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**Terms of Contract applicable to the Verification/Validation activities by Control Union Certifications Germany GmbH, hereinafter called “the Company”, 15.07.2024 Version 3**

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**1. General**

1.1 For those items not covered in these Terms of Contract (the “ToC”) the TERMS AND CONDITIONS OF BUSINESS ISO 17029 WITH ISO 14065 (in the form and substance as attached hereto) (hereinafter: the “General Terms”) apply, with the exception of articles 7.6 and 10 thereof.

1.2 The Company’s standard services include completing an objective evaluation and providing a validation or verification statement (hereafter, statement) concerning the responsible Principal’s GHG assertion based on evidence as well as validation and/or verification of greenhouse gas (GHG) assertions.

**2. Offer letter / Offer of contract**

2.1 By signing and returning an offer made by the Company, the Principal enters into a formal agreement with the Company (hereinafter: the “Agreement”, or, alternatively, the “Contract”) on the terms and conditions as specified in such offer letter / offer of contract as well as in all other documents (including these terms of contract) which have been explicitly declared applicable to the Agreement / Contract in the offer letter / offer of contract (together hereinafter: the “Documents”).

**3. Obligations and restrictions of the Principal**

3.1 The Principal must comply with the validation/verification requirements

3.2 The Principal must report any changes or discontinuation of activities within the scope of the contract, which interfere or could potentially interfere with the Principal’s compliance with the requirements as mentioned in the “Documents” or could affect the validity of an issued opinion. Or which could potentially change the scope of the contract immediately to the Company.

3.3 The Principal may not transfer any of its rights or obligations under the Agreement and the Documents to any third party.

3.4 Unless the Principal acts in accordance with the terms of the Agreement and the terms of the Documents, it may not refer to any Document, document or indication such that in the public’s perception, the impression could be created that the products of the Principal were obtained or the units of the Principal are kept according to the terms of the Documents.

3.5 The Principal must, upon request by the Company, withdraw and/or rectify any misleading or incorrect publications, indications or information with regard to its inspected and/or certified activities to the satisfaction of the Company.

3.6 The Principal may never

(i) use a statement granted by the Company for activities for which such statement was not given and

(ii) use a Company issued statement which have not been approved by the Company in accordance with the verification/validation procedures, the requirements of the verification/validation program, and

(iii) if the Principal provides copies of the verification/validation documents to other (third) parties (e.g. government authorities, etc), the documents shall be reproduced in their entirety or as specified in the verification/validation Program.

3.7 The Principal shall refrain from acting in such a way that could potentially affect a Company indication and/or a Company issued statement in a negative way.

3.8 The Principal must inform the Company immediately upon becoming aware of every incorrect and/or unauthorised use of a Company indication and/or any misleading or incorrect publications referring to the Company.

3.9 The Principal shall immediately notify the Company of any complaints or appeals that relate to the scope of the verification/validation report or statement, appropriateness of information and, together with the notification of the complaint, indicate what responsive action has been or will be taken with respect to the complaints, or appeals. Depending on the Company’s evaluation of the validity of the complaints, r appeals, the Company may invoke any and all relevant remedial provisions of this Contract and may consider the complaints or appeals in structuring and conducting further on-site investigations.

**4. Execution of Verification/Validation**

4.1 The Company will perform the verification/validation or will have the verification/validation performed by a third party on her behalf according to the terms of the Documents in order to determine whether the agreed conditions as mentioned in the Documents are being adhered to by the Principal.

4.2 If the Company, in its sole discretion, finds it necessary and reasonable to perform additional Verification/Validation, the additional costs for these extra services shall be for the account of the Principal. These costs shall be based on the fee as agreed upon by and between the Company and the Principal and shall be charged on the basis of real made costs.

4.3 The Principal must make all required arrangements for the performance of the verification/validation activities, including provisions for examining documentation and access to all relevant processes, areas, records, and personnel. This includes, making provisions to accommodate observers, e. g. from accreditation body (where applicable). Additionally, the Principal must provide the Company and any authorities involved with the verification/validation (including, but not limited to accreditation body, program owner) access to all areas, premises and units which fall within the scope of the Agreement and records (including but not limited to information, documentation) for the purpose of evaluation and it must make personnel available for the purpose of resolution of complaints.

4.4 If the Company indicates that the same is required for the purpose of inspection, samples for analysis must be made available by the Principal and must be placed free of charge at the Company's disposal.

#### **5. Verification/Validation statement (hereafter 'statement')**

5.1 If the Principal is granted a statement this shall be valid, provided that:

- (i) no deviations, alterations and/or other changes occur with regards to the system and / or processes assessed on the date they were assessed, such system and / or processes assessed having been granted a validation statement based on that evaluation; and
- (ii) the Agreement has not been terminated due to any reason whatsoever before the validation / verification process was completed.

5.2 Verbal commitments or agreements regarding the statement by or with the Company's personnel performing the verification/validation on the Company's behalf, do not bind the Company in any way. Only upon the taking of a formal written statement decision by the Company, a statement shall be granted by the Company to the Principal.

5.3 The Company statement is granted to the Principal on a non-exclusive basis.

5.4 The Principal's right to use mark/ statement issued by the Principal is contingent on maintaining the compliance with requirements declared within the GHG report as well as with any regulations governing the use of the mark/statement issued by the Principal.

5.5. The Principal shall communicate any facts to the Company that can affect the validity of an issued Statement.

5.6. If new facts or information that could materially affect the Statement are discovered after the issue date, the Company shall:

- a) communicate the matter as soon as practicable to the Principal and, if required, the program owner;
- b) take appropriate action, including the following:
  - i) discuss the matter with the Principal;
  - ii) consider if the Statement requires revision or withdrawal

#### **6. Confidentiality**

6.1 The Company shall take all necessary measures to ensure that all information which has come to its knowledge in connection with the verification/validation. The Information shall be treated as confidential. It shall not disclose the Information to a third party without the prior written consent of the Principal, except to the extent required by law and/or the Documents.

6.2 To gain or maintain confidence in the statement, the company will provide appropriate access to, or disclosure of, non-confidential information about the conclusions of specific evaluation (e.g. evaluation in response to complaints) to specific interested parties.

6.3 The Principal shall take all necessary measures to ensure that all information which has come to its knowledge regarding the method of used by the Company for verification/validation shall be treated as confidential. It shall not disclose any such information to a third party without the prior written consent of the Company, except to the extent required by law and/or the Documents.

#### **7. Indications**

7.1 If the Principal acts in accordance with the provisions of- and meets the requirements as mentioned in the relevant Documents (including but not limited to the relevant Document regarding the use of the Company indication), it may use the relevant Company indication(s), for e.g. marketing purposes which have been approved by the Company and for which the Principal possesses a verification/validation statement.

7.2 The Principal shall immediately stop to refer to the statement  
(i) after the suspension or withdrawal of the statement,

(ii) in the event of any change in the system / process / product not notified and accepted by the Company  
(iii) if the Company modifies the rules of the evaluation and the Principal does not intend to comply (iv), in case of any other circumstance that could adversely affect the evaluation process

7.3 The right to use the Company indication is granted to the Principal on a non-exclusive basis.

7.4 The Principal's right to use the statement issued by the Company is contingent on maintaining the compliance with the requirements declared within the GHG report as well as with the requirements of the Program Standard governing the use of the statement opinion issued by the Company.

7.5 When referring to the statement issued by the Company in media such as documents, brochures or advertising, the Principal shall at all times comply with the requirements imposed by the Company or as specified in the program standard.

7.6 The Principal shall comply with any requirements that may be prescribed in the program standard relating to the use of marks of conformity, and on information related to the statement.

## **8. Amendment of the documents**

8.1 The Company is entitled to unilaterally amend (the terms of) the Documents.

8.2 The Company shall inform duly the Principal in writing about any amendment of the Documents which are relevant to the Agreement, and it shall notify the Principal of the day these amendments to the Documents come into effect.

8.3 In case of an amendment to (the terms of) the Documents as contemplated by Article 8.1 hereof, the Principal agrees to be unconditionally bound to the (revised) terms of these newly revised Documents. The Company and the Principal acknowledge and agree that any such revised terms shall replace the relevant terms of the former Documents as of the day the amendments come into effect.

## **9. Responsibility, liability and indemnification**

9.1 The following clauses of the General Terms shall be deemed as integral parts of these ToC: clause 1, 3, 5, 7, 8, 10, 11.1, 12, 13, 14, 15, 16, 17, 18 and 19.

9.2 The liability of the Company in respect of any claims for loss, damage or expense of whatsoever nature and howsoever arising in respect of any breach of contract and/or any failure to exercise due skill and care by the Company shall in no circumstances exceed a total aggregate sum equal to 10 (ten) times the amount of the fee or commission payable in respect of the specific services required under the particular contract with the Company which gives rise to such claims provided however that the Company shall have no liability in respect of any claims for indirect or consequential loss including loss of profit and/or loss of future business and/or loss of production and/or cancellation of contracts entered into by the Principal. Where the fee or commission payable relates to a number of services and a claim arises in respect of one of those services the fee or commission shall be apportioned for the purposes of this paragraph by reference to the estimated time involved in the performance of each service.

9.3 The Principal shall hold the Company harmless and shall indemnify the Company as a result of damages suffered by the Company due to the Principal not observing the national and international governmental export and import restrictions.

## **10. Fees**

10.1 Unless expressly indicated or agreed otherwise in writing, the prices quoted by or agreed with the Company shall be net prices, therefore exclusive of VAT.

10.2 The Principal must pay a fee based on the number of days needed (including travel days) and the costs (e.g. administration, statements, etc.) required for the verification/validation service. Additional verification/validation which the Company finds reasonable and necessary will be invoiced according to the terms of the relevant Documents.

10.3 Other costs (e.g. travel and boarding costs, subsistence costs, costs for analyses and costs for sending statements by registered mail) will be invoiced directly based on real made costs.

10.4 The Company reserves the right to alter the agreed fee based on (inter)national index figures or the Company policy. The Company will send a notification of a change in the fee structure to the Principal at least three (3) months before the day it comes into effect.

10.5 In case of cancellation of the verification/validation visit by the Principal or by the Company (due to non-payment of the invoice), all costs already made for the verification/validation such as but not limited to costs for flight tickets, visa, vaccinations, etc will in any event be charged to the Principal.

10.6 If the Principal desires amendments or additions to the Agreement regarding the scope of the verification/validation after the Agreement has been executed, the Company shall agree to these amendments

or additions to the extent that it may be reasonably expected to do so. To the extent that the amendments and additions desired by the Principal involve extra costs, the Company shall charge these extra costs to the Principal in their entirety.

**11. Payment**

11.1 In case the Company has not received payment of an invoice sent for a verification/validation two weeks prior to the agreed date for the verification/validation service, the verification/validation service will be cancelled.

11.2 The Principal relinquishes any right to setoff amounts charged by and between parties. Settlement of credit amounts and/or claims with outstanding payments to the Company is explicitly not allowed.

**12. Terms and termination**

12.1 The Agreement shall come into effect on the date the offer letter was signed and returned by the Principal and shall initially remain in force for a period of twelve (12) months following the date of its execution (hereinafter: the "Initial Term"), unless there are other specific terms mentioned in the main offer letter. From the Initial Term onwards, the Agreement shall automatically be extended each calendar year by an additional term of one (1) year, unless terminated in accordance with the provisions of article 12.2.

12.2 Unless expressly provided otherwise in these ToC or, alternatively, in writing between the Company and the Principal, during the Initial Term, the Agreement may not be terminated prematurely. After expiry of the Initial Term, the Agreement may be terminated by either party by way of a written termination notification to the other party, provided that the terminating party shall take into account a notice period of three (3) months.

12.3 The Agreement may be terminated by the Company with immediate effect on grounds of material breach, by giving written notice to the Principal, without having to take any notification period into account, in the following events:

- (i) the Principal has acted contrary to terms of the Agreement and/or the terms of the Documents;
- (ii) the Principal misuses the statement obtained from the Company in any way;
- (iii) the Principal has entered into bankruptcy or if a filing for its bankruptcy has been requested or if it has been granted a suspension of payments;
- (iv) the Principal fails to pay any amount it owes to the Company within one month after the expiration of the payment deadline; or
- (v) the Principal damages the Company's name, reputation or business in any way.

12.4 In case of termination of the Agreement for whatever reason:

- (i) the Principal shall return the statement by registered mail to the Company within one week after the termination of the Agreement;
- (ii) all rights of the Principal resulting from the Agreement shall terminate with immediate effect, including all participating sides to this agreement / of the Principal;
- (iii) the Company shall not be obliged to refund the fee which has already been paid by the Principal;
- (iv) the Company shall be obliged to maintain secrecy regarding the Information to the extent possible, except to the extent it must disclose such Information as required by law or by the terms of the Documents;
- (vi) the Principal may no longer use the Company indications and/or statements, shall withdraw these indications and/or statements, and shall inform the Company about this.

**13. Appeals**

13.1 The Principal may appeal in writing in relation to the decisions taken by the Company (e.g. for failure to issue the verification/validation statement).

13.2 Appeals must be received by the Company within 6 (six) weeks after the decision of verification/validation statement.

13.3 Only written appeal in the English or the German language, addressed to the Company's office in Germany, will be handled.

13.4 The Company shall handle the appeal and inform the Principal in writing in the German (or when appropriate in the English) language of the decision concerning the appeal together with a motivation within 3 (three) months after receipt of the appeal.

**14. Disputes, applicable law and (extra) judicial costs**

14.1 All disputes existing between parties shall be heard exclusively by the competent Court in The Netherlands, unless the Company prefers another international competent court.

14.2 All agreements between the Company and the Principal are subject to Dutch law.

14.3 All judicial and extra judicial costs incurred by the Company because payment of an invoice was not made (in good time), shall be paid by the Principal. The extra judicial costs are deemed to amount to at least 15% of the amount which is claimed.