

FY2024

Environmental Activities and Data

(Concerning Climate Change Scope 3)

April 1, 2024–March 31, 2025

Dec. 1, 2025

Supply Chain Emissions (Scope 1, 2, and 3)

With the increasing severity of the global climate change problem, corporations have been asked to be aware of not only the amount of their own greenhouse gas emissions, but also the amount of emissions along their entire supply chain. Since FY2014, DISCO has been calculating the amount of greenhouse gas emissions generated by activities that surround the company's entire supply chain.

In FY2024, DISCO's entire supply chain generated approximately 1,574 thousand t-CO₂e of greenhouse gases (Scope 1, 2, and 3). These emissions largely consisted of indirect emissions from other entities involved in our business activities (Scope 3), with the majority of emissions falling into the category of "Use of Sold Products," which made up approximately 80% of the total emissions.

In the future, we will share information with related stakeholders and promote the planning and development of new energy-saving products in order to push toward a reduction in greenhouse gas emissions across our entire supply chain.

Scope3 - Calculations by Category

Calculation Boundaries and Methods revised by referencing the GHG Protocol (For details, see Notes 1-7)

Category		FY2020	FY2021	FY2022	FY2023	FY2024
		(t-CO ₂ e)				
1	Purchased goods & services	13,849	17,259	15,349	13,419	240,288 ☑
2	Capital goods	50,364	120,533	10,425	38,050	27,295
3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	6,178	7,171	7,983	8,288	1,878
4	Upstream transportation & distribution	13,527	17,840	18,918	20,781	14,212 ☑
5	Waste generated in operations	70	90	93	546	712
6	Business travel	712	735	781	836	1,004
7	Employee commuting	1,291	1,332	1,416	1,509	2,699
8	Upstream leased assets	Included in Scope 1 or 2	Included in Scope 1 or 2	Included in Scope 1 or 2	Included in Scope 1 or 2	Included in Scope 1 or 2
9	Downstream transportation & distribution	1,125	1,260	1,232	1,149	15,585
10	Processing of sold products	—	—	—	—	1,952
11	Use of sold products	996,401	1,250,915	1,343,888	1,001,053	1,253,779 ☑
12	End of life treatment of sold products	19	24	21	17	211
13	Downstream leased assets	46	110	143	143	4,398
14	Franchises	—	—	—	—	—
15	Investments	—	—	—	—	—
Total		1,083,583	1,417,269	1,400,249	1,085,791	1,564,013

Notes:

- In order to obtain third-party assurance, in FY2024, we reviewed our calculation methods by referencing the GHG Protocol, and revised both the calculation boundaries and methods for Scope 3 emissions, as described below.
- Category 1: Purchased Goods and Services
 - Expansion of Calculation Boundary: While previous calculations, only accounted for raw materials contained in DISCO's shipped products, the calculation boundary now also includes auxiliary materials used in the manufacturing process, goods used in non-manufacturing activities (e.g., office supplies), and services such as outsourced work.
 - Revision of Calculation Method: In previous calculations, we used representative emission factors for the main materials of our products, such as metals and resins, based on the material composition of the products. After revising the calculation method, we now identify each purchased good in order to apply the appropriate emission factor to each.
- Category 4: Upstream Transportation and Distribution:
 - Expansion of Calculation Boundary: Category 4 now includes transportation to customers which is paid for by our company.
 - Revision of Calculation Method: In previous calculations, we used a simplified calculation method in which we uniformly applied a representative fuel consumption value. In order to improve the accuracy of our calculations, we have now adopted the following methods:
 - For domestic transportation between sites: Fuel consumption method using actual transportation distance
 - For other transportation: Ton-kilometer method, taking into account actual transportation distance and weight ("Ton-kilometer method" follows the terminology used in the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.7)" jointly published by Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry.)

4. Category 9: Downstream Transportation and Distribution

The calculation boundary was expanded to include international transportation in addition to domestic transportation. Additionally, while we previously classified all shipments from domestic sites to domestic airports and seaports under Category 9, after considering the actual transaction conditions and the party who bears the transportation expenses, we reclassified a portion of these shipments under Category 4.

5. Category 10 (Processing of Sold Products)

The calculation boundary now includes intermediate products manufactured by our subsidiary, DAIICHI COMPONENTS, LTD.

6. Category 11: Use of Sold Products

i. Expansion of Calculation Boundary: The calculation boundary now includes peripheral devices, as well as final products and intermediate products manufactured by our subsidiary, DAIICHI COMPONENTS, LTD.

ii. Revision of CO₂ Emission Factors for Electricity: While, in previous calculations, we uniformly applied the emission factor for electricity in Japan, we now use the emission factors that correspond to each destination country or region.

iii. Update to CO₂ Emission Calculation for Utility Use: For semiconductor manufacturing equipment and their peripheral devices, we calculated the CO₂ emissions associated with utility use (e.g. air, nitrogen, cooling water, deionized water) using the latest emissions factors based on Semiconductor Equipment and Materials International (SEMI) S23-1021E2 (published in 2023). We also revised the product lifetime assumption from 15 years to 10 years by referencing the Semiconductor Climate Consortium (SCC) guideline, SCOPE 3 CATEGORY 11 GHG ASSESSMENT (published in 2025).

7. Category 13: Downstream Leased Assets

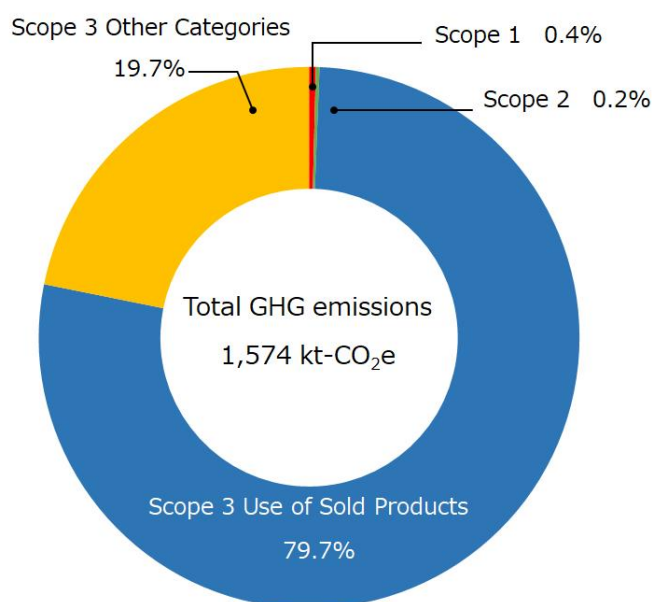
The calculation boundary now includes equipment and buildings leased to overseas customers.

8. Although we have revised our calculation methods and boundaries as described in Notes 1–7, we have not retroactively recalculated our emissions for FY2023 and prior years due to the fact that we were unable to obtain a portion of the data for those years. As a result, we cannot make direct comparisons between the data from FY2024 and previous years.

9. We have obtained third-party assurance for Categories 1, 4, and 11 (indicated by ☑) from KPMG AZSA Sustainability Co., Ltd.

Calculations by Scope

	FY2020	FY2021	FY2022	FY2023	FY2024
Scope 1	5,739	6,738	8,434	6,369	6,525
Scope 2 (market-based)	38,860	44,706	37,220	35,598	3,485
Scope 3	1,083,583	1,417,269	1,400,249	1,085,791	1,564,013
Total (Scope1+2+3)	1,128,182	1,468,713	1,445,902	1,127,758	1,574,023



FY2024: Scope 1, 2, and 3 emissions

Reporting Boundary and Calculation Methods

Reporting period		Reporting boundary
Apr. 1, 2024-Mar. 31, 2025		These calculations cover DISCO Corporation and all of its consolidated subsidiaries.
Index	Calculation method	
Greenhouse gas emissions Scope3	Indirect greenhouse gas emissions that are not included in Scope 1 or 2	
	Greenhouse gas emissions (Scope 3) were calculated by referencing the GHG Protocol and the “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 2.7)” (issued by Japan’s Ministry of the Environment (MOE) and Ministry of Economy, Trade and Industry (METI)) .	
	Emission factors from the following databases were used:	
	1. Emissions Unit Value Database for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.5) (MOE/METI)	
	2. LCI Database AIST-IDEA Ver.3.4.1 IPCC 2021 with LULUCF AR6 (IDEA Lab, Research Institute of Science for Safety and Sustainability, National Institute of Advanced Industrial Science and Technology (AIST))	
Calculation Formulas for Each Scope 3 Category	3. Embodied Energy and Emission Intensity Data That Takes into Account Global Supply Chains (2005) (National Institute for Environmental Studies, Japan)	
	4. Country-specific CO ₂ emission factors from Emissions Factors 2023 (International Energy Agency)	
	Σ (Quantity or value of purchased good/service × emission factor)	
	• Emission factors from databases 1, 2, and 3 were used.	
	In cases where transportation costs could not be reasonably separated from the purchase price, the transportation-related emissions were attributed to Category 1 instead of Category 4.	
1. Purchased goods & services	Value of capital goods purchased or acquired × emission factor	
2. Capital goods	• Emission factors from database 1 were used.	
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	Σ (Energy purchased × emission factor at time of fuel procurement)	
4. Upstream transportation & distribution	• Emission factors from database 1 and 2 were used.	
	Calculations were based on either the ton-kilometer method or the fuel consumption method.	
	Ton-kilometer method (for trucks): Σ (Ton-kilometers transported × unit value of fuel usage for the ton-kilometer method × emission factor)	
	Ton-kilometer method (for ships and aircraft): Σ (Ton-kilometers transported × emission factor)	
	Fuel consumption method: Σ (Transport distance ÷ fuel consumed × emission factor)	
5. Waste generated in operations	• Unit values of fuel usage and emission factors from database 1 were used.	
	• For truck transport, the actual transportation distance was determined using the map database, OpenStreetMap. For other forms of transportation, such as air and marine transport, the transportation distance between airports and seaports was obtained from the "Environmental Label Program: Database of Distances Between Countries and Regions" published by the Sustainable Management Promotion Organization.	
	Σ (Waste produced × emission factor)	
	• Emission factors from database 1 were used.	
	Total number of employees × emission factor	
6. Business travel	• Emission factors from database 1 were used.	
7. Employee commuting	Σ (Number of employees × working days per year × emission factor specific to work arrangement and region)	
8. Upstream leased assets	• Emission factors from database 1 were used.	
9. Downstream transportation & distribution	Included in Scope 1 and 2	
	Calculations were based on the ton-kilometer method.	
	For trucks: Σ (Ton-kilometers transported × unit value of fuel usage for the ton-kilometer method × emission factor)	
	For ships and aircraft: Σ (Ton-kilometers transported × emission factor)	
	• Unit values of fuel usage and emission factors from database 1 were used.	
10. Processing of sold products	• Transportation distances were determined using the same method described in Category 4.	
	Σ (Sales of intermediate products such as motor components × emission factor)	
	• Emission factors from database 1 were used.	
	Σ (Number of units sold per product × energy consumed × operating hours × emission factor)	
	• Target products include semiconductor manufacturing equipment and their peripheral devices, as well as motors and motor components.	
11. Use of sold products	• Energy consumption values were based on actual measurements or estimated based on factors such as product specifications. For semiconductor manufacturing equipment and their peripheral devices, energy consumption includes, in addition to electricity consumed, energy consumed through the use of utilities (air, nitrogen, cooling water, and deionized water) when operating the equipment. In order to estimate energy consumed from utility use, the conversion factors listed in Semiconductor Equipment and Materials International (SEMI) S23-1021E2 (Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment), published in 2023, were used.	
	• Energy consumption by motor components was calculated by multiplying the energy consumed by the final product with the ratio of the mass of the intermediate product to the final product.	
	• The number of operating hours for semiconductor manufacturing equipment and their peripheral devices was calculated based on a product lifetime assumption of 10 years by referencing "SCOPE 3 CATEGORY 11 GHG ASSESSMENT" published in 2025 by the Semiconductor Climate Consortium (SCC).	
	• The number of operating hours for motors and motor components was calculated based on the product’s expected lifetime. If the product’s expected lifetime was undefined, the number of operating hours was either based on a product lifetime assumption of 10 years, as per Japan’s Product Liability Act, or the expected lifetime of the product to which the motor was equipped, as defined in Japan’s tax laws.	
	• Emission factors from database 4 were used.	
12. End of life treatment of sold products	Σ (Shipment weight of products × emission factor)	
13. Downstream leased assets	• Emission factors from database 1 were used.	
	Equipment and devices: Σ (Number of leased units × annual energy consumed × emission factor)	
	Buildings: Σ (Leased floor space × emission factor)	
	• Emission factors from databases 1 and 4 were used.	
	Not applicable	
14. Franchises	Not applicable	
15. Investments	Not applicable	

Notes:

- GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.
- To improve the reliability of sustainability information, a third-party assurance has been obtained for Scope 3 Category 1, 4, and 11 data for FY2024.



Independent Practitioner's Limited Assurance Report

To the Representative Executive Officer, President of DISCO Corporation

Conclusion

We have performed a limited assurance engagement on whether selected environmental performance indicators (the “subject matter information” or the “SMI”) presented in DISCO Corporation’s (the “Company”) FY2024 Environmental Activities and Data (Concerning Climate Change Scope 3) (https://www.disco.co.jp/eg/csr/environment/doc/FY24EnvironmentalActivities&Data_Scope3.pdf)(the “Report”) for the year ended March 31, 2025 have been prepared in accordance with the criteria (the “Criteria”), which are established by the Company and are explained in the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol “☑”.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company’s SMI for the year ended March 31, 2025 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as “other information”). We have read the other information but have not performed any procedures with respect to the other information.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and



- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management of the Company.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures;
- identifying and assessing the risks of material misstatements;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Takeru Yamada, Engagement Partner

KPMG AZSA Sustainability Co., Ltd.

Tokyo Office, Japan

November 28, 2025