



April 6, 2020

Dear Valued Customer,

We wanted to check in since our last message with you regarding our auditing approach during the COVID-19 pandemic restrictions.

We are very appreciative to our customers that have agreed to work with us as we launched our remote auditing approach. Prior to knowing how imperative it would be to providing audit services during the pandemic, DQS had identified the need to train our auditors globally in remote auditing techniques. In most parts of the world, the training was completed in Q1 2020, and the auditors were ready to start implementing it on a select basis.

Here in North America, our auditors have eagerly applied this new skill and conducted more than 100 remote audits now. The feedback from both customers and auditors has been positive overall with most wanting to continue with remote auditing for all or a portion of their audits in the future. For office functions, all have rated the remote audit as equally effective or more effective than an onsite audit. For production processes, most of the feedback has been positive. Where improvement was cited, it has been primarily due to needing an improved setup related to using a cellphone or tablet for an extended period. We also have some tips from the initial clients audited that we will be sharing on our website shortly alongside our posted remote auditing video.

DQS has received a few questions related to delays in management system related activities due to COVID-19 impact. I am providing a few answers in this regards:

- Remote Internal audits – If your site is operational or partially operational but unable to conduct the internal audit in person, the use of information and Communications Technology (ICT) for remote auditing may be appropriate. The organization needs to determine the technology to be used, auditor’s knowledge of the technology and what risks there are in auditing specific processes using the technology. The same assessment that we use as a CB per IAF MD 4 can generally be applied.
- Delayed Internal Audits – If the site is not operational or only partially operational and the internal audit could not be conducted as scheduled due to COVID-19 restrictions, the organization can adjust the schedule accordingly with consideration of the status (not operating). Where appropriate, the organization can authorize a deviation to procedures.

Similar logic to the above can be used for other management system activities that are delayed due to COVID-19 restrictions like management review, calibration of instruments, preventive maintenance, etc. The organization can assess the risks considering associated history and use and develop a plan for getting back on track.

We are now scheduling full or partial remote audits through the end of June, as we are uncertain about our return to “normal” and when it will be safe for our customers to accept visitors to the facility. For



those who are prepared, we are happy to move full or partial audits from Q3 into Q2 in order and to conduct remotely. Please let us know if you are interested in this opportunity.

We have also received some questions from current customers about our willingness to conduct remote audits for sister facilities that are certified with a CB that is not conducting remote audits or looking to get certified. DQS Inc. has capacity and interest in helping provided that it is allowed by the program rules for the standard to be transferred. We are unable to do so for IATF and food safety programs other than FAMI-QS due to remote auditing not being allowed at this time. We also have limitations in doing so for AS9100 transfers. If the AS9100 certificate is expiring within 12 months requiring an initial audit, we are not allowed to conduct remote Stage 1 audits at this time. In any case, we will conduct a risk assessment to determine the extent of the audit that can be remote. At least we can help move the organization closer to certification or recertification through a remote audit, even if a portion must be conducted onsite once it is safe.

We continue to monitor any announcements regarding IATF and food safety program rules to see if any allowances for remote auditing is provided. DQS is doing our part in sharing our experience in hopes of a change, but of course must be respectful of the defined industry rules.

DQS continues to wish our customers the best in weathering this pandemic, as you strive to keep your teams safe and healthy.

Kind Regards,

Brad McGuire

President and CEO

DQS Inc.