

GREENHOUSE GAS VERIFICATION REPORT

Project number: 4791126382
Issue Date: March 15th, 2024

UL Solutions has verified, to a limited level of assurance, the GHG statement of

TECHTRONIC INDUSTRIES NA, INC.

for January 1st, 2023, to December 31st, 2023, in accordance with ISO 14064 Part 3: 2019. Techtronic Industries NA, Inc.'s organizational GHG Statement has been verified to meet the requirements of ISO 14064 Part 1: 2018 and that there is no evidence that the GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with related International Standards on GHG quantification, monitoring, and reporting, or to relevant national standards or practices.

January 1st, 2023, to December 31st, 2023

- Direct emissions: 51,020 tonnes of CO_{2e}
- Energy Indirect emissions (Market-based): 120,964 tonnes of CO_{2e}

LA

Lauren Alexander
Lead Verifier

UL Verification Services Inc.
2211 Newmarket Parkway, Suite 106
Marietta, GA 30067 USA

UL Solutions performs Greenhouse Gas (GHG) Verification in accordance with ISO 14064 Part 3: 2019. Greenhouse Gases: Specification with guidance for the verification and validation of greenhouse gas statements.

UL Solutions applies a risk-based approach to GHG Verification that incorporates an investigation of the inherent and control risks associated with GHG reporting.

UL Solutions' verification approach includes but is not limited to the collection and analysis of:

- Qualitative data through the engagement of management.
- Quantitative data through receipt of data files from information management systems.
- Supporting evidence for all data.

A full description of the approach taken in this verification can be found in Appendix A.



Techtronic Industries NA, Inc.

Level of assurance: Limited
Project number: 4791126382
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Introduction

Techtronic Industries NA, Inc. (hereafter referred to as “Techtronic”) has contracted UL Solutions to verify Techtronic’s GHG Statement to ensure organizational GHG inventories are complete and accurate for the purposes of internal reporting. Techtronic has provided a GHG statement to UL Solutions covering the period of January 1st, 2023, to December 31st, 2023, in accordance with ISO 14064 Part 1: 2018.

Approach

UL Solutions performs GHG verification in accordance with ISO 14064 Part 3: 2019: Greenhouse Gases: Specification with guidance for the verification and validation of GHG statements.

UL Solutions applies a risk-based approach to GHG verification that incorporates a detailed understanding of risks associated with GHG reporting and the controls required to mitigate such risks.

Our verification approach includes the collection and analysis of:

- Qualitative data through the engagement of management
- Quantitative data through receipt of data files from information management systems
- Supporting evidence for activity data

A full description of the approach can be found in Appendix A.

Responsibilities

Techtronic designated themselves as the responsible party for the preparation and fair presentation of their GHG Statement and other supporting information required for evaluation of the statement in accordance with the criteria laid out in ISO 14064 Part 1: 2018. UL Solutions is responsible for expressing an opinion of the GHG Statement based on findings from verification activities designed to assess whether the GHG statement was materially accurate given quantitative and qualitative thresholds. The data assessed is historical in nature and this report is only valid for the GHG Statement of this defined period.

Level of assurance

Techtronic requested that UL Solutions provide a limited level of assurance for their organizational GHG statement.

Objectives

To verify by limited assurance that Techtronic’s GHG statement is materially accurate for the purposes of internal reporting in terms of:

- The GHG emissions are as declared by the responsible party.
- The data reported are accurate, complete, consistent, transparent, and free of material error or omission.
- The GHG statement is prepared consistent with the criteria laid out in ISO 14064 Part 1: 2018.

Criteria

Criteria against which the verification assessment was undertaken:

- ISO 14064 Part 1: 2018.

Scope

Customer name	Techtronic Industries NA, Inc.
Customer address	450 E. Las Olas Blvd. Suite 1500 Fort Lauderdale, Florida, 33301
Control approach	Operational
Locations/sources	256 facilities
Period of evaluation	January 1st, 2023, to December 31st, 2023
Types of GHG included	CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆
GWP values applied	IPCC AR5
Intended users	Internal

Table 1 - Sources in Scope

Scope	Activities
Scope 1 Heating	Fossil Fuel used in heating facilities
Scope 1 Fuel	Fuel used in owned fleet
Scope 1 Refrigerants	Refrigerants used for HVAC
Scope 2 Electricity	Electricity used in facilities

Materiality

The intended users of the GHG statement are internal and did not specify a required quantitative materiality threshold. Therefore, UL Solutions has used the quantitative materiality threshold suggested by the WRI GHG Protocol for Corporate Accounting and Reporting Standard (Revised edition), where an error is considered to be materially misleading if its value exceeds 5% of the total inventory reported in the GHG statement.

Issuance of Opinion

In UL Solutions' opinion, based on the evaluation activities conducted in accordance with ISO 14064 Part 3: 2019 to Techtronic's organizational level GHG Statement for January 1st, 2023, to December 31st, 2023, limited level of assurance has determined that there is no evidence that the GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with related International Standards on GHG quantification, monitoring, and reporting, or to relevant national standards or practices.

Techtronic's GHG statement for January 1st, 2023, to December 31st, 2023, written in accordance with ISO 14064 Part 1: 2018 has been verified by UL Solutions to a limited level of assurance. The emissions by scope are verified as follows:

01/01/2023 - 12/31/2023

Direct	Energy Indirect
51,020 tCO ₂ e	120,964 tCO ₂ e (Market-Based)

Activities performed to the limited level of assurance are less extensive in nature, timing, and extent than activities performed for a reasonable level of assurance.

Place and date: 2211 Newmarket Parkway, Suite 106, Marietta, GA 30067, USA. March 15th, 2024

Verifier Signature:

LA

Lauren Alexander, Lead Verifier

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Appendix A

Introduction

Appendix A describes how UL Solutions executed the verification of Techtronic Industries NA, Inc. (hereafter referred to as “Techtronic”) GHG Statement issued for the period January 1st, 2023, to December 31st, 2023, in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Execution summary

The scope of the verification activities was defined during the verification planning stage and were informed by the strategic analysis and risk assessment based on submitted data and industry research.

The verification activities involved, but were not limited to the items below:

- Strategic Analysis
- Risk Assessment
- Verification Activities
- Verification Conclusions
- Recommendations

The verification was executed by the team shown below:

Lead verifier	Lauren Alexander is the Lead Verifier on the engagement and is a qualified GHG Verifier. Email: Lauren.Alexander@ul.com
Verifier	Heather Pecho is a Verifier on the engagement and is a qualified GHG Verifier. Email: heather.pecho@ul.com
Verifier	Amber Mehta is a Verifier on the engagement and is a qualified GHG Verifier. Email: amber.mehta@ul.com
Certification officer	Adrian Wain is the Certification Officer on your engagement. Adrian Wain oversees a wide range of UL Solutions’ certification programs. Email: Adrian.Wain@ul.com

GHG management system

Meetings with the Finance Manager of Techtronic determined that the selection and management of GHG information was determined by the requirements of internal users:

The boundary of the system encompassed 256 facilities under the operational control of Techtronic (see Table 1).

For the facility, the Finance Manager was responsible for the collection and entry of GHG-related data into third-party managed software solutions for managing carbon emissions. A review of the software

showed features that mitigate control risks such as a pre-defined unit of measure conversions, automated comparisons of values between reporting periods, and a full audit trail of entered data.

A review of the software's use by Techtronic showed that the solution was overseen by the Finance Manager as a software administrator within Techtronic who provided in-depth user training at the beginning of the reporting period for members of staff and ongoing oversight of the activity.

Based on the review of the GHG management system, UL Solutions did not find evidence that the GHG management system was not in accordance with the required criteria.

GHG data and information

GHG data and information were reviewed for multiple emissions sources; liquid natural gas, diesel use in forklifts, and petrol use in corporate vehicles. In addition, refrigerant top-ups, purchased electricity, and a review of the emission factors were applied to the electricity conducted.

Gaseous fuels: Gaseous fuels were used for heating purposes. Data were derived from utility bills showing natural gas consumption. These values were then multiplied with a supplier issued emission factor. Based on the review of operational activities during the strategic analysis and of the reported purchased natural gas used, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Liquid fuels: Liquid fuels were used for transportation purposes. Data were derived from utility logs and bills showing the consumption of diesel (mineral) and petrol (mineral). These values were then multiplied by the relevant emission factor. Based on the review of operational activities during the strategic analysis and of the reported purchased fuel use, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Refrigerant top-ups: Refrigerant top-ups were used for cooling purposes. Data were derived from supplier invoices showing refrigerant top-ups. These values were then multiplied by the relevant emission factor. Based on the review of operational activities during the strategic analysis and of the reported purchased refrigerants used, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Purchased electricity: Purchased electricity was used for cooling and power purposes. Data were derived from utility bills showing electricity consumption in kWh. These values were then multiplied with a market-based emission factor. Based on the review of operational activities during the strategic analysis and of the reported purchased electricity used, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Data aggregation processes

The data aggregation process contained two steps.

Activity data is gathered from utility bills issued to Techtronic on a monthly frequency which are then consolidated into quarterly frequencies prior to entry into the software solution. The invoices are maintained by Techtronic's Administration Function.

Consolidated activity data is entered into the software used by Techtronic, through which CO₂e emissions values were calculated and the data from each emissions source was automatically aggregated into the appropriate scopes at the facility level.

The inherent risk that utility bill data was sourced incorrectly was addressed through substantive testing – reviewing samples of source data to confirm that they were correct for the facility and period under review. The second step was assessed through analytical testing procedures – see data tracing.

Analytical testing

A range of analytical testing techniques were used to verify the data.

Recalculation: Multiplying activity data by the stated emission factor to check the correctness of the calculation function within the software solution. This test addressed the risk present by incorrect software configuration. UL Solutions did not find evidence that the calculations were not in accordance with the required criteria.

Trend analysis: Observing the progression of data over time to check for the presence of anomalous values. This test addressed the risk presented by the introduction of data using an incorrect unit of measure or an incorrect order of magnitude. UL Solutions did not find evidence that the progression of data over time were not in accordance with the required criteria.

Peer review: Observing the trends of the data between multiple different industry peers. Two peers were used during this review. The test addresses the risks that the emissions data significantly diverged from industry expectations. UL Solutions did not find evidence that the data was outside of the normal trends for this industry and were not in accordance with the required criteria.

Data tracing: Rebuilding aggregate values from their source (e.g., utility bill) to the organization total to check for the inclusion and correct aggregation of all data. This test addressed the risk that values were mistakenly transferred from the source file to the software solution. UL Solutions did not find evidence that the aggregations were not in accordance with the required criteria.

Aggregation testing

Control testing: During the strategic analysis, UL Solutions found that a significant portion of the process for the creation of the GHG statement was facilitated by the software solution used by Techtronic. As a result, its proper use was found to be the largest control risk. Therefore, inquiries were made into the training received by Techtronic in both the collection of GHG information and the use of the software solution for preparing a GHG statement. UL Solutions found that all personnel involved in the preparation of the GHG statement at Techtronic had received training on the preparation of a GHG statement and the use of software for the preparation of a GHG statement. UL Solutions did not find evidence that the training and resulting capabilities of personnel at Techtronic were insufficient to properly gather activity data and use the system.

Estimate testing: Due to over 90% of the data being actual data, UL did not conduct any estimate testing. Greenstone, the third-party software Techtronic used for building their GHG Inventory, did provide UL with an in-depth estimation methodology documentation. UL Solutions did not find evidence that the estimate methods applied were not in accordance with the required criteria.