

Corporate Policies	
<input type="checkbox"/> Background and purpose for accounting	<ul style="list-style-type: none"> • To respond to increasing demand for information disclosure through Nikkei “Environmental Management” surveys, GRI-G4, etc. • To increase awareness and activities for reducing greenhouse gas emissions throughout our group companies.
<input type="checkbox"/> Utilization of accounting results	<ul style="list-style-type: none"> • To use the results in external corporate assessment questionnaires and to disclose them on our web site. • To confirm the effectiveness of our efforts to reduce emissions and to review effective reduction measures.
<input type="checkbox"/> Advantages of accounting	<ul style="list-style-type: none"> • To clarify the reduction targets for all of our group companies. • To clarify action targets we aim to achieve to reduce greenhouse gases.
<input type="checkbox"/> Internal accounting system	<ul style="list-style-type: none"> • Relevant data is collected from the in-house departments involved and the CSR and Environmental Affairs Unit does the accounting. • Each responsible department collects data in reference to energy usage in the production, transportation, construction and occupancy stages, as well as data regarding waste, business operations etc.

Corporate Policies	
<p><input type="checkbox"/> To reduce supply chain emissions</p>	<ul style="list-style-type: none"> • Reduce CO₂ emissions in the development of products and parts. • Promote material-saving designs and industrialized construction systems. • Promote supply of greener homes and supply software products regarding how to live in them because energy consumption is very large in the occupancy stage.
<p><input type="checkbox"/> Keys to account for supply chain emissions</p>	<ul style="list-style-type: none"> • Accurately measure energy usage at sales dealer offices. • Data, currently compiled on sampled sources, may become invalid when it is compiled from actual sources. • Costs are given priority commercially over green materials. • Efficiency is necessary for data collection. • Changes in CO₂ emission coefficient make it hard to measure the reduction effects. This needs to be systematized.
<p><input type="checkbox"/> For those starting to account for supply chain emissions</p>	<ul style="list-style-type: none"> • Results are certified by a third party specialized entity to increase reliability and transparency.

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Procurement quantity of raw materials and other materials 	<ul style="list-style-type: none"> Architectural Institute of Japan LCA Guidelines
Category 2: Capital goods	<ul style="list-style-type: none"> Procurement cost of capital goods 	<ul style="list-style-type: none"> 3EID base emission factor per cost
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Electricity and other energy usage 	<ul style="list-style-type: none"> Emission factor per energy usage
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Fuel usage by the sender used for transport 	<ul style="list-style-type: none"> Emission factor per fuel
Category 5: Waste generated in operations	<ul style="list-style-type: none"> Waste emissions by type 	<ul style="list-style-type: none"> Emission factor by waste type
Category 6: Business travel	<ul style="list-style-type: none"> Number of employees 	<ul style="list-style-type: none"> Emission factor per employee
Category 7: Employee commuting	<ul style="list-style-type: none"> Number of employees 	<ul style="list-style-type: none"> Emission factor by employment format and by city type
Category 11: Use of sold products	<ul style="list-style-type: none"> Energy usage while living in a residence (30-year period) 	<ul style="list-style-type: none"> Emission factor per energy usage

Supply Chain Emissions Accounting Results

Accounting results

