



C³SD_NRCVVB

Contract (Engagement)

Document Id: F--PR-21

Issue No: 01

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Reviewed By: Quality Manager

Approved By: Top Manager

Contract (Engagement)

Parties Involved

1) Client

Client Name:

Type of entity:

Client's Address:

The subject of the GHG V/V engagement:

2) C³SD NRC VVB

Manager Name of VVB:

Address:

Engagement Type

A Greenhouse Gas Verification/Validation (GHG V/V) engagement is covered by this agreement. The main goal of this engagement is to verify and validate the client's GHG statements. As the verifier/validator, will, in compliance with applicable standards, schemes, or programs, carry out an unbiased evaluation of the client's GHG emissions inventory. The engagement will involve a series of agreed-upon procedures, including but not limited to, document review, data verification, interviews, and site visits.

Objectives

The main objective of the engagement is to verify/validate the GHG statements. This could include verifying the accuracy of GHG emissions data, validating the effectiveness of GHG reduction strategies, or both.

- **Accuracy:** Determine whether the GHG emissions assertions meet or exceed the agreed upon threshold for accuracy (For example, a common threshold is 95% accuracy for Scope 1, 2 and 3 emissions).
- **Completeness:** Verify if all emissions have been reported in conformance with the GHG Protocol.
- **Conformance:** Evaluate the conformance of the client's accounting and calculation methodologies, processes, and systems to the GHG Protocol.
- **Transparency:** The GHG statements should be transparent, providing clear and understandable information about the GHG emissions.
- **Consistency:** The GHG statements should be consistent over time, allowing for comparisons and tracking performance.
- **Level of Assurance:** The level of assurance is used to determine the depth of detail that the Verification Body designs into the Verification Plan to determine if there are material errors, omissions, or misstatements in the client's GHG assertions.



- **Relevance:** Verify whether the GHG Emissions Inventory meets the generally accepted GHG emissions accounting principles of relevance. This means that the GHG emissions data and information are relevant, material, and complete for the intended user's needs.
- **Responsibility of the Client:** The client has sole responsibility for the content of its GHG statements. C³SDNRC VVB accepts no responsibility for any changes that may have occurred to the GHG emissions results since they were submitted for review.
- **Independence of C³SDNRC VVB:** Based on internationally accepted norms for impartiality, the review represents an independent assessment of the client's GHG Emissions Inventory.
- **Financial or Investment Decisions:** The opinion expressed in the verification statement should not be relied upon as the basis for any financial or investment decisions.

Scope

The GHG statements to be verified/validated include the following:

- **Emissions Sources:** This includes all direct (Scope-1) and indirect (Scope-2 and 3) GHG emissions from client operations, including but not limited to, emissions from combustion of fossil fuels, process emissions, and fugitive emissions.
- **GHG Removals:** This refers to the amount of GHG removed from the atmosphere through the carbon sequestration efforts, such as afforestation and reforestation projects.
- **Data for GHG Quantification:** This includes all data used for the quantification of the GHG emissions and removals, such as fuel consumption data, electricity usage data, and carbon sequestration data.

Boundaries and Methodologies:

- **Organizational Boundaries:** GHG assessment includes all GHG emissions and removals from operations that are under client operational control, regardless of their geographical location.
- **Operational Boundaries:** This includes all sources of GHG emissions and removals that are a result of client operations, including stationary combustion, mobile combustion, process emissions, and fugitive emissions.
- **Methodologies for GHG Quantification:** A combination of direct measurement and estimation methodologies for GHG quantification is used. VVB team uses scheme for verification/validation activities according to GHG protocol, ISO 14064-1 for verification, ISO 14064-2 for validation, EA-22 and IAF MD-25 requirements.

Responsibilities

Client's Responsibilities:

- **Providing Information:** The client is responsible for providing all necessary information required for the verification/validation process. This includes data on GHG emissions, documentation of data management systems, and evidence of internal quality controls.
- **Access to Facilities:** The client must provide the verifier/validator with access to all facilities, sites, and systems relevant to the GHG statements.
- **Accuracy and Completeness:** The client is responsible for the accuracy and completeness of the GHG statements. They must ensure that all GHG emissions are accounted for and that the data is accurate.
- **Disclosure:** The client is responsible for disclosing any relevant information that could impact the GHG statements or the verification/validation process. This includes changes in operations, data anomalies, and any known errors.



- **Cooperation:** The client should cooperate fully with the verifier/validator during the engagement process. This includes responding to requests for information in a timely manner and addressing any concerns raised by the verifier/validator.
- **Continuous Improvement:** The client is responsible for using the findings of the GHG V/V engagement to improve their GHG accounting and reporting processes.

C³SD NRC VVB's Responsibilities:

- **Conducting the GHG V/V Engagement:** is responsible for conducting the GHG V/V engagement in accordance with the relevant standards, schemes, or programs.
- **Ensuring Truthful and Fair Presentation:** must ensure that the GHG statements are truthfully and fairly presented. This involves checking the accuracy and completeness of the GHG data, and the conformance with relevant standards.
- **Documenting the Process:** must document the verification/validation process, including the methods used, the findings, and any non-conformities identified.
- **Addressing Misstatements or Noncompliance:** If identifies any intentional misstatements or noncompliance issues, they must address these promptly and report them to the relevant parties.
- **Impartiality:** must ensure that the verification/validation process is conducted impartially. They should not have any conflicts of interest that could compromise their objectivity.
- **Confidentiality:** is responsible for maintaining the confidentiality of the client's information. They should not disclose any sensitive information without the client's consent. Except disclosure in cases of government investigations and regulatory authorities.
- **Competence:** VVB team has the necessary skills and expertise to conduct the GHG V/V engagement. They are updated with the latest GHG accounting standards and best practices.

Agreed-Upon Procedures (AUP)

A description of the specific verification/validation activities that have been agreed upon with the client. The AUP could include, but are not limited to, the following specific verification activities:

- **Document Review:** Reviewing the client's GHG emissions data, calculation methodologies, and reporting practices.
- **Interviews:** Conducting interviews with key personnel involved in the GHG accounting and reporting process.
- **Site Visits:** Visiting the client's facilities or sites to verify the accuracy of the reported GHG emissions.
- **Data Verification:** Verifying the accuracy and completeness of the GHG emissions data.
- **Process Evaluation:** Evaluating the client's GHG data management systems and internal quality controls.
- **Sampling:** The verifier/validator may use statistical or non-statistical sampling methods to select a representative sample of data for verification.
- **Recalculation:** The verifier/validator may recalculate the GHG emissions data to verify the accuracy of the calculations.
- **Benchmarking:** The verifier/validator may compare the client's GHG emissions data with industry benchmarks or best practices.



- **Risk Assessment:** The verifier/validator may conduct a risk assessment to identify areas of high risk or materiality.
- **Review of Previous Verifications:** The verifier/validator may review the findings of previous verifications to identify any recurring issues or trends.

Level of Assurance

The level of assurance for this GHG V/V engagement will be reasonable assurance. This represents a high level of assurance and signifies that GREEN ON, as the verifier/validator body, will conduct extensive verification/validation procedures to obtain sufficient appropriate evidence about the accuracy and completeness of the GHG statements.

Terms and Conditions

Payment Terms:

- **Payment Amount:** The total fee for the GHG V/V engagement will be in EGP payable to C³SDNRC VVB. This fee includes all services described in the scope of work. 50% of the fee should be paid upon signing this agreement. The remaining balance will be due upon completion of the GHG V/V engagement and receipt of the final report.
- **Payment Methods:** Payments can be made via payment methods, such as: bank transfer, credit card, etc.].
- **Late Payment:** In the event that payment is not received within 10 days of the invoice date, a late fee in EGP may be applied.
- **Additional Costs:** Any additional costs, such as travel expenses or additional services requested by the client, will be billed separately and are not included in the initial fee.

Confidentiality Agreement:

- Agrees to keep all information obtained during the course of the GHG V/V engagement confidential. This includes, but is not limited to, all GHG emissions data, calculation methodologies, internal processes, and any other proprietary information related to the client's operations.
- will not disclose any of this information to any third party without the express written consent of the client, except as required by law or by the rules of the GHG program or standard under which the engagement is conducted.
- All documents, data, and records (in whatever form they are held) are the property of the client and shall be returned to the client upon completion of the engagement or upon the client's request.
- will take all reasonable steps to ensure that its employees, agents, and subcontractors comply with these confidentiality obligations.

Dispute Resolution Mechanism:

In the event of a dispute arising out of or in connection with this agreement, including any question regarding its existence, validity or termination, the parties shall first seek settlement of that dispute by negotiation.

- **Negotiation:** The parties will attempt in good faith to resolve any dispute or claim arising out of or relating to this agreement through negotiations between directors of each of the parties with authority to settle the same.



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- **Mediation:** If the dispute cannot be resolved by negotiation within 15 Days, the parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure.
- **Arbitration:** If the dispute is not settled by mediation within 15 Days of commencement of the mediation, or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under Giza Court Rules, which rules are deemed to be incorporated by reference into this clause.
- **Language:** The language to be used in the mediation and in the arbitration shall be English. The governing law of the contract shall be the substantive law of Egyptian law (Giza Court).

Signatures

- By signing below, the client acknowledges that it has read, understood, and agreed to the terms and conditions of this GHG V/V engagement agreement.

Client's Signature

Name:

Title:

Date: / /

Signature and Seal:

C3SDNRC VVB's Signature

Name:

Title:

Date: / /

Signature and Seal: