**EPEAT, Inc.**

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# OUTCOMES REPORT
# EPEAT VERIFICATION ROUND 2012-03

## 1. Summary and Details of Verification Round 2012-03

This report provides the detailed results of EPEAT Verification Round 2012-03. Round 2012-03 consisted of 20 investigations performed for the two annually declared corporate criteria listed below:

- 4.7.3.1 - Required - Corporate report consistent with Performance Track or GRI
- 4.7.3.2 - Optional - Corporate report based on GRI

This Verification Round consisted of 20 investigations of Subscribers' annual reports. A review of all Subscribers' websites was conducted prior to this round to determine if information required by these criteria were publicly available. Subscribers whose information could not be found on their websites were included in this Verification Round. Please note, for Criterion 4.7.3.1, it is not required that Subscribers have annual reports on their websites. However, checking for the presence of an annual report on the Subscriber's website served as a quick screen for EPEAT staff to determine if an annual report existed. Criterion 4.7.3.2 requires that the annual reports are publicly available, which can be met with alternatives to placing the reports on a website. Only products declaring to the selected criteria were chosen for investigation. The verifications were performed using level one investigations.

## 2. Outcomes of Round 2012-03

The 20 investigations performed were done on one required criterion and one optional criterion. Following are the specific highlights of Round 2012-03.

- 20 investigations were planned and completed for this round.
- There were 16 decisions of Conformance for these investigations.
- There were 4 findings of Non-Conformance for these investigations. Investigations resulting in Non-Conformance findings are identified in Table 1. Table 2 identifies the Subscribers and criterion found to be Non-Conformant. Following the investigation phase, corrective actions were taken to resolve all identified Non-Conformances and restore the accuracy of the Registry.
    - One Subscriber provided a link to their annual reports during the corrective action phase which moved them into Conformance with the criteria as originally declared.
    - Three Subscribers undeclared optional criterion 4.7.3.2 which moved them into Conformance for this Verification Round.
        - None of these Subscribers provided annual reports which calls to question their ability to meet criterion 4.7.3.1. Therefore, these three Subscribers are being investigated for criterion 4.7.3.1 during Verification Round 2012-04.

**Key Lessons of Round 2012-03**

- This Verification Round found a single category of Non-Conformance findings.
    1) In 4 investigations for criterion 4.7.3.2, although acknowledgement was received from all four Subscribers, no evidence was provided during the 30 day investigation period.
- This Verification Round found no Non-Conformance findings for criterion 4.7.3.1 - Corporate report consistent with Performance Track or GRI. However, there are a number of points worth emphasizing a few things for Subscribers who were not the subject of this Verification Round.

- This is an "annual corporate declaration criterion". It is required and must be updated annually.
- All Subscribers are required to have an annual report. Subscribers need to demonstrate the annual nature of the report.
- During an investigation, the annual report must be provided with an index to GRI or Performance Track during the Verification Round.
  - *Message to Subscribers:*
    - *It is required that Subscribers update all the corporate declaration criteria annually. These criteria are likely to be checked in future Verification Rounds.*

- This Verification Round found 4 Non-Conformance findings for criterion 4.7.3.2 - Corporate report based on GRI.
  - This is an optional criterion.
  - For Subscribers claiming 4.7.3.2, not only must the annual corporate report be based on GRI, it must also be public. Further, the annual report along with an index to GRI must be provided during the Verification Round.
    - *Message to Subscribers:*
      - *Criterion 4.7.3.2 requires an annual publicly available report based on GRI. Do not claim this criterion if you do not meet all three aspects of the criterion:*
        1. *Annual corporate report.*
        2. *Publicly available annual corporate report.*
        3. *Annual corporate report based on GRI.*

- *Message to Subscribers:*

  a. *IEEE 1680 and the EPEAT subscriber agreements require that Subscribers provide the information identified in Verification Requirements to prove the accuracy of their declarations within 30 days of EPEAT's request. Failure to provide that information is inconsistent with the agreement and may result in termination of the Subscriber from EPEAT.*

  b. *Where Non-Conformances are found it is the Non-Conforming Subscriber's responsibility to correct their declarations and, as applicable, all product declarations on the Registry that may have similar Non-Conformances but were not investigated must be updated. Further, we expect all subscribers to review the Outcomes Reports and, based on the identified Non-Conformances, correct their own declarations as necessary. EPEAT will continue to conduct follow up investigations to ensure that all Subscribers are making such corrections.*

  c. *When contacted regarding participation in a Verification Round, EPEAT staff request that you respond to the Qualified Verifier quickly to let them know they are communicating with the correct person or to inform them who they should be communicating with. This also helps the Qualified Verifier to know they have a valid email address.*

## 3. Looking Forward

1. ***Plans for Future Verification Activities:*** There are 6 Verification Rounds planned for 2012. Investigations will include Level 1, Level 2 and Level 3 investigations.
2. ***Training:*** An expanded worldwide training schedule has been created for 2012. The next training session will take place in Stuttgart, Germany on September 17-20, 2012. Training sessions in 2012 are also planned for China, Japan and the US. For more information please contact Andrea Desimone.
3. ***Conformity Assessment Protocols:*** This and all future rounds will be conducted according to the Conformity Assessment Protocols posted on www.epeat.net.

## 4. Investigation Tables

**TABLE 1: Non-Conformance Findings**

| Criterion | Description | Total # of Investigations | # of completed investigations | # of NCs |
|---|---|---|---|---|
| 4.7.3.1 | Required - Corporate report consistent with Performance Track or GRI | 4 | 4 | 0 |
| 4.7.3.2 | Optional - Corporate report based on GRI | 16 | 16 | 4 |
| | Total | 20 | 20 | 4 |

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**TABLE 2: Non-Conformance Findings: Corrective Actions Taken**

| Subscriber | Product | Country | Product Type | Verification Criteria | R or O | Criterion Description | Description of NC finding | Corrective Action Taken |
|---|---|---|---|---|---|---|---|---|
| CIARA-TECH | all | all | all | 4.7.3.2 | Optional | Corporate report based on GRI | Provided no information other than acknowledgement. | Undeclared criterion 4.7.3.2. |
| Grace Global, Inc. | all | all | all | 4.7.3.2 | Optional | Corporate report based on GRI | Provided no information other than acknowledgement. | Undeclared criterion 4.7.3.2. |
| TH ALPLAST | all | all | all | 4.7.3.2 | Optional | Corporate report based on GRI | Provided no information other than acknowledgement. | Sent link to the two annual reports relevant to date of declaration of criterion. |
| Wyse Technology, Inc. | all | all | all | 4.7.3.2 | Optional | Corporate report based on GRI | Subscriber purchased by another company. Provided no information other than acknowledgement. | Undeclared criterion 4.7.3.2. |

## 5. Background

To assure the credibility of the EPEAT Registry, verification of the claims by participating manufacturers (called "Subscribers") are rigorous, independent and transparent. Verification is conducted strictly according to policies and procedures described in the IEEE 1680 Standard and in documents provided on www.epeat.net. Subscribers are given no forewarning that their products will be verified and verification is performed based on the declarations as they are in the database at the time the round begins.

In level one verification investigations, subscribers are required to provide detailed and accurate information to demonstrate their conformance to each criterion of the standard in a timely manner that demonstrates Conformance, such as supply chain management records. In level two and three investigations EPEAT buys or borrows products without the Subscriber's knowledge, disassembles them, and conducts detailed analytical testing if needed. Level two investigations can also take the form of site visits. Investigations are performed by expert technical contractors who are free of conflicts of interest, and their recommended decisions are reviewed and finalized by a 5-person panel of independent technical experts (called the Product Verification Committee or PVC) who are also contractors free of conflicts of interest. Verification activities conducted by the Product Verification Committee are done blind to the identity of the products and companies they are judging. This panel makes a Conformance/Non-Conformance decision on each investigation, based on evidence collected and analyzed by Qualified Verifiers. A serious consequence of receiving a Non-Conformance is that it is published publicly in an Outcomes Report, for purchasers, competitors, and others to see.

Subscribers must correct findings of Non-Conformance, either by bringing the product into Conformance, by un-declaring the criterion until Conformance is achieved, or by removing the product from the registry, and they must do so for all products that are similarly incorrectly declared, not only the product(s) that were investigated. If they correct the Non-Conformance by un-declaring the criterion and the criterion is an optional criterion, they lose a point, and possibly the product drops a tier. If it is a required criterion, they must archive the product. If it is a required corporate criterion, all their products must be archived.