Greenhouse Gas Emissions Data for Fiscal Year 2023

As part of our efforts to contribute to the realization of a sustainable society, JICPA first began calculating greenhouse gas (GHG) emissions for our headquarters in FY2021 and published the *Carbon Footprint Report*[1] based on this data in December 2022.

We have now calculated the GHG emissions data for FY2023 and are publishing it as part of this *Carbon Footprint Report*. Since FY2022, we have expanded our calculations to cover not only the headquarters but also regional chapters, encompassing the GHG emissions for our entire organization. Through these ongoing efforts, we will continue to promote initiatives aimed at reducing our environmental impact. Details are as follows.

1. GHG Emissions in FY2023

GHG emissions reported by JICPA include those of the organization's headquarters and our regional chapters.

JICPA's GHG emissions are categorized in accordance with the GHG Protocol, an international standard for calculating and reporting GHG emissions, and are presented below.

1.1. Scope 1 and Scope 2 Emissions

Scope 1[2] and Scope 2[3] emissions are shown in Table 1-1 below. For FY2023, the total Scope 1 and Scope 2 emissions across the organization amounted to 409.5 t-CO_2[4], with the headquarters accounting for approximately 76.5% of this total. The increase in Scope 2 emissions compared to FY2022 was primarily due to higher electricity consumption caused by extreme heat.

Table 1-1: Scope 1 and 2 Emissions (Unit: t-CO_2)

	FY2022 GHG emissions (1)	**FY2023 GHG emissions (2)**	**Change (2) – (1)**
Scope 1	0	0	0
Scope 2 (location-based[5])	402.1 (308.0)	**409.5** **(313.2)**	**+7.4** **(+5.2)**

*Figures in parentheses indicate the emission volumes from the headquarters.

[1] https://jicpa.or.jp/news/information/2022/20221213dbi.html
[2] Scope 1 refers to direct GHG emissions from a company's operations, including the use of fuels within its owned facilities.
[3] Scope 2 refers to indirect GHG emissions from the use of electricity, etc. purchased by a company from third parties.
[4] t-CO_2 is a unit represent one ton of carbon dioxide.
[5] According to the definition provided by the GHG Protocol Scope 2 Guidance, the location-based method quantifies Scope 2 GHG emissions based on the average emission factors of energy production within a specified geographic region, which may include regional, local, or national boundaries. Another approach, the market-based method, quantifies a reporter's Scope 2 GHG emissions based on those emitted by power producers. However, since JICPA did not procure energy with a particularly low emission factor during the reporting period, we have adopted only the location-based method in this report.

1.2. Scope 3 Emissions

Scope 3[6] emissions by category are shown in Table 1-2. The calculations include not only the headquarters but also regional chapters. Additionally, the organization's supply chain emissions cover categories 1, 2, 3, 5, 6, and 7. In FY2023, Category 1 (Purchased Goods and Services) emissions decreased by 119.4 t-CO_2 YoY, primarily due to a significant reduction in facility renovations, particularly the cost of air conditioning replacements. Category 2 (Capital Goods) emissions decreased by 150.5 t-CO_2, mainly due to reduced spending on core IT system assets. On the other hand, Category 6 (Business Travel) emissions increased by 85.5 t-CO_2, as more employees resumed business trips following the end of COVID-related restrictions. Category 7 (Employee Commuting) emissions also increased by 22.7 t-CO_2, as employees returned to commuting to work more often. As a result, total emissions in FY2023 decreased by 161.1 t-CO_2 compared to FY2022.

In FY2023, total Scope 3 GHG emissions across the organization amounted to 1,371.0 t-CO_2, with the headquarters accounting for approximately 92% of this total.

Table 1-2: Scope 3 Emissions (Unit: t-CO_2)

	Category	Relevant Activities	FY2022 GHG emissions (1)	FY2023 GHG emissions (2)	Change (2) – (1)
Scope 3	Category 1: Purchased Goods and Services	Procurement of consumables	431.4*	**312.0**	**–119.4**
	Category 2: Capital Goods	Acquisition of fixed assets	495.1*	**344.6**	**–150.5**
	Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	Electricity procurement	63.0	**63.6**	**+0.6**
	Category 5: Waste Generated in Operations	Waste disposal	3.4	**3.3**	**–0.1**
	Category 6: Business Travel	Business travel expenses	464.2	**549.7**	**+85.5**
	Category 7: Employee Commuting	Commuting	75.1	**97.8**	**+22.7**
		Total	1,532.2	**1,371.0**	**–161.2**

*As a result of a more detailed classification of Category 2 in FY2022, it was found that some emissions should have been classified under Category 1. We have revised the figures accordingly.

As shown in Chart 1-3, the largest share of Scope 3 GHG emissions in FY2022 was attributed to "Category 2: Capital Goods" followed by "Category 6: Business Travel," and "Category 1: Purchased Goods and Services." Similarly, as illustrated in Chart 1-4, the distribution of emissions across categories in FY2023 remained largely consistent with that of FY2022. As stated in the *Carbon Footprint Report*, JICPA is exploring mid-to-long-term reduction strategies for categories 1 and 6.

[6] Scope 3 refers to all indirect GHG emissions from a company's activities, such as employee commuting, business travel, and purchased goods and services not included in Scope 1 or Scope 2.

Chart 1-3: Scope 3 Emissions by Category for FY2022 (%)

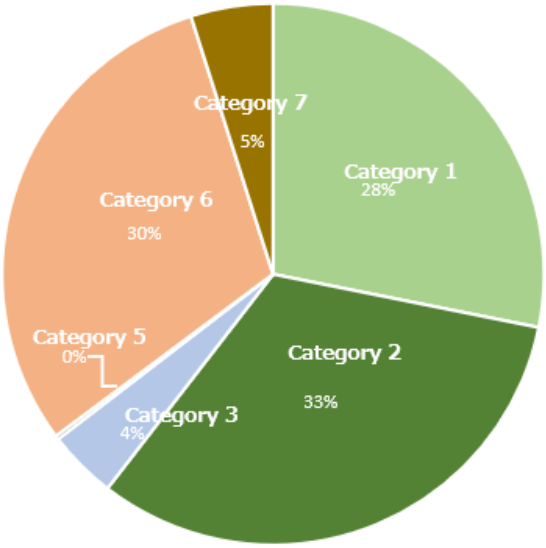
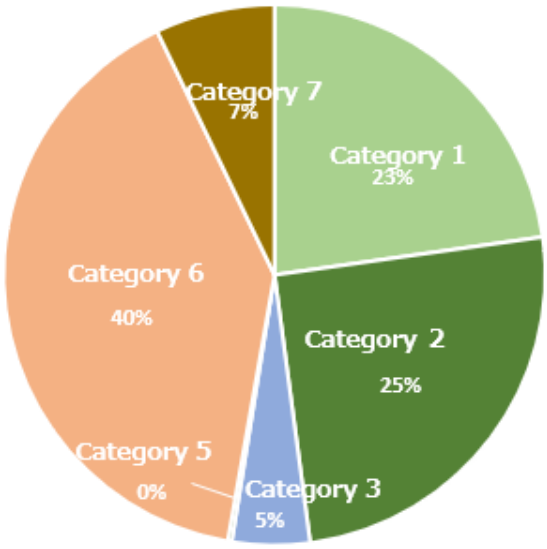
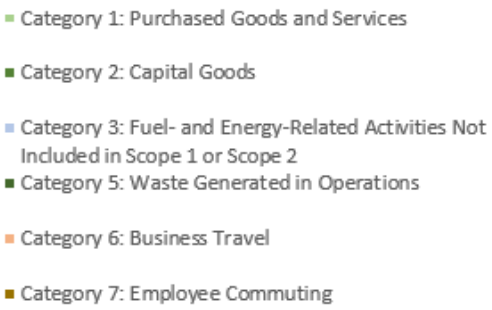


Chart 1-4: Scope 3 Emissions by Category for FY2023 (%)





2. Outlook

Acquisition of CASBEE[7] Certification:

JICPA is currently renovating our own 'Kounin Kaikeishi Kaikan' and has applied for CASBEE certifications. Specifically, we are seeking two certifications: CASBEE for Renovation and CASBEE-Wellness Office. CASBEE for Renovation assesses the reduction of environmental impact achieved through building renovations, while CASBEE-Wellness Office evaluates office environments that prioritize the health and comfort of staff.

While aiming to obtain these certifications, JICPA endeavor to foster a healthy and comfortable environment for all building users while actively contributing to the realization of a sustainable society.

[7] CASBEE® is a tool developed by the Japan Sustainable Building Consortium under the leadership of the Ministry of Land, Infrastructure, Transport and Tourism for comprehensively assessing the environmental performance of buildings, etc. from a variety of perspectives. The certifications awarded through assessments by third parties using the tool have gained recognition as major building certifications in Japan, comparable to those of LEED in the U.S. and BREEAM in the UK.