



CODE OF PRACTICE FOR ENVIRONMENTAL PRODUCT DECLARATION VERIFICATION AND EPD PROCESS SYSTEM CERTIFICATION ACCORDING TO THE EPD SCHEMES OF INTERNATIONAL EPD SYSTEM AND EPDITALY

INTRODUCTION AND SCOPE

SGS Italia SpA (hereinafter also "SGS Italia"), belonging to the SGS International Group, acts as a certification body of management systems (hereinafter also "systems") against internationally recognized standards.

SGS Group operates in several countries with accredited certification bodies. The list of the accreditations of the SGS Group Certification Bodies and related accreditations sectors are available upon request.

SGS Italia also offers service/product certification (to mandatory and voluntary requirements) and acts as environmental verifier according to EC Regulation No. 1221/2009 (hereinafter referred to as the EMAS Regulation), GHG verification and product carbon footprint verification.

SGS Italia services are provided in compliance with the General conditions for certification services (see Part 2).

In particular SGS Italia offers, within the voluntary product certifications, the service according to the EPD scheme of International EPD System (hereinafter IES) and according to the regulation of the EPDItaly Program of the **Verification of the Environmental Product Declaration (hereinafter Product EPD), of sector and product or sector EPD based on a qualified tool (hereinafter Pre verified tools for the development of EPD)**. The **EPD Process Certification service (hereinafter EPD Process)** is also offered according to the EPD IES scheme.

It will be specified below which Program Operator, IES or EPDItaly, the paragraphs/requirements listed will refer to.

This service includes the following six types of Verification activities:

- **EPD product verification**: verification process of Environmental Product Declarations. The verification statement will not expire as it refers to a data verification activity performed on specific claims and reported in the verified document (EPD). Therefore, no surveillance activities are foreseen.
- **Verification of the EPD of the product in PreCertification (IES) / Preliminary validation (EPDItaly)**: verification process of EPDs developed without an approved reference PCR (Product Category Rules). As for the verification statement of EPD products, there is no expiry date and no periodic surveillance activities are foreseen.
- **EPD product verification (not yet on the market - only for IES)**: the verification and validation of the EPD can only be carried out in the event of the presence of published EPDs of similar products belonging to the organization concerned. The verification statement will not expire, and no surveillance activities are foreseen.
- **EPD sector verification**: verification process of Environmental Product Declarations with presentation of all impact categories referring to an "average" product or a representative product of a sector. E.g. an average product made by various companies in the same sector and in the same geographical area. The "average" product is made in sites belonging to different organizations. The verification statement of the EPD sector does not expire and no periodic surveillance activities are foreseen.
- **EPD Process Certification (IES only)**: certification of the business management system and internal processes of the organization aimed at the design, processing of LCA studies and publication of EPDs of the organization's products. The validity of the Certificate is defined by the Programme Operator and periodic surveillance activities are foreseen.
- **PreVerified Tool Verification**: verification process of a calculation tool developed by the organization based on the same LCA model. A PreVerified Tool allows the organization to develop EPDs consistent with the reference PCR used in the development of the LCA model and the Tool. EPDs developed through a PreVerified Tool will in any case be subject to a verification process before their publication but with shorter times than the normal conditions of a product EPD verification.

1 PART 1: TECHNICAL CONDITIONS FOR CERTIFICATION SERVICES

1.1 GENERAL REQUIREMENTS

1.1.1 This document regulates the verification/certification services and the Organization is contractually bound to comply with the requirements set out therein. The terms and conditions in this document are applied with independence and impartiality to all organizations that apply or have access to SGS Italia verification/certification services.

1.1.2 Organizations are therefore committed to supply SGS with all the documents defining the system and its implementation; co-operate as is necessary during all Verification activities, by providing access to all information, staff and areas of the premises, as deemed necessary by the audit team to evaluate the conformity to the applicable standard; identify its own Representative to support the audit team and ensure that the consultant of the Organization assisting to the audit maintains the role of observer.

1.2 SCOPE AND ORGANIZATIONAL STRUCTURE

- 1.2.1 These technical conditions apply to the certification/verification activities specified in points 2.2.1 of the General Conditions that follow (see Part 2).
- 1.2.2 The technical conditions comply with the requirements for the accreditation of Certification Bodies.
- 1.2.3 A copy of the organization chart of the Certification Body, showing the responsibility and reporting structure of the organization, and documentation identifying the legal status of the Certification Body are available on request.
- 1.2.4 Certification/Verification Services are provided by SGS Italia's direct staff or, in its discretion, SGS Group Affiliates (generally for activities abroad) or by other external resources according to agreed requirements. In any case, SGS Italia still holds full responsibility for issuing, maintaining, suspending or withdrawing the certification/verification statement.

1.3 CONFIDENTIALITY

- 1.3.1 SGS Italia ensures that all confidential information gathered during certification / Verification activities is kept strictly confidential at all levels of its structure. No information will be disclosed to any third party unless in response to legal process or required by an accreditation body as part of the accreditation process or with written authorization from the Organization concerned.
- 1.3.2 The client's name, location, scope of certification/verification statement and reference contacts may be recorded and maintained by SGS in dedicated areas.
- 1.3.3 SGS Italia will process the data to which it will have access, or which will be communicated to it, in compliance with the applicable legislation on the protection of personal data, in electronic or paper format for the sole purpose of performing the service requested; the data controller is SGS Italia SpA, at its registered office, which data subjects may contact in accordance with the applicable legislation on the protection of personal data.

1.4 APPLICATION FOR CERTIFICATION / VERIFICATION

- 1.4.1 Once the Organisation's complete data required by the SGS Italia questionnaire has been received, a certification/verification proposal is issued by SGS Italia, detailing the scope and cost of the services and the method of activation of the certification/verification process.
- 1.4.2 For specific verification/certification schemes and/or industry sectors, regulatory requirements for verification/certification can be supplemented by specific Technical Regulations (RT) or Circular letters issued by the Accreditation Body.
- 1.4.3 Once the Application is returned, SGS Italia shall send the order confirmation to the Organization by email which formalize the contractual terms and conditions. The project is then assigned to SGS Italia staff responsible for ensuring the delivery of the service in accordance with SGS Italia procedures. The names of the staff involved in the individual inspection activities are communicated in advance; any motivated objections by the Organization should be immediately notified to SGS Italia.

1.5 INITIAL CERTIFICATION / VERIFICATION AUDIT

- 1.5.1 The initial audit of **Product EPD/ EPD in PreCertification/ Preliminary Validation** (IES and EPDItaly) is conducted in two stages:
- Stage 1: Document review (at SGS offices or on site upon approval by SGS Technical Staff)
Following the document review and consequent strategic analysis and risk assessment and/or in the event of serious gaps, the Lead Auditor may request the repetition of phase 1 or a time extension of the verification activity of phase 2, if properly justified. The maximum time extension that may be allowed is indicated in the contract.
 - Stage 2: LCA model, EPD and data verification used in the study (including verification at the production site)
- 1.5.2 The initial audit for the verification of the **EPD Process** (IES) is conducted in two stages:
- Stage 1: examination of system documents and the EPD pilot (at SGS offices or at the headquarters of the Organization subject to approval by the Technical Staff of SGS)
Following the document review and consequent strategic analysis and risk assessment and/or in the event of serious gaps, the Lead Auditor may request the repetition of phase 1 or a time extension of the verification activity of phase 2, if properly justified. The maximum time extension that may be allowed is indicated in the contract.
 - Stage 2: verification of the implementation of the EPD process and the LCA model at the headquarters of the Organization. Verification of the EPD pilot, including verification of data at the production site
- 1.5.3 The initial audit of the verification of the **Pre verified tools** for the EPD development is conducted in two stages:
- Stage 1: examination of the user manual of the Pre verified tools for the development of EPD and LCA model developed in the tool in accordance with the PCR used
Following the document review and consequent strategic analysis and risk assessment and/or in the event of serious gaps, the Lead Auditor may request the repetition of phase 1 or a time extension of the verification activity of phase 2, if properly justified. The maximum time extension that may be allowed is indicated in the contract.

- Stage 2: operational verification of the Pre verified tools for the EPD development through an EPD pilot (including data verification at the production site) verification of the management and closure of stage 1 findings of the Pre verified tools for EPD development through an EPD Pilot (including verification of data at the production site).
Subsequently, the verification of the EPDs generated by the Pre verified tools for EPD development (documentary analysis of the LCA and EPD, verification of primary data at the production site) can be foreseen.

- 1.5.4 The initial audit is conducted under the responsibility of a Lead Auditor of SGS Italia in accordance with the audit plans sent in advance to the Organization, which details the audit objectives and procedures. For each audit, two meetings are held: an opening meeting (where the Lead auditor presents all the key aspects of the audit: the evaluation procedure, the classification of non-conformities and subsequent corrective actions, and confirms the Audit Group confidentiality commitment, etc.) and a closing meeting (where the outcome of the audit is communicated and any clarification on the results registered in the audit report is provided, including information on procedures and deadlines to close non conformities).
- 1.5.5 In the case of the certification of the **EPD Process (IES only)**, when requested by the Organization during the certification application phase, a preliminary audit can be performed before the start of the initial procedure in order to evaluate and provide the Organization of information on the degree of implementation of the system subject to certification; this preliminary audit will have a maximum duration of 2 (two) days / man and cannot be repeated.
- 1.5.6 In the case of product/sector/Pre-Certified/EPD verification, when requested by the Organization during the verification service request phase, a preliminary audit can be performed before starting the initial procedure in order to evaluate and provide the Organization with information on the degree of implementation of the system subject to certification; this preliminary audit will have a maximum duration of 1 (one) day/ man and cannot be repeated.
- 1.5.7 SGS Italia and the Organization have the following responsibilities:
- (a) SGS Italia coordinates audits with the organization and prepares an audit program.
 - (b) The organization must make the following documents available to SGS Italia:
 - Copy of the EPD / EPDs to be checked
 - The LCA study relating to the product to which the EPD refers: the submission of the data to be verified must be in accordance with the General Programme Instructions of the Programme Operator (GPI) and the EPDItaly Regulation
 - The applicable PCRs approved and registered by the Programme Operator
 - Copy of the procedures defined for the gathering, processing and updating of the data used for the LCA, for the review of the EPD and for the identification of all significant changes in data/results (follow-up procedure as required by the Programme operator)Copy of the internal procedure for the identification and monitoring of the environmental laws applicable to the product and the production process
 - For EPDItaly, ISO 14001 certified or EMAS registered organizations must provide a self-declaration in which it is indicated that the product / service subject to the EPD complies with all legal provisions on environmental matters and that the product / service subject to the EPD subject to study has not been, or is not currently, or is not known to be close to the initiation of proceedings of a legal nature, relating to and / or attributable to compliance with environmental legislation.
If the Organization is not ISO 14001 certified or EMAS registered, it must:
 - o provide evidence of a self-assessment of compliance with environmental legislative requirements and its positive outcome signed by the Legal Representative, for each production plant
or
 - o provide an Audit report of legislative compliance carried out by a Certification Body
or
 - o Insert a Statement in the EPD that relieves EPDItaly from any non-compliance with environmental legislation self-declared by the organization.
 - Copy and list of procedures used to maintain the EPD process certification (only for IES)
 - List of EPDs subject to internal evaluation (only for EPD process certification with IES accreditation)
 - List of production sites from which the average data included in the sector EPD were obtained (only for sector EPD)
 - (c) Based on these documents, SGS Italia evaluates whether the standard requirements are considered (Stage 1) and adequately met (Stage 2). If SGS Italia considers that not all requirements for certification of Process EPD (IES) or Product EPD (IES/EPDItaly), Sector EPD (IES/EPDItaly) or Pre verified tool (IES/EPDItaly) are met, non-conformities are issued and reported to the customer during the closing meeting and in the Audit Report.
 - (d) In the event of non-conformity, the Organization shall respond in accordance with the terms and conditions set out in the Audit Report.

1.6 NON-CONFORMITIES AND CORRECTIVE ACTIONS

- 1.6.1 Non-conformities to the applicable standard requirements, are classified as major or minor (only for Process EPD) based on the relevance of the gap found (typically if one or more of the requirements of the reference standards is totally not met or significant doubts as to the capacity of the management system to achieve the expected outcomes arise and are related to the respect of laws, major non conformities are raised; misstatements - errors, omissions, wrong or false declarations in EPDs - are to be considered a major type of non-compliance) and the type of verification conducted. The Organization shall provide to SGS Italia, within the timing specified in the audit reports, the

related causes and corrective actions taken or planned to close the non-conformities within a set timeframe; SGS Italia will subsequently verify its implementation and effectiveness.

- 1.6.2 If major non-conformities are raised, certification is subject to Verification of the positive implementation of corrective actions by the Organization, generally conducted by an additional audit (see 1.11).
- 1.6.3 Failure to implement corrective actions within the specified times may result in the interruption of the certification process and the need to repeat the initial audit entirely.

1.7 ISSUANCE AND VALIDITY OF THE VERIFICATION STATEMENT/ CERTIFICATE

- 1.7.1 Following the successful resolution of the project, the Organization receives a Certificate or a Verification Statement depending on whether it is a process, sector or product EPD.

The Verification Statement of the Product EPD shall contain the following minimum contents:

- Business name of the organisation
- Revision and date of the EPD
- Product covered by the EPD
- Time boundaries
- Regulation and reference PCR
- A sentence stating that the verification statement cannot be read or interpreted without the EPD

The EPD Process certificate shall contain the following minimum contents:

- Business name of the organisation
- Regulation and reference PCR
- Site(s) included
- Date of issue and expiry

The issued EPD Process Certificate contains the expiration date within which the subsequent annual surveillance audits are to be carried out (when applicable and provided for in the contract) in order to confirm that the system complies with the applicable standards and regulations (see 1.10). With a reasonable advance on the expiry date (approximately 40 days), in order to ensure the continuity of the certification and the original Certificate number, a renewal audit must be carried out (see 1.15).

After the completion of the deliberation phase, all documents relevant to the completion of the EPD registration on the Programme Operator portal are sent to the Organization by e-mail and the original of the certificate/statement of verification is sent by ordinary mail.

- 1.7.2 In the event of a negative outcome of the project, SGS Italia notifies the Organization of the decisions taken and the actions to be taken.
- 1.7.3 The EPD Process Certificate statement will remain valid, until its expiry date, unless surveillance reveals that the management system and / or products of the Client no longer meet the standards, norms or regulations.
- 1.7.4 The Certificate/Verification Statement shall remain the property of SGS and the Organization shall send it back to SGS in case it is changed or cancelled. The Organization's right to use the mark/certification/verification statement of SGS is contingent on maintaining a valid Certificate in respect of the certified management system or products and compliance with the Regulations governing the use of the mark/certification/verification statement issued by SGS Italia.
- 1.7.5 The Certificate/Verification statement issued by SGS Italia is issued in Italian; Certificates/Verification statements in a different language can be issued on request and according to the terms and conditions expressed in the certification proposal.

1.8 REGISTRATION OF THE SGS CERTIFICATE / VERIFICATION STATEMENT AND OF EPD LOGO

- 1.8.1 Details of certificates / verification statements issued are recorded in a regularly updated SGS register.
- 1.8.2 Use of the EPD logo is governed by the General Program Instructions (IES) and the EPDItaly program regulations.
- 1.8.3 The Organization may not use or refer to the EPD logo of the Programme Operator without the formal registration of the EPD document by the Programme Operator itself. SGS Italia declines any liability if the Organization uses the EPD/EPDItaly logo incorrectly.
- 1.8.4 Any queries about the validity/veracity status of Verification Statements can be made by contacting the SGS contact details given in the Commercial Offer or the SGS contact details given in the Verification Statement.
- 1.8.5 Use of the SGS logo must be appropriately agreed between the customer and SGS.

1.9 USE OF CERTIFICATE / VERIFICATION STATEMENT

- 1.9.1 The Organization may refer to the Certificate / Verification statement obtained in its publications, in its correspondence, on business cards, etc. In any case, the use of the Certificate / Verification statement must be such as to be consistent with the purpose of Certification / Verification and with the products and / or services referred to therein. The conditions for using the SGS Certification / Verification statement are set out in a separate document that is sent to the Organization together with the Certificate / Verification statement issued.
- 1.9.2 SGS Italia will take any action deemed appropriate, at the expense of the Organization, to deal with incorrect or misleading references to Certification / Verification or use of Certificates / Verification Statements and / or of the certification mark (e.g. suspension or withdrawal of Certificate, legal action and / or publication of the transgression).
- 1.9.3 The Organization shall immediately cease to refer to the Certificate / Verification statement
- after any expiry of the Certificate
 - after any suspension/cancellation of the Certificate/Declaration of Verification due to facts discovered after verification
 - in the event of any change in the system / process / product not notified and accepted by SGS Italia,
 - if SGS Italia modifies the rules of the certification scheme and the Organization does not intend to comply,
 - any other circumstance that could adversely affect the certified system.
- 1.9.4 SGS Italia verifies the correct use of the Certificate / Verification statement or mark during the surveillance audits. In case of incorrect use, SGS Italia will take suitable actions which may include the request of major corrective action suspension or withdrawal of Certificate, legal action and / or publication of the transgression.

1.10 SURVEILLANCE AUDIT

- 1.10.1 Surveillance of EPD Process (only IES): periodic on-site surveillance audits shall be carried out during the period of validity of the Certificate, to grant that the system is maintained and potential issues identified in the initial audit are addressed. Surveillance audit are carried out annually unless differently agreed with the organization (e.g. lower frequency). The duration of the surveillance audit is calculated on a case-by-case basis, depending on the number and significance of the changes made to the process EPD (see 1.17) and the number of EPDs issued. Any non-conformity (major or minor) must be managed within the times set in the Audit Report.
- 1.10.2 Surveillance of Product EPD: no periodic surveillance audits are foreseen.

1.11 ADDITIONAL AUDITS

- 1.11.1 SGS Italia reserves the right to perform additional audits, notifying the Organization in writing; for example, to verify the implementation of major corrective actions, to address any requests that have arisen when the Certificate / Verification statement was being issued, to revoke a suspension of the Certificate / Verification statement, on receipt of whistleblowing, reporting serious problems or complaints related to the system / product / Certificate, when the Organization makes changes to its system / product considered relevant by SGS Italia, in case an additional Verification of compliance with the requirements is needed (for example, following reports from the market), when specific requirements exists for single certification programs, in case of substantial modifications to the system / product (see paragraph 1.17) etc. At the conclusion of the audit, the Organization receives the relative audit report. SGS Italia reserves the right to conduct non-announced audits, if necessary, motivating the reasons for such visits.
- 1.11.2 Any refusal of these audits by the Organization leads automatically to the initiation of the suspension process and / or withdrawal of the Certificate/ Verification statement.

1.12 SUSPENSION OF CERTIFICATION

- 1.12.1 SGS Italia has the power to suspend, for a limited period of time, the certification already granted, for reasons deemed serious, by notifying the Organization in writing. For example, suspension can be implemented when (i) the Organization fails to properly handle complaints; (ii) the audits point out significant deficiencies in the system / product but which, in SGS Italia's opinion, are not of such serious concern to require the withdrawal of the Certificate, (iii) the Organization fails to comply with the provisions for the implementation of corrective actions, (iv) the Organization does not readily inform the Certification Body of ongoing legal proceedings related to non-compliance with binding legal requirements, (v) the Organization fails to comply with: the contractual obligations of SGS Italia, SGS Italia Regulation or rules for the use of the EPD logo / Certificate / Verification statement, (vi) failure / delay in receiving a Surveillance Audit for reasons not attributable to SGS Italia, (vii) facts discovered after the verification require the institution of new proceedings.
- 1.12.2 In the event of suspension, SGS Italia shall notify the organization by e-mail, fax or other equivalent means and shall notify also the conditions under which the suspension may be revoked.
- 1.12.3 If the Organization fulfills the conditions set by SGS Italia within the specified time limits, the suspension may be revoked; Otherwise, SGS Italia will proceed with the withdrawal of the Certificate / Verification statement. Any subsequent withdrawal of the suspension is also made

public by the same means. The costs associated with the suspension and restoration of the Certificate / Verification statement shall be borne by the Organization...

1.12.4 The maximum duration of suspension does not generally exceed 6 (six months) calculated from the expiration date of the scheduled audit.

1.13 CANCELLATION OF CERTIFICATION

1.13.1 The cancellation of the Certificate is due to the withdrawal of the certification by SGS Italia or can be requested by the Organization.

1.13.2 SGS Italia may cancel the Certificate / Statement of Verification, for reasons deemed to be of particular concern and providing an explanation in writing to the Organization. This can occur when (i) the Organization fails to comply with SGS Italia's terms for revoking the suspension of (ii) the audits disclose deficiencies in the system deemed critical; (iii) the Organization interrupts the production and supply of the products / services mentioned in the Certificate / Verification statement for a considerable period of time (in the order of 12 months) or has gone into administration (iv) the Organization fails to pay the amounts due to SGS Italia required by this or other contracts with SGS Italia (v) SGS Italia modifies the rules of its certification scheme and the Organization does not intend to comply with the new requirements, (vi) The Organization fails to properly handle the complaints; (vii) the Organization violates the agreements entered into with SGS Italia or the Organization itself requests formally, (viii) The Organization does not accept changes to the economic conditions, (ix) for delays in scheduled audits for reasons not attributable to SGS Italia including failure to receive the renewal audit within the expiry of the Certificate / Verification statement, (x) for any fact discovered after the audit that may compromise the correctness of what has been verified.

1.13.3 The cancellation of the Certificate / Verification statement shall be officially notified to the Organization by e-mail, fax or other equivalent means and will be made public by SGS Italia (e.g. by excluding the Organization from the Register of the Certified Organizations) and communicated to the Accreditation Body. If, after the cancellation of the Certificate / Verification statement, the Organization continues to refer to it in any way, SGS Italia will be free to protect itself in the most appropriate manner. In case of withdrawal, no reimbursement of any expenses related to the audit work already completed by SGS Italia will be provided.

1.14 CHANGES IN THE SCOPE OF THE CERTIFICATE / VERIFICATION STATEMENT

1.14.1 The Organization may request to extend the scope of the Certificate (for example, to add new products, processes, services, facilities, etc.) following the same process as described for the initial certification request. The extension is granted following the positive results of a new Verification on the topics covered by the extension. The duration of the audit depends on the relevance of the extension requested and can be up to a complete renewal of the certification process. Subsequently, a new Certificate issued that supersedes the previous one, which shall be returned to SGS Italia.

1.14.2 Similarly, SGS Italia may decide to reduce the scope of the Certificate, based on what is notified by the Organizations, in the event of issues not resolved within the times set and / or specific aspects, the exclusion of which does not affect the rest of the system, or if products / processes subject to certification stop existing.

1.14.3 The procedure to extend the scope of the certification, applicable to the Process EPD, is the same as that of initial certification and includes a document review and an on-site audit.

1.15 RENEWAL OF CERTIFICATION

1.15.1 The renewal of the certification of the *Process EPD (only IES)* be made in accordance to a "review period", which is the validity of the EPD Process registration period established by the Programme Operator (e.g. one to five years and depending on the expiry date of the reference PCR). The renewal process is the same as the initial certification and also consists of a review of documents and on-site audits. The calculation of the renewal audit duration is carried out on a case-by-case basis, taking into account any changes made to the Process EPD (only IES).

1.15.2 For EPD Process (IES only), the renewal audit, in the presence of a valid contract between the parties, is scheduled by SGS Italia, according to procedures similar to those used for surveillance audits, sufficiently in advance of the expiry of the certificate and must be performed within this deadline; failure to perform it within the scheduled deadline will result in the cancellation of the previous certificate and the re-issue of a new certificate (with a new number and a new date of first issue).

1.15.3 If the Organization intends to pullback from certification prior to the renewal audit and not perform the audit by the expiry of the Certificate (contract not renewed with SGS Italia), the Certificate will immediately be withdrawn.

1.15.4 In order to be able to schedule the renewal visit in advance (see 1.15.1), SGS Italia's offer must be received signed at least 3 (three) months before the expiration of the existing Certificate.

1.15.5 The renewal audit will verify the commitment to maintaining the system compliant to the standard, its effectiveness and its continuous compliance with the scope of the certification, also in light of the results achieved throughout the entire previous certification cycle.

1.16 CHANGES TO THE CERTIFICATION SCHEME

- 1.16.1 If substantial changes to the rules/requirements of the certification scheme are made, SGS Italia informs the Certified or Certified Organizations and takes into account the observations submitted by them. SGS Italia shall specify the date when the changes come into force and any corrective action required and the time allowed for their implementation. Failure to adjust the Organization to the corrective measures established, in the agreed times, may lead to suspension/withdrawal of the certification.

1.17 CHANGES TO THE SYSTEM / PRODUCT / PROCESS CERTIFICATE/VERIFIED

- 1.17.1 The Organization shall communicate in writing to the Certifying Body any changes to the management system, products or production process that may affect compliance with standards, legally binding requirements or regulations. The Certification Body will determine whether the changes so notified will require further evaluations. Failure to notify the Certifying Body of any intended modifications may result in the suspension of the Certificate / Verification statement.
- 1.17.2 The organization may review the published EPD, without verification, in case of editorial changes such as editing a logo or correcting spelling errors. The revised EPD should reported a description of the differences compared to the previous version and include a "revision date" defined as the date for the presentation of the EPD document to the Program Operator.
- 1.17.3 For Process EPD (only IES), the Organization shall promptly notify to SGS the following types of significant changes:
- extension of the scope of the Process EPD to new PCRs
 - extension of scope to new production sites
 - extension of the scope to new products not included in the CPC code (two digit) stated in the Certificate
- 1.17.4 The Organization must accept the resolutions of SGS Italia, justified in writing, about the possible need for an additional audit, the suspension / reduction of certification or a complete repetition of the certification process. SGS Italia informs the Organization of its decisions within 30 working days of receipt of the notification of the proposed modifications. Failure to notify SGS Italia of the changes may result in suspension or withdrawal of the certification.

1.18 RECORDING COMPLAINTS AND EXTERNAL COMMUNICATIONS

- 1.18.1 The organization shall maintain appropriate records of complaints related to the subject of the certification and related corrective actions. These documents must be made available to SGS Italia.
- 1.18.2 The organization shall make available to SGS Italia any registrations of external communications related to the certified system / product.

1.19 COMPLAINTS, APPEALS AND LITIGATION

- 1.19.1 Written complaints may be filed with SGS Italia by its Certified Organizations (e.g. regarding staff behavior) or by Customers of Certified Organizations, Accreditation Bodies, other interested parties, etc.
- 1.19.2 The Organization that uses the certification services provided by SGS Italia has the right to appeal in writing in relation to the decisions taken by SGS Italia (e.g. for failure to issue the certification).
- 1.19.3 In the presence of complaints or appeals, SGS Italia confirms in writing their receipt. Then, in compliance with its internal procedure, it undertakes to evaluate them with independent and qualified staff to reach a decision and provide a reply within 30 days of receipt of the complaint or appeal.
- 1.19.4 In the event of a request from interested parties, SGS will make available the process used for the handling and review of complaints and appeals.
- 1.19.5 The review of complaints and disputes shall be carried out by personnel not involved in the decision that is the subject of the complaint/appeal.

1.20 REPORTS AND CERTIFICATES OWNERSHIP (INTELLECTUAL PROPERTY)

- 1.20.1 Any document, including any Report or Certificate, provided by SGS Italia and the copyright therein contained remains the property of SGS Italia and the Organization shall not alter its content in any way nor make misleading claims.
- 1.20.2 The Organization will only be authorized to make copies for internal use only. Duplicate Certificates are available upon request.

1.21 RECOGNITION OF CERTIFICATES ISSUED BY CERTIFICATION BODIES

- 1.21.1 SGS Italia recognizes Certificates issued by other Certification Bodies accredited by recognized accreditation bodies, subject to MLA agreements, unless this compromises the integrity of the certification scheme adopted by SGS Italia.

1.22 RENUNCIATION, SUSPENSION, REVOCATION OF ACCREDITATION

- 1.22.1 SGS Italia undertakes to promptly inform the Customer Organization of any waiver / suspension / revocation of its accreditation in the accreditation scheme / sector in which the Organization's certification falls, and commits to support the Organization in the process of changing to a different Accredited Certification body.

2 PART 2: GENERAL CONDITIONS FOR CERTIFICATION SERVICES

2.1 SCOPE

- 2.1.1 Unless otherwise agreed in writing, all offers or services and all resulting contractual relationship(s) between SGS Italia S.p.A. (the "certification body") to any person applying for certification services (the "Client") shall be governed by these General Conditions.
- 2.1.2 These General Conditions, and, as applicable, the Proposal, the Application, the Codes of Practice, the SGS Certification Marks License Terms and Conditions constitute the entire agreement (the "Contract") between the Client and SGS Italia S.p.A. with respect to the subject matter hereof. Unless otherwise agreed no variation to the Contract shall be valid unless it is in writing and signed by or on behalf of the Client and SGS Italia S.p.A.
- 2.1.3 Certificates are issued to the Client by SGS Italia S.p.A. in accordance with the Codes of Practice then in force of the relevant Certification Body. A copy of such Codes of Practice, is provided with the Contract
- 2.1.4 The Codes of Practice provided with the Contract can be amended even after the commencement of the Services.
- 2.1.5 Glossary
"Accreditation Body" means any organization (whether public or private) having the authorization to appoint Certification Bodies;
"Application" means the request for services by a Client;
"Certificate" means the Certificate issued by a competent Certification Body;
"Certification Body" means any SGS company having the authorization to issue Certificates;
"Codes of Practice" means those codes of practice issued by a Certification Body in accordance with the relevant certification scheme;
"Proposal" means the outline of services to be rendered by SGS to the Client;
"Audit Report" a report issued by SGS to the Client indicating whether or not a recommendation to issue a Certificate is to be made;
"SGS Certification Mark License Terms and Conditions" means the terms and conditions of use of the licensed SGS Certification Mark.

2.2 SERVICES

- 2.2.1 These General Conditions cover the following services ("the Services"):
- System certification services: quality, environmental, safety, health and other management system certification in accordance with international or national standards);
 - Verification of Environmental Declaration in accordance with EMAS Regulation;
 - Product/Service certification services in accordance with nonmandatory normative documents, specifications or technical regulations and / or technical documents of the Client approved by the Certification Body;
 - second party audit, preliminary audit, training courses on management systems and connected activities;
 - Environmental Product Declaration (EPD) Verification and EPD Process Certification in accordance with the applicable standards;
 - Product carbon footprint CFP Verification in accordance with applicable standards.
- 2.2.2 On completion of verification activities, SGS will prepare and submit to the Client a Report. Any recommendation given in a Report is not binding on the Certification Body and the decision to issue a Certificate is at the sole discretion of the Certification Body.
- 2.2.3 The Client acknowledges that SGS, either by entering into the Contract or by providing the Services, neither takes the place of Client or any third party, nor releases them from any of their obligations, nor otherwise assumes, abridges, abrogates or undertakes to discharge any duty of Client to any third party or that of any third party to Client.
- 2.2.4 Certification, suspension, withdrawal or cancellation of a Certificate shall be in accordance with the applicable Codes of Practice in force.
- 2.2.5 SGS may delegate the performance of all or part of the Services to an agent or a subcontractor and Client authorizes SGS to disclose all information necessary for such performance to the agent or subcontractor.

2.3 OBLIGATIONS OF THE CLIENT

- 2.3.1 The Client shall ensure that access to facilities is made available to SGS auditors (including observers) when required, and, upon request by SGS, to the Accreditation body personnel.
- The Client shall also provide to SGS access to all product samples, information, records, documentation and facilities requested and provide the assistance of properly qualified, briefed and authorized personnel of the Client. The Client shall in addition provide SGS free of charge suitable space for drafting the audit reports and conducting meetings.
- In the event that during the certification process there is a need for Verification on the Client's suppliers/outsourcers for inquiries related to the scope of the certification requested (e.g. examination of outsourced processes), the Client must ensure access to Premises of its Suppliers to the Company's auditors and, where required, the Accreditation Body.
- 2.3.2 The Client shall ensure compliance with agreed (annual or semi-annual) timelines for periodic audit (oversight and renewal) and any additional audits required. Any derogations should be adequately motivated and authorized. The Company reserves the right to suspend or cancel certification in cases where timelines are not respected.
- So far as it is permitted by law, the Client acknowledges that, it has not been induced to enter into the Contract in reliance upon, nor has it been given, any warranty, representation, statement, assurance, covenant, agreement, undertaking, indemnity or commitment of any nature whatsoever other than as are expressly set out in these General Conditions and, to the extent that it has been it unconditionally and irrevocably waives any claims, rights or remedies which it might otherwise have had in relation thereto.
- Any conditions or stipulations included in the Client standard form documents which are inconsistent with, or which purport to modify or add to, these General Conditions shall have no effect unless expressly accepted in writing by SGS. The Client shall take all necessary steps to eliminate or remedy any obstacles to or interruptions in the performance of the Services.
- 2.3.3 In order to allow SGS to comply with the applicable health and safety legislation the Client shall provide SGS with all available information regarding known or potential hazards likely to be encountered by SGS personnel during their visits. SGS shall take all reasonable steps ensure that whilst on the Client's premises, its personnel comply with all health and safety regulations of the Client, provided that the Client makes SGS aware of the same.
- 2.3.4 The Client undertakes to conform and maintain its products and / or services in compliance with all applicable legal and binding requirements (such as Directives, Laws, Regulations).
- 2.3.5 The Client undertakes to promptly notify SGS of:
- all non-compliant situations detected by the Control Authorities, as well as any suspensions or revocations of permits, concessions, etc. Relating to the products / services associated with the certification issued
 - any fact or event that may affect the validity of the certificate/verification declaration
 - any ongoing judicial and / or administrative proceedings concerning the scope of the certification and keep SGS informed of any further development in these proceedings.
- SGS reserves the right to carry out appropriate and timely additional audits and to take, if necessary, precautionary suspension measures and / or revocation of the issued certification.
- 2.3.6 The Client may only reproduce or publish extracts of any report of SGS if the name of SGS does not appear in any way or the Client has obtained the prior written authorization of SGS.
- SGS reserves its rights to lodge a complaint in case of disclosure in breach of this clause or disclosure which SGS considers in its sole discretion is abusive.
- The Client shall not publicize details of the way in which SGS performs, conducts or executes its operations.
- The Client shall immediately inform SGS of any and all changes in their premises which may affect their management system, their service their products, their process or their skills.
- Any breach of this obligation to inform may lead to the withdrawal of the Certificate. Furthermore the Client is bound to inform SGS of any major non conformity identified during internal audits undertaken by the Client, its partners or public authorities.
- 2.3.7 The Client undertakes to ensure the completeness and veracity of the documents and information made available to the SGS Auditors. SGS is explicitly exonerated from any liability in case of failure or incomplete communication of data, as well as in the case they do not correspond to the actual business situation.

2.4 FEES AND PAYMENT

- 2.4.1 The fees quoted to the Client cover all stages leading to completion of the assessment program or operations and the submission of a Report included the issuance of the Certificate and of the periodic surveillances to be carried out by SGS for the maintenance of the Certificate. As fees are based on the charge rate applicable at the time of submitting a Proposal, SGS reserves the right to increase charges during the registration period. SGS may also increase its fees if the Client's instructions change or are found to be not in accordance with the initial details supplied to SGS prior to it providing the relevant fee quotation. Clients will be notified of any increase in fees.
- 2.4.2 Additional fees shall be charged for operations that are not included in the Proposal and for work required due to non-conformities being identified. These will include, without limitation, costs resulting from:
- a) repeats of any part, or all, of the assessment programme or operations due to the registration procedures and rules not being met;
 - b) additional work due to suspension, withdrawal and / or reinstatement of a Certificate;
 - c) reassessment due to changes in the management system or products, process or services; or
 - d) compliance with any subpoena for documents or testimony relating to work performed by SGS.

- 2.4.3 Without prejudice to clause 2.4.2, additional fees will be payable at SGS' charging rates in force from time to time in respect of rush orders, cancellation or rescheduling of services or any partial or full repeats of the assessment programme or operations which are required as set out in the Code of Practice.
- In particular, if scheduled activities, requiring the presence of SGS' staff at the Client location, are postponed upon Client's request, and this request does not reach the Client at least 15 working days in advance, the Client will charge, as compensation, additional charges equal to 50% of the contractual fee for the activities scheduled.
- 2.4.4 A copy of SGS' prevailing charging rates is available on request from SGS.
- 2.4.5 Unless otherwise stated all fees quoted are exclusive of travelling and subsistence costs (which will be charged to the Client in accordance with SGS Travel Expense Policy). All fees and additional charges are exclusive of any applicable Value Added Tax, Sales Tax or similar tax in the country concerned.
- 2.4.6 Following submission of the Report to the client and / or issuance of the Certificate, SGS shall issue an invoice to the Client, in accordance to the Proposal signed by the Client. Invoices for additional and further work will be issued on completion of the relevant task. Unless advance payment has been agreed upon, all invoices are payable within thirty (30) days of the date of each invoice (the "Due Date") regardless of whether the Client's system or products qualify for certification or fail.
- 2.4.7 Any use by the Client of any Report or Certificate or the information contained therein is conditional upon the timely payment of all fees and charges. In addition to the remedies set out in the Codes of Practice, SGS reserves the right to cease or suspend all work and / or cause the suspension or withdrawal of any Certificate for a Client who fails duly to pay an invoice, even those related to a different contract between SGS and the Client or related companies.
- In the event of non-payment by the Client of invoices relating to another contract in force between SGS and the Client, or its parent companies, whether controlled or otherwise affiliated to SGS, the latter may also suspend or interrupt any further ongoing business activities for such other existing contracts and / or withdraw these other relevant Certificates.
- 2.4.8 For late payment of invoices, SGS will be entitled to the payment of interests due by law. SGS may elect to bring action for the collection of unpaid fees in any court having competent jurisdiction. The Client shall pay all SGS' collection costs including reasonable attorney's fees and related costs.

2.5 ARCHIVAL STORAGE

- 2.5.1 SGS shall keep in its archives the documentation relating to the certification and surveillance programme for the period required by the Accreditation Body and the applicable legal provisions.
- 2.5.2 At the end of the archive period, the Certification Body shall transfer, retain or dispose of the materials at its discretion, unless instructed otherwise by the Client. Fees for carrying out such instructions may be invoiced to the Client.

2.6 REPORT AND CERTIFICATE OWNERSHIP AND INTELLECTUAL PROPERTY

- 2.6.1 Any document including, but not limited to any Report or any Certificate, provided by SGS and the copyright contained therein shall be and remain the property of SGS and the Client shall not alter or misrepresent the contents of such documents in any way.
- 2.6.2 The Client shall be entitled to make copies for its internal purposes only. Duplicates of Certificates are available.

2.7 COMMUNICATION

- 2.7.1 The Client may promote its certification in accordance with the terms set out in this Regulation.
- 2.7.2 Use of SGS' corporate name or any other registered trademarks for advertising purposes is not permitted without SGS' prior written consent.

2.8 CONFIDENTIALITY

- 2.8.1 As used herein, "Confidential Information" shall mean any oral or written proprietary information that a party may acquire from the other party pursuant to the Contract or information as to the business of the other party provided, however, that Confidential Information shall not include any information which (i) was available to the receiving party on a non-confidential basis prior to the time of its disclosure by the disclosing party; (ii) is or hereafter becomes generally known to the public, not because of the receiving party; (iii) is disclosed to a party by an independent third party with a right to make such disclosure.
- 2.8.2 Unless required by law or by a judicial, governmental or other regulatory body, neither party nor their agents or subcontractors shall use the Confidential Information other than for the purpose of the Contract nor disclose the other's Confidential Information to any person or entity without the prior written approval of the other party except as expressly provided for herein.

2.9 DURATION AND TERMINATION

- 2.9.1 Unless otherwise agreed, the Contract shall continue (subject to the termination rights set out in these General Conditions) for the term set forth in the Proposal (the "Initial Term").
- 2.9.2 SGS is entitled, at any time prior to the issue of a Certificate, to terminate the Contract if the Client is in material breach of its obligations and, following receipt of notice of such breach, the Client fails to remedy to the satisfaction of SGS such breach within 30 days.
- 2.9.3 Either Party shall be entitled to terminate immediately the provision of the Services in the event of any arrangement with creditors, bankruptcy, insolvency, receivership, or cessation of business by the other Party.
- 2.9.4 In case the Client transfers its activities to another Organization, the transfer of the Certificate is subject to the Certification Body's prior written consent which could require, at its discretion, an additional audit to be paid for. Where such consent is given, the use of the Certificate by such new Organization shall be governed by the Contract.

2.10 FORCE MAJEURE

- 2.10.1 If SGS Italia S.p.A. is prevented from performing or completing any service for which the Contract has been made by reason of any cause whatsoever outside of the Certification Body's control, including, but not limited to, acts of God, war, terrorist activity or industrial action; failure to obtain permits, licenses or registrations; illness, death or resignation of personnel or failure by Client to comply with any of its obligations under the Contract, the Client will pay to SGS:
- the amount of all expenditures actually made or incurred;
 - a proportion of the agreed fees equal to the proportion (if any) of the service actually carried out;
- SGS Italia S.p.A. shall be relieved of all responsibility whatsoever for the partial or total non-performance of the required Services.

2.11 LIMITATION OF LIABILITY AND INDEMNITY

- 2.11.1 SGS undertakes to exercise due care and skill in the performance of the Services and accepts responsibility only in cases of proven negligence.
- 2.11.2 Nothing in these General Conditions shall exclude or limit SGS' liability to the Client for death or personal injury or for fraud or any other matter resulting from SGS' negligence for which it would be illegal to exclude or limit its liability.
- 2.11.3 Subject to clause 2.9.2, the liability of SGS to the Client in respect of any claim for loss, damage or expense of any nature and howsoever arising shall be limited, in respect of any one event or series of connected events, to an amount equal to the fees paid to SGS under the Contract (excluding Value Added Tax thereon).
- 2.11.4 Subject to clause 2.9.2, SGS shall have no liability to the Client for claim for loss, damage or expense unless arbitral proceedings are commenced within one year after the date of the performance by SGS of the service which gives rise to the claim or in the event of any alleged non-performance within one year of the date when such service should have been completed.
- 2.11.5 Subject to clause 2.9.2, SGS shall not be liable to the Client nor to any third party:
- a) for any loss, damage or expense arising from (i) a failure by Client to comply with any of its obligations herein (ii) any actions taken or not taken on the basis of the Reports or the Certificates; and (iii) any incorrect results, Reports or Certificates arising from unclear, erroneous, incomplete, misleading or false information provided to SGS.
 - b) for loss of profits, loss of production, loss of business or costs incurred from business interruption, loss of revenue, loss of opportunity, loss of contracts, loss of expectation, loss of use, loss of goodwill or damage to reputation, loss of anticipated savings, cost or expenses incurred in relation to making product recall, cost or expenses incurred in mitigating loss and loss or damage arising from the claims of any third party (including without limitation product liability claims) that may be suffered by the Client; and
 - c) any indirect or consequential loss or damage of any kind (whether or not falling within the types of loss or damage identified in (b) above).
- 2.11.6 Except for cases of proven negligence or fraud by SGS, the Client further agrees to hold harmless and indemnify SGS and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising in relation to the performance or non-performance of whichever Service.
- 2.11.7 Each party shall take out adequate insurance to cover its liabilities under the Contract.

2.12 MISCELLANEOUS

- 2.12.1 If any one or more provisions of these General Conditions are found to be illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 2.12.2 During the provision of services and for a period of one year after their completion, the Client undertakes, directly or indirectly, not to instigate and / or encourage the employees of SGS to leave their employment, or to make offers in that sense.
- 2.12.3 Use of the Company's name or registered trademark information is not permitted without the prior written consent of the Company.
- 2.12.4 Except as expressly provided for herein, the Client may not assign or transfer any of its rights hereunder without SGS' prior written consent.
- 2.12.5 Neither party shall assign the Contract without the prior written consent of the other Party such consent shall not be unreasonably withheld. Any assignment shall not relieve the assignor from any liability or obligation under the Contract.
- 2.12.6 A Party giving notice under these General Conditions must do so in writing with such notice being hand delivered or sent by prepaid, first class post or facsimile to the address for the other Party as set out in the Application.
- 2.12.7 The Parties acknowledge that SGS provides the Services to the Client as an independent contractor and that the Contract does not create any partnership, agency, employment or fiduciary relationship between SGS and the Client.
- 2.12.8 Any failure by SGS to require the Client to perform any of its obligations under these General Conditions or the Contract shall not constitute a waiver of its right to require performance of that or any other obligation.

2.13 DISPUTES RESOLUTION

- 2.13.1 Unless specifically agreed otherwise, all disputes arising out or in connection with these General Conditions or the Contract shall be governed by the Italian laws, exclusive of any rules with respect to the conflicts of laws, and finally submitted to the exclusive jurisdiction of the competent courts in Milan.
- 2.13.2 THE CERTIFICATION BODY RESERVES THE RIGHT TO ADD TO, DELETE OR CHANGE THESE CODES OF PRACTICE WITHOUT PRIOR NOTIFICATION AND EVEN AFTER THE BEGINNING OF THE SERVICE PROVISION.
UNLESS OTHERWISE EXPLICITLY AGREED IN WRITING, ALL SERVICES ARE PERFORMED ACCORDING TO THE GENERAL CONDITIONS FOR CERTIFICATION SERVICES, WHICH SHALL PREVAIL, IN CASE OF CONFLICT WITH ANY OTHER PROVISION.