RECOVINYL AUDIT PROTOCOL

(adjusted CPA audit protocol)

Version 2021

TABLE OF CONTENTS

1. Introduction & Scope 3

2. Definitions 3

3. Procedure 4

3.1. Conducting the audit 4

3.1.1. Audit Procedure 4

3.2. Initiating the Audit 6

3.3. Preparing the Audit 7

3.3.1. Sources of information for a Recycler: 7

3.3.2. Sources of information for a Converter: 7

3.4. Audit progress 8

3.5. Areas of the audit focus 9

3.5.1. Recycler 9

3.5.2. Converter 12

4. Auditor Competency and Appraisal 14

4.1. Competency 14

4.2. Maintaining and improving competency 14

4.3. Appraisal 15

5. Archiving Rules 15

1. Introduction & Scope

This procedure has been constituted for the implementation of audits at Recovinyl members. These companies have entered into a service agreement with Recovinyl.

Companies must periodically make a claim to Recovinyl concerning the quantity of post-consumer and pre-consumer PVC that they recycle and/or the use of recycled PVC in new products.

These claims are regularly audited in order to guarantee their accuracy. This procedure has been established in order to inform the auditors as well as possible in relation to audits that are to be efficient and performed in a uniform and proper manner.

This document has been drafted in the light of Circular Plastics Alliance Audit Framework for recycling and converting data for traceability level 2.

This document serves as an interpretation of the audit modalities such as those that have been discussed and agreed with the companies.

2. Definitions

For the purposes of auditing, the terms mentioned below are to be understood as follows.

Auditor

Person qualified to conduct audit for the requirements lined out in this protocol.

Converter

[ISO 472: 2.1685]

Specialized operator capable of shaping plastics raw material to make a usable semi-finished or finished product.

Converter's Input

The total weight of Recycled Plastic received / bought by a Converter in Europe, and imported /delivered to the Converter from outside Europe, during the previous calendar year.

Converter's Output

The total weight of recycled plastic included in products sold, during the previous calendar year.

Europe

For the purposes of this methodology Europe refers to the 27 EU Member-states plus the UK.

Post-Consumer

Descriptive term covering material, generated by the end users of products, that has fulfilled its intended purpose or can no longer be used (including material returned from within the distribution chain).

Pre-Consumer

Material diverted during a manufacturing process, excluding re-utilized material, such as rework, regrind or scrap that has been generated in a given process and is capable of being reclaimed within that same process.

CPA Note: For further clarification on the scope of pre-consumer material, please refer to the CPA waste guidance document

Recycler
Entity that processes the plastics waste materials to be used again for the original purpose or for other purposes, excluding energy recovery and fuel production.

Recycler's Total Input
The total weight of sorted waste received by Recyclers in Europe, during the previous calendar year.

Input to Recycling Operation
Plastic separated by polymers that does not undergo further processing before entering pelletisation, extrusion, or moulding operations. Or, plastic flakes, regrind, micronized powder that do not undergo further processing before their use in a final product.

CPA Note: *This definition is fully set out for municipal waste in Commission Implementing Decision (EU) 2019/2004 and for packaging waste in Commission Implementing Decision (EU) 2019/665.*

Recycler's Total Output
The total weight of Recycled Plastic as output from the recycling process, either sold or used within the same legal entity during the previous calendar year.

CPA Note: Some recycling process may involve more than one actor.

Recycled Plastic
Plastic prepared by processing plastics waste for the original purpose or other purposes, but excluding energy recovery and fuel production.

***CPA Note*:** Recycled plastics excludes new additives and fillers added before using the material in new products

Subcontracted Recycling
Sorted Waste delivered to the Recycler which is recycled by a third-party recycler.

Trader
Any undertaking that acts in the role of principal to purchase (or charge for the removal of / accept free of charge) and subsequently sell (or pay for the treatment or disposal of / dispose of free of charge) Sorted Waste, Output of Recycling Operation or Recycler's waste, including such dealers who do not take physical possession of the aforementioned material streams.

Data Generator
Legal entity providing Recovinyl with required data about its own economic activities (collection, sorting, recycling, conversion).

3. Procedure

3.1. Conducting the audit

3.1.1. Audit Procedure
Figure 1 describes the steps for the implementation of an audit.

For this, the following three aspects must be assessed:

1. There is a good administrative system in relation to the Data Generator's claims:
   The Data Generator's administrative system must be sufficiently proficient. There must be information available concerning both the incoming and outgoing material flows.
   The ability to comply with this requirement should be checked by Recovinyl when the Data Generator agrees to report data.

2. Data generators have sufficient knowledge of the data requirements:
   The Data Generator must have a sufficient knowledge of data requirements of the CPA monitoring system. Each Data Generator should understand what is considered the appropriate selection within the IT system of Recovinyl. The Data Generator must know which tonnages can be reported and which not.

3. The tonnages have been correctly aggregated:
   The tonnages originating from individual transport/weighing must be correctly aggregated.

Action	Who	How
	Auditor **Auditor / Data Generator** **Auditor** **Auditor** **Auditor** **Auditor** **Auditor** **Auditor / Recovinyl**	**See 3.2.1** **See 3.2.2** **See 3.2.3** **On the basis of the audit checklist, the audit report, and auditor notes** **Data Generator's Approval**

Figure 1 *Audit Procedure Flowchart*

3.2. Initiating the Audit

The auditor defines the audit objective, scope and criteria (e.g., controls the materials claim, contractor name, audit checklist) and records this on an audit report.

The auditor and the Data Generator agree on a date for the audit. The auditor informs the Data Generator concerning the preparation of all relevant documents prior to the audit and checks practical matters such as safety measures and ensures that dedicated personnel are available.

3.3. Preparing the Audit

If a previous audit has been conducted, the auditor examines the report of the previous audit.

For the audit to proceed smoothly and efficiently, the Data Generator must prepare a number of documents to hand or to be kept available as necessary during the audit, namely:

3.3.1. Sources of information for a Recycler:

The tonnages provided to Recovinyl for Recycler's Total Input:

- Information with regard to the origin of the material
- The transport document (loading list)
- The weighing slip for the post-consumer and pre-consumer material picked up for arrival at the Data Generators, with indication of the total tonnage
- The invoice relating to this delivery of post-consumer and pre-consumer
- Credit notes for refused material (if applicable)
- Weighbridge calibration certification/document
- Check of double counting if material received from another recycler

The tonnages provided to Recovinyl for Recycler's Output:

- The name and address of the material's destination
- The invoice relating to the supply
- Credit notes for refused material (if applicable)
- The transport document (loading slip)
- The weighing slip at departure and or the destination supply order/weighing slip form
- Check of double counting if material sent to **another** recycler

Reports of visits/audits which Recovinyl has received in the course of the last 2 years such as previous audit reports.

The recycler must indicate in detail how it has obtained the tonnage i.e., the recycler must be able to supply the consolidated figure broken down per the requirements in RecoTrace.

The information required for the Audit must be immediately consultable on the site where the audit takes place, or the information must be able to be rapidly supplied (for example by email if a part of the information is located at another plant).

3.3.2. Sources of information for a Converter:

Related to the tonnage provided to Recovinyl for Converter's Input:

- Description of the recycled Input provided
- Purchasing documentation of recycled Input.
- Information with regard to the origin of the material
- The transport document (loading list)
- Credit notes for refused material (if applicable)
- Weighbridge calibration certification/document (if available)
- The weighing slip (if available) for the recycled plastic picked up for arrival at the Data Generators, with indication of the total tonnage
- Purchasing and the invoice relating to deliveries

Related to the tonnage provided to Recovinyl Converter's Output:

- Name and address of the customer
- Date when the invoice was issued
- Product code and description of the Output sold
- Quantity of Output
- Records of sales

Reports of visits/audits which Recovinyl has received in the course of the last 2 years such as previous audit reports.

The information required for the Audit must be immediately consultable on the site where the audit takes place, or the information must be able to be rapidly be supplied (for example by email if a part of the information is located at another plant).

3.4. Audit progress

The audit is opened with a short explanation to the people present. The framework is outlined, and an overview is given of the course of the audit.

The audit itself takes goes according to the steps described in Figure 2.

Action	Who	How	Record
	Data Generator Auditor Auditor Auditor Auditor Auditor Auditor/ Contractor	Data supplied See further for specific questions such as guidelines Checklist Review audit that has been carried out	 Own notes Audit Checklist Audit Checklist Own notes Audit Report

Figure 2 *Audit Flowchart*

3.5. Areas of the audit focus

The specific questions mentioned below serve as guidelines for conducting the audit:

3.5.1. Recycler

3.5.1.1. Questions on Administration

1. Is there a **<u>waste permit or permit exemption</u>** in place?

   Note: Check if one of the following documents is in place:
   - i. Waste permit;
   - ii. Permit derogation (according to Article 20 of the Waste Framework Directive); or
   - iii. Operating license or environmental license with specific provisions on treatment of waste

2. Is there a valid **calibration report**?

3.5.1.2. Questions on Recycler's Input

3. Can the reported volume be broken down into **individual incoming deliveries?**

4. Has the correct **polymer (PVC)** been identified/declared?

   Note: *Go through the list of suppliers as well and check whether there are names of companies that possibly do produce/handle the specified waste.*

5. Is the material that is declared effectively **post-consumer or pre-consumer**?

   Note: *Go through the list of suppliers as well and check whether there are names of companies that possibly do not produce/handle post-consumer or pre-consumer waste.*

6. Is the **material country of origin** effectively declared?

   Note: *Check if the material is imported from outside Europe.*

7. Can each delivery of input volume be **linked to a supplier**?

8. Are the **names of the suppliers** kept on file and can they be verified?

9. **Has freight which has been refused** and has not effectively been processed included in the tonnages?

10. Does the declared material contain any material that has been already declared by **another recycler**, i.e. are there suppliers which are also known to report to either Recovinyl or another Data Collector within the CPA itself?

    Note: *If this is the case, there would be a danger of double-counting.*
    Note: *The auditor should possess a list of Data Generators reporting to the same Data Collector.*

11. Does the declared material contain any material that has been supplied by a **trader or a subcontracted recycler**?

    Note: *If the trader or subcontracted recycler has supplied waste, then the material can be included.*
    Note*: If the trader or subcontracted recycler has supplied a product and no traceability can be demonstrated, then the material must be disregarded.*

12. Has the **Recycler's Input** value been correctly introduced into the RecoTrace?

Input into Recycling Operation

13. Does the recycler have a procedure in place to determine the contamination of the input tonnage?

Note: *The contamination of the input material will allow the calculation of the input into Recycling Operation.*

14. Has the **input into Recycling Operation** value been correctly introduced into the RecoTrace?

3.5.1.3. Questions on Recycler's Output

15. Can the reported volume be broken down into **individual outgoing transport movements**?

16. Can all outgoing flows be **linked to a customer**?

    Note: *Copies of the customers/invoices should be taken as confidential information.*

17. Is the **materials destination** effectively declared?

    Note: *Check if the material is exported outside Europe*

18. Have **deliveries which have been returned** by the customer been included in the tonnages?

19. Can the input and output of the recycling operation be **linked back to a batch, supplier or group of suppliers**?

20. Do a **plausibility check** to verify that the recycled plastics present in the sales records match what has been produced in the production records.

21. If sales data is extrapolated from production records, please provide **evidence that extrapolation** is plausible.

    Note: *When Recycler's Output is calculated using production records, the data needs to be extrapolated to sales. This needs to be checked with sales records as plausible.*

22. Has the **Recycler's Output value** been correctly introduced into the RecoTrace?

3.5.1.4. Questions on Quantity reconciliation / Mass Balance

23. Are inputs and outputs to the **recycling operation records** recorded?

    Note: *Information available must include:*
    - *i. Production records (for bulk input material, stock changes can be used);*
    - *ii. Input and output flows from Recycling Operation;*
    - *iii. Report of additives, fillers, and/or virgin added to the Recycling Operation;*
    - *iv. By-products records;*
    - *v. Waste disposal records;*
    - *vi. Subcontracted recycling;*
    - *vii. Stock level*

24. Can a **quantity reconciliation** of the incoming and outgoing flows of the previous year be established?

Note: *This only applies to mechanical recycling and dissolution recycling.*

25. Is the **stock level** at the beginning and the end of the evaluation period known?

    Note: *Recycler must have a stock management system in place that allows the monitoring of the stock movements.*

26. Can the **Recycled PVC present in the output** be established?

27. Is the calculation of the **Recycled PVC present in the Output plausible**?

    Note: *Incoming waste (t) + stock (t) must be higher than consumption figures in the Recycling Operation (t).*

3.5.2. Converter

3.5.2.1. Questions on Administration

1. Is there an **operating permit** in place?

   Note: Check that an operating permit is in place.

2. If the material is weighted at the input, is there a valid **calibration report**?

3.5.2.2. Questions on Converter's Input

3. Can the reported volume be broken down into **individual incoming deliveries?**

4. Has the correct **polymer - PVC** been identified/declared?

5. Is the Converter's Input **country of origin** effectively declared?

   Note: *Country of origin refers to the country where the material was recycled.*

6. Can each delivery of input volume be **linked to a supplier**?

7. Are the names of the **suppliers** kept on file and can they be verified?

   Note: *For information purposes, check if the suppliers been audited according to the CPA Protocol*.

8. **Has freight which has been refused** and has not effectively been processed included in the tonnages?

9. Does the **declared input** contain any material that has been already declared by another converter?

   Note: *Ensure that suppliers aren't also converters who report to a CPA Data Collector to avoid double counting.*

10. Does the **declared input** contain any material that has been supplied by a trader?

    Note: *Communication obligation – Traders and compounders are subject to the same information obligation as recyclers (according to either traceability level 1 or 2).*
    Note: *If information requirements are not complied with, then the material must be disregarded.*

11. Has the **Converter's Input** value been correctly introduced into the RecoTrace?

3.5.2.3. Questions on Converter's Output

12. Can the mentioned figure be broken down into **individual outgoing transport movements**?

13. Can all outgoing flows be **linked to a customer**?

14. Is the **materials destination** effectively declared?

    Note: *Check if the material is exported outside Europe*

15. Have **deliveries which have been returned** by the customer been included in the tonnages?

16. Have **deliveries which have been returned** by the customer been included in the reported tonnages?

17. Can the input and output of the recycling operation be **linked back to a batch**, **(supplier or group of suppliers**?

18. Do a **plausibility check** to verify that the recycled plastics present in the sales records match what has been produced in the production records.

19. If sales data is extrapolated from production records, please provide **evidence that extrapolation is plausible.**

    Note: *When Converter's Output is calculated using production records, the data needs to be extrapolated to sales. This needs to be checked with sales records as plausible.*

20. Has the **Converter's Output value** been correctly introduced into the RecoTrace?

3.5.2.4. Questions on quantity reconciliation

21. Are inputs and outputs to the **converting operation records** recorded?

    Note: Information available must include:
    - *i. Production records (for bulk input material, stock changes can be used);*
    - *ii. Input and output flows from Operation;*
    - *iii. Report of additives, fillers, and/or virgin added (if any);*
    - *iv. By-products records;*
    - *v. Waste records;*
    - *vi. Stock level*

22. Can a quantity reconciliation_of the incoming and outgoing flows of the previous year be established?

23. Is the **stock level** at the beginning and the end of the evaluation period known?

    Note: Converter must have a stock management system in place that allows the monitoring of the stock movements.

24. Can the **Recycled PVC present in the output** be established?

25. Is the calculation of the **Recycled PVC present in the Output plausible**?

    Note: *Input (t) + stock (t) must be higher than consumption figures in the Converter's Operation (t).*

4. Auditor Competency and Appraisal

4.1. Competency

Credibility of the audit process is essential for a trusted result and depends on the auditor's competency and experience.

Parameter	**Requirements**
Knowledge	Audit principles, procedures and techniques
	General business processes and terminology used
	Local circumstances and requirements
Skills	Communicative
	Conflict handling
	Clarity of expression
	Organisational talent
	Accuracy
	Systematic working
Individuality	Honest
	Ethical
	Open
	Communicative
	Decisive

4.2. Maintaining and improving competency

Ongoing professional development is important for maintaining and improving competency. This can be achieved by means of work experience, training, coaching, attending conferences and other relevant activities.

4.3. Appraisal

Periodically, auditors must be appraised. This appraisal process must be recorded, and also further service and training requirements identified.

5. Archiving Rules

Archiving by digital means is preferred.

Document	**Responsible**	**Conservation Time**
Audit Planning	Recovinyl	3 Years
Audit Reports	Recovinyl *OR* Auditor	3 Years
Audit Checklist	Recovinyl *OR* Auditor	3 Years