

[Summary] Overview of climate- and nature-related scenarios

We conducted an **integrated climate and nature scenario analysis encompassing our Group's businesses, identified material risks and opportunities based on their financial impacts, and incorporated the findings into our strategy.**

Magnitude of positive and negative financial impacts on the Company's overall business performance, strategy, and business model

High Medium Low

Society advances toward nature positive

Consistency of drivers, such as markets and policies (Affecting transition risks and opportunities)

Society's transition toward nature positive-stalls

1 1.5 °C and Nature-Positive Scenario
Climate action succeeds in achieving the 1.5 °C target, while society steadily shifts toward nature-positive practices.

	Particularly significant risks and opportunities	Medium term	Long term
Risks	- Stronger decarbonization regulations, including ZEB and ZEH - Tighter regulations on development and resource extraction for the conservation of nature	High	Medium
Opportunities	- Expansion of the renewable energy market - Rising demand for ZEB, ZEH, and other decarbonized properties - Growing demand for real estate and services that are in harmony with nature	High	High

2 3 °C and Nature Loss-Driven Accelerated Transition Scenario
Nature-related transition measures advance as the deterioration of nature, including climate change, becomes increasingly severe. Climate change measures also progress at the level assumed under the 3 °C scenario.

	Particularly significant risks and opportunities	Medium term	Long term
Risks	- Stronger decarbonization regulations, including ZEB and ZEH - Tighter regulations on development and resource extraction for the conservation of nature	Medium	Medium
Opportunities	- Expansion of the renewable energy market - Rising demand for ZEB, ZEH, and other decarbonized properties - Growing demand for real estate and services that are in harmony with nature	High	High

4 Business-as-Usual Scenario
The impacts arising from natural capital loss remain limited; thus, neither nature-related initiatives nor society's transition make any meaningful progress.

No material nature-related risks or opportunities are anticipated under this scenario; thus, it is excluded from detailed assessment

3 4 °C and Severe Nature-Loss Scenario
The impacts of climate change and loss of nature intensify dramatically but neither climate- and nature-related measures nor society's transition make progress.

Risks	Physical risks, such as natural disasters, are anticipated but their impact during the assessment period remains moderate owing to risk-based countermeasures and the diversification of the business portfolio and real estate assets
Opportunities	Business opportunities arising from the transition do not materialize

Mild

Degradation of natural capital and ecosystem services (affecting physical risks)

Severe

Strategy

**-Climate and Nature-Related
Scenario Analysis-**

Process for climate- and nature-related scenario analysis

Since FY2018, the group has conducted scenario analyses while progressively expanding the scope of businesses covered in accordance with the materiality of climate change risks and opportunities. Currently, we have recognized the close relationship between climate change and nature and conducted an integrated scenario analysis that addresses both climate- and nature-related issues.

Climate-Related Scenario Analysis (FY2018 onward)

- FY2018: As part of a support program by the Ministry of the Environment, climate change scenario analysis based on the 2- and 4-°C scenarios was conducted for the “Urban” and “Leisure” businesses.
- FY2020: The scope was expanded to include the “Urban,” “Residential,” “Leisure,” and “Renewable Energy” business sectors.
- FY2023: The IEA NZE2050 scenario (the 1.5 °C scenario) was incorporated.

Integrated Climate and Nature Scenario Analysis (current analysis)

Development of Climate- and Nature-Related Scenarios

- We considered recent developments and updated our future climate change scenarios, and, based on TNFD guidance, we established new future scenarios related to nature.
- Three integrated scenarios were established, each assuming different future changes in climate and nature, as well as different degrees of climate- and nature-related transition.

Identification of Risks and Opportunities Based on the Scenarios

- The Group Sustainability Promotion Department served as the secretariat, and a long list of climate- and nature-related risks and opportunities that could affect the business and its financial performance was prepared based on the scenarios.
- Risks and opportunities were examined using the results of the climate-scenario and nature-related LEAP analyses that were previously conducted as a foundation. During the assessment, disclosure topics contained in the ISSB industry-based guidance for Real Estate, Solar Technology and Project Developers, Wind Technology and Project Developers, Hotels and Lodging, and Leisure Facilities were considered.

Assessment of the Materiality of Risks and Opportunities Through Discussions with Business Divisions

- Following consultations with each business division, the appropriateness of the identified risk and opportunity items was confirmed, resulting in the identification of a total of 155 risks and opportunities.
- The significance of their financial impact was also evaluated through discussions with each division, leading to the identification of the most material items.

Quantitative Assessment of Financial Impacts from Risks and Opportunities

- Quantitative financial impact assessments were conducted for risks and opportunities considered sufficiently material using available internal data and external scenarios. The assumptions and calculation results were similarly reviewed through discussions with each business division.
- When assessing the financial impacts of risks and opportunities, the group conducts quantitative evaluations for items that can be measured, using the current profit structure as a baseline. The group applies certain assumptions regarding future costs and revenue fluctuations and incorporates data, such as change rates derived from external publications and internal materials, while also conducting comprehensive qualitative assessments at both the group-wide and individual-business levels.

Confirmation of Response Strategies

- Strategies for addressing the identified risks and opportunities are approved by the Sustainability Committee and subsequently reported to the Board of Directors.

Assumptions for climate- and nature-related scenario analysis

The assumptions applied in the climate- and nature-related scenario analysis are as follows.

Businesses Covered by the Scenario Analysis

Scenario analysis was conducted for the following businesses.

Segment	Businesses Covered
Urban Development Business	Office and Commercial Facilities Business / Residential Business
Strategic Investment Business	Renewable Energy Business / Industry Business
Property Management and Operations Business	Property Management Business / Wellness Business / Environmental Greening Business
Real Estate Distribution Business	Brokerage and Rental Housing Services Business

(However, the evaluation found no risk or opportunity items with significant impacts in the Property Management, Environmental Greening, or Brokerage and Rental Housing Services Businesses; thus, the disclosures of business-specific risks and opportunities for these businesses have been omitted.)

Time Horizons Assumed

For the climate change and nature-related scenario analysis, assessment of risks and opportunities, and formulation of strategies, the short-, medium-, and long-term time horizons shown on the right have been established.

Short term	1 - 2 years
Medium term	3 - 9 years
Long term	10 - 25 years

Criteria for Likelihood and Impact

Criteria used to assess the likelihood and impact of risks and opportunities are defined as follows.

[Likelihood]

High	- A high probability exists that the event will materialize - Occurs several times per year
Medium	- A certain probability exists that the event will occur or materialize - Occurs approximately once per year
Low	- The probability of occurrence or materialization is low - Occurs less than once per year

[Impact]

High	Has a significant positive or negative effect on the group's overall or relevant business performance, strategy, or business model (impact of 10% or more on operating profit)
Medium	Has a moderate positive or negative effect on the group's overall or relevant business performance, strategy, or business model (impact of 5 to 10% on operating profit)
Low	Has only a limited effect on the group's overall or relevant business performance, strategy, or business model (impact below 5% on operating profit)

Approach for Evaluation and Disclosure

The likelihood and impact of anticipated risks and opportunities are assessed for both the group as a whole and each business, and items with high ratings in both categories are selected for disclosure. Therefore, the disclosure items differ depending on the business.

Qualitative assessments are also conducted for items in which establishing assumptions for quantitatively measuring the impact is difficult.

Assumptions for climate-related scenarios

Both the transition toward a decarbonized society and increasing severity of climate change can affect the company's future businesses; thus, scenario analysis was conducted using the following three scenarios, namely, the 1.5 °C scenario, which assumes the fastest transition toward a decarbonized society; the 4 °C scenario, under which the impacts of climate change become the most severe; and the 3°C scenario, which represents an intermediate scenario combining the elements of both of the aforementioned scenarios.

*: See "Terminology and Explanations"

Scenario	Overview	Reference Scenario (Transition Scenario)	Reference Scenario (Physical Scenario)
1.5 °C Scenario	A scenario in which policies, technologies, markets, and other factors steadily advance toward a decarbonized society, in line with the international goals of the Paris Agreement, limiting the increase in the Earth's average temperature by the end of the 21st century to 1.5 °C above the pre-industrial level.	- Net Zero Emissions by 2050 (NZE) adopted in the International Energy Agency (IEA) World Energy Outlook: a scenario assuming that global net-zero CO₂ emissions are achieved by 2050, limiting the long-term increase in global average temperature to 1.5 °C. - Assumptions based on Japan's various carbon neutrality policies and plans	The following scenarios, which limit the rise in the Earth's average temperature by the end of the 21st century to approximately 1.5 °C or below 2 °C, are used as references. - Intergovernmental Panel on Climate Change (IPCC*) Fifth Assessment Report: Representative Concentration Pathways (RCP) 2.6 - IPCC Sixth Assessment Report Shared Socio-economic Pathway (SSP) 1-1.9 and SSP1-2.6
3 °C Scenario	A scenario in which countries continue reducing emissions in line with their Nationally Determined Contributions (NDCs) but fall short of achieving the 1.5 °C target, resulting in an increase in the Earth's average temperature by the end of the 21st century by approximately 2.5 to 3 °C above the pre-industrial level.	Stated Policies Scenario (STEPS) adopted in the IEA World Energy Outlook. A scenario reflecting climate-related policies that countries have already announced.	As an intermediate scenario, the following scenarios assuming an increase of approximately 3 °C in temperature are used as references. - IPCC Fifth Assessment Report RCP6.0 - IPCC Sixth Assessment Report SSP2-4.5
4 °C Scenario	A scenario in which policies, technologies, markets, and other factors continue expanding along current trends, causing an increase in the Earth's average temperature of more than 4 °C above the pre-industrial level by the end of the 21st century, thereby increasing the impacts of climate change, including natural disasters.	No transition toward decarbonization is assumed.	The following scenarios, which assume no climate policies are introduced and temperatures rise by more than 4 °C, are used as the references. - IPCC Fifth Assessment Report RCP8.5 - IPCC Sixth Assessment Report SSP5-8.5

Assumptions for nature-related scenarios

Considering nature-related risks and opportunities, the four scenarios presented in the guidance of TNFD scenario analysis were adapted to reflect the group's businesses, and scenario analysis was conducted using the three scenarios shown within the boxed area. Scenario D was excluded from detailed assessment as both nature-related physical risks and transition risks are expected to be limited.

*: See "Terminology and Explanations"

Society
advances
toward
nature
positive

Consistency of drivers, such as markets and policies
(Affecting transition risks and opportunities)

Society's
transition
toward
nature
positive
stalls

A

Nature-Positive Scenario

A scenario in which the transition toward a nature-positive society moderately controls the loss of natural capital

- In line with the GBF* and National Biodiversity Strategy, policies governing land use, resource use, pollution, and all other forms of impact are strengthened
- Demand from customers and consumers for nature-positive initiatives increases, whereas investors increasingly expect action and information disclosure
- Increase in public awareness, leading to stricter scrutiny of the negative impacts on nature and "nature washing"
- Nature-related technologies continue to advance
- The loss of nature remains moderate after including the effects of climate change

B

Nature Loss-Driven Accelerated Transition Scenario

A scenario in which the worsening impacts of the loss of natural capital drive a rapid societal transition aimed at halting further degradation

- Policies covering land use, resource use, pollution, and all other forms of impact are strengthened in line with the GBF and National Biodiversity Strategy
- Sharp rise in demand from customers and consumers for nature-positive initiatives as well as investor expectations for action and information disclosure
- Increase in public awareness, leading to stricter scrutiny of the negative impacts on nature and "nature washing"
- Nature-related technologies advance rapidly
- Severe loss of nature after including the effects of climate change

D

Business-as-Usual Scenario

A scenario in which limited impacts from the loss of natural capital result in little progress in nature-related measures or society's transition

- Nature-related issues receive lower priority than climate change, and climate change measures remain a higher priority for companies and other organizations
- The loss of nature remains moderate after including the effects of climate change

*No material nature-related risks or opportunities are anticipated under this scenario; thus, it is excluded from the scope of assessment.

C

Nature-Loss Scenario

A scenario in which the impacts of natural capital loss become severe, but no transition related to nature occurs

- Policies promoting nature-positive practices remain unchanged and do not advance
- Demand from customers and consumers for nature-positive initiatives as well as investor expectations regarding initiatives and information disclosure remains limited
- The expansion of nature-related technologies is limited
- Severe loss of nature after including the effects of climate change

Mild

Degradation of natural capital and ecosystem services (affecting physical risks)

Severe

Examination of integrated climate change and nature scenarios

- Climate change and nature are closely interconnected; thus, the group's scenario analysis considered risks and opportunities by integrating the climate- and nature-related scenarios.

Scenario	Scenario 1 1.5 °C + Nature Positive (A)	Scenario 2 3 °C + Accelerated Transition Driven by Nature Loss (B)	Scenario 3 4 °C + Severe Nature Loss (C)
Overview	- Society around the world advances toward achieving both the 1.5 °C climate target and a nature-positive future - The impacts of both climate change and loss of nature are controlled	- The impacts of the loss of nature become more severe, resulting in the development of a rapid societal transition in an effort to halt further degradation - Climate change measures also progress to a certain extent, broadly in line with the 3 °C scenario	The impacts of climate change and nature loss become increasingly severe, but neither fundamental measures nor societal transition advance for either climate or nature
Policies and Regulations	- Renewable energy becomes the dominant source in the power mix and energy supply, whereas the dependence on fossil fuels declines - Policies, such as carbon pricing and the promotion of ZEB and ZEH, are strengthened to achieve carbon neutrality - A wide range of nature-related policies covering land use, resource use, pollution, and other areas are strengthened in line with the GBF and National Biodiversity Strategy	- Policies promoting renewable energy, carbon pricing, and ZEB and ZEH progress, but to a lesser extent than those under Scenario 1 - A wide range of nature-related policies covering land use, resource use, pollution, and other areas are strengthened in line with the GBF and National Biodiversity Strategy	- Neither climate- nor nature-related policies are introduced or strengthened - The power mix and energy supply continue to depend on fossil fuels
Markets and Economy Society and Technology	- Customers, consumers, investors, and citizens place strong importance on decarbonization and nature-positive initiatives, and businesses, products, and services are evaluated on these factors - Climate- and nature-related technologies advance in accordance with the government's roadmap - Japan's real GDP remains broadly unchanged, whereas population decline continues	- Customers, consumers, investors, and citizens place strong importance on nature-positive initiatives, and businesses, products, and services are evaluated on these factors - Nature-related technologies continue to advance - Progress in climate-related technologies is more limited than that under Scenario 1 - Japan's real GDP remains broadly unchanged, whereas population decline continues	- Customers, consumers, investors, and citizens show limited interest in decarbonization and nature-positive initiatives, whereas the demand for adaptation to the impacts of climate change and loss of nature becomes stronger - Japan's real GDP remains broadly unchanged, whereas population decline continues
Climate and Nature Conditions	- Natural disasters and extreme weather caused by climate change continue to occur, but their impacts remain lower than those under the 3 and 4 °C warming scenarios - Nature and ecosystem services, including water resource supply and disaster mitigation, are maintained	- The impacts of climate change, including natural disasters and extreme weather, are less severe than those under the 4 °C scenario, but they remain serious - Loss of nature and ecosystem services, including water resource supply and disaster mitigation, is also severe	- Climate change causes the most severe impacts, including more frequent flooding and increasingly intense typhoons, together with other natural disasters and extreme weather events - Loss of nature and ecosystem services, including water resource supply and disaster mitigation, is also severe

Particularly important risks and opportunities across the group

The following were identified, based on the scenario analysis, as the most important risks and opportunities for the group as a whole, together with their impacts on the group.

Magnitude of positive and negative financial impacts on the Company's overall business performance, strategy, and business model

High

Medium

Low

Society advances toward nature positive

Consistency of drivers, such as markets and policies (Affecting transition risks and opportunities)

Society's transition toward nature positive-stalls

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Opportunities	- Expansion of the renewable energy market - Rising demand for ZEB, ZEH, and other decarbonized properties - Growing demand for real estate and services that are in harmony with nature	High	High

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Risks	Physical risks, such as natural disasters, are anticipated but their impact during the assessment period remains moderate owing to risk-based countermeasures and the diversification of the business portfolio and real estate assets
Opportunities	Business opportunities arising from the transition do not materialize

Mild

Degradation of natural capital and ecosystem services (affecting physical risks)

Severe

Particularly important risks across the group

- The following were identified based on the scenario analysis as the most significant risks for the group as a whole, together with their impacts on the group.
(Please refer to p.155 for an overview of the quantitative assessment methodology used for group-wide and business-specific risks and opportunities.)

Classification	Risk components	Impact on the Business Model and Value Chain	Areas Where the Risk Is Concentrated	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact		
									Short term	Medium term	Long term
Transition Risk	- Higher costs resulting from stricter ZEB and ZEH regulations, tighter energy efficiency standards, stronger building lifecycle emissions reduction requirements, and higher carbon pricing - Declining rents and higher vacancy rates for non-ZEB buildings owing to growing tenant and customer demand for ZEB properties	- Under Scenario 1, tighter ZEB and ZEH standards, together with stronger future emission reduction regulations, including carbon pricing, may increase costs during the construction and renovation of office buildings, commercial facilities, residential properties, and logistics facilities, as well as during the operation of hotels and leisure facilities. - Similarly, future changes in tenant demand regarding the decarbonization performance of buildings may reduce the rents for non-ZEB properties, increase vacancy rates, and consequently lower profits. - Under Scenario 2, these impacts are more moderate, whereas under Scenario 3, they are limited.	- Among the group's assets, the costs associated with achieving ZEB standards are large and concentrated particularly in office buildings and commercial facilities. The additional costs resulting from carbon pricing are concentrated during the construction phase of each facility. - Most of the group's assets are located in Japan; thus, changes in Japan's climate-related policies and market trends may affect the entire portfolio.	●		Medium term onward	High	①	—	High	Medium
								②	—	Medium	Medium
								③	—	—	—
	Stronger regulations on land modification for new developments and resource extraction for nature conservation	- Under Scenarios 1 and 2, stricter future regulations on land modification and development during the development and construction stages may hinder land acquisition, reducing business opportunities and lowering the demand for new development. - Similarly, stronger future nature-related regulations affecting the procurement of minerals and materials, such as iron, aluminum, cement, and timber, may increase the construction costs for office buildings, commercial facilities, and residential properties. - Under Scenario 3, these risks are not anticipated.	Transition risks relating to stricter regulations on land modification may be particularly concentrated in renewable energy and logistics facilities, which may require large areas of land. Most of the group's assets are located in Japan; thus, changes in Japan's nature-related policies may affect the entire portfolio.		●	Medium term onward	Medium	①	—	High	High
								②	—	High	High
								③	—	—	—

*: The magnitude of financial impacts represents the estimated effects of future profit calculated under each scenario to evaluate the risks and opportunities, and should not be interpreted as a forecast of future business performance.

Particularly important opportunities across the group

- The following were identified based on the scenario analysis as the most significant opportunities for the group as a whole, together with their impacts on the group.

Classification	Opportunity components	Impact on the Business Model and Value Chain	Areas Where the Opportunity Is Concentrated	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact*		
									Short term	Medium term	Long term
Opportunities	☐ Increased revenue resulting from the expansion of the renewable energy market	The company's renewable energy business results have already grown as the market for renewable energy grows in support of decarbonization. Under Scenarios 1 and 2, further market expansion in the future may increase the profits from this business, whereas under Scenario 3, opportunities for market growth are expected to be limited.	- Opportunities may arise in the renewable energy business. - Most of the group's assets are located in Japan; thus, stronger renewable energy promotion policies in Japan may create business opportunities.	●		Short term onward	High	①	Low	High	High
								②	Low	High	High
								③	—	—	—
	☐ Higher rents, lower vacancy rates, and increased sales prices driven by growing tenant and customer demand for ZEB, ZEH, and properties with superior decarbonization performance	- Under Scenario 1, future changes in customer demand for buildings with strong decarbonization performance may increase profits through higher rents, lower vacancy rates, and higher sales prices for office buildings, commercial facilities, residential properties, and logistics facilities. - Under Scenario 2, these opportunities are expected to be more moderate, whereas under Scenario 3, they are limited.	Most of the group's assets are located in Japan; thus, stronger climate-related policies and changes in market trends in Japan may improve the performance of the group's overall portfolio.	●		Medium term onward	High	①	—	High	Medium
								②	—	Medium	Medium
								③	—	—	—
	☐ Increased revenue resulting from the growing demand for real estate and services that are in harmony with nature	- Under Scenarios 1 and 2, facilities and services that generate positive impacts on nature may achieve higher profits in the future through higher rents, lower vacancy rates, higher sales prices, and higher service fees. - Under Scenario 3, these opportunities are limited.	Most of the group's assets are located in Japan; thus, changes in the market demand for nature-positive initiatives in Japan may improve the performance of the group's overall portfolio.		●	Medium term onward	Medium	①	—	Low	High
								②	—	Low	High
								③	—	—	—

*: The magnitude of financial impacts represents estimated future profit impacts calculated under each scenario for the purpose of evaluating risks and opportunities and should not be interpreted as a forecast of future business performance.

Responses to particularly important climate- and nature-related risks and opportunities

- The Group addresses the particularly important risks and opportunities as follows.
- Progress on these measures and targets, as well as the acquisition of necessary resources, is explained under “Metrics and Targets” and “Transition Plan Toward a Decarbonized Society.”

Risk / opportunity components	Response to the Risk or Opportunity
□ Increased costs resulting from stricter ZEB and ZEH regulations, tighter energy efficiency standards, stronger building lifecycle emission reduction requirements, and higher carbon pricing (Risk) □ Effects on rents, vacancy rates, and sales prices resulting from growing tenant and customer demand for ZEB and ZEH (Risk / Opportunity)	● As described on the following page, the group has long been committed to improving the energy efficiency of buildings and promoting ZEB and ZEH. We are working together with partner companies to continue advancing initiatives that reduce environmental impacts while maintaining construction costs. We also differentiate our office buildings, commercial facilities, and logistics facilities by utilizing the renewable energy generated through our own businesses. ● We address the impact of carbon pricing during the operational stage by promoting decarbonization through the introduction of internal carbon pricing, while accelerating the early adoption of renewable electricity at owned and operated facilities, as described on the following page. During the construction stage, we work together with general contractors to reduce CO₂ emissions generated during construction. ● Reducing GHG emissions during building operation (operational carbon) through ZEB and ZEH initiatives may create a trade-off by increasing the GHG emissions associated with construction, building materials, and demolition waste (embodied carbon); thus, we pursue these initiatives while ensuring that the total lifecycle GHG emissions do not increase.
□ Stronger regulations governing land modification for new developments and resource extraction for nature conservation (Risk)	● We address potential resource shortages and rising prices resulting from stricter regulations by reducing resource consumption and waste through adaptive reuse and renovation projects. ● We address reduced availability of timber resulting from tighter regulations by collaborating with general contractors to promote sustainable procurement that avoids the destruction of nature, including forest conservation initiatives and the use of certified timber.
□ Increased revenue resulting from the expansion of the renewable energy market (Opportunity)	● Tokyu Land Corp. entered the renewable energy business in 2014 in response to the government's renewable energy promotion policies and views the expansion of its renewable energy business “ReENE” as a climate-related opportunity and continues to invest actively. The company develops and operates solar and wind power generation projects, and its business has grown to one of the largest in Japan. ● The group has recognized that expanding renewable energy to address climate change may create trade-offs that negatively affect local communities and the surrounding natural environment and is protecting the natural environment through appropriate environmental impact assessments, while also contributing to local communities by holding resident information sessions and promoting community development activities. ● For example, in Matsumae Town, Hokkaido, the group conducted an “Agreement on Wind Power and Community Development” program. The group has established collaborations among the public sector, private sector, and local community to support environmental education programs, establish “TENOA Matsumae” as a community interaction space, and promote the local production and consumption of renewable energy to help address issues facing Matsumae Town.
□ Increased revenue resulting from the growing demand for real estate and services that are in harmony with nature (Opportunity)	● The group has long been engaged in initiatives, such as biodiversity-conscious urban greening and resort development, that coexist with nature. Going forward, we will continue promoting biodiversity-conscious greening in office buildings, commercial facilities, and residential properties, while advancing nature conservation through resort development and operations, and strengthening earnings by creating added value as an “environmental premium.”

Impact of climate change risks and opportunities on business strategy

Climate	Governance	Strategy
Nature	Risk and Impact Management	Metrics and Targets

In response to climate change risks and opportunities, we incorporate the below considerations in our **business strategy**.

Classification	Impact and response
Products and Services	To address climate change risks and opportunities, the group has long worked to improve the energy efficiency of buildings as a mitigation measure and strengthen BCP* at operating facilities and for-sale housing as an adaptation measure. The long-term vision established in 2021 further promotes ZEB/ZEH. Tokyu Land Corp. achieved 100% in FY2024 with respect to its KPI of raising the adoption rate to 100% by FY2030, with the adoption rate defined as the percentage of for-sale condominiums and operating facilities, based on construction starts, that meet ZEB/ZEH-oriented or higher building performance standards. Group companies, including Tokyu Livable, Inc., are also advancing the standardization of ZEH. Tokyu Land Corp. and ReENE Energy Inc. also aim to expand and promote the renewable energy business “ReENE.”
Supply and Value Chains	Upstream, the “Sustainable Procurement Policy” established in 2020 identified climate change as a major issue, and the group began examining ways to reduce carbon emissions from building construction processes in collaboration with general contractors. Downstream, the group promotes GX-ZEH for for-sale housing, ZEH for rental housing, and the introduction of renewable electricity.
Research and Development Investment	Tokyu Community Corp., constructed a technical training center that became the first office building in Tokyo to obtain “Nearly” ZEB certification and has also developed a service that proposes ways to achieve ZEB through repair plans. In addition to new buildings, Tokyu Land Corp. is verifying the ZEB conversion for existing office buildings, reductions in air-conditioning costs through rooftop sweet potato greening, and heat mitigation measures in outdoor urban spaces. It also actively conducts demonstrations of agrivoltaic solar sharing in its renewable energy business.
Facility Operations	Tokyu Fudosan Corp., declared its commitment to “RE100*” in 2019, aiming to use 100% renewable electricity by 2050 through the utilization of renewable electricity generated by its own businesses. In December 2022, it completed the transition to 100% renewable electricity at all its 244 facilities in Japan, and in April 2024, it became the first domestic operating company to receive the RE100 certification. The group’s companies are also working to ensure the use of renewable energy in their business locations, with Tokyu Livable, Inc. and Tokyu Housing Lease Corp., among others, working toward the use of 100% renewable electricity at all locations in Japan.

*: See “Terminology and Explanations”

Impact of climate change risks and opportunities on financial planning

Climate	Governance	Strategy
Nature	Risk and Impact Management	Metrics and Targets

We address the climate change risks and opportunities through **financial planning** as follows.

Classification	Impact and response
Indirect Costs	Tokyu Fudosan Corp. used the results of scenario analysis as a basis to simulate the maximum achievable reduction in CO ₂ emissions at existing operating facilities through medium- and long-term energy-efficiency renovations and operational improvements. The simulation showed that to achieve CO ₂ emission reductions at the SBT level, the company must begin purchasing renewable electricity promptly and progressively increase the amount of emissions reduced. Therefore, the company accelerated the introduction of renewable electricity at its operating facilities by using electricity generated through its own renewable energy business and achieved RE100 in FY2023. The group's companies are also working to ensure the use of renewable energy at their business locations, including Tokyu Livable, Inc., which is working toward the use of 100% renewable electricity at all locations in Japan.
Capital Allocation	Tokyu Fudosan Corp. entered the renewable energy business in 2014 in response to the government's renewable energy promotion measures. Following the results of the scenario analysis conducted since FY2018, the company identified the expansion of the renewable energy business as a climate change-related opportunity and has invested actively in this endeavor . It develops and operates solar and wind power plants and has built one of the largest businesses of its kind in Japan . It has also standardized ZEB-level performance for newly constructed office buildings and commercial facilities and is converting existing facilities to ZEB through renovation. It is also actively introducing on-site renewable energy facilities and storage batteries.
Liabilities	Based on the scenario analysis, we issued 10 billion yen in green bonds in FY2019 to urge investors to participate in our environmental initiatives. In FY2021, we formulated the "WE ARE GREEN" Bond Policy, the first policy for long-term issuance of ESG bonds in Japan , and aim to increase the ESG bond ratio to ≥50% by the end of FY2025 and ≥70% by the end of FY2030.
Assets	To manage its business portfolio under the long-term vision, the group uses environmental impact as one of its evaluation criteria and is promoting the conversion of operating facilities to ZEB and active development of renewable energy power plants.

Resilience to climate- and nature-related risks and opportunities

Climate	Governance	Strategy
Nature	Risk and Impact Management	Metrics and Targets

- As described earlier, the group has established strategic responses and secured the resources required to reduce particularly significant climate- and nature-related risks and maximize opportunities, thereby concluding that it possesses resilience to climate- and nature-related risks and opportunities.
- The future remains subject to the uncertainties described below; thus, the scenario analysis incorporated uncertainty to the greatest extent possible by drawing on scenarios published by international organizations, government roadmaps, and other sources. The group will continue reviewing its assessments in response to changes in social trends.

Risk / opportunity components	Uncertainties Considered	Method Used to Account for Uncertainty
▣ Increased costs resulting from stricter ZEB and ZEH regulations, tighter energy efficiency standards, stronger building lifecycle emission reduction requirements, and higher carbon pricing (Risk) ▣ Effects on the rents, vacancy rates, and sales prices resulting from growing tenant and customer demand for ZEB and ZEH (Risk / Opportunity)	▣ Carbon price levels ▣ Degree of change in the market demand for ZEB and ZEH	● The group established 1.5 and 3 °C scenarios with different levels of decarbonization and changed assumptions for parameters, such as carbon price levels, rent premiums for ZEB and ZEH, and vacancy rates under each scenario. It subsequently assessed the impacts of risks and opportunities by quantitatively estimating the financial impacts across multiple scenarios.
▣ Increased revenue resulting from the expansion of the renewable energy market (Opportunity)	▣ Pace of the expansion of the renewable energy market, renewable energy price levels, and other factors	● The group established 1.5 and 3 °C scenarios with different levels of decarbonization. It used IEA scenario data, Japan's Strategic Energy Plan, and other policies as a basis to set multiple patterns for assumptions, such as the growth rates and unit prices of renewable energy, estimated a range of financial impacts, and assessed their magnitude.
▣ Stronger regulations governing land modification for new developments and resource extraction for nature conservation (Risk)	▣ Details and strictness of regulations governing land modification and new development ▣ Degree of change in resource prices	● For certain resource prices, including timber, the group used international scenario data to conduct quantitative estimates incorporating future price fluctuations. The group conducted qualitative assessments on the assumption that uncertainty remained where sufficient quantitative data were unavailable.
▣ Increased revenue resulting from the growing demand for real estate and services that are in harmony with nature (Opportunity)	▣ Degree of change in the market demand for real estate and services that are in harmony with nature	● The group used data from external expert organizations and other sources as a basis for establishing multiple assumptions regarding premiums for real estate and services that are in harmony with nature and assessed the magnitude of their impacts.

Important climate- and nature-related risks and opportunities (Office Buildings and Commercial Facilities) (1)

- The table below presents the key climate- and nature-related risks and opportunities identified based on the scenarios.
- Under Scenarios 1 and 2, transition impacts may become significant, including the risk of higher costs from tighter emission reduction policies involving ZEB regulations, lifecycle carbon, and carbon pricing, the cost of complying with greening regulations aimed at nature-positive initiatives, and risks and opportunities arising from changes in tenant demand for decarbonization and nature-positive performance.
- Under Scenario 3, no transition risks or opportunities are anticipated, but physical risks and opportunities may arise from factors such as changing tenant needs regarding disaster preparedness and BCP.
- However, uncertainty remains regarding the stringency of future regulations, changes in tenant needs, and extent of technological development in society regarding the environmental performance of buildings and low-carbon construction materials.

Classification			Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
										Short term	Medium term	Long term	
Transition	Risks	Policies and Regulations Market	Tighter building energy-efficiency and ZEB standards / Lower demand for non-ZEB, uncertified, and non-renewable-energy properties	- Higher costs for new construction and renovation - Lower revenue owing to changes in rents and vacancy rates - Costs incurred to comply with lifecycle carbon calculation requirements - Higher costs for reducing emissions, including the use of low-carbon construction materials	●		Medium term onward	High	①	—	High	Low	- Conversion of new buildings to ZEB, promotion of equipment upgrades at existing operating facilities, differentiation of properties through the early introduction of renewable electricity, and acquisition of environmental certifications - Reduction of CO₂ emissions through the construction stage in collaboration with general contractors - Reduction of the impact of carbon pricing by promoting decarbonization through the introduction of internal carbon pricing
			Introduction of carbon pricing / Introduction of a lifecycle carbon calculation system						②	—	High	High	
									③	—	—	—	
		Policies and Regulations	Tighter regulations requiring higher greening ratios	Lower revenue owing to a reduction in the effective usable area of land		●	Medium term onward	High	①	—	Low	Medium	Utilization of mechanisms, such as floor-area-ratio relaxations and incorporation of rooftop and wall greening
									②	—	Low	Medium	
									③	—	—	—	

Important climate- and nature-related risks and opportunities (Office Buildings and Commercial Facilities) (2)

Climate

Nature

Governance

Risk and Impact
Management

Strategy

Metrics and
Targets

Classification			Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
										Short term	Medium term	Long term	
Transition	Opportunities	Market Products and Services	Increased demand for ZEB, certified, and renewable-energy properties	❑ Higher revenue through increased rents and lower vacancy rates	●	Medium term onward	High	①	—	High	Low	❑ Conversion of new buildings to ZEB, promotion of equipment upgrades at existing operating facilities, differentiation of properties through the early introduction of renewable electricity, and acquisition of environmental certifications	
								②	—	Medium	High		
								③	—	—	—		
			Growing demand for office buildings and commercial facilities that are in harmony with nature	❑ Higher revenue through increased rents and lower vacancy rates		Medium term onward	Medium	①	—	Medium	High	❑ Promotion of biodiversity-conscious urban greening, initiatives, such as the formation of ecological networks*, and the acquisition of environmental certifications	
								②	—	Medium	High		
								③	—	—	—		
		Capital Flows Financing	Stronger policy support for the quantity and quality of green spaces during development	❑ Receipt of policy incentives		Medium term onward	High	①	—	Low	Medium	❑ Promotion of biodiversity-conscious greening initiatives	
								②	—	Low	Medium		
								③	—	—	—		
			Reputation	Improved reputation through contributions to urban decarbonization and urban development in harmony with nature	❑ Higher corporate value, stronger brand power, and increased area value	●	Medium term onward	High	①	—	Medium	Medium	❑ Conversion of new buildings to ZEB and ZEH, promotion of equipment upgrades at existing operating facilities, and differentiation of properties through the early introduction of renewable electricity ❑ Promotion of biodiversity-conscious greening
									②	—	Medium	Medium	
									③	—	—	—	
Physical	Risks	Acute	Lower demand for buildings owing to delays in addressing disaster risks	❑ Lower revenue owing to changes in rents and vacancy rates	●	Medium term onward	High	①	—	Low	Low	❑ Consideration of disaster risks when selecting locations ❑ Strengthening of BCP through tenant collaboration and the development of facilities with superior disaster-prevention measures and BCP	
								②	—	Low	Low		
								③	—	Low	Medium		
	Opportunities	Market Products and Services	Increased demand for buildings specifically selected by considering disaster risks, and properties with strong BCP and disaster-prevention performance	❑ Higher revenue owing to changes in rents and vacancy rates	●	Medium term onward	High	①	—	Low	Low	❑ Consideration of disaster risks when selecting locations ❑ Strengthening of BCP through tenant collaboration and the development of facilities with superior disaster-prevention measures and BCP	
								②	—	Low	Low		
								③	—	Low	Medium		

*: See "Terminology and Explanation"

Important climate- and nature-related risks and opportunities (Residential) (1)

Climate

Nature

Governance

Risk and Impact
Management

Strategy

Metrics and
Targets

- The table below presents the key climate- and nature-related risks and opportunities identified based on the scenarios.
- Under Scenarios 1 and 2, the impacts may become significant from transition risks, such as tighter emission reduction policies involving ZEH regulations, lifecycle carbon, and carbon pricing, as well as fluctuations in resource prices associated with nature-positive initiatives. Other potentially significant impacts include the risks and opportunities arising from the changes in customer demand for decarbonization and nature-positive initiatives, expansion of the renovation business, and opportunities created by the growing demand for housing that is in harmony with nature through features, such as greening.
- Under Scenario 3, no transition risks or opportunities are anticipated but physical risks and opportunities may arise from factors, such as changes in customer demand for disaster-prevention performance and Life Continuity Plans* (LCPs).
- However, uncertainty remains regarding the stringency of future regulations, changes in the housing market, and extent of technological development in society regarding the environmental performance of buildings and low-carbon construction materials.

Classification			Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
										Short term	Medium term	Long term	
Transition	Risks	Policies and Regulations Market	Tighter energy-efficiency and ZEH regulations / Lower demand for properties that do not support ZEH, energy generation, energy efficiency, or renewable energy Introduction of carbon pricing / Introduction of a lifecycle carbon calculation system	Higher costs for new construction and renovation Lower revenue owing to price fluctuations Costs incurred to comply with lifecycle carbon calculation requirements Higher costs for reducing emissions, including the use of low-carbon construction materials	●	Medium term onward	High	①	—	Medium	High	Promotion of ZEH and differentiation of properties through the early introduction of renewable electricity Reduction of CO₂ emissions through the construction stage in collaboration with general contractors Reduction of the impact of carbon pricing by promoting decarbonization through the introduction of internal carbon pricing	
								②	—	Low	Medium		
								③	—	—	—		
		Policies and Regulations	Tighter regulations on land modification and resource extraction for new developments Lower demand for new construction owing to the increased renovation demand for nature conservation	Higher procurement costs caused by shortages in construction materials Lower demand for new construction	●	Medium term onward	Medium	①	—	Medium	High	Improvements in the efficiency of resource use during construction in collaboration with general contractors Expansion of the renovation business in response to the demand Promotion of sustainable procurement	
								②	—	Medium	High		
								③	—	—	—		
		Market	Higher prices caused by tight supply and demand for certified timber	Higher procurement costs	●	Medium term onward	High	①	—	Low	Medium	Improvements in the efficiency of resource use during construction in collaboration with general contractors Promotion of sustainable procurement	
								②	—	Low	Medium		
								③	—	—	—		

*: See "Terminology and Explanations"

Important climate- and nature-related risks and opportunities (Residential) (1)

Climate

Nature

Governance

Risk and Impact
Management

Strategy

Metrics and
Targets

Classification			Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
										Short term	Medium term	Long term	
Transition	Opportunities	Market Products and Services	Growing demand for ZEH, energy-generating, energy-efficient, and renewable energy properties / Provision of energy management services	☐ Higher revenue through increased sales prices and similar factors ☐ Higher revenue from providing energy management services	●		Medium term onward	High	①	—	High	High	☐ Promotion of ZEH and differentiation of properties through the early introduction of renewable electricity ☐ Provision of energy management services
									②	—	—	High	
									③	—	—	—	
			Growing demand for resource conservation to protect nature	☐ Expansion of the renovation business		●	Medium term onward	Medium	①	—	High	High	☐ Improvements in the efficiency of resource use during construction in collaboration with general contractors ☐ Expansion of the renovation business in response to the demand
									②	—	High	High	
									③	—	—	—	
			Stronger competitiveness resulting from the growing demand for housing that is in harmony with nature and greening regulations	☐ Higher revenue through increased sales prices and similar factors		●	Medium term onward	Medium	①	—	Medium	High	☐ Promotion of the GREEN AGENDA (Landscape Management Plan), including biodiversity-conscious greening
									②	—	Medium	High	
									③	—	—	—	
Physical	Risks	Acute	Reduced competitiveness of housing owing to delays in responding to disaster risks	☐ Lower revenue resulting from reduced sales prices and similar factors	●	●	Medium term onward	High	①	—	Medium	High	☐ Consideration of disaster risks when selecting locations ☐ Development of housing with superior disaster-prevention measures and LCPs
									②	—	Medium	High	
									③	—	Medium	High	
		Chronic	Reduced competitiveness of housing owing to delays in responding to rising temperatures	☐ Lower revenue resulting from reduced sales prices and similar factors	●	●	Medium term onward	High	①	—	Low	Medium	☐ Differentiation of properties by promoting ZEH
									②	—	Medium	High	
									③	—	Medium	High	
	Opportunities	Market Products and Services	Increased demand for homes specifically selected by considering disaster risks and buildings with strong LCPs* and disaster-prevention performance	☐ Higher revenue through increased sales prices and similar factors	●	●	Medium term onward	High	①	—	Medium	High	☐ Consideration of disaster risks when selecting locations ☐ Development of housing with superior disaster-prevention measures and LCPs
									②	—	Medium	High	
									③	—	Medium	High	
			Growing demand for high-performance housing designed to address rising temperatures	☐ Higher revenue through increased sales prices and similar factors	●	●	Medium term onward	High	①	—	Low	Medium	☐ Differentiation of properties by promoting ZEH
									②	—	Medium	High	
									③	—	Medium	High	

Important climate- and nature-related risks and opportunities (Renewable Energy)

- The table below presents the key climate- and nature-related risks and opportunities identified based on the scenarios.
- Under Scenarios 1 and 2, opportunities arising from the expansion of the renewable energy market may increase significantly, business risks resulting from regulatory changes are also anticipated.
- Under Scenario 3, impacts, such as lower power generation efficiency caused by rising temperatures and restrictions on outdoor work, may occur.
- However, uncertainty remains regarding the future market expansion, content and stringency of regulations, and extent of the impacts of climate change.

Classification				Risk or Opportunity		Impact on the Business		Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
													Short term	Medium term	Long term	
Transition	Risks	Policies and Regulations	Regulatory revisions and tighter requirements / Increased output curtailment	☐ Higher compliance costs ☐ Revenue fluctuations resulting from output curtailment		●				Short term onward	High	①	Low	Medium	High	☐ Monitoring of policy developments and international rules ☐ Engagement with the government and industry associations ☐ Engagement with local communities and promotion of solutions to local issues
												②	Low	Low	Medium	
												③	—	—	—	
		Market	Stronger land development regulations for new projects, expansion of protected areas, and stricter environmental impact assessments and permitting requirements More advanced consensus-building with local communities	☐ Reduced business opportunities owing to greater difficulty in securing land ☐ Higher costs associated with environmental impact assessments and obtaining permits		●				Medium term onward	Medium	①	—	High	High	
												②	—	High	High	
												③	—	—	—	
	Opportunities	Market	Shortages of maintenance personnel, rising labor costs, and a lack of suitable sites resulting from the increase in renewable energy facilities	☐ Higher maintenance and operating costs ☐ Increased land acquisition and equipment installation costs		●				Short term onward	High	①	Low	Low	Medium	☐ Diversification of installation sites, including rooftop installations and agrivoltaic solar sharing ☐ Utilization of technologies, such as drone monitoring
												②	Low	Low	Low	
												③	—	—	—	
		Market Products and Services Reputation	Expansion of the renewable energy market / Lower equipment and operating costs and improved power-generation efficiency	☐ Higher revenue ☐ Enhanced reputation and corporate value through contributions to the wider adoption of renewable energy		●				Short term onward	High	①	High	High	High	☐ Expansion of businesses in response to market demand ☐ Expansion of businesses by fostering coexistence with local communities through engagement with residents
												②	High	High	High	
												③	—	—	—	
Physical	Risks	Chronic	Higher temperatures affecting solar panels / Restrictions on outdoor work caused by heatwaves	☐ Lower revenue owing to reduced power generation ☐ Higher costs resulting from longer equipment installation and maintenance periods		●	●			Short term onward	High	①	Low	Low	Low	☐ Introduction of equipment with greater heat resistance and consideration of temperature conditions when selecting sites
												②	Low	Low	Medium	
												③	Low	Low	Medium	

Important climate- and nature-related risks and opportunities (Logistics Facilities)

- The table below presents the key climate- and nature-related risks and opportunities identified based on the scenarios.
- Under Scenarios 1 and 2, transition risks may arise, including higher development costs associated with the reduction of GHG emissions and stricter land development regulations aimed at nature-positive initiatives. Opportunities may also be created by changing the customer demand for decarbonization.
- Under Scenario 3, risks and opportunities may emerge as customer needs change in response to more frequent natural disasters and rising temperatures.
- However, uncertainty remains regarding the future stringency of regulations and extent of market changes.

Classification		Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
									Short term	Medium term	Long term	
Transition	Risks	Policies and Regulations Technology	☐ Tighter energy-efficiency standards / Greater need to develop buildings with superior energy efficiency and insulation performance	●		Medium term onward	High	①	—	Medium	High	☐ Compliance with the highest energy-efficiency standards and differentiation and strengthening of branding through the early introduction of renewable electricity
								②	—	Low	Medium	
								③	—	—	—	
	Opportunities	Policies and Regulations	☐ Stronger land-development regulations for new projects and the expansion of designated protected areas		●	Medium term onward	Medium	①	—	Medium	High	☐ Reuse of previously developed land
								②	—	Medium	High	
								③	—	—	—	
Physical	Risks	Acute Market Products and Services	☐ Declining competitiveness of logistics facilities with inadequate BCP measures as weather-related disasters become more severe	●	●	Medium term onward	High	①	—	Low	Low	☐ Consideration of disaster risks when selecting locations ☐ Development of logistics facilities with superior disaster-prevention measures and BCP
								②	—	Low	Low	
								③	—	Low	Medium	
	Opportunities	Market Products and Services	☐ Growing demand for logistics facilities with superior GHG emission-reduction performance, including renewable energy adoption and improved logistics efficiency through DX	●		Medium term onward	High	①	—	Medium	Medium	☐ Compliance with the highest energy-efficiency standards and differentiation and strengthening of branding through the early introduction of renewable electricity
								②	—	Low	Low	
								③	—	—	—	
		Market Products and Services	☐ Growing demand for logistics facilities with comprehensive BCP measures as weather-related disasters become more severe	●	●	Medium term onward	High	①	—	Low	Low	☐ Consideration of disaster risks when selecting locations ☐ Development of logistics facilities with superior disaster-prevention measures and BCP
								②	—	Low	Low	
								③	—	Low	Medium	
			☐ Growing demand for refrigerated and frozen warehouse businesses owing to rising temperatures / Growing demand for logistics facilities and warehouses driven by the expansion of e-commerce	●		Short term onward	High	①	Low	Low	Medium	
								②	Low	Low	Medium	
								③	Low	Medium	Medium	

Important climate- and nature-related risks and opportunities (Wellness)

- The table below presents the key climate- and nature-related risks and opportunities identified based on the scenarios.
- Under Scenarios 1 and 2, transition risks may arise, including higher costs associated with the reduction of GHG emissions and stricter resource circulation regulations aimed at nature-positive initiatives, together with opportunities created by changing the customer demand for decarbonization and nature-positive practices.
- Under Scenario 3, physical risks and opportunities may arise from the impacts of climate change, including changes in snowfall at ski resorts and declining attractiveness of resort destinations.
- However, uncertainty remains regarding the future stringency of regulations, changes in customer demand, and severity of the impacts of climate change.

Classification			Risk or Opportunity	Impact on the Business	Climate	Nature	Time Horizon	Likelihood	Scenario	Financial Impact			Response Strategy
										Short term	Medium term	Long term	
Transition	Risks	Policies and Regulations	Tighter building energy-efficiency standards and ZEB/ZEH standards / Increasing need to reduce GHG emissions / Introduction of carbon pricing	☐ Higher costs for new construction, equipment upgrades, and energy transition ☐ Higher procurement costs for heavy oil and similar fuels owing to carbon pricing	●		Medium term onward	High	①	—	Low	High	☐ Early introduction of renewable electricity ☐ Reduction of the impact of carbon pricing by promoting decarbonization through the introduction of internal carbon pricing ☐ Acquisition of environmental certifications for buildings
									②	—	Low	High	
									③	—	—	—	
	Opportunities	Market Products and Services Reputation	Stronger regulations on waste and resource circulation	☐ Higher costs associated with waste reduction, reuse, and recycling	●	●	Medium term onward	High	①	—	Low	Medium	☐ Switching to alternative materials and improving the efficiency of resource use ☐ Promotion of resource circulation initiatives involving customers ☐ Acquisition of environmental certifications for buildings
									②	—	Low	Medium	
									③	—	—	—	
Physical	Risks	Chronic	Impact on ski resorts resulting from fewer snowfall days and lower snowfall volumes	☐ Lower revenue owing to shorter operating periods for ski resorts ☐ Higher costs from the introduction of artificial snowmaking equipment	●	●	Long term onward	High	①	—	—	Low	☐ Increased off-season use of facilities ☐ Concentration of investment in ski resorts located in areas with abundant snowfall
									②	—	—	Medium	
									③	—	—	High	
			Loss of seasonal scenery and naturally attractive tourism environments caused by rising air and sea temperatures	☐ Lower revenue owing to the declining attractiveness of resort destinations	●	●	Medium term onward	High	①	—	—	Low	☐ Diversification of risk by operating facilities across multiple regions
									②	—	Low	Medium	
									③	—	Low	Medium	
	Opportunities	Market Products and Services	Strengthening the competitiveness of ski resorts equipped with snowmaking systems	☐ Higher revenue through enhanced competitiveness	●	●	Short term onward	High	①	Low	Low	Low	☐ Increased off-season use of facilities ☐ Concentration of investment in ski resorts located in areas with abundant snowfall
									②	Low	Low	Low	
									③	Low	Low	Medium	