



LRQA Independent Assurance Statement

Relating to NTT Ltd Group Services United Kingdom Limited's GHG Emissions Assertion, for April 1, 2022 - March 31, 2023.

This Assurance Statement has been prepared for NTT Ltd Group Services United Kingdom Limited in accordance with our contract.

Terms of Engagement

LRQA was commissioned by NTT Ltd Group Services United Kingdom Limited (NTT) to provide independent assurance of its greenhouse gas (GHG) emissions inventory (GHG Assertion) for April 1, 2022 - March 31, 2023, against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using The Greenhouse Protocol – A Corporate Accounting and Reporting Standard (revised edition, Jan 2015) and ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered NTT's global operations and activities and specifically the following requirements:

- Verifying conformance with:
 - NTT's GHG emissions methodology and basis of reporting
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data¹.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Natural gas, mobile combustion, AC refrigerant gas loss - Direct (Scope 1)
 - Purchased electricity and District heat - Energy Indirect (Scope 2) and
 - Other Indirect (Scope 3) GHG emissions verified by LRQA only include:
 - Category 1- Purchased goods and services emissions
 - Category 2- Capital goods
 - Category 3- Fuel and energy related activities (not included in scope 1 and 2)
 - Category 4- Upstream transportation and distribution
 - Category 6- Business travel
 - Category 7- Employee commuting
 - Category 11- Use of sold products
 - Category 12- End-of-Life treatment of sold products
 - Cat 13- Downstream leased assets
- Category 5- Waste generated in operations and Category 9- Downstream transportation and distribution were reported under Cat 1 and Cat 4 respectively.

Our assurance engagement excluded the following data and information of NTT:

- Offices and facilities that have been closed or non-operational after April 1, 2022
- NTT Security service division is excluded as it was restructured and decommissioned as of April 1, 2022.
- Scope 3 Categories such as Category 8- Upstream leased assets, Category 14- Franchises, Category 15- Investments were excluded as they are not applicable to NTT.

LRQA's responsibility is only to NTT. LRQA disclaims any liability or responsibility to others as explained in the end footnote. NTT'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 NTT.

¹ <http://www.ghgprotocol.org/>



LRQA’s Opinion

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

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1, 2 & 3 below.

The opinion expressed is formed on the basis of a limited level of assurance² and at the materiality of the professional judgement of the verifier.

Table 1. Summary of NTT’s GHG Emissions for April 1, 2022- March 31, 2023

Scope of GHG emissions	Tonnes CO ₂ e
Scope 1 GHG emissions	36,830.9
Scope 2 GHG emissions (Location-based)	504,511.9
Scope 2 GHG emissions (Market-based)	338,463.9
Scope 3 GHG emissions Category 1- Purchased Goods & Services	3,524,409.1
Scope 3 GHG emissions Category 2- Capital Goods	201,279.8
Scope 3 GHG emissions Category 3-Fuel and energy related activities (not included in scope 1 and 2)	389,057.8
Scope 3 GHG emissions Category 4- Upstream transportation and distribution	18,144.9
Scope 3 GHG emissions Category 6- Business Travel	27,108.0
Scope 3 GHG emissions Category 7- Employee Commuting	57,711.6
Scope 3 GHG emissions Category 11-Use of Sold Products	676,190.0
Scope 3 GHG emissions Category 12- End-of-Life treatment of Sold products	3,315.8
Scope 3 GHG emissions Category 13- Downstream leased assets	948,020.6
Total GHG emissions (Location-based)	6,386,580.3
Total GHG emissions (Market-based)	6,220,532.4
Note 1: Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015	

LRQA’s Approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewing NTT’s GHG emissions methodology and basis of reporting.
- Interviewing relevant employees of the organization responsible for managing GHG emissions data and inventory preparation.
- Verifying historical GHG emissions data and records at an aggregated level for the reporting period April 1, 2022 - March 31, 2023.
- Sampling GHG activity data submissions and inventory calculations for the reporting period FY23.
- Verifying emission factors used with the source reference and confirming their appropriateness.
- Verifying underlying calculations and formulae for GHG reporting.

² 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.



- Assessing NTT's data management systems to confirm they are designed to prevent 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 quality control.

Observations

Further observations and findings, made during the assurance engagement, are to:

- Consider using the recent emission factors for Cat 3- Fuel and energy related activities (not included in scope 1 and 2) and for refrigerants.
- Develop a process to improve accuracy of GHG quantification by using actual data based on distance and fuel consumption for Cat 6-Business travel and Cat 7- Employee commuting.
- Develop a process to maintain the fuel purchase and consumption records for scope 1 reporting.
- Develop a system to maintain the meter reads for electricity consumption for scope 2 reporting.
- Develop a process to maintain the records for breakdown of renewable energy and supporting renewable claim to improve the accuracy of the reporting.
- Consider improving data collection and calculation methods for the emissions attributed by purchased steam & heat.
- Develop a process to improve accuracy of GHG quantification by using actual data wherever possible to reduce the proportion of estimations for scope 3 categories; specifically, category 1- purchased goods and services and category 2- capital goods.
- Consider implementing the quality assurance and quality control process to manage the inventory quality.
- Consider applying AR5 GWP published by IPCC for non-CO2 gases to improve accuracy of the reporting.

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 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* 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.

The verification assessment is the only work undertaken by LRQA for NTT and as such does not compromise our independence or impartiality.

Signed

Dated: 16 June 2023

A handwritten signature in blue ink that reads 'R. Sujatha'.

Sujatha Ramasamy
LRQA Lead Verifier

On behalf of LRQA
1 Trinity Park, Bickenhill Lane, Birmingham, UK.

LRQA reference: LRQ00004598

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