

Ichigo Sustainability Report



April 2025



**Make The World
More Sustainable**

Table of Contents

– Senior Management Message – Chairman Scott Callon	4	• Environmental: Reduction of Energy Consumption & Third-Party Assessments	40
– Senior Management Message – President Takuma Hasegawa	5	• Environmental: Energy Efficiency Measures	41
– Ichigo’s Mission & Core Values	6	• Environmental: Everyday Steps to Solve Environmental Issues	42
– Ichigo Code of Corporate Ethics	7	– Ichigo ESG – Social	43
– Ichigo Sustainability Policy	8	• Social: HR Policy	44
– Ichigo Governance Structure	9	• Social: Respect for Human Rights	45
– Ichigo’s Stakeholders	10	• Social: Employee Support Programs	46
– Third-Party Assessments & Initiatives	11	• Social: Employee Development & Training	47
– <u>Ichigo’s Sustainable Business Model</u>	13	• Social: Supportive Work Style & Workplace Initiatives	48
• Fulfilling Our Responsibilities as Responsible Social Citizen via Our Businesses	14	• Social: Employee Engagement & Internal Start-Ups	49
• Ichigo’s Stock + Flow Earnings Revenue Structure	15	• Social: Health Management & Health and Safety	50
• Sustainable Financing	16	• Social: Dialogue With Stakeholders & Partnerships	51
• Sustainable Real Estate	17	• Social: Social Support Programs	52
• Value-Add Projects	19	• Social: Revitalizing Local Communities	53
• Hotel Business	20	• Social: Student Relations (SR)	54
• Asset Management Business	21	– Ichigo ESG – Governance	55
• Clean Energy Business	23	• Governance: Company With Committees Governance Structure	56
• Sustainable Infrastructure Business: Ichigo Yokosuka Port Market	26	• Governance: Governance Structure	57
• Sustainable Infrastructure Business: Ichigo x Solaseed Air High-Speed, Small-Lot Air Delivery	27	• Governance: Board of Directors Skill Matrix	58
• Sustainable Infrastructure Business: Inami Museum Value-Add	28	• Governance: Internal Control System	59
– <u>Ichigo 2030</u>	29	• Governance: Ichigo’s Code of Conduct	60
• <u>Ichigo 2030</u>	33	• Governance: Compliance	61
– Ichigo ESG – Environmental	34	• Governance: Compensation System	62
• Environmental: Producing Safe & Clean Energy	35	• Governance: Risk Management	63
• Environmental: Ichigo Climate Positive	37	– Appendix – Reference Data	65
• Environmental: RE100	38	– Disclosures Based on TCFD Recommendations	78
• Environmental: Ichigo Sustainability Promotion & Environmental Policy	39		
• Environmental: Ichigo SBT (Science Based Targets) Certification			

Senior Management Message

Chairman Scott Callon

Ichigo is a Japanese sustainable infrastructure company dedicated to making the world more sustainable. Ichigo believes companies exist to serve society and is committed to contributing to a sustainable society while growing long-term value for its shareholders.

Ichigo's Sustainable Real Estate business preserves and improves real estate, lengthening buildings' useful lives beyond 100 years. In our Clean Energy business, Ichigo operates 64 solar and wind power plants across Japan generating 200MW of renewable energy. Given the severe impacts of global climate change, we are continuing to expand our production of clean energy, including green biomass using locally-sourced Japanese feedstocks.

This Sustainability Report outlines Ichigo's commitment to serving society, including by participating in global initiatives such as the United Nations Global Compact and RE100.

Ichigo will continue its work to expand its ESG initiatives and make the world more sustainable.



Senior Management Message

President Takuma Hasegawa

Ichigo's corporate mission is to Make The World More Sustainable. As a member of Japanese society, Ichigo is dedicated to fulfilling its mission in the spirit of *Ichigo Ichie*, an ancient Japanese proverb meaning "One lifetime, one encounter."

Ichigo believes that companies exist to serve society and continually explores how Ichigo can best serve society by leveraging its distinctive capabilities and knowhow.

Serving society is at the heart of our business activities. Ichigo's Sustainable Real Estate business works to preserve and improve existing real estate, and its Clean Energy contributes towards Japan's energy self-sufficiency.

All of us at Ichigo are committed to making the world more sustainable via socially-meaningful business activities.

長谷川 拓磨



Ichigo's Mission & Core Values

Mission

Ichigo is a Japanese sustainable infrastructure company dedicated to its mission of Make The World More Sustainable.

We have entered an era when humanity must tread more lightly on our planet and learn to do more with less. Through our business model of preserving and improving existing buildings, Ichigo has already built an extensive track record in sustainable real estate. As we grow, Ichigo will continue contributing to a more sustainable society by developing new technologies to extend the lives of key social infrastructure beyond 100 years. Our belief that sustainability is integral to the healthy development of people, society, and the environment is reflected in our long-standing commitment to environmental stewardship, social responsibility, and ethical governance – the three pillars of ESG.

The word “Ichigo” comes from the ancient Japanese proverb, Ichigo Ichie, literally meaning “One lifetime, one encounter.” The phrase was first used by a 16th century master of the tea ceremony, Sen no Rikyu. He called upon his disciples to give total focus and sincerity to each act of the tea ceremony, because that particular moment will only exist once and must be fully lived and realized. Ichigo embraces the Ichigo Ichie philosophy of sincerity and service, and works to build strong long-term relationships to support the success of our clients, shareholders, and all stakeholders.

Ichigo's Core Values

Professionalism

We are dedicated to developing and maintaining strong relationships with our clients. We value integrity, honesty, and fairness. We are committed to achieving and maintaining excellence in serving our clients.

Entrepreneurial Spirit and Diversity

Creativity and innovation are at the core of our business. We work day in and day out to improve our client service capabilities.

Teamwork

We emphasize teamwork to support an outstanding client experience. We are focused on building a strong, long-term organization filled with committed professionals who value teamwork.

Ichigo Code of Corporate Ethics

The Ichigo Code of Corporate Ethics is a code of conduct and set of fundamental values that we share at Ichigo. The Code is at the heart of our daily activities and behavior. Ichigo's Board of Directors reviews the effectiveness of this Code regularly and makes revisions, as appropriate.

1. Respect Human Rights

We respect and support human rights globally and work to prevent and eliminate any and all discrimination and infringement of human rights. We protect and support the rights of children and contribute to creating a prosperous future for them.

2. Build Trust

We fully recognize our social responsibilities and work to earn trust from society through sound business operations and a strong, shared ethic of self-responsibility.

3. Respect Clients and Business Partners

We recognize that we exist based upon the satisfaction and trust of our clients and strive to provide the best products and services tailored to our clients and business partners' needs.

4. Respect Local Communities

We respect and listen to local communities and value their diversity and distinctive strengths, histories, and traditions. We work hand-in-hand with communities to address their needs, support their ongoing vibrancy, and contribute to building strong communities for future generations.

5. Respect Employees

We strive to maintain and enhance our corporate vitality and respect the character and diverse personalities of our employees. We are committed to a work environment that ensures fair treatment for all. We comply with Japan's minimum wage laws and protect the livelihoods of our employees.

6. Preserve the Environment

We preserve our shared global environment and support a more sustainable society by working to decrease our environmental impacts, prevent pollution, reduce energy and resource consumption, and support biodiversity.

7. Manage Transparently and Prudently

We maintain appropriate and balanced relationships with our clients and stakeholders, and disclose management information in a fair and timely manner. We focus on transparent and prudent corporate management and efficient operations.

8. Strict Compliance

We strictly comply with all applicable laws and regulations, rules, and social mores, internal rules, and act fairly and faithfully to fulfill our social responsibilities.

9. Combat Anti-Social Forces

We firmly act against anti-social forces which threaten social order and security.

Ichigo Sustainability Policy

Ichigo has made sustainability a key business and social priority. Ichigo works pro-actively to promote sustainability and has established the Ichigo Sustainability Policy to further reduce Ichigo's environmental impact and support sustainable growth.

1. Harmony with the Environment and Resource Recycling

Ichigo will accurately assess the impact of the Group's operations on the global environment and work proactively to minimize environmental impact by extending the useful life of its assets, continuously conserving water, and reducing and recycling waste.

2. Responding to Climate Changes and Transitioning to Net Zero Carbon Society

In executing its businesses, Ichigo seeks to promote responses to climate changes and realize a net carbon zero society by continuously lowering its energy consumption and GHG emission, using renewable energy, and improving the resilience of its assets.

3. Regulatory and Environmental Compliance

Ichigo complies with all environmental laws and regulations and Ichigo's own independently-established environmental rules, and establishes its environment management structure. Ichigo also carefully monitors and complies with all applicable changes in laws and regulations.

4. Training and Awareness, and Collaboration with Stakeholders

Ichigo enhances inhouse education on sustainability and promotes understanding of its Sustainability Policy and works to increase sustainability awareness among all Ichigo employees. Ichigo promotes the understanding and cooperation by its various stakeholders regarding this Policy and work together to promote sustainability.

5. Sustainability Performance Communication and Disclosure

Ichigo communicates this Sustainability Policy and Ichigo's sustainability initiatives to society at large. Ichigo also works to obtain certifications for its sustainability activities on an ongoing basis.

6. Sustainable Procurement

In executing its businesses, Ichigo promotes sustainable procurement by proactively adopting environmentally-friendly construction methods and materials, energy-saving energy and resource-saving equipment. When selecting its subcontractors, Ichigo takes into consideration their sustainability initiatives.

7. Fostering Diversified and Inclusive Organization

Ichigo respects human rights and strives to foster an organization and culture in which diverse employees can work as they wish and demonstrate their full potential, regardless of race, belief, religion, color, nationality, age, gender, sexual orientation, gender identity, physical disability, social status, etc. Ichigo also establishes the comfortable work environment that takes into consideration health and comfort, and realizes the success and well-being of each and every employee, thereby leading to the growth of the organization.

8. Biodiversity and Ecosystem Preservation

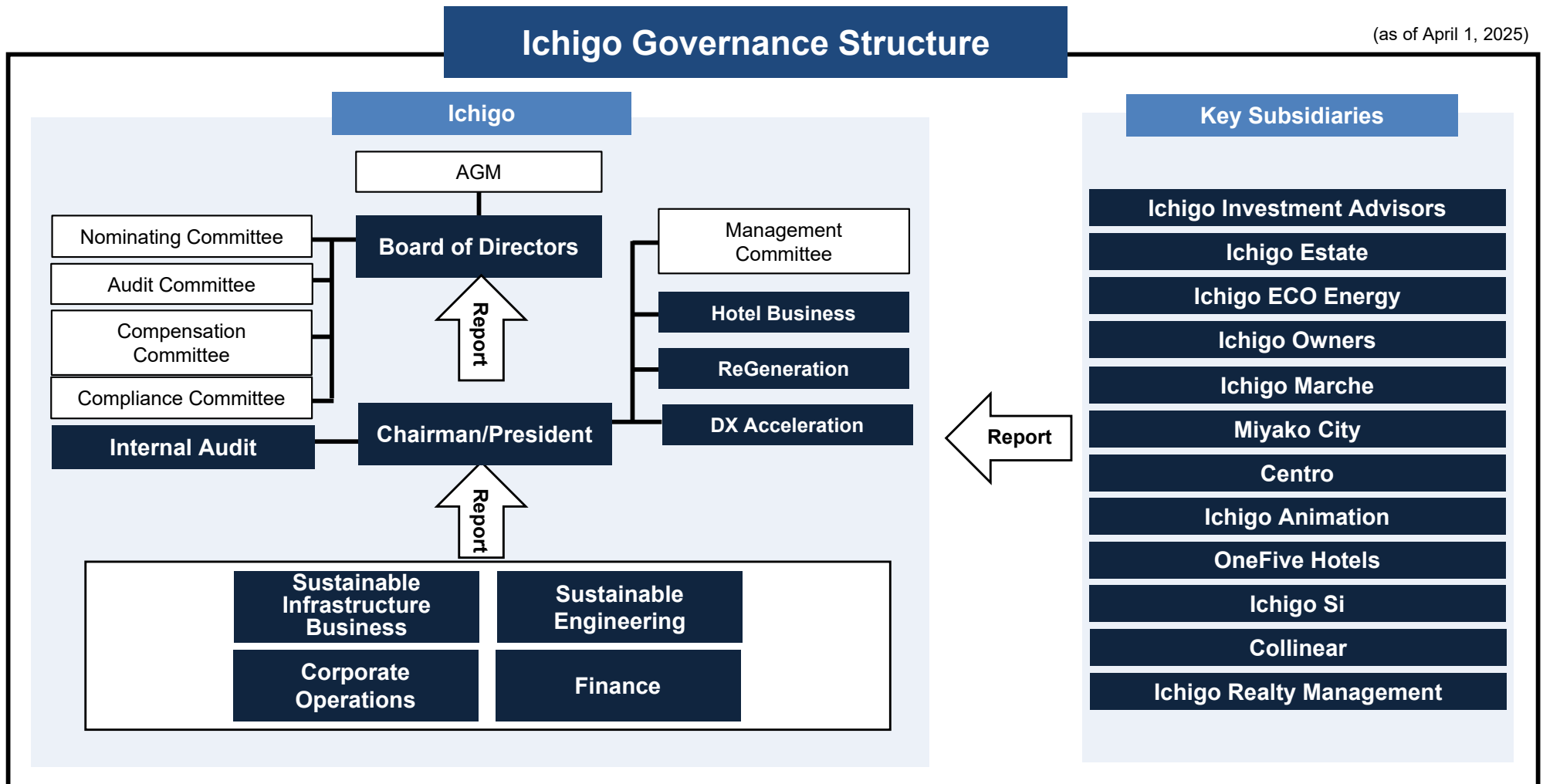
Through greening of grounds, rooftops, and walls and planting mainly native species, Ichigo contributes to the preservation of biodiversity and ecosystems.



Ichigo Governance Structure

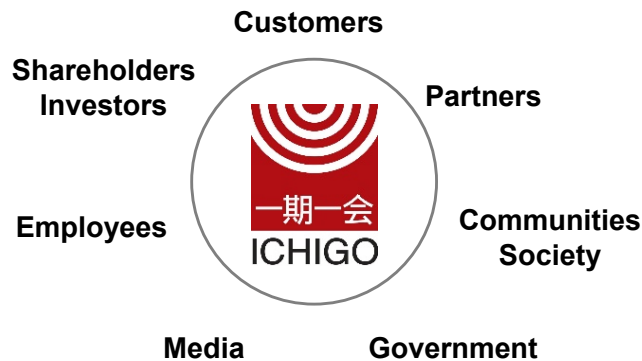
Ichigo has made sustainability a key business and social priority as a responsible corporate citizen.

Ichigo's President has oversight over Ichigo's sustainability initiatives pursuant to the Ichigo Code of Corporate Ethics and Ichigo Sustainability Policy set by the Board of Directors.



Ichigo's Stakeholders

Based on the *Ichigo Ichie* philosophy of service to others, Ichigo works to build strong long-term relationships to support the success of all stakeholders.



Stakeholders	Key Issues
Customers	<ul style="list-style-type: none"> • Tenants • Visitors • Providing safe, comfortable real estate • Supporting & revitalizing communities • Businesses enriching Japan
Shareholders Investors	<ul style="list-style-type: none"> • Individual Investors • Institutional Investors • Engagement • Corporate governance • Driving shareholder value, social contributions
Partners	<ul style="list-style-type: none"> • Management companies • Construction companies • Financial institutions • Supply chain management • Contributing to a sustainable society • Continuing social contributions
Employees	<ul style="list-style-type: none"> • Ichigo group • Employees • Driving skill development, employee diversity • Provide equal opportunities, authority delegation • Health management
Communities Society	<ul style="list-style-type: none"> • All local communities and residents related to Ichigo businesses • Supporting community revitalization, environmental preservation • Supporting community safety • Driving local employment
Government	<ul style="list-style-type: none"> • National and local government entities • Effective use of idle land • Effective use of existing real estate • Supporting local communities

Third-Party Assessments & Initiatives (1)

(as of February 28, 2025)

CDP 2024 Climate Change Assessment

- CDP 2024 Climate Change Assessment A List for two consecutive years
- CDP Water Security Assessment A, up from A- in 2023, selected as A List company for the first time
- Of 25,000 participating companies worldwide, only 70 companies selected as A List company in both Climate Change and Water Security Assessments



Ichigo will continue to assess and reduce current energy consumption, and work towards protecting our environment via our businesses.

RE100

Completed 100% Renewable Energy Transition & Receiving RE100 Certification in FY26/2

* Includes all Ichigo, Ichigo Office (8975), & Ichigo Hotel (3463) assets.



TCFD Disclosures

Ichigo provides disclosures on governance, strategy, risk management, and metrics and targets in line with the TCFD (Task Force on Climate-Related Financial Disclosures) framework.



SBT (Science Based Targets) Certification

Ichigo's Science Based Targets ("SBT"), greenhouse gas reduction targets set by companies in line with the Paris Agreement goals, were certified by the SBT Initiative. Please see page 39 for details.



Ministry of Economy, Trade and Industry's GX League

Ichigo is a member of the Ministry of Economy, Trade and Industry's GX League. The GX League aims for economic and social reform to achieve carbon neutrality in 2050, and promotes cooperation between companies, government entities, and academic institutions aiming for sustainable growth.



Third-Party Assessments & Initiatives (2)

(as of April 14, 2025)

UN Global Compact

Ichigo is a participant of the UN Global Compact and supports the Ten Principles regarding human rights, labor, environment, and anti-corruption.



GRESB Real Estate Assessment

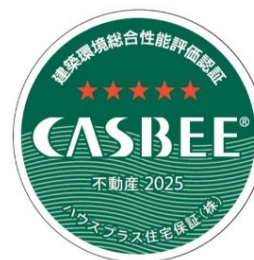
Ichigo Office (8975) was awarded a Green Star designation for the eighth year in a row, recognized for its ESG-related policies and organizational setup (the “Management Component”), and the environmental performance of its assets as well as tenant engagement (the “Performance Component”).

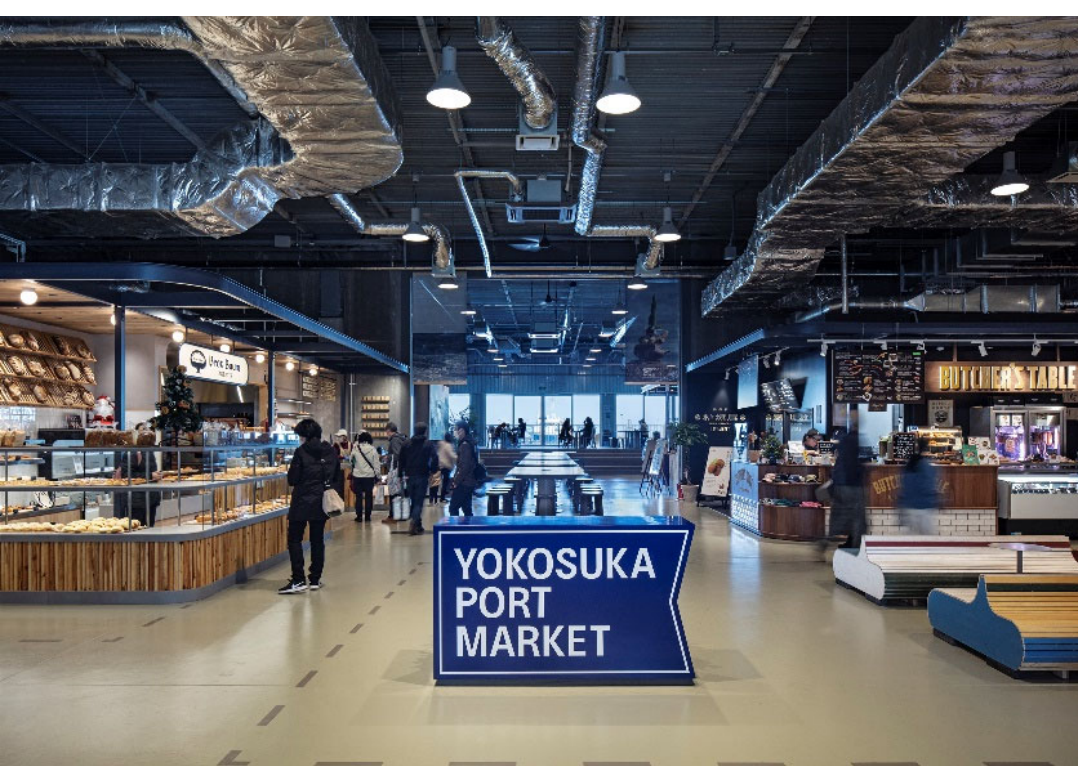


Other Environmental Certifications

With its deep experience in real estate value-add, Ichigo works to increase the safety and functionality of buildings, while reducing energy use and environmental impact to create a more sustainable society.

- CASBEE 18 Assets
- BELS/ZEB Oriented 6 Assets/1 Asset
- DBJ Green Building 2 Assets
- Tokyo Low-Carbon Small and Medium-Sized Model Buildings 9 Assets





Ichigo's Sustainable Business Model



Ichigo preserves and improves real estate and generates renewable energy to contribute to a sustainable society

Fulfilling Our Responsibilities as Responsible Social Citizen via Our Businesses

Ichigo is a sustainable infrastructure company dedicated to working to enrich people's lives. Ichigo preserves and improves real estate and generates renewable energy to contribute to a sustainable society.

Ichigo's Core Businesses

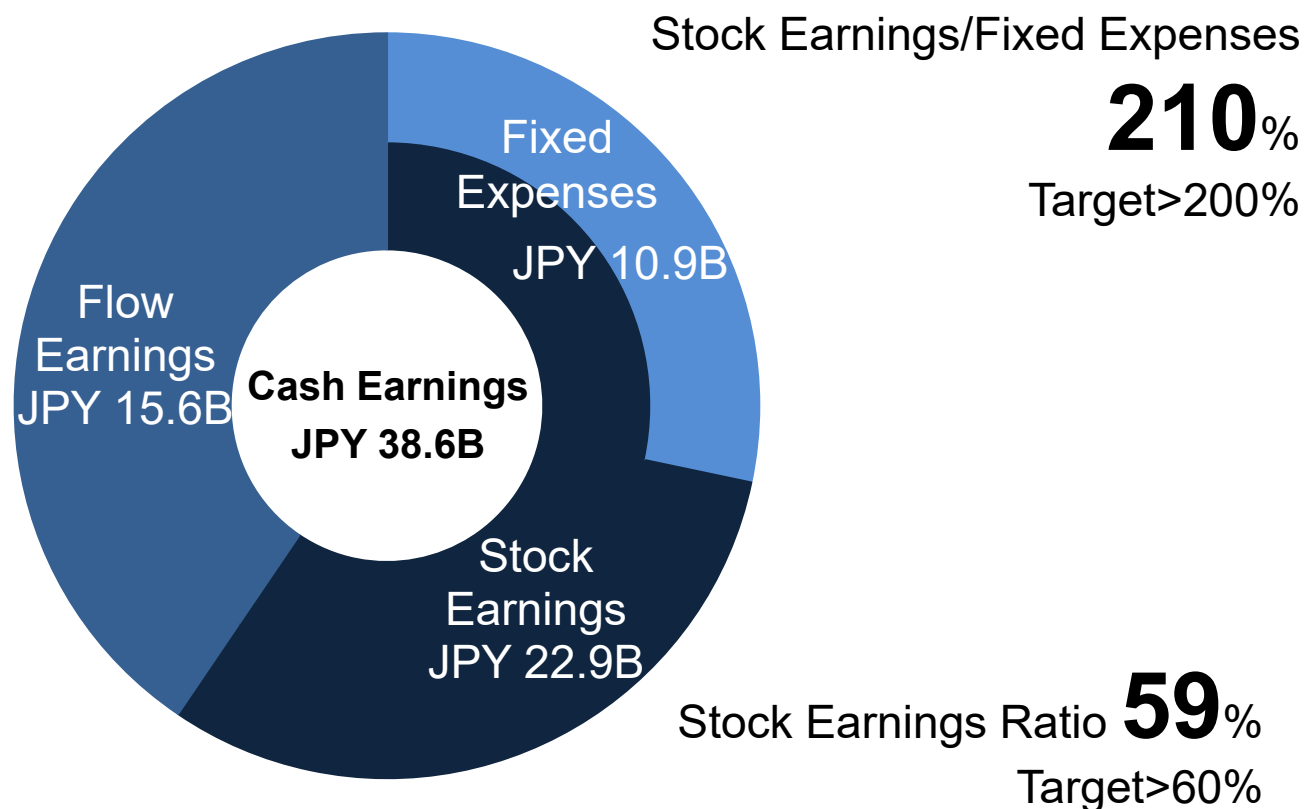
Asset Management	Asset Management (AM) generates fee income via management of Ichigo Office (8975), Ichigo Hotel (3463), Ichigo Green (9282), Ichigo Residence Tokens & private real estate funds.
Sustainable Real Estate	Sustainable Real Estate (SRE) preserves and improves real estate. Ichigo receives rental income during the period in which it carries out its value-add, along with earning gains on sales that reflect the real estate's higher value after the value-add is complete.
Ichigo Owners	Ichigo Owners (IO) develops high-quality real estate assets for Japanese real estate owners via a highly capital-efficient, asset-light business model. Ichigo outsources construction to third-party developers, focusing on design and planning, construction engineering quality control, and post-construction leasing tailored to tenant and investor needs.
Hotel	Hotel leverages Ichigo's deep value-add expertise and management capabilities as a hotel owner/operator. Ichigo improves hotel functionality, aesthetics, and guest services to drive higher guest comfort and satisfaction, develops and operates Ichigo brand hotels, and deploys PROPERA (Ichigo's AI-based hotel revenue management system) to drive significant increases in hotel cash flows, earnings, and asset value.
Clean Energy	Clean Energy (CE) is utility-scale solar & wind power production that produces clean energy & brings productive use to idle land.

Ichigo's Stock + Flow Earnings Revenue Structure

Ichigo generates both stock and flow earnings, and is targeting a stock earnings ratio of >60% in FY30/2.

Ichigo's value-add business model generates stock earnings, which includes rental income, base asset management fees, power generation revenues, depreciation, and flow earnings, which are primarily Sustainable Real Estate gains on sales. Ichigo is structurally profitable: fixed expenses are more than covered by stock earnings.

FY25/2 Actual



Stock Earnings: Rental Income, Power Generation Revenues, Base AM Fees

Flow Earnings: Primarily Sustainable Real Estate & Hotel Gains on Sales Fixed Expenses: Fixed SG&A + Interest Expenses

Cash Earnings: Gross Profit + SRE & Hotel Extraordinary Gains on Sales + Depreciation

Sustainable Financing

Expansion of ESG Financing by Promoting ESG in Our Businesses

Ichigo borrowed funds via Sumitomo Mitsui Banking Corporation's ESG/SDGs syndicated loan program based on the United Nations Principles for Positive Impact Finance with the use of funds unspecified. Ichigo is the first Japanese real estate company to borrow funds via this program. Ichigo has successfully expanded ESG loans in recognition of its excellent ESG initiatives and information disclosure, as well as its high willingness to contribute to the achievement of the SDGs through its businesses. The Positive Impact Finance-based loans from various financial institutions account for 25% of total borrowings.

The UN Principles for Positive Impact Finance is a financial framework established by the United Nations Environment Program Finance Initiative ("UNEP FI") in January 2017 as a principle for financial institutions to fund businesses that contribute to achieving the SDGs. It is comprised of four principles: Definition, Frameworks, Transparency, and Assessment, and defines a structure for financing aimed to mitigate the negative impacts and systematically and sustainably increase the positive impacts of a borrowing company's activities.



ESG × **SUSTAINABLE DEVELOPMENT GOALS**

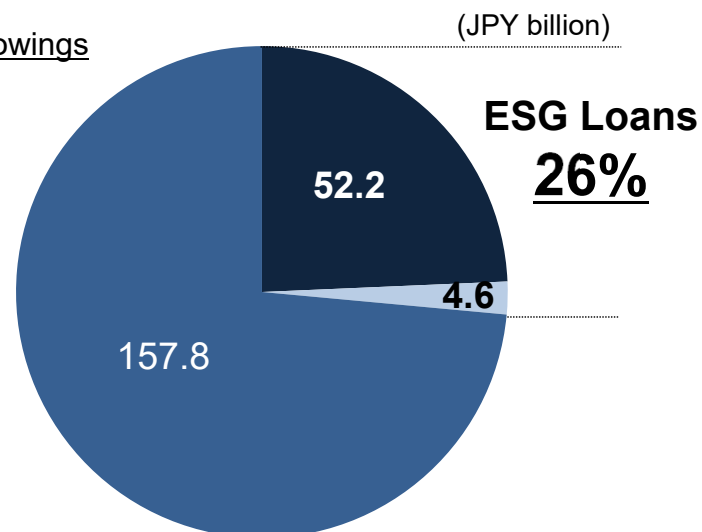
ESG Loans

- ESG loans (including green bonds)
- Remaining ESG commitment line (as of FY25/2-end)

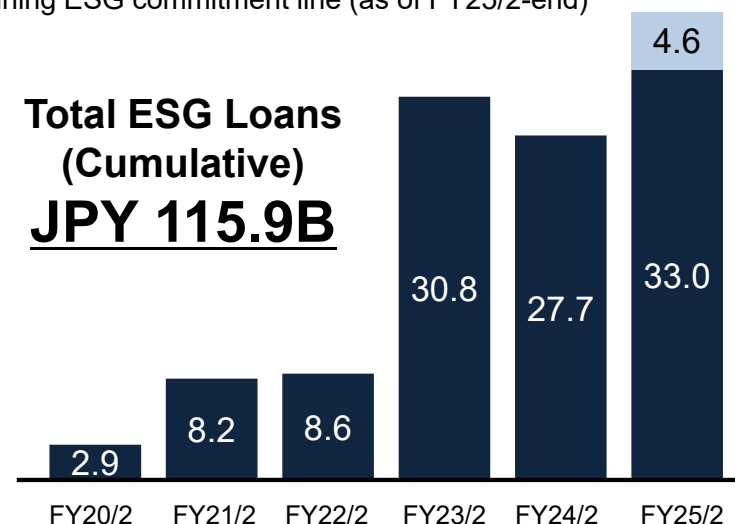
(JPY billion)

ESG Loans as % of Total Borrowings (as of FY25/2-end)

- ESG loans (including green bonds)
- Remaining ESG commitment line
- Other corporate loans & bonds (excludes short-term loans)



Total ESG Loans (Cumulative) JPY 115.9B



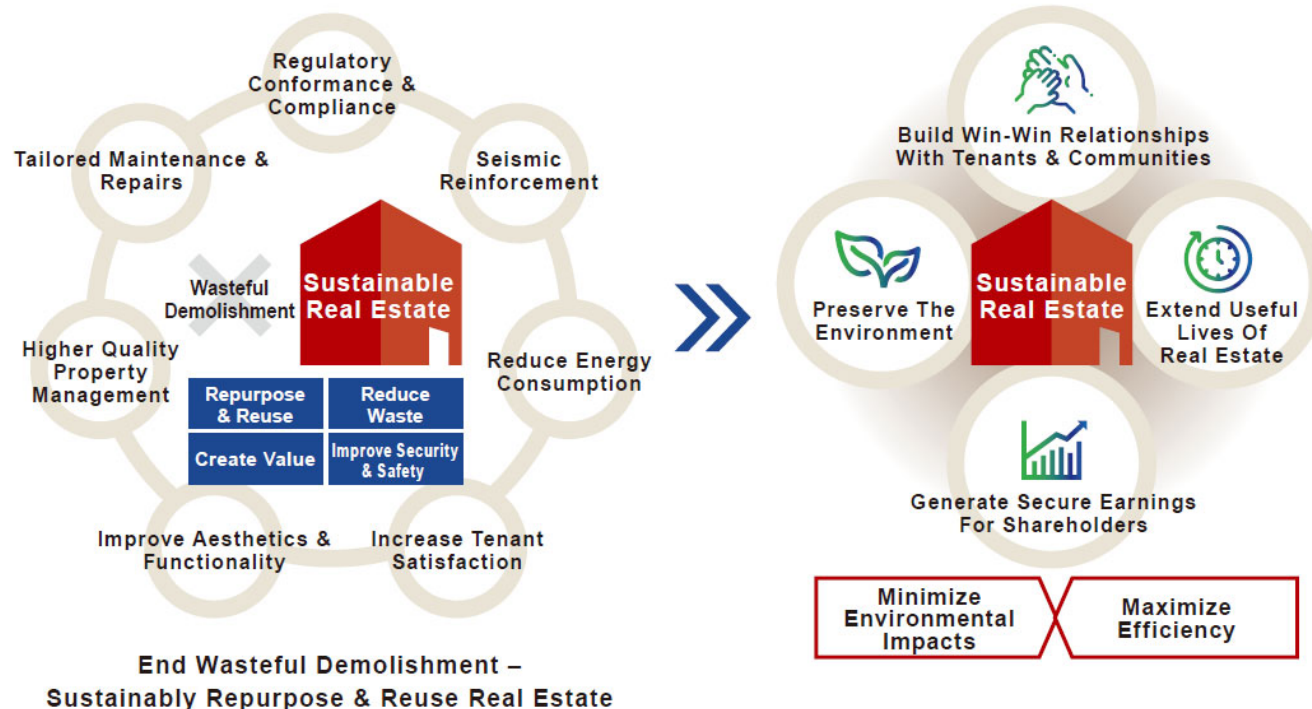
Sustainable Real Estate (1)

Ichigo's Sustainable Real Estate

Our Sustainable Real Estate business adds value to existing buildings by drawing upon our real estate technologies and expertise. Ichigo minimizes resources used to improve real estate, contributing to building a more sustainable society. Ichigo will build on its long-standing commitment to sustainability by developing new technologies to extend the lives of buildings and other social infrastructure 100 years and beyond.

Ichigo has a long track record of acquiring prime location mid-size assets and improving them as high-function real estate to extend their useful lives by conducting seismic reinforcements, improving their occupancy, and upgrading the assets to respond to diversifying needs.

Ichigo views real estate as key infrastructure that is fundamental to creating richer, more fulfilling lives for tenants and local communities. Ichigo works to serve broad client needs and deliver first-in-class and best-in-class solutions to drive significant value for clients and society across a diverse set of infrastructures. Being one of many is not enough. Ichigo needs to lead.



Sustainable Real Estate (2)

Extending Useful Life of Real Estate Beyond 100 Years

Ichigo is working to develop open platform construction technologies that can help extend the useful life of real estate beyond 100 years. Towards this end Ichigo examines all of its assets to take record of the condition of equipment and develop tailored renovation plans that also aim to reduce environmental impact.

With appropriate measures taken many buildings in the US and Europe retain or grow their value even after c. 100 years, while in Japan the prevailing model has been to scrap and rebuild buildings after c. 40 years. This leads to significant waste and wasteful demand for raw materials and energy in the construction process. In addition to this Japan faces a significant social problem because of its aging infrastructure. Ichigo is committed to helping solve these social problems.

Traditional Real Estate

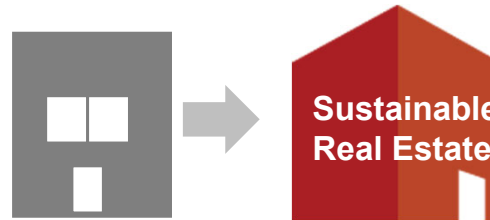
Scrap & Rebuild



**Wasteful
Demolishment**

Ichigo's Sustainable Real Estate

Preserve & Create Value



**Increase Quality of
Tenant Services**

+

**Renovate
& Repair**

=

Increase Tenant Satisfaction

- Improve aesthetics and comfort
- Seismic reinforcements
- Regulatory compliance
- Increase energy efficiency

Value-Add Projects

Retail Asset Value-Add

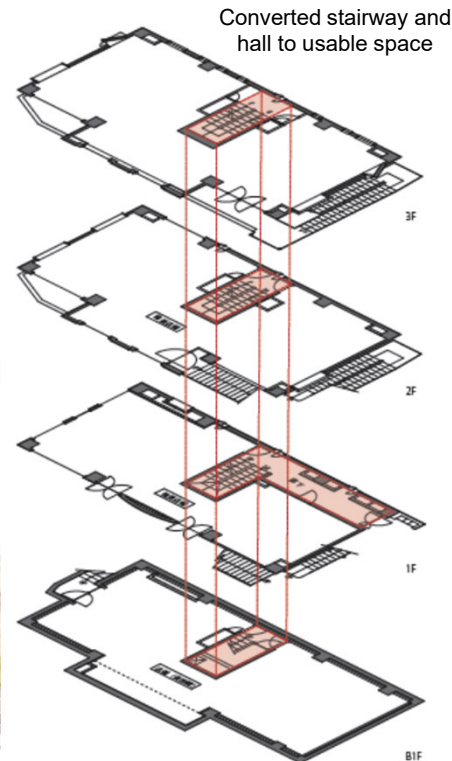
Ichigo conducted value-add work on a retail building (B1/3F) it acquired in a prime location in Daikanyama (Shibuya).

Ichigo rectified an extended exterior staircase that was not compliant with regulations and removed an internal staircase thereby increasing rentable floor space by 12%, and making for a more tenant-friendly floor layout. Ichigo also renovated the exterior and improved the building's visibility. On the back of this value-add work, Ichigo successfully raised rent by 25%.

Before



After



Revitalizing a Hotel to Thrive Another 50 Years

Ichigo acquired a 40-year-old hotel in Shinjuku, that by Japanese practice would have been target for a scrap and rebuild, and conducted value-add work to re-brand and re-open it as a lifestyle hotel capable of serving guests for a further 50 years.

THE KNOT TOKYO Shinjuku was designed with the concept of creating a place where the diverse lifestyles of guests and locals can intersect, in line with Ichigo's core value of diversity.

Value-add work consisted of seismic reinforcement and a full renovation of plumbing systems and HVAC systems. The two-story open atrium features a café, restaurant, lounge, and lobby, and is designed to welcome not only guests staying at the hotel but also locals.

THE KNOT TOKYO Shinjuku



Hotel Business

OneFive Hotels' Hotel Operation Business – A Moment In Time Becomes A Treasured Memory

In line with Ichigo's mission to Make The More World Sustainable, OneFive Hotels' long-term vision is A Moment In Time Becomes A Treasured Memory.

In keeping with the *Ichigo Ichie* philosophy, OneFive Hotels operates multiple hotel brands tailored to the diverse needs of guests, and works to support guest comfort and satisfaction via *omotenashi*, Japan's tradition of hospitality and service.

OneFive Hotels operates multiple brands in line with location, facility characteristics, and target customers.

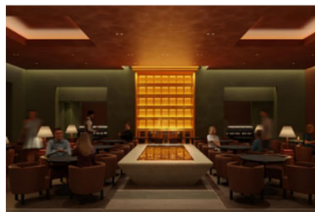
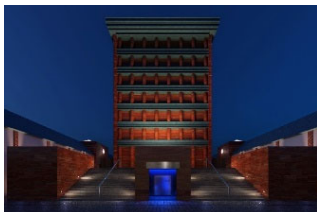
HOTEL II PALAZZO – Rebuilding Ties With Local Communities as a New Cultural Center

Ichigo launched the Re-Design Project to renovate the historic hotel that has won the Fukuoka Urban Beautification Award and American Institute of Architects Honor Award.

The basement floor, where a disco and event hall were located and which has served as a unique cultural center in line with the times, has been transformed into a lounge where tourists, businessmen, and local residents can interact.

HOTEL IL PALAZZO will foster connections between guests and visitors and collaborate with The OneFive Villa Fukuoka and The OneFive Terrace Fukuoka to build ties with local communities.

HOTEL
IL PALAZZO



The OneFive Garden Kurashiki Wins Grand Prize at *Omotenashi* Contest

The OneFive Garden Kurashiki won the top prize in the hotel and dining category at a contest held as part of the JR group and Okayama Prefecture's large-scale tourism campaign. The hotel is contributing to the local community via *omotenashi*.



Welcome Afternoon Tea



Sandwich Boxes



Lounge



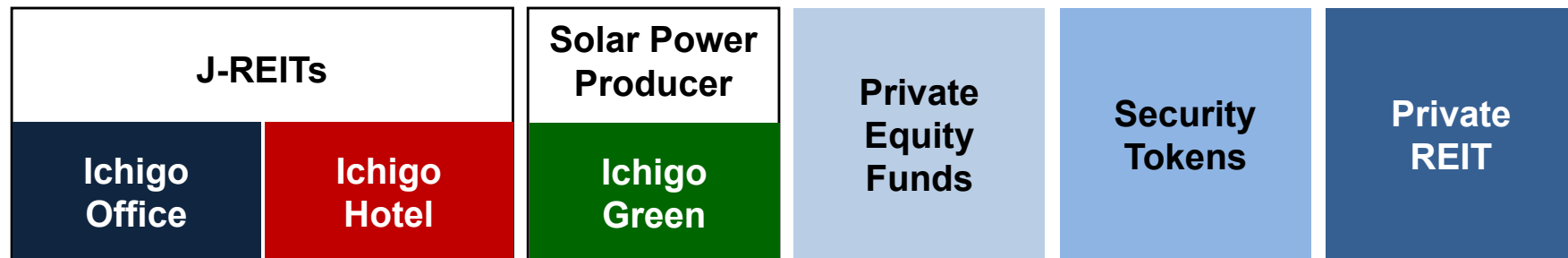
OneFive
Hotels

Asset Management Business (1)

Managing J-REITs, a Listed Solar Power Producer, Private Equity Funds, Security Tokens, & a Private REIT

Ichigo provides investment products that leverage its value-add technology for individual investors and is committed to building its asset management capabilities via maximizing shareholder value and environmental initiatives.

Asset Management



Delivering High-Quality, Ichigo Value-Add Real Estate & Sustainable Energy to Investors Across Multiple Products & Channels

Asset Management Business (2)

Full Focus on Maximizing Shareholder Value

Economic Revitalization via Real Estate Investment

Ichigo manages two J-REITs (Ichigo Office: 8975, Ichigo Hotel: 3463) and a listed solar power producer (Ichigo Green: 9282), manages private real estate funds for institutional investors, and offers Ichigo Residence Tokens for individual investors and business owners.

Ichigo draws upon its value-add capabilities to contribute to the sustainable economic growth of Japan by growing the long-term value of its investment products and assets that draw on Ichigo's strengths, earning the trust of investors, and contributing to building sustainable social infrastructure. In addition to building on its strong corporate governance and asset management capabilities, Ichigo Investment Advisors is committed to making environmental sustainability a key priority and fulfilling its long-term social responsibility.

First & Only J-REITs with No Fixed Fee, Performance-Fee Only Asset Management Structure

Ichigo Office (8975) and Ichigo Hotel (3463) are the only J-REITs with a no fixed fee, performance-fee only asset management structure. The performance-linked fee structure fully aligns REIT earnings with shareholder value creation and is aimed to support proactive, dynamic vs. static management of the REIT assets on behalf of shareholders.

Ichigo will continue to offer reliable financial instruments for investors and work to drive greater value for shareholders.



Clean Energy Business (1)

Partnerships with Local Communities Across Japan - Clean Energy Production

Ichigo ECO Energy, Ichigo's subsidiary, makes effective use of idle land across Japan to generate solar and wind power, contributing to making local communities and the world safer and cleaner via its clean energy business.

Our clean energy business contributes to a more sustainable society by contributing to Japan's energy self-sufficiency. We work together with the local community to create a win-win situation, and also contribute to job creation and economic revitalization of communities.

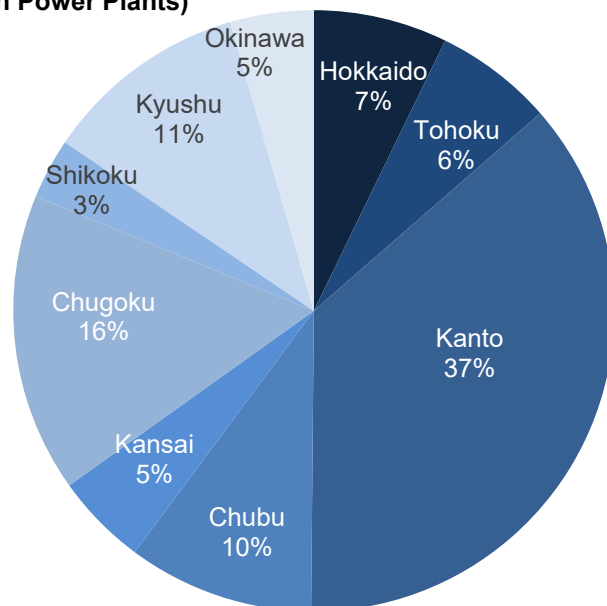
FY25/2 Results (Ichigo & Ichigo Green Power Plants)

Annual Power Generation 234,662,770 kWh

Annual CO2 Reduction 104,502,146 kg-CO2

Geographical Diversification

(Ichigo & Ichigo Green Power Plants)



Total Operating Power Plants (as of February 28, 2025)
64 Plants c. 188MW

Plants owned by Ichigo (2337) 158.8MW

Plants owned by Ichigo Green (9282) 29.4MW

(All developed by Ichigo)



Ichigo Yonezawa Itaya ECO Power Plant



Ichigo Showamura Ogose ECO Power Plant

Clean Energy Business (2)

Making Productive Use of Idle Land to Produce Clean Energy & Contribute to Communities



Ichigo makes effective use of idle land across Japan to generate solar and wind power, working in close partnership with local communities not only to produce safe and clean energy but also to help support the economic vibrancy of these communities.

Productive use of idle land such as soil deposit sites and abandoned farmland can help local communities garner tax revenue and land lease income. Plant operation and maintenance also helps to create jobs and support local employment, all of which contribute to the local economy.

The builds of Ichigo's solar power plants are optimized to local climate and topography to maximize power production efficiency and minimize losses from any natural disaster. For example, in Hokkaido where snow is heavy, high mounting racks are used and panel inclinations are set at 30 degrees (vs. 10 degrees in other areas) to avoid and displace snow coverage. Ichigo's plants are monitored 24-7 via a real-time monitoring system that detects any failures at the panel level, therefore enabling immediate response.

Ichigo Engaru Higashimachi ECO Power Plant (Hokkaido)



First REAFF-Approved Power Plant in Kanto Region



Ichigo operates three solar power plants on c. 50,000m² of land in Toride City (Ibaraki), built pursuant to the Act on Promotion of Power Generation of Renewable Energy Harmonized with Sound Development of Agriculture, Forestry, and Fisheries ("REAFF Law").

The purpose of the REAFF Law is to make necessary arrangements for appropriate land use, promoting both the sound development of local agriculture, forestry, and fisheries and renewable energy generation that is harmonized with the growth of regional industries, which will thus contribute to revitalizing rural villages.

Working closely with land owners, the Chairman of the Shimotakai Regional Development Association, and the Toride City Agricultural Committee, Ichigo obtained approval to build Kanto's first REAFF-approved solar power plant on Type 1 farmland, which generally is restricted for being used for such projects.

Every year Ichigo donates a portion of power generation revenue to Toride City, used to support its local agriculture.

Ichigo Toride Shimotakai Kita ECO Power Plant



Ichigo Toride Shimotakai Nishi ECO Power Plant



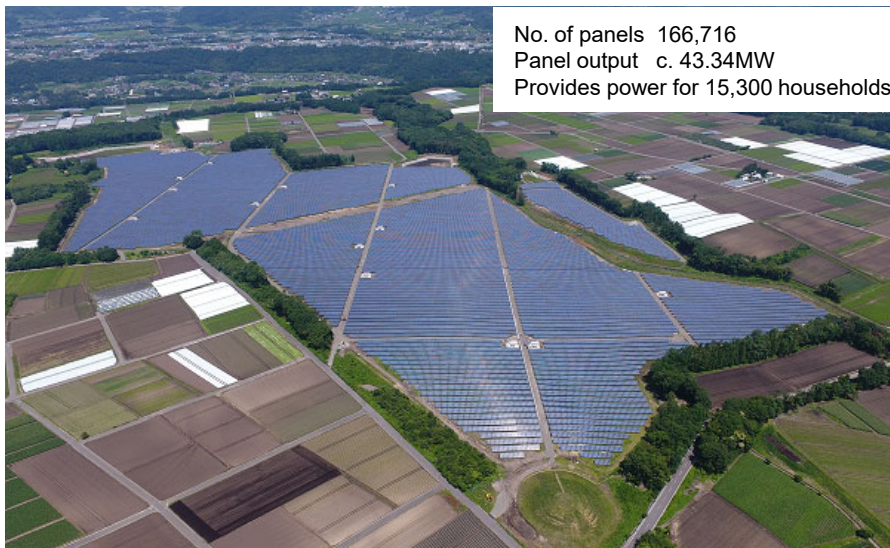
Clean Energy Business (3)

One of the Largest Solar Power Plants in the Kanto Region



Ichigo Showamura Ogose ECO Power Plant

Ichigo built one of Kanto Region's largest solar power plants in a Gunma village that was seeking ways to make better use of idle land. Located in Showamura in northern Gunma prefecture, the plant generates clean energy reflecting local residents' requests to build a facility that contributes to environmentally safe power generation.



No. of panels 166,716
Panel output c. 43.34MW
Provides power for 15,300 households

Built on idle land with an area 18X greater than Tokyo Dome, the land lease income to Showamura helps to support the welfare of its residents

Sustainable Energy Supports Local Community Vibrancy



Ichigo Kasaoka Takumicho ECO Power Plant

Kasaoka City's desire to support local resident livelihood while contributing to the prevention of global warming and Ichigo's mission of building a sustainable society came together to build a solar power plant on idle, reclaimed land. Solar power generation now forms a core component of Kasaoka City's Environmental Plan, with Ichigo there to support its success.



No. of panels 4,224
Panel output c. 1.11MW
Provides power for 370 households

Began solar power generation in March 2016 making use of idle, reclaimed land



Ichigo installed electrical outlets and a charging station that can be used during a blackout.

Sustainable Infrastructure Business: Ichigo Yokosuka Port Market

Transformed Existing Facility via PPP (Public Private Partnership)

The former Yokosuka Port Market was launched as part of Yokosuka City's local foods promotion business, following the renovation of a refrigeration warehouse built in 1987 and located in Yokosuka, Kanagawa Prefecture. Yokosuka City selected an Ichigo-led consortium to renovate and operate the former Yokosuka Port Market as a Public-Private Partnership (PPP). Ichigo was selected as a PPP operator based on its strong value-add capabilities with the aim of developing the facility into a core tourist attraction of Kanagawa Prefecture. The Ichigo Yokosuka Port Market opened in October 2022 after Ichigo renovated the facility transforming its interior design and doubling total floor space, and successfully attracted tenants representative of the Miura Peninsula's robust food culture. Ichigo will contribute to the achievement of Yokosuka City's goal of increasing tourists and revitalizing the city.



Sustainable Infrastructure Business: Ichigo x Solaseed Air High-Speed, Small-Lot Air Delivery

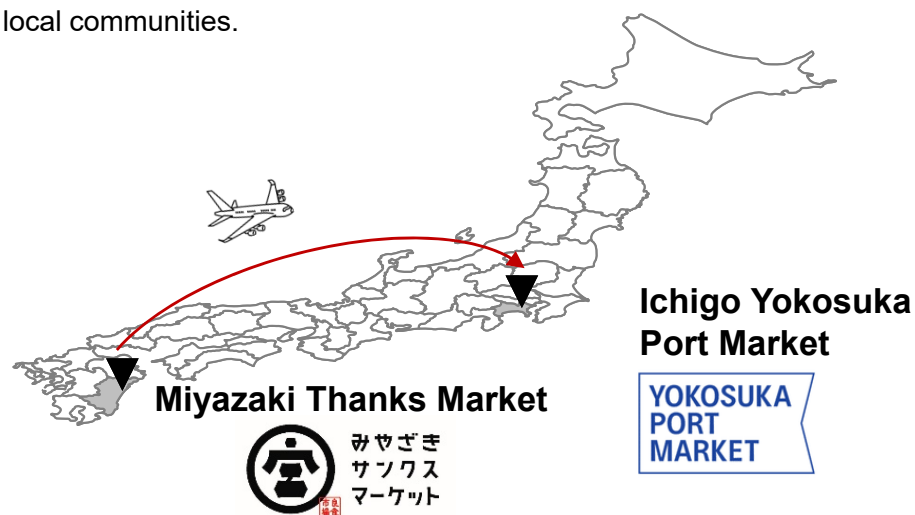
Supporting Sustainability of Farming & Fishing Industries, Contributing to Community Revitalization

Under the high-speed, small-lot airplane delivery business, Solaseed Air delivers fresh food from Miyazaki Prefecture in Kyushu to the Tokyo Metropolitan Area within the same day.

Ichigo redeploys existing real estate to build sustainable infrastructure to drive sustainability, and develop initiatives to build communities around food experiences.

Ichigo opened the Miyazaki Thanks Market featuring food from Miyazaki Prefecture at its Miyako City shopping center, and the Ichigo Yokosuka Port Market featuring food from Kanagawa Prefecture at Yokosuka City in the Tokyo Bay area, with both markets featuring food from the two prefectures using Solaseed Air's high-speed, small-lot airplane delivery service.

Ichigo and Solaseed Air are supporting the sustainability of the farming and fishing industries in Miyazaki and Kanagawa Prefectures and the revitalization of local communities.



Sustainable Infrastructure Business: Inami Museum Value-Add

Ichigo value-add of a historic building to contribute to the development of local industries while preserving the city's historic landscape

The former Inami Museum is a reinforced concrete building built as a bank branch in 1924 and stands as a 100-year-old historic building beloved by the local community. Ichigo conducted seismic reinforcement while preserving the original building's interior and design, and decided to preserve the brick walls inside instead of covering them. While preserving the distinct interior, Ichigo increased functionality via installing LED lights and highly insulated multi-layer windows.

In March 2024, Ichigo completed the seismic reinforcement and transforming the building into a restaurant.

Ichigo is contributing to the revitalization of the local community by preserving a 100-year-old historic building.





Ichigo 2030



Ichigo is reducing its environmental impact to contribute to environmental conservation and sustainability

Ichigo 2030 (1)

Driving Long-Term Growth as a Sustainable Infrastructure Company

Ichigo is growing & expanding its core businesses into new areas, creating new earnings streams and increasing both earnings and earnings stability.

Sustainability

Sustainability is integral to the health and development of people, society, and the environment.

Ichigo's current core business of preserving and improving real estate is a highly sustainable business model that combines high efficiency with low environmental impact.

Under Ichigo 2030, Ichigo will continue its long-standing commitment to sustainability while developing new technologies to extend the lives of key social infrastructure beyond 100 years.

Infrastructure

Ichigo has a direct and critically important role in preserving and improving the social infrastructure that supports the quality of people's lives.

By expanding its current real estate and clean energy businesses into other infrastructure areas, Ichigo will integrate the "hard" physical elements and "soft" service elements of infrastructure to serve broad client needs.

Critical to success will be unifying Ichigo's Sustainable Value-Add and IT capabilities. Ichigo will work to deliver first-in-class and best-in-class solutions to drive significant value for clients and society across a diverse set of infrastructures. Being one of many is not enough. Ichigo needs to lead.



Ichigo as a Sustainable Infrastructure Company

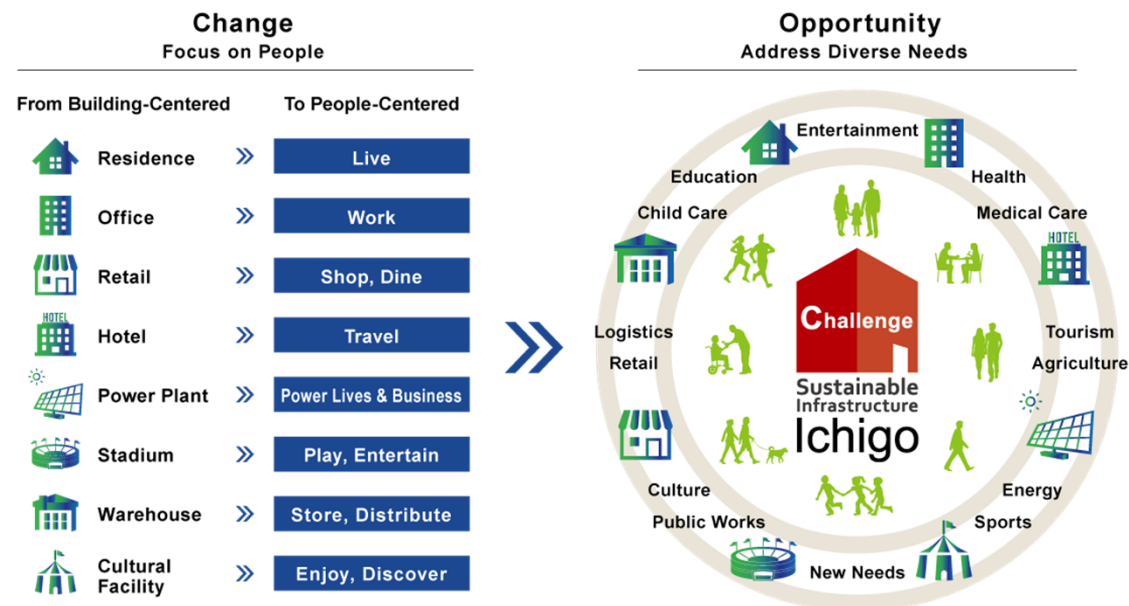
Ichigo 2030 (2)

Addressing Needs of Diverse Individuals & Communities

As a sustainable infrastructure company, Ichigo is growing and expanding its core real estate and clean energy capabilities into new areas. In doing so, Ichigo will generate new earnings streams and opportunities to serve clients while seeking to create a more sustainable society.

Ichigo has moved beyond the traditional view of real estate as simply physical buildings and land to one in which Ichigo more broadly provides key infrastructure that is fundamental to people's lives. Ichigo first expanded beyond real estate in 2012, when it began developing solar power, offering sustainable energy to support a cleaner and safer Japan and world. Ichigo 2030 takes this strategy forward by expanding the scope of Ichigo's real estate and clean energy businesses into other types of infrastructure that contribute to creating richer, more fulfilling lives for the people of Japan.

Ichigo is now working to merge the physical infrastructure of daily life – offices, homes, hotels – with the networks and data-driven possibilities of the digital world in order to offer more enriching experiences to its clients, tenants, and other stakeholders. While continuing to grow Ichigo's existing businesses, Ichigo is increasing investments in new technologies and talent and developing new partnerships with other companies who share our sustainability vision.



Ichigo 2030 (3)

Management Targets (KPIs) (FY25/2-FY30/2)

The central pillar of Ichigo 2030 is for Ichigo to build upon its capabilities as a sustainable infrastructure company to pursue new opportunities for value creation and growth for tenants, shareholders, and local communities. The KPIs set forth in Ichigo 2030 are as follows: (Formulated in April 2019, updated in April 2024)

High Capital Productivity and High Cash Flow Generation

Return on Equity (ROE)

- **Cash ROE >18% (Updated)**
- **ROE >15%**

* Cash ROE = (Cash Net Income + Non-Cash Expenses) / Term-Average Equity Capital

Economic Operating Cash Flow

- **Economic Operating Cash Flow > Net Income**

* Economic Operating Cash Flow = Cash Flows from Operations, excluding net change in Real Estate and Power Plants for Sale, plus SRE & Hotel Extraordinary Gains on Sales (After tax)

High Earnings Stability

FY30/2 Stock Earnings Ratio >60%

Stock Earnings/Fixed Expenses > 200% (Updated)

* Stock Earnings: Rental Income, Power Generation Revenues, Base AM Fees

* Fixed Expenses: Fixed SG&A + Interest Expenses

Shareholder Return Policy

Progressive Dividend Policy

- Ichigo will continue its progressive dividend policy originally adopted in FY17/2, in which the dividend is maintained or raised every year.

DOE (Dividend on Equity) > 4%

Flexible Deployment of Share Buybacks

Work for a Sustainable Planet (New)

Ichigo Climate Positive

- CO2 Reduction > Emissions (Scope1 + Scope 2)

RE100

- 100% renewable electricity across all operations by 2025

CDP Leadership Levels

- Climate Change: A
- Water Security: A



Environmental



Ichigo is working to reduce its environmental impacts and preserve our shared global environment

Environmental: Producing Safe & Clean Energy

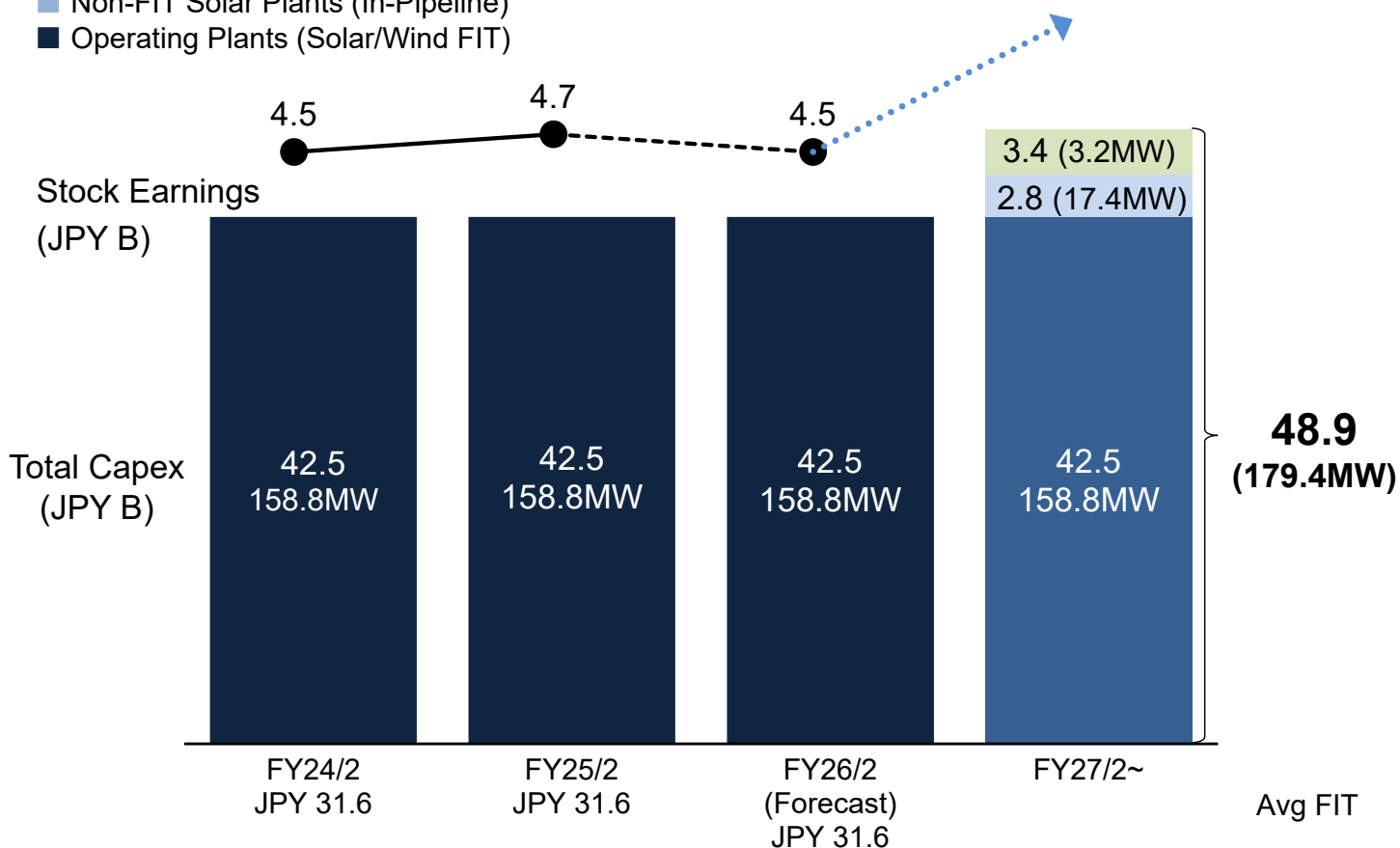
Producing Safe & Clean Energy

Ichigo develops and operates solar and wind power plants across Japan that supply clean energy, contribute to Japan's energy self sufficiency, and bring productive use to idle land.

Our Clean Energy business contributes to a more sustainable society by contributing to Japan's energy self-sufficiency.

Ichigo Clean Energy

- Green Biomass (In-Pipeline/FIT JPY 40)
- Non-FIT Solar Plants (In-Pipeline)
- Operating Plants (Solar/Wind FIT)



Green Biomass

In-Pipeline

4 Plants 3.2MW (JPY 3.4B)

Sustainable infrastructure contributing to local communities

Effective use of domestic feedstocks
Also serves as emergency power source

Non-FIT Solar Power

In-Pipeline

8 Plants 17.4MW (JPY 2.8B)

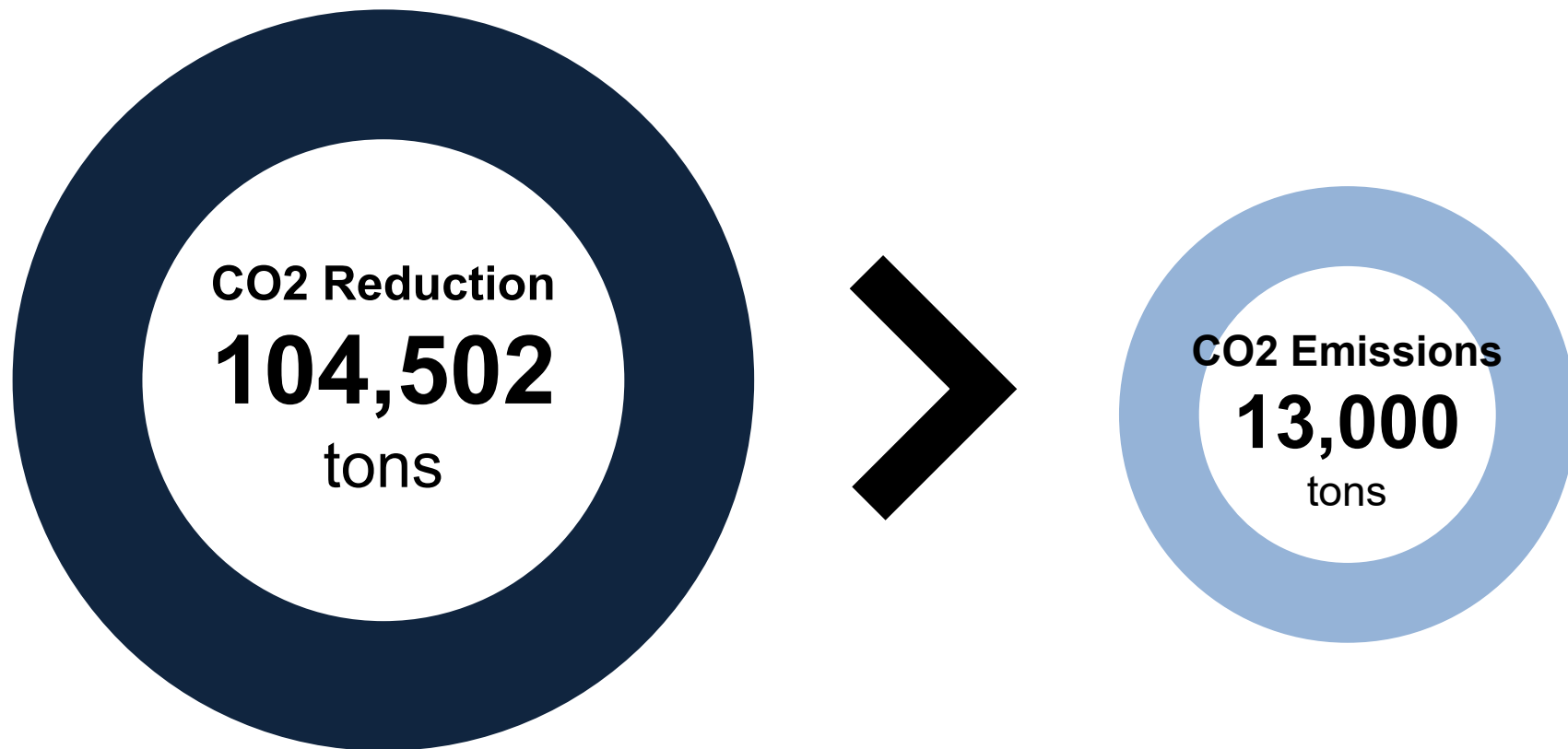
Contributing to Japan's energy self-sufficiency
Customers = both companies & households

Environmental: Ichigo Climate Positive (1)

Ichigo Climate Positive: CO2 Reduction vs. Emissions

Ichigo CO2 Reduction = 8X CO2 Emissions

■ CO2 Reduction vs. Emissions (FY25/2)



CO2 Reduction due to Ichigo & Ichigo Green Clean Energy
Power Plant Production

Scope 1+2 Emissions (Estimate)
(Ichigo + Ichigo Office + Ichigo Hotel + Ichigo Green)

Environmental: Ichigo Climate Positive (2)

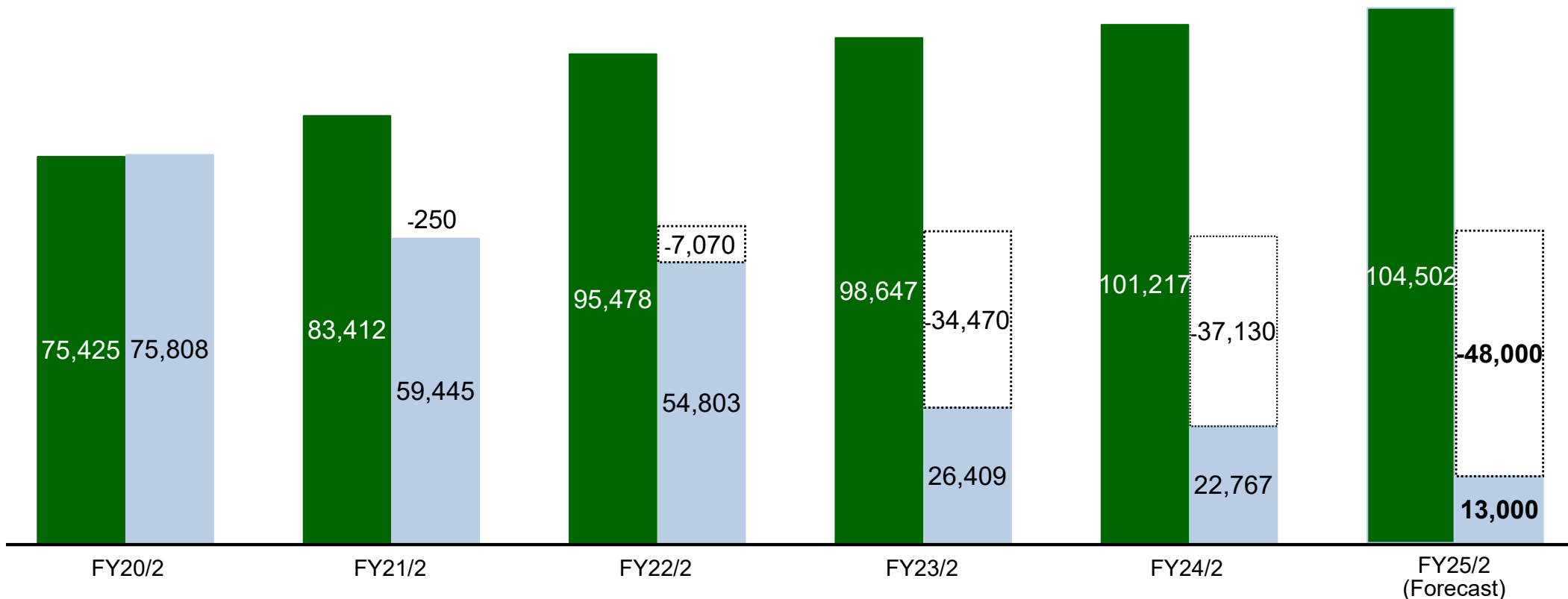
Ichigo Climate Positive: CO2 Reduction vs. Emissions

Ongoing Ichigo Clean Energy Production Growth (CO2 Reduction Increase) & Renewable Energy Transition & Carbon Offsets (CO2 Emissions Reduction)

CO2 Reduction vs. Emissions

■ Total Ichigo Power Plant CO2 Reduction ■ Total Ichigo CO2 Emissions (Scope 1+2) (tons)

□ CO2 Reduction Due to Energy Efficiency, Transition to Renewable Energy, & Non-Fossil Fuel Certificate Tracking for Ichigo Power Plants



Notes: Reduction calculated using each EPCO's adjusted CO2 emission factor disclosed by the Ministry of Environment as a constant for each period.
RE100 non-fossil fuel tracking certifies the environmental value of non-fossil electricity with tracking information on renewable energy power plants

Environmental: RE100

Completed Renewable Energy Transition

Ichigo's RE100 Target

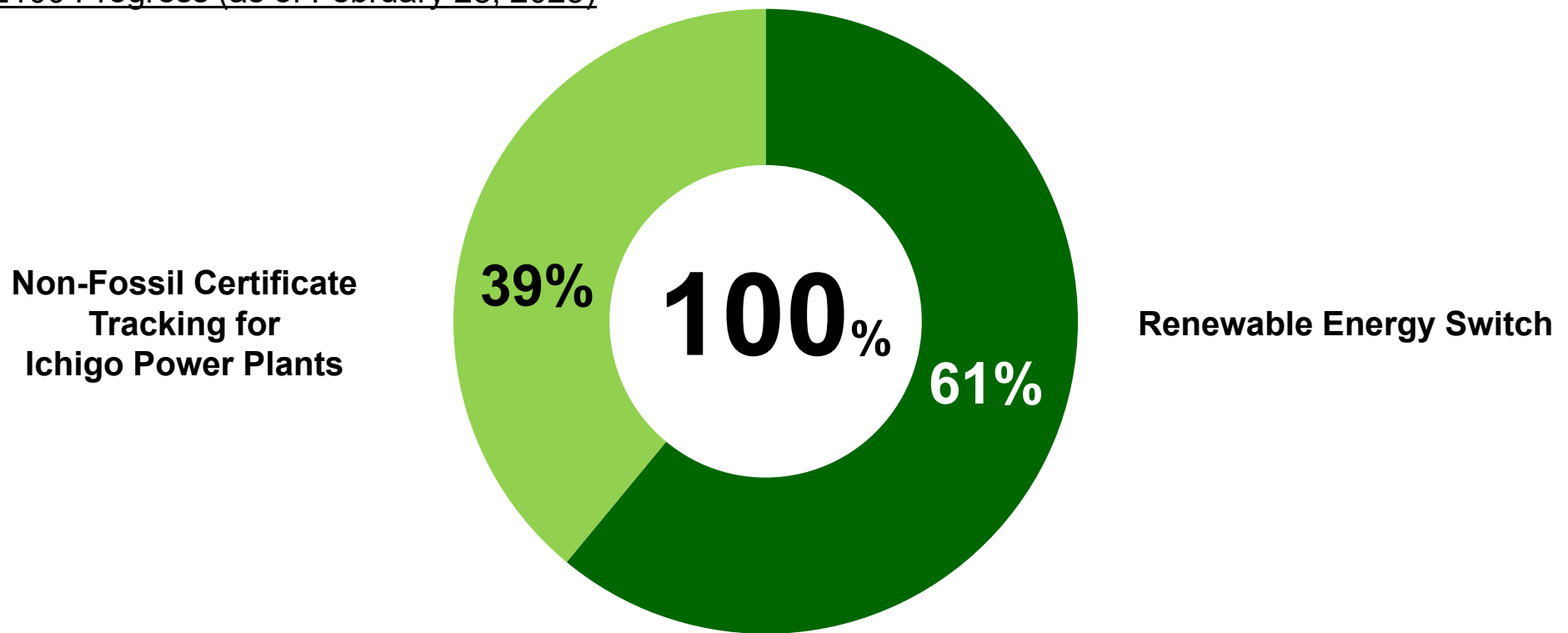
Receive RE100 Certification and Achieve KPI under Ichigo 2030 Long-Term Vision*

Maintain 100% Renewable Electricity Across its Operations

Schedule to Receive RE100 Certification in FY26/2

*Including electricity used at Ichigo Office (8975) & Ichigo Hotel (3463) assets

RE100 Progress (as of February 28, 2025)



Ichigo 2030 RE100 KPI to work for a sustainable planet: 100% renewable electricity across all Ichigo operations by 2025

Environmental: Ichigo Sustainability Promotion & Environmental Policy

Ichigo Sustainability Promotion Code of Conduct

Ichigo has established the following guidelines for the development of its sustainability policies.

- Article 3: Internal Structure
- Article 4: Sustainability Meetings
- Article 5: Employee Training & Awareness
- Article 6: Annual Employee Evaluations
- Article 7: Stakeholder Engagement
- Article 8: Identifying Key Information
- Article 9: Sustainability Disclosures

Led by CEO Who is Responsible for Ichigo's Sustainability Initiatives

- The ReGeneration Group, which directly reports to the CEO, the Chief Sustainability Officer, and is overseen by the COO, is responsible for the execution of Ichigo's group-wide sustainability initiatives.
- Led by the ReGeneration Group, Sustainability Meetings are held at least once every three months to discuss measures aimed at addressing climate change and monitor progress, and the CEO reports the progress to the Board of Directors. The Sustainability Policy is reviewed at least once a year.

Policy Development Based on Ichigo's Sustainability Policy

To address important environmental issues including greenhouse gas emission reductions and energy efficiency, Ichigo has developed the Ichigo EMS Manual and other policies (to the right) and targets. These targets are reviewed in line with the progress of Ichigo's initiatives, based on the above structure.

Setting Greenhouse Gas Emission & Resource Consumption Reduction Targets

(Stipulated on April 19, 2023)

Targeting the 100% tracking of its greenhouse gas emissions and resource consumption, Ichigo has established short-term and long-term reduction targets at its office and managed assets.

Long-term target: FY30/2

Ichigo Energy Consumption Monitoring Policy (Base Year: FY20/2)

- Ichigo's short-term target is a 1% annual reduction in energy consumption at all assets starting from the base year, and its long-term target is a 10% reduction in annual energy consumption at all assets by FY30/2

Ichigo Greenhouse Gas Emission Reduction Policy (Base Year: FY22/2)

- Short-term target (Scope 1+2): >4.2% annual reduction at Ichigo's offices and assets starting from the base year, in line with Paris Agreement goals (keep global temperature increase to 1.5°C, well-below 2.0°C, compared to pre-industrial temperatures), (Scope 3): >2.5% annual reduction
- Long-term target (Scope 1+2): 70% reduction at Ichigo's offices and assets by FY30/2 vs. the base year, (Scope 3): 25% reduction

(revised August 30, 2024)

Ichigo Water Consumption Monitoring Policy (Base Year: FY22/2)

- Ichigo's short-term target is a 1% annual reduction in water consumption at its offices and assets starting from the base year, and its long-term target is a 10% reduction at its offices and assets by FY30/2

Ichigo Waste Monitoring Policy (Base Year: FY22/2)

- Ichigo's short-term target is a 1% annual reduction in waste at its offices and assets starting from the base year, and its long-term target is a 10% reduction at its offices and assets by FY30/2

Environmental: Ichigo SBT (Science Based Targets) Certification

Ichigo's Greenhouse Gas Reduction Targets Certified as Science Based Targets

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. Ichigo's greenhouse gas reduction targets are certified as "1.5°C targets," which are a higher contribution to solving environmental issues.

SBT Certified Ichigo's Greenhouse Gas Reduction Targets

		Target	Target Year
Scope 1	Direct emissions owned or controlled by a company	70% Reduction (2022 Base Year)	2030
Scope 2	Indirect emissions associated with the purchase of electricity, heat, or cooling		
Scope 3	Indirect emissions that are not Scope 1 or 2 (emissions by third-party companies related to a company's business activities)	25% Reduction (2022 Base Year)	



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**BUSINESS
AMBITION FOR 1.5°C**



Science Based Targets: Greenhouse gas reduction targets set in line with Paris Agreement goals

Environmental: Reduction of Energy Consumption & Third-Party Assessments

Reduction of Energy Consumption & Net Zero Initiatives

Commitment to Preserve the Environment

- Ichigo's Code of Corporate Ethics sets forth that Ichigo will work to preserve our shared global environment and reduce the environmental impact of its operations. Ichigo's President (CEO) is tasked with oversight over Ichigo's climate actions.

Energy Consumption* Assessment Environment

- Use of Smart Meters and Building Management Systems (BMS)
*Comprises energy consumption (electricity, gas, and other fuels), water consumption, and waste volume
- Trial Introduction of Greenhouse Gas Emission Aggregation System

Reduction of Energy Consumption

- Ichigo is conducting renovations at its assets for improved energy efficiency such as installing LED lighting and equipment to reduce HVAC power consumption.
- Ichigo has executed green leases for some of its buildings, under which Ichigo works with tenants to improve the energy efficiency and reduce the environmental impact of the buildings, and plans to increase the number of green leases.
- Ichigo is periodically sharing information and considering issues and projects on energy in its sustainability meetings.

Third-Party Assessments of GHG Emissions

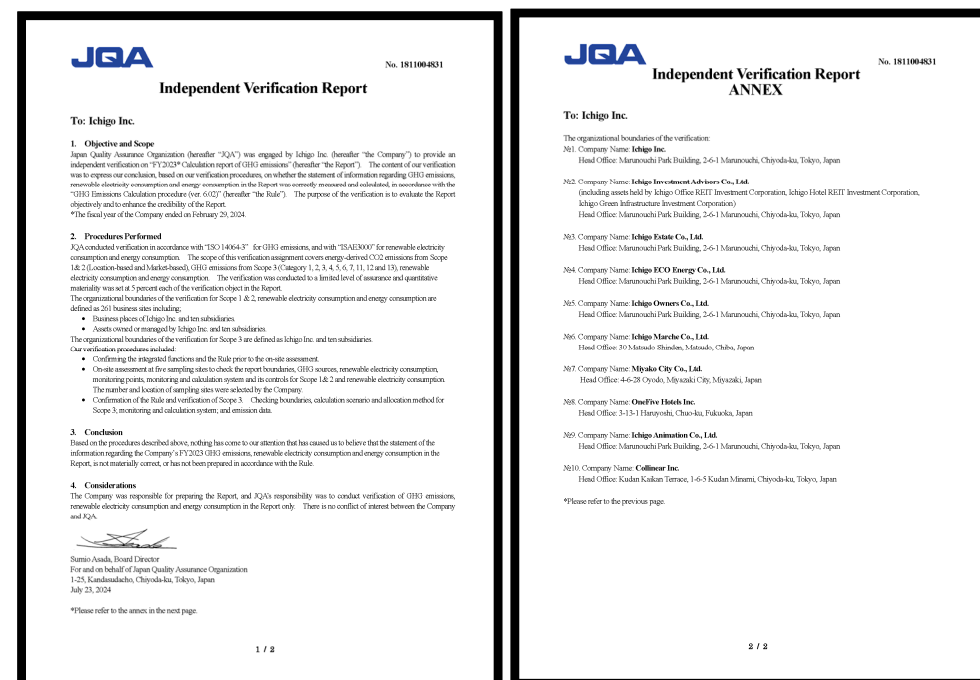
Ichigo has hired the Japan Quality Assurance Organization (JQA), a third-party inspector, to assess the total amount of GHG (greenhouse gas) emissions across the Ichigo group from the 2020 fiscal year (March 1, 2020 ~ February 28, 2021) in order to help identify and prioritize targets for reduction.

JQA confirmed the accuracy and compliance of Ichigo's calculation of its Scope 1, Scope 2, and Scope 3 GHG emissions, as well as its renewable and non-renewable energy consumption.

Scope 1: Direct emissions from Ichigo

Scope 2: Indirect emissions from the use of purchased electricity/heat/steam

Scope 3: Indirect emissions other than Scope 1 & 2

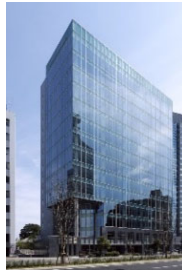


Environmental: Energy Efficiency Measures

Ichigo Kakyoin Building Receives ZEB Oriented Certification

Ichigo received its first ZEB (Net Zero Building) Oriented certification under the BELS (Building-Housing Energy-efficiency Labeling System) for the Ichigo Kakyoin Building.

Ichigo completed installing LED lighting and a lighting control system at the building. Ichigo will continue to reduce primary energy consumption by 40% vs. the industry standard in real estate via driving the optimization and efficiency of the building's HVAC systems.



RE100 Initiatives/Supporting Tenant Transition to Renewable Energy

Ichigo promotes its transition to renewable energy to tenants and visitors via 100% Green Energy signs at Ichigo, Ichigo Office, and Ichigo Hotel assets that have completed transitioning to renewable energy.

As companies' needs to transition to renewable energy increase, tenants at Ichigo assets that have completed the transition are automatically transitioned, and become aware of the transition via the 100% Green Energy signs displayed at building entrances.



LED Light Installations

Ichigo has been installing LED lights in tenant areas as well as common areas at Ichigo, Ichigo Office, and Ichigo Hotel assets, aiming for a 100% LED light installation rate.



**Led Lights
65%**
(as of February 29, 2024)



**Target
100% by 2027**

Driving HVAC Efficiency

Ichigo selects energy-efficient HVAC systems to reduce CO2 emissions and running costs, and has received ZEB certifications for driving HVAC efficiency due to HVAC systems accounting for a large portion of Ichigo's total energy consumption.

Water Conservation/Fuel Reduction Initiatives

Ichigo engages in water conservation and fuel reduction initiatives at all Ichigo, Ichigo Office, and Ichigo Hotel assets.

- Assess plumbing infrastructure and current state of water conservation and fuel reduction initiatives via questionnaire
- Conduct detailed third-party assessments of water and gas efficiency at hotels with high water usage and install water-saving equipment
- Install automatic faucets at offices

Environmental: Everyday Steps to Solve Environmental Issues

Protecting the Environment via IT

- The revolution in IT and networks that has transformed industries globally has also reached real estate, creating opportunities for radical improvements in doing business. To invest in the potentially enormous growth opportunities from this technological change and drive significantly higher long-term growth for its shareholders, Ichigo will pursue the use of IT to grow as a sustainable infrastructure company.
- One example is the deployment of an online system to process employee expense reimbursements and proposals. With increasing numbers of employees traveling to tenant sites and working remotely, the ability to process expenses and proposals online is not only a significant boost to productivity but also helps to reduce GHG emissions by reducing consumption of paper.
- The introduction of an online processing system has resulted in cutting back the use of 200,000 sheets of paper per year, which amounts to a c. 272kg reduction in annual GHG emissions. Even for a 300-employee company like ours, measures like these can make a difference in preserving our globally shared environment.



Socially-Contributing Activities

- Ichigo actively participates in activities in the local communities in which its assets are located, working together to improve the community and prevent damages from natural disasters.
- We believe that partnering in activities like street cleanups, snow plowing, neighborhood watches, and planting greenery contribute to the safety and security of local residents.
- Ichigo's value-add work is planned and implemented upon close communication with both tenants and local residents with the intent of catering to their diverse needs.





Social



Ichigo believes companies exist to serve society, and is committed to contributing to a sustainable society via its business activities

Social: Ichigo HR Policy

Ichigo HR Policy

Ichigo respects employees and believes the success of its businesses drives long-term happiness for all of society.

Over 90% of employees at Ichigo and Ichigo group companies are mid-career hires with diverse career backgrounds, and when hiring key personnel, it is Ichigo's policy to consider candidates based on their abilities and achievements in context of roles, regardless of gender, age, and nationality.

Core Values

Professionalism

We are dedicated to developing and maintaining strong relationships with our clients. We value integrity, honesty, and fairness, and are committed to achieving and maintaining excellence in serving our clients.

Entrepreneurial Spirit & Diversity

Creativity and innovation are at the core of our business. We work day-in and day-out to improve our client service capabilities.

Teamwork

We stress teamwork to support an outstanding client experience. We are focused on building a strong, long-term organization with committed professionals who value teamwork.

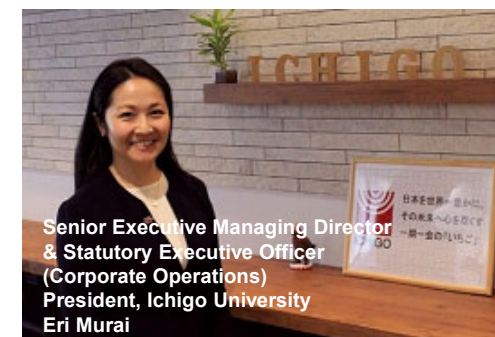


Ichigo works to
create abundant
opportunities for
our employees

Compensation System

Compensation of Directors and Statutory Executive Officers is determined by the Compensation Committee. Ichigo determines salaries & bonuses in line with each individual's performance & evaluations regardless of gender, age, or nationality.

Ichigo is a company comprising professionals with different backgrounds, aiming to provide an environment full of opportunities and encouraging employees to take on new challenges with an entrepreneurial spirit. The three core values represent our dedication to our work and motivation driving our work.



Social: Respect for Human Rights

Eliminate Discrimination

Ichigo is committed to eliminating all forms of discrimination in all matters involving potential and current employees around hiring, training, and promotions, and does not discriminate based on race, beliefs, religion, skin color, nationality, age, gender, sexual orientation, sexual identity, or disabilities.

Work Environment

- Ichigo follows relevant laws and regulations to ensure employee safety.
- Ichigo maintains a safe, productive work environment free of discrimination and harassment. All verbal and physical forms of discrimination and harassment based on sex, race, religion, or beliefs are strictly prohibited.

Respecting Human Rights

Ichigo has eliminated executive offices to facilitate employee communication amongst directors and executive officers. Ichigo respects employees' rights to express their opinions, either directly or through a majority-elected employee representative that is responsible for leading negotiations of a labor management agreement pursuant to Article 36 of the Labor Standards Act and gathering employee opinions.

Harassment Prevention Guidelines

- Ichigo has clear harassment prevention guidelines, including procedures to deal with people that breach these guidelines.
- Ichigo strictly prohibits sexual harassment, power harassment, harassment related to pregnancy, childbirth, and parental leave, and remaining silent about incidents of harassment.
- Ichigo provides internal/external resources dedicated to resolving any incident of harassment while taking utmost care to protect the rights of the victim.

Ichigo is a Member of the United Nations Global Compact

- Eliminate all forms of forced and compulsory labor
- Abolish child labor and respect children's rights



Social: Employee Support Programs

Childcare Leave

Childcare leave is available for employees with children aged 2 years and younger, and for employees with special circumstances until children turn 3 years old

Paid Leave for Childcare

Employees with children in elementary school or younger can take up to 10 days of paid leave to care for their children when they are sick or injured

Temporary/Paid Leave for Nursing Care

Temporary Leave and paid leave is available for employees taking care of family in need of nursing care

Childcare/Nursing Care Support

Expense reimbursement for temporary use of childcare/nursing care facilities, monetary gift for employees returning from childcare/nursing care leave

Extra Vacation Days

In addition to paid vacation days, Ichigo offers 5 extra vacation days

Bonus Vacation Days

In addition to the above, Ichigo offers 10 extra vacation days for every 5 years at the company

New Expired Vacation Day Accrual System

To help employees requiring prolonged medical treatment to continue working while receiving treatment, Ichigo has introduced a system where employees can accrue and use expired vacation days

- **Accrued Vacation Days**

Maximum 60 days (additional days can be accrued under certain circumstances)

- **Applicability**

Employees with a Big Three disease or an incurable disease requiring continued medical treatment and are unable to work

Employee Stock Ownership Plan

Ichigo offers an employee stock ownership plan to motivate employees, support employees in building assets, retain employees, and drive shareholder value

Social: Employee Development & Training

Ichigo University for Employee Education

Ichigo established Ichigo University in May 2013 to support the ongoing development of Ichigo employees.

Courses are taught by employees and external professionals who are specialists in their respective fields. Employees are welcome to take courses not directly related to assigned work, thus promoting the learning of a broad array of new knowledge and skills.

Ichigo University also serves as a forum where all employees can share their knowledge and exchange views, and has become a popular learning platform among employees.

Courses are held in person but can also be participated online.

Example of Past Courses

Real Estate/Construction, Tax/Accounting, ESG Investing, Information Technology, Lectures by Independent Directors



Support for Employee Certifications

Ichigo supports employees in obtaining “recommended certifications” and “work-related certifications” to grow their knowledge and skills regardless of the employee’s group affiliation.

Depending on the type of certification, Ichigo incurs the expenses necessary to register and renew certifications as well as to prepare for and take certification exams.

Ichigo encourages employees’ professional pursuits and has built an organization that optimizes human resources and fairly compensates employees.

Employee Certifications

• Real Estate Transaction Specialists	108
• First Class Architects	10
• First Class Building Operation & Management Engineers	4
• ARES Certified Masters	31
• Real Estate Consulting Masters	11
• Certified Building Administrators	12
• Chief Electrical Engineers	4

E-learning

Ichigo offers an e-learning environment for employees to learn efficiently regardless of time or place. Employees are able to learn at their own pace using their spare time, allowing them to balance learnings with work. E-learning optimizes employee learning, allowing employees to tailor their learning based on knowledge, skills, and experience.

Social: Supportive Work Style & Workplace Initiatives

Workplace & Work Hours Flexibility

Ichigo employs a flexible work hours system and allows employees to work remotely and flexibly choose their working hours and workplace depending on workload, work schedule, and individual circumstances. This supports employee productivity, creativity, and individual and organizational growth.

Flexible Work Hours System (Core time: 10:30am to 3:00pm)

- Reduce work hours/overtime
- Reduce commute burden
- Work hours catering to individual employee circumstances

Remote Work (Anytime)

- Cultivating independence, trust, & growth between Ichigo and its employees

Initiatives to Reduce Overtime

Ichigo uses an attendance management system to track employee work hours, monitored by department heads. The department heads discuss work hour adjustments with employees to reduce overtime. The HR team meets with employees working excessive overtime, and recommends doctor consultations for employees whose overtime hours exceed a certain limit.

Work Style Options Catering to Lifestyle Changes

Retirement Age Set at 70

- Retirement age is set at 70, and employees are offered the opportunity to continue working for a prescribed period.

Shortened Workday

- Employees have the option to shorten workdays subject to approval regardless of the reason

Flextime

- Employees have the option to take paid leave by the hour in order to accommodate the diverse needs of employees according to their lifestyle and individual circumstances.

New Office Environment

In preparation for its office relocation in January 2024, Ichigo launched the “FUNADE project,” an employee-led initiative of 50 members to design the new office.

The objectives of the project were as follows:

- To create an office that supports flexible work styles with high productivity, individual and organizational growth
- To create an environment that promotes creative thinking and execution, and impactful work



Social: Employee Engagement & Internal Start-Ups

Employee Engagement

Engagement Survey

Ichigo conducts its “Ichigo Engagement Survey” company-wide to promote mutual trust between the company and its executives and employees, and to understand the current state of the work environment. The results of the survey are analyzed and compared to other companies in the same industry, and shared with employees.

Main Questions

- Duties: Rewarding, quality and quantity
- Support: Support from the company, supervisors, and colleagues
- Philosophy and strategy: Understanding of management philosophy, vision, etc., pride in the business, trust in management
- Personal growth: Sense of achievement, growth opportunities
- Relationships: Relationships with supervisors, relationships with colleagues
- Organizational culture: Career opportunities, culture of challenge, cooperation between departments
- Health: Workload, reaction to stress
- Approvals: Approvals for results, approvals for comments and opinions, and satisfaction with evaluations
- Environment: Work environment, work-life balance, satisfaction with salary

Survey Frequency

- Once a year

Engagement Survey Response Rate

- 100% (November 2024)

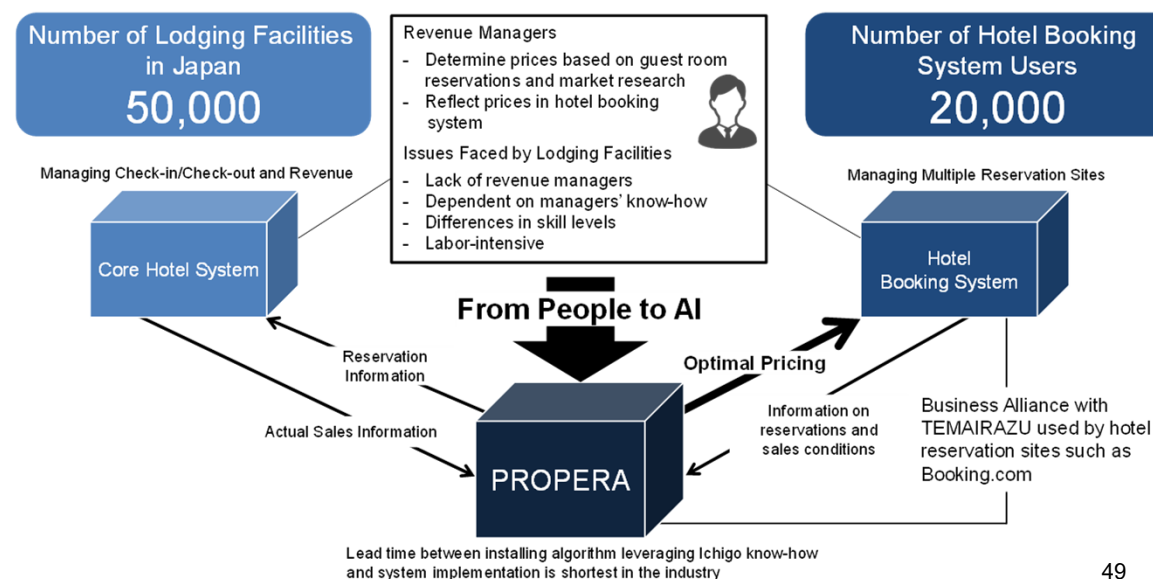
Supporting Internal Start-Ups

Internal start-ups are assessed both from their potential for profit contribution and their ability to serve society via a sustainable business model designed to solve social problems. Ichigo supports internal startups with the creation of their businesses proposals and financial projections in the spirit of being a company full of opportunities for its employees and to help serve society through its businesses.

Ichigo’s Clean Energy business and Ichigo Owners business both started as internal start-ups. Clean Energy has since grown to be a core business and Ichigo Owners continues to offer valuable real estate products and consulting services that have performed strongly despite Covid.

PROPERA - AI Revenue Management System

As part of its focus on asset-light and IT businesses, Ichigo developed PROPERA, an AI-based hotel revenue management system, to help solve issues faced by hotels and enhance their competitiveness in order to maximize earnings and increase productivity.



Social: Health Management & Health and Safety

Employee Health Initiatives

Employee Health Initiatives to Support Employee Satisfaction

- **Certified Health and Productivity Management Organization (2025)**

Ichigo was recognized as a Certified Health and Productivity Management Organization in the SME category in 2025 for the second year in a row for its engagement in community-based health initiatives and for its deployment of health and productivity management promoted by the Nippon Kenko Kaigi.



- **Robust periodic health check-ups that exceed legal requirements and support for re-examination fees**

- **Encouraging exercise**

Ichigo broadcasts its original exercise video before its weekly online meetings. Live exercise events are also held on an irregular basis.

- **Promote employee group activities**

Running, soccer, golf, and flower arrangement clubs



Mental Health Care & Health and Safety

Stress Checks, Mental Health Care

- Ichigo conducts an annual employee stress check to monitor employees' mental health
- Ichigo provides opportunities for employees to speak to counselors, doctors, and internal/external resources based on results of the stress checks
- If deemed necessary, Ichigo implements improvements in work environments based on stress check results
- Ichigo provides mental health care training by specialists for all executives and employees every year

Internal Rules on Health and Safety Management Applied Across All Group Employees

- Established internal rules on health and safety management in line with the Labor Standards Act, Industrial Safety and Health Act, and other applicable laws and regulations to prevent workplace disasters and disease, ensure employee health and safety, and provide for a comfortable work environment
- Overseen by Health and Safety Manager, Safety Manager, Health Manager, a physician, and employees with health and safety experience
- The Health and Safety Management Committee meets at least once a month, including regular meetings and emergency meetings convened to discuss urgent matters

Social: Dialogue With Stakeholders & Partnerships

Institutional Investors and Analysts

Ichigo holds face-to-face and online investor meetings regularly, and quarterly earnings calls in both Japanese and English. Ichigo also conducts small meetings and participates in investor conferences hosted by securities companies.

Shareholder Meetings

Ichigo recognizes that its shareholder meetings are a critical forum for dialogue with shareholders, and always holds its shareholder meetings on weekends to maximize shareholder attendance and endeavors to share quality time with shareholders. Ichigo also holds a business results meeting and reception for shareholders after its shareholder meetings. Ichigo addresses all questions pertaining to voting agenda items in earnest to ensure that shareholders fully understand Ichigo's businesses and business strategies.

Ensuring Safety and Building Management Quality

Established Ichigo Wakei-Kai association in June 2015 to instill and refine Ichigo's property management standards with partner property management companies

- The term "Wakei" comes from a phrase used in tea ceremony, Wakei Seijaku, describing the sincere efforts of the tea master and guests to make each other feel at ease and show mutual respect
- Ichigo and partner companies jointly work to improve building maintenance management and increase tenant satisfaction
- Ichigo strategically drives awareness of ESG initiatives amongst partner companies

Established a communication system and detailed arrangements for emergency responses to accidents and disasters to ensure the safety and security of tenants.

- Conduct building inspections once every six months, accompanied by our company and partner companies (PM/BM), and hold discussions based on the results of the inspections
- Ensure strict compliance with laws and regulations by our subcontractors (PM/BM)

Tenant Satisfaction Surveys

Under our hands-on approach, Ichigo aims to understand and respond to tenant needs.

- Conduct regular tenant satisfaction surveys to understand their needs
- Survey extended to all tenant employees, if necessary

Social: Social Support Programs

Social Welfare

Donating to NPOs & Supporting Persons With Disabilities & Children With Cancer

- Ichigo donated a portion of its issuance fees related to a CSR bond for its smart agriculture business to the University of Miyazaki Faculty of Medicine's Program for Children
- Support groups for job placement and people with disabilities often find it difficult to locate office space. As a real estate owner and operator, Ichigo helps such groups to find office space.
- Ichigo made JPY 195 million in donations towards projects that promote regional revitalization via *furusato nozei* (corporate version of hometown tax donation) and JPY 8 million to support disaster relief efforts (FY24/2)

Supporting Artists With Disabilities (Paralym Art Gold Partner)

Ichigo supports Paralym Art as a Gold Partner sponsor. Paralym Art supports artists with disabilities in achieving their goals and becoming financially independent without relying on social security programs via corporate and individual sponsorships.



"Hiromi Miyake"
Kenji Ino

Supporting Athletes

Weightlifting, Rifle Shooting, Track and Field, and Tennis

As part of its sports initiatives, Ichigo promotes weightlifting and supports top weightlifting athletes. Ichigo also established a rifle shooting team, a track and field team, and a tennis team, further building on our commitment to promote the development of sports. Ichigo will continue to support athletes training to compete at the international level.

J.League Top Partner

Ichigo is a J.League Top Partner. The J.League's mission is to establish sports clubs that are rooted in local communities, cooperating with local residents, businesses, and governments to promote community development. Ichigo believes that companies exist to serve society. As a sustainable real estate and clean energy company, Ichigo works to fulfill its social responsibilities and contribute to local communities. The J.League's mission is closely aligned with Ichigo's businesses, and our partnership with the J.League deepens our commitment to promote community development.

Social: Revitalizing Local Communities

Agriculture

Initiatives to Support the Sixth Industrialization of Agriculture

Although Miyazaki City has a long history in sweet potato production, due to low wholesale prices, many producers have switched to other crops or have given up farming. Ichigo supports sweet potato production by constructing and leasing a processing plant and a greenhouse for maturing sweet potatoes so that farmers can grow, process, and sell the crops themselves.

Driving Income for Farmers Via Sales Channel Expansion

Ichigo supports high value-added sales by using its networks to create direct sales channels.

Revitalization of Local Communities and Job Creation

Ichigo participates in Miyazaki's Local Food Project, an initiative by the Ministry of Agriculture, Forestry and Fisheries to support efforts to create businesses that provide solutions for social issues and are also economically viable. Ichigo also aims to improve the income of farmers, secure employment for local human resources, and attract young farmers.



Partnerships With Local Communities Across Japan - Clean Energy Production

Projects under the clean energy business are conducted over a 10-year period, and a relationship of trust with the local community is essential. We actively employ local companies and together promote the local community. At some of our power plants, we have created parking areas for sightseeing buses and designated viewing areas for our facilities, and we also promote environmental education for children.

Using Sustainable Energy to Revive and Strengthen Kasaoka City in Okayama Prefecture

Ichigo is helping to revive and strengthen Kasaoka City via solar power generation. The city is facing changes brought by demographic aging, rural depopulation, a decline in agriculture, and is vulnerable to typhoons. Ichigo has built four power plants in the city, creating a new industry and financial source. Ichigo is also helping to address the issue of irrigation ponds that have been abandoned as farming diminished in the area, and thus becoming a financial burden on the city.

Ichigo pays the maintenance fees for a pond and built a floating solar power plant on it, meanwhile strengthening security measures around the pond and helping to cut grass and pick weeds, and installed

LED lights. Ichigo has also installed a power station and donated two electric cars in case of emergencies.



Social: Student Relations (SR)

Supporting Japan's Future via Support of Middle School and High School Student Activities

Providing Cooperation and Support for a Middle School & High School Student Non-Profit Organization

Ichigo supports the activities of Sustainable Game, an organization of middle and high school students facing social issues with the mission and vision “To build an environment where minors can co-create solutions for positive social change based on the trust that society places in them.”



Sustainable Game

Yokosuka Engine

As a means to participate in local community activities in Yokosuka City, Ichigo participates in “Yokosuka Engine,” a regional educational program for middle school students, implemented for 270 students at Miura Gakuen High School.



Student Company Visits

Number of Company Visits:

FY23/2 33 students (3 schools)

FY24/2 88 students (13 schools)

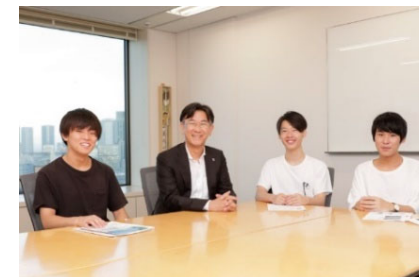
FY25/2 173 students (22 schools)



Supporting University Student Investment Clubs

- Participated in an IR presentation contest pairing companies with university investment clubs that conduct research on the companies and prepare an IR presentation
- Ichigo management/employees were interviewed by students and also advised on creating presentation materials and its delivery

The members of Keio University's Practical Equity Research Group conducted in-depth research on Ichigo, and won the “Judges' Special Award” at the 3rd Annual IR Presentation Contest for University Students held in February 2019. After the contest, Ichigo invited them for an internship.



[PDF](#) Read the story in “Ichigo in the Community” (Japanese only)

Ichigo Kids Day

In line with SDGs Goal 4 “Quality education,” Ichigo Kids Day was held for the children of Ichigo executives and employees, and participants toured their parents' workplace and experienced exchanging business cards with the Chairman, President, and other employees as if they were adults, using business cards provided for each of them. A workshop “Let's take a peek at Ichigo” was conducted to provide an explanation of Ichigo's business operations and offer the chance to experience how wind power generation works through crafts using bottles.



Governance



Ichigo conducts its businesses with integrity and fairness, the foundation of which is its global best-practice corporate governance

Governance: Company with Committees Governance Structure

Ichigo adopted the Company with Committees (Nominating, Audit, Compensation) governance structure in 2006 to ensure robust supervision of management, agile business execution, and effective, transparent, and ethical business operations.

All Directors on Ichigo's Board of Directors are aware of their fiduciary responsibility towards shareholders and work collaboratively and appropriately with other stakeholders to ensure sustained value creation for shareholders.

Roles of the Board

The Board examines and resolves on matters stipulated by law and regulation, set in Ichigo's Articles of Incorporation, defined in internal rules pertaining to the Board, and presented to the Board as an agenda item. All other decision matters are delegated to Ichigo's Statutory Executive Officers in order to establish sound governance through a clear separation between business execution and the supervision thereof.

All Statutory Executive Officers are expected to efficiently make decisions and lead employees within their delegated areas of responsibility. To this end, Ichigo has established internal rules that clearly define the specific roles, responsibilities, and authority of decision-making groups and persons such that each business case is appropriately reviewed and decided upon by the relevant group and effectively executed.

Board Evaluation

Ichigo's Board consists of nine Directors, of which a majority (five Directors) are Independent Directors. Board evaluations are conducted by having each Director assess the Board along the criteria shown below, with aggregate survey results collectively reviewed by the Board.

- (1) Board Composition
- (2) Board Operation
- (3) Board Effectiveness
- (4) Board Support Resources
- (5) Engagement With Shareholders and Stakeholders
- (6) SDGs and Sustainability Initiatives

In order to ensure the objectivity of the Board evaluation, Ichigo receives advice from JMA Research Institute, Inc., a third-party consultant, with respect to its evaluation process. Based upon such evaluation, the Board confirmed that its deliberation and decision-making processes are effective, leveraging the knowledge and experience of each Director, and that the Board is appropriately overseeing management in line with Japan's Corporate Governance Code.

Governance: Governance Structure

Ichigo works to continually strengthen its compliance culture and corporate governance in order to improve its business performance, enhance transparency, and promote its sustainable growth.

Ichigo is committed to optimizing its organization structure and further developing the capabilities of its employees.

Nominating Committee

The Nominating Committee is comprised of a majority of Independent Directors and selects Director candidates for approval at Ichigo's shareholder meetings, appoints Statutory Executive Officers, and provides advice on the selection of Directors at all Ichigo group companies.

Number of Members: 5 (of whom 3 are Independent Directors)

Audit Committee:

The Audit Committee monitors the legality and appropriateness of Ichigo and group operations, and contributes to their efficient operation. The Audit Committee Member designated by the Audit Committee reports the status of the execution of duties by the Audit Committee to the Board at least quarterly.

Number of Members: 3 (of whom all are Independent Directors)

Compensation Committee

The Compensation Committee is comprised of a majority of Independent Directors and sets the policy for determining the compensation of Directors and Statutory Executive Officers. The basic policy is to determine compensation based on a variety of factors, including job content, job performance, and market-based compensation, and the amount is determined in accordance with the policy set for each executive category.

Number of Members: 5 (of whom 3 are Independent Directors)

Compliance Committee

The Compliance Committee, which is independent from the Statutory Executive Officers, monitors and supervises the execution of the President & Representative Statutory Executive Officer and the Compliance Division, considers major compliance matters, receives reports and inquiries based on the internal reporting rules, and oversees the response of executive officers to emergencies and unusual situations, including the investigation of the facts of reported cases.

Number of Members: 4 (of whom 2 are Independent Directors)

Governance: Board of Directors Skill Matrix

Ichigo's diverse Board of Directors selects Directors based on skills and experience regardless of gender, nationality, or age, in line with Ichigo's business expansion.

Name	Skills					Diversity		FY24/2 Board Meeting Attendance ¹
	Corporate Management	Finance/ Investment	Risk Management	ESG	Human Resource Development	Gender	Nationality	
Scott Callon	○	○	○			Male	United States	100%
Takuma Hasegawa	○	○		○		Male	Japan	100%
Minoru Ishihara	○		○	○		Male	Japan	100%
Eri Murai				○	○	Female	Japan	100%
Tetsuya Fujita	○		○	○		Male	Japan	100%
Noriko Kawate		○	○			Female	Japan	100%
Nobuhide Nakaido	○	○			○	Male	Japan	100%
Sakon Uda	○			○	○	Male	Japan	100%
Seiichi Tanaka ²	○	○	○			Male	Japan	—

¹ 11 Board Meetings were held in FY24/2.

² Seiichi Tanaka is excluded from the count because he is newly appointed.

Governance: Internal Control System

Ichigo has established the structure of internal controls to ensure that statutory executive officers execute their duties in full compliance with Japanese Law and Ichigo's Articles of Incorporation and the required internal policies to ensure the legality and efficiency of Ichigo's operations

Internal Controls to Ensure that Statutory Executive Officers and Employees Execute Their Duties in Full Compliance with Japanese Law and Ichigo's Articles of Incorporation

- Corporate Governance
- Compliance
- Structure to Ensure Appropriate Financial Reports
- Internal Audit
- Elimination of Involvement with Anti-Social Forces
- Structure to Prevent Insider Trading
- Initiatives to Fight Climate Change

Systems for the Retention and Management of Information Pertaining to Execution of Duties by Statutory Executive Officers

Systems to Ensure Effective Execution of Duties by Statutory Executive Officers

Directors and Employees Assisting the Performance of the Duties of the Audit Committee

Independence of Directors and Employees from Statutory Executive Officers

Reporting by Directors, Statutory Executive Officers and Employees to the Audit Committee and Other Systems for Reporting to the Audit Committee

Other Systems to Ensure Effective Audits by the Audit Committee

Systems to Ensure Fully Appropriate Business Activities by Ichigo and its Subsidiaries

Governance: Ichigo's Code of Conduct

Integrity, Honesty, & Fairness

We work against all forms of corruption, including extortion and bribery. We will work towards a more transparent global economy.

Fair Business Conduct (Article 18 of Ichigo's Code of Conduct)

- We adhere to laws and regulations to maintain honest and fair relationships with our clients, stakeholders, competitors, and authorities.
- We ensure transparency of our business conduct by confirming transactions and agreements against relevant laws and regulations and ensuring the presence of sound economic rationale.
- We will not disadvantage counterparties by taking advantage of confidential information, concealment, abuse and misrepresentation of critical facts, and unfair business practices.

Prohibited Matters (Article 26 of Ichigo's Code of Conduct)

- Ichigo prohibits any personal provision of moneys and goods or any other monetary benefits and entertainment to business counterparties.
- Ichigo prohibits any personal borrowing and lending of money with business counterparties.
- Ichigo prohibits any gifts and entertainment to civil servants and deemed civil servants.
- Ichigo prohibits receipt of gifts and entertainment from counterparties deemed inappropriate or suffering poor business conditions.

Conflict of Interest (Article 31 of Ichigo's Code of Conduct)

- Officers and employees are prohibited from participating in activities that constitute or construed as a constituting a conflict of interest with Ichigo.
- Officers and employees must conduct all business decisions and activities in Ichigo's best interest, and must not engage in any transactions with customers, contracts, or competitors that impairs or construed as impairing the fairness of the decision-making process.
- Officers and employees must consult their superior before making any decisions that may potentially constitute a conflict of interest.

Political Activities and Contributions (Article 34 of Ichigo's Code of Conduct)

- Officers and employees participating in political activities must do so during their own time and strictly on an individual basis.
- Officers and employees participating in political activities are prohibited from using any Ichigo facility and equipment for such activities.

Governance: Compliance

Compliance & Whistleblower System

Rigorous Compliance and Risk Management Framework

Ichigo conducts Plan-Do-See-Check in line with its compliance program, and employees and officers must participate in two compliance training sessions annually and submit written pledges.

- Maintain a sound work environment by preventing all types of harassments
- Preempt potential problems through regular compliance surveys and the whistleblower system
- Periodic training on key topics such as prevention of insider trading
- Established a rotation rule within Ichigo to eliminate conflicts of interests that may arise with respect to preferential transactions
- Identify and manage transactions that pose a conflict of interest
- Established a policy to prevent any dealings with anti-social forces
- Promote self-corrective measures via self-inspections and an issue reporting system

Whistleblower System (Compliance Hotline)

A Whistleblower System Independent of Reporting Lines

All Ichigo officers and employees are required to escalate any questionable act, whether they are directly involved or not. Reporting includes acts of clients, tenants, and service providers, and any matter raised by such parties.

Reporting can be made to any of the Compliance Committee, Audit Committee, Executive Officers, Directors, and a designated external legal counsel.

Protecting the Anonymity of Whistleblowers

The anonymity of whistleblowers will be protected and measures will be taken to ensure that reporters suffer no disadvantageous treatment as a result of their reporting. Furthermore, whistleblowers will be notified about investigation results and any remediation measures with respect to the matter reported.

Measures to Prevent & Address Legal Violations

Investigation/Reporting of Facts, Corrective Measures/Cease and Desist Orders

When there is an internal notification of a compliance breach, the Head of Compliance Group will request the relevant subsidiary's President & Executive Officer or Head of Corporate Operations to conduct and oversee an investigation with the Compliance Group and the relevant teams. If the investigation finds a law violation, the relevant subsidiary's President & Executive Officer or Head of Corporate Operations will execute corrective measures and a cease and desist order, and report its findings to the Compliance Committee. The Compliance Committee will report to the Board of Directors, and the Disciplinary Committee as appropriate.

If a committee member becomes aware of a major law violation or concerns of a violation by an employee and confirms that the violation will cause significant damage to Ichigo, they have the authority to instruct the employee's superior to immediately stop the employee's activities relating to the violation without the Compliance Committee's approval. The committee member report to each committee without delay, consult the Compliance Committee, and conduct an investigation as appropriate. The details of the violation and the corrective measures will be reported to the Board of Directors.

Determining Causes & Preventative Measures, Reporting Causes & Measures to Board of Directors

If there is a law violation, the Compliance Committee will work with the relevant subsidiary's President & Executive Officer and Head of Corporate Operations to instruct the Compliance Group and the relevant teams to investigate and report what caused the violation.

The Compliance Committee will work with the relevant subsidiary's President & Executive Officer and Head of Corporate Operations to instruct the Compliance Group and the relevant teams to develop preventative measures. The Compliance Committee will report all findings to the Board of Directors, and in the case of a significant violation, also to the Auditors and Audit Committee.

Governance: Compensation System

The Compensation Committee determines the compensation, bonuses, and other financial compensation of Directors & Executive Officers. Ichigo determines salaries & bonuses in line with each individual's performance & evaluations regardless of gender, age, or nationality.

Internal Director Compensation

Internal Director compensation comprises base compensation and performance-based compensation. The base compensation is a fixed amount determined in line with each Director's roles and responsibilities, and the performance-based compensation is determined in line with Ichigo's financial performance, the Director's contribution to the group's value, and the Director's achievement of their goals.

External Director Compensation

External Director compensation comprises base compensation and performance-based compensation. The base compensation is a fixed amount determined via a points-based system based on each Director's supervisory functions, roles, responsibilities, and management experience. If a performance-based bonus is paid to a Director, it is determined under the same points-based system as the base compensation and in line with the importance of the Director's management supervisory functions and contribution to driving the group's value.

Executive Officer Compensation

Executive Officer compensation comprises base compensation and performance-based compensation. The base compensation is a fixed amount determined in line with each Executive Officer's roles and responsibilities, and the performance-based compensation is determined in line with the performance of the departments overseen by the Executive Officer, as well as individual performance, improvement, and performance based on Ichigo's mission and core values.

Stock Options

Ichigo issues stock options to directors and statutory executive officers in addition to the compensation described above and in line with their titles, roles, and responsibilities to further strengthen their commitment to maximizing shareholder value and driving sustainable growth.

Governance: Risk Management (1)

Ichigo manages all elements of risk across its group under the ISO 31000 international standard.

In order to establish a risk management framework across its group, Ichigo has designated the Statutory Executive Officer in charge of Corporate Operations to be the head of risk management. Both projects under existing operations and new business development are risk assessed semi-annually and reported by the designated head of risk management to the Audit Committee and the Board of Directors. The Board of Directors regularly evaluates the effectiveness of the risk management process.

The frequency and impact of various risks are assessed and categorized into areas including climate change, labor issues, health and safety, extortion and bribery, insider trading, and anti-social forces.

Exogenous Risks	<ul style="list-style-type: none"> • Real estate & financial market conditions • Changes in relevant laws and regulations • Natural disasters & climate change 	<ul style="list-style-type: none"> • Reputation risks arising from social criticism and neighborhood disputes • Accidents, terrorist attacks
Counterparty Risks	<ul style="list-style-type: none"> • Consignees (credit concerns, quality concerns, inadequate management, etc.) • Tenants and clients (delays or defaults of rent payment, dealings with anti-social forces, etc.) 	<ul style="list-style-type: none"> • Excessive concentration of business • Direct/indirect losses arising from dealings with anti-social forces
Asset-Specific Risks	<ul style="list-style-type: none"> • Inadequate rights, defective construction, aging of buildings, inappropriate use of asset, etc. • Departure of tenants and prolonged vacancies. 	<ul style="list-style-type: none"> • Contractual flaws, inadequate registrations, failure to close deals, settlement failures, prolonged development periods, and accidents
Operational Risks	<ul style="list-style-type: none"> • Mistakes and fraud of operational and accounting procedures • Inadequate record keeping • Liquidity risk • Legal/regulatory breaches and conflicts of interests 	<ul style="list-style-type: none"> • Breach of contract and information leaks • Insider trading and inadequate control of insider information • IT-related problems
People & Organizational Risks	<ul style="list-style-type: none"> • Recruitment and HR evaluation • Health problems resulting from overwork • Inadequate HR support and insufficient training 	<ul style="list-style-type: none"> • Inadequate governance structure and internal controls • Direct/indirect losses arising from poor decision-making
Climate Change-Related Risks	<ul style="list-style-type: none"> • Changes in government policies, stricter regulations • Existing technologies become obsolete, decreased demand due to development & spread of new technologies • Energy price increases, changes in demand & energy mix 	<ul style="list-style-type: none"> • Changes in activities & reputations of customers & investors • Impact of cyclones, hurricanes, & extreme weather • Direct & indirect impact of halt in infrastructure functions & flooding
Other Risks	<ul style="list-style-type: none"> • Other specific risks 	

Governance: Risk Management (2)

Disaster Recovery

Business Continuity Guidelines & Planning

- Ichigo has in place Internal Rules for Crisis Management and Business Continuity, a Business Continuity Plan (BCP), and an Emergency Response Plan, and has appointed a BCP Officer responsible for handling situations of crisis.
- The BCP Officer works together with relevant divisions to accurately and objectively assess the situation and makes reports directly to Ichigo's President.
- Ichigo's President can call for a crisis management team to be formed and the President shall serve as the head of the team.

Prompt On-Site Disaster Response

At times of disasters, Ichigo collaborates with Property Management companies and Building Management companies to preserve its assets and ensure the safety of its tenants, local residents, and all other stakeholders.

Shortly after the Kumamoto Earthquake occurred in 2016, a team of Ichigo engineers and architects arrived on site to help with safety measures and to deliver essential goods to local residents.

Rapid Disaster Response Leveraging IT

Recent heavy rains due to global warming and major earthquakes across Japan have increased the risk of physical damage to Ichigo owned and managed real estate assets.

It is Ichigo's responsibility as a sustainable infrastructure company operating c. 350 real estate and power plants to recognize this risk and prepare to rapidly respond to any disaster. Towards this end, Ichigo developed Susport®, a real-time reporting system that alerts Ichigo employees about an occurrence of a natural disasters and the condition of Ichigo assets thereafter.

Susport allows for the quick identification of assets subject to the disaster and provides a chronological history of the condition of each asset, thus allowing for appropriate personnel to be rapidly deployed to the affected area to help minimize any damages.

Ichigo also works to make prompt disclosures with respect to disasters pursuant to its internal rules on disclosures. Timely disclosures of the conditions of its assets in affected areas helps to provide peace of mind for our tenants, shareholders, local residents, and all other stakeholders.





Appendix



Reference: Environmental (1)

GHG Emissions

(t-CO2)

Scope	FY20/2	FY21/2	FY22/2 (Base Year)	FY23/2	FY24/2	vs. Base Year
Scope 1	11,149	6,763	7,719	8,234	8,737	13.2%
Scope 2 (Market Standard)	64,658	52,681	47,083	18,175	14,029	-70.2%
Subtotal (Scope 1 + 2)	75,807	59,444	54,802	26,409	22,767	-58.5%
C1 Purchased Goods/Services	6,294	11,860	10,454	13,170	17,318	65.7%
C2 Capital Goods	39,509	52,596	32,805	20,703	42,141	28.5%
C3 Fuel- and Energy- Related Activities	12,538	10,531	10,525	10,821	11,253	6.9%
C4 Upstream Transport and Delivery	118	138	150	143	181	20.5%
C5 Waste Generated by Operations	1,167	1,236	868	1,126	2,132	145.7%
C6 Business Travel	30	28	56	69	92	63.3%
C7 Employee Commuting	57	56	107	128	177	64.9%
C8 Leased Assets (Upstream)	—	—	—	—	—	—
C9 Downstream Transport and Delivery	—	—	—	—	—	—
C10 Processing of Sold Products	—	—	—	—	—	—
C11 Use of Sold Products	128,025	46,014	15,868	21,736	14,567	-8.2%
C12 End-of-Life Treatment of Sold Products	787	426	430	841	169	-60.7%
C13 Leased Assets (Downstream)	1,656	1,495	1,140	1,066	1,118	-2.0%
C14 Franchises	—	—	—	—	—	—
C15 Investments	—	—	—	—	—	—
Subtotal (Scope 3)	190,186	124,384	72,408	69,808	89,153	23.1%
Total	265,994	183,829	127,211	96,218	111,920	-12.0%

Includes Ichigo-owned and managed assets (excluding residential assets and Centro assets) as well as Ichigo's rented offices in Tokyo and Osaka, taking into consideration business characteristics and size. "—" indicates out of scope of the calculations.

Reference: Environmental (2)

GHG Emissions by Asset Type

(t-CO2)

	FY20/2	FY21/2	FY22/2 (Base Year)	FY23/2	FY24/2	vs. Base Year
Scope 1	11,149	6,763	7,719	8,234	8,737	13.2%
Total Floor Area (m ²)	951,727	984,517	978,121	1,001,820	1,022,029	4.5%
Office	780	658	614	715	613	-0.2%
Retail	854	669	558	635	748	34.1%
Hotel	9,514	5,435	6,546	6,880	7,373	12.6%
Other	–	–	–	3	2	–
Scope 2 (Market Standard)	64,658	52,681	47,083	18,175	14,029	-70.2%
Total Floor Area (m ²)	951,727	984,517	978,121	1,001,820	1,022,029	4.5%
Office	35,784	30,146	23,435	3,188	2,573	-89.0%
Retail	14,966	10,578	9,438	4,199	2,797	-70.4%
Hotel	13,070	11,175	13,425	9,985	7,777	-42.1%
Residential	125	57	28	8	–	–
Power Plants	653	673	706	741	732	3.7%
Other	57	50	49	52	149	203.4%

GHG Emissions of Ichigo Assets

	FY20/2	FY21/2	FY22/2 (Base Year)	FY23/2	FY24/2	vs. Base Year
Scope 1+2 Emissions (t-CO2)	75,750	59,394	54,753	26,354	22,723	-58.5%

Renewable Energy Transition Target: Achieve RE100 by 2025

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2	2025 Target
% of Renewable Energy Used by Ichigo Businesses	0%	0%	12%	67%	90%	100%

Reference: Environmental (3)

Renewable Energy Power Generation (Actual)

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Renewable Energy Power Generation (kWh)	147,296,453	175,581,824	208,861,776	222,927,029	228,739,150

Total of Ichigo and Ichigo Green Power Plants

GHG Reduction (Actual)

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
GHG Reduction via Clean Energy Business (t-CO2)	97,215.656	115,884.001	137,848.769	98,647.576	101,217.992

Ichigo revised the CO2 emission factors per 1kWh generated by each electric power company used in the GHG reduction calculations for the Clean Energy business in FY23/2.

Reference: Environmental (4)

Energy Consumption

(GJ)

	FY20/2 (Base Year)	FY21/2	FY22/2	FY23/2	FY24/2	vs. Base Year
Energy Consumption	1,533,333	1,298,454	1,301,915	1,330,155	1,349,442	-12.0%
Energy Intensity (GJ/m ²)	1.60	1.37	1.33	1.33	1.32	-17.5%
Consumption per Energy Source						
City Gas	191,074	111,995	126,150	139,592	140,752	-26.3%
LP Gas	346	511	286	267	251	-27.2%
Heavy Oil	27,673	19,201	20,376	21,459	21,326	-22.9%
Electricity	1,250,933	1,104,559	1,101,308	1,112,986	1,135,775	-9.2%
Warm Water	15,339	22,003	19,994	20,589	19,345	26.1%
Cold Water	47,967	40,182	33,798	35,259	31,990	-33.3%

Data for Ichigo's headquarter office and branch offices, as well as Ichigo-owned and managed assets. Energy use at Ichigo's headquarter office and branch offices is c.0.1% of total energy use.

Reference: Environmental (5)

Environmental Certifications

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Total Certified Assets (No. of Assets)	8	12	22	24	30
% Certified Assets (Based on Floor Area)	7.2%	9.1%	21.8%	22.3%	24.4%
Total Floor Area of All Assets (m ²)	949,905	982,694	976,299	999,997	1,021,361
Total Certified Floor Area (m ²)	68,170	89,843	212,556	223,484	248,820
CASBEE					
Certified Assets (No. of Assets)	6	10	13	14	16
Certified Floor Area (m ²)	50,725	72,398	162,057	167,360	178,500
BELS					
Certified Assets (No. of Assets)	2	2	3	3	7
Certified Floor Area (m ²)	17,444	17,444	18,922	18,922	41,278
DBJ Green Building Certification					
Certified Assets (No. of Assets)	–	–	2	2	2
Certified Floor Area (m ²)	–	–	10,471	10,471	10,471
Tokyo Low-Carbon Small and Medium-Sized Model Buildings					
Certified Assets (No. of Assets)	–	–	5	8	9
Certified Floor Area (m ²)	–	–	29,530	47,887	51,188

Data for Ichigo-owned and managed assets

Reference: Environmental (6)

Environmental Pollution/Resources

	FY21/2	FY22/2 (Base Year)	FY23/2	FY24/2	vs. Base Year
Waste (t)	3,891	3,591	4,454	6,514	81.4%
General Waste (t)	2,841	3,019	3,671	4,666	54.6%
Industrial Waste (t)	1,050	573	783	1,847	222.5%
Hazardous Waste (t)	–	–	–	–	–
Recycled Hazardous Waste (t)	–	–	–	–	–
% of Offices With EMAS Certifications Including ISO14001	–	–	–	–	–
Product & System Development Includes LCA	–	–	–	–	–
Number of Violations of Environmental Pollution Laws and Regulations	–	–	–	–	–
Environmental-Related Fines and Charges During the Fiscal Year	–	–	–	–	–

Data for Ichigo-owned and managed assets

Reference: Environmental (7)

Water Consumption and Emissions

	FY21/2	FY22/2 (Base Year)	FY23/2	FY24/2	vs. Base Year
Water Consumption by Source (thousand m ³)	865	979	1,068	1,204	23.0%
Water Consumption Base Unit (thousand m ³ / thousand m ²)	0.88	1.00	1.07	1.18	18.0%
External Water Supply (thousand m ³)	714	827	912	1,040	25.7%
Groundwater (Well Water) (thousand m ³)	114	119	122	123	3.1%
Recycled Water (thousand m ³)	31	26	29	36	40.3%
Rain Water (thousand m ³)	3	6	4	4	-28.7%
Emissions by Drainage Type (thousand m ³)	865	970	1,048	1,202	23.9%
Public Sewage System (thousand m ³)	829	931	1,016	1,173	26.1%
Rivers (thousand m ³)	35	39	32	28	-27.5%

Water Consumption Base Unit is equal to Water Consumption divided by the asset's floor area.

Ichigo operates its businesses only in Japan and does not operate in regions with water-related risks according to the World Resources Institute (WRI)'s Aqeduct.

Reference: Social (1)

Human Resources

Except for items with “consolidated,” includes Ichigo employees seconded to Ichigo consolidated subsidiaries

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Total (consolidated)	323	389	384	462	552
Total	209	205	196	202	211
Male	128	126	122	123	126
Female	81	79	74	79	85
Proportion (Male : Female)	61.2 : 38.8	61.5 : 38.5	62.2 : 37.8	60.9 : 39.1	59.7 : 40.3
Temporary Employees (consolidated)	66	79	89	113	141
Temporary Employees	2	4	7	9	12
Percentage	0.9%	1.9%	3.4%	4.3%	5.4%
Mid-Career	15	17	5	16	16
Male	12	15	4	12	10
Female	3	2	1	4	6
New Graduates	–	4	–	1	5
Male	–	2	–	1	2
Female	–	2	–	–	3
Average Age	43 years 1 month	43 years 1 month	44 years 2 months	44 years 6 months	44 years 4 months
Male	46 years 1 months	45 years 7 months	46 years 3 months	46 years 9 months	46 years 7 months
Female	38 years 4 months	39 years	40 years 8 months	41 years	41 years
By Age Group (%)					
20-29	10.5%	9.8%	10.2%	9.4%	10.9%
30-39	30.1%	29.8%	23.5%	24.3%	25.6%
40-49	36.4%	37.1%	37.2%	35.1%	34.6%
50-59	15.3%	17.1%	21.4%	22.3%	19.0%
60 & over	7.7%	6.3%	7.7%	8.9%	10.0%
Average Tenure	6.2 years	6.5 years	7.5 years	7.8 years	8.0 years
Male	6.1 years	6.1 years	6.8 years	7.0 years	7.3 years
Female	6.5 years	7.3 years	8.5 years	8.9 years	9.0 years
Turnover Rate	4.0%	8.6%	7.3%	8.7%	4.5%
Average Salary (JPY thousand)	9,553	8,649	9,042	9,828	10,693

Reference: Social (2)

Diversity

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Employees					
Executive Officers (Note 1)	17.9%	15.2%	16.4%	15.8%	15.7%
Management (Note 2)	30.6%	35.7%	34.1%	30.2%	29.1%
Employees	51.5%	49.1%	49.5%	54.1%	55.2%
% of Female Executives	4.9%	8.8%	8.6%	11.4%	11.1%
% of Female Employees in Management Positions	24.3%	26.3%	26.0%	23.9%	25.4%
% of Female Employees in Non-Management Positions	54.2%	51.8%	50.9%	51.7%	52.0%

Includes Ichigo employees seconded to Ichigo consolidated subsidiaries

(Note 1) Total number of Directors, Executive Officers, and Auditors

(Note 2) Number of department heads and managers

Engagement

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Engagement Survey Response Rate	100%	100%	100%	100%	100%

Includes Ichigo employees seconded to Ichigo consolidated subsidiaries

Community

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Donations (JPY thousand)	1,596	1,230	53,349	153,190	203,995

On a consolidated basis

Reference: Social (3)

Work Standards & Practices

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Average Number of Vacation Days Used (Note 1)	14.9	10.7	13.1	13.6	13.8
Vacation Day Usage (Note 1)	70.0%	50.5%	59.7%	61.1%	61.6%
Extra Vacation Day Usage (Note 2)	97.8%	100%	99.4%	99.4%	100%
Female Employees Taking Maternity Leave	4	8	5	3	2
% of Eligible Female Employees Taking Maternity Leave	100%	100%	100%	100%	100%
Male Employees Taking Maternity Leave	–	–	2	2	1
% of Eligible Male Employees Taking Maternity Leave	–	–	40.0%	50.0%	100%
Return Rate of Employees Taking Maternity Leave	100%	100%	100%	100%	100%

(Note 1) Includes headquarter and branch offices

(Note 2) Extra vacation days, provided in addition to legally required vacation days, are 5 days taken consecutively
Includes Ichigo employees seconded to Ichigo consolidated subsidiaries. "–" indicates out of scope of the calculations.

Health & Safety

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Number of Health & Safety Committee Meetings	12	12	12	12	12
% of Employees Getting Annual Health Checks	99.5%	100%	100%	99.5%	100%
% of Employees Taking Annual Stress Checks	92.2%	91.4%	94.4%	93.5%	95.5%
% of Employees Taking Mental Health Training	–	–	99.0%	96.1%	93.6%

Includes Ichigo employees seconded to Ichigo consolidated subsidiaries. "–" indicates out of scope of the calculations.

There have not been any work-related deaths or accidents of full-time or part-time employees during the past 5 years.
There are no OHSAS18001 or ISO45001-certified offices as of May 2025.

Reference: Governance (1)

Executives (Standalone)

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Directors	9	9	9	10	9
Independent Directors	5	5	5	6	5
% of Independent Directors	55.6%	55.6%	55.6%	60.0%	55.6%
Female Independent Directors	2	2	2	3	2
Number of Board of Directors Meetings	10	9	11	9	11
Director Compensation (Amount Paid/Number of Recipients)	JPY 254M / 3	JPY 215M / 3	JPY 217M / 3	JPY 253M / 3	JPY 314M / 3
Independent Director Compensation (Amount Paid/Number of Recipients)	JPY 56M / 6	JPY 51M / 5	JPY 49M / 5	JPY 54M / 6	JPY 51M / 7
% of Independent Directors on the Audit Committee (Comprising Only Independent Directors)	100%	100%	100%	100%	100%
Audit Fees Paid to Auditor (Exceeds Prior Year Non-Audit Fees)	JPY 85M	JPY 96M	JPY 93M	JPY 93M	JPY 97M
Non-Audit Fees Paid to Auditor	–	–	–	–	JPY 1M
% of Independent Directors with Financial Expertise on the Audit Committee	67%	67%	67%	67%	67%

Board/Committee Meeting Attendance (Standalone)

(FY24/2)

	Board Meeting	Nominating Committee Meeting	Compensation Committee Meeting	Audit Committee Meeting	Compliance Committee Meeting
Number of Meetings (Attendance)	11 (100%)	9 (100%)	7 (97.1%)	20 (100%)	4 (100%)
Scott Callon	100%	100%	85.7%		100%
Takuma Hasegawa	100%	100%	100%		100%
Minoru Ishihara	100%				
Eri Murai	100%				
Tetsuya Fujita (Independent)	100%	100%	100%	100%	100%
Noriko Kawate (Independent)	100%	100%	100%	100%	
Yukio Suzuki (Independent)	100%			100%	100%
Nobuhide Nakaido (Independent) (Note 1)	100%	100%	100%		
Sakon Uda (Independent) (Note 2)	100%				

Note 1: Attended 7 out of 7 Nominating Committee Meetings and 5 out of 5 Compensation Committee Meetings after he assumed the position at the Annual Shareholder Meeting at end of May

Note 2: Attended 9 out of 9 Board Meetings after he assumed the position at the Annual Shareholder Meeting at end of May

Reference: Governance (2)

Compliance/Risk Management

	FY20/2	FY21/2	FY22/2	FY23/2	FY24/2
Political Contributions	–	–	–	–	–
Number of Employees Penalized or Dismissed Due to Breach of Anti-Corruption Policies	–	–	–	–	–
Fines & Settlement Costs Associated with Corruption	–	–	–	–	–
% of Employees Participating in Compliance Training (Number of Training Sessions)	100% (2)	99.6% (2)	99.4% (2)	100% (2)	99.4% (2)
Compliance Violations	–	–	–	–	–
Code of Conduct/Ethical Standards Violations	–	–	–	–	–
Human Rights Violations/Harassment	–	–	–	–	–
Compliance Violation Appeals & Reports	–	–	–	–	–
ESG-Related Fines/Settlement Reserve	–	–	–	–	–
Reports of Discrimination	–	–	–	–	–
Corruption/Bribery-Related Fines (Amount/Number of Cases)	–/–	–/–	–/–	–/–	–/–
Personal Information/Privacy-Related Violations	–	–	–	–	–
Conflict of Interest Cases	–	–	–	–	–
Money Laundering/Insider Trading Cases	–	–	–	–	–

Disclosures Based on TCFD Recommendations

Ichigo will work towards addressing climate change issues as a sustainable infrastructure company. Ichigo discloses its governance, strategy, risk management, and metrics and targets in line with the TCFD framework.



Disclosures Based on TCFD Recommendations

www.ichigo.gr.jp/pdf/esg/Ichigo_TCFD_Alignment_ENG.pdf

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