

KQC Commercial Policy

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1. Purpose

- 1.1. This Policy document serves to set the commercial parameters that KQ Certification Limited (KQC) operates within.

2. Scope

- 2.1. This policy applies to the full scope of KQC operations, Certification activities and geographies in which it operates.
- 2.2. The Certification process offered by KQC is applicable to manufacturing and service organisations, in public and private sectors, it is administered in a non-discriminatory manner and impartial manner no matter what the commercial arrangements and interests are.
- 2.3. The Certification process is designed to provide the client service of system assessment and Certification by assessing and monitoring the client's definition and implementation of their management System in an objective and impartial manner, against the audit criteria defined.
- 2.4. KQC's management system is maintained in accordance with, the current requirements of:
 - ISO/IEC 17021 series, including the management system requirements of 17021-1 - option A
 - IAF Mandatory Documents
 - IAF Decisions
 - Accreditation body specific requirements

3. Definitions

Please refer to the KQC Quality Manual (M001) Annex 01 for the current definitions that relate to KQC Management System.

Term	Definition
Commercial policy	A set of guidelines and practices that govern the financial and business activities of the certification body, including pricing, contracts, and client relations.
Pricing strategy	The approach used by the organization to set the prices for its certification services, ensuring competitiveness while maintaining profitability.
Discounts and rebates	Financial incentives offered to clients, such as reductions in price or refunds, based on specific conditions or agreements.
Payment terms	The agreed-upon conditions under which payments must be made by clients for services rendered, including due dates, payment methods, and penalties for late payments.
Contractual obligations	The duties and responsibilities that the certification body and its clients are legally bound to fulfil under the terms of a contract.
Service Level Agreement (SLA)	A formal agreement between the certification body and a client that specifies the expected level of service, performance metrics, and remedies for any breaches.
Confidentiality agreement	A legal contract that ensures that any sensitive or proprietary information shared between the organization and its clients is kept confidential.
Client onboarding	The process of engaging and integrating new clients into the certification body's services, including the signing of contracts and initial consultations.

Revenue recognition	The accounting principle that dictates how and when the organization records revenue from its services, ensuring accuracy and compliance with financial regulations.
Invoicing	The process of generating and sending bills to clients for services provided, including the documentation of services rendered, amounts due, and payment instructions.
Contract termination	The process by which a contract between the certification body and a client is ended, either upon completion of the agreed services or due to a breach of contract.
Compliance audits	Evaluations conducted to ensure that all commercial activities and practices adhere to relevant legal, regulatory, and contractual requirements.
Credit control	The strategies and processes used to manage the organization's credit risk by assessing client creditworthiness and monitoring outstanding debts.
Non-Disclosure Agreement (NDA)	A legal contract that restricts the sharing of confidential information with unauthorized parties, protecting the organization's proprietary data.

4. Responsibility and authority

Responsibility	
Director	The Director has ultimate responsibility for approval of the Certification Body's Commercial Policy and decisions related to it.
Operations and Technical Manager	The Operations and Technical Manager has responsibility for the definition of the Certification Body's Commercial policy, processes, and controls. In addition, the Operations and Technical Manager has responsibility for coordinating the implementation of the Certification Body's Commercial policy.
Employees and contractors	Employees are each individually responsible, relative to their role, for the implementation of the Certification Body's Commercial policy, processes, and controls.
Contractors and sub-contractors	Individual contractors and sub-contractors have no authority with respect to the commercial arrangements that KQ Certification make, outside of the commercial terms on which they are engaged with KQ Certification. These parties are required to respect that position.
Authority	
Director	The Director has ultimate authority for the implementation of processes and controls that reflect the organisation's Commercial Policy (this document). This authority may be delegated to the Operations and Technical Manager, as required.
Operations and Technical Manager	The Operations and Technical Manager, under the authority of the Director, has operational authority for the implementation of processes and controls that reflect the organisation's Commercial Policy (this document). This extends to orientation of new recruits (employee and contract) to the organisation.

5. Reference documents

Document number	Document title
ISO 17021-1:2015	Conformity assessment — Requirements for bodies providing audit and certification of management systems — Part 1: Requirements
IAF MD Series	IAF Mandatory documents as applicable
IAF Decision number	IAF Decisions

N/A	Accreditation body specific requirements as applicable to the accreditation held.
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6. Policy

KQC's Commercial Policy role is to provide our clients with an impartial, objective and quality service, regardless of the commercial interest or terms which they engage in work with KQC. The policy also sets the principles for the commercial business operations of KQC, follows:

6.1. KQC Certification Personnel

6.1.1. All KQC Certification personnel, either internal or external, or committees who could influence the Certification activities, shall act impartially, and shall not allow commercial, financial, or other pressures to compromise impartiality.

6.1.2. Liability and financing

6.1.2.1. KQC maintains adequate liability insurance coverage and reserves to address potential liabilities arising from its Certification activities.

6.1.2.2. KQC derives all of its financial support for operational activities from the Directors in 'start up' of the Certification Body and will transition to being self-funding from service revenues ongoing.

6.1.2.3. Capital projects are funded by the Directors and/or revenues from Certification services.

6.1.2.4. KQC demonstrates to the members of its Impartiality Committee that initially, and on an ongoing basis, commercial, financial, or other pressures do not compromise its impartiality

6.2. Operation of committees

6.2.1. The Directors, Commercial and Operations and Operations and Technical Manager have the responsibility and authority for establishing and maintaining committees related to certification activities, either on a permanent or ad hoc assignment basis, to address issues related to certification activities identified by the organization itself, or by the Impartiality Committee. The Impartiality Committee is a permanent committee and operates according to the Impartiality Committee process (SP504-1).

6.2.2. The selection of committee members shall provide the assurance that these Committees are free from any commercial, financial, and other pressure that might influence decisions. The KQC management shall be represented on all Committees.

6.3. Impartiality Committee (Mechanism for safeguarding impartiality)

6.3.1. In order to safeguard the impartiality of KQC's Certification activities, the Directors and Operations and Technical Manager have assigned to the Impartiality Committee the responsibility for providing the Certification Body with, information and advice on the following:

- The development of policy, processes and controls relating to the impartiality of KQC's Certification's activities
- Matters affecting confidence in certification including transparency, openness, and public perception.
- Measures necessary to ensure the impartiality and independence of KQC related to commercial and other considerations.

- The Certification process and sector specific considerations governing Certification activities.
 - The establishment of other committees, as required, to provide:
 - Support for assignment where further specialist independent competence is required.
 - Liaison between KQC and other stakeholders
 - Any tendency on the part of KQC to allow commercial or other considerations that have the potential to compromise impartial provision of Certification activities.
- 6.3.2. The Impartiality Committee shall conduct a review at least annually of:
- The impartiality of the KQC Certification process
 - The results of analysis of potential conflicts of interest arising from KQC Certification's operations and relationships
- 6.3.3. Other tasks or duties may be assigned to the Impartiality Committee by the Directors or Operations and Technical Manager of KQC, with agreement of the Committee subject to not compromising the Committees essential role of ensuring impartiality (see SP504 – Impartiality process).
- 6.3.4. Although the Impartiality Committee cannot represent every interest, KQC will aim to gain a balanced representation of interests based on its current scope of operations and interactions, without any single interest prevailing.
- 6.3.5. The terms of reference, duties responsibilities and authorities of the Impartiality Committee are documented - see Impartiality Committee process SP504-1.

7. Records and resources

- 7.1. Records and resources in relation to the Commercial Policy are maintained for a minimum of 7 years, in accordance with P023 Control of Records Policy.

Revision log		
Version #	Description of Change	Release Date
0.1	Initial draft	09 th May 2024
1.0	Reviewed and initial release	11 th August 2024
1.1	Reviewed and amended job titles and document references	10 th February 2025