Tradewater – Saudi Arabia 1

March 10, 2025

Tradewater, LLC

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A. PROJECT OVERVIEW

A1. PROJECT TITLE

Tradewater – Saudi Arabia 1 (hereinafter referred to as "Project").

A2. PROJECT TYPE

Ozone Depleting Substances

A3. NON-TECHNICAL EXECUTIVE SUMMARY OF PROJECT

The project activity is the destruction of eligible ODS refrigerant, specifically CFC-12, for which ownership was transferred to Tradewater, LLC ("Tradewater") for the purpose of destruction. The ODS was acquired from a single source, Environmental and Industrial Solutions, Co. ("EIS") in Saudi Arabia and shipped in one ISO tank for destruction at an eligible destruction facility located in Saint Vulbas, France. The ODS is recovered material that EIS obtained through their regular business practices of recovery and reclamation. The Saudi Arabian government does not have a mandate to destroy this material but also has no funding mechanism to dispose of the ODS refrigerant. Tradewater's role is to provide financial and logistical support to ensure the material is destroyed following all the Montreal Protocol, Basel Convention, and ACR requirements.

Background information

Refrigerants such as CFC-12 were used in a variety of applications, including refrigeration systems, air conditioning units, and automotive air conditioning. However, due to its phase-out under the Montreal Protocol, its use has significantly declined. CFC-12 was fully banned from production under the Montreal Protocol in 2010 because of its adverse impacts on the ozone layer. Since then, use of CFCs in these cooling applications declined in Saudi Arabia and many stores of CFC-12 remain unused without an end-life solution.

In general, current sources of ODS material include businesses with large chiller systems, industrial facilities, and companies that have stockpiles of old refrigerants for former business use. Maintenance companies or specialized contractors that handle older refrigeration and air conditioning units may also have smaller quantities of CFCs still in supply. Without a designated and financed path for disposal, these stores of ODS remain unused and are at risk of venting.

Technological advancement has also eliminated the need for CFCs refrigerants like CFC-12, which require an end-of-life solution, one of which is destruction. However, there is currently no law, rule or regulation requiring the destruction of ODS, and no equipment or technology capable of destroying ODS consistent with the requirements of the Montreal Protocol within Saudi Arabia. As a result, the ODS

material in Saudi Arabia is eventually released into the atmosphere as there is no alternative usage or end-of-life mechanism in-country.

Project Purpose and Objectives

The purpose of this project is to avoid the emissions that would have been released by refrigerants as a result of their eventual leakage. The project achieves this by collecting end-of-life refrigerant and transporting it to an eligible destruction facility where it is ultimately destroyed.

A4. PROJECT ACTION

Description of Prior Physical Conditions

In the business-as-usual scenario, reclamation companies will obtain ODS refrigerant left in storage, chillers, or other equipment resulting from non-use due to technological advancement and participation of the phase-down implemented by the Montreal Protocol. These stores are then either reclaimed for possible future use, or consolidated and stockpiled until an end-of-life solution can be determined. Under this scenario, ODS refrigerants are likely to eventually leak as their containers will degrade over time.

Description of how the Project will Achieve GHG Reductions

This project achieves emissions reductions through the destruction of ODS refrigerant, instead of holding it in containers at risk of eventual leakage or release. This Project measures the number of assumed emissions if the ODS were vented under business-as-usual scenario against the emissions prevented by the destruction of the same material. Destruction results in significantly lower net emissions than the business-as-usual scenario.

Description of Project Technologies, Products, Services, and Expected level of Activity.

The ODS refrigerant stockpile in one ISO tank was sourced at EIS and transferred to Tradewater who took ownership of the material. The ISO tank was delivered to the Séché Tredi facility, located in Saint Vulbas, France, where the ODS was destroyed. The ODS refrigerant is destroyed in a rotary kiln incinerator.

As part of the monitoring activities, the destruction facility monitors and registers the relevant parameters in their CEMS data system in real time and then records the parameters every 5 minutes. The samples were taken by trained Tredi technicians at the destruction facility and were sent to a third-party qualified laboratory for analysis.

A5. PROOF OF PROJECT ELIGIBILITY

The Project is eligible under the "Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from the Destruction of Ozone Depleting Substances from International Sources, Version 1.0". Additional eligibility requirements as noted in the ACR Standard, Version 8.0, are included below.

Table 1: Eligibility requirements from the Methodology, sections 2.2.1 and 3.

Criterion	Requirement	Proof of Project Eligibility
ODS Material	Only the destruction of eligible ODS refrigerants CFC-11, CFC-12, CFC-13, CFC-113, CFC-114 and CFC-115 are eligible under this Methodology.	The Project consists of mostly CFC-12, which is an eligible refrigerant under this Methodology.
Stockpile Limitation	Any refrigerants obtained from a government stockpile or inventory are eligible only if they are not required to be destroyed or converted.	The refrigerant in this project is not from a government stockpile.
Location	Project located outside of the United States and its territories.	The ODS is sourced in Saudi Arabia. Destruction occurred at Séché Tredi, St Vulbas, France.
Additionality	Eligible offsets must be generated by projects that yield additional GHG reductions that exceed any GHG reductions otherwise required by law or regulation or any GHG reductions that would otherwise occur in a conservative business-as-usual.	There is no mandate to for the destruction of ODS CFC refrigerant the country of origin (Saudi Arabia). In the absence of this project, the ODS refrigerant would have been vented or leaked into the atmosphere under business-as-usual scenarios. The project sources meet all other requirements of the Methodology.
Start date	Project start date is defined as the date on which the earliest destruction activity of a project commences, documented on a Certificate of Destruction.	The project start date and destruction commencement date are the same date as documented on the included Certificate of Destruction (12/3/2024).
Reporting Periods	Reporting period must not exceed 12 consecutive months. Project reporting period begins on the project start date.	Project reporting period begins on the project start date and does not exceed 12 months. This reporting period is 12/3/2024 – 12/21/2024.
Crediting periods	Project crediting period is ten years and begins on the project start date.	Project crediting period begins on the project start date and will be ten years. The crediting period is 12/3/2024 – 12/2/2034.
Regulatory Compliance	Projects must maintain material regulatory compliance. To do this, a regulatory body/bodies must deem	This project maintains regulatory compliance throughout the entirety of the reporting period.

	that a project is not out of compliance at any point during a reporting period.	

Table 2: Applicability Requirements from ACR Standard version 8.0, chapter 3 (not already covered in the Methodology).

Criterion	Requirement	Proof of Project Eligibility
Minimum Project Term	The duration of the Minimum Project Term for specific project types is defined in the relevant ACR sector requirements and/or methodology. Project types with no risk of reversal after crediting have no required Minimum Project Term.	There is no risk of reversal for this project, so the minimum project term is not applicable
Real	ERTs shall only be issued for a GHG emission reduction or removal that has been verified against an approved ACR Methodology to have already occurred. ACR will not credit a projected stream of credits on an ex-ante basis.	The GHG reductions occurred after the ODS was destroyed, and prior to the verification process and credit issuance.
Emission or Removal Origin	For projects reducing or removing direct emissions, the following requirement applies: The Project Proponent shall own, have control over, or document that effective control exists over the GHG sources and/or sinks from which the emissions reductions or removals originate.	Tradewater LLC is the project proponent and owns the ODS obtained for this project.
Offset Title	Project Proponent shall provide documentation and attestation of undisputed title to all offsets prior to registration, including chain of custody documentation if offsets have been sold in the past. Title to offsets shall be clear, unique, and uncontested.	Tradewater has provided documentation of undisputed title of all offsets. Title to offsets is clear, unique, and uncontested. No offsets from the Project have been sold in the past.
Additional	Every project shall use either an ACR-approved performance standard and pass a regulatory surplus test, as detailed in the Methodology, or pass a three-pronged test of additionality in which the project must: 1. Exceed regulatory/legal requirements; 2. Go beyond common practice; and	The Project fulfills the performance standard set in the Methodology and passes a regulatory surplus test, ensuring that the GHG emission reductions are additional to those that would have occurred under a business-as-usual scenario.

	3. Overcome at least one of the three implementation barriers: institutional, financial, or technical.	
Permanent	For projects with a risk of reversal of GHG removal enhancements, Project Proponents shall assess risk using an ACR-approved risk assessment tool.	There is no risk of reversal of GHG removal enhancements for this project type.
Net of Leakage	ACR required Project Proponents to address, account for, and mitigate certain types of leakage, according to the relevant sector requirements and methodology conditions. Project Proponents must deduct leakage that reduces the GHG emissions reduction and/or removal benefit of a project in excess of any applicable threshold specified in the methodology.	Leakage is not applicable for this project type.
Independently Validated	ACR requires third-party validation of the GHG Project Plan by an accredited, ACR approved VVB once during each Crediting Period and prior to issuance or ERTs. Validation can be conducted at the same time and by the same VVB as a full verification; however, the deadline for validation is determined by the methodology being implemented by the project start date (see above). Governing documents for validation are the ACR Standard, including sector-specific requirement	This project is validated and verified by a third-party ACR-approved VVB in accordance with the ACR Standard.
Independently Verified	Verification must be conducted by an accredited, ACR-approved VVB prior to any issuance of ERTs and at minimum specified intervals. ACR requires verifiers to provide a reasonable, not limited, level of assurance that the GHG assertion is without material discrepancy. ACR's materiality is 5%.	This project is validated and verified by a third-party ACR-approved VVB in accordance with the ACR Standard.
Environmental and Social Impact Assessments	ACR requires that all projects develop and disclose an impact assessment to ensure compliance with environmental and social safeguards best practices. Environmental and social impacts should be net positive, and projects must "do no harm" in terms of violating local, national, or international laws or	The Project maintains a net positive impact, as the quantified amount of GHG emissions has been eliminated and serves as an effort to mitigate climate change. Upon careful examination, no negative impacts from the project

	regulations. Project Proponents must identify in the GHG Project Plan social and environmental impacts of their projects(s). projects shall also disclose and describe positive contributions as aligned with applicable sustainable development goals. Projects must describe the safeguard measures in place to avoid, mitigate, or compensate for potential negative impacts, and how such measures will be monitored, managed, and enforced.	have been identified. Destruction of ODS refrigerant is highly monitored by the destruction facility, and destruction occurred within all applicable regulatory limits for emissions and local environmental impact. The positive contributions aligned with applicable Sustainable Development Goals are described in the Appendix B: SDG Contributions Report. The environmental and social impacts of this project are described in Appendix A: Environmental and Social Impact Assessment.

Host Country Net Zero Commitments

Saudi Arabia has committed to reaching a net-zero target by 2060[1]. In addition, they are working to reduce carbon emissions by 278 million tons per year by 2030[2]. The project aids in achieving these net-zero targets by reduction of potential carbon emissions by avoiding the leakage of refrigerant tanks and making way for more space to manage other ODS.

A6. PROJECT LOCATION

The project location is in Saudi Arabia, in that all ODS material was acquired from a single source in Saudi Arabia. The company Environmental and Industrial Solutions Co. was the source of 1 ISO tank of CFC-12 refrigerant. EIS is located at: PO Box. 11175 Dammam 2nd Industrial City, 31453, KSA.

The GPS coordinates for EIS are:

Latitude: 26.23078

Longitude: 49.98203

All collected ODS refrigerant was consolidated into one ISO tank and destroyed at Tredi Séché, located at Rue Charles de Gaulle, 0150 Saint-Vulbas, France. The GPS coordinates for Tredi are:

Latitude: 45.83921

[1] https://www.vision2030.gov.sa/en/explore/projects/saudi-green-initiative
[2] https://www.sgi.gov.sa/about-sgi/sgi-targets/reduce-carbon-emissions/

Longitude: 5.27329

A7. REGULATORY COMPLIANCE

Saudi Arabia – Regulatory Compliance

There is no mandate for destruction of ODS, or CFC-12 specifically, in Saudi Arabia. The management of ODS is regulated under the Regulation of Ozone-Depleting Substances and Hydrofluorocarbons (2020) (sections 11-1441) and Waste Management Systems 2021 and its Executive Regulations (01-1443).

ODS is considered hazardous waste[3] and as such requirements are outlined for the storage, transportation, recycling, and management of waste. Under Chapter 3 of the 2021 regulation, Article 11 "Responsibilities of Waste Producers" indicates no requirement for destruction. Waste may be stored, recycled, reclaimed, or disposed of.

EIS maintains three licenses: general operation license for a business, an industry license for recycling and reclamation, and a waste management permit specifically for "halons, freon gas, and various refrigerant gases." As such, EIS is permitted to operate, recycle, reclaim, and manage CFC refrigerants.

EIS' waste management permit is distributed by the National Center for Waste Management ("MWAN"), who oversees licensing. MWAN also issues and oversees licensing for the movement of hazardous waste. The carrier used within Saudi Arabia, Namma Cargo, was licensed under MWAN.

The National Center for Environmental Compliance (NCEC) is responsible for general environmental compliance and oversight. MWAN must report to NCEC as a partner for the issuance of the required licenses.

The project complies with all relevant regulations for the management, sourcing, and transportation in Saudi Arabia.

Basel Convention – Regulatory Compliance for International Transit

All international transportation of hazardous waste must be permitted via the Basel Convention. The Basel Authorities for the source country, transit countries, and destination country must all conform to the Basel process to issue approval for transit of wastes through their country and/or port. Waste will not be able to exit or enter any country which has not given its consent, and the oversight is determined on a country-by-country basis by way of their Competent Authority. In practice, a shipping line will refuse a waste shipment without proven authorization from all countries.

[3] https://istitlaa.ncc.gov.sa/en/Civil/ncwm/TechnicalGuidelinesWasteClassification/Pages/default.aspx

The project complies with all relevant Basel requirements for the transit of the ODS to France for destruction.

France – Regulatory Compliance

Tredi, located in Saint-Vulbas, France, is the destruction facility used for this project. In order to manage hazardous wastes, France requires the following permits and documentation:

- An annual report to the EU on GHG Emissions.
- Permit from the Office of Planning, Urban Planning and Classified Facilities which grants authorization to operate as a hazardous waste incineration and treatment facility.
- Complementary provisions allowing for the storage of pressurized gases, the types of gases permitted on site, and the security and safety measures in place when utilizing the incinerator are also required for the nature of business at Tredi.

These permits are issued by Tredi's local *Prefet.* Legislation around environmental code and principles can be found in France's *Charter for the Environment* ('the Charter'). Enforcement of regulations and policies from the Charter is conducted by the relevant General Directorate. In the case of Tredi, this Directorate is the Auvergne-Rhone-Alpes Regional Directorate for the Environment, Planning, and Housing.

Inspections occur on a yearly basis. At the time of the project and to date, Tredi is compliant with the relevant environmental laws and all applicable regulatory requirements, as evidenced by their continued permitted operation and lack of actionable findings from the most recent inspection.

In addition to France's operation and permitting requirements, the facility is eligible under the Methodology. Although not an RCRA facility, Tredi exceeds the TEAP requirements referenced in the Methodology.

TEAP criteria includes the following:

- DRE of 99.99% or greater.
- Emissions limitations as described in the chart below.
- Technical capability through demonstrated destruction of a refractory chlorinated organic compound or ODS itself, at a rate no lower than 1.0 kg/hr.

Table 3: TEAP Criteria

Performance Qualification	Units	Diluted Sources	Concentrated Sources (ODS)
DRE	%	95	99.99
PCDDs/PCDFs	ng-ITEQ/NM^3	0.5	0.2
HCl/CL_2	mg/NM^3	100	100
HF	mg/NM^3	5	5
HBr/Br_2	mg/NM^3	5	5
Particulates	mg/NM^3	50	50

CO	mg/NM^3	100	100

As described in the DRE Report conducted by a third-party Bureau Veritas, the DRE results for Tredi are 99.994% efficiency. Therefore, the facility exceeds the TEAP requirements.

The emissions results from testing, taking the highest value during the reading, are as follows:

Table 4: Tredi emissions testing results

Emissions type	Limit (Diluted/Concentrated)	Emissions Result
PCDDs/PCDFs	0.5/0.2 ng-ITEQ/NM^3	0.00149 ng-ITEQ/NM^3
HCl/CL_2	100 mg/NM^3	0.02 mg/NM^3
HF	5 mg/NM^3	0 mg/NM^3
HBr/Br_2	5 mg/NM^3	1.1 mg/NM^3
Particulates	50 mg/NM^3	2.0 mg/NM^3
CO	100 mg/NM^3	36.4 mg/NM^3

As demonstrated above, Tredi exceeds the TEAP requirements on all emissions.

With regard to in-country transportation of hazardous waste, a hazardous waste transport license is required and issued by the Ministry of Ecological Transition. Policies are further enforced by the Regional Directorates for the Environment, Planning, and Housing. The carrier used for transportation in-country was JONTRANS.

The project complies with all relevant regulations in France for the transport and destruction of the ODS.

A8. PARTIES

Table 3. Parties involved in the Project.

Entity	Name	Role/Title	Contact Info	Responsibility
Tradewater LLC	Timothy H. Brown	Chief Executive Officer	1550 W. Carroll, Suite 213 Chicago, IL 60607 +1 312 273 5122	Project Proponent
Environmental and Industrial Solutions, Co. (EIS)	Shubbar Ibrahim	Sales and Marketing Manager	PO Box 11175 Dammam 2nd Industrial City, 31453, KSA +966 (0) 13 812 8672/73 X 105	ODS Source, Exporter
Tredi Séché	Raoul Goldbronn	Operations Manager	TREDI SA	Destruction Facility

			Parc Industriel de la Plaine de l'Ain BP55 Saint Vulbas 0115 LAGNIEU France Mob. +33 625 59 60 58	

Tradewater LLC – Project Proponent

Tradewater LLC has operated since 2016 and is a mission-driven company. Tradewater's aim is to collect and destroy greenhouse gases found around the world while creating economic opportunity.

Séché Tredi – Destruction facility

Tredi is a subsidiary of Séché Environnement, a family owned and independent company, with a presence in 15 countries. Tredi has been working in waste management for over 35 years, and has managed domestic, industrial, and hazardous waste. The destruction facility is located in Saint-Vulbas, Ain and utilizes a rotary kiln incineration process for the destruction of waste.

Environmental and Industrial Solutions Co. (EIS) – Source and Exporter

Environmental and Industrial Solutions Co. (EIS) was founded in 2011, and initially provided halon recovery and reclamation throughout the Middle East and North Africa (MENA) region. They later expanded into refrigerant gases under the 'Pancool' brand and established a reclamation center where old refrigerants are reclaimed to AHRI-700 standards. EIS is recognized for its expertise in handling and disposing of hazardous substances, including ODS like R-12, in compliance with international and local regulations.

A9. AGGREGATION AND PROGRAMMATIC DEVELOPMENT APPROACH

Not applicable.

B. METHODOLOGY

B1. APPROVED METHODOLOGY

The Project uses the Methodology for Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removal from the Destruction of Ozone Depleting Substances from International Sources Version 1.0 (hereinafter referred to as "Methodology").

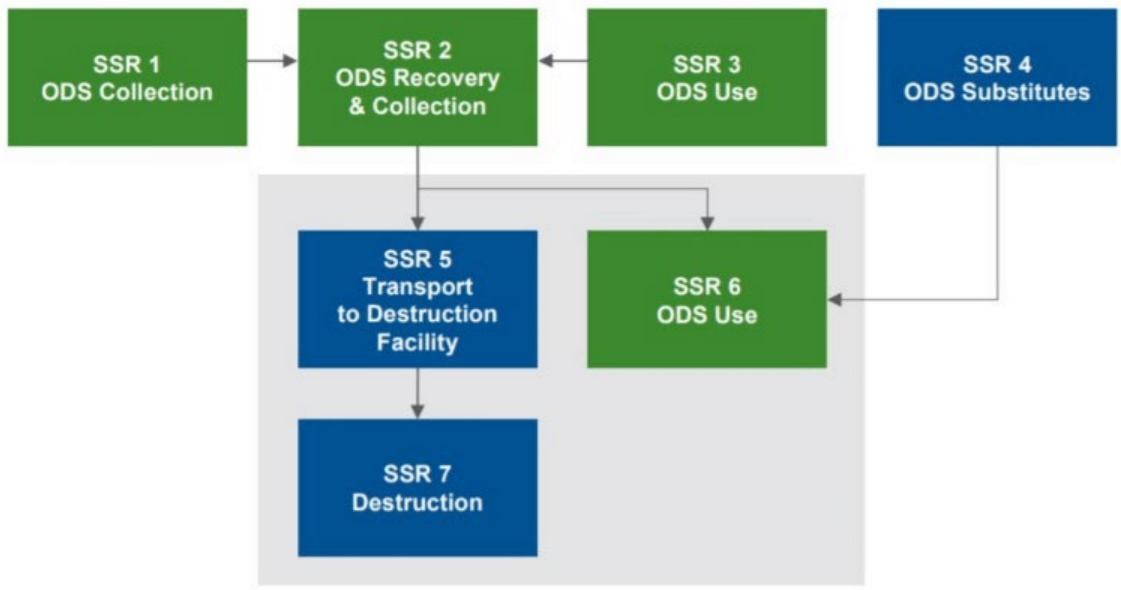
B2. METHODOLOGY JUSTIFICATION

The project involves the destruction of ODS refrigerant CFC-12. Saudi Arabia, the origin country, does not have a law requiring destruction of refrigerants under the Montreal Protocol. Because these refrigerants have been phased out worldwide and there are less impactful substitutes, their destruction will not trigger any additional CFC refrigerant production. This particular methodology is most appropriate as the ODS was sourced internationally (i.e. outside of the United States and Canada) and destroyed at a destruction facility abroad.

B3. PROJECT BOUNDARIES

The geographic boundary of the Project is the Tredi Séché facility, located at Rue Charles de Gaulle, 01150 Saint Vulbas, France. The reporting period is 12/03/2024 – 12/21/2024 and the crediting period is 12/03/2024 – 12/02/2034.

Additional SSRs within the project boundaries are ODS and Transport to Destruction Facility.



B4. IDENTIFICATION OF GHG SOURCES, SINKS, AND RESERVOIRS

Table 4. Greenhouse Gases and Sources (source: Methodology)

GHG Source	Source Description	Gas	Quantification Method
SSR 5. Transport to Destruction Facility	Fossil fuel emissions from the vehicular transport of ODS from aggregation point to final destruction facility	CO_2	$\boldsymbol{Tr\&Dest = (Q_{ODS} \times EF)}$
SSR 6. ODS Use	Emissions of ODS from use, leaks, and servicing through continued operation of equipment.	ODS	$\boldsymbol{BE_{refr} = \sum_i (Q_{ref,i} \times ER_{refr,i} \times GWP_i)}$
SSR 6. ODS Use	Emissions of substitute from use, leaks, and servicing through continued operation of equipment.	CO_2e	$\boldsymbol{Sub_{refr} = \sum_i (Q_{ref,i} \times SE_i)}$
SSR 7. Destruction	Emissions of ODS from incomplete destruction at destruction facility.	ODS	$\boldsymbol{Tr\&Dest = (Q_{ODS} \times EF)}$
SSR 7. Destruction	Emissions from the oxidation of carbon contained in destroyed ODS.	CO_2	$\boldsymbol{Tr\&Dest = (Q_{ODS} \times EF)}$
SSR 7. Destruction	Fossil fuel emissions from the destruction of ODS at destruction facility.	CO_2	$\boldsymbol{Tr\&Dest = (Q_{ODS} \times EF)}$
SSR 7. Destruction	Indirect emissions from the use of grid-delivered electricity.	CO_2	$\boldsymbol{Tr\&Dest = (Q_{ODS} \times EF)}$

B5. BASELINE SCENARIO

The baseline scenario selected for the project related to ODS refrigerant, in which the following emissions rates are assumed under business-as-usual:

Table 5. Parameters for ODS Refrigerants (source: Methodology)

ODS	100 year global warming potential (MT CO_2E/MT ODS)	10-year cumulative emission rate (%/10 years)	Substitute Emissions (MT CO_2E/MT ODS)
CFC-11	4,663	89	201
CFC-12	10,239	95	812
CFC-13	13,893	61	7,569
CFC-113	5,824	89	219
CFC-114	8,592	78	660
CFC-115	7,665	61	1,868

In this Project, the CFC-12 material was originally held in an ISO tank after processing at EIS, where lack of accessible destruction capacity in the country resulted in the material being exported to France. The material was transferred to Tradewater and finally destroyed at Séché Tredi, in France. The movement of the material was performed following the Basel Convention requirements and both Saudi Arabia's and France's local regulations. There is no mandate in Saudi Arabia to destroy the ODS refrigerant.

The ODS was held at EIS' facility as the phase down of CFC use and technology resulted in no alternative use for the material. Without particular intended or viable use, this material would remain in storage, where the risk of leaking into the atmosphere is high and inevitable.

B6. WITH-PROJECT SCENARIO

The project scenario is the destruction of CFC-12 which otherwise would remain in storage indefinitely until a management option could be found and financed. As the phase down of these refrigerants diminished the equipment and vehicles that use them in the country, the ODS material included in the Project would remain in stockpiles if it were not properly disposed of.

The project abides with all applicable rules and regulations as there is no mandate to destroy ODS in the source country. The ODS refrigerant was collected in Saudi Arabia from EIS, who transferred the material to Tradewater as the material is phased out and replaced by other technologies. All the activities related to ODS are to be performed by individuals or legal businesses authorized and supervised by MWAN and therefore all Tradewater partners are authorized under Saudi Arabia's legislation.

For the destruction in France, the ODS is handled according to the French Environment Code, specifically EC 1005-2009. Transport operations for hazardous waste comply with the Environment Code requirements relating to the collection, transport, trading, and brokerage of waste, as well as with ADR and IMDG regulations. Once at Tredi, the ODS is destroyed in compliance with the applicable laws and regulations. This includes environmental and health and safety regulations.

B7. GHG EMISSION REDUCTIONS AND REMOVALS

Through this project, greenhouse gas emission reductions are achieved by preventing the inevitable release of the refrigerant ODS into the atmosphere – either through leakage from degrading systems and storage, or
from accidental venting during the movement of the ISO tank. The reductions are calculated by subtracting project emissions from the baseline emissions.

B8. PERMANENCE

There is no risk of reversal for this project type.

C. ADDITIONALITY

C1. BASELINE

For this project, additionality has been demonstrated according to the corresponding ACR Standard and Methodology by an approved Performance Standard test and an approved Regulatory Surplus Test, as detailed in sections C2 and C3.

C2. PERFORMANCE STANDARD

ODS refrigerant that are no longer produced, imported, and used are stored in containers indefinitely until an end-of-life solution is implemented. As a result of the introduction of newer technologies that use improved ODS, the material in question has been in possession by owners of refrigerant stores and refrigerant technicians who stopped using and selling the material. The ODS sources for this project came from Saudi Arabia and was destroyed in a destruction facility that meets the Montreal Protocol's TEAP standards provided in the *Report of the Task Force on Destruction Technologies.*

The GWPs of CFC-12 are above in table 5. The GHG emissions generated by the project are significantly less than the business-as-usual scenario for all refrigerant types, and the emissions reductions are greater than those in the baseline scenario.

The CFC ODS sourced for this project, along with the project activities, meet the eligibility requirements:

- This material would eventually be vented into the atmosphere in the business-as-usual scenario.
- The material was destroyed via an eligible destruction facility.
- Origin and Chain of Custody for this material is outlined in the supporting documents.
- Tradewater has monitored the applicable SSRs within the project boundary.
- The emissions have been quantified and align with Chapter 5 of the Methodology, as indicated in section E and as shown in the Project Assertion Spreadsheet.

C3. REGULATORY SURPLUS TEST

In order to pass the regulatory surplus test, a project must not be mandated by existing laws, regulations, statutes, legal rulings, or other regulatory frameworks in effect as of the start date that directly or indirectly affect the credited offsets. Saudi Arabia has no law, statute, or other regulatory framework mandating the destruction of ODS. The legislation 01-1443 AH: Waste Management Systems and its Executive Regulations (2021) and 11-1441 AH: Regulation of Ozone Depleting Substances and Hydrofluorocarbons (2020) established the requirements for the recycling facilities for hazardous waste, though absent is the mandate for destruction.

Additionally, the legislation describes the requirements for transportation, storage, treatment, or disposal of hazardous waste. Waste management and reclamation facilities, like EIS, require a permit for operation. This permit is processed through the National Center for Environmental Compliance (NCEC).

In conclusion, neither these regulations, nor any other existing laws, regulations, statutes, legal rulings, or other regulatory frameworks in effect as of December 3, 2024, require the project activity and its associated GHG emission reductions/removal enhancements. Therefore, the project passes the regulatory surplus test.

C4. COMMON PRACTICE TEST

N/A

C5. IMPLEMENTATION BARRIERS TEST

N/A

D. GHG MONITORING PLAN

D1. MONITORED DATA AND PARAMETERS

Parameters in this section, other than the Legal Requirement Test, only include the measured monitoring parameters, tagged as "Measured" within the ACR ODS Methodology table 6.4.

Data or Parameter Monitored	*Regulatory Surplus Test*
Unit of Measurement	*N/A*
Description	*Emissions reductions achieved through this project and Methodology must not be required by any existing law or regulation.*
Data Source	*Regulation of Ozone-Depleting Substances and Hydrofluorocarbons (2020) (sections 11-1441) and Waste Management Systems 2021 and its Executive Regulations (01-1443)*
Measurement Methodology	*N/A*
Data Uncertainty	*Low*
Monitoring Frequency	*Once per project, or as needed if changes to regulation are made*
Reporting Procedure	*Review of existing laws around ODS refrigerant management*
QA/QC Procedure	*Regular review of current laws and regulations surrounding ODS refrigerants, particularly CFCs*
Notes	*N/A*

Data or Parameter Monitored	*Mass of ODS mixture in each container*
Unit of Measurement	*Kilograms*
Description	*The total quantity of ODS refrigerant in a container*
Data Source	*Weight tickets taken pre- and post-destruction for each container*
Measurement Methodology	*Section 5.1 Methodology*
Data Uncertainty	*Low*
Monitoring Frequency	*Once per project*
Reporting Procedure	*Gross weight of containers using a calibrated scales, taken before and after destruction*
QA/QC Procedure	*Scale calibrations, CEMs data confirms destruction parameters throughout process*
Notes	*N/A*

Data or Parameter Monitored	*Concentration of ODS mixture in each container*

Unit of Measurement	*Percent*
Description	*The distribution of ODS refrigerant in each container (along with any contaminants, moisture, or HBR)*
Data Source	*Sample data via lab analysis provided by an ISO 17025 certified third-party laboratory using AHRI certified methods*
Measurement Methodology	*Appendix B of Methodology*
Data Uncertainty	*Low*
Monitoring Frequency	*Once per project*
Reporting Procedure	*Lab Analysis Report*
QA/QC Procedure	*Composition and concentration are analyzed at an ISO 17025-certified laboratory that is not affiliated with the project proponent using the AHRI 700 Standard. Tradewater reviews analysis to check for anomalies and re-samples if necessary.*
Notes	*N/A*

Data or Parameter Monitored	$Q_{refr,i}$
Unit of Measurement	*MT*
Description	*The total weight of ODS refrigerant sent for destruction (baseline)*
Data Source	*Weight tickets taken both pre- and post-destruction coupled with lab analysis results.*
Measurement Methodology	*Section 5.1 of Methodology*
Data Uncertainty	*Low*
Monitoring Frequency	*Once per project*
Reporting Procedure	*Gross weight of ISO tank using a calibrated scale. Taken before and after destruction; lab analysis*
QA/QC Procedure	*Scale calibrations; CEMS data confirms destruction; lab analysis confirms mass percentage of identification of ODS refrigerant*
Notes	*N/A*

Data or Parameter Monitored	Q_{ODS}
Unit of Measurement	*MT*
Description	*The total quantity of ODS refrigerant (including HBR, moisture, etc.) transported to the destruction facility*
Data Source	*Weight tickets taken both pre- and post-destruction coupled with lab analysis and quantifications*
Measurement Methodology	*Section 5.2 of Methodology*

Data Uncertainty	*Low*
Monitoring Frequency	*Once per project*
Reporting Procedure	*Net weight of ISO tank using calibrated scale; lab analysis*
QA/QC Procedure	*Scale calibrations; CEMS data confirms destruction; lab analysis confirms mass percentage and identification of ODS refrigerant*
Notes	*N/A*

E. GHG QUANTIFICATION

E1. BASELINE SCENARIO

The baseline emissions are 176,573 mtCO_2eq. For details, please see Appendix C.

$$BE_{refr} = \sum_{i} (Q_{ref,i} \times ER_{refr,i} \times GWP_i)$$

Where		Units
BE_{refr}	Total quantity of refrigerant project baseline emissions during the reporting period	MT CO_2e
$Q_{ref,i}$	Total quantity of refrigerant ODS sent for destruction by the offset project	MT ODS
$ER_{refr,i}$	10-year cumulative emission rate of refrigerant ODS	%
GWP_i	Global warming potential of ODS	MT CO_2e / MT ODS

E2. AFOLU PROJECT INVENTORY

N/A

E3. WITH-PROJECT SCENARIO

The project emissions are 14,861 mtCO_2eq. For details, please see Appendix C.

Total Project Emissions

$$PE_t = Sub_{refr} + Tr\&Dest$$

Where		Units
PE_T	Total quantity of project emissions during the reporting period	MT CO_2e
Sub_{refr}	Total GHG emissions from substitute refrigerant	MT CO_2e
$Tr\&Dest$	Total GHG emissions from transportation and destruction of ODS	MT CO_2e

Project Emissions from the Use of Non-ODS Refrigerants

$$Sub_{refr} = \sum_{i} (Q_{ref,i} \times SE_i)$$

Where		Units
Sub_{refr}	Total quantity of refrigerant substitute emissions	MT CO_2e
$Q_{ref,i}$	Total quantity of refrigerant i sent for destruction	MT ODS

SE_i	Emission factor for substitute(s) for refrigerant i, per Table 3	MT CO_2e/ MT ODS destroyed

Project emissions from Transportation and Destruction using the Default Emissions Factors

$$Tr\&Dest = (Q_{ODS} \times EF)$$

Where		Units
$Tr\&Dest$	Total GHG emissions from ODS transportation and destruction, as calculated using default emissions factors.	MT CO_2e
Q_{ODS}	Total quantity of ODS sent for destruction in project.	MT ODS
EF	Default emission factor for transportation and destruction of ODS (7.5)	MT CO_2e/ MT ODS

E4. LEAKAGE

As defined by the ACR Standard V 8.0, leakage is a term that refers to secondary effects where the GHG emissions reductions of a project may be negated by shifts in market activity or shifts in materials, infrastructure, or physical assets associated with the project. Projects involving the destruction of CFC refrigerant would not encourage the increase of CFC production. Therefore, for this Methodology, leakage is not applicable.

E5. UNCERTAINTY

N/A

E6. QUALITY ASSURANCE AND QUALITY CONTROL (QA/QC)

Description of GHG management system

The destruction facility, Tredi Séché Group has a document retention requirement of a minimum of five years, up to lifetime of facility. All documents are stored electronically and backed up.

The project proponent, Tradewater LLC, has a document retention policy of 15 years. Documents are stored in a third-party cloud system that is backed up on a regular basis, with hard copies saved on-site wherever possible. All documents relevant to the project that are obtained from the destruction facility are subject to Tradewater's document retention policy.

Continuous Emissions Monitoring System (CEMS) data from the destruction process is uploaded onto Tredi's database. Data for each reporting period is exported by a Tredi employee to an Excel file for the Project Proponent and a VVB to evaluate. Personnel on-site monitors all incineration activities to prevent errors, exceedances, or other anomalous incidents in the project. If an exceedance or issue is triggered, the system automatically shuts down. A report is also automatically generated and sent to the prefet regulatory body for notice and evaluation.

Calibration procedures and frequency of calibration.

The scales used to determine the mass of ODS is calibrated periodically by a third party, with a requirement by the French government for annual recalibrations. If the schedule calibration does not fall within the quarter of the destruction event, Tradewater requests an additional calibration to comply with the protocol. The latest calibration was performed on 9/23/2024.

Internal audit and quality assurance/quality control procedures.

Tredi Séché Group undergoes annual procedure reviews and required reading. Qualified technicians are constantly monitoring the emissions levels during destruction events. The destruction facility is regulated by both the European Environment Agency and the French Ministry of the Ecological Transition. Tradewater reviews all paperwork to ensure that it satisfies protocol requirements.

Document Retention
Tradewater retains all documentation related to carbon offset projects indefinitely, with hard copies filed at the headquarter location whenever possible, and digital copies backed up to a Cloud. Documentation can only be accessed by select Tradewater personnel for security purposes. Tradewater's documentation policy exceeds that required by ACR of at least two (2) years after the end of the project's Crediting Period.

E7. GHG EMISSION REDUCTIONS AND REMOVALS

The emission reductions are 161,712 $mtCO_2eq$. The project emissions are quantified using the equation below indicated in the Methodology For details, please see Appendix C.

$$ER_t = BE_t - PE_t$$

Where		Units
ER_t	Total quantity of GHG emission reduction the reporting period	MT CO_2e
BE_t	Total quantity of project baseline emissions during the reporting period	MT CO_2e
PE_t	Total quantity of project emissions during the reporting period	MT CO_2e

E8. *EX ANTE* CARBON CREDIT PROJECTION

Ex-ante estimation methods are not applicable to this methodology, as the emissions reductions for the 10-year crediting period are determined in the first reporting period.

E9. *EX ANTE* ESTIMATION METHODS

Ex-ante estimation methods are not applicable to this methodology, as the emissions reductions for the 10-year crediting period are determined in the first reporting period.

F. ENVIRONMENTAL AND SOCIAL IMPACTS

F1. ENVIRONMENTAL AND SOCIAL IMPACT SUMMARY

Tradewater is unaware of any potential negative environmental or socio-economic impacts from this Project. Saudi Arabia is part of the 1993 Montreal Protocol and has been engaged in efforts to eliminate substances that affect the ozone layer in recent years. Since there is currently no financial and logistical infrastructure to responsibly destroy ODS in Saudi Arabia, the Tradewater project creates a solution to this problem.

The net positive impacts from the project include the reduction of inevitable emissions of stockpiled CFC refrigerants via leaks, testing, accidental venting, or container degradation. This destruction will not trigger any additional production due to the complete phase-out of CFCs worldwide. The project further encourages innovation and development of more sustainable refrigeration and cooling technologies, as well as encouraging the entire sector to develop technologies that are more responsible and aligned with climate goals. Finally, the emissions reductions resulting from this project help to achieve climate goals by eliminating additional contributors to climate change and global warming.

More information can be found in Appendix A of the GHG Plan (File name: ACR793_Social Impact_V1).

F2. SUSTAINABLE DEVELOPMENT GOALS

Direct positive impact: The Project has direct positive impact to United Nations sustainable development goals (SDG) 9 (Industry innovation and infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action).

- **SDG 9.4** *By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.*
  This project works in support of the Montreal Protocol, which promotes sustainable industrialization by upgrading industries through the transfer of clean and environmentally sound technologies that allow for the phase-out of ODS and higher-GHG fuels while increasing resource-use efficiency. Innovation is required to replace refrigerants with less harmful, yet equally as effective, alternative to meet the needs of cooling, refrigeration, and climate-controlled transport throughout the world.
- **SDG 12.4** B*y 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly*

reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
The Project supports the collection and destruction of one of the most powerful greenhouse gases in the world, paving the way to the development and use of safer and more environmentally friendly alternatives.

- **SDG 13.2** *Integrate climate change measures into national policies, strategies, and planning.*
The phase-out to date of most ODS has not only led to the regeneration of the ozone layer but also to significant reductions in GHG emissions as most ODS are also powerful GHGs.
Tradewater has the objective to prevent the release of ODS gases into the atmosphere.
By identifying, collecting, managing, and destroying refrigerant gases in an appropriate manner, Tradewater aims to prevent ozone depletion, negative environmental impacts, and climate change.

Indirect Positive Impact: The Project has indirect positive impact to United Nations sustainable development goals (SDG) 3 (Good health), 14 (Life Below Water), and 15 (Life on land).

- **SDG 3.9** *By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.*
Ozone layer depletion allows more UV radiation to reach the earth's surface, a contributing factor to melanoma skin cancer. Increases in UV radiation also cause other health concerns, including eye damage (e.g., cataracts), suppression of the immune system and premature skin aging. The destruction of ODS before it leaks contributes to reducing the number of deaths and illnesses from a thinning ozone layer.
- **SDG 14.1** *By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.*
The destruction of ODS protects the bodies of water and its species as the thinning of the ozone layer increases the UVB radiation, which can have negative in survival rate, early developmental stages, and population numbers in different marine species.
- **SDG 15.1** *By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.*
As Ozone Depleting Substances are potent greenhouse gases, their destruction contributes to climate change mitigation efforts as it avoids these gases to leak into the atmosphere, and as they prevent the thinning of the ozone layer it also protects the terrestrial biosphere and its capacity as carbon sink.

More information can be found in Appendix B of the GHG Plan (File name: ACR793_SDG Report_V1).

F3. STAKEHOLDER COMMENTS AND CONSULTATION

As per ACR Standard version 8.0, the project was subjected to a 30-day public comment period. No comments were received by any stakeholders or by ACR.

G. OWNERSHIP AND TITLE

G1. PROOF OF TITLE

Tradewater LLC is the Project Proponent. Tradewater LLC possesses the title and rights to all refrigerants destroyed under this Project, which is demonstrated by the transfer of ownership documentation, Consolidation Report, and other similar documentation. As such, the rights and title to all carbon offset credits created by this Project belong to Tradewater LLC.

G2. CHAIN OF CUSTODY

The offsets have not been bought or sold previously, and the project does not have a forward option contract.

G3. PRIOR APPLICATION

The project has not applied to any other Voluntary Carbon program.

H. PROJECT TIMELINE

H1. START DATE

The Project start date is 12/03/2024, the date on which the earliest destruction activity of the project commenced. The Project start date determination is consistent with the ACR Standard and Methodology.

H2. PROJECT TIMELINE

Relevant Project Activities	Timeline
Project Listed/Initiation of Project Activities	July 8, 2022
Project Term	N/A
Crediting Period	12/03/2024 – 12/02/2034
Reporting Period	12/03/2024 – 12/21/2024
Frequency of Monitoring, Reporting, and Verification	Once per reporting period

Appendices

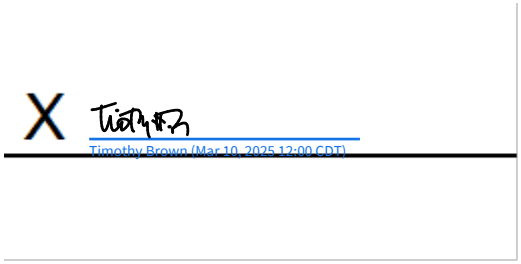
List all appendices referenced throughout the GHG Project Plan in the table below, omitting and providing additional rows as needed. Appendices not provided under separate cover must be included within this document. For submission of the final versions of appendices provided under separate cover, provide exact filenames including the correct version and/or date. Where relevant to the project, the appendices marked with an asterisk (*) must be submitted on the ACR Registry, denoted as a GHG Project Plan document type, and maintained as public. All appendices are subject to validation.

Appendix	Document Title	Provided under separate cover? (Yes/No)	Filename *if provided under separate cover*
A	Environmental and Social Impact Assessment*	No	N/A
B	SDG Contributions Report*	No	N/A
C	Calculations	No	N/A

Attestations

The GHG Project Plan must be signed by a duly authorized representative of the Project Proponent and Project Developer Account Holder, if not the same entity. The signature may not be inserted by typing or affixing an image file. The signature may be executed via encrypted digital signature (i.e. DocuSign) or by printing the signature page, using a wet signature, scanning the signature page, and inserting it into the final PDF. The signature date should be on or after the document date on the cover of this report.

The Project Proponent hereby represents and warrants to the American Carbon Registry, its affiliates and supporting organizations, and any assignee of substantially all of the assets comprising the ACR, that all information contained herein and in all appendices is true, correct, and complete to the best of their knowledge, information, and belief and they further agree to notify ACR promptly in the event that the Project Proponent becomes aware that any representation or warranty set forth above or in any appendix submitted under separate cover was not true when made.

Project Proponent Signature:	
Project Proponent Representative Signature	
Name	Timothy H. Brown
Title	Chief Executive Officer
Organization	Tradewater, LLC
Date	March 10, 2025

Environmental and Social Impact Assessment

INSTRUCTIONS ACR requires all Project Proponents to prepare and disclose an environmental and social impact assessment per the *ACR Standard*, Chapter 8. To facilitate this requirement, use of this Environmental and Social Impact Assessment template is required. Follow all instructions found within each section and respond as completely and accurately as possible based on project details. If a field is not applicable, respond with "N/A." The Environmental and Social Impact Assessment may be presented within, or as an appendix to, the GHG Project Plan. If providing as a standalone appendix, the Environmental and Social Impact Assessment must be saved as a PDF prior to uploading to the ACR Registry. Terminology as defined in the *ACR Standard* applies to this document.

THIS VERSION 1.1 OF THE ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT TEMPLATE IS REQUIRED IF VALIDATION ACTIVITIES COMMENCED AFTER OCTOBER 31, 2024.

SECTION I: GHG PROJECT INFORMATION		
1	Document date	November 25, 2024
2	Project title	Tradewater - Saudi Arabia 1
3	ACR project ID	793
4	Provide an overview of the project activity. The project consists of the destruction of one ISO tank of R-12 refrigerant sourced in Saudi Arabia and destroyed at an eligible destruction facility located in Saint Vulbas, France.	
5	Project location(s) City or county, state, country, and any other relevant identifiers	Saint Vulbas, France
6	Provide an overview of the GHG Project's relevant stakeholders (i.e., individuals or groups that can potentially affect or be affected by the project activities and who may live within or outside the Project area). Stakeholders as defind by the ACR Standard are not applicable to this project.	

SECTION II: ENVIRONMENTAL & SOCIAL RISKS AND IMPACTS

Taking into account the scope and scale of the project activity, provide an assessment of the GHG Project's environmental and social risks and impacts for the project duration for each of the areas below. Categorize each risk/impact as positive, negative, or neutral and substantiate the selected category, noting all defined and defensible assumptions. Responses to 3A-3C and 6C below may be based on company-wide policies, however all other answers must be direct impacts of project activities.

When the GHG Project has a positive impact, describe reasoning in 1.

When the GHG Project poses risks of negative impacts, describe reasoning in 1, how impacts will be avoided, reduced, mitigated or compensated, commensurate with the risk in 2, and detail how risks and negative impacts will be monitored, how often, and by whom in 3.

When the GHG Project has a neutral impact, describe reasoning in 1 or, at minimum, enter "N/A."

1	BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES
1A	**Terrestrial and Marine Biodiversity and Ecosystems** ☒ Positive ☐ Negative ☐ Neutral **1.** Describe the reasoning for selection: There is evidence that increased UV rays as a result of deterioration of the ozone has an negative impact on aquatic ecosystems, specifically phytoplankton, and other fauna's reproduction. Therefore, the project indirectly has a net positive effect on aquatic biodiversity as the prevention of ODS entering the atmosphere allows the ozone layer to heal, and ultimately reduce harmful UV rays. **2.** If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A **3.** If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
1B	**Habitat of Rare, Threatened, and Endangered Species, Including Areas Needed for Habitat Connectivity** ☐ Positive ☐ Negative ☒ Neutral **1.** Describe the reasoning for selection: We have not identified any impacts to the habitats of rare, threatened and endangered species resulting from the implementation of the project.

2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

1C **Natural Forests, Grasslands, Wetlands, or High Conservation Value Habitats**

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
No impacts to natural forests, grasslands, wetlands, or high conservation value habitats have been identified as a result of the project activity.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

1D **Soil Degradation and Soil Erosion**

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
No impacts to soil have been identified as a result of the project activity.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

1E **Water Consumption and Stress**

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
Impacts to water consumption have not been identified as a result of this project activity.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A

	3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
2	**RESOURCE EFFICIENCY AND POLLUTION PREVENTION**
2A	**Pollutant Emissions to Air** ☒ Positive ☐ Negative ☐ Neutral 1. Describe the reasoning for selection: ODS kept in storage will continue to leak into the atmosphere as the containers are not designed to store the material for long periods of time. By destroying the refrigerant ODS, the negative impact to the ozone layer and the atmosphere is eliminated. Therefore, the net impact is positive. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
2B	**Pollutant Discharges to Water, Noise, and Vibration** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: No impacts to pollutant discharges to water, noise, or vibration have been identified as a result of this project activity. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
2C	**Generation of Waste and Release of Hazardous Materials, Chemical Pesticides, and Fertilizers** ☒ Positive ☐ Negative ☐ Neutral 1. Describe the reasoning for selection: ODS destruction directly removes the threat of the release of hazardous materials. Therefore, the destruction has a net positive impact on the issue of generation of waste and release of hazardous materials.

2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

3 LABOR RIGHTS AND WORKING CONDITIONS

3A Safe And Healthy Working Conditions for Employees

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
This project activity does not impact working conditions for employees.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

3B Fair Treatment of All Employees, Avoiding Discrimination, and Ensuring Equal Opportunities

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
The project activity does not contribute to nor work against fair treatment of employees.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

3C Forced Labor, Child Labor, or Trafficked Persons, and Protections for Contracted Workers Employed by Third Parties

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
This project type and activity does not impact this item.

	2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
4	**LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT**
4A	**Forced Physical and/or Economic Displacement** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
5	**RESPECT FOR HUMAN RIGHTS, STAKEHOLDER ENGAGEMENT**
5A	**Human Rights and Discrimination** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
5B	**Abidance by the International Bill of Human Rights[1] and Universal Instruments Ratified by the Host Country** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item.

[1] https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights

	2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
5C	**Consideration and Response to Local Stakeholders' Views** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
6	**GENDER EQUALITY**
6A	**Equal Opportunities in the Context of Gender** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A 3. If negative, detail how risks and impacts will be monitored, how often, and by whom: N/A
6B	**Violence Against Women and Girls** ☐ Positive ☐ Negative ☒ Neutral 1. Describe the reasoning for selection: The project type and activity does not impact this item. 2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk: N/A

3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

6C **Equal Pay for Equal Work**

☐ Positive ☐ Negative ☒ Neutral

1. Describe the reasoning for selection:
The project type and activity does not impact this item.
2. If negative, describe how adverse impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. If negative, detail how risks and impacts will be monitored, how often, and by whom:
N/A

SECTION III: COMMUNITY-BASED PROJECTS

1 Community-based projects are those in which project activities engage or otherwise impact one or more communities. A community includes groups of people who live within or adjacent to the project area, including Indigenous peoples and other local communities, as well as any groups that derive income, livelihood, or cultural values from the area.

Is the Project a community-based Project? ☐ Yes ☒ No

2 If the project **IS** a community-based project, include a description of the community(ies), stakeholder engagement, and benefit sharing arrangements below.

2A **Community and Stakeholder Identification and Consultation**

1. Describe the process to identify community(ies) affected by the GHG Project:
N/A
2. Provide detailed information regarding the community stakeholder consultation process undertaken as part of the project design and implementation, including demonstration that the consultations with Indigenous Peoples and local communities were conducted in a manner that is inclusive, culturally appropriate, and respectful of local knowledge:
N/A
3. Provide documentation of meetings held, attendees, and meeting minutes, as well as stakeholder comments and concerns and how those were addressed. These documents can be provided as attachments with file references stated below:
N/A

2B **Indigenous Peoples, Local Communities, Cultural Heritage, and Free Prior and Informed Consent**

Where the project directly or indirectly impacts Indigenous Peoples and local communities, including livelihoods, ancestral knowledge, and cultural heritage, describe the steps taken to:

1. Recognize, respect, and promote the protection of the rights of Indigenous Peoples and local communities in line with applicable human rights law, and the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous and Tribal Peoples[2]:
   N/A
2. Identify the rights-holders possibly affected (including customary rights of local rights holders):
   N/A
3. Avoid eviction or any physical or economic displacement, including through access restrictions to lands, territories, or resources:
   N/A
4. Preserve and protect cultural heritage consistent with Indigenous Peoples and local community(ies) protocols/rules/plans on the management of cultural heritage and/or UNESCO Cultural Heritage Conventions:
   N/A
5. As applicable, provide evidence of Free, Prior and Informed Consent by describing the process that was conducted to ensure that: consent was sought sufficiently in advance of any project, plan, or action taking place; consent was independently decided upon collectively by the rights-holders without coercion, intimidation, or manipulation; and consent was based on accessible, accurate, timely, and sufficient information provided in a culturally appropriate way:
   N/A

2C **Relocation or Resettlement**

1. Was there/will there be any relocation or resettlement resulting from project design or implementation?
   N/A
   a. If yes, describe the circumstances:
      N/A
   b. If yes, was the relocation or resettlement a result of voluntary land transaction(s) between the buyer and seller?
      N/A
   c. If yes, did the relocation or resettlement change the land use of the affected

[2] https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

groups or communities?
N/A

d. If yes, was relocation or resettlement involuntary (e.g., through eminent domain)?
N/A

2D **Robust Benefit Sharing**

1. Describe how a benefit sharing plan (that includes arrangements that are appropriate to the context and consistent with applicable national rules and regulations) was or will be designed and implemented:
N/A
2. Has a draft or final benefit sharing plan been shared with affected communities in a form, manner, and language understandable to them?
N/A
3. Has/will the benefit-sharing outcomes be made public (subject to legal restrictions)?
N/A

2E **Negative Impacts and Mitigation Measures**

Identify any risks or claims of negative environmental and/or social impacts other than those listed in Part II:

1. Describe the negative impact, risk, or claim:
N/A
2. Describe how any negative impacts will be avoided, reduced, mitigated, or compensated commensurate with the risk:
N/A
3. Detail how negative risks and impacts will be monitored, how often, and by whom:
N/A

Sustainable Development Goals (SDGs) Contribution Report

INDUSTRIAL PROJECTS

VERSION 1.1

2024-10-11

This report, as required in the *ACR Standard v8.0* , provides a qualitative assessment of the positive impacts the project is delivering to the United Nations Sustainable Development Goals (SDGs). The identified contributions are based on the standardized *ACR SDG Contributions Reporting Tool* .

ACR Project #:	793
Project Name:	Tradewater - Saudi Arabia 1

1. Select the applicable ACR project type from the drop-down menu below. This will auto populate the UN SDG targets to which project implementation is likely to positively contribute, as conservatively identified in the ACR SDG Contributions Reporting Tool.
2. If your project positively contributes to any additional SDG targets, such as the "conditional" targets identified in the ACR SDG Contributions Reporting Tool, please include those in the extra rows provided.
3. Provide a description of how the project contributes to each of the SDG targets identified.
4. Where the SDG objectives of the host country are relevant and such is feasible, provide information on how the project activity is consistent with the SDG objectives of the host country.
5. Hide any unused rows, save the completed template as a PDF, and upload it to the ACR Registry with the GHG Project Plan.

Project Type:	Destruction of Ozone Depleting Substances (ODS) from International Sources

DIRECT POSITIVE IMPACT TO SDG TARGETS	DESCRIPTION OF PROJECT'S CONTRIBUTION(S) TO SDG TARGET

SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	As ODS refrigerants are either destroyed or utilized, innovation is required to replace the refrigerants with a less harmful, yet equally as effective, alternative to support the needs for cooling, refrigeration, and climate controlled transport throughout the world. Directly related to this is the upgrading, retrofitting, and re-imagining within HVAC technologies globally so systems are compatible with newer, more sustainable refrigerant options.
SDG 12: Ensure sustainable consumption and production patterns 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	By eliminating harmful CFCs and HCFCs, entities requiring refrigerant for their operations will need to shift to a more sustainable and climate-friendly approach. Consumers will naturally move in the direction of lower impact refrigerants as old systems utilizing CFCs break down or CFC sources become harder to find.
SDG 13: Take urgent action to combat climate change and its impacts 13.2 Integrate climate change measures into national policies, strategies and planning	By eliminating ODS refrigerants through destruction, these high GWP ozone depleting substances will not be released into the atmosphere, whether through accidental release via maintenance or mishandling, or from storage degradation overtime. The reduction of greenhouse gas emissions is a key step to reach the goals of the Paris Agreement, namely keeping global temperature increase under 2 degrees Celsius above pre- industrial levels.
INDIRECT POSITIVE IMPACT TO SDG TARGETS	**DESCRIPTION OF PROJECT'S CONTRIBUTION(S) TO SDG TARGET**

SDG 3. Ensure healthy lives and promote well-being for all at all ages 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Deterioration of the ozone layer allows for a higher concentration of UV light to reach the earth's surface. UV radiation is a known contributing factor to many human health problems, including skin cancer, eye damage, and immune system problems. Through the destruction of harmful CFCs and HCFCs, additional ozone depleting substances will never make their way into the atmosphere and damage the ozone the layer, giving the layer time to heal and protect the earth's surface from UV radiation.
SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development 14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Marine animals, both large and small, are affected by increased UVB radiation. UVB radiation is higher energy than other forms of UV radiation, and are known to affect the reproduction of water-dwelling animals as well as the viability of phytoplankton, a key member of aquatic food webs. Increased UVB penetration in the upper water column may result in the destabilization of aquatic water systems. By limiting the presence of harmful CFCs and HCFCs via destruction, additional ozone depleting substances will never make their way into the atmosphere and continue to damage the ozone the layer, giving the layer time to heal and protect the earth's surface – including water systems -- from UVB radiation.
SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.	As ACR notes in their SDG Contributions Reporting Tool, there may be co-benefits to terrestrial life with regard to ozone depleting substance management, as decreased UV radiation allows for plant life to be a more effective and higher capacity carbon sink than in the presence of high UV radiation. Again, the preservation of the ozone layer through ODS destruction will aid in the capacity for plants to store carbon.

INFORMATION ON HOW THE PROJECT ACTIVITY IS CONSISTENT WITH THE SDG OBJECTIVES OF THE HOST COUNTRY, WHERE THE SDG OBJECTIVES ARE RELEVANT, AND SUCH IS FEASIBLE.	Source Country: Saudi Arabia - Saudi Arabia has not formally committed to achieving SDG targets through registration with the UN, however the UN does track efforts made, whether through policies, watchdog organizations, or other committees designed for scoring country-specific efforts. Of those SDGs relevant to the project activity, target 3.9 is "moderately improving" although "challenges remain." Target 9.4 is considered on track for achieving the SDG target, although overall goal 9 is facing "significant challenges" due to lack of funding for research. Target 14.1 faces major challenges with a stagnating progress status. Targets 13.2 and 15.1 are considered to be under "major challenges" with moderately improving and stagnating trends, respectively. Finally, and perhaps most critically to this project type, SDG target 12.4 is under strain and the trend is currently considered insufficient to achieve the goal. In Saudi Arabia, there are no funding mechanisms for the destruction of CFCs that are stockpiled or were contained in end-of-life products, which would result in permanent emissions reductions. Saudi Arabia is a committed party to the Montreal Protocol and the subsequent phase-out of consumption of CFCs, however CFCs do still exist by way of stockpiles and small consumer quantities. With dwindling need for reclamation and re-use, the CFCs are fated with sitting unused and eventually venting. By exporting to France for destruction, the key SDG targets described above are supported, even in an incremental way.

Appendix C

Reference Values Obtained from ODS Protocol for CFC-12, CFC-11, CFC-113, CFC-114, CFC-115

		CFC-12	CFC-11	CFC-13	CFC-113	CFC-114	CFC-115	
CFC-12 10-Year Cumulative Emissions Rate (%/10 Years)	ER	95%	89%	61%	89%	78%	61%	Errata and Clarifications, Table 3
Refrigerant Substitute Emissions Factor (tCO2e/tODS)	SE	812	201	7569	219	660	1868	Errata and Clarifications, Table 4
Global Warming Potential (tCO2e/tODS)	GWP	10239	4663	13893	5824	8592	7665	Errata and Clarifications, Table 5
Default Emission Factor for Transportation and Destruction of ODS (tCO2e/tODS)	EF	7.5						Sec. 6.4, Table 2

Cylinder Number	Refrigerant Type	Measured Values		Gross Quantity of Refrigerant Destroyed (kg)	Moisture Reduction	High Boiling Residue Reduction	Total Eligible Refrigerant Destroyed (kg)	Quantity of Refrigerant Detroyed (metric tonnes)	GHG Emissions from Substitute Refrigerants	Quantity of ODS Transported to Destruction Facility	Transportation and Destruction Default Emissions Factor (tCO2e)	Total Project Emissions (tCO2e)	Total Project Baseline Emissions (tCO2e)	Total GHG Emissions Reductions (tCO2e)
		m	c	Q_g	mr	hbr	Q	Q_{ref}	Sub_{ref}	Q_t	Def	PE	BE_{ref}	ER
				$Q_g = m \times c$			$Q = Q_g - (Q_g \times mr) - (Q_g \times hbr)$	Qref = Q /1000	Sub_{ref} = Qref x SE		Def = Q_t x EF	PE = Sub_{ref} + Def	Be_{ref} =Q_{ref} x ER x GWP	ER = BE_{ref} - PE
ISO 1	CFC-12	18260.0	99.20%	18113.92	0.000030	0.00040	18106.13	18.11	14702.18	18.26000	136.95	14861.14	176119.24	161712.59
	CFC-11		0.60%	109.56			109.51	0.11	22.01				454.49	
	CFC-13		0.00%	0.00			0.00	0.00	0.00				0.00	
	CFC-113		0.00%	0.00			0.00	0.00	0.00				0.00	
	CFC-114		0.00%	0.00			0.00	0.00	0.00				0.00	
	CFC-115		0.00%	0.00			0.00	0.00	0.00				0.00	
												14,861.14	176,573.73	161,712.59

Destruction Information

Cylinder Number	Weight of Material Destroyed (Kg)	Start Weight (Kg)	End Weight (Kg)	Destruction Start Date	Destruction Facility	Certificate of Destruction ID	End Date of Destruction
ISO 1	18260	28940	10680	12/3/2024	Tredi	246620 2/2	12/21/2024

	Sampling Information					Purity							
Cylinder Number	Date of Sample	Time of Sample	Technician Taking Sample	Sampling Company	Ambient Air Temperature (degrees C)	R12 Purity (%) of ODS	R11 Purity (%) of ODS	R-13 Purity (%) of ODS	R113 Purity (%) of ODS	R114 Purity (%) of ODS	R115 Purity (%) of ODS	Moisture Level (PPM)	High Boiling Residue (%)
ISO 1	11/20/2024	10:35am	Raoul Goldbronn	Tredi	6	99.2	0.6	0	0	0	0	30	0.04

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