

## Verification Statement

### IINO Kaiun Kaisha, Ltd. Head Office and its Consolidated Organization

Nippon Kaiji Kyokai (hereinafter referred to as "the Society") was commissioned by IINO Kaiun Kaisha, Ltd. (IINO Lines; Head Office location: Uchisaiwai-cho, Chiyoda-ku, Tokyo; hereinafter referred to as the "the Applicant") to assure and verify its GHG Emissions Report (hereinafter referred to as "the Report") for the fiscal year 2023(1 April 2023 to 31 March 2024). The Report covers Direct GHG emissions (Scope 1), energy Indirect GHG emissions (Scope 2) and Other Indirect GHG emissions (Scope 3).

#### Scope of Verification Engagement:

The applicant's head office and its group companies including domestic and overseas offices, and all ocean-going vessels and coastal vessels managed by the applicant, excluding vessels for rental.

#### Applicable Standards:

- ① ISO14064-1:2018 *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*
- ② ISO14064-3:2019 *Specification with guidance for the validation and verification of greenhouse gas assertions*

Note: The applicant's "GHG Data Management Manual ver.6.0 (latest ver.) has selected below specifications as quantification methodologies.

- ① Greenhouse Gas Emissions Calculation and Reporting Manual ver. 5.0 (Act on Promotion of Global Warming Countermeasures).
- ② SHIFT Monitoring and Reporting Guidelines Ver.4.0(Ministry of the Environment)
- ③ Regulation (EU)2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC
- ④ Guidelines for Tokyo Metropolitan Emission Trading Scheme
- ⑤ GHG Protocol - Corporate value chain (Scope 3) accounting and reporting standard

#### Level of Assurance and Materiality:

Scope 1 & 2: Reasonable level of assurance (materiality threshold is 5% of the total emissions)

Scope 3: Limited level of assurance (materiality as the professional judgement of the verifier)

#### Verification opinion:

In our opinion, the Report has been prepared in all material respects, based on the international standard ISO 14064-1 and GHG Protocol. "Direct GHG Emissions", "Energy Indirect GHG Emissions" and "Other Indirect GHG Emissions from corporate value chain" are calculated in accordance with the selected quantification methodologies. And nothing has come to our attention that causes us to believe that the Other Indirect GHG Emissions are not materially correct.

23 December, 2024

**NIPPON KAIJI KYOKAI**



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**Yoshiya Yamaguchi,**  
**Director of Business Assurance Division**

\*This Verification Statement is a summary of the appended verification statement (official document) and is valid only when it is published at the same time as the appended verification statement.

# **Verification Statement**

## **IINO Kaiun Kaisha, Ltd.**

### **Head Office and its Consolidated Organization**

#### **Scope of Verification Engagement**

This Verification Statement is to be issued to IINO Kaiun Kaisha Ltd. (IINO LINES)

Nippon Kaiji Kyokai (hereinafter referred to as "the Society") was commissioned by IINO Kaiun Kaisha, Ltd. (IINO Lines; Head Office location: Uchisaiwai-cho, Chiyoda-ku, Tokyo; hereinafter referred to as the "the Applicant") to assure and verify its GHG Emissions Report (hereinafter referred to as "the Report") for the fiscal year 2023 (1 April 2023 to 31 March 2024). The Report covers Direct GHG emissions (Scope 1), Energy Indirect GHG emissions (Scope 2) and Other Indirect GHG emissions (Scope 3 Category 2,3,5,6, & 7). And all GHGs are covered in the Report.

The scope of the verification engagement includes the applicant's head office and its group companies including domestic and overseas offices, and all ocean-going vessels and coastal vessels managed by the applicant, excluding vessels for rental. The consolidation method of GHG emissions is "Operational Control" in "Control Approach".

The applicant's head office is located in the IINO building of IINO Kaiun Kaisha, Ltd. together with other tenant companies' offices. In calculating the emissions from the applicant's head office, the boundary was defined to include emissions from tenant companies' offices in accordance with the Tokyo Metropolitan Emission Trading Scheme, in which the applicant participates, even though electrical power meters were installed in every floor.

Operational boundaries are set up in such a manner as to account for direct and indirect GHG emissions emitted from activities taking place in the above-mentioned consolidated organizations and ships; Direct GHG emissions are calculated for CO<sub>2</sub>, CH<sub>4</sub>, HFCs gases (Scope 1), Indirect GHG emissions from energy origin (Scope 2) and Other Indirect GHG emissions (Scope 3: Category 2,3,5,6, & 7). NO<sub>x</sub>, SO<sub>x</sub>, sinks and reservoirs are out of scope.

#### **Applicable Standards:**

- ① ISO14064-1:2018 *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*
- ② ISO14064-3:2019 *Specification with guidance for the validation and verification of greenhouse gas assertions*

Note: The applicant's "GHG Data Management Manual ver.6.0 (latest ver.) has selected below specifications as quantification methodologies.

- ① Greenhouse Gas Emissions Calculation and Reporting Manual ver. 5.0 (Act on Promotion of Global Warming Countermeasures)

(Calculation methods, emission factors and adjustment methods under the Act, etc.)

- Emission factors and unit calorific values of energy used in domestic buildings.
- Deduction of GHG emissions by Non-Fossil Certificates
- Emission factors and unit calorific values of fuel used for domestic vessels (Heavy fuel oil A and C)

- ② SHIFT Monitoring and Reporting Guidelines Ver.4.0 (Ministry of the Environment)

- Definition of small emission sources

- ③ Regulation (EU)2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC

- Emission factors for fuels used by ocean-going vessels

- ④ Guidelines for Tokyo Metropolitan Emission Trading Scheme

- Aggregate GHG activity of domestic offices

- ⑤ GHG Protocol - Corporate value chain (Scope 3) accounting and reporting standard

- Scope 3 emission calculations

**GHG Data Management Responsibility**

The applicant was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. And the Society was responsible for carrying out the verification engagement on the Report in accordance with the contract made with the applicant. It is the applicant who, in the final instance, will approve the Report. The report will continue to remain under the applicant's responsibility.

**Verification Procedure**

Verification by the Society has been carried out in accordance with "ISO14064-3 *Specification with guidance for the validation and verification of greenhouse gas assertions*" to provide reasonable assurance that GHG data as presented in the Report have been prepared in accordance with "ISO14064-1:2018 *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*.", SHIFT Monitoring and Reporting Guidelines Ver.4.0, Act on Promotion of Global Warming Countermeasures and GHG Protocol - Corporate value chain (Scope 3) accounting and reporting standard have been selected as the quantification methodologies and applied only for the monitoring and calculation part of the Report.

To form a conclusion, the verification engagement was undertaken as a sampling exercise that included the following:

- Site visit to the applicant's Head Office (Tokyo)
- Interviews with the key personnel responsible for aggregating GHG emissions data and information management and preparation of reports at the above-mentioned site
- Review of the management process of GHG emissions data and information included in the Report
- Verification of the integrity of the information sources and aggregation in the Head Office for GHG emissions performance data and information included in the Report
- Review of the structure and emission source data of ocean-going vessels and coastal vessels
- Review of QA/QC system of BDNs and double-check system at the time of refuelling.

**Level of Assurance and Materiality**

The verification opinion declared in this Verification Statement was determined based on a reasonable level of assurance setting the materiality threshold value as 5% of total emissions for Scopes 1, 2 and a limited level of assurance setting the materiality as the professional judgement of the verifier for Scope 3.

**Verification Opinion**

In our opinion, the Report has been prepared in all material respects, based on the international standard ISO 14064-1 and Applicable Standards mentioned above. "Direct GHG Emissions", "Energy Indirect GHG Emissions" and "Other Indirect GHG Emissions from corporate value chain" are calculated in accordance with the selected quantification methodologies and summarized at a table of Summary of GHG inventory for FY 2023 shown below. And nothing has come to our attention that causes us to believe that Indirect GHG emissions from corporate value chains are not materially correct.

23 December, 2024

**NIPPON KAIJI KYOKAI**  
Green Certification Department



**Gensei TANAKA, Lead verifier**

**Annex 1: ISO 14064-1 Category: Summary of GHG Inventory for FY 2023 (tCO<sub>2</sub>e)**

Verified GHG emissions (Category)	tCO <sub>2</sub> e
Direct GHG emissions (Category 1)	865,447
Indirect GHG emissions from imported energy (Category 2)	5,412
Indirect GHG emissions from transportation (Category 3)	268
Indirect GHG emissions from products used by an organization (Category 4)	144,293
<b>Total GHG Emissions</b>	<b>1,015,420</b>

**Annex 2: GHG Protocol Category: Summary of GHG Inventory for FY 2023 (tCO<sub>2</sub>e)**

Verified GHG emissions (Scope/Category)	tCO <sub>2</sub> e
Direct GHG emissions (Scope 1)	865,447
Indirect GHG emissions from imported energy (Scope 2)	5,412
Indirect GHG emissions from the Corporate Value Chain (Scope 3)	144,561
Cat. 2. Capital Goods	25,966
Cat. 3. Fuel and Energy-Related Activities not included in Scope 1 or Scope 2	117,950
Cat. 5. Waste General in Operations	377
Cat. 6. Business Travel	227
Cat. 7. Employee Commuting	41
<b>Total GHG Emissions</b>	<b>1,015,420</b>

**Annex 3: Initiatives to Reduce GHG emissions for FY 2023 (tCO<sub>2</sub>e)**

Verified GHG reductions	tCO <sub>2</sub> e
J-Credit (Retirement)	1,500
Biofuel used in Vessel(Well-to-Wake)	84
<b>Total GHG reductions</b>	<b>1,584</b>

\* This Verification Statement, together with the "the Report" is valid only when both are published at the same time.

\* This Verification Statement requires that the overall Accounting System of the applicant be subject to review, but it is not meant to assure the appropriateness of the Accounting System.

\* This Verification Statements is the English translation of the original statement written in Japanese. Only the original Japanese version of this statement is valid for lawsuit cases.