Independent Assurance Report (website version)



Independent Assurance Report

To the President and CEO of East Japan Railway Company

Purpose and Scope

New were engaged by East Japan Railway Company (the "Company") to provide limited assurance on its JR East Group Sustainability Report 2012 web version (the "Report") for the fiscal year ended March 31, 2012. The purpose of our assurance engagement was to express our conclusion, based on our assurance procedures, on whether:

- the environmental performance indicators and environmental accounting indicators marked with $\dot{\pi}$ (the "Indicators") for the period from April 1, 2011 to March 31, 2012 included in the Report are prepared, in all material
- respects, in accordance with the Company's reporting criteria; and all the material environmental information defined by the Japanese Association of Assurance Organizations for Sustainability Information ("J-SUS") is included in the Report.

The content of the Report is the responsibility of the Company's management. Our responsibility is to carry out a limited assurance engagement and to express our conclusion based on the work performed.

The Company applies its own reporting criteria as described in the Report. These are derived, among others, from the Environmental Reporting Guidelines 2007 and Environmental Accounting Guidelines 2005 of Japan's Ministry of the Environment, We used these criteria to evaluate the Indicators. For the completeness of material environmental information, we used the 'Criteria for Granting an Environmental Report Assurance and Registration Symbol' of J-SUS.

We conducted our engagement in accordance with 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board, and the 'Practical Guidelines of Sustainability Information Assurance' of J-SUS.

The limited assurance engagement on the Report consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviews with the Company's responsible personnel to obtain an understanding of its policy for the preparation of the Report.
- Reviews of the Company's reporting criteria
- Inquiries about the design of the systems and methods used to collect and process the Indicators.
- Analytical reviews of the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in
 conformity with the Company's reporting criteria, and also a recalculation of the Indicators.
- Visit to the Company's two domestic business sites selected on the basis of a risk analysis.
- Assessment of whether or not all the material environmental information defined by J-SUS is included in the Report.
- Assessment of whether or not all the material environments.
 Evaluating the overall statement in which the Indicators are expressed.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that:

the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting

- criteria as described in the Report; and
- all the material environmental information defined by J-SUS is not included in the Report.

We have no conflict of interest relationships with the Company that are specified in the Code of Ethics of J-SUS.

KPMG AZSA Sustandling Co, Ltd.

KPMG AZSA Sustainability Co., Ltd. Tokyo, Japan October 18, 2012

The setting of medium-term targets for total CO₂ emissions from railway business activities has been changed with the new environmental targets. Targets are now set for two indicators - "energy consumption from railway business activities" and "CO2 emissions per unit of electricity generated at JR East's own power plants" - rather than the previous single target of "total CO₂ emissions." In light of the review of national energy policy underway since the earthquake in March 2011, JR East considered it better to set its targets based on indicators that would be more under our own control. New environmental targets are mostly short-term targets to be met by fiscal 2014, but the above two new targets are medium-term targets to be met by fiscal 2021. In this report, values in base fiscal years, results in absolute values in fiscal 2012, and reduction or improvement rates are given. We believe that JR East could make the results of its activities more transparent to the reader by showing changes in performance over time.

Quantitative environmental data for group companies is only shown in the "JR East Group's environmental impact" section. We think it would be worthy of consideration to present more detailed results of group companies' activities.



Naomi Sugo **KPMG** AZSA Sustainability Co., Ltd.