

1 Objective

This procedure establishes Sbcert actions for identifying risks that impact impartiality, including conflicts of interest, as well as actions for safeguarding impartiality throughout the activities of certification, with regards to ISO/IEC 17065.

In handling risks to impartiality, one considers the identification of threats, actions for eliminating or mitigating risks.

This procedure documents the risks identified and the actions taken to eliminate or minimize threats.

2 Reference and Additional Documents

- ABNT NBR ISO 31000 – Risk management - Guidelines;
- ABNT NBR IEC 31010 – Risk management - Techniques for the risk assessment process;
- FSG-10 – Meeting Minutes of Impartiality Committee;
- FSG-06 – Meeting Minutes of Critical Management Analysis;
- FSG-26 – Impartiality Risk Matrix.

3 Responsibilities

All Sbcert employees involved with certification processes, which are based on ISO/IEC 17065 are responsible for carrying out their activities in order to guarantee impartiality, complying with the specific determinations.

The Sbcert management understands the importance of impartiality in the activities developed, manages conflicts of interest and ensures the objectivity of activities. Values and mitigates the risks related to its activities, based on its relationships and activities. To this end, it assesses impartiality, taking into account, when applicable, ownership, governance, management, personnel, shared resources, finances, contracts including their magnitude in relation to total revenue, marketing including brand promotion, payment of sales or other benefits for referring new customers.

The **Impartiality Committee** is the central body in monitoring and controlling impartiality risks.

The Sbcert management is responsible for providing the resources for its proper functioning and for following the guidelines of the Impartiality Committee. Management is also responsible for identifying risks that threaten impartiality, analyzing and evaluating these risks, implementing actions to eliminate or mitigate these risks.

4 Procedure

4.1 Analysis of Risks to Impartiality

When carrying out risk analysis for impartiality, Sbcert considered:

- a) the sources of income, financial, contractual and commercial factors that may affect impartiality;
- b) identified and documented the current activities and proposals issued, carried out and documented the analysis of real and potential risks to impartiality;
- c) identified and analyzed potential conflict of interest situations in the activities performed, including potential conflicts derived from any relationships;
- d) identified and documented all related agencies, organizations and affiliates, including potential conflicts derived from such relationships;
- e) identified activities carried out, as well as related entities, organizations, affiliates, personnel, or subcontractors;
- f) required that the parties responsible for certification and audits reveal any situation that may present themselves or Sbcert with a conflict of interest;
- g) gave special attention to activities related to development, financing, consulting, and training;

As a result of the study conducted, the Sbcert identified threats to impartiality, considering events from the various sources, as shown in *FSG-26 - Risk Matrix to Impartiality*.

For the identified threats, an assessment and classification of risks was carried out. The risk classification table considers three levels, both for the probability of occurrence and for the potential harm resulting. For probability, the expected frequency for the occurrence of the event was considered. In the case of damage, the impact that its occurrence has on impartiality was considered, as indicated below:

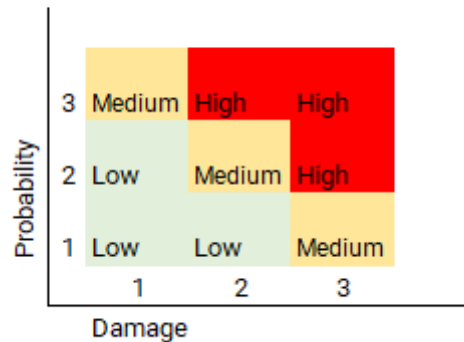
Probability:

1. Low (1 per year);
2. Medium (1 per month);
3. High (1 per day).

Damage:

1. Does not affect impartiality;
2. Could affect impartiality;
3. Effectively affects impartiality.

Using the scales for probability and damage, as indicated above, a significance filter was developed for the classification of risks:



Once the classification rule was established and considering the analysis of the situation of the Sbcert in relation to each event that generates risk, as indicated above, each event identified was analyzed and evaluated, passing the significance filter and classifying the events. Events are classified according to the risk framework posed by the threat to impartiality.

With the classification of events that generate relevant risks, according to a significance filter, significant events regarding threats to impartiality were identified, as detailed in *FSG-26 – Risk Matrix to Impartiality*.

4.2 Mitigation of Threats to Impartiality

As indicated in *FSG-26 – Risk Matrix to Impartiality*, the Sbcert classified the risks and established mitigation measures for risks classified as MEDIUM and HIGH to impartiality, through the implementation of administrative actions, prohibition, restrictions, awareness and training.

The permanent assessment, analysis and diagnosis of the risks, and controls practiced are carried out with the independent participation of the Impartiality Committee.

In general, the Sbcert implements mitigation measures in relation to:

- ✓ Clients, in order to preserve impartiality during the assessment of third party compliance;
- ✓ Organizations, affiliates, staff, and subcontractors, to ensure that they were not involved in development, consultancy or financing that could affect impartiality;
- ✓ Internal policies and practices, to ensure that marketing and service provisions, as well as operations, are developed and executed in a way that does not affect impartiality.

The following limitations, inherent to any product certification body, are taken into account:

- ✓ The activities of the certification body cannot be negotiated or offered in conjunction with/linked to the activities of an organization that provides consultancy;
- ✓ The certification body cannot affirm or infer that certification would be simpler, easier, faster or less expensive if a particular organization providing consultancy were used;
- ✓ In order to ensure that there is no conflict of interest, any person that has provided consultancy services cannot be used by certification body in audits or other activities related to certification, of the client with whom they have had a relationship in at least the last two years, therein explicitly complying with the certification, procedures, which may establish stricter criteria. The certification body must take action to respond to any threats to impartiality that may result from the actions of others individuals, agencies or organizations.

All Sbcert personnel, internal or external, or committee's members, who may influence certification, audits activities, must act impartially and must not allow commercial, financial or other pressures to compromise impartiality.

The Sbcert requires its internal and external staff to disclose any known situations that may offer a conflict of interest to oneself or to the Sbcert by signing the *FRH-01 – Confidentiality and Conflict of Interest Declaration*. This document is updated one time per year. Any occurrences are registered, handled and reported to the impartiality Committee.

4.3 Impartiality Committee

The Impartiality Committee seeks the participation of members that have an interest in the certification, process, maintaining members in the Committee whom reflect the vision of at least three of the following sectors:

- ✓ Productive Sector;
- ✓ Consumer Sector;
- ✓ Government Agencies;
- ✓ Educational Institutes;
- ✓ Laboratories;
- ✓ Auditors.

The members' term in office is 2 (two) years, extended automatically, except when a member requests to leave.

The Impartiality Committee is chaired by an independent member, not related to Sbcert, who is elected from among the members.

The Sbcert board is available whenever necessary to go over evaluations and recommendations, and provide administrative support for activities, thereby guaranteeing steady progress.

4.3.1 Roles and Responsibilities

- ✓ Assess Sbcert's effective implementation of the procedures for safeguarding impartiality, including the analysis and mitigation of threats, and the effective implementation of actions that guarantee impartiality;
- ✓ Critically analyze policies for guaranteeing impartiality during Sbcert's certification activities and operations;
- ✓ Supervise the implementation of the Quality Policy, including details related to Sbcert's impartiality, evaluating the effectiveness of its basic principles;
- ✓ Supervise the Sbcert's financial independence;
- ✓ Advise on issues that affect confidence in the certification processes, including transparency and public image;
- ✓ Take independent action, while abiding by confidentiality requirements, to inform authorities, accreditation bodies, and interested parties whenever Sbcert management does not respect the Committee's recommendations.

For the Impartiality Committee President:

- ✓ Coordinate and direct the work of the Impartiality Committee;

- ✓ Call the Committee together for cases foreseen in this document, or in an extraordinary manner whenever deemed necessary; and
- ✓ Sign the meeting minutes, reports and other documents that contain or express decisions approved by the Impartiality Committee.

4.3.2 Impartiality Committee Operations

The Quality Control Manager is appointed as Secretary of the Committee, and is permanent, but does not have the right to vote.

The Committee has ordinary meetings, with an annual calendar, of at least one meeting per year.

The Committee may hold extraordinary meetings at any time, under the following circumstances:

- ✓ When convoked by the Committee President;
- ✓ When convoked by the Sbcert Board;
- ✓ When convoked by the Sbcert Quality Control Manager;
- ✓ With a decision by at least 1/3 of the members.

The Committee's decisions will be upheld with the approval of 2/3 of those present.

Committee meetings will be held upon first call whenever at least half plus one of its members are present, or 30 minutes after the first call, whenever at least the Committee President and one member of the Sbcert board (or his representative) are present. In the case of a second call, the evaluation of the decisions made during the meeting must be endorsed by at least one more member, at an appropriate time, after the meeting.

Omitted cases will be analyzed by the Committee and decided by the Committee's President.

4.4 Review and Effectiveness of Impartiality Risk Mitigation Measures

All data and information relevant to impartiality are analyzed and reviewed at least once per year during and in preparation for the Impartiality Committee meeting.

Any changes to the revision of documents related to the risks to impartiality will be presented to the committee at the next meeting.

Members will have access to all the information necessary to enable them to carry out their duties.

The data and information to be analyzed include:

- ✓ Financial stability and operating result;
- ✓ Analysis of conflict of interest during operations and certification processes performed;
- ✓ Mitigation strategies and actions taken;
- ✓ The non-conformities raised in relation to impartiality and the corrective actions taken;
- ✓ Internal and external audits and their results;
- ✓ Complaints;
- ✓ Assessments of customer satisfaction;
- ✓ Significant changes in the organizational structure, bylaws, governance or facilities.

The above items are formally addressed to ensure that the provisions in force are adequate to safeguard impartiality.

Based on the data and information analyzed, the effectiveness of the safeguard process for impartiality is assessed by the Impartiality Committee and the Sbcert board.

Records of the review process, and decisions, are maintained in order to improve their effectiveness.

5 Revision Table

Revision Table			
Rev	Description	Date	Responsible
14	Complete revision of the document and removal of all mentions related to GHG validation and verification	30/05/2023	Quality Control Manager
15	Changed the trademark and document layout; Altering the SBC reference by Sbcert; Replaced in the footer the words "number" by "code" and "sheet" by "page".	07/10/2023	Quality Control Manager