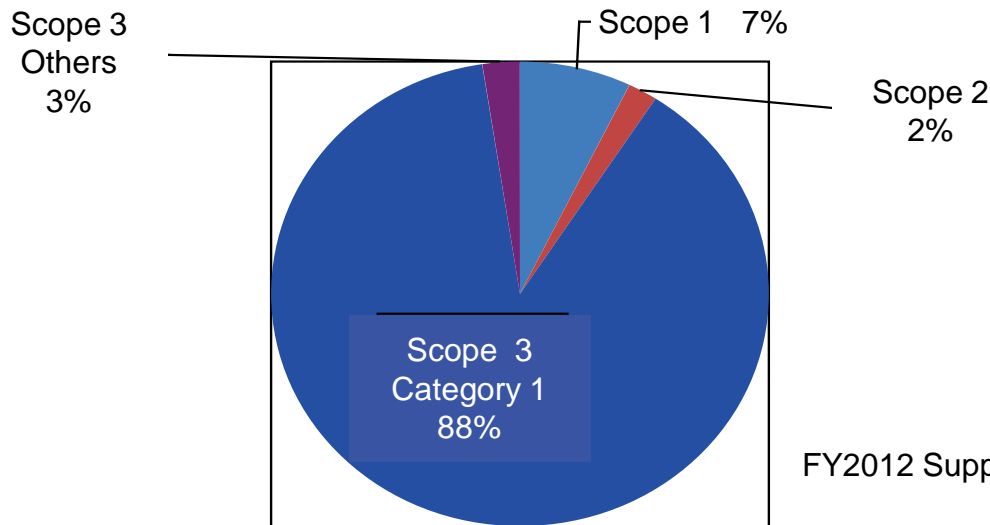


	Company thinking
<input type="checkbox"/> Background and purpose for accounting	<ul style="list-style-type: none"> • The Nippon Express Group's Environmental Charter has the basic principle, "To aggressively contribute to preserving the global environment," so our goal is to reduce greenhouse gases by implementing logistics that are easy on the environment. • We have been participating in the "Logistics WG" established under the Ministry of the Environment and Ministry of Economy, Trade and Industry "Survey and Study Committee on Organizational Greenhouse Gas Emissions through Supply Chains," and have been studying Scope 3 accounting in the logistics industry. • Our goal is to promote efforts to reduce greenhouse gases by understanding the greenhouse gas emissions in the entire supply chain.
<input type="checkbox"/> Utilization of accounting results	<ul style="list-style-type: none"> • We will announce the accounting results in our CSR reports, questionnaires, etc. • We will use the results when confirming the effectiveness of emissions reduction and when studying reduction measures.
<input type="checkbox"/> Advantages of accounting	<ul style="list-style-type: none"> • Scope 3 emissions, especially those from work subcontracted to cooperating companies, accounted for 88 percent of the greenhouse gas emissions, so we realized the need for efforts encompassing the entire supply chain in order to make greenhouse gas reduction measures more effective. • We were able to discover new possibilities in promoting greenhouse gas reduction by setting new goals.
<input type="checkbox"/> Internal accounting organization	<ul style="list-style-type: none"> • Data was collected and calculated by the CSR Department. • Items which could not be quantified were calculated based upon the amounts paid and equipment implementation amounts in the accounting data. With respect to investments, estimates were based on the Scope 1 and 2 data announced by the companies that we invested in.

Company thinking

<p><input type="checkbox"/> To reduce supply chain emissions</p>	<ul style="list-style-type: none"> • Work mainly centering on transport that is subcontracted to our cooperating companies accounts for 88 percent of greenhouse gas emissions, so it is important to cooperate with these cooperating companies to reduce greenhouse gas emissions. Therefore, we studied how to create an actual structure with our cooperating companies.
<p><input type="checkbox"/> Tasks to account for supply chain emissions</p>	<ul style="list-style-type: none"> • Scope 1 and 2 are calculated for our entire group, but Scope 3 is calculated individually by company, so constructing a data collection mechanism that will allow Scope 3 accounting for all group companies is necessary. • Because a large percentage of items are calculated based on the payment amounts, the calculation results are more easily affected by business expansion and contraction, rather than by the effects of energy saving measures.
<p><input type="checkbox"/> For those starting to account for supply chain emissions</p>	<ul style="list-style-type: none"> • With regard to the current accounting results, we were able to receive external advice from the "Supply Chain Emissions Accounting Support" project consigned by the Ministry of the Environment. We believe that receiving advice from an external source when starting these efforts is effective.



FY2012 Supply Chain Emissions Accounting Results

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Raw material and other material procurement amount; amount paid to cooperating companies 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 2: Capital goods	<ul style="list-style-type: none"> Capital goods procurement amount 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Electricity and steam energy usage 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Estimated from waste quantity 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 5: Waste generated in operations	<ul style="list-style-type: none"> Emissions by type of waste 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 6: Business travel	<ul style="list-style-type: none"> Business travel expenses paid 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 7: Employee commuting	<ul style="list-style-type: none"> Commuting expenses paid 	<ul style="list-style-type: none"> Ministry of the Environment DB
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> Not applicable (Calculated in Scope 1 and 2) 	<ul style="list-style-type: none">
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 10: Processing of sold products	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 11: Use of sold products	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 14: Franchises	<ul style="list-style-type: none"> Not relevant 	<ul style="list-style-type: none">
Category 15: Investments	<ul style="list-style-type: none"> Scope 1 and 2 figures announced by companies invested in 	<ul style="list-style-type: none"> Percentage of shares owned
Others	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">