

October 24, 2024

For immediate release

Mitsui Fudosan Co., Ltd.

-Enabling the Provision of Power with Non-fossil Certificates to Requesting Tenants and Group Companies
Requesting it at All Domestic Facilities-

Nationwide Expansion of the Green Power Provision Service

Key Points of this Press Release

- ・ The green power provision service that Mitsui Fudosan has been offering in the three major metropolitan areas has grown into a core service for the tenant companies, with over 160 installations in the past three years since its launch.
- ・ Meanwhile, there has been issues in establishing a service structure in areas outside those three major metropolitan regions where facility scale and use, and power procurement sources are diversified. However, a new green power provision scheme has now been developed with Mitsui Fudosan Facilities Co., Ltd. acting as an intermediary agent, which has enabled expanding the reach of the service nationwide.
- ・ This will help the expansion of green power provision services to the tenants and Group companies across all domestic offices, commercial facilities, hotels, and other facilities, extending coverage to approximately 250 buildings nationwide. Requests for a conversion to green power will be solicited in 2024, with provision beginning in April 2025.

Tokyo, Japan, October 24, 2024 - Mitsui Fudosan Co., Ltd., a leading global real estate company headquartered in Tokyo, had established a goal of achieving net-zero greenhouse gas emissions across the Group by fiscal 2050 under its Group Action Plan to Realize a Decarbonized Society (the “Group Action Plan”)*1 formulated in November 2021, and is currently advancing a variety of initiatives. The Group Action Plan sets forth the goals of supporting the provision of green power to tenant companies that request the service, and achieving the conversion to 100% green power*2 in the common areas of all domestic facilities owned by the Company by fiscal 2030. These goals are in line with standards set under international initiatives (Scope 2 Guidance*3).

This time, the Mitsui Fudosan Group has developed a new green power provision scheme (the “MFFC Scheme”) for the areas outside the three major metropolitan regions, with Mitsui Fudosan Facilities Co., Ltd. (“MFFC”) acting as an intermediary agent. Starting in April 2025, the Company will combine the comprehensive agreements with a retail power providers and the MFFC Scheme to provide green power to tenant and Group companies nationwide.

Mitsui Fudosan will support the decarbonization efforts of the tenant companies nationwide and will continue together as a Group to realize decarbonized society.



Examples of facilities scheduled for green power provision:

(Left) Halekulani Okinawa (Onna Village, Okinawa Prefecture)

(Right) Akarenga Terrace (Sapporo, Hokkaido)

*1 Press release of November 24, 2021: “Group Action Plan to Realize a Decarbonized Society”

<https://www.mitsui-fudosan.co.jp/english/corporate/news/2021/1124/>

*2 The portion of electricity used by the Company in common areas (including partial ownership, excluding equivalent electricity on-site-generated electricity within each facility)

*3 One of the categories of corporate greenhouse gas emissions defined by the GHG Protocol (an international standard for calculating and reporting greenhouse gas emissions), referring to indirect emissions from the use of electricity, heat, and steam supplied by others.

1. Providing green power to all facilities nationwide beginning in fiscal 2025

(1) Green power provision service to companies

In fiscal 2021 we launched the Green Energy Supply Service in the Tokyo metropolitan area, based on a comprehensive agreement with TEPCO Energy Partner, Inc. (non-fossil certificate-attached power service derived from post-FIT residential solar power). In fiscal 2022, we partnered with Chubu Electric Power Miraiz Co., Inc. in the Chubu region (post-FIT^{*4}), and with Kansai Electric Power Co., Inc. (FIT^{*5}) in the Kansai region to begin providing service.

In addition, in fiscal 2022, we began providing services to the smart energy business areas of Nihonbashi, Toyosu, and Yaesu in central Tokyo through a collaboration (with FIT and individual agreements^{*6}) with Mitsui Fudosan TG Smart Energy Co., Ltd. (“MFTG”). These partnerships made it possible to provide the service in the three major metropolitan areas. As of September 2024, over 160 tenants and others have deployed the service (including contracts completed or tentatively approved), which has grown as one of the core services for our tenants.

Initially, the service was deployed primarily at IT firms, financial institutions, and manufacturers in the Tokyo metropolitan area, and since then, the range of industries and areas in which the service has been deployed has expanded rapidly. Amid this growth, we have received numbers of request from the tenant companies that the service to be extended to properties outside of the three major metropolitan areas.

In response, Mitsui Fudosan has now collaborated with Group company MFFC to establish the MFFC Scheme, which enables service to be provided to all of our facilities nationwide, including those outside of the three major metropolitan areas.

As a result, from April 2025, the number of facilities eligible for the service will expand from approximately 180 buildings in the three major metropolitan areas to about 250 buildings nationwide. In principle, this will allow green power services to be provided to all our facilities across Japan, regardless of area or size, for tenant companies with green power needs. Requests will be solicited during 2024, with service to begin in fiscal 2025^{*7}.

^{*4} For “feed-in tariff.” All FIT non-fossil certificates to be procured on the Renewable Energy Value Trading Market.

^{*5} Non-FIT non-fossil certificates after the end of the FIT period. Direct transactions between power generators and retail electricity providers are permitted.

^{*6} When assigning tracking information to FIT power plants, the power generator and the retail electricity provider must have a prior agreement regarding specific power plants.

^{*7} Some requests may be turned down depending on scale and other requirements.

(2) Green power provision service for Group companies

The Mitsui Fudosan Group has approximately 300 consolidated subsidiaries (as of the end of March 2024), and has headquarters, branches and sales offices, and stores nationwide.

Utilizing the newly introduced MFFC Scheme, the Group will progressively advance the greening of electricity used in facilities operated by the Group companies across Japan, including Mitsui Fudosan Hotel Management Co., Ltd., which operates the Mitsui Garden Hotels, and Mitsui Fudosan Resort Management Co., Ltd., which operates the Halekulani Okinawa and other properties.

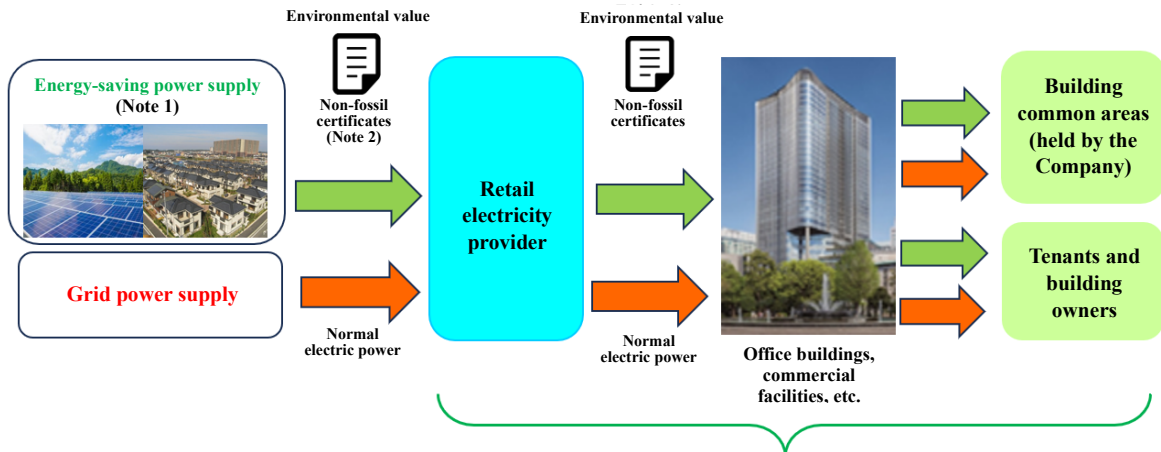
2. Structure and overview of the MFFC Scheme

The MFFC Scheme differs from previous schemes in that, instead of a menu of renewable energy options offered by a retail electricity provider, it utilizes a system whereby renewable energy is purchased directly from the Renewable Energy Value Trading Market via an intermediary agent (MFFC).

MFFC, a wholly-owned subsidiary of Mitsui Fudosan, acts as an intermediary agent to provide non-fossil certificates, while Mitsui Fudosan, as agent for the transactions, enters into contracts with tenants and others. This then allows for the procurement of non-fossil certificates regardless of the counterpart (retail electricity provider) to the power contract.

Going forward, we will continue to actively encourage and support tenant companies in their efforts to address RE100 and ESG issues through our green power provision service and other initiatives.

Power Greening Mechanism Being Advanced by Mitsui Fudosan (image)

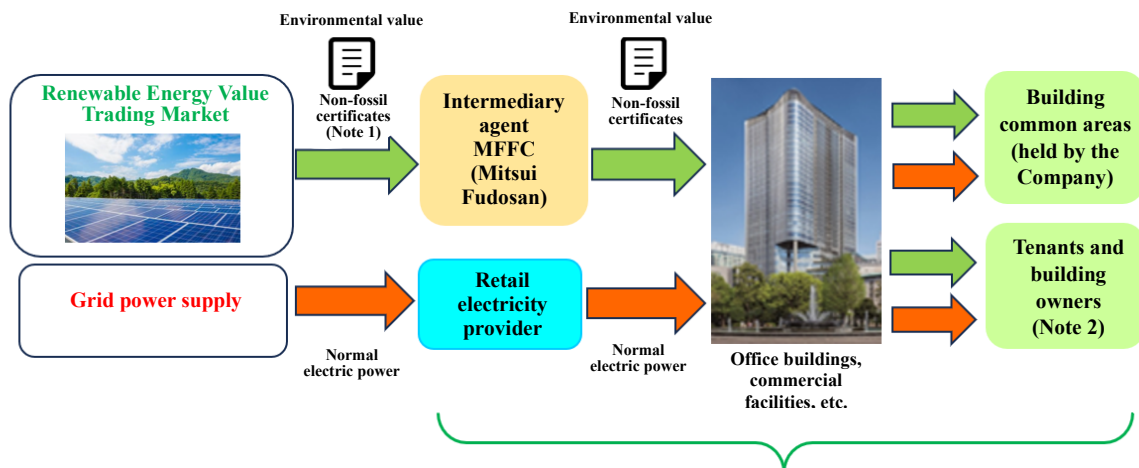


Can be flexibly offered to tenants and others as the Green Power Provision Service

Note 1: Solar power generation held by Mitsui Fudosan; post-FIT residential solar power facilities contracted by TEPCO EP; onshore wind power generation facilities held by partner power generation companies, etc.

Note 2: Market procurement via JEPX in the case of FIT. For non-FIT sources, procurement is directly from the power generator.

MFFC Scheme (image)



Can be flexibly offered to tenants and others as the Green Power Provision Service

Note 1: Procured on the market via JEPX (FIT)

Note 2: MFFC, a wholly-owned subsidiary of Mitsui Fudosan, acts as an intermediary agent to provide tenant companies and others with non-fossil certificates (with lessor Mitsui Fudosan as agent)

■ Sustainability in the Mitsui Fudosan Group

Based on the meaning of its “& mark,” “to generate new value with society through cooperation, coexistence and co-creation, we forge ahead, innovating,” the Mitsui Fudosan Group views the “creation of social value” and the “creation of economic value” as two wheels of a cart. Accordingly, we believe that the creation of social value leads to the creation of economic value, and that this economic value then creates even greater social value.

Moreover, we identified six Group Materiality priority issues when formulating our new management philosophy in April 2024. These Group Materiality priority issues are (1) Contribute to industrial competitiveness, (2) Coexist with the environment, (3) Health and Vitality, (4) Safety and security, (5) Diversity and inclusion, and (6) Compliance and governance. The Mitsui Fudosan Group will work to address each of the materialities through its core business activities and contribute to the promotion of sustainability.

(References)

- Group Management Philosophy and Long-Term Vision

<https://www.mitsuifudosan.co.jp/english/corporate/innovation2030/>

- Group Materiality

https://www.mitsuifudosan.co.jp/english/esg_csr/approach/materiality/

* The initiatives outlined in this release are designed to help address the following four Sustainable Development Goals (SDGs).

