EQUALITAS SYSTEMCERT PVT. LTD.

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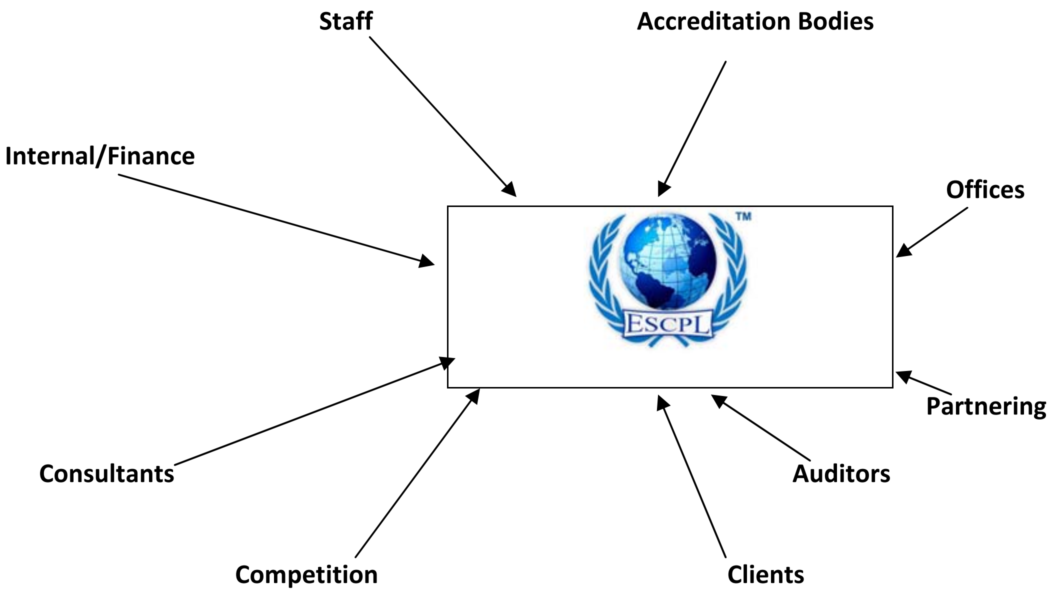
Contents

AMENDMENT RECORD SHEET

Issue	Affected sections	Description	Approved
1.0	All	Company Name, Address and Contact Detail	Managing Director

This manual is a controlled document. ESCPL will re-issue the entire manual with new amendments from time to time; the obsolete versions of the manual must be destroyed or marked OBSOLETE. Please return signed transmittal notes as soon as possible.

Potential Threats to Impartiality



Risk Assessment for Impartiality

Based on the above diagram/illustration of the potential risks to impartiality, the table below shows what the perceived risks are to the ESCPL and its performance regarding continued impartiality of the certification service.

The perceived risks relate to potential threats that could undermine the impartiality of the certification service. Once a perceived risk has been identified it will be assigned a risk level – the level will be based on four categorizations, these are as follows:

Risk 1 – Highest risk level – major threat to impartiality.
Risk 2 – Significant threat to impartiality.
Risk 3 – Minimum/acceptable threat to impartiality.
Risk 4 – Very unlikely threat to impartiality.

If at the initial risk assessment a threat level/risk is assigned risk 4, then no further action will be taken – i.e.: no method of abatement, or additional monitoring will be required.

After the initial risk assessment, any risk level 1 and 2 **must** abated to a level 3, unless commercial pressure is such, that the threat cannot be reduced immediately; if such a case exists, then additional monitoring **must** be in-place until abatement measures can be put in-place that are more permanent.

The risk level defined above will be based on the possible likelihood of the situation being presented and the ease of the likelihood that the situation will take place without detection (currently, the initial risk assessment will not be recorded/archived).

To ensure, identify, analyse, evaluate, treat, monitor, and document the risks related to conflict of interests arising from provision of certification including any conflicts arising from its relationships and to take into account risk associated to provide competent, consistent and impartial certification is documented as below

Perceived Threat	**Initial Risk**	**Method of Abatement**	**Resultant Risk**	**Method of Monitoring**	**Review- is Residual Risk Acceptable ?**
Offices – Wholly Owned, Joint Ventures, Agents					
Commercial Pressure to gain clients	1	• Recruitment Process • Training • Operation Through using official E-mails • Regular Visit and Monitoring/Audits • Risk Assessment Questionnaire	3	Apply the following procedures: PD-02, PD-04, QP-23, QP-25	Yes
Performing other duties such as consultancy	1	• Recruitment Process • Training • Operation Through CMS application • Regular Visit and Monitoring	3	Apply the following procedures: PD-02, PD-04, QP-23, QP-25	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
Auditor review their own audited Files	2	Auditors and Review staff are separate Review staff is not involved in audit.	4	Audit File Report Review Checklist	Yes
Perception of interested parties not taken care	2	• Feedback • Review of complaints • Review of Feedback & Complaints by ICB Meeting.	4	Feedback File Independent Certification Board (ICB) Minutes Management Review Meeting (MRM)Minutes Complaints File	Yes
Use of Incompetent Auditor	1	• Evaluation Process • Allocation of auditors from pool of competent auditors through web based CMS System • Technical area and competence requirements (TAC)	4	Competence Evaluation Form ESCPL-EF-30 ESCPL-EF-31 ESCPL-EF-54 ESCPL-EF-54A	Yes
Sub-Contract Auditors/Evaluators					
Over familiarity with Clients	3	Triennial Review Procedure	4	*Specific questions set within the scheme Workflow level "Triennial Review"*	Yes
Loss of interest – shortened audit	3	• Customer Feedback form, • Witnessed audits	4	Analysis of customer feedback	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
				records Witness audit report	
Offering consultancy or other services directly	2	• Sub-contract Auditor Agreement • Witnessed audits.	3	Contract Witness audit report	Yes
Personal problems	3	Confirm no conflict per job	3	EF-15	Yes
Previous employment with the client, family connection etc..	3	Confirm no conflict per job	3	EF-15	Yes
Less Evidence / Non Relevant evidence collection	2	• Review of Files • Review of Auditor Performance • Regular Quality Control of Audit Reports • Witness	3	Audit report Report QC Record	Yes
Met with Accident During the audit	3	• Training on Auditing Practices • Use of PPE during audit • Insurance. • Ensuring health and safety issues before proceeding audits.	4	Audit Report	Yes
Objectives of the audit could not met	2	• Objective Based Audit • Use of Trained Auditors, • Regular Training • Witness Audit • Report Review	4	Audit report Report QC Record	Yes
Client organization being audited and its operating environment	3	• Submission of audit plan in Advance to client • Scope and Process Confirmation in Opening Meeting. • Objective Based	4	Audit report Report QC Record Feedback Review	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
		Audit • Sampling Methodology			
Impact of the audit on the client and its activities;	3	• Submission of audit plan in Advance to client • Scope and Process Confirmation in Opening Meeting. • Objective Based Audit • Sampling Methodology	4	Audit report Report QC Record Feedback Review	Yes
Employed Auditors					
Over familiarity with Clients	3	Triennial Review Procedure	4	*Specific questions set within the scheme Workflow level "Triennial Review"*	Yes
Loss of interest - shortened audit	3	• Customer Feedback form • Witnessed audits	4	Analysis of customer feedback records	
Offering consultancy or other services directly	2	• Contract Auditor Agreement • Witnessed audits.	3	Witness audit report	Yes
Personal problems	3	Confirm no conflict per job and management support	3	EF-15	Yes
Previous employment with the client, family connection etc..	3	Confirm no conflict per job	3	EF-15	Yes
Less Evidence / Non Relevant evidence collection	2	• Review of Files • Review of Auditor Performance • Regular Quality	3	Audit report Report QC Record	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
		Control of Audit Reports • Witness • Training			
Possible Accident During the audit	3	• Training on Auditing Practices • Use of PPE during audit where required • Insurance Cover	4	Audit Report	Yes
Objectives of the audit could not met	2	Objective Based Audit • Use of Trained Auditors, • Regular Training • Witness Audit • Report Review • Scheme Rules and Regulations	4	Audit report Report QC Record	Yes
Client organization being audited and its operating environment	3	• Submission of audit plan in Advance to client • Scope and Process Confirmation in Opening Meeting • Objective Based Audit • Sampling Methodology	4	Audit report Report QC Record Feedback Review	Yes
Impact of the audit on the client and its activities;	3	• Submission of audit plan in Advance to client • Scope and Process Confirmation in Opening Meeting • Objective Based Audit • Sampling Methodology	4	Audit report Report QC Record Feedback Review	Yes
Clients					
Financial – e.g.: ensure an easy ride, or we shall not pay	2	Either withdraw, not issue certificate, several offices also invoice prior to visits	4	Whole system - CMS	Yes
Bribery	2-3	• See office and	3-4	Auditor	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
		auditor contract • Auditor Field Manual		Field Manual	
Client used consultant and seeks sub-contract auditor – one and the same	2	Review questionnaire to see if consultant is an auditor – when applies	3-4	Questionnaire	Yes
Awkward client i.e. uncooperative	3	This is generally out of ESCPL/auditor control. However, if auditor is unable to complete the audit, this will be reported in the audit report,	3	Review of reports. Verbal feedback by auditor to operations.	Yes
Misleading statements by the certified client / use of marks	3	Certification regulation Logo/ Mark rules and regulation Auditor discussed at audit.	4	Verify at each onsite audit Audit Report Complaints/ Feedback	Yes
Competitors					
Price, versus man-day requirements	2	contract reviews performed by HO/Ops. Centre	3	Review of Record, EF-15	Yes
Quotation detail	2	Shared with and visible to client & offices personnel only	3	EF-15	Yes
Consultants					
Consultant pressure on auditor to pass the client.	2	• Selection and training of auditor • Witnessed auditor procedure	4	Training record Witness audit report	Yes
Easy audit – promise more work	2	Review questionnaire,	4	Evaluation record	Yes
Threat to take clients to another CB	2	Provide greater benefit to clients and allow clients to pick a greater number of consultants	4	Evaluation record	Yes
Marketing of ESCPL	2	Review questionnaire,	4	Evaluation	Yes

Perceived Threat	Initial Risk	Method of Abatement	Resultant Risk	Method of Monitoring	Review- is Residual Risk Acceptable ?
with other services				record	
Consultant also as an auditor	2	Review questionnaire, confirm no conflict for a job and auditor contract	4	Evaluation record	Yes
Internal Pressures/Finance					
Cash-flow and income problems	3	Hold reserve income and invoice in advance of certain activities	4	Financial accounts	Yes
Poor communication to staff, auditors and offices	3	Action, Information Bulletin system	4	Document and record control procedure	Yes
Staff					
Boredom/repetitive tasks	3	Selection, training and internal audits	4	Training record Internal audit report	Yes
Overload of work	3	Continuous review by management	4	N/A	Yes
Use of Incompetent Staff	3	Roles & Responsibilities are defined and evaluated	3	Personal Record	Yes
Partnering Organizations	N/A				
Accreditation Bodies					
• Non Calibrated Assessors • Price too High • Not business-like	3	• Multiple ABs used	4	Day-to Day	Yes

Notes:

- If there is a known significant change in circumstances a new Risk Assessment must be completed and submitted to HO.
- All interested parties are invited to contribute regarding perceived risks to impartiality, in particular, offices within the group that perform their own risk assessments for differing accreditation agencies.

- All Risk Assessments will be reviewed by a director initially and the Impartiality Committee during the Impartiality Committee meeting and every year, a review residual risk will be recorded at the Impartiality Committee meeting.

Preparation	Review	Approval
Mr. ESCPL Certification Manager	Mr. Technical Manager	Mr. Managing Director