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Nissin Electric Co., Ltd.

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> Nissin Electric Co., Ltd. provides social infrastructure products and systems such as electrical equipment. Since life-cycle of our products is relatively long, environmental impact in the supply chain can be large. Measuring and monitoring emissions of our entire supply chain quantitatively is one of the effective ways to lesson environmental impact in our supply chain.
② Utilization of accounting results	<ul style="list-style-type: none"> With measuring environmental impact in our supply chain, we would like to identify points where we need to put priority to work on emission reduction and strive to cut emissions in such areas. We would like to inform our performance to stakeholders including investors on “NISSIN REPORT”, our website and such.
③ Benefits of accounting	<ul style="list-style-type: none"> Measuring environmental impact in our entire supply chain help us spot areas with major environmental impact and clarify the reduction activities which we need to focus on. Presenting the direction of our reduction activities to stakeholders attracts technologies/services to cut emission when we develop our products.
④ Internal system for accounting	<ul style="list-style-type: none"> The environmental management department collects data from each department and compile them. The data of our subsidiaries abroad are collected through a domestic department which is responsible of providing support to them. We have obtained a third party assurance of the data for 2018 from an external certification body. We set SBT goals and 2025 SCOPE1 + 2 and SCOPE3 goals. We are working on it.

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Nissin Electric Co., Ltd.

	Companies' approach
<p>⑤ Efforts to reduce supply chain emissions</p>	<ul style="list-style-type: none"> • In CO2 emissions of our entire supply chain, it is important to focus on reduction for Category 11 (Use of sold products) since it is the main source of overall emissions. • Category 1 (Purchased goods and services) is a significant contributor followed by Category 11, so we recognize it is also our focal point to address. • We have already set mid and long term goals for Category 11 and 1, and are striving to reduce CO2 emissions. • We concentrate on developing and proliferating eco-friendly products approved by our environmentally friendly product certification system. • While promoting the effort internationally, we will facilitate activities to reduce environmental impact throughout the supply chain by working on developing and proliferating further efficient products(such as transformers), downsizing products, curbing SF6 emissions, promoting next generation's power system: "Smart Power Supply Systems" and others. • It set SBT goals and was certified by the SBT Initiative in June 2021.
<p>⑥ Issues in supply chain emissions accounting</p>	<ul style="list-style-type: none"> • We set mid and long term targets based on Science Based Targets. We are working to reduce supply chain emissions.

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Category	Accounting methods ※Accounting period : April 2020 - March 2021	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Weight of the purchased material (equipment), the amount of purchase (parts/services) 	<ul style="list-style-type: none"> Emission Factor Database*1, List of Emission Factors*2, our company own emission factor
Category 2: Capital goods	<ul style="list-style-type: none"> The amount of capital goods 	<ul style="list-style-type: none"> Emission Factor Database*1
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Energy usage 	<ul style="list-style-type: none"> Emission Factor Database*1, CFP-DB Communication Program Basic Database
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Volume of the purchased material (equipment) 	<ul style="list-style-type: none"> Emission Factor Database*1
Category 5: Waste generated in operations	<ul style="list-style-type: none"> Volume of waste by types 	<ul style="list-style-type: none"> Emission Factor Database*1
Category 6: Business travel	<ul style="list-style-type: none"> Headcount 	<ul style="list-style-type: none"> Emission Factor Database*1
Category 7: Employee commuting	<ul style="list-style-type: none"> Headcount, number of working days 	<ul style="list-style-type: none"> Emission Factor Database*1
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> Not calculated – included in Scope 1, 2 	
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> N/A 	
Category 10: Processing of sold products	<ul style="list-style-type: none"> N/A 	
Category 11: Use of sold products	<ul style="list-style-type: none"> Calculate approximately based on certain conditions for operation such as operating rates 	<ul style="list-style-type: none"> List of Emission Factors*2
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Volume of the purchased material 	<ul style="list-style-type: none"> CFP-DB
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> N/A 	
Category 14: Franchises	<ul style="list-style-type: none"> N/A 	
Category 15: Investments	<ul style="list-style-type: none"> N/A 	
Other	<ul style="list-style-type: none"> Not calculated – voluntary accounting 	

*1 Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain

*2 Mandatory Greenhouse Gas Accounting and Reporting System List of Emission Factors

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Nissin Electric Co., Ltd.

Supply chain emissions : Accounting results

CO₂ Emissions Results for the Entire Supply ChainTotal: 1,408,000t-CO₂

(Fiscal 2020; Nissin Electric Group in Japan + Overseas Group Companies)

