

# ***Processes for granting, refusing, maintaining, renewing, suspending, restoring or withdrawing certification or changing the scope of certification***

## **Granting of certification**

PwC's Compliance Services will be responsible for examining the client's management system to assess compliance with the requirements of the relevant ISO Standard (Standard), in all material respects, as at the date of the audit. We will make specific enquiries of management and others about the management system.

PwC's Compliance Services maintains the right to suspend or withdraw the client's certification with immediate effect if, in its sole opinion, the client is not in conformance with the conditions specified for the maintenance of the Certificate during the certification period. In addition, PwC's Compliance Services maintains the right to revise the requirements for certification within the certification period, including a revision to the fees.

Client Management is responsible for making available to us and the relevant Accreditation Body, on a timely basis, information necessary for our audit including relevant documents, access to all sites included within the scope of the audit and client personnel to whom we may direct inquiries.

The PwC's Compliance Services Audit Report is intended for the sole purpose of the internal review by management. The Report must not be disclosed to any other party, however clients may distribute the Certificate to current and potential customers of the certified operations of the Client. The Client must not distribute partial or incomplete certificates.

During the period of certification set out in the Certificate (the "certification period"), the Client must:

- comply with the requirements of the Standard and disclose all incidents of non-conformity;
- disclose all relevant changes in the organisation or scope of certification to PwC's Compliance Services;
- disclose to PwC's Compliance Services, without delay, any significant events impacting the Client's certification procedures, including but not limited to fatal incidents, serious injuries, occupational disease or legal action by a regulatory authority; and
- disclose to PwC's Compliance Services any occupational health and safety related findings by third parties.

Upon completion of our audit, we will issue a Certificate stating whether, in our opinion, the management system of the Client meets the requirements of the Standard, in all material respects, as at the assessment date.

Upon completion of each audit cycle (Initial Certification, Surveillance or Recertification Audit) we will produce a Report, which is designed for internal use

by the Client to help make improvements in the Client's management system.

We will delay or postpone our decision on certification in order to take proper account of new or additional information which has become available to us and which has not already been considered in our certification process which, in our opinion, could affect the outcome of our work. If for any reason we are unable to complete the audit, we will not issue the Certificate.

We will be able to issue our Certificate without reservation only if our audit confirms that the Client is in conformance with the applicable requirements of the Standard as at the assessment date.

## **Refusal of Service**

PwC's Compliance Services may deny certification to a client when fundamental or demonstrated reasons exist, such as illegal activities, history of repeated non-conformities with the certification requirements and similar issues.

PwC's Compliance Services as a certification body shall not be obliged to enter into or maintain any commercial relationship with any entity or issue or maintain a certificate previously issued to any entity whose activities conflict with the obligations of PwC's Compliance Services as a certification body. This is to apply wherein the sole opinion of PwC's Compliance Services that relationship would reflect badly on the good name of PwC's Compliance Services. This is to apply notwithstanding the requirements of ISO/IEC 17021, ISO 22003 and ISO/IEC 17065.

PwC's Compliance Services shall include a specific and legally binding clause to this effect in its contracts with its clients in relation to any services related to any management system, product certification standards, or any verification and inspection activity protocol.

## **Procedures for Changes in the Certification Audit Requirements**

PwC's Compliance Services will provide due notice to clients of any changes we intend to make in our requirements for certification either due to changes in internal requirements or in response to changes in the relevant standards. PwC's Compliance Services will communicate the changes made by certification schemes and inform all clients of changes to PwC's Compliance Services requirements, within thirty (30) days of such changes being approved by the approval body of the respective Standard, as appropriate.

Following a decision on any changes and the publication of the changed requirements, subsequent PwC's Compliance Services surveillance, certification, and re-certification audits will be used to verify that each organisation that we have certified, or will certify, has carried out any necessary adjustments to its procedures and operational practices to meet the noted changes and that it has implemented the changed procedures or operational practices within such time as, in our opinion, is reasonable.

In addition, PwC's Compliance Services shall consider other changes and circumstances affecting certification, including changes initiated by the client, and shall decide upon the appropriate action in accordance with the requirements of this standard and other applicable requirements. This includes evaluation and the issuance

of revised certificates to extend or reduce the scope of certification. These actions shall be completed in accordance with the PwC's Compliance Services' Business Management System (BMS) requirements for our Certification services. Records shall include the rationale for excluding any of the above activities.

### **Suspension of certification**

Management system and product certification may be suspended at any time the condition of the management system or product certification cannot be verified or is verified as not being effectively maintained.

Certifications may also be suspended in cases where the client fails to meet the requirements of their contract with PwC's Compliance Services, including failure to satisfy invoices in a timely manner, and inability to meet visit timing rules as indicated in the certification procedure.

When there is a cause for suspension, the authorised Certification Manager or qualified designate is notified by completion of the client information and Quality Technical Review (QTR) form.

When a certification is suspended, the client may not promote or advertise their certification in any way and may not claim to be certified. The suspension shall be publicised on the relevant PwC web site. (Product or scheme procedures may also require notification to certain industry groups).

The maximum allowable suspension period is six months.

Upon approval by the Certification Manager or qualified designate, the client shall be notified of the suspension details as listed below.

The details of the suspension shall be entered in the client records sheet and PwC's Compliance Services client database. This database provides a tool for tracking and assuring timely follow-up of suspensions.

The suspension notice shall require a written response, including a written corrective action plan, from the client within 10 working days.

On or before the indicated due date, a Lead Auditor shall follow up with the client to verify complete and effective corrective action. For management system and product certification non-conformity and access issues, an on-site visit is required. For financial issues, no on-site visit is required.

The Auditor/Lead Auditor shall provide a report on the on-site visit. The report shall be in the appropriate reporting format and include a clear recommendation to lift the suspension or to withdraw the certificate. Appropriate supporting documentation (e.g., non-conformity response documentary evidence, etc.) shall accompany the report.

The report from the auditor is reviewed as described above and the Quality and Technical reviewer indicates the decision on the form. A satisfactory finding by the auditor and the Certification Manager and qualified designate will result in the suspension being lifted, and this will be indicated in the QTR form.

If corrective action taken by the client fails to resolve the suspension issue in a time established by PwC's Compliance Services, the certificate shall be withdrawn or scope of certification reduced.

### **Withdrawal of certification**

Certification will be withdrawn where a client's management system demonstrates significant non-conformity with the audit standard or planned arrangements and a failure in its ability to react to and correct the non-conformities in a timely manner. Failure of the client to pay PwC's Compliance Services invoices for services provided or a failure of the client to provide PwC's Compliance Services auditors access to the certified facility for audit purposes may also result in withdrawal of the certification.

In most cases, the withdrawal will be preceded by a suspension of the certification, but in cases of severe non-conformity or failure of the client to cooperate, withdrawal may occur immediately.

Withdrawal proceedings are initiated when the Certification Manager is notified of one of the conditions specified above, and the QTR Form is appropriately completed and approved.

### **Re-certification audit at Certificate Expiry**

A PwC's Compliance Services audit team will re-assess an organisation's Certification status upon the expiry of the certificate of Certification granted to the organisation.

### **Planning of the Certification/Re-certification Audit and certificate issue/expiration date requirements**

PwC's Compliance Services will make every effort to initiate the planning process for re-certification audits to allow for reasonable time to complete the re-certification audit prior to the expiry of the existing certificate. Considerations for a reasonable time to enable a successful recommendation and decision may include:

- risks associated with logistic challenges;
- availability of competent Auditors;
- verification of the implementation of correction and corrective actions associated with major non-conformities to either close them or the review of an acceptable corrective action plan including partial implementation of the plan which would enable the audit team to downgrade the major to a minor non-conformity allowing for a successful recommendation.

As part of this planning process, the Certification Manager or Technical Manager shall communicate to the client the risks and implications associated with their certificate expiration.

When re-certification activities are successfully completed prior to the expiry date of the existing certification, the expiry date of the new certification can be based on the expiry date of the existing certification. The issue date on a new certificate shall be on or after the re-certification decision.

In cases where the re-certification audit activities extend past the expiry date or where the Lead Auditor has been unable to verify the implementation of corrections and corrective actions for any major non-conformity, then re-certification will not be recommended, and the certificate shall not be extended.

The certification can be restored within 6 months of the expiration provided the outstanding re-certification activities are completed. Otherwise, a Stage 2 Audit will be completed. In such cases the Certificate issue date on the

new certificate(s) shall commence on or after the re-certification decision date (Certification Manager's approval) and shall expire based on the prior certification cycle (e.g., within 3 years of the previous anniversary expiration date).

Re-certification audits may be conducted in place of a surveillance audit and or prior to the existing certificate expiry date. In these cases, the expiry date on the certificate shall be within 3 years of the re-certification decision date. The regular 12-month surveillance audit cycles will commence from this date forward.

The re-certification audit will involve:

- A review of management system documentation;
- A review of past implementation and continuing surveillance (including any complaints received from users of the certification) of the management system over the period of certification.

The re-certification audit will at least ensure:

- The effective interaction between all elements of the management system;
- The overall effectiveness of the management system in its entirety in the light of internal and external changes and its continued relevance and applicability to the scope of certification;
- Demonstrated commitment to maintaining the effectiveness and improvement of the management system in order to enhance overall performance;
- The effectiveness of the management system with regard to achieving the certified client's objectives and the intended results of the respective management system(s).

The audit methodology for the re-certification will follow the procedures outlined under the certification audit process, and a new letter of engagement will be issued. Other steps, such as a separate document readiness review, may not be performed if the Certification Manager or QTR Team determines that there have not been changes significant enough to warrant it.

### **Requirements for Scope Changes**

The conditions necessary for PwC's Compliance Services to change the scope of a certificate shall include the following requirements:

- the change of scope shall not include or result in an extension of the certificate's expiry date beyond the time period for which it was originally issued;
- PwC's Compliance Services shall reserve the right to inspect the site of the certified operations before deciding whether or not to grant a change to the scope of the certificate;
- if PwC's Compliance Services considers that a change in scope is significant in terms of area, management or operational implications then the certification body shall inspect the site before the change of scope is granted;
- if PwC's Compliance Services grants a change of scope, we shall review the wording of the certificate previously issued and if necessary shall

require that the old certificate be returned to the certification body or be destroyed by the client. In that event, a new certificate shall be issued with revised wording reflecting the change of scope.

### **Certification Decision**

The decision on whether an applicant is granted certification will be determined by the QTR in conjunction with the Certification Manager, based upon the audit evidence collected during the entire certification process. The Certification Manager may also consult with other Lead Auditors or other more senior personnel from PwC's Compliance Services in determining their final audit recommendation to be presented for the QTR. More information is provided in BMS Section 429 Decision on Certification.

PwC's Compliance Services shall delay or postpone its decision on certification in order to take proper account of new or additional information which has become available to the certification body and which has not already been considered in its evaluation report and which, in the opinion of the certification body, could affect the outcome of its evaluation.

### **The basis for Suspending, Withdrawing or Reducing the Scope of Certification**

PwC's Compliance Services will consider suspending or withdrawing certification in the following situations:

- The client's certified management system has persistently or seriously failed to meet certification requirements, including requirements for the continued effectiveness of the management system process;
- The certified client does not allow surveillance or re-certification audits to be completed by PwC's Compliance Services at the required frequencies;
- The certified client has voluntarily requested a suspension;
- The certified client has not paid their certification fees.

When a client's certification is suspended, the certification is considered temporarily invalid. PwC's Compliance Services includes wording to this effect in our certification contract that is signed by the client. The status of the suspended certification will be recorded in the client database maintained by PwC's Compliance Services and will be made publicly available on request.

The Certification Manager or delegate will communicate to the client the actions needed to end suspension and any other actions required by the certification scheme.

Failure to resolve the situation creating the need to suspend the certification within sixty (60) days will result in either a reduction in the scope of certification or withdrawal of the certification. Any evaluations, reviews or decisions needed to resolve the suspension or withdrawal will be conducted and reviewed using the same general requirements as certification audits specified in BMS procedures audit initiation, audit preparation, an overview of certification audit procedures, non-conformity procedures for certification audits, quality and technical review process and decision on certification/re-certification.

### **Reducing the Scope of a Certification**

PwC's Compliance Services will reduce the scope of

certification to exclude those activities not meeting the requirements when the client has persistently or seriously failed to meet the certification requirements. A reduction in scope could also be a condition of certificate reinstatement. The reduction of scope will be in line with the requirements of the certification standard.

PwC's Compliance Services will advise clients that upon receipt of written notice to withdraw the certification, the client must discontinue its use of all advertising materials that contain any reference to Certification status.

### **Procedures Relating to Suspension, Withdrawal or Scope Reduction of Certification**

The Certification Manager or delegate will change the status in the client database and make notes in the comment field and inform the client in writing of the change. If the certification is suspended or withdrawn, the client must refrain from further promotion of its certification. If the certification is reduced in scope, the client must refrain from further promotion of the products or locations no longer certified.

The notification shall contain:

- (a) A clear statement about the invalid status of the certificate (expired, suspended, withdrawn or terminated);
- (b) The date from which the invalid status of the certificate is official;
- (c) The rationale supporting the invalid status of the certificate which shall include, but is not limited to, the details of the breach of the certification contract and the demonstration of non-conformities with the applicable certification requirements;
- (d) The requirement to withdraw all uses of the trademarks;
- (e) In the case of an expired, terminated, suspended or withdrawn certification, the requirement to stop making claims and/or using the controlled material in any products;
- (f) In the case of suspended certificates, the information that the maximum duration of the suspension is six (6) months and after this period, the certificate will be cancelled and withdrawn;
- (g) A statement requiring the organisation to acknowledge receipt of the letter of notification in writing.

The Certification Manager or delegate will update the public databases (e.g., JAS-ANZ) for each applicable scheme and if the scope has been reduced, revised, suspended or whether the certificate has been cancelled. If a certification is reinstated after suspension, the public databases will be updated and the certificate revised.

In the event that the Certification Body suspends, terminates or withdraws a certificate, it shall promptly (and in any event within three (3) business days of the suspension or withdrawal or termination) notify JAS-ANZ, scheme owner of any regulatory body in writing of the same and such notification shall state the action taken and the effective date and reason of suspension or withdrawal or termination.

### **General Requirements relating to Suspension, Withdrawal or Scope Reduction of Certification**

Any decision on whether to reduce the scope of certification or to temporarily or permanently withdraw the certification will be determined during the QTR. The decision will include a minimum of two people who are not involved in the audit (Quality/Technical Reviewer and Certification Manager). They will be given the task of reviewing the non-conformity/ies in determining whether the scope of certification should be reduced or the certification withdrawn.

PwC's Compliance Services will advise its certified clients that it should be promptly notified of any intended changes to the organisation's management system or other changes which may affect conformity, as specified in the contract.

PwC's Compliance Services may be required to complete a short-notice audit of a client:

- (a) to investigate complaints received from interested parties of the certified client;
- (b) in response to changes in the client's Management System; or
- (c) as a follow-up visit to a client whose certification has been suspended.

For Integrated Management System (IMS) audits, if certification to one or more management system standard(s)/specification(s) is subject to suspension, reduction or withdrawal, the QTR Team, and Certification Manager shall investigate the impact of this on the certification to the other management system standard(s)/specification(s).

The QTR will include all final decisions relating to the suspending, withdrawing or reducing in the scope of Certification.

### **Product Schemes**

Specific scheme requirements relating to granting, refusing, maintaining, renewing, suspending, restoring or withdrawing certification or changing the scope of certification are clearly documented within the Scheme Owner Standards and / or Websites including:

1. <https://www.primesafe.vic.gov.au/uploads/Publications/PrimeSafe%20Compliance%20&%20Enforcement%20Policy.pdf>
2. <http://www.sqfi.com/documents/>