

Independent Limited Assurance Statement

Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of California Water Service Group (Cal Water) to carry out an independent limited-level assurance engagement of its Scope 1 and 2 Greenhouse Gas (GHG) emissions inventory (Selected Performance Information) for calendar years 2021, 2022, and 2023. Cal Water intends to publish this Selected Performance Information in various internal and public-facing disclosures, including, but not limited to, Cal Water's 2024 ESG Report (the "Report"). The assurance was carried out from March through October 2024.

Cal Water has sole responsibility for the preparation of the data used to calculate the Selected Performance Information and the Report. DNV, in performing our assurance work, is responsible to the management of Cal Water. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including Cal Water.

Scope of Assurance

The scope of work agreed to between DNV and Cal Water includes the following:

Organizational Boundary

All facilities under Cal Water's operational control

Reporting Period

January 1st, 2021 to December 31st, 2021

January 1st, 2022 to December 31st, 2022

January 1st, 2023 to December 31st, 2023

Selected Performance Information

Total Scope 1 and 2 – Location-and Market-Based GHG Emissions in metric tons of carbon dioxide equivalent (MtCO₂e).

We do not express conclusions on other information that may be published on Cal Water's website or sustainability disclosures for the current reporting period or previous periods.

Level of Assurance

We performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity assessment — General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing and are less detailed than those undertaken during a reasonable assurance engagement. The limited level of assurance obtained is substantially lower than performing a reasonable level of assurance. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so the risk of this conclusion being in error is reduced, but not reduced completely.

DNV's assurance engagements are based on the assumption that the data and information provided to us by Cal Water as part of our review have been provided in good faith. This includes but is not limited to Cal Water's water and wastewater treatment process and operational control. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Statement.

Assurance Methodology

DNV is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries.

Cal Water's GHG emissions inventory has been evaluated against the following reporting criteria:

- World Business Council for Sustainable Development (WBCSD) / World Resources Institute (WRI) Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard REVISED EDITION

DNV used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for Cal Water and its stakeholders. DNV applied a five-percent materiality threshold for all data in scope.

The assurance process involved interviews with the accountable parties responsible for preparing the GHG emissions inventories and site visits. The purpose of these interviews and site visits were to:

- Perform a walkthrough to understand how data is managed and reported and the systems, processes, and procedures used
- Interview managers and data users representing relevant functions for supporting the environmental inventory and management process
- Review the controls in place to confirm data and information accuracy
- Confirm the scope and boundaries of the data included
- Request further evidence and documentation in support of the GHG emissions inventory results
- Conduct site assessment at Cal Water's headquarters and sites Cal Water's Bear Gulch, Livermore, and Los Altos districts to review GHG emissions sources

The assurance process includes a desk review of the submitted documentation, site visits, data records, and sources relating to the Selected Performance Information as outlined below.

- Review of the processes and tools used to collect, aggregate, and report on all data and metrics
- Assessment of GHG emissions sources and information systems and controls used to prepare the GHG emissions inventory, including:
 - Selection and management of all relevant GHG emissions data and information
 - Processes for collecting, processing, consolidating, and reporting the GHG emissions data and information
 - Systems and processes that ensure the accuracy of the performance data and information
 - Cal Water's engagement with a third-party consultant to calculate GHG emissions after collecting activity data
 - Systems and processes that support the GHG emissions information system
 - Sample-based audits of the processes for generating, gathering, and managing the data
- Performance of key data recalculations to confirm accuracy
- Examination of the GHG emissions data and information to develop evidence for the assessment of the claims and assertions made
- Evaluation of whether the organization conforms to the reporting criteria
- Evaluation of whether the evidence and data are sufficient and support Cal Water's GHG emissions performance claims

Data Verified

Greenhouse Gas Emissions – CY 2021

- Scope 1 Emissions 8,357 MTCO₂e
- Scope 2 Emissions (location-based) 51,730 MTCO₂e
- Scope 2 Emissions (market-based) 45,789 MTCO₂e

Greenhouse Gas Emissions – CY 2022

- Scope 1 Emissions 7,942 MTCO₂e
- Scope 2 Emissions (location-based) 51,823 MTCO₂e
- Scope 2 Emissions (market-based) 36,004 MTCO₂e

Greenhouse Gas Emissions – CY 2023

- Scope 1 Emissions 8,231 MTCO₂e
- Scope 2 Emissions (location-based) 47,221 MTCO₂e
- Scope 2 Emissions (market-based) 30,264 MTCO₂e

Inherent Limitations

Due to the selective nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities may not have been detected. Calculations of GHG emissions are subject to inherent limitations, given the nature and the methods used for determining such data.

Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Performance Information within the Report is not fairly stated and has not been prepared, in all material respects, in accordance with the criteria stated. This conclusion relates only to the Selected information in the Report and is to be read in the context of this Assurance Statement.

Independence

DNV was not involved in preparing any part of Cal Water's data or the Report. This is our first year of providing assurance for Cal Water. We adopt a balanced approach towards all stakeholders when performing our evaluation.

For and on behalf of DNV Business Assurance USA, Inc.

Katy, Texas

December 04, 2024

Singh,
Digitally signed
by Singh, Gaurav
Date: 2024.12.04
09:17:55 -08'00'

Gaurav Singh

Verifier

Song,
数字签名
者: Song, Ke
Karl
日期: 2024.12.05
10:13:18 +08'00'

Karl Song

Technical Reviewer

This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the "Client"). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.

About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organizations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.