

	Company thinking
□ Background and purpose for accounting	<ul style="list-style-type: none"> ● The Yaskawa Group is promoting environmental management by taking measures against global warming, by pursuing the recycling and the saving of resources, and by ensuring proper management of chemical substances as our priority objectives. For conservation of global environment, actions over the supply chain is more and more important. ● In recent years, we have received more surveys on supply-chain emissions from external parties, including the CDP and the Nikkei Environmental Management Survey.
□ Utilization of accounting results	<ul style="list-style-type: none"> ● To understand the state of emissions from our entire supply chain, which we can utilize in considering effective options to reduce emissions and in evaluating improvements. ● As a company to deal with eco-friendly or energy-related products, we consider the accounting result of Category 11 emissions as an indicator to measure contributions through products, which is used for product development and external promotions. ● To respond to external surveys such as the CDP and the Nikkei Environmental Management Survey. Meanwhile, we cite the result in our CSR reports, etc., to draw public attentions to our efforts in the group.
□ Advantages of accounting	<ul style="list-style-type: none"> ● This accounting allows more efficient reduction of supply-chain emissions. ● We can use the results for external communication to promote environmental performance of our products and corporate actions for environmental conservation. ● We can provide high-transparent responses to external surveys such as the CDP and the Nikkei's Environmental Management Survey.
□ Internal accounting organization	<ul style="list-style-type: none"> ● Our environment department collects data from relevant divisions, and performs calculation and accounting. ● It is necessary to establish a system that involves relevant divisions in this action in order to improve accuracy and efficiency.

	Company thinking
<p>❑ To reduce supply chain emissions</p>	<ul style="list-style-type: none"> ● As for our environment- or energy-related products, energy efficiency is a key factor in product performance. Therefore, for product development, we strive for efficiency improvement in our daily operation. ● We have established a system to conduct LCA, and share the results in the company. ● Our logistics division conducts intensity-based emissions control and works to improve performance by setting reduction targets. Specifically, they recognize the state of emissions from transportation and packaging each, and take actions such as modal shift, loading ratio improvement and packaging material reductions.
<p>❑ Tasks to account for supply chain emissions</p>	<ul style="list-style-type: none"> ● There are some activity data that we found difficulty in obtaining or took so much troubles to secure data accuracy. Therefore, we are very much interested in how advance players would have addressed these matters in Scope 3 accounting. For promoting supply-chain emission reductions, it would be effective if supply-chain companies encourage each other to improve accounting skills through exchanging information. ● In particular, Categories 1, 11 and 12 are what we thought extremely difficult to obtain comprehensive data. It is essential to establish a system or structure that secures operators to obtain primary data.
<p>❑ Other comments (optional)</p>	<ul style="list-style-type: none"> ● As an accounting direction, we firstly worked to include more categories instead of pursuing accuracy, then performed accounting focusing on categories with large share of emissions. ● In the future, we will focus on to improve accuracy of accounting results for categories to be adopted as indicators to measure corporate actions.

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	● Volume of material used per product unit	● The LCA-Pro (a software to support LCA) is used.
Category 2: Capital goods	● Amount of capital investment	● Emission factor per amount of capital goods
Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	● Energy consumption from use of fuel, electricity, steam and cold/warm water	● Emission factor per electricity or heat used. The CFP-DB
Category 4: Upstream transportation and distribution	● Fuel consumption (for fuel approach); travel distance per fuel used (for efficiency approach); transportation ton-kilometer (for ton-kilometer approach)	● Emission factor with regard to “Transportation” in the Accounting and Reporting System under the Global Warming Prevention Act.
Category 5: Waste generated in operations	● Waste generation by type of waste	● Emission factor by type of waste
Category 6: Business travel	● Number of employees	● Emission factor per employee
Category 7: Employee commuting	● Number of employees	● Emission factor per number of employee and per number of working days
Category 8: Upstream leased assets	● Excluded from the boundary	● Excluded from the boundary
Category 9: Downstream transportation and distribution	● Excluded from the boundary	● Excluded from the boundary
Category 10: Processing of sold products	● Excluded from the boundary	● Excluded from the boundary
Category 11: Use of sold products	● Volume of product sold; hours of product operation over the lifetime; energy consumption per hour	● The LCA-Pro (a software to support LCA) is used.
Category 12: End-of-life treatment of sold products	● Volume of material used per product unit	● The LCA-Pro (a software to support LCA) is used.
Category 13: Downstream leased assets	● Excluded from the boundary	● Excluded from the boundary
Category 14: Franchises	● Excluded from the boundary	● Excluded from the boundary
Category 15: Investments	● Excluded from the boundary	● Excluded from the boundary