

## Policy for Resilience to Climate Change

### 1. Recognition of climate-related issues

Keihanshin Building recognizes the resilience of our business to climate change and climate-related issues as follows:

- (1) As set forth in the IPCC's Special Report on Global Warming of 1.5°C (2018) and other documents, the progress of climate change is a scientific fact. The progress of climate change brings about dramatic changes to the natural environment and social structure, and it is a critical issue that has an impact on the Company's overall management and business.
- (2) The progress of climate change is expected to cause climate-related disasters such as increasingly severe typhoons and heavy rains, frequent occurrences of heatwaves and droughts, and continued rise in global sea levels. These events may have a significant impact on the Company's business.
- (3) Global efforts to mitigate climate change are expected to shift toward the decarbonization of society and the economy, such as establishing mechanisms to reduce greenhouse gas (GHG) emissions and tightening regulations on emissions. These changes may have a significant impact on the Company's business.
- (4) With the recognition that the climate change problem is a systemic risk in finance, many stakeholders, including investors, are calling for the disclosure of information related to climate risks and opportunities. In particular, improving transparency by promoting the disclosure of climate-related risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), is a critical issue for the Company.
- (5) Identifying, evaluating, and managing the risks and opportunities presented by climate change, and strengthening the resilience of our business, is vital for securing sustainable and stable profits for the Company over the long-term.

### 2. Basic policy/Commitment

Based on the aforementioned recognition, we set forth the following items as our basic policy on resilience to climate change, as well as our commitment.

- (1) The Company supports international targets established under the Paris Agreement, and will continue to work toward reducing GHG emissions in order to contribute to mitigating climate change.
- (2) [Governance]

The Company has established our governance structure as follows to respond to climate

change-related risks and opportunities.

- (i) The Chief Sustainability Officer responsible for climate-related issues is the President, who has the authority to make final decisions on matters related to sustainability promotion.
- (ii) The Sustainability Executive responsible for climate-related issues is the Executive Officer responsible for the administration of matters related to sustainability promotion.
- (iii) The Sustainability Promotion Group reports regularly to the Chief Sustainability Officer responsible for climate-related issues, within the Sustainability Committee, on matters related to climate change response, such as the identification and evaluation of the impact of climate change, the management of risks and opportunities, the progress status of initiatives related to adaptation and mitigation, as well as the setting of indicators and targets. After the attendees of the Sustainability Committee deliberate on and review various agenda items, the Chief Sustainability Officer makes decisions on climate-related issues.
- (iv) The Sustainability Executive responsible for climate-related issues and the Sustainability Promotion Group report regularly to the Management Meeting and the Board of Directors on the matters related to climate change response set forth in the preceding item. Based on this, the Board of Directors oversees sustainability initiatives.

(3) **[Strategy]**

The Company has established, and appropriately implements, processes to identify, evaluate, and manage the impact of climate-related risks and opportunities on the Company's management activities, strategies, and financial plans. In identifying and evaluating climate-related risks and opportunities, we utilize scientific and academic knowledge to ensure that these processes are carried out systematically and objectively.

(4) **[Management of risks and opportunities]**

By managing climate-related risks and opportunities that have been identified and promoting initiatives to strengthen resilience, the Company aims to mitigate business risks and realize opportunities to create value, as well as to secure sustainable and stable profits over the long-term.

(5) **[Indicators and targets]**

The Company has established indicators and targets to manage climate-related risks and opportunities. For the indicators, we pay attention to consistency with the Company's strategies and comprehensive risk management. Furthermore, we disclose information on the targets we have set, including actual results achieved in relation to the targets.

- (6) The Company supports TCFD recommendations, and discloses climate-related information to our investors and other stakeholders in line with the recommended disclosure frameworks.