Information Disclosure Based on TCFD Recommendations

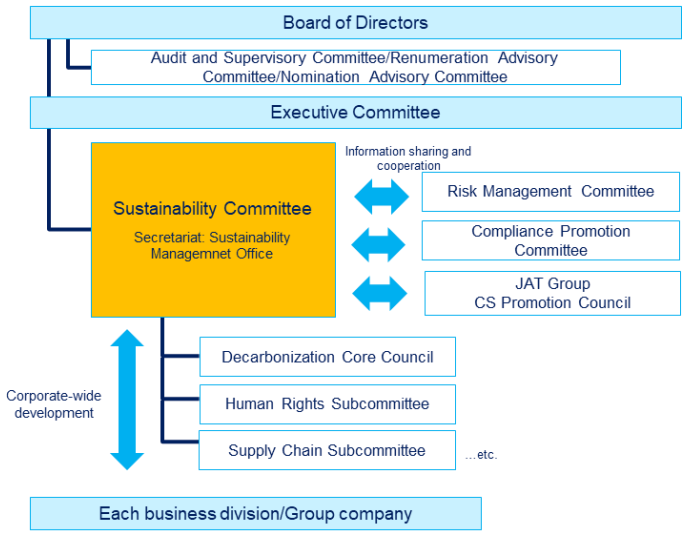
- The Japan Airport Terminal Group is a purely private enterprise engaged in construction, management and operation of airport passenger terminals, which are public infrastructure with enormous importance. We are fully aware of the social responsibility associated with this role and aim for management that benefits both public good and business success. To realize our long-term vision, “To Be a World Best Airport,” positioning response to climate change as one of the most important management issues, the JAT Group has made various efforts to reduce its environmental impact.
- In September 2022, JAT announced that it expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD recommendations”). In May 2023, we will disclose the information described below based on the TCFD recommendations.
- Going forward, we will continue to be conscious of our business environment surrounding the Company and ensure deeper analysis of risks and opportunities, while implementing countermeasures and endeavoring to disclose related information.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Governance

- Established in July 2022 for the purpose of strengthening JAT’s sustainability promotion systems, the Sustainability Committee is chaired by the President and COO and comprised of all officers (including executive officers) of the Company. Its meetings are held at least twice a year. While the Committee is responsible for overseeing such activities as the development of sustainability-related policies and the management of progress, the Sustainability Management Office, a dedicated organization that reports directly to the President, is in charge of implementing concrete initiatives.
- With the climate change-related initiatives having been positioned as an important management issue, the Sustainability Committee plays a central role in developing the implementation policy and managing progress. After being discussed by the Committee, these matters are reviewed by the Executive Committee based on the relationship and consistency with management strategies, and then reported to the Board of Directors for its resolution.

Fig. 1 Overview of Sustainability Promotion System



Strategies

■ (Assumptions for scenario analysis) In order to assess the impact of climate change on the Group's business, we conducted an analysis using the following two scenarios (the “1.5°C scenario” and the“4.0°C scenario”). In setting the scenarios, we referred to the scenarios published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC)ng scenarios.

Table 1 Assumptions for scenario analysis

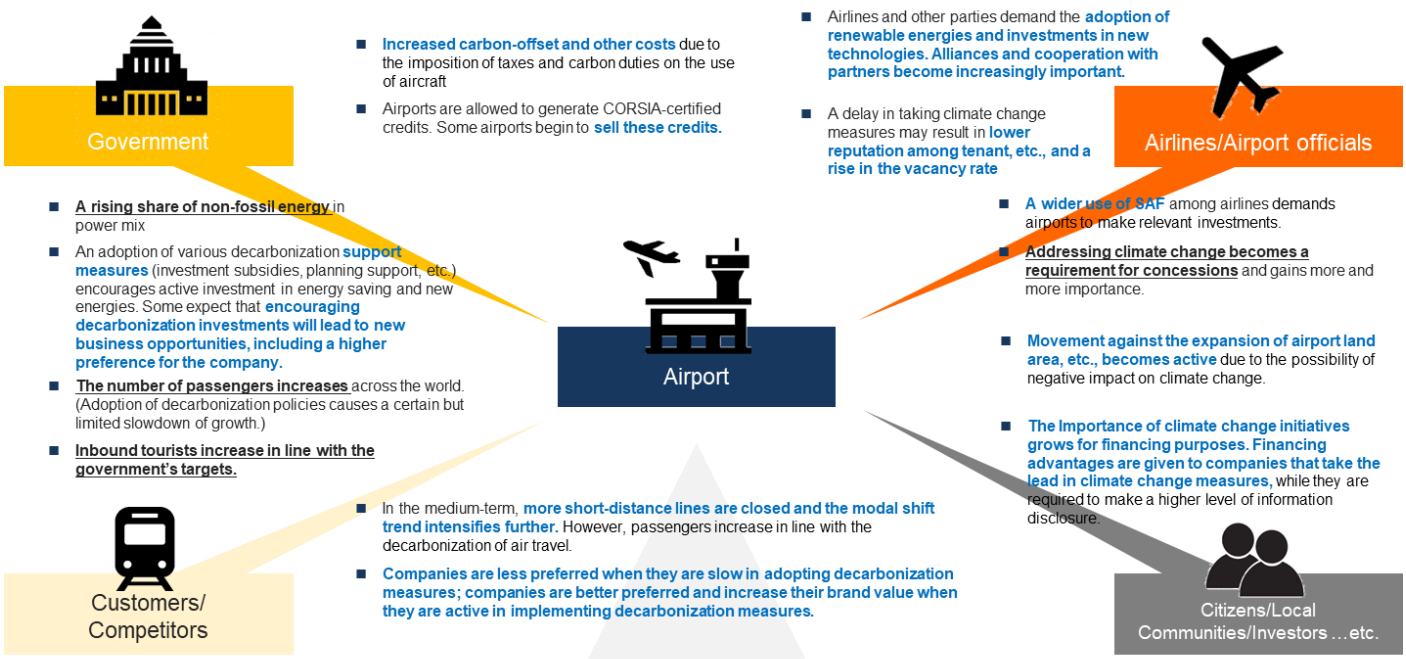
Title	1.5°C scenario	4.0°C scenario
Scenario overview	・ As a result of drastic measures having been taken effectively, a decarbonized society is achieved, limiting the rise in the global temperature to 1.5°C from the pre-industrial levels. ・ Major risks that turn into reality include those associated with the transition to a decarbonized society.	・ As a result of additional measures being not taken, the average global temperature will rise further by approximately 4°C compared to the pre-industrial levels. ・ Major risks that turns into reality include physical risks arising from climate change.
World-view	・ As a result of carbon pricing and regulations on the rate of SAF usage by airline operators, the aviation (including airport) industry is required to take appropriate measures such as the carbon offsetting and investments in renewable energy and energy saving. ・ In the medium-term, the aviation industry may face decarbonization pressure, and there may be a shift to alternative transportation means. However, as the use of SAF becomes more widespread, airport operators and their supply chains gradually succeed in reducing GHG emissions.	・ Governments’ policies and regulations to encourage the shift to a low-carbon society have only a limited effect. ・ As climate change intensifies, changes in climate patterns, rising sea levels, and increasingly severe and frequent extreme weather events exert adverse impact on the airport operations. This makes supply-chain risk management and BCP reviews more important.
Key scenarios referred to	・ WEO[*1]: APS (Announced Pledge Scenario, Paris Agreement’s goal achievement scenario)[*2] ・ SSP1-2.6[*3]	・ WEO: STEPS (Stated Environmental Policies Scenario) ・ SSP5-8.5

*1 World Energy Outlook (investigative report issued by IEA)

*2 In the analysis, we mainly used the Announced Pledges Scenario (APS). In addition to APS, we partly referred to the Net Zero Emissions Scenario (NZE) as another scenario in which the temperature rise is limited to 1.5°C or less from the pre-industrial levels.

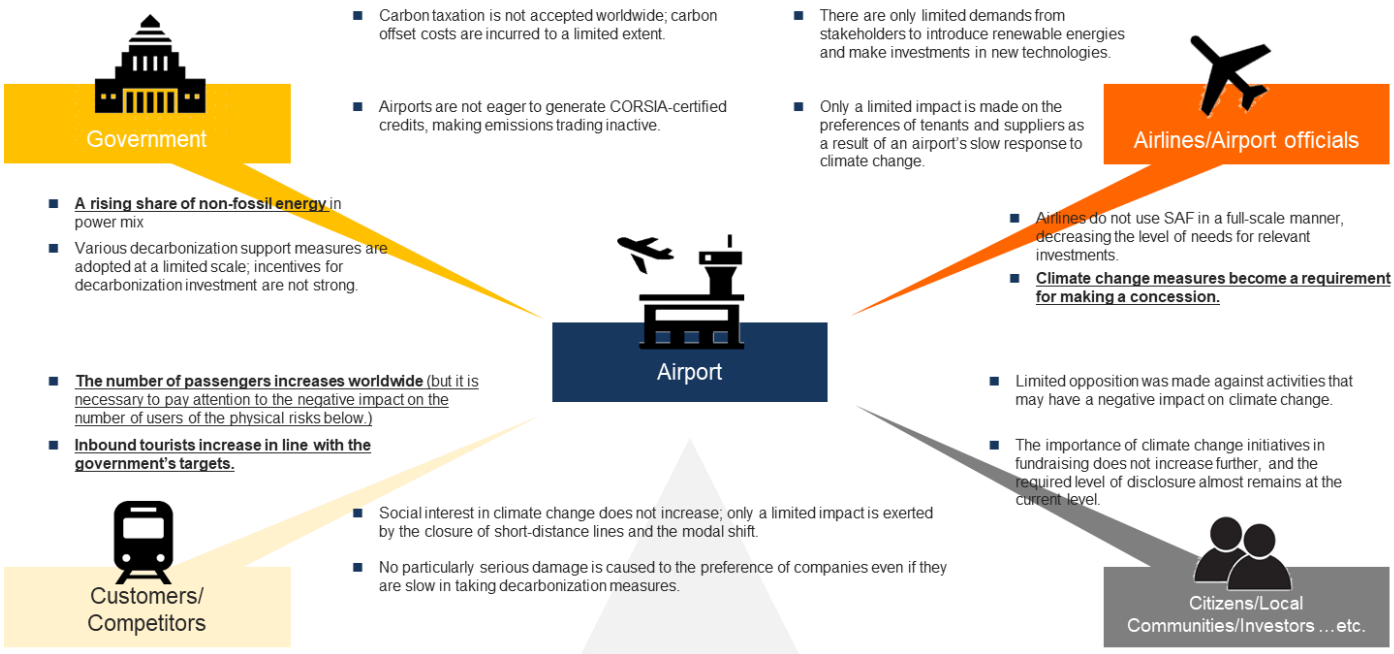
*3 In the analysis, we mainly used the SSP1-2.6 scenario. In addition to this, we partly referred to the SSP1-1.9 scenario as another scenario in which the temperature rise is limited to 1.5°C or less from the pre-industrial levels.

■ Fig. 2 Details of 1.5°C Scenario's World-view*



* Bold letters denote items that are common to both scenarios, blue letters denote items that are unique to the scenario.

■ Fig. 3 Details of 4.0°C Scenario's World-view*



* Bold letters denote items that are common to both scenarios, blue letters denote items that are unique to the scenario.

■ (Risks and Opportunities, Degree of Impact, Countermeasures) The table below shows the risks and opportunities identified based on the aforementioned two scenarios, impact assessment, countermeasures to deal with the risks, which we obtained through the analysis of the JAT Group's "Facilities Management" business and the "Merchandise Sales and Food and Beverage" business (a segment that combines the "Merchandise Sales" business and the "Food and Beverage" business).

Table 2 Risks Associated with Climate Change and Their Impacts

Risk Type		Summary	Segment		Time Frame	Most Relevant Scenarios	Level of Impact
			Facilities	Merchandise Sales/Food & Beverage			
Transition Risk	GHG Emission Reduction Measures (Policy and law/technology)	Increase in the costs of terminal operating, raw material procurement, and logistics due to the adoption of carbon pricing including carbon taxation and credit system	✓	✓	Short- to medium -term	1.5°C	Major
		Cost increase due to climate change-related laws and regulations (environment-related regulations, increased construction costs as a result of environmental considerations, more stringent requirements for obtaining certification of environment-friendly building, etc.)	✓		Short- to long- term	1.5°C	Major
		Cost increase due to climate change-related laws and regulations (assuming environmental measures such as resource (e.g., plastics) recycling and natural capital-friendly procurement, and collection of disposal/purchase cost data)		✓	Short- to medium -term	1.5°C	Medium
		Increased cost of investments into anti-climate change measures (adoption/renewal of renewable energies, adoption/use/procurement of new energies, investments to save energy including the use of LED lights and renewal of equipment, adoption of new decarbonization-related technologies, etc.)	✓		Short- to medium -term	1.5°C /4.0°C	Major
		Increased cost of anti-climate change measures (e.g., energy-saving investments in materials logistics such as a shift to electric vehicles and labor-saving investments in store renovations and equipment renewal, etc.)		✓	Medium - to long- term	1.5°C	Medium
	Others (Market/Reputation)	Slower growth in the number of airport users due to policy measures that negatively affect aviation demand (assuming GHG emission limits for aircraft, increase in air ticket prices, etc.)	✓	✓	Short- to long- term	1.5°C	Medium
		Slow response to environmental issues may result in a lower reputation among tenants, partners, customers, business partners, and employees, lower competitiveness, a negative impact on trade (employment) terms and conditions; consumer preferences may change as a result of increased environmental awareness.	✓	✓	Short- to medium -term	1.5°C/4.0°C	Medium
		Negative impact on financing due to slow response to environmental issues	✓		Short- to medium -term	1.5°C	Minor
		Lower preference for Haneda Airport (among foreign airlines, etc.) due to delays in building preparedness to accept biofuels	✓	✓	Medium -term	1.5°C	Medium

Risk Type		Summary	Segment		Time Frame	Most Relevant Scenarios	Level of Impact
			Facilities	Merchandise Sales/Food & Beverage			
Physical risks	Chronic	Negative impact on airport operations and airport terminal infrastructure caused by changing weather patterns	✓	✓	Medium- to long-term	4°C	Medium
		Impact of sea level rise on airport operations including paralyzing of transportation infrastructure in the Tokyo metropolitan area leading to the Haneda Airport	✓	✓	Medium- to long-term	4°C	Medium
		Changing climate patterns lead to a lower crop production, uncertain procurement, increased costs, higher temperature control risk, and increase in associated costs.		✓	Short- to long-term	4°C	Medium
		Changing climate patterns lead to an outbreak of infectious diseases, impact of exotic insect pests that are harmful to the human body, and increased biosecurity costs.	✓	✓	Long-term	4°C	Major
		Changing climate patterns lead to changes in lifestyles (including business hours and working systems) and changes in customer needs, such as a decline in demand for cold-weather goods.	✓	✓	Medium- to long-term	4°C	Minor
	Acute	Malfunctioning transportation infrastructure in the metropolitan area caused by increasingly severe and frequent abnormal weather conditions; flight cancellations and associated negative impact on the number of airport and tenant users resulting from weather conditions at destinations	✓	✓	Short- to medium-term	4°C	Major
		Damages to utility (water, gas, etc.) pipelines caused by increasingly severe and frequent abnormal weather events; damages caused by flood and submergence	✓	✓	Medium- to long-term	4°C	Major
		Supply chain disruptions and impact on logistics and product procurement (increased food waste, impact on store revenues and expenditures, etc.) due to increasingly severe and frequent abnormal weather events		✓	Short- to medium-term	4°C	Major
		Suspension of construction work and measures to avoid impacts on operations due to increasingly severe and frequent abnormal weather events	✓		Short- to medium-term	4°C	Medium

*1 Time frames: The terms of “short-term,” “medium-term,” and “long-term” refers to the time frames up to 2025, 2030, and 2050, respectively.

*2 Level of impact: The level of impact is assessed at the three levels of major, medium, and minor, by taking comprehensively into consideration the extent of impact on the Company's business.

Table 3 Opportunities Associated with Climate Change and Levels of Impact

Type of Opportunity		Summary	Segment		Time Frame	Most Relevant Scenarios	Level of Impact
			Facilities	Merchandise Sales/Food & Beverage			
Opportunities	GHG Emission Reduction Measures (Energy sources)	Reduced costs as a result of a highly efficient use of energy and diffusion of new technologies	✓		Long-term	1.5°C	Medium
		Contributions to decarbonization and securing of new revenue sources through the development of energy supply systems	✓		Medium- to long-term	1.5°C /4.0°C	Major
	Others (Resource efficiency/ Products and services/Markets)	Contributions to the aviation industry's decarbonization, improved brand value, gaining of competitive advantages and collaboration opportunities through decarbonization initiatives	✓	✓	Medium- to long-term	1.5°C	Major
		Making a stronger appeal to prospective tenants by designing and constructing terminal facilities taking sustainability into consideration	✓		Medium-term	1.5°C	Medium
		Use of policy support for low-carbon entities; use of green bonds and other ESG investment funds	✓		Medium- to long-term	1.5°C	Major
		Waste reduction and establishment of a recycling system centered on JAT	✓		Short- to medium-term	1.5°C/4.0°C	Major
		Acquisition of new customers and market needs by encouraging environmental consideration (resource recycling and a wider use of ethical products, etc.) and responding to non-store purchases		✓	Medium-term	1.5°C	Medium
	Physical risks	Strengthening of the airport's resilience by implementing disaster prevention and absolute safety measures in collaboration with stakeholders and local communities	✓		Medium-term	1.5°C/4.0°C	Medium

*1 Time frames: The terms of "short-term," "medium-term," and "long-term" refers to the time frames up to 2025, 2030, and 2050, respectively.

*2 Level of impact: The level of impact is assessed at the three levels of major, medium, and minor, by taking comprehensively into consideration the extent of impact on the Company's business.

Table 4 Countermeasures

Type of Risks/Opportunities		Summary	Segment	
			Facilities	Merchandise Sales/Food & Beverage
Transition risk-related	GHG Emission Reduction Measures	Promotion of energy saving and decarbonization in cooperation with airport business operators and the government	✓	
		Energy-saving measures including switching to LED lighting, renewal of air conditioning equipment, and adoption of AI air conditioning		
		Introduction of renewable energy sources including mega-solar power, review of power source composition, and promotion of efficient use of heat sources		
		Improvement of environmentally friendly performance by transforming existing facilities into net zero-energy buildings (ZEBs), introduction of wooden structures and wooden interior decorations to the airport buildings, and using Radi-cool, a radiant cooling material, etc.		
		Investigation and exploration for the use of new energies		
		Monitoring of consumer sentiment related to climate change and survey on infrastructure an airport should have		
	Others	Effective use of resources (e.g., provision of materials and equipment from Haneda Airport to regional airports and other commercially partnered airports) and commercialization of waste reduction techniques (e.g., collection of waste oil and use of the oil as biofuel)		✓
		Sale of ethical products and environmentally friendly products; a wider use of environmentally friendly materials in furniture and fixtures		
		Expansion of sales channels including the EC; research and development of other business seeds		
Physical risk-related		Accurate and swift information collection and early response using digital technologies and AI	✓	✓
		Strengthening of response to the Tokyo International Airport A2-BCP	✓	
		Development of new facility plans taking into consideration possible impact of changing climate patterns on the airport facilities; improvement and renovation of existing facilities	✓	
		Thorough measures against infectious diseases; non-contact sales using robots and digital technologies	✓	✓
		Development of labor and work environments that correspond to climate change	✓	
		Establishment of a BCP structure and implementation of regular drills	✓	
		Optimization of procurement, production, and logistics as a whole, including elimination of supply chain redundancy		✓

■ (Resilience) The Group is considering and implementing various measures to reduce climate change-related risks and gain opportunities focusing on the measures to reduce GHG emissions. The Group also verifies its resilience in business operations based on the analysis of multiple scenarios. In the future, we plan to update and monitor information related to this analysis, while introducing more advanced analytical techniques including quantitative measurement of impact on our business, with the aim of implementing measures in a more effective way.

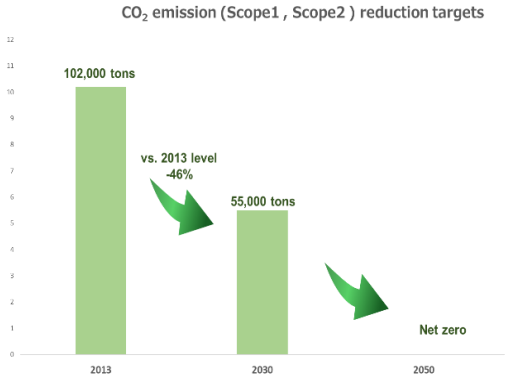
Risk Management

- The Sustainability Committee and its dedicated organization, the Sustainability Management Office, are responsible for identifying and assessing climate change-related risks and opportunities, measuring the impact of climate change on our business, and discussing measures to deal with it.
- In addition to the above, the Company established a Risk Management Committee on April 1, 2023, with the aim of enhancing the level of risk management system on a Group-wide basis. Following the establishment of the Committee, we introduced a system in which any climate change-related risks identified by the Sustainability Committee are verified and assessed by the Risk Management Committee in a manner similar to other risks, if they are determined to have a significant impact of the Company's business and performance and as a result classified as priority risks. When it is deemed necessary, these risks are subjected to a review.
- The Board of Directors receives reports on the content of discussions at the Sustainability Committee and the Risk Management Committee for the purpose of overseeing the management of climate change-related risks.

Metrics and Goals

- To date, we have worked with the Haneda Airport's stakeholders to reduce environmental impact, within the framework of the "Tokyo International Airport Eco-Airport Council" of the Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism.
- Furthermore, in order to enhance our efforts to address climate change and other social issues, we announced our Medium-term Sustainability Plan on May 11, 2023, and defined corresponding KPIs to measure our progress in addressing materiality including "Anti-climate Change Measures." As a KPI for "Anti-climate Change Measures," we have set a long-term goal of reducing Scope 1 and Scope 2* GHG emissions by 46% by 2030 compared to the 2013 levels, and achieving carbon neutrality by 2050. As a way to achieve this goal, we are considering the following concrete initiatives to reduce greenhouse gas (GHG) emissions:

Figure 3 GHG Emission Reduction Targets and Concrete Measures under Consideration



[Measures under Consideration]

Scopes 1 and 2	Energy Saving	• Switching to LED lighting • Renewal of air conditioners
	Renewable/New Energies	• Turning purchased electricity into renewable energy • Exploring the possibility of on-site power generation using renewable energy • Efficient use of heat sources • Research and study for the use of new energies
	Others	• Exploring the possibility of adopting sustainable constructions (including wooden structures and interior decoration) and ZEBs during the terminal construction work • Use of carbon credits in the future
Scope 3 (Cooperation with stakeholders)		• Understanding actual results/setting goals and roadmaps • Consider undertaking various decarbonization measures at landside and airside, together with relevant stakeholders

(Actual emissions in FY2021): 84,005t-CO_2

* Scope of targets: The volume of CO_2 emitted by the Group in the premises of Haneda Airport (excluding emissions from airport vehicles owned by the Group in the Haneda Airport)

Scope of emissions: CO_2 derived from energy consumed in-house during business operations

■ Acknowledging that the currently feasible energy-saving measures have only limited effects on the reduction of GHG emissions, we are undertaking research and review for the reduction of emissions mainly in the new energy field, including the "Study of CO_2-free Hydrogen Utilization Model in Tokyo International Airport and the Surrounding Area," an initiative selected by the New Energy and Industrial Technology Development Organization (NEDO) for its publicly solicited commission-base project titled "Hydrogen Production and Utilization Potential Study." However, in view of the uncertainties lying in the path to the achievement of carbon neutrality, we intend to consider various options of emission-reduction measures, including future innovative technologies. In the future, we will be committed to more widely sharing the aforementioned long-term goals within the Group, strengthening cooperation and collaboration with all stakeholders of Haneda Airport, and exploring measures for reducing emissions in an effective way across the airport.

■ Related Links

・ Japan Airport Terminal Group Medium-Term Sustainability Plan
https://www.tokyo-airport-bldg.co.jp/sustainability/medium_term_plan/index.html

・ Press release on the study of CO_2-free hydrogen utilization model as a NEDO project
https://www.tokyo-airport-bldg.co.jp/files/news_release/000012571.pdf

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the original shall prevail.