


# CSR Activity Report (CSR Guideline Activity Reports) - Safety, Accident Prevention, and Environmental Preservation

## Third-Party Assurance



### LRQA Independent Assurance Statement

Relating to TORAY INDUSTRIES, INC.'s Environmental and Social Data for the fiscal year 2023 within its CSR Report 2024

This Statement has been prepared for TORAY INDUSTRIES, INC. in accordance with our contract.

**Terms of Engagement**

LRQA Limited ("LRQA") was commissioned by TORAY INDUSTRIES, INC. ("the Company") to provide independent assurance on its environmental and social data for the fiscal year 2023<sup>1</sup> within its CSR Report 2024 ("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 (Revised) and ISO 14064-3:2019 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</sup>

- Scope 1 GHG emissions (tCO<sub>2</sub>e)<sup>3</sup>
- Scope 2 GHG emissions [market-based and location-based] (tCO<sub>2</sub>e)<sup>3</sup>
- Scope 3 GHG emissions [Categories 1 ~ 8] (tCO<sub>2</sub>e)<sup>3</sup>
- Energy consumption (GJ)<sup>3</sup>
- The amount of Industrial Waste<sup>4</sup>, Water Use, Waste Water, SO<sub>x</sub>, NO<sub>x</sub>, Dust, VOC, COD (tonnes)<sup>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.

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 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<sup>8</sup> and at the materiality of the professional judgement of the verifier.

<sup>1</sup> Environmental data covers 2 April 2023 to 31 March 2024. However, for overseas affiliated companies, from January 1, 2023 to December 31, 2023.  
<sup>2</sup> Social data covers 2 January 2023 to 31 December 2023.  
<sup>3</sup> GHG quantification is subject to inherent uncertainty.  
<sup>4</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 and overseas affiliate companies. The contractors worked in Japan is also included. Scope 3 also cover domestic affiliate companies.  
<sup>5</sup> Industrial Waste cover breakdown type.  
<sup>6</sup> The scope is covered 13 factories of the Company in Japan.  
<sup>7</sup> The scope is covered the Company, its 42 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 51 affiliate companies. The contractors worked in Japan is also included.  
<sup>8</sup> The scope is covered the Company, its 42 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 51 affiliate companies.  
<sup>9</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.

Page 1 of 3

(PDF : 512KB) [PDF](#)



### Table 1. Summary of Toray's Environmental and Social data in 2023

Scope	2023	Unit
Scope 1 GHG emissions <sup>1</sup>	2,685,584	tCO <sub>2</sub> e
GHG emissions relating supply to external organizations	225,965	tCO <sub>2</sub> e
GHG emissions after deduction	2,459,619	tCO <sub>2</sub> e
Scope 2 GHG emissions <sup>2</sup> (Market-based)	2,403,940	tCO <sub>2</sub> e
GHG emissions relating supply to external organizations	113,252	tCO <sub>2</sub> e
GHG emissions after deduction	2,290,688	tCO <sub>2</sub> e
Scope 2 GHG emissions <sup>2</sup> (Location-based)	2,459,650	tCO <sub>2</sub> e
GHG emissions relating supply to external organizations	111,568	tCO <sub>2</sub> e
GHG emissions after deduction	2,348,081	tCO <sub>2</sub> e
Scope 3 GHG emissions <sup>3</sup> (Categories 1, 2, 3, 4, 5, 6, 7, 8)	10,294,017	tCO <sub>2</sub> e
1. Purchased Goods and Services	8,596,874	tCO <sub>2</sub> e
2. Capital goods	517,923	tCO <sub>2</sub> e
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	956,125	tCO <sub>2</sub> e
4. Upstream Transportation and Distribution	183,697	tCO <sub>2</sub> e
5. Waste Generated in Operations	8,560	tCO <sub>2</sub> e
6. Business Travel	6,006	tCO <sub>2</sub> e
7. Employee Commuting	21,308	tCO <sub>2</sub> e
8. Upstream Leased Assets	3,524	tCO <sub>2</sub> e
Energy consumption <sup>4</sup>	88,223,134	GJ
Industrial waste <sup>5</sup>		
Disposal amount	28,410	tonnes
Recycled amount	96,781	tonnes
Total amount of industrial waste	125,191	tonnes
The amount of industrial hazardous waste	1,680	tonnes
The amount of coal ash	72,118	tonnes
Water Use <sup>6</sup>	160,874	K-t
Waste Water	139,088	K-t
NO <sub>x</sub>	1,135	tonnes
SO <sub>x</sub>	229	tonnes
VOC	307	tonnes
Dust	86	tonnes
COD	534	tonnes
Lost Time Injury and Occupational Illness Frequency Rate <sup>7</sup>	-	
TORAY INDUSTRIES, INC.	0.19	
Affiliated companies	0.0	
Consolidated subsidiaries in Japan	0.11	
Overseas consolidated subsidiaries	0.04	
Entire the scope	0.40	
Contractors in Japan <sup>8</sup>	0.0	
Number of fatalities	0	s
Tier-1 Process Safety Events <sup>9</sup>	0	

**LRQA's Approach**

LRQA's assurance engagements are carried out in accordance with ISAE3000 (Revised) and ISO14064-3:2019 for GHG emissions. 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 those key people responsible for compiling the data and drafting the report.

Page 2 of 3

(PDF : 523KB) [PDF](#)



- Sampling datasets and tracing activity data back to aggregated levels;
- Verifying the historical environmental and social data / records for the fiscal year 2022<sup>1</sup>; and
- Verification for confirming the effectiveness of its data management system of Toray Mishima Factory was conducted by site visit and Toray Plastics Malaysia Sdn Bhd was conducted by ICT.

#### Observations

The Company should continue efforts for implementing quality assurance and quality control (QA/QC) systems for the effective management of environmental and social data. This is particular to ensure effective internal verification processes at both the corporate and member company levels.

#### 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 – 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.

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 certification body of ISO9001 and IATF16949 for the Company and as such does not compromise our independence or impartiality.

Signed

Dated: 02 August 2024

Takahiro Iio

LRQA Lead Verifier

On behalf of LRQA Limited

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

LRQA reference: YKA4005148

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.

The English version of this Assurance Statement is the only valid version. LRQA 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 © LRQA, 2024.



# LRQA Independent Assurance Statement

Relating to TORAY INDUSTRIES, INC.'s Environmental and Social Data for the fiscal year 2023 within its CSR Report 2024

This Statement has been prepared for TORAY INDUSTRIES, INC. in accordance with our contract.

## Terms of Engagement

LRQA Limited ("LRQA") was commissioned by TORAY INDUSTRIES, INC. ("the Company") to provide independent assurance on its environmental and social data for the fiscal year 2023<sup>1</sup> within its CSR Report 2024 ("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 (Revised) and ISO 14064-3:2019 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</sup>

- Scope 1 GHG emissions (tCO<sub>2</sub>e)<sup>3</sup>
- Scope 2 GHG emissions [market-based and location-based] (tCO<sub>2</sub>e)<sup>3</sup>
- Scope 3 GHG emissions (Categories 1~8) (tCO<sub>2</sub>e)<sup>3</sup>
- Energy consumption (GJ)<sup>3</sup>
- The amount of Industrial Waste<sup>3,4</sup>, Water Use, Waste Water, SO<sub>x</sub>, NO<sub>x</sub>, Dust, VOC, COD (tonnes)<sup>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.

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 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<sup>8</sup> and at the materiality of the professional judgement of the verifier.

<sup>1</sup> Environmental data covers 1 April 2023 to 31 March 2024 (However, for overseas affiliated companies, from January 1, 2023 to December 31, 2022). Social data covers 1 January 2023 to 31 December 2023.

<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 and overseas affiliate companies. The contractors worked in Japan is also included. Scope 3 also cover domestic affiliate companies.

<sup>4</sup> Industrial Waste cover breakdown type.

<sup>5</sup> The scope is covered 13 factories of the Company in Japan.

<sup>6</sup> The scope is covered the Company, its 42 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 91 affiliate companies. The contractors worked in Japan is also included.

<sup>7</sup> The scope is covered the Company, its 42 consolidated subsidiaries, 10 affiliated companies in Japan and overseas 91 affiliate companies.

<sup>8</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.



**Table 1. Summary of Toray's Environmental and Social data in 2023**

Scope	
Scope 1 GHG emissions <sup>3</sup>	<b>2,685,584 tCO<sub>2</sub>e</b>
GHG emissions relating supply to external organizations	<b>225,965 tCO<sub>2</sub>e</b>
GHG emissions after deduction	<b>2,459,619 tCO<sub>2</sub>e</b>
Scope 2 GHG emissions <sup>3</sup> (Market-based)	<b>2,403,940 tCO<sub>2</sub>e</b>
GHG emissions relating supply to external organizations	<b>113,252 tCO<sub>2</sub>e</b>
GHG emissions after deduction	<b>2,290,688 tCO<sub>2</sub>e</b>
Scope 2 GHG emissions <sup>3</sup> (Location-based)	<b>2,459,650 tCO<sub>2</sub>e</b>
GHG emissions relating supply to external organizations	<b>111,568 tCO<sub>2</sub>e</b>
GHG emissions after deduction	<b>2,348,081 tCO<sub>2</sub>e</b>
Scope 3 GHG emissions <sup>3</sup> (Categories 1, 2, 3, 4, 5, 6, 7, 8)	<b>10,294,017 tCO<sub>2</sub>e</b>
1. Purchased Goods and Services	<b>8,596,874 tCO<sub>2</sub>e</b>
2. Capital goods	<b>517,923 tCO<sub>2</sub>e</b>
3. Fuel- and energy-related activities not Included in Scope 1 or Scope 2	<b>956,125 tCO<sub>2</sub>e</b>
4. Upstream Transportation and Distribution	<b>183,697 tCO<sub>2</sub>e</b>
5. Waste Generated in Operations	<b>8,560 tCO<sub>2</sub>e</b>
6. Business Travel	<b>6,006 tCO<sub>2</sub>e</b>
7. Employee Commuting	<b>21,308 tCO<sub>2</sub>e</b>
8. Upstream Leased Assets	<b>3,524 tCO<sub>2</sub>e</b>
Energy consumption <sup>3</sup>	<b>88,223,134 GJ</b>
Industrial waste <sup>4,5</sup>	
Disposal amount	<b>28,410 tonnes</b>
Recycled amount	<b>96,781 tonnes</b>
Total amount of industrial waste	<b>125,191 tonnes</b>
The amount of industrial hazardous waste	<b>1,660 tonnes</b>
The amount of coal ash	<b>72,118 tonnes</b>
Water Use s	<b>160,874 K-t</b>
Waste Water	<b>139,088 K-t</b>
NOx	<b>1,135 tonnes</b>
SOx	<b>226 tonnes</b>
VOC	<b>307 tonnes</b>
Dust	<b>86 tonnes</b>
COD	<b>534 tonnes</b>
Lost Time Injury and Occupational Illness Frequency Rate <sup>6</sup>	—
TORAY INDUSTRIES, INC.	<b>0.19</b>
Affiliated companies	<b>0.0</b>
Consolidated subsidiaries in Japan	<b>0.11</b>
Overseas consolidated subsidiaries	<b>0.64</b>
Entire the scope	<b>0.40</b>
Contractors in Japan <sup>7</sup>	<b>0.0</b>
Number of fatalities	<b>0 s</b>
Tier-1 Process Safety Events <sup>8</sup>	<b>0</b>

### LRQA's Approach

LRQA's assurance engagements are carried out in accordance with ISAE3000 (Revised) and ISO14064-3:2019 for GHG emissions. 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 those key people responsible for compiling the data and drafting the report.



- Sampling datasets and tracing activity data back to aggregated levels;
- Verifying the historical environmental and social data / records for the fiscal year 2022<sup>1</sup>; and
- Verification for confirming of the effectiveness of its data management system of Toray Mishima Factory was conducted by site visit and Toray Plastics Malaysia Sdn Bhd was conducted by ICT.

### Observations

The Company should continue efforts for implementing quality assurance and quality control (QA/QC) systems for the effective management of environmental and social data. This is particular to ensure effective internal verification processes at both the corporate and member company levels.

### 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 certification body of ISO9001 and IATF16949 for the Company and as such does not compromise our independence or impartiality.

Signed

Dated: 02 August 2024

Takahiro Iio  
LRQA Lead Verifier  
On behalf of LRQA Limited  
10th Floor, Queen's Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, JAPAN

LRQA reference: YKA4005148

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.

The English version of this Assurance Statement is the only valid version. LRQA 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 © LRQA, 2024.