

## E S G Contributing to a Sustainable Global Environment

### Actions to Address Climate Change

As environmental initiatives, the Hakuholdo DY Group is advancing efforts across the supply chain to reduce greenhouse gas emissions as part of its response to environmental issues, including climate change.

The Group is actively implementing environmental initiatives to realize a sustainable society. With regard to climate change measures, in 2022 the Group endorsed the TCFD recommendations and began disclosing information in accordance with the recommended disclosures. The Group is also working to increase the proportion of its electricity use that is derived from renewable energy sources to 60% by 2030. To help solve environmental issues through its business, the Group is actively implementing awareness activities to ensure that each employee understands the importance of addressing environmental issues, including climate change, and takes action.

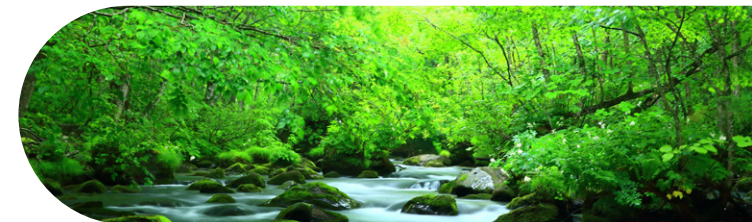
#### Basic Policy

Through its policies of *Sei-Katsu-Sha* Insight and Commitment to Partnership, the Hakuholdo DY Group aims to “create a society abounding in *sei-katsu-sha*’s aspirations and where they can live vibrant lives” by finding solutions to the challenges faced by our business partners and society. With environmental awareness rising by the day, efforts to realize and develop a sustainable society are essential for the well-being of *sei-katsu-sha* and society as a whole. The Hakuholdo DY Group is committed to complying with environmental legislation, regulations, industry standards, and other requirements related to its business activities. We are actively working to reduce environmental impact and are leveraging our employees’ creativity, ability to take action, and capacity to make things happen to support the realization and development of a sustainable society through our work with our business partners and other initiatives.

Details ▶ [WEB](#) Basic Policy

### Implementation Structure

Reporting to the Group Sustainability Committee, we have arranged for the Hakuholdo DY Group Environmental Manager to be the person responsible for environmental activities across the Group. As part of this, we have set up the Environmental Subcommittee as a subordinate organization that conducts quarterly assessments and consolidates measures to address climate-related issues on a regular basis.



The Board of Directors receives reports from the Group Sustainability Committee on the evaluation, status, and goal management of climate-related issues. The Board also engages in comprehensive decision-making regarding the formulation of business strategies, taking climate-related challenges into consideration.

### Endorsing the Recommendations of the Task Force on Climate-related Financial Disclosures

The Group endorses the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For scenario analysis, we established the Environmental Subcommittee under the Group Sustainability Committee, which is chaired by the representative director and president, and the Environmental Manager. Relevant divisions of the head office and Group companies take part in the subcommittee, which has identified significant risks and opportunities arising from climate change, and evaluated them quantitatively and financially every year since fiscal 2022, to implement disclosure in accordance with the TCFD recommendations across the Group.

Details ▶ [WEB](#) Addressing Climate Change and the TCFD

### Risk Management

In September 2024, we identified and assessed material issues (materiality), which are important issues for achieving sustainable growth. The Group Sustainability Committee will manage progress on and review materiality, including climate-related issues, on a case-by-case basis to establish an appropriate risk management system.

### Strategy: Scenario Analysis

The scope of the scenario analysis covers the entire value chain from research and development (R&D) to procurement, production, and service provision, with a focus on Japan, the Hakuholdo DY Group’s principal area of operation. To consider long-term assumptions for 2030 and beyond, analysis was conducted against two scenarios: a 1.5°C scenario, which assumed an average global temperature at the end of this century of no more than 1.5°C warmer than that prior to the Industrial Revolution (in some instances a 2.0°C scenario was also analyzed), and a 4°C scenario, which assumed a rise in average global temperature of around 4°C.

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## Indicators and Targets

To achieve carbon neutrality by fiscal 2050, the Hakuholdo DY Group has set an interim target of a 50% reduction in Scope 1 and Scope 2 emissions by fiscal 2030 compared with fiscal 2019 and a 30% reduction in Scope 3 emissions.

To achieve this goal, we will not only conduct conventional energy conservation activities but also aim to introduce renewable energy-derived electricity to account for 60% of our total electricity consumption by fiscal 2030 and 100% by fiscal 2050. We will also implement measures in the four main areas of renewable energy introduction, energy conservation (such as installation of LEDs), waste reduction, and recycling.

Item	Target	Base year (fiscal 2019)	Results for fiscal 2024	Progress in fiscal 2024
Total CO <sub>2</sub> emissions	Carbon neutrality by fiscal 2050	41,237 tons	23,789 tons	42.3% reduction
Scope 1 and Scope 2 CO <sub>2</sub> emissions* <sup>1</sup>	Reduction of 50% by fiscal 2030 (compared with fiscal 2019)	11,174 tons	5,884 tons	47.3% reduction
Scope 3 CO <sub>2</sub> emissions* <sup>1</sup>	Reduction of 30% by fiscal 2030 (compared with fiscal 2019)	30,063 tons	17,905 tons	40.4% reduction
Rate of introduction of renewable energy* <sup>1</sup>	60% by fiscal 2030, 100% by fiscal 2050	0.0%	58.8%	58.8%
Energy conservation* <sup>1</sup>	Reduction of 30% (compared with fiscal 2019)	5,372 kl	3,173 kl	40.9% reduction
Waste volume* <sup>2</sup>	Maintain an average reduction of 50% or more (compared with fiscal 2019)	486 tons	215 tons	55.8% reduction
Recycling rate* <sup>2</sup>	85% or more	82.2%	74.7%	74.7%

\*<sup>1</sup> Total values for Hakuholdo (Hakuholdo, Hakuholdo DY Media Partners), Daiko Advertising, YOMIKO ADVERTISING, and Hakuholdo Product's

\*<sup>2</sup> Waste volume and waste reduction targets for Hakuholdo head office (Akasaka Biz Tower)

Details ▶ [WEB](#) Addressing Climate Change and the TCFD

## Third-Party Guarantee

A third-party guarantee has been received from Deloitte Tohmatsu Sustainability Co., Ltd. for the CO<sub>2</sub> emissions report available on the Group's corporate website containing data on Scope 1, 2, and 3 greenhouse gas emissions from fiscal 2023. We are working to obtain a third-party guarantee for our Scope 1, 2, and 3 CO<sub>2</sub> emissions in fiscal 2024.

## Status of Acquisition of ISO 14001

In accordance with the Hakuholdo DY Group Environmental Policy, certain units are implementing environmental management in conformity with the international environmental standard ISO 14001. Currently, ISO 14001 certification has been acquired by Hakuholdo

DY Holdings, Hakuholdo, Daiko Advertising, YOMIKO ADVERTISING, Hakuholdo Product's\*, OZMA PR, and HAKUHODO I-STUDIO.

\* Scope of application: Event Space Promotion Division, Incentive Promotion Division, and MD Business Division

Details ▶ [WEB](#) Hakuholdo DY Group Environmental Policy

## Introduction of Renewable Energy

At YOMIKO ADVERTISING, electricity and heat energy usage across its group companies in Japan has been converted to 100% renewable energy\*<sup>1</sup> since fiscal 2022. In addition, at Akasaka Biz Tower, where multiple companies within the Hakuholdo DY Group are located, we are using a green power supply service\*<sup>2</sup> to switch electricity usage to green power.\*<sup>3</sup> This resulted in a transition in fiscal 2023 to 100% of these companies' annual electricity usage being derived from effectively green sources. Other Group companies are also gradually introducing renewable energy sources.

\*<sup>1</sup> Achieved through procurement of FIT non-fossil certificates with tracking attributes and J-credits.

\*<sup>2</sup> Green power supply service: A service developed by Mitsui Fudosan that provides effectively renewable energy for electricity used in office buildings and other facilities through the utilization of non-fossil fuel certificates. This service is designed to flexibly meet tenant needs in achieving the Science Based Targets (SBTs) for the reduction of greenhouse gas emissions, allowing for customizable implementation rates and other specifications.

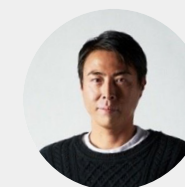
\*<sup>3</sup> Green power: An effectively renewable energy source with environmental value derived from residential solar power generation that has reached the end of its power purchase period under the feed-in tariff (FIT) scheme. Mitsui Fudosan Co., Ltd., and TEPCO Energy Partner, Inc. have concluded a comprehensive agreement related to the greening of power consumption for office buildings to provide a stable supply of electricity to tenant companies.

## Contributing to Sustainable Behavioral Change

### My Aspirations

#### Sustainable Engine Carbon Simulator

This solution is a tool designed to promote decarbonization in the event industry. It organizes the entire event production process from planning to disposal into seven categories, quantifies CO<sub>2</sub> emissions in detail by material and procurement method, and visualizes the results along with recycling rates. Building on this solution, 12 member companies of the Japan Association for the Creative Events (JACE) are collaborating to establish it as an industry standard. Our aim is to move beyond words and formalities about sustainability and to proactively envision a sustainable future. We hope to create diverse approaches for society and the industry.



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