

GREENHOUSE GAS (GHG) VERIFICATION SERVICE TERMS

These Service Terms shall govern all UL Contracting Party services for ISO 14064-3 Greenhouse Gas (GHG) Verification and additional local or global regulatory and/or compliance Greenhouse Gas Programs (collectively referred to as “GHG Programs”), as requested by Client. These Service Terms and the terms of the Global Services Agreement (“GSA”) are incorporated by reference into and are an integral part of each Service Agreement entered by the Parties for Verification Services (as defined below). The capitalized terms in these Service Terms which are not defined herein shall have the same meaning as in the GSA.

1. SCOPE OF SERVICE.

1.1 UL Contracting Party will perform the auditing, inspection, evaluation and reporting services as requested by the Client on their completed declaration of their organization’s GHG emissions (“GHG Statements”) in accordance with ISO 14064-3 and the Client’s selected GHG Program(s) (“Verification Services”) as set for the in the UL Quotation.

1.2 Verification Services are performed, as requested, to the scope and boundaries defined in the application for the pre-engagement activities. Verification Services consist of phases for planning, execution, evaluation and reporting on the GHG Statement. All Verification Services shall be completed with the issuance of a Verification Report (defined herein). A Verification Report shall be issued to the level of assurance (see section 1.4) defined by the Client along with the UL Contracting Party’s opinion statement (unmodified, modified, adverse or disclaiming an issuance of opinion, further defined in Section 2). Client acknowledges and agrees that all Verification Services performed by UL Contracting Party shall be valid only for the timeframe and boundaries specified in the Verification Report. Client shall make all necessary arrangements for UL Contracting Party to conduct the Verification Services, including provisions for examining documentation and records, access to the relevant software, facilities, location(s), area(s) and personnel.

1.3 Pre-Engagement. All Verification Services start with pre-engagement activities that include the review of a completed application form to compile the scope, boundaries, level of assurance, objectives and materiality of the Verification Services. Client may request for a limited or reasonable level assurance but cannot change the level of assurance once the project has started. If the request for a level of assurance change occurs after the project has started, the project shall be cancelled and a new project opened, however the material already supplied by the Client can be used.

1.4 Levels of Assurance. Verification Services are offered at two different levels: limited and reasonable . Limited assurance has a higher acceptable risk than reasonable assurance. Limited assurance requires less time and consists of a lesser scope of evidence, however the review is intended to still cover meaningful information contained in the GHG Statement. Reasonable assurance provides a higher level of confidence to the intended user that the information provided for verification is accurate and complete but is not absolute. Reasonable assurance shows a reduced verification risks to acceptably low levels, deeper evaluation reviews and on-site visits. Levels of assurance are issued based on request from the Client and incorporate evaluation activity risks associated with the requested level of assurance.

1.5 Evaluation Activities. Verification Services are composed of evaluation activities that are performed in accordance to the level of assurance as set out in the Quotation. These activities include but are not limited to performing risk assessments, assessment of GHG Statement (calculations and methodologies used), review of information management system, planning of verification needs, on-site audits (if required) and evidence-gathering plan. The depth and timing of these evaluation activities is related to the level of assurance and scope defined during the pre-engagement phase.

2. Deliverable. Upon completion of Verification Services, the UL Contracting Party will deliver a report which will define the GHG Statement, level of assurance, criteria, scope, time period and the opinion statement (“Verification Report”). The opinion statement made by the UL Contracting Party is relevant to activities performed for the level of assurance and scope, in which opinions are stated in four (4) ways: unmodified, modified, adverse and disclaiming of opinion. The opinion statement is provided in a format defined in ISO 14064-3, which shall be unmodified (limited or reasonable given without any modifications), modified (given when there is a departure from the criteria or scope), adverse (given when there is insufficient or inappropriate evidence) or disclaiming of an opinion (given when the UL Contracting Party is unable to obtain sufficient appropriate evidence). All opinion statements shall be documented, no matter the final opinion and sent to the Client and the applicable GHG Program(s), as needed.

Verification Reports are a one-time evaluation to GHG Statements in a historical period. Unless additional information or facts are brought to the UL Contracting Party’s attention after the Verification Report is issued, the Verification Report is final. If the Client determines to use the UL Contracting Party to perform Verification Services for another scope or in future years, another Service Agreement will apply.

3. USE OF THE VERIFICATION REPORT.

3.1 Permitted Use. Client is permitted to share the Verification Report with regulators for regulatory or compliance reasons which includes sharing with the relevant GHG Program(s), government agencies or regulatory bodies. The Verification Report shall be shared in its entirety and only in accordance to the scope defined therein.

3.2 Misuse of Verification Report. Client shall not use the Verification Report in a manner as to bring UL Contracting Party into disrepute. Client will not make any statement regarding the Verification Report status that UL Contracting Party may consider misleading or unauthorized. Verification Reports are for the historical time period requested in the scope and defined in the Verification Report. There is no ongoing or future verification status outside of this timeframe. UL Contracting Party does not offer or authorize the use of any Marks associated with this Verification Service. If at any time UL Contracting Party determines that Client has misused the Verification Report for reasons other than regulatory or compliance or used in reference outside the scope of the Verification Report, UL Contracting Party will notify Client in writing of the misrepresentation or misuse of the Verification Report. Client must immediately correct the usage or reference of the Verification Report as UL Contracting Party requests, and promptly notify UL Contracting Party of the corrective actions it has taken.

4. Use of Name and Verification Report in Advertising and Promotional Materials. Subject to the terms of the Service Agreement, UL Contracting Party may permit Client to make appropriate references to UL Contracting Party and Verification Report in form of text (wording), with prior written authorization in all cases by the UL Contracting Party, in Client's promotional or advertising material, in any medium, including, without limitation, print or electronic media, solely in connection with the issued Verification Report; PROVIDED THAT, in UL Contracting Party's sole opinion, the following conditions are met: (a) the promotional or advertising material is in no way inconsistent with the findings and/or coverages of UL Contracting Party; (b) the reference to a UL Company, including without limitation, is not intended to and does not create a misleading impression as to the nature of the findings, coverages, and/or the Verification Service; and (c) the promotional or advertising material does not in any manner state or imply that UL Contracting Party is in any way (i) "endorsing" or "certifying" the Client; or (ii) "warranting" or "guaranteeing" any aspect of the GHG Statement. No Marks shall be used in any advertising or promotional material related to a Verification Report.

5. VERIFICATION STANDARDS AND MAINTENANCE

5.1 Obligations of Client. Client represents and warrants that: (i) the scope and boundary of the Verification Report comply with the scope of the Verification Report is defined; (ii) Client will maintain a data management and control system that covers the scope of the Verification Report at all times; and (iii) ensure their GHG Statement uses the proper calculations and emissions inputs. Client agrees to immediately notify the UL Contracting Party of any complaints that Client receives that relate to the scope of the Verification Report, 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 complaint. Depending on the UL Contracting Party's assessment of the validity of the complaint, the UL Contracting Party may invoke any and all relevant remedial provisions of these Service Agreement and may consider the complaint in structuring and conducting further on-site investigations.

5.2 Access to Facilities. Client acknowledges and agrees that representatives of UL Contracting Party, as well as any third-party observers accompanying the UL Contracting Party representatives, shall have free, unannounced, immediate, safe, and secure access to facilities, factories or storage facilities where the scope of the Verification Services have been defined, during normal business hours or when the facility(ies) are actually in operation. Client shall ensure UL Contracting Party has access to relevant documentation, complaints, records, equipment, location(s), area(s), personnel, and subcontractors. Client agrees to provide UL Contracting Party's representatives and third-party observers with all applicable safety, and other, protections required by law for Client's own employees, including, without limitation, all U.S. Occupational Safety and Health Administration ("OSHA") rules and regulations or any non-U.S. equivalents. Client will not attempt to condition the right of UL Contracting Party's representatives, or the third-party observers accompanying the representatives, to obtain free access to a facility or factory upon the signing of any agreement, waiver or release which in any way purports to affect the legal rights or obligations of UL Contracting Party or its representative. If any representative of the UL Contracting Party signs such an agreement, waiver, or release, it shall be considered void and will be of no force and effect. The UL Contracting Party will,

however, direct its representatives to exercise reasonable care to comply with any safety regulations generally applicable to personnel at any such facility.

5.3 Change in GHG Statement. Client agrees to inform the UL Contracting Party immediately of any changes to their GHG Statement after the Verification Report has been issued that may affect the Clients Verification Report.

5.4 Corrective Action. Client agrees to take corrective actions, as instructed by the UL Contracting Party, including but not limited to GHG Program notification to remedy any misuse of the Verification Report and immediate removal of all marketing and promotional activities associated with the Verification Report. All corrective actions shall be at Client's sole expense.

6. VERIFICATION FEES

Unless otherwise agreed in writing, UL Contracting Party will bill Client for all Verification Services and associated site visit fees. These fees will cover the assessment activities and site visits as determined by the UL Contracting Party as appropriate for the scope and level of the verification as well as reimbursable expenses associated with the preparation of a Verification Report.

7. EFFECT OF TERMINATION AND FACTS DISCOVERED AFTER THE VERIFICATION

7.1 Voluntary Termination Upon Written Notice. Upon termination of the Verification Service with respect to the issued Verification Report, Client agrees:

- (i) To amend all marketing and promotional materials to reflect accurately the status of the Verification Report; and
- (ii) That UL Contracting Party may take any and all actions necessary to communicate to the applicable GHG Programs the status of Verification Report.

7.2 Immediate Termination of Service Agreement. If Client defaults on any of its obligations under the GSA or any Service Agreement in effect between Client and UL Contracting Party, the UL Contracting Party may immediately terminate, in whole or in part, the Service Agreement, any other Service Agreement between Client and the UL Contracting Party. Upon termination or expiration of this Service Agreement, Client agrees, in addition to that set forth in Section 7.1 above to destroy all printed materials, including marketing and promotional materials, advertising of the Verification Report, no later than sixty (60) days following such termination and provide written notice of such destruction to the UL Contracting Party.

The UL Contracting Party may immediately terminate this Service Agreement if it discovers facts about Client's GHG Statement after the issue of the Verification Report which could materially affect the Verification Service.