

REGULATION FOR PRODUCT CERTIFICATION
International Featured Standard Food, Logistics and Broker

Rev. no.	Description of changes	Date
15	Update IFS Logistics 2.2 and IFS Food 6.1; Added reference to new General Regulation and relevant alignments (parts described in the Regulation removed). Added Market Surveillance Visit by Accredia	2018.02.26
14	Update Integrity Program IFS	2017.07.04

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CONTENTS

1.	SCOPE AND FIELD OF APPLICATION.....	3
2.	GENERAL REQUIREMENTS AND GUARANTEES FOR THE CUSTOMER.....	3
3.	REQUIREMENTS RELATIVE TO THE REQUESTED ASSESSMENT.....	3
4.	REGULATORY REQUIREMENTS AND LIMITS OF LEGALITY CONTROL	4
5.	DEFINITIONS AND CALCULATION OF SCORES	4
6.	REQUIREMENTS CONCERNING THE PROCESS OF THE CERTIFICATION SERVICE PROVISION.....	6
7.	SUSPENSION AND WITHDRAWAL OF THE CERTIFICATION	15
8.	COMPLAINTS, APPEALS AND DISPUTES	15
9.	CHANGES TO THE PRODUCT CERTIFICATION SYSTEM AND CUSTOMER COMMITMENTS	16
10.	PROPERTY AND USE OF IFS LOGO.....	16
11.	RIGHT OF UNILATERAL WITHDRAWAL FROM THE CONTRACT	16
12.	IFS INTEGRITY PROGRAM	17
13.	UNILATERAL CHANGE OF THE CONTRACT.....	18
	ANNEX 1 – IFS FOOD Product categories and technology fields	18
	ANNEX 2 – IFS LOGISTICS Fields	20
	ANNEX 3 – IFS BROKER Fields	20

1. SCOPE AND FIELD OF APPLICATION

This Regulation defines the rights and duties, as well as the operating methodology that regulates the relations between Kiwa Cermet Italia SpA (hereinafter referred to as Kiwa Cermet) and the Customer Organizations in the product certification service International Featured Standard Food (IFS Food) or International Featured Standard Logistics (IFS Logistics) or International Featured Standard Broker (IFS Broker)

The requirements expressed in this regulation form an integral part of the contract stipulated with Kiwa Cermet (economic offer, *the Kiwa Regulation for Certification and General Terms and Conditions of Kiwa Cermet Italy for the performance of orders* hereinafter referred to as *General Terms and Conditions*). These requirements refer solely to aspects that are specifically associated to the field of application of the certification requested.

If not explicitly specified, the requirements of this regulation are applicable to IFS Food, IFS Logistics and IFS Broker.

The agreement expressly excludes any form of consultancy to the Customer that could jeopardise the nature of independence of the carried out assessments.

This regulation is also available on the Kiwa Cermet website (www.kiwacermet.it).

2. GENERAL REQUIREMENTS AND GUARANTEES FOR THE CUSTOMER

In its certification activity, as well as the *General Terms and Conditions*, Kiwa Cermet applies the following principles:

- a) Absence of discrimination: access to certification services is allowed to any Organization requesting them, in accordance with this Regulation, without any discrimination of commercial or financial nature or regarding membership of particular associations.
- b) Impartiality and independence: ensured through the following measures:
 - Certification activities are assigned to personnel with no interests in the Organization subject to certification, bound to observe the rules of conduct and independence set by Kiwa Cermet; regarding this aspect Kiwa Cermet undertakes to accept any justified concerns of the Customer concerning the existence of incompatibility of the duty assigned, which could compromise the impartiality or independence of judgement;
 - Precise application of formalised rules and procedures used by all the personnel of certification services and periodic consultation with suitable certification stakeholders;
 - Clear separation between the personnel carrying out the audit activity and the personnel responsible for the certification decision;
 - Total absence of any kind of assistance in defining and applying the requirements for obtaining the Certification of Management Systems.
- c) Prompt management of complaints, appeals and disputes, as defined in § 8 of this Regulation;
- d) Confidentiality: As well as set out in the *General Terms and Conditions and in the Kiwa Regulation for Certification*, Kiwa Cermet requires all its personnel, including Auditors, to sign a confidentiality agreement as well as a document in which personnel commit to treat any information that comes into their possession in accordance with the provisions of the Privacy Act.
- e) Accreditations: Kiwa Cermet undertakes to inform the Customer of any rejection, suspension or withdrawal of the accreditation (in case of a service covered by accreditation), as well as to support the Customer during the transition to another accredited Body; in such cases Kiwa Cermet will not be in any way responsible for any damage caused to the Customer by rejection, suspension or withdrawal of the accreditation; in the aforementioned cases, the Customer has the right to opt out of the contractual relationship with Kiwa Cermet, without prior notification and without any additional cost.

3. REQUIREMENTS RELATIVE TO THE REQUESTED ASSESSMENT

International Featured Standards IFS Food rev. 6 April 2014 and subsequent revisions; Erratum IFS rev.2 and subsequent revisions - IFS Doctrine rev. 3 and subsequent revisions - IFS FAQ for certification bodies rev. March 2013 and subsequent revisions - IFS Food rev. 6 Audit protocol not announced February 2016.

International Featured Standards IFS Logistics - rev. 2.1 March 2014 and subsequent revisions, Erratum IFS rev.2 and subsequent revisions - IFS Doc. 3 and subsequent revisions - IFS FAQ for certification bodies rev. March 2013 and subsequent revisions - IFS Logistics additional requirements for multi-site companies rev. 01 March 2014 and subsequent revisions

International Featured Standards IFS Broker rev. 2 October 2013 and subsequent revisions.

4. REGULATORY REQUIREMENTS AND LIMITS OF LEGALITY CONTROL

The legal conformity of the Management System to which the certification refers shall be considered by Kiwa Cermet an essential pre-requirement for issuing the certification.

The certification issued by Kiwa Cermet does however only regard the conformity to the reference standard(s), and so it does not constitute a guarantee of compliance with the mandatory requirements. Such compliance is the specific competence of the Customer Organization, which retains responsibility, towards itself and towards others, for the legal obligations involved in the activities object to certification.

In this regard, the audit activities of Kiwa Cermet shall not be considered as a form of waiver of responsibility with regard to possible assessments carried out by the Competent Authorities.

5. DEFINITIONS AND CALCULATION OF SCORES

The definitions and rules herein contained are taken from the IFS standards. However, for the purpose of greater comprehension of this document, the main definitions and rules applied to calculate scores for IFS certification issue are provided below.

5.1 Definitions

Knock Out Requirements (KO): there are 10 mandatory specific requirements for IFS Food and 6 specific mandatory requirements for IFS Logistics and 8 specific mandatory requirements for IFS Broker, to be met for obtaining / maintaining certification, highlighted in bold inside the standard with the wording "KO".

Deviation: non-fulfillment of a requirement that does not have an immediate impact on food safety of products and processes. These are the requirements to which B, C or D scores are assigned and KO requirements which are assigned a B score (see § 5.2).

Non-Conformity: failure to fulfill a specified requirement: it may consist of a failure to comply with legislation, or the safety of food products, or, finally, internal malfunctions and problems for customers. These non-conformities can be of two types: "KO" or "Major".

Non-Conformity classified as Major: non-compliance with a requirement that represents a substantial non-fulfillment of a requirement of the standard, and which concerns the safety of food products and the legal requisites of the countries of production and destination of the food, or even when non-compliance is such as to cause a serious risk to health. It can be assigned in relation to any requirement that is not defined as a KO requirement.

Non-conformance classified as KO: non-fulfillment of a KO requirement (ie a classification-to-D KO requirement).

5.2 Calculation of scores and evaluation results

During the audit, the auditor assesses compliance with each standard requirement, providing for each assessment according to the following classification:

A = full compliance with a standard requirement

B = almost full compliance with requirement, slight deviation from conformity

C = small part of the requirement fulfilled

D = requirement not fulfilled

The calculation of the score is carried out according to what is reported in **Table 1** followed by:

Table 1 – Calculating the score

Result	Explanation	Score
A	full compliance with a standard requirement	20
B (deviation)	almost full compliance with requirement	15
C (deviation)	Implementation of a limited part of the standard requirement	5
D (deviation)	Not implementation of the standard requirement	-20 points

With regard to a Major Non-Conformity, the score is calculated according to Table 2:

Table 2 – Scoring a Major Non-Conformance

Result	Score
Major Non-Conformity	For each major nonconformity, 15% is subtracted from the total score obtained and it is not possible to issue or renew any certificate

With regard to the KO requirements, the scoring is done according to Table 3:

Table 3 - Score calculation for KO requirements

Result	Score
A (full conformity)	20
B (deviation)	15
C (deviation)	No score (it is not possible to classify a KO requirement as "C")
KO (=D)	50% is subtracted from the theoretically obtainable total score and, in any case, it is not possible to issue or renew any certificate

When to a "KO" requirement is assigned a score D, the verified Organization will be automatically non-certifiable IFS.

The auditor may exclude certain requirements and consider them not applicable N / A; exceptions are the KO requirements that can not be excluded except: **for IFS Food the requirements of KO 2.2.3.8.1, 4.2.2.1, for IFS Logistics of the requirement KO 2.3.8 and for IFS Broker of the requirement 5.2.2**

Moreover, for IFS Food it is not possible to assign the N / A score for the requirement 2.2.3.6.1 about the determination of the CCP (even if the organization does not have any CCP, a logic approach must be documented that must be evaluated by the auditor).

The deviations (ie the requirements judged as B, C, D and the KO requirements judged as B), the Non-Conformities (Major and KO with score D) and the requirements classified as N / A must be motivated by the auditor in the audit report.

The final outcome of the verification is expressed as a percentage of the total score obtainable, which will depend on the number of applicable requirements.

The score allows to determine the release or not of the certification and the level of the certification (Base Level - Foundation Level - or Upper Level - Higher Level).

6. REQUIREMENTS CONCERNING THE PROCESS OF THE CERTIFICATION SERVICE PROVISION

6.1 Access to the Certification Scheme

Before starting the Certification process with Kiwa Cermet, the Organization must meet the following requirements:

- Have a Product Certification System that meets the requirements of the Reference Standard;
- Fully implement this System;
- Accept the conditions set forth in this Regulation;
- Guarantee the collaboration to Kiwa Cermet Audit Team during all the Audit activities;
- Authorize access to the premises, plants, areas and information necessary for carrying out the audit;
- Appoint an own Representative as main contact person of the Audit Team and guarantee that any consultant present during the audit maintains the role of observer;
- Be responsible for applying the requirements prescribed by the laws in force on matters of safety in the workplace. The Organization undertakes to provide Kiwa Cermet with a complete and detailed report of the specific risks that exist in the workplace where Kiwa Cermet personnel will be working and PPE necessary for carrying out the appointment, informing Kiwa Cermet personnel concerning their correct use. In this regard, the Organization has to provide appointed Kiwa Cermet personnel the Company documentation concerning the workplace safety (D.V.R., safety plan, procedures, etc.), limited to aspects of specific interest. If for those omissions, injuries occur or illnesses are contracted, no charge can be required for any reason to Kiwa Cermet.
- Accept, without additional costs, the possible presence of auditor from the accreditation/control body¹ as observers during the audit. Kiwa Cermet will inform the Organization with regard to the possible presence of these auditors with a clear introduction of roles. Their presence has the aim of assessing that the evaluation methods used by Kiwa Cermet are in accordance with the requirements for accreditation.

In addition, in order to ensure that the assessment procedures adopted by Kiwa Cermet comply with the applicable standards, the Accreditation Body may require to conduct a visit, called Market Surveillance Visit, at the certified Organization, directly through the use of their personnel.

This possible visit, is communicated by the Accreditation Body to Kiwa Cermet with 7 working days notice. Upon receipt of such communication Kiwa Cermet will inform the Organization. The audit plan is prepared by the Accreditation Body, which it will make available to Kiwa Cermet; then Kiwa Cermet will send it to the Customer Organization.

If the Organization does not grant its approval, the validity of the certificate is suspended until it has not accepted the visit for a maximum period of 3 months. Expired 3 months, in the absence of consent to the visit, the certification is withdrawn.

The Organization shall make available to the Accreditation Body the documentation that Kiwa Cermet has taken as a reference during the previous audits. The Market Surveillance Visit does not replace the normal maintenance certification audit provided by the Audit Programme. The Market Surveillance Visit procedures are indicated in the document IAF ID 04 (free download from IAF website: <http://www.iaf.nu>).

Other methods of control can be adopted by the accreditation Body, in order to verify the activities of Kiwa Cermet, e.g. unannounced audit at the premises of certified subjects, request of information to Organizations or Consulting Companies, or other methods of control established by the accreditation body.

All organizations that request it and which fall within the scope of the IFS standards can access the IFS certification.

IFS FOOD is applicable to Organizations which:

- produce food products (see Annex 1 "Product categories and IFS Food technology fields");
- pack food products in bulk.

¹ Including auditors of the accreditation body and/or IFS Management GmbH. These measures are part of IFS Integrity Program and are carried out by IFS Management GmbH in order to ensure the quality of the entire IFS system and only after complaints concerning the certified Organization received by IFS Management GmbH from different sources (distributors, Certification Bodies, employees of IFS certified companies or other legal or natural persons) and for which appropriate investigations are in progress.

IFS Food can only be applied when a product is processed or when there is a risk of contamination of products during primary packaging.

IFS FOOD is not applicable:

- import activities (offices, for example, typical broker companies);
- transport, warehousing and distribution

Furthermore, IFS Food certified products can not be directly marketed (ie products that are processed, packaged and labeled from and under a name different from the IFS Food certified company)

IFS LOGISTICS is applicable to Organizations: which carry out any logistic activity (such as transport, storage, distribution, sorting, loading and unloading, etc.) referring to food and non-food products and to all types of transport (such as motorways, airplane or any other type of transport of frozen / chilled products or at room temperature (different states of matter: liquid, solid, gaseous)

IFS Logistics is also applicable:

- to the suppliers of freezing and thawing services
- to logistics organizations that use service providers for their transport and / or storage activities

IFS LOGISTICS is not applicable to the following activities:

- processing of food products and not fed (except for the freezing and thawing processes rendered by suppliers as a service)
- importation, direct marketing of products (offices, for example, broker companies with supply activities)
- transport of live animals

IFS BROKER applies to Organizations (such as: intermediaries / brokers, sales agents, traders / sellers, importers) who:

- carry out intermediation activities for products of which they may or may not be owners: food products, household products and personal care, packaging materials and which generally do not take physical possession of such products (eg they do not have storage warehouses, packing stations or truck fleets, but they are legal entities with offices).

IFS BROKER is not applicable to the following activities:

- production of food and non-food products
- logistics activities (as they provide for physical possession of products)

6.2 Certification request and IFS administration fee

Based on the information provided by the Organization, Kiwa Cermet develops a Certification Offer, indicating the reference standard and the scope of the Certification indicated by the Customer Organization.

In the case of Organizations that request combined audits for different IFS schemes (eg Food - Logistic, Broker and Logistic - ETC), the requirements set out in ANNEX 1 of the specific IFS standards will be applied.

Furthermore, in the formulation of the offer, Kiwa Cermet takes into account the administrative fee requested by IFS for each audit activity (administration fee); this fee is paid by the Organization to Kiwa Cermet, which is subsequently transferred to IFS.

In the event of changes in the share established by IFS or a significant change in exchange rates, Kiwa Cermet reserves the right to automatically adjust the related amounts.

Returning to Kiwa Cermet of the Certification Quotation, signed by the Organization, constitutes the formal request for the Certification activities, as well as the acceptance of the contractual and economic conditions (defined in the Offer), of the conditions contained in the present Regulation, *in the Kiwa Regulation for Certification* and in *General Terms and Conditions* (also available on the website www.kiwacermet.it)

Kiwa Cermet will communicate to the Customer all subsequent amendments to the contractual documents, it is the responsibility of the Customer to always have the updated version of these documents, downloading them from the website www.kiwacermet.it

Upon receipt of the aforementioned documents, Kiwa Cermet examines the data provided, verifying that:

- The requirements of the requested service have been clearly defined, documented and understood by both parties;
- There is capacity for Kiwa Cermet to perform the required activities;
- The requested data and documents have been provided in full;
- There are no differences with the data provided when the offer was requested.

Upon successful completion of the previous examination, Kiwa Cermet assigns a contract number to the Customer. In the event of a negative outcome, Kiwa Cermet is entitled to request all the additions or amendments necessary before starting the procedure or to communicate the impossibility of such start-up, justifying the reasons for the Customer.

After the start of the process, in the cases in which, in the course of the provision of the service, the changes are verified with respect to the conditions declared by the Customer (and on the basis of which the offer was issued and the contract stipulated), Kiwa Cermet reserves the right to modify the contractual conditions accordingly; it remains the Customer's right not to accept the new conditions, but to correspond to Kiwa Cermet the fee for the activities carried out up to that point.

Kiwa Cermet communicates, in advance, the names of the Audit Team to the Organization; if there are conflicts of interest, the Organization may request their replacement within 3 working days, formalizing and justifying the request.

Upon request of the Organization, after the activation of the service, it is possible to perform a preliminary audit (optional), with the aim of assessing the degree of adequacy to the IFS standard for the products / services for which certification is required. The results of this evaluation are for internal use of the Organization, they do not include any recommendations and do not involve the communication to Kiwa Cermet of the corrective actions it intends to undertake

6.3 General Requirements for IFS Audits

6.3.1 Choice of the audit type

Before planning and carrying out the audit, the organization must inform its certification body about the chosen option:

- **IFS Food and IFS Logistics announced audit** ("Announced" option): the requirements defined in the current protocol of the IFS Food Standard and described in § 6.3.2 apply.
- **Non Non-announced IFS Food and IFS Logistics audit** ("Not announced" option): the requirements described in § 6.3.3 apply

This option, which replaces the annual audit schedule, refers to an entire unannounced audit according to the IFS Food and IFS logistics requirements audit checklist. The audit date should not be notified to the company before the audit.

This option is preferable for renewal audits

At each renewal audit, the company must inform its certification body about the chosen option.

6.3.2 IFS Audit

The IFS Audit:

- It must always be performed in the places where the activities subject to certification are carried out and during the active processing phases or, for IFS Broker, when all the company's brokerage services, object of the audit purpose, can be evaluated.

- It is always extended to all the requirements of the standard and to all areas of products / processes / intermediary services and sites where the entire processing of the product is carried out (at least 1/3 of the duration of the verification will be dedicated to the areas of production);

- It is always carried out separately for each individual site (s) where the entire product / logistics activity / brokerage service is performed

The certificate issued by Kiwa Cermet:

- It is always referred to the individual production sites;

- Must refer to the category (s) of the product (s) and technological areas subject to certification (see Annex 1 for IFS Food and Annex 2 for IFS Logistics and Annex 3 for IFS Broker);

- It must always explicitly mention any exclusions of product ranges (product lines).

If the Organization has already been IFS certified in the past by another Certification Body, it must inform Kiwa Cermet so that, on the occasion of the first audit at the company, it can evaluate the corrective action plan of the previous audit. This even if the previous audit was carried out more than a year before.

In cases where there are decentralized structures and the audit of a specific location is not sufficient to provide an exhaustive vision of the company's capabilities, all the other offices of the Organization must be audited. Full details of the sites audited must be documented in the audit report and in the purpose of the certificate

In the case of organizations that produce the same product on different lines, the purpose of the audit must include all the activities carried out by the Organization and not just the production line for products bearing the distributor's trademarks.

In the case of organizations with different production sites whose processes (such as purchases, management of personnel, complaint handling, etc.) are organized centrally (ie managed by a single central office), the following applies:

- the Head Office must always be subject to verification² and the results of the verification must be taken into account in the checks of each individual production site;

- verification at the Head Office must always take place before audits to the individual production sites, which must be verified (separately) within 12 months from the audit to the Central Office;

- if the site of the Head Office does not have any production activity this has this site can not be issued an IFS certification as an independent company, but will be recalled in the individual certificates of the various production sites.

Each Audit includes an initial meeting, in which they are shared: the objectives, the methods of execution of the activity, the classification criteria of non-compliance with the treatments, the consequent corrective actions and the confidentiality constraint to which the Kiwa staff are subordinate cermet; and a closing meeting, in which the outcome of the audit is communicated and clarifications are provided regarding the results formalized in the report.

If, at the time of the audit, significant discrepancies are found between the company and what was communicated by the Organization, the Audit Team immediately communicates this change to Kiwa Cermet³

At the end of each Audit, the Audit Team meets for the evaluation of the recorded evidences, their classification and the drafting of the corrective action plan (Action Plan) (see paragraph 6.7 of this document).

At the final meeting, the Audit Team presents all the results of the audit to the Management Board, describing all the possible deviations and non-conformities found. At the end of the meeting, or at the latest within 2 weeks from the date of execution of the audit, the Lead auditor of the Audit Team issues the draft corrective action plan (Action Plan) describing the results of the Audit (paragraph 6.7). Any different opinions between the Audit Team and the Organization regarding the audit findings must be discussed and re-solved wherever possible. In the event of any unresolved divergent opinions, the Organization may issue any reservations regarding the results of the Audit.

6.3.3 IFS Food and IFS Logistics unannounced audit

In addition to the general requirements described in § 6.3.1, the following must be taken into account:

Registration

To access the unannounced audit registration, the Organization must notify its certification body, at the latest before the start of the audit time window (see below). This applies to both companies that maintain the same certification body and those that change certifying bodies.

The registration date must be indicated in the contract between the certification body and the company

Time window for carrying out the audit

The period of time in which Kiwa Cermet must perform the unannounced audit is (-16 weeks; + 2 weeks) of the original audit date.

The audit must be carried out on consecutive days.

² If it is not possible to carry out an audit on the site of the Central Office, it must be ensured that all the information managed by the Head Office is available during the verification at each production site (for example: ensuring that a representative of the Headquarters is present during the checks carried out by Kiwa Cermet on production sites)

³ By "significant deviation" we mean for example a difference that involves the variation of the duration of the audit.

Block period

When registration is made for the unannounced audit, the Organization can identify up to 10 working days plus a non-working period in which the company is not available for the audit.

These dates must be communicated to Kiwa Cermet when the Organization obtains registration at the unannounced audit and must be given its reasons.

The motivations can be checked by Kiwa Cermet or by the auditor during the audit.

The company can divide the 10 working days only in maximum 3 periods (eg scheduling of customer visits, holidays of the quality manager, etc.)

Further information that the company must provide to its certification body

The company must provide its certification body with the name (s) of the person (s) to be contacted on site when entering the establishment on the day of the unannounced audit, in order to facilitate the entry of the auditor.

As for the announced audit, the certification body can request, before the start of the time window, some documentation to the company in order to prepare the audit.

Multi-site organizations with centralized management

If the defined processes (eg purchases, human resources, claims management, etc.) are organized centrally by an organization with several production sites:

The site with centralized management - Central Management - can be audited announced or unannounced. The audit must always be carried out before the audit to the production site and must always be carried out before the period of time begins in the time window of the unannounced audit window relating to the audits of the productive sites. The production sites must be audited not announced.

The audit to the Central Management (announced or not announced) and the unannounced audit to the production site (i) must not be carried out during consecutive days (eg if the Central Management is located inside one of the production sites, 2 must be performed different audits: an announced or unannounced audit for centrally organized processes and an unannounced audit for the production site).

All audits, including those at the Central Departments, must be carried out within a maximum period of 1 year.

Specific requirements for companies with seasonal products

If a company with seasonal products wants to register for the unannounced audit, the scheduled dates for seasonal production must be reported to the certification body (and the time window described above does not apply). For these companies, it is not allowed to provide the certification body with the blocking period: the unannounced audit can take place at any time during the seasonal production.

Audit plan

Since it is not essential to send in advance the audit plan for an unannounced audit, the auditor must present, on the day of audit, a provisional audit plan which will be adapted during the audit.

Preparation of an audit

Before being audited, the Organisation shall review in detail all the requirements of the IFS Food and Logistics Standards and, if present, the IFS Doctrine and the Erratum. On the day of the audit, the current version of the Standard shall be available at the site being audited. The Organisation is responsible for acquiring the current version of the Standard.

The Organisation must prepare a minimum documentation to be provided to the auditor.

The auditor, arrived at the Organisation, will ask to meet the people whose names have been provided by the Organisation at the time of registration of the unannounced audit.

If the organization denies access to the auditor, (due to force majeure), the certificate must be suspended, not later than two working days (the communication will be received by customers who have the Organisation in the list of their favorites, through the IFS portal) and this information will be visible in the audit portal in the historical profile of the Organisation.

Moreover, the next audit can only be programmed as an announced audit and it should preferably be carried out by the same certification body.

If during the unannounced audit there are some lines not in operation and these have different HACCP analysis, different product scope and technologies, another audit is required.

6.4 Certification audit (Initial Audit)

It is the Organisation first audit to IFS Food performed by Kiwa Cermet according to the general parameters set out in § 6.3 .

At the end of the audit, the Kiwa Cermet Audit Team presents the findings that emerged.

The audit report (§ 6.7), with the action plan made by the Organisation, is subjected to analysis and internal approval by Kiwa Cermet, that is responsible for making the certification decision.

The issue of the certificate is dependent on the audit results and on the action plan deemed appropriate by Kiwa Cermet.

6.5 Renewal audit (Audit after the initial audit)

Renewal audits are those which are performed after the initial audit according to the general parameters set out in § 6.3 .

The Kiwa Cermet Audit Team, during the renewal audit, in addition to what was mentioned in § 6.3, will verify the deviations and non-conformities identified during the previous audit, as well as to the effectiveness and implementation of corrective actions and preventive measures laid down in the Organisation's corrective action plan. In case of any unresolved non-conformities, the Audit Team may assign a Major NC to the requirement in question.

At the end of the renewal audit, the audit team presents to the Organisation the findings.

The audit report, with the Organisation's action plan, is subjected to analysis and internal approval by Kiwa Cermet, for the next renewal resolution, or not.

The issue of a new certificate is dependent on the audit results and on agreement on an action plan deemed appropriate by Kiwa Cermet.

The date of the renewal audit shall be calculated from the date of the initial audit and not from the date of issue of the certificate. The date range for renewal audit is shown on the certificate of conformity.

For IFS, the renewal audit frequency at the Organization is 12 months for all products/processes/services and for all certification levels.

6.5.1 Certification Audit (Initial Audit) and Renewal Audit IFS Logistics Version 2.2

IFS has published a new modified version of the IFS Logistics Standard 2, the IFS Logistics 2.2 December 2017, where new additional requirements have been add in relation to the previous version 2.1.

The new Version 2.2 comes into force mandatorily from 1st June 2018, so all the audits carried out from 1st June 2018 will be performed in accordance with the requirements of Version 2.2.

In addition, there is a transition period starting from 1st March 2018, during this period Companies can decide if they want to be certified in accordance with Version 2.1 or already in accordance with the new Version 2.2.

6.5.2 Certification Audit (Initial Audit) and Renewal Audit IFS Food Version 6.1

IFS has published a new modified version of the IFS Food Standard, the IFS Food 6.1 November 2017, where new additional requirements have been add in relation to the previous version 6.1.

The new Version comes into force on 1st July 2018, there will be NO transition period. All the audit carried out starting from 1st July 2018 included will performed in accordance with the requirements of the new Version 6.1.

6.5.3 Companies who chosed the UNANNOUNCED audit protocol

Already IFS Food certified Companies which have a period of unannounced audit starting from 1st July 2018 (included) will be audited against version 6.1.

Already IFS Food certified Companies which have a period of unannounced audit starting before 1st July 2018 will be audited against the old version 6 April 2014.

Already IFS Logistics certified Companies, which want to be registered for the unannounced option, may do it if their active certificate is valid at least until 15th August 2018. The registration is possible from 1st March 2018.

6.6 Special Audit

6.6.1 Follow-up audit

Kiwa Cermet will performed a follow-up audit within a six months period from the date of the previous audit, when the results of the audit (an initial audit or a renewal audit) have been insufficient to allow the award of the certifi-

cate (see tables 5 and 6).

In general, also for the supplementary assessment the criteria of the point 6.3 are valid, but the Kiwa Cermet Audit Team focuses on the implementation of the actions taken by the Organisation to correct the Major non-conformity determined during the previous audit.

The follow-up audit shall be performed within a six months period from the date of the previous audit.

If the Major non-conformity is related to production failure, the follow up audit by Kiwa Cermet shall be performed at least 6 weeks after the previous audit and no later than 6 months after the previous audit. For other kinds of failures (e.g. documentation), the certification body is responsible for the determination of the date of the follow-up audit.

If the Organisation does not perform any follow-up audit after 6 months from the date of the previous audit, or the result of the follow-up audit is negative, then Kiwa Cermet will perform a complete new audit:

- if the Organisation decides not to carry out the additional audit, but to immediately opt for the execution of a new complete audit, this one shall be performed at least 6 weeks after the previous audit during which the major non conformity was issued.
- if instead the result of the additional audit is negative, the new complete audit shall be performed at least 6 weeks after the follow-up audit.

The certificate issued after a follow-up audit will keep the same expiry date as the previous one.

6.6.2 Extension audit

If the Organisation, which has already obtained the certification, wants to update the field of application of its certificate (such as inclusion of new products and/or processes) it must immediately inform Kiwa Cermet in advance of the planning of the audit in which it intends to obtain the extension.

Kiwa Cermet, following an appropriate analysis of the extension request, will establish the duration of the audit.

The extension audit shall be performed at any time during the validity period of the certificate. In general also for the audit of extension, the criteria of point 6.3 are valid, but the Kiwa Cermet Audit Team will focus its assessment on the requested extension (it is not necessary to perform a complete new audit) and the report of this extension audit shall be represented as an annex adjoined with the current audit report.

The audit report, complete with the corrective action plan formulated by the Organisation, is subjected to analysis and internal approval by Kiwa Cermet, for the next resolution or not.

The certificate issued after an extension audit will keep the same expiry date as the previous one.

If, during the extension audit, a Major non-conformity or a KO has been identified, the full audit is failed and Kiwa Cermet shall be suspended the current certificate.

6.7 Audit report

Following each audit, the Kiwa Cermet Auditor writes the report in the agreed format of IFS (software AuditXpress).

At the end of the audit, **or within 2 weeks of the audit date**, Kiwa Cermet releases to the Organisation both the pre-report of the audit and the outline action plan, with all the requirements which are evaluated from Kiwa Cermet ad B, C, D; the KO requirements scored with a B; the non conformities (the Major Non Conformities and KO requirements) scored with D.

The Organisation shall forward the corrective action plan to Kiwa Cermet **within 2 weeks of having received** the pre-report of the audit and the action plan layout. If this deadline is not respected, the Organisation has to undergo a complete initial or renewal audit.

The action plan sent from the Organisation must contain at least the following information:

- the corrective action(s) to be implemented
- responsibility and implementation deadlines (only for the requirements scored with C and D, the Major Non Conformities and KO requirements scored with B and/or D); if this informations are not specified, the certificate can not be issued. For all the requirements scored with C or D, the corrective actions must be implemented before the next audit. If this does not happen, Kiwa Cermet can assign a Major Non Conformity to the considered requirement.

After the approval of the corrective action plan by Kiwa Cermet (**within 2 weeks**), the final report is sent to the Organisation, including also the action plan. This report could be accompanied by confirmation that the certification has been issued, together with the certificate of conformity.

The audit reports remain the property of the Organisation.

Kiwa Cermet keeps a copy of the audit report and it is stored for a period of 5 years.

Kiwa Cermet is required to transmit to IFS Management GmbH (owner of the standard) all the detailed results of the IFS assessments (that is, the complete audit reports of the corrective actions plan and the certificate), loading them into the IFS audit portal (www.ifs-certification.com). The Organisation can choose whether and to which distributors or other certified users / companies issue the authorization to access the information contained in the audit report.

Table 5 summarizes the actions to be implemented for the management of the results of the **IFS Food** audit.

Table 5 - Actions resulting from the audit and issuing of the IFS Food certificate

Audit results	Status	Action by Organisation	Report form	Certificate
At least 1 KO scored with D	Not approved	Actions and new initial audit to be agreed upon	Report gives status	NO: certification not granted. Or in the case of a Organisation already certified, certificate suspension on the IFS portal (within 2 working days)
>1 Major and/or <75% of the requirements are fulfilled	Not approved	Actions and new initial audit to be agreed upon	Report gives status	NO: certification not granted. Or in the case of a Organisation already certified, certificate suspension on the IFS portal (within 2 working days)
Max 1 Major and ≥75% of the requirements are fulfilled	Not approved unless further actions taken	Send completed action plan within 2 weeks of receiving the preliminary report. Kiwa Cermet performs a follow-up audit 6 months after the audit date.	Report including action plan gives status	NO: the issuance of the certificate depends on the results of the follow-up
Total score is ≥75% and <95%	Approved at foundation IFS Food level after receipt of the action plan	Send completed action plan within 2 weeks of receiving the preliminary report.	Report including action plan gives status	YES: certificate at foundation level, 12 months validity
Total score is ≥95%	Approved at higher IFS Food level after receipt of the action plan	Send completed action plan within 2 weeks of receiving the preliminary report.	Report including action plan gives status	YES: certificate at higher level, 12 months validity

The total score is calculated by Kiwa Cermet, according to the IFS standard, as following:

Total number points= (total number of IFS requirements – requirements scored with N/A) × 20

Final score (in %)= number of points awarded/total number of points

The Organisation can ask Kiwa Cermet to indicate on the certificate the percentage of the final audit score obtained.

In the case of companies with several production sites referring to the central managing site – headquarter without the productive activity (§ 6.3), all the requirements evaluated as KO by Kiwa Cermet shall be audited in all the sites, even if some of these are partially managed by the central managing site. In the case in which a Major Non Conformity or a KO scored as D is issued, during the headquarter audit, all the production sites will be involved and all the certificates of these sites shall be suspended.

Table 6 summarizes a synthesis of the actions to be implemented in order to manage the results of the **IFS Logistic and Broker** audit.

Table 6 – Actions resulting from the audit and issuance of the **IFS Logistics and Broker** certificate

Audit results	Status	Action by Organisation	Report form	Certificate
At least 1 KO scored with D	Not approved	Actions and new initial audit to be agreed upon	Report gives status	NO : certification not granted. Or in the case of a Organisation already certified, certificate suspension on the IFS portal (within 2 working days)
>1 Major and/or <75% of the requirements are fulfilled	Not approved	Actions and new initial audit to be agreed upon	Report gives status	NO : certification not granted. Or in the case of a Organisation already certified, certificate suspension on the IFS portal (within 2 working days)
Max 1 Major and ≥75% of the requirements are fulfilled	Not approved unless further actions taken	Send completed action plan within 2 weeks of receiving the preliminary report. Kiwa Cermet performs a follow-up audit 6 months after the audit date.	Report including action plan gives status	NO : The issuance of the certificate depends on the results of the follow-up audit if the major non-conformities are resolved, a foundation level certificate can be issued
Total score is ≥75% and <95%	Approved at foundation level after receipt of the action plan	Send completed action plan within 2 weeks of receiving the preliminary report.	Report including action plan gives status	YES : certificate at foundation level, 12 months validity
Total score is ≥95%	Approved at higher level after receipt of the action plan	Send completed action plan within 2 weeks of receiving the preliminary report.	Report including action plan gives status	YES : certificate at higher level, 12 months validity

The total score is calculated by Kiwa Cermet, according to the IFS standard, as following:

Total number points= (total number of IFS requirements – requirements scored with N/A) × 20

Final score (in %) = number of points awarded/total number of points

The Organisation can ask Kiwa Cermet to indicate on the certificate the percentage of the final audit score obtained.

7. SUSPENSION AND WITHDRAWAL OF THE CERTIFICATION

The Certification can be suspended or withdrawn for reasons indicated in the *the Kiwa Regulation for Certification* and for the following reasons:

- Upon request of IFS Management GmbH;
- If Customer Refusal to carry out announced or unannounced audits required by Kiwa Cermet or by IFS Integrity Program.

In any case, any changes to the certification status (suspension, withdrawal) will be notified by Kiwa Cermet on IFS portal, explaining the reasons, within 2 working days from the date on which the decision about suspension or withdrawal is taken or communicated. In the case of the suspension or withdrawal decision is consequent to the audit results at the Organisation, the 2 working days start from the date of the audit itself.

During the suspension period or in case of withdrawal, the Organisation:

- loses the right to use the certificate, the IFS logo and it must cease all communication regarding the IFS
- is cancelled from the lists of Organisations with certified products

Moreover all users who have access to the portal and have indicated the Organization in the list of favorites (preferred suppliers), they will receive a warning email from the IFS portal regarding the suspension or withdrawal occurred.

The conditions for the reinstatement of a suspended certification (including the required compliance assessment activities) will defined by Kiwa Cermet on the basis of the motivations that have lead to the suspension and on the basis of the duration of the suspension.

If the customer fails to implement the actions prescribed by Kiwa Cermet for reinstatement of the suspended certification, the certification will be withdrawn.

The withdrawal of the certification determines the automatic resolution ex art. 1456 c.c. of the agreement to which this regulation applies, except, in any case, the refund of any damage suffered by Kiwa Cermet.

Kiwa Cermet reserves the right to communicate the suspension and the withdrawal to the accreditation bodies and/or to other third parties that may request it.

8. COMPLAINTS, APPEALS AND DISPUTES

8.1 Complaints

The Organization may present documented complaint regarding its dealings with the certification activities provided by Kiwa Cermet.

The complaint may arise from problems encountered during the certification process, such as for example, delays in completing the various phases and/or incorrect conduct by Auditors of the Body.

Kiwa Cermet records all complaints, examines them and informs the claimant of the actions taken. Kiwa Cermet establish with the complainant whether and to what extent the content of the complaint and its resolution should be made public.

Regardless of the time required to analyse and handle the complaint, Kiwa Cermet will send a confirmation letter about the receipt of the complaint within a maximum of 5 working days and it will provide the Customer Organisation with a preliminary answer within 10 working days of the date of submission of the complaint.

8.2 Appeals

If the complainant is not satisfied with the reply received or intends to oppose a decision by Kiwa Cermet, may appeal in writing within 7 calendar days of receipt of the decision on their certification.

The appeals will be settled by Kiwa Cermet within 20 working days of the date of submission of the appeal.

The detailed procedures for the presentation of complaints and appeals are reported on the website www.kiwacermet.it.

8.3 Disputes

If the result of the appeal is not accepted by the petitioner, any dispute between the Client and the Contracted Party will be managed as art. 18 comma 1 *General Terms and Conditions*.

9. CHANGES TO THE PRODUCT CERTIFICATION SYSTEM AND CUSTOMER COMMITMENTS

The Customer Organization has to inform immediately Kiwa Cermet in writing in case of significant changes as that indicated in point 5.2 of *the Kiwa Regulation for Certification*.

The Customer undertakes to:

1. Accept, without additional costs, the verification of IFS Management GmbH evaluators, made with 48 hours notice (in exceptional cases, such as complaints, even without prior notice and planning), at the IFS certified production site. It is at the discretion of Kiwa Cermet to have its own personnel, as an observer, participate in the audit conducted by IFS Management GmbH.
2. Make available to Kiwa Cermet, on the IFS portal, the access on the following data (only in the case where in the past it has already been certified IFS by another certification body):
 - audit report issued by an other certification body
 - company profile with COID (establishment approval number defined by the IFS portal)

He finally undertakes to inform Kiwa Cermet in writing within 3 working days of any changes that may affect their ability to comply with the certification requirements (such as complaints, product alert, accidents, changes/transfers of the site, changes to the scope of application, documentation, significant changes to product/process and /or the number of personnel involved, etc.).

In the face of these changes, Kiwa Cermet will evaluate the consequent actions (such as the need to carry out an audit, possibly accompanied by a revision of the certificate or possibly to start a new certification process).

Failure to comply with these conditions may lead to the suspension, or in the most serious cases, the withdrawal of the certification.

10. PROPERTY AND USE OF IFS LOGO

The copyright of IFS logo is fully owned by the IFS Management GmbH. With reference to the terms and conditions for its use, the requirements referred to in paragraph 10 of the reference Standards IFS Food Rev, 6, IFS Logistic Rev. 2.1, IFS Broker rev. 3 and subsequent revisions and supplementary documents are valid.

The compliance with the terms and conditions for the IFS logo use shall be checked by Kiwa Cermet during the audit at the Organization.

11. RIGHT OF UNILATERAL WITHDRAWAL FROM THE CONTRACT

Kiwa Cermet may freely withdraw the agreement with the Customer Organization by giving written communication to the Customer Organization with a notice of six months from the effective date of withdrawal. The withdrawal by Kiwa Cermet determines the withdrawal of the issued certification. The Organization is in any case obliged to pay Kiwa Cermet the amounts due for the services received during the notice period, as established in the last valid quotation.

In the case the Organization wishes to terminate the agreement, the unilateral withdrawal, during the period of Certification validity, requires the respect of notice times established in *General Terms and Conditions* and in *the Kiwa Regulation for Certification*.

In particular, for notice of less than three months from the scheduled Audit and greater than two weeks, the Customer must pay 50% of the cost for the instalment scheduled for the subsequent activity as agreed in the agreement. For periods of notice of less than two weeks, the conditions specified in the *General Terms and Conditions* shall apply.

In case of termination of the Agreement, Kiwa Cermet will issue an invoice for the expenses of closing the certification file, in accordance with the last valid quotation.

12. IFS INTEGRITY PROGRAM

The Organisation accept to undergo to the activities defined by the IFS Integrity Program as detailed at the Chapter 12 of the Standards IFS Food (Version 6, April 2014), IFS Logistics (Version 2.1, March 2014) and IFS Broker (Version 2, October 2012)

The IFS Integrity Program is a Program intended to assure the correct application of IFS Standards and includes different measures to assure the quality of the IFS certification scheme, with a focus on the review of audits conducted by the IFS certification bodies and their auditors. The Integrity Program expects the possibility to conduct on-site audit, managed by the IFS Quality Assurance office, at the Certified Companies against the IFS Standards.

The IFS Integrity Program strengthens the reliability of the IFS scheme by checking the implementation of the IFS Standard in practice; it's a program implemented by IFS with the aim to:

- Monitor, as a preventive action, the auditors and Certification Bodies performances, as well the audited Companies;
- Manage, as a corrective action, any complaint received by IFS.

There are two cornerstones of this program.

1) Quality assurance preventive actions

- Quality assurance activities monitor the entire IFS system. Surveillance audits at the certification body offices and on-site supplier audits are carried out on a regular basis in order to assess the IFS system. These audits are undertaken regardless of whether or not a complaint has been made. The sampling for these surveillance audits is based on a random selection process and by use of objective criteria.
- Additionally, surveillance on-site supplier audits at certified companies may be undertaken. In general, surveillance on-site supplier audits are announced 48 hours before the audit date. In these audits the documentation reviewed in the office audit of the certification body, or in the IFS database, is compared with the real situation found at the company.
- Witness audits can also be performed. In this case, Integrity auditors assess an IFS auditor during a real IFS audit.

2) Quality assurance actions after complaint

- Retailers or any other interested parties have the right to forward any possible non-conformity to IFS for investigation as part of the Integrity Program.
- The IFS Offices collect complaints concerning IFS audits, reports, certificates or other circumstances in which the integrity of the IFS brand is in question. Retailers, certification bodies, employees of IFS-certified companies or any person can use the complaint form on the IFS website www.ifs-certification.com or can send an e-mail to complaintmanagement@ifs-certification.com to inform IFS about a certain issue.
- In addition to any complaints received, IFS also analyses the IFS database using analytical tools in order to identify any deficiencies. If IFS Quality Assurance Management is informed of significant discrepancies between the results of an IFS audit and a subsequent retailer audit, this will be investigated within the complaint management process as described below.
- The IFS Offices will gather all necessary information in order to investigate the cause of the complaint and to establish if there are deficiencies by certified companies, accredited certification bodies or IFS-approved auditors in meeting IFS requirements. Appropriate steps are taken to
- fully investigate a complaint, which may include a request to a certification body to carry out internal investigations and provide a statement on the outcome of their investigations to IFS.
- In the event that a complaint cannot be successfully resolved by the investigation undertaken by the certification body, an on-site investigation audit will be undertaken at the certified company(s). In general, investigation audits are announced 48 hours before the audit date, however in special cases unannounced audits are undertaken.

- Witness audits can also be performed. In this case, Integrity auditors assess an IFS auditor during a real IFS audit. Audits carried out as part of the Integrity Program are conducted by auditors employed by IFS and completely independent of the auditees.

3) Sanctions

If, following a complaint or preventive quality assurance actions, the cause of a deficiency has been found to be the fault of a certification body and/or an auditor, IFS will forward all necessary information anonymously to an independent Sanction Committee. The Sanction Committee, which is made up of a lawyer and participants from industry, retailers and certification bodies, shall make a decision on whether a breach exists and on its severity.

13. UNILATERAL CHANGE OF THE CONTRACT

Kiwa Cermet reserves the right to modify this Regulation at any time. Any new clauses / changes made will be effective from the time they are communicated to the customer, in writing.

The Organization that does not intend to accept the changes, can withdraw from the contract, by giving written notice by registered letter with return receipt or certified mail within 30 calendar days, under penalty of forfeiture, from the day following the communication to Kiwa Cermet.

The withdrawal will take effect from the last working day of the month in which the customer's communication is received.

ANNEX 1 – IFS FOOD Product categories and technology fields

Table A) – IFS Food Product categories

CATEGORY	PRODUCTS
1	Red and white meat, poultry and meat product
2	Fish and fish products
3	Egg and egg products
4	Dairy products
5	Fruit and vegetables
6	Grain products, cereals, industrial bakery and pastry, confectionary, snacks
7	Combined products
8	Beverages
9	Oils and fats
10	Dry goods, other ingredients and supplements
11	Pet food

Table b) – IFS Food Technology fields

IFS Technology fields	IFS processing step – including processing/treating/manipulation/storing		Technology oriented classification which take also into consideration product risks
A	P1	Sterilisation (e.g. cans)	Sterilisation (in final packaging) with the purpose to destroy pathogens. Sterilised (e.g. autoclaved) products in final packaging.
B	P2	Thermal pasteurisation, UHT/aseptic filling, hot filling. Other pasteurisation techniques e.g. high pressure pasteurisation, microwave.	Pasteurisation with the purpose to reduce food safety hazards (and UHT process).
C	P3	Irradiation of food	Processed products: treatment with purpose to modify product and/or extend the shelf life and/or reduce food safety hazards by preservation techniques and other processing techniques. Note – exception: irradiation is attributed to this category although aimed at the destruction of microorganisms.
	P4	Preserving: Salting, matinating, sugaring, acidifying/pickling, curing, smoking, etc. Fermentation, acidification	
	P5	Evaporation/dehydration, vacuum filtration, freeze drying, microfiltration (less than 10 µ mesh size).	
D	P6	Freezing (at least – 18°C/0°F) including storage Quick freezing, cooling, chilling processes and respective cool storing	Systems, treatments to maintain product integrity and or safety Treatment with purpose to mantani the quality and/or integrity of the products including treatments to remove contamination and/or prevent contamination.
	P7	Antimicrobial dipping/sprayung, fumigation	
E	P8	Packing MAP, packing under vacuum	Systems, treatments to prevent product contamination. Processes to prevent product contamination especially microbiological contamination, by means of high hygiene control and/or specific infrastructure during handling, treatment and/or processing and or packaging (e.g. MAP).
	P9	Processes to prevent product contamination esp. microbiological contamination, by means of high hygiene control and/or specific infrastructure during handling, treatment and/or processing e.g. clean room technology, “white room”, controlled working room temperature for food safety purpose, disinfection after cleaning, positive air pressure systems (e.g. filtration below 10 µ, disinfection after cleaning.	
	P10	Specific separation techniques: e.g. filtration like reverse osmoses, use of active charcoal	
F	P11	Cooking, baking, bottling, brewing, fermentation (e.g. wine), drying, frying, roasting, extrusion	<u>Any other manipulation, treatment, processing not being listed in A, B, C, D, E</u>
	P12	Coating, breading, battering, cutting, slicing, dicing, dismembering, mixing/blending, stuffing, slaughtering, sorting, manipulation Storing under controlled conditions (atmosphere) except temperature	
	P13	Distillation, purification, steaming, damping, hydrogenating, milling	

According to the IFS standard, Kiwa Cermet uses the technology scopes (from A to F) to determine IFS audit scope, while the processing steps (from P1 to P13) are only used to determine audit durations.

ANNEX 2 – IFS LOGISTICS Fields

Table a) IFS Logistics

IFS LOGISTICS FIELDS	
1	Storage and distribution (except for activities affecting the quality of the product)
2	Transport

ANNEX 3 – IFS BROKER Fields

Table a) IFS Broker

IFS BROKER FIELDS	
Intermediation / marketing of products (excluding logistics activities)	Food products of animal origin
	Food products of non-animal origin
	Packing materials
	Household and personal care products