

Information sheet for the certification of organizations with multiple sites/legal entities

This leaflet is based on the information in the IAF document MD 1:2023 and describes how organizations that have several sites or consist of several legal entities can be certified with a common certification.

The regulations described below only apply to procedures according to the DAkkS regulations (certifications according to ISO 9001, ISO 14001, ISO 50001, ISO 22000, ISO/IEC 27001, ISO 55001 and ISO 45001, testing of alternative systems according to § 3 SpaEfV and AZAV). The validation of environmental declarations and the certification of environmental management systems based on DAU recognition are subject to specific regulations, about which we will be happy to provide information on request.

1. Site concept

A **site** includes processes/activities under the control of a company that are carried out at a defined physical location, including any associated or related storage of raw materials, by-products, intermediate products, end products and waste materials, and any equipment or infrastructure involved in the processes/activities, whether temporary or not. Alternatively, definitions prescribed by law, if any, apply.

The geographical extent of a site is not necessarily limited to a (postal) address. Depending on the type of products or services, a larger area can also be considered an organization's site.

Sites can be both permanent and temporary - depending on the intended duration of use for the manufacture of products or the provision of services by the organization.

A **temporary site** is a location at which specific activities are carried out for a limited period of time. The customer determines which sites are to be designated as temporary. However, these must also be audited on a sample basis as part of the certification process. Temporary sites can also be listed on the certificate but must be marked as temporary.

If processes - independent of a physical location - are executed using an online environment, this is a **virtual site**. However, processes that must be carried out in a physical environment (e.g. warehousing, physical test laboratories) cannot be considered a virtual site. When calculating the audit time, virtual sites are treated as individual sites.

Consumption points are energy consumption points outside of sites. They are connected to the grid operator's grid via one or more transfer points and have their own energy meters. They are therefore not separate sites within the meaning of IAF-MD1.

2. Common certification of several companies

If an organization consists of several companies (e.g. legal entities or partnerships) and wishes to have them certified in a common procedure, it must be ensured that there is a special group link between the parent company and the separate companies that ensures that the parent company has the means to

- significantly influence and control the business activities in the sense of "top management" and
- that this influence and control is legally enforceable.

Furthermore, if the activities at the sites are of a similar nature, the entire management system can be certified based on a sample assessment of the sites.

2.1. Evidence in the context of certification

A group relationship exists if one company can directly or indirectly exercise a controlling influence over another. A controlling influence exists if one of the following conditions is met:

1. a majority shareholding
2. the right to appoint or dismiss administrative, management or supervisory bodies
3. determining the financial and business policy
4. the fact that the majority of risks and chances are borne which serve to achieve a narrowly defined and precisely defined objective of the parent company
5. Obligation to prepare joint consolidated financial statements, whereby the parent company itself must participate in the certification process

Either consolidated financial statements that include both the parent company and all subsidiaries involved or a confirmation from an auditor, lawyer, notary or comparable institution is accepted as proof of the group connection. Alternatively, shareholder lists of the subsidiaries are also sufficient as proof of majority shareholding.

2.2. For which organizational structures is a common certification not permitted?

An overall organization that combines independent individual organizations for the sole purpose of operating or certifying a common management system cannot be certified by a sample audit. Franchising companies are generally not multi-site capable

2.3. Examination of the requirements for common certification

When preparing the offer, the requesting organization must provide credible evidence that the requirements under 2.1 are met. The offer will then be calculated on the basis of the information provided.

If the organization then applies for certification, suitable evidence must be submitted to the certification body, which then decides whether to approve the application.

3. What requirements must be met?

Before the initial certification audit, the full internal audit must have been completed at all sites (in the case of alternative systems, the energy situation must have been recorded in accordance with SpaEfV) and the management review must have been carried out. The contract for certification is concluded with the parent company.

4. Further application of the sampling procedure

For the auditing of an organization with several sites, under certain conditions (see 2.), a sampling procedure may be used. In addition to the aspects listed below, care must generally be taken when drawing up the audit program to ensure that an effective audit is carried out that achieves the audit objectives with reasonable assurance and takes appropriate account of existing risks.

In addition to the head office, only selected sites are then included in the audit. The certification body is responsible for selecting the sites to be audited. A sample procedure can also be used. This often results in considerable cost advantages compared to a separate certification of the individual sites. When using the sampling procedure, the following conditions must also be observed:

generally

- The products/services provided at all sites must essentially be of the same type and manufactured using the same methods and processes.
- External requirements (e.g. laws) whose implementation is to be checked in the audit are the same (or largely similar) at all sites

UMS

- There are similar, comparable environmental impacts at all sites.

EnMS

- In addition to the sites, all of the company's consumption points must also be taken into account in the certification process. The certification body selects the consumption points to be audited in consultation with the appointed auditor.
- EnMS procedure in accordance with ISO 50003: The processes relating to significant energy use and significant energy consumption must be organized in essentially the same way at all sites or in similar subunits that are operated using similar methods or processes. Sites with the most energy-intensive processes must be subject to more frequent audits.

Additional tasks for the EnMS head office:

- Energy planning process
- Determination and adjustment of the baseline and energy performance indicators
- Definition of objectives, targets and action plans
- Evaluation of the applicability and effectiveness of action plans and EnPIs
- Data on organization-wide energy-related performance

Alternative systems

- The site selection must include all energy efficiency measures. For production and sales sites, the samples must be drawn from groups with similar characteristics (energy consumption classes, product specification, area, number of employees).

SGAMS

- Accident and health risks for employees at work must not differ significantly at all sites and it must be possible to assign them to the same risk class.
- If there are additional accident and health risks at sites that result in a classification in a higher risk class, these sites must be excluded from the sampling procedure and audited separately.

AZAV

- In these procedures, the sampling procedure is only applicable within one legal entity.

ISMS

- The sampling procedure can only be used for sites where no increased risk has been identified. High-risk sites must be audited every year.

AMS

- The following aspects must be considered when selecting a sample of assets:
 - Risk potential with significant financial impact
 - Influence on the intended results (performance, planning, leadership, support)

The scope of the sample for auditing the sites is based on the detailed regulations of MD1:2023, 6.1.3.3.

5. Inclusion of temporary sites

When including temporary sites in the sampling plan, their role in the management system must be taken into account.

If these differ only in terms of the period of use, they are treated in the same way as permanent sites (possibly as a separate cluster, see 6.2).

In the case of reduced time utilization or reduced relevance in the management system (e.g. with regard to the number of relevant processes), both the number of temporary sites included, and

the audit time planned in each case may be less than that for permanent sites. The existing risks and the effectiveness of the audit must be considered as determining factors. For SGAMS procedures, different project statuses should also be considered in the sample.

6. Adjustment of the sample size

6.1. Consideration of additional risks

When determining the size of the sample, additional factors that pose risks to the effectiveness of the audit have to be considered:

- Size of sites and number of employees
- Complexity and risk level of processes / activities
- Complaints and other aspects of corrective and preventive measures
- Results of internal audits and management reviews

6.2. Clustering of sites

If the conditions specified under 4. only apply to some of the sites, adjustments to the sample size are possible.

This allows sites to be divided into different clusters, for each of which the above requirements are then met. The sample is then selected separately for each cluster.

6.3. Inclusion of new sites

If new sites are to be included in an existing multi-site certificate, the certification body adapts the audit program in consultation with the lead audit. The aspects mentioned in this document must be considered when determining the new sample size. As a rule, at least one new site must be included in the sample; any decision to the contrary must be justified.

6.4. Multisite certification without sampling

If a sampling procedure is not possible, all sites are audited in initial and recertification audits.

In surveillance audits, 30% of the relevant sites are audited in addition to the head office (rounded up to the nearest whole number). All additional sites that are to be included in the certificate during the year must be audited individually.

7. Calculation of the audit time

The audit time per site is calculated in accordance with IAF MD 5 or the regulation specifically defined for the respective management system. The other requirements of IAF MD 1, 7.3 are taken into account.

The effectiveness of the audit must also be given priority when determining the site-specific audit time. For this purpose, a transfer of audit time between different sites should also be considered if necessary. In special cases, a further reduction in audit time at sites can even be made on the basis of a risk analysis. The relevant decisions must be justified and documented in detail.

8. Prerequisite for obtaining certification

The prerequisite for certification is the fulfillment of all standard requirements at all included sites. The certificate must be annulled, suspended, restricted or withdrawn for the entire organization if even one of the sites included does not meet the certification requirements. In addition, the impact of a finding on other sites must be checked in the audit matrix and appropriate overarching measures must be initiated.

An organization may also include only a part of its sites in the management system; these are then subject to the procedure described. The certification body must be informed of any changes

to the sites included in good time before an audit. It is not possible to exclude sites (which may not fulfill the requirements for certification) during the ongoing procedure.

The certification body must be informed immediately of any sites leaving the scope of the certified management system.

Detailed information on the sites is required for the preparation of an offer for sample certification. The list must contain at least the address, activities, product profile and number of employees for each site; if necessary, separate system-specific information must be added. The certification body uses this information to draw up an audit program for the entire certification period. The information on the sites and the overall system is checked by the auditor during the audit; incorrect information can result in considerable additional work or the termination of the certification process.