1 Misawa Homes Co., Ltd.

	Company thinking
☐ **Background and purpose for accounting**	• Because questions concerning supply chain emissions are increasing in the Nikkei "Environmental Management" surveys, GRI-G4, etc. • In order to increase awareness and activities for reducing greenhouse gas emissions within our entire group.
☐ **Utilization of accounting results**	• To reply to external corporate assessments and to disclose on our web site. • To confirm the effectiveness of our efforts to reduce emissions and to study reduction measures.
☐ **Advantages of accounting**	• Clarifies the goals for our entire group. • From the point of view of reducing greenhouse gases, clarifies the items that we must approach as a group.
☐ **Internal accounting organization**	• Data is collected from the related internal departments and the CSR and Environmental Affairs Section does the accounting. • Each department collects data regarding energy used by buildings based on their development and design, the energy used in producing parts in factories, the energy used at work sites, the energy used during transport, waste and labor and management related data.

	Company thinking
☐ **To reduce supply chain emissions**	• Reduce CO_2 emissions in the development of products and parts. • Promote material-saving designs and industrial construction. • With respect to residences, the residential period has a large affect, so make proposals on how people should live in the houses.
☐ **Tasks to account for supply chain emissions**	• Comprehending energy usage at dealer offices. • When sampling data is converted to actual data, there is a tendency for emissions to increase. • There is an affect from the cost of the selected materials. • More efficient data collection is necessary. • Comprehending the reduction effect of CO_2 emission factor fluctuations.
☐ **For those starting to account for supply chain emissions**	• Constructing a mechanism that allows data collection. • Understanding the categories that have large affects.

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Category	Accounting methods	
	Activity data	**Emission factor**
Category 1: Purchased goods and services	• Procurement quantity of raw materials and other materials	• Architectural Institute of Japan LCA Guidelines
Category 2: Capital goods	• Procurement cost of capital goods	• 3EID base emission factor per cost
Category 3: Fuel and energy related activities not included in Scope 1 or 2	• Electricity and other energy usage	• Emission factor per energy usage
Category 4: Transportation and delivery (upstream)	• Fuel usage by the sender used for transport	• Emission factor per fuel
Category 5: Waste generated in operations	• Waste emissions by type	• Emission factor by waste type
Category 6: Business travel	• Number of employees	• Emission factor per employee
Category 7: Employee commuting	• Number of employees	• Emission factor by employment format and by city type
Category 11: Use of sold products	• Energy usage while living in a residence (30-year period)	• Emission factor per energy usage

Supply Chain Emissions Accounting Results

☐ **Accounting results**

Category 4
3.6%

Category 2
3.4%

Other 3.3%

Scope 1 and 2
5.1%

Category 11
35.3%

Scope 3
94.9%

Category 1
49.3%