

VALIDATION AND VERIFICATION REPORT

American Carbon Registry

ACR1108: Tradewater Thailand 7

Reporting Period:

14 December 2024 to 19 February 2025

Prepared for:

Tradewater, LLC

12 June 2025



AMERICAN CARBON REGISTRY

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Executive Summary

This report describes the validation and initial verification services provided for the Tradewater Thailand 7 project (“the project”), an ODS destruction project located in Thailand, that was conducted by SCS Global Services. The overall goal of the validation engagement was to review impartially and objectively the GHG project plan against the requirements laid out in the ACR Standard and relevant methodology. The overall goal of the verification engagement was to review impartially objectively the claimed GHG emission reductions/removal enhancements for the reporting period from 14 December 2024 to 19 February 2025 against relevant ACR standards and the approved methodology. The validation and verification engagements began with the opening meeting on 28 February 2025 and were carried out through a combination of document review, interviews with relevant personnel and on-site inspections. As part of the validation and verification engagements 40 findings were raised: 15 Non-Conformity Reports, 25 New Information Requests and 0 Observations. These findings are described in Appendix A of this report. The project complies with the validation and verification criteria, and SCS holds no restrictions or uncertainties with respect to the compliance of the project with the validation and verification criteria.

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1 Introduction

1.1 About SCS Global Services

SCS Global Services (SCS) is a global leader in third-party certification, auditing, testing services, and standards. Established as an independent third-party certification firm in 1984, our goal is to recognize the highest levels of performance in environmental protection and social responsibility in the private and public sectors, and to stimulate continuous improvement in sustainable development. In 2012, Scientific Certification Systems, Inc. began doing business as SCS Global Services, communicating its global position with offices and representatives in over 20 countries.

SCS' Greenhouse Gas (GHG) Verification Program has been verifying carbon offsets since 2008 and to date has verified nearly 380 million tonnes of CO₂e, providing GHG verification services to a wide array of industries including manufacturing, transportation, municipalities, and non-profit organizations. The GHG Verification Program draws upon SCS's established expertise to serve the global carbon market.

1.2 Objectives

1.2.1 Validation Objectives

The overall goal of third-party validation was to review impartially and objectively the GHG project plan against the requirements laid out in the ACR Standard and relevant methodology. SCS independently evaluated the project design and planning information, based on supporting documentation and GHG validation best practices.

The objectives of validation were to evaluate

- Conformance to the ACR Standard.
- GHG emissions reduction project planning information and documentation in accordance with the applicable ACR-approved methodology, including the project description, baseline, eligibility criteria, monitoring and reporting procedures, and quality assurance/quality control (QA/QC) procedures.
- Reported GHG baseline, ex ante estimated project emissions and emission reductions/removal enhancements, leakage assessment, and impermanence risk assessment and mitigation (if applicable).

SCS reviewed any relevant additional documentation provided by the project proponent to confirm the project's eligibility for registration on ACR.

1.2.2 Verification Objectives

The overall goal of third-party verification was to review impartially and objectively the claimed GHG emission reductions/removal enhancements against relevant ACR standards and the approved

methodology. SCS independently evaluated the GHG assertion, based on supporting evidence and GHG verification best practice. The objectives of verification were to evaluate

- Reported GHG baseline, project emissions and emission reductions/removal enhancements, leakage assessment, and impermanence risk assessment and mitigation (if applicable).
- Any significant changes in the GHG project's baseline emissions and emission reductions/removal enhancements since the last verification.

SCS reviewed the GHG project plan, GHG assertion, and any additional relevant documentation provided by the client to determine

- That the reported emissions reductions and/or removal enhancements are real.
- Degree of confidence in and completeness of the GHG assertion.
- That project implementation was consistent with the GHG project plan.
- Eligibility for registration on ACR.
- Sources and magnitude of potential errors, omissions, and misrepresentations, including the
 - Inherent risk of material misstatement.
 - Risk that the existing controls of the GHG project would not have prevented or detected a material misstatement.

1.3 Scope

1.3.1 Scope of Validation

The validation included examination of all of the following elements of the GHG project plan:

- Project boundary and procedures for establishing the project boundary
- Physical infrastructure, activities, technologies, and processes of the project
- GHGs, sources, and sinks within the project boundary
- Temporal boundary
- Description of and justification for the baseline scenario
- Methodologies, algorithms, and calculations that will be used to generate estimates of emissions and emission reductions/removal enhancements
- Process information, source identification/counts, and operational details
- Data management systems
- QA/QC procedures
- Processes for uncertainty assessments
- Project-specific conformance to ACR eligibility criteria

1.3.2 Scope of Verification

Verification included examination of some or all of the following elements of the GHG project plan:

- Physical infrastructure, activities, technologies, and processes of the GHG project
- GHG SSRs within the project boundary
- Temporal boundary
- Baseline scenarios
- Methods and calculations used to generate estimates of emissions and emission reductions/removal enhancements
- Original underlying data and documentation as relevant and required to evaluate the GHG assertion
- Process information, source identification/counts, and operational details
- Data management systems
- Roles and responsibilities of project participants or client staff
- QA/QC procedures and results
- Processes for and results from uncertainty assessments
- Project-specific conformance to ACR eligibility criteria

SCS examined the reported data, quantification methodologies, calculation spread-sheets or databases, source data, project data management systems, data quality controls in place, measurement and monitoring systems, and records pertaining to emissions quantification. Calculation and error checks, site visit, interviews with project participants, an iterative risk assessment, sampling plan, and audit checklist were performed to the extent necessary for SCS to develop an understanding of how data are collected, handled, and stored for a specific project.

1.4 Validation and Verification Criteria

The validation and verification criteria were comprised of the following:

- ACR Standard, Version 8.0, July 2023
- Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas (GHG) Emission Reductions from the Destruction of Ozone Depleting Substances from International Sources, Version 1.0 (“the methodology”), April 2021
- Errata and Clarifications for Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas (GHG) Emission Reductions from the Destruction of Ozone Depleting Substances from International Sources, Version 1.0, February 18, 2025
- ACR Validation and Verification Standard, Version 1.1. May 2018
- Principles of ISO 14064-3:2019: Greenhouse Gas – Specification with guidance for the validation and verification of greenhouse gas assertions
- ISO 14065: 2020: General principles and requirements for bodies validating and verifying environmental information

1.5 Level of Assurance

The level of assurance was reasonable.

1.6 Treatment of Materiality

For verification purposes, it was required that discrepancies between the emission reductions/removal enhancements claimed by the project proponent and estimated by SCS be immaterial, i.e. be less than ACR's materiality threshold of $\pm 5\%$, as calculated according to the equation in the ACR Standard.

1.7 Summary Description of the Project

The project was located at the destruction facility called Waste Management Siam LTD ((WMS) in the Bangpoo Environmental Complex Col. Ltd (BPEC) in Samutprakarn, Thailand and is aimed at the destruction of ODS. The destroyed ODS consists of both CFC-12 and CFC-11 which originated from government stockpiles and various other locations. The reporting period commenced 14 December 2024 and ends on 19 February 2025. The reporting period covered two destruction events:

1. ISO Tank ID Number: ISO #7.3 (ISO Tank), Destruction start date: December 14, 2024 to Destruction end date: February 14, 2025, Total Weight Destroyed 21,620kg, Sample Analysis: R-12 96.06%, R-22 1.57%, R-11 2.37%.
2. ISO Tank ID Number: Tonner #7.3 (Tonner Tank), Destruction start date: February 18, 2025 to February 19, 2025. Total Weight Destroyed 90kg, Sample Analysis: R-12 98.05%, R-22 1.95%

The ODS was destroyed using a fluidized bed incinerator, which utilizes a bed of hot granular material to transfer heat directly to the ODS feed.

1.8 Responsible Party

Project Proponent:

Tradewater, LLC (Tradewater)
1550 W Carroll,
Suite 213
Chicago, IL 60607
USA

Destruction Facility:

Waste Management Siam LTD (WMS)
965 Moo 2 Soi 3B Bangpoo Industrial Estate
Sukhumvit Rd Bangpoo Mai

Muang Samutprakarn

Samutprakarn 10280

Thailand

2 Assessment Process

2.1 Method and Criteria

The validation and verification services began with the opening meeting on 28 February 2025 and were provided through a combination of document review, interviews with relevant personnel and on-site inspections, as discussed in Sections 2.2 through 2.4 of this report. At all times, an assessment was made for conformance to the criteria described in Section 1.4 of this report. As discussed in Section 2.5 of this report, findings were issued to ensure conformance to all requirements.

The audit team created evidence gathering plan following a proprietary evidence gathering plan template developed by SCS which includes a strategic analysis and risk assessment. In accordance with the evidence gathering plan, the audit team identified the risk of a material misstatement or nonconformity with the criteria and considered the results of the materiality assessment (see Section 1.6 above). Sampling and data testing activities were planned to address areas of inherent, control, and detection risk. The audit team then created a verification plan that took the evidence gathering plan into account.

2.2 Document Review

The GHG project plan (dated 10 June 2025; “GHG PP”) and monitoring report (dated 10 June 2025; “MR”) were carefully reviewed for conformance to the validation and verification criteria. The following provides a list of additional documentation, provided by project personnel in support of the aforementioned documents, that was reviewed by the audit team.

Documentation Reviewed During the Course of Validation and Verification Activities		
Document	File Name	Ref.
GHG Project Plan, 10 June 2025	ACR_GHGPP_TH7_06102025 – signed.pdf	1
Monitoring Report, 10 June 2025	ACR_MR_TH7_06102025_signed.pdf	2
Environmental and Social Impact Assessment	ACR-Env-Social-Impact-Assessment-Report_TH7.pdf	3

SDG Contributions Report	ACR-SDG-Cont-Report-Industrial-Project-v2.0-2025-06-02_Th7.pdf	4
Approved Deviation Request – Moisture Content	Deviation Request_THA 7Moisture_V3.0_Approved (2).pdf	5
Calculation Tool	Project Assertion THA 7_03122025.xlsm	6
Material Consolidation Reports	3.Consolidation report 2024_ISO 1_DVL.xlsx 3.Consolidation report_R-12_Tonner.xlsx	7a-b
Scale Calibration October 2024	WMS BP Scale Calibration Cer_25-10-67.pdf	8
Scale Calibration February 2025	WMS BP(TMS) - 11-2-68.pdf	9
Laboratory Accreditations	Certified Services (2).pdf ISO IEC 17025 (1).PDF	10
Laboratory Import License	Import License.pdf	11
Facility Operating Permit	15. BPEC IEAT - operating permit - Permission for Land Utilization and Business Operations in Industrial Estate.pdf	12
Facility Stack Testing Report	Emission air result 2024.pdf	13
List of Accepted Wastes at Facility	BPEC Waste acceptance List.pdf	14
Project Procedures for Destruction	2022.08.11 Destruction SOP's WMS- ACR.pdf	15
Project Procedures for Sampling	2022.09.08 Sampling procedure for ISOs and B1000.pdf	16
Project Procedures for Transportation and Storage	2022.09.08 Transport and Storage procedure.pdf	17
Project Procedures for Maintenance	2022.09.09 Maintenance Procedure.pdf	18
Project Procedures for Filling	2022.09.14 Filling Procedure.pdf	19
Employee EPA Certification	Victor Molina EPA Cert.pdf	20
Certificates of Destruction	Certificate of destruction ISO7.3.pdf Tonner Certificate of Destruction.pdf	21
Shipping Declarations for Samples sent to Laboratory	20250124191604689.pdf 20250124194400493.pdf 20250129154611364.pdf PLC2510008 (1).pdf	22

Ownership Transfer (Customs)	<ol style="list-style-type: none"> 1. Appendix D Ownership transfer October 22, 2024 for 2650 cans investigation page 1SIGNED.pdf 2. Appendix D Ownership transfer October 7 2024 for 7 cylinders laemchabangSIGNED (1).pdf 3. Appendix D Ownership transfer October 9, 2024 for 1199 cylinders LadkrabangSIGNED.pdf 4. Appendix D Ownership transfer October 15, 2024 for 211 cylinders Bangkok PortSIGNED.pdf 5. Appendix D Ownership transfer October 10, 2024 for 440 cylinders BangsaothongSIGNED.pdf 6. Appendix D Ownership transfer October 15, 2024 for 30 cylinders MookdaharnSIGNED.pdf 	23a-f
Point of Origin (Non-Customs)	<p>POO Rider-2024TH2081.pdf</p> <p>POO Rider-2024TH2081_Err.pdf</p> <p>POO Rider-2024TH2082.pdf</p> <p>POO Rider-2024TH2082_Err.pdf</p> <p>POO Rider-2024TH2083.pdf</p> <p>POO Rider-2024TH2083_Err.pdf</p> <p>POO Rider-2024TH2084.pdf</p> <p>POO Rider-2024TH2084_Err.pdf</p> <p>POO Rider-2024TH2085.pdf</p> <p>POO Rider-2024TH2085_Err.pdf</p> <p>Rider-2086_2987.pdf</p> <p>POO Rider-2024TH2987_Err.pdf</p>	24a-f
Refrigerant Transfer Ownership Agreements (Non-Customs)	<p>RTOA-2081.pdf</p> <p>RTOA-2082.pdf</p> <p>RTOA-2083.pdf</p> <p>RTOA-2084.pdf</p> <p>RTOA-2085.pdf</p> <p>RTOA-2086_2087.pdf</p>	25a-f
Continuous Raw Data	<p>CEMs&Temp_data_ISO7.3.xlsx</p> <p>ContinuousData_TW-THA-ISO8 0226.xlsx</p>	26a-b
Facility Waste Capacity	Waste Receiving Capacity.pdf	27
Minutes from Meeting with Customs	Guidelines for the destruction of refrigerants under the supervision of Customs Department - Eng.pdf	28
Approval Letter from Enforcement Division	Handling over the refrigerants seized under the Customs Department - English.pdf	29
ACR Published Report	ACR-Case-Study-Tradewater-in-Thailand-FINAL.pdf	30

Project Listing Form	GHG Project Listing Form – GHG Project Listing Form.pdf	31
Project Deviation Form Request – Scale Calibration	ACR1108_Deviation Request_THA 7Scale Calibration_Approval.pdf	32
WMS Presentation	WMS Presentation 2025.ppt	33
Operating Permit	15.BPEC IEAT – operating permit_EN	34

2.3 Interviews

2.3.1 Interviews of Project Personnel

The process used in interviewing project personnel was a process wherein the audit team elicited information from project personnel regarding (1) the work products provided to the audit team in support of the GHG PP and MR; (2) actions undertaken to ensure conformance with various requirements and (3) implementation status of the project activities. The following provides a list of personnel associated with the project proponent who were interviewed.

Interview Log: Individuals Associated with Project Proponent			
Individual	Affiliation	Role	Date(s) Interviewed
Andre Buiza	Tradewater, LLC	Carbon Project Manager	Throughout the audit
Panjamas Thawichatanon	Tradewater, LLC	Southeast Asia and Pacific Program Manager	25 March 2025

2.3.2 Interviews of Other Individuals

The process used in interviewing individuals other than project personnel was a process wherein the audit team made inquiries to confirm the validity of the information provided to the audit team. The following personnel not associated with the project proponent. The following provides a list of individuals not associated with the project proponent who were interviewed.

Interview Log: Individuals Not Associated with Project Proponent			
Individual	Affiliation	Role	Date(s) Interviewed
Ms. Sutthida Fakkum	WMS	Senior Compliance & EHS Manager	25 March 2025
Mr.Prin Hanthanon	WMS	Senior Project Engineer	25 March 2025
Mr.Arpakorn Promphet	WMS	Environmental Supervisor	25 March 2025

Mr. Nattawut Chaionom	WMS	Industrial services Supervisor	25 March 2025
Mr. Ampol Ruttanasang	WMS	Senior Chemist	25 March 2025

2.4 Site Inspections

The objectives of the on-site inspections were as follows:

- Observe the location of the project activity
- Determine the project boundary
- Interview key personnel to confirm QA/QC, the project process and the sampling procedures

In support of the above objectives, the audit team performed an on-site inspection of the project area at WMS on 25 March 2025. The main activities undertaken by the audit team were as follows:

- Interviewed project personnel (see Section 2.3.1 of this report) to gather information regarding the monitoring procedures and project implementation
- Carried out on-site inspections of the project's measurement and/or monitoring methodologies through the following activities:
 - Observation of the destruction facility and storage warehouse
 - Evaluation of applicable SSRs and the methods, procedures, and technologies, used to transport, quantify, sample, and destroy ODS materials
 - Identification of relevant equipment such as truck scales, small container transfer stations, flowmeters, connection points, and CEMs equipment
 - Verification of claims in GHG PP and MR through interviews with key personnel, including the destruction facility's experts in engineering systems, environmental and safety compliance, chemistry, and industrial services

2.5 Resolution of Findings

Any potential or actual discrepancies identified during the audit process were resolved through the issuance of findings. The types of findings typically issued by SCS during this type of validation and verification engagement are characterized as follows:

- Non-Conformity Report (NCR): An NCR signified a discrepancy with respect to a specific requirement. This type of finding could only be closed upon receipt by SCS of evidence indicating that the identified discrepancy had been corrected. Resolution of all open NCRs was a prerequisite for issuance of a validation and/or verification statement.
- New Information Request (NIR): An NIR signified a need for supplementary information in order to determine whether a material discrepancy existed with respect to a specific requirement. Receipt of an NIR did not necessarily indicate that the project was not in compliance with a specific

requirement. However, resolution of all open NIRs was a prerequisite for issuance of a validation and/or verification statement.

- **Observation (OBS):** An OBS indicates an area where immaterial discrepancies exist between the observations, data testing results or professional judgment of the audit team and the information reported or utilized (or the methods used to acquire such information) within the GHG assertion. A root cause analysis and corrective action plan are not required, but highly recommended. Observations are considered by the audit team to be closed upon issuance, and a response to this type of finding is not necessary.

As part of the audit process, 15 NCRs, 25 NIRs and 0 OBS were issued. All findings issued by the audit team during the audit process have been closed. All findings issued during the audit process, and the impetus for the closure of each such finding, are described in Appendix A of this report.

2.6 Techniques and Processes Used to Test the GHG Information and GHG Assertion

SCS used the following techniques and processes to test the GHG information and assertion:

- Physical evidence: direct observation of equipment or processes to demonstrate that the Project Proponent is collecting relevant data;
- Documentary evidence: paper or electronic records, which may include procedures, logs, invoices, and analytical results;
 - Physical evidence: direct observation of equipment or processes to demonstrate that the Project Proponent is collecting relevant data;
 - Documentary evidence: paper or electronic records, which may include procedures, logs, invoices, and analytical results;

The audit team reviewed all necessary data including the Certificate of Destruction, Sampling Analysis, Approved deviations and the calculation tool to test the GHG information in the project. A recalculation of the GHG assertion was also undertaken using the data provided in the Certificate of Destruction and sampling analysis.

3 Validation Findings

3.1 Project Boundary and Activities

3.1.1 Project Boundary and Procedures for Establishment

The SCS verification team reviewed the project boundary as outlined in the GHG PP and were able to verify the boundary during the site visit to the WMS destruction facility which is located at 965 Moo 2 Soi 3B Bangpoo Industrial Estate, Sukhumvit Rd Bangpoo Mai, Muang Samutprakarn, Samutprakarn, 10280 Thailand. Documents provided to SCS for the validation/verification confirmed that the ODS was sources from various locations throughout Thailand as well as the Thailand Customs Department. The ODS was

sources from various locations in cylinders and aggregated at the WMS warehouse into an ISO tank and Tonner tank for transport to WMS for destruction.

3.1.2 Physical Infrastructure, Activities, Technologies and Processes

WMS uses a fluidized bed incinerator to destroy the ODS. This was observed during the site visit by the SCS auditor. Discussions from the site visit and documentation provided by Tradewater confirmed that the facility has a Destruction and Removal Efficiency (DRE) of at least 99.99% which conforms to the requirements of an eligible destruction facility under section 2.1 of the Methodology (refer to reference 11). The WMS facility complies with industrial regulations under the Industrial Estate Authority of Thailand (IEAT) and possesses a valid Operating Permit, as well as list of waste types accepted by the Bangpoo Environmental Complex. The Operating permit (refer to reference 34) shows a start date of 1 January 2023 and is valid indefinitely

3.1.3 GHGs, Sources, and Sinks within the Project Boundary

The GHG sources, sinks and reservoirs (SSRs) are outlined in the methodology are provided below. SCS confirmed that the GHG PP identified all appropriate GHG sources within the project boundary. The GHG SSRs include:

Baseline/Project emissions

- SSR6 – ODS, CO₂e – Emissions of ODS and substitute from use, leaks and servicing through continued operation of equipment.

Project Emissions

- SSR5 – CO₂ – Fossil Fuel emissions from the vehicle transport of ODS from aggregation point to the final destination
- SSR7 – ODS and CO₂ – Emissions of ODS from incomplete destruction at the destruction facility (ODS). Emissions from the oxidation of carbon contained in destroyed ODS (ODS). Fossil Fuel emissions from the destruction of ODS at destruction facility (CO₂). Indirect emissions from the use of grid-electricity electricity (CO₂).

3.1.4 Eligible ODS

The Project destroys CFC-12 and CFC-11 which are both eligible for destruction under this Methodology. The ODS was destroyed under two Certificates of Destruction (CoD) which cover the duration of the reporting period. These CoDs had the same project proponent listed (i.e Tradewater), and they both listed WMS as the destruction facility. In addition, the CoD contained the details listed in Section 2.2 of the Methodology. No ODS produced as a solvent was destroyed in this project.

There is no certification for technicians handling ODS in Thailand, however, Tradewater provided confirmation to the auditing team that all technicians were internally trained by WMS to work with ODS. Therefore the ODS is considered eligible under Section 2.2 Methodology requirements.

3.1.5 Temporal Boundary

SCS reviewed the CEMS data to confirm that there were two destruction periods identified during this reporting period. The first destruction period involved the ISO tank with destruction commencing 14 December 2024 to 14 February 2025. The ODS aggregated into the tonner tank was destroyed from 18 February 2025 to 19 February 2025. As a result, the reporting period for this project is 14 December 2024 to 19 February 2025. The temporal boundaries of the project were also confirmed during the review of the CoDs which listed the time and date of destruction. The weight tickets were further reviewed to ensure that the ISO Tank and the Tonner Tank were weighed within 48hrs prior to/concluding destruction. This conforms to the requirements outlined in Appendix B in the Methodology.

3.2 Description of and Justification for the Baseline Scenario

The baseline scenario was determined to be the ODS sitting in cylinders with no alternative use in Thailand. While in storage, the cylinders would risk leaking or release into the atmosphere. This was discussed during the site visit and determined to conform to Methodology requirements for the baseline condition.

3.3 Project-Specific Conformance to ACR Eligibility Criteria

The audit team reviewed the demonstration of conformance, as set out in the GHG PP, to each of the relevant eligibility criteria listed in the ACR Standard. The audit team confirmed the full conformance of the project with the relevant eligibility criteria. A more detailed assessment of the audit team's findings is provided below.

Actions Undertaken to Confirm Conformance to Eligibility Criteria		
Criterion	ACR Requirement	Validation Activities
Start Date, All Projects	<p>Non-AFOLU Projects must be validated within 2 years of the project Start Date, unless otherwise specified in the methodology. AFOLU Projects must be validated within 3 years of the project Start Date, unless otherwise specified in the methodology.</p> <p>One exception applied to these timeframes: Proof of Concept Projects that engage with ACR to directly contribute to the development of a newly approved methodology or a newly approved modification that expands the</p>	Confirmation that this report was issued less than 1 years after 14 December 2025, the start date of the project according to the GHG PP.

	eligibility of a previously published methodology may be submitted listing to ACR within five (5) years of the project start date. However, the date of listing submittal must be within six (6) months of the methodology (or version) publication date and, the GHG Project must then be validated within two (2) years of the listing.	
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. Project Proponents of AFOLU projects with a risk of reversal shall commit to a Minimum Project Term of forty (40) years. The Minimum Project Term begins on the Start Date, not the first or last year of the crediting.	Not applicable.
Crediting Period	The Crediting Period for non-AFOLU projects shall be 10 year, unless otherwise specified in the methodology. AFOLU projects may have different Crediting Periods, as specified in the relevant ACR sector requirements or methodology. The Start Date and the start of the first Crediting period are generally the same, unless otherwise allowable in the relevant methodology.	Review of the GHG PP to confirm that the crediting period is 10 years, as required given the project type. SCS confirms that the crediting period is 14 December 2024 to 13 December 2034.
Real	GHG reductions and/or removals shall result from an emission mitigation activity that has been conducted in accordance with an approved ACR Methodology and is verifiable. ACR will not credit a projected stream of offsets on an ex-ante basis.	Review of the emission mitigation activity, as described in the GHG PP, to confirm that it conforms to the requirements of the methodology and will be verifiable.
Title	The Project Proponent shall provide documentation and attestation of undisputed title to all offsets prior to registration. Title to offsets shall be clear, unique, and uncontested.	SCS reviewed the provided attestations and agreements from WMS related to the material sourced from Thai Customs (Ref. 21a-f) as well as other ODS sources (Ref. 23a-f). SCS confirms that Tradewater obtained full ownership of the ODS material and subsequent title to offsets.
Additional	Every project shall use either an ACR-approved performance standard and pass a regulatory surplus test, or pass a three-pronged test of additionality in which the project must: <ol style="list-style-type: none"> 1. Exceed regulatory/legal requirements; 2. Go beyond common practice; and 	Confirmation that the project meets all relevant additionality requirements (see Section 3.4 below for more details).

	3. Overcome at least one of three implementation barriers: institutional, financial, or technical.	
Regulatory Compliance	Projects must maintain material regulatory compliance. To do this, a regulatory body/bodies must deem that a project is not out of compliance at any point during a reporting period. Projects deemed to be out of compliance with regulatory requirements are not eligible to earn ERTs during the period of non-compliance. Regulatory compliance violations related to administrative processes (e.g., missed application or reporting deadlines) or for issues unrelated to integrity of the GHG emissions reductions shall be treated on a case-by-case basis and may not disqualify a project from ERT issuance. Project Proponents are required to provide a regulatory compliance attestation to a verification body at each verification. This attestation must disclose all violations or other instances of non-compliance with laws, regulations, or other legally binding mandates directly related to Project Activities.	Confirmation that the project is in compliance with all relevant regulations. During the site visit on 25 March 2025, environmental compliance staff at WMS confirmed there were no warnings or violations issued during the project reporting period. SCS also reviewed the operating permit and hazardous waste permit for the facility.
Permanence	For GHG projects with a risk of reversal of GHG emissions reductions or removals, Project Proponents shall analyze and mitigate risk, and monitor, report, and compensate for reversals.	Not applicable, as there is no risk of reversal for this project type.
Net of Leakage	ACR requires 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.	Not applicable, as leakage is not applicable to 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 of ERTs.	The GHG PP has been independently validated by SCS, an accredited, ACR-approved validation/verification body.
Independently Verified	Verification must be conducted by an accredited, ACR-approved VVB prior to any issuance of ERTs and at minimum specified intervals.	The GHG PP has been independently verified by SCS, an accredited, ACR-approved validation/verification body.
Environmental And Community Assessments	ACR requires that all projects develop and disclose an impact assessment to ensure compliance with environmental and community safeguards best practices. Environmental and community impacts should be net positive, and projects must “do no harm” in terms of violating	Confirm that the GHG PP has included an impact assessment for this project that discloses and described positive contributions as aligned with the sustainable development goals.

	<p>local, national, or international laws or regulations.</p> <p>Project Proponents must identify in the GHG Project Plan community and environmental impacts of their project(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.</p> <p>Project Proponents shall disclose in their Annual Attestations any negative environmental or community impacts or claims thereof and the appropriate mitigation measure.</p>	
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3.4 Demonstration of Additionality

The audit team reviewed the demonstration of additionality, as set out in the GHG PP, and confirmed that the additionality requirements set out in the ACR Standard have been met by exceeding the approved performance standard as outlined in the methodology and passing the legal requirement test. A more detailed assessment of the audit team’s findings is provided below.

3.4.1 Legal Requirement Test

SCS confirmed during the site visit that there is no law, regulation or mandate requiring the destruction of ODS in Thailand. While Thailand is a signatory on the Montreal Protocol, there are no regulatory mandates to destroy ODS at this time (Ref. 28). SCS confirms that there are no laws or regulations that require the destruction of ODS in Thailand. As a result, the project passes the legal requirement test.

3.4.2 Performance Standard Test

The project includes the destruction of eligible ODS and exceeds those likely to occur in a conservative business-as-usual scenario. Further, the project activities meet the project definition and all other eligibility requirements as outlined in the Methodology. As a result, the project passes the performance standards test.

3.5 Environmental and Community Impacts

The GHG PP contains the net positive impacts associated with the Project. The net positive impacts include the reduction of the stockpiled CFC originating from leaks, accidental venting and testing or container degradation. There are no negative community or environmental impacts resulting from the Project. Both the direct and indirect sustainable development goals which are listed in the GHG PP include:

SDG 3.9: Ensure healthy lives and promote well-being for all at all ages: The project will substantially reduce the number of deaths and illnesses from hazardous chemicals, and air, water and soil pollution and contamination.

SDG 6.3: Clean Water and Sanitation. The project will polyfluoroalkyl substances (PFAS) which avoid the release of hazardous chemicals into drinking water sources.

SDG 14.1: Conserve and sustainably use the oceans, seas and marine resources for sustainable development: The project will prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.

SDG 15.1: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity: The project will 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.

SDG 12.4: Responsible Consumption and Production: The Project supports the collection and destruction of high GWP emissions.

SDG 13.2 Climate Action: The Project supports the phase-out of most ODS and prevents the release of ODS into the atmosphere.

From a review of project documentation and observations during the site visit, SCS confirms that the listed SDGs are relevant to the project activity.

3.6 Regulatory Compliance

The WMS facility, where project activities take place, is regulated by the Industrial Estate Authority of Thailand (IEAT), and enforced by the Ministry of Industry and Department of Industrial Works. During the desk review, site permits related to operations, hazardous waste management, and hazardous waste transportation were reviewed. During the site visit, the audit team confirmed via interviews with environmental and safety compliance personnel that no warning or violations were issued during the monitoring period. Further, it was confirmed onsite that all aspects of the project, including the collection, recovery, storage, transportation, mixing, and destruction of ODS and their waste products are in conformance with the applicable regulation.

3.7 Processes for Emission Reductions/Removal Enhancements Quantification

3.7.1 Methods, Algorithms, and Calculations To Be Used to Generate Estimates of Emissions and Emission Reductions/Removal Enhancements

The Project used the Methodology equations to quantify the emission reduction. With reference to the Methodology, Equation 1 was used to quantify the emission reductions, Equation 2 was used to quantify the baseline emissions from ODS, and Equations 3, 4, and 5 were used to quantify the total project emissions, project emissions from the use of non-ODS refrigerants, and project emissions from transportation and destruction using the default emission factors.

SCS confirms that all equations were appropriately used in the quantification of the emission reduction.

3.7.2 Source of the ODS

The ODS was sourced from multiple sources for this Project. The ISO tank contains ODS from cylinders sourced from a government stockpile which was in the custody of Thailand's Customs Department on or before 2007. These cylinders were aggregated into the ISO tank at the WMS warehouse (located at the same site as the WMS destruction facility). In addition, cylinders from a range of sources were aggregated at the WMS warehouse into the tonner tank. SCS confirms that project documentation met all Methodology requirements for the source of the ODS including:

- Identification of the owner prior to acquisition by the project proponent
- The physical address of the ODS prior to acquisition by the project proponent and facility name (if applicable)
- If sourced from other suppliers: an affidavit, certification or attestation by the prior owner asserting the date the owner transferred title of the ODS to the project proponent, whether the prior owner is a manufacturer of refrigerant, importer of refrigerant or wholesale distributor of refrigerant.
- Serial or ID number of any containers used for storage and transport.

This information was verified through a review of the consolidation report provided for both the ISO Tank and the Tonner Tank.

3.7.3 Chain of Custody Analysis

SCS auditors were able to confirm the collection of ODS by Tradewater through to the destruction of ODS in the ISO Tank and the Tonner Tank at WMS. This was done through a review of Bills of lading, manifestos, and Transfer receipts. Tradewater were also able to provide the names and addresses of all entities involved in the transaction of ODS, including the mass of ODS at each transaction.

SCS were further able to confirm that chain of custody for the ODS samples for each tank of ODS destroyed in this project and shipped to Bureau Veritas laboratory located in Antwerp, Belgium.

3.7.4 Sampling Procedure and Sampling Results

SCS confirmed that Tradewater conformed to the sampling requirements for non-mixed ODS through reviewing project documentation. The approach to the sampling requirements of the methodology was further confirmed during the site visit.

SCS also reviewed the laboratory analysis reports provided by Bureau Veritas for the ODS tanks. SCS confirms that the lab reports contained the following information as provided by the Methodology:

- Identification of ODS
- The Purity of the ODS by mass using gas chromatography
- Moisture level in parts per million demonstrating a moisture content of less than 75 percent of the saturation point of the major ODS species. (or deviation approval from ACR confirming use of a higher saturation content (refer to Section 3.7.7 for further information)).

A summary of this information from the Certificate of Analysis for each tank sampled is provided below:

ISO Tank

- Water content 161mg/kg
- High Boiling Residue 0.02 % m/m
- CFC-12 96.06%
- CFC-22 1.57% (not eligible under this Methodology)
- CFC-11 2.37%

Tonner Tank

- Water content 98 mg/kg
- High Boiling Residue 0.06 % m/m
- CFC-12 98.05%
- CFC-22 1.95% (not eligible under this Methodology)

SCS also further confirm that Bureau Veritas laboratory in Belgium is a laboratory accredited to ISO/IEC 17025.

3.7.5 Data Management Systems and QA/QC Procedures

SCS reviewed the data management system in the GHG PP and MR and found that:

1. The document retention requirements conform to the requirements of the Methodology.
2. The Data systems used in the project captures the necessary data and systems are in place to mitigate errors, exceedances or other occurrences that may negatively impact the emission reduction as required by the Methodology.

Documentation was provided to SCS regarding the scale calibrations. During the review, SCS determined that WMS did not conform to the “at least quarterly” calibration requirement regarding the scales. As a result, Tradewater applied to ACR for a deviation request on this requirement (refer to section 3.7.7). The deviation request was approved by ACR.

In terms of QA/QC, SCS reviewed the QA/QC procedure and confirms it is in accordance with the methodology requirements. Tradewater reviews all paper work, documentation and calculations as stated in the MR and confirmed during discussions on site.

3.7.6 Deviations

Tradewater was approved by ACR for two methodology deviations in the Project. These are outlined below:

1. Tradewater was approved by ACR to use a sample that had a moisture content that exceeds the 75% of the saturation point at the sampling temperature. In an effort to obtain a more representative sample, the ISO tank contents were circulated for 4 hours using an external pump which resulted in the circulated sample being more homogenous and better representation that the true contents of the tank. This deviation was approved on February 27, 2025.
2. Tradewater was approved by ACR to use weight tickets produced by a scale that was not calibrated quarterly as per the protocol requirements. The reason for the approval was based on Tradewater being able to demonstrate for the scale calibrations conducted on October 25, 2024 and February 11, 2025 that both that the calibration of the scales were supported by calibration reports both showing that the scale in question produced readings that were exactly accurate to the standard weights used for calibration. This deviation was approved in March 31, 2025.

4 Verification Findings

4.1 Analysis of the Quantification Methodologies and Applicable Data Sets and Sources

SCS reviewed all project documentation as outlined in Section 2.2, to ensure that the project is using the appropriate equations when calculating the baseline, project and emission reductions. The following, data sets have been verified as correct through a review of the CoD, weight tickets and Certificate of Analysis (Sampling results).

1. ISO Tank ID Number: ISO #7.3 (ISO Tank), Destruction start date: December 14, 2024 to Destruction end date: February 14, 2025, Total Weight Destroyed 21,620kg, Sample Analysis: R-12 96.06%, R-22 1.57%, R-11 2.37%.
2. ISO Tank ID Number: Tonner #7.3 (Tonner Tank), Destruction start date: February 18, 2025 to February 19, 2025. Total Weight Destroyed 90kg, Sample Analysis: R-12 98.05%, R-22 1.95%

The above datasets were used in the calculation of baseline emissions, project emissions and the emission reduction calculation. The applicable Global Warming Potentials (GWP) and 10-year cumulative emission rates conformed to the required values in the Errata and Clarifications for the Methodology.

Baseline Emissions

SCS confirms that the calculation of emissions conforms to the Methodology. Tradewater calculated the baseline emissions by using the amount of ODS destroyed minus the high boiling residue and moisture. This total was then multiplied by the percent compositions of the eligible ODS destroyed. The weight of the ODS was then converted from Kg to metric-tonnes to calculate the Qrefr for each ODS species. The Qrefr was then multiplied by the appropriate 10-year cumulative emission rate and GWP to determine the baseline emissions. The total baseline emissions for this project are 200,830 tCO₂e.

Project Emissions

Tradewater calculated the project emissions by multiplying the weight of eligible ODS by the emission factors. The transport and destruction emissions were determined through multiplying the total weight of all ODS by an emission factor. The total project emissions for this project are 16,854 tCO₂e.

Emission Reductions

SCS determined that Tradewater calculated the emission reductions for this project in accordance with the Methodology and associated approved deviations. The total assertion for this project is 183,975 tCO₂e.

4.1.1 Materiality

$$\% \text{ Error} = \frac{(\text{Project Emission Reduction Assertion} - \text{Verifier Emission Reduction Recalculation})}{\text{Verifier Emission Reduction Recalculation}} * 100$$

Using the above equation, the calculation for % error is as follows:

$$\% \text{ error} = (183,975.79 - 183.975.79)/183,975.79 \times 100 = 0.$$

Therefore, the % error was calculated to be 0%.

5 Conclusion

SCS confirms that the GHG PP for Tradewater Thailand 7 conforms to the validation criteria for projects as set out in the ACR Standard version 8.0, and the Methodology for the Quantification, Monitoring and Reporting and Verification of Greenhouse Gas Emission Reductions and Removals from Ozone Depleting Substances from International Sources, Version 1.0. No qualifications or limitations exist with respect to the validation opinion reached by the audit team.

Tradewater, LLC is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. The audit team asserts, with no qualifications or limitations, that

- The GHG PP conforms, in full, to the validation/verification criteria.
- The quantification of GHG emission reductions, as reported in the MR, conforms to the verification criteria and is without material discrepancy.

Based upon the information made available to SCS and the analyses completed during the verification, SCS was able to reach a positive opinion, with a reasonable level of assurance, that the emission reductions represented by the Project Proponent during the monitoring period of 14 December 2024 to 19 February 2025 are free from material misstatement and in conformance with the assessment criteria.

The following provides a summary of the total emission reductions/removals for this Reporting Period, and net emission reductions/removals:

Annual Emission Reductions and Removals in Metric Tons (tCO ₂ e) during Reporting Period: 14 December 2024 to 19 February 2025					
Vintage	Start Date	End Date	Baseline Emissions	Project Emissions	Total Emission Reductions/Removals
2024	14 DECEMBER 2024	31 DECEMBER R 2024	-	-	52,353

2025	1 JANUARY 2025	19 FEBRUARY 2025	-	-	131,622
Total for Reporting Period*			200,830	16,854	183,975

*Note: Final numbers are rounded for simplicity and totals may not sum due to rounding.

*Note: Final numbers are rounded for simplicity and totals may not sum due to rounding.

Lead Auditor Approval	<i>Michelle Hirst</i> Michelle Hirst 06/13/2025
Internal Reviewer Approval	<i>Tina Sentner</i> <small>Tina Sentner (Jun 12, 2025 15:11 CDT)</small> Tina Sentner 06/12/2025

Appendix A: List of Findings

Please see Section 2.5 above for a description of the findings issuance process and the categories of findings issued. It should be noted that all language under “Project Personnel Response” is a verbatim transcription of responses provided to the findings by project personnel.

<p>NIR 1 Dated 10 Mar 2025 Standard Reference: N/A Document Reference: Report_BPEC 1-67.pdf Finding: The file "Report_BPEC 1-67.pdf" when attempted to be opened, indicates that the file is corrupted. Please provide a this file again which is able to be opened by the audit team. Project Personnel Response: Updated document provided Auditor Response: Tradewater provided the requested document Bearing on Material Misstatement or Conformance (M/C/NA): NA</p>

NIR 2 Dated 10 Mar 2025**Standard Reference:** N/A**Document Reference:** Project Assertion THA 7_0224.xlsx**Finding:** In "Project Assertion THA 7_0224.xlsx", the tab "destruction" has cells which are incomplete. Update accordingly.**Project Personnel Response:** Updated.**Auditor Response:** SCS reviewed the updates provided by in tab "destruction" in the Project Assertion THA 7_0224.xlsx spreadsheet and found that the incomplete cells are now complete.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NCR 3 Dated 10 Mar 2025****Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** WMS BP Scale Calibration Cer_25-10-67.pdf
WMS BP(TMS) - 11-2-68.pdf**Finding:** The scale calibration certificates provided for E1295 SN05024314 are dated for 25 October 2024 and 11 February 2025. The length of time between these inspections exceeds three months. This does not conform to the requirements in Section 6.2.I.A of the methodology which states "inspected at least quarterly."**Project Personnel Response:** Deviation Request Pending**Auditor Response:** A deviation request was submitted to ACR and approved.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NIR 4 Dated 10 Mar 2025****Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** ACR_GHGPP_TH7_02242025.docx**Finding:** The GHG Project Plan states "... Tradewater LLC has a retention policy of 15 years". However it is not clear which documents are retained. It is clear that WMS retains all documentation, however. Please indicate how Tradewater are in conformance with Section 6.2.II. of the methodology.**Project Personnel Response:** This section of the GHGPP has been updated.**Auditor Response:** SCS reviewed the updated GHG PP and found that TW had included further detail on the project document retention policy.**Bearing on Material Misstatement or Conformance (M/C/NA):** C

NCR 5 Dated 10 Mar 2025**Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** Project Assertion THA 7_0224.xlsx

Weight tickets

Certificate of Destruction ISO7.3.pdf

Finding: The end weight in tab destruction in the calculation spreadsheet is listed as 11,700 kg for BNFU6221109 while the weight tickets show an end weight of 11,800kg. This error is further found in the CoD for BNFU6221109.

Project Personnel Response: The weight tickets reviewed were prior to processing the left-over heel. Additional documentation has been added under Tradewater Thailand 7 > Verification > Destruction > Weight Tickets > ISO Tank > Weigh Out > Post-Heel Processing to corroborate the CoD and calculator.

Auditor Response: SCS reviewed the additional documentation provided by TW regarding the heel and found the weight of ODS destroyed post heel now matches that in the calculations and CoD.

Bearing on Material Misstatement or Conformance (M/C/NA): M**NIR 6 Dated 10 Mar 2025****Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** N/A

Finding: Please confirm that the driver was not included in the vehicle weight during the pre destruction and post destruction weighing of BNFU66221109 as required by Appendix B I B iii a which states "The driver and any other passengers must exit the vehicle such that their mass is not included." In addition, please confirm that "any accessories, such as spare tires or tire chains, or any part of the truck's load other than the ODS which are included in the truck's full mass prior to ODS destruction ...[was] included in the truck's empty mass after destruction"

Project Personnel Response: The driver was not included in the vehicle weight during pre-destruction and post-destruction weighing. Any accessories included in the pre-destruction weight were included in the post-destruction weight.

Auditor Response: SCS reviewed the statement by TW and supporting documentation and found that any additional weight was included in the tare weight which was subtracted from the weight of the ODS destroyed.

Bearing on Material Misstatement or Conformance (M/C/NA): C**NIR 7 Dated 10 Mar 2025****Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** N/A

Finding: Proof of Delivery to Bureau Veritas has not been provided in the project documentation. Please provide clear proof that the samples were received by Bureau Veritas. See Appendix B Section I.C.vi.g in the methodology which states "chain of custody for each sample from the point of sampling to the laboratory conducting the analysis must be documented by paper bills of laden or electronic, third-party tracking that includes proof of delivery."

Project Personnel Response: Additional documentation has been added to Tradewater Thailand 7 > Verification > Chain of Custody > Sampling

Auditor Response: SCS reviewed the proof of shipping and delivery provided by TW for the sampled ODS and found that the documentation conforms to the methodologies requirements.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 8 Dated 10 Mar 2025

Standard Reference: International ODS Methodology, v 1.0

Document Reference: 09-12-24 Annex F - ISO Sample Certificate.pdf

Finding: The ODS Sampling Certificate's both state at the bottom of the page "**All shipping documentation including BOL, proof of delivery, and official analysis from 3rd party laboratory with official signature (NOT digital signature) MUST accompany this form to the OPO. Request Analysis form and any internal documentation from destruction facility must also accompany this sampling certificate".

The above information has not been included with this form. In addition, date shipped, tracking number for shipment to laboratory and signature of employee shipping sample is blank. Update appropriately.

Project Personnel Response: Pending

Auditor Response: This finding will remain open.

Project Personnel Response 2: Updated sample certificates were uploaded on March 14, can you please clarify if these are sufficient?

Auditor Response 2: The updated sampling certificates contain the necessary information. This finding is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 9 Dated 10 Mar 2025

Standard Reference: International ODS Methodology, v 1.0

Document Reference: Project Assertion THA 7_0224.xlsx

Finding: The sampling results nor the quantification tool do not indicate that the moisture content of each sample is less than 75% of the saturation point for the ODS based on the temperature recorded at the time the sample was taken. Please provide updated documentation indicating this requirement as required by Appendix B D iii of the methodology. SCS notes that a deviation has been approved by ACR for the saturation point, however, the calculation tool does not indicate the saturation point for each sample.

Project Personnel Response: Updated

Auditor Response: SCS reviewed the updated documents provided by TW and found the saturation point calculation had been added to the Project Assertion THA 7_0224.xlsx spreadsheet.

Bearing on Material Misstatement or Conformance (M/C/NA): M/C

NIR 10 Dated 10 Mar 2025

Standard Reference: International ODS Methodology, v 1.0

Document Reference: NA

Finding: Please provide details from WMS on the sample bottle to ensure conformance to the following "Samples must be taken with a clean, fully evacuated sample bottle that meets applicable DOT requirements with a minimum capacity of one pound" Appendix B C iii and also "Each Sample must be taken in a liquid state" Appendix B iv.

Project Personnel Response: WMS' sampling procedure has been uploaded to the Sharepoint in Tradewater Thailand 7 > Additional Documentation > SOP - Sampling. I invite you to ask WMS during the site visit about this.

Auditor Response: SCS reviewed the updated documents provided by TW and found the sampling procedure conformed with the requirements in the methodology.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 11 Dated 10 Mar 2025

Standard Reference: International ODS Methodology, v 1.0

Document Reference: ContinuousData_TW-THA-ISO8 0226.xlsx

Finding: In 'ContinuousData_TW-THA-ISO8 0226.xlsx' there are several periods during the destruction event where the flow rate, temperature, pressure, O2%, HCl, NOx, SO2 and CO are not recorded. Please clarify what has occurred during these time periods.

Project Personnel Response: The destruction was paused when there is no flow.

Auditor Response: SCS reviewed TW's response and found the reason why the monitoring parameters had stalled when there was no ODS feed.

Bearing on Material Misstatement or Conformance (M/C/NA): M/C

NIR 12 Dated 10 Mar 2025

Standard Reference: International ODS Methodology, v 1.0

Document Reference: Ownership documents included in the "Customs" folder of the sharefile.

Finding: The transfer of ownership documents for the customs haul of ODS contain a number of cylinders which contain ODS species not included in sampling results certificate from Bureau Veritas. These ODS species include: r134a, r404a and r22, for example. Please clarify why these were not included in the ISO tank earmarked for destruction.

Project Personnel Response: These are preliminary expectations of what was inserted in the ISO tank. The protocol asks Project Proponents to defer to the sample results that are provided by a qualified third party, in this case, Bureau Veritas.

Auditor Response: SCS reviewed the response provided by TW and found the reason the ODS was not found in the tank was likely due to initial expectations of the ODS content.

Bearing on Material Misstatement or Conformance (M/C/NA): M/C

NCR 13 Dated 10 Mar 2025

Standard Reference: ACR GHG Project Plan Template, v 3.1

Document Reference: ACR_GHGPP_TH7_02242025.docx

Finding: Table 5 of the GHG Project Plan has not been updated to include the new updates released in the Errata and Clarifications document, version 1.1.

Project Personnel Response: The table has been updated.

Auditor Response: SCS reviewed the updated table in TW's GHG PP and found the updated values match those in the E&C.

Bearing on Material Misstatement or Conformance (M/C/NA): M/C

NIR 14 Dated 10 Mar 2025

Standard Reference: ACR GHG Project Plan Template, v 3.1

Document Reference: ACR_GHGPP_TH7_02242025.docx

Finding: Section G1 of the GHG Project Plan states that the ODS material was acquired from the Thai Customs Department, however, ODS destroyed in the tank BNF2012-410-0195 was not sourced from customs. Section III: GHG Project Details also states that the ODS is obtained from the Thai Customs Department. Please clarify this discrepancy.

Project Personnel Response: Section G1 of the GHGPP has been updated to only refer to the party that had custody of the material prior to Tradewater. Section III of the Monitoring Plan has been updated accordingly as well.

Auditor Response: SCS reviewed the updated GHG PP and found that reference to only the ODS obtained was customs was updated to include also ODS sourced for the tonner.

Bearing on Material Misstatement or Conformance (M/C/NA): M/C

NCR 15 Dated 10 Mar 2025

Standard Reference: ACR GHG Project Plan Template, v 3.1

Document Reference: Monitoring Report_THA 7_02242025.docx

Finding: In the monitoring report, Section II: GHG Project Information, subsection 10, both the outdated E&C and the new E&C are listed. Further, version 1.1 of the E&C is not identified correctly.

Project Personnel Response: ACR refers to the E&C posted 02-08-2025 as V1.0, is there a V1.1 elsewhere?

Auditor Response: Apologies, the E&C is v1.0.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 16 Dated 10 Mar 2025

Standard Reference: ACR Monitoring Report Template, v 5.1

Document Reference: Monitoring Report_THA 7_02242025.docx

Finding: The Monitoring Report appears to be still in a draft format and does not contain the document date in Section I. Please confirm if there is a more up-to-date version of the document.

Project Personnel Response: This is the most up to date version. We update the date field last as this date field has to be updated at the time we finalize this version after multiple iterations of issues, but I can update the field for now if that's helpful.

Auditor Response: The document date has been included, therefore this finding is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 17 Dated 10 Mar 2025

Standard Reference: ACR Monitoring Report Template, v 5.1

Document Reference: Monitoring Report_THA 7_02242025.docx

Finding: The project start date listed in Section II Subsection 6 of the MR does not match the GHG PP. Please clarify this discrepancy or provide updated documentation.

Project Personnel Response: Section II Subsection 6 of the MR has been updated.

Auditor Response: This finding can be closed with the updated submissions of ACR_GHGPP_TH7_03122025.docx and Monitoring Report_THA 7_03122025..docx.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 18 Dated 10 Mar 2025**Standard Reference:** ACR Monitoring Report Template, v 5.1**Document Reference:** Monitoring Report_THA 7_02242025.docx

ACR_GHGPP_TH7_02242025.docx

Finding: The crediting period and reporting period are reported incorrectly in both the MR section II and the GHG Project Plan Section H2.**Project Personnel Response:** The crediting period and reporting period in the MR and the GHGPP have been updated.**Auditor Response:** The crediting period and reporting are still listed incorrectly in section H of the updated GHG PP dated 12 March 2025. Please refer to the following requirements in the methodology:

Section 3.5 Subsection III: "The reporting period must not exceed 12 consecutive months."

Section 3.6 Subsection II: "The project crediting period for this Methodology is ten years."

Project Personnel Response 2: The two periods were accidentally swapped. They have been updated.**Auditor Response 2:** The crediting period and RP is now correct. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NCR 19 Dated 10 Mar 2025****Standard Reference:** ACR Monitoring Report Template, v 5.1**Document Reference:** Monitoring Report_THA 7_02242025.docx**Finding:** A deviation regarding the saturation has been approved by ACR for this project, however in Section III Subsection 3 of the MR there are no deviations reported.**Project Personnel Response:** This section of the MR has been updated. This section will be updated once we receive the deviation request approval for scale calibrations.**Auditor Response:** The MR has not been updated with information regarding the scale calibration not being undertaken at the required intervals.**Project Personnel Response 2:** Updated**Auditor Response 2:** The updated MR contains the additional deviation information. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C

NCR 20 Dated 10 Mar 2025

Standard Reference: ACR Monitoring Report Template, v 5.1

ACR GHG Project Plan Template, v 3.1

Document Reference: ACR_GHGPP_TH7_02242025.docx

Finding: The MR states Appendix A and B are included in the GHG PP, however, there are no appendices in the PP. Page 8 of the PP states that Appendix A and B are not provided under separate cover, however they are not included in the PP.

Project Personnel Response: Appendix A (Environmental and Social Impact Assessment) and Appendix B (SDG Contributions Report) will be appended to the final version of the doc. The ACR has instructed us in the past to put No under the Provided under separate cover? Question in the table on page 18.

Auditor Response: Version 3.1 of the ACR GHG Project Plan Template includes the following instructions for the Appendices:

"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. "

In other words, any appendices denoted with "No" for the column "Provided under separate cover? (Yes/No)" must be included directly in the GHG PP, and not as a separate attachment.

Project Personnel Response 2: The ACR's language continues to be confusing on this. I agree that because we upload these separately as attachments, we should be saying that these are provided under separate cover. However, they instructed us in the past to upload these separately as attachments and as appendices. We should keep this as is and defer to the ACR to instruct us if this is incorrect.

Auditor Response 2: The response is acceptable. This finding is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 21 Dated 10 Mar 2025

Standard Reference: ACR GHG Project Plan Template, v 3.1

Document Reference: ACR_GHGPP_TH7_02242025.docx

Finding: The attestation on page 9 of the PP is missing a signature.

Project Personnel Response: We will provide a signature once we've arrived at the final version of the doc.

Auditor Response: This finding will remain open.

Project Personnel Response 2: An updated GHG PP has been provided

Auditor Response 2: This issue is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 22 Dated 10 Mar 2025

Standard Reference: ACR GHG Project Plan Template, v 3.1

Document Reference: Monitoring Report_THA 7_02242025.docx

Finding: The table in Section V of the MR is missing several monitoring parameters from the methodology Section 6.4.

Project Personnel Response: Section V of the MR has been updated.

Auditor Response: The updated monitoring report dated 12 March 2025 has been reviewed. The audit team has noted that the parameters in the updated GHG PP dated 12 March 2025 does not match the list in the MR.

Project Personnel Response 2: Updated

Auditor Response 2: The GHG PP now includes all necessary parameters. This finding is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 23 Dated 10 Mar 2025

Standard Reference: ACR Monitoring Report Template, v 5.1

Document Reference: Monitoring Report_THA 7_02242025.docx

Finding: The MR is missing a signature, date, and checkbox for the project roles

Project Personnel Response: We will provide a signature once we've arrived at the final version of the doc.

Auditor Response: This finding will remain open.

Project Personnel Response 2: An updated MR has been provided.

Auditor Response 2: This issue is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 24 Dated 10 Mar 2025

Standard Reference: ACR Environmental and Social Impact Assessment Template, v 1.1

Document Reference: ACR-Env-Social-Impact-Assessment-Report_TH7.pdf

Finding: The Environmental and Social Impact Assessment is dated before the project start date. Please clarify how the assessment was conducted to include any actual impacts from the project implementation.

Project Personnel Response: This will be updated once we've arrived at the final version of the GHGPP and it has been appended.

Auditor Response: This finding will remain open.

Project Personnel Response 2: A environmental and social impact assessment has been included as the Appendix to the GHG PP.

Auditor Response 2: This issue is closed.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 25 Dated 10 Mar 2025**Standard Reference:** ACR GHG Project Plan Template, v 3.1**Document Reference:** ACR_GHGPP_TH7_02242025.docx**Finding:** There appears to be no clear link between the manifesto identification and the cyclinder IDs in the consolidation report. Please clarify how the ODS can be clearly traced from its original source to aggregation point at the WMS warehouse.**Project Personnel Response:** ?**Auditor Response:** The PP followed up via email on 13 March 2025 requesting additional clarification on this finding. The SCS team provided clarification on 14 March 2025 and 16 March 2025. The PP replied on 19 March 2025 that a response will be provided soon.**Project Personnel Response 2:** Updated documentation provided with manifesto clearly shown**Auditor Response 2:** SCS reviewed the updated consolidation documents. This issue is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NIR 26 Dated 10 Mar 2025****Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide English versions of all documentation related to this project that has been written in Thai.**Project Personnel Response:** English translations of RTOA/RPAs have been uploaded.**Auditor Response:** SCS has reviewed the updated document.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NIR 27 Dated 13 Mar 2025****Standard Reference:** NA**Document Reference:** ACR_GHGPP_TH7_02242025.docx**Finding:** Section A7 of the GHG PP references the following files:

- "Reference Guidelines for the destruction of refrigerants under the supervision of the Customs Department"
- September 8, 2022 letter to WMS titled "Handling over the refrigerants seized under the Customs Department for destruction at Bangpoo Environmental Complex Co., Ltd"

These files were not initially included in the Sharefile. An email request was sent on 13 March 2025 to the project proponent, who responded within the same day and provided the files. This While this finding has been added to formally memorialize the new information request, its status is closed.

Project Personnel Response: This issue is closed**Auditor Response:****Bearing on Material Misstatement or Conformance (M/C/NA):** C

NIR 28 Dated 31 Mar 2025**Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** NA**Finding:** The POO documentation for the cylinders which were aggregated into the tonner tank state that the technicians details are included with each attestation, however, this is not the case. Please provide the details of the technician who was involved in the collection of this ODS.**Project Personnel Response:** Riders with a clarification that the responsible person has been adequately trained has been provided to SCS.**Auditor Response:** The updated riders have been viewed by SCS. This issue is now closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NIR 29 Dated 31 Mar 2025****Standard Reference:** International ODS Methodology, v 1.0**Document Reference:** NA**Finding:** the manifesto documents do not contain the mass of the ODS. As outlined in Section 6.1 III B. "The project proponent must collect and maintain documentation... beginning at the location it is first acquired by the project proponent through destruction, including the following:... B. The mass of ODS, including ineligible ODS and contaminants, at each transaction" . Please provide clarification on how TW is in conformance of this requirement.**Project Personnel Response:** Consolidation reports have been updated and uploaded to the sharepoint**Auditor Response:** The updated consolidation reports contain the mass of ODS. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NIR 30 Dated 31 Mar 2025****Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide the names and roles of the individuals present during the site visit.**Project Personnel Response:** The following people were present and interviewed during the site visit:

- | | | |
|----|-----------------------|---------------------------------|
| 1) | Ms. Sutthida Fakkum | Senior Compliance & EHS Manager |
| 2) | Mr.Prin Hanthanon | Senior Project Engineer |
| 3) | Mr.Arpakorn Promphet | Environmental Supervisor |
| 4) | Mr. Nattawut Chaionom | Industrial services Supervisor |
| 5) | Mr.Ampol Ruttanasang | Senior Chemist |

Auditor Response: Tradewater provided the requested information. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NIR 31 Dated 31 Mar 2025****Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide confirmation that the funding to Dowa for the WMS facility and destruction of f-gas under the Japanese Joint Crediting Mechanism does not impact the offset project.**Project Personnel Response:** There is no impact to the project, as the material and rights to the carbon credits obtained from the destruction of the material is clearly transferred to Tradewater.**Auditor Response:** SCS reviewed the information and this issue is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C

NIR 32 Dated 31 Mar 2025**Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide the SOP for destruction operations (Prin mentioned he could provide this document during the site visit)**Project Personnel Response:** Uploaded to Additional Documentation >SOP - Destruction**Auditor Response:** SCS reviewed the information and this issue is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NIR 33 Dated 31 Mar 2025****Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide the PPT which was shown at the start of the site visit.**Project Personnel Response:** Uploaded to Additional Documentation > Intro Powerpoint**Auditor Response:** SCS reviewed the information and this issue is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NIR 34 Dated 31 Mar 2025****Standard Reference:** NA**Document Reference:** NA**Finding:** Please provide a copy of the hazardous waste transfer permit.**Project Personnel Response:** Hazardous waste transfer permit is included in the BPEC permit that has been shared.**Auditor Response:** SCS reviewed the information and this issue is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** C**NCR 35 Dated 14 Apr 2025****Standard Reference:** Na**Document Reference:** Monitoring Report**Finding:** On page 15 in the MR, the total ERs add up to 183,236 however this number does not match the final ER value for this project.**Project Personnel Response:** Corrected**Auditor Response:** The vintage total ERRs have been updated and now total the total ERR for the reporting period. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NCR 36 Dated 14 Apr 2025****Standard Reference:** NA**Document Reference:** GHG PP**Finding:** In Section B5 of the Baseline Scenario in the GHG Project Plan, the incorrect source of the Parameters is listed.**Project Personnel Response:** Corrected**Auditor Response:** SCS reviewed the updated GHG PP and noticed The reference has been updated to state the Errata and Clarifications document. This findings is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA

NCR 37 Dated 14 Apr 2025**Standard Reference:** NA**Document Reference:** GHG PP**Finding:** Reference is made only to CFC-12 in various sections of the GHG PP however, the project also involved the destruction of CFC-11. These sections include: Section A3, B2, B5, C2 and Appendix A.**Project Personnel Response:** Corrected**Auditor Response:** SCS reviewed the updated GHG PP and noticed Reference is now made to CFC-11 throughout the document. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NCR 38 Dated 14 Apr 2025****Standard Reference:** NA**Document Reference:** GHGPP**Finding:** There are several sections in the GHG Project Plan where Tradewater, LLC is listed as just Tradewater LLC (without the apostrophe). For example, Section A8 and G1. Please update accordingly.**Project Personnel Response:** Corrected**Auditor Response:** SCS reviewed the updated GHG PP and noticed the reference to Tradewater, LLC now included an apostrophe.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NCR 39 Dated 14 Apr 2025****Standard Reference:** NA**Document Reference:** GHGPP**Finding:** The Listing date is incorrect in the GHG Project Plan. Please update.**Project Personnel Response:** Corrected**Auditor Response:** SCs reviewed the updated GHG PP and noticed the listing date had been updated to December 5, 2025.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA**NCR 40 Dated 14 Apr 2025****Standard Reference:** NA**Document Reference:** GHG PP**Finding:** The ACR webportal identifies SDG 06: Clean Water and Sanitation however this SDG is not mentioned in Section F.2 or the Appendix B. Please update accordingly.**Project Personnel Response:** This cannot be modified as it is automatically populated by the ACR template.**Auditor Response:** SCS has review this response and agrees with Tradewater. This finding is closed.**Bearing on Material Misstatement or Conformance (M/C/NA):** NA

TW_Thailand 7_ACR_ValidationVerificationReport_V6-0_061225

Final Audit Report

2025-06-12

Created:	2025-06-12
By:	Jessica Dalaba (jdalaba@scsglobalservices.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAoHg_Q-3RI9FM65mAf4RIGqcNZumly-GD

"TW_Thailand 7_ACR_ValidationVerificationReport_V6-0_061225" History

-  Document created by Jessica Dalaba (jdalaba@scsglobalservices.com)
2025-06-12 - 3:56:33 PM GMT
-  Document emailed to Michelle Hirst (mhirst@scsglobalservices.com) for signature
2025-06-12 - 3:56:39 PM GMT
-  Document emailed to Tina Sentner (tsentner@scsglobalservices.com) for signature
2025-06-12 - 3:56:40 PM GMT
-  Email viewed by Tina Sentner (tsentner@scsglobalservices.com)
2025-06-12 - 8:10:25 PM GMT
-  Document e-signed by Tina Sentner (tsentner@scsglobalservices.com)
Signature Date: 2025-06-12 - 8:11:48 PM GMT - Time Source: server
-  Email viewed by Michelle Hirst (mhirst@scsglobalservices.com)
2025-06-12 - 9:31:27 PM GMT
-  Document e-signed by Michelle Hirst (mhirst@scsglobalservices.com)
Signature Date: 2025-06-12 - 9:32:47 PM GMT - Time Source: server
-  Agreement completed.
2025-06-12 - 9:32:47 PM GMT