

Assurance Statement

related to GHG Emissions Inventory for the fiscal year 2018
prepared for Brother Industries, Ltd.

Terms of Engagement

This Assurance Statement has been prepared for Brother Industries, Ltd.

Lloyd's Register Quality Assurance Ltd. (LR) was commissioned by Brother Industries, Ltd. (BIL) to assure its GHG Emissions Inventory for the fiscal year 2018 (1 April 2018 to 31 March 2019) (hereafter referred to as "the Report").

The Report relates to direct GHG emissions (Scope 1)¹, energy indirect GHG emissions (Scope 2)¹ and other indirect GHG emissions (Scope 3)^{2 3}.

The Report includes GHG emissions⁴ associated with the operations and activities of BIL and Brother Group's manufacturing and non-manufacturing sites in Japan and overseas.

Management Responsibility

BIL's management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LR's responsibility was to carry out an assurance engagement on the Report in accordance with our contract with BIL.

Ultimately, the Report has been approved by, and remains the responsibility of BIL.

LR's Approach

Our verification has been conducted in accordance with ISO 14064-3:2006 *Specification with guidance for validation and verification of greenhouse gas assertions* to provide limited assurance that GHG data as presented in the Report have been prepared in conformance with ISO 14064-1:2006 *Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals*.

To form our conclusions, the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted site tours of the facilities and reviewed processes related to the control of GHG emissions data and records at the headquarter, Mizuho Plant and Kariya Plant;
- reviewed the management system documents for GHG emissions data, information and records, covering all the processes up to the preparation of the GHG Inventory;
- interviewed relevant staff of the organization responsible for managing GHG emissions data and records;
- assessed effectiveness of implementation of the GHG management system and the internal data verification; and
- verified historical GHG emissions data and records at an aggregated level for the fiscal year 2018.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a limited level of assurance and at a materiality of the professional judgment of the Verifier.

¹ Scope 1 and 2 emissions are as defined in *The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard*.

² The categories of Scope 3 emissions are as defined in the *Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, Table 5.3.

³ Scope 3 GHG emissions covers Category 1 to 15.

⁴ GHG quantification is subject to inherent uncertainty.

LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that the total direct GHG emissions and energy indirect GHG emissions and other indirect GHG emissions disclosed in the Report as summarized in Table 1 below are not materially correct and that the report has not been prepared in conformance with ISO 14064-1:2006.

LR's Recommendations

It is recommended that BIL should minimise the impact of forthcoming change in directly responsible individual at the headquarter on its accuracy of the next reporting. Also hoped was steady progress in preparation for incorporating GHG emissions related to Domino Group.

Signed:

Dated: 30 June 2021



Koji Tagami

LR Lead Verifier

On behalf of Lloyd's Register Quality Assurance Limited
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LR Reference: YKA4005060

Table 1. Summary of BIL's GHG Emissions Inventory for the fiscal year 2018

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	21,622
Energy indirect GHG emissions (Scope 2, Location-based)	120,199
Energy indirect GHG emissions (Scope 2, Market-based)	122,599
Other indirect GHG emissions (Scope 3)	3,293,722

Note 1: Scope 2 (Location-based) and Scope 2 (Market-based) are as defined in the GHG Protocol Scope 2 Guidance, 2015

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