

Setting New Quantifiable CO₂ Emission Reduction Targets Supports Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

We announce that ITO EN, LTD. (President: Daisuke Honjo; headquartered in Shibuya-ku, Tokyo; hereinafter “ITO EN”) will set new CO₂ emission reduction targets in the ITO EN Group Medium- to Long-term Environmental Goals and express its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).^{*1}



Based on the understanding that climate change caused by the global warming will impact many risks including poor crop growth, procurement failures and the suspension of operations due to weather-related disasters, the ITO EN Group is working to reduce CO₂ emissions throughout its entire value chain by setting medium- to long-term goals as a part of its response to climate change.

To accelerate its efforts to respond climate change, the ITO EN set the new CO₂ emissions reduction targets below, and strengthen its initiatives including the proactive introduction of hybrid and electric vehicles and increasing the percentage of the electricity ITO EN plants and business locations consume that comes from renewable energy sources to 100%. Then, the ITO EN will aim to reduce its CO₂ emissions to effectively zero throughout the entire value chain by FY2050.

The ITO EN Group also expresses its support for the TCFD recommendations for solving an array of issues related to climate change. The ITO EN Group will contribute to the realization of a sustainable society by promoting the proactive disclosure of information regarding the identification of risks and opportunities related to climate change, as well as its response to these risks and opportunities.

■ CO₂ emission reduction targets (base year: FY2018)

		Previous targets		New targets
FY2030	Scope1, 2 ^{*2}	26% reduction in total	➔	50% reduction in total
	Scope 3 ^{*3}	26% reduction in emission intensity ^{*4}		20% reduction in total^{*5}
FY2050	Scope1, 2	26% reduction in total		Carbon neutrality
	Scope 3	50% reduction in emission intensity		

^{*1} A task force established in December 2015 by the Financial Stability Board (FSB), an international organization which includes the participation of central banks and financial authorities in major countries. The TCFD recommends that companies understand the financial impact of climate change-related risks and opportunities and make disclosures on governance, strategies, risk management and metrics and targets in conjunction with climate change-related risks and opportunities.

^{*2} Scope 1: Direct emissions from the use of fuels within the company, Scope 2: Indirect emissions associated with the use of electricity purchased by the company.

^{*3} Scope 3: Other indirect emissions aside from those covered by Scope 1 and 2.

^{*4} Emission intensity: Emissions per million yen of net sales.

^{*5} Set in line with the Paris Agreement’s “well below 2°C” target in light of the impact of the recent sharp rise in raw materials prices and other factors.