

1. General

This document describes the procedure to be followed by ETKO and the activities to be realized by the operator to realize the evaluation and certification of the Textile, Plastic, Leather, and other applicable processing activities of an operator in private scopes. An operator having a certificate successfully by this procedure is approved for their production operations and is permitted to make use of the relevant logos in their business.

Accessibility: ETKO services are equally accessible without discrimination to any interested operation whose activities fall within ETKO’s field of operation. ETKO works according to non-discriminatory policies and procedures, ensuring that no undue financial (e.g. concerning the fee structure) or other conditions (such as the size of the applicant or membership of any association) are applied. ETKO accepts inspection assignments regardless of whether they are for the entire processing chain, parts thereof, or single operators.

Reference Standards to ETKO certification programs are the following: 4.6.a

- Ocean Bound Plastic Certification Program and other private standards when applied.
- Applicants can download these regulations and/or standards from the ETKO website <http://www.etko.com.cn>

When there are changes to the certification requirements affecting the certification system operators may be informed by the program owner or via ETKO. Any important changes for ETKO’s inspection are notified to operators through the ETKO website under the section news. Additionally, the operators in question are informed by email correspondence. Eventually, ETKO verifies adapting system changes by the operators during the inspections.

When explanations or interpretations of certification standards are required, it is prepared by the technical experts within the ETKO employees, advisory committee members, or hired independent experts related to the scheme in question. ETKO makes sure that this information is formulated by relevant and impartial persons possessing the necessary technical competence such as textile experts for textile programs, cosmetic experts for cosmetic programs, and agricultural experts for agriculture.

The operator shall comply with the requirements stated in this procedure and other ETKO documents as well as relevant legal and statutory documents and shall maintain all the records related to the production and processes in

a satisfactory condition to receive and maintain the Certificate.

TC(s) issued by ETKO may not be changed by parties other than ETKO.

Documents issued/alterd by persons who are not authorized to issue documents are fake documents. Documents that show the value of the goods or services less or more than the real value and whose buyer, seller, date and serial number, etc. are falsified are considered fake documents. Actions required by the standard regarding fake/misleading documents are taken.

The scope of the ETKO certification process is limited only to products and processes, which are directly controlled by the operator. The certification process does not cover the systems in which the products are not produced by the operator’s own system and the processes are not managed and controlled by the operator’s own system.

ETKO operators that want to be certified for OBP scopes shall:

- Comply with applicable standards and requirements.
- Permit on-site inspections with complete access to the production or handling operation, including no certified production and handling areas, structures, and offices. In case the organization includes multiple sites in the scope of SC, permits to make audit all sites on-site annually, unless;
 - make all necessary arrangements for the conduct of the evaluation, including provision for examining documentation and access to all areas, records (including internal audit reports), and personnel for the purposes of evaluation (e.g. testing, inspection, assessment, surveillance, reassessment) and resolution of complaints;
 - make claims regarding certification only in respect of the scope for which certification has been granted;
 - not use the product certification in such a manner as to bring ETKO into disrepute and not make any statement regarding its product certification which ETKO may consider misleading or unauthorized;
 - Maintain all records applicable to the certified operation for not less than 4 years beyond their creation and allow authorized representatives of the Secretary, the applicable State official, the Standard owner, and the ETKO inspector access to such records during normal business hours for review and copying to determine compliance with the regulations;
 - upon suspension or cancellation of certification, stop its use of all advertising matter that contains any reference thereto and returns any certification documents as required by ETKO;

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- use certification only to indicate that products are certified as being in conformity with specified standards;
- endeavor to ensure that no certificate or report nor any part thereof is used in a misleading manner in making reference to its product certification in communication media such as documents, brochures, or advertising, complies with the requirements of ETKO
- Submit the applicable fees charged on the time
- Immediately notify ETKO concerning any:
 - Application, including drift, of a prohibited substance to any production unit, site, facility, livestock, or product that is part of an operation; and
 - Change in a certified operation or any portion of a certified operation that may affect its compliance with the regulations.

Also, ETKO operators who request to become certified shall:

- operate a management system that ensures that all applicable criteria of the Standard are fully implemented.
- establish, implement, and maintain documented procedures and/or work instructions covering all applicable criteria of the corresponding OBP program.
- maintain a documented management plan that describes processes, including the points of risk as well as a material and process flow diagram.
- appoint a management representative to be responsible for the overall conformity with the corresponding OBP program.
- provide ETKO with access to complete, up-to-date, and accurate information, along with access to their operations to demonstrate conformity with the corresponding OBP program. Access shall at a minimum include the following:
 - Access to all parts of the physical sites sampled for audit as per the criteria given by the corresponding OBP program;
 - Access to all documents and records related to conformity with the corresponding OBP program and the standard upon which claims are made, which may include financial records;
 - Access for auditors to interview personnel without restriction and without observation by management representatives; and
 - Equivalent access to all sites and subcontractors included in SC.
- demonstrate that it is a registered legal entity with legal permission to operate and shall maintain a listing of the name, location, and processes performed at each site, along with documentation of legal permission to operate for all processing sites.
- conduct a regular (at least annual) internal inspection process to evaluate their own conformity with the

corresponding OBP program. The internal inspection shall be documented along with any non-conformities identified.

- maintain and communicate clearly defined roles and responsibilities for all responsible personnel that may have an impact on the implementation of the Standard.
- give proper and regular training to the staff responsible for each procedure impacted by the Standard with regard to the implementation of the Standard and documented training records shall be maintained.
- not sell more products as certified than they were able to produce given their available OBP certified inputs.
- maintain a system that controls and quantifies volumes of claimed input and output materials at all times.
- maintain complete and up-to-date records of the description, quantities, origins, and/or destinations of all claimed materials purchased, sold, received, or delivered;
- maintain volume reconciliations performed and conduct an ongoing volume reconciliation based on mass balances adapted to the scope chosen and Supply Chain Model chosen, to balance the quantities of each claimed material purchased, in stock, and sold. The volume reconciliation calculation shall be conducted based on the standardized weight of the materials.
- specify the equations used for the volume reconciliation and content claims, including an example of the equations being applied.
- Keep an itemized table summary to facilitate reconciliation of all the collection/processing activities carried out throughout the year showing: i) total annual weight summaries per OBP Category if applicable, ii) type of collection events (for OBP-COL-STD or OBP-NEU-STD standard only), iii) total annual weight summaries of sold OBP per Category if applicable (for OBP-COL-STD or OBP-REC-STD standard only), iv) total annual volume and weight summaries of OBP treated by an Approved Treatment (For OBP-NEU-STD only).
- keep complete traceability of product from raw material purchase to final product sales.
- maintain complete, up-to-date, easily auditable, and understood records to demonstrate conformity with all criteria of the corresponding OBP program.
- retain all records used in the implementation and/or verification of the OBP program for a minimum of four years.
- maintain full responsibility for conformity with the Standard for outsourced materials in case the

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organization outsources the handling and processing of claimed materials to subcontractors.

Subcontractors shall not have common ownership with the contracting organization.

- maintain a list of all subcontractors who may be used to store or process claimed materials, including the subcontractor’s name, address, contact details, and outsourced processing steps.
- receive approval from ETKO and an updated SC before outsourcing to a new subcontractor.
- have a valid contract with each subcontractor which identifies the work to be outsourced and specifies that the subcontractor must comply with internal traceability requirements related to chosen Supply Chain Model for the subcontracted process
- Subcontractors shall sign a self-declaration of compliance with minimum social and environmental requirements as specified by this Standard. Copies of signed Subcontractors’ self-declarations shall be kept by the organization.
- ensure that sufficient transport records are used to track the movement of outsourced claimed materials, both when materials are sent to the subcontractor and when they are returned to the organization.
- maintain a complete list of suppliers of claimed materials, including each supplier’s license number.
- inspect the documents accompanying the inputs to confirm that the description, quantity, quality, blend, mix percentage, and a source described in the document match the products received if the organization receives qualified claimed materials as inputs.
- has a system in place to manage the chain of custody of physical materials, based on the chosen Supply Chain Model.
- demonstrate control over the flow, segregation, and identification of claimed materials within the site, including recipes used, material composition, material quality, and stock quantities.
- clearly identify the claimed materials as they move through production at all times. This may include, but is not limited to, direct labelling of claimed material, machines, storage vessels, or storage areas.
- Manage the storage of claimed material in order to identify and segregate claimed material from non-claimed material. Procedures shall be in place to prevent the commingling or substitution of the claimed material with other materials or products.
- Take extra precautions where claimed materials are being shipped, stored, or processed alongside non-claimed materials of the same type to ensure that no accidental commingling or substitution occurs.
- label all shipments of claimed materials with identification that clearly links them to the relevant

invoices or shipping documents. Alternatively, this information may be presented on an accompanying document, as long as such documents can be undeniably linked with the packaging, container, or transport vehicle of the claimed material.

Prior to any certification agreement being signed with the organization or certified company renewing certification, ETKO reviews whether the organization is eligible for certification, including whether they are in List of Banned Organizations and prohibited from becoming certified .

The decision to accept the applicant as a client is made according to the evaluation result of whether the applicant is eligible.

In case a previously certified component, product, shipment, or site is identified as restricted, and therefore ineligible for certification, ETKO:

- Immediately notify the program owner and withdraw the related SC of a such ineligible organization (entity);
- Cease all related certification activities within the prescribed timeline provided by the program owner;
- Notify CB of any buyer of the identified ineligibility and any resulting withdrawal if any related TC has been issued during the validity period of SC;
- For products already certified prior to becoming ineligible, ETKO considers them to be certified unless specifically identified by the program owner to be considered ineligible immediately.

All applicants are required to complete the initial application process. Applicants are required to provide sufficient additional information to substantiate the baseline history of their certified status; including previous certification information where available.

2. Application for certification and Contract

Upon request of the client, the related Fee Structures (e.g. TI-CN 14 Fee Structure OBP Program) are provided to the applicant.

Before the audit, applicants are required to send all necessary documents and information including application form and other documents requested by ETKO. Application form is required to be filled out especially by paying attention to the following points: Only the processes that are currently maintaining are stated in the application form and only the products and, product details which is possible to handle by the operator are stated in the application form. Means, the products and product details are stated in the application form, if the

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operator has a supplier list which includes applicable suppliers for the specific product or if the operator has processes to produce the specific product.

The offer/cost estimate to submit to the operator is prepared based on the information submitted by the operator with the use of the certification program-specific application forms. The operator shall duly complete this form and submit the original copy to ETKO.

ETKO prepares the offer/cost estimate in accordance with the information gathered from the application file and include all the required details related to the services to be provided, including the quotation.

ETKO determines the schedule, after reviewing the documents available, for the activities to be followed.

The date for the initial inspection is determined mutually by ETKO and the operator. The periods and dates for the surveillance visits is determined by ETKO to ensure the compliance of the system and the maintenance of the certificate. The visit dates are informed to the operator before the inspection by ETKO.

3. Documents required by ETKO for Application Package Review:

Following the contracting, the operator shall prepare an "Application Package" for the production systems and processes and submit it to ETKO within the appropriate time period.

Unless these documents and the original copy of the contract are submitted to the ETKO office, it is not possible to start with the inspection planning.

Application package review covers the information submitted in the Application Form and other documents sent by the operator. The aim of this review is to determine the present status of the operator's system; and its compliance level with the requirements and to estimate if the on-site inspections result in certification at this phase.

At this phase, ETKO may request additional information for missing points or for clarification of the data already submitted by the operator. A report that is called the Client Information Checklist is prepared by ETKO following the review and is sent to the operator prior to the on-site inspection to inform them and to take corrective measures if there is a deficiency, prior to the on-site inspection.

Also, the Application package Review form is sent to the client before the audit to inform them regarding whether the audit can be conducted.

The application process is completed with the above-mentioned information and documents supplied to ETKO.

4-Application review consists of the following:

- A review to ensure that the application is complete as per ETKO procedures and another legal or statutory requirement.
- A determination of whether the applicant complies with the relevant applicable requirements of the standards;
- Verification that an applicant who previously applied to another certifying agent and received a notification of noncompliance or denial of certification has submitted documentation to support the correction of any noncompliance identified in the notification of noncompliance or denial of certification; and
- The scheduling of an on-site Inspection of the operation to determine whether the applicant qualifies for certification if the review of application materials demonstrates that the production or handling operations are in compliance with the applicable requirements.
- A review of the application materials received and communication of the findings to the applicant.

5-Contract

In case the application is accepted by ETKO, a contract is signed between ETKO and the client, clarifying the processes, producers, products, addresses and fee structure. The contract is valid until cancelled and prolonged automatically one more year if not cancelled at least 6 weeks before the annum. In case certification program covers different standards / regulations, terms and conditions are followed accordingly if different.

6-Preparation by Operator:

- Prior to the scheduled Inspection, the applicant is expected to have organized all of the records, which documents that, the commodities and/or processes under review are certifiable to the corresponding standard(s). The applicant's cooperation in completing all of the forms, providing thorough and proper documentation, and being prepared, and training the personnel involved for the production of the requirements of the regulation, will greatly contribute to the timely and cost-effective completion of the entire certification process. Applicant must have a complaint handling procedure in place related to complaints received from the customers,

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officials, and any other sources

- Operator shall have the relevant handling system plan in place including records and documents mentioned above for ETKO's audit.
- Provide sufficient information to inspectors, proving that production processes comply with the relevant requirements.
- Ensure access to the facilities, and records; personnel enabling the inspectors satisfactorily verify that organic production systems and processes are maintained.
- Results of own quality assurance program.
- Cooperate to resolve the nonconformity and initiate the corrective action.
- For all scopes that fall under the ETKO Private Standard certification, the application responsible(s) for each scope ensures that the applicant is provided with necessary standards, guides, and procedures to ensure that proper preparation could be realized.

7. Site Inspection

Inspector Assignment: A scope-approved inspector is assigned by ETKO for inspection purposes. ETKO makes sure the inspector assigned has sufficient experience and qualification for the type of production, and no conflict-of-interest issues.

Inspection plan:

When necessary arrangements are completed, a detailed inspection plan is sent to the operator before the audit to verify the plan and prepare their operation for evaluation. Inspection detailed plan specifying the essential requirements of the Inspection is prepared according to the overview of the company's operations, which will emphasize on: a) Name of Auditor who will be attending, b) Planned Audit date, c) Name of contact person/quality coordinator of the Organization who will attend the Auditor, d) Relation of documents that will be required and e) locations and access requirements. Task and time allocation also is specified in the resulting plan. Time to be spent for each area of inspection is to be determined according to the standard requirements and ETKO procedures to ensure adequate time is given in each area of the Inspection according to the scope of production. Task share is to be done among the inspectors according to the qualification and skill required for inspection.

The documented plan ensures the company is made fully aware of the Inspection methodology and a thorough Inspection of the production and handling system of the client to the specified requirements of the relevant standard, within the agreed time frame.

The following points are to be taken into consideration in the planning of Inspection, as appropriate:

- Company structure and organization. To ensure elements planned for Inspections are representative of the company's scope of production and handling processes.
- Client Information as described in application form, or documents within application package review.
- Number and complexity of the products produced
- Allocation of time: Adequate time is determined according to the standard for each area of the Inspection and to ensure all the elements of the standard have been planned for the inspection.
- Special conditions in order to gauge compliance at the time of the Inspection regarding standards or requirements in force that is relevant to the company seeking Inspection.
- Number of nonconformities raised during the previous Inspection
- Frequency of the nonconformities
- Parallel production

The audit duration is needed a minimum of three hours per scope certificate, not including confirmation visits and evaluation of non-conformities after the closing meeting (where applicable). However, because of the minimum audit duration will not be sufficient for the vast majority of audits, ETKO plans the audit durations to be enough for appropriate audit and taking into account the additional requirements as required by the scheme owner.

Organization of Applicant for Inspection

Prior to the scheduled inspection, the applicant is expected to have organized all of the records, which documents that, the products and/or processes under review are certifiable according to Applicable Standards. The applicant's cooperation in completing all of the forms, providing thorough and proper documentation (certified product flow documents, incoming and outgoing invoices, packing lists, transaction certificates, input-output, annual volume reconciliation, processing sheets, staff lists, working contracts, calculations for certified ingredients % in cosmetic products, etc.), and being prepared, will greatly contribute to timely and cost-effective completion of the entire certification process. Refer to the related "List of Requested Documents" shared by ETKO for the corresponding certification program.

Objection for assigned inspector: In case the operator has objection to any one of the inspectors in charge, it is requested to inform ETKO management officially, together with valid and objective proof. In case ETKO management agrees, the personnel shall be replaced.

Acceptance of Prior Certification and Cooperation with the Other CBs & Omission of Activities from Inspection

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ETKO accepts the certificates issued in accordance with the related standards where the products in the supply chain are certified by other CBs, complying with the related instructions of accepted equivalent standards as given by the schemes' owners.

For all programs, in case a certification decision is needed for a product coming from another source certified by another CB, relevant documents are validated by ETKO, before acceptance of the product. Information to be validated are at least the following:

- Certifier has a valid accreditation
- Operator has a valid scope certificate
- A valid Transaction Certificate of the product is available (if required by the relevant standard)
- Other information required by the corresponding certification program.

If ETKO relies on certifications it has already granted to the client, or has already granted to other clients, to omit any activities, then ETKO will reference the existing certification(s) in its records. If requested by the client, ETKO provides justification for omission of activities with its inspection reports.

Inspection:

An initial inspection is conducted within a reasonable time following a determination that the applicant appears to comply or may be able to comply with the relevant standard requirements. Initial inspection may be delayed for up to 6 months in order to comply with the requirement that the inspection is conducted when the site, facilities, and activities that demonstrate compliance or capacity to comply can be observed.

All inspections are conducted when an authorized representative of the operation who is knowledgeable about the operation is present and at a time when site, facilities, and activities that demonstrate the operation's compliance with or capability to comply with the production and handling requirements can be observed. This requirement does not apply to unannounced and semi-announced inspections.

Inspection starts with the opening meeting in which the management team of the client attends and during that the scope of the certification (products, processes, standards, legal requirements...) is reviewed, information about the inspection method, inspection plan and reporting is provided.

The inspection involves recording observations of the entire operation, both in writing and/or on photo. During the inspection, the inspector verifies the effectiveness

and compliance of the operations, effecting the certification, to the certification requirements utilizing the relevant forms and questions as per relevant documents of ETKO:

- The operation's compliance or capability to comply with the appropriate relevant Standards
- That the information, accurately reflects the practices used or to be used by the applicant or by the certified operation; and
- If applicable, that prohibited substances and/or methods have not been and are not being applied to the operation through means on which ETKO has the right to collect samples of certified raw and processed products and test them.
- Additionally, if applicable, ETKO evaluates the basis for assessment of chemical, biological inputs used to produce of the final products of cosmetic, cleaning material and textile, is the corresponding material safety data sheet (SDS). ETKO, where appropriate and felt necessary, includes further sources of information (s.a. additional toxicological and environmental data on specific components of the chemical, biological inputs, test reports and independent lab analyses) in the evaluation procedure.
- For on-site inspections of processing facilities, the inspector evaluates the process flow. This is accomplished by observing the equipment being used, critical process control points, all ingredients added to the processed product, and all materials used in the maintenance and/or cleaning of the process equipment; and disposal of waste and other production process by-products.

Additional Guidance for OBP Program:

The Ocean Bound Plastic scheme from ZPO is a global program which is designed to be applicable globally, while respecting local regulations, local customs, and possibilities. Audits are implemented in accordance with the corresponding OBP Standard(s) in combination with local documents to ensure Audits are executed with consistency throughout all markets, whilst remaining relevant to the local context. Only reliable information sources as explained below for desk research should be used to obtain the required information:

- Published laws;
- Internet (only reliable sources such as websites of governmental Organizations, information with academic references etc.);
- Information from the organization's quality coordinator and administrative staff or relevant staff for the subject;
- Relevant certification standards;
- Other types of sources if reliability can be proven. All localization of legal related practices must be legally reviewed locally.

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For information beyond the legal realm, the Auditor should research local practice, using reliable sources. Where local documentation does not exist, the Auditor and the organization quality coordinator should agree on the local interpretation.

Frequency of Inspection

Unless a certification scheme has otherwise specific requirements, audits are conducted annually for each certified organization by using ETKO Inspection Checklists for the corresponding program.

Audit Duration is determined according to ETKO procedure for the related program.

Recertification audits are tried to complete no later than 60 days (but no earlier than 120 days) prior to the expiry of a scope certificate, in order to give the organization adequate time to correct non-conformities if any.

Prior to each audit and before a site is added to Scope Certificate, ETKO conducts a risk assessment for the organization and its subcontractors using a Risk Assessment Form and assigns a risk level for the organization and each subcontractor.

For OBP Program:

It is not necessary that all parts of the Organization are audited. Sampling is applicable within each of the following categories of the Organization:

- Independent Collectors (both when selling to the Organization directly or to Small Collectors in a Supplier Group);
- Active Collection sites;
- Storage and processing sites;
- Small Collectors;
- Sites for a Multisite Certification;
- Subcontractor operations;
- Approved Treatment facilities;

The sample size is the square root of the total number of sites/entities/people (applicable from 3 and beyond), rounded upwards to the following integer as following matrix. However, for the Subcontractors' category only, the total number will be first analyzed the Risk Assessment Form for OBP Program". The resulting Subcontractor group considered to present a high risk will then be sampled using the square root methodology.

Number to be sampled	Sample size	Number to be selected randomly
3	2	1
4	2	1
5	3	1
10	4	1
25	5	2
50	8	2
1000	32	8

Considering that for some Organizations the application of the square root methodology may result in a sample size that is too large making the Audit too long without

bringing additional value to the Auditor, the following maximum sample size limit will be applied:

- Interviews with Independent Collectors: 32 interviews
- Collection sites: 5 sites
- Storage and processing sites: 5 sites
- Small Collectors operations: 6 Small Collectors
- Sites for a Multisite Certification: 6 sites
- Subcontractors operations: 6 Subcontractors
- Approved Treatment facilities: 6 facilities

The Auditor is allowed to increase this sample size during Audit only in cases where non-conformities are reasonably suspected, and that further interviews or visits are necessary to confirm the possible non-conformities.

Audit Types

On-Site Audits

When an on-site audit is conducted, the entire audit team is physically present at the facility being audited. An on-site audit may replace a hybrid or remote audit.

8.3.2. Hybrid Audits (Supervised Audit)

Where it's permitted by the corresponding certification program under specific circumstances and conditions, a hybrid Audit is allowed in order to get an organization certified or remain certified.

When a hybrid audit is conducted, the audit team includes at least one person who is physically present at the facility being audited and at least one person who is participating remotely.

A hybrid audit may replace a remote audit.

The hybrid audit is conducted jointly by a qualified lead auditor who is auditing remotely, and by an on-site representative of ETKO.

ETKO conducts an advance review with the organization to ensure that there is sufficient internet connectivity available to conduct a hybrid audit, that necessary technologies are able to work, and that no other barriers to a hybrid audit are present.

ETKO ensures that the on-site representative:

- is a qualified auditor with ETKO (for any standard) or an auditor trainee for the standard being audited;
- is independent of the organization being audited; If necessary the on-site representative:
 - acts as a language interpreter for the lead auditor;
 - conducts auditing tasks under the lead auditor's supervision, if appropriate to their qualifications.

The lead auditor is present remotely for the entire audit and maintains responsibility for conformity to hybrid audit requirements.

The on-site representative ensures that the audit procedure is followed under the lead auditor's direction (e.g. areas of the facility are not missed on the site tour,

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and management representatives are not present for worker interviews).

A live video, including a full video tour of the site, is used throughout the hybrid audit (i.e. video calling or similar technology), where the on-site representative is responsible for managing the video device.

Specific instructions for OBP Program about Hybrid Audits (Supervised Audits): hybrid Audits (Supervised Audit) can be carried out by ETKO, in agreement with the applicant Organization, when ETKO does not have a local/national OBP approved Auditor to carry out the on-site Audit. In that case, it is required that the local/national Auditor available is qualified to audit other environmental or social standards that follow ISO 17065 accreditation. Hybrid Audits (Supervised Audit) are considered fully equivalent to an on-site Audit by a qualified Auditor.

Remote Audits

Where it's permitted by the corresponding certification program under specific circumstances and conditions, a Remote Audit is allowed in order to get an organization certified or remain certified.

When a remote audit is conducted, the audit team is participating in the audit remotely rather than being present on-site. Remote Audits require however full compliance to the applicable Standard(s) and do not imply a lesser compliance or verification level.

For processing facilities, the remote audit is conducted by an auditor who has visited the site in the past, where possible. Where this is not possible, the auditor is briefed in advance by an auditor who has visited the site in the past.

ETKO conducts an advance review with the organization to ensure that there is sufficient internet connectivity available to conduct a remote audit, that necessary technologies are able to work, and that there are no other barriers to conducting a remote audit are present.

For facilities with physical possession of claimed material, a live video, including a tour of the site, is used throughout the remote audit (i.e. video calling or similar technology).

Audits of sites without physical possession of claimed materials are conducted as remote audits. If the site is not the main location, evaluation is limited to tasks directly performed by the site.

Specific instructions for OBP Program about Remote Audits:

Remote Audits are authorized for low risk level Audits (refer to ANNEX I of OBP-REM-GUI), subject to a risk evaluation by ETKO. The risk evaluation shall be conducted using "TI-CN 47 Risk Assessment Form for OBP Program" to decide if a remote audit is applicable or no. Except for OBP Plastic Producers and Users Standard and

OBP Brand Standard, if Subcontractors are used by the Organization, these will need to be visited even if the Organization's Audit is considered low risk. Remote Audits are also authorized for Organizations whose Audits are classified as medium risk level Audits (refer to ANNEX I of OBP-REM-GUI) in the presence of Exceptional Conditions, even for initial certification Audits. For OBP Neutralization Services Provider Standard, the Approved Treatment section still requires an on-site site visit even if the Organization's Audit is considered low risk and conducted remotely. After a Remote Audit has taken place, a certification decision can be taken, and a yearly valid certificate can be issued. However, the certificate's annual validity will be conditioned to the fact that an on-site visit focusing on the requirements of the standard that are less easily assessed remotely, is carried out within a maximum time frame of 2 months from termination of the Exceptional Condition. If the site visit cannot be performed before the next certification cycle is due, the certification shall be suspended at the anniversary date, and will only be renewed after an on-site Audit is feasible and performed.

Remote Audits are not authorized for Organizations whose Audits are classified as high-risk level Audits (refer to ANNEX I of OBP-REM-GUI).

The ETKO's Risk Assessment results shall be sent to ZPO for approval before ETKO makes a formal offer specifying the feasibility of a remote audit to the applicant Organization.

Scope Certificates issued by Certification Bodies after Remote Audits need to include the specification that the Audit was done remotely.

Semi-Announced and Unannounced Audits

ETKO conducts semi-announced audits and unannounced audits in accordance with the requirements from the corresponding certification programs or in case ETKO deems necessary based on the identified non-conformities with the organizations.

Semi-announced and unannounced audits are conducted in addition to initial and recertification audits and are not used in place of the annual recertification audit of a site.

For unannounced audits, the site does not receive any advance notice of the auditor's arrival at the site.

For semi-announced audits, the site receives two business days' notice of the auditor's arrival at the site.

When selecting sites for semi-announced and unannounced audits, ETKO considers the following:

- The risk level assigned to sites, with priority to higher-risk sites;
- Obtaining a representative sample in terms of standard, geography, and processing categories; and

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- Prioritizing sites where there have been complaints or where there are other concerns with conformity. During a semi-announced or unannounced audit, ETKO, at minimum, evaluates the following as applicable to the site:
 - Volume reconciliation;
 - Purchasing documentation;
 - Physical handling and inventory of claimed materials (inputs, processing, and outputs);
 - Transport and sale;
 - On-product claims relating to the Standard which are present on-site, including when labelling is done on behalf of a customer;
 - Any areas where a non-conformity was issued during the previous full audit;
 - Any areas where ETKO has identified additional risks for the specific site, including risks that have been identified through complaints or which have been noted to ETKO by the scheme owner or the accreditation body; and
 - ETKO checks financial records of certified input and output materials.

8-Laboratory Analysis

During the inspection, when necessary and applicable for the corresponding certification program, samples are taken for relevant analyses when there is a suspicion that there are inadmissible raw materials, additives or chemicals use. Analyses are made according to parameters and the limits required by the applicable standard. Laboratory must be accredited for ISO 17025.

- The inspector evaluates the chemical and wastewater during the audit according to TI 95 and sends the documents belonging to the chemical to the ETKO Chemical Department to get verification.
- When there is not sufficient evidence to evaluate the chemical and/or wastewater the inspector mentions that in the NCR.
- Also, the ETKO Chemical Department can issue an NC even if it was not determined by the inspector when the ETKO Chemical Department cannot verify the chemical/wastewater during the certification process.
- An NC for chemical/wastewater is issued as a major NC as mentioned in the ETKO Catalogue of Measures.

9. Non-conformities & Corrective Actions

ETKO promptly notify the operator through a formal email within two working days after audit date of any non-conformity (called "NONC") to be resolved in order to comply with applicable certification requirements.

For OBP Program,

Any non-conformities found during the Audit will need to be addressed and closed by the Organization if they want to get certified to the relevant applicable OBP certification Standard. Organizations with non-conformities found during Audit will have an extra period of 60 calendar days from closing meeting audit date to correct, train, prepare and submit enough documentary evidence to the CB to show compliance with the nonconformities identified during the Audit.

If NCs were registered during the Audit, but information to close them was sent to ETKO within the allowed given time frame (60 calendar days from closing meeting audit date), and it is revised and approved by the Auditor and certifier, certifier can also proceed with the issuance of a Scope Certificate for the applicant Organizations. If the certifier finds that the NCs were not addressed in the given time frame (60 calendar days from closing meeting audit date), or there is insufficient information to make a positive decision, the certifier shall notify the client and communicate the negative decision to grant certification and identify the reasons for it.

- In case the Organization already has a certificate, and no sufficient evidence is submitted before the 60 calendar days deadline from renewal Audit date the certificate will be suspended for a maximum period of three months in which the Organization can provide evidence for closure of non-conformities. During suspension, Organizations cannot make any certified commercial transactions.
- If the non-conformities are not closed during suspension period, the certificate is finally withdrawn and their presence as certified Organization in the ZPO www.obpcert.org webpage eliminated until compliance with all requirements is verified through a new Audit.

10. Certification Decision

Certification decisions could be taken by ETKO only when the client passes the inspection and review process successfully including financial obligations. The decision on certification is given by a qualified certifier who is employed by ETKO. ETKO is responsible for, and will retain authority for, its decisions relating to certification based on all information related to the evaluation, its review, and any other relevant information. The certificate is valid through the issue date for a year if none otherwise stated for specific programs.

The inspection realized for certification purposes does not preclude the operator from its legal responsibilities.

The operator has the right to demonstrate the certificate on his premises, in marketing, or in any advertising media.

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The certificate shows the scope of the certification, the status of the products, and identifying relevant statutory requirements.

In case of improper use of certificate and/or logo, nonconformity is raised, and the operator is requested to take corrective action. Such nonconformity may cause the suspension or withdrawal of the certificate.

Changing the Scope of OBP Program Certified Organizations:

Certified Organizations may experience a change in the scope of their activities after their audit and certificate was issued, and before the next annual audit takes place. ETKO is allowed to issue an updated Scope Certificate (SC) during its validity period to reflect the Organization’s evolution upon receipt of Documentary Evidence with no need to carry out a new on-site audit only in the following cases:

- Addition of or changes to the certified products that use the same collection, transformation, recycling, logistics that were audited.
- Increase on the following categories according to the following limits:

Category	Maximal % increase of items ⁷
Independent Collectors	30%
Active ⁸ Collection sites	25%
Storage and processing sites	0%
Small Collectors	20%
Sites for a Multisite Certification	0%
Subcontractor operations	15%
Approved Treatment facilities	0%

- Decrease of the number of items of the sampled categories listed in above table as long as not reduced to a number that affects the project capacity to deliver.

11. Neutralization Certificate specific for OBP-NEU-STD

Neutralization Certificate is specific for OBP NEUTRALIZATION SERVICES PROVIDER STANDARD (OBP-NEU-STD) only. Neutralization Certificates are documents issued by ETKO upon the request of an Organization certified to OBP-NEU-STD at ETKO and after ETKO's approval on the submitted Neutralization Certificate Request form and its associated documentary Evidences, that prove to third parties that the Organization has effectively removed from the environment a given weight of Non-Commercially Recyclable OBP within the requirements of this Standard, and corresponding OBP Credits can be issued.

General criteria for Neutralization Certificate request and issuance:

- Organizations shall request ETKO for a Neutralization Certificate when they want to issue and sell OBP Credits. Organizations may make financial arrangements with OBP Credit buyers to receive

upfront payments, but OBP Credits can only be issued once evidence of the work done and conformity by ETKO has been verified;

- Neutralization Certificates can only be issued by ETKO to the organization that ETKO has delivered the Neutralization Services Provider Scope Certificate to;
- Organizations shall apply for the issuance of a Neutralization Certificate to ETKO by submitting completely filled OBP NEUTRALIZATION CERTIFICATE REQUEST FORM and the necessary Documentary Evidence (proof of collection and Approved Treatment) to support the elements claimed in the Neutralization Certificate;
- Before ETKO can issue a Neutralization Certificate, ETKO must submit it to Zero Plastic Oceans for its validation, serialization of OBP Credits, and accountability in a public registry;
- Organizations cannot sell Neutralization services for a greater weight than the TAOBPW declared in their Scope Certificate. This means they cannot request issuance of Neutralization Certificates, and corresponding OBP Credits, for a greater weight either;
- Organizations must have annual summaries of issued Invoices for OBP Credit sales (with corresponding issued Neutralization Certificates), and these must imperatively match annual summaries.

12. Use of Logo and Certificate 4.6.c

A guiding document is provided for the operator defining the rules to be followed in using the certificate and logo. All assured claims should be submitted for approval by ETKO. This includes hangtags, printed labels, sewn labels, and online claims. The operator should send its logo samples to ETKO for approval prior to use.

13. Surveillance

Maintenance of the certificate depends on the operator’s performance to comply with the relevant requirements of standards and statutory documents. ETKO shall ensure compliance with planned surveillance visits.

Surveillance visits are planned during the initial inspection preferably and are informed to the operator sufficient time before it is conducted.

The periods for surveillance inspections are determined during the initial inspection.

The operator shall maintain compliance with relevant regulations and requirements to ensure the maintenance

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of its certificate. NCR reported during the surveillance inspections are evaluated after corrective actions.

14. Changes in the Operator’s System

The operator shall inform ETKO in case of change in the production system and processes (such as changes in location, additional units, name, shareholders, and scope...) in time, formally in writing. ETKO shall evaluate the effect of the changes on the certification and determine if a special surveillance inspection is required or not.

In case it is determined that a special surveillance visit is required until the special inspection visit is conducted, the ETKO logo or any other document cannot be used by the operator and none of the products can be labelled as certified. The operator is informed by ETKO.

In case it is determined that a special surveillance visit is required the time planning is done by the ETKO inspection division and charged to the operator on the fee stated in the contract following the visit.

In case there are changes limited to the production system and not effective on certification, or if there are changes in documentation, these shall be subject to review in the next inspection visit by the inspector.

NOTE: All the changes in the production and documents shall be kept by the operator for the inspector to be a reference.

15. Suspension, Withdrawal, and Cancellation of the Certificate.

ETKO reserves its right to suspend, withdraw, cancel, or change the scope of the certificate during the certification period.

Suspension, withdrawal, cancel is caused by the operator:

- If the corrective actions are not taken as planned for the nonconformity found and reported, in a timely manner as mutually agreed by ETKO and operator.
- Postponing the surveillance inspection
- Not complying with the requirements of relevant standards and statutory requirements.
- Misuse ETKO Logo and certificate
- Not complying with the contract between ETKO and the operator
- Acting in a way harming ETKO’s prestige in the sector or aiming to act so.
- Not paid fees in due time

In such cases, ETKO shall raise a nonconformity report to the operator and request corrective action in an acceptable time period. If the operator does not take corrective action on time ETKO shall suspend or withdraw or cancel the certificate; the operator shall return the certificate back to ETKO as determined also by the contract.

ETKO makes public its decision about the operator suspending, withdrawing, or cancelling the certificate at its website.

In cases, the operator itself decides to stop the certification for any reason during the certification period ETKO shall cancel the certificate.

Specific requirements for OBP Program:

In case the Organization already has a certificate, and no sufficient evidence is submitted before the 60 calendar days deadline from renewal Audit date the certificate will be suspended for a maximum period of three months in which the Organization can provide evidence for closure of non-conformities. During suspension, Organizations cannot make any certified commercial transactions. If the non-conformities are not closed during suspension period, the certificate is finally withdrawn and their presence as certified Organization in the ZPO www.obpcert.org webpage eliminated until compliance with all requirements is verified through a new Audit.

The following general and specific cases result in banning the Organization from participating in the certification scheme for a year:

- i). General Cases for all OBP certification Standards
 - The Organization is found to be working with children⁵ or apply unfair working conditions.
 - Waste produced by the Organization is unmanaged causing Plastic waste to become OBP.
- ii). OBP Collection Organization Standard
 - The Organization has collected (or sourced) plastic that does not correspond to the definition of Ocean Bound Plastic and sold non-compliant OBP for Recycling purpose.
- iii). OBP Recycling Organization Standard
 - The Auditor is unable to reconcile with the provided documentation weight of OBP Input with OBP Output, or the sold weight is significantly superior (weight difference is neatly above any errors given by weight measurement tolerances or rounding up errors for example).
- iv). OBP Neutralization Services Provider Standard

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- The Organization cannot supply sufficient Documentary Evidence to demonstrate reconciliation between OBP Credits sold and collected and correctly treated OBP.
 - The Organization has sold OBP Credits based on the collection of plastic or other waste that does not correspond to the definition of Ocean Bound Plastic.
The Organization has sold OBP Credits for greater weight than the registered OBP collected and treated.
 - The Organization has sold OBP Neutralization services/OBP Credits without properly treating the Non-Commercially Recyclable OBP (absence of treatment, dumping or treatment in a facility that is not an Approved Treatment).
- v). OBP Plastic Producer and User Standard
- The Auditor is unable to reconcile the weight of plastic used for the OBPN Scope and the OBP Credits purchased with the provided documentation.
 - The Auditor finds the sold weight of OBP Neutral/Positive products is significantly superior (weight difference is neatly above any errors given by weight measurement tolerances or rounding up errors for example).
- vi). Social+ OBP Component
- Organization is found to exclude ICs where Child Labor cases are identified instead of working on possible solutions to remediate the situation. Child Labor cases as employees in the premises of the Organization is however not tolerated and banning from the program is to be applied.

In case of recidivism of any of the general or specific cases mentioned above, the Organization will be permanently banned from participating in the program. Recidivism is occurring when the Organization after being banned for a year is admitted again in the program and commits again at least one of the above-mentioned faults, causing the Organization to be definitely excluded.

16. Appeals and Complaints ^{4.6.d}

In case the operator wishes to raise objections to any decision of ETKO about certification, or in case of a dispute between the parties the appeal or corrective actions procedures shall be followed. The operator shall apply to ETKO management formally in writing.

17. Confidentiality

Except where national law or accreditation bodies require, ETKO shall keep confidential and shall not disclose to third

parties the information about the operator obtained during the contract and the certification process unless the operator permits in writing not to do so.

The supplier shall be informed of the information provided when required by the law and that at all other times that information not be disclosed without the consent of the supplier.

The operator accepts the verification and inspection activities of the accreditation bodies by signing the contract with ETKO for certification services. No fee is charged for the inspection of accreditation bodies.

18. Extension and Renewal of Certification

The operators are regularly reevaluated in order to verify that they maintain their system in compliance with the standard and that the corrective actions are implemented effectively. For the extension of the certification, the operator is required to renew the contract and start the application process. Renewal of certification must be annual for all programs unless a specific certification program has otherwise requirements.

Operators shall continue to be met for certification criteria and apply annually for continued certification. ETKO evaluates the application documents eventually on-site inspection follows. Each location of the operation is verified. Operators shall pay the certification fees deemed by ETKO. When the operator does not renew the certification ETKO formally notifies the operator that the certification is withdrawn, and no longer valid.

20. Exchange of Information

Where an operator is certified also by other Certification Bodies within the same scope, ETKO seeks information exchange with the other Certification Bodies involved misuse of certificates. ETKO may, if necessary, exchange information with other Certification Bodies and/or authorities to verify the authenticity of the information.

Where ETKO operators and/or their subcontractors change their control body; the change is notified without delay to the competent authority by ETKO. ETKO, once take a file request from a CB, should follow the situation to understand whether the customer still want to migrate and remind the customer to sign a migration declaration by ETKO if they still want to migrate.

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ETKO hands over the relevant elements of the control file of the operator concerned and the reports and non-conformities to the subsequent control body.

In case ETKO accepts a new operator coming with non-conformities; ETKO ensures that non-conformities noted in the report of the previous control body have been or are being addressed by the operator.

Where the operator withdraws from the control system, ETKO without delay, informs the related Standard organization.

Where ETKO finds irregularities or infringements affecting the certification status of products, ETKO without delay informs the standard organization.

Abbreviations:

SC: Scope Certificate

TC: Transaction Certificate

UPDATES TABLE

SECTION CONTENT	SECTION NR	REV. NR	REV. DATE
Document Creation	Full Document	00	06.09.2024

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