

1. Introduction

These Scheme Rules have been written in accordance with the requirements of ZDHC under Accredited Certification Schemes. **GCL INTERNATIONAL LTD**, hereafter known as "**GCL**" also comply with all conditions. These Scheme Rules form a part of the contract with each operator as stated on the quotation.

2. Scope

GCL provides independent third party audits and registration services for companies who have implemented management systems against the following standards/codes of practice:

- ZDHC

3. Confidentiality

- a) **GCL** agrees not to disclose any information relating to the operator's business or affairs except information, which is in their possession before the date of acceptance of the **GCL** quotation/contract.
- b) Where information is required to be disclosed to a third party either by law or as required under maintenance of certification by an Accreditation Body, the operator shall be informed of the information as required by law.

A consent shall be obtained from Operator before any data to be shared with third parties. The data shall be limited to the information under the scope of certification and merely for purpose in related to supply chain performance. The data recipients shall not further disclose the data to other third parties and this shall abide by Non-Disclosure Agreement.

- c) **GCL** has right to exchange operators' information with other Certification Bodies, ZDHC.
- d) For the purposes of registration verification, information contained on all issued letter certificate can be verified by contacting GCL representative at info@gcl-intl.com
- e) The operator informs the **GCL** if they do not want their certification information that is reported to ZDHC to be made publicly available. In this case, the **GCL** will inform ZDHC.
- f) if the operator provides copies of the certification documents to others, the documents shall be reproduced in their entirety or as specified in the certification scheme.

4. General Conditions

GCL basic conditions for gaining and maintaining registration with are that all operators agree to and comply with the following rules:

- a) All information deemed necessary by **GCL** in order to complete the registration process shall be made available to the operator company.
- b) If **GCL** are not satisfied that all requirements for registration have been met it shall inform the operator in writing stating which requirements.
- c) When the operator can demonstrate that effective corrective action has been taken within a specified time limit, then **GCL** will arrange only to repeat necessary parts that cannot be verified by the submission of documented evidence.
- d) If the operator fails to take effective corrective action within the time limit, then **GCL** may repeat the audit in full at additional cost.
- e) Identification of conformity shall only apply to site(s) inspected and within the scope of registration as shown on the **GCL** certificate of registration.
- f) All fees must be paid as shown on the individual quotation. No certificate shall be issued for initial or re-audit until fees have been paid in full. Registration may be suspended if annual fees are not paid in full within the time frame set out within the individual quotation.
- g) Failure to return all certificates of registration shall result in legal action being taken against the operator for unauthorised use or registration and accreditation marks and on misleading and inaccurate claims of registration.
- h) The operator must allow **GCL** to conduct annual/re-audit visits at the times stated within the individual quotation.
- i) **GCL** offices which hold accreditation directly with an accreditation body or hold "critical location" status are responsible for, and retain authority for, decisions relating to accredited certification, including the granting, maintaining, renewing, extending, reducing, suspending and withdrawing of certification.
- j) Provide to **GCL**, scheme owners such as ZDHC and the assessment bodies appointed by the scheme owners on their behalf the right of access to appropriate facilities, location, areas, subcontractors' premises, personnel and information, including documents and any records related to their certified production. The notification of visits could be announced / unannounced/ short notice or partial notice (exact details of the sites to be visited may not be provided), the assessments could be done physically / remotely / virtually during the normal operating time of the operator.
- k) The Operator confirm that in addition to audit notes, **GCL** audit team can collect photographs and hard and soft copies of documents and also samples for residue testing may also be taken by the auditor during the required on-site audit, either as back-up to the audit process or in case of suspicion of contamination or non-compliance.

- l) The operator confirms to comply with the relevant criteria of the ZDHC conformance guidance & guidelines, Industry Standard Implementation Approach as provided by ZDHC
- m) the operator makes all necessary arrangements for
 - 1) the conduct of the evaluation (see 7) and Re-evaluation/surveillance, including provision for examining documentation and records, and access to complete, up-to-date, and accurate information, along with access to their operations to demonstrate conformity with ZDHC. Access shall at minimum include the following:
 - a. Access to all parts of the physical site.
 - b. Access to all documents and records related to conformity with the ZDHC and the standard upon which claims are made,
 - c. Access for auditors to interview personnel without restriction and without observation by management representatives\
 - d. Equivalent access to all sites and subcontractors
 - 2) investigation of complaints.
 - 3) the participation of observers, translator/interpreter and technical experts if applicable.
- n) The operator confirms to comply with the ZDHC requirements, including implementing appropriate changes when they are communicated by the **GCL**.
- o) The operator itself must conduct regular laboratory testing of samples of their products based on internal risk analysis.
- p) the operator confirms and agree to receive email communication from ZDHC and communicate directly with ZDHC

5. Application for Assessment

On receipt of a completed Application for Quotation form, **GCL** will conduct a pre-contract review of the system and a quotation shall be prepared and sent to the prospective operator, together with these Scheme Rules.

6. Contract Acceptance

Prior to any arrangement being made for an evaluation/audit

- a) the quotation is required to be signed by the Operator. Signature on the quotation/contract indicates formal acceptance of these rules as stated within the quotation/contract.
- b) **GCL** email the Briefing about the MRSL version, current Conformance guidance, implementation manuals, Also the current version of these documents can be download from the GCL website www.gcl-intl.com at related standard page.
- c) Operator shall submit the Information (Client information section) together with Operator legal and other documents such as chemical inputs, business licenses, policy/procedures, supplier certificates..

7. Initial Evaluation/Audit

Audit is carried out to verify information and compliance with certification requirements applicable to the operator. It shall follow a set protocol to facilitate impartial and objective audit.

The on-site audit protocol shall at the very minimum undertake the following, as applicable to the operator:

- a) Assessment of the processing system by means of visits to facilities and storage units
- b) Review of records and accounts in order to verify flow of goods (input/output reconciliation and the tracing back);
- c) Identification of areas of risk to product integrity;
- d) Verification that changes to the standards and to related requirements have been effectively implemented; and
- e) Verification that corrective actions have been taken, with special focus on corrective actions for non-conformities which have been closed since the previous audit; and
- f) If the previous audit was conducted by another certification body and within two years prior to the audit, a full evaluation of any nonconformities which were issued in the previous audit report, whether or not they were previously closed.
- g) Specific objectives for ZDHC Audits
 - l. Audit of the chemicals input Used in textile, leather, and footwear manufacturing (Except metallic trims) and assessment of their compliance with the applicable criteria of the ZDHC MRSL 3.1.

- II. Verification of the operator's risk assessment of contamination and residue testing policy potentially including sample drawing for residue testing either as random sampling or in case of suspicion of contamination or non-compliance.
- III. The onsite audits, auditor/document reviewer would conduct the document review with the presence of chemical checklist, SDS and other related documents such as, no intentional use declarations, sources of data for hazard and toxicity, Laboratory test reports based on risks and complete the audit report based on assessment results.

8. ZDHC Certificate

- a) On completion of the on-site for respective ZDHC levels evaluation the lead auditor reports back to **GCL**. The reviewer of **GCL** shall review the report and supporting information, including the recommendations made by the lead auditor and decide whether to grant certification;
- b) For any non-conformities raised, the operator shall conduct root cause analysis and send details of corrections, corrective action and preventive action to **GCL**. This information shall be reviewed by a qualified lead auditor and the operator shall be informed of the result via email.
- c) Upon acceptance of the corrective actions the Reviewer shall review the full report and make a decision. Should the Reviewer not accept the report the impartiality committee shall be informed for the purpose of holding an internal appeal.
- d) For any non-conformity or other situation that may lead to suspension the lead auditor shall report to **GCL** and the suspension process shall take effect as defined within these rules.
- e) the certification applies to ongoing production, the certified product continues to fulfil the product requirements
- f) the operator makes claims regarding certification consistent with the scope of certification
- g) If it is found that the operator is knowingly and/or repeatedly operating with nonconformities or purposely violates the requirements of the standard, the GCL must suspend the operator's certification status. The operator will be allowed to re-apply for certification two years after the date of the suspension.
- h) In case of positive certification decision the GCL will issue conformity documents in accordance with the guidelines by the ZDHC to the chemical input producer / supplier who has applied for input Certification.

9. Re-Evaluation/Audit

- a) The GCL shall regularly re-evaluate operators annually (Prior to the end of the previous certification period a re-evaluation/audit application should be made) to verify whether they continue to comply with ZDHC MRSL conformance guidance
- b) Mechanisms shall be in place to effectively monitor whether corrective actions have been implemented.
- c) The **GCL** shall report and document its annual activities and shall keep operators informed about their certification status
- d) Re-evaluation/surveillance is a full audit and generally follows procedures outlined in 'Evaluation' Section 7 Evaluation in this document.
- e) Communicate to the Operator to plan the re-audit/surveillance and find out if there are any changes such as change of production units, subcontractors, recipes or new suppliers, raw materials, production methods, etc. Operator needs to complete audit checklist, list of suppliers including each of supplier license number, list of all subcontractors (including independently certified subcontractor's certification body, license number, and scope certificate expiry date), chemical checklist. GCL will Send audit report to client by mail and after fill up client will send back the audit report to GCL for review. Normally, the re-evaluation after initial certification is to be within 12 months of the last day of the initial audit. However, providing that sufficient evidence has been collected as above, to provide confidence that the certified management system is effective consideration may be given to postpone the first surveillance for a period not normally exceeding 2 months (14 months from date of initial certification). Otherwise, the certificate has to be suspended or the scope reduced.
- f) Recertification audits should be completed no later than 60 days prior to the expiry of a scope certificate.

10. Use & Mis-Use of Certificate

Once a certificate has been issued, then the operator has the right to publish the fact

Other conditions are as follows related to certification:

- a) That no misleading statements are implied or made regarding certification.
- b) That no incorrect references to the certification scheme, or misleading use of certificates, marks or any other mechanism for indicating a chemical product are made.

- c) That no certification document is used in a manner that would mislead operators or registered companies or the public in general.
- d) Upon suspension, withdrawal or cancellation or expiry of validity cease with immediate effect to use of the marks on advertising, such as brochures, letterheads, business cards, web sites, etc, and return the certificate to GCL if demanded.
- e) Should a scope of registration be reduced, amend all advertising materials where details of the scope have been published. For all reductions or increases in scope the original certificate to be returned to GCL, prior to any updated certificate being issued.
- f) That nothing is implied, or an impression is given that certification activities are outside of the scope of certification.
- g) Not to use certification in any way as to bring into disrepute the credibility of GCL or of Accredited Certification that could affect public trust and confidence.
- h) in making reference to its product certification in communication media such as documents, brochures or advertising, the operator complies with the requirements of the GCL or as specified by the certification scheme.

11. Termination, reduction, suspension or withdrawal of Certification

When a nonconformity with certification requirements is substantiated, either as a result of annual audit or otherwise such as announced audit, **GCL** shall consider and decide upon the appropriate action.

a) Suspension

- i. as a result of continued misuse of a certificate or logo.
- ii. failure to implement corrective action within the specified time scale as a result of concern identified at Evaluation/Audit.
- iii. any other breach of the **GCL** quotation and/or Scheme Rules.
- iv. when a critical or major non-conformity is raised during any visit, after the Initial evaluation.
- v. under suspension it is not permitted to use any logos on any advertising materials until the suspension has been lifted.
- vi. the Standard Manager of **GCL** shall write to the registered operator outlining the suspension conditions and how the suspension can be lifted.
- vii. For suspensions, due to non-conformities please refer to section 23 of this scheme rules

b) Scope Reduction

Reduction in the scope of certification to remove nonconforming product variants. Should a reduction in scope be recommended by a **GCL** Lead Auditor at a re-evaluation visit this has to be noted in the report and the Standard Manager informed.

c) Withdrawal of Certificate

Such withdrawals could be as a result of:

- i. failure to respond to requests/time scales made by **GCL** after suspension of Certification.
- ii. failure of an operator to settle an account with **GCL** within 1 month of formal notification of a failure to settle an account.
- iii. voluntary withdrawal, in such a case **GCL** require this in writing.
- iv. the certificate of registration shall be returned to **GCL** when **GCL** has informed the operator that withdrawal has been complete. No copies of certificates **shall** be used or logos displayed after withdrawal has taken place.
- v. Falsifying of any certification documents which includes Scope Certificate,
- vi. For denials and withdrawals due to non-conformities please refer to section 23 of this scheme rules

12. Appeals

If the operator is not in agreement with the Lead Auditor's recommendation after an Initial and/or annual audit then they are at liberty to lodge an appeal with the CEO of **GCL**. The Operator shall support his/her reasons by objective evidence.

All appeals will be heard by a Appeal-Committee of the **GCL** Impartiality Committee. The Appeal-Committee may hear evidence from the operator's representative and the Lead Auditor. The decision of the Appeal-Committee is final and binding on both the Operator and **GCL**. No counter claim will be allowed by either party. No costs, for whatever reason, will be allowed for either party as a result of an appeal.

In case of any appeal, information related to handling of appeals can be found at (<https://www.gcl.uk/about-us/appeals/>)

13. Complaints

a) General Requirements

All operators are required to maintain a log of all customer complaints raised against them. This log must be available for review during all initial and/or annual audit. This log shall also be available to **GCL** Staff and ZDHC upon request. Also, the operator

- I. takes appropriate action with respect to such complaints and any deficiencies found in products/chemical inputs that affect compliance with the requirements for certification, and
- II. documents the actions taken.

b) Complaints from Operators Regarding Auditor

If a operator has a complaint about the conduct of any **GCL** Auditor then this should be sent in writing to the **GCL** CEO. If the complaint involves the CEO or Standard Manager then the complaint is to be addressed to the Chairman of the Impartiality Committee of **GCL**. If complainant not satisfied with the result then it can be addressed to ZDHC.

c) Complaints from Users of Operators Products (including chemical inputs) & Services

For complaints received from users of operators products (including chemical inputs) and/or services shall be lodged and then acknowledged to the complainant. Follow-up shall then be taken with the registered company in question.

Note: If fraud or other misrepresentation is found to exist, the **GCL** will take appropriate action as specified at this Point 1: also Point:22 (including extra audit) in this document.

The operator shall take appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with the requirements for certification.

In case of any Complaint, information related to handling of complaints can be found at (<https://www.gcl.uk/about-us/complaints/>)

14. Witnessed Visits

As part of the on-going surveillance of **GCL**, the operator agrees to allow representatives from accreditation bodies and scheme owners ZDHC the right to witness **GCL** conducting their audit duties. The fact that an Accreditation Body representative attends an audit will not affect the audit. Also, from time to time **GCL** may have to have trainee auditors or internal audits on an audit team.

15. Short Notice Audits

For operators that have been suspended or where **GCL** has received complaints then a short notice audit maybe required for follow-up and verification/validation of the implementation of corrective and preventive measures. In such cases the operator agrees to co-operate with **GCL** audit team members and allow the required access.

16. Terms of Payment

Payment shall be made in accordance with the individual invoice and the quotation/contract document.

17. Indemnification

In respect of any claim, loss, damage or expense however arising, **GCL's** liability to the operator shall in no circumstances exceed the amount of **GCL's** fees paid by the operator. Under no circumstance shall **GCL** be liable for any consequential loss.

18. Impartiality

GCL Auditor shall receive Code of Ethics Acknowledgement letter which shall be signed by Lead Auditor and client at the opening and submit to **GCL**.

GCL or any **GCL** representative shall **NOT**:

Provide management system consultancy which includes: preparation or production of manuals or procedures, or give specific advice, instructions or solutions towards the development, structure and implementation of a product management system

- a) allocate auditor(s) for a operator in where provided internal audit, or other related management system consultancy on the management system, within two years following the end of the consultancy.
- b) Certify an operator or Approve chemical inputs when a relationship with a management systems consultancy poses an unacceptable threat to impartiality. Provide an internal audit service to any certified operators or to approved chemical input producers.
- c) outsource any audits to a management consultancy company involved in management systems as described with the scope of these rules.
- d) have within any marketing materials any linkage to management system consultancy.

For any threats to impartiality that are discovered or reported, then the impartiality committee shall be informed, and responses shall be made and communicated.

19. Intellectual Property

The ownership of all issued audit reports remains the property of **GCL**.

20. Notification of changes made by the operator

- a) Should there be any significant changes cited in the application and with the operator organisation such as change of address, ownership, organization and management such as management representative, scope or product related changes, major changes to the management system and processes and the environmental, ethical and social impact of the certified organization caused by incidents or events (if applicable to the audit scope) then **GCL** should be informed by operator within five working days of occurrence.
- b) **GCL** shall determine whether the announced changes require further investigations. If such is the case, the operator shall not be allowed to release certified/approved products produced under the changed conditions until **GCL** has notified the operator accordingly.
- c) In response to an application for amendment to the scope of a certificate already granted, **GCL** shall decide what evaluation procedure, if any, is appropriate, in order to determine whether or not the amendment should be made, and shall act accordingly.
- d) Operator shall inform **GCL** immediately of any planned changes that could affect product conformity to the relevant standard(s) such as change of production units, subcontractors, recipes or new suppliers) and not market products under the respective label before receiving **GCL**' approval.
- e) To notify **GCL** immediately of any application of prohibited substances or any differing residue analysis in any part of the operation.
- f) For ZDHC- **GCL** shall ensure that each client in the chemical input approval procedure is notified of any relevant changes in the requirements relevant for the assessment and approval of chemical inputs without delay. Operator shall inform the **GCL** about any relevant changes related to applied or already approved input(s), such as:
 - change of supplier of raw materials used,
 - change of processing method / technology used or even
 - change of (concentration of) raw materials / ingredients used

21. Amendments to Scheme Rules

- a) **GCL** reserves the right to amend these Scheme Rules without prior notification. Should the Scheme Rules be updated the latest version shall be put on the web site and all operators informed about the changes.
- b) Operator should record the Scheme Rules as an "external document" within their management system for document control.

22. Serious Events, Semi-announced/Unannounced, Extra Audits

GCL informs the ZDHC with the name and certification information of the certified organization. This register

- a) will be made publicly available on the website of the ZDHC.
- b) The operator discloses all information about any ZDHC certification related activity with other Certification Bodies.
- c) New information or changes with regards to the certification procedure and requirements in the ZDHC will communicate to third parties through **GCL** website and emailing operators directly.
- d) In the event that the organization becomes aware of legal proceedings with respect to product or legality and there is evidence or suspicion of nonconformity within the certified organization **GCL** can carry out an extra audit to assess the issues.
- e) In serious cases, when certification shall be denied or withdrawn, ZDHC are to be notified immediately.

Semi-announced & Unannounced audit

Organization accepts that **GCL** may conduct semi-announced audits, unannounced audits and/or confirmation visits, for the purpose of monitoring the organization's conformity.

Organization accept that the accreditation body also has the right to conduct audits of the client, including semi-announced audits, unannounced audits, and confirmation visits, for the purpose of monitoring **GCL** conformity with ZDHC requirements.

Explain and confirmed that an unannounced/semi-announced audit program is part of the certification. Participation in the unannounced/semi-announced Audit program is mandatory. Notice of no more than 2 business days may be given in advance of a semi-announced audit and shall not receive any advance notice for unannounced audit.

Extra Audit

- 1) An extraordinary event affecting a certified organization or **GCL** may temporarily prevent the **GCL** from carrying out planned audit on-site. When such a situation occurs, **GCL**, operating under the Scheme need to establish (in consultation with certified organizations) a reasonable planned course of action.
- 2) Particular requirements to address high-risk situations **GCL** shall perform an Additional/Extra including unannounced audit if any following issues raised during any audit.
- 3) Samples for ZDHC may be taken by the auditor during the audit, either as back-up to the audit process or in case of suspicion of contamination or non-compliance. Additional samples of goods may be taken from the supply chain for testing such as wastewater or chemical residue tests at any time without advance notice.

GCL can decided to perform an Additional/Extra including semi-announced/unannounced audit if any following issues raised during any audit. Potential high-risk situations and related measures include:

- Parallel processing of certified and non-certified products: to prevent comingling or confusion of certified products with other products that do not meet the standards,
- Where an operator is certified by other Certification Bodies for a standard that shares the same scope, the **GCL** may seek information exchange with the other Certification Bodies involved to prevent misuse of certificates.
- If any critical or Many Minor or Major non-conformities found during the regular audit

23. Closing-Out of NCN**Zero discharge of hazardous chemicals (ZDHC)**

a) INITIAL AUDIT

Critical NCN- Shall be corrected and closed out before initial certification

Major NCN- Shall be corrected and closed out before initial certification

Minor NCN - Minor Shall be corrected and closed out 60 days from the audit (closing meeting)

Note: Certification decisions shall be completed within 60 days of the audit. If a certificate is not issued by this date, certification shall be denied, and a new audit shall be required before the organization may become certified to the Standard.

b) RE-CERTIFICATION AUDIT (annually)

Critical NCN- Scope certificate shall be denied or withdrawn immediately

Major NCN- In case of major non-conformities, the Scope certificate shall be suspended until implementation of corrective actions can be demonstrated.

If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.

Minor NCN - Minor Shall be corrected and closed out 60 days from the audit (closing meeting), if not is upgraded to become a major non-conformity.

24. Change of Certifier (GCL) -Migration, Closure of business or withdrawal of Approval/Accreditation

GCL accept certificates issued in accordance with ZDHC by other Certifiers approved by ZDHC, in order to conclude final certification.

Operators should not apply to GCL to bypass observations / NCs raised by the old CB. Under normal circumstances, migration to a new CB is not permitted if there are open non-conformities.

In the event of a GCL closing operations or withdrawal of approval/Accreditation, Operator will be nurtured through the process of moving to another CB-Approved Certifier.

25. Privacy Notice

We take the privacy and the protection of personal information seriously. Our Privacy Notice sets our details about we gather, use and share personal information and about individual privacy rights. How we use personal information depends upon the context in which it is made available to us. Our Privacy Notice is available from our website: <http://gcl-intl.com/privacy-policy-cookies/>

GCL International strictly comply with the legislation requirements as stipulated in The Data Protection Act 2018. The Data Protection Act 2018 is the UK's implementation of the General Data Protection Regulation (GDPR).

26. Arbitration and Disputes

Any dispute, controversy, proceedings or claim between the parties relating to this Agreement shall be settled amicably. If no agreement is reached, the matter will then be referred to an arbitrator nominated by both parties.

27. Applicable Law and Jurisdiction

This Agreement and any dispute, controversy, proceedings or claim between the parties relating to this Agreement shall be governed by, and construed in accordance with, the laws of England and Wales.

28. GCL Policies

GCL follows policies as stated on GCL's website (<https://www.gcl.uk/about-us/policies/>)

29. GCL Anti-bribery and Corruptions

GCL follows policies as stated on GCL's website (<https://www.gcl.uk/about-us/policies/>)

