

Calculation Method of Fiscal 2023 Actual Scope 3 Emissions

Category	Summary	Method of calculation	Emission intensity * 1
1	Purchased goods / Services	<p>① Purchase price (1 million yen) x emission intensity of each product</p> <p>② Data for domestic manufacturing sites are based on scopes 1, 2, and 3 of some suppliers (products and services purchased for the manufacture of own products).</p>	<p>Ministry of the Environment DB*<sup>1</sup> [5] Emissions intensity based on input-output table</p> <p>Value based emission intensity of each product (based on purchaser price)</p>
2	Capital goods	Acquisition cost of capital goods (equipment, etc.) (1 million yen) x emission intensity of each capital good	<p>Ministry of the Environment DB*<sup>1</sup> [6] Emissions intensity per price of capital goods</p> <p>Emission intensity on a monetary basis for each product</p>
3	Fuel- and energy-related activities not included in scopes 1 and 2	Amount of energy in scope 1 and scope 2 x emission intensity for each energy	<p>Scope1: LCI database IDEAv2</p> <p>Scope2: Ministry of the Environment DB*<sup>1</sup>[7] Emissions intensity per unit of electricity and heat consumption Emissions intensity during fuel procurement</p>
4	Upstream transportation and distribution	<p>&lt; Japan &gt;</p> <p>① Calculation method of CO2 emissions from save energy sources related to freight transportation by shippers, as stipulated by the Energy Conservation Law</p> <p>② Annual transportation cost (1 million yen) x emission unit</p> <p>&lt; Global &gt;</p> <p>Transportation cost (1 million yen) x emission intensity per transportation method</p>	<p>Japan:</p> <p>① Greenhouse Gas Emission Calculation and Reporting Manual</p> <p>② Ministry of the Environment DB*<sup>1</sup> [5] Emissions intensity based on input-output table</p> <p>Road freight transportation: 3.93 t-CO<sub>2</sub> eq/1 million yen</p> <p>Global:</p> <p>Ministry of the Environment DB*<sup>1</sup> [5] Emissions intensity based on input-output table</p> <p>Value based emission intensity of each product (based on purchaser price)</p>

			<p>Road freight transportation: 3.93 t-CO<sub>2</sub> eq/1 million yen</p> <p>Railway freight transportation: 4.90 t-CO<sub>2</sub> eq/1 million yen</p> <p>Air transportation: 12.14t-CO<sub>2</sub> eq/1 million yen</p> <p>Ocean transportation: 27.33 t-CO<sub>2</sub> eq/1 million yen</p> <p>Classification unknown: 3.19 t-CO<sub>2</sub> eq/1 million yen</p>
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5	Waste generated from business	<p>&lt;Emissions from industrial waste transportation&gt;</p> <p>Japan:</p> <p>Calculation method of CO2 emissions from save energy sources related to freight transportation by shippers, as stipulated by the Energy Conservation Law</p> <p>Global operations:</p> <p>Transportation cost (1 million yen) × emission intensity</p> <p>Japan operations:</p> <p>Industrial waste emissions × emission intensity Overseas operations: Industrial waste disposal cost (1 million yen) × emission intensity</p> <p>&lt;Emissions from Industrial Waste Disposal&gt;</p> <p>Japan operations:</p> <p>Industrial waste emissions × emission intensity</p> <p>Global operations:</p> <p>Industrial waste disposal cost (1 million yen) × emission intensity</p>	<p>&lt;Emissions from industrial waste transportation&gt;</p> <p>Japan operations:</p> <p>" Greenhouse gas emission calculation / reporting manual"</p> <p>Global: Ministry of the Environment's DB * 1 [5] Emissions intensity based on the input-output table</p> <p>Road freight transportation: 3.93 t-CO<sub>2</sub> eq/1 million yen</p> <p>&lt;Emissions from Industrial Waste Disposal&gt;</p> <p>Japan operations: Ministry of the Environment's database * 1 (8)</p> <p>Emission intensity by type of waste (Exclude the waste transport stage)</p> <p>Global: Ministry of the Environment's DB * 1 [5] Emissions intensity based on the input-output table</p> <p>Emissions intensity on a monetary basis for each product (buyer price basis)</p> <p>Waste disposal (industry): 7.81 t-CO<sub>2</sub> eq/1 million yen</p>
6	Employee travel	<p>&lt; Japan &gt;</p> <p>Number of employees x emission factor</p>	<p>Japan:</p> <p>Ministry of the Environment DB*<sup>1</sup> [13] Employees Emission intensity per</p>

		<p>&lt; Global &gt;</p> <p>① Number of days by type of business trip (domestic day trip, domestic overnight stay, overseas business trip) x emission intensity</p> <p>② Number of employees x emission factor</p>	<p>employee</p> <p>Global:</p> <p>① Ministry of the Environment DB*<sup>1</sup> [13] Emissions intensity per employee's total business trip days</p> <p>② Ministry of the Environment DB*<sup>1</sup> [13] Employees Emission intensity per employee</p>
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7	Employee commuting	<p>&lt; Japan &gt;</p> <p>Four wheels and two wheels: Round trip commuting distance x average number of working days per month x 12 ÷ fuel consumption x emission factor</p> <p>Public transportation: Number of public transportation users x Emission intensity by type of work (office, factory) and city classification (large city, medium city, etc.)</p> <p>&lt; Overseas &gt; same calculation method as the domestic public transportation method</p>	<p>Fuel consumption of four wheels and two wheels: Fuel consumption specified in the Company Regulation "Standards for Payment of Commuting Allowance for Private Vehicles"</p> <p>Two-wheel: 25 km/l Four-wheel: 11.2km/l</p> <p>Fuel emission factor: Ministry of the Environment DB*<sup>1</sup>[2] Emissions intensity of gasoline using the transportation ton-kilometer method: 2.32t-CO<sub>2</sub>/kl</p> <p>Public transportation: Ministry of the Environment DB*<sup>1</sup>[14] Emissions intensity per employee (days worked)</p>
9	Downstream transport	<p>·the Act on the Rational Use of Energy (Energy Conservation Act)'s calculation method for energy-related CO2 emissions from freight transportation by consignors *</p> <p>*Shippers: Transportation of three specific customers is included in the calculation.</p> <p>·Automatic calculation method of transportation distance using overseas transportation CO2 calculation tool developed by Nippon Express co.</p>	<p>·Greenhouse Gas Emission Calculation and Reporting Manual</p> <p>·<a href="https://www.nittsu.co.jp">NX-GREEN Calculator   Logistics Solutions   Nippon Express (nittsu.co.jp)</a></p>
11	Use of sold products	<p>Annual electric power consumption per unit of each product x CO<sub>2</sub> emission intensity of electric power at the time of use x service life of each product x number of units shipped for each product in the year</p> <p>*For some products, figures for similar products are substituted.</p>	<p>&lt; CO<sub>2</sub> emission intensity of electricity used &gt;</p> <p>IEA Emissions Factors 2022 Global 2021 0.4591 kg-CO<sub>2</sub>/kWh</p>

12	Disposal of sold products	<p>Amount of CO<sub>2</sub> emitted at the time of disposal of each product x the number of units shipped for each product in the fiscal year</p> <p>*For some products, figures for similar products are substituted.</p>	<p>CO<sub>2</sub> emissions during product disposal: Calculated based on in-house LCA results from the weight of waste assumed for each product, treatment method, transportation distance, and transportation means.</p> <p>Waste transportation unit: IDEA(Inventory Database for Lifecycle Analysis) 10 t truck 0.126 t-CO<sub>2</sub>/t · km</p> <p>Unit of waste disposal/crushing: IDEA(Inventory Database for Lifecycle Analysis) 0.00382 t-CO<sub>2</sub>/t</p>
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Note: Categories not listed above are not covered by Scope3.

\*(1) A database of emission intensity used in calculating supply chain emissions (Ver. 3.4) is used.