

Managing Risks of Impartiality and Avoidance of Conflict of Interest

Noblis' Greenhouse Gas (GHG) Verification Program is structured to evaluate clients' GHG emission assertions while upholding the company's strong principles of impartiality and avoiding conflicts of interest. Noblis has been committed to impartial work in the public interest since its founding 13 years ago as Mitretek (the name was changed to Noblis in February 2007). In 2008, Noblis was recognized by the Ethisphere Institute as one of the top 100 most ethical companies out of a pool of thousands of applicants (<http://ethisphere.com/wme2008/>).

Program employees sign formal documents committing themselves to the program's mission and guiding principles and the need to act in an impartial manner, including the duty to reveal any situation that may present a conflict of interest (COI). The program identifies and analyzes potential conflicts of interest arising from specific relationships, stock holdings, sources of income, existing consulting relationships that may conflict with Verification reviews, and other financial factors to ensure impartiality is not compromised.

Noblis' General Counsel serves as the organization's Chief Ethics and Compliance Officer and ensures that all team members are educated about the importance of impartiality, and have read, understood and signed "Statement of Personal or Family Financial Interests" (Appendix Y) for each prospective client. These statements are reviewed and a formal determination is made and recorded for each relevant employee.

Noblis also conducts an Organizational COI (OCI) evaluation through a vetting process overseen by Noblis' General Counsel to determine and document OCIs. An OCI Form is filled out and reviewed by the OCI panel. Should there be a potentially high OCI, a mitigation plan is developed for review by the CEO or General Counsel and a resolution decision is made.

For clients applying with The Climate Registry (TCR), Noblis completes a Case-Specific COI Mitigation Form and submits it to TCR explaining where a high COI is identified and details a proposal to mitigate it to an acceptable level. A similar mitigation form is developed outlining a COI mitigation plan depending on other registry and GHG program requirements. At a minimum, the mitigation plan includes, if applicable, a demonstration that any conflicted individuals have been removed from the project, explanation of any changes to organizational structure or the verification team, and circumstances that specifically address other sources for potential COI.

Noblis takes necessary measures and monitors activities to identify emerging COI with the client. From the beginning with the signing of the contract and continuing until after the close of the contract, the Verification Body will avoid entering into arrangements or relationships that may present a COI. If any new activities or relationships arise that cannot be mitigated, the Verification Body will inform the registry or GHG program that the client requires a different Verification Body to perform verification services.

For further information about how impartiality is ensured and conflicts of interest avoided or addressed, contact Noblis' Verification Body administrative team at: Tel: 703-610-2605.