

# GENERAL TERMS AND CONDITIONS FOR GREENHOUSE GAS VALIDATION AND VERIFICATION SERVICES : ISO 14064-1

## INTRODUCTION AND SCOPE

SGS Thailand Limited ("SGS Thailand"), a member of the SGS International Group, operates as an accredited Validation and Verification Body (VVB) for management systems against internationally recognized standards. The SGS Group maintains global operations with multiple accredited Verification bodies, with a complete list of accreditations and related sectors available upon request.

SGS maintains fundamental principles throughout all validation and Verification activities, ensuring relevance, completeness, consistency, accuracy, transparency, conservativeness, independence, ethical conduct, fair presentation, due professional care, impartiality, competence, factual decision-making, openness, and confidentiality as outlined in Part 1.

SGS Thailand delivers comprehensive Verification services for mandatory and voluntary requirements, encompassing both service and product Verification. The company also functions as an environmental verifier under ISO 17029, ISO 14065, and ISO 14066 standards. All services are provided in compliance with the General Conditions for Verification Services detailed in Part 2.

For voluntary greenhouse gas (GHG) inventories verification, SGS Thailand specializes in verifying organizational GHG declarations developed according to ISO 14064-1:2018 requirements, with verification processes conducted under ISO 14064-3:2019 standards. The primary objective of these GHG validation and verification activities is to provide stakeholder confidence in GHG assertions.

SGS conducts all GHG validation and verification business in accordance with the ISO 14064 series and other applicable GHG schemes and programs, following ISO 14065 requirements. The complete GHG verification process is detailed in the Regulations for GHG Validation and Verification Process.

## DEFINITIONS

"GHG statement/ GHG declaration": declaration provided by an interested party (organization) on GHGs related to the organization's activities.

"GHG report": document that presents the boundaries, methodologies, calculation and quantification models of the organization's GHGs which are presented in the GHG declaration.

"Organization": person or group of persons that has its own functions with responsibilities, authorities and relationships to achieve its objectives.

"Validation and Verification Body (VVB)": any SGS company having the authorization to issue Verification Statements and/or verification statement.

"Non-conformities": non-fulfilment of a requirement. (for example: material misstatement or omissions).

"Verification statement": document issued by the Validation and Verification Body (VVB) containing an opinion on the organization GHG Declaration.

"Opinion": Validation and Verification Body (VVB) written declaration on organization GHG Declaration conformity to ISO 14064-1 requirements and on the absence of material misstatements or omissions or misrepresentations that may affect the validity of the GHG declaration.

"Level of assurance": degree of confidence that is required for the verification activities. The level of assurance (limited or reasonable) is used to define the degree of detail that the verifier uses in its verification plan to define if there are material misstatements, omissions or misrepresentations.

"Misstatement": errors, omissions, misreporting or misrepresentations in the GHG declaration and related to GHG quantification.

"Material misstatement": errors, omissions, misreporting or misrepresentations in the GHG report errors that do not allow validation of the declared results.

## 1.PART 1:

### TECHNICAL CONDITIONS FOR VERIFICATION SERVICES

#### 1.1 GENERAL REQUIREMENTS

1.1.1 This document regulates the Verification services provided by SGS Thailand. The Organization is contractually bound to comply with the requirements set out therein. The Code of Practice is applied with independence and impartiality to all organizations that apply or have access to SGS Thailand Verification Services.

1.1.2 Organizations are therefore committed to supply SGS with all the documents defining the system and its implementation; co-operate as is necessary during all Verification activities, by providing access to all information, staff and areas of the premises, as deemed necessary by the audit team to evaluate the conformity to the applicable standard; identify its own Representative to support the audit team and ensure that the consultant of the Organization assisting to the audit maintains the role of observer.

#### 1.2 SCOPE AND ORGANIZATIONAL STRUCTURE

1.2.1 These technical conditions apply to the Verification activities specified in points 2.3.1 g) of the General Conditions that follow (see Part 2).

1.2.2 A copy of the organization chart of the Validation and Verification Body (VVB), showing the responsibility and reporting structure of the organization, and documentation identifying the legal status of the Validation and Verification Body (VVB) are available on request.

Verification Services are provided by SGS Thailand's direct staff or, at its discretion, SGS Group Affiliates (generally for activities abroad) or by other external resources according to agreed requirements. In any case, SGS Thailand still holds full responsibility for issuing, maintaining, suspending or withdrawing the verification statement.

#### 1.3 CONFIDENTIALITY

1.3.1 SGS Thailand ensures that all confidential information gathered during Verification activities is kept strictly confidential at all levels of its structure. No information will be disclosed to any third party unless in response to legal process or required by an accreditation

body as part of the accreditation process or with written authorization from the Organization concerned.

The client's name, location, scope of Verification and contact numbers may be entered into dedicated directories.

1.3.2 SGS Thailand will deal with the data that will be provided or to which it has access, in compliance with Thailand Personal Data Protection Act B.E. 2562 (2019) ("PDPA"), in electronic or paper form, for the sole purpose of fulfilling the requested service; the data controller for processing the data and information is SGS Thailand Co., Ltd., at its registered office, to which the Organization may apply for the exercise of the rights referred to in Thailand Personal Data Protection Act B.E. 2562 (2019) ("PDPA")

## 1.4 APPLICATION FOR VERIFICATION

1.4.1. Upon receipt of a completed Questionnaire submitted to the Organization by SGS Thailand, the Validation and Verification Body (VVB) sends a proposal to the Client outlining scope and costs of the services together with an Application for Verification. The proposal is complemented by this Code of Practice.

For specific Verification schemes and / or industry sectors, regulatory requirements for Verification can be supplemented by specific Technical Regulations (RT) or Circular letters issued by the Accreditation Body.

1.4.2. Once the Application is returned, together with any due copy of relevant documentation, SGS Thailand shall send the confirmation order to the Organization which formalize the contractual terms and conditions. The project is then assigned to SGS Thailand staff responsible for ensuring the delivery of the service in accordance with SGS Thailand procedures. The names of the staff involved in the individual inspection activities are communicated in advance to the Organization; any motivated objections by the Organization shall be immediately notified to SGS Thailand.

## 1.5 INITIAL VERIFICATION AUDIT

1.5.1 The initial audit is conducted under the responsibility of a Lead Verifier of SGS Thailand in accordance with the audit plan sent in advance to the Organization, which details the audit objectives and procedures. For each audit, two meetings are held: an opening meeting (where the Lead Verifier presents all the key aspects of the audit: the evaluation procedure, the classification of non-conformities and subsequent corrective actions, the confirmation of the Audit Group confidentiality commitment, etc.) and a

closing meeting (where the outcome of the audit is communicated and any clarification on the results registered in the audit report is provided, including information on procedures and deadlines to close non-conformities).

1.5.2 The initial audit of GHG statement verification is conducted in two Stages:

### 1. Stage 1: Document review (at SGS offices or on site upon approval by SGS Technical Staff)

The organization makes the following documents available to SGS Thailand:

- Copy of the GHG report (s) and GHG statement to be verified.
- Screenshot of the calculation model (main processes);
- GHG information management procedure (s) (8.1.1, ISO 14064-1).

At the end of stage 1 an audit report is issued in which the audit team expresses an evaluation of the existence of the minimum conditions for the execution of the next stage 2. Once the document review is done, if properly justified, the Lead Verifier may ask for a temporal extension of the verification activity of stage 2. The maximum time extension is listed in the contract.

### 2. Stage 2: Verification (on-site audit).

The Organization makes the following documents available to SGS Thailand:

- All documentary evidence supporting the data used in GHG quantification;
- Calculation model (on software or any other adopted tool);
- Possible updates of GHG report, GHG statement and/or GHG management procedure (s) (8.1.1, ISO 14064-1) performed after stage 1.

At the end of stage 2 an audit report is issued in which the audit team recommends or not release the verification statement.

Based on the verification of these documents, SGS Thailand assesses whether the requirements of the reference standard are taken into consideration (stage 1) and adequately met (stage 2).

1.5.3 If SGS Thailand deems that not all the requirements are met or that material errors are present, non-conformities are issued and are communicated (see paragraph 1.6) to the Organization during the closing meeting and formalized in the Audit Report. If any non-conformities are reported, the Organization undertakes to respond in the manner and within the time frame indicated in the audit report.

1.5.4 Following the positive conclusion

of the verification process the Lead Verifier sends the audit pack, including all the documents analyzed and produced, to SGS Thailand to be submitted to the internal technical review. Following a positive technical review, a verification statement will be issued confirming the reliability and compliance of the GHG statement with reference standards.

1.5.5 SGS Thailand and the Organization have the following responsibilities:

- SGS Thailand coordinates audits with the organization, prepares an audit program and performs the audit activities.
- The organization must provide SGS Thailand with the documents needed for the verification

## 1.6 NON-CONFORMITIES AND CORRECTIVE ACTIONS

1.6.1 Non-conformities to the applicable standard requirements or due to material errors are classified as major. The Organization shall provide to SGS Thailand, within the timing specified in the audit reports, the related causes and corrective actions planned or taken to close the non-conformities within a set timeframe; SGS Thailand will subsequently verify its implementation and effectiveness.

1.6.2 If non-conformities are raised, Verification is subject to Verification of the positive implementation of corrective actions by the Organization, generally conducted by an additional audit (see paragraph 1.11).

1.6.3 Failure to implement corrective actions within the specified times may result in the interruption of the Verification process and the need to repeat the initial audit entirely.

## 1.7 ISSUANCE AND VALIDITY OF THE VERIFICATION STATEMENT

1.7.1 When SGS Thailand, through its internal technical reviewers, accepts the positive evaluation given by the audit team, the Organization receives a report containing the verification statement. Otherwise, SGS Thailand notifies the Organization of the decisions taken and the actions to be implemented. The verification statement is sent to the organization by e-mail (scan) or ordinary post.

1.7.2 The GHG verification statement is made by a main section containing the following minimum contents:

- The name of the organization.
- The activity of the organization.
- The temporal boundaries.
- Production sites included in the study.
- Reference to the GHG report and the GHG statement.
- Result of GHG emissions.

- The applicable standard and by a technical annex containing additional information such as, for example, the level of guarantee applied.

1.7.3 The verification statement does not expire. It contains an opinion about the correctness of the organization's GHG statement and GHG report referred to the reporting period under verification. In the event of a change in the reference year, a new verification process must be carried out, following which a new verification statement will be issued.

1.7.4 The verification statement issued shall remain property of SGS Thailand and the Organization shall send it back to the Validation and Verification Body (VVB) in case it is changed or cancelled. The Organization's right to use mark/verification statement issued by SGS Thailand is contingent on maintaining the compliance with requirements declared within the GHG report as well as with any regulations governing the use of the Verification mark/Verification Statement or opinion issued by SGS Thailand.

1.7.5 The Verification statement released by SGS Thailand is issued in English and Thai; Verification statement in a different language can be issued on request and according to the terms and conditions expressed in the proposal

## 1.8 FACTS DISCOVERED AFTER ISSUANCE OF VERIFICATION STATEMENT

1.8.1 Post-Issuance Discovery Process: If new facts or information that could materially affect the verification statement are discovered after the issue date, SGS Thailand shall:

- Communicate the matter as soon as practicable to the client and, if required, the programme owner;
- Take appropriate action, including the following:
  - Discuss the matter with the Client;
  - Consider if the verification statement requires revision or withdrawal.

1.8.2 Verification Statement Revision: If the verification statement requires revision, SGS Thailand shall implement processes to issue a new statement including specification of the reasons for the revision. These processes can include repeating relevant steps of the validation/verification process.

1.8.3 Communication to Interested Parties:

SGS Thailand may also communicate to other interested parties the fact that reliance on the original statement can now be compromised given the new facts or information.

1.8.4 Client Obligations for Post-Issuance Discoveries:

The Organization shall promptly notify SGS Thailand of any new facts or

information that come to its attention after the issuance of the verification statement that could materially affect the verification opinion, including but not limited to:

- Discovery of errors in the original GHG data or calculations
- Changes in methodologies that affect the reported period
- Identification of previously unknown emission sources
- Corrections to activity data or emission factors
- Any other material information that could impact the accuracy of the verified GHG statement

## 1.8.5 Timeline for Response

Upon notification of new facts or information, SGS Thailand will:

- Acknowledge receipt within 5 working days
- Complete initial assessment within 15 working days
- Communicate preliminary findings and proposed actions to the client within 20 working days
- Complete any required revision process within agreed timeframes based on the complexity of the matter

## 1.9 REGISTRATION OF THE VERIFICATION STATEMENT

1.9.1 Verification statement issued by SGS Thailand are reported in a register updated at least once every year

1.9.2 Any request on state of validity/truthfulness of the verification statements may be requested using the fax number inserted into the verification statement

## 1.10 USE OF THE VERIFICATION STATEMENT

1.10.1 The Organization may reference the verification statement in publications, correspondence, and business materials, provided such use aligns with the verification's purpose and scope of activities.

1.10.2 SGS retains full copyright ownership of all verification documents and reports. The client is prohibited from altering or misrepresenting any content within these documents.

1.10.3 Usage conditions for the SGS verification statement are governed by this code of practice.

1.10.4 The Organization must immediately cease using the verification statement upon:

- suspension or withdrawal of verification,
- unauthorized system, process, or product changes not approved by SGS Thailand, (iii) non-compliance with modified verification scheme rules, or (iv) circumstances that compromise the verification process.

1.10.5 Misuse of the verification statement may result in corrective action requirements, verification suspension or withdrawal, legal

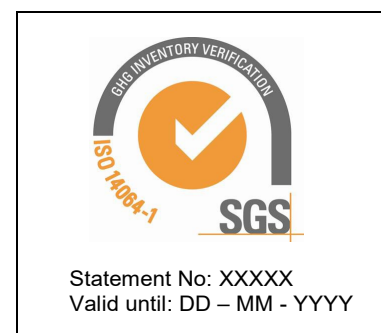
proceedings, and/or public disclosure of violations.

## 1.11 SGS LOGO AND MARK USAGE GUIDELINES

The Organization may use the SGS logo and verification mark subject to the following conditions:

- Authorized Use Only:** The SGS logo and verification mark may only be used in direct association with the verified GHG statement and within the scope of the verification issued.
- Communication Media:** When used on the Organization's communication media (advertisements, websites, brochures, promotional materials), the SGS logo must:
  - Create no confusion between verified and non-verified activities
  - Be used only where relevant to the scope of GHG verification
  - Include proper reference to the verification statement number and validity period
- Prohibited Uses:** The Organization shall not:
  - Use the SGS logo on test reports, calibration Verification Statements, or Verification Statements of analysis not related to the GHG verification
  - Alter, modify, or misrepresent the SGS logo in any way
  - Register or attempt to register the SGS logo or any imitation
  - Use the SGS logo in a manner that implies SGS endorsement of products or services beyond the verified GHG statement

Example SGS Verification Mark use





## 1.12 ADDITIONAL AUDITS

1.12.1 SGS Thailand reserves the right to perform additional audits, notifying the Organization in writing; for example, to verify the implementation of corrective actions, to address any requests that have arisen when the verification statement was being issued, to revoke a suspension of the verification statement, on receipt of whistleblowing, reporting serious problems or complaints related to the Organization's activities verified within the reference period or if facts

or new information emerge that could materially affect the verification opinion. In conclusion of the audit, the Organization receives the audit report.

1.12.2 Any refusal of these audits by the Organization leads automatically to the initiation of the suspension and / or withdrawal process of the verification statement or interruption of the initial verification.

## 1.13 CANCELLATION OF VERIFICATION STATEMENT

1.13.1 The cancellation of the verification statement can be due to its withdrawal by SGS Thailand or can be requested by the Organization.

1.13.2 SGS Thailand may cancel the verification statement for reasons deemed to be of significant concern and providing an explanation in writing to the Organization. This can occur when

(i) the Organization fails to comply with SGS Thailand's terms for revoking the suspension of the verification statement,

(ii) the Organization fails to pay the amounts due to SGS Thailand required by this or other contracts with SGS Thailand,

(iii) SGS Thailand modifies the rules of its verification scheme, and the Organization does not intend to comply with the new requirements,

(iv) the Organization violates the agreements entered into with SGS Thailand or the Organization itself requests formally,

(v) the Organization does not accept changes to the economic conditions.

1.13.3 The cancellation of the verification statement shall be officially notified to the Organization by e-mail, fax or other equivalent means.

1.13.4 If, after the cancellation of the verification statement, the Organization continues to refer to it in any way, SGS Thailand will be free to protect itself in the most appropriate manner. In case of withdrawal, no reimbursement of any expenses related to the audit work already completed by SGS Thailand will be provided.

## 1.14 CHANGES TO THE VERIFICATION SCHEME

If substantial changes to the rules / requirements of the verification scheme are made, SGS Thailand informs the Client Organizations and considers the observations submitted by them. SGS Thailand shall specify the date when the changes come into force and any corrective action required and the time allowed for their implementation (if necessary).

## 1.15 CHANGES TO THE SYSTEM/PROCESS VERIFIED

1.15.1 The Organization shall communicate in writing to the Validation and Verification Body (VVB) any changes to the information contained in the GHG report for the reporting period that may affect compliance with standards, legally binding requirements or regulations. The Validation and Verification Body (VVB) will determine whether the changes so notified will require further evaluations. Failure to notify the Validation and Verification Body (VVB) of any intended modifications may result in the suspension of the verification statement.

1.15.2 The Organization shall promptly notify SGS of the following types of significant changes:

- Correction or modifications to the information contained in the GHG report.
- issues that may compromise the validity of the verification statement

The Organization shall give to the revised GHG report a new version number to indicate the changes made.

1.15.3 The Organization will have to accept the resolutions of SGS Thailand, justified in writing, about the possible need for an additional audit or a complete repetition of the verification process. SGS Thailand informs the Organization of its decisions within 30 working days from the receipt of the notification of the proposed modifications.

## 1.16 COMPLAINTS, APPEALS AND LITIGATION

1.16.1 Written complaints may be submitted to SGS Thailand by its Client Organizations (e.g. regarding staff behavior) or by Customers of verified Organizations, other interested parties, etc.

1.16.2 The Organization that uses the verification services provided by SGS Thailand has the right to appeal in writing in relation to the decisions taken by SGS Thailand (e.g. for failure to issue the verification statement).

1.16.3 In the presence of complaints or appeals, SGS Thailand confirms in writing their receipt. Then, in compliance with its internal procedure, it undertakes

to evaluate them with independent and qualified staff to reach a decision and provide a reply within 30 days of receipt of the complaint or appeal.

## 1.17 REPORTS AND VERIFICATION STATEMENT (INTELLECTUAL PROPERTY)

1.17.1 The Client shall only communicate verification statement entirely. The Client may not reproduce or publish extracts of any verification statement if the name of SGS appears in any way. The Client shall not disclose details of the way in which SGS performs, conducts or executes its operations. SGS reserves its rights to take all appropriate legal measure for any breach of this clause

1.17.2 Any document, including any report or verification statement, provided by SGS Thailand and the copyright therein contained remains the property of SGS Thailand and the Organization shall not alter its content in any way nor make misleading claims.

1.17.3 The Organization will only be authorized to make copies for internal use only. Duplicates of verification statement are available upon request.

## 2 PART 2:

### GENERAL CONDITIONS FOR VERIFICATION SERVICES

#### 2.1 SCOPE

2.1.1 Unless otherwise agreed in writing, all offers or services and all resulting contractual relationship(s) between SGS Thailand Co., Ltd. (the "Validation and Verification Body (VVB)") to any person applying for Verification services (the "Client") shall be governed by these General Conditions.

2.1.2 These General Conditions, the Proposal, the Application, the Codes of Practice, the SGS Verification Marks License Terms and Conditions constitute the entire agreement (the "Contract") between the Client and SGS Thailand Co., Ltd. with respect to the subject matter hereof. Unless otherwise agreed no variation to the Contract shall be valid unless it is in writing and signed by or on behalf of the Client and SGS Thailand Co., Ltd.

2.1.3 Verification Statement are issued to the Client by SGS Thailand Co., Ltd. in accordance with the Codes of Practice then in force of the relevant Validation and Verification Body (VVB). A copy of such Codes of Practice is provided with the Contract and can be amended even after the commencement of the Services.

2.1.4 The Company reserves the right to modify the Regulations even when the service has started.

#### 2.2 GLOSSARY

"Accreditation Body": any organization (whether public or private) having the authorization to appoint Verification Bodies.

"Application": the request for services by a Client;

"Codes of Practice": those codes of practice issued by a Verification Body in accordance with the relevant Verification scheme;

"Proposal": the outline of services to be rendered by SGS to the Client;

#### 2.3 SERVICES

2.3.1 These General Conditions apply to the following services ("the Services"):

- a. System Verification services: quality, environmental, safety, health and other management system Verification in accordance with international or national standards.
- b. Product/Service Verification services in accordance with nonmandatory normative documents, specifications or technical regulations and / or technical documents of the Client approved by the Validation and Verification Body (VVB).
- c. Second party audit, preliminary audit, training courses on management

systems and connected activities.

d. Environmental Product Declaration (EPD) Verification and EPD Process Verification in accordance with the applicable standards.

e. Product carbon footprint CFP or Organization carbon footprint CFP Verification in accordance with applicable standards.

f. Verification of a. Thailand Voluntary Emission Reduction Program (T-VER)

g. GHG statement verification in accordance with applicable standards.

2.3.2 On completion of an assessment program, SGS will prepare and submit a Report to the Client.

Any recommendation given in a Verification Report is not binding on the Validation and Verification Body (VVB) and the decision to issue a Verification statement is at the sole discretion of the Validation and Verification Body (VVB).

2.3.3 The Client acknowledges that SGS, either by entering into the Contract or by providing the Services, neither takes the place of Client or any third party, nor releases them from any of their obligations, nor otherwise assumes, abridges, abrogates or undertakes to discharge any duty of Client to any third party or that of any third party to Client.

2.3.4 The release of statement withdrawal or cancellation shall be in accordance with the applicable Codes of Practice in force.

SGS may delegate performance of all or part of the Services to an agent or a subcontractor and Client authorize SGS to disclose all information necessary for such performance to the agent or subcontractor.

#### 2.4 OBLIGATIONS OF THE CLIENT

2.4.1 The Client shall ensure that access to facilities is made available to SGS Verifiers (including observers) when required, and, upon request by SGS, to the Accreditation body personnel

2.4.2 The Client should also provide SGS with access to all product samples, information, records, documentation and facilities requested and provide the assistance of properly qualified, briefed and authorized personnel of the Client. The Client shall in addition provide SGS free of charge suitable space for drafting the audit reports and conducting meetings.

2.4.3 The Client must comply with SGS Thailand's GHG validation/verification programme. This includes adherence to ISO 14064-1 for GHG reporting and ISO 14064-3 for verification, as well as SGS's technical procedures, data quality requirements, and materiality thresholds. Clients must maintain documented GHG management procedures, ensure accurate reporting, and retain all relevant records—including models, emission factors, and supporting data for a minimum of one years

with clear version control. Active participation in the verification process is required, including both Stage 1 (document review) and Stage 2 (on-site) audits.

In the event that during the verification process there is a need for Verification on the Client's suppliers/outsourcers for inquiries related to the scope of the verification requested (e.g, examination of outsourced processes), the Client must ensure access to Premises of its Suppliers to the Company's Verifiers and, where required, the Accreditation Body.

So far as it is permitted by law, the Client acknowledges that, it has not been induced to enter into the Contract in reliance upon, nor has it been given, any warranty, representation, statement, assurance, covenant, agreement, undertaking, indemnity or commitment of any nature whatsoever other than as are expressly set out in these General Conditions and, to the extent that it has been it unconditionally and irrevocably waives any claims, rights or remedies which it might otherwise have had in relation thereto. Any conditions or stipulations included in the Client standard form documents which are inconsistent with, or which purport to modify or add to, these General Conditions shall have no effect unless expressly accepted in writing by SGS.

The Client shall take all necessary steps to eliminate or remedy any obstacles to or interruptions in the performance of the Services.

2.4.4 In order to allow SGS to comply with the applicable health and safety legislation the Client shall provide SGS with all available information regarding known or potential hazards likely to be encountered by SGS personnel during their visits. SGS shall take all reasonable steps ensure that whilst on the Client's premises, its personnel comply with all health and safety regulations of the Client, provided that the Client makes SGS aware of the same.

2.4.5 The Client undertakes to conform and maintain its products and / or services in compliance with all applicable legal and binding requirements (such as Directives, Laws, Regulations).

2.4.6 The Client undertakes to promptly notify SGS of:

- all non-compliant situations detected by the Control Authorities, as well as any suspensions or revocations of permits, concessions, etc. Relating to the products / services associated with the Verification statement issued;
- any ongoing judicial and / or administrative proceedings concerning the scope of the Verification and keep SGS informed of any further development in these proceedings.

2.4.7 SGS maintains ongoing oversight through periodic additional audits and follows established procedures for

addressing non-compliance, which may include temporary hold measures or modification of the Verification Statement as circumstances require

2.4.8 The Client may only reproduce or publish extracts of any report of SGS if the name of SGS does not appear in any way or the Client has obtained the prior written authorization of SGS.

SGS reserves its rights to lodge a complaint in case of disclosure in breach of this clause or disclosure which SGS considers in its sole discretion is abusive.

The Client shall not publicize details of the way in which SGS performs, conducts or executes its operations. Any breach of this obligation to inform may lead to the withdrawal of the verification statement.

The Client undertakes to ensure the completeness and veracity of the documents and information made available to the SGS Verifiers. SGS is explicitly exonerated from any liability in case of failure or incomplete communication of data, as well as in case they do not correspond to the actual business situation.

## 2.5 FEES AND PAYMENT

2.5.1 The fees quoted to the Client cover all stages leading to completion of the assessment program or operations and the submission of a Report included the issuance of the verification statement. As fees are based on the charge rate applicable at the time of submitting a Proposal, SGS reserves the right to increase charges during the registration period. SGS may also increase its fees if the Client's instructions change or are found to be not in accordance with the initial details supplied to SGS prior to it providing the relevant fee quotation. Clients will be notified of any increase in fees.

2.5.2 Additional fees shall be charged for operations that are not included in the Proposal and for work required due to non-conformities being identified. These will include, without limitation, costs resulting from:

- a. repeats of any part, or all, of the assessment program or operations due to the registration procedures and rules not being met;
- b. additional work due to withdrawal and / or reinstatement of a verification statement;
- c. compliance with any subpoena for documents or testimony relating to work performed by SGS.

2.5.3 Additional fees will be payable at SGS' charging rates for rush orders, cancellations, or rescheduling of services. For postponements with less than fifteen (15) working days' notice, SGS Thailand will charge 50% of the contractual fee; for those with less than thirty (30) days' notice, SGS reserves the right to invoice one man-day at current rates or 50% of service value for services exceeding 50,000 Baht. A copy of the current rates applied by

SGS may be made available at the request of the Client.

2.5.4 Unless otherwise stated, all fees do not include travel and accommodation costs (which will be charged to the Client in accordance with SGS Travel Expense Policy). All fees and additional charges are exclusive of any applicable Value Added Tax, Sales Tax or similar tax in the country concerned.

2.5.5 Following submission of the Report to the client and / or issuance of the verification statement, SGS shall issue an invoice to the Client, in accordance to the Proposal signed by the Client. Invoices for additional and further work will be issued on completion of the relevant task. Unless advance payment has been agreed upon, all invoices are payable within thirty (30) days of the date of each invoice (the "Due Date") regardless of whether the Client's system or products qualify for Verification or fail.

2.5.6 Any use by the Client of any Report or verification statement or the information contained therein is conditional upon the timely payment of all fees and charges. In addition to the remedies set out in the Codes of Practice, SGS reserves the right to cease or suspend all work and / or cause the withdrawal of any verification statement for a Client who fails duly to pay an invoice, even those related to a different contract between SGS and the Client or related companies.

2.5.7 In the event of non-payment by the Client of invoices relating to another contract in force between SGS and the Client, or its parent companies, whether controlled or otherwise affiliated to SGS, the latter may also suspend or interrupt any further ongoing business activities for such other existing contracts and / or withdraw these other relevant verification statements.

2.5.8 For late payment of invoices, SGS will be entitled to the payment of interests due by law.

SGS may elect to bring action for the collection of unpaid fees in any court having competent jurisdiction.

2.5.9 The Client shall pay all SGS' collection costs including reasonable attorney's fees and related costs.

## 2.6 ARCHIVAL STORAGE

2.6.1 SGS shall retain in its archive for the period required by the relevant Accreditation Body or by law in the country of the Validation and Verification Body (VVB), all materials relating to the assessment program.

2.6.2 At the end of the retention period, the Validation and Verification Body (VVB) shall transfer, retain or dispose of the materials at its discretion, unless instructed otherwise by the Client. Fees for carrying out such instructions may be invoiced to the Client.

## 2.7 REPORT AND VERIFICATION STATEMENT ON OWNERSHIP AND INTELLECTUAL PROPERTY

2.7.1 Any document including but not limited to any Report or any verification statement, provided by SGS and the copyright contained therein shall be and remain the property of SGS and the Client shall not alter or misrepresent the contents of such documents in any way.

2.7.2 The Client shall be entitled to make copies for its internal purposes only. Duplicates of Verification Statements are available upon request for external communication purposes.

## 2.8 COMMUNICATION

2.8.1 The Client may promote its assessment in accordance with the terms set out in the Regulations governing the use of the Verification marks. Use of SGS corporate name or any other registered trademarks for advertising purposes is not permitted without SGS' prior written consent.

## 2.9 CONFIDENTIALITY

2.9.1 As used herein, "Confidential Information" shall mean any oral or written proprietary information that a party may acquire from the other party pursuant to the Contract or information as to the business of the other party provided, however, that Confidential Information shall not include any information which (1) was available to the receiving party on a non-confidential basis prior to the time of its disclosure by the disclosing party; (2) is or hereafter becomes generally known to the public, not because of the receiving party; (3) is disclosed to a party by an independent third party with a right to make such disclosure.

2.9.2 Unless required by law or by a judicial, government or other regulatory body, neither party nor their agents or subcontractors shall use the Confidential Information other than for the purpose of the Contract nor disclose the other's Confidential Information to any person or entity without the prior written approval of the other party except as expressly provided for herein.

## 2.10 DURATION AND WITHDRAWAL

2.10.1 Unless otherwise agreed, the Contract shall continue (subject to the termination rights set out in these General Conditions) for the term set forth in the Proposal (the "Initial Term").

2.10.2 SGS is entitled, at any time prior to the issue of a verification statement, to terminate the Contract if the Client is in material breach of its obligations and, following receipt of notice of such breach, the Client fails to remedy to the satisfaction of SGS such breach within 30 days.

2.10.3 Either party shall be entitled to terminate immediately the provision of the Services in the event of any



arrangement with creditors, bankruptcy, insolvency, receivership or cessation of business by the other Party.

2.10.4 Transfers of GHG verification statement between the customer and other organization are not permitted.

## 2.11 FORCE MAJEURE

2.11.1 If SGS Thailand is prevented from performing or completing any service for which the Contract has been made by reason of any cause whatsoever outside of the Validation and Verification Body (VVB)'s control, including, but not limited to, acts of god, war, terrorist activity or industrial action; failure to obtain permits, licenses or registrations; illness, death or resignation of personnel or failure by Client to comply with any of its obligations under the Contract, the Client will pay to SGS:

- a. the amount of all expenditures made or incurred;
- b. a proportion of the agreed fees equal to the proportion (if any) of the service carried out;

SGS Thailand shall be relieved of all responsibility whatsoever for the partial or total non-performance of the required Services.

## 2.12 LIMITATION OF LIABILITY AND INDEMNITY

2.12.1 SGS undertakes to perform the services with care and due diligence. The Company will be held responsible only in the event of serious negligence.

2.12.2 Nothing in these General Conditions shall exclude or limit SGS' liability to the Client for death or personal injury or for fraud or any other matter resulting from SGS' negligence for which it would be illegal to exclude or limit its liability.

2.12.3 Given the above 2.12.2, the liability of SGS to the Client in respect of any claim for losses, damages or expenses of any nature and howsoever arising shall be limited, in respect of any one event or series of connected events, to an amount equal to the fees paid to SGS under the Contract (excluding Value Added Tax thereon).

2.12.4 Given the above 2.12.2, SGS shall have no liability to the Client for claim for losses, damages or expenses if arbitral proceedings are commenced within one year after the date of the performance by SGS of the service which gives rise to the claim or in the event of any alleged non-performance within one year of the date when such service should have been completed.

2.12.5 Given the above 2.12.2, SGS shall not be liable to the Client nor to any third party:

- a. for any loss, damage or expense arising from (I) a failure by Client to

comply with any of its obligations herein (II) any actions taken or not taken on the basis of the Reports or the Verification Statements; and (III) any incorrect results, Reports or Verification Statements arising from unclear, erroneous, incomplete, misleading or false information provided to SGS;

- b. for loss of profits, loss of production, loss of business or costs incurred from business interruption, loss of revenue, loss of opportunity, loss of contracts, loss of expectation, loss of use, loss of goodwill or damage to reputation, loss of anticipated savings, cost or expenses incurred in relation to making product recall, cost or expenses incurred in mitigating loss and loss or damage arising from the claims of any third party (including without limitation product liability claims) that may be suffered by the Client;
- c. any indirect or consequential loss or damage of any kind (whether or not falling within the types of loss or damage identified in (b) above).

2.12.6 Except for cases of proven negligence or fraud by SGS, the Client further agrees to hold harmless and indemnify SGS and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising in relation to the performance or non-performance of whichever Service.

2.12.7 Each party shall sign up adequate insurance to cover its liabilities under the Contract.

## 2.13 MISCELLANEOUS

2.13.1 If any one or more provisions of these General Conditions are found to be illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

2.13.2 During the provision of services and for a period of one year after their completion, the Client undertakes, directly or indirectly, not to instigate and / or encourage the employees of SGS to leave their employment, or to make offers in that sense.

2.13.3 Use of the Company's name or registered trademark information is not permitted without the prior written consent of the Company.

2.13.4 Except as expressly provided for herein, the Client may not assign or transfer any of its rights hereunder assignor from any liability or obligation under the Contract.

2.13.5 The Parties acknowledge employment or fiduciary relationship between SGS and the Client. the Client to perform any of its obligations under these General Conditions or the Contract shall not constitute a waiver of its right to require performance of that or any other obligation.

2.13.6 Any failure by SGS to require that SGS provides the Services to the Client as an independent contractor and that the Contract does not create any partnership, agency,

## 2.14 DISPUTES RESOLUTION

Unless specifically agreed without SGS' prior written consent.

2.14.1 Neither party shall assign the Contract without the prior written consent of the other Party such consent shall not be unreasonably withheld. Any assignment shall not relieve the otherwise, all disputes arising out of or in connection with these General Conditions or the Contract shall be governed by the laws of Thailand, exclusive of any rules with respect to conflicts of laws and finally submitted to the exclusive jurisdiction of the competent courts in Bangkok.

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The Validation and Verification Body (VVB) reserves the right to add to, delete or change these codes of practice without prior notification and even after the beginning of the service provision.

Unless otherwise explicitly agreed in writing, all services are performed according to the general conditions for Verification services, which shall prevail, in case of conflict with any other provision

### 3 PART 3: REGULATIONS FOR GHG VALIDATION AND VERIFICATION PROCESS

#### 3.1 SCOPE SECTOR

SGS Thailand Limited identifies the type of activity, and the industry sectors included in the scope of the accreditation program as follows:

No	Sector	Activities
1	Power Generation and Electric Power Transactions	<ul style="list-style-type: none"> <li>• Transmission of electricity</li> <li>• Generation of bulk electric power</li> <li>• Transmissions from generating facilities to distribution centers and/or distribution to end users</li> <li>• Renewable energy systems Purchased electricity, steam</li> </ul>
2	General Manufacturing (physical or chemical transformation of materials or substances into new products)	<ul style="list-style-type: none"> <li>• Manufacturing – Electric and electronics equipment, industrial machinery</li> <li>• Manufacturing – Food processing</li> <li>• Civil engineering, e.g. construction</li> </ul>
3	Oil and Gas Exploration, Extraction, Production and Refining, and pipeline distribution, including Petrochemicals	<ul style="list-style-type: none"> <li>• Conventional exploration and production</li> <li>• Oil sands and heavy oil upgrading</li> <li>• Coal bed methane production</li> <li>• Gas processing plants</li> <li>• Gas well completions</li> <li>• Transportation and distribution</li> <li>• Natural gas storage and LNG operations</li> <li>• Crude oil transportation</li> <li>• Refining</li> <li>• Petrochemical manufacturing</li> <li>• Emissions from process vents in oil and gas treatment</li> <li>• Process emissions (e.g. glycol dehydration, acid gas removal/sulfur recovery, hydrogen production, fluid catalytic cracker (FCC) catalyst regeneration)</li> <li>• Venting emissions (e.g. vessel loading, tank storage and flashing, and venting of associated gas)</li> <li>• Fugitive emissions (e.g. leaks from equipment and piping components)</li> </ul>
4	Metals Production	<ul style="list-style-type: none"> <li>• Production of processing of ferrous metals</li> <li>• Production of secondary aluminum</li> <li>• Processing of non-ferrous metals, including production of alloys</li> <li>• Production of coke</li> <li>• Metal ore roasting or sintering, including palletization</li> <li>• Production of pig iron or steel including continuous casting</li> </ul>
5	Aluminum Production	<ul style="list-style-type: none"> <li>• Primary aluminum</li> </ul>
6	Mining and Mineral Production	<ul style="list-style-type: none"> <li>• Production of cement clinker and production of lime or calcinations of dolomite or magnetite</li> <li>• Glass and ceramic, mineral wool</li> </ul>
7	Pulp, Paper and Print	
8	Chemical Production	<ul style="list-style-type: none"> <li>• Production of carbon black</li> <li>• Production of ammonia</li> <li>• Production of bulk organic chemicals by cracking, reforming, partial or full oxidation or by similar processes</li> <li>• Production of hydrogen and synthesis gas by reforming or partial oxidation</li> <li>• Production of soda ash and sodium bicarbonate Production of nitric acid</li> <li>• Production of adipic acid</li> <li>• Production of glyoxal and glyoxylic acid</li> </ul>
9	Transport	<ul style="list-style-type: none"> <li>• Aviation</li> <li>• Other transportation</li> </ul>
10	Waste handling and disposal	<ul style="list-style-type: none"> <li>• Water and wastewater treatment</li> <li>• Landfill and Composting Facilities</li> </ul>
11	Agriculture, Forestry and Other Land Use (AFOLU)	
13	General	<ul style="list-style-type: none"> <li>• Building Services/facilities management</li> <li>• Education</li> <li>• Hospital</li> <li>• Others</li> </ul>



### 3.2 ISO 14064-1 VERIFICATION PROCESS

#### Application

Client fills in questionnaire for applying ISO 14064-1 verification services. SGS will provide ISO 14064-1 proposal and client signs the contract.



#### Review Report

SGS ISO 14064-1 verifier(s) review GHG statement provided by Responsible Party before Preliminary



#### Stage 1 Verification

Off-site Verification: SGS ISO 14064-1 verifier(s) preliminary review the completeness of GHG emission sources declared and the correctness of GHG inventory.



#### Stage 2 Verification

Onsite Verification: SGS ISO 14064-1 verifier(s) verify whether the data and claims reported are accurate, complete, consistent, transparent and free of material error or omission; and conformance with principle and requirements of verification. criteria.



#### Technical Review and Decision Making

The verification result is reviewed by SGS Technical Reviewer and Decision Maker.



#### Final Verification Statement approval

SGS issues verification report and final verification statement and after getting technical review approval.

#### Verification Process

The verification process can be divided into preliminary verification and the subsequent periodic data verifications. The Client can, based on a cost-benefit analysis, choose whether a preliminary verification is carried out:

- as a separate activity (prior to the organization commencing the collection of GHG information), or
- as an integrated part of the first periodic verification.

A preliminary verification can have several purposes for the client:

- to ensure that all operations are implemented and installed as planned and according to the Verification Agreement, all necessary physical features of the monitoring system are in place and that the organization is ready to monitor its GHG data or a project is ready to generate and record GHG emission reductions/removals;
- to identify adjustments and amendments to the GHG information system that may have become necessary (e.g. in case of projects during the detailed design and construction of the project, hence information that was not available at validation stage. Changes to validated conditions might require approval of the GHG program regulator);
- to provide assurance of generation of high-quality emission monitoring.

NOTE 1: A Verification Statement according to ISO 14064 can only be issued following the periodic data verification.

The following sections give general indication for the timeline for the first verification and related activities. This timetable is restricted by the deadline indicated in your request for proposal, the availability of our staff and the availabilities of travel to the individual sites. Please note this is a tight schedule and the full cooperation of the party responsible is required to ensure deadlines can be met.

The timely finalization of any verification depends on all necessary documents being provided by the client/responsible party at the start of the verification and the rapid close out of any Material misstatement or Clarification Requests (CL) or Corrective Action Requests (CAR) if required.

NOTE2: Findings are classified as follows:

- Material misstatement (MM): Where "Material Misstatement" shall be used when error, omission, misreporting or misrepresentation is found that information related to GHG emission monitoring reports are misrepresented and affect the materiality reported in regard to the amount of greenhouse gas reduction, but exceeding Materiality Threshold as specified on the overall GHG statement and affecting the decision of the intended users.
- Misstatement (MS.): Where "Misstatement" shall be used when error, omission, misreporting or misrepresentation is found that information related to GHG figures in GHG emission monitoring reports are inaccurate and affects the materiality reported in regard to the amount of greenhouse gas reduction not exceeding Materiality Threshold as specified on the overall GHG statement.
- Nonconformities (NCs): Where a "Nonconformity" shall be used when actions or evidence of incompliance found against the criteria and requirements or insufficient or inaccurate information when it is found that the site visit or the validation / verification assessment, and clarification or more information is required, the Assessor shall raise a "Nonconformity" specifying what additional information is required.
- Forward Action Request (FAR): When the actual GHG information system controls (GHG monitoring and reporting) require attention for the next consecutive verification period, OR an adjustment of the GHG information system controls is recommended. If the risks identified by the FAR will jeopardize the quality of future GHG emissions calculations, follow-up inspections should focus on this area.

### 3.3 SGS GHG Verification Framework

This framework establishes the systematic approach for conducting greenhouse gas (GHG) emissions verification through two distinct pathways: Preliminary Verification for first-time verification with SGS or new project assessments, and Periodic Verification for subsequent annual verification cycles where the client continues to engage SGS services.

#### a) Preliminary Verification Framework

##### Phase 1: Documentation and Agreement Establishment

The verification process begins when the client submits all required documentation to SGS. Upon receipt, SGS conducts a comprehensive desk review to assess the completeness, accuracy, and consistency of the information provided. During this phase, SGS and the client confirm mutual understanding and agreement through the Verification Proposal, which serves as the formal basis for initiating the verification process. This proposal defines the verification scope, applicable criteria, materiality thresholds, and the required Level of Assurance, depending on the intended use of the GHG statement. SGS offers two levels of assurance in accordance with ISO 14064-3:2019:

- Limited Assurance provides a moderate level of confidence in the GHG statement and involves less extensive evidence gathering. It is suitable for internal reporting, stakeholder communications, or voluntary disclosures.
- Reasonable Assurance delivers a higher level of confidence through more rigorous and comprehensive verification procedures. This level is appropriate for external reporting, regulatory submissions, or participation in emissions trading and carbon credit mechanisms.

The selected assurance level affects the scope, depth, duration, and cost of the verification, and must be agreed upon during this stage. The chosen level will be clearly stated in the final Verification Statement issued to the client.

If key information is missing or mutual agreement cannot be achieved, the verification assignment may be discontinued. Upon successful completion of the document review, the Lead Assessor works collaboratively with the client to develop a detailed Activity Schedule, outlining the timeline, milestones, and responsibilities for the verification engagement.

##### Phase 2: Strategic Review and Risk Assessment

The Strategic Review and Risk Assessment (SR&RA) represents the core analytical phase of preliminary verification. This assessment is performed through comprehensive document review and site visits to identify parameters and sources with high risk of error, along with other aspects of the monitoring and reporting procedure that may contribute to errors in emission reduction determination.

During the SR&RA, the assessment team identifies all parameters used to quantify GHG emissions and removals, reviews data collection and handling procedures by checking correct installation of recording and metering equipment, and evaluates the implementation of quality control systems. This evaluation includes reviewing organizational charts, personnel specifications, training records, and conducting interviews with monitoring and processing staff to ensure responsibilities are understood and all related tasks can be performed effectively. The team also identifies the likelihood of errors and omissions during data collection, determines the significance of such errors, and addresses issues of sampling, uncertainty, materiality, and risk assessment while identifying opportunities to corroborate information. Where site visits are required, the Lead Assessor provides the client with an Audit Plan identifying the location, dates, and main activities to be undertaken by the assessment team. Following the assessment, findings are reported as Material misstatements, Clarification Requests, Corrective Action Requests, or Forward Action Requests. This provides clients with an opportunity to achieve compliance at an early stage by submitting appropriate evidence or taking corrective action. All findings must be closed out before proceeding to the next phase.

##### Phase 3: Verification Work Sheet Development and Technical Review

Based on the Strategic Review and Risk Assessment outcomes, the team prepares the Verification Work Sheet (WS) that addresses how the verification will be undertaken, including what to check, how to check it, and how many samples to be checked. The sampling plan and intensity are based on logical analysis of available information, considering factors such as magnitude of emission reductions, complexity, and reporting history. The WS is designed for utilization in subsequent verification assessments with SGS, assuming the project activity and monitoring plan do not change significantly, and the client continues to engage SGS for verification services. The preliminary verification undergoes an internal technical review to ensure quality and compliance with established procedures.

Timeline: Preliminary verification can be completed within 8 weeks, provided no major non-conformities are found and the client responds to non-conformities in a way that allows closure within two weeks.

#### b) Periodic Verification Framework

##### Phase 1: Planning and Documentation Review

Periodic verification begins with the client's submission of all required documentation to SGS. The Lead Assessor then collaborates with the client and responsible party to establish a detailed Activity Schedule and Audit Plans that outline the verification approach and timeline.

##### Phase 2: Assessment and Data Collection

The assessment phase involves comprehensive document review and identification of any findings, supported by site visits where required to assess the GHG information system, controls, and data quality. Data on GHG emissions and removals is collected through multiple methods including document review, staff interviews, process observation, data corroboration, and collection of hard copies of data samples to support findings. All databases or Excel sheets used in the process are audited on screen or through parallel calculations to corroborate outputs. Where possible, findings from other assurance processes such as statutory inspections are incorporated into the assessment. Before final reports are issued, the assessment team produces an overview summarizing audit findings.

Findings are categorized as Material misstatements, Clarification Requests, or Corrective Action Requests and are typically closed out through desk review, with exceptional cases requiring additional site visits. Additional costs may be charged for CAR closure activities. Clients are provided with the opportunity to comment and achieve compliance by submitting appropriate evidence or taking corrective action.

##### Phase 3: Technical Review and Completion

Following assessment completion and finding closure, the Lead Assessor prepares an Assessment Pack containing the verification report and recommendations supported by objective evidence including field documents, checklists, and spreadsheets. This Assessment Pack is submitted for Technical Review, where the Technical Reviewer verifies that procedures have been followed, conclusions are justified and formally approve or rejects the Lead Assessor's recommendation. Upon successful technical review, the Verification Statement is completed and issued to the client.

Timeline: Periodic verification can be completed within 6 weeks, provided no major non-conformities are found and the client responds to non-conformities in a way that allows closure within two weeks.