

1

FamilyMart Co., Ltd.

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> We measure the amount of CO2 emission in the entire supply chain. Tracking the change of emission overtime allows us to assess our company's environmental impact. We are able to respond to information disclose request from stakeholders such as evaluating institutions.
② Utilization of accounting results	<ul style="list-style-type: none"> Working with supply chain, we start out on addressing the categories where we are able to cut emission. We can check cost efficiency of our reduction measures such as the introduced energy saving devices and others. We are able to meet information disclosure request from stakeholders such as evaluation institutions.
③ Benefits of accounting	<ul style="list-style-type: none"> Calculating and evaluating Scope 3 emissions consecutively can enhance our future sustainable strategies. Answering questionnaires of external institutions bolsters our credibility among stakeholders.
④ Internal system for accounting	<ul style="list-style-type: none"> The environmental department collects data from related departments including the ones handling products and other departments and accounts for CO2 emission.

2

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	Companies' approach
⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> • In Scope1, we aim to cut emission by renewing company-owned cars to environmental friendly ones, and upgrading commercial refrigerators and freezers regularly. • In Scope 2, we promote saving energy in store equipment and reduce emissions. • In Scope 3, we have set SBT for Category 1, which has the highest emissions, and are considering the possibility of reduction at the product procurement stage.
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> • Since Category1 (Purchased goods and services) covers a wide variety of products, it is difficult to choose which emission factor should be adopted. In addition, in order to reflect the reduction measures in the amount of emissions, it is necessary to drastically review the calculation method. • Category 6 (Business travel) is calculated based on data of expenses to reimburse. The complexity of those data content makes difficult to apply a proper emission factor. • Diversity of new products and service to offer makes difficult to apply a proper emission factor.
⑦ Other	<ul style="list-style-type: none"> • The accounting results were verified by a third party.

3

FamilyMart Co., Ltd.

Category	Accounting methods ※Accounting period : March 2021 - February 2022	
	Activity data	Emission factor
Category 1: Purchased goods and services	<ul style="list-style-type: none"> Cost of goods purchased and supplies at stores/offices 	<ul style="list-style-type: none"> Value-based emission factor *1
Category 2: Capital goods	<ul style="list-style-type: none"> The amount of capital investment 	<ul style="list-style-type: none"> Emission factor per capital good price *1
Category 3: Fuel and energy related activities not included in Scope 1 or 2	<ul style="list-style-type: none"> Electricity consumption Fuel consumption of company-owned cars 	<ul style="list-style-type: none"> Emission factor per electricity consumption*1 Emission factor per heat consumption *2
Category 4: Transportation and delivery (upstream)	<ul style="list-style-type: none"> Fuel consumption of delivery vehicles 	<ul style="list-style-type: none"> Emission factor per fuel consumption*1
Category 5: Waste generated in operations	<ul style="list-style-type: none"> The volume of waste by type 	<ul style="list-style-type: none"> Emission factor by waste types/disposal ways (including a phase of waste transportation)*1
Category 6: Business travel	<ul style="list-style-type: none"> Business related traveling expenses 	<ul style="list-style-type: none"> Emission factor per the number of stays/traveling expenses*1
Category 7: Employee commuting	<ul style="list-style-type: none"> Traveling expenses 	<ul style="list-style-type: none"> Emission factor per traveling expense
Category 8: Leased assets (upstream)	<ul style="list-style-type: none"> N/A 	
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"> Out of scope – according to the basic guidelines of GHG accounting through supply chain 	
Category 11: Use of sold products	<ul style="list-style-type: none"> Fuel cartridges for portable gas stoves and others 	<ul style="list-style-type: none"> Emission factor for combustion of filler *3
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Usage of containers and packages 	<ul style="list-style-type: none"> Emission factor by waste types (in case it is difficult to know the process/recycling) including a phase of waste transportation*1

*1 Adopted from Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 3.2)

*2 LCI Database IDEAv2 for Calculating Supply Chain Greenhouse Gas Emissions (Ver.2.3)

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

4

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Category	Accounting methods ※Accounting period : March 2021 - February 2022	
	Activity data	Emission factor
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> • Out of scope – according to the basic guidelines of GHG accounting through supply chain 	
Category 14: Franchises	<ul style="list-style-type: none"> • Electricity consumption of franchise stores is included in Scope 2 	
Category 15: Investments	<ul style="list-style-type: none"> • Out of scope – according to the basic guidelines of GHG accounting through supply chain 	
Other	<ul style="list-style-type: none"> • Out of scope – voluntary category 	

5

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Supply chain emissions : Accounting results

Category No.	Category	Ratio
Scope1	Direct emissions (CFC, company-owned gas vehicles)	0.92%
Scope2	Indirect emissions (Electricity consumption)	16.39%
Category1	Purchased goods and services (Purchased products/supplies)	74.26%
Category2	Capital goods (Fixed assets/lease investment assets)	1.06%
Category3	Fuel-and energy-related activities not included in Scope 1 or Scope 2	2.60%
Category4	Upstream transport and delivery (Fuel of delivery vehicles)	1.59%
Category5	Waste generated in operations (Waste from stores/electronic waste)	3.07%
Category6	Business travel	0.02%
Category7	Employee commuting	0.02%
Category11	Use of sold products (Fuel cartridges)	0.01%
Category12	EoL treatment of sold products (containers/packages)	0.06%

GHG emissions in FY2021

