



CERTIFICATION AGREEMENT

AUDISO a.s. (Certifying Body) is a Czech independent certification company operating on an international basis.

AUDISO a.s. (hereinafter referred to as CO) is accredited by the Czech Accreditation Institute (Český institut pro akreditaci, o.p.s.) to provide certification as follows:

- Quality Management System (ISO 9001),
- Welding Process Quality Management System (ISO 3834-2, ISO 3834-3, ISO 3834-4),
- Road Quality Management System (MP SJ-PK Part II/4),
- Environmental Management System (ISO 14001),
- Occupational Health and Safety Management System (OHSAS 18001),
- Information Security Management System (ISO/IEC 27001),
- Energy Management System (ISO 50001)
- Information Technology Service Management System (ISO/IEC 20000-1)
- Scrap Metal Waste Quality Management System (Council Regulation (EU) no. 333/2011),

For the valid accreditation certificate please visit [Certificate of accreditation](#)

At the same time, the Company has authorized procedures for implementation of integrated management systems. It refers to integration of management systems above listed which is especially convenient for economy and organisation of smaller size businesses.

Purpose of Document

The purpose of this document is to facilitate CO client's orientation into the topic of management system certification.

The rules provided hereunder are binding for certified clients as well as CO.

This document becomes binding upon the execution of a Certification Contract.

The below are the major stages of the process:

A) Granting of Certificate

- Review and register the client's application for certification
- Execute a Certification Contract
- Set up an audit team
- Prepare an Audit Plan and Schedule
- Process of certification audit
- Write an Audit Report
- Audit Report evaluated by the head of CO
- Issue a certificate and submit the "Rules for Use of Certificate and AUDISO Certifying Body Marking" document

A) Maintenance of Certification

- Maintain the certification (surveillance audits)
- Extend or reduce the content of certification (special audits)
- Renew the certification (recertification audits)
- Suspend, or revoke the certificate

B) Other Provisions

- Requests for information
- Complaints, appeals
- Confidentiality

Article A

Granting of Certificate

Review and register applications for certification

A potential applicant for certification will contact CO. Based on general information (location, certification field, number of employees, etc.), the CO officer will send a certification offer to the applicant for certification. If the offer is accepted by the applicant, the applicant will receive an "Application and Question Form" document in electronic form that must be completed by the applicant. Information filled in the Application and Question Form is used to draft a contract and register the client (Client Card) in the CO electronic system.

Execute a Certification Contract

When the application has been reviewed and checked for completeness, or any missing data completed, a draft Certification Contract is prepared. The Certification Contract is executed by both parties in writing.

Set up an audit team and prepare an audit plan and schedule

Upon execution of the contract, the head of CO will set up an audit team (head of the audit team, auditors, or possibly technical experts). If the audit date is approved, the head of the audit team will prepare an audit "Plan and Schedule" (hereinafter referred to as the Plan). This Plan (incl. members of the audit team) will be submitted to the client for approval no later than 7 days before the scheduled date. The Plan is submitted in electronic form (so-called Client Card) to the client's e-mail address indicated in the Application and Question Form. The audit team and audit plan will be approved / confirmed by the client on the Client Card.

The Client has the right to appeal the audit team. Any intent to appeal must be made in writing within 3 days from receipt of the information on members of the audit team from the Certifying Body.

In this case, the Certifying Body must appoint one or more new auditors. In such case, the Certifying Body is authorised to change the audit date.

Process of Certification Audit

Stage 1 Audit

The Stage 1 audit means the initial certification of the management system.

The Stage 1 audit SM is mainly aimed to:

- Assess the readiness of the organisation for Stage 2 audit;

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- Assess the level of compliance of SM documentation with the relevant international standard;
- Assess the client's sphere of activity (locations, etc.), and specific workplace conditions;
- Collect the necessary information with respect to the range of processes and compliance in relation to the evaluated certification system (compliance with the application and question form, etc.);
- Evaluate the internal audit system and review the system by the management

Stage 1 audit is conducted by the head of the audit team based on documentation submitted by the client (other members of the audit team may participate in Stage 1 audit if requested by the head of the audit team). In case of any uncertainties arising of documentation, legislation, or specific location conditions, etc., the head of the audit team is responsible to clarify them directly with the client. In the circumstances should require to visit the client's location, the head of the audit team is responsible to schedule and conduct the visit.

The outcome of Stage 1 audit is a written "Stage 1 Audit Report", stating the relevant weaknesses that might result in nonconformities identified within Stage 2 audit, and stating the conditions for the process of Stage 2 audit. If any nonconformities are identified between the Application and Question Form and the actual pursued activities during evaluation by the head of the audit team, the head of the audit team must document such nonconformity in the Stage 1 Audit Report. The head of the audit team will advise the head of CO thereof and they will jointly ensure that, for example, the audit team is extended, or the scope of certification is reviewed, or any other steps necessary for correct completion of Stage 2 Audit.

The head of the audit team will ensure that Stage 1 Audit Report (in electronic form) is presented and referring to Stage 1 Audit results, he will propose the schedule of Stage 2 Audit and make sure that the audit schedule is reviewed and approved by a representative of the assessed organisation (in electronic form).

The interval between Stage 1 Audit and Stage 2 Audit shall not exceed six months. If this interval is exceeded, Stage 1 Audit must be repeated by CO.

Stage 2 Audit

Stage 2 Audit is aimed to review the system of the applicant for certification at its workplace / workplaces and focused on information and proof of compliance with all requirements of the certified standard and the fulfilment of such requirements in the client's business.

The on premise review begins with an opening session of the entire team of auditors and possible technical experts with the client's representatives.

The next steps:

- a) The head of the audit team will present the audit time schedule to the audience
- b) Contact persons (counterparts of the audit team) and places to review the specific elements, and duties and powers of the audit team are discussed
- c) The audit is conducted by auditors together with technical experts (if necessary)
- d) Findings are recorded on files of the auditors
- e) The head of the audit team will classify the findings based on team discussions at the end of every day and publish "Deficiency Classification" describing the type of findings.

Types of findings:

- System nonconformity (non-compliance with any requirements of the standard, or legal non-compliance)

- Non-system nonconformity (partial non-compliance with any requirements of the standard)
 - Deviation (minor deviations of practice from the defined process, etc.)
- f) In case of three or more deviations with respect to compliance with one requirement of the standard, non-system nonconformity must be specified for this requirement
- g) In case of three or more non-system nonconformities with respect to compliance with one requirement of the standard, system nonconformity must be specified for this requirement
- h) The audit team will further identify areas for improvement of the system and positive findings (strengths) – consequently, those are included in the “ Final Audit Report”
- i) On the last day of the audit during the final meeting of the audit team and the client’s representatives, the head of the audit team will present the overall audit findings to the client and the applicant may comment on the presented conclusions
- j) If the client’s representative does not approve the findings, the head of the audit team must document such nonconformity in the Final Audit Report. The decision to grant a certificate is for CO.
- k) If findings are valid after the end of audit review within certification, the head of the audit team will determine next steps considering their classification:
- In case of system nonconformity, he will set the date for resolution of the nonconformity (by agreement) using corrective actions (to be specified by the client) and follow-up surveillance – no later than 3 months from the audit end date;
 - The audit shall not be closed with positive outcomes unless the documented system nonconformities are resolved;
 - If system nonconformities are not resolved on the agreed date, the audit will be terminated with the recommendation not to grant a certificate;
 - The correction of system nonconformities must always be checked on the premises of the certified client; the head of the audit team will determine the scope of surveillance audit (activity or the entire process);
 - In case of non-system nonconformity, the audit will be closed with statement of nonconformity, setting the date for its resolution (no later than 3 months from completion of the audit), and follow-up surveillance of resolution by means of surveillance audit (the certified client must notify CO of nonconformity resolution in writing or electronic form within 3 months of the audit);
 - If the certified applicant fails to notify in writing or in electronic form in due time that nonconformities are resolved, CO will suspend the validity of the issued certificate until remedies are taken within the additional specified time (if not, the certification will be revoked)
 - If the classified finding is a deviation, the head of the audit team will notify the client of the obligation to correct it without written or electronic notice to CO – the correction of the deviation will be reviewed during regular surveillance or recertification audit
 - Areas for improvement defined in the Audit Report may be used by the certified organisation and their application will be reviewed during the follow-up surveillance audit.

Stage 2 audit is completed by executing an Audit Report that includes summary findings (i.e. possible occurrence of nonconformities and deviations, defined areas for improvement and strengths),

specified locations for certification, draft text of the certification scope, and recommendations of the audit team to grant / not grant a certificate, or any other conditions of certification.

Prepare an Audit Report

Based on findings and areas for improvement, the head of the audit team will prepare the final "Audit Report" and submit it for approval by the head of CO (in case of identified system nonconformities, the report will only be prepared after consequent review of their resolution).

Decision to grant /not grant a certificate

Based on the Audit Report, Deficiency Classification and time schedule of the client (with respect to the specified date of implementation of corrective actions), the Certifying Body will decide whether to grant, delay or reject certification. The decision is part of the Audit Report that is delivered to the client in writing or electronic form.

Issue a certificate, certification marking

In case of positive decision on certification, the certificate will be issued and sent to the client in the required language and scope of fields as provided in the Audit Report.

Consequently, the certificate is registered in the list of issued certificates

Certification marking is submitted to the client together with the certificate in electronic form.

The rules for use of the certificate and marking are provided in the "Rules for Use of Certificate and AUDISO Certifying Body Marking" document that will, on delivery of the certificate, be approved in writing by the Certifying Body and the client.

Article B

Maintenance of Certification

Surveillance Audits

The Certifying Body conducts surveillance audits to ensure that the level of SM certified company is maintained in accordance with requirements of the standard(s).

Surveillance audits are conducted according to the plan of surveillance audits. The surveillance audit plan is submitted to the certified company together with the Audit Report and certificates. The course of audit is equal to Stage 2 certification audit.

The interval of surveillance audits will not exceed 12 months.

If any changes to the scope of certification are identified during surveillance audit (e.g. on the client request), the nonconformity must be documented by the head of the audit team in the Minutes of Meeting of the audit team. He will advise the head of CO of such situation to jointly ensure possible reevaluation of the scope of certification, etc.

The output from surveillance audit is the decision to extend the validity period, or suspend or, as a last resort, revoke a certificate.

Extraordinary Audits

An extraordinary audit of the certified organisation by the Certifying Body may be conducted:

- To investigate a challenge of compliance with the certification criteria and obligations contingent upon the validity of the certificate,
- If the certified organisation whose certificate was suspended applies for its consequent renewal,

- If a breach of certification principles and obligations was identified during regular surveillance,
- If any changes affecting the performance of certification principles and obligations contingent upon the validity of certificate occurred during regular surveillance,
- In case of change in the scope and term of validity of the certificate (extension/reduction of the scope of certificate), and change in legal personality, or organisational structure, etc.

Extraordinary audits are either based on amendment to the contract or a separate contract. Costs associated with conducting an extraordinary audit shall be borne by the certified company.

Renewal of Certification (Recertification Audit)

The certificate must be renewed before the expiry of the validity period. The renewal requires a full recertification audit. To conduct the audit, a new certification contract at least 1 month before the expiry of the validity period of certification is required.

Suspension of Certificate

The suspension of certificate means temporary revocation and the validity of certificate may be suspended by CO provided that:

- System nonconformities are identified in SM (during surveillance and extraordinary audits)
- Identified non-system nonconformities in SM are not corrected at the specified date
- The certified company repeatedly fails to respond to invitation to approve dates of surveillance audits

The suspension of certificate is a temporary measure not to exceed 3 months. If no corrective actions are taken before the expiry of the said 3-month term, the certificate will be revoked.

The certified company will be notified of the suspension of certificate in writing and it becomes effective 30 days of notice.

If the certificate is suspended, the certified company may not refer to certification in external communications during the period of suspension (e.g. contract negotiations, publications, or advertising).

The fact that a certificate was suspended will be published on the CO website.

Revocation of Certificate

The certificate will be revoked by the Certifying Body if:

- Activities subject to certification cease to exist in the certified company. For example, takeover or merger, liquidation or bankruptcy proceedings. In case of liquidation or bankruptcy proceedings, the certificate becomes invalid as of the date of liquidation or bankruptcy proceedings according to valid legal provisions;
- Certification Contract between the Certifying Body and the certified company is terminated due to withdrawal of the contractor for failure to honour the obligations of the certified company to the Certifying Body as provided under the contract, or failure to meet the terms of payment under the contract by the client;
- The Certifying Body has been informed about dissolution of the certified company;
- The certified company fails to apply for renewal of the certificate within 3 months of suspension;
- The certified company fails to prove its ability to meet the specified certification criteria and obligations;

- The certified company whose certificate is suspended has failed, in due time, to correct the nonconformities that resulted in suspension; and
- If requested by the certified company in writing.

The certified company will be notified of revocation of the certificate in writing and it becomes effective 30 days of notice. For recertification, the SM certification process must be repeated in full scope.

In case of revocation of the certificate, the certified company must immediately return the original certificate to the Certifying Body. Any further use of the certificate or certification marking must be stopped and no reference can be made thereto.

All legal consequences will arise from any misuse or misleading, incl. the application of claim procedure against the certified company. The fact that the certificate was revoked will be published on the CO website

Article C

Other Information

Required Information

- a) Client data access by CO

The client undertakes to allow the representatives of the Certifying Body to access its buildings and facilities during regular working hours. It also ensures the right to conduct interviews of representatives of the Certifying Body with all the client's personnel and get their full assistance for the scope of activities under the Certification Contract. The client also ensures the right to review all documentation considered important by the Certifying Body.

- b) Client data access by the Czech Accreditation Institute

The client undertakes to allow the Czech Accreditation Institute to access the information related to its certification in order to review compliance of CO AUDISO a.s. processes with the Czech technical standard CSN EN ISO/IEC 17021– Conformity assessment – Requirements for bodies providing audit and certification of management systems.

- c) Certification data access by the certified company

All records that are prepared in the scope of the client's management system audit are listed on the client card that is available to the client in electronic form.

Reporting Duty

During the period of validity of the certificate, and especially on the occasion of surveillance audits, extraordinary audits, or renewal of the certificate, the applicant undertakes to, without any unnecessary delay, notify the Certifying Body of any changes and modifications related to SM and information on the current scope of fields as provided in the certificate.

The certified company shall report any extraordinary events to the Certifying Body such as:

- a) Environmental accidents;
- b) Work related fatalities;
- c) Changes in technological processes and activities of the company;
- d) Major organisational changes in the company; and
- e) Others

Failure to notify the relevant changes may result in revocation of the certificate.

The process of appealing against decision of the Certifying Body

The rejection of an application for certification as well as suspension or revocation of the certificate can be appealed by the applicant.

The Certifying Body undertakes to examine any appeal with due diligence and independently, and award its decision in writing.

If the Certifying Body accepts an appeal, it will adopt a new decision on granting/non-granting or suspension/revocation of the certificate.

If the Certifying Body does not accept an appeal, the applicant can appeal to the Certification Board of the Certifying Body in writing through the Certifying Body. It has the obligation to immediately summon a meeting of the Certification Board

If the Certification Board accepts an appeal, the Certifying Body will adopt a new decision on granting/non-granting or suspension/revocation of the certificate. The decision of the Certification Board is final and unchangeable.

If an appeal is dismissed by the Certification Board of the Certifying Body, the decision will have the same effect as revocation of the certificate (notifying the applicant that further appeals are not allowed).

The parties shall each bear its own cost and expenses associated with said internal appeal procedure.

The client must appeal against decision in writing within 30 days of receipt of decision.

The appeal must be examined and decision notified within 30 days from the date of appeal.

Confidentiality

Both parties undertake to maintain confidentiality towards third parties regarding the acquired knowledge to perform the Certification Contract, in particular take appropriate actions, set up internal orders, make arrangements, or use any other resources. The duty of confidentiality shall survive the termination of Certification Contract if not agreed otherwise between the parties (e.g. for legal reason).

Publicity

Both parties, each at its own cost, shall have the right to disclose the fact that certification is in progress or completed.