

GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

To: TOTO LTD.



**BUREAU
VERITAS**

June 27, 2014



Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) was engaged by TOTO, LTD. (TOTO) to conduct verification to a limited level of assurance of the greenhouse gas (GHG) emissions reported in 'Fiscal year 2013 TOTO group Calculation Report' prepared by TOTO for FY2013.

1. Scope of Verification

TOTO requested Bureau Veritas to verify the accuracy of the following GHG information:

Category 11 (Use of sold products) of Scope 3 emissions according to the GHG Protocol's 'Corporate Value Chain (Scope3) Accounting and Reporting Standard', and limited to the emissions from energy and water consumption of the following products sold within Japan in the period of April 1, 2013 through March 31, 2014:

- Toilet basins for residential and public use
- Washlet for residential use
- Bathtubs for residential use
- Bath fittings, vanity fittings and kitchen fittings for residential and public use

2. Methodology

Bureau Veritas conducted the verification in accordance with the requirements of the international standard 'ISO 14064-3(2006): Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions'.

As part of Bureau Veritas' assurance, the following activities were undertaken:

- Interviews with relevant personnel of TOTO responsible for the identification and calculation of GHG emissions;
- Review of TOTO's information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of source data to check accuracy of quantified GHG emissions.

3. Conclusion

Based on the verification work and processes followed, there is no evidence to suggest that the GHG emissions assertions shown below:

- are not materially correct and are not a fair representation of the GHG emissions, as per the scope of work;
- are not prepared in accordance with the methodology (TOTO Scope 3 Emissions Calculation Manual) for calculating GHG emissions established and implemented by TOTO.

Verified greenhouse gas emissions
Scope 3 1,443 × 10 ⁴ t-CO ₂ e

【Statement of independence, impartiality and competence】

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services. No member of the verification team has a business relationship with TOTO, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes.