



# LRQA Independent Assurance Statement

Relating to Hitachi Transport System, Ltd.’s Environmental data for the fiscal Year 2021

This Assurance Statement has been prepared for Hitachi Transport System, Ltd. in accordance with our contract.

## Terms of Engagement

LRQA was commissioned by Hitachi Transport System, Ltd. (“the Company”) to provide independent assurance on its Environmental data (“the report”) for the fiscal year 2021, that is, from 1 April 2021 to 31 March 2022, against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using ISO 14064-3:2019.

Our assurance engagement covered the Company and its consolidated subsidiaries in Japan’s operations and activities and specifically the following requirements:

- Verifying conformance with the Company’s reporting methodologies for the selected datasets:
- Evaluating the accuracy and reliability of data for only the selected indicators listed below: <sup>1</sup>
  - Scope 1 GHG emissions (tonnes CO<sub>2</sub>e)
  - Scope 2 GHG emissions [Market-based] (tonnes CO<sub>2</sub>e)
  - Energy Consumption (GJ)

Our assurance engagement excluded the other data and information of the Company’s suppliers, contractors and any third-parties mentioned in the report.

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; and
- Disclosed accurate and reliable Environmental data as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance<sup>2</sup> and at the materiality of the professional judgement of the verifier.

**Table 1. Summary of Hitachi Transport System, Ltd.’s Environmental data for FY2021:**

Scope	GHG Emissions
Scope 1 GHG emissions	40,256 Tonnes CO <sub>2</sub> e
Scope 2 GHG emissions (Market-based)	70,353 Tonnes CO <sub>2</sub> e
Energy Consumption	2,243,212 GJ

<sup>1</sup> GHG quantification is subject to inherent uncertainty.

<sup>2</sup> 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.



## LRQA's Approach

LRQA's assurance engagements are carried out in accordance with 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 historical data and records for the fiscal year 2021; and
- Visiting Toyota sales office of Vantec Central Logistics Corporation and Chukyo sales office of Hitachi Transport System Chubu Co., Ltd., and to confirm the data collection processes, record management practices, and to physically check the emission sources.

## Observations

The company should establish and disseminate procedures for reporting data from its offices from the standpoint of accuracy. In addition, with respect to the scope of reporting, it is expected that the scope will be expanded to include overseas in the future.

## 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.

This is the only work undertaken by LRQA for Company and as such does not compromise our independence or impartiality.

Signed

Dated: 21 February 2023

A handwritten signature in black ink, appearing to read 'Ichiro Ueno'.

Ichiro Ueno

LRQA Lead Verifier

On behalf of LRQA Limited

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

LRQA reference: YKA00001053

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