



LRQA Independent Assurance Statement

Relating to Exelon's Scope 3 Emissions Inventory for the Calendar Year 2023

This Assurance Statement has been prepared for Exelon Business Services Company, LLC in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA was commissioned by Exelon Business Services Company, LLC (Exelon) to provide independent assurance on its Scope 3 Greenhouse Gas (GHG) emissions ("the Report") for the calendar year 2023 (CY 2023) against the assurance criteria below to limited level of assurance using LRQA's verification procedure and ISO 14064 - Part 3 for greenhouse gas assertions. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered Exelon's other indirect GHG emissions and specifically the following requirements:

- Verifying conformance with:
 - The Climate Registry General Reporting Protocol Version 3 (May 2019)¹
 - The Climate Registry Electric Power Sector Protocol (EPS) Version 2.1 (June 2009)
 - The Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard²
 - Exelon's 2023 Greenhouse Gas Inventory Management Plan
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Purchased goods and services, Capital goods, Fuel-and-energy related activities (not included in Scope 1 and 2), Upstream transportation and distribution, Waste generated in operations, Business travel, Employee Commuting, Upstream leased assets, and Use of sold products (use of utility natural gas delivered)

LRQA's responsibility is only to Exelon. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Exelon'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 Exelon.

LRQA's Opinion

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

- Met the requirements above
- Disclosed accurate and reliable performance data and information as no errors or omissions were detected

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

¹ <https://www.theclimateregistry.org/>

² <http://www.ghgprotocol.org/>



Table 1. Summary of Exelon’s Scope 3 GHG Emissions (CY 2023):

Scope 3 Category	Tonnes CO ₂ e
1. Purchased goods and services	691,298
2. Capital goods	974,556
3. Fuel-and-energy-related activities not included in Scope 1 or 2 (Total)	71,854,756
3a. Full Service Electric Supply (Location-based)	28,612,581
3b. Delivery-Only Electric Supply (Location-based)	41,121,710
3c. Upstream Natural Gas Supply	2,120,465
4. Upstream transportation and distribution	25,210
5. Waste generated in operations	33,720
6. Business travel	11,429
7. Employee commuting	194,724
8. Upstream leased assets	1,805
11. Use of sold products (Use of utility natural gas delivered)	10,820,382
Note 1: Scope 3 is defined in The Climate Registry General Reporting Protocol Version 3.	
Note 2: A potential for double counting of emissions exists in Scope 3 categories 3 and 11 if natural gas sold is used to produce electricity purchased.	

LRQA’s approach

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

- interviewing relevant employees of the organization responsible for managing GHG emissions data and records;
- auditing Exelon’s data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification; and
- verifying historical GHG emissions data and records at an aggregated level for the calendar year 2023.

LRQA’s standards, competence and independence

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: 02 May 2024

A handwritten signature in black ink, appearing to read 'David Hadlet', is written over a horizontal line.

David Hadlet
LRQA Lead Verifier
On behalf of LRQA, Inc.
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LRQA reference: UQA00000447

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