

# Greenhouse Gas Emissions Verification Report

**To: Air Water Inc.**

## 1. Objective and Scope

Japan Quality Assurance Organization (hereafter “JQA”) was engaged by Air Water Inc. (hereafter “the Company”) to provide an independent verification on “FY2019\* Air Water Group GHG calculation report” (hereafter “the Report”). The content of our verification was to express our conclusion, based on our verification procedures, on whether the statement of information regarding the FY2019 GHG emissions in the Report was correctly measured and calculated, in accordance with the “GHG emissions calculation manual (revised on December 1, 2020)” (hereafter “the Rule”). The purpose of the verification is to evaluate the Report objectively and to enhance the credibility of the Report.

\*The fiscal year of the Company ended on March 31, 2020.

## 2. Procedures Performed

JQA conducted verification in accordance with “ISO 14064-3”. The scope of this verification assignment covers energy-derived CO<sub>2</sub> emissions from Scope 1 and 2. The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent of the total emissions in the Report. The organizational boundaries of this verification cover all Air Water sites in Japan (hereafter “Air Water Group”), including Air Water Inc., its consolidated subsidiaries and non-consolidated subsidiaries which are designated “Specified business operators” under the Energy Conservation Law of Japan.

Our verification procedures included:

- Visiting four domestic sampling sites: Kashima Plant of the Company; Hofu Plant of the Company; Ako Plant of Tateho Chemical Industries Co., Ltd.; and Hofu Plant of FILWEL Co., Ltd., selected by the Company.
- On-site assessment to check the report boundaries, GHG sources, Monitoring points, Monitoring and Calculation system and its controls.
- Vouching: Cross-checking the GHG emissions data against evidence for all sampling site.

## 3. Conclusion

Based on the procedures described above, nothing has come to attention that caused us to believe that the statement of the information regarding the Air Water Group’s FY2019 GHG emissions in the Report is not materially correct, or has not been prepared in accordance with the Rule.

## 4. Consideration

The Company was responsible for preparing the Report, and JQA’s responsibility was to conduct verification of Greenhouse gas in the Report only. There is no conflict of interest between the Company and JQA.



Sumio Asada, Board Director

For and on behalf of Japan Quality Assurance Organization

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