increasing human rights due diligence legislation that requires full supply chain oversight and remediation.

Prevention and remediation efforts are lacking, but essential. It is difficult to have oversight of sub-contracted tiers of production, and monitoring efforts alone do not solve the problem without preventative measures and remediation.

goodweav

Deep supply chain due diligence that stops child, forced and bonded labour





Certification: the GoodWeave label

Becoming a **GoodWeave licensee** is the best assurance your imported carpets and home textiles are made free of child, forced and bonded labour. A unique **GoodWeave numbered label** on your products provides customers proof of certification and your ethical credentials. Licensed partners have access to a promotional toolkit to help communicate about their commitment, and are included in GoodWeave's **online directory listing**.



HOW TO BECOME A LICENSED IMPORTER

Importer signs license agreement Suppliers apply for licensing and undergo an initial audit to assess compliance with the GoodWeave Standard

Unannounced inspections are carried out

Non-compliances are identified and addressed

3

Licensed suppliers receive labels prior to shipment

Importer receives labeled products

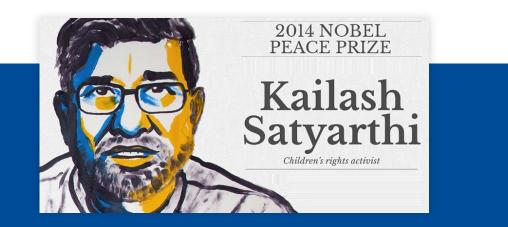
goodweave*

Business benefits

- Supply chain transparency: Gain full visibility into your supply chains and take necessary corrective action to eliminate child, forced, and bonded labour with GoodWeave's support
- Competitive advantage: programme participation is regarded positively by brands as they face increasing pressure to comply with international human rights supply chain due diligence legislation
- A more stable workforce: GoodWeave's programme brings free services to worker communities, all with the goal to make permanent changes that prevent exploitation and improve quality of life
- Support children's education: GoodWeave implements community-level education programmes that address the root causes of child labour



Our credibility



GoodWeave is a nonprofit organization founded in 1994 by Nobel Peace Prize Laureate Kailash Satyarthi

An independent, global organization with teams in the US, Europe and Asia



Member of the Partnership for Sustainable Textiles Socially and environmentally – we're on our way

Netherlands Enterprise Agenc

GoodWeave is a member of <u>Ethical Trading Initiative</u> and <u>German Partnership for Sustainable Textiles</u> and an ambassador for the <u>Dutch Fund against Child Labour</u>.¹

GoodWeave's founding CEO has been awarded the Skoll Award for Social Entrepreneurship and the Schwab Foundation Award for Social Entrepreneurs.



1 The Fund against Child Labour (FBK) is part of the Netherlands Enterprise Agency (RVO) and in commission of the Dutch Ministry of Foreign Affairs.

Our donors





190+ brand partners in 23 countries



★ MOCVŠ



NEW MOON

WARP & WEFT

OTTO





doodwea



The GoodWeave System and impact

30 years partnering with companies to create child-labor-free supply chains through a market-based system and holistic approach



HARNESS MARKET FORCES

190+ brand partners

Programs in carpets, home textiles, apparel, and other sectors

39+ million products certified

Photo credits:



CLEAN UP SUPPLY CHAINS

13,000+ active worksites in GoodWeave inspected supply chains

10,800+ children freed



CREATE EDUCATIONAL OPPORTUNITIES

99,500+ children directly provided educational opportunities

24 Child-Friendly Communities created



IMPROVE CONDITIONS FOR ALL WORKERS

125,000+ workers protected under the GoodWeave Standard in 2024



PROMOTE BEST PRACTICES

Partnership and capacity building projects: apparel in Bangladesh, bricks in Nepal, tea in India

Second photo, U. Roberto (Robin) Romano Papers, University of Connecticut Library Third photo, Photographed by Katha Haru, $ilde{f c}$ GoodWeave International

1

Fourth photo, © Lorenzo Tugnoli / GoodWeave International Fifth photo, Photographed by Nitin Gera, © GoodWeave International

What our licensed partners say

Over 90% say they joined GoodWeave because of a commitment to ending child labour.

Over 60% say GoodWeave's partnership has enhanced their company's reputation.

56% say their customers ask how they are ensuring child labour is not used in the making of their products.



GoodWeave PSA's in major publications educate consumers about the programme and contribute to enhancing partner's reputations One of our major clients is a GoodWeave licensee, since they know about our GoodWeave certification, the flow of orders from them is continuous and substantial. Additionally, the reputation and credibility Indian exporters have through GoodWeave is evident when we attend international exhibitions. Buyers we have never worked with come to our booth, knowing that we are socially responsible and working towards better working conditions for our workers.

Rupesh Nagar JR Exports, Bhadohi

> Our association with the GoodWeave programme is unique because it ensures in-depth transparency in our supply chains and also enhances our credibility at global platforms. We appreciate GoodWeave's exclusive approach about stopping child labour and supporting at-risk children along with sensitizing global consumers for opting child labour free products.

"

Rajendra Kumar Rawat Manglam Arts, Jaipur



goodwea

"



INCREASED VISIBILITY, INCREASED IMPACT: **STORIES OF CHANGE**

Mapping a large retailer's supply chain

When a large importer signed up as a GoodWeave licensee, its carpet supplier list included 22 units.

The importer had a compliance programme in place, but no visibility into outsourced production.

Over a period of three years, GoodWeave mapped 1,386 outsourced production units in their supply chain and identified 120 child labourers.

13

INCREASED VISIBILITY, INCREASED IMPACT: **STORIES OF CHANGE**

Sumitra's story

Sumitra's parents wanted to enroll her in school, but they were unable to bear the cost of admission and other educational expenses.

Instead of going to school, Sumitra began to do some household work and soon she was weaving alongside her relatives in a factory.

Thanks to GoodWeave, Sumitra is now back in school and dreaming of becoming a nurse.

Read her story here.

goodweav





Frequently asked questions

Q. What are the costs of GoodWeave's certification programme?

The importer pays 2% of the EXW value of every shipment of labeled goods, capped at 140,000 USD/year. The exporter pays 0.3% of the EXW value and is not capped. In both cases, the fee is only applicable to certified goods.

Q. What are the GoodWeave Standard requirements?

The Standard is comprised of three Principles: 1) No child labour, 2) No forced or bonded labour, and 3) Conditions of work are documented and verifiable. It also includes Progress Principles, which are designed to address a broader range of labour and environmental issues, but are not required for certification.

Q. I do not employ children in my factories. Why should I join?

In GoodWeave's experience, most child, forced and bonded labour issues are identified in subcontracted supply chains. As international due diligence legislation becomes stricter, there is more pressure on companies to have full visibility into their supply chains and to ensure issues like child, forced and bonded do not exist, including at subcontracted worksites. GoodWeave's programme helps exporters gain oversight of subcontracted tiers of production and reduce child and forced labour risk.







Become a GoodWeave partner. Doing the right thing for your business has never been easier.

Contact us today to learn more.

navneet@goodweave.net