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AGC Inc.

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> • Visualization of our value chain GHG emissions in accordance with the GHG Protocol • Response to stakeholder needs and expectation for information disclosure • Contribution to customers' supply chain management
② Utilization of accounting results	<ul style="list-style-type: none"> • To formulate measures to reduce GHG emissions • To disclose GHG emission calculation results through various environmental information disclosure media including the Sustainability Data Book • To disclose information to customers through CDP, etc.
③ Benefits of accounting	<ul style="list-style-type: none"> • To identify GHG emissions by Category and implement effective and efficient emission reduction measures. • To improve the transparency of our climate change risks and our efforts in the value chain to our stakeholders.
④ Internal system for accounting	<ul style="list-style-type: none"> • The environmental division collects original data from procurement, logistics, manufacturing, accounting, human resources, etc., and the environmental division calculates GHG emissions for each category.

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AGC Inc.

	Companies' approach
⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> • Visualization of GHG emissions sources and review of procurement policy in order to reduce Category 1 GHG emissions, one of the hot spots • Reducing Category 11 GHG emissions, one of the hot spots, by reducing the global warming potential of the refrigerants and solvents we sell • Reducing Category 12 GHG emissions, one of the hot spots, by improving calculation accuracy, by lengthening product life, and by reducing generating waste
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> • Tracking data on activity volume and coefficient applied for the data outside Japan • Improving efficiency of calculation • Grasp primitive data for category 13 calculation
⑦ Other	

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AGC Inc.

Category	Accounting methods ※Accounting period : January 2021 – December 2021	
	Activity data	Emission factor
Category 1: Purchased goods and services	● Purchase volume (raw materials, expendable supplies, services, etc.)	● IDEA v.3.1
Category 2: Capital goods	● Value of investment in fixed assets	● IDEA v.3.1
Category 3: Fuel and energy related activities not included in Scope 1 or 2	● Energy consumption	● IDEA v.3.1
Category 4: Transportation and delivery (upstream)	● Ton-kilometers transported	● IDEA v.3.1
Category 5: Waste generated in operations	● Amount of waste generated by type	● IDEA v.3.1
Category 6: Business travel	● Transportation expenses paid (travel expenses, etc.)	● IDEA v.3.1
Category 7: Employee commuting	● Transportation expenses paid (transportation allowance, etc.)	● IDEA v.3.1
Category 8: Leased assets (upstream)	● Excluded as there are no leased assets	—
Category 9: Transportation and delivery (downstream)	● Excluded because we are the specified consignor of all shipments from our company, so they are included in the scope of calculation for Category 4.	—
Category 10: Processing of sold products	● Weight of products sold	● IDEA v.3.1
Category 11: Use of sold products	● Weight of products sold	● IDEA v.3.1
Category 12: End-of-life treatment of sold products	● Amount of waste disposed of as estimated from the number of products sold	● IDEA v.3.1
Category 13: Leased assets (downstream)	● Area of leasing real assets (real estate)	● IDEA v.3.1
Category 14: Franchises	● Excluded as there are no franchises	—
Category 15: Investments	● Excluded As there is no investment for the purpose of investment	—
Other	● No other items are accounted for.	—

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Accounting Results

● Supply chain emissions

Scope / Category			GHG Emissions [t-CO ₂]
Category 1	Purchased goods and services		3,405,793
Category 2	Capital goods		684,617
Category 3	Fuel and energy related activities not included in Scope1 or 2		2,264,444
Category 4	Transportation and delivery (upstream)		1,286,794
Category 5	Waste generated in operations		13,722
Category 6	Business travel		17,819
Category 7	Employee commuting		20,163
Category 8	Leased assets (upstream)		-
Category 9	Transportation and delivery (downstream)		-
Category 10	Processing of sold products		261,426
Category 11	Use of sold products		1,680,847
Category 12	End-of-life treatment of sold products		1,715,940
Category 13	Leased assets (downstream)		167,009
Category 14	Franchises		-
Category 15	Investments		-
Scope 3 Total			11,518,574

