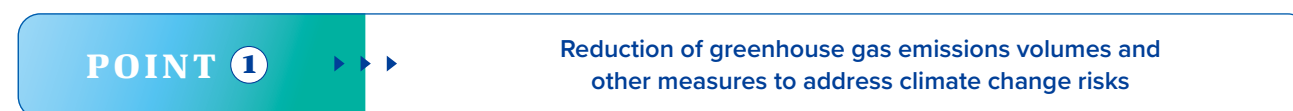
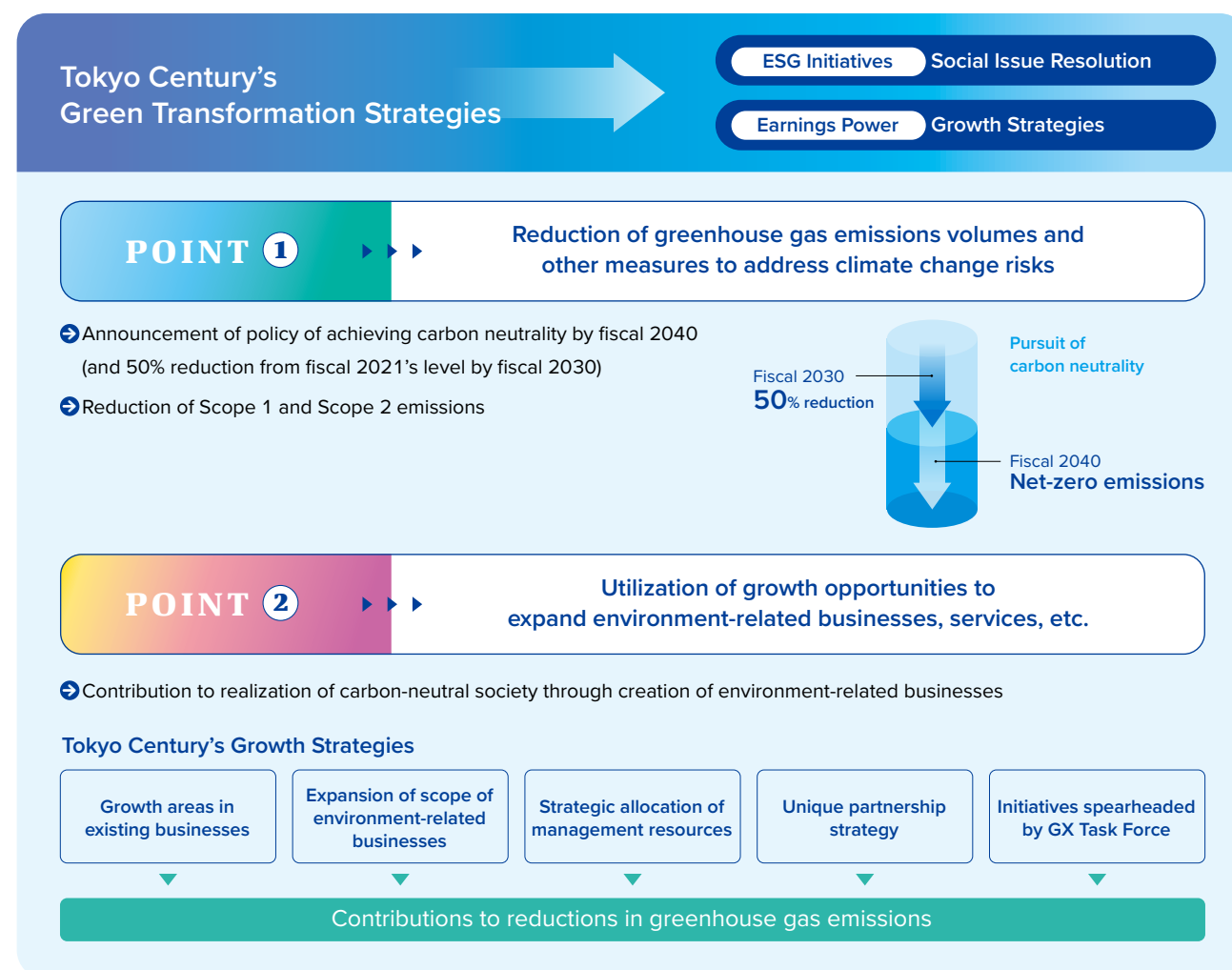


GX Promotion of Carbon-Neutrality-Related Businesses

Green transformation is one type of transformation advocated under the TCX concept. In pursuing green transformation, the Tokyo Century Group seeks to achieve carbon neutrality and to create environment-related businesses that cater to society's carbon-neutrality needs.



Importance of Responding to Climate Change

The Tokyo Century Group's Management Philosophy calls on us to contribute to the creation of an environmentally sound, sustainable economy and society. We recognize the fight against climate change as an important opportunity for growth toward accomplishing this objective, and a concerted Groupwide response is thus being furnished to address climate change. One of the key issues of Tokyo Century's materiality is "contribution to decarbonized society," and we are striving to help resolve social issues while achieving ongoing growth and improvements to corporate value.

Greenhouse Gas Emissions and Reduction Targets

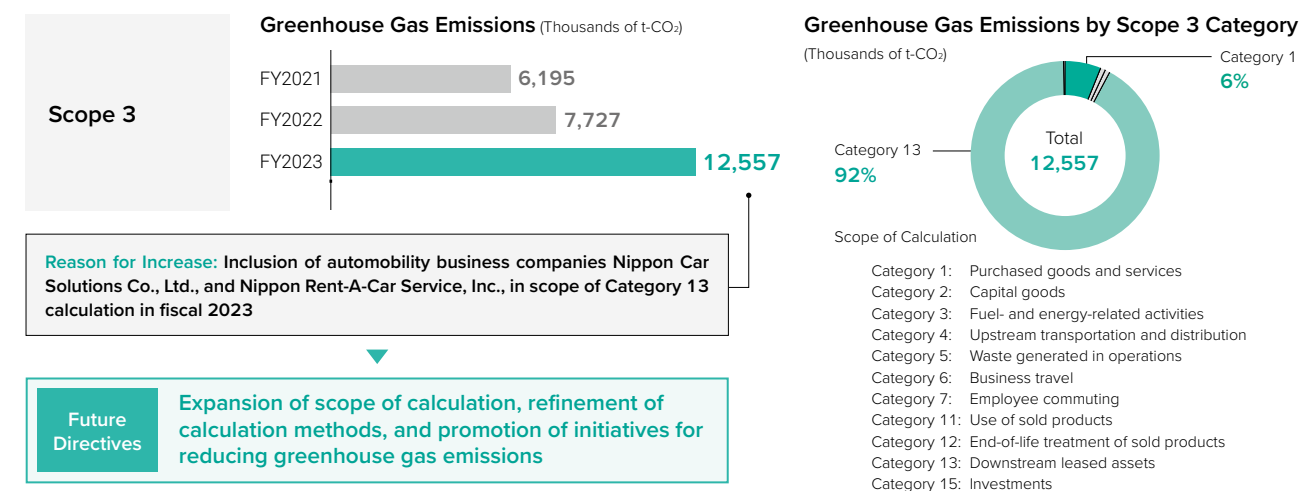
Scope 1 and Scope 2	Greenhouse Gas Emissions (Thousands of t-CO ₂)		
	FY2021	FY2022	FY2023
Scope 1	11	1,083	920
Scope 2*1	9	15	17
Total	20	1,098	937

*1 Location standard

*2 Reduction in comparison with base amount (1,365,000 t-CO₂) calculated by combining fiscal 2021 emissions with estimated annual emissions associated with biomass co-firing power plant of Shunan Power Corporation and hotel business

Two new domestic Group companies and four overseas subsidiaries of CSI Leasing, Inc., included in scope of calculation from fiscal 2023

Reduction Targets*2 Fiscal 2030: 50% reduction
Fiscal 2040: Net-zero emissions



For more information, please refer to Tokyo Century's latest sustainability data book.

<https://www.tokyocentury.co.jp/en/sustainability/databook/>

Scope 1 and Scope 2 Emissions Reduction Initiatives

Direct Emissions and Indirect Emissions Originating from Energy Use

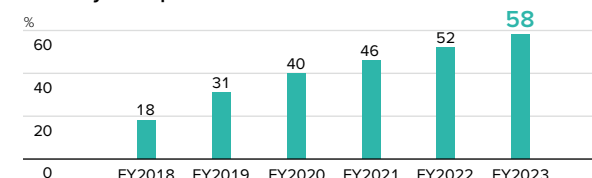
To reduce direct emissions, Tokyo Century is planning a phased shift from gasoline-fueled vehicles to electric vehicles (EVs) and other electrified vehicles for its Company fleet. In addition, gas-powered equipment will be replaced with electric equipment or with equipment that is more energy efficient while offices will be relocated to buildings that utilize renewable energy. For indirect emissions, we will seek to effectively switch to renewable energy by procuring green power and purchasing certificates verifying that our power does not come from fossil fuels.

Scope 3 Emissions Reduction Initiatives

Introduction of Highly Fuel-Efficient, New Technology Aircraft in Aviation Business

Aviation Capital Group LLC (ACG), a U.S.-based aircraft leasing subsidiary, and other aviation business companies are pursuing reductions in greenhouse gas emissions by introducing into their fleets new technology aircraft with high levels of fuel efficiency. The A320neo family, a mainstay aircraft series of Airbus SE, offers an approximately 20% reduction in greenhouse gas emissions compared with prior aircraft. The Tokyo Century Group is committed to increasing the portion of its aircraft portfolio accounted for by such eco-friendly aircraft and thereby reducing greenhouse gas emissions. Another pressing task in reducing the emissions of the aviation industry is the shift toward sustainable aviation fuel. We are currently assessing how best to take advantage of the business opportunity this shift represents.

Ratio of New Technology Aircraft among the Tokyo Century Group's Fleet



Notes:

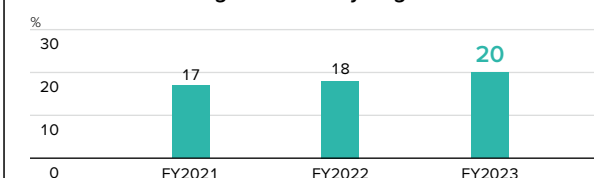
- For more information on calculation methods and other related matters, please refer to Tokyo Century's latest sustainability data book.
- To view the environmental, social, and governance report of ACG, please refer to the following website.

<https://www.aviationcapitalgroup.com/wp-content/uploads/2024/02/2023-ESG-Report.pdf>

Expansion of EV Offerings and Entry into EV Battery Business in Auto Leasing and Car Rental Businesses

- Provision of EVs to the NTT Group, in light of declared commitment to transition completely to EVs (participation in EV100 initiative), and promotion of EV adoption by other customers
- Commencement of transactions of electric taxis and buses and other electrified micro-mobility options
- Enhancement of value chain to provide EV-related services

Ratio of EVs among Automobility Segment's Fleet



Note: Figures represent the combined total for Nippon Car Solutions and Nippon Rent-A-Car Service.

Adoption of Renewable Energy in Real Estate Business

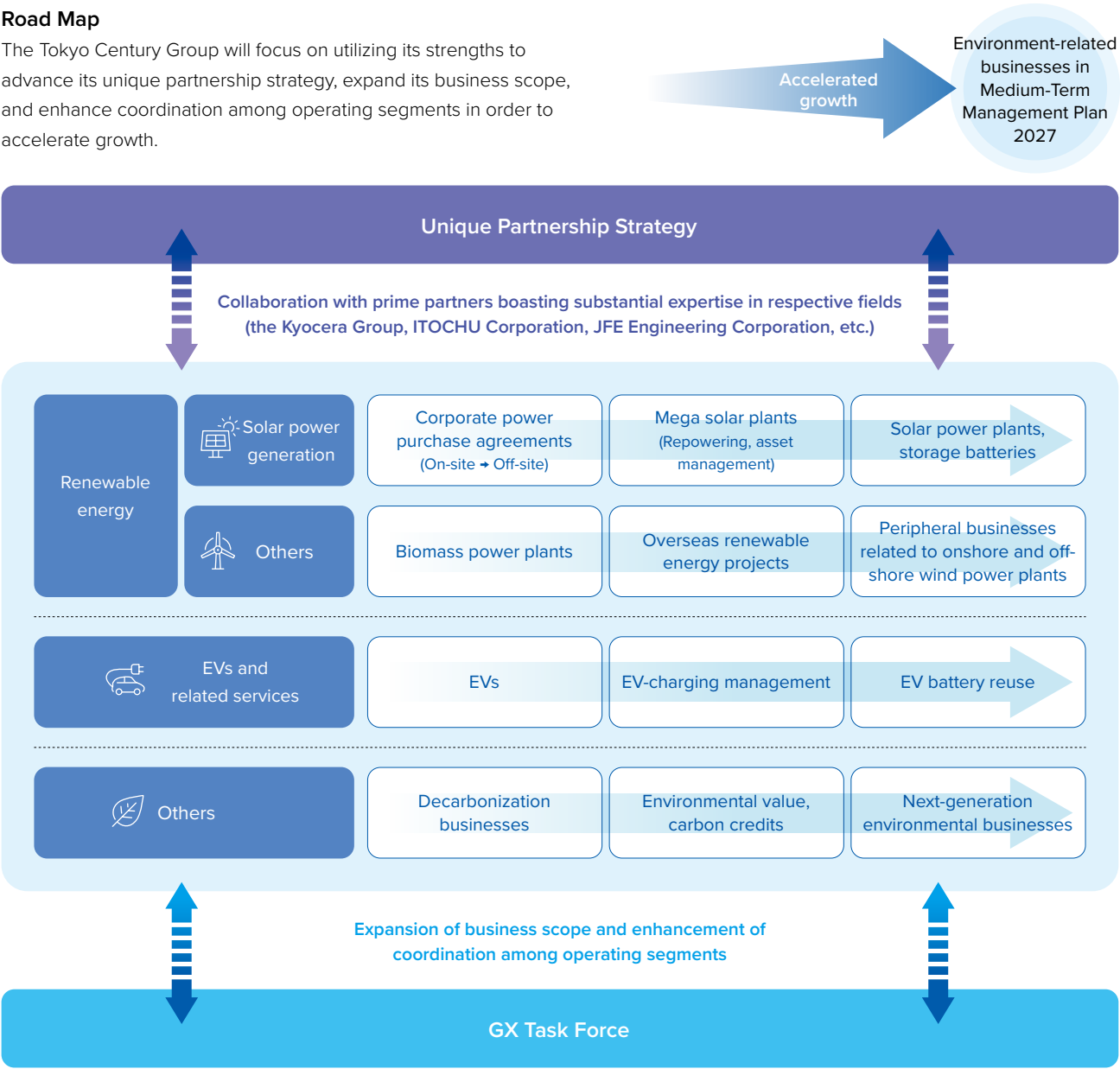
- Adoption of electricity sourced from renewable energy
- Installation of solar panels on Company-owned properties

GX

POINT 2 Utilization of growth opportunities to expand environment-related businesses, services, etc.

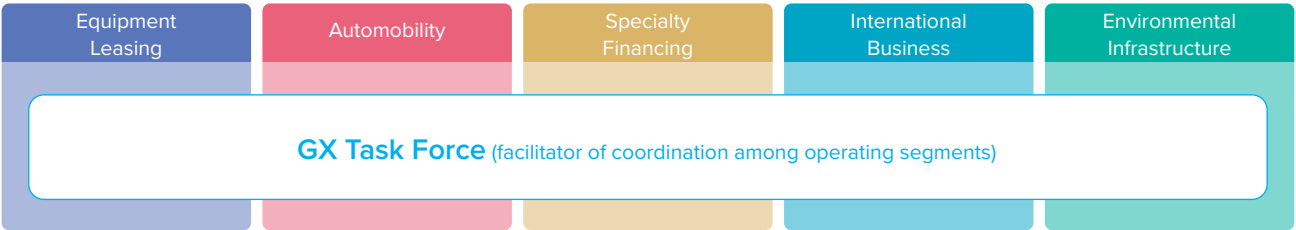
Road Map

The Tokyo Century Group will focus on utilizing its strengths to advance its unique partnership strategy, expand its business scope, and enhance coordination among operating segments in order to accelerate growth.



Expansion of Businesses Addressing Carbon-Neutrality Needs (Promotion System)

Environment-related businesses are a common theme to be addressed by all operating segments. To better respond to the rising social needs in this area and thereby accelerate growth, Tokyo Century established the cross-organizational GX Task Force to facilitate its efforts to contribute to the realization of a carbon-neutral society.



Environment-Related Business Initiatives Advanced through Collaboration with Prime Partners

Tokyo Century is aggressively advancing initiatives centered on collaboration with prime partners across the energy value chain for catering to society's carbon-neutrality needs.

