LRQA Independent Assurance Statement

Relating to Hitachi Transport System, Ltd.’s GHG Emissions for the fiscal Year 2020

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 GHG emissions (“the report”) for the fiscal year 2020, that is, from 1 April 2020 to 31 March 2021, 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: 1
  - Scope 1 GHG emissions (tonnes CO₂e)
  - Scope 2 GHG emissions [Market-based] (tonnes CO₂e)

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 GHG emissions as summarized in Table 1 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 Hitachi Transport System, Ltd.’s GHG Emissions for FY2020:

<table>
<thead>
<tr>
<th>Scope</th>
<th>GHG Emissions</th>
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</thead>
<tbody>
<tr>
<td>Scope 1 GHG emissions</td>
<td>40,603 Tonnes CO₂e</td>
</tr>
<tr>
<td>Scope 2 GHG emissions (Market-based)</td>
<td>72,501 Tonnes CO₂e</td>
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</tbody>
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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:

1 GHG quantification is subject to inherent uncertainty.

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.
• 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 2020; and

• Visiting Noda sales office of Hitachi Transport System Metropolitan Co., Ltd., and Noda sales office of VANTEC Vantec Central Logistics Corporation, and Keihin sales office of Hitachi Transport System South Kanto Co., Ltd. to confirm the data collection processes, record management practices, and to physically check the emission sources.

Observations
The Company should maintain the completeness, accuracy and reliability of its future GHG emissions. With regard to the scope of reporting, it is expected to expand to include foreign countries 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: 31 March 2022
Norihiko Kinoshita
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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