

INDEPENDENT ASSURANCE STATEMENT

To: Mitsubishi Heavy Industries, Ltd.



Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Mitsubishi Heavy Industries, Ltd. (MHI) to provide limited assurance over its sustainability information selected by MHI. 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 (the 'Selected Information'):

The following environmental performance data included within MHI Group's ESG DATA BOOK 2020 (the 'DATA BOOK') for the period of April 1, 2019 through March 31, 2020

- 1) Greenhouse gas emissions (Scope 1 and Scope 2): CO₂ emissions from energy use
- 2) Energy use
- 3) Water usage by source
- 4) Waste generation

The following social performance data included within MHI Group's ESG DATA BOOK 2021 (the 'DATA BOOK') for the period of April 1, 2020 through March 31, 2021

- 5) Fatalities (Employees / Contractors)
- 6) LTIFR: Lost Time Injury Frequency Rate (Employees / Contractors)
- 7) OIFR: Occupational Illness Frequency Rate (Employees)
- 8) Number of industrial accidents (Employees / Contractors)
- 9) Working hours
- 10) Cumulative total number of science classes (Number of participants)
- 11) Records of natural disaster affected area assistance programs (Number of disasters / Donation and support amount)
- 12) Record of supporting conservation survey for loggerhead turtles in Tanegashima (Number of applicants for volunteer by employees / Number of participants for volunteer by employees / Number of conducted / Number of loggerhead turtle individual identification surveys / Number of hatched baby loggerhead turtle individual identification surveys)

The reporting boundaries are as follows.

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|-------------|--|
| 1) 2) 4) | : MHI and MHI Group's 14 companies within Japan (15 companies in total) |
| 3) | : MHI and MHI Group's 13 companies within Japan (14 companies in total) |
| 5) 6) 8) 9) | : MHI and MHI Group's 44 companies within Japan (45 companies in total) |
| 7) | : MHI |
| 10) 11) | : MHI, MHI Group's 55 companies within Japan and MHI Group's 66 companies outside Japan (122 companies in total) |
| 12) | : MHI and MHI Group's 55 companies within Japan (56 companies in total) |

Reporting criteria

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



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 DATA BOOK, 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 in the DATA BOOK are the sole responsibility of the management of MHI.

Bureau Veritas was not involved in the drafting of the DATA BOOK 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 MHI.

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 (2006): Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.

Summary of work performed

As part of our independent verification, our work included:

1. Conducting interviews with relevant personnel of MHI;
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 MHI;
4. Reviewing MHI systems for quantitative data aggregation and analysis;
5. Verification of sample of environmental performance data back to source by carrying out three physical site visits, selected on a risk based bases at the following locations:
 - Mitsubishi Heavy Industries, Ltd. Shimonoseki Shipyard & Machinery Works Yamatomachi Plant
 - Mitsubishi Logisnext Co., Ltd. Shiga Plant
 - Mitsubishi Power, Ltd. Hitachi Works Hitachi Area
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(2006).

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

	Greenhouse gas emissions [t-CO ₂ e]	Boundary
Scope 1	121,522	CO ₂ emissions from energy use through business operations of MHI and MHI Group's 14 companies within Japan (15 companies in total) for the period of April 1, 2019 through March 31, 2020
Scope 2 (market-based)	302,118	

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 MHI 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 a certified Quality Management System which complies with the requirements of ISO 9001:2015, 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

September 30, 2021

