

Independent Verification Report

In order to enhance the reliability of this report and the environmental data disclosed on our website, we underwent verification by a third party.

Data marked with “⊙” (pages 71 to 73) has been verified by third parties.

The target data for verification and the verification procedures employed are as follows.

1. Total Global CO₂ Emissions
Verification procedures: ISAE3000-based procedures and ISO14064-3
2. Total Global Energy and Water Usage, Wastewater and Waste Disposal (Excluding Valuables) by Factories in Japan
Verification procedures: ISAE3000-based procedures



LRQA Independent Assurance Statement

Relating to Sumitomo Rubber Industries Group’s greenhouse gas emissions inventory, amount of energy consumed, waste disposed, water consumed and wastewater discharged for the calendar year 2021

This Assurance Statement has been prepared for Sumitomo Rubber Industries, Ltd. in accordance with our contract.

Terms of Engagement

LRQA Limited (LRQA) was commissioned by Sumitomo Rubber Industries, Ltd. (the Organisation) to provide independent assurance of its greenhouse gas (GHG) emissions inventory, on the amount of energy consumed, waste disposed, water consumed and wastewater discharged (“the Report”) for the calendar year 2021 (from 01/01/2021 to 31/12/2021) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA’s verification procedure. LRQA’s verification procedure refers to ISO 14064-3 for greenhouse gas emissions, is based on current best practise and is in accordance with ISAE 3000 (Revised).

Our assurance engagement covered the operations and activities at the manufacturing and non-manufacturing sites of Sumitomo Rubber Industries Group’s 79 companies in the world for GHG emissions and energy consumption, and six factories¹ in Japan for waste disposed, water consumed and wastewater discharged and specifically the following requirements:

- Verifying conformance with the Organisation’s in-house reporting methodologies for the selected datasets. The Organisation’s calculation procedures of GHG emissions refers to ISO 14064-1;
- Evaluating the accuracy and reliability of the selected datasets:
 - Direct (Scope 1) and Energy Indirect (Scope 2) GHG emissions²;
 - Energy consumed: volume consumed in kilo-litre crude oil equivalent
 - Waste disposed: amount disposed in metric tons
 - Water consumed: volume consumed in thousand cubic meters, as sourced from the local water supply system, underground and surface water supply
 - Wastewater discharged: volume discharged in thousand cubic meters

Our assurance engagement excluded the data and information of the Organisation’s suppliers, contractors and any third-parties mentioned in the report.

LRQA’s responsibility is only to the Organisation. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The Organisation’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 Organisation.

LRQA’s Opinion

Based on LRQA’s approach nothing has come to our attention that would cause us to believe that the Organisation has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information on GHG emissions and key environmental data as summarized in Table 1 and 2 below.

The opinion expressed is formed on the basis of a limited level of assurance³ and at the materiality of the professional judgement of the verifier.

¹ Shirakawa, Nagoya, Izumiotsu, Miyazaki, Kakogawa and Ichijima Factories in Japan.
² GHG quantification is subject to inherent uncertainty.



Table 1. Summary of Sumitomo Rubber Industries Group’s GHG Emissions Inventory for calendar year 2021

Scope of GHG emissions	kilo-tonnes CO ₂ e	
	A ⁴	B ⁵
Direct GHG emissions (Scope 1)	409	398
Energy indirect GHG emissions (Scope 2, Location based)	743	710

Note: - Scope 2, Location-based is defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015

Table 2. Summary of Sumitomo Rubber Industries Group’s Key Environmental Data for calendar year 2021

Environmental data	Amount
Energy consumed	553,759 kilo-litre crude oil equivalent
Waste disposed	10,139 ton
Water consumed	5,596 x 1,000 m ³
Wastewater discharged	4,796 x 1,000 m ³

LRQA’s Approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- conducting a remote assessment to Miyazaki Factory and reviewing processes related to the control of data and records;
- interviewing relevant employees of the organization responsible for managing data and records; and
- assessing the Organisation’s data management systems to confirm they are designed to prevent 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 quality control.
- verifying historical data and records at an aggregated level for the calendar 2021.

Observations

- Further observations and findings, made during the assurance engagement, is:
- For GHG emissions of the overseas sites, the Organisation should continue to study ways to collect data and emission factors to further improve accuracy of the calculations.

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 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at

³ 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.
⁴ GHG emissions quantified using GHG emission factors of year 2004 fixed for Group Report disclosure as defined within the Organisation’s in-house procedures.
⁵ GHG emissions quantified using the current GHG emission factors available at the time of the quantification.



least as demanding as the requirements of the International Standard on Quality Control 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 Organisation’s certification body for ISO 9001, ISO 14001, ISO 45001 and IATF16949. The verification and certification assessments are the only work undertaken by LRQA for the Organisation and as such does not compromise our independence or impartiality.

Signed

Dated: 10 May 2022

Michiaki Chiba
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