



Sustainable Minds®

SM Transparency Report™ / EPD Framework

Governance and Program Rules

Version 3.1 | January, 2017

Sustainable Minds Transparency Report Program

The first comprehensive solution to Design & Market greener products



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Preface

Introduction

A Sustainable Minds Transparency Report™ (TR) or an environmental product declaration (EPD) is a Type III environmental declaration that communicates or discloses information about the environmental impacts associated with products, services, and systems based on life cycle assessment (LCA) promoting life cycle thinking. A TR/EPD communicates verifiable, accurate, and non-misleading environmental information. Type III environmental declarations (TRs and EPDs) are transparent information disclosures that facilitate informed decision-making and support comparisons among competing products, services, or systems that fulfill the same function. Type III environmental declarations are guided by ISO 14025 and are not the same as Type I third-party certified eco-logos and ISO Type II self-declared single attribute environmental claims.

Parts A and B of the Sustainable Minds Transparency Report™ / EPD Framework establish the principles and specify the procedures for developing a TR/EPD. A TR/EPD is created by combining the general rules of Part A with the specific rules of Part B, the product group definition. Part A is based on several public standards and LCA best practice. It conforms to ISO 14040:2006, 14044:2006, ISO 14020:2000, and ISO 14025:2006, and it builds on a vast experience in and expertise of life cycle assessment and environmental product declaration programs around the world, particularly regarding the application of EN 15804:2012+A1:2013.

Part A provides the general rules that apply to any product and is used in the development of a TR/EPD in conjunction with Part B to create a full PCR. It specifies the standards of LCA calculation rules as a prerequisite of TRs/EPDs as well as the requirements of the LCA background report. A product group consists of products that compete for/deliver the same function or purpose as defined in Part B.

The Sustainable Minds Transparency Report™ / EPD Framework seeks to help manufacturers / organizations communicate the environmental performance of their products, services, and systems in a transparent and credible manner and aims to stimulate the potential for market-driven environmental improvement on a global scale.

1. General program rules

These rules represent generally accepted program requirements and are used in the operation of the Sustainable Minds Transparency Report™ / EPD Program with the intent to maintain and develop the Sustainable Minds Transparency Report™ / EPD Framework used in the production and publication of TRs/EPDs for any product or service. These rules meet the requirements of ISO 14025 *Environmental labels and declarations – Type III environmental declarations – Principles and Procedures*. The Sustainable Minds Transparency Report™ / EPD Program is comprehensive and supports manufacturers / organizations in the communication of the environmental performance of their products, services, and systems on the basis of predetermined parameters in a uniform, fair, and transparent manner.

1.1 Scope of the program

The Sustainable Minds Transparency Report™ / EPD Program will cover the maintenance of Part A, the development of Part Bs, and the administration of Type III environmental declarations for any product or service in business-to-business or business-to-consumer communications. The aim is to stimulate market-driven continuous improvement. TRs/EPDs are used for a variety of market applications but are not intended for comparative assertions. This program intends to perform these activities primarily in the North American market but is structured in a way that allows global application. The program supports

other Type III environmental declaration programs in North America and across the world and aims to harmonize Type III environmental declarations internationally.

1.2 Objectives of the program

The program's objective is to provide comprehensive environmental data through the development of Part Bs to complement Part A, creating a product category rule (PCR). The program ultimately aims to publish and communicate TRs/EPDs in a transparent, consistent, comparable, and credible manner ensuring a science-based approach that is independently verifiable and consistent with ISO 14025:2006. Since verified TRs/EPDs contain verified and objective information, Sustainable Minds effectively aims to encourage the demand for products and services that cause less stress on the environment.

1.3 Program operator

Sustainable Minds is a software and services company whose mission is to operationalize environmental performance in mainstream product development and manufacturing.

As the program operator, Sustainable Minds will perform the following duties:

- Prepare, maintain, and communicate the general program rules;
- Ensure adherence to the program rules;
- Invite industry and LCA experts to participate in the development and maintenance of the Sustainable Minds Transparency Report™ / EPD Framework on any level. The procedures will follow the requirements of ISO 14025:2006;
- Publish the list of organizations involved as interested parties in the program;
- Facilitate participation and involvement of interested parties;
- Ensure Type III environmental declaration requirements are followed (see section 7 for requirements);
- Establish a procedure to safeguard the consistency of data within the program (see Part A);
- Maintain publicly available lists and records of Part Bs and TRs/EPDs within the program (see section 3);
- Publish Part Bs and TRs/EPDs within the program;
- Monitor changes in procedures and documents of related Type III environmental declaration programs and revise procedures and documents when necessary;
- Ensure the selection of competent independent verifiers and Technical Advisory Board (TAB) members (i.e. third-party advisory board for the framework's maintenance);
- Appoint the third-party verifiers for the verification of the LCA background reports and TRs/EPDs to Part A and Part B;
- Establish a transparent procedure for the development and maintenance of the framework (see section 5);
- Establish procedures to avoid misuse of references to ISO 14025, the Type III environmental declaration program, its TRs/EPDs and, where relevant, its logo (see section 9).

1.4 Audience of the program

The audience of the Sustainable Minds Transparency Report™ / EPD Program is both business-to-business and business-to-consumer.

1.5 Involvement of interested parties

Sustainable Minds is responsible for soliciting and inviting the involvement of interested parties in the development and maintenance of the framework and the governance document and will facilitate their

participation in an open consultation process. The process to develop and maintain the framework will be open to all parties, including but not limited to product manufacturers, material suppliers, trade associations, purchaser, end-users, consumers, product specifiers, consumer organizations, governmental and public bodies, verifying agencies, independent agencies, and non-governmental organizations.

Sustainable Minds will ensure that reasonable balance among the members of the TAB is achieved and that potential conflicts of interests are identified (see Section 6). Sustainable Minds will also ensure that the appropriate parties are included in the Part B creation process in order to ensure the credibility and transparency of the program operation and to ensure a broad acceptance and reproducibility of the LCA calculation rules.

1.6 Product group

A product group will be defined within Part B. Only TRs/EPDs that have been approved under these rules will be produced.

1.7 Conformance to relevant standards

TRs/EPDs developed under this program will conform to Part A and Part B which conform to the relevant international standards (see Section 15), especially ISO 14025:2006.

2. Procedure for the definition of product groups

The product groups will be defined pursuant to the rules outlined in Part B. Part B will use recognized product category code naming conventions, such as the UNSPSC (www.unspsc.org) or GS1 (www.gs1us.org).

3. Management of data and documentation

Sustainable Minds will manage data and documentation in accordance with its internal procedure for the control and maintenance of documents, which is aligned with ISO 14001:2004 Clause 4.4.5, Control of Documents.

Sustainable Minds will maintain a publicly available list of completed Part Bs, Part A, and supporting documentation as required by ISO 14025:2006. These documents will be available at the Sustainable Minds website at <http://www.sustainableminds.com/>.

Sustainable Minds will maintain a publicly available list of TRs/EPDs. These documents will be available upon request or at <http://www.transparencycatalog.com/>. TRs/EPDs may also be made publicly available by the manufacturer.

4. Data confidentiality management

When developing Part Bs and publishing TRs/EPDs, Sustainable Minds will not disclose without a Company's prior written consent and will keep confidential any information supplied to it by a Company about the Company and its Product(s) such as life cycle inventory (LCI) and life cycle impact assessment (LCIA) data. Sustainable Minds will release the information only to those persons or agencies authorized

or required by law to receive such information such as LCA practitioners appointed by Sustainable Minds or third-party verifiers who in turn will keep this data confidential. Confidentiality does not apply to any information known to Sustainable Minds independently, generally available to the public, or obtained by Sustainable Minds from a third party under no obligation to the Company not to disclose said information. Life cycle impact assessment data and additional information are published in the TR/EPD according to the requirements of Part A and Part B.

5. Development and maintenance of the framework and LCA methodology

5.1 Content of the framework

Sustainable Minds prepares the drafts of the documents of the framework in collaboration with interested parties. Sustainable Minds will ensure that the development of the contents of the framework documents is in conformance with ISO 14025:2006, Clause 6.7.

5.2 Period of validity

Part A is valid for one year and will be reviewed and updated annually. Changes may be brought to the attention of the TAB by any interested party at any time throughout the year. The TAB will review the proposed changes and issue amendments. A list of amendments will be kept by Sustainable Minds. These amendments can be used, but are not required to be used in the production of new TRs/EPDs during that year. Existing TRs/EPDs do not lose their validity due to amendments. Updating a TR/EPD to incorporate these amendments is voluntary. The amendments will be fully incorporated into Part A during the annual review.

Part Bs are valid for a period not to exceed five (5) years. Prior to the expiration, proposed changes will be reviewed by the TAB and a consultative process will take place.

Publication of any updated document is subject to the TAB's approval.

5.3 Monitoring related Type III environmental declaration programs and their respective PCRs

Sustainable Minds, as the program operator, strives to keep up-to-date about PCRs and general rules of programs. The intention is to make TRs/EPDs of the same product group (i.e. belonging to the same Part B) as comparable and consistent as possible. When it improves comparability and consistency, without compromising the data quality, TRs/EPDs from different programs should be aligned. Consistency of Type III environmental declarations from different program operators in order to align common elements is encouraged by Sustainable Minds.

5.4 Application of LCA methodology

The quantified environmental information in TRs/EPDs is based on ISO 14040 series conformant LCIA and LCA results.

5.5 Selection procedure for predetermined parameters in LCA

Predetermined parameters for the reporting of LCA data are outlined in Part A to ensure uniformity and consistency. The foregoing can be further modified in consultation with the TAB and other interested parties to support practical and consistent data acquisition, as well as a fair and complete selection of environmental aspects to be addressed in the calculations behind the production of TRs/EPDs. Predetermined parameters may be identified from one or more LCAs performed in accordance with the ISO 14040 series of standards or from an information module developed in support of a Type III environmental declaration. As indicated in ISO 14025, the following parameters resulting from LCA or from information modules may be considered as predetermined parameters:

- A set of impact category indicator results
- A set of inventory results that are elementary flows (e.g. iron ore, CO₂)
- A set of data that do not represent elementary flows (e.g. waste)

6. Third-party verification of the framework including stakeholder consultation

A third-party Technical Advisory Board (TAB) maintains the framework. As the program operator, Sustainable Minds will ensure a reasonable mix of interested parties' perspectives and competencies.

6.1 TAB membership

There is an open application process for TAB membership. Members of the TAB may have different competencies and backgrounds and may represent different types of organizations:

- Members of industrial sectors
- Members of governmental institutions
- Members of academic institutions
- Members of NGOs
- Members of national trade organizations
- General background of industrial sectors, products, and products-related environmental aspects
- Expertise in LCA and methodology for LCA work
- Awareness of relevant standards in the fields of environmental labelling and declarations and life cycle assessment
- Knowledge of regulatory framework within the scope of the framework and other PCRs
- Knowledge of the program for Type III environmental declaration

The TAB consists of an uneven number of members with a minimum of four members and a chairperson. The board will have as a minimum two LCA experts, one manufacturing industry representative, and one representative from a verifying body. Members are appointed by a majority committee vote for a two year period and can be re-appointed for a 2nd term. Members appoint a chair and vice-chair amongst themselves. The chair and vice-chair are appointed by a majority committee vote for a two-year period and can be re-appointed for a 2nd term. After serving as a chairman or vice-chairman for a period of four years, a member cannot serve as a general member. A member can serve for two terms and become chair for another two terms as a maximum.

6.2 TAB roles

1. Based on international technical rules, the committee of experts draws up evaluation and declaration guidelines that are to be observed when determining the environmental comparability of a product or component and monitors environmental declarations, frameworks, and product group-specific rules.

2. The board can issue rulings on functional units that are product group-specific which then get reflected in Part Bs.
3. The board can advise Sustainable Minds to make changes to the framework.
4. The board operates to agreed guidelines.
5. The board has the right to propose the dismissal and appointment of its members.
6. The board elects a chairman and vice-chairman from among its members.

6.3 TAB guidelines

The TAB acts as a third party and reviews the proposed rulings to the framework, including Part Bs. As a neutral body, it addresses conflicts of interests. When checking the proposed rulings, members guarantee their completeness in regards to the most significant environmental effects of the respective product groups. The key role is to maintain consistencies between Part Bs. Rulings are checked for completeness, plausibility, and the fulfilment of the demands on data quality. The check takes place by member(s) of the TAB and/or by experts who are called in. Sustainable Minds provides coordination support to the committee.

The TAB aims for unanimous decisions but could make decisions based on a majority vote. When the proposed rulings are not accepted by the TAB and after two rounds of communication in good faith, the TAB can request a technical paper/presentation be provided in order to further the deliberations and reach a majority vote.

A member will recuse themselves from voting if a conflict of interest arises. The conflict of interest may arise if a member belongs to or is economically dependent on a manufacturer / organization which produces a significant part of or contributes significantly to the product's performance to which a decision is being deliberated.

7. Independent verification of the framework

Sustainable Minds will ensure that a transparent independent verification and review of the framework is performed through the TAB and that public consultation takes place in accordance with ISO 14025:2006, Clause 8.1.2. After publishing the annual 'Part A: LCA calculation rules and report requirements', it is always open for public comment. Comments made before September 30 of that year will be included for consideration in the next year's update. The TAB will prepare a review statement at the end of the review period. The review statement, comments by the TAB's LCA experts, any comments received, and any response to recommendations made to the TAB will be included in Part A. The review will ensure that:

- The framework supports credible, comparable, and consistent TRs/EPDs
- The rules of ISO 14040 are followed, especially the provisions defining scope and goal of an LCA study. Care should be taken that the provisions (e.g. functional or declared unit – allocation and calculation rules are adequate for the product group)
- The selection of predetermined parameters to be reported is adequate for the product group under study (e.g. no relevant information is missing)
- Part B is based on experience with LCA studies carried out in conformance with ISO 14040-44
- The additional information is based on scientifically sound methodology

Competence of TAB members and verifiers will be determined in conformance with ISO 14025:2006, Clause 8.2, Independence and competencies of verifiers and PCR review panel.

8. Independent verification

Sustainable Minds will publish TRs/EPDs based on Part A and an approved Part B. Verified TRs/EPDs will conform to the relevant standards for Type III environmental declarations in that they have undergone a third-party review in conformance with Part A and an approved Part B in order to ensure the highest standard of credibility.

Independent review of the TR/EPD and underlying data will be performed in accordance with ISO 14025:2006, Clause 8.1.3, Independent verification of data and ISO 14025:2006, Clause 8.1.4, Independent verification of the of the Type III environmental declaration.

Competence of the independent verifiers will be determined in conformance with ISO 14025:2006, Clause 8.2, Independence and competencies of verifiers and PCR review panel.

Verification will be transparent. The independent verifier will document the verification process, while adhering to his/her obligations for data confidentiality. The independent verifier cannot be the same entity that performed the LCA. These reports will be available to any person upon request. The verification procedure will confirm whether the information given in the TR/EPD accurately reflects the information in the documents on which declaration is based (i.e. LCA and other documentation). The verification process will also confirm whether this information is valid and scientifically sound. Third-party independent verification of data from LCA, LCI and information modules, and additional environmental information and/or claims that are not traditionally covered in the LCA but included within the TR/EPD will at minimum confirm:

- Conformance with Part A and an approved Part B (conformance with relevant process- and product-related information and environmental considerations)
- Conformance with ISO 14040 series of standards
- Conformance with the TR/EPD general program rules
- Plausibility, quality, accuracy, and completeness of the LCA-based data
- Quality and accuracy of additional environmental information

Sustainable Minds appoints the verifier(s). Members of the TAB can also act as verifiers of the LCA background report and TRs/EPDs if and only if they are not financially dependent on the LCA provider completing the study or the manufacturer / organization producing the TR/EPD. Sustainable Minds will arrange for sample checks of the TRs/EDPs and the LCA background report (see Part A) to be used by the verifiers.

The minimum competency requirements for the verifiers are the following:

- Minimum three years of expertise in LCA and methodology for LCA work
- General background of industrial sectors, products, and products-related environmental aspects
- Process and product knowledge of the product group
- Knowledge of the relevant standards in the field of environmental labelling and declarations and life cycle assessment
- Knowledge of the regulatory framework within the scope of the framework and other PCRs
- Knowledge of the program for Type III environmental declarations

9. Process for the development of TRs/EPDs

An owner or representative of a product takes the initiative to have a TR/EPD issued. The first step is to look for an existing Part B relevant to the product. If the requesting party wants to modify the existing Part

B relevant to the product, it can submit a substantiated modification request as outlined in Part B. If there is no relevant Part B, a Part B request can be submitted to TAB@sustainableminds.com.

Part B creation process:

- a. **Initiate:** An email is sent to the TAB that a Part B request has been initiated. A Part B working group is formed (minimum three members) for authorization of Part Bs. Sustainable Minds will invite a participant with relevant expertise if not on the TAB.
- b. **Review & authorize:** Through the 'Part B in review' online survey and comments, the Part B request is posted online, and interested parties and relevant stakeholders, nationally and internationally, get notified. Comments can be sent in for a period of 4 weeks.
- c. **Approve & publish:** The Sustainable Minds Transparency Report™ / EPD Program coordinator and working group send recommendations to the TAB. Part B is approved by a majority vote. The TAB issues a ruling within two weeks after completion of the public consultation period.

The application procedure to obtain a TR/EPD is presented in Figure 1.

Part B modification request process:

- Same as above.

In the case of existing valid PCRs, two routes can be used to create TRs/EPDs:

- **Compatibility**
 - A compatibility appendix to Part A is drafted identifying the content (in addition to the content required for a TR/EPD as per Appendix C) required to be compatible with the existing PCR.
 - The compatibility appendix is reviewed by a member of the TAB, with preference given to a member familiar with the PCR. After TAB review, the compatibility appendix will be sent to the PCR program operator for feedback prior to publishing. Approval is not required since the TR/EPD is verified to the PCR and not the compatibility appendix, which is a content inventory tool only.
 - An LCA is conducted to the existing PCR.
 - Additional content required by the existing PCR will appear on a 4th page. This page will be delivered in the PDF downloadable version.
- **Harmonization**
 - The harmonization route is followed to regionalize a PCR not created for North America.
 - A Part B is created referencing the PCR. If scope, functional unit, or significant product group changes are required, it will be made available for public comment. Otherwise, Part B is reviewed only by the TAB.
 - An LCA is conducted to Parts A and B, and a TR/EPD is created.

For business-to-consumer communication, verification of the LCA report and TR/EPD is carried out by a third party. For business-to-business communication, the requesting party chooses a level of verification. The options are:

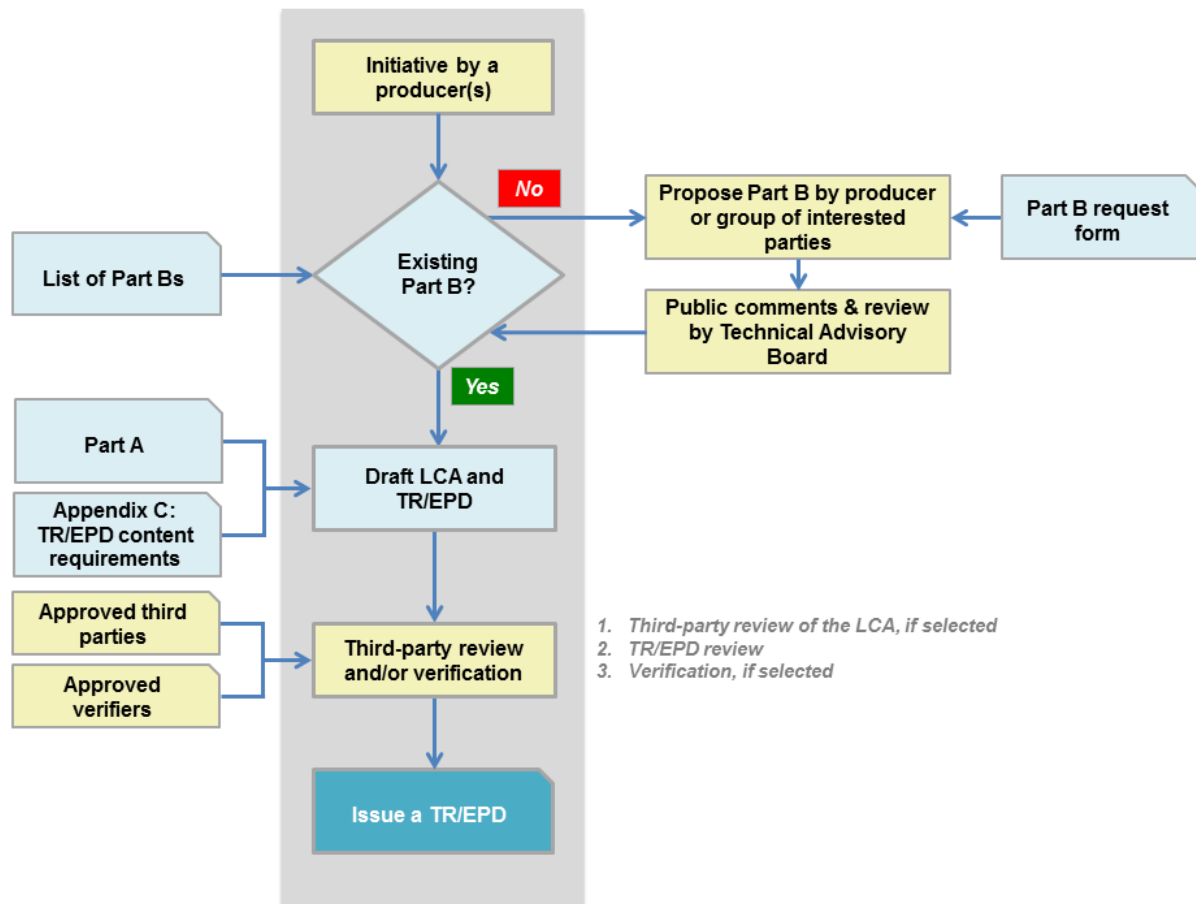
- LCA report: self-declared or third-party reviewed
- TR/EPD: self-declared or third-party verified

NOTE: Self-declared TRs/EPDs are not verified by a third party and shall include the statement that the results have not been verified by a third party to any standard.

Depending on the choice, a reviewer and/or verifier is/are selected from the list of approved third-party verifiers maintained by Sustainable Minds.

After a positive review, the TR/EPD can be created in its final form and issued by Sustainable Minds, published in the Transparency Catalog: <http://www.transparencycatalog.com/>.

Figure 1. Application and creation procedure



10. Fees and resources for program development and operation

As the program operator, Sustainable Minds may seek funding from organizations to support program development and operation activities. Information about the program operation fee can be requested from Sustainable Minds. No participation fees will be charged by Sustainable Minds to interested parties for participation in the development of the framework or for commenting on a draft of the documents of the framework.

11. Procedures to avoid misuse of references to the program and its logo

The general legal requirements for the protection of rights on intellectual property apply. Sustainable Minds and the Sustainable Minds logos are registered trademarks of Sustainable Minds. No manufacturer or person will apply or use the logos in connection with a product or TR/EPD, or represent in any way that the TR/EPD is independently verified by Sustainable Minds, until receipt of written authorization from Sustainable Minds or any of its partners. Sustainable Minds will not be expected to keep track of all

applications of the TRs/EPDs developed under its program. Sustainable Minds may pursue legal recourse if the logo or references of the framework are misused.

12. Periodic review of general program rules

Sustainable Minds will ensure that the general program rules are reviewed at least every five years and updated as needed.

13. Symbols and abbreviations

EPD	Environmental product declaration
ISO	International Organization for Standardization
LCA	Life cycle assessment
LCI	Life cycle inventory
LCIA	Life cycle inventory assessment
PCR	Product category rules
TR	Transparency Report™

14. Terms and definitions

A more comprehensive list of terms and definitions can be found in Part A.

Type III environmental declaration

A claim which indicates the environmental aspects of a product or service. It provides quantified environmental data using predetermined parameters and, where relevant, additional environmental information [ISO 14025:2006]

Program operator

Body or bodies that conduct a Type III environmental declaration program [ISO 14025:2006]

Product category rules (PCR)

Set of specific rules and guidelines for developing Type III environmental declarations for one or more product categories [ISO 14025:2006]

Verification

Confirmation, through the provision of objective evidence, that specified requirements have been fulfilled [ISO 14025:2006]

Comparative assertion

Environmental claim regarding the superiority or equivalence of one product versus a competing product that performs the same function [ISO 14025:2006]

Life cycle

Consecutive and interlinked stages of a product system, from raw material acquisition or generation from natural resources to final disposal [ISO 14025:2006]

15. Reference documents

The following documents are referenced as requirements of these rules:

EN 15804:2012+A1:2013	Sustainability of construction works — Environmental Product Declarations — Core rules for the construction products
ISO 14020:2001	Environmental labels and declarations — General principles
ISO 14025:2006	Environmental labels and declarations — Type III environmental declaration – Principles and procedures
ISO 14040:2006	Environmental management — Life cycle assessment — Principles and framework
ISO 14044:2006	Environmental management — Life cycle assessment — Requirements and guidelines