



# Verification Opinion Declaration: Greenhouse Gas (GHG) Calculator

Project Number: 4791773525

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To: The Stakeholders of DitchCarbon



UL Solutions has verified the DitchCarbon Portal to a limited level of assurance. In UL Solutions' opinion, based on the verification activities performed to version v24 of the DitchCarbon Portal and GHG information produced for the period of January 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024, there is no evidence that:

- The DitchCarbon Portal methodology is not materially correct
- The DitchCarbon Portal managed content are not materially correct
- The DitchCarbon Portal control environment is not sufficient

In conclusion, UL Solutions has not found any evidence that when inputs<sup>1</sup> to the DitchCarbon Portal are free from material error, that the DitchCarbon Portal will not produce outputs<sup>2</sup> that are free from material error.

*AW*

**Adrian Wain, Lead Verifier, June 6<sup>th</sup>, 2025**

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## Notes

- 1. Inputs to the DitchCarbon Portal include:**
  - a. Supplier GHG information: Organizational GHG statements published by a tracked supplier.
  - b. Supplier revenue information: Organizational revenue statements published by a tracked supplier.
  - c. Buyer spend information: Buyer spend with a tracked supplier.
- 2. Outputs from the DitchCarbon Portal include:**
  - a. Organization-level emission factor: An emission factor produced by (1) normalizing the sum of the Scope 1, 2 and relevant upstream Scope 3 emissions within the supplier GHG information by the supplier's revenue per reporting year. Or (2) where supplier GHG information is incomplete, calculating an inflation and grid intensity adjusted industry specific spend-based emission factor.
  - b. Buyer allocated GHG information: Allocated supplier GHG information to a buyer by multiplying buyer spend with a tracked supplier by the tracked supplier's organization-level emission factor.

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**Nature of Engagement:**

The DitchCarbon Portal (hereafter the DC Portal) uses AI to detect and track supplier GHG and revenue information for the calculation of organization-level emission factors, expressed as kgCO<sub>2</sub>e/US\$. The organization-level emission factors of a tracked supplier are then multiplied with buyer spend to generate buyer allocated GHG information.

UL Solutions was engaged by DitchCarbon to perform an independent verification of the DC Portal's methodology, managed content and control environment at a limited level of assurance.

DitchCarbon was responsible for the development of the DC Portal and provision of associated methodology documentation, managed content, control environment documentation and sample inputs (supplier GHG and revenue information) and outputs (organization-level emission factors and buyer allocated GHG information) .

UL Solutions was responsible for the independent verification of the methodology, managed content and control environment to a limited level of assurance. At the limited level of assurance, verification activities are less extensive in nature, timing, and extent than activities applied in a reasonable level of assurance.

**Verification Standard and Criteria:**

UL Solutions conducted the engagement in accordance with ISO 14064-3:2019 standard. The criteria against which the GHG information provided were verified were the GHG Protocol Corporate Value Chain (Scope 3) Standard and CDP Relevance of Scope 3 Categories by Sector.

Attention is drawn to the fact the verification standard and criteria listed contain requirements that are intended for product, project and organizational GHG information and hence are not entirely applicable to the verification of the DC Portal.

**Scope:****Level of assurance and materiality threshold:**

- Limited level
- The verification applied a materiality threshold of 5% for aggregate errors in sampled data

**Organizational boundary:**

- Specific to each supplier and therefore not defined in the framework of this verification

**Consolidation approach:**

- Specific to each supplier and therefore not defined in the framework of this verification

**Reporting boundary:**

- Supplier Scope 1, Scope 2 and relevant upstream Scope 3 categories as defined by CDP
- Organization-level emission factors
- Buyer allocated GHG information

**Period of verification:**

- Supplier GHG information and the associated organization-level emission factors and Buyer allocated GHG information produced for the period of January 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024

**Types of GHGs included:**

- CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>
- GWP version is specific to each supplier and therefore not defined in the framework of this verification

## **Verification Methodology**

UL Solutions' GHG Calculator Verification applies a risk-based approach to evaluate the methodology, managed content and control environment of a GHG calculator to determine that when used correctly, it may produce GHG information for the user that is free from material and in conformance with criteria. A summary of the verification activities performed by UL Solutions is shown below:

- Conducted interviews with relevant stakeholders to understand the functionality of the DC Portal and evaluate the following:
  - The AI based detection and tracking of supplier GHG information
  - The automated and human controls (validation rules)
  - The quality management of the DC Portal
- Evaluated the control environment (validation rules) established to maintain the accuracy of supplier detection with regard to the following:
  - Supplier organization name
  - Supplier organization structure
- Evaluated the control environment (validation rules) established to maintain the accuracy of detected and tracked supplier GHG information with regard to the following:
  - Period of supplier GHG and revenue information
  - Recency of supplier GHG and revenue information
  - Completeness of supplier GHG information
  - Categorization of supplier GHG information
- Performed a series of analytical tests on a sample inputs and outputs to evaluate the accuracy of detected and tracked supplier GHG information and DC portal outputs:
  - Reproduction of detected and tracked supplier GHG and revenue information
  - Recalculation of organization-level emission factors
  - Recalculation of buyer allocated GHG information
- Performed a series of analytical tests on a sample of supplier GHG information to evaluate the effectiveness of the control environment (validation rules):
  - Reproduction of supplier GHG information where a supplier had restated GHG information
  - Reproduction of supplier GHG information where a supplier had disaggregated GHG information
  - Reproduction of supplier GHG information where a supplier had incomplete GHG information

**Independence and Impartiality:**

UL Solutions is independent from DitchCarbon and its stakeholders in reaching an impartial assurance conclusion. UL Solutions' assurance team has the relevant professional and technical knowledge, and experience to conduct assurance to the ISO 14064-3 standard. While other divisions of UL Solutions may provide services to DitchCarbon, UL Solutions keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, UL Solutions has established policies and procedures to maintain the independence of the team engaged in this project and members of this team did not participate in the preparation of DitchCarbon's reported values.

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