

Third-Party Assurance



LR Independent Assurance Statement

Relating to Tokyo Tatemono Co., Ltd.'s Environmental and Social Data within its ESG Data Book 2019 for the fiscal year 2018

This Assurance Statement has been prepared for Tokyo Tatemono Co., Ltd. in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

Lloyd's Register Quality Assurance Limited (LR) was commissioned by Tokyo Tatemono Co., Ltd. ("the Company") to provide independent assurance on its environmental and social data within its ESG Data Book 2019 ("the report") for the fiscal year 2018, that is, from 1 April 2018 to 31 March 2019, 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 for greenhouse gas ("GHG") data.

Our assurance engagement covered the Company's operations and activities in Japan and specifically the following requirements:

- Verifying conformance with the Company's reporting methodologies
- Evaluating the accuracy and reliability of data for the selected indicators listed below:

Environmental indicator^{1 2}

- Energy consumption (in kilo-liter of crude oil equivalent)
- Scope 1 GHG emissions (tonnes CO₂e)
- Scope 2 GHG emissions (Market-based) (tonnes CO₂)
- Scope 3 GHG emissions (Category 1, 3, 5) (tonnes CO₂e)
- Tap water consumption volume (m³)
- Total waste generated (tonnes)

Social indicator

- Employment rate of persons with disabilities³
- Rate of health check-ups
- Average number of paid leave days taken⁴
- Rate of paid leave days taken
- Number of lost time injury
- Total days lost due to absenteeism
- Turnover rate (Only for Personal Circumstances)

Our assurance engagement excluded the data and information of the Company's subsidiary companies, 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 Company has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data

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.

Note: 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

¹ GHG emissions covers the real estate owned by the Company and subject to reporting obligations under the Act on the Rational Use of Energy.

² GHG quantification is subject to inherent uncertainty.

³ Employment rate of persons with disabilities is as of 1 June 2018.

⁴ Turnover rate covers 1 January to 31 December 2018.



obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LR's approach

LR's assurance engagements are carried out in accordance with ISAE3000 and ISO 14064 - 3. 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 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 / Social data and records for the fiscal year 2018; and
- Visiting Nihonbashi Building and Tokyo Square Garden to assess whether the data management systems have been effectively implemented.

Observations

The company has demonstrated improvement in its data management system compared to that of last fiscal year. However, the Company should maintain the reliability of its future environmental and social performance data. And, regarding its Scope 3 GHG emissions which began to be disclosed this fiscal year, this is particular to expand the reporting boundaries of its Scope 3 GHG emissions across its entire value chain.

LR's standards, competence and independence

LR 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.

LR 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.

This is the only work undertaken by LR for Company and as such does not compromise our independence or impartiality.

Signed

Dated: 24 July 2019

Norihiko Kinoshita
 LR Lead Verifier
 On behalf of Lloyd's Register Quality Assurance Limited
 10th Floor, Queen's Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, JAPAN
 LR reference: YKA00000704

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited (LRQA), and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register 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 Lloyd's Register 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. Lloyd's Register Group Limited 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 © Lloyd's Register Quality Assurance Limited, 2019. A member of the Lloyd's Register Group.