

# INDEPENDENT ASSURANCE STATEMENT

To: Ushio Inc.



Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Ushio Inc. (USHIO) to provide limited assurance over sustainability information selected by USHIO. This Assurance Statement applies to the related information included within the scope of work described below.

## **Selected information**

The scope of our work was limited to assurance over the following information included within Integrated Report (the 'Report') and Website (the 'Website') for the period of April 1, 2022 through March 31, 2023 (the 'Selected Information'):

- Greenhouse gas emissions Scope 1 and Scope 2 (CO<sub>2</sub> emissions from energy use) through business operations of USHIO Group's 17 sites within Japan and 20 sites outside Japan.
- Greenhouse gas emissions Scope 3 (Category 1 and 11). The reporting boundaries for each category are defined by USHIO.

## **Reporting criteria**

The Selected Information included within the Report needs to be read and understood together with the reporting criteria stated in the Report.

The Selected Information included within the Website needs to be read and understood together with the reporting criteria stated in the Website.

## **Limitations and Exclusions**

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Any other information within the Report, which is not listed as the 'Selected Information'.
- Any other information within the Website, which is not listed as the 'Selected Information'.

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

## **Responsibilities**

This preparation and presentation of the Selected Information are the sole responsibility of the management of USHIO.

Bureau Veritas was not involved in the drafting of the Selected Information or of the Reporting Criteria.

Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and



- report our conclusions to the Directors of USHIO.

### **Assessment Standard**

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Effective for assurance reports dated on or after December 15, 2015) issued by the International Auditing and Assurance Standards Board.

For the greenhouse gas emissions data, we undertook verification in accordance with the requirements of ISO14064-3 (2019): Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

### **Summary of work performed**

As part of our independent verification, our work included:

1. Conducting interviews with relevant personnel of USHIO;
2. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
3. Reviewing documentary evidence provided by USHIO;
4. Reviewing USHIO systems for quantitative data aggregation and analysis;
5. Verification of sample of data back to source by carrying out three physical site visits, selected on a risk based bases at the following locations:
  - Ushio Inc. Harima Division
  - Ushio Inc. Yokohama Division
  - ADTEC Engineering Co., Ltd. Nagaoka Plant
6. Reperforming a selection of aggregation calculations of the Selected Information;
7. Comparing the Selected Information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### **Verified greenhouse gas emissions**

We performed our verification work on greenhouse gas emissions data in accordance with the requirements of ISO14064-3(2019).

Verified data in greenhouse gas assertion made by USHIO are as follows.

	Greenhouse gas emissions [t-CO <sub>2</sub> e]	Boundary
Scope 1	3,921	CO <sub>2</sub> emissions from energy use through business operations of USHIO Group's 17 sites within Japan and 20 sites outside Japan for the period of April 1, 2022 through March 31, 2023
Scope 2 (market-based)	27,869	CO <sub>2</sub> emissions from energy use through business operations of USHIO Group's 17 sites within Japan and 20 sites outside Japan for the period of April 1, 2022 through March 31, 2023
Scope 3	3,794,596	Categories 1 and 11 of Scope 3 emissions accounted and the boundaries defined by USHIO for each category for the period of April 1, 2022 through March 31, 2023

The breakdown of Scope 3 emissions verified are as follows.

Category 1: 210,756 t-CO<sub>2</sub>e | Category 11: 3,583,840 t-CO<sub>2</sub>e

### Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria;
- It is our opinion that USHIO has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of our work.

### Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates Quality Management System which complies with the requirements of globally recognized quality management standard, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behavior and high ethical standards in their day-to-day business activities.

Bureau Veritas Japan Co., Ltd.

Yokohama, Japan

April 30, 2024