



LRQA Independent Assurance Statement

Relating to Yokogawa Electric Corporation's Environmental and Social Data for the fiscal year 2022

This Assurance Statement has been prepared for Yokogawa Electric Corporation in accordance with our contract.

Terms of Engagement

LRQA Limited ("LRQA") was commissioned by Yokogawa Electric Corporation ("the Company") to provide independent assurance on its environmental and social data within its Sustainability Report 2023 ("the report") for the fiscal year 2022 (from 1 April 2022 to 31 March 2023) against the assurance criteria below to a limited level of assurance and the materiality of the professional judgement of the verifier using ISAE 3000 (Revised) and ISO 14064-3:2019 for greenhouse gas ("GHG") emissions.

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

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

Environmental indicators:

- Energy usage (GJ) ¹
- Renewable energy usage (MWh)
- GHG emissions ^{2 3} (Scope 1, Scope 2 [Market-based] and Scope 3 [Category 3 and 5]) (tCO_{2e})
- Water consumption (m³) and Wastewater effluent volume (m³)
- Total waste generated (tonnes) and Total waste landfilled (tonnes)
- Emission amount of VOC ⁴ (tonnes)

Social indicators:

- Frequency rate of occupational accidents ⁵
- Number of fatal accidents
- Number of employees in the Industrial Automation and Control, Test and New businesses and other businesses
- Female managers ratio to all managers (%)
- Ratio of the overseas to total employees (%)
- Number of registered / pending patents, designs, and trademarks (in Japan and overseas countries)

LRQA's responsibility is only to the Company. LRQA 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.

LRQA's Opinion

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

- Met the requirements of the criteria listed above
- Disclosed accurate and reliable environmental and social data

¹ Indicates the primary energy equivalent under the Energy Conservation Law.

² GHG quantification is subject to inherent uncertainty.

³ LRQA also reviewed the Company's 2022 fiscal year against its 2021 to confirm the year-on-year change in Scope 1 and 2 GHG emissions.

⁴ (Production sites of YOKOGAWA group) toluene and xylene; (Production sites in Japan) 20 substances defined by 4 electrical and electronic organizations

⁵ The number of occupational accidents with lost days in the boundary divided by total working hours (in the unit of million hours).



The opinion expressed is formed on the basis of a limited level of assurance⁶ and at the materiality of the professional judgement of the verifier.

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with ISAE 3000 (Revised) and ISO 14064-3:2019. The following tasks 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 misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification.
- Interviewing with those key people responsible for compiling the data and drafting the report.
- Sampling datasets and traced activity data back to aggregated levels;
- Verifying the environmental and social data and records for the fiscal year 2022; and
- Visiting Komine factory of Yokogawa Manufacturing Corporation to confirm the data collection processes, record management practices, and to physically check their facilities

Observations

The Company is expected to make its data aggregate calculation process automatic possibly can.

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 17021-1 *Conformity assessment – Requirements for bodies providing audit and certification of management systems – Part1: 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.

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 Company's certification body for ISO 9001 and ISO 45001. We also provide the Company with a range of training services related to management systems. The verification and certification assessments, together with the training, are the only work undertaken by LRQA for the Company and as such does not compromise our independence or impartiality.

Signed

Dated: 18 June 2023

Yoshinori Shibata

LRQA Lead Verifier

On behalf of LRQA Limited

10th Floor, Queen's Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, JAPAN

LRQA reference: YKA4005469

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⁶ 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.