

LR Independent Assurance Statement

Relating to Toyota Tsusho Corporation's Environmental and Social Data within the Integrated Report 2021 for the Fiscal Year 2020

This Assurance Statement has been prepared for Toyota Tsusho Corporation in accordance with our contract but is intended for the readers of this report.

Terms of engagement

Lloyd's Register Quality Assurance (LR) was commissioned by Toyota Tsusho Corporation ("the Company") to provide independent assurance on its environmental and social data within the Integrated Report 2021 for the fiscal year 2020¹ ("the report") against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using ISAE 3000 and ISO 14064-3:2006 for GHG emissions. Our assurance engagement covered the operations and activities relating the Company and its consolidated subsidiaries in Japan and overseas^{2 3} and specifically the following requirements:

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

Environmental

- Water usage (m³)
- GHG emissions data⁴
 - Scope 1 GHG emissions⁵ (tonnes CO₂)
 - Scope 2 GHG emissions [Location-based and Market-based⁶] (tonnes CO₂)
 - Scope 3 GHG emissions, associated with Categories 2,3,4,5,6,7,8, and 14 (tonnes CO₂e)
- Energy consumption (MWh)
- Waste Emissions (tonnes)

Social

- 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.

LR's responsibility is only to the Company. LR 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.

LR's Opinion

Based on LR'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 above
- Disclosed accurate and reliable environmental data

¹ Period of 1 January 2020 to 31 December 2020 for environmental data, 1 April 2020 to 31 March 2021 for social data.

² Scope 1, Scope 2, Categories 2 and 3 of Scope 3 GHG emissions and Water usage cover Toyota Tsusho Corporation, only its consolidated subsidiaries in Japan and overseas subsidiaries. Categories 4 to 8, and 14 of Scope 3 GHG emissions and Waste emissions cover Toyota Tsusho Corporation and only its consolidated subsidiaries in Japan.

³ 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).

⁴ GHG quantification is subject to inherent uncertainty.

⁵ Scope 1 GHG emissions includes only energy-oriented CO₂. And regenerated oil usage isn't included in the scope.

⁶ The Company procures non-fossil fuel certificate with tracking for the electricity it uses, and LR verifies the market-based Scope 2 GHG emissions before and after the procurement of non-fossil fuel certificate.

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.

Note: 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 substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LR's approach

LR's assurance engagements are carried out in accordance with ISAE3000 and ISO 14064-3 for GHG emissions data. The following tasks though 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 mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification;
- Interviewing with key people responsible for compiling the data and drafting the report;
- Sampling datasets and traced activity data back to aggregated levels;
- Verifying the environmental and social data and records collected for the fiscal year 2020; and
- By implementing a Company "No Visitor" Policy due to the global infection spread of COVID-19, conducting the remote verification to POLAND SMELTING TECHNOLOGIES SP.ZO.O, Toyotsu Logistics Service Co., Ltd. Komaki Logistics Center, and Toyota Tsusho headquarter for confirming the effectiveness of its data management systems via emails, telephone, and Zoom.

Observations

As the boundary expands to include overseas sites, organizations need to optimize their data collection and aggregation systems to further improve completeness and accuracy. It is also expected to make the internal verification process of the Company and its group companies more effective.

LR's standards, competence and independence

LR 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 - Part 1: 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.

LR 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.

LR is the Company's certification body for ISO14001. The verification and certification assessments are the only work undertaken by LR for the Company and as such does not compromise our independence or impartiality.

Signed



Dated: 15 July 2021

Ichiro Ueno

LR Lead Verifier

On behalf of Lloyd's Register Quality Assurance Limited

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

LR reference: YKA4005591



Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited (LRQA), and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register 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 Lloyd's Register 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. The English version of this Assurance Statement is the only valid version. Lloyd's Register Group Limited assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the Report to which it refers. It may only be reproduced in its entirety.

Copyright © Lloyd's Register Quality Assurance Limited, 2021. A member of the Lloyd's Register Group.

