

	Companies' approach
<input type="checkbox"/> Background and purpose of accounting	<ul style="list-style-type: none"> By understanding the greenhouse gas emissions, including the supply chain, we are able to establish the areas that we must focus on and we can use them to establish our long term goals.
<input type="checkbox"/> Utilization of accounting results	<ul style="list-style-type: none"> The percentage that each activity accounts for in the whole is comprehended and this data is used to form actions. By disclosing information through environmental reports and the like and sharing the accounting results internally, we can make our employees aware of how their individual jobs and actions affect the environmental load.
<input type="checkbox"/> Benefits of accounting	<ul style="list-style-type: none"> By assessing our efforts over the years, it is easier to establish new goals. In addition to understanding the contributions to greenhouse gas countermeasures while conducting business activities, we are able to clarify what our company must do from the point of view of emissions. Based on the thinking in Scope 3, by requesting that purchasing customers become involved in reducing greenhouse gases, these customers will be able to comprehend their own emissions, so that they can start activities to reduce their own emissions.
<input type="checkbox"/> Internal system for accounting	<ul style="list-style-type: none"> Overall: Environmental Department at the Head Office Information providers: Various departments, consolidated subsidiaries, suppliers Materials based on constructing homes, energy, waste Energy data, etc. when using buildings based on their design specifications.

	Companies' approach
<input type="checkbox"/> Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> Judging from the size of emissions in each category, product usage and raw material procurement account from the greatest percentage. We are currently promoting reduction of emissions during use of our products.
<input type="checkbox"/> Issues in supply chain emissions accounting	<ul style="list-style-type: none"> Construction of a system to comprehend the situation in overseas businesses that we plan to expand in the future, and creation of emission factor for overseas performance data based on Input-Output tables in Japan. It is necessary to create a mechanism in which data can be automatically comprehended. (Accounting is time consuming.)
<input type="checkbox"/> Other remarks	<ul style="list-style-type: none"> For the “procurement of materials and resources,” we have been working together with material suppliers to help reduce the environmental load on the part of such suppliers. When it comes to the “use of products,” we focus on and promote product development designed to allow for the reduction of emissions resulting from the actual use of residential houses as our products.

Category	Accounting methods	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Procurement amount of main raw materials and other materials (weight, monetary value) Energy used by on-site construction equipment 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2) Calculated from the CO2 calculation criteria at construction sites in the Japan Prefabricated Construction Suppliers & Manufacturers Association Environmental Action Plan “Eco Action 2020” and our own index.
Category 2: Capital goods	<ul style="list-style-type: none"> Capital good amount 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2)
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"> Carbon Footprint Communication Program Basic Database ver.1.01
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Transportation in ton-kilometers used by us as the sender Transportation in ton-kilometers used for suppliers' transportation 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2) Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2)
Category 5: Waste generated in operations	<ul style="list-style-type: none"> <Processing> Emissions by waste type <Transport> Material weight x Average transport distance 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2)
Category 6: Business travel	<ul style="list-style-type: none"> Transportation expenses paid 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2)

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Category	Accounting methods	
	Activity data	Emission factor
Category 7: Employee commuting	<ul style="list-style-type: none"> Commuting transportation expenses paid 	<ul style="list-style-type: none"> Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.2.2)
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> Accounted for in Scope 1 and 2 	—
Category 9: Transportation and delivery (downstream)	<ul style="list-style-type: none"> There are no products transported because the products that we provide are real estate 	—
Category 10: Processing of sold products	<ul style="list-style-type: none"> The total floor space of the construction work 	<ul style="list-style-type: none"> Calculated from the CO2 calculation criteria at construction sites in the Japan Prefabricated Construction Suppliers & Manufacturers Association Environmental Action Plan “Eco Action 2020” and our own index.
Category 11: Use of sold products	<ul style="list-style-type: none"> Number of buildings sold x Annual power consumption x 60 years use 	<ul style="list-style-type: none"> CO2 emission factors coefficient by electricity user alternate value
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Number of buildings sold x Raw materials used (key plan) 	<ul style="list-style-type: none"> Ministry of the Environment DB by waste type
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> The floor space of the rental property owned by our company 	<ul style="list-style-type: none"> Ministry of the Environment DB unit area
Category 14: Franchises	<ul style="list-style-type: none"> Scope 1 and 2 for companies for which the equity method is applicable. 	<ul style="list-style-type: none"> Ministry of the Environment DB by energy type
Category 15: Investments	<ul style="list-style-type: none"> Not included in accounting because CO2 emissions at investment targets are not disclosed, and because the amount is so small that it will not affect the estimated results. 	—
Other	<ul style="list-style-type: none"> Calculations are ignored because it is an option category 	—

Accounting results

