

INDEPENDENT REASONABLE ASSURANCE STATEMENT

To: The Management of Alto Ingredients, Inc.

Ashworth Leininger Group (ALG) has been commissioned by Alto Ingredients, Inc. (Alto) to perform a reasonable assurance review of Alto's 2023 Greenhouse Gas (GHG) emissions reported to the United States Environmental Protection Agency (US EPA) for Reporting Year (RY) 2023. This assurance statement applies to the subject matter included within the scope of work described below. The information reviewed by ALG and the presentation of reported data are Alto's sole responsibility. ALG's sole responsibility is to provide independent assurance of the accuracy of reported emissions.

Alto's Responsibility

Alto prepared GHG emissions calculations and reported these data to the EPA in adherence to the requirements of 40 CFR Part 98. Alto provided all supporting data used to calculate reported emissions. Alto provided access to ALG to conduct site inspections of the subject facilities during the reasonable assurance review of the 2022 emissions; no site visit was conducted as part of 2023's data review.

ALG's Responsibility

ALG's responsibility was to perform an independent verification of Scope 1 and Scope 2 emissions used as part of Alto's sustainability disclosures, including the greenhouse gas emissions reported to EPA for RY2023.

Assurance Type and Scope

Verification has been performed in accordance with the procedures and standards given in the California Air Resources Board (CARB) AB-32 Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (17 CCR 95130-95133). The purpose of this verification service was to determine with reasonable assurance whether the facility has collected data and prepared emissions calculations to accurately support Alto's Scope 1 and Scope 2 sustainability disclosures. For those emissions reported to EPA, ALG evaluated conformance with 40 CFR Part 98.

The CARB verification standard was chosen because it promotes robust and rigorous audit practices to support California's Cap and Trade program. Adherence to the CARB verification standard provides reasonable assurance that reported emissions are accurate to within $\pm 5\%$.

Summary of Work Performed

ALG reviewed Alto's Scope 1 and Scope 2 GHG emissions as part of the verification process, including the GHG emissions reports submitted to EPA for RY2023. ALG also identified additional Scope 1 emission sources not subject to EPA GHG reporting, and emissions from these sources were evaluated for reference and comparison purposes when data were available to do so. Scope 2 emissions are not subject to EPA GHG reporting, but were reviewed by ALG. Scope 3 emissions were not evaluated in this verification cycle. Any discrepancies or omissions identified by ALG during the verification process are discussed in the verification report.

Conclusion

Based on ALG's analysis of Alto's data and calculations and in our professional judgement, ALG provides the following verification summary for the RY2023 Scope 1 and Scope 2 emissions:

1. Scope 1 Part 98 emissions: ALG finds with reasonable assurance that reported emissions are accurate to within $\pm 5\%$ at all facilities. Discrepancies, omissions, and non-conformances with 40 CFR Part 98 are identified in the verification report.
2. Scope 2: ALG finds with reasonable assurance that Scope 2 emissions calculations (purchased electricity) are accurate to within $\pm 5\%$ at all facilities.
3. Scope 1 non-Part 98 emissions: ALG identified emission sources at all facilities that were not reported to EPA, but are considered Scope 1 emissions as defined in the Greenhouse Gas Protocol¹. Where possible, these additional Scope 1 emissions were calculated by ALG for comparison and discussion purposes only; reasonable assurance of these emission sources was not requested by Alto, but these sources are discussed within the verification report.

Statement of Competence and Independence

Ashworth Leininger Group is an accredited CARB Mandatory Reporting Regulation (MRR) verification body (EO #: H-22-014) with over ten (10) years of experience in providing third party verification services in adherence to Sections 95130 to 95133 of the MRR.

ALG has not provided any environmental consulting services or any other categories of consulting services to Alto that would constitute a conflict of interest under CARB's verification standards.



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¹ Greenhouse Gas Protocol Corporate Standard, accessed 4/16/24: <https://ghgprotocol.org/corporate-standard>