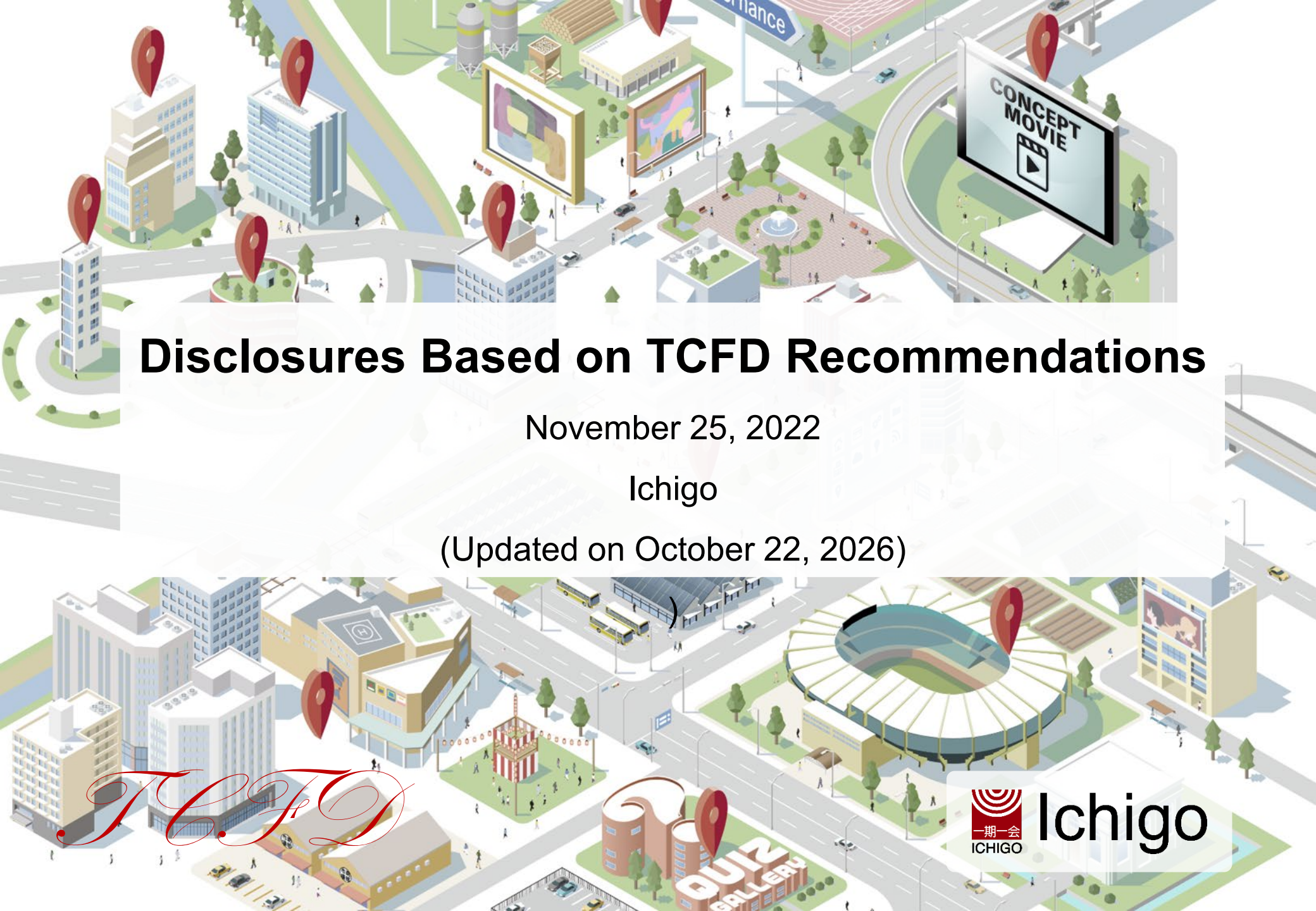




Disclosures Based on TCFD Recommendations

November 25, 2022

Ichigo

(Updated on October 22, 2026)



Ichigo

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Ichigo Governance Structure

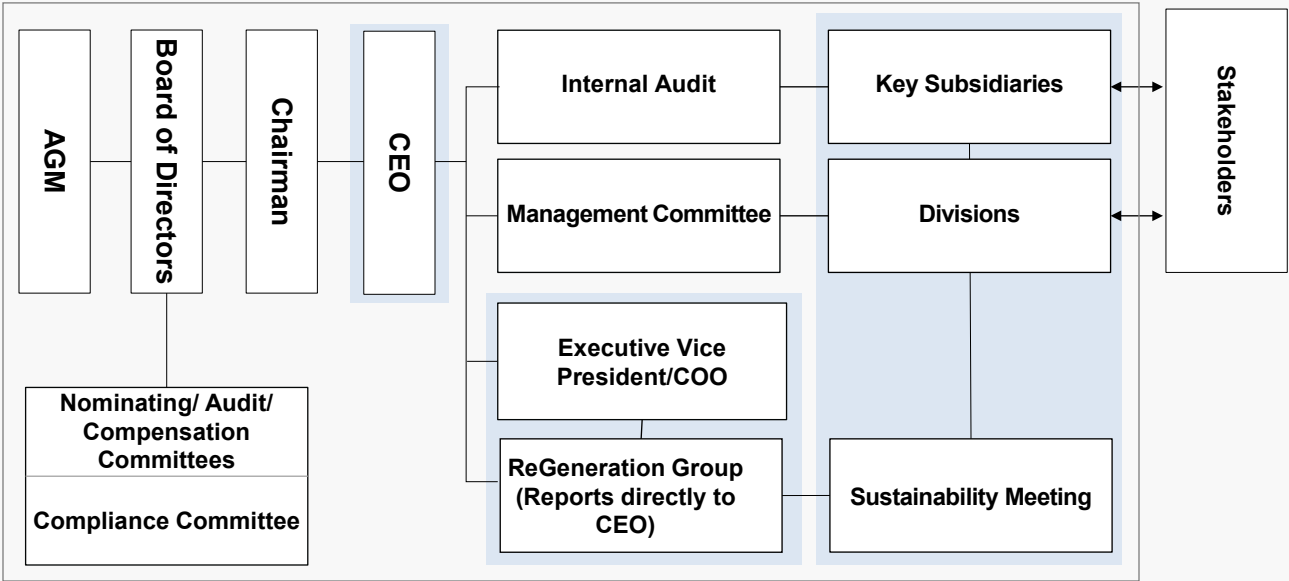
Sustainability Meeting

Led by the ReGeneration Group, the Sustainability Meeting is held quarterly to monitor risks related to environmental issues, identify & assess opportunities, monitor energy & water consumption and waste output, set the company's sustainability policy and targets, and plan specific measures. The content of these meetings are reported to the CEO and the Board of Directors.

Ichigo has made sustainability a key business and social priority as a responsible corporate citizen based on Ichigo's Code of Corporate Ethics, set by the Board of Directors. To proactively advance Sustainability Management, Ichigo's Board of Directors oversees the sustainability initiatives in accordance with the Ichigo Sustainability Policy, including measures to address climate change, water, waste, biodiversity, plastics, and other environmental issues.

Ichigo has established the ReGeneration Group, directly under the CEO and with the CEO and Executive Vice President/COO as its leaders, to drive activities across the entire Ichigo group aimed at addressing environmental issues. The ReGeneration Group takes on a cross-sectional role to work collaboratively with key subsidiaries to reduce Ichigo group's CO2 gas emissions.

■ Ichigo Governance Structure to Promote Sustainability Initiatives



Senior Management and Committee Roles

The Ichigo Group Will Work Towards Addressing Climate Change Issues as a Sustainable Infrastructure Company

Ichigo has made addressing environmental issues, including climate change, water, waste, biodiversity, and plastics, a key management priority. To drive these initiatives, Ichigo has established the ReGeneration Group, directly under the CEO and with the CEO and Executive Vice President/COO as its leaders, to drive environmental activities across the entire Ichigo group. Sustainability Meetings are held quarterly to discuss measures aimed at addressing climate change and to monitor progress. Pursuant to “Initiatives to Fight Environmental Issues” stipulated in Ichigo’s Internal Control Systems, the CEO reports progress to the Board of Directors upon receiving updates from the COO and the ReGeneration Group.

Board of Directors

The Board oversees management, and resolves on the company’s environmental issues including climate-related initiatives and supervises the execution thereof.

Executive Vice President/COO

The Executive Vice President/COO assists the CEO in overseeing the ReGeneration Group.

ReGeneration Group

The ReGeneration Group is responsible for Ichigo’s group-wide environmental initiatives and takes on the role of leading the Sustainability Meetings.

CEO

The CEO is responsible for the execution of Ichigo’s environmental issues including climate-related initiatives and for reporting progress, in coordination with the COO and the ReGeneration Group, to the Board of Directors.

Sustainability Meeting

Sustainability Meetings are held quarterly to identify and assess risks and opportunities related to environmental issues, including climate-related issues, and to monitor energy consumption, water use, waste output, and other environmental metrics. The meetings also set the company’s sustainability policy and targets, and plan specific climate-related measures.

Scenario
Analysis
Process

Ichigo Conducts Analysis Under Two Scenarios

Following its initial scenario analysis conducted in 2021, Ichigo has re-evaluated risks and opportunities at each segment in FY26/2 based on reclassification of its business segments into 5 at the end of FY25/2. Ichigo has selected 2030 and 2050 as the time horizons for the analysis, as these are key reference years under the Paris Agreement and provide appropriate time horizons for identifying long-term risks and opportunities and setting targets. Ichigo evaluates the financial impact, and the resilience of Ichigo’s strategies with respect to climate-related risks and opportunities under the following two scenarios. The steps of the scenario analysis are outlined on the next page.

Scenario	Overview	References
1.5°C - below 2°C Scenario	A scenario under which policies and regulations supporting the realization of a low-carbon society are implemented, and the increase in global average temperature is 1.5°C to below 2°C vs pre-industrial-revolution levels. Although transition risk is high, physical risk is lower than the 4°C scenario.	• IEA NZE2050
4°C Scenario	Measures and initiatives to reduce greenhouse gas emissions and related markets continue to expand along current trends. No new policies or regulations are implemented, and global CO ₂ emissions continue to rise. Although transition risk is low, physical risk is high.	•IPCC RCP8.5 •SSP5-8.5 •WRI Aqueduct •WWF Water Risk Filter

Scenario Analysis Steps

Ichigo conducts its scenario analysis based on these steps.

1

Identify important climate-related risks and opportunities, and set parameters

- Identify climate-related risks and opportunities
- Assess significant risks and opportunities
- Set parameters related to significant risks and opportunities

2

Set climate-related scenarios

- Identify most relevant scenarios from among existing scenarios based on information from Step 1
- Set climate-related scenarios (social images)

3

Evaluate financial impacts under each scenario

- Analyze the financial impacts under each scenario set under Step 2 based on the significant climate-related risks and opportunities and associated parameters identified under Step 1, and the results of risk assessments and analyses conducted by each Ichigo company under the risk management framework.

4

Evaluate the resilience of Ichigo's strategies with respect to climate-related risks and opportunities, and determine further actions

- Evaluate the resilience of Ichigo's strategies with respect to climate-related risks and opportunities
- Determine further actions

Ichigo Groups Five Businesses into Four Categories and Identifies Detailed Risks and Opportunities for Each

Ichigo categorized its five business segments – Sustainable Real Estate (SRE), Asset Management (AM), Hotel, Ichigo Owners, and Clean Energy – into the four categories of SRE & AM, Hotels, and Clean Energy and analyzed climate-related risks and opportunities for each category. The risks and opportunities for AM* have been identified on a per asset basis and are included in the analysis of the two categories. Detailed risks and opportunities were identified based on discussing business environments and specific business characteristics with respective departments, and then assessing their relevance, both quantitative and qualitative, to Ichigo and its stakeholders.

Important Climate-Related Risks and Opportunities

*Ichigo's Asset Management business manages two J-REITs, Ichigo Office and Ichigo Hotel, a listed solar power producer, Ichigo Green, and private equity real estate funds for institutional investors.



Strategy

Financial Impact of Climate-Related Risks and Opportunities and Ichigo's Responses (2030/2050 Scenarios)

Ichigo identified climate-related risks and opportunities that are expected to have a significant impact on each of its business segments over the 2030 and 2050 time horizons, and assessed their respective financial impacts in accordance with the Ichigo Climate Change and Resilience Policy, which sets out Ichigo's approach to addressing climate-related risks and opportunities and strengthening the resilience of its business and strategy to climate-related challenges. Ichigo assessed the financial impact under each scenario as low, medium, or high, based on extensive internal discussions from both qualitative and quantitative perspectives. As part of the assessment, Ichigo also reviewed and evaluated its existing initiatives and measures to address these risks and opportunities. As a result, Ichigo identified potential risks including damage from acute physical risks such as increasingly severe storms and floods, as well as rising costs associated with responding to climate change. On the other hand, Ichigo identified opportunities to expand access to financing through improved ESG ratings. Ichigo also confirmed the potential for expanding business opportunities, particularly in its clean energy business, driven by growing demand for renewable energy.

Type	Details	Applicable Businesses	Financial Impact (2030)	Financial Impact (2050)	Ichigo's Response/Resilience
Transition Risk	Policy and Legal	SRE/AM	Low (1.5°C/4°C)	Low (1.5°C/4°C)	Achieved RE100 in 2025 (c. 80% reduction of Scope 1 & 2 GHG emissions) Reducing the carbon tax burden by reducing GHG emissions by promoting the use of renewable electricity, including the acquisition of non-fossil certificates Reducing non-fossil certificate costs by directly purchasing tracked FIT non-fossil certificates derived from Ichigo's renewable energy power plants through the market
		Hotel	Low (1.5°C/4°C)	Low (1.5°C/4°C)	
	Policy and Legal	SRE/AM	Low (1.5°C/4°C)	Low (1.5°C/4°C)	Procuring low-carbon construction materials Strengthening collaboration across supply chain to ensure a stable supply of low-carbon construction materials
		Hotel	Low (1.5°C/4°C)	Low (1.5°C/4°C)	
		Ichigo Owners	Low (1.5°C/4°C)	Low (1.5°C/4°C)	
		Clean Energy	Low (1.5°C/4°C)	Low (1.5°C/4°C)	
		Clean Energy	Low	Low	Selecting sustainable project sites and developing financial plans aligned with policy trends

Financial Impact of Climate-Related Risks and Opportunities and Ichigo's Responses (2030/2050 Scenarios)

Type	Details	Applicable Businesses	Financial Impact (2030)	Financial Impact (2050)	Ichigo's Response/Resilience
Transition Risk	Technology	SRE/AM	Low	Low	Promoting LED lighting conversion, c. 80% complete as of the end of FY26/2, targeting 100% by FY28/2
		Hotel	Low	Low	
		Ichigo Owners	Low	Low	Conducting energy efficiency assessments for newly acquired properties
		SRE/AM	Low	Low	Controlling costs by directly procuring non-fossil certificates derived from Ichigo's renewable energy power plants through the non-fossil value trading market (target: c. 40% of total electricity consumption) Considering corporate PPAs
		Hotel	Low	Low	
	Markets	Hotel	Low	Low	Declining reputation due to delays in building an environmental brand (reduced demand from environmentally conscious customers and corporate clients and lower occupancy rates and average daily rates) Disclosure of environmental initiatives and targets through the corporate website, timely disclosures, press releases, and integrated reports Promoting the acquisition of environmental ratings and certifications from third-party assessment organizations
Physical Risk	Acute	Ichigo Owners	Low	Low	Declining revenue due to rising vacancy rates at conventional residential properties amid growing demand for environmentally friendly housing Prioritizing the acquisition of properties with high environmental performance, including energy efficiency
		SRE/AM	Medium	Medium	Developing long-term repair plans and implementing appropriate preventive maintenance Using the group-wide real-time reporting system for natural disaster response to monitor conditions in real time following storms or floods and minimize damage. Expanding use of the system to management partners, in particular, property management (PM) and building maintenance (BM) companies, in FY27/2.
		Hotel	Medium	Medium	
		Ichigo Owners	Medium	Medium	
		Clean Energy	Low	Low	Implementing disaster prevention measures during the power plant design stage

Financial Impact of Climate-Related Risks and Opportunities and Ichigo's Responses (2030/2050 Scenarios)

	Type	Details	Applicable Businesses	Financial Impact (2030)	Financial Impact (2050)	Ichigo's Response/Resilience
Physical Risk	Acute	Declining occupancy rates and revenue due to reduced demand for outings and travel caused by extreme weather events, including typhoons, torrential rain, and extreme heat	Hotel	Low	Low	Stabilizing occupancy rates and revenue through more precise demand forecasting and flexible pricing using an AI revenue management system
	Chronic	Declining rents and asset values in areas at risk of flooding due to rising sea levels	SRE/AM	Low	Low	Develop flood response plans for assets in designated areas
			Hotel	Low	Low	Conducting annual inspections to check the status of preparedness measures such as flood barrier installation
			Ichigo Owners	Low	Low	Selecting and acquiring properties taking flood risk into account, and reviewing long-term asset management policies
			Clean Energy	Low	Low	
Opportunities	Resource Efficiency	Reducing energy consumption and costs by introducing energy-efficient technologies	SRE/AM	Low	Low	Promoting LED light installation. As of the end of FY26/2, c. 80% of lighting is LED lights, targeting 100% by the end of FY28/2.
		Expanding business opportunities amid growing demand for reduced environmental impact through improved resource efficiency	Hotel	Low	Low	Reducing energy consumption and costs by installing high-efficiency HVAC systems Promoting <u>Ready To Move In</u> offices
	Energy Source	Capturing demand from sustainability-conscious travelers and corporate customers by enhancing brand value as environmentally friendly hotels	Hotel	Low	Low	Reducing Scope 2 emissions and enhancing environmental brand value via the use of renewable energy
	Products & Services	Increasing asset value and rents through improved environmental performance ratings	SRE/AM	Low	Low	Improving HVAC efficiency, and promoting the conversion of managed properties into ZEBs and the acquisition of environmental certifications
		Increasing asset value and revenue by capturing growing demand for environmentally friendly properties amid rising environmental awareness	Ichigo Owners	Low	Low	Prioritizing the acquisition of highly energy-efficient properties and expanding the acquisition of ZEH-M-compliant environmentally friendly properties
		Expanding revenue opportunities by providing renewable energy solutions tailored to customers' diverse needs arising from the GHG Protocol	Clean Energy	Low	Medium	Developing new on-site solar power plants that add renewable energy capacity Utilizing the environmental value (non-fossil certificates) of FIT projects and developing post-FIT sales plans for operating power plants

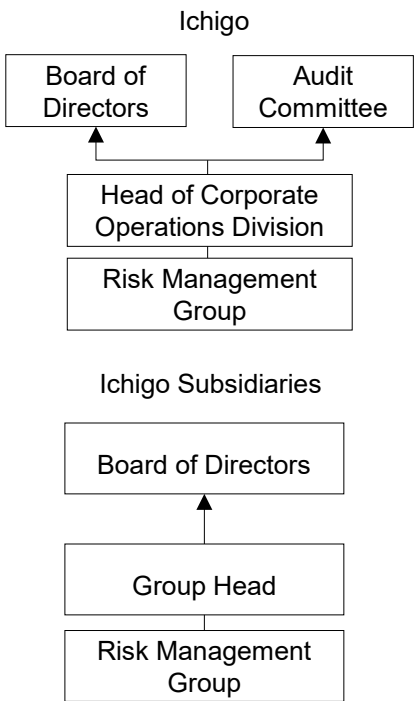
Financial Impact of Climate-Related Risks and Opportunities and Ichigo's Responses (2030/2050 Scenarios)

Type	Details	Applicable Businesses	Financial Impact (2030)	Financial Impact (2050)	Ichigo's Response/Resilience
Opportunities	Markets	SRE/AM	Low	Low	Contributing to addressing environmental issues by strengthening commitments to international frameworks, including the United Nations Global Compact and RE100 Expanding information disclosure through the publication of integrated reports and responses to CDP questionnaires Differentiating Ichigo from other companies and enhancing corporate value by supplying group-managed properties with FIT non-fossil certificates derived from Ichigo's renewable energy power plants
		Hotel	Low	Low	
		Ichigo Owners	Low	Low	
		Clean Energy	Medium	Medium	
	Attracting environmentally conscious travelers amid increasing sustainability awareness, while enhancing differentiation and the ability to attract guests by establishing strong environmental brand identities	Hotel	Low	Low	Disclosure of environmental initiatives and targets via company website, disclosures, press releases, integrated reports Obtaining third-party environmental evaluations and certifications

Ichigo is Working Towards Realizing a Low-Carbon Society via the Following Initiatives

Ichigo manages all possibilities of unexpected losses at Ichigo and any of its subsidiaries in line with the ISO 31000 risk management guidelines. Ichigo has set risk management rules and has established a risk management structure that spans the entire group. The Statutory Executive Officer (Corporate Operations) is responsible for risk management, and reports to the Audit Committee and the Board of Directors the results of the Risk Management Group's bi-annual assessment and analysis of major risks identified by each Group Head with respect to new businesses and projects. The scope of risks managed includes risks arising from environmental issues, including climate change, water resources, and nature-related issues. The Risk Management Group and the ReGeneration Group manage these risks. As a result of this risk management structure, Ichigo is able to identify climate change risks, conduct annual risk reviews, and implement measures to address risks that impact Ichigo's business. With respect to initiatives and measures to address climate-related risks and opportunities, Ichigo identifies risks and opportunities through scenario, assesses their financial impact, and then organizes and considers appropriate initiatives and measures within its risk management cycle.

Climate-Related Risk Management Structure



Roles of Management and Committees

Board of Directors

Ichigo's Board of Directors oversees the activities of Statutory Executive Officers pursuant to laws and regulations, the Articles of Incorporation, shareholder meeting resolutions, Ichigo's corporate mission, Board rules, Ichigo's Code of Corporate Ethics, and Ichigo's Code of Conduct

Audit Committee

Audit the execution of duties by Statutory Executive Officers

Statutory Executive Officer (Corporate Operations)

Conduct periodic risk assessment and analysis for each subsidiary, and report to Ichigo's Audit Committee and Board of Directors

Board of Directors of Each Ichigo Subsidiary

Conduct periodic risk assessment and analysis for each subsidiary, and report to each subsidiary's Board of Directors

Group Heads of Each Ichigo Subsidiary

Assess and analyze risks, and report results to the President and Board of Directors of each subsidiary

Risk Management Group

Conduct bi-annual transition risk assessments for each subsidiary by identifying short- and long-term climate-related risks specific to each company, inclusive of its value chain

Ichigo achieved RE100 and maintains CDP Leadership Levels
Continue to maintain KPIs and consider new initiatives

Ichigo is a Japanese sustainable infrastructure company dedicated to making the world more sustainable. In keeping with its Ichigo 2030 vision, Ichigo is expanding the scope of its real estate and clean energy businesses to further contribute to a sustainable society and grow long-term value for its shareholders.

In line with this mission, in 2021, Ichigo joined RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy. Ichigo committed to sourcing 100% renewable electricity across all of its operations by 2025, achieved target at the end of August 2024, and received the certification. Ichigo will continue to maintain its climate positive status with CO2 reductions from clean energy power production exceeding CO2 emissions (Scope 1 & 2) from Ichigo and its three listed investment corporations (Ichigo Office, Ichigo Hotel, and Ichigo Green).

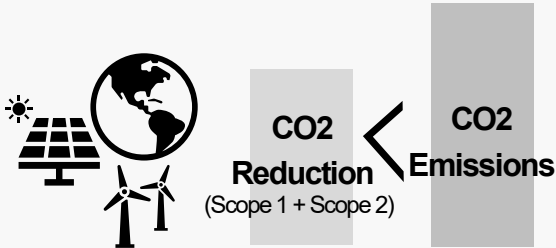
Ichigo’s Science Based Targets (“SBT”), greenhouse gas reduction targets set by companies in line with the Paris Agreement goals, have been certified by the SBT Initiative in May 2024. Ichigo commits to reduce absolute Scope 1 and 2, and Scope 3 GHG emissions 70% and 25%, respectively, by FY2030. from a FY2022 base year.

Ichigo’s 3 Targets

Target
1

Maintains Climate Positive Status

Maintains climate positive status from FY2021



Target
2

Achieve RE100

Achieved sourcing 100% renewable electricity and received RE100 certification



Target
3

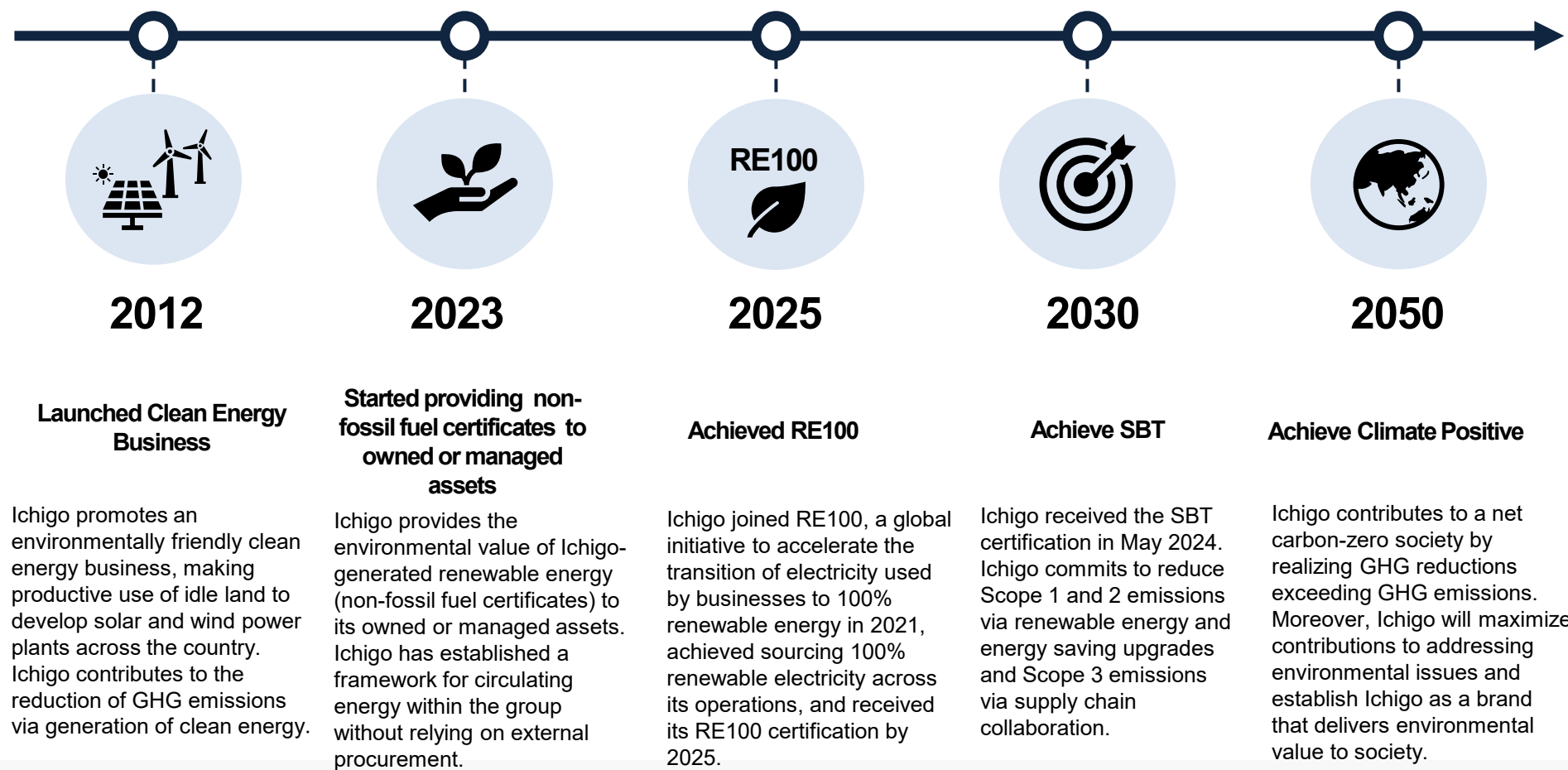
Maintains CDP Leadership Levels

Achieved Double A List for 2 years in a row in the 2025 CDP Climate Change Assessment

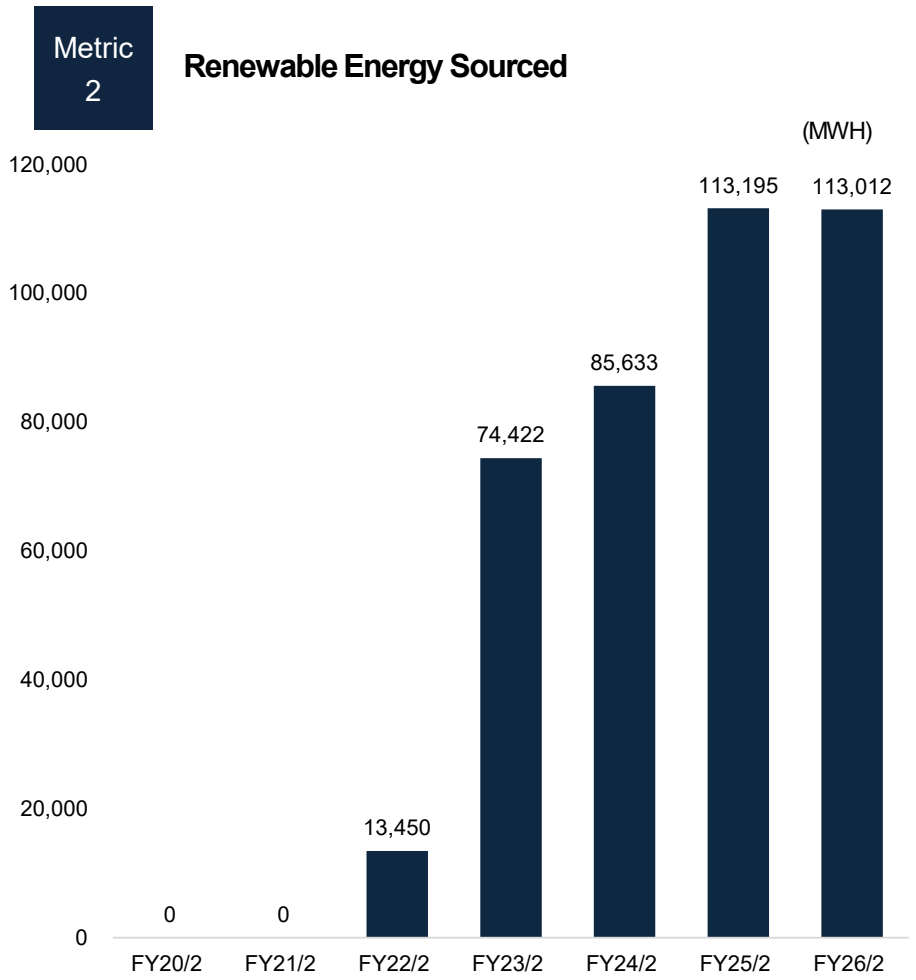
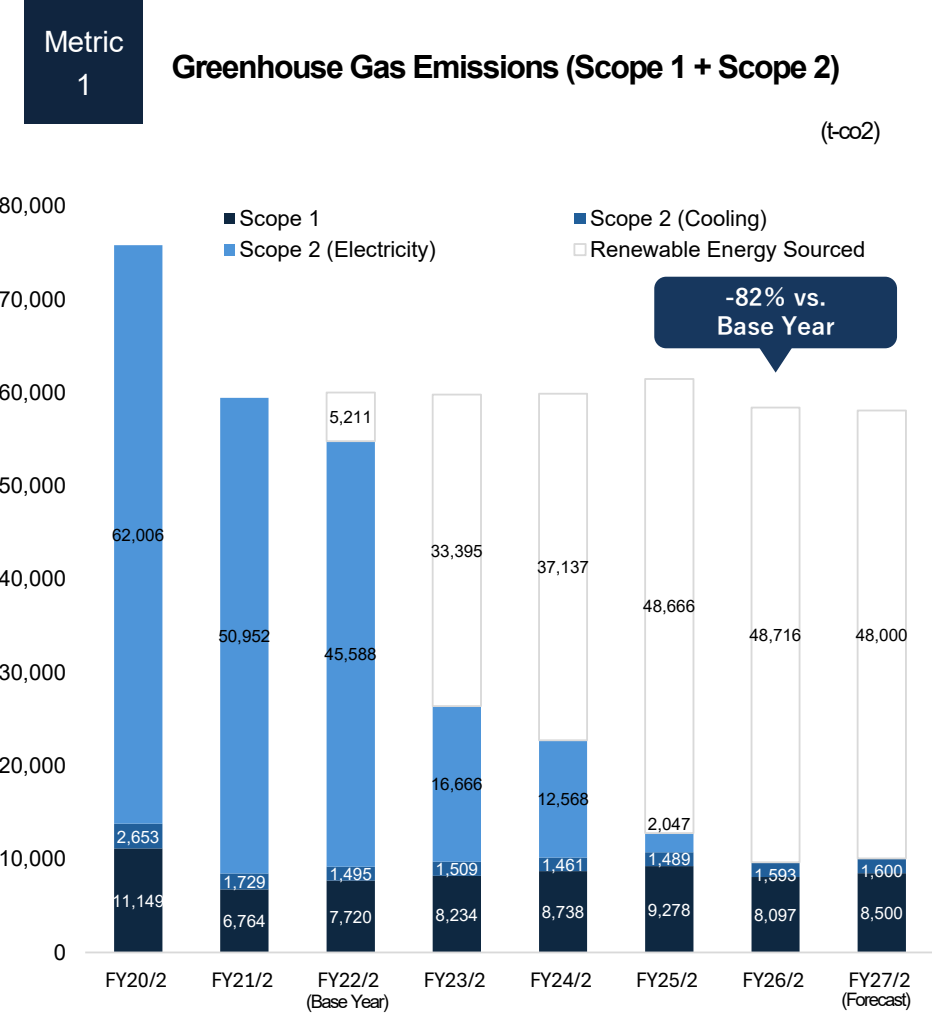


Low-Carbon Transition Roadmap

Ichigo contributes to a net zero carbon society via its business activities in which preserves and improves existing real estate and generates clean energy. Taking into account developments in technology and changes in the social environment, Ichigo is working towards realizing a low-carbon society via initiatives shown in the low-carbon transition roadmap, while reviewing its targets and considering the introduction of new initiatives.

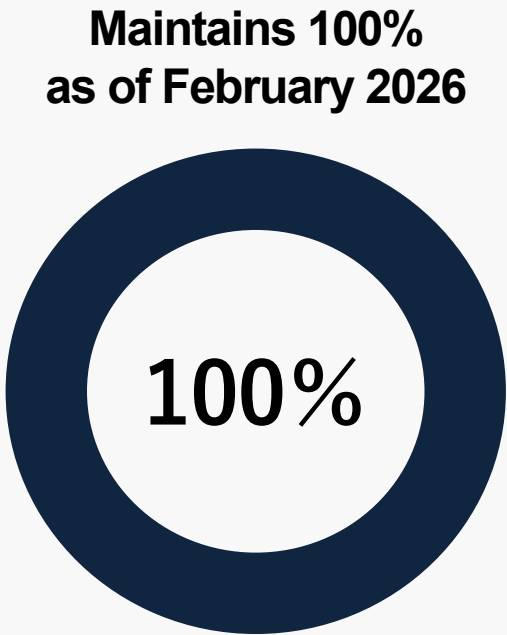


Four Metrics for Climate Change-Related Issues



Metric 3

RE100 Progress
(% of Renewable Electricity)



Metric 4

CO2 Emissions < CO2 Reduction
(Climate Positive Metric)

