Mori Building Selected as CDP Climate Change A List Company for the Second Consecutive Year

Recognized for its utilization of renewable energy sources and collaboration with suppliers to achieve "decarbonization of cities"

Tokyo, February 26, 2025 — Mori Building Co., Ltd., Japan's leading urban landscape developer, announced today that, for the second consecutive year, it has been selected as a Climate Change A List company by the CDP, a London-based international non-profit organization that assesses and certifies the environmental policies and initiatives of companies and other organizations. This certification recognizes us as a leader in terms of the environmentally-friendly initiatives we have implemented at a global level aiming to help ensure an Earth Positive future. These include the transparency of our environmental initiatives, the introduction of our new renewable energy sources, and our collaboration with suppliers.

Mori Building's approach to "decarbonizing cities"

Mori Building's basic environmental philosophy is to help achieve a sustainable future through urban development and management based on our ideal of the Vertical Garden City. This vision promotes the harmonious coexistence of cities and nature, decarbonized cities, and resource recycling.

In addressing climate change through the decarbonization of cities, Mori Building advocates for compact cities that integrate diverse urban functions within a walkable area, an approach that achieves greater efficiency than conventional urban models. By actively adopting high-efficiency systems and managing entire districts comprehensively, Mori Building maximizes energy-saving efforts across its developments. In addition, the company is committed to expanding its use of renewable energy.

Evaluation of "Value Chain Engagement" and "Energy" increased from the previous year

This year, the CDP's ratings for Mori Building in the "Value Chain Engagement" and "Energy" categories increased compared to the previous year. In the former category, Mori Building has set medium- to long-term targets for reducing greenhouse gas emissions, including a 50% reduction in Scope 1 and 2 emissions and a 30% reduction in Scope 3 emissions (both compared to FY2019) by FY2030, and a net zero emissions target for FY2050. In addition, in order to calculate the majority of Scope 3 emissions, which are categorized as Category 1 (products and services) and Category 2 (capital goods), we have introduced a total emissions allocation method that uses primary data unit values from each of our suppliers. We also quantify our use of materials using a tool that utilizes the "LCA Guidelines for Buildings" compiled by the Architectural Institute of Japan to calculate emissions from newly completed properties, thereby achieving a calculation of GHG emissions that reflects reduction efforts throughout our entire supply chains.

With regard to energy, Mori Building is working to achieve RE100 certification[1] by 2030, and to this end we have been developing farm-type solar power plants. In February 2024, we began supplying electricity to our properties utilizing off-site power purchase agreements (PPAs).[2] We will continue to work on developing more self-generated power sources and promoting the procurement of electricity from renewable energy sources.

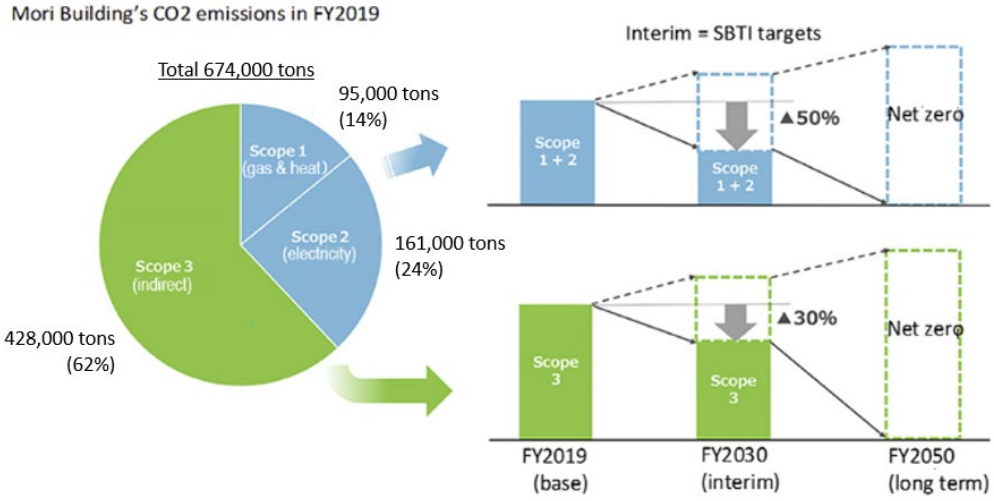
Cities are a cornerstone of human activity and hold the key to our future. Mori Building, under its philosophy of "Create Cities, Nurture Cities," is committed to the harmonious coexistence of cities and nature through low-carbon, resource-recycling initiatives aimed at realizing a truly sustainable world.

[1] An international corporate grouping whose members aim to procure 100% of the electricity they consume from renewable energy.

[2] A contract method in which the owner of a renewable energy power source (including developers and investors) and the purchaser of the electricity (consumers, etc.) enter into a contract to buy and sell renewable energy electricity at a price and for a period agreed in advance, and supply renewable energy electricity generated by a renewable energy power source installed off-site (not at the point of demand) to the purchaser of the electricity via the general power grid.

Appendix 1: Greenhouse Gas Emission Reduction Targets for the Mori Building Group

In addition to our ongoing energy-saving operations aimed at achieving national and city-level mandatory standards, and in line with the recent trend toward decarbonization in Japan and around the world, in May 2022 Mori Building established targets in accordance with global standards to reduce greenhouse gas emissions resulting from the Group's business activities. Using fiscal 2019 levels as a baseline, we have targeted to achieve by fiscal 2030 a 50% reduction in Scope 1 and 2 emissions, a 30% reduction in Scope 3 emissions,[3] and to source 100% of our electricity from renewable sources. Longer term, we have set the target of achieving net zero emissions by fiscal 2050.



Farm-type solar power plant initiatives

Since the end of fiscal year 2023, Mori Building has been promoting the development of farm-type solar power plants. These allow farming activities to be carried out in the areas surrounding solar panel installations. They are becoming increasingly popular as a method of environmentally friendly renewable energy development that does not involve large-scale deforestation, land reclamation, or land excavation, all of which have become issues in recent years.

Farm-type Solar Power Plants
(Chikusei City, Ibaraki Prefecture)

At a solar farm in Chikusei City, Ibaraki Prefecture, which began operating in February 2024, we used farmland that was at risk of being abandoned due to a lack of successors willing to take over the farming business. The facility is expected to generate approximately 2.8 million kWh of electricity per year,[4] with the electricity being supplied to Toranomon Hills Mori Tower through an off-site PPA. We have also concluded a disaster prevention agreement with Chikusei City and are actively helping to boost local disaster prevention measures.

In addition, we have also started operating farm-type solar power plants in Kiryu City, Gunma Prefecture, and Tochigi City, Tochigi Prefecture. We will continue to contribute to local communities and to society in general through the active development of our own power sources, such as solar power plants with storage batteries and wind power plants, and we will also promote our long-term stable procurement of renewable energy electricity.

[3] Scope 1 refers to direct greenhouse gas emissions (combustion of fuels such as city gas) by the business itself, Scope 2 refers to indirect emissions associated with the use of electricity and heat supplied by other companies, and Scope 3 refers to indirect emissions other than Scope 1 and 2 (emissions by other companies related to the business' activities).

[4] Estimated average annual power generation. Equivalent to the power consumption of 670 average Japanese households (calculated from the national average of 4,175kWh per household in the "2021 Survey on the Actual Status of CO2 Emissions in the Household Sector" by the Ministry of the Environment). Equivalent to approximately 10% of the power consumed by the Toranomon Hills Mori Tower, the building that the electricity is supplied to.

About CDP

The CDP launched its global environmental disclosure system in 2000 to help non-governmental organizations (NGOs), investors, companies, nations, regions and cities manage their environmental impacts responsibly. In 2024, more than 24,800 companies and over 1,100 municipalities worldwide responded to the CDP's questionnaire to disclose their environmental information. The scores, ranging from A to D-, were based on each respondent's comprehensiveness of disclosure, recognition and management of environmental risks, ambition in setting targets, and environmental leadership.

About Mori Building

Mori Building is an innovative urban developer based in Tokyo. The company is committed to maximizing the magnetic power of cities by creating and nurturing safe, sustainable and cosmopolitan urban centers based on its unique Vertical Garden City concept of high-rise centers for business, education, leisure and residence. The concept is applied in the company's many leading-edge projects, including ARK Hills, Roppongi Hills, Toranomon Hills, and Azabudai Hills in Tokyo and the Shanghai World Financial Center. Mori Building is also engaged in real estate leasing, project management and consultation. Please visit www.mori.co.jp/en

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