Verification Statement

SGS

19 June 2019 Statement No : SGS19/013

Kojiro Kinoshita Representative Director, President & CEO Nissan Chemical Corporation

Objective

SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by Nissan Chemical Corporation (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (ISO14064-3: 2006 and the SGS verification protocol) regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the GHG assertion"). The objective of this verification is to confirm that the GHG assertion in the Organization's applicable scope has been correctly calculated and reported in the GHG assertion in conformance with the criteria, and to express our views as a third party.

Scope

The scope of verification is limited to the GHG assertion at 10 domestic sites of the Organization (Head Office, 3 Laboratories, 5 Plants and 1 Works).

GHG emissions included in the GHG assertion are Scope 1 and 2 (energy-related CO₂ emissions and energy consumption, excluding the vehicles which run outside of the sites, and CO₂ emissions from non-energy consumption, Methane, Nitrous oxide, Hydrofluorocarbons, Perfluorocarbons, Sulfur hexafluoride and Nitrogen trifluoride) and Scope 3 (Category 6 and 7).

The period subject to report is from 1 April 2018 to 31 March 2019.

Procedure of Verification

The GHG assertion was verified in accordance with Criteria of Verification, and the following processes were implemented at a limited level of assurance:

- Verification of the calculation system: Interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the GHG assertion: On-site verification and review of vouchers conducted at the Material Research Laboratories (Funabashi) and the Toyama Plant, and analytical procedures and interviews for other sites in the scope of verification carried out at the head office

The criteria for this review are based on, Act on the Rational Use of Energy, GHG Emissions Calculation and Reporting Manual Ver. 4.3.2., Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 2.3, Database of emissions unit values on the same Accounting Ver. 2.6 and the protocol specified by the Organization.

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 the Organization's GHG assertion (Scope 1: 245,453 t-CO2, Scope 2: 117,655 t-CO2, Scope 3: 2,350 t-CO2) was not calculated and reported in conformance with the criteria.

SGS Japan Inc. affirms our independence from the organization, being free from bias and conflicts of interest with the Organization.

For and on behalf of SGS Japan Inc

Senior Executive & Business Manager Certification and Business Enhancement

Yuji Takeuchi





This document is issued by the Company under its General Conditions of Service accessible at www.sgs.com/terms_and_conditions.htm
Attention is drawn to the limitation of liability, indemnification and jurisdiction issues defined therein
Any holder of this document is advised that information contained hereon reflects the Company's findings
as the time of its intervention only and within the limits of Client's instruction, if any
The Company's sole responsibility is to Client and this document does not exonerate parties to transaction
from exercising all their rights and obligations under the transaction documents
Any unauthorized alteration, forgery or flasification of the content or appearance of this document is
unlawful and offenders may be prosecuted to the fullest extent of the law.