

Independent Verification Report

To: NGK SPARK PLUG CO., LTD.

1. Objective and Scope

Japan Quality Assurance Organization (hereafter “JQA”) was engaged by NGK SPARK PLUG CO., LTD. (hereafter “the Company”) to provide an independent verification on “FY2019* CSR Data 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 GHG emissions, Energy consumption, Water consumption, Waste Amount, Lost Time Injury Frequency Rate (employees), Lost Time Injury Frequency Rate (temporary employees) and Occupational illness frequency rate (employees) in the Report was correctly measured and calculated, in accordance with the “Standard for Aggregating Rules of Environmental Performance Data (ESKW-027-1)”, “Standard for calculating the Injury frequency rate(ZESAF-001)” and “Standard for calculating the occupational illness frequency rate” (hereafter “the Rules”).

The purpose of the verification is to evaluate the Report objectively and to enhance the credibility of the Report.

*The fiscal year 2019 of the Company ended on March 31, 2020.

2. Procedures Performed

JQA conducted verification in accordance with “ISO 14064-3” for GHG Emissions and Energy consumption, and with “ISAE3000” for Water consumption, Waste Amount, Lost Time Injury Frequency Rate (employees), Lost Time Injury Frequency Rate (temporary employees) and Occupational illness frequency rate (employees), respectively. The scope of this verification assignment covers energy-derived CO2 emissions from Scope 1, 2 as GHG emissions, Energy consumption, Water consumption, Waste Amount, Lost Time Injury Frequency Rate (employees), Lost Time Injury Frequency Rate (temporary employees) and Occupational illness frequency rate (employees). The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent each of the total emissions, total amount of Water consumption and frequency rates in the Report.

The organizational boundaries of this verification include the domestic and international Group sites (41 domestic sites and 26 international sites) on the Company and its group companies for GHG Emissions, Energy consumption, Water consumption and Waste Amount; and the Company only for Lost Time Injury Frequency Rates and Occupational illness frequency rate.

Our verification procedures included:

- Visiting three domestic sites: NGK SPARK PLUG CO., LTD. Komaki Plant, NTK CERAMIC CO., LTD. Komaki Plant and CS NAKASTUGAWA CO., LTD, selected by the Company.
- On-site assessment to check the report scope and boundaries; monitoring points of activity data; monitoring and calculation system; and activity data. The number and location of sampling sites for on-site assessment were selected by the Company.
- Visiting NGK SPARK PLUG CO., LTD. Komaki Plant for validation of the Rules and verification of Occupational illness frequency rate and Lost Time Injury Frequency Rate.

3. Conclusion

Based on the procedures described above, nothing has come to our attention that caused us to believe that the statement of the information regarding the Company’s FY2019 GHG emissions, Energy consumption, Water consumption, Waste Amount and Lost Time Injury Frequency Rates and Occupational illness frequency rate in the Report is not materially correct, or has not been prepared in accordance with the Rules.

4. Consideration

The Company was responsible for preparing the Report, and JQA’s responsibility was to conduct verification of GHG emissions, Energy consumption, Water consumption, Waste Amount, Lost Time Injury Frequency Rates and Occupational illness frequency rate 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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July 31, 2020