

1

Kewpie Corporation

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> ● To account for the emissions of the entire supply chain, and thereby visualize the environmental load of our operations. ● To meet requests for information disclosure from stakeholders including CDP.
② Utilization of accounting results	<ul style="list-style-type: none"> ● To understand the supply chain emissions and identify reduction targets. ● To pursue collaboration with other companies in the supply chain, in order to develop products with less environmental load. ● To disclose accounting results for various verifications including CDP, and on our company website.
③ Benefits of accounting	<ul style="list-style-type: none"> ● Understanding emissions in Scope 1, 2, and 3 facilitates consideration of priority issues of group companies. ● Accounting enables quantitative evaluation of climate risks in the supply chain. ● Accounting helps set a quantitative reduction target and evaluate the progress of our commitment.
④ Internal system for accounting	<ul style="list-style-type: none"> ● CSR department performs accounting. Data on accounting, distribution, and the environment are collected from each department our group companies.

2

Kewpie Corporation

	Companies' approach
⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> ● As a result of this accounting, the Scope 3 emissions has turned out to account for 88% of the entire emissions including Scope 1 and 2. As for the breakdown of the Scope 3, category 1 and 4 account for approximately 70%, most of which comprise emissions associated with purchase and transportation of raw materials. We will consider reduction prioritizing these categories. ● Regarding transportation and delivery in category 4, we will continuously work on CO2 emissions reduction through promotion of modal shift and improvement of load efficiency. ● Regarding purchased goods in category 1, we will promote improvement in production yields of manufacturing in our company while also considering means for emissions reduction.
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> ● Expansion of the scope of accounting from Kewpie Corporation alone to the entire group companies. ● Majority of the present accounting results are based on purchased value, and not suitable for representing the result of reduction efforts, which create the need for accounting based on amounts in categories with higher emissions. ● Categories accounting for less than a few percent of the entire emissions, such as CO2 associated with business travel and employee commuting are thought to leave room for improvement of accounting method, taking into account the time and efforts for accounting. ● Improvement of accuracy of emissions.
⑦ Other	

3

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カテゴリ	Accounting methods ※Accounting period: December 2018 - November 2019	
	Activity data	Emission factor
Category 1: Purchased goods and services	● Weight of purchased raw materials and materials	● Emission factor per weight
Category 2: Capital goods	● Value of investment in facilities	● Emission factor per value of investment
Category 3: Fuel and energy related activities not included in Scope 1 or 2	● Amount of energy usage by type	● CFP-DB, SC-DB
Category 4: Transportation and delivery (upstream)	● Transportation by consigners ● Amount of activity based on a transportation scenario per procured goods	● Ton-kilometer method ● Emission factor during transportation
Category 5: Waste generated in operations	● Weight of waste	● Emission factor per weight
Category 6: Business travel	● Number of employees	● Emission factor per employee
Category 7: Employee commuting	● Number of employees, number of days worked	● Emission factor per number of employees and number of days worked
Category 8: Leased assets (upstream)	● Already accounted for in Scope 1 and 2	
Category 9: Transportation and delivery (downstream)	● Weight of products shipped, transportation of products is based on a scenario	● Emission factor during transportation
Category 10: Processing of sold products	● Quantity sold per product group	● Energy indirectly consumed per product
Category 11: Use of sold products	● Quantity sold per product group	● Energy indirectly consumed per product
Category 12: End-of-life treatment of sold products	● Weight of packaging materials used for products	● Emission factor per weight
Category 13: Leased assets (downstream)	● N/A	
Category 14: Franchises	● N/A	
Category 15: Investments	● N/A	
Other	● N/A	

4

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Supply chain emissions : Accounting results

