FUYO LEASE GROUP

Sumitomo Realty & Development Co.,Ltd.

News Release

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Fuyo General Lease Co., Ltd.
Sumitomo Realty & Development Co., Ltd.

Facilitating the Use of RE100 Compliant Electricity in a Tenant's Office Space

The first initiative in Japan to install substantial renewable energy in a leased space occupying only part of an office building, using the tenant's own solar power plant in Namie town in Fukushima, recovering from the Great East Japan Earthquake

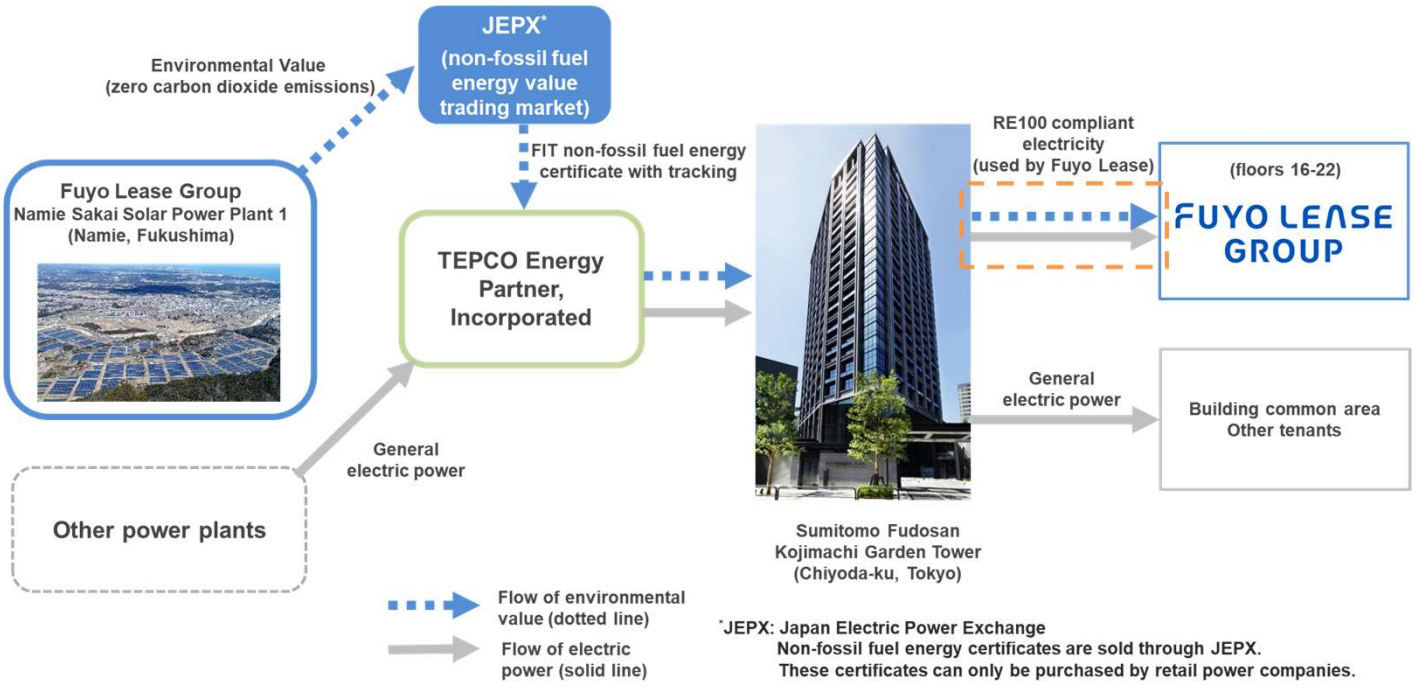
Fuyo General Lease Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President: Yasunori Tsujita; hereinafter "Fuyo Lease") and Sumitomo Realty & Development Co., Ltd. (Headquarters: Shinjuku-ku, Tokyo; President: Kojun Nishima; hereinafter "Sumitomo Realty") will introduce RE100 compliant electricity in Sumitomo Fudosan's Kojimachi Garden Tower (Chiyoda-ku, Tokyo; 22 floors) in all spaces occupied by the headquarters of the Fuyo Lease Group (floors 16–22) through a scheme associating the electric power used by the tenant with the environmental value derived from a solar power plant.

Previously, when a corporate tenant in an office building wished to use renewable energy, it had to own or rent the whole building. It was considered unfeasible for an individual tenant to use renewable energy in an office building with multiple tenants.

However, this scheme enables corporate tenants to use renewable energy by signing an agreement with tracking information that links the electric power used in their office and the environmental value, which is confirmed by a non-fossil fuel energy certificate(*) provided by the solar power plant that provides the energy.

This is the first time in Japan that a corporate tenant with the collaboration of the building owner has been able to substantially use renewable energy in a leased office space by using its own renewable energy source.

This scheme was developed jointly by the tenant, Fuyo Lease, and the building owner, Sumitomo Realty. It creates a new option for companies and organizations that are advancing decarbonization, by introducing renewable energy in each tenant-space.



In this initiative, the scheme will use a non-fossil fuel energy certificate issued by a solar power plant owned by Fuyo Lease, in Namie Town in Fukushima, Japan, which demonstrates the town's recovery ten years after the Great East Japan Earthquake. Going forward, Fuyo Lease will strengthen our collaboration with the town by seeking ways to help further advance the recovery of Namie.

[Message from Namie Town]
Namie has been utilizing renewable energy, hydrogen, and other forms of clean energy, to achieve a full recovery from the Great East Japan Earthquake. In March 2020 we declared ourselves a Zero Carbon City. We expect to increase our town's environmental value, and attract more renewable energy projects, through this new initiative to supply renewable energy produced in Namie to a corporate tenant's office space.
In addition to the utilization of renewable energy, we have also received offers to collaborate in a wide range of recovery projects, and we hope to explore partnerships in various fields in the future.

Fuyo Lease Group is a member of RE100. It has established a target of 100% renewable energy by 2050, with an intermediate target of 50% renewable energy by 2030. However, it plans to expedite its intermediate target by July 2024, six years ahead of schedule. This initiative represents a significant step forward toward achieving the target.

Sumitomo Realty Group is working to solve social issues through its business activities, under its fundamental mission of "create even better social assets for the next generation." It will continue to contribute to the creation of a carbon-free society by developing properties with high environmental standards, and further advance its initiatives on the operational side, including reducing its greenhouse gas emissions.

(*) Non-fossil fuel energy certificates
A non-fossil fuel energy certificate enables an electric power consumer to obtain environmental value through an electricity rate plan provided by its retail electric power company. This is achieved by establishing the environmental value of electric power generated with renewable energy that does not generate carbon dioxide, and realizing that value in the form of a certificate. FIT-based non-fossil fuel energy certificates are also compliant with RE100, by providing tracking information regarding the power plant (the type and location of the energy source) through the non-fossil fuel energy certificate tracking system implemented by Japan's Ministry of Economy, Trade and Industry (METI).

The initiatives related to this release contribute to the following SDGs objectives:

7. AFFORDABLE AND CLEAN ENERGY
9. INDUSTRY, INNOVATION AND INFRASTRUCTURE
13. CLIMATE ACTION



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