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1. Objective

This procedure regulates the impartiality of GFA Certification GmbH.

2. Scope of application

This procedure applies to the GFA Managing Director (MD), executive management of subcontractors, GFA Directors (D), GFA Quality Management Representative (QMR), GFA Auditors, Decision Board Members and experts in the field of certification activities, and all further employees of GFA.

3. Glossary

Impartiality: Impartiality is defined as presence of objectivity where objectivity is understood to mean that conflicts of interest do not exist, or are resolved so as not to adversely influence the activities of the body. Other terms that are useful in conveying the element of impartiality are independence, freedom from conflicts of interest, freedom from bias, freedom from prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment and balance.

4. Responsibilities

- MD: Responsible for implementation of this procedure
- QMR: Responsible for establishment and maintenance of this procedure.

5. Key Performance indicators (KPI)

The following key performance indicators are defined:

- None.

6. Document history

Version number	Date of approval	Description of changes
1.0	17.01.2017	Elaboration of the procedure using the information of GFA System Handbook and the version of the FSC-STD-20-001 V4.

7. Interfaces with other Procedures

The following interfaces with other procedures are identified and shall be considered in relation to this procedure:

Interface:

SSP_PRO_Interessenkonflikte
SSP_PRO_AB

8. Description of process

8.1 Anti-corruption policy

GFA conducts its business in compliance with applicable laws and regulations. All internal and external personnel of GFA are strictly prohibited from offering, paying, promising or authorizing any bribe, kickback or other thing of value to a third party, to secure any contract, concession or other favorable treatment for GFA.

Visa versa, all internal and external personnel of GFA are strictly prohibited accepting any bribe, kickback or other thing of value from a third party, unless approved by the MD, to secure the impartiality of all activities carried out by GFA.

GFA relies on invoices and other documents received from clients and business partners or issued by GFA to customers and business partners to create and maintain accurate books and records.

GFA requires staff and auditors do declare in their working contracts, auditor contracts and annual work orders, that he/she will not take any payments, rewards, compensations or gifts from third parties related to the certification process without prior approval by the GFA MD.

8.2 Impartiality commitment

The complete certification personnel of GFA, internal as well as external, and the groups and boards and affiliates that have influence on certification activities shall be impartial according to the definition of this procedure.

GFA generally recognizes that the source of revenue for GFA is the client paying for its service and that this is a potential threat to impartiality. In order to obtain and maintain confidence, GFA will always demonstrate that its decisions are based on objective evidence and that its decisions are not improperly influenced by other interests or by other parties.

GFA recognizes the following potential threats to impartiality and will continuously design and implement procedures to manage the risk involved:

- Self-interest threats - threats that arise from a person or enterprise acting in their own interest, for example financial self-interest.
- Self-review threats assessing one's own work - threats that arise from a person or enterprise reviewing the work done by them.
- Familiarity (or trust) threats - threats that arise from a person or body being too familiar or trusting of another person instead of seeking evaluation evidence to base the verification conclusion on
- Intimidation threats - threats that arise from a person or enterprise having a perception of being coerced openly or secretly, such as a threat to be replaced or reported to a

supervisor. (e.g. auditors being (or believing that they are being), openly or secretly coerced by auditees or by other interested parties)

- self-interest/personal benefit (such as financial or other personal self-interests): threats that arise from acting in one's own interest;
- institutional benefit
- advocacy: a body or its personnel acting in support or in opposition of an auditee, which is at the same time its customer in e.g. the resolution of a dispute;
- competition: e.g. between auditee and contracted auditor.

GFA and any part of the same legal entity and entities under its organizational control shall not:

- be the designer, manufacturer, installer, distributor or maintainer of the certified product;
- be the designer, implementer, operator or maintainer of the certified process;
- be the designer, implementer, provider or maintainer of the certified service;
- offer or provide consultancy to its clients;
- offer or provide management system consultancy or internal auditing to its clients where the certification scheme requires the evaluation of the client's management system.

The impartiality of GFA related to the certification activities is assessed and evaluated every year by an independent Advisory Board.

8.3 Impartiality procedures

GFA's internal personal exclusively works for GFA and neither for the mother or sister companies within the GFA Group, nor for any other external company. For personal carrying out audits and certification decisions, obligations and procedures for impartiality are defined and established in the auditor contracts and annual workorder. All internal and external staff is obliged to report any situation that could trigger a threat to impartiality to GFA. To safeguard that, all staff is obliged to fill in the Col disclosure form on annual basis or in the event of any changes to the situation.

GFA identifies risks to its impartiality on an ongoing basis. This includes those risks that arise from its activities, from its relationships, or from the relationships of its personnel. However, such relationships must not necessarily present GFA with a risk to impartiality. A relationship presenting a risk to impartiality of GFA can be based on ownership, governance, management, personnel, shared resources, finances, contracts, marketing (including branding), and payment of a sales commission or other inducement for the referral of new clients, etc. However, if any relationship creates a risk to impartiality, GFA will document how it eliminates or minimizes such risk in the Col summary or the analysis of related bodies. Notwithstanding the foregoing, GFA will not perform the verification of any related party.

GFA will ensure that activities of other bodies do not affect the confidentiality, objectivity and impartiality of its activities. GFA will avoid any situation that would create a conflict of interests arising from the activity of any other body. All GFA staff, either internal or external, or committees, which could influence the certification activities, will act impartially and will not allow commercial, financial or other pressures to compromise impartiality.

GFA requires personnel, internal and external, to declare any situation known to them that may present them or GFA with a conflict of interest. GFA will use this information as input to identifying threats to impartiality raised by the activities of such personnel or by the organizations that employ them and will not use such staff, internal or external, unless they can demonstrate that there is no conflict of interests.

GFA obliges auditors to abstain from consulting activities for any of GFA's clients and within the scope of his/her auditing activity for GFA. GFA staff and members of audit teams must have maintained independence from the company or family of companies (e.g. subsidiary

companies or parent companies) for a minimum of 3 (three) years to be considered not to have a conflict of interest. Independence in this context means neither having any family/personal relationships with people within the organization, nor having been employed in or by the organization being assessed, nor undertaking any consultancy activities or other service provision except for certification or verification activities. If a member of the audit team, or their immediate family member, has a direct financial interest, or a material indirect financial interest, in the client, the member of the audit team will be removed from this audit.

Any threat to impartiality that arises after the audit team has made an original declaration of impartiality and after having been assigned to the audit team, must immediately be reported to the Quality Management Responsible (QMR) of GFA.

The audit team member must report the threat telephonically, followed by a written report via e-mail. This report must be filed on the measured entity file. The audit team member involved will stop all work immediately and leave the premises of the client, until the Quality Management Responsible has resolved the threat by either:

- Addressing the matter with the measured entity and they having subsequently removed the individual or circumstances that has created the threat to impartiality.
- Replaced the audit team member.
- Cancelled the certification engagement as per GFA standard terms and conditions.

The independent final decision taking on certification is always done by the GFA Decision Board. The GFA Decision Board member(s), as this board making the final certification decision, are independent from the audit that is performed and shall therefore not be an auditor on the same certification process in which it acts as GFA Decision Board Member.

8.4 Consultancy

GFA will take action to respond to any threats to its impartiality arising from the actions of other persons, bodies or organizations.

In the DIN EN ISO 17065 the term Consultancy is defined as participation in:

- the designing, manufacturing, installing, maintaining or distributing of a certified product or a product to be certified, or
- the designing, implementing, operating or maintaining of a certified process or a process to be certified, or
- the designing, implementing, providing or maintaining of a certified service or a service to be certified

GFA does not give advice or provide consultancy services to applicants for certification as to methods of dealing with matters which are barriers to the certification requested. Further GFA and its related bodies do not provide any services which could compromise the confidentiality, objectivity or impartiality of its certification process and decisions.

GFA has identified that the main risk of potential conflict of interest is regarding consulting services provided by freelance auditors to GFA clients when at the same time being contracted by GFA for auditing services. GFA has identified the individuals offering consulting services and all GFA staff is aware of this situation. Auditors report their consulting activities for GFA clients to GFA by filling in the COI disclosure form before the first assignment of audits, on annual basis and in case of any changes during the preceding year. GFA documents this in the CRM system and in the COI summary document. When assigning auditors to audits, the CRM and the COI summary document is consulted first and every action taken is documented in the Col summary..

Explaining findings and/or clarify the requirements of normative documents is not considered as consultancy. GFA does not give prescriptive advice or consultancy as part of an audit or

training.

Within 3 (three) years after a consultancy or direct employment at a client, the involved personnel will not be designated neither for certification decisions nor for auditing the specific clients that had been consulted nor to review or approve the resolution of a complaint or appeal for that client.

GFA's activities are not marketed or offered as linked with the activities of an organization that provides consultancy, implying that certification would be easier, faster or less expensive if a specified consultancy organization were used.

GFA will supply this procedure to any party upon request.

9. Records and measures

Records are filed digitally

RSP_COI_Summary

(G:\2_FSC_PEFC_ISO_Requirements\12_Conflict_of_Interest (COI))

SSP_Analyse_Verbundener_Stellen_1.15_g

(G:\1_Accreditation\01_Management_System_GFA\9.4_Impartiality)

10. Confidentiality

This procedure may be requested by external parties. Distribution to persons outside of GFA is only permitted after approval by the QMR.

11. Change management

The QMR is responsible for maintenance and adaptation of this procedure. Changed and revised procedures are completely exchanged. Changes will be marked and highlighted. The Version number is increased by 0.1.

12. Distribution

The QMR is responsible to distribute this procedure to all relevant personnel. The recipient decides about further distribution of this procedure within the area of their responsibilities and guarantees that the latest version of this procedure is available to all personnel which is affected by this procedure.

13. Further applicable documents

No.	References	date of document
1	FSC-STD-20-001 4.0	-
2	DIN EN ISO/IEC 17065:2015	-
3	DIN EN ISO/IEC 17021:2011	-
4	PEFC ST 2003:2012 Second Edition	-

14. Annex

- PSP_CL_COI_Disclosure
- PSP_Annex_Disclosure