

	Companies' approach
<p><b>□ Background and purpose of accounting</b></p>	<ul style="list-style-type: none"> <li>To take action to tackle global warming, we realize the importance of understanding our overall environmental impacts, including both upstream and downstream activities.</li> <li>Underlying this awareness are the following reasons: <ul style="list-style-type: none"> <li>- The construction industry involves, as its products, buildings and other structures, which are social infrastructures intended for long-term use. =&gt; What matters environmentally is the environmental impacts buildings will have while they are in service.</li> <li>- The construction industry is a representative resource-intensive industry. =&gt; What also matters is the environmental impacts arising from the production, transfer, handling and disposal of building materials.</li> </ul> </li> </ul>
<p><b>□ Utilization of accounting results</b></p>	<ul style="list-style-type: none"> <li>Identify and focus on priority issues to be addressed.</li> <li>Evaluate the results of our efforts and activities.</li> </ul>
<p><b>□ Benefits of accounting</b></p>	<ul style="list-style-type: none"> <li>Enabled to evaluate the relevant environmental aspects quantitatively.</li> </ul>
<p><b>□ Internal system for accounting</b></p>	<ul style="list-style-type: none"> <li>The Environmental Management Committee, a subcommittee of the Corporate Environmental Committee, deals with and organizes the task of supply chain emissions accounting.</li> </ul>

	Companies' approach
<p>❑ <b>Efforts to reduce supply chain emissions</b></p>	<ul style="list-style-type: none"> <li>• Continuously improve the energy-saving performance of buildings designed by us. =&gt; We account for, and draw on, their CO2 emissions while they are in service as one of the indicators to evaluate the results of our efforts.</li> <li>• Promote the utilization of recycled materials as building materials. =&gt; We draw on reductions of CO2 emissions arising from the production of materials as one of the indicators to measure the implications of the use of recycled them.</li> <li>• Promote an effective use of construction sludge. =&gt; We draw on those CO2 emissions data for waste disposal as one of the indicators to measure the importance of construction sludge in waste disposal.</li> </ul>
<p>❑ <b>Issues in supply chain emissions accounting</b></p>	<ul style="list-style-type: none"> <li>• Validity of emission factors used</li> <li>• Periodic review or revision of emission factors</li> <li>• Social authorization of emission factors</li> </ul>
<p>❑ <b>Other remarks</b></p>	<ul style="list-style-type: none"> <li>• When it comes to the construction industry, a wide variety of materials are used at ever-moving, transient construction or production sites. In this context, we will need to compromise to some extent in the accuracy or details, while ensuring a certain level of validity, when we undertake the task of supply chain emissions accounting.</li> </ul>

## 3

## Kajima Corporation

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> <li>Amount of construction materials procured</li> </ul>	<ul style="list-style-type: none"> <li>Emission factor per amount of money, according to the Architectural Institute of Japan</li> </ul>
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> <li>Amount of construction materials procured</li> </ul>	<ul style="list-style-type: none"> <li>Emission factor per average volume in ton-kilometers for main construction materials (based on industry groups' surveys)</li> </ul>
Category 5: Waste generated in operations	<ul style="list-style-type: none"> <li>Amount of waste discharged, by type</li> </ul>	<ul style="list-style-type: none"> <li>Emission factor by waste item (based on our own surveys)</li> </ul>
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> <li>Volume of surplus soil and waste carried out, and the distance transferred</li> </ul>	<ul style="list-style-type: none"> <li>Average fuel economy for trucks</li> <li>CO2 emission factor for light oil</li> </ul>
Category 11: Use of sold products	<ul style="list-style-type: none"> <li>Total floor area of buildings we designed and constructed</li> </ul>	<ul style="list-style-type: none"> <li>Energy efficiency of individual buildings</li> </ul>
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> <li>Amount of energy used by leased buildings</li> </ul>	<ul style="list-style-type: none"> <li>Emission factor by energy type</li> </ul>

## Accounting results

### FY2013 accounting results:

- Category 1: Purchased goods and services  
1,271 million t-CO<sub>2</sub>/yr
- Category 4: Transportation and delivery (upstream)  
26,000 t-CO<sub>2</sub>/yr
- Category 5: Waste generated in operations  
22,000 t-CO<sub>2</sub>/yr
- Category 9: Transportation and delivery (downstream)  
49,000 t-CO<sub>2</sub>/yr
- Category 11: Use of sold products  
44,000 t-CO<sub>2</sub>/yr
- Category 13: Leased assets (downstream)  
24,000 t-CO<sub>2</sub>/yr

### An illustration of disclosed accounting results by example (Category 5: Waste generated in operations)

