

Company thinking☐ **Background and purpose for accounting**

- GHG Protocol, Scope 3 standard is gradually becoming the de facto global standard.
- Disclosure based on this standard, including supply chain emissions, is becoming required by CDP.

☐ **Utilization of accounting results**

- Responding to CDP, CSR reports, and disclosing greenhouse gas emissions in the value chain on our web site.

☐ **Advantages of accounting**

- We hope to make this one of our quantitative indices to understand trends in global climate change countermeasures that use environment-conscious design.

☐ **Internal accounting organization**

- Data is collected from the related internal departments, then accounting is conducted by the Quality Environment Management Department.

	Company thinking
<input type="checkbox"/> To reduce supply chain emissions	<ul style="list-style-type: none"> • Resource saving and energy saving are included as important components in our product environment assessments for environment-conscious design, and we are promoting reduction of CO₂ in both procured parts and our products. • We are collaborating with our customers and our vendors in global climate change countermeasures because of the demand to strengthen supply chain management.
<input type="checkbox"/> Tasks to account for supply chain emissions	<ul style="list-style-type: none"> • Improving the accuracy of CO₂ emission factor for procured parts. • Setting scenarios for contributions to the environment when using products, etc.
<input type="checkbox"/> For those starting to account for supply chain emissions	<ul style="list-style-type: none"> • Gain an understanding of your own Scope 3 situation even if simple calculations are used.

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Procurement amount of raw materials and other materials 	<ul style="list-style-type: none"> 3EID base emission factor
Category 2: Capital goods	<ul style="list-style-type: none"> Procurement amount of capital goods 	<ul style="list-style-type: none"> 3EID base emission factor
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Electricity and steam energy usage 	<ul style="list-style-type: none"> CFP basic DB emission factor
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Fuel usage by the sender used for transport and procured distributed amount 	<ul style="list-style-type: none"> Electrical wire PCR + CFP basic DB emission factor
Category 5: Waste generated in operations	<ul style="list-style-type: none"> Waste emissions by type 	<ul style="list-style-type: none"> Ministry of the Environment DB (Ver. 2.0) emission factor
Category 6: Business travel	<ul style="list-style-type: none"> Amount of transportation expenses paid 	<ul style="list-style-type: none"> Ministry of the Environment DB (Ver. 2.0) emission factor
Category 7: Employee commuting	<ul style="list-style-type: none"> Amount of commuting expenses paid 	<ul style="list-style-type: none"> Ministry of the Environment DB (Ver. 2.0) emission factor
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> Not relevant because this is included in Scope 1 and 2. 	
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> Distribution by customers receiving deliveries 	<ul style="list-style-type: none"> Electrical wire PCR + CFP basic DB emission factor
Category 10: Processing of sold products	<ul style="list-style-type: none"> Sales of semi-finished products 	<ul style="list-style-type: none"> CFP basic DB emission factor
Category 11: Use of sold products	<ul style="list-style-type: none"> Excluding from accounting because there are no direct emissions during use. 	
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Product sales volume 	<ul style="list-style-type: none"> Electrical wire PCR + CFP basic DB emission factor
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> Not relevant 	
Category 14: Franchises	<ul style="list-style-type: none"> Not relevant 	
Category 15: Investments	<ul style="list-style-type: none"> Not relevant 	
<ul style="list-style-type: none"> Ministry of the Environment DB (Ver. 2.0): Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Electrical wire PCR: Product category rules (PCR) for "Organizing LCA Databases"; March 2010, JECTEC. 		

Details of Scope 1, 2 and 3 CO₂ Emissions for FY 2012

□ Accounting results

