ELECOM CO.,LTD. - Climate Change 2023



C0. Introduction

C_{0.1}

(C0.1) Give a general description and introduction to your organization.

The ELECOM Group consists of parent company, ELECOM, hereafter referred to as ELECOM, and 17 group companies, and is engaged in the development, manufacture, and sale of personal computers and digital equipment-related products, as well as businesses related to these activities. Under the slogan "bridging the gap between people and innovation," the ELECOM Group's basic policy is to create new values that enrich business and home life with bringing joy to customers. The ELECOM Group's strength lies in three elements; Firstly, its product development capabilities, which enable it to develop products that are compatible with new standards that are constantly evolving and products with excellent design, keeping a close eye on market trends. Secondly, the Group's product sales capabilities which enable it to market its products through a variety of sales channels, including the B-to-C market of not only electronics mass retailers but also discount and lifestyle stores, domestic and international e-commerce, and the B-to-B market, where the Group leverages its strengths to develop services. Last of all, the ability to procure products from affiliated factories in Japan and overseas by comprehensively considering and selecting products based on their quality, cost, and supply system to meet the world's needs. It is the speed that the ELECOM Group's DNA with which it is able to execute these strengths in a prompt and timely manner. Going forward, the ELECOM Group will continue to provide new products and services with even greater speed by broadening its vision not only to what users are looking for, but also to one step ahead of their needs.

The product categories and main products handled are as follows;

- · PC-related products: mouse, keyboards, wireless routers, hard disks, USB memory sticks, LAN cables, carrying bags, etc.
- · Health care products: body composition analyzers, blood pressure monitors, body make-up and body care products, etc.
- · Video and audio products: headphones, earphones, speakers, HDMI cables, power strips, etc.
- $\cdot \ \, \text{Camera-related products: camera cases, camera accessories for smartphones, memory cards, etc.}$
- TV-related products: HDDs for recording, remote controls, display racks, antenna cables, etc.
- · Smartphones and tablet PCs: cases, touch pens, protective films, chargers, mobile batteries, etc.
- · Car-related products: cigar chargers, car stands/holders, FM transmitters, etc.
- · Lifestyle-related products: cooking appliances, USB fans, cup warmers, lighting equipment, kitchen scales, etc.
- · Hygiene-related products: face shields, antibacterial and antiviral sheets, UV sterilization boxes, air purification systems, etc.
- · e-sports, Gaming related products: gaming mice, gamepads, controllers, gaming headsets, VR goggles/glasses, etc.
- Furniture: Racks, chairs, partitions, storage units, digital signage stands, etc.
- · Custom PCs: Touch panel PCs, rugged tablets, compact PCs, data recovery services, etc.
- $\boldsymbol{\cdot} \text{ Other products and services: Wi-Fi installation, personalized orders, etc.}$

The ELECOM Group aims to grow and develop by each and every employee delivering joy to customers around the world and contributing to a better global environment and society, based on the credo (management creed) and action guidelines.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing years.	ng emissions data for past reporting
Reporting year	
Start date April 1 2022	
End date March 31 2023	
Indicate if you are providing emissions data for past reporting years Yes	
Select the number of past reporting years you will be providing Scope 1 emissions data for 2 years	
Select the number of past reporting years you will be providing Scope 2 emissions data for 2 years	
Select the number of past reporting years you will be providing Scope 3 emissions data for 1 year	
C0.3	
(C0.3) Select the countries/areas in which you operate. China	
Hong Kong SAR, China	
Japan Philippines	
Republic of Korea Singapore	
United States of America	
C0.4	
(C0.4) Select the currency used for all financial information disclosed throughout your response. JPY	
C0.5	
(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are lalign with your chosen approach for consolidating your GHG inventory. Financial control	being reported. Note that this option should
C0.8	
(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	
	Provide your unique identifier
Yes, an ISIN code	JP3168200008
C1. Governance	
C1.1	
(C1.1) Is there board-level oversight of climate-related issues within your organization? Yes	
C1.1a	

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of	Responsibilities for climate-related issues
individual or	
committee	
Chief	The Board of Directors oversees climate-related issues and decides on measures and key issues related to sustainability including them. The Sustainability Committee, chaired by COO, is
Operating	responsible for planning and promoting measures and important issues. The COO has recognized climate-related issues as a management challenge and is taking a leading role by directing the
Officer	establishment of a Sustainability promotion section in 2022 to promote sustainability commitment more firmly, addressing those issues.
(COO)	

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with	Governance	Scope of	Please explain
which climate-	mechanisms into	board-	
related issues are	which climate-	level	
a scheduled	related issues are	oversight	
agenda item	integrated		
Scheduled – some	Overseeing the	<not< td=""><td>The Board of Directors convenes once a month and receives reports from the Sustainability Committee on strategies, issues, measures, targets, and progress</td></not<>	The Board of Directors convenes once a month and receives reports from the Sustainability Committee on strategies, issues, measures, targets, and progress
meetings	setting of corporate	Applicabl	regarding sustainability, including climate-related issues, on a semiannual or ad hoc basis which the Board advises and oversees. For example, at its November
	targets	e>	24, 2022 meeting, the Board of Directors received a progress report from the director in charge on the development of environmentally conscious products,
	Monitoring		climate change response, and waste reduction, discussed future issues, and directed the Sustainability Committee to take action for the second half of the year.
	progress towards		
	corporate targets		

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	climate-related issues	level competence on	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1		In addition to the CFO in charge, external directors with expertise in sustainability, including climate change issues, supervise from a medium- to long-term perspective.	<not applicable=""></not>	<not applicable=""></not>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The ELECOM Group considers climate change as an important issue that will have a significant impact on our sustainable growth, and has established a Sustainability Committee with the aim of addressing social issues, including environmental ones, through its business operations and enhancing corporate value. The Sustainability Committee is chaired by the COO and vice-chaired by the CFO, with external directors participating as observers. In addition, the committee is composed of executives and managers from each company's business organization who serve as promoters. The subcommittee, which includes the chairperson and vice chairperson as well as the promotors from each business organization, meets monthly to identify risks that could hinder sustainable business activities due to climate change and various other factors, propose new business opportunities that could emerge from such risks, determine materiality, KPIs, and other important issues, confirm progress, and formulate countermeasures. Furthermore, the Environmental Conservation Working Groups of the Sustainability Committee, works with each business organization to promote initiatives related to climate-related issues under the "Environmental Policy," identifies material risks and opportunities based on scenario analysis, and makes recommendations to the Sustainability Committee. The inclusion of representatives from each company's business organization in the Sustainability Committee enables close coordination with business activities and a more concrete understanding of management and social issues in terms of both business opportunities and risks for the long-term growth of the Group and society. Under this structure, the Sustainability Committee is always in close coordination with the management layer with reporting semiannually and on an as-needed basis to the Board of Directors on the efforts to address climate change issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Other, please specify (the employee of Product Development Department)

Type of incentive

Monetary reward

Incentive(s)

Bonus - set figure

Performance indicator(s)

Increased share of revenue from low-carbon products or services in product or service portfolio

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

Targets for the reduction of petroleum-based plastics in product development process are set as performance goals for development department staff, and the degree of achievement of these targets is reflected in their assessments.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This assessment will promote the reduction of petroleum-based plastics in products. The promotion will reduce the product's Scope 3 CO2 emissions and achieve the ELECOM Group's goal of becoming "To achieve the global goal of carbon neutrality by 2050 through our business activities as well as our efforts to reduce CO2 emissions in our supply chain".

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities? Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	4	9	
Long-term	10	30	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

In accordance with the TSE, Tokyo Stock Exchange, disclosure regulations, the ELECOM Group identifies matters that may have a significant impact on the financial or strategic aspects of its business and on investors' decisions as follows.

Losses in excess of 3% of consolidated net assets

Consolidated sales fluctuate by 10% or more compared to the forecast for the relevant fiscal year.

Consolidated ordinary income and consolidated net income fluctuate by 30% or more compared to the forecast for the relevant fiscal year.

The Sustainability Committee, Compliance Committee, and Internal Control Committee manage the Group's material risks in cooperation with the Board of Directors, which reports strategies, issues, and countermeasures to the Board of Directors as necessary, and the Board of Directors supervises them.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term Medium-term

Long-term

Description of process

The Sustainability Committee determines materiality, KPIs, and other important issues related to sustainability, checks their progress, and formulates countermeasures. Climate-related risks and opportunities were identified across the board based on scenario analysis, led by the Environmental Conservation Working Groups under the Sustainability Committee and in collaboration with the promoters of each business organization. Significant climate-related risks and opportunities identified from them are deliberated and controlled by the Sustainability Committee. When required depending of severity of risks, these identified risks are reported and supervised to the Board of Directors with strategies, tasks and countermeasures to be overseen.

Case Study (Transition Risk)

[Situation] In response to the ratification of the Paris Agreement, strict laws and regulations are expected to be enforced, including the introduction of a carbon tax and a border carbon adjustment tax. The ELECOM Group needs to swiftly assess social trends, formulate a transition plan, and implement it.

[Task] The Group must secure the resources to respond to these changes and take measures to cope with the restrictions on business activities and increased business costs associated with policy and regulatory responses, as well as the environmental awareness of stakeholders, which are expected to bring about changes in markets and categories.

[Action] The ELECOM Group does not have any manufacturing facilities, so its own carbon dioxide emissions are limited. On the other hand, emissions from contract manufacturing and transportation tend to be larger, and the company considers that the impact of climate change-related issues on the Group's medium- to long-term business risks and opportunities will not be small. Therefore, in addition to reducing CO2 emissions in the ELECOM Group, the company recognizes the need to assess and reduce Scope 3 CO2 emissions. Accordingly, it will begin to monitor Scope 3 emissions in order to reduce them.

Aiming at reducing emissions at the product use stage, the company have created the "THINK ECOLOGY" mark as a symbol to show that our products have less environmental impact than before, promoting efforts toward low-carbon oriented product development.

[Result] As of March 31, 2023, the total number of THINK ECOLOGY products in the Group was 6,936.

Case Study (Physical Risk)

[Situation] The company assumed a situation where consensus on climate change countermeasures has not been reached and strict laws and regulations have not been applied, especially in developing countries. The temperature will not stop rising, and it will be necessary to respond to a situation where the temperature rises 2.6°C to 4.8°C by the end of the 21st century, natural disasters such as typhoons and torrential rains will occur frequently in wide areas, and heat stroke and mosquito-borne infectious diseases will become more prevalent.

[Task] The ELECOM Group's strengths lie in its product development and procurement capabilities, which enable it to respond quickly to market demand and trends, and in its robust supply chain which has the sales and logistics capabilities to deliver these products to customers in a timely manner. The Group's strength may be lost if its outsourced manufacturers, offices, or distribution centers are damaged by natural disasters.

[Action] Aiming to secure logistics functions that can cope with weather-related disasters, the East Japan Distribution Center in Aomi was relocated to Sagamihara City in Kanagawa and the West Japan Distribution Center in Naruohama to Inagawa Town in Hyogo for prevention from flooding damage caused by high tides and other disasters.

[Result] The relocation of the distribution centers has prevented damage from storm surges and ensured stable distribution functions, even though more frequent and larger typhoons are expected due to chronic extreme weather.

C2.2a

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The ELECOM Group is subject to various laws and regulations in Japan and overseas in the course of its business. In Japan, the Group considers various laws and regulations, including the Basic Law for Establishing a Recycling-based Society, the Law for Promotion of Effective Utilization of Resources, and the Containers and Packaging Recycling Law, to be risks related to its business. For example, the Group handles 20,000 or more products, and considering the future growth of the business, an increase in costs due to waste disposal expenditures or a shift to alternative materials could have an impact on profits.
Emerging regulation	Relevant, always included	The ELECOM Group's strengths lie in its product development and procurement capabilities, which enable it to respond quickly to market demand and trends, and in its robust supply chain which has the sales and logistics capabilities to deliver a large number of products to a large number of customers in a timely manner. Therefore, the company believes that any future changes in CO2 emission regulations or environment-related tax rates will pose significant risks to the business, such as product price revisions and profit decline. Since the company outsources its manufacturing to suppliers, its Scope 1 and Scope 2 CO2 emissions are limited, it recognizes that Scope 3 emissions from contract manufacturing and delivery will have no small impact on our business. Therefore, the ELECOM Group anticipates an increase in the cost of purchased raw materials, semi-finished products, products, and services due to higher carbon taxes and CO2 emission regulations inside and outside of Japan.
Technology	Relevant, always included	The ELECOM Group believes that delays in introducing or switching to new technologies in the future will have an impact on its business. For example, a delay in the introduction of low-carbon materials developed by new technologies to replace plastics could have serious consequences in terms of environmental consciousness, such as reduced sales and a drop in investors' evaluation of the Group.
Legal	Relevant, always included	The ELECOM Group aims to expand the number of "THINK ECOLOGY" products, but may be accused of inadequate environmental consideration of the products concerned. The ELECOM Group supplies products worldwide and is required to comply with climate-related laws and regulations in each country and region. If it fails to comply with new regulations, it could be accused of failing to comply with them.
Market	Relevant, always included	The ELECOM Group recognizes that changes in lifestyles and consumer preferences due to climate change will have a significant impact on its business activities. In particular, failure to consider the environment in product development and delays in responding to newly created categories and markets due to lifestyle shifts would have a significant impact on business performance.
Reputation	Relevant, always included	The ELECOM Group recognizes that delays in responding to climate change issues in its business or failing to properly disclose the status of its response to climate change-related issues will lower its reputation among customers, investors, and other stakeholders. In terms of products, products that are not environmentally conscious will not be selected by customers and will be pushed out of the market. In addition, failure to properly disclose the status of environmental responsiveness or performance will result in a loss of investor confidence and an increase in financing costs. As a result, the Group's corporate value would be severely eroded, which would have a significant impact on its overall business.
Acute physical	Relevant, always included	The company considers that the ELECOM Group's business would be severely impacted by the severity of natural disasters such as typhoons and floods, which are associated with climate change, resulting in a decrease in sales and an increase in response costs due to disruptions in the supply chain such as the suspension of the Group's distribution functions and supply from partner factories.
Chronic physical	Relevant, always included	The ELECOM Group believes that chronic climate change such as rising temperatures associated with global warming will also have an impact on its business. Rising temperatures will lead to an increase in the number of days with temperatures over 30°C and days with temperatures over 35°C compared to the present, resulting in higher capital investment costs for company facilities to cope with rising temperatures. In addition, the deterioration of the working environment due to climate change will require a review of working arrangements, which will require Digital Transformation of operations and other improvement costs, which may affect business revenues.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon	

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification ${\bf r}$

<Not Applicable>

Company-specific description

As an acute physical risk, extreme weather events such as storm surges, floods and landslides caused by severe typhoons, could cause significant damage to the logistics distribution network. The ELECOM Group had a distribution center in the coastal area of Osaka until January 2022. Western Japan and the Kinki region had been often affected by typhoons that make landfall or pass through the region every year during the typhoon season. In addition, the frequency and scale of typhoons are expected to increase and sea levels to rise in the future. Combined with the actual experience of storm surge damage occurred by Typhoon No. 21 in 2018, the ELECOM Group recognized that the Osaka Distribution Center, which was located in the Kinki region and adjacent to the coast, would have a tremendous negative impact on earnings in the event of a future disaster caused by a large-scale typhoon. The average daily shipment value in the ELECOM Group at that time was approximately 375 million yen, of which the Osaka Distribution Center accounted for 40%. If flooding and storm surge caused by the typhoon were to inundate the facility and disrupt public infrastructure, such as electricity, it would take approximately four days to fully restore operations, and assuming a frequency of three times a year, a 0.34% reduction in annual sales could be at risk, based on experiences and a 20% loss of shipping opportunities per day.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

360000000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In the event of a storm surge or flooding disaster caused by a large typhoon associated with extreme weather, there is a risk that warehouse facilities adjacent to the coast could be severely impacted. The Osaka Distribution Center, located in the Kinki region, is likely to suffer typhoon damage, and if logistics functions were to be disrupted by storm surge or flooding, there could be a significant impact on the Group's earnings. Based on the assumption that the Osaka Distribution Center accounts for 40% of the 375 million yen in shipments per day in FY2021 if a storm surge were to occur and logistics were to cease, and assuming a daily opportunity loss rate of 20% and that it would take 4 days to restore logistics facilities, and assuming the same disaster occurred 3 times in a year, the following assumptions would be made. We estimate that the impact would be 375 million yen x 40% x 20% x 20% x 2 days x 3 times = 360 million yen.

Cost of response to risk

4000000000

Description of response and explanation of cost calculation

Case Study

[Situation] As an acute physical risk, a storm surge or flood caused by a large typhoon associated with extreme weather could shut down logistics functions. The suspension of logistics functions may result in a risk of reduced sales.

[Task] To avoid this risk, it is necessary to relocate the logistics base in question.

[Action] In February 2022, the Osaka Distribution Center, which handles 40% of the Group's shipments, was relocated to Inagawa-cho, Hyogo Prefecture, in order to reduce opportunity losses by suspension of shipment and to strengthen logistics functions.

[Result] The relocation is expected to have an annual effect of 800 million JPY by avoiding the risk of storm surge and flooding and strengthening logistics functions.

[Breakdown of risk response costs] Buildings, equipment, and relocation costs.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Other, please specify (Decrease in market capitalization due to lower stock price.)

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In recent years, there's growing emphasis on non-financial ESG factors in addition to financial information for investors' investment decisions. Under such circumstances, if the ELECOM Group's response to climate change and its information disclosure are inadequate, there is a risk of a loss of public trust in the Group, which eventually leads to a decline in the share price. Foreign investors account for approximately 18% of the ELECOM Group's total shareholdings, considering that the demand from foreign investors for information disclosure and initiatives on climate change issues will grow even further.

Based on the share price at the beginning of FY2022 (1,516 yen), if the share price were to fall to the lowest price of the same year (1,226 yen), the market capitalization would be 92,221,000 (shares outstanding as of March 31, 2023) x (1,516 - 1,226)(yen/share) = 26,744 million yen.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

26744090000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If the CDP evaluation or the MSCI or FTSE score based on it does not meet the investment criteria, the company believes that our corporate value may fall and the stock price may drop accordingly. Based on the share price at the beginning of FY2022 (1,516 yen), if the share price were to fall to the lowest price of the same year (1,226 yen),

the market capitalization would be 92,221,000 (shares outstanding as of March 31, 2023) x (1,51 - 1,226)(yen/share) = 26,744 million yen.

Cost of response to risk

30000000

Description of response and explanation of cost calculation

Case Study

[Situation] If The ELECOM Group 's business does not address climate change issues and its information disclosure is inadequate, there is a risk that it will lose public trust and its stock price will decline.

[Task] In order to reduce this risk, it is necessary to proactively address climate change issues and disclose information on climate change, and therefore establishment of a framework is deemed appropriate to promotion of initiatives.

[Action] The ELECOM Group has improved sustainability-related initiatives since 2020 and released a sustainability report in June 2021. These sustainability-related initiatives have been carried out in a project format, with personnel selected from key divisions to be in charge of these initiatives. However, in the future, it will be necessary to expand these initiatives to the entire supply chain, including non-Japanese group companies and contract manufacturers, and to achieve this in a shorter period of time, in April 2022 a Sustainability Promotion Section was established directly under the president of ELECOM to promote initiatives systematically and comprehensively.

[Result] The company concludes that the establishment of a department specializing in promoting sustainability-related issues will make the company more specialized than ever before, enabling higher quality responses and information disclosure in a shorter period of time, and consequently, TCFD and CDP reporting that will meet investors' standards. Therefore, the company expects that the risk of share price declines due to weak corporate value, MSCI and FTSE scores can be avoided.

[Breakdown of risk response expenses] Personnel expenses

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The ELECOM Group has many product items and delivers them to a large number of customers on a daily basis. The development of laws and regulations and policies to combat climate change issues is expected to lead to higher costs via higher carbon taxes, the shift to EV trucks by delivery companies, and the switch to renewable energy, which will be passed on to the unit price of delivery and increase delivery costs. Based on past increases in shipping costs, we estimated that there is a risk of an increase in shipping costs of 56 yen per package, calculated based on the number of packages shipped and the average shipping unit price in 2021, assuming an average price increase of 14% per package.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

187000000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The ELECOM Group believes that the development of laws and regulations and policies to combat climate change issues will cause higher carbon taxes, the shift to EV trucks, and the switch to renewable energy sources, which will increase costs for delivery companies, which will be passed on to unit delivery prices, thereby increasing delivery costs. Based on the experience of delivery cost hike, assuming a price hike of 56 yen per package, and calculating based on the number of packages shipped in 2021, the risk of a delivery cost increase was estimated to be 187,000,000 yen.

Cost of response to risk

4000000000

Description of response and explanation of cost calculation

Case Study

[Situation] The ELECOM Group has many product items and delivers them to many customers every day. The development of laws, regulations, and policies to combat climate change issues may cause the carbon tax to rise, delivery companies to shift to EV trucks and to switch to renewable energy sources, which will increase costs, which will be passed on to the unit price of delivery and may increase delivery costs.

[Task] In order to reduce this risk, it is necessary to improve delivery efficiency and reduce delivery costs.

[Action] In February 2022, its distribution center was relocated from Osaka to Inagawa-cho, Hyogo. The Hyogo Distribution Center introduced a shuttle-type three-dimensional automated warehouse system and ipack (a sealing system with an automatic case height adjustment function) with the aim of improving efficiency through labor savings and automation in logistics.

[Result]

The introduction of the shuttle-type three-dimensional automated warehouse system and ipack has resulted in labor savings and automation compared to the Osaka Distribution Center, and has approximately doubled the distribution capacity of the center. As a result, in FY2022, freight handling costs could be reduced by 241 million yen from the assumed amount.

[Breakdown of risk response costs] Building, "ipack" and other equipment, relocation costs

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Society as a whole, including major customers, has become more concerned about environmental issues. With laws, regulations and policies to combat climate change evolving and customers' product preferences changing, consequently there is a risk that customers will not choose products that are not environmentally conscious. On the other hand, the ELECOM Group recognizes that strategic measures to address this issue may bring business opportunities to the Group. Most of the products and packages handled by the ELECOM Group are made of plastic, and many of them require instruction manuals to be attached to the product.

To address these issues, responding to the reduction of plastic and the elimination of instruction manuals, an environmentally conscious definition unique to the ELECOM Group has been established, and the elimination or reduction of plastic and the elimination of paper instruction manuals are being promoted. As a strategic response, the "THINK ECOLOGY" mark has been established as a symbol to indicate that its products have less environmental impact than conventional products. And the ELECOM Group is aiming to expand its sales by promoting efforts to develop environmentally conscious products.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

38139111519

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The EU and other countries around the world are rapidly reducing plastics. Due in part to the influence of stricter regulations on the import of waste plastics generated in other countries, Japan is also becoming increasingly active in the reduction of plastic waste, and may begin to impose stricter regulations like those in the EU. In fact, the Japanese government has already set a policy to introduce about two million tons of biomass plastics by 2030 and to effectively use 100% of used plastics through reuse, recycling, etc. by 2035. Against this backdrop, the ELECOM Group has pioneered in the industry the adoption of the "THINK ECOLOGY" mark as a symbol to indicate that its products have less environmental impact than conventional products. As a specific measure, the company has established seven criteria for energy and resource conservation, with particular emphasis on reducing the amount of plastic materials used in packaging. The company is striving to be environmentally conscious by "reducing emissions of petroleum-based plastic materials" through downsizing packages, reducing the number of internal calibration parts, and replacing them with plant-based plastics and recycled materials. In addition, the company is converting the paper manuals included with its products to web manuals. The QR code on the package leads to the web manual, which can be viewed on the web to reduce paper consumption and waste. As a leader in the industry, the company expects to continue expanding its sales by increasing the number of environment-conscious product items, making full use of its product development capabilities to constantly meet the demands of society and consumer preferences. Sales of "THINK ECOLOGY" mark products accounted for 36.7% of the Group's sales during the period under review, and the number

of applicable model numbers is expected to increase in the next fiscal year and beyond.

Cost to realize opportunity

880000000

Strategy to realize opportunity and explanation of cost calculation

Case Study

[Situation] The society as a whole, including major customers, is becoming more concerned about environmental issues, and as laws and regulations and policies to combat climate change are progressing, customers' product preferences are changing, and there arises a risk that customers will not choose products that are not environmentally friendly. However, there is a good possibility that the Group will be able to take advantage of business opportunities by responding strategically to these changes

[Task] To take advantage of this opportunity, the company needs to strategically address environmental issues, such as the elimination of plastic from products and packaging, and the discontinuation of paper instruction manuals.

[Action] Ahead of others in the industry, the company established the "THINK ECOLOGY" mark as a symbol to show that its products have less environmental impact than conventional products. As a concrete measure, the company has adopted seven criteria, including energy and resource conservation, with particular emphasis on the reduction of plastic materials used for packaging.

[Result] As a leader in the industry, the company will be able to increase the number of environmentally friendly product items by making full use of its product development capabilities to constantly meet the demands of society and consumer preferences, thereby driving out sales of other companies in the industry.

[Breakdown of expenses] Research and development expenses for "THINK ECOLOGY" model numbers of new products in the relevant fiscal year.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

In recent years, the frequency of disasters associated with climate change has been rising, and the need for emergency supplies has been discussed within the company from a BCP perspective. However, the company decided that emergency supplies were not expected to be in continuous demand and did not fit their business model, taking into account inventory storage periods and other factors. The company then proceeded to consider "phase-free" as a keyword for widening application of ordinary items to emergency supplies and came to the conclusion that outdoor products could realize this goal, which was then chosen as the theme of the project. The company then proceeded to plan and develop outdoor products, and entered the outdoor market in 2022. In FY2022, 23 model numbers were introduced to the market with sales of 119,023,644 yen.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

119023644

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In recent years, demand for emergency supplies has been growing due to the increased frequency of disasters caused by climate change. Therefore, the company entered the outdoor market by starting development of outdoor products with the keyword of "phase-free products" in which items used in daily life can widen application to emergency. In FY2022, 23 model numbers were introduced to the market with sales of 119,023,644 yen.

Cost to realize opportunity

3335000

Strategy to realize opportunity and explanation of cost calculation

Case Study

[Situation] In recent years, demand for emergency supplies has increased due to the increased frequency of disasters caused by climate change. However, the company does not anticipate continuous demand for emergency supplies, and the storage and handling of such inventory does not fit its business model.

[Task] In the context of climate change adaptation, the company is hoping to contribute in the area of emergency preparedness by taking advantage of its strength in business.

[Action] The company reexamined its plan with the keyword "phase-free," meaning that items used in everyday life could be substituted for emergency supplies.

[Result] The company came to the conclusion that outdoor products can be used as emergency supplies for disaster preparedness, and proceeded with the planning and development of outdoor products, entering the outdoor market in 2022.

[Breakdown of expenses] Costs for web video production and still photography, in-store promotion, and other promotional expenses were incurred.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

The ELECOM Group has a strong supply chain with product development and procurement capabilities that respond quickly to market demand and trends, as well as sales and logistics capabilities to deliver these numerous products to our large number of customers in a timely manner. Therefore, the Group believes that its business will be exposed to significant risk if CO2 emission regulations and environment-related tax rates are modified in the future. As one of the measures to cope with this situation, the company is working on the efficiency of its logistics function. In February 2022, the ELECOM Group moved its distribution center from Osaka to Inagawa-cho, Hyogo Prefecture. The relocated Hyogo Distribution Center has introduced a shuttle-type multi-story automated warehouse system and ipack (a sealing system with automatic case height adjustment function) to improve logistics efficiency. Compared to the Osaka Distribution Center, the Hyogo Distribution Center has improved work efficiency, including a significant reduction in manual labor, and is expected to reduce cargo handling costs.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

241199000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

With the introduction of the shuttle-type multi-level automated warehouse system and ipack (a sealing system with automatic case height adjustment function), manual labor will be greatly reduced, and logistics capacity is expected to be approximately doubled. As a result, an annual reduction of 440 million yen in cargo handling costs is expected.

Cost to realize opportunity

400000000

Strategy to realize opportunity and explanation of cost calculation

Case Study

[Situation] The ELECOM Group has a large number of customers. The ELECOM Group has many product items and delivers them to many customers on a daily basis. In response to climate change issues, there is a risk that new laws and policies on CO2 emissions will require environmental responses to deliveries and the associated efficiency improvements that will be required in the future.

[Issue] In order to reduce this risk, it is necessary to improve delivery efficiency and reduce CO2 emissions.

[Action] The ELECOM Group introduced "ipack" at its Hyogo Distribution Center in February 2022. In the past, there were a limited number of types of cardboard boxes available for delivery, and it was not always possible to select the suitable size of cardboard that matched the delivery items, resulting in inefficient transportation due to the disproportion between the volume of the box and the delivery items. With the introduction of "ipack," the cardboard boxes can be adjusted to the size of the delivered items, and the available volume on trucks can be used more effectively, which is expected to reduce CO2 emissions.

[Result] The introduction of the shuttle-type multi-story automated warehouse system and Ipac has resulted in labor savings and automation compared to the Osaka Distribution Center, and has approximately doubled the distribution capacity of the center. As a result, cargo handling costs were reduced by 241 million yen in FY2022.

[Breakdown of expenses] Building, "ipack" and other equipment cost, relocation costs

Comment

C3. Business Strategy

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Because the use of Scope 1 and Scope 2 in our company is small due to the nature of our business type. Drastic changes to be proposed in the management strategy by climate change issue are not expected at this moment. Anyway, based on the awareness of the climate change issue, the ELECOM Group positively disclose the analysis on risks, opportunities and a strategy based on TCFD guideline by using other appropriate opportunities.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

		, , , , ,	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative	<not applicable=""></not>	<not applicable=""></not>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate- related scenario		alignment of	Parameters, assumptions, analytical choices
Transition IEA scenarios NZE 2050	Company-wide	<not Applicable></not 	The ELECOM Group conducts its analysis in accordance with the IEA SDS, which is consistent with the "1.5°C and 2°C" goals of the Paris Agreement. [Parameters] Carbon tax (IEASDS), personal computer market forecast (global PC market forecast based on JEITA "AV&IT Equipment Global Demand Trends Survey"), biomass plastic introduction amount (the roadmap for bioplastic introduction in January 2021 by Ministry of the Environment, Ministry of Economy, Trade and Industry, and Ministry of Agriculture, Forestry and Fisheries), etc. [Assumption] Low-carbon policies and low-carbon technologies are assumed to be drastically introduced and primary energy use to decline in the 2020s. The carbon prices are assumed to be US\$120 in 2030 and US\$200 in 2050 for developed countries declaring Net-zero Emissions, US\$100 in 2030 and US\$160 in 2050 for developed countries not declaring Net-zero Emissions, and US\$95 in 2050 for the developing countries not declaring Net-zero Emissions, and US\$95 in 2050 for the developing countries not declaring Net-zero Emissions. The use of biomass plastics is also advancing, either by regulation or by social demand, and we assume that about 2 million tons can be introduced in Japan by 2030. [Analytical Selection] Since ELECOM Group is a fabless manufacturer and relies on many countries, especially in Asia for its manufacturing process, and its customers and users are spread all over the world, the carbon price by region in World Energy Outlook 2021 Table B.2 is used as a reference.
Physical climate scenarios RCP	Company- wide	<not Applicable></not 	ELECOM Group has analyzed the scenario in which no climate change measures are taken, referring to RCP8.5, etc. [Parameters] Global average temperature (IPCC AR6), probability of flooding (Technical Panel on Climate Change-based Flood Control Planning, "Study on Climate Change-based Flood Control Planning") [Assumptions] The global average temperature is assumed to increase by about 1.6°C from 2021 to 2040, by about 2.4°C from 2041 to 2060, and by about 4.4°C from 2081 to 2100. Flood frequency is assumed to quadruple by 2040. [Analytical Selection] Since ELECOM Group is a fabless manufacturer and relies on many countries, especially in Asia for its manufacturing process, and since its customers and users are spread all over the world, the global average temperatures and other data from the IPCC report are used as reference.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

The ELECOM Group recognizes that its strengths lie in its product development and procurement capabilities which enable it to respond quickly to market demand and trends, and in its robust supply chain which has the sales and logistics capabilities to deliver those products to customers in a timely manner. If there is a delay in responding to regulations and policies associated with the transition, or if measures are not taken to respond to climate change-related disasters, the ELECOM Group will lose the strengths and uniqueness it has long possessed, and risk undermining the sustainability of its business.

Results of the climate-related scenario analysis with respect to the focal questions

The analysis shows that under the 2°C scenario, climate change response costs are expected to rise as stricter laws, regulations, and policies are enacted to address climate change, which will lead to higher carbon taxes and a greater shift to renewable energy. In terms of delivery costs, there is also a risk that delivery companies will pass on climate change response costs to delivery charges. In addition, as society as a whole and customers become increasingly low-carbon oriented, a fall in sales due to delays in responding to climate change or inadequate information disclosure may cause a decline in the Group's social credibility and a drop in its stock price. As a result, market capitalization may decrease, and corporate value may decline. On the other hand, under the 4°C scenario, as a result of stagnant consensus building on climate change countermeasures among countries and delays in achieving the NDCs, temperature rise may not be controlled as expected, and disasters caused by climate change may become more serious and more frequent than at present. As a result, there is a risk that various resources, such as equipment functions of companies and labor productivity of employees, may be damaged or affected by disasters more than ever before.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related	Description of influence
	risks and opportunities influenced your strategy in this area?	
Products and services	Yes	1) Grounds for Relevance: Acute physical risks include extreme weather events such as storm surge, flooding, and landslides caused by severe typhoons, which can cause significant damage to logistics distribution networks. 2) Impact on strategy: Time horizon 1-5 years. The company made a management decision to relocate its distribution center in order to improve the efficiency and resilience of its distribution network. 3) Case Study [Situation] The Osaka Distribution Center, which handles deliveries for the ELECOM Group's western Japan region, is located adjacent to the coast. In the past, the center has suffered damage as typhoons often pass through western Japan during the typhoon season, and if the frequency of typhoons increases and their magnitude increases in the future due to abnormal weather, storm surges and flooding are expected to cause 360 million JPY/year in damage. [Task] Relocation of the Osaka Distribution Center was considered necessary in order to ensure a stable supply of products. [Actions] The ELECOM Group has been working to reduce the environmental impact of the products and packages by replacing them with products selected under the THINK ECOLOGY program, which aims to lessen the environmental impact of the products. The project was implemented in 6,936 model numbers in FY2022. [Result] In FY2022, plastic used in the packaging of these products was reduced by 93.04 tons. In FY2023, development of "THINK ECOLOGY" certified products will be continued.
Supply chain and/or value chain	Yes	1) Grounds for Relevance: Acute physical risks include extreme weather events such as storm surge, flooding, and landslides caused by severe typhoons, which can cause significant damage to logistics distribution networks. 2) Impact on strategy: Time horizon 1-5 years. The company made a management decision to relocate its distribution center in order to improve the efficiency and resilience of its distribution network. 3) Case Study [Situation] The Osaka Distribution Center, which handles deliveries for the ELECOM Group's western Japan region, is located adjacent to the coast. In the past, the center has suffered damage as typhoons often pass through western Japan during the typhoon season, and if the frequency of typhoons increases and their magnitude increases in the future due to abnormal weather, storm surges and flooding are expected to cause 360 million JPY/year in damage. [Task] Relocation of the Osaka Distribution Center was considered necessary in order to ensure a stable supply of products. [Action] In order to address both physical and transition risks, the Osaka Distribution Center was relocated in February 2022. With this relocation, the risk of damage from storm surge was eliminated. In addition, to cope with increased delivery costs, a shuttle-type multi-story automated warehouse system and "ipack" was introduced, a device for proper packaging, to improve work efficiency. T Going forward, measures to strengthen resilience and improve logistics efficiency will continue to be promoted in the supply chain. [Result] After the relocation, efficient and stable supply has been maintained.
Investment in R&D	Yes	1) Grounds for Relevance: Society as a whole, including major customers, is becoming more concerned about environmental issues, and as laws, regulations, and policies to combat climate change progress, customers' product preferences will vary, and there is a risk that customers will not choose products that are not environmentally conscious in the future. 2) Impact on strategy: Time horizon: 3-5 years. Environmental performance will be added as an appeal point of the product. 3) Case Study [Situation] The ELECOM Group handles a large number of products and packages that use plastic, and there are also a large number of products that require the attachment of instruction manuals for product handling. [Task] The ELECOM Group is required to reduce the amount of plastic used in its products and to eliminate instruction manuals. [Action] The ELECOM Group has set its own definition of environmental consciousness, and has been promoting initiatives to eliminate or reduce plastic and paper as "THINK ECOLOGY" certified products since FY2021. [Result] As of March 31, 2022, the number of certified products reached 6,936. The evaluation by customers has been favorable, and in FY2023, the number of applicable products is planned to be 1,691 out of the total number of 25,980 items.
Operations	Yes	1) Basis of Relevance: In order to realize a low-carbon society, it is necessary to develop business strategies that take climate change issues into consideration. The ELECOM Group is highly dependent on its suppliers for production, so it is required to work together with them. 2) Effect on strategy: Time frame: three to ten years. In addition to cost and performance, a strategy and system to collaborate with suppliers on environmental burden is required. 3) Case Study [Situation] The ELECOM Group uses greenhouse gas emissions volumes resulting from Group-wide business activities as an indicator for managing climate change-related risks. As of 2021, the Group's monitored emissions are only limited to Japanese group companies. [Issue] It is necessary to establish a system to monitor emission volumes from all group companies, including those outside of Japan. Evaluation of Scope 3 emissions also need to be accelerate from the review stage to the disclosure stage. [Action] In 2023, the ELECOM has established the targets, "Beduce CO2 emissions (Scope 1 + Scope 2) by 50% compared to levels of FY2020 by FY2030." and "Work to reduce CO2 across the supply chain while aiming to achieve carbon neutrality in 2050 in alignment with the worldwide objective, through our business activities." Going forward, plans call for the Group to identify Scope 1 and Scope 2 CO2 emissions and Scope 3 CO2 emissions at overseas Group companies, and to formulate specific reduction plans involving the supply chain. [Result] Awareness of climate-related issues has increased among the Elecom Group companies, and the groundwork has been fostered for the formulation of a transition plan and its promotion.

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs	Sales [Situation] The ELECOM Group considers that extreme weather events such as storm surges, floods, and landslides caused by severe typhoons have the potential to inflict significant damage on logistics distribution networks. In western Japan and the Kinki region where the Group's key distribution center locates, storm surges and landfalls caused by typhoons have been experienced. In the Kanto region where the Group's another key distribution center locates, floodings and landslides caused by torrential rains or continuing rainy days have been experienced, especially in recent years. In addition, the frequency and severity of typhoons are expected to increase and the amount of rainfall is also expected to intensify due to progress of climate change. [Task] The Elecom Group has distribution centers in Kanagawa and Hyogo prefectures, and the average daily shipment value of both centers is approximately 330 million JPY. If flooding caused by a typhoon were to inundate the facilities and disrupt public infrastructure such as electricity, the company estimates that it would lose 8% of its daily shipment opportunities based on past cases, and that it would take approximately four days to fully restore operations, assuming a frequency of three times a year. Based on this assumption, we estimate that annual sales will decrease by 0.76% in FY2022. [Actions] Inventory is distributed between Kanagawa and Hyogo and a backup system is being secured in case one of the two prefectures is hit by a disaster. [Result] There were no delays in product shipments in the fiscal year of 2022
		overhead (Situation) More than 70% of the ELECOM Group's Scope 1 and 2 CO2 emissions are due to the use of electricity. The amount of carbon tax burden may change depending on the Group's future efforts to reduce CO2 emissions. (Task) In the absence of progress in CO2 reduction efforts, according to the estimates, a carbon tax of 38.6 million yen will need to be borne as of 2030. (Action) In 2023, "Reduce CO2 emissions (Scope 1 + Scope 2) by 50% in FY2030 compared to FY2020. (Result) Concrete action plans and promotion of efforts toward the 2030 goal are now feasible.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<not applicable=""></not>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

No, but we anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2023

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2020

CDP

Base year Scope 1 emissions covered by target (metric tons CO2e)

786 01

Base year Scope 2 emissions covered by target (metric tons CO2e)

1834 95

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicables

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Not Applicable

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3. Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicables

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2620.96

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year

emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream

transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste

generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric

tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e) <Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e) <Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories) <Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

748.03

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

2038.75

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2786.78

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

New

Please explain target coverage and identify any exclusions

Scope of coverage includes group companies in Japan.

Plan for achieving target, and progress made to the end of the reporting year

As part of its efforts to achieve its stated CO2 reduction goals, the ELECOM Group is working to introduce renewable energy. Since the majority of its offices are occupied by tenants, it is not possible to switch to renewable energy on a voluntary basis. For offices occupied by tenants, in accordance with the "Leading Tenant Action Policy" set forth by the Ministry of the Environment, the Group will promote the introduction of renewable energy through steady negotiations with the building owners. For its own properties, priority will be given to the installation of solar panels for in-house consumption, as at the Ina Plant of Logitec INA Solutions, and to switching to a renewable energy power menu starting in FY2023.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

No, but we anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2023

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

786.01

Base year Scope 2 emissions covered by target (metric tons CO2e)

1834.95

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e) <Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e) <Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e) <Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e) 2620.96

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2 100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e) <Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e) <Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e) <Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories) <Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

Target year

2050

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

748.03

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

2038.75

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e) <Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2786.78

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Νοω

Please explain target coverage and identify any exclusions

Scope of coverage includes group companies in Japan.

Plan for achieving target, and progress made to the end of the reporting year

As part of its efforts to achieve its stated CO2 reduction goals, the ELECOM Group is working to introduce renewable energy. Since the majority of its offices are occupied by tenants, it is not possible to switch to renewable energy on a voluntary basis. For offices occupied by tenants, in accordance with the "Leading Tenant Action Policy" set forth by the Ministry of the Environment, the Group will promote the introduction of renewable energy through steady negotiations with the building owners. For its own properties, priority will be given to the installation of solar panels for in-house consumption, as at the Ina Plant of Logitec INA Solutions, and to switching to a renewable energy power menu starting in FY2023.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	2	243.58
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Estimated annual CO2e savings (metric tonnes CO2e)

175 11

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 12: End-of-life treatment of sold products

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

O

Investment required (unit currency - as specified in C0.4)

43696155

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

The company collect used its product of printer ink cartridges from consumers using collection boxes installed at our supplier's stores nationwide. These cartridges are recycled by the manufacturer, reducing CO2 emissions due to disposal.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

68.47

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

12000000

Investment required (unit currency – as specified in C0.4)

127000000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Group company the Logitec INA Solutions introduced a solar power generation system for its own consumption in December 2021. This installation provides approximately 40% of the electricity for the Logitec INA Solutions headquarters facility.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Based on the Basic Law for Establishing a Recycling-based Society, the Law for Promotion of Effective Utilization of Resources, the Containers and Packaging Recycling Law, and other laws and regulations, the company is shifting to products and packages with lower CO2 emissions that comply with the THINK ECOLOGY standards.
Employee engagement	In accordance with the ELECOM Group's environmental policy, the company uses methods to work with employees to improve business processes and reduce resource use without investment.
Dedicated budget for low- carbon product R&D	The company secures the budget to accelerate development and launch of the THINK ECOLOGY products.
Dedicated budget for energy efficiency	The company secures the budget to replace aging or low energy efficiency equipment with energy-efficient equipment.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

CDP

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Products that meet ELECOM's own standards are labeled with the "THINK ECOLOGY" mark, a symbol indicating that they have a lower environmental impact than conventional products.)

Type of product(s) or service(s)

Other

Other, please specify (Product groups corresponding to the "THINK ECOLOGY" criteria for environment-consciousness.)

Description of product(s) or service(s)

Products that meet the following seven criteria are defined as "THINK ECOLOGY" compliant products.

- ① Energy saving
- 2 Resource saving
- ③ Waste reduction
- Reduction of plastic volume
- ⑤ Use of recycled materials
- © Use of alternative raw materials for petroleum-based plastics
- Promotion of recycling and reuse

The initiative has been in place since 2021, and was implemented at 1,325 model numbers in the fiscal year of 2021. In the fiscal year of 2022, 1,128 model numbers are already underway.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Methodology used to calculate avoided emissions

Other, please specify (Ministry of the Environment, "List of Formulas and Emission Factors for Calculating Greenhouse Gas Emissions", "Database of Emission Units for Calculating Greenhouse Gas Emissions ")

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Cradle-to-grave

Functional unit used

Each product using plastics

Reference product/service or baseline scenario used

Containers and packaging that are 20% or more lighter in plastic weight than the product in accordance with the company's internal standards, or a reduction of 20% or more in the weight of plastic used in the manufacture of containers and packaging of the same size or larger than the in-house standard product.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

590.8

Explain your calculation of avoided emissions, including any assumptions

For products that are environmentally responsible and meet the "THINK ECOLOGY" criteria, the total amount of plastic reduced per product was calculated from the amount of plastic reduced and the sales volume. The total plastic reduction from manufacturing to disposal of the subject products was calculated based on the "List of Formulas and Emission Factors for Calculating Greenhouse Gas Emissions" and the "Emission Unit Database for Calculating Greenhouse Gas Emissions of Organizations throughout the Supply Chain." by the Ministry of the Environment.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

36.7

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Nic

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<not applicable=""></not>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

April 1 2020

Base year end

March 31 2021

Base year emissions (metric tons CO2e)

786.01

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Scope 2 (location-based)

Base year start

April 1 2020

Base year end

March 31 2021

Base year emissions (metric tons CO2e)

1983.8

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Scope 2 (market-based)

Base year start

April 1 2020

Base year end

March 31 2021

Base year emissions (metric tons CO2e)

1834.95

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Scope 3 category 1: Purchased goods and services

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

1568.2

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Note that this calculation does not include emissions from products such as contract manufacturing, which contribute significantly to the emissions, and the scope of the calculation is limited to a small portion of the total emissions. We are currently in the process of collecting data, and will report the emissions for the base year along with the emissions for the reporting year in the next report.

Scope 3 category 2: Capital goods

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

10972.53

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

514.95

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 4: Upstream transportation and distribution

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

7117.45

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 5: Waste generated in operations

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

163.45

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 6: Business travel

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

478.12

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 7: Employee commuting

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

248.65

Comment

The scope of reporting is limited to the business activities of ELECOM itself.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3 category 10: Processing of sold products Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3 category 11: Use of sold products Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3 category 12: End of life treatment of sold products Base year start Base year end Base year emissions (metric tons CO2e) Scope 3 category 13: Downstream leased assets Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3 category 14: Franchises Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3 category 15: Investments Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3: Other (upstream) Base year start Base year end Base year emissions (metric tons CO2e) Comment Scope 3: Other (downstream) Base year start Base year end Base year emissions (metric tons CO2e) Comment C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IEA CO2 Emissions from Fuel Combustion

Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

748.03

Start date

April 1 2022

End date

March 31 2023

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

805.64

Start date

April 1 2021

End date

March 31 2022

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

786.01

Start date

April 1 2020

End date

March 31 2021

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

2153

Scope 2, market-based (if applicable)

2038.75

Start date

April 1 2022

End date

March 31 2023

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Past year 1

Scope 2, location-based

2044.63

Scope 2, market-based (if applicable)

2064.08

Start date

April 1 2021

End date

March 31 2022

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

Past year 2

Scope 2, location-based

1983.8

Scope 2, market-based (if applicable)

1834.95

Start date

April 1 2020

End date

March 31 2021

Comment

The scope of reporting is limited to production sites, distribution centers, headquarters, offices in Japanese Group companies.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Group companies outside Japan

Scope(s) or Scope 3 category(ies)

Scope 1

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

106

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

For Group companies outside of Japan, needed information is incomplete for the reporting year due to an inadequate reporting system to evaluate them. In addition, the amount of emissions is relatively small compared to the group as a whole, so they are excluded at this time. The company plans to establish a system to accurately assess these companies in the near future.

Explain how you estimated the percentage of emissions this excluded source represents

CO2 emissions per capita at domestic group companies were allocated to employees enrolled at overseas offices in the calculation of the ratio.

Source of excluded emissions

Group companies outside Japan

Scope(s) or Scope 3 category(ies)

Scope 2 (location-based)

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

10.6

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

For Group companies outside of Japan, needed information is incomplete for the reporting year due to an inadequate reporting system to evaluate them. In addition, the amount of emissions is relatively small compared to the group as a whole, so they are excluded at this time. The company plans to establish a system to accurately assess these companies in the near future.

Explain how you estimated the percentage of emissions this excluded source represents

CO2 emissions per capita at domestic group companies were allocated to employees enrolled at overseas offices in the calculation of the ratio.

Source of excluded emissions

Group companies outside Japan

Scope(s) or Scope 3 category(ies)

Scope 2 (market-based)

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

10.6

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

For Group companies outside of Japan, needed information is incomplete for the reporting year due to an inadequate reporting system to evaluate them. In addition, the amount of emissions is relatively small compared to the group as a whole, so they are excluded at this time. The company plans to establish a system to accurately assess these companies in the near future.

Explain how you estimated the percentage of emissions this excluded source represents

CO2 emissions per capita at domestic group companies were allocated to employees enrolled at overseas offices in the calculation of the ratio.

C6.5

CDF

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1867.69

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

^

Please explain

The amount of purchases of office supplies, office equipment, cardboard, copy paper, vouchers, dies, maintenance fees, and other products and services necessary for business activities acquired during the subject period was taken as the basic unit and multiplied by the value listed in the "Emission Unit Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains".

The scope of reporting is limited to the business activities of ELECOM itself.

Note that emissions from products with large contributions, such as contract manufacturing, were not included in this calculation, and the scope of the calculation is limited to a small portion of the total. At present, data collection is underway, and the emissions for the base year will be revised and reported together with the emissions for the reporting year in the next and subsequent reports.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

9256.24

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Λ

Please explain

The amount of fixed asset purchases acquired during the subject period was multiplied by the value listed in the "Emission Intensity Database for Calculating Greenhouse Gas Emissions, etc. of Organizations through Supply Chains" as the basic unit. (Acquisition of training centers, etc.)

The scope of reporting is limited to the business activities of ELECOM itself.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

516.62

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Electricity, gas, and petrol used during the period subject to the calculation were multiplied by the values listed in the "Database on emission intensity for calculating greenhouse gas emissions of organizations through the supply chain or secondary data for CFP calculation" as basic units.

The scope of reporting is limited to the business activities of ELECOM itself.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

7287.93

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The costs for such as shipping freight, return shipping, promotional material shipping, domestic freight, and overseas freight incurred during the subject period were multiplied by the values listed in the "Emission Intensity Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains" as basic units. The scope of reporting is limited to the business activities of ELECOM itself.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

179 1

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The costs for such as waste disposal of materials and outsourced waste disposal (industrial waste) incurred during the subject period were multiplied by the values listed in the "Emission Unit Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains" as basic units.

The scope of reporting is limited to the business activities of ELECOM itself.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

883.99

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The costs for such as employee travel and transportation incurred during the subject period were multiplied by the values listed in the "Emission Unit Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains" as basic units.

The scope of reporting is limited to the business activities of ELECOM itself.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

260.02

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The costs for commuting paid to employees during the subject period was multiplied by the value listed in the "Emission Intensity Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains" as an basic unit.

The scope of reporting is limited to the business activities of ELECOM itself.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Considered Relevant but not yet calculated. The ELECOM group's products are used by the tremendous number of people worldwide. Understanding of transportations of the products to these end users in distances and weights are too complex. The fact makes emission evaluation challenging. The company is exploring scenarios for reasonable evaluation.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Considered Relevant but not yet calculated. The ELECOM group provides almost 20,000 products such as USB memory, LAN cable, mouse, hard disk drive, speaker, DVD drive, printer ink etc. Though most of them are not energy intensive, (1) the difficulty of measuring energy consumption in the actual environment of use, (2) the difficulty of assuming product lifetime, and (3) the existence of a wide variety of products, make emission evaluation extremely difficult. The company is exploring scenarios for reasonable evaluation.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Considered Relevant but not yet calculated. The ELECOM group provides almost 20,000 products such as USB memory, LAN cable, mouse, hard disk drive, speaker, DVD drive, printer ink etc. Disposal methods vary from product to product and from country to region and cannot be evaluated uniformly. The company is exploring scenarios for reasonable evaluation.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Excluded in the scope of calculation (no emissions); no project activities fall under the category of project activities.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years. Past year 1 Start date April 1 2021 End date March 31 2022 Scope 3: Purchased goods and services (metric tons CO2e) Scope 3: Capital goods (metric tons CO2e) 10972.53 Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e) Scope 3: Upstream transportation and distribution (metric tons CO2e) 7117.45 Scope 3: Waste generated in operations (metric tons CO2e) Scope 3: Business travel (metric tons CO2e) 478.12 Scope 3: Employee commuting (metric tons CO2e) 248.65 Scope 3: Upstream leased assets (metric tons CO2e) Scope 3: Downstream transportation and distribution (metric tons CO2e) Scope 3: Processing of sold products (metric tons CO2e) Scope 3: Use of sold products (metric tons CO2e) Scope 3: End of life treatment of sold products (metric tons CO2e) Scope 3: Downstream leased assets (metric tons CO2e) Scope 3: Franchises (metric tons CO2e) Scope 3: Investments (metric tons CO2e) Scope 3: Other (upstream) (metric tons CO2e) Scope 3: Other (downstream) (metric tons CO2e) Comment C6.7 (C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization? C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000000028

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2901.04

Metric denominator

unit total revenue

Metric denominator: Unit total

103767091161

Scope 2 figure used

Location-based

% change from previous year

4

Direction of change

Increased

Reason(s) for change

Change in revenue

Change in physical operating conditions

Please explain

The increase in FY2022 is due to the fall in sales and the increase in the number of personnel and the increase in the floor space of the facility due to the relocation of the Technology Development Center. In addition, electricity consumption increased due to the addition of verification equipment.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse	Scope 1 emissions (metric tons of	GWP Reference
gas	CO2e)	
CO2	748.03	Other, please specify (Ministry of the Environment, Japan "List of Calculation Methods and Emission Factors for Calculation, Reporting, and Publication Systems".)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Japan	748.03

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Offices	741.85
Production offices	6.02
Logistics center	0.16

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Japan	2153	2038.75

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Office	946.87	931.41
Production office	259.37	231.34
Logistic center	946.76	876

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response? Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

DX Antenna Co., Ltd

Primary activity

Electronic equipment

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify ([Corporate Identification Number] Corporate Identification Number is a 13-digit identification number designated by the National Tax Agency of Japan for corporations and certain other organizations.)

ISIN code - bond

<Not Applicable>

ISIN code - equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

5140001019293

Scope 1 emissions (metric tons CO2e)

352 72

Scope 2, location-based emissions (metric tons CO2e)

635.47

Scope 2, market-based emissions (metric tons CO2e)

565.5

Comment

Subsidiary name

HAGIWARA Solutions Co., Ltd

Primary activity

Electronic equipment

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify ([Corporate Identification Number] Corporate Identification Number is a 13-digit identification number designated by the National Tax Agency of Japan for corporations and certain other organizations.)

ISIN code - bond

<Not Applicable>

ISIN code - equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

7180001101938

Scope 1 emissions (metric tons CO2e)

6.64

Scope 2, location-based emissions (metric tons CO2e)

108.36

Scope 2, market-based emissions (metric tons CO2e)

119.91

Comment

Subsidiary name

Logitec INA Solutions Co., Ltd.

Primary activity

Electronic equipment

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify ([Corporate Identification Number] Corporate Identification Number is a 13-digit identification number designated by the National Tax Agency of Japan for corporations and certain other organizations.)

ISIN code - bond

<Not Applicable>

ISIN code - equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

6100001023959

Scope 1 emissions (metric tons CO2e)

6.01

Scope 2, location-based emissions (metric tons CO2e)

261.64

Scope 2, market-based emissions (metric tons CO2e)

Comment

Subsidiary name

Force Media, Inc.

Primary activity

Electronic equipment

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify ([Corporate Identification Number] Corporate Identification Number is a 13-digit identification number designated by the National Tax Agency of Japan for corporations and certain other organizations.)

ISIN code - bond

<Not Applicable>

ISIN code - equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

1010701023314

Scope 1 emissions (metric tons CO2e)

2 68

Scope 2, location-based emissions (metric tons CO2e)

00.50

Scope 2, market-based emissions (metric tons CO2e)

20.56

Comment

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in	Direction	Emissions	Please explain calculation
	emissions	of change	value	
	(metric tons	l	(percentage)	
	CO2e)	emissions		
Change in		<not< td=""><td></td><td></td></not<>		
renewable energy		Applicable		
consumption		_		
Other	68.47	Decreased	2.36	Logitec INA Solutions, its group company, introduced a solar power generation system for its own consumption in December 2021, resulting in a decrease of
emissions	00.17	Door odood	2.00	CO2 emissions by 68.47 t-CO2. Therefore, the CO2 emissions for the reporting year were 2,901 t-CO2, the ratio ended up in 68.47/2,901×100=2.36%.
reduction				
activities				
Divestment		<not< td=""><td></td><td></td></not<>		
		Applicable		
		>		
Acquisitions		<not< td=""><td></td><td></td></not<>		
		Applicable >		
Managara				
Mergers		<not Applicable</not 		
		>		
Change in		<not< td=""><td></td><td></td></not<>		
output		Applicable		
,		>		
Change in		<not< td=""><td></td><td></td></not<>		
methodology		Applicable		
		>		
Change in		<not< td=""><td></td><td></td></not<>		
boundary		Applicable		
		>		
Change in	50.78	Increased	1.75	While the introduction of remote working under the Corona virus pandemic and energy-saving activities reduced energy consumption at some business sites,
physical operating				the relocation of the Hyogo Distribution Center and Yokohama Technical Center led to an increase in total floor space and the introduction of new equipment and facilities, resulting in an overall increase in energy consumption of 50.78CO2/t. Since CO2 emissions for the subject fiscal year were 2,901 CO2/t, the
conditions				ratio amounts to 50.78/2.901 × 100 = 1.75%.
				[Breakdown]
				Logistics Center: 166.2 t-CO2 increase
				Yokohama Technology Center: 33.3 t-CO2 increase
				Other offices: Decrease of 148.17 t-CO2
Unidentified		<not< td=""><td></td><td></td></not<>		
		Applicable >		
Othor				
Other		<not Applicable</not 		
		>		
	1		l	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy? More than 0% but less than or equal to 5%

C8.2

 $(C8.2) \ Select \ which \ energy-related \ activities \ your \ organization \ has \ undertaken.$

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	3184.57	3184.57
Consumption of purchased or acquired electricity	<not applicable=""></not>	0	4949.43	4949.43
Consumption of purchased or acquired heat	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired steam	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired cooling	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	157.4	<not applicable=""></not>	157.4
Total energy consumption	<not applicable=""></not>	157.4	8134	8291.4

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

2820.86

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Ministry of the Environment, Japan "List of Calculation Methods and Emission Factors for Calculation, Reporting, and Publication Systems".

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

363.71

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Ministry of the Environment, Japan "List of Calculation Methods and Emission Factors for Calculation, Reporting, and Publication Systems".

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

3184.57

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

			_	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	727.03	157.4	727.03	157.4
Heat				
Steam				
Cooling				

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption
Please select

Sourcing method
None (no active purchases of low-carbon electricity, heat, steam or cooling)

Energy carrier

<Not Applicable>

Low-carbon technology type

<Not Applicable>

<Not Applicable>

Tracking instrument used

Tracking instrument used

<Not Applicable>

Country/area of origin (generation) of the low-carbon energy or energy attribute

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

<Not Applicable>

Are you able to report the commissioning or re-powering year of the energy generation facility?

<Not Applicable>

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

As part of its efforts to achieve its stated CO2 reduction goals, the ELECOM Group is working to introduce renewable energy. Since the majority of its offices are occupied by tenants, it is not possible to switch to renewable energy on a voluntary basis. For offices occupied by tenants, in accordance with the "Leading Tenant Action Policy" set forth by the Ministry of the Environment, the Group will promote the introduction of renewable energy through steady negotiations with the building owners. For its own properties, priority will be given to the installation of solar panels for in-house consumption, as at the Ina Plant of Logitec INA Solutions, and to switching to a renewable energy power menu starting in FY2023.

C8.2q

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Japan

Consumption of purchased electricity (MWh)

4949.43

Consumption of self-generated electricity (MWh)

157.4

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

3184.57

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No. but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Japan carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

Period start date

April 1 2022

Period end date

March 31 2023

% of total Scope 1 emissions covered by tax

100

Total cost of tax paid

242531

Comment

In order to strengthen global warming countermeasures (measures to control energy-origin CO2 emissions), including the introduction of renewable energy and energy-saving measures to realize a low-carbon society, the "tax for global warming countermeasures" was implemented in Japan in phases from October 1, 2012, and the increase to the final tax rate originally planned at the time of introduction was accomplished on April 1, 2016.

The tax system requires that all fossil fuels such as oil, natural gas, and coal be taxed broadly and fairly in proportion to their environmental burdens (CO2 emissions).

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The roadmap to 2050, based on the IEA Net Zero Scenario, depicts energy conservation, behavior change, renewable energy, and hydrogen-centered decarbonization that does not rely on negative emission technologies. It also indicates the need for intensified action by 2030 based on a long-term transition to renewable energy and EV vehicles by 2050, as well as concerns about increased consumption of critical minerals as the market for decarbonizing technologies expands. The IPCC Sixth Report also projects that warming is likely to exceed 1.5°C during the 21st century under the current NDCs published before COP26. Overshooting the primary 1.5°C target indicates that humans and natural systems will face additional serious risks compared to staying below 1.5°C, requiring ambitious reductions in each country by 2030. Against this backdrop, the implementation of laws, regulations, and decarbonization measures, such as the introduction of carbon taxes and border carbon adjustment taxes, is expected to be more stringent and accelerated than previously assumed. In 2023, the ELECOM has established the targets, "Reduce CO2 emissions (Scope 1 + Scope 2) by 50% compared to levels of FY2020 by FY2030." and "Work to reduce CO2 across the supply chain while aiming to achieve carbon neutrality in 2050 in alignment with the worldwide objective, through our business activities." In April 2023, CO2 reduction initiatives were launched in an effort to reduce environmental impact.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Nο

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect other climate related information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

All suppliers engaged in ongoing contract manufacturing transactions, both domestically and internationally, are included. New suppliers are also included on a case-by-case basis.

Impact of engagement, including measures of success

The ELECOM Group has no manufacturing facilities, so its own CO2 emissions are limited. However, because of the tendency for its Scope 3 contract manufacturers and transportation to emit large amounts of CO2, the Group is promoting initiatives to ensure that it can continue to do business with suppliers with whom it can work together to address climate change-related issues. In FY2021, as part of the decision on whether or not to collaborate on climate change-related issues, the Group promoted the conclusion of contracts that pledge understanding of and compliance with not only domestic legal provisions and international norms and regulations, but also the Group's own environmental health and safety measures, and all manufacturing contracts were concluded within the fiscal year. In addition, in FY2022, the Group is conducting SAQs of existing suppliers in Japan and overseas to investigate the status of their environmental initiatives. Working with suppliers in this way not only helps to reduce environmental impacts such as climate change, but also makes it possible to provide safe products, which in turn supports stable management for suppliers. Responsibility for the supply chain is important to the Group, considering its position as an outsourced manufacturer of many of its products. In addition to raising awareness of environmental initiatives and monitoring, plans call for the implementation of audits in the future to promote collaboration on climate change-related issues throughout the supply chain with a higher degree of precision.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The ELECOM Group has expressed its support for the TCFD and the UN Global Compact GC. The Group's support for the TCFD and Global Compact indirectly assist efforts for achieving carbon neural society by the Financial Services Agency, Environment Ministry, the Economy, Trade and Industry Ministry and UN.

At GC's seminars and working groups organized by the members of the Sustainability Promotion Section, not only basic knowledge and trends related to the environment, but also viewpoints and points of caution that are needed for the ELECOM Group are shared.

The Sustainability Promotion Section, in cooperation with the Sustainability Committee, which is chaired by the COO and vice-chaired by the CFO, also draw on the collected information from GC so on to develop climate change strategies.

These strategies are incorporated into the Group's materiality and KPIs in collaboration with representatives of each company's business organization in the promotion subcommittee of the Sustainability Committee, which are monitored to ensure that they are always consistent with the Group's climate change strategy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate <Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate <Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Japan Business Federation (Keidanren)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

ELECOM Sustainability Report 2023.pdf

Page/Section reference

P21-24/Disclosure under the TCFD

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify (Disclosure of information in line with TCFD, participation in initiatives, specific efforts, etc.)

Comment

CDF

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Please select	

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity- related issues		Scope of board- level oversight
Row 1	Yes, board-level oversight	Biodiversity conservation is essential for the continuation of business activities and sustainable growth of the ELECOM Group. While climate change countermeasures and waste reduction are largely linked to biodiversity conservation, we are also working to minimize the impact of land use on biodiversity by securing green space as a more direct measure. We are also promoting the restoration of natural forests outside our business sites. These activities are led by the COO.	1

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<not applicable=""></not>	<not applicable=""></not>

C15.3

 $({\tt C15.3})\ {\tt Does}\ your\ organization\ assess\ the\ impacts\ and\ dependencies\ of\ its\ value\ chain\ on\ biodiversity?$

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity ENCORE tool

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

The ENCORE tool is used to assess the risk of warehouses and factories.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Japan

Name of the biodiversity-sensitive area

Japan, Kinki region

KBA №: 153 Yodo River System

Proximity

Up to 50 km

Briefly describe your organization's activities in the reporting year located in or near to the selected area

arget Facilities: Warehouse and distribution center

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Assessment Results (degree of influence): No

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Japan

Name of the biodiversity-sensitive area

Japan, Chubu region

KBA №: 136 Tenryu River and Okumikawa

Proximity

Up to 70 km

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Logitec, a group company, engages in development, design, production and sales of computers and its appliances. It also provides services such as data restoration and repair of computers.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Assessment Results (degree of influence): No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row	Yes, we are taking actions to progress our biodiversity-related	Land/water protection
1		Other, please specify (In cooperation with a non-profit organization, "ELECOM Natural Forest Creation" is being set up. A forest of 18 ha in Owase City, Mie Prefecture, and 8 ha in Shima City, Mie Prefecture, are being reforested.)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

		Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Row	Yes, we use indicators	Other, please specify (Freshwater use as an indicator of resource use, hazardous waste generation as an indicator of pollution, Scope 1 and 2
1	I		emissions as an indicator of climate change,etc.)

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type Content elements Attach the document and indicate where in the document the relevant biodiversity information is located

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	president of a company	Chief Operating Officer (COO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms