

## Calculations of Greenhouse Gas Scope 3 Emissions

Boundary		Hulic Co., Ltd. and its consolidated subsidiaries
Scope 3 Categories	1 Purchased goods and services	<p>Calculated by multiplying the emission intensity by the selling, general and administrative expenses and the total floor area of the real estate for sale developed by the Company in the fiscal year.</p> <p>Source: Embodied Energy and Emission Intensity Data for Japan Using Input-Output Tables (3EID) published by the National Institute for Environmental Studies, Japan, global environmental impact intensity based on purchaser price standards (including transportation and delivery costs (upstream)).</p>
	2 Capital goods	<p>Calculated by multiplying the emissions intensity by the total floor area (occupied area) of the tangible fixed assets developed by the Company that were completed during the fiscal year.</p> <p>Source: Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan.</p>
	3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	<p>Calculated by multiplying the emissions intensity by the consumption of fossil fuels, electricity, and heat in the fiscal year.</p> <p>Source: Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan. Life Cycle Inventory (LCI) Database IDEAv2 provided by the Sustainable Management Promotion Organization (SuMPO).</p>
	4 Upstream transportation and distribution	<p>Not applicable</p> <p>Emissions from transportation and delivery (upstream) are included in Scope 3 Category 1.</p>
	5 Waste generated in operations	<p>Calculated by multiplying the emissions intensity by the amount of waste emissions from the subject companies and the amount of waste emissions from building demolition and renovation projects in the fiscal year. For the demolition of some buildings, calculated by multiplying an emissions factor by the total floor area. Furthermore, the amount of waste emissions of some subject companies is estimated using the total floor area based on the emission intensity of the same application.</p> <p>Source: Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan. Life Cycle Inventory (LCI) Database IDEAv2 provided by the Sustainable Management Promotion Organization (SuMPO). Materials related to LCA of buildings (CASBEE Assessment Manual and LCA of Commercial Buildings (Journal of Life Cycle Assessment, Japan 2017 Vol. 13 No.2)).</p>
	6 Business travel	<p>Calculated by multiplying the emissions intensity by the number of employees of the subject companies at the end of the fiscal year.</p> <p>Source: Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan.</p>
	7 Employee commuting	<p>Calculated by multiplying the number of commuting days, attendance ratio, and the emission intensity by the number of employees of the subject companies at the end of the fiscal year.</p> <p>Source: Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan.</p>
	8 Upstream leased assets	<p>Not applicable</p> <p>Emissions from leased assets are included in Scope 1 and 2.</p>
	9 Downstream transportation and distribution	<p>Not applicable</p> <p>No downstream transportation or delivery.</p>
	10 Processing of sold products	<p>Not applicable</p> <p>No sales of products requiring processing.</p>
	11 Use of sold products	<p>Calculated by multiplying the annual GHG emissions of buildings developed by the Company that were sold in the fiscal year by statutory useful life minus the number of years passed from the completion of the building. Since 2021, a scenario of reducing GHG emissions after the sale based on the Tokyo Metropolitan Government's decarbonization targets has been applied. The GHG emissions of some buildings are estimated using an emission factor specified by the Ministry of the Environment based on the total floor area and number of units.</p> <p>Source: Unit calorific value and emission factors are the values specified in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. Emission Intensity Database for Calculating Greenhouse Gas Emissions and Other Emissions of an Organization Through Its Supply Chain (Ver. 3.3) published by the Ministry of the Environment, Japan. Zero Emission Tokyo Strategy 2020 published by the Tokyo Metropolitan Government.</p>
	12 End-of-life treatment of sold products	<p>Calculated by multiplying an emission factor by the total floor area of buildings developed by the Company that were sold during the fiscal year.</p> <p>Source: Materials related to LCA of buildings (CASBEE Assessment Manual and LCA of Commercial Buildings (Journal of Life Cycle Assessment, Japan 2017 Vol. 13 No.2)).</p>
	13 Downstream leased assets	<p>Calculated based on properties held at fiscal year-end (Properties acquired during the reporting year for the period from the acquisition date to the end of the term are included) by multiplying the energy usage of the leased building for the fiscal year by emission factor specified in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. The GHG emissions of some buildings are estimated using the total floor area based on the basic unit of the same application.</p>
	14 Franchises	<p>Not applicable</p> <p>No franchise as a method of business expansion.</p>
	15 Investments	<p>Not applicable</p> <p>No financial products or services provided.</p>