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	Companies' approach				
Background and purpose of accounting	 To accomplish the GLORY Environmental Vision, our CO2 emissions in terms of both "Products" an "Awareness" of environmental conservation. We have been continuously performing a Life Cycle be able to better understand the significance of C product development life cycle, by accounting for emissions. We are seeing an increasing demand from stakeholders and outside surveys for information disclosure. 	id "Busines cle Assessi O2 emissio	ss," focusing on the ment of our product ons reduction along lizing" our Scope 3	s. We will	
Utilization of accounting results	 In pursuing GHG emissions reduction across the entire supply chain, we use our accounting results to prioritize target areas and carry out our reduction activities more effectively and efficiently. By responding to corporate evaluation by outside entities and releasing our accounting results on our website, we will be able to leverage these results to have our environmental activities better recognized. 				
Benefits of accounting	 We can make it clear and identify which Categories involve high emissions along the supply chain, and the extent to which potential opportunities for emissions reduction lie under such Categories. 				
Internal system for accounting	• The Quality and Environmental Promotion Department at Headquarters takes the initiative in having our accounting objectives shared, through the Corporate Environmental Committee, and then collects necessary information from our Group companies and the relevant departments/divisions to aggregate our overall emissions across the Group.				

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Efforts to reduce supply chain emissions	 We seek to develop energy-saving products and reduce to weight of products, thereby promoting activities and initial reduction. To achieve our long-term goal of reducing CO2 emissions from our products during use by 30% from the level in 2005 by 2030, we have been committed to developing environmentally-friendly products. We also pursue CO2 emissions reduction along the life cycle, through product assessments or Life Cycle Assessments, and accordingly recognize those products that meet our own environmental performance Company Standards as "G-Eco Products." In addition, we are promoting our environmental activities by incorporating into our medium-term environmental plan specific targets aimed at reducing supply chain emissions with increased percentage of "G-Eco Products" in development and sales. 	•	
Issues in supply chain emissions accounting	• We will need to improve the performance and accuracy in supply chain accounting under those Categories that involve higher emissions, and extend boundaries to include emissions from overseas (e.g. Categories 1, 2, 4 and 11).		

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Category	Activity data	Emission factor		
Category 1: Purchased goods and services	Amount of money of goods and services we purchased ourselves	Emission factor database*		
Category 2: Capital goods	Capital investment amount	Emission factor database*		
Category 3: Fuel and energy related activities not included in Scope 1 or 2	Quantity amount of procured fuel and electricity	Emission factor database*		
Category 4: Transportation and delivery (upstream)	Transportation in ton-kilometers	CFP Communications Program Basic Database, ver. 1.01		
Category 5: Waste generated in operations	Amount of waste disposed of by disposers	Emission factor database*		
Category 6: Business travel	Transportation expenses paid	Emission factor database*		
Category 7: Employee commuting	Commuting transportation expenses paid	Emission factor database*		
Category 8: Leased assets (upstream)	Floor area of leased buildings (i.e. warehouses)	Emission factor database*		
Category 9: Transportation and delivery (downstream)	(excluded from accounting)	N/A		
Category 10: Processing of sold products	(excluded from accounting)	N/A		
Category 11: Use of sold products	Amount of electricity used by our products; Product lifetime; Number of units sold	Overall averaged value based on FY2012 results of CO2 emission factors by electric power provider		
Category 12: End-of-life treatment of sold products	Weight of products; Annual number of units sold	Emission factor database*		
Category 13: Leased assets (downstream)	(excluded from accounting)	N/A		
Category 14: Franchises	(excluded from accounting)	N/A		
Category 15: Investments	Scope 1 and 2 emissions from investment destination; Share holding ratio	Emission factors used by investee companies		

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