1 Nikon Corporation

	Companies' approach
☐ **Background and purpose of accounting**	• Because of the growing social demand on disclosing supply chain GHG emissions • To identify environmental impacts across our corporate activities, and advance our efforts in reducing it.
☐ **Utilization of accounting results**	• We will use the results as a reference for responding to external environmental related surveys, and also publicize it through CSR reports etc. • To identify categories with large emissions, and consider measures focusing on those categories.
☐ **Benefits of accounting**	• By clarifying which parts of our supply chain involve higher GHG emissions, we can use the accounting results in reviewing the prioritization of our reduction activities in the future. • We will be able to respond to external requests for disclosure.
☐ **Internal system for accounting**	• Data will be collected from the relevant departments (accounting department, logistics department, business division and each plant, etc.) in the company, and the environmental management section is in charge of accounting.

	Companies' approach
☐ **Efforts to reduce supply chain emissions**	• Promote the reduction efforts in distribution. We are trying to identify the distribution routes, including those used by our group manufacturing companies in Japan, and obtain numerical data on transportation volumes and CO_2 emissions. We continuously strive to reduce the environmental impact from our distribution by various means such as loading ratio improvement, modal shifts and direct delivery. • The Nikon Product Assessment is used. We strive to reduce the environmental load throughout the product life cycle.
☐ **Issues in supply chain emissions accounting**	• The accounting results are in proportion with sales. It makes it difficult for us to address CO_2 reduction activities. • The accuracy of the activity data and the accounting methods can be improved. • The accounting should be more efficiently conducted.
☐ **Other remarks**	• The results for Category 1, 9, 11, 12 are roughly estimated, due to the types and accuracy of the activity data.

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Category	Accounting methods	
	Activity data	**Emission factor**
Category 1: Purchased goods and services	• Procurement amount of parts (weight, monetary value) (*3)	• CFP-DB(*1)、SC-DB(*2)
Category 2: Capital goods	• Amount of capital investment	• SC-DB(*2)
Category 3: Fuel and energy related activities not included in Scope 1 or 2	• Amount of energy procured	• CFP-DB(*1)、SC-DB(*2)
Category 4: Transportation and delivery (upstream)	• Distribution data (transport distance is set by scenario settings)	• Ton-kilometer method
Category 5: Waste generated in operations	• Amount of waste discharged	• SC-DB(*2)
Category 6: Business travel	• Business travel expenses	• SC-DB(*2)
Category 7: Employee commuting	• Commuting expenses	• SC-DB(*2)
Category 8: Leased assets (upstream)	• Calculations included in Scope 1,2	
Category 9: Transportation and delivery (downstream)	• Amount of sales (transportation weight, transport distance is set by scenario settings) (*3)	• Ton-kilometer method
Category 10: Processing of sold products	• Not calculated (because the amount is very small)	
Category 11: Use of sold products	• Number of units sold, amount of energy used(*4)	• SC-DB(*2)
Category 12: End-of-life treatment of sold products	• Weight of products, number of units sold(*4)	• SC-DB(*2)
Category 13: Leased assets (downstream)	• Not calculated (because the amount is very small)	
Category 14: Franchises	• There are no relevant activities	
Category 15: Investments	• Not applicable (because we are neither an investment company nor a company that provides financial services)	
Other	• Not calculated because it is an option category	

*1 CFP-DB：Carbon Footprint Communications Program Basic Database, Ver. 1.01 (Domestic Data)
*2 SC-DB：Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver2.2
*3 Scope of calculation：Imaging Products Business Department
*4 Scope of calculation：Imaging Products Business Department, Precision Equipment Business Department

Accounting results

The ratio of CO2 emissions

9.Transportation and delivery (downstream); 0.02%

11.Use of sold products; 8.24%

12.End-of-life treatment of Sold products; 0.62%

7.Employee commuting; 0.33%

Scope1; 2.06%

6.Business travel; 0.46%

5.Waste generated in operations; 0.36%

Scope2; 16.23%

4.Transportation and delivery(upstream); 9.07%

3.Fuel and energy related activities not included in Scope 1 or 2; 1.48%

2.Capital goods; 8.28%

1.Purchased goods and services; 52.85%