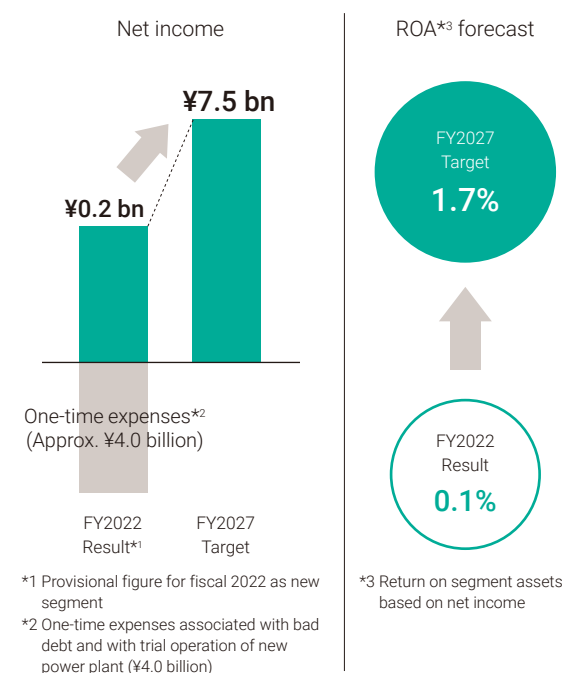


ENVIRONMENTAL INFRASTRUCTURE

Profit Target of Medium-Term Management Plan 2027



Growth Strategies

Expansion in Growth Areas

➔ Storage battery business

Through the installation of new storage batteries, earnings power will be strengthened by allowing for electricity to be stored or sold based on supply and demand balance.

Two types of battery systems are provided: integrated systems that combine battery systems with high-output-variability solar power systems and systems linked to power grids, which entail the construction of power plants equipped with grid-use storage batteries.

➔ Biomass power, binary geothermal power, etc.

Biomass power and binary geothermal power generation projects will be promoted and related initiatives will be expanded to include more diverse power sources together with prime partners including Forest Energy Inc., JFE Engineering Corporation, and ITOCHU Corporation.

➔ Overseas renewable energy projects

The insight accumulated in Japan will be utilized to advance initiatives in North America, Europe, and Australia.

Growth through Coordination between Existing Businesses and Partners

➔ Corporate power purchase agreements

Support for optimal decarbonization strategies will be offered based on the needs of customers in Tokyo Century's wide-ranging customer base.

➔ Renewable energy business investment fund

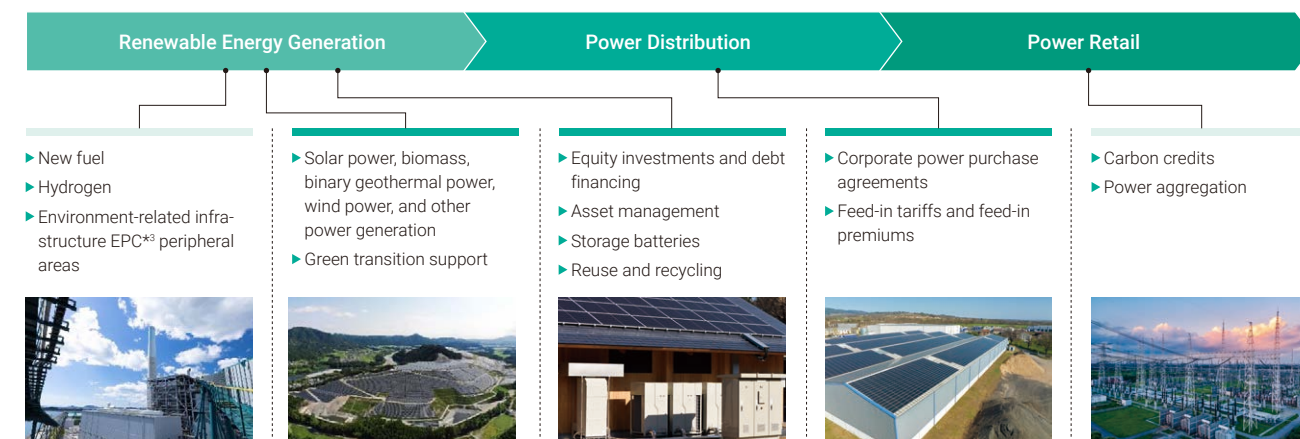
Total investments of around ¥100.0 billion centered on solar power generation are planned through a renewable energy business investment fund established jointly with NTT Anode Energy Corporation; Sumitomo Mitsui Trust Bank, Limited; and Sumitomo Mitsui Trust Investment Co., Ltd.

➔ Asset and technical management

A&Tm Corporation, a joint venture established with Tokyo Gas Engineering Solutions Corporation and KYOCERA Communication Systems Co., Ltd., will provide efficient business management and earnings improvement services for solar power generation projects through the comprehensive provision of asset and technical management.

Business Development Approach

Energy Value Chain



*3 Engineering, procurement, and construction

Renewable Energy Generation Volume (Consolidated)

22 MW FY2012 (First year of feed-in tariff program) → 750 MW FY2022

Kyocera TCL Solar

Japan-leading scale with total generation capacity of **398 MW** and **89 domestic locations**

Cycle of strengthening earnings capacity and promoting ESG through robust support for business strategies targeting decarbonization by customers and business partners

offered via reinforcement and expansion of renewable energy, storage battery, and other environment and energy businesses in Japan and overseas

MESSAGE



Hiroshi Sato

Deputy President, Director and Executive Officer
President, Environmental Infrastructure Business Development Unit

The Environmental Infrastructure segment was established in April 2023 with the goal of accelerating the growth of Tokyo Century's environment-related businesses and consequently its contributions to a decarbonized society. This move brought the number of the Company's operating segments to five.

Over the years, Tokyo Century has proceeded to expand the scope of its environment-related businesses from the operation of solar power generation projects based on feed-in tariff programs to include corporate power purchase agreements, asset management, and even new power sources such as woody biomass power and binary geothermal power. We have done so by capitalizing on the experience, insight, and networks developed through our forays into solar power generation businesses.

Centered on Kyocera TCL Solar, these solar power generation businesses have entailed forays into the ownership and operation of solar power plants across Japan, among other domains. These plants have been used to contribute to a stable supply of renewable energy. In addition, we are advancing corporate power purchase agreement businesses to support customers' decarbonization strategies through Urban Energy PV LLC, a joint venture solar power generation business company established together with JFE Engineering. Meanwhile, A&Tm, a joint venture we established with Tokyo Gas Engineering Solutions and KYOCERA Communication Systems, provides asset and technical management services. This company is combining the strengths of its various business partners to build an environment-related value chain through such means as the provision of services for improving the generation efficiency and profitability of solar power plants.

Going forward, the Environmental Infrastructure segment will continue to grow said existing businesses while also expanding the scope of its operations to include peripheral businesses and completely new businesses. For example, we are accelerating initiatives to achieve not only the rapid development of storage battery businesses that contribute to more efficient use of renewable energy but also expansion into overseas renewable energy projects. Tokyo Century will thereby aim to grow the Environmental Infrastructure segment into a pillar of earnings.

We also strive to make contributions to the realization of a decarbonized society. To this end, we are steadily forging ahead with greenification initiatives based on our transition road map, which was established to achieve effectively zero greenhouse gas emissions at the biomass co-firing power plant of Shunan Power Corporation by fiscal 2040.