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Komori Corporation

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> Komori started to add new policy "Beyond the expectation for sustainable world" to our major environmental concept in response to SDG's declaration. For realization of it, Komori thought that it becomes to be requested to disclose the accurate environmental information and data of total company activities contained of supply-chain too. So Komori also started to calculate and disclose our scope3 data. Komori attended the support project of Environment Ministry in 2018, and it made available that we accurately count scope3 data by setting internal counting team and rules for it.
② Utilization of accounting results	<ul style="list-style-type: none"> In order to make a reliable social and environmental assessment, Komori set the CO2 reduction target when our machine is worked in customers as one formal evaluation criteria among our company's Eco Products certification criteria. Scope3 data helps to make more accurate those target and criteria. And Komori use Scope3 data for both of our Public relation and analysis of ourselves as criteria for guess of our environmental contribution.
③ Benefits of accounting	<ul style="list-style-type: none"> Komori's product supports the printing industry as one of important social infrastructures, and it's scale of social effect and supply-chain are so huge and wide. Because of that, Komori needs the accurate and easy criteria of CO2 calculation for setting long term goal of our environmental activities. On the view of Scope3, Komori became able to compare and judge with environmental burden and environmental contribution which one is superior on the business activities and total effect of it.
④ Internal system for accounting	<ul style="list-style-type: none"> Komori set the cross-sectional environment project "Green-PJ", and three department members (CSR・Personnel・Environment) who join to Green-PJ calculate Scope3 on each categories. For calculation, the rule which all company member cooperate and disclose information for calculation have been set and disseminated through top management.

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⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> • Category 1(Purchased goods & services) and Category 11(Use of sold products) account for 95% of total CO2. • For resolution of this problem, Komori have set the reduction ratio (reduce 15% as compared before) of power consumption in customer as target vales when Komori develop new machine. • From next term, Komori try to change calculation of Category 1 from method based on purchased amount of money to method based on weight of purchased goods little by little.(For example, so heavy items as like casting iron and so on) By that, Komori aim to count more accurate and substantial data, and reflect the effect of improvement activities.
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> • Our large printing machine needs very high rapid speed rotation and big power consumption. For that, major materials of the our machine have to be so heavy such as “casting irons” to protect specific technical problems. And almost of that materials have big CO2 emission for production of them. We have to develop the machine made by new material for improvement of Scope3 Category11, but also we have to inspect it’s validity so seriously and over very long term.
⑦ Other	<ul style="list-style-type: none"> • Now Komori start new support to improve total environmental genre of customer’s factory, and we try to reduce customer’s environmental burden over Category 11. For example, these are management of function and power consumption of factory’s facility(not only our machine),and improving waste problems and so on. • It’s theme from now how we express and inspect those environmental contribution.

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Category	Accounting methods ※Accounting period : April 2018 – March 2019	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Amount of money for purchased goods and services of factory and service department. 	<ul style="list-style-type: none"> 3EID(※1)、SC-DB(※2)
Category 2: Capital goods	<ul style="list-style-type: none"> Amount of money for investment of facility. 	<ul style="list-style-type: none"> SC-DB(※2)
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Amount of each purchased energies. 	<ul style="list-style-type: none"> CFP-DB(※3)、SC-DB(※2)
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Total weight and transport distance of purchases materials and parts and manufactured machine. 	<ul style="list-style-type: none"> SC-DB(※2)
Category 5: Waste generated in operations	<ul style="list-style-type: none"> Kind of wastes, and amount of wastes separated by method to dispose. 	<ul style="list-style-type: none"> SC-DB(※2)
Category 6: Business travel	<ul style="list-style-type: none"> Amount of money for business trip separated by transportation. 	<ul style="list-style-type: none"> SC-DB(※2)
Category 7: Employee commuting	<ul style="list-style-type: none"> Amount of money for attendance to the office separated by transportation. 	<ul style="list-style-type: none"> SC-DB(※2)
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> Exclusion. This is calculated in Scope1,2 	<ul style="list-style-type: none">
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> Exclusion. This is calculated in Category4 	<ul style="list-style-type: none">
Category 10: Processing of sold products	<ul style="list-style-type: none"> Exclusion. This is no processing of sold products 	<ul style="list-style-type: none">
Category 11: Use of sold products	<ul style="list-style-type: none"> Quantity and weight and LCA data of sold press machine in accounting year. 	<ul style="list-style-type: none"> Original LCA calculation by Komori
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Original calculation scenario for counting waste per 1 ton of press machine. 	<ul style="list-style-type: none"> Original calculation scenario by Komori
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> Exclusion. This is calculated in Category11 	<ul style="list-style-type: none">
Category 14: Franchises	<ul style="list-style-type: none"> Exclusion. This is out of our business . 	<ul style="list-style-type: none">
Category 15: Investments	<ul style="list-style-type: none"> Amount of investment, and ratio of ownership in total issued shares of investee. 	<ul style="list-style-type: none"> SC-DB(※2)
Other	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none">

※1 Basic guideline for calculation of GHS emission from supply-chain made by Ministry of Environment and Ministry of Economy

※2 CO2 emission intensity database(Ver.2.5) for calculation of the GHS emission from

※3 Basic database (ver.1.10) of Carbon footprint communication program for national data

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Supply chain emissions : Accounting results

- Category 1 and Category 11 are amounted 94% of Scope 3 because of Komori's business style. So it's important policy to correspond to the step of products development for reduction of it.

