

## Tokyo Cap-and-Trade Program

### Significant Emission Reductions Continue at Covered Facilities in the Fourth Fiscal Year of the Third Compliance Period

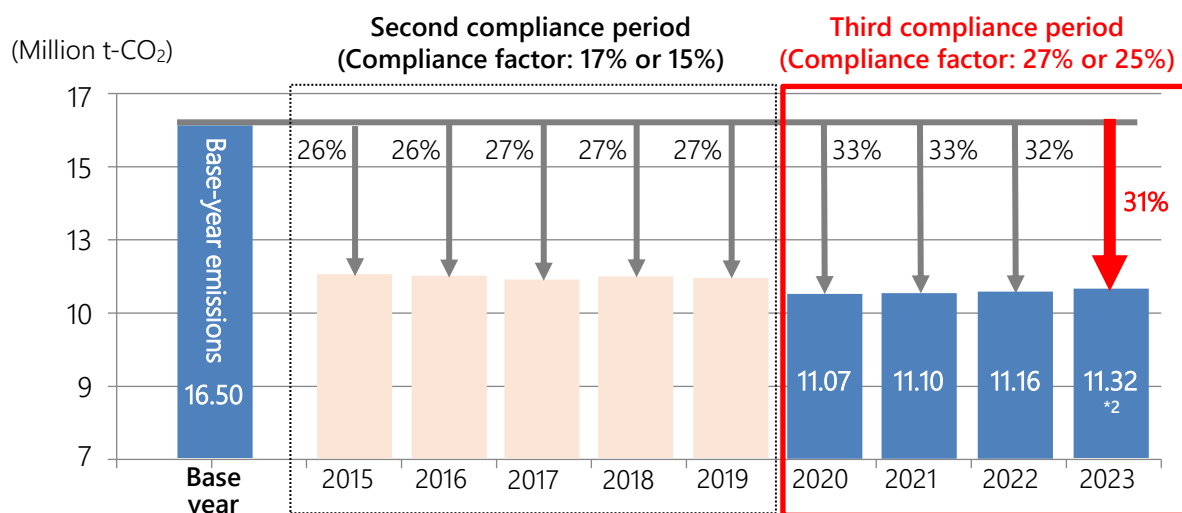
We are pleased to announce that we have compiled the reduction results for the fourth fiscal year of the third compliance period (FY 2023) at facilities covered by the Tokyo Cap-and-Trade Program.

In FY 2023, emissions from covered facilities totaled 11.32 million tonnes, a **31% reduction** from the base-year emissions<sup>\*1</sup>, due to progress in energy efficiency measures and the use of low-carbon electricity and heat (see Reference), in spite of extreme heat in summer and an increase in the number of users as a result of restored economic activities.

The Tokyo Metropolitan Government (TMG) will continue to encourage CO<sub>2</sub> reductions in the third compliance period from FY 2020 to FY 2024 to enable all covered facilities to meet their obligations.

<sup>\*1</sup> The base-year emissions are the average emissions of three consecutive fiscal years selected by the facilities between FY 2002 and FY 2007. (Emission factors for electricity etc. are calculated using the values in the third compliance period)

#### Changes in Total CO<sub>2</sub> Emissions of Covered Facilities



<sup>\*2</sup> Aggregated value as of February 12, 2025 resulting from emission factors for electricity etc. in the third compliance period.

#### Examples of Factors Contributing to Increase/Decrease in CO<sub>2</sub> Emissions

Factors that contribute to a decrease include upgrading to high-efficiency equipment and LED lighting and the use of renewable energy.

Factors that contribute to an increase include an increase in the number of people using offices or accommodation facilities, increased demand for air conditioning due to extreme heat, and increased demand for communications infrastructure.

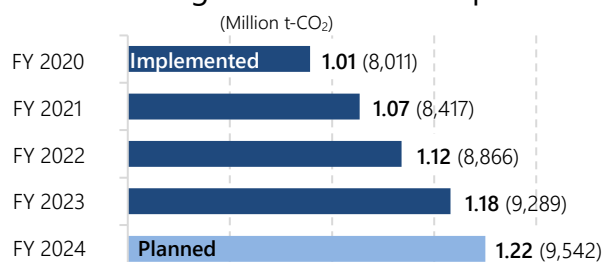
##### ○ About the Tokyo Cap-and-Trade Program

In FY 2010, TMG started the Tokyo Cap-and-Trade Program for large facilities according to the Tokyo Metropolitan Environmental Security Ordinance.

- Compliance factors: 8% or 6% in the first compliance period from FY 2010 to FY 2014  
17% or 15% in the second compliance period from FY 2015 to FY 2019  
27% or 25% in the third compliance period from FY 2020 to FY 2024
- Covered facilities: Approximately 1,200 facilities which annually use 1,500 kL or more of energy in terms of crude oil equivalent

## ➤ Analysis of Implementation and Planning of Measures

Reductions resulting from measures implemented or planned by covered facilities



New reduction measures planned to meet obligations for the third compliance period

\* Number of measures are in parentheses.

\* Aggregated value as of February 12, 2025

## Reduction measures indicated in GHG Emission Reduction Plans

Measures for heat sources, air conditioning, and lighting	Quantity	Reductions (tonnes)
Installation of high-efficiency heat source equipment	375	134,929
Installation of high-efficiency pumps for air conditioning and energy-saving control	267	20,065
Installation of high-efficiency air conditioning equipment	380	31,257
Installation of high-efficiency packaged air conditioning equipment	80	5,731
Installation of variable-air-volume systems for air conditioning equipment	26	4,450
Installation of systems for cooling using outside air	189	17,392
Installation of external air volume control based on CO <sub>2</sub> concentration	92	13,542
Installation of total heat exchangers	30	3,407
Installation of high-efficiency fans	205	10,736
Installation of high-efficiency lighting and energy saving control	2,051	147,482

Measures for heat sources, air conditioning, and lighting	Quantity	Reductions (tonnes)
"Cool Biz" and appropriate room temperatures during summer	74	16,710
Implementation of warming-up control	18	297
More careful timing of starting up air-conditioning before using rooms	93	7,232
Installation of building energy management systems	35	6,325
Demand control systems	7	6,199
Relaxing illumination conditions	146	9,217
Total or partial lights-out during lunch break and outside business hours	13	410
Installation of energy saving control for elevators	161	3,945
Total (above measures and others)	9,542	1,220,259

## ➤ Status of the Use of Low-Carbon Electricity and Heat

### Selection of low-carbon electricity or heat as a means to meet obligations

- A mechanism is utilized to accept electricity or heat procured from TMG-certified suppliers with lower emission factors\* as equivalent to CO<sub>2</sub> reductions.

### Facilities that opted for low-carbon electricity and heat in FY 2023

Categories	Certified low-carbon suppliers	Facilities using this mechanism	
		Number of facilities	Total reductions
Low-carbon electricity	21	155	Approx. 345,886 t-CO <sub>2</sub>
Low-carbon heat	43 (ward area)	161	Approx. 44,923 t-CO <sub>2</sub>

\* Certification requirements for suppliers in the third compliance period:

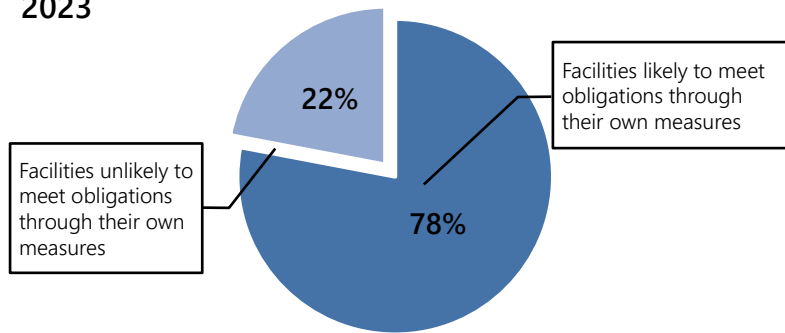
**For low-carbon electricity**, the CO<sub>2</sub> emission factor is less than 0.37 t-CO<sub>2</sub>/MWh (base emission factor or adjusted emission factor, whichever is lower).

**For low-carbon heat**, the energy efficiency (COP) of heat is equal to or more than either of the following, and the CO<sub>2</sub> emission factor is less than 0.060 t-CO<sub>2</sub>/GJ.

① 0.85 when steam is included or ② 0.90 when steam is not included.

➤ **Projected Obligation Fulfillment for the Third Compliance Period (reference)\***

Estimated percentage of facilities meeting obligations based on actual results in FY 2023



\* Based on the assumption that emissions in FY 2024 will not change from FY 2023 results