

Scope 3 Guidebook: Case Examples

March 2026

TCFD Consortium




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1. Disclosure Examples of Scope 3 Emissions

Company	● Toyota Motor Corporation
Source / Page	● <i>Sustainability Data Book 2025</i> , p.61
Investor comments, etc.	● For each Scope 3 category, the relevant business activities, the scope of calculation, and the main activity data are presented together, making the disclosure clear and easy to understand for readers.

D GHG Emissions Scope 3 (Other Indirect Emissions): Global <small>GRI 305-3 Third-party assurance 2024 data</small>							
	2022	2023	2024	Target business	Key calculation items	Main activity volume	Key emission factors (emission intensity)
1 Purchased goods and services*1	122.47	129.88	126.33	Automobiles	Manufacture of new vehicles, prototype models, and service parts	Calculate GHG emissions per unit of standard model to determine the correlation between the weight of the vehicle and GHG emissions. Based on the result, calculate the total GHG emissions from the total number of vehicles produced/sold and their weights	 P. 65 Environmental Data (Reference Factors)
					Manufacture of indirect materials	Purchase price (by item)	
2 Capital goods	5.05	6.09	4.32	All business segments		Amount of capital investment	
3 Fuel- and energy-related activities (not included in scope 1 or 2)	1.20	1.00	1.04	All business segments		Energy consumption (by type)	
4 Upstream transportation and distribution	4.33	4.57	5.30	Automobiles	Transportation of completed vehicles, production parts, and service parts	Fuel consumption, transport weight, transport distance	
5 Waste generated in operations	0.10	0.10	0.11	All business segments		Waste volume (by type)	
6 Business travel*2	0.06	0.09	0.11	All business segments		Travel records (destination/number of trips)	
7 Employee commuting*2	0.61	0.59	0.06	All business segments		Commuting costs (by type)	
8 Upstream leased assets*3	-	-	-	-			
9 Downstream transportation and distribution	0.06	0.10	0.20	Automobiles	Transportation of completed vehicles and service parts	Fuel consumption, transport weight, transport distance	
10 Processing of sold products*4	0.01	0.01	0.01	Automobiles	Body building of trucks and buses	Calculate GHG emissions per unit of standard model vehicle with a cargo bed (light-duty, mid-sized, large). Calculate the total GHG emissions based on the number of customized vehicles sold by size	
11 Use of sold products*5	439.45	436.28	432.16◆	Automobiles	Lifetime mileage of new cars sold in that year (WW*6)	Number of vehicles sold, CO ₂ , lifetime mileage	
12 End-of-life treatment of sold products*4	11.23	12.14	12.09	Automobiles		Calculate GHG emissions per unit of standard model to determine the correlation between the weight of the vehicle and GHG emissions. Based on the result, calculate the total GHG emissions from the total number of vehicles produced/sold and their weights	
13 Downstream leased assets*2	-	0.02	0.15	All business segments		Number of leased vehicles, production capacity, total floor area	
14 Franchises*2	4.07	3.85	2.64	Automobiles	Distributor and dealership operations	Energy consumption (by type)	
15 Investments	0.13	0.12	0.02	All business segments	Toyota Motor Corporation deemed held shares	Divide scope 1 and 2 emissions for Toyota's stock holdings according to the proportion of shares held by the company	
Total	586.76	594.83	584.52◆				

<p><Scope></p> <ul style="list-style-type: none"> Mainly covers automotive business of Toyota Motor Corporation and our consolidated companies <p><Calculation Method></p> <ul style="list-style-type: none"> Emissions from consolidated companies and customers that are linked to the business activities of consolidated subsidiaries are covered. However, this year's calculation scope is limited to the automotive sector, which represents the majority of sales. The scope covers all business areas for categories where it is difficult to separate data for each business. The main calculation method used is "activity volume x emission factor". The main calculation targets, activity volume, and emission factors are described as follows. 	<p>*1 The calculation conditions and emission factors for emissions from newly purchased vehicles and prototype vehicles have been changed based on the Japan Automobile Manufacturers Association (JAMA) guidelines</p> <p>*2 Some emissions are recorded under category 11 in scope 3</p> <p>*3 Recorded under scope 1 and 2</p> <p>*4 Calculation conditions changed based on JAMA guidelines</p>	<p>*5 Calculated based on SBTi guidance</p> <ul style="list-style-type: none"> CO₂ is calculated based on the values standardized by the Worldwide harmonized Light Vehicles Test Procedure (WLTP), plus 10% (taking actual fuel consumption into account) Annual mileage refers to SBTi guidance, and lifespan refers to the IEA Mobility Model <p>*6 Well to Wheel: In addition to GHG emissions from vehicles in operation, GHG emissions from fuel and electricity production are also included</p>	<p>*7 Calculated based on GHG (10,000 tons-CO₂e) from 2024</p> <ul style="list-style-type: none"> Category 3, 4, 6, 7, 9, 13 and 14: Calculated based on CO₂ (10,000 tons of CO₂) for the years 2022 and 2023 <p><Third-Party Assurance></p> <p>◆: Values verified through third-party assurance</p>
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Company	● Hitachi, Ltd.
Source / Page	● <i>Hitachi Sustainability Report 2025, p.130</i>
Investor comments, etc.	<ul style="list-style-type: none"> ● Scope 3 emissions are disclosed by category together with the corresponding calculation boundaries. ● For Category 11, which accounts for the largest share of emissions, the company has set targets for reducing CO2 emissions from products and services, such as the reduction rate of CO2 emission intensity and avoided emissions, which are disclosed together.

130 Hitachi Sustainability Report 2025 Our Story Sustainability Strategy Environment Social Governance ESG Data **HITACHI**

Detailed data on GHG emissions throughout the hitachi value chain (Hitachi Group, Fiscal 2024)

Category	Description	Reporting boundary	Emissions (Mt-CO ₂ e)	Percentage (%)
Total Scope 1, 2, and 3		Hitachi Group	206.42	100.0
Total Scope 1 and 2^{*1}		Hitachi Group	0.60	0.3
Scope 1^{*2}				
Direct emissions ^{*1}	Direct emissions from in-house fuel use and industrial processes (aggregate of all manufacturing sites and non-manufacturing sites for category A and B)	Hitachi Group	0.39	0.2
Of which, category A	Direct emissions from in-house fuel use and industrial processes (aggregated for category A only)		0.28	—
Scope 2^{*3}				
Energy-related indirect emissions ^{*1}	Indirect emissions from production of electricity and heat purchased by the company (aggregate of all manufacturing sites and non-manufacturing sites for category A and B)	Hitachi Group	0.21	0.1
Of which, category A	Indirect emissions from production of electricity and heat purchased by the company (aggregated for category A only)		0.13	—
Scope 3 Total		Hitachi Group	205.82	99.7
Scope 3 Upstream (other Indirect Emissions)				
1 Purchased goods and services	Emissions from the resource extraction stage to the manufacturing stage, including raw materials, parts, supplied products, and sales		15.37	7.4
2 Capital goods	Emissions generated in the construction, manufacture, and shipping of the company's own capital goods, such as equipment, devices, buildings, facilities, and vehicles		1.10	0.5
3 Fuel- and energy- related activities not included in Scope 1 and 2	Emissions from procuring the fuel necessary for electricity and other energy production, including resource extraction, production, and shipping		0.05	0.0
4 Upstream transportation and distribution	Emissions from the distribution of raw materials, parts, products supplied, and sales prior to the delivery of materials to the company, as well as other distribution activities of products for which the company bears the expense	Hitachi Group	0.11	0.1
5 Waste generated in operations	Emissions from the transportation, disposal, and treatment of waste generated from the company's operations		0.02	0.0
6 Business travel	Emissions generated from the fuel and electricity used by employees for business travel		0.04	0.0
7 Employee commuting	Emissions generated from the fuel and electricity used by employees commuting		0.11	0.1
8 Upstream leased assets	Emissions from the operation of assets leased by the company, excluding those counted in Scope 1 and 2		Included in Scope 1 and 2	—
Scope 3: Downstream (other indirect emissions)				
9 Downstream transportation and distribution	Emissions from the transportation, storage, loading and unloading, and retail sales of products		0.05	0.0
10 Processing of sold products	Emissions by downstream companies during the processing of intermediate products		0.03	0.0
11 Use of sold products ^{*4}	Emissions from the use of products by end users, such as consumers and businesses		188.55	91.3
12 End-of-life treatment of sold products sold	Emissions from the transportation, waste disposal, and treatment of products by end users, such as consumers and businesses	Hitachi Group	0.23	0.1
13 Downstream leased assets	Emissions from the operating of assets owned by the reporting company as the lessor, which are leased to other entities		0.02	0.0
14 Franchises	Emissions by franchises under Scope 1 and 2		N/A	—
15 Investments	Emissions related to the management of investments		0.14	0.1

Note: GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials

*1 Aggregated according to Hitachi's internal categories; all manufacturing sites and non-manufacturing sites for category A and B. The row labeled "Of which, category A" is aggregated for category A only. In the text, unless otherwise noted, the aggregation pertains to category A, which is subject to environmental management

*2 Including SF₆, PFC, HFC, N₂O, NF₃, CH₄, and C₄-FN. The gas and fuel oil conversion factors are based on the List of calculation methods and emission factors used in the Greenhouse Gas Emissions Calculation, Reporting and Publication System. The gas conversion factors not specified in the list are based on the values stipulated by Hitachi on technical literature

*3 CO₂ emissions from electricity consumption is calculated using a market-based calculation method. CO₂ electrical power conversion factors: We used adjusted conversion factors for individual power businesses based on the Act on Promotion of Global Warming Countermeasures in Japan. In China, we used the average emissions factor published by the government for the regional power grid. For other countries, we used the latest values for each fiscal year supplied by the International Energy Agency (IEA) for individual countries or by power supply companies

*4 Emissions are calculated based on the annual energy consumption of each final product manufactured by Hitachi, multiplied by the number of units sold, the product's lifetime, and the CO₂ emission factor. GHG emissions from SF₆ leakage are also included in the calculations for certain products, such as transformers and switchgear. CO₂ emission factors are based on IEA country-specific emission factors (mainly 2022 version)

Company	● Tokyu Fudosan Holdings Corporation
Source / Page	● <i>Data attached to the Independent Third-Party Assurance Report, p.2</i>
Investor comments, etc.	● Calculation methods and reference data for each Scope 3 category are disclosed, providing useful information for readers seeking to review the details of the calculations.

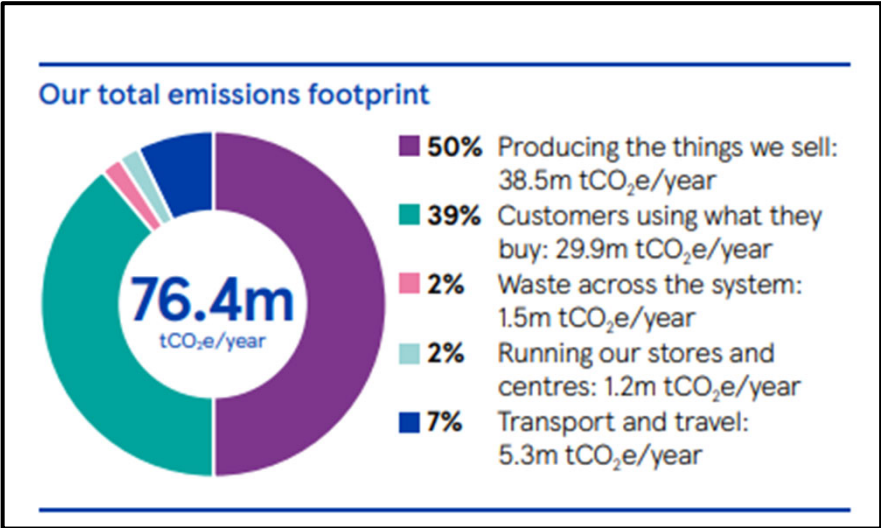
■ Calculation Criteria

Period covered by the calculation April 1, 2024 - March 31, 2025

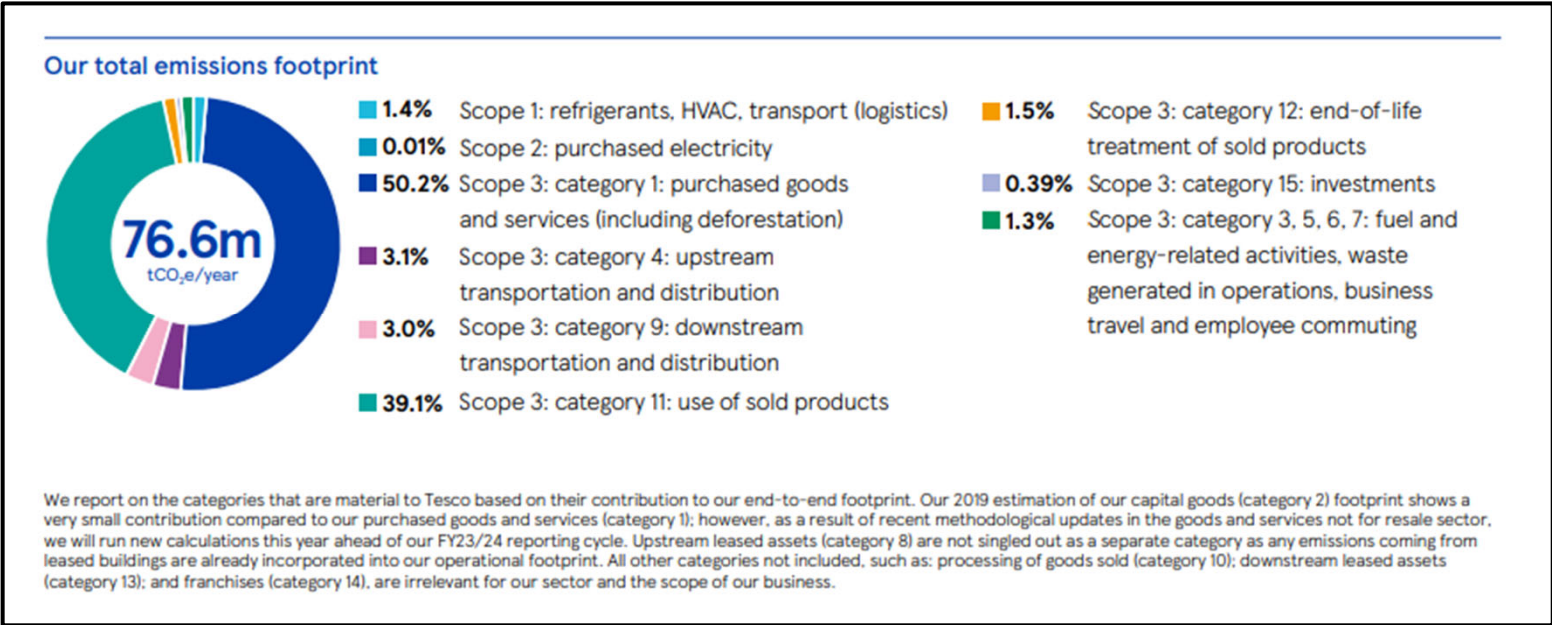
Scope	Indicator	Target Organization	Scope of coverage
Greenhouse gas (GHG) emissions Scope 1, 2	Greenhouse gas (GHG) emissions Scope 1, 2	Tokyu Fudosan Holdings and consolidated subsidiaries	All business facilities and offices (excluding those scheduled for sale or demolition)
			Rental offices include energy used in tenants' private areas.
Greenhouse Gas (GHG) Emissions Scope 3	Greenhouse Gas (GHG) Emissions Scope 3	Tokyu Fudosan Holdings and consolidated subsidiaries	Business activities of Tokyu Fudosan Holdings Co. and its consolidated subsidiaries
Energy usage	Energy usage		All business facilities and offices (excluding those scheduled for sale or demolition)
Waste emissions	Waste emissions		Rental offices include energy used in tenants' private areas.
		All business facilities and offices	
			Excluding direct tenant contracted usage in tenants' private areas

Details of calculation method, etc.			
Item	Contents	Definitions, Calculation Methods, etc.	Source of emission factors, etc.
Greenhouse Gas (GHG) Emissions Data	Scope 1, 2 Emissions	Each energy use x GHG emission factor *Electricity: Reflecting CO2 reductions through the use of electricity derived from renewable energy sources and non-fossil fuel certificates	Fuel, etc.: Ministry of the Environment Greenhouse Gas Calculation, Reporting, and Publication System List of calculation methods and emission factors for Electricity: List of emission factors by electric utility
	Scope 3 emissions (see categories below)	Amount of activity x GHG emissions intensity	- Basic Guidelines for Calculating Greenhouse Gas Emissions Throughout the Supply Chain (Latest Edition)
	1.Purchased Goods & Services	Calculated by multiplying SG&A expenses such as operating costs and building costs of real estate for sale by emission intensity. (Some calculations are based on the GHG emissions calculation method for	Ministry of the Environment, "Greenhouse Gas Emissions of Organizations through Supply Chains. Database of emission intensity for calculation of CO2 production chain list
	2.Capital goods	Emission intensity is calculated by multiplying the amount of capital expenditure excluding "land" and "land leasehold" by emission intensity. (Some calculations are based on the GHG emissions calculation method for construction materials.)	- Ministry of the Environment "Database of emission intensity for calculating greenhouse gas emissions of organizations through the supply chain" 6 Capital goods
	3.Fuel- and energy-related activities that are not included in Scope 1 and 2	Calculated by multiplying the energy consumption used in Scope 1 and 2 by the emission intensity. (Renewable energy electricity is calculated with zero emissions)	- Ministry of the Environment "Database of emission intensity for calculating greenhouse gas emissions of organizations through the supply chain" 7 Electricity/Heat - LCI database IDE@2
	4.Transportation and delivery (upstream)	Estimate the quantity from the cost of consumables and calculate the emissions from transportation	- Ministry of the Environment "Database of emission intensity for calculating greenhouse gas emissions of organizations through the supply chain" 2 Transportation [Ton-kilometer method] (new) - Ministry of the Environment List of calculation methods and emission factors in the greenhouse gas calculation, reporting and disclosure system
	5.Waste generated by businesses	Calculated by multiplying the amount of waste generated from business activities by the emissions intensity.	Ministry of the Environment "Database of emission intensity for calculation of greenhouse gas emissions of organizations through supply chains" 9 Waste [by type]
	6.Business trips	Calculated by multiplying the number of Group employees at the end of the reporting year by the emission intensity.	Ministry of the Environment "Emission intensity database for calculating greenhouse gas emissions of organizations through their supply chains" 13 Employees
	7.Employers' commuting	Calculated by multiplying the number of Group employees at the end of the reporting year by the number of business days and emission intensity.	Ministry of the Environment "Emission intensity database for calculating greenhouse gas emissions of organizations through their supply chains" 14 Employees
	8. Lease assets (upstream)	Includes estimates of energy consumption in common areas of condominiums owned by the Company and estimates of energy used by overseas offices.	Fuel, etc.: Ministry of the Environment Greenhouse Gas Calculation, Reporting, and Publication System List of calculation methods and emission factors for Electricity: List of emission factors by electric utility
	11.Use of products sold	For sold multi-family residential buildings and detached houses, the coefficient and useful life were calculated by multiplying the design primary energy consumption by the coefficient and useful life based on HEMS data. *For properties receiving renewable energy in bulk, calculations are made using a coefficient that excludes the amount of electricity. For non-residential properties sold, the actual value is used for existing properties with actual values, and for new properties, the area is multiplied by the coefficient and the useful life. The useful life is the number of years of depreciation for each asset minus the number of years elapsed since construction was completed.	Residential: "Japan Carbon Assessment Tool for Building Lifecycle (J-CAT)" Non-residential: "Building Energy Consumption Survey Report [Report 46]". Useful life: National Tax Administration Agency, "Useful Life Chart of Major Depreciable Assets".
	12.Disposal of products sold	The disposal volume of properties such as office buildings, logistics facilities, hotels, apartment buildings, and detached houses sold is calculated by creating a factor in square meters from the total amount of materials at the time of construction and multiplying it by the area of the property sold.	Ministry of the Environment "Database of emission intensity for calculation of greenhouse gas emissions of organizations through supply chains" 9 Waste [by type]
	13.Lease assets (downstream)	Calculated energy use in private rooms by multiplying the number of rental housing units by the emission intensity. Energy consumption used by properties to be sold or co-owned (minor share) as well as properties on land to be developed (properties to be demolished) is included. Other energy consumption that cannot be ascertained by the Company due to direct contracts with tenants, etc., is estimated based on the area and unit consumption, etc. and the amount of emissions is recorded.	National Center for Climate Change Actions CO2 Emissions from Households Building Energy Consumption Survey Report (46th Report) Ministry of the Environment "List of Calculation Methods and Emission Factors for Calculation, Reporting, and Publication System"

Company	● Tesco PLC
Source / Page	● <i>Annual Report and Financial Statements 2022</i> , p.42; <i>Annual Report and Financial Statements 2023</i> , p.23
Investor comments, etc.	● To enhance Scope 3 disclosure, the company initially began with partial disclosure based on materiality and calculation costs, and gradually expanded the scope to achieve more accurate category-level emissions reporting.



Annual Report and Financial Statements 2022



Annual Report and Financial Statements 2023

Company	● Ajinomoto Group
Source / Page	● <i>Sustainability Report 2025, p.58</i>
Investor comments, etc.	● Year-on-year changes since the base year of 2018 are disclosed, allowing readers to easily track progress toward the company's reduction targets.

Sustainability Policy and Framework
Help Extend the Healthy Life Expectancy of 1 Billion People
Reduce Our Environmental Impact by 50%
Social
Governance

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Environmental management
Climate change (disclosures based on the TCFD)
Reduction of greenhouse gas emissions in the value chain
Reduction of waste across product lifecycles
Contribution to sustainable agriculture
Food loss and waste
Biodiversity and natural capital (disclosures based on TNFD)
Sustainable materials sourcing
Animal welfare

OUTPUTS (t-CO₂e)

	FY2018 (Base year)	FY2020	FY2021	FY2022	FY2023	FY2024
Scope 3 Category 1: Raw materials	8,115,946	7,614,734	6,960,412	6,610,392	6,494,563	5,902,119
Scope 1:	1,196,969	1,008,811	1,005,363	973,780	767,084	675,022
Scope 3 Category 3: Production	381,765	630,823	583,499	604,719	587,760	610,676
Scope 2:	Market-based method 1,015,723 Location-based method 1,026,764	Market-based method 901,789 Location-based method 910,791	Market-based method 606,594 Location-based method 622,059	Market-based method 611,712 Location-based method 620,751	Market-based method 512,652 Location-based method 516,707	Market-based method 444,362 Location-based method 477,929
Scope 3 Category 4: Transport	1,274,589	1,210,741	1,121,673	1,037,133	981,743	1,241,268
Scope 3 Category 11: Use	1,294,392	1,355,477	1,396,947	1,386,049	1,296,947	1,245,292
Scope 3 Category 12: Disposal	443,333	425,003	409,500	405,337	400,585	401,455
Scope 3 Category 2: Capital goods	249,944	262,711	232,674	219,172	241,466	302,696
Scope 3 Category 5: Waste generated in operations	140,678	85,714	92,884	97,854	82,326	80,534
Scope 3 Category 6: Business travel	4,479	4,226	4,350	4,446	4,500	4,532
Scope 3 Category 7: Employee commuting	16,206	15,292	15,740	16,087	16,283	16,398
Scope 3 Category 8: Upstream leased assets	Included in category 1	Included in category 1	Included in category 1	Included in category 1	Included in category 1	Included in category 1
Scope 3 Category 9: Downstream transportation and distribution	3,780	3,183	3,448	2,535	2,802	4,981
Scope 3 Category 10: Processing of sold products	8,158	179,801	126,716	108,585	78,445	60,659
Scope 3 Category 13: Downstream leased assets	0	0	0	0	0	0
Scope 3 Category 14: Franchises	0	0	0	0	0	0
Scope 3 Category 15: Investments	0	0	0	0	0	0
Scope 3 total	11,933,270	11,787,705	10,947,844	10,492,309	10,187,420	9,870,610
Scope 1, 2, and 3 total	14,145,962	13,698,305	12,559,801	12,077,801	11,467,156	10,989,993

Data calculation
Scope of reporting: All 128 business sites covered by ISO 14064-1 (100%)
Reporting period: April 1, 2024 to March 31, 2025
The Ajinomoto Group refers to ISO 14064-1 and uses the latest CO₂e emission factor to calculate the CO₂e emissions in the above material balance table.
These CO₂e emissions are independently verified in accordance with ISO 14064-3 requirements by LRQA Limited.

- > Environmental Data: Third-party assurance
- > Environmental Data: Ajinomoto Group products carbon footprint
- > Environmental Data: Composition of consumed energy
- > CDP Corporate Questionnaire 2024

Ajinomoto Group Sustainability Report 2025

Company	● Sojitz Corporation
Source / Page	● <i>Integrated Report 2025</i> , p.40
Investor comments, etc.	● GHG emissions at each stage of the supply chain are analyzed for each business division. By disclosing not only high-, medium-, and low-level classifications but also approximate GHG emission figures, the actual emission profile becomes easier to grasp. Moreover, by summarizing both emissions and avoided emissions, the company provides clearer insight into specific reduction efforts to be taken in the future.

Scope 3 and Scope 4*1 Supply Chain Greenhouse Gas Emissions Diagram

Risks (Scope 3):

Darker shades of orange indicate greater greenhouse gas emissions. These areas are generally believed to face the risks of pressure to reduce greenhouse gas emissions or threats of replacement.

Opportunities

The bottom row displays alternatives that represent new business opportunities for Sojitz, and we will further increase our Scope 4 (avoided emissions) through these businesses moving forward. Amounts of avoided emissions have not been adjusted to cancel out decarbonization targets and progress thereto per the relevant guidelines.*2

(Scope 4 [avoided emissions]):

		Power generation		Steelmaking		Food	Chemicals	Machinery	Transportation	Wood and paper products	Construction	Others (steel, nonferrous metals, IT infrastructure, textiles, real estate, etc.)	
		Thermal coal	Oil and gas	Coking coal	Iron ore								
Risks	Raw materials	Coal mining Approx. 620,000 tons	Oil drilling Approx. 0 tons	Coal mining Approx. 100,000 tons	Mining —	Food production Approx. 3,630,000 tons	Material production Approx. 5,970,000 tons	Component production Approx. 910,000 tons	Manufacturing of automobiles, ships, etc. Approx. 830,000 tons	Raw material production Approx. 1,770,000 tons	Construction material production Approx. 100,000 tons	Approx. 7,140,000 tons	
	Logistics	Transport of raw materials and products Approx. 120,000 tons	Transport of raw materials and products Approx. 0 tons	Transport of raw materials and products Approx. 40,000 tons	—	Transport of raw materials and products Approx. 1,740,000 tons	Transport of raw materials and products Approx. 1,490,000 tons	Transport of raw materials and products Approx. 190,000 tons	Transport of raw materials and products Approx. 140,000 tons	Transport of raw materials and products Approx. 470,000 tons	—	Transport of raw materials and products Approx. 4,190,000 tons	
	Product processing	—	—	—	—	Food processing Approx. 0 tons	Approx. 0 tons	—	—	Papermaking Approx. 690,000 tons	Construction Approx. 0 tons	—	
	Use/Disposal	Coal-fired thermal power generation Approx. 11,820,000 tons	Oil-fired thermal power generation —	Blast furnace smelting Approx. 5,210,000 tons	Blast furnace smelting —	Cooking, disposal of food packaging Approx. 0 tons	Chemical product production Approx. 13,250,000 tons	Machinery use Approx. 2,720,000 tons	Operation of aircraft Approx. 4,730,000 tons	Approx. 190,000 tons	Facility use Approx. 700,000 tons	Approx. 700,000 tons	Approx. 510,000 tons
	Equity investment	Coal interests Approx. 0 tons	Gas-fired thermal power generation Approx. 1,450,000 tons	Coal interests Approx. 290,000 tons	—	Food processing Approx. 190,000 tons	—	—	Automobile manufacturers —	—	Facility use Approx. 0 tons	Approx. 0 tons	Approx. 1,550,000 tons
Opportunities	Avoided emissions (Scope 4)	High-efficiency gas-fired thermal power generation Approx. 1,720,000 tons	Renewable energy generation Approx. 830,000 tons	Carbon capture and storage	—	Non-meat alternatives	Biochemicals	—	Vehicles that use electricity, hydrogen Biofuel utilization	Paper recycling	Energy conservation, ZEH and ZEB	—	

Note: The above chart is based on a simplified version of the 15 Scope 3 categories defined by the GHG Protocol. For more details on specific categories, please refer to *Sojitz ESG BOOK: Environmental Data*.


[Sojitz ESG BOOK: Environmental Data](#)

*1 Scope 4 (avoided emissions) = (Average global thermal power generation efficiency figures for 2023 published by the IEA [843 g/kWh] – Sojitz's power generation intensity) × Power generation volume

*2 Guidance on Avoided Emissions, World Business Council for Sustainable Development

Company	● Mitsubishi Corporation
Source / Page	● <i>Sustainability Report 2024</i> , p.65-66
Investor comments, etc.	● Detailed disclosure is provided for major categories with significant emissions, including performance according to business groups. This enables readers to understand how emissions relate to specific business activities.

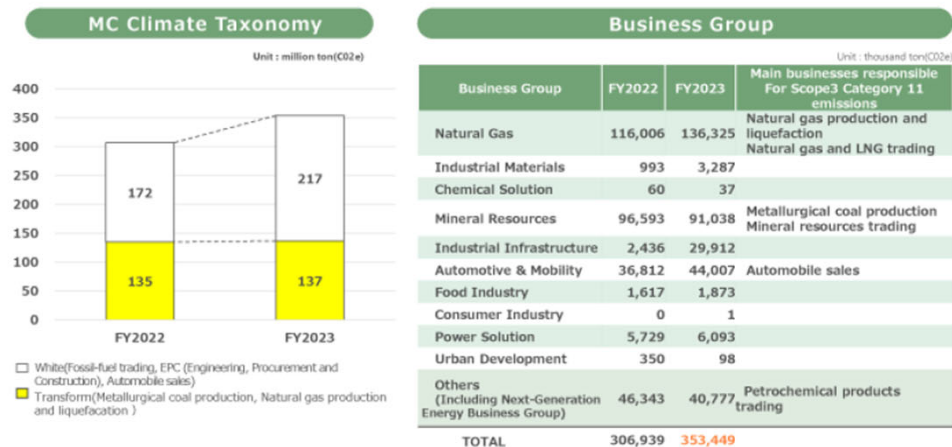
Scope 3 Category 11

As noted in the "[Roadmap to a Carbon Neutral Society](#)" , MC has considered the management and disclosure of Scope 3 emissions of particularly large emissions categories. For MC, that is Scope 3 Category 11 emissions (Use of Sold Products), and we have disclosed this figure from FY2021.

The actual performance figures of Scope 3 Category 11 GHG emissions and its breakdown are shown in the table below. Scope 3 Category 11 emissions from White Businesses were primarily from businesses with no physical assets, thus making it relatively easier to reduce emissions (e.g., trading businesses with no fossil fuel-related assets). Emissions from Transform Businesses were mainly from those with its own assets, with high emissions due to the nature of the businesses.

Because Scope 3 emissions, including Category 11, are generated by other companies, MC will need to work with a wide range of partners throughout its supply chains to tackle this societal challenge of reducing Scope 3 emissions.

MC will tackle this issue through our Integrated EX/DX initiatives (e.g. supply of renewable energy, next-generation energy, next-generation climate technology investments through Breakthrough Energy Catalyst), and will collaborate and challenge with various



Mitsubishi Corporation disclosed all Scope 3 categories in April 2025. The company also discloses initiatives for collaboration with partners across the supply chain. (Details are available on the company's website: <https://www.mitsubishicorp.com/jp/en/sustainability/environmental/climate-change/002.html>)

2. Disclosure Examples of Strategies and Emission Reduction Initiatives

Company	● Toyota Motor Corporation
Source / Page	● <i>Sustainability Data Book 2025</i> , p.22
Investor comments, etc.	● Efforts and results across the entire life cycle are presented in a structured manner, including the use of low-emission materials and collaboration with suppliers.

Efforts to Reduce GHG Emissions in Material Manufacturing and Parts Manufacturing Stages

Challenges in Material Manufacturing and Parts Manufacturing

- GHG emissions from material manufacturing and parts manufacturing in the LCA of automobiles (scope 3 category 1) must be reduced not only from in-house manufacturing but also from purchased products and services.

Steel-related Efforts in Material Manufacturing

- As part of our initiatives toward decarbonization in the material manufacturing phase, we began to use Kobe Steel, Ltd.'s *Kobenable Steel*, JFE Steel Corporation's *JGreeX*, Nippon Steel Corporation's *NSCarbolex Neutral*, and POSCO Holdings Inc.'s carbon reduction allocated steel in 2025. These are the products recommended by the Japanese government under the Green Steel for Green Transformation (GX)* Initiative.
- Additionally, Tokyo Steel Manufacturing Co., Ltd.'s low CFP steel* which uses steel scrap as the main raw material, is planned to be adopted in 2025.

* Green Steel for GX and low CFP steel are definitions established by the Study Group on Green Steel for GX, organized by the Ministry of Economy, Trade and Industry of Japan

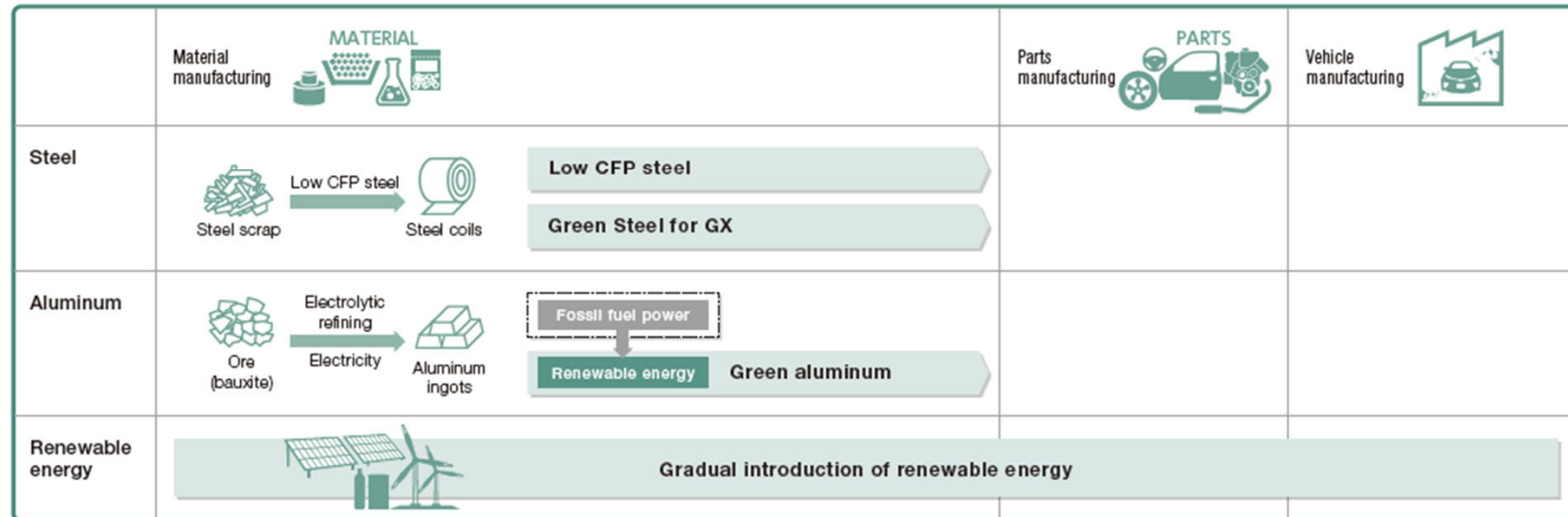
Aluminum-related Challenges in Material Manufacturing

- Aluminum requires a significant amount of electricity during the smelting process from ore (bauxite) using electrolysis.
- We plan to begin adopting aluminum produced through smelting using renewable electricity instead of coal-fired power generation, which emits large amounts of GHG, starting in late 2025.

Adoption of Electricity Derived from Renewable Electricity in Parts Manufacturing

- We have initiated activities with suppliers we have direct dealings in Japan, aiming at a one hundred percent usage of electricity derived from renewable energy rate for every supplier by 2030.

Strategies Aimed at Achieving CN in Collaboration with Suppliers



Company

● DENSO Corporation

Source / Page

● *Integrated Report 2025*, p.34 (left), p.66 (right)

Investor comments, etc.

● Targets for Scope 3 reduction are presented separately for upstream activities, the company's own factories, and downstream activities, and the roadmap is illustrated visually, making it easy to understand. In addition, achievements related to supplier engagement initiatives are presented quantitatively.

Green Strategy

Striving toward Carbon Neutrality throughout the Value Chain
 As the world accelerates decarbonization efforts, DENSO has been boldly tackling environmental issues through initiatives for environmentally friendly Monozukuri. Specifically, we have been developing mobility products with excellent fuel and energy-saving technologies, which have been areas of strength since our founding. In fiscal 2022, we declared that our goal was to achieve complete carbon neutrality in Monozukuri activities by fiscal 2036 and contribute to carbon neutrality across all of society. Since then, we have been increasing the pace of efforts to achieve carbon neutrality throughout the entire value chain. For details on this goal, please see "Efforts to Maximize the Value of 'Green' (TCFD)" on [EDP64-67](#).

Scope 3: Upstream (Suppliers) | CO₂ emissions reduction target: 25% by FY2031 (versus FY2021), carbon neutral by FY2051

Road Map for Scope 3 Carbon Neutrality

Deepening Collaboration between DENSO and Suppliers
 With the aim of realizing carbon neutrality, DENSO is working with its suppliers to visualize CO₂ emissions throughout its supply chain. Having shared specific CO₂ emissions reduction targets with 360 major suppliers, we are promoting various initiatives to attain these targets. For example, DENSO provides examples of how to promote energy conservation and technological assistance, procures renewable energy, and has switched to low-CO₂ materials. While proactively engaging with suppliers, DENSO helps them find solutions to these issues.
 * The target of keeping the rise in temperature well below 2°C, which is a Scope 3 target under the 1.5°C standard

Scope 1 and 2: DENSO Plants | CO₂ emissions reduction target: Completely carbon-neutral Monozukuri by FY2036

Road Map for Scope 1 and 2 Carbon Neutrality

Realizing New Monozukuri through Unflinching Efforts and Innovative Technologies
 DENSO is thoroughly implementing energy-saving activities, which have always been one of its strengths, and securing and utilizing renewable energy sources, including the utilization of carbon credits. In addition, we are developing innovative energy-creating technologies by combining our many different types of manufacturing expertise. At model plants in Japan, we will verify and enhance the leading-edge technologies required for energy creation and then incorporate them into optimal energy creation activities tailored to the energy situations of respective regions.
 Also, by introducing internal carbon pricing (ICP) into business feasibility assessments, which serve as an indicator for investment decisions, we are virtually converting CO₂ emissions into losses and reflecting them in these assessments. Consequently, ICP is accelerating our investments in energy-saving measures and renewable energy facilities.

Scope 3: Downstream (Product Use) | CO₂ emissions reduction target: 25% by FY2031 (versus FY2021)

Relationship between CO₂ Emissions and Profits by Product Category

Accelerating Business Portfolio Transformation
 When analyzing business strategies, to accelerate business portfolio reforms, the Strategy Deliberation Meeting discussed the positioning of and strategies for each product category based on three decision-making criteria: CO₂ emissions, profitability, and growth potential. As a result of this approach, we are promoting (1) the right-sizing and withdrawing of internal combustion engine (ICE) products, (2) a shift of resources to battery electric vehicles (BEVs) and other areas of the vehicle electrification field, and (3) a changeover to new businesses, such as those that utilize renewable energy. Thanks to these activities, the growth of revenue from our inverters, heat management systems, and other products in the vehicle electrification field is outpacing market growth. By fiscal 2026, we aim to double revenue from this field compared with that of fiscal 2022, to ¥1.2 trillion.

Note: Size of circles indicates scale of revenue.
 ● New businesses
 ● Growth businesses (CASE)
 ● Maturing businesses (ICE-related)
 ■ Domains that produce a deficit, when factoring in carbon price

Metrics and Targets

At DENSO, we clarified our metrics and targets in the Mid-term Policy and incorporated them into our corporate management objectives as one of the sustainability targets pertaining to our priority issues (Materiality). In addition to the Companywide Safety, Health, and Environment Committee mentioned earlier, progress is monitored by the Sustainability Meeting and reported to the Management Deliberation Meeting and the Board of Directors.

To ensure an effective approach across the entire DENSO Group, metrics and targets are calculated using the management control approach, which includes 100% of emissions from consolidated subsidiaries.

For the road map to achieve each metric and target, please refer to "Green Strategy" ([EDP34](#)).

Climate Change-related Targets (CO₂ Emissions Reduction) (Reference year: Fiscal 2021)

Component procurement	FY2031	Reduction of 25% (equivalent to well below 2°C*)
Scope 3 (Upstream)	FY2051	Carbon neutral
Monozukuri	FY2026	Carbon neutral
Scope 1 and 2	FY2036	Carbon neutral (without carbon credits)
Product use	FY2031	Reduction of 25% (equivalent to well below 2°C*)
Scope 3 (Downstream)		

* The target of keeping temperature increases well below 2°C, which is a Scope 3 target under the 1.5°C standard

Scope 3 (Upstream) Reduction of CO₂ Emissions across the Supply Chain
 Our Vision: **Achieve Carbon Neutrality through Collaboration between DENSO and Suppliers**

Since the challenges involved in achieving carbon neutrality differ by industry and supplier, we are advancing our initiatives through dialogue and mutual understanding with our suppliers.

Specifically, we have surveyed CO₂ emissions from approximately 300 major suppliers that together account for over 70% of our total procurement outlays, and asked them to work with us toward achieving our medium-term target for reducing CO₂ emissions by 25% by fiscal 2031 compared with fiscal 2021 levels (equivalent to a 2.5% reduction per year), and a long-term goal of achieving carbon neutrality by fiscal 2051. To support the energy-saving efforts of our suppliers, we have created a permanent showroom showcasing DENSO's energy-saving know-how and case studies, provided assistance with energy conservation diagnosis and the loaning out of energy monitoring equipment, and hosted tours of our carbon-neutral plants to share best practices in actual settings. Furthermore, we document the challenges and requests shared by suppliers through these activities, and present proposals to industry groups and other stakeholders with the aim of driving improvements in the operating environment for the entire supply chain.



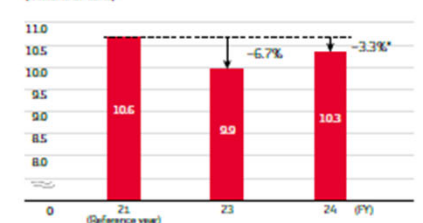
Carbon-neutral plant tours

Achievements to Date

Although energy-saving measures and the use of renewable energy at suppliers helped reduce emissions, an increase in order volumes from DENSO with its suppliers was also a factor affecting emissions. As a result, CO₂ emissions were reduced by 3.3% as of fiscal 2024, compared with fiscal 2021, falling short of the 7.5% reduction target.

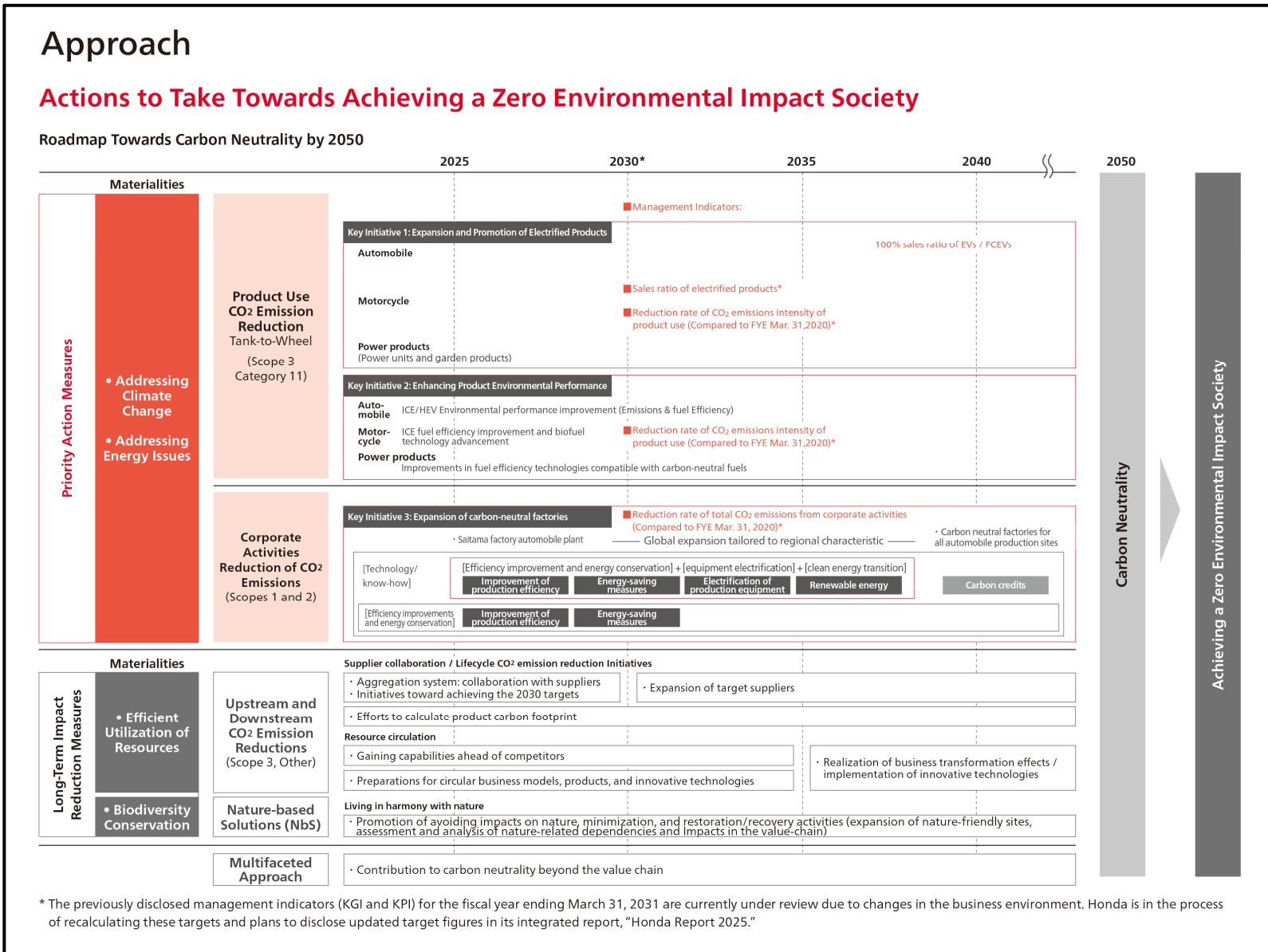
To reach our reduction targets, we will increase support for suppliers and accelerate the adoption of low-CO₂ materials in products and the deployment of renewable energy across the supply chain from fiscal 2026 onward. We also plan to establish industry rules that allow for the CO₂ emissions reduction value of our products to be provided as added value to customers and society.

CO₂ Emissions (Results for fiscal 2025 are scheduled to be published on our website by the end of 2025.) (Millions of tons)



* Although total CO₂ emissions increased in fiscal 2024, CO₂ emissions intensity (CO₂ emissions per unit of procurement) declined.

Company	● Honda Motor Co., Ltd.
Source / Page	● <i>ESG Report 2025</i> , p.19
Investor comments, etc.	● Toward carbon neutrality by 2050, a roadmap focusing on key categories has been developed. Initiatives for CO2 reduction by major product type are also disclosed, making it easy to grasp both the overall picture and the individual initiatives.



Company	● Honda Motor Co., Ltd.
Source / Page	● <i>ESG Report 2025</i> , p.24 (upper left), p.26 (right), p.28 (bottom left)
Investor comments, etc.	● Toward carbon neutrality by 2050, a roadmap focusing on key categories has been developed. Initiatives for CO2 reduction by major product type are also disclosed, making it easy to grasp both the overall picture and the individual initiatives.

Climate Change

Approach

Reduction of CO2 Emissions from Product Use (Scope 3 Category 11)

CO2 emissions from product use (Scope 3 Category 11) primarily result from the combustion of fossil fuels in ICE and HEVs. Honda considers the expansion and proliferation of electric products as an effective measure to reduce CO2 emissions from product use. By increasing the sales ratio of electric products, Honda aims to achieve reductions in CO2 emissions for Scope 3 Category 11.

In the short to medium term, Honda plans to continue selling ICE products. We will also maintain our efforts to improve the environmental performance of our motorcycles, automobiles, and power products, actively working to reduce current CO2 emissions.

While the electrification of products will contribute to reducing CO2 emissions, some emissions from the use of electric products may remain depending on the availability and adoption of renewable energy in different countries and regions. Therefore, Honda is committed not only to utilizing renewable energy within its own operations but also to engaging in advocacy efforts to promote and accelerate the transition to clean energy.

Honda will work towards contributing to the promotion and expansion of clean energy across society, while also exploring direct involvement in supplying clean energy to customers, with the aim of reducing CO2 emissions from the use of electric products.

Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Total CO2 emissions from products	Consolidated/Business	-*

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Total GHG emissions (Scope 3 Category 11)

(million t-CO2e)

Year	Total GHG emissions (million t-CO2e)
2021	202.21
2022	228.87
2023	226.86
2024	212.20
2025	232.20

(Fiscal Years Ended March 31)

Climate Change

Initiatives for Reduction of CO2 Emissions from Product Use (Scope 3 Category 11)

For its motorcycles, Honda will expand its product lineup and promote the market launch of electric motorcycles.

In October 2024, Honda launched the electric motorcycle personal commuter "CLUV e:" in Indonesia, powered by two replaceable "Honda Mobile Power Pack e:" batteries, followed by the "Activa e:" in India in November 2024, also powered by two replaceable batteries. Additionally, models equipped with fixed batteries were announced. This demonstrates Honda's steady progress in expanding its lineup of electric motorcycles.

In the power products business, Honda is positioning the power unit and garden sectors as key domains for electric products and will accelerate its efforts towards electrification.

Honda, whose products encompass motorcycles, automobiles, and power products, is enhancing its product development capabilities and cost competitiveness through synergies among different business segments. This includes improving technological capabilities through horizontal deployment of technologies and increasing production efficiency by sharing product parts. This approach is also true for the electrification of its products, and Honda will continue to leverage its strength in having a diverse range of mobility products.

Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Sales ratio of electrified products	Motorcycles Automobiles Power products	-*

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Sales ratio of electrified products

Motorcycles

Year	Sales ratio (%)
2022	0.01%
2023	0.62%
2024	0.30%
2025	0.58%
2031 (target)	-*

Automobiles

Year	Sales ratio (%)
2022	0.37%
2023	0.66%
2024	0.51%
2025	2.14%
2031 (target)	-*

Power products

Year	Sales ratio (%)
2022	0.52%
2023	0.71%
2024	1.27%
2025	1.21%
2031 (target)	-*

Climate Change

Initiatives for Reduction of CO2 Emissions from Product Use (Scope 3 Category 11)

Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Reduction rate of CO2 emissions intensity of product use (compared to FYE Mar. 31, 2020)	Motorcycles Automobiles Power products	-*

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Motorcycles

Year	Reduction rate (%)
2020 (baseline)	3.4%
2023	5.4%
2024	3.1%
2025	-
2031 (target)	-*

Automobiles

Year	Reduction rate (%)
2020 (baseline)	0.6%
2023	1.1%
2024	3.5%
2025	-
2031 (target)	-*

Power products

Year	Reduction rate (%)
2020 (baseline)	8.3%
2023	2.8%
2024	12.5%
2025	-
2031 (target)	-*

Company	● Sony Group Corporation
Source / Page	● <i>Sustainability Report 2025</i> , p.103 (upper), p.114-115 (lower)
Investor comments, etc.	● The climate-change targets are presented in a chronological timeline, making it easy to grasp the overall approach and facilitating external verification. It also outlines engagement with materials/parts suppliers and subcontractors on GHG emission measurement and reduction.

Climate Change Targets						
Target Years	FY2025 (GM2025)	FY2030 (GM2030)	FY2035	FY2040	FY2045	FY2050
Scope1+2+3				Net zero for Scope 1+2+3 Reduce absolute emissions by 90% vs. FY2018 level Removal of residual carbon emissions	Moved up	Net zero for Scope 1+2+3
Scope1+2	Reduce Sony Group-wide Scope 1+2 absolute emissions by 5% vs. FY2020 level	Reduce Sony Group-wide Scope 1+2 absolute emissions by 60% vs. FY2025 level Remove carbon that is equivalent to the residual emissions	Reduce Sony Group-wide Scope 1+2 absolute emissions by 72% vs. FY2018 level			
Scope 2	Percentage of renewable electricity in our own operations: 35%	Percentage of renewable electricity in our own operations: 100%	Moved up	Percentage of renewable electricity in our own operations: 100%		
Scope 3		Reduce Sony Group-wide Scope 3 absolute emissions by 25% vs. FY2025 level				
Scope 3 Category 1	Request suppliers of raw materials and components and contract manufacturers to monitor their GHG emissions, set medium- and long-term targets for emissions reduction, and perform progress management Have raw material and component suppliers and contract manufacturers equivalent to 10% of supply chain GHG emissions set SBT-consistent reduction targets by FY2025	Encourage raw materials and parts suppliers and contract manufacturers to monitor and reduce GHG emissions Encourage major raw materials and parts suppliers to achieve 100% renewable electricity used in the manufacturing of products for Sony Group*				
Scope 3 Category 4	Reduce absolute GHG emissions related to logistics between nations and within regions by 10% vs. FY2018 level					
Scope 3 Category 11	Reduce annual energy consumption per product unit by 5% vs. FY2018 level		Reduce Sony Group-wide Scope 3 category 11 absolute emissions by 45% vs. FY2018 level			

* Initiative details are discussed with suppliers in countries/regions where procuring renewable energy is more difficult

RE100 Target SBTI-approved Target

Reducing Greenhouse Gas Emissions Across the Supply Chain

Working with Materials/Parts Suppliers and Subcontractors to Reduce Environmental Impact

As a part of its efforts to reduce environmental impact across the supply chain, we request that our materials and parts suppliers and subcontractors handle both greenhouse gas and water depletion issues. For GHG emissions, Sony requests them to monitor emission levels, set medium- and long-term targets for emissions reduction and perform progress management. Sony conducts annual surveys on efforts to reduce its environmental footprint in order to monitor the impact of greenhouse gas emissions and water consumption related to raw materials, components and products delivered to Sony.

In fiscal year 2024, Sony obtained answers about a variety of data from materials and parts suppliers which account for approximately 80% of the total transaction value and from subcontractors which account for approximately 90% of the total transaction value. We provided both tools and guidance to support GHG emissions calculation for suppliers who were unable to do so. This enabled all suppliers surveyed to be able to calculate and monitor their emissions.

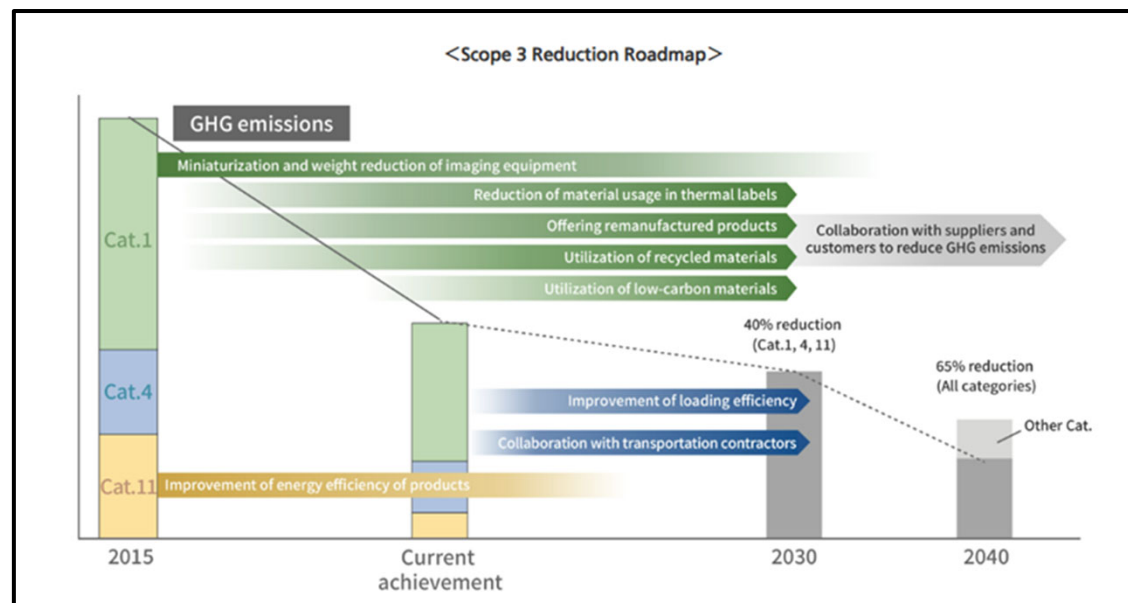
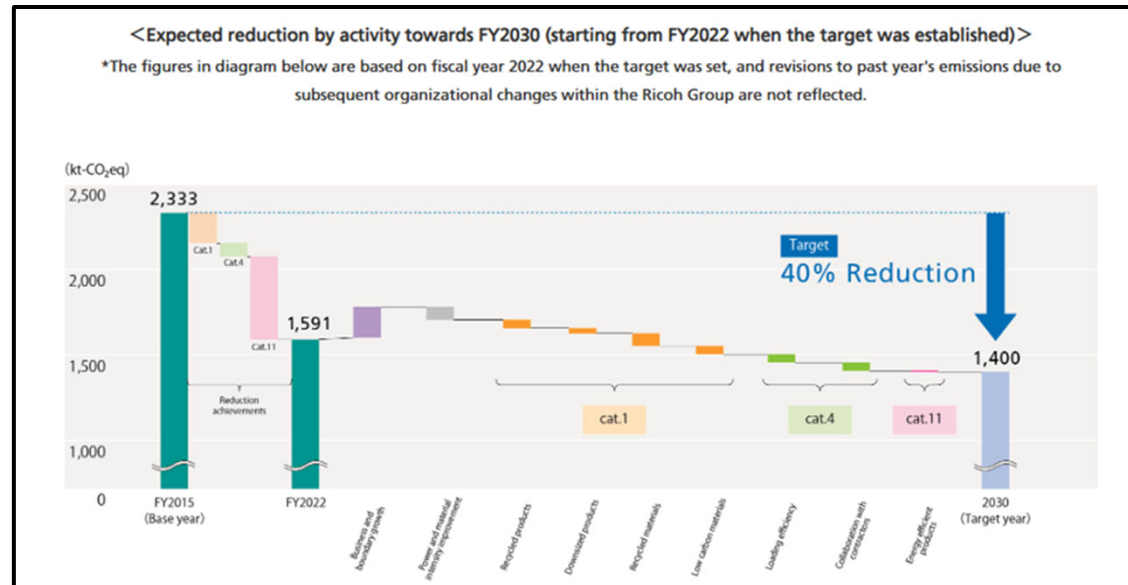
Our 1.5°C Science Based Target (SBT) stipulates suppliers of raw materials and components and contract manufacturers will set SBT-consistent reduction targets equivalent to 10% of supply chain GHG emissions by fiscal year 2025. In September 2023, Sony announced its intention to reduce Scope 2 GHG emissions released during use of purchased electricity at the site of Sony's major suppliers to net zero by 2030.

Sharing Expertise on Reduction of Energy Consumption and Promoting Renewable Energy Utilization

In fiscal year 2022, Sony began promoting the Partner Eco Challenge Program, which provides suppliers with expertise on the reduction of energy consumption as implemented at Sony sites globally. In this program, personnel who are familiar with environmental initiatives and energy management visit suppliers, identify areas for improvement at manufacturing sites and provide Sony expertise. Using this as a starting point, employees at supplier manufacturing sites proactively develop initiatives for improvement and verify the results of these initiatives during the half-year period set for the program. During this period, Sony regularly checks progress and provides support for initiatives by visiting the site, while also holding seminars on basic energy conservation and other endeavors that raise awareness throughout the site. Through this program, Sony accelerates the use of renewable energy as its power usage on the supplier site, setting goals equivalent to SBT and providing ongoing support for the acquisition of target certification.

The program targeted production sites in Japan in fiscal year 2022, but was expanded to China in fiscal year 2023 and Thailand in fiscal year 2024. Supplier employees now take initiative to make improvements at their respective sites, and we have seen an acceleration of the implementation of independent measures, including upgrading to energy-efficient equipment and employing renewable energy.

Company	● Ricoh Company, Ltd.
Source / Page	● Website: Climate Action(https://www.ricoh.com/sustainability/environment/zero_carbon_society)
Investor comments, etc.	● The overall picture is explained through a roadmap for mid- to long-term emissions reduction. This is evaluated positively for clearly showing which categories will achieve what level of reductions in relation to the targets.



Company	● Tokyu Fudosan Holdings Corporation
Source / Page	● <i>Integrated Report 2025</i> , p.74
Investor comments, etc.	● In the new medium-term management plan, the company has set a target for contribution to reducing CO2 emissions at 10 times internal emissions volume or higher, in addition to its Scope 3 goals. The company also outlines concrete transition initiatives involving engagement with stakeholders in its transition plan, giving the impression of its effectiveness.

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Value Creation Foundation **Environment** Comprehensive Disclosure of Climate and Nature-Related Issues

Climate change-related results, plans, and priorities

Realizing a decarbonized society: Indicators, targets, and results

We manage progress on results of indicators linked to our response to the climate change-related risks identified through scenario analysis. In the previous medium-term management plan, we targeted a 50% reduction in Scope 1 and 2 CO₂ emissions by fiscal 2023. However, by leveraging the strengths of our renewable energy business, we recorded

a 50.7% reduction in fiscal 2022, thereby achieving our target one year ahead of schedule.

In fiscal 2024, we made further progress with a reduction of 77.4% and revised our fiscal 2030 target upward to 80% or more. We also achieved a 30% reduction in Scope 3 emissions.

Previous medium-term management plan results

FY2021	FY2022	FY2024
Contribution to reducing CO₂ emissions • Carbon negative 1 time internal emissions volume Achieved (Initial target: FY2025) Achieved four years ahead of schedule → Achieved continuously since FY2024	Scope 1 and 2 (Internal) • Reduce CO ₂ emissions by 50% or more FY2022 result: 50.7% Achieved (Initial target: FY2023) Achieved one year ahead of schedule → Achieved continuously since FY2024	Completed switch to 100% renewable energy • December, Tokyu Land Corporation All 244 facilities*1 Achieved RE100 requirements (Initial target: 2022) Fastest business company in Japan** → Achieved continuously since FY2024
RE 100 certification • One year's results officially certified in April First business company in Japan**		
Scope 3 (supply chain) Qualitative targets Achieved (Initial target: FY2025) • Collaborative initiatives with partners such as construction companies (formulation of manual for calculating greenhouse gas emissions during construction) • Provide customers with decarbonization value (building ZEB conversion)		

New medium-term management plan results

FY2030	2050
Achieve the 1.5°C-aligned SBT • CO ₂ emissions reduction of 46.2% (compared with FY2019) Scope 1 and 2 • CO ₂ emissions reduction of 80% or more Upward revision Scope 3 (supply chain) qualitative targets → Updated with the addition of a target for initiatives promoting primary data collection	Achieve the net zero emissions SBT • Net zero CO ₂ emissions (compared with FY2019)** (Acquire SBT approval) • 1.5°C target: 2021 • Net zero: 2024

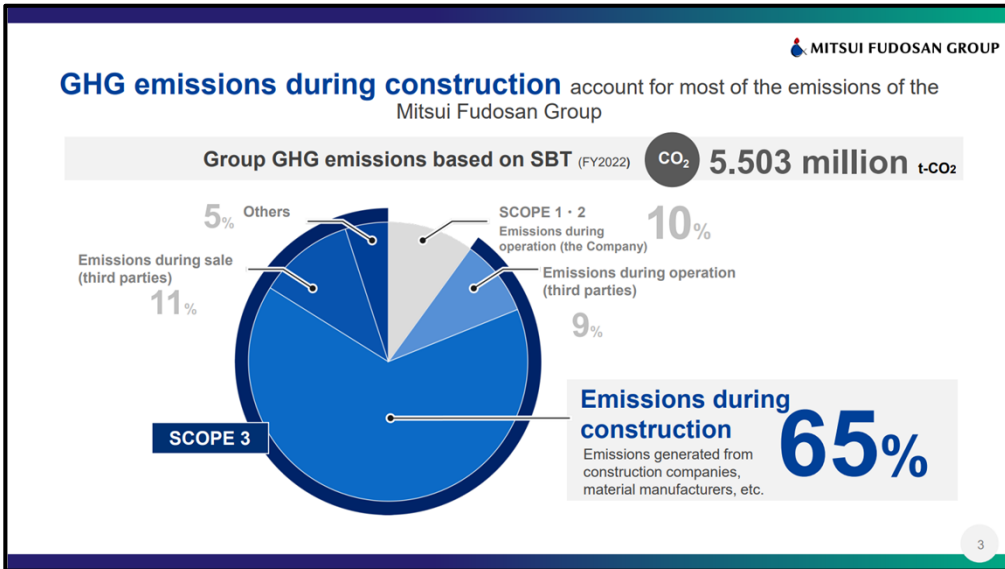
CO₂ emissions-related results and targets
(1,000 t-CO₂) ■ Scope 1 and 2 ■ Scope 3 (Categories 1, 2, and 11)

Priority climate-related issues

We recognize the following climate-related issues as being particularly material to the Group.

Category	Type	Material issues	Major impact
Transition risks	Current regulation	Energy conservation reporting requirement, energy efficient building standards	
	Emerging regulation	More stringent GHG emission reduction regulations, carbon taxation	○
	Technology	Increase in cost for ZEB / ZEH construction / renovation	○
	Legal cost	Credit purchase under the Tokyo Cap-and-Trade Program	
	Market	Delayed response to price trends reflecting environmental value, increasing energy costs	○
	Reputation	Changing customer / investor behavior	
Physical risks	Acute	Intensified extreme weather events	
	Chronic	Rising temperatures / sea levels	
Opportunities	Resource efficiency	Transition to high-efficiency buildings, recycling	
	Energy source	Wider use of renewable energy sources, government subsidies	○
Opportunities	Products / services	Expansion of low carbon products / services	
	Market	Utilization of ESG finance	○
	Resilience	Energy efficient renovations of operating assets, BCP compliance	

Company	● Mitsui Fudosan Group
Source / Page	● <i>Introducing Three Plus Concrete Initiatives for Reducing Scope 3 Emissions</i> , p.3-4, p.13, p.15
Investor comments, etc.	● The company explains its own emission characteristics and reduction measures in a concrete and detailed manner, making the content useful for deepening investors' understanding of the actual emissions situation.



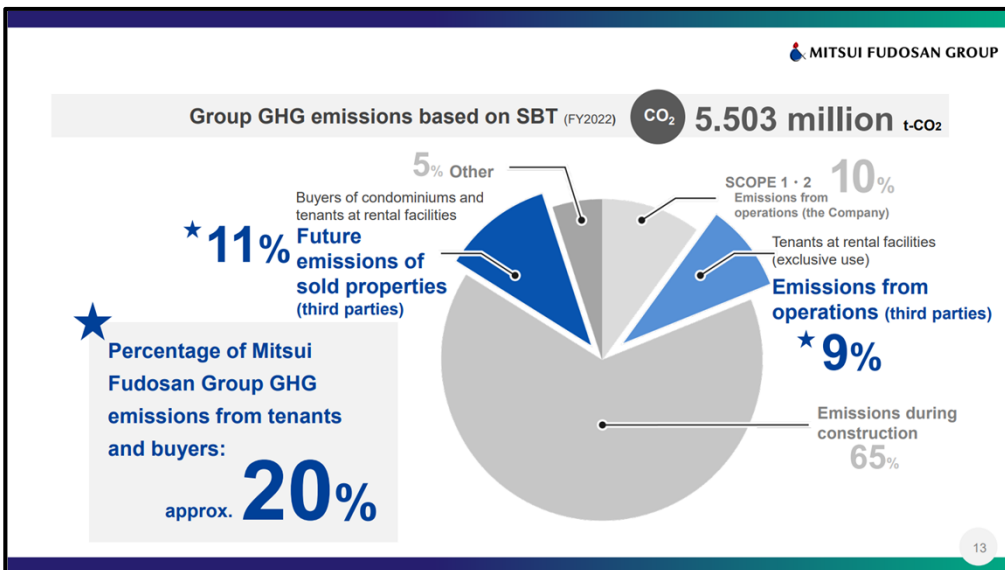
MITSUI FUDOSAN GROUP

We will become involved and contribute to **decarbonization** at every phase of smart city development and neighborhood creation, from upstream to downstream

1 Call on the innumerable companies involved in the neighborhood creation supply chain and visualize GHG emissions

- ▶ Create appropriate indicators for decarbonization
- ▶ Form and propagate rules for visualization of GHG emissions

4



MITSUI FUDOSAN GROUP

「As an energy-saving platform for lifestyles, expanding an industry-first scheme to owned condominiums properties」

- 1 Visualization of CO₂ emissions for each unit
- 2 Points for reducing CO₂ emissions through people engaging in energy-saving activities in their daily lives
- 3 Points can be exchanged for incentives, making energy savings fun and sustainable

Standard deployment at **owned condominiums in the Tokyo metro area starting with 2022 designs**
(To be deployed at all properties in principle)
Scheduled for full-fledged operations from 2024

Recommend measures that promote energy savings in daily living
Provide information on CO₂ visualization and energy savings

Communicate the results of CO₂ reductions and encourage participation

Provide incentives

Cooperating partners (provide incentives)

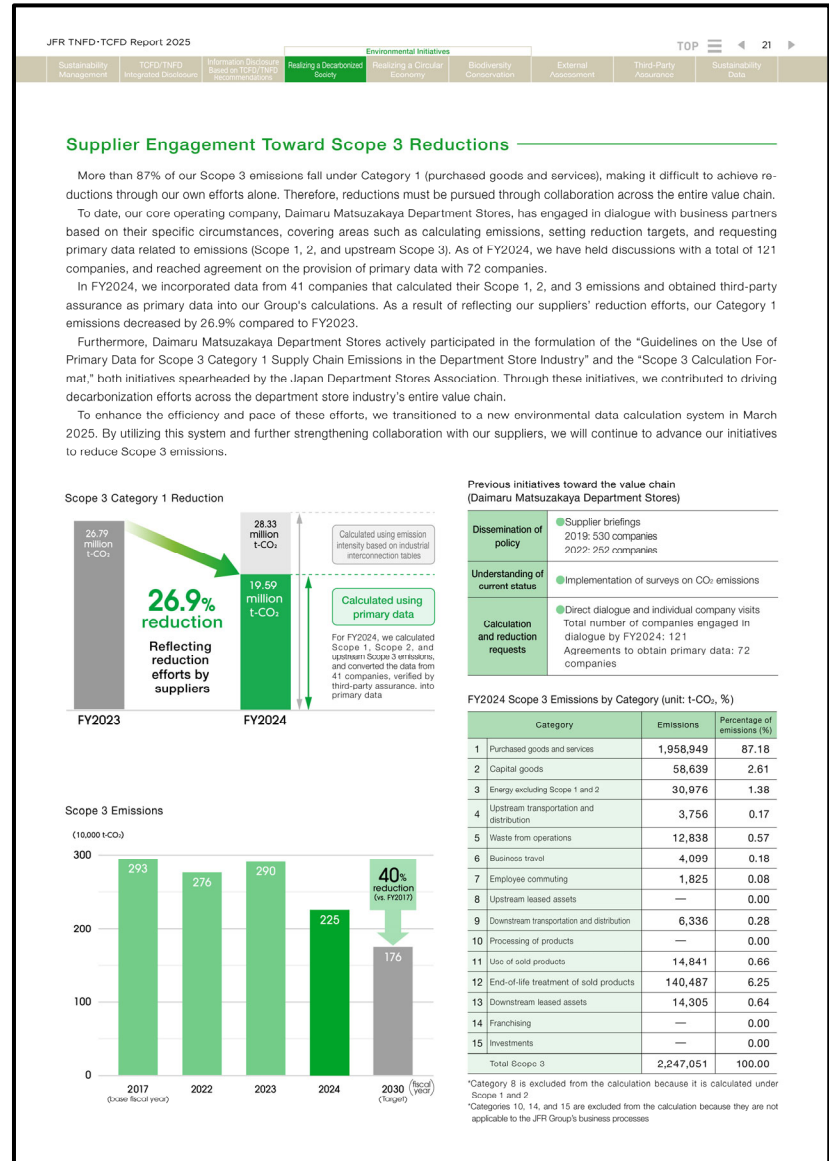
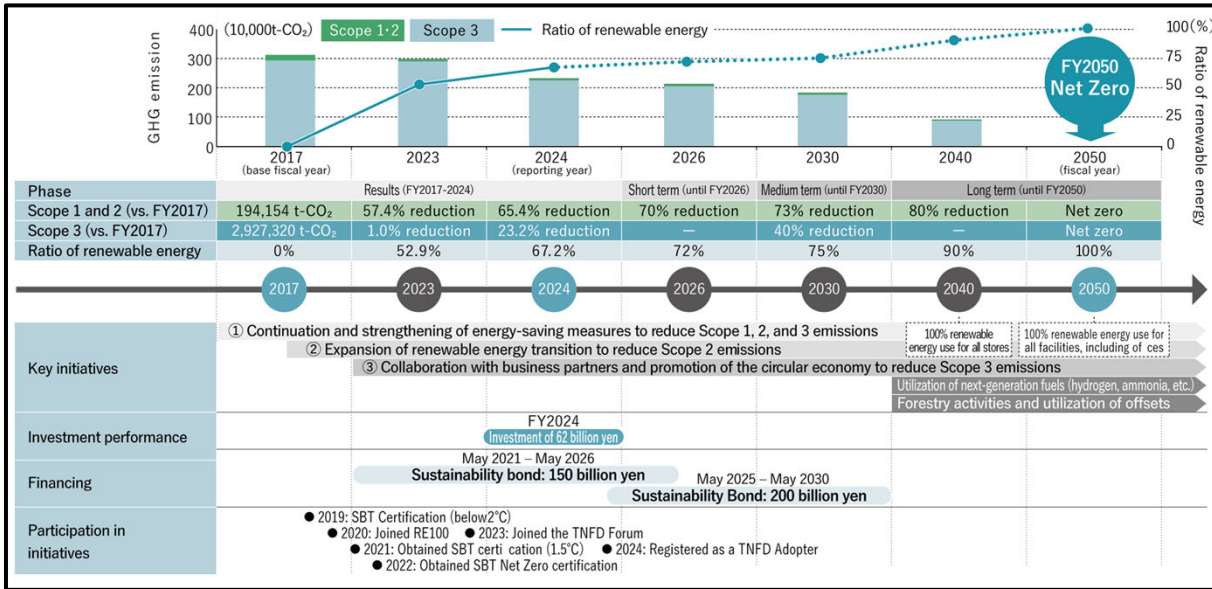
Provide the quantitative results of CO₂ reduction through offering incentives

MITSUI FUDOSAN RESIDENTIAL (TEPCO Energy Partner)

FAMILYNET JAPAN, TOKYO GAS, SMBC

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Company	● J. Front Retailing Co., Ltd.
Source / Page	● <i>Integrated Report 2025</i> , p.66 (left), <i>TCFD/TNFD Report 2025</i> , p.21 (right)
Investor comments, etc.	<ul style="list-style-type: none"> ● Overall transition plan including Scope 3 is clearly presented, helping readers understand the positioning of key initiatives. ● Within individual initiatives, supplier engagement is conducted, and attempts are being made to express emission reduction efforts through the use of primary data.



Company	<ul style="list-style-type: none"> ● Fast Retailing Co., Ltd.
Source / Page	<ul style="list-style-type: none"> ● Website: Response to Climate Change (https://www.fastretailing.com/eng/sustainability/environment/climatechange.html)(left) ● <i>Integrated Report 2025</i>, p.63 (right)
Investor comments, etc.	<ul style="list-style-type: none"> ● Reduction targets are set for Category 1, which accounts for the largest emissions within Scope 3, and close collaboration with production partners is being carried out to reduce emissions. ● While production and sales volumes increase, the Scope 3 reduction targets and the actual results toward those targets are clearly presented.

Supply Chain Initiatives

■ **Production Partners**

• **Initiatives to reduce GHG emissions**

Based on strong relationships with production partners, Fast Retailing is working to achieve its greenhouse gas emissions reduction targets in the supply chain leading up to fiscal year ending August 31, 2030. We use the Higg Index and other apparel industry indices to measure environmental impact, including greenhouse gas emissions, at our core garment factories and fabric mills, then work with each partner to reduce this impact. By November 2021, we defined specific conditions and issues across countries and regions, and at each of the core partner factories jointly accounting for 90% of UNIQLO and GU manufacturing. We then formulated plans to reduce greenhouse gas emissions incorporating activities for energy saving, coal phase-out, and the introduction of renewable energy. In November 2025, we raised our greenhouse gas reduction target for 2030 from the previous 20% to 30%.

To ensure these plans are implemented, we work closely with our partner factories to check progress every three months, and review plans once a year. To help our partners meet challenges, we provide tailored advice for each factory on suitable options for their circumstances, and introduce funding sources to help them implement plans. Examples are as follows.

<Support for energy saving activities>

At some fabric mills, our introduction of boiler suppliers has led to the installation of highly efficient small boilers and other key equipment. Additionally, we have been providing energy efficiency assessment to some of our suppliers, aiming to identify further energy-saving opportunities. From May 2025, we have expanded the assessment to include our core fabric mills and some garment factories.

<Support for introducing renewable energy>

In Bangladesh—a region where it remains difficult to procure renewable energy—we worked directly with renewable energy providers to ensure our partner factories could procure renewable energy certificates on a priority basis.

<Collaboration with External Stakeholders>

In Indonesia, where our production partners are located, we participate in the Clean Energy Investment Accelerator (CEIA), an international public-private partnership program aimed at accelerating the introduction of renewable energy in emerging countries. We are exchanging information with CEIA and other participating companies about initiatives and challenges in the supply chain.

■ **Promoting GHG emission reductions in the sourcing of raw materials**

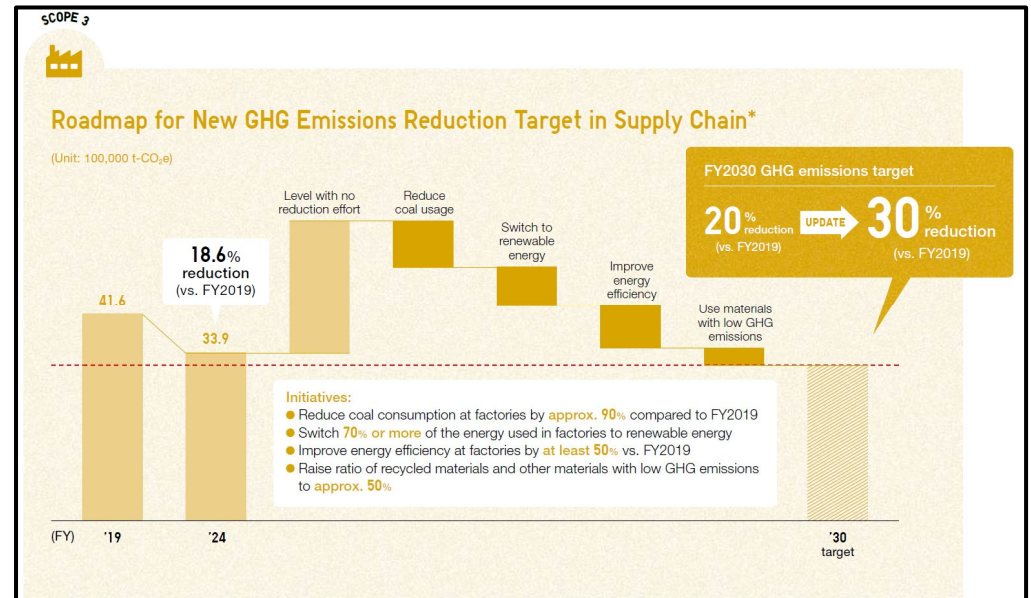
From our product-planning stage, we encourage the use of raw materials that were produced with lower GHG emissions. Specifically, we aim to increase the proportion of materials with low GHG emissions such as recycled materials to approximately 50% by the fiscal year ending August 2030, and are starting to switch to use them. In fiscal 2025, the ratio of products* made from materials with low GHG emissions such as recycled materials increased to 19.4% (from 15.9% in the previous year) of total materials used. For polyester, 46.4% (from 41.5% in the previous year) of total materials used were made from recycled polyester.

We have introduced DRY-EX, AIRISM, HEATTECH, and Fluffy Fleece items of clothing that incorporate recycled polyester fibers, and waist bags using recycled nylon. We are expanding the introduction of materials that place a lower burden on the environment, starting with synthetic fibers such as rayon and nylon.

*Previous year's Fall/Winter products and current year's Spring/Summer products

Related Links

▶ [Responsible Procurement](#)



Company	● Ajinomoto Group
Source / Page	● <i>Sustainability Report 2025</i> , p.66 (left), p.70 (right)
Investor comments, etc.	● Scope 3 initiatives covering emissions from agriculture, distribution, consumption and disposal are described in a concrete manner.

Reduction of greenhouse gas emissions in the value chain

Internal carbon-pricing

Strategy

The Ajinomoto Group utilizes internal carbon pricing to prevent and mitigate future financial risks. We visualize the financial impact of our business investments on GHG emissions through internal carbon pricing. In this way, we pursue measures for fuel conversion and renewable energy to reduce environmental impact and prevent and/or mitigate future financial risks.

Internal carbon-pricing

	2030 CO ₂ price forecasts ^[1]	2050 CO ₂ price forecasts
OECD member countries (excluding Mexico)	\$140/t-CO ₂	\$250/t-CO ₂
China, India, Indonesia, Brazil	\$90/t-CO ₂	\$200/t-CO ₂
Thailand, Vietnam, Philippines, Malaysia, Myanmar, Peru, Russia, Cambodia, Singapore, Egypt, Ecuador, Mexico, Taiwan	\$25/t-CO ₂	\$180/t-CO ₂
Pakistan, Bangladesh, Nigeria	\$15/t-CO ₂	\$55/t-CO ₂

[1] We apply the 2030 carbon prices as projected by the 1.5°C scenario of the International Energy Agency (IEA).

Shifting to renewable energy

Strategy

In August 2020, the Ajinomoto Group announced our participation in RE100, an international environmental initiative comprising companies aiming to achieve 100% renewable energy for electricity. Companies participating in RE100 are from diverse fields such as information technology to automobile manufacturing. Member companies are asked to publicly announce their goals to use 100% renewable energy sources, such as solar power, wind power, hydroelectric power, biomass, and geothermal power, in their business activities by the year 2050. The ratio of renewable energy used for electric power increased in fiscal 2024 with the procurement of renewable energy certificates by Ajinomoto Indonesia.

Reducing GHG through collaboration with suppliers

Strategy

We pursue GHG reduction efforts in collaboration with our suppliers as an important measure for Scope 3 reduction. In fiscal 2022, we began dialogues with MSG feedstock suppliers in Thailand. These dialogues have now shifted to trials of reduction measures in fiscal 2024, including regenerative agriculture initiatives in combination with biostimulants. Beginning in fiscal 2025, we plan to expand this project to other areas, and we will continue to monitor actual emissions data. In Vietnam, we are looking into GHG reductions through agricultural measures. These measures include partnerships with third-party organizations to establish measurement, reporting and verification (MRV) for GHG emissions at the cultivation and processing stages, as well as support for GHG emissions calculations by suppliers.

Also, in fiscal 2024, we used the CDP supply chain program to select roughly 50 suppliers with high procurement volumes. Through this program, we requested primary data and responses regarding GHG reduction initiatives to gain a better understanding of the state of GHG reductions related to major raw materials at our suppliers.

Management of fluorocarbons, NOx, etc.

Strategy

The Ajinomoto Group aims to eliminate all Hydrofluorocarbons (HFCs) by fiscal 2030 at factories with equipment that use fluorocarbons. Our intent is to switch to natural refrigerants or refrigerants with low Global Warming Potential (GWP) of less than 150 when installing new or upgrading existing equipment. In 2001, when Japanese frozen food factories were not yet required to discontinue their use of equipment using specified Chlorofluorocarbons (CFCs), we started with an initiative to phase out the usage of freezers using these chemicals, and as of the end of March 2021, we have eliminated the use of those freezers in Ajinomoto Frozen Foods Co., Inc. We are continuing efforts at our plants to fully eliminate CFC substitutes by fiscal 2030, and will work to decrease use of fluorocarbons across the entire Ajinomoto Group.

Sustainable livestock production using specialized feed-grade amino acids and contributing to GHG emissions reduction

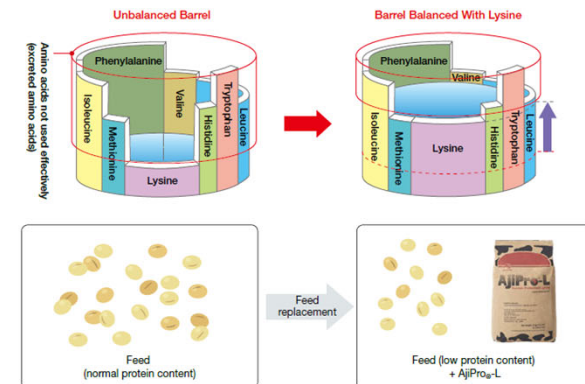
Strategy

Demand for protein increases as the global population grows. However, GHGs generated during cattle farming, which produces beef and milk sources of protein, are one of the most pressing issues in global warming, accounting for 9.5%^[1] of global emissions. Ajipro₂-L, an amino acid lysine formulation for cattle developed from the Ajinomoto Group "AminoScience," is an answer to this issue. We developed Ajipro₂-L using unique granulation technology to effectively deliver lysine, the most commonly deficient essential amino acid in cattle during the growth process. Using Ajipro₂-L to supplement amino acid deficiencies and balance the amino acid content in feed not only improves cattle productivity and health, but also reduces methane and nitrous oxide emissions from cattle. Furthermore, Ajipro₂-L can abate the CO₂ emissions associated with the procurement of soybean meal in feed. Converted to CO₂ emission equivalent, we expect to reduce emissions by approximately 1 ton per cow per year, and we are looking to reduce approximately 1 million tons of GHG emissions by the year 2030.

[1] Reference: Food and Agriculture Organization "Livestock solutions for climate change".

The Barrel Theory of Amino Acids

This diagram depicts the Barrel Theory of amino acids, with each stave of the barrel representing a specific essential amino acid. In the same way that the capacity of a barrel is limited by its shortest stave, our bodies only intake amino acids at the level of the most deficient amino acid.



N₂O emissions from manure **Approx. -25%**^[2]

CO₂ emissions related to procurement of protein source raw materials (e.g., soybean meal) **Approx. -20%**^[3]

Our technology reduces **about 1 ton**^[2] of CO₂ per head of cattle per year, including other factors.

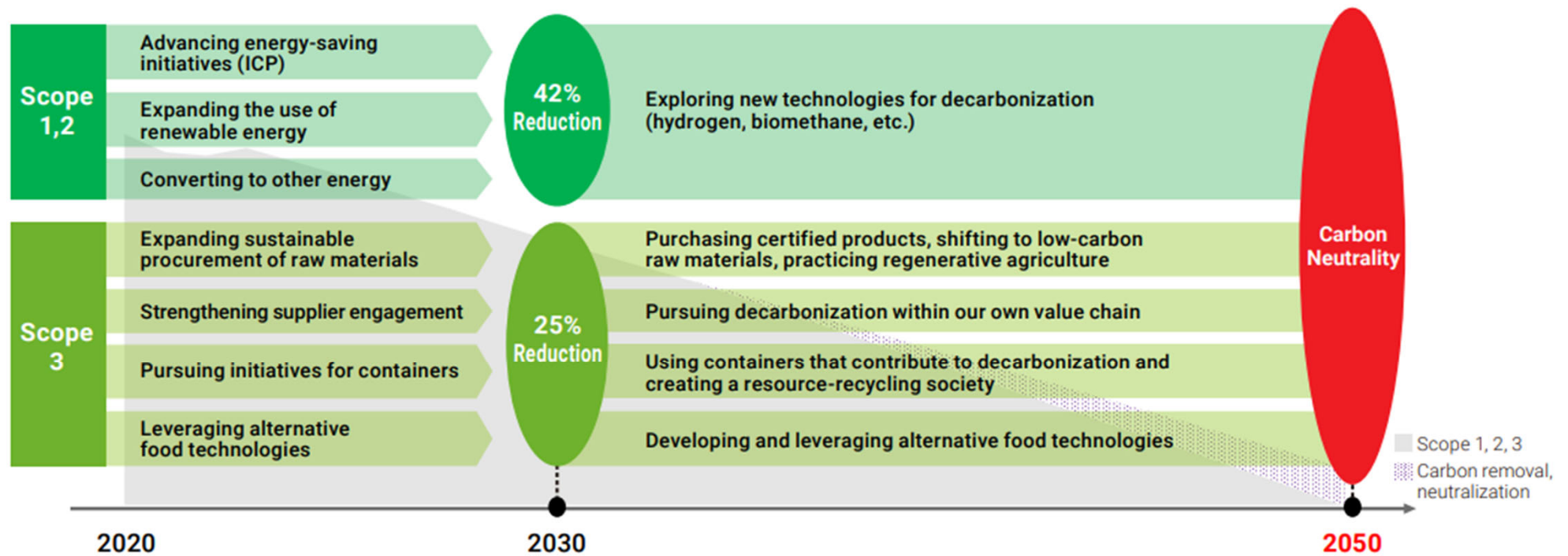
We will strengthen initiatives, striving to reduce CO₂ on a scale of **approx. 1 million tons** per year by 2030.

[2] Per cow per year, calculated by the Company.

[3] Reductions dependent on the farmer's feed design and other factors.

Company	<ul style="list-style-type: none"> Nissin Foods Holdings Co., Ltd.
Source / Page	<ul style="list-style-type: none"> 2025 Value Report p.44
Investor comments, etc.	<ul style="list-style-type: none"> A transition plan has been developed that includes Scope 3 emission reduction targets.

Transition Plan to Become Carbon-Neutral

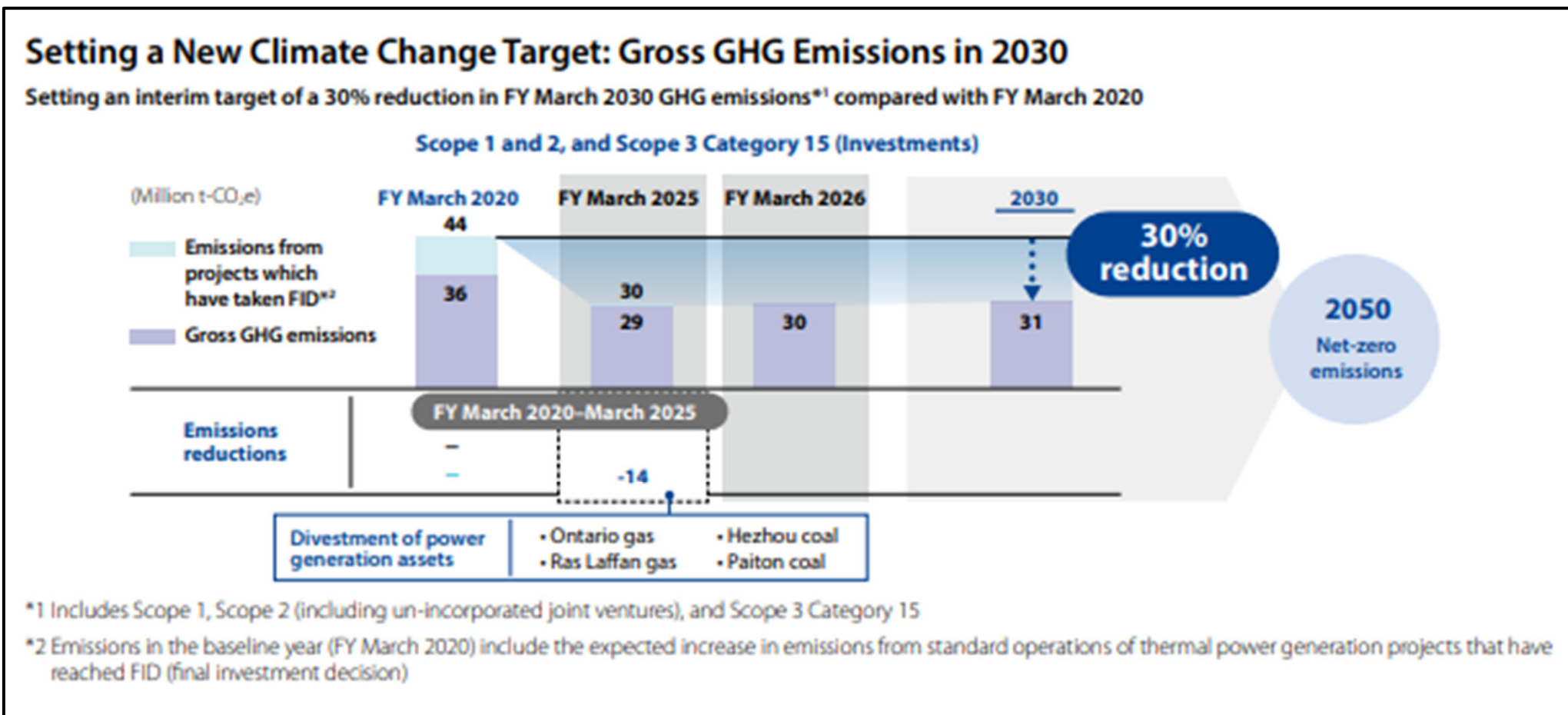


Company	● Mitsui & Co., Ltd.
Source / Page	● <i>Disclosure Based on TCFD Recommendations, p.19</i> ^{*1}
Investor comments, etc.	● For each major industry value chain, concrete examples of initiatives from upstream to downstream are described. Within complex and diverse value chains, key opportunities and risks are explained in an easy-to-understand manner.



*1 Disclosure as of September 2025

Company	<ul style="list-style-type: none"> Mitsui & Co., Ltd.
Source / Page	<ul style="list-style-type: none"> <i>Integrated Report 2025</i>, p.27*1
Investor comments, etc.	<ul style="list-style-type: none"> Targets are set for Scope 3 Category 15, which is particularly important for trading companies. The company discloses results such as emissions reduction achieved through asset divestment, demonstrating effective initiatives.



*1 Disclosure as of September 2025

3. Disclosure Examples of Initiatives Beyond Scope 3

Company	● Hitachi, Ltd.
Source / Page	● <i>Hitachi Sustainability Report 2025</i> p.43 (left), p.48 (right)
Investor comments, etc.	● Contributions to decarbonization through co-creation with customers are quantified as avoided emissions. In addition, targets and results for reducing emissions from use of products and services are presented, demonstrating initiatives related to Scope 3 Category 11.

Avoided emissions

Hitachi calculates the contribution to decarbonization through collaborative creation with customers as avoided emissions. We convert the amount of the contribution to customer decarbonization via Hitachi products and services into GHG emissions. We achieved an average 142 million metric tons of avoided emissions per year over the three years of the 2024 Environmental Action Plan, compared to our original target of approximately 100 million metric tons per year in fiscal 2024.

Hitachi calculates avoided emissions based on a comparison of customer GHG emissions from the use of Hitachi products and services during the fiscal year in question with emissions from Hitachi products and services during the base year. In principle, the base year for this calculation is fiscal 2013*1.

The World Business Council for Sustainable Development issued guidance in March 2023 on avoided emissions, and in Japan, the GX League*2 is considering the use of avoided emissions in relation to disclosures and the assessment of climate-related opportunities. In addition, the IEC*3 is advancing standardization regarding avoided emissions. A unified guide on specific calculation methods for products and services is under discussion, and Hitachi is participating in these discussions.

In 2027 Environmental Action Plan, in line with the revision of our long-term targets, we will change the indicator for avoided emissions from CO₂ emissions to GHG emissions, referring to the WBCSD guidelines for calculation, and aiming to achieve an average annual GHG avoided emission of 100 million metric tons or more per year over the three years of the plan (fiscal 2025-2027). The actual result for the 2024 Environmental Action Plan, calculated with reference to the WBCSD guidelines, was 171 million metric tons per year.

*1 In accordance with the base year of Japan's national CO₂ reduction target. For the consolidated energy-related company, we set fiscal 2020 as the base year based on the year the company joined the Hitachi Group

*2 A place where companies aiming to achieve sustainable growth with a view to becoming carbon neutral by 2050 collaborate with companies engaged in similar initiatives, as well as with entities from across industry, government, and academia

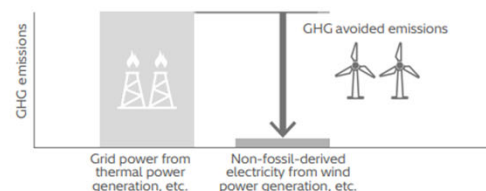
*3 IEC: International Electrotechnical Commission

Calculating avoided emissions

(1) Transition to non-fossil energy

· Calculate the amount of GHG emissions reduced by using non-fossil energy sources compared to electricity supplied from the grid

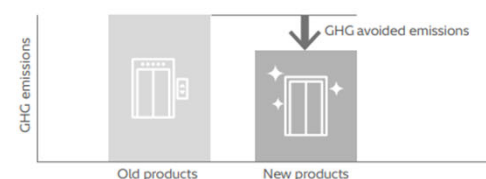
Examples: HVDC, wind turbines, etc.



(2) Energy saving

· Calculate the amount of GHG emissions reduced by improving energy efficiency compared to products and services with equivalent functions

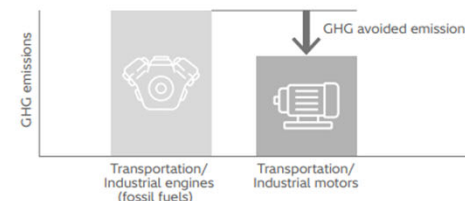
Examples: Compressors, elevators, etc.



(3) Electrification

· Calculate the amount of GHG emission reductions compared to products and services before electrification

Example: Electrification of industrial equipment



Reduction of product and service CO₂ emissions during use

CO₂ emissions related to the use of products and services account for the largest proportion of emissions in our value chain. To reduce these emissions, Hitachi sets reduction rate targets per unit based on fiscal 2010 levels for each product or service targeted. We use functional size*1 as the denominator and CO₂ emissions as the numerator in our target equation.

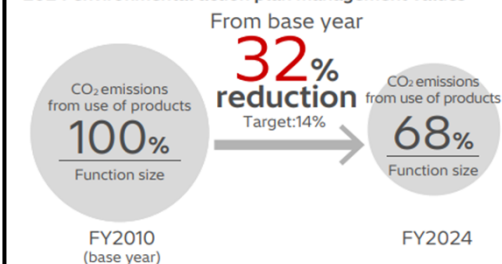
In fiscal 2024, we achieved our target with a reduction rate of 32% against a target of 14%. The achievement of this target was driven by the introduction of new models of high energy-saving equipment used in industrial equipment and social infrastructure.

Under the 2027 Environmental Action Plan, in line with the revision of our long-term targets, we aim to improve GHG emissions per unit of added value*2 (Scope 3 Category 11) by 40% by fiscal 2027, using fiscal 2022 as the baseline.

*1 Function size: Major functions of products correlated with CO₂ emissions, such as their output and volume

*2 Gross profit

CO₂ emissions intensity reduction rate (Hitachi Group): 2024 environmental action plan management values



Company

Source / Page

Investor comments, etc.

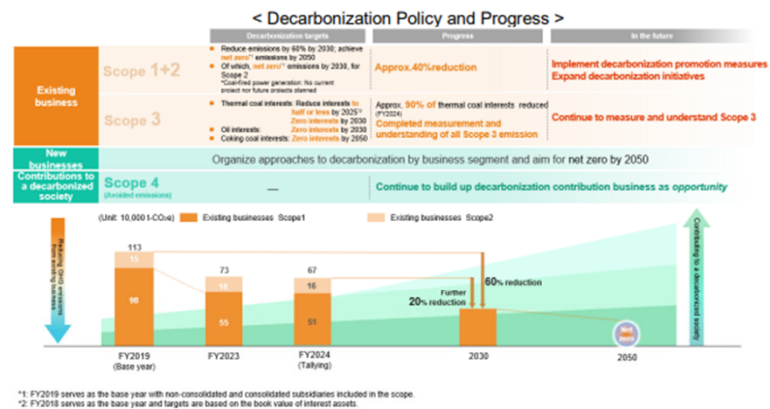
- Sojitz Corporation
- Annual Securities Report, p.34 (left)
- Website (https://www.sojitz.com/en/sustainability/policy/carbon_neutrality/)(right)
- In presenting the direction of decarbonization, the company shows measures to achieve targets, such as interests in thermal coal and coking coal. It also refers to avoided emissions (Scope 4).

Indicators and Targets

Sojitz has formulated decarbonization policies that include indicators and targets for assessing and managing the aforementioned climate change-related transition risks and opportunities. As of the fiscal year ended March 31, 2025, we have achieved approximately a 40% reduction in Scope 1 and Scope 2 emissions, and approximately a 90% reduction in thermal coal interests. To achieve our Scope 1 and Scope 2 reduction targets, the Group has developed decarbonization promotion measures and established mechanisms to promote decarbonization initiatives (such as renewable energy and energy saving) at operating companies.

We have also completed measurement of GHG emissions (Scope 3) across all sectors in our supply chain. We view Scope 3 not only as a risk but also as an opportunity for new business creation through GHG avoided emissions throughout the entire supply chain. Accordingly, we are promoting initiatives linked to our growth and aim to connect the GHG reductions achieved (Scope 4) with these efforts to solving social issues through our business, thereby turning these risks into strengths and revenue opportunities.

We will continue to promote the initiatives aimed at realizing a decarbonized society.



< Trend of Scope 1 and Scope 2 emissions (total including new businesses after FY2020) >

	FY2020	FY2021	FY2022	FY2023	FY2024 (Preliminary figures)
Scope1 (Direct CO2 emissions from fuel use such as city gas)	720,000 t-CO2	720,000 t-CO2	750,000 t-CO2	580,000 t-CO2	530,000 t-CO2
Scope1 (GHG emissions other than energy-related CO2*)	-	-	-	-	Being measured
Scope2 (Indirect CO2 emissions from the use of purchased electricity and heat)	210,000 t-CO2	220,000 t-CO2	210,000 t-CO2	200,000 t-CO2	180,000 t-CO2
Total	930,000 t-CO2	940,000 t-CO2	960,000 t-CO2	780,000 t-CO2	710,000 t-CO2

*Previous years' data has been revised to reflect a revision of the boundary of data collection.

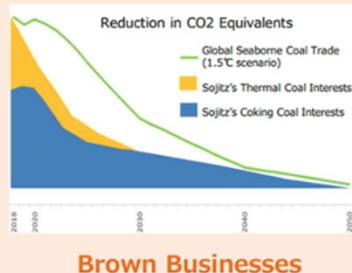
*Energy-related CO2 refers to carbon dioxide emitted during the combustion of fossil fuels (coal, oil, gas).
* Currently, the emission reduction targets under Sojitz's decarbonization policy apply to energy-derived CO2.

* The targets indicated above are based on projections made at the time of the preparation of this document, and they will be flexibly revised in response to changes in social trends and technological innovations. The Scope 1 and Scope 2 emissions for FY2024 are the current total (preliminary figures), and we will disclose the figures after obtaining third-party assurance on our website and in the Integrated Report.

Asset Transformation

Increasing "Green" Portion of Assets

Zero Thermal Coal Interests by 2030
Zero Coking Coal Interests by 2050



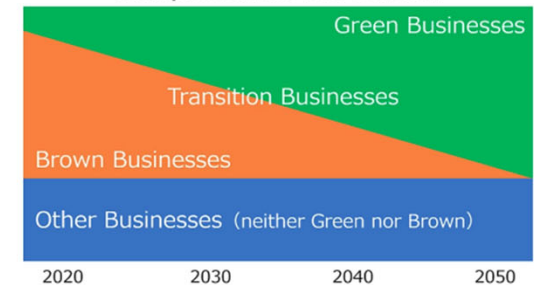
SCOPE1/2 temporary increase to be offset by long-term SCOPE4 accumulation



<Approach>

Reduce share of carbon-heavy **Brown businesses**, increase share of **Green Businesses** that contribute to CO2 reduction in society and **"Transition Businesses"** which support the transition, so as to make overall business portfolio greener. Global debate still ongoing on definitions of green, brown, and transition. Developments to be monitored, including the most-advanced EU taxonomy.

Concept of Portfolio (BS) Transition



(Reference) Examples Presented in the Study Group on Supply Chain Initiatives in Green Transformation (GX) League

Investor comments, etc.

- From the next fiscal year onward, participation in the GX Future Consortium and GX Future League will require certain initiatives aimed at creating GX demand (participation requirements).
- A study group organized by the Ministry of Economy, Trade and Industry compiled examples of initiatives considered sufficient to meet these participation requirements. Scope 3-related initiatives are also included. For example, when conducting supplier engagement, the examples may serve as references for how to demonstrate effective practices for evaluation.

Source / Page

Excerpt from the *Reference Materials of the Study Group on Approaches to Supply Chain Initiatives in the GX League* https://www.meti.go.jp/shingikai/energy_environment/gx_league/pdf/005_05_00.pdf (in Japanese)

Participation Requirements②-B-3 Capital Investment Support

- Seven-Eleven Japan has been **providing support for the introduction of solar power generation systems for food factories in its supply chain** by leveraging the knowledge gained from operating its own retail stores. (Materials from the 2nd GX League Study Group Meeting)
- In a survey conducted by the Japan Chamber of Commerce and Industry targeting small and medium-sized enterprises, **approximately 26% of respondent SMEs reported that they had received some form of decarbonization-related support** from their business partners. Among them, **about 19% received technical support** (including personnel support), while **around 5% received financial support**. These findings indicate that decarbonization efforts are beginning to expand across the entire supply chain. (Materials from the 3rd GX League Study Group Meeting)

2-1 Efforts toward decarbonization

Stores (Scope 2)
Over 90% of CO₂ emissions come from electricity use.

- Energy savings (equipment efficiency improvements)
- Energy savings (energy-saving actions)
- On-site energy generation (rooftop solar PV)
- Renewable energy procurement (offsite PPA)

Supply chain (Scope 3)

- Factories and distribution centers**
 - Solar panels
 - Inter-company knowledge sharing
- Delivery trucks**
 - Transition to clean diesel
 - Pursuing electric and hydrogen trucks
- Product packaging**
 - Material changes
 - Changes to container specifications

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Materials for the 2nd Study Group Meeting Submitted by Mr. Shiba (Committee Member) (https://www.meti.go.jp/shingikai/energy_environment/gx_league/pdf/002_05_00.pdf)
 Materials for the 3rd Study Group Meeting Submitted by Mr. Oshita (Committee Member) (https://www.meti.go.jp/shingikai/energy_environment/gx_league/pdf/003_04_00.pdf)

1. Status of decarbonization efforts among small and medium-sized enterprises [Survey results 6] Support received from business partners regarding decarbonization ⑦

- Among companies receiving decarbonization requests from their business partners, **about 74.1% reported receiving no support**, while **only 25.9% said they had received support**.
 - The breakdown shows that about **19.2% received technical support**, while **financial**
- [Multiple responses allowed] (n = 390) Companies that selected "No requests" on p.5 were excluded.

