

Verification statement

To the stakeholders of Terex Corporation

EcoAct was engaged by Terex Corporation (Terex) of 45 Glover Ave, Norwalk, CT 06850 to provide independent third-party verification of its direct (Scope 1) and indirect (Scope 2) Greenhouse Gas emissions (location-based) as detailed in the company's carbon footprint calculation for the period 1st January to 31st December 2023.

Objective & responsibilities

The objective of this verification was to confirm whether the GHG statements as reported in Terex's Greenhouse Gas statement for FY23 are fairly stated and free from material error or omission in accordance with the criteria outlined below. The management of Terex are responsible for the organisation's emissions sources and GHG related information as well as the development and maintenance of records and procedures in accordance with its reporting requirements.

The verification team's responsibility is to express an independent verification opinion on the accuracy of the GHG emissions reported by Terex and supporting processes and procedures in place to aggregate and analyse data.

Criteria

- Calculation methodology: World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol).
- Reference methodologies: UK Government GHG Conversion Factors for Company Reporting (2023); International Energy Agency Electricity Emissions Factors 2023; Other emission factor sets as applicable.

Level of Verification and Materiality

A reasonable level of verification aligned with the ISO 14064-3:2019 standard with specification and guidance for the verification and validation of greenhouse gas statements was conducted. The organisational boundary of Terex was established as including its operation sites in FY23, using the operational control approach. The verification team reviewed the source data from Terex's GHG emissions report, to identify emissions sources material to the carbon footprint.

Verification Opinion

Based on the data and information provided by Terex and the processes and procedures followed, it is EcoAct's opinion that the following GHG emissions totals are fairly stated and free from material error:

Terex Carbon Emissions sources	2023 Emissions (tCO ₂ e)
Scope 1 Emissions	34,287
Scope 2 Emissions (location-based)	21,875
Total tCO₂e Scope 1 and 2 (location-based)	56,162

Description of activities

EcoAct verified data and calculations including those related to Scope 1 emissions (combustion of fuels, fugitives, and process emissions) and Scope 2 emissions (purchased electricity for own use). The verification was based on twelve months of actual data.

The verification of Terex's emissions related information was conducted through the review and testing of its emissions calculations and selected primary evidence. We also conducted interviews with stakeholders involved in data gathering and reporting to discuss the systems, processes and methodologies used to compile data for the GHG report for FY23.

Amendments to the site activity data and to the carbon footprint calculation, to correct data discrepancies identified during the verification process, were undertaken by Terex's management prior to the finalisation of Terex's GHG emissions totals. No data discrepancies were material to the emissions totals reported above.

Recommendations

Terex should:

- Work closely with data managers to standardise site data management processes and data consolidation documentation version control, to facilitate the certification of relevant information related to the carbon footprint as being correctly and completely stored, amended where applicable, uploaded to the data platform and readily available for auditing.
- Develop a detailed emission calculation governance document outlining the approach(s) used to collect data and compile the carbon report, including estimations and extrapolations of data disclosed. This methodology should be reviewed annually to ensure that information contained in the report is relevant to the current reporting year.
- Continue to complete regular data audits to identify and resolve activity data issues prior to the year-end reporting cycle and to work with site data managers to enhance pre-consolidation checks through e.g., benchmarks or thresholds.

The above findings and recommendations about Terex's emissions data were made to the management of Terex throughout the verification.

Verified by:



Gavin Tivey
Principal Consultant
EcoAct
London, June 2024

Independent review by:



Anita Baranyi
Principal Consultant
EcoAct
London, June 2024

Statement of Independence

EcoAct is an independent carbon management company. Our team has extensive experience in the verification of carbon data, information, systems, and processes. The data required for the greenhouse gas statement described herein were compiled by Terex. No member of the verification team was involved in the carbon footprint calculation process except to verify amendments derived from the verification process as described above. No member of the EcoAct team has a business relationship with Terex, its Directors, or Managers beyond that required of this assignment. To our knowledge there has been no conflict of interest.