



ENSURING IMPARTIALITY AND INDEPENDENCE AND CONFIDENTIALITY



Table of content

Ensuring Impartiality and Independence and Confidentiality	3
Preamble	3
Aim of the document	3
1. Aim and objective	4
2. Scope	4
3. Process responsibility.....	4
4. Process indicators	4
5. Related documents	4
6. Impartiality management process	5
7. Impartiality at different levels	5
7.1. Company.....	5
7.2. Audits, validation/verification and/or certification	6
7.3. Partners	6
7.4. Complaints/grievances and appeals	6
7.5. Personnel	6
7.6. Notification requirement – personnel (passive).....	6
7.7. Self-declaration of conflicts of interest (active)	6
7.8. Assessment of relationships, applicable measures	7
7.9. Technical implementation	8
7.10. Measures to prevent conflict of interests	8
8. The Committee for Safeguarding Impartiality.....	8
8.1. Tasks for safeguarding impartiality	8
8.2. The composition and organization of the Committee for Safeguarding Impartiality.	9
8.3. The Committee safeguards the impartiality of CSI in all its business activities.	9

Ensuring Impartiality and Independence and Confidentiality

Preamble

Impartiality, independency and confidentiality play an important role for Carbon Standards International AG (CSI): they are the essential requirements for the tasks completed by the services.

Necessary regulations are developed and reviewed to guarantee the impartiality, independency, to avoid conflicts of interest and to keep the information confidential in CSI.

Aim of the document

This description states the areas in which impartiality is defined at CSI or where there could be any risks or how these could be eliminated. The Compliance Guidelines are the basic guidelines of CSI for ensuring the impartiality and independency and confidentiality.

1. Aim and objective

Carbon Standards International (CSI) has set up a system of impartiality and independence. The risks relating to impartiality are identified and where potential risks concerning impartiality are found, appropriate corrective measures are set out to ensure impartiality.

The compliance guidelines describe the process and the requirements of the impartiality and independence as well as the confidentiality and protection of data. The confidentiality and protection of data is a legal requirement, which is taken into consideration in contracts, terms and conditions and norms. The compliance guideline describes the basics of the company. The details are given in the individual contracts.

2. Scope

All employees of Carbon Standards International AG, committees according to the organization structure, as well as external Expert Groups or Partner Organizations as well as endorsed Certification Bodies (CBs) and/or Validation and (Verification Bodies) VVBs abide to these rules to avoid to have financial, commercial or fiduciary conflicts of interest.

3. Process responsibility

- Implementation of process specifications by Head of Quality Management (QM)
- Monitoring of maintaining impartiality; ensured by the Committee for Safeguarding Impartiality
- Each individual person is responsible for notifying the current status of potential conflicts of interest, using the template. Each person declares to keep the relevant information confidential.
- Human Resources (HR) ensures the administration of the information in our software
- Certification Bodies (CBs) and/or Validation and Verification Bodies (VVBs) have to take care of being independent and impartial conducting the services and keep information and data confidential.

4. Process indicators

- Signed copies of Declaration of Conflict of Interest have been filed by all internal and external staff, by the Board of directors, Experts, Partners, etc.
- Conflicts are recorded
- Breach and complaints of impartiality are recorded under complaints

5. Related documents

- Template of Declaration Conflicts of Interest
- Compliance guidelines
- Contracts with employees, clients and external services
- Carbon Standards | General Terms and Conditions
- Terms of use of online tools
- Carbon Standards | Privacy Policy

6. Impartiality management process

Input	Activities	Descriptions	Responsibility	Output
Existing conflicts, new conflicts	Declaration of conflicts	Complete Template New and existing employees	- New employee introduction - Division Heads	All employee conflicts known at all times, evaluated and measures determined
Conflicts with regard to clients	Manage in software Intact	Blocks and approvals of operations	Administration Division	Impartiality ensured for audits, validation/verification and/or certification
Changes	Risk assessment	Assess relevant risks and determine corrective measures	Head of QM	Assessment of status is always up-to-date
Internal processes	Monitoring	Periodic check Impartiality Committee	Coordination Head of QM	System check for vulnerabilities
Audit results	Effective-ness review	Assessment by COO	Coordination Head of QM	Feedback to Impartiality Committee
Mandate to Management	Implement-ation of specification	Integration of measures	Coordination Head of QM	Continuous improvement of process

7. Impartiality at different levels

7.1. Company

- There is a balance between the interests of the company's different owners. They have no influence over the operative business or outcome of the services.
- The CEO and COO are committed to impartiality in business presentation. Commercial, financial or other pressures are not allowed to compromise impartiality.
- All employees and members of committees or expert groups according to the organigram, external involved partner companies and their employees notify CSI about any potential conflict of interest as soon as they become aware of such conflicts. Periodic update is required.
- The external Committee for Safeguarding Impartiality performs the tasks assigned to it as described in chapter 8.2 of this document and prepares an annual audit report.
- The Quality Management assesses the audit report prepared by the Committee for Safeguarding Impartiality. Where necessary the Quality Manager determines additional measures to be taken.
- The Chief Executive Officer (CEO) and/or the COO (Chief Operative Officer) determine additional measures if needed and implements these measures.
- The Head of QM monitors all steps of the process and coordinates the interfaces.

- CSI manages its Greenhouse Gas Certification/Verification Program and is independent from proponents and implementers, the government, conformity assessment bodies (CABs), and other stakeholders involved in compensation.

7.2. Audits, validation/verification and/or certification

- Clients can access services on equal terms, independent of size, turnover, number of employees or existing service orders or certifications.
- Fee schedules are publicly available at the company homepage at www.carbon-standards.com
- Consulting: CSI can give trainings about the standards. CSI endorses Certification Bodies (CBs) and Validation and Verification Bodies (VVBs) that are conducting independent audits, validation/ verification or certifications. The persons have to declare in the conflict of interest what they are doing additionally.

7.3. Partners

The Management Board decides on collaborations with partners and sub-contractors. Impartiality and confidentiality is a component of any cooperation agreement.

7.4. Complaints/grievances and appeals

Complaints and appeals are processed by the CEO, COO and the product managers. They cannot be processed by personnel that was involved in the applicant party's endorsement process.

7.5. Personnel

Employees at all levels sign employment contracts and commit to declaring conflicts of interest. Possible changes regarding conflicts of interest must be notified immediately.

7.6. Notification requirement – personnel (passive)

In accordance with the employment contract, personnel are under obligation to report any past or present relationship with particular suppliers who are being credited on the Registry immediately. Non-compliance with the notification requirement constitutes a breach of contract and may result in the immediate termination of the contractual relationship.

7.7. Self-declaration of conflicts of interest (active)

In general, a conflict of interest is a situation where one or more persons or entities have competing interests and the serving of one interest may involve detriment to another. A conflict of interest ("Conflict of Interest") may arise when an individual's personal, financial, or other interests interfere or appear to interfere with the integrity of CSI. Personnel declare existing relationships as they commence their employment with the company. The current status is checked by the COO. If new conflicts of interest appear during the time the personnel is employed they are obliged to submit the "self-declaration of conflicts of interest" and a new assessment is undertaken of the relationships.

The Administration is responsible for collecting these. Persons working for different companies within the EASY-CERT group do not need to fill in the same form for each company, but the form is valid for all companies.

7.8. Assessment of relationships, applicable measures

Relationships declared by personnel are assessed in accordance with the following criteria. A decision is taken as to whether the declared relationship constitutes a conflict of interest compromising impartiality.

Nature of relationship	Criteria for prejudice	Measure in accordance with 7.9
Maintaining interests in particular suppliers who are being credited on the Registry. Maintaining interests in particular buyers who are purchasing credits from suppliers, and paying a registry fee	Any form of involvement or cooperation, as well as financial or commercial interests, independent of its nature and/or extent	Block the person for this individual operator/buyer
Activities rendered to the operation, including consultancy	Any form of activity independent, as well as financial or commercial interests, of its nature and/or extent	If the related person agrees that, the risk of a conflict can be evaluated by COO
Individuals of a Certification Body (CB)/Validation and Verification Body ("VVB"), which has been endorsed to audit a particular supplier of carbon removal activity	Any form of involvement or cooperation independent of its nature and/or extent	VVB has to block the persons for the service of the individual operator at a minimum of 2 years. The personnel has to maintain impartiality and has to be free from conflicts of interest.
Organization which has been involved in the development of a particular project or has been paid to assist in protocol development or is involved in the project	Any form of involvement or cooperation, , as well as financial or commercial interests, independent of its nature and/or extent	CB/VVB may not act as a CB / VVB for that project.
The personnel of VVB /CB or any of their family members are dealing in, promoting, or otherwise have a fiduciary relationship with anyone promoting or dealing in, the offset credits being evaluated.	Any form of involvement or cooperation independent of its nature and/or extent	Personnel of CB/VVB may not act for that project.
Relatives in the operation or voluntary involvement	Relatives up to and including the 3rd degree of kinship. Voluntary involvement of any nature	Block the person for individual operator

	independent of its nature and/or extent	
Other relationships which may risk impartiality: Persons holding other positions (such as a staff member or Director) in other organisations involved in generating, buying, verifying, managing, or selling carbon credits.	Ownership, directorship, management, personnel, joint utilization of resources, finances, contracts, marketing, membership	Evaluation by COO, QM

The measures to be taken with regard to the declared relationships are checked by the COO, QM and special activities are assessed. If the person declares specific conflict of interests they do not need to be approved by the QM but the administration enters those directly in the software and the specific operators are blocked.

7.9. Technical implementation

The software used by CSI is used for the technical implementation of the above mentioned measures.

7.10. Measures to prevent conflict of interests

- Training: The personnel is trained about potential conflict of interests and how to avoid them.
- Audits and Reviews: there are assessments if any conflicts could arise and how they are handled.

8. The Committee for Safeguarding Impartiality

8.1. Tasks for safeguarding impartiality

The Committee for Safeguarding Impartiality was installed at EASY-CERT group AG and is responsible for all companies within the group.

- It develops fundamental rules on the independence of activities
- It ensures that conflicts of interest either do not arise or are settled.
- It ensures that the objectivity and independence of CSI is not impacted upon by commercial or other interests.
- The Committee may take independent measures if the CEO does not respect the Committee's recommendation or if the impartiality of CSI is at risk.

8.2. The composition and organization of the Committee for Safeguarding Impartiality

The Board of Directors of EASY-CERT group decides on the appointment of Committee Members. Representatives are recruited from different Divisions so as to guard against the predominance of any particular interest.

Committee Members must be impartial and pre-confirm that their appointment will not present a conflict of interest.

Minutes are taken for all the decisions taken by the committee or by other written confirmation of all members. Meetings take place at least once a year. The chair of the meeting is one of the committee members elected who is also responsible for inviting to the meeting. Decisions are taken by simple majority of votes. The chair has the casting vote.

The minutes of the meeting are distributed to all members of the committee. The Board of Directors is informed about the decisions taken and activities carried out by the committee for safeguarding impartiality.

8.3. The Committee safeguards the impartiality of CSI in all its business activities.

- The impartiality of CSI's work is assessed once a year.
- The analysis include all risks to impartiality that may arise from self-interest, self-assessment, lobbying, undue familiarity, intimidation and competition, and is evaluated.
- The assessment results are reported to the other Committee members. Additionally, preventive or corrective measures may be derived from the assessment for implementation by CSI.

a) Ensuring that the objectivity is not influenced by commercial interests

Fee schedules are publicly displayed on the company homepage.

Corruption: there is a risk that CSI could accept money/bribes in order to simplify client services. The CEO commits to impartiality, does not allow commercial or financial pressures to be exerted. Financial aspects are dealt with following the four-eye principle.

b) Advising on matters affecting confidence in services, including openness and public perception

Business activities are conducted in a transparent manner. All pertinent information can be accessed via the CSI homepage.

The certificates and validation and verification statements are published at the Registry and at www.easy-cert.com. All projects are visible at [Global C-Sink Registry](#).

All complaints/grievances and appeals are followed up immediately. Complaints and appeals must not be handled by persons who were involved in processes on behalf of the applicant party.

The Management decides on cooperation with partners and VVB/CBs. Impartiality is a component of any cooperation agreement.

Customer data are confidential. Confidential information must not be passed on to third parties. Breaches will be sanctioned.

c) Taking independent measures

The Management Board is obliged to follow the Committee's recommendations.

The Committee assesses the independence of CSI on an annual basis. They are an external and neutral party to verify independence. Risks identified as part of the assessment of impartiality would be analysed and included in the company's overall risk assessment and into the improvement process.