



# LRQA Independent Assurance Statement

## Relating to American Tire Distributor's Greenhouse Gas Inventory and Environmental Data for the calendar years 2019, 2020 and 2021

This Assurance Statement has been prepared for American Tire Distributors, Inc. in accordance with our contract.

### Terms of Engagement

LRQA was commissioned by American Tire Distributors, Inc. (ATD) to provide independent assurance of its greenhouse gas (GHG) emissions inventory and environmental data ("the Report") for the calendar years 2019, 2020 and 2021 (CY 2019, CY 2020, CY 2021) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure and ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered ATD's operations and activities under their operational control in the United States and Canada, and specifically the following requirements:

- Verifying conformance with:
  - ATDs reporting methodologies for the selected datasets; and
  - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data<sup>1</sup>.
- Reviewing whether the Report has taken account of:
  - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Direct (Scope 1), Energy Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions.
    - Scope 3 GHG emissions verified by LRQA only include:
      - Business Air Travel;
      - Waste Generated in Operations;
      - Upstream Transportation and Distribution; and
      - Downstream Transportation and Distribution.
  - Water consumption;
  - Waste to Landfill;
  - Recycled Waste; and
  - Energy (electricity kWh)

LRQA's responsibility is only to ATD. LRQA disclaims any liability or responsibility to others as explained in the end footnote. ATD's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of ATD.

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<sup>1</sup> <http://www.ghgprotocol.org/>



### LRQA’s Opinion

Based on LRQA’s approach nothing has come to our attention that would cause us to believe that ATD has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance<sup>2</sup> and at the materiality of the professional judgement of the verifier.

**Table 1. Summary of ATD’s Key Environmental Data for CY 2019, 2020 and 2021:**

Scope of GHG emissions	CY 2019 (Base Year)	CY 2020	CY 2021	Unit
Scope 1 GHG emissions	102,216	89,189	88,333	Metric Tons CO <sub>2</sub> e
Scope 1 GHG biogenic emissions <sup>1</sup>	27	0	57	Metric Tons CO <sub>2</sub>
Scope 2 GHG emissions (Location-based) <sup>2</sup>	19,039	16,111	14,796	Metric Tons CO <sub>2</sub> e
Scope 2 GHG emissions (Market-based) <sup>2</sup>	19,039	16,111	14,796	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Business Travel (Air) <sup>3</sup>	527	166	181	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Upstream Transportation and Distribution (Logistics)	96,745	110,226	106,812	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Downstream Transportation and Distribution (Logistics)	29,360	30,552	43,892	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Waste Generated in Operations: Waste to Landfill	932	1,250	1,002	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Waste Generated in Operations: Recycling	57	48	125	Metric Tons CO <sub>2</sub> e
Energy Use (Electricity only) <sup>4</sup>	54,808,073	49,069,215	44,967,339	kWh
Water Consumption	33,330,698	40,076,970	43,114,134	Gallons
Waste to Landfill	1,789	2,413	2,018	US Short Tons
Waste to Recycling	625	499	1,291	US Short Tons

Note 1: Biogenic emissions sources consist of biodiesel and ethanol in vehicle fuels.  
 Note 2: Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015.  
 Note 3: Business Travel includes emissions from Air travel only.  
 Note 4: Energy use only includes electricity and does not include any fuel combustion (i.e. natural gas in buildings and gasoline & diesel in vehicles).

### LRQA’s Approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- interviewing relevant parties responsible for managing GHG emissions and environmental data and records;
- assessing ATDs data management systems to confirm they are designed to prevent significant errors, omissions or mis-statements in the Report; and
- verifying historical GHG emissions and environmental data and records at an aggregated level for the calendar years 2019, 2020 and 2021.

<sup>2</sup> The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



### **LRQA's Standards and Competence**

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed

Dated: 30 September 2022

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

David Hadlet  
LRQA Lead Verifier  
On behalf of LRQA, Inc.  
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LRQA reference: UQA00002021/ 5108188

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