

Verification Opinion



4 July 2023
Opinion No : SGS23/019

Mr. Nobuaki Nara
President
TOKYO STEEL MFG. CO., LTD.
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Objective

SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by TOKYO STEEL MFG. CO., LTD. (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (ISO14064-3: 2019 and the SGS verification protocol) regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the Statement"). The objective of this verification is to confirm that the Statement in the Organization's applicable scope has been correctly calculated and reported in the Statement in conformance with the criteria, and to express our views as a third party. The Organization is responsible for the preparation and fair presentation of the Statement.

Scope

The scope of verification is Scope 1 and 2 emissions, energy consumption, and Scope 3 emissions.
The period subject to report is from 1 April 2022 to 31 March 2023.
Refer to the attached sheet for the detailed scope of verification.

Procedure of Verification

The statement was verified in accordance with Criteria of Verification, and the following processes were implemented at a limited level of assurance:

- Verification of the calculation system: Interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the statement: On-site verification and review of vouchers conducted at Tahara Plant and Utsunomiya Plant, and analytical procedures and interviews for other sites in the scope of verification carried out at the head office and Kyushu Plant.

The criteria for this review are based on Act on the Rational Use of Energy, GHG Emissions Calculation and Reporting Manual Ver. 4.9, Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 2.5, Emission Factor Database on the same Accounting Ver. 3.3 and the protocol specified by the Organization.

Conclusion

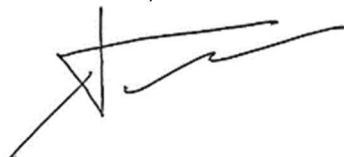
Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's Statement was not calculated and reported in conformance with the criteria.

SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization.

For and on behalf of SGS Japan Inc

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Knowledge
Management Committee Member
Head of Certification/Accreditation

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Attached file

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The details of the scope of verification

The Scope	The Boundary	The Statement
1 The performance data Scope 1 and 2 include energy related carbon dioxide emissions and energy consumption, *excluding the vehicles which run outside of the sites.	4 domestic plants of the Organization	Scope 1: 369,118 t- CO ₂ Scope 2: 883,240 t- CO ₂
2 Scope3 (Category 4) CO ₂ emissions as a specified consigner. Reported emissions based on the Act on the Rational Use of Energy *Limited to energy usage by the ton-kilometer method calculated with a load ratio of 85%	The Organization	56,508 t- CO ₂