



## **Bullfrog Power Less Emissions Audit Report – 2019**





## Auditor's Report

### To the Management of Less Emissions Inc.:

We have audited the following assertions made by management of Less Emissions Inc. ("the Company") as at December 31, 2019 that:

#### Sale of Gold Standard Certified Emission Reductions (CERs) and VER+ Verified Emission Reductions

1. Less Emissions Inc. (the Company) acquired sufficient carbon offsets to satisfy its carbon offset sales to its customers including events during the year ended December 31, 2019.
2. The carbon offsets sold during the year ended December 31, 2019 were acquired from emission reduction projects certified by the United Nations' Clean Development Mechanism, which produce CERs, and certified as Gold Standard as defined by the Gold Standard Foundation or projects certified under the VER+ certification standard.
3. Carbon offsets acquired by the Company to meet its sales included the rights to the environmental benefits associated with the reduction of certain tonnes of CO<sub>2</sub>e, and the producers, pursuant to their obligations to the Company and under the United Nations CDM Registration and Issuance Unit criteria or the VER+ certification standard, have retained no claims or assertion of rights to such environmental benefits.
4. The carbon offsets acquired by the Company to meet its sales commitments are serialized and have been permanently retired on the Swiss National Emissions Trading Registry established pursuant to the United Nations Framework Convention on Climate Change or on the BlueRegistry established for all VER+ emission reductions.

#### Our independence and quality control

The Company's management is responsible for its assertions and for ensuring product compliance with the Gold Standard as defined by the Gold Standard Foundation or the VER+ certification standard. Our responsibility is to express an opinion on management's assertion based on our audit.

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have applied the Canadian Standard on Quality Control 1, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our audit was performed in accordance with the Canadian Standard on Assurance Engagements – Attestation Engagements Other than Audits or Reviews of Historical Financial Information, set out in the CPA Canada Handbook – Assurance. Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion that management's assertion is not materially misstated. Our audit included:

1. Obtaining an understanding of the Company's policies, procedures and controls established to meet Regulations;
2. Testing and evaluating evidence to support management's assertions, and;
3. Performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, management's assertions as at December 31, 2019 as set forth in the preceding paragraphs are fairly stated in all material respects.

This report is intended solely for use by the Management of Less Emissions and its customers and should not be used for any other purpose.

A handwritten signature in cursive script that reads "Deloitte LLP".

Chartered Professional Accountants  
Toronto, Ontario  
August 11, 2020

# Deloitte.

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