

**Description of the verification procedure
Verification of sustainability reports according to
AA1000AS, ISAE 3000**

Certification

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The verification engagement of Sustainability Reporting according to AA1000AS or ISAE3000 involves several steps as depicted below.

1 INITIAL MEETING

The initial meeting is conducted prior to the actual certification to ensure feasibility of the certification engagement. Within the initial meeting the general conditions are discussed with the client.

- Objective of the verification: the verifier must ensure, that the desired objective(s) are achievable and in accordance to the standard(s) requirements..
- System boundary: The operational and temporal system boundary of the report need to be agreed upon. Generally, these are predetermined by the report itself. The system boundaries need to be in accordance the underlying standard(s), objective(s) and interests of the target audience.
- Standards: The reporting guideline as well as the assurance standard need to be agreed upon.
- Engagement types (only AA1000AS): The engagement type for the verification needs to be agreed upon with the client. A type 1 engagement consists of verification of the adherence of the Reporting with the AccountAbility principles (see AA1000APS). A type 2 engagement further includes the verification of the reliability of the reported information.
- Level of Assurance: The verification engagement can be performed using either a reasonable or limited level of assurance (according to AA1000AS, ISAE3000).
- Disclosures covered: The assurance provide shall identify and agree with the reporting organisation on all disclosures to be covered by the assurance engagement.

The initial meeting may proceed as an on-site appointment, via telephone or video conference. The decision, whether an on-site appointment is required for an initial meeting is made by the auditor(s).

When the certification body declines an application for assessment as a result of the initial meeting, the reasons for declining shall be made clear to the client.

The assessment team leader shall review with the client any need for changes to the assessment scope which becomes apparent as on-site assessment activities progress and report this to the certification body.

Records of offers which did not lead to a contract must be kept for one year.

2 PREPARATION OF AN ASSESSMENT PLAN

Based on the results of the initial meeting, an assessment plan is prepared by the lead assessor.

The assessment plan documents the various steps and time frame of the assurance engagement. It describes relevant evidence, data, personnel and other information subject to verification activities during the assessment in order for the verifier to form an objective assurance conclusion.

Furthermore, the assessment plan displays the parameters of the verification engagement, agreed upon during the initial meeting

3 ASSESSMENT

3.1 Review of submitted documentation

The verification engagement commences with the review of the report and supporting documentation, which are to be submitted by the client in due time before the on-site assessment. This documentation shall, at minimum, include:

1. Draft Sustainability Report or those chapters including indicators within the verification scope
2. Relevant sustainability policies, strategies or voluntary commitments
3. Information regarding Stakeholder & Materiality analysis
4. Data for indicators within the verification scope and respective data sources

The submitted documentation is assessed regarding plausibility, reliability, clarity, balance, comparability and accuracy. The information shall comply to the principle of “report or explain”. Implausible or insufficient information shall be supplemented with explanatory statements.

For the verification engagement, other assurance statements or certificates may be presented as evidence, if those apply the same system boundary and, at minimum, the same level of assurance.

The level of detail of the verification engagement is selected by the verifier according to the agreed upon assurance engagement type and level of assurance. Identified non-conformities or uncertainties are documented within a findings report. If necessary, the system boundary needs to be altered, in order to resolve all non-conformities, which should be performed with justifiable effort. If a non-conformity cannot be resolved, the concerned disclosure can either be excluded from the scope of the assurance engagement or the reasons for omission and methodical limitations shall be stated.

Based on the results of the review of the submitted documentation, the assessment plan may be altered.

3.2 On-site assessment

Based on the agreed upon level of detail, based on the verifier’s decision, one or more on-site assessments may be necessary. The number of on-site assessments shall be disclosed in the assessment plan.

The on-site assessment is performed on the premises of the client.

The on-site assessment consists of, but is not limited to:

- Presentation and discussion of inconsistencies, limitations and/or errors identified in the review of the submitted documentation
- Verification of data and other evidence for comprehension of systems and principles for the compilation of the report
- Site-visits for comprehension of the materiality analysis and relevance of the disclosures covered in the report
- Interviews with relevant personnel involved in the compilation of the report
- Assessment of data collection and aggregation systems and methodologies

3.3 Assessment documentation and findings

Based on the results of the review of submitted documentation and the on-site assessment, the report is evaluated regarding accuracy and transparency of the reported information as well as the adherence to the reporting guideline selected by the client.

Within a findings report, the verifier documents all identified non-conformities as well as potential opportunities for improvement of the reporting and its underlying systems. A detailed explanation of the assessment findings is subject to the closing meeting.

In a final step the verifier shall determine whether the submitted documentation and the results of the on-site assessment and the correction phase are sufficient to satisfy the agreed upon level of assurance.

Based on this determination, the verifier forms an assurance conclusion, which is documented in the assurance statement as well as the assurance report.

4 ASSURANCE STATEMENT AND REPORT

The assurance statement is a shortened version of the assurance report designed for external communication and inclusion into the report. The assurance statement, at minimum, consists of, but is not limited to:

- Intended users of the assurance statement
- Statement of impartiality by the verifier
- Responsibilities of the verifier and the reporting organisation
- Assurance standard used in the assurance engagement
- Level of assurance
- System boundary, including disclosures covered in the report
- Description of methodology and limitations
- Conclusions, observations and recommendations
- Confirmation of the adherence to the desired level of assurance

The assurance report, which is an optional part of documentation, compiles the results of the above-mentioned assessment steps. The report contains an overview of the parameters of the assurance engagement, work performed by the verifier, identified non-conformities and limitations, opportunities for improvement and the assurance conclusion. The assurance report is a tool for internal communication of the verification activities and results. The assurance statement, which can be used as tool for external communication, will not include non-conformities of the report.

5 CLOSING MEETING (OPTIONAL)

The verification engagement concludes within a closing meeting, in which the verifier presents the results of the verification to the client. The closing meeting may proceed as an on-site appointment, via telephone or

video conference. The decision, whether an on-site appointment is required for the closing meeting is made by the auditor(s).