

1

NIPPON EXPRESS HOLDINGS, INC.

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> As part of our efforts to promote sustainability, we aim to promote efforts to reduce greenhouse gases by disclosing appropriate information to stakeholders and grasping greenhouse gas emissions throughout the supply chain.
② Utilization of accounting results	<ul style="list-style-type: none"> We will announce the accounting results in our Sustainability Data Book, questionnaires, etc. We will use the results when confirming the effectiveness of emissions reduction and when studying reduction measures.
③ Benefits of accounting	<ul style="list-style-type: none"> We were able to reconfirm that the emissions from our cooperating companies were relatively high, upon identifying the emissions from each category in the overall supply chain. (Emissions ratio from Category 1 of Scope 3 were more than 89% among the overall GHG emissions)
④ Internal system for accounting	<ul style="list-style-type: none"> Data was collected and calculated by the Sustainability Promotion Division.

2

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	Companies' approach
⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> Outsourcing operations to cooperating companies, mainly transportation, accounts for 87% of greenhouse gas emissions. Cooperation with cooperating companies to reduce greenhouse gas emissions is important. We will consider how to specifically establish a system with partner companies.
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> Many categories in Scope 3 are calculated based on the amount of the purchase price, which cannot reflect efforts of emission reduction to accounting, so it is necessary to build a mechanism of collecting emissions data individually from transport operators.
⑦ Other	<ul style="list-style-type: none"> Of CO2 emissions data for fiscal 2021, 141 Scope1,2 (for energy-originated carbon dioxide) and Scope3 (category 1 only) for the organization alone and domestic group. These are subject to third-party verification based on ISO14064-3:2006.

3

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Category	Accounting methods ※Accounting period : January 2021 - December 2021	
	Activity data	Emission factor
Category 1: Purchased goods and services	• Amount of materials procured, amount paid from our partners.	• Emission factor per procured amount (※1)
Category 2: Capital goods	• Amount of capital investment	• Emission factor per price of capital investment (※1)
Category 3: Fuel and energy related activities not included in Scope 1 or 2	• Electricity and fuel usage	• Emission factor per electricity used (※1) • Emission factor by type of fuel(※2)
Category 4: Transportation and delivery (upstream)	• Estimated from the packing materials cost purchase amount	• Emission factor per ton-kilometers in transportation (※2)
Category 5: Waste generated in operations	• Emissions by type of waste	• Emission factor by type of waste (※1)
Category 6: Business travel	• Business travel expenses paid	• Emission factor by transportation mode (※1)
Category 7: Employee commuting	• Commuting expenses paid	• Emission factor by transportation mode (※1)
Category 8: Leased assets (upstream)	• Not applicable (Calculated in Scope 1 and 2)	•
Category 9: Transportation and delivery (downstream)	• No relevant activities	•
Category 10: Processing of sold products	• No relevant activities	•
Category 11: Use of sold products	• No relevant activities	•
Category 12: End-of-life treatment of sold products	• Included in category 5	•
Category 13: Leased assets (downstream)	• No relevant activities	•
Category 14: Franchises	• No relevant activities	•
Category 15: Investments	• Scope 1 and 2 figures announced by companies invested in	• Percentage of shares owned
Other	• Calculations are ignored because it is an option category	•

(※1)Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver.3.1)

(※2) LCI database IDEAv2(For supply chain greenhouse gas emission calculation)

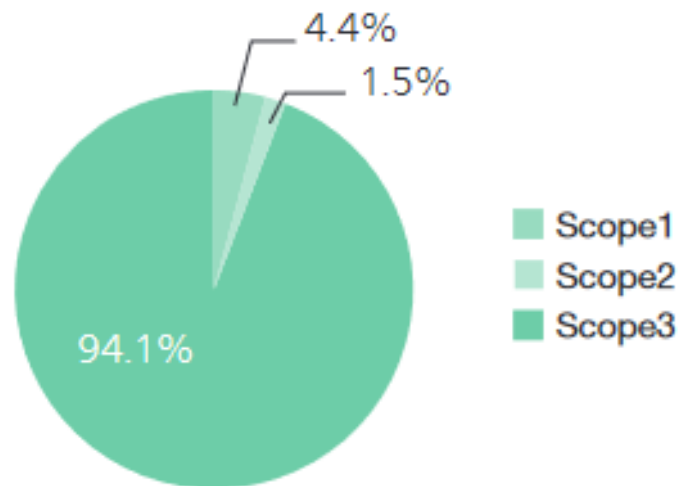
4

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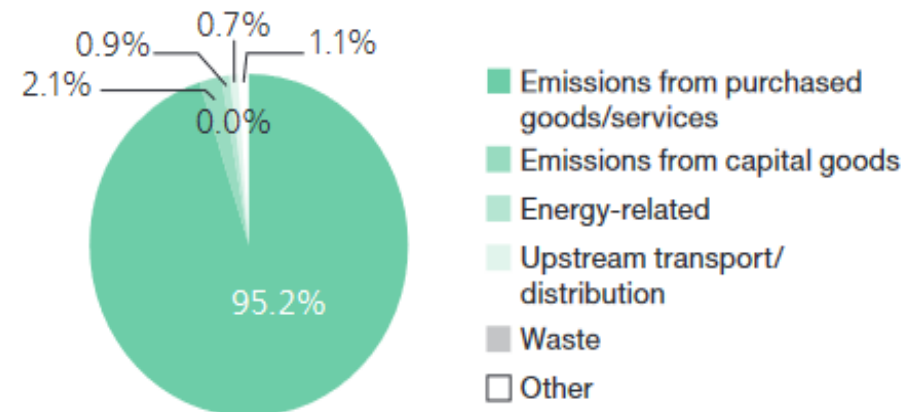
Supply chain emissions : Accounting results

- Supply chain emissions(FY2021)

■ Ratio of Scope3
(Nippon Express Group, FY2021)



■ Ratio of Scope3
(Nippon Express Group, FY2021)



(Notes) Scopes 1, 2 and 3 represent the total emissions of NIPPON EXPRESS GROUP.