



# LRQA Independent Assurance Statement

## Relating to Toyota Tsusho Corporation's Environmental and Social Data within its Integrated Report 2023 for the Fiscal Year 2022

This Assurance Statement has been prepared for Toyota Tsusho Corporation in accordance with our contract.

### Terms of Engagement

LRQA Limited ("LRQA") was commissioned by Toyota Tsusho Corporation ("the Company" abbreviated) to provide independent assurance on its environmental and social data within the Integrated Report 2023 for the fiscal year 2022<sup>1</sup> ("the report") against the assurance criteria below to a "level of assurance and materiality" using "ISAE 3000 (Revised) / ISO 14064-3:2019 for greenhouse gas ("GHG") emissions".

Our assurance engagement covered the Company's operations and activities relating the Company and its consolidated subsidiaries in Japan and overseas and specifically the following requirements:

- Verifying conformance with the Company's reporting methodologies for the selected datasets:
- Evaluating the accuracy and reliability of data for only the selected indicators listed below:

#### Environmental

- GHG emissions<sup>2</sup>
  - Scope 1 GHG emissions<sup>3</sup> (tonnes CO<sub>2</sub>e)
  - Scope 2 GHG emissions [Location-based and Market-based] (tonnes CO<sub>2</sub>e)
  - Scope 3 GHG emissions, associated with Categories 1~15 (tonnes CO<sub>2</sub>e)
- Energy consumption (MWh)
- Water usage (m<sup>3</sup>)
- Waste Emissions (tonnes)<sup>4</sup>
- Biomass fuel consumption (tonnes, kL) and GHG emissions

#### Social<sup>5</sup>

- Number of industrial accidents
- Lost time injury frequency rate

Our assurance engagement excluded the data and information of the Company's suppliers, contractors and any third-parties mentioned in the report.

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

### LRQA's Opinion

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

- Met the requirements of the criteria listed above
- Disclosed accurate and reliable environmental and social data

<sup>1</sup> Period of 1 January 2022 to 31 December 2022 for environmental data, 1 April 2022 to 31 March 2023 for social data.

<sup>2</sup> GHG quantification is subject to inherent uncertainty.

<sup>3</sup> Scope 1 GHG emissions includes energy-oriented CO<sub>2</sub> and GHG from non-energy sources. In the calculation of GHG from non-energy sources, the activities covered are based on the 2006 IPCC Guideline and cover emissions exceeding 3,000 tCO<sub>2</sub>e per year for each gas.

<sup>4</sup> Waste emissions cover Toyota Tsusho Corporation and only its consolidated subsidiaries in Japan.

<sup>5</sup> Number of industrial accidents and Lost time injury frequency rate cover Toyota Tsusho Corporation, its consolidated subsidiaries in Japan and overseas subsidiaries (more than 50% ownership).



The opinion expressed is formed on the basis of a limited level of assurance<sup>6</sup> and at the materiality of the professional judgement of the verifier.

### **LRQA's Approach**

LRQA's assurance engagements are carried out in accordance with ISAE 3000 (Revised) and ISO 14064-3:2019 for GHG emissions. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing the Company's data management systems to confirm that there were no significant errors, omissions or misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification.
- Interviewing with those key people responsible for compiling the data and drafting the report.
- Sampling datasets and traced activity data back to aggregated levels;
- Verifying the historical environmental and social data and records for the fiscal year 2022; and
- Conducting the remote verification to P.T. Indonesia Smelting Technology and Fukuske Corporation for confirming the effectiveness of its data management systems via emails, telephone, and Zoom.

### **Observations**

The process of collecting and aggregating reported values is expected to improve accuracy and comprehensiveness by confirming the reasons for the blank items and large fluctuations compared to the previous year.

### **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 17021-1 *Conformity assessment – Requirements for bodies providing audit and certification of management systems – Part1: Requirements* 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.

LRQA is the Company's certification body for ISO 14001. The verification and certification assessments are the only work undertaken by LRQA for the Company and as such does not compromise our independence or impartiality.

Signed

Dated: 12 April 2024

A handwritten signature in black ink that reads 'Ichiro Ueno'.

Ichiro Ueno

LRQA Lead Verifier

On behalf of LRQA Limited

10th Floor, Queen's Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, JAPAN

LRQA reference: YKA4005591

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<sup>6</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, its affiliates and subsidiaries, and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

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