



# Verification Statement 【Greenhouse gas emissions】

28 June 2023

## JAPAN POST HOLDINGS Co., Ltd.

Japan Management Association  
GHG Certification Center  
Senior Executive: Masahiro Hirakawa



### 1. Objective and Scope

Japan Management Association GHG Certification Center (JMACC) was commissioned by JAPAN POST HOLDINGS Co., Ltd. (hereinafter, referred to as “the Organization”) to conduct independent verification on a limited level of assurance. The scope of verification is the greenhouse gas (GHG) emissions and energy consumption information (hereinafter, referred to as “the Monitoring data”) of the domestic organizations<sup>※1</sup> (hereinafter, referred to as “Organizational boundary”) within its fiscal year 2022 Monitoring Report (hereinafter, referred to as “the Report”) from 1/April/2022 to 31/March/2023.

- 1) SCOPE 1 GHG emissions;  
Direct CO<sub>2</sub> emissions at the Organizational boundary by using city gas, LPG, diesel oil, kerosene, and A type heavy oil
- 2) SCOPE 2 GHG emissions;  
Indirect CO<sub>2</sub> emissions at the Organizational boundary by using electricity and heat
- 3) SCOPE 3 GHG emissions;  
CO<sub>2</sub> emissions at the category 1, 3, 6 and 7 of SCOPE 3<sup>※2</sup> of the Organization’s activities
- 4) Energy consumption;  
Energy consumption at the SCOPE 1 and SCOPE 2

The objective of this verification is to confirm that the Monitoring data in the Organization’s applicable scope have been correctly calculated and reported in line with the criteria of the monitoring procedure<sup>※3</sup>, and to express our views as a third party. The Organization’s responsibility is to make the Report and report the Monitoring data, and JMACC’s responsibility is to express our views regarding the Monitoring data of the Report as a third party.

### 2. Procedure of Verification

The Report was verified in accordance with requirement on ISO14064-3:2019 (Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and following processes were implemented at limited level of assurance:

- Confirmation regarding to the information to decide the GHG emissions and energy consumption in the Report, monitoring procedure, monitoring system, and related documents
- Interviews with person in charge of making the Report
- Sampling the evidence for confirmation of the accuracy of the GHG emissions and energy consumption

### 3. 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 Organization's GHG emissions and energy consumption information in the Report of fiscal year 2022 were not calculated and reported in conformance with the criteria.

Organizational boundary <sup>※1</sup>	SCOPE	Verified GHG emissions (t-CO <sub>2</sub> e)	Verified Energy consumption (GJ)		
Head Office, Hospitals, Hotels, Other offices	SCOPE 1	<b>3,571.4</b>	Electricity	<b>186,565.8</b>	
	SCOPE 2 <sup>※4</sup>	<b>6,823.2</b>	Cooling water	<b>7,335.6</b>	
See below	SCOPE 3	<b>3,019.5</b>	Hot water	<b>5,871.8</b>	
Breakdown of SCOPE 3			Gas	City gas	<b>45,349.7</b>
Head Office	Category 1	<b>32.3</b>		LPG	<b>1,028.0</b>
Head Office, Hospitals, Hotels, Other offices	Category 3	<b>2,366.9</b>	Fuel oils	Diesel oil	<b>0.3</b>
	Category 6	<b>158.0</b>		Kerosene	<b>0.0</b>
	Category 7	<b>462.3</b>		A type Heavy oil	<b>18,025.1</b>

**NOTE:**

※1 : Organizational boundary in FY2022 is as above table.

- Head Office
- Hospitals : Each Teishin hospitals (3 sites)
- Hotels : Kanpo no Yado Inns (1 site)
- Other offices (9 sites)

(Tenants between the group (8 sites) are excluded in SCOPE 1,2 and SCOPE 3 Category 3.)

※2 : Categories of SCOPE 3 are 1, 3, 6 and 7

- **Category 1** (Purchased goods and services) : Emissions from activities up to manufacturing of Copying paper
- **Category 3** (Fuel and energy related activities not included in Scope 1 or Scope 2) : Fuel (city gas, LPG, diesel oil, kerosene, A type heavy oil), electricity and heat consumption at the organizational boundary
- **Category 6** (Business travel) : Full-time employee at the organization
- **Category 7** (Employee commuting) : Full-time employee at the organization

※3 : The monitoring procedure of SCOPE 1 and 2 : "Organization's in-house reporting procedures (Scope1,2)" prepared by the organization

The monitoring procedure of SCOPE 3 : "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.5)" , "Database of emissions unit values for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.3)" and "Organization's in-house reporting procedures (Scope3)" prepared by the organization

※4 : Emission factor for electricity consumption : Adjusted emission factor under GHG emissions reporting system (Announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on 24 Jan. 2023, and partially revised on 26 May 2023)



# Verification Statement 【Greenhouse gas emissions】

14 July 2023

## JAPAN POST Co., Ltd.

Japan Management Association  
GHG Certification Center  
Senior Executive: Masahiro Hirakawa



### 1. Objective and Scope

Japan Management Association GHG Certification Center (JMACC) was commissioned by JAPAN POST Co., Ltd. (hereinafter, referred to as “the Organization”) to conduct independent verification on a limited level of assurance. The scope of verification is the greenhouse gas (GHG) emissions and energy consumption information (hereinafter, referred to as “the Monitoring data”) of the domestic organizations<sup>\*1</sup> (hereinafter, referred to as “Organizational boundary”) within its fiscal year 2022 Monitoring Report (hereinafter, referred to as “the Report”) from 1/April/2022 to 31/March/2023.

1) SCOPE 1 GHG emissions;

Direct CO<sub>2</sub> emissions at the Organizational boundary by using city gas, LPG, A type heavy oil, kerosene and diesel oil, and from the vehicles owned by the Organization by using diesel oil and gasoline

2) SCOPE 2 GHG emissions;

Indirect CO<sub>2</sub> emissions at the Organizational boundary by using electricity and heat

3) SCOPE 3 GHG emissions;

CO<sub>2</sub> emissions at the category 1, 2, 3, 6, 7 and 12 of SCOPE 3<sup>\*2</sup> of the Organization’s activities

4) Energy consumption;

Energy consumption at the SCOPE 1 and SCOPE 2

The objective of this verification is to confirm that the Monitoring data in the Organization’s applicable scope have been correctly calculated and reported in line with the criteria of the monitoring procedure<sup>\*3</sup>, and to express our views as a third party. The Organization’s responsibility is to make the Report and report the Monitoring data, and JMACC’s responsibility is to express our views regarding the Monitoring data of the Report as a third party.

### 2. Procedure of Verification

The Report was verified in accordance with requirement on ISO14064-3:2019 (Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and following processes were implemented at limited level of assurance:

- Confirmation regarding to the information to decide the GHG emissions and energy consumption in the Report, monitoring procedure, monitoring system, and related documents
- Interviews with person in charge of making the Report
- Sampling the evidence for confirmation of the accuracy of the GHG emissions and energy consumption



### 3. 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 Organization's GHG emissions and energy consumption information in the Report of fiscal year 2022 were not calculated and reported in conformance with the criteria.

Organizational boundary <sup>※1</sup>	SCOPE	Verified GHG emissions (t-CO <sub>2</sub> e)	Verified Energy consumption (GJ)		
Head Office, Regional Offices, Directly-managed post offices, Real estate buildings that Japan Post Co. has developed and Logistics Solution Center (LSC)	SCOPE 1	224,447.0	Electricity	11,447,858.6	
Same as SCOPE1	SCOPE 2 <sup>※4</sup>	474,283.2	Cooling water	153,576.8	
See below	SCOPE 3	575,092.2	Hot water	19,363.5	
Breakdown of SCOPE 3			Steam	97,869.0	
Head Office, Regional Offices, Directly-managed post offices	Category 1	324,455.9	Gas	City gas	936,097.8
Head Office, Regional Offices, Directly-managed post offices	Category 2	23,404.7		LPG	23,832.9
Same as SCOPE1,2	Category 3	135,470.5	Fuel oils	Diesel oil	72,006.8
Head Office, Regional Offices, Directly-managed post offices	Category 6	22,939.2		Gasoline	2,176,505.2
Head Office, Regional Offices, Directly-managed post offices	Category 7	66,527.6		Kerosene	199,460.7
Head Office, Regional Offices, Directly-managed post offices	Category 12	2,292.3		A type Heavy oil	172,287.6

**NOTE:**

- ※1 : Organizational boundary in FY2022 is as above table.
  - SCOPE 1 and 2 are applied to Offices except for Tenants between the groups : 20,112 offices
  - Vehicles in SCOPE 1 are applied to Offices except for the real estate buildings that Japan Post Co. has developed and LSC : 20,099 offices
- ※2 : Categories 1, 2, 6, 7 and 12 of SCOPE 3 are applied to Head Office, Regional Offices and Directly-managed post offices : 20,099 offices  
Organizational boundary of Category 3 is same as SCOPE 1 and 2.
- **Category 1** (Purchased goods and services) : Refer to the followings.
  - Emissions from purchased Uniforms, Postage stamps, Postcards, Letter Pack, Yu-Pack label and Slips (separately delivered mail, acceptance-recorded mail)
  - Usage of automobiles for domestic transport consignment (arterial transport (truck), home delivery) contracted at the organizational boundary
  - Purchased copying paper (Head office only)
- **Category 2** (Capital goods) : Vehicles owned at organizational boundary (vehicles for business and sales in the postal segment and financial segment)



- **Category 3** (Fuel and energy related activities not included in Scope 1 or Scope 2) : Fuel (city gas, LPG, A type heavy oil, kerosene, diesel oil, gasoline), electricity and heat consumption at the organizational boundary
- **Category 6** (Business travel) : Full-time employee at the organization.
- **Category 7** (Employee commuting) : Full-time employee at the organization.
- **Category 12** (End-of-life treatment of sold products) : Emissions from the disposal process of Postage stamps / Postcards , Letter Pack sold at the organizational boundary
- ※3 : The monitoring procedure of SCOPE 1 and 2 : “Organization’s in-house reporting procedures (Scope1,2)” prepared by the organization  
 The monitoring procedure of SCOPE 3 : “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.5) ”, “Database of emissions unit values for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.3) ” and “Organization’s in-house reporting procedures (Scope3)” prepared by the organization
- ※4 : Emission factor for electricity consumption : Adjusted emission factor under GHG emissions reporting system (Announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on 24 Jan. 2023, and partially revised on 26 May 2023)



# Verification Statement 【Greenhouse gas emissions】

13 July 2023

## JAPAN POST BANK Co., Ltd.

Japan Management Association  
GHG Certification Center  
Senior Executive: Masahiro Hirakawa



### 1. Objective and Scope

Japan Management Association GHG Certification Center (JMACC) was commissioned by JAPAN POST BANK Co., Ltd. (hereinafter, referred to as “the Organization”) to conduct independent verification on a limited level of assurance. The scope of verification is the greenhouse gas (GHG) emissions and energy consumption (hereinafter, referred to as “the Monitoring data”) of the domestic organizations<sup>\*1</sup> (hereinafter, referred to as “Organizational boundary”) within its fiscal year 2022 Monitoring Report (hereinafter, referred to as “the Report”) from 1/April/2022 to 31/March/2023.

- 1) SCOPE 1 GHG emissions;  
Direct CO<sub>2</sub> emissions at the Organizational boundary by using city gas, LPG, A type heavy oil and kerosene, and from vehicles used by the Organization by using gasoline and diesel oil
- 2) SCOPE 2 GHG emissions;  
Indirect CO<sub>2</sub> emissions at the Organizational boundary by using electricity and heat
- 3) SCOPE 3 GHG emissions;  
CO<sub>2</sub> emissions at the category 1, 2, 3, 6, 7, 12 and 16 of SCOPE 3<sup>\*2</sup> of the Organization’s activities
- 4) Energy consumption;  
Energy consumption at the SCOPE 1 and SCOPE 2

The objective of this verification is to confirm that the Monitoring data in the Organization’s applicable scope have been correctly calculated and reported in line with the criteria of the monitoring procedure<sup>\*3</sup>, and to express our views as a third party. The Organization’s responsibility is to make the Report and report the Monitoring data, and JMACC’s responsibility is to express our views regarding the Monitoring data of the Report as a third party.

### 2. Procedure of Verification

The Report was verified in accordance with requirement on ISO14064-3:2019 (Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and following processes were implemented at limited level of assurance:

- Confirmation regarding to the information to decide the GHG emissions and energy consumption in the Report, monitoring procedure, monitoring system, and related documents
- Interviews with person in charge of making the Report
- Sampling the evidence for confirmation of the accuracy of the GHG emissions and energy consumption



### 3. 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 Organization's GHG emissions and energy consumption information in the Report of fiscal year 2022 were not calculated and reported in conformance with the criteria.

Organizational boundary <sup>※1</sup>	SCOPE	Verified GHG emissions (t-CO <sub>2</sub> e)
Regional Headquarters (4), Branches (5), Administration Service Centers (22), Operation Support Centers (except for Okinawa) (15), Data Centers (2), Credit Card Collection Service Center (1), Call Center (1), Head offices (7) Total 57 sites and company's vehicles of the whole work sites	SCOPE 1	3,231.8
Same as 57 sites of SCOPE 1	SCOPE 2 <sup>※4</sup>	5,222.1
See below	SCOPE 3 <sup>※5</sup>	61,518.6
Breakdown of SCOPE 3		
The whole work sites	Category 1	41,582.3
The whole work sites	Category 2	4,406.0
Same as SCOPE1,2	Category 3	6,264.0
The whole work sites	Category 6	1,530.8
The whole work sites	Category 7	4,092.9
The whole work sites	Category 12	59.1
The whole work sites	Category 16	3,583.4

Verified Energy consumption (GJ)		
Electricity	471,990.3	
Cooling water	64,065.3	
Hot water	10,812.9	
Gas	City gas	26,292.6
	LPG	330.0
Fuel oils	Diesel oil	80.6
	Gasoline	18,903.7
	Kerosene	35.2
	A type Heavy oil	9,015.0

NOTE:

※1 : Organizational boundary in FY2022 is as above table.

The whole work sites : Regional Headquarters, Branches, Administration Service Centers, Operation Support Centers, Data Centers, Seal Card Management Center, ATM Management Centers, Credit Card Collection Service Center, Call center, Head offices (Total 329 sites)

※2 : Categories of SCOPE 3 are 1, 2, 3, 6, 7, 12 and 16;

- **Category 1** (Purchased goods and services) : Emissions from activities up to manufacturing of Uniforms, Copying paper (Head office only), Passbooks, Cards, Slips
- **Category 2** (Capital goods) : Tangible fixed assets (vehicles and automatic teller machines (ATMs))
- **Category 3** (Fuel and energy related activities not included in Scope 1 or Scope 2) : Fuel consumption at Organizational boundary (gasoline, kerosene, A type heavy oil, city gas, LPG, diesel oil) , Electricity and Heat
- **Category 6** (Business travel) : Full-time employee at the organization
- **Category 7** (Employee commuting) : Full-time employee at the organization
- **Category 12** (End-of-life treatment of sold products) : Emissions from the disposal process of passbooks and cards
- **Category 16** (Others) : Estimated electricity usage for automatic teller machines (ATMs) located outside the organizational boundary

- ※3 : The monitoring procedure of SCOPE 1 and 2 : “Organization’s in-house reporting procedures (Scope1,2) ”prepared by the organization  
The monitoring procedure of SCOPE 3 : “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.5) ”,“Database of emissions unit values for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.3) ” and “Organization’s in-house reporting procedures (Scope3) ”prepared by the organization
- ※4 : Emission factor for electricity consumption : Adjusted emission factor under GHG emissions reporting system (Announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on 24 Jan. 2023, and partially revised on 26 May 2023)
- ※5 : Amount of SCOPE 3 (t-CO<sub>2</sub>e) are included after decimal of each category.





# Verification Statement

## 【Greenhouse gas emissions/Environmental/Social Information】

21 July 2023

### JAPAN POST INSURANCE Co., Ltd.

Japan Management Association  
GHG Certification Center  
Senior Executive: Masahiro Hirakawa



#### 1. Objective and Scope

Japan Management Association GHG Certification Center (JMACC) was commissioned by JAPAN POST INSURANCE Co., Ltd. (hereinafter, referred to as “the Organization”) to conduct independent verification on a limited level of assurance. The scope of verification is the greenhouse gas (GHG) emissions (including energy consumption information), environmental information (water usage), and social information (absentee rate) (hereinafter, referred to as “the Monitoring data”) of the domestic organizations\*<sup>1</sup> (hereinafter, referred to as “Organizational boundary”) within its fiscal year 2022 Monitoring Report (hereinafter, referred to as “the Report”) from 1/April/2022 to 31/March/2023.

- 1) SCOPE 1 GHG emissions;  
Direct CO<sub>2</sub> emissions at the Organizational boundary by using city gas, LPG, diesel oil, kerosene, and A type heavy oil, and from the vehicles operated by the Organization by using gasoline
- 2) SCOPE 2 GHG emissions;  
Indirect CO<sub>2</sub> emissions at the Organizational boundary by using electricity and heat
- 3) SCOPE 3 GHG emissions;  
CO<sub>2</sub> emissions at the category 1, 2, 3, 6, 7 and 12 of SCOPE 3\*<sup>2</sup> of the Organization’s activities
- 4) Energy consumption;  
Energy consumption at the SCOPE 1 and SCOPE 2
- 5) Water usage;  
Water supply and sewerage usage at the Organization boundary
- 6) Absentee rate;  
Absentee rate for full-time employee at the organization

The objective of this verification is to confirm that the Monitoring data in the Organization’s applicable scope have been correctly calculated and reported in line with the criteria of the monitoring procedure\*<sup>3</sup>, and to express our views as a third party. The Organization’s responsibility is to make the Report and report the Monitoring data, and JMACC’s responsibility is to express our views regarding the Monitoring data of the Report as a third party. There is no specific conflict of interest between the Organization and the JMACC.

#### 2. Procedure of Verification

GHG emissions in the Report was verified in accordance with requirement of ISO14064-3:2019 (Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and the environmental and social information in the Report was verified in accordance with requirement of ISAE3000, and following processes were implemented at limited level of assurance. The limited assurance engagement consists of the procedures performed vary in nature form, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement.

- Confirmation regarding to the information to decide the Monitoring data in the Report, monitoring procedure, monitoring system, and related documents
- Interviews with person in charge of making the Report
- Sampling the evidence for confirmation of the accuracy of the Monitoring data

### 3. 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 Organization's the Monitoring data information in the Report of fiscal year 2022 were not calculated and reported in conformance with the criteria.

#### 1) GHG emissions

Organizational boundary <sup>※1</sup>	SCOPE	Verified GHG emissions (t-CO <sub>2</sub> e)	Verified Energy consumption (GJ)		
Headquarters organization, Regional Headquarters, Japan Post Insurance branch	SCOPE 1	7,740.9	Electricity	218,927.8	
	SCOPE 2 <sup>※4</sup>	4,046.8	Cooling water	6,950.2	
See below	SCOPE 3 <sup>※5</sup>	14,919.7	Hot water	5,836.2	
Breakdown of SCOPE 3			Steam	3,563.1	
Head Office, Japan Post Insurance branch, Post office, Contracted post office	Category 1	3,064.5	Gas	City gas	22,245.5
	Category 2	0.0		LPG	0.0
Japan Post Insurance branch	Category 3	3,759.3	Fuel oils	Diesel oil	7.5
Headquarters organization, Regional Headquarters, Japan Post Insurance branch	Category 6	901.9		Gasoline	98,281.3
	Category 7	7,113.3		Kerosene	7.3
Services Center, Japan Post Insurance branch, Post office, Contracted post office	Category 12	80.7	A type heavy oil	518.2	

#### 2) Water usage

Verified Water usage (thousand m <sup>3</sup> )	
Water supply	31.9
Sewerage usage	29.5

#### 3) Absentee rate

Verified Absentee rate (%)	
Absentee rate	1.62 %

#### NOTE:

※1 : Organizational boundary in FY2022 is as above table.

- Headquarters organization : Head Office (3 offices), Services Center (7 Centers) , Call Center (3 Centers) , Data center (2 Centers)
- Regional Headquarters (13 Headquarters) : Hokkaido, Tohoku, Kanto, Tokyo, Minami (South)-Kanto, Shinetsu, Hokuriku, Tokai, Kinki, Chugoku, Shikoku, Kyushu, Okinawa
- Japan Post Insurance branch (82 branches)
- Post office (20,022 offices), Contracted post office (410 offices)
- Tenants between the group are excluded in SCOPE 1, 2.
- The boundary of Water usage at main facilities (8 facilities)



※2 : Categories of SCOPE 3 are 1, 2, 3, 6, 7 and 12 ;

- **Category 1** (Purchased goods and services) : Emissions from activities up to manufacturing of Uniforms(Japan Post Insurance branch only), Copying paper (Head office only), Insurance policy, Insurance conditions, Insurance brochures, Business documents (Japan Post Insurance branch, Post office, Contracted post office only)
- **Category 2** (Capital goods) : Vehicles purchased by the Organization in fiscal year 2022
- **Category 3** (Fuel and energy related activities not included in Scope 1 or Scope 2) : Fuel consumption at Organizational boundary (city gas, LPG, diesel oil, kerosene, A type heavy oil, gasoline) and electricity and heat
- **Category 6** (Business travel) : Full-time employee at the organization
- **Category 7** (Employee commuting) : Full-time employee at the organization
- **Category 12** (End-of-life treatment of sold products) : Emissions from the disposal process of Insurance policy (Services Center only), Insurance conditions and Insurance brochures (Japan Post Insurance branch, Post office, Contracted post office only)

※3 : The monitoring procedure of SCOPE 1 and 2 : “Organization’s in-house reporting procedures (Scope1,2) ”prepared by the organization

The monitoring procedure of SCOPE 3 : “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.5) ”,“Database of emissions unit values for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.3) ” and “Organization’s in-house reporting procedures (Scope3)” prepared by the organization

The monitoring procedure of Water usage : “Organization’s in-house reporting procedures (Water usage)” prepared by the organization

The monitoring procedure of Absentee rate : “Organization’s in-house reporting procedures (Absentee rate)” prepared by the organization

※4 : Emission factor for electricity consumption : Adjusted emission factor under GHG emissions reporting system (Announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on 24 Jan. 2023, and partially revised on 26 May 2023)

※5 : Amount of SCOPE 3 (t-CO<sub>2</sub>e) are included after decimal of each category.

#### 4. JMACC’s Independence and Quality Control

JMACC implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065-2020 (General principles and requirements for bodies validating and verifying environmental information). It is 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 which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.



# Verification Statement 【Greenhouse gas emissions】

29 June 2023

## JAPAN POST TRANSPORT Co.,Ltd.

Japan Management Association  
GHG Certification Center  
Senior Executive: Masahiro Hirakawa



### 1. Objective and Scope

Japan Management Association GHG Certification Center (JMACC) was commissioned by JAPAN POST TRANSPORT Co.,Ltd. (hereinafter, referred to as “the Organization”) to conduct independent verification on a limited level of assurance. The scope of verification is the greenhouse gas (GHG) emissions and energy consumption information (hereinafter, referred to as “the Monitoring data”) of the domestic organizations<sup>\*1</sup> (hereinafter, referred to as “Organizational boundary”) within its fiscal year 2022 Monitoring Report (hereinafter, referred to as “the Report”) from 1/April/2022 to 31/March/2023.

- 1) SCOPE 1 GHG emissions;  
Direct CO<sub>2</sub> emissions at the Organizational boundary by using city gas, LPG, A type heavy oil and kerosene, and from the vehicles owned by the Organization by using diesel oil and gasoline
- 2) SCOPE 2 GHG emissions;  
Indirect CO<sub>2</sub> emissions at the Organizational boundary by using electricity
- 3) SCOPE 3 GHG emissions;  
CO<sub>2</sub> emissions at the category 1, 2, 3, 6 and 7 of SCOPE 3<sup>\*2</sup> of the Organization’s activities
- 4) Energy consumption;  
Energy consumption at the SCOPE 1 and SCOPE 2

The objective of this verification is to confirm that the Monitoring data in the Organization’s applicable scope have been correctly calculated and reported in line with the criteria of the monitoring procedure<sup>\*3</sup>, and to express our views as a third party. The Organization’s responsibility is to make the Report and report the Monitoring data, and JMACC’s responsibility is to express our views regarding the Monitoring data of the Report as a third party.

### 2. Procedure of Verification

The Report was verified in accordance with requirement on ISO14064-3:2019 (Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and following processes were implemented at limited level of assurance:

- Confirmation regarding to the information to decide the GHG emissions and energy consumption in the Report, monitoring procedure, monitoring system, and related documents
- Interviews with person in charge of making the Report
- Sampling the evidence for confirmation of the accuracy of the GHG emissions and energy consumption

### 3. 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 Organization's GHG emissions and energy consumption information in the Report of fiscal year 2022 were not calculated and reported in conformance with the criteria.

Organizational boundary <sup>※1</sup>	SCOPE	Verified GHG emissions (t-CO <sub>2</sub> e)	Verified Energy consumption (GJ)	
Head Office, Regional Offices, Business Offices, Others such as parking lots	SCOPE 1	65,797.7	Electricity	58,397.0
Same as SCOPE 1	SCOPE 2 <sup>※4</sup>	2,655.3	Gas	City gas 1,727.7
See below	SCOPE 3	405,157.3		LPG 1,414.1
Breakdown of SCOPE 3			Fuel oils	A type Heavy oil 1,775.1
Head Office, Regional Offices, Business Offices	Category 1	389,946.1		Kerosene 1,368.6
Head Office, Regional Offices, Business Offices	Category 2	4,164.7		Gasoline 19,799.1
Same as SCOPE 1, 2	Category 3	9,956.2		Diesel oil 936,431.2
Head Office, Regional Offices, Business Offices	Category 6	280.0		
Head Office, Regional Offices, Business Offices	Category 7	810.3		

**NOTE:**

- ※1 : Organizational boundary in FY2022 is as above table.
  - SCOPE 1 and 2 are applied to Offices except for Tenants between the groups : 108 offices
  - Vehicles in SCOPE 1 are applied to Head Office, Regional Offices and Business Offices : 82 offices
- ※2 : Categories 1, 2, 6 and 7 of SCOPE 3 are applied to Head Office, Regional Offices and Business Offices. : 82 offices  
Organizational boundary of Category 3 is same as SCOPE 1 and 2.
- **Category 1** (Purchased goods and services) : Refer to the followings.
  - Emissions from purchased Uniforms,
  - Usage of automobiles for domestic transport consignment (arterial transport (truck), home delivery) and marine transport (ferry transport of vehicles) contracted at the organizational boundary
  - Purchased copying paper (Head office only)
- **Category 2** (Capital goods) : Vehicles owned by the organization
- **Category 3** (Fuel and energy related activities not included in Scope 1 or Scope 2) : Fuel (city gas, LPG, A type heavy oil, kerosene, diesel oil, gasoline) and electricity consumption at the organizational boundary
- **Category 6** (Business travel) : Full-time employee at the organization
- **Category 7** (Employee commuting) : Full-time employee at the organization



- ※3 : The monitoring procedure of SCOPE 1 and 2 : “Organization’s in-house reporting procedures (Scope1,2)” prepared by the organization  
The monitoring procedure of SCOPE 3 : “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.5)”, “Database of emissions unit values for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.3)” and “Organization’s in-house reporting procedures (Scope3)” prepared by the organization
- ※4 : Emission factor for electricity consumption : Adjusted emission factor under GHG emissions reporting system (Announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on 24 Jan. 2023, and partially revised on 26 May 2023)



Sustainability, Energy & Carbon Management

A low-angle photograph of a modern building's facade, showing a grid of windows and structural elements against a clear blue sky. The image is partially obscured by a black overlay on the right side where the text is located.

# Independent Audit Report

for **Toll Holdings**

3 August 2023

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This draft audit report has been prepared for Toll Holdings

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## 1.1 Audit Overview

Pangolin Associates has conducted a limited assurance engagement of Toll Holding’s Scope 1, 2 and a defined number of Scope 3 categories for the Japanese financial year 2023 (period 1 April 2022 to 31 March 2023).

The FY2023 greenhouse gas emissions being audited consist of:

- Scope 1 greenhouse gas emissions of 217,211 tonnes of CO<sub>2</sub>-e
- Scope 2 greenhouse gas emissions of 33,117 tonnes of CO<sub>2</sub>-e
- Scope 3 greenhouse gas emissions of 1,234,331 tonnes of CO<sub>2</sub>-e

The geographical scope of these emissions is as follows:

Geographical Scope	
Country	
<ul style="list-style-type: none"> <li>• Australia</li> <li>• Canada</li> <li>• China</li> <li>• Denmark</li> <li>• Sweden</li> <li>• Finland</li> <li>• Dubai</li> <li>• Germany</li> <li>• Hong Kong</li> <li>• India</li> <li>• Indonesia</li> <li>• Italy</li> </ul>	<ul style="list-style-type: none"> <li>• Korea</li> <li>• Malaysia</li> <li>• Netherlands</li> <li>• New Zealand</li> <li>• Philippines</li> <li>• Singapore</li> <li>• South Africa</li> <li>• Sri Lanka</li> <li>• Taiwan</li> <li>• Thailand</li> <li>• UK</li> <li>• USA</li> <li>• Vietnam</li> </ul>

## 1.2 Our Independence and Quality Control

We have complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Furthermore, in accordance with ISO 14065 Greenhouse Gases—Requirements for Greenhouse Gas Validation and Verification Bodies for Use in Accreditation or Other Forms of Recognition, Pangolin Associates maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## 1.4 Our Responsibility

Our responsibility is to express a conclusion on Toll Holdings' scope 1, 2 and 3 emissions in their Japan Post reporting, based on the procedures we have performed and the evidence we have obtained.

We have conducted our assurance engagement in accordance with the relevant international standards, as listed below. The procedures selected are dependent on our judgement, including an assessment of the risks of material misstatement of the matter being audited.

- Standard on Assurance Engagements ISAE 3410 Assurance Engagements on Greenhouse Gas Statements
- Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information
- ISO 14064.3 Greenhouse gases Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.

A limited assurance engagement involves performing procedures to obtain evidence about the application of operational control requirements and the quantification of scopes 1, 2 and 3 emissions, as reported by Toll Holdings. The nature, timing and extent of procedures selected depend on the assurance practitioner's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to Toll Holdings' preparation of the energy and emissions report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

## 1.5 Summary of Procedures Undertaken

The procedures conducted in performing our assurance engagement included:

- Assessing the reliability of data and information management systems control
- Analysing procedures that the audited body used to gather data
- Performing analysis on raw data that the audited body provided
- Testing of calculations that the audited body performed
- Identifying and testing assumptions supporting the calculations. The emission factors used (aside from category 6 and 9) were predetermined by Japan Post, and therefore outside of this assurance engagement.



## 1.6 Use of this Assurance Report

This report has been prepared for the use of Toll Holdings for the sole purpose of verifying their energy and emissions for their Japan Post reporting. Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party for any consequences of reliance on this report for any purpose.

## 1.7 Inherent Limitations

There are inherent limitations in performing assurance engagements. For example, limited assurance engagements are based on selective testing of the information being examined, and because of this, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an engagement is not performed continuously throughout the period that is the subject of the engagement and the procedures performed on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

## 1.8 Our Conclusion

In our opinion, based on the procedures undertaken and the evidence assessed during this audit, nothing has come to our attention to demonstrate that the emissions reported by Toll Holdings between 1 April 2022 to 31 March 2023 are not accurately described and we are not aware of any material misstatements.



### **Chris Wilson**

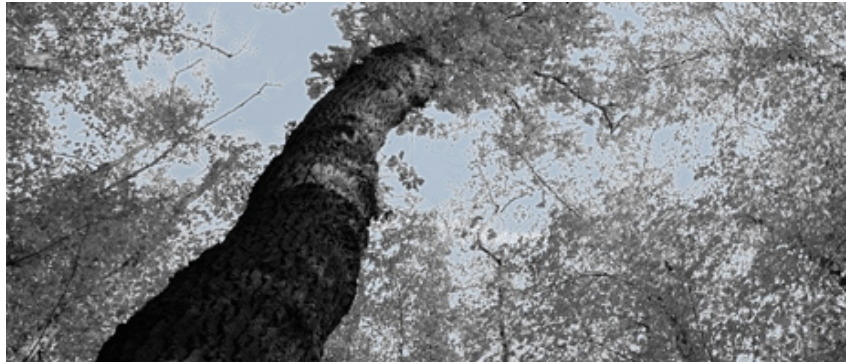
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30 June 2023

## 2 Detailed Findings



### 2.1 Issues Requiring Attention

The following CARs and observations were provided to Toll Holdings prior to the production of this report, and the response to the issues identified has been recorded in the table below. All of the CARs raised have been addressed by Toll Holdings during the audit process. There are a number of observations that are recommended for Toll Holdings to implement in future periods.

CARs and Observations		
Issue	Summary	Response
Minor CAR	Electricity emissions report was generated too soon after reporting period closed, whereby understating March usage. Additionally, all 'Closed' sites during the period were not captured in the report.	The reported electricity emissions were updated to include all March usage and closed sites. This has a small impact on total emissions.
Observation	Ocean Freight emissions (within category 9) methodology in the Japan Post Reporting (607,255 tonnes of CO <sub>2</sub> -e) differs to what was conducted in the EY reporting (780,611 tonnes of CO <sub>2</sub> -e), causing 170,000 tonnes of CO <sub>2</sub> -e variance between reports. Whilst the EcoTransit methodology (used in the calculation of FY23 emissions) is more accurate, the source data input into EcoTransit is not able to be verified.	No response required; observation only. IT system run-throughs were conducted and EcoTransit's methodology was assured instead.
Observation	Japanese emission factors have been used for calculations. There may be more appropriate international or local emission factors. This is unlikely to have a significant impact on total emissions.	No response required; observation only.
Observation	Japanese Yen has been used as the base currency for any expenditure-related emission factors. This requires all expenditure to be converted via a spot exchange rate. This is unlikely to have a significant impact on emissions.	No response required; observation only. IT system run-throughs were conducted instead.
Observation	Due to the nature of bulk buying fuel invoices, source data for Scope 1 emissions were unable to be traced back and located due to limitations of large sample sizes.	No response required; observation only. IT system run-throughs were conducted instead.

CARs and Observations		
Issue	Summary	Response
Observation	For global emissions, there wasn't always a clear link between reported figures and underlying source data. For the data that is estimated, clearly state in working file that the data are estimates. For actual data, ensure there is a clear way for the auditor to be able to come in and verify that data.	No response required; observation only.
Observation	Category 9 emissions are calculated based on a 5% increase on FY22 activity data, in line with revenue increasing by 5% over that period.	It is recommended to obtain accurate FY23 activity data, considering category 9 makes up a significant portion (80%) of total reported emissions.
Recommendation	Some figures within the worksheet were hardcoded. A recommendation for future reporting periods would be to ensure all worksheets are formula-driven, whereby any updates do not carry over incorrect amounts.	All incorrect hardcoded figures have been updated to reflect the correct amount.
Recommendation	No BoP has been prepared for the Scope 3 emissions (which are defined and covered in the EY template).	It is recommended to create a BoP so that auditors and stakeholders can understand where the source data is arriving from. This also helps to create the data tracking and management plan.

## 2.2 Audit Findings and Conclusions Table

The table below captures principal risks areas investigated, the findings and Toll Holding's actions made (if any) prior to issuance of this audit report.

Audit Risk Areas		
Key Risk Area	Assurance Process	Findings and Conclusions
Risk that Toll Holdings has not correctly transposed primary data from IT systems into emissions workbook	<ul style="list-style-type: none"> <li>Reviewed JPFY23_Scopes1and2GHG Inventory_Working File_290623.xlsx</li> <li>Reviewed JPYF23_Scope 3GHG Inventory_Working File_290623.xlsx</li> <li>Reviewed Basis of Preparation document for FY 2022/23</li> <li>Downloaded and reviewed reports generated from BidEnergy and Envizi</li> <li>Reviewed process for transferring information for the FY 2021/22 reporting period, including discussions with relevant staff around specific processes.</li> </ul>	<ul style="list-style-type: none"> <li>Electricity emissions report understated emissions, due to missing March data incorrectly filtering the data. This has since been updated, and is reflected in the CARs.</li> <li>Whilst the EcoTransit methodology (used in the calculation of FY23 emissions) is more accurate way of calculating ocean freight emissions, the source data input into EcoTransit is not able to be verified. This has been pointed out in the observations.</li> <li>The worksheet was relatively easy to understand, however there were hardcoded figures which made tracing of</li> </ul>



## Audit Risk Areas

Key Risk Area	Assurance Process	Findings and Conclusions
		<p>source data difficult. This has been pointed out in the observations.</p> <ul style="list-style-type: none"> <li>• Risk has been evaluated.</li> </ul>
<p>Risk that not all sources of information and activity data have been clearly documented</p>	<ul style="list-style-type: none"> <li>• Reviewed JPFY23_Scopes1and2GHG Inventory_Working File_290623.xlsx</li> <li>• Reviewed JPYF23_Scope 3GHG Inventory_Working File_290623.xlsx</li> <li>• Reviewed Basis of Preparation document for FY 2022/23</li> <li>• Downloaded and reviewed reports generated from BidEnergy and Envizi</li> <li>• Discussions with staff around their processes and activity data sources to sure all activity data has been documented</li> </ul>	<ul style="list-style-type: none"> <li>• Difficult to ascertain whether global data was actual or estimate. It's been noted as a recommendation.</li> <li>• Change in ocean freight methodology and source data has created a significant variance in reported emissions. It's been reported as a major CAR.</li> <li>• All data sources in BoP document (for Australia operations only) have been clearly shown.</li> <li>• Discussions with Sustainability Analyst confirmed that the reported emissions capture all relevant activity data</li> <li>• Discussions with staff and a review of BoP does not show any indication of incorrect documentation</li> <li>• Risk has been evaluated.</li> </ul>
<p>Risk that quality control practices are inadequate to ensure data quality</p>	<ul style="list-style-type: none"> <li>• Reviewed JPFY23_Scopes1and2GHG Inventory_Working File_290623.xlsx</li> <li>• Reviewed JPYF23_Scope 3GHG Inventory_Working File_290623.xlsx</li> <li>• Downloaded and reviewed reports generated from BidEnergy and Envizi</li> <li>• Discussions with staff around their quality control processes to ensure data quality</li> </ul>	<ul style="list-style-type: none"> <li>• Due to nature of the invoices associated with Fuel data, there were limitations in verifying a large sample size. Toll gave us a run through of Envizi and their IT systems to give us a overview of how a sample could be traced through system.</li> <li>• BoP needs updating to include EY scope 3 categories and global operations, and could be expanded to include quality control checks. Its clear from conversations with Sustainability Analyst that these processes have been improved on, but make sure current quality control practices are included in BoP for future periods.</li> <li>• Risk has been evaluated.</li> </ul>

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