

Ethically Handcrafted Nest Seal of Ethical Handcraft Licensing Information | 2022



THE CERTIFICATION PROCESS FOR SEAL ELIGIBILITY

The <u>Nest Ethical Handcraft Program</u> certifies handcraft suppliers, ensuring social compliance in accordance with Nest Standards.

Using a training-first model, we educate and empower vendors to achieve compliance across their handwork-based supply chains. Upon successful completion of the Ethical Handcraft program, vendors' eligible product lines are issued Certificate of Compliance. The associated certification mark, the Nest Seal, is the consumer-facing denotation eligible to be applied to all Nest-certified products.





The Market for Handmade Products is Growing



With over **\$500 billion** in annual revenue today, the creative manufacturing and handmade sector is scaling and projected to grow by 20% year on year, reaching **\$1 trillion by 2024**.

Nest and the Nest Seal play a critical role by:

- Bridging the gap between the brands and consumers seeking Ethically Handcrafted[™] products
- Serving as a connection to the artisans producing handcrafted goods

Our Ethical Handcraft program and associated Nest Seal ensure that artisans and handworkers have a safe and equitable work environment, even as they work from their homes or small workshops.

Consumers are Willing to Pay a Premium for Transparency







In the growing handmade sector, **it is more important than ever to distinguish your products** through verified traceability and transparency.

79% of consumers today state **it is important for brands to provide guaranteed authenticit**y, like certifications, when they're purchasing goods.



Within this group, 71 percent are **willing to pay an added premium** —37 percent more—for products offering full transparency and traceability.

Source: 2020 IBM Institute for Business Values Report

Nest Seal Licensing Process





Showcase your commitment and investment in Ethically Handcrafted[™] goods today by licensing the Nest Seal.

For a fee, brands and retailers can license the Nest Seal certification mark across a wide variety of Ethically Handcrafted[™] products.

- The licensing fee is determined based on the order volume of
 Nest-certified products
- All licensees will receive the Nest Seal Usage Guidelines and Marketing Toolkit, featuring a variety of creative assets and resources for marketing your Nest Seal products
- Custom consumer education resources and tools, as well as point-ofsale promotional materials, are offered to all Nest Seal licensees

Benefits of Licensing the Nest Seal





AFFIRM YOUR COMMITMENT TO WORKER-WELLBEING ACROSS YOUR SUPPLY CHAIN

The Nest Seal is backed by the Ethical Handcraft program which in addition to measuring social compliance against a matrix of 100+ Standards, has also been proven to improve workers' overall wellbeing and sense of agency.

9 in 10 women interviewed for the program shared that their decisionmaking abilities have improved since working in this capacity and earning fair wages.

SOURCE IN A WAY THAT REPRESENTS YOUR VALUES OF DIVERSITY, EQUITY, AND INCLUSION

Handcrafted products produced by marginalized communities around the globe offer your business the chance to live your values through the product on your shelves.



The Ethical Handcraft program has been implemented in **over 25 countries** with diverse artisan groups including indigenous communities, refugees, and migrant workers.

Benefits of Licensing the Nest Seal





ENGAGE YOUR CUSTOMERS THROUGH INSPIRATIONAL CONTENT AND IMPACT

Licensees can receive rich marketing content including visual assets of the production, artisan profiles, and maker testimonials to use in your consumer-facing messaging.



Nest's consumer research found that **3 in 4 consumers** prefer to purchase handmade products over machine-made—educating consumers on the handcrafted nature of your products can help guide their purchases.

ALIGN WITH PURCHASING TRENDS

Consumer demand for unique, handcrafted product continues to grow. Meet your customers where they are, while also communicating your shared impact.



Over two-thirds of consumers in a national survey reported changes in purchasing habits in the last five years, with a stronger inclination towards purchasing fair labor certified and/or locally made products.

Nest Seal in Market





A growing variety of craft techniques and products carry the Nest Seal, including: baskets, textiles, pottery, wood framed mirrors, handloom yarns, Indigo dyeing, woven mats, wood products, hand-knotted rugs, quilts, macrame, embroidery, clothing, jewelry, hardline and softline home decor.

The Nest Seal currently appears on over 400 SKUs across 2000+ retail stores, including all Target, West Elm, and Pottery Barn locations.



Next Steps to License the Nest Seal





The Nest team is available to work with your team to support your sourcing needs, licensing intentions, and marketing goals.

Email <u>nestseal@buildanest.org</u> today to get started.

To learn more about the Ethical Handcraft Program and Nest's Standards for Homes and Small Workshops, email <u>ethicalhandcraft@buildanest.org</u>

THANK YOU!



@buildanest

CONTACT

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