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|  | Punjab Halal Development Agency | Doc # : PHDA/DOC-23 | |  |
| | | Statement of Impartiality | | |
| | | | Effective Date : 17-10-2024 | |

The Punjab Halal Development Agency (PHDA) recognizes that impartiality is fundamental to maintaining trust and credibility in halal certification. PHDA is committed to managing potential conflicts of interest and ensuring complete objectivity in all its halal certification activities. This commitment is embedded in our procedures, which comply with the requirements of relevant Halal Standards, including the Pakistan Standard PS: 4992:2022 and applicable Malaysian Standards for Halal Certification, as well as ISO 17021.

PHDA proactively identifies, analyzes, and documents any potential conflicts of interest arising from certification processes, including those stemming from established relationships. A comprehensive risk assessment is conducted regularly (using PHDA/REC/31) to cover all possible sources of conflicts of interest, regardless of their origin. When potential impartiality threats are identified, PHDA documents them, evaluates the level of risk, and implements appropriate mitigation measures to eliminate or reduce the threat to an acceptable level. All PHDA employees, contractors, Halal Certification Board members, and Impartiality Committee members are required to adhere to these impartiality rules, as well as all other applicable procedures and requirements.

PHDA shall not engage in any activity that could compromise its impartiality or create a potential conflict of interest. If a relationship presents an unacceptable impartiality threat, the related certification activity will not be conducted. Specifically:

- PHDA will not certify another halal certification body for its activities related to Halal Management System Certification.
- PHDA will not engage in activities that create conflicts of interest, such as advertising or providing management system consultancy services.
- PHDA will take appropriate action to correct any inappropriate claims made by any consultancy organization stating or implying that certification would be simpler, easier, faster, or less expensive if PHDA were used.
- PHDA will not certify organizations where PHDA is a part of or a member.
- PHDA will not provide internal audits for its certified clients within two years prior to certification.
- PHDA will not provide certification services to a customer when the relationship between a consulting company and PHDA could lead to an impartiality threat.
- PHDA's revenue model is based solely on the sales of its certification services. PHDA does not receive any other form of financial support that could compromise impartiality.
- PHDA does not pay commissions to consultants, thereby eliminating potential pressure from consultants.
- PHDA will not allow pressure from other certification bodies to influence the certification process of an organization. If another certification body has declined to provide service to a customer, and that customer subsequently requests the same service from PHDA, PHDA will investigate the reasons for the prior declination before undertaking any certification activities for that customer.
- PHDA will not allow pressure from partners, customers, or consulting organizations to influence certification decisions. If such pressure is exerted, PHDA will apply the requirements of applicable Halal Standards and internal procedures to counteract and

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eliminate such practices. PHDA will take necessary action against any threats to its independence and impartiality.

- PHDA ensures clear separation between its certification activities and any other activities (e.g., training) to prevent conflicts of interest. While PHDA may offer generic training courses, these will be clearly distinct from certification activities, and trainers will not be involved in audits of organizations they have trained.
- PHDA's fee structure for certification services is transparent and not linked to any other services. Quotations and invoices for certification services are separate from those for any other services provided by PHDA.
- PHDA has established a Committee for Safeguarding Impartiality (as per PS 4992:2022 clause 6.2.3 and notified office order) composed of representatives from a wide range of interested parties, including clients, industry, Islamic authorities, consumers, and others. This committee provides independent oversight of PHDA's certification activities and safeguards impartiality. The committee has the authority to access all necessary information, review certification processes, and take independent action if necessary to protect impartiality.

PHDA's top management is fully committed to complying with this impartiality statement and ensuring its effective implementation. This statement is publicly available and communicated to all relevant stakeholders.



Chairman