

# LR Independent Assurance Statement

## Relating to TORAY INDUSTRIES, INC.'s Environmental and Social Data for the fiscal year 2020 within its CSR Report 2021

This Assurance Statement has been prepared for TORAY INDUSTRIES, INC. 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 TORAY INDUSTRIES, INC. ("the Company") to provide independent assurance on its environmental and social data for the fiscal year 2020<sup>1</sup> within its CSR Report 2021 ("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 Greenhouse gas ("GHG") emissions.

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

- Verifying conformance with the Company's reporting methodologies;
- Evaluating the accuracy and reliability of data for the selected environmental and social indicator listed below;

#### Environmental<sup>2 3</sup>

- Scope 1 GHG emissions (tonnes CO<sub>2</sub>e)<sup>3</sup>
- Scope 2 GHG emissions [market-based and location-based] (tonnes CO<sub>2</sub>e)<sup>3</sup>
- Scope 3 GHG emissions (Categories 2, 3, and 4) (tonnes CO<sub>2</sub>e)<sup>3</sup>
- Energy consumption (GJ)<sup>3</sup>
- The amount of Industrial Waste (tonnes)<sup>4 5</sup>

#### Social

- Lost Time Injury Frequency Rate<sup>6</sup>
- Tier-1 Process Safety Events<sup>7</sup>

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 and social data which is summarised in Table 1 below.

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.

<sup>1</sup> Environmental data covers 1 April 2020 to 31 March 2021. Social data covers 1 January 2020 to 31 December 2020.

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

<sup>3</sup> The scope of energy and GHG emissions is covered the head Office of the Company, 13 factories and other 10 operating sites in Japan.

<sup>4</sup> The scope of industrial waste is covered 13 factories of the Company in Japan.

<sup>5</sup> The scope of industrial waste is covered the breakdown of the industrial waste.

<sup>6</sup> The scope is covered the Company, its 41 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 92 affiliate companies. The contractors worked in Japan is also included.

<sup>7</sup> The scope is covered the Company, its 41 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 92 affiliate companies.