



LRQA Statement

Relating to the conformance assessment of CO₂ Visualisation Solution Ver. 1.0 designed by Hitachi Transport System, Ltd.

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

Terms of engagement

LRQA Limited (LRQA) was commissioned by Hitachi Transport System, Ltd. (“the Company”) to provide the conformity assessment work using LRQA's assessment procedures for CO₂ emissions accounting system designed by the Company.

Our assessment work covered the CO₂ emissions accounting¹ system designed by the Company and specifically the following requirements:

- Assessment of compliance with the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.
 - Calculation method: improved tonne-kilometre method for vehicles; conventional tonne-kilometre method for ships, railways and aviation.
 - Tonne-kilometre intensity: for vehicles, the unit of intensity is based on the improved tonne-kilometre method and takes into account the loading rate; for ships, railways and aviation, the unit of intensity is based on the conventional tonne-kilometre method.
 - Transport weight: actual weight
 - Place of origin or destination: actual address
- Assessment of conformity with additional required standards set by the company.
 - Requirements for the elaboration of transport means and distance information in conjunction with external map services (Zenrin, EcoTransIT).
 - Requirements for auto-estimation methods for vehicles used.

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 CO₂ emissions accounting system 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

The results of the LRQA assessment procedure confirm that the CO₂ emissions accounting system 'CO₂ Visualisation Solution Ver. 1.0' meets the accounting standards of the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures, as well as additional standards set by the Company, and that CO₂ emissions are calculated appropriately.

LRQA's approach

LRQA's work was carried out in accordance with LRQA's procedures. The procedure adopts the methodology used by LRQA in its assessment of the aggregation systems used in its GHG emissions third-party assurance work. As part of the evidence gathering process for the work, the following was undertaken

- The basis and methods adopted by the company were reviewed to ensure that there are no significant errors within the CO₂ emissions accounting system.

¹ GHG quantification is subject to inherent uncertainty



- Interviews were conducted with the main stakeholders involved in the design of the CO₂ emissions accounting system.
- The sampling method was used to match the results calculated by the CO₂ emissions accounting system with the results of the manual calculations.

The 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 – Part 1: 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 verification body for its GHG emissions. This assessment and the verification are the only work undertaken by LRQA for the Company and as such does not compromise our independence or impartiality.

Signed.

28 July 2022

A handwritten signature in black ink, appearing to read 'N. Kinoshita', is written over a faint, larger version of the same signature.

Norihiko Kinoshita

LRQA Lead verifier

LRQA Limited.

10F Queens Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, Kanagawa

LRQA reference: YKA00001053

LRQA, its affiliates and subsidiaries, and their respective officers, employees or agents are, individually and collectively, referred to in this LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this LRQA assumes no liability and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

Copyright © LRQA, 2022.