

CODE OF PRACTICE FOR ENVIRONMENTAL PRODUCT DECLARATION VERIFICATION AND “EPD PROCESS” CERTIFICATION

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).

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

In particular SGS Italy offers, within the voluntary product certifications, the Verification of the **Environmental Product Declaration (hereinafter Product EPD) and the Certification of the Process EPD (hereinafter Process EPD)**.

This service includes the following three types of Verification activities:

- **Verification of the EPD in**

- PreCertification:** Verification of EPD developed in absence of a PCR (Product Category Rule) because not yet developed or expired.

The validity of the EPD Verification statement in pre-certification is in this case 1 year.

This service does not include surveillance activities.

- **Verification of Product EPD:**

- standard third party Verification process (external audit).

The validity of the Verification Statement is 3 years (or in accordance with the requirements defined by the Programme Operator).

Surveillance activities are periodically conducted.

- **Certification of the Process EPD:**

- certification of the Organization

management system and of the internal processes aimed at the design and development of LCA study and publication of EPDs for the Organization’s products.

The validity of the Certificate is 3 years.

Surveillance activities are periodically conducted.

Nei primi due casi è consentito sottoporre a verifica tre tipologie di EPD di prodotto:

- **“Full” EPD:** presenting all impact categories.
- **“Single-issue” EPD:** focused on one of the of environmental impact categories included in the full EPD.
- **“Sector” EPD”:** presenting all impact categories related to an average product, representative of a sector. i.e. an average of products made by different companies in a specific sector and geographical area.

Organization: SGS Italia’s client company

The third service includes the Certification of the Process EPD: organization management system (PDCA model) ensuring the design and development of LCA study, the internal EPD process assurance, and publication of EPDs for the Organization’s products in compliance with the requirements of the Programme Operator Rules.

The Verification in this case follows the practice from audit management systems.

PART 1: TECHNICAL CONDITIONS FOR CERTIFICATION SERVICES

1.1 General requirements

1.1.1 This document regulates the 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 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 into the General Conditions that follow (see Part 2).

The technical conditions comply with the requirements for the accreditation of Certification Bodies.

1.2.2 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.

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.



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.

The client's name, location, scope of certification and contact numbers may be entered into relevant directories. SGS maintains its own directory of certified clients which is publicly available via the SGS web site. This will show the status of any suspended cancelled or withdrawn Certificates.

1.3.2 SGS Italia will deal with the data that will be provided or to which it has access, in compliance with the EU regulation 2016/679, in electronic or paper form, for the sole purpose of fulfilling the requested service; the data controller is SGS Italia SpA, at its registered office, to which the Organization may apply for the exercise of the rights referred to in the EU regulation 2016/679.

1.4 Application for Certification / Verification

1.4.1 Upon receipt of a completed Questionnaire (provided by the Certification Body upon request), a Proposal is sent to the Client outlining the scope and costs of the services together with an Application for Certification. The proposal is complemented by this Code of Practice and the "Life Cycle Assessment Informative Questionnaire "

For specific certification schemes and / or industry sectors, regulatory requirements for certification can be supplemented by specific Technical Regulations (RT) or Circular letters issued by the Accreditation Body.

1.4.2 Once the Application is returned, together with any due controlled copies of relevant documentation, SGS Italia shall send the order confirmation to the Organization 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 For the certification of the Process EPD, when required by the Organization during the application for certification, a preliminary audit may be carried out prior to the start of the certification process, in order to evaluate and provide the Organization with information on the degree of implementation of the system subject to certification. Such preliminary audit will last a maximum of 2 (two) man days and can be performed only once.

1.5.2 The initial audit of Product EPD and Process EPD is conducted in two Stages:

- Stage 1 (Stage 1): Document review (at SGS or on site upon approval by SGS Technical Staff)
- Stage 2 (Stage 2): Evaluation (on-site audit)

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).

1.5.3 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 provide SGS Italia with the following documents:
 - The EPD / (s) to be verified
 - The LCA study or a short report of the LCA 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)

- The applicable PCRs approved and registered by the Programme Operator
- List of internal 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.
- List of environmental laws applicable to the product and the production process.
- List of procedures used to maintain the EPD process certification (EPD process certification only)
- List of EPDs subject to internal evaluation (only for EPD process certification)
- List of production sites from which the average data included in the sector EPD were obtained (only for sector EPD)

Based on these documents, SGS Italia evaluates whether the standard requirements are considered (Stage 1) and adequately met (Stage 2).

(c) If SGS Italia considers that not all requirements for certification (Process EPD or Product EPD) 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 (for Product EPD of and Process EPD) or minor (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

The logo for SGS, consisting of the letters 'SGS' in a bold, sans-serif font. A vertical orange line is positioned to the right of the letters, extending from the top of the 'S' down to the bottom of the 'S'.

respect of laws, major non conformities are raised).

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 When SGS Italia, through its technical reviewers is satisfied that the Organization meets all the certification requirements taking into account the opinion of the audit team, it will inform the Organization and issue a Certificate / Verification Statement depending whether a Process EPD or a Product EPD was requested.

In particular:

a) Product EPD: for each Product EPD verified and validated, SGS Italia will issue a Verification statement in compliance with the provisions of the applicable standards and regulations.

b) Process EPD: SGS Italia will issue a Certificate in compliance with the provisions of the applicable standards and regulations.

Otherwise, SGS Italia notifies the Organization of the decisions taken and the actions to be implemented.

The Certificate issued contains the expiration date within which the subsequent annual surveillance audits are to be carried out 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).

On completion of the validation phase, the documents are sent to the Organization by E-mail or Ordinary Mail.

1.7.2 The Certificate / Verification 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.

1.7.3 The Certificate / Verification statement shall remain the property of the Certification Body and the Organization shall send it back to SGS in case it is changed or cancelled, The Organization's right to use the certification mark / SGS Certificate or Verification statement 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 Certification mark / Certificate or statement issued by SGS Italia.

1.7.4 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 Certificates / Verification statement issued are reported in a register available to the public and updated at least once every six months.

The issuing of the Certificate / Verification statement is notified to SGS offices all over the world and registered in a database that identifies its status over time (valid - suspended - withdrawn).

1.8.2 Use of the EPD logo is governed by the General Program Instructions set by the Programme Operator.

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 logo incorrectly.

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 the expiry, suspension, cancellation, withdrawal of the Certificate / Verification statement,
- 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 Process EPD Surveillance
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).

Any non-conformity (major or minor) must be managed within the times set in the Audit Report.

1.10.2 Product EPD Surveillance:

The objective of the product's EPD Surveillance is to assess whether the content of the document is still consistent with what was validated in the initial audit.

The procedures and times of Product EPD surveillance must be agreed upon with the customer in the initial audit. Surveillance activity, which can also be carried out as a documents desk review, should enable the assessment of the main environmental aspects of LCA calculation.

The EPD must be updated in case of significant change (referred to in 1.17 of this document).

The calculation of the time periods of the surveillance must be carried out on a case-by-case basis, depending on the extent of the changes made to the EPD. Any non-conformity (major) will have to be managed within the times set out in the Audit Report.

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 whistleblowings, 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. 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 / Verification statement, (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.

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. The suspension is made public by indicating the status of suspension on the website listing the Organizations Certified by SGS Italia generally at the Accreditation Body's request. 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. The maximum duration of suspension does not generally exceed 6 (six months) calculated from the expiration date of the scheduled audit.

13 Cancellation of certification

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

1.13.2 SGS Italy 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.

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 / Verification statement (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 / Verification statement is 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 / Verification statement, 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 and of the Verification statement of the Product EPD must be made in accordance to a "review period", which is the validity of the EPD 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 renewal procedure is the same as that of initial certification and it includes an examination of documents and an on-site audit.

The calculation of the renewal audit duration is carried out on a case-by-case basis, taking into account any changes made to the Product EPD or Process EPD.

1.15.2 For Process EPD and Product EPD during the last audit of each Certification / Verification cycle (usually three years,

depending on the applicable PCR / standard), SGS Italia communicates the renewal criteria. Depending on the initial agreements established with SGS Italia, a new contract with a validity of three years or a confirmation of the existing one can be established. In the latter case, any changes to the contractual terms and conditions will be communicated with due notice to the Organization.

1.15.3 For the Process EPD the renewal audit, in the presence of a valid contract between the parties, is planned by SGS Italy, according to procedures similar to those used for the surveillance audits, well in advance of the expiry of the Certificate and must be completed within that deadline. Failure to do so within the expiry date will result in the cancellation of the previous Certificate and the reissuance of a new Certificate (with new number and new date of first issue).

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. 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. 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

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

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 For the Product EPD, the Organization shall promptly notify SGS of the following types of significant changes:

- changes to the product verified / certified resulting in a variation of the environmental impacts, even in a single category, of more than 10%
- process modifications (inside the organization or a supplier) resulting in a variation in environmental impacts, even in a single category, of more than 10%;
- a new product is presented within the EPD
- any other relevant change in the declared product information which require updating the EPD (e.g. corrections or amendments to the information and or impacts in the EPD as: content declaration, substantial input data change affecting the results in the EPD, etc.)

The organization shall give the revised EPD a special version / revision number following the registration number to indicate the change in the declaration.

In case of an update to the PCR / GPI the organization can:

- Be verified to the same version of the GPI and reference PCR as were used in the original Verification, even if they are not current, if the EPD maintains its original validity period
- Be verified to the updated version of the GPI and reference PCR. In this case a renewal of the certification is performed (see 1.15) and the validity of the EPD may then be set based on the



new approval date.

1.17.3 For Process EPD, the Organization shall promptly notify to SGS the following types of significant changes:

- extending the scope of the Process EPD to new PCRs
- 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 Italy, 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.

1.20 Reports and Certificates Ownership (Intellectual Property)

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. 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

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

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.

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 and can be amended even after the commencement of the Services.

2.1.4 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"):

- (a) System certification services: quality, environmental, safety, health and other management system certification in accordance with international or national standards;
- (b) Verification of Environmental Declaration in accordance with EMAS Regulation;
- (c) Product / Service certification services in accordance with nonmandatory normative documents, specifications or technical regulations

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and / or technical documents of the Client approved by the Certification Body;

(d) second party audit, preliminary audit, training courses on management systems and connected activities

(e) Environmental Product Declaration (EPD) Verification and EPD Process Certification in accordance with the applicable standards.

(f) Product carbon footprint CFP Verification in accordance with applicable standards.

2.2.2 On completion of an assessment program, 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 authorises 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 authorised 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 authorised. 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 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 publicise 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;
- (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 retain in its archive, for the period required by the relevant Accreditation Body or by law in the country of the Certification Body, all materials relating to the assessment program and surveillance program relating to that program

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

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. The Client shall be entitled to make copies for its internal purposes only. Duplicates of Certificates are available upon request for external communication purposes.

2.7 Communication

The Client may promote its certification in accordance with the terms set out in the Regulations governing the use of the certification marks. 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 (1) was available to the receiving party on a non-confidential basis prior to the time of its disclosure by the disclosing party; (2) is or hereafter becomes generally known to the public, not because of the receiving party; (3) 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.

The logo for SGS, consisting of the letters 'SGS' in a bold, sans-serif font. A vertical orange line is positioned to the right of the letters, and a horizontal orange line is positioned below the letters, forming an L-shape.

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

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:

- (a) the amount of all expenditures actually made or incurred;
- (b) a proportion of the agreed fees equal to the proportion (if any) of the service actually carried out; and 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 2.11.2, 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 2.11.2, 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 2.11.2, 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;
- (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

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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

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..

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.