

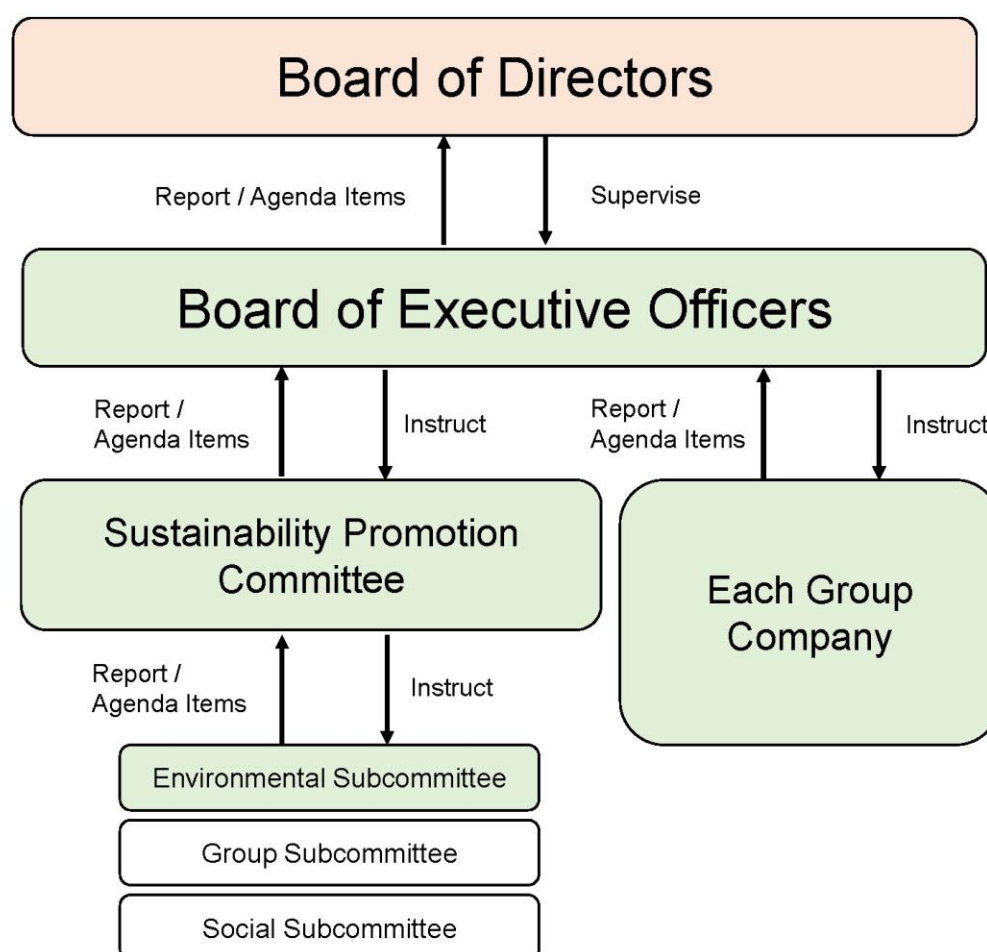
Report on Climate Change Response Based on TCFD Recommendations

June 23, 2022

Asahi Broadcasting Group Holdings Corporation ("the Company") has been studying and responding to the disclosure requirements of the Task Force on Climate-Related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB), including climate change-related governance, business impacts and response measures, and risk management.

1. Governance

The Company's board of directors ("Board of Directors" or "Board") established the Sustainability Promotion Committee to study issues related to sustainability and to pursue responses to these issues. The Sustainability Promotion Committee is chaired by the Representative Director and President. The committee consists of all officers responsible for operations and representatives from major group companies. A Director, Executive Officer responsible for sustainability manages the affairs of the committee. As organization under the Sustainability Promotion Committee, the Company established the Environmental Subcommittee to analyze scenarios, risks, and opportunities related to climate change. The subcommittee also formulates response measures and makes recommendations to the Sustainability Promotion Committee. The Sustainability Promotion Committee meets quarterly (five times during fiscal 2021) to assess the current situation regarding climate change and to consider responses based on the recommendations of the Environmental Subcommittee, etc. Outcomes from these meetings are reported to and set as an agenda item by the Board of Directors through the channel of the Board of Executive Officers. After deliberation by the Board of Directors, the Board of Executive Officers issues instructions to the Sustainability Promotion Committee and each group company.



2. Strategy

In accordance with the guidance recommended by the TCFD, we analyze and assess the impact of climate change on the Company through scenario analysis methods on the business environment through the year 2040. We also examine our response to the risks and opportunities that we believe will have an impact on our businesses.

1) Scenario Analysis Overview

Scope of Coverage	Consolidated group companies
Time Horizon	Present day through 2040
Scenario Framework	<p>a. Scenario in which the increase in global average temperature at the end of the century is held within 1.5°C above preindustrial levels (1.5 °C Scenario)</p> <p><u>Reference information</u></p> <ul style="list-style-type: none">● IEA WEO2021 NZE, SDS Scenario● SSP1-1.9,2.6 from Working Group I of the IPCC Sixth Assessment Report● Other <p>b. Scenario in which the increase in global average temperature at the end of the century is held within 4°C above preindustrial levels (4°C Scenario)</p> <p><u>Reference information</u></p> <ul style="list-style-type: none">● IEA WEO2021 STEPS Scenario● SSP2-4.5, SSP3-7.9, SSP5-8.5 from Working Group I of the IPCC Sixth Assessment Report● A-PLAT S8 Climate RCP8.5● Other

2) Assumptions Regarding Changes in the Business Environment Related to Climate Change

a. Changes in the business environment assumed under the 1.5 °C Scenario (mitigation of climate change)

The rate of rise in atmospheric greenhouse gases will slow as companies comply with stricter emissions reduction regulations. Average global temperatures have already risen 1.1°C above preindustrial levels. And the average temperature in the Kinki region of Japan around the year 2040 will be between 0.5°C and 1°C higher than today. Typhoons and cyclones will become stronger, and floods will occur twice as frequently as now.

Increased public interest in climate change will lead to behavioral and social change among viewers, listeners, and clients. Media companies who do not respond to climate change will be subject to increased scrutiny. Client business activities will change in various ways. These changes will result in altered commercial placement plans among existing clients and an increase in new client commercial placements.

Electricity prices will remain flat or decline over the long term, but may rise in the short term due to supply-demand imbalances during the transition to renewable energy.

b. Changes in the business environment assumed under the 4 °C Scenario (adaptation to climate change)

In the absence of strict greenhouse gas emission regulations, greenhouse gases in the atmosphere will continue to increase at an accelerating rate. Average temperatures in the Kinki region of Japan will rise by roughly 2 °C above the current by the year 2040. Typhoons and cyclones will cause windstorms to intensify and flooding will occur about four times more frequently than today. The government will implement stronger measures against the increasingly severe wind and flood damage. Due to rising temperatures, the number of people hospitalized from heat stroke will increase to twice the current level. Further, previously rare mosquito-borne and other infectious diseases will increase.

Fossil resource prices and electricity rates will rise. The frequency and increase in damage due to severe wind and floods will increase, forcing businesses to respond via extra-normal measures and suspend operations. In particular, storms and storm surges will increase the risk of flooding in our headquarters, which is situated on the banks of the Dojima River.

3) Major Risks and Opportunities Related to Climate Change Response

We identified risks and opportunities that may arise from changes in the business environment under the 1.5°C and 4°C scenarios, estimating the degree of financial impact. As a result, the table below shows the risks and opportunities estimated to have a significant impact on our businesses.

The scenario analysis indicates that physical risks could manifest over the long term in our business, particularly in the housing exhibition site and golf club operation businesses. At the same time, we found new business opportunities across a wide range of areas, including program content and delivery methods, as viewers, listeners, and clients evolve in awareness and businesses change in response to global trends toward climate change. We have established policies for each risk and opportunity to respond appropriately.

We define the phrases short term, medium term, and long term as 1-3 years, 4-10 years, and 11-20 (approximate) years, respectively. Risk classifications are in accordance with the TCFD.

Risks With Potentially Significant Financial Impact		Time Frame	Main Policies to Address
Government Policy and Regulatory Risks	Stricter GHG emission control standards established, forcing companies to invest in emission reductions and technological improvements.	Short/Long Term	Sustained implementation of the Group's <i>ABC Green Declaration</i> and other measures to transition to the use of CO ₂ -free electricity, etc.
Physical Risk	Unexpected occurrence and severity of wind and flood damage, as well as higher summer temperatures, increase the number of program changes and strain internal personnel and various resources required to respond to crisis-related reporting, production, technology, etc.	Long Term	Maintaining broadcasts and meeting responsibilities as a media outlet, while allocating more investment funds to human capital and other related capital to cope with the increased personnel burden and increase various resources.
	Increase in personnel-related and other costs due to damage to housing exhibition sites and buildings caused by severe storms and other disasters. This will also impact the ability to attract customers negatively.	Long Term	Provide venues that are highly resilient to disasters. Encourage exhibitors to build disaster-resistant exhibition buildings.
	Decrease in the number of customers due to high temperatures in summer at housing exhibition sites.	Long Term	Further restructuring of business models, including disaster-resistant online support.
	Strengthening trend toward a decrease in the number of visitors to housing exhibition sites due to increasingly severe storms and other disasters.	Long Term	Restructure business model to accommodate both in-person and virtual customers in normal or disaster situations.

	Golf courses suffer damage to buildings, facilities, and playing surfaces due to increasingly severe storms and other disasters, resulting in an increase in personnel and other costs.	Long Term	Reinforce and respond with facilities, etc. that are highly resilient to disasters.
	Storms, etc., raise water levels, increasing the risk of flooding in our headquarters, which is situated on the banks of the Dojima River.	Long Term	Implement measures to prevent disasters caused by flooding damage to company buildings and other facilities. Reexamine and re-formulate flood response measures, etc., under the current business continuity plan.
Opportunities Presenting	Significant Positive Financial Impacts	Time Frame	Main Policies to Address
Markets/Products/Services	Changes in customer behavior and social changes due to the effects of climate change could lead to changes in existing client commercial placement plans and new client commercial placements.	Medium/Long Term	Adapt to client businesses due to market changes caused by climate change. Consider new client response models at early stages, as well as other business opportunities.
	Viewers and listeners change lifestyles and awareness in adapting to an era of frequent disasters. This will increase the appeal of information related to the global environment and nature, increasing the need for related content.	Long Term	<ul style="list-style-type: none"> •Review and develop highly informative and relevant content. Reconsider and implement programming. •Develop technological innovations that respond adequately to front-line disaster coverage and location filming.
	Increased demand for news content could lead to higher viewership/listenership for news programs, while also increasing the appeal of highly immediate online content.	Long Term	Research both broadcasting and streaming. Develop three-dimensional broadcast mechanisms further, integrating TV viewer needs with online user needs.
	TV broadcasting companies and other broadcasting companies may gain renewed trust from society by addressing climate change fully. This could lead to the smooth development of content and other businesses.	Long Term	Research businesses that respond to climate change at as early a stage as possible, considering the many years required to develop a business.
	Create climate change-related programming and content. Significant needs likely to arise from among viewers, listeners, and streaming service users.	Long Term	Develop human resources with in-depth knowledge of climate change in response to the rising need for production and reporting of life-saving information on a daily basis.
	Disaster-resistant housing, ZEH, ZEB, etc. will likely attract greater attention, and new customer needs will increase further.	Medium/Long Term	Pursue various disaster-resistant measures in collaboration with housing manufacturers and builders.

4) Resilience for Climate Change Mitigation and Adaptation

We analyzed our businesses under two scenarios: the 1.5°C Scenario, which assumes climate change mitigation, and the 4°C Scenario, which assumes that climate change becomes more intense. As a result, we identified issues of relatively high impact related to government policy, regulatory risks, physical risks. We have already taken action with regard to government policy and regulatory risks. Since physical risks are medium term and long term in nature, we believe we can avoid these risks through measures taken in the future. Therefore, we believe that we have already established a certain level of resilience with respect to climate change.

5) Greenhouse Gas Emission Reduction Plan

a. Scope 1 and 2

In January 2022, we announced the *ABC Green Declaration* to contribute and respond to decarbonized societies. The main initiatives under this declaration include converting effectively all electricity used at our Osaka headquarters building to electricity derived from renewable energy sources in April 2022 (Scope 2). This measure is part of our aim to achieve CO₂-free electricity by the year 2025. In April 2022, we began converting to LED lighting in our offices, studios, and other facilities. By completing this transition in 2025, we will contribute to the reduction of CO₂ emissions through lower electricity usage. We will also continue with solar power generation projects already underway since 2013.

We are in the process of calculating data on energy consumption and gas emissions for Scope 1 and 2. We will refine this data further and engage in more precise reductions based on our results.

b. Scope 3

We continue to collect data on greenhouse gas emissions in the supply chain related to our business activities (Scope 3). The details of our efforts here will be disclosed as appropriate.

3. Risk Management

The Sustainability Promotion Committee and its subordinate organization, the Environmental Subcommittee, play a central role in identifying risks and studying response measures for sustainability in general, including the group's response to climate change. The Environmental Subcommittee also conducts scenario analyses compatible with TCFD, reporting the results to the Sustainability Promotion Committee. Risk-related information of the Company, including scenario analysis, is also reported to the Board of Executive Officers, which is in charge of risk management for the entire group. The Board of Executive Officers examines major risks for the group and, if necessary, examines and manages the implementation of proactive preventive measures. The details of matters examined by the Board of Executive Officers is reported to the Board of Directors for deliberation. After deliberation by the Board of Directors, the Board of Executive Officers issues instructions to the Sustainability Promotion Committee or each group company.

4. Indicators and Targets

1) Indicators and Targets for Greenhouse Gas Emissions Reductions

a. Scope 1 and 2 greenhouse gas emissions to date are as follows.

We are currently calculating Scope 3 data, and we will disclose emissions data as soon as the calculation is completed.

Scope of Indicator Data		Certain ABC Group offices and facilities in Osaka, Tokyo, etc. *							
Data Year		2013	2014	2015	2016	2017	2018	2019	2020
CO ₂ Emissions (t-CO ₂)**	Scope1	1158.8	891.2	847.7	843.6	705.4	689.7	695.7	706.8
	Scope2	8002.5	8039.3	8061.8	7842	7723.7	6574	5257.3	4902.2
	Total	9161.3	8930.5	8909.5	8685.5	8429.1	7263.7	5953	5609

*ABC Head Office, Takaishi and Ikoma Transmission Stations, The Tower Osaka Radio Relay Room, Nakanoshima Festival Tower Radio Relay Room, Relay Stations (generally), Kobe/Kyoto Bureau, abcd Dojima Building (5F, 6F), Tokyo Office, Nagoya Branch Office, ABC Annex Building

** Data are figures reported to the Ministry of Economy, Trade and Industry, the Ministry of Internal Affairs and Communications, and the Ministry of Land, Infrastructure, Transport and Tourism. Data for electricity is calculated using adjusted emissions factors from *List of Emission Factors by Electricity Provider* published by the Ministry of the Environment of Japan.

The reduction target figures for Scope 1 and 2 are currently under internal adjustment and will be disclosed after they are finalized.

- b. The following table shows the actual contribution to greenhouse gas emission reductions (figures for renewable energy electricity supplied by solar power generation projects) from the Company's Takaishi Solar Power Plant*.

Data Year	2017 (May 2017 to March 2018)	2018	2019	2020	2021
Amount of electricity generated (kWh)	2,986,664	3,216,127	3,240,767	3,273,416	3,240,581
CO ₂ Emissions Reduction Contribution (t-CO ₂)**	1,520	1,344	1,082	1,041	1,137

*Takaishi Solar Power Plant: Located in the Takaishi Radio Transmission Station (Ayazono 4-chome, Takaishi City, Osaka Prefecture)

**Calculated using adjusted emission factors (Kansai Electric Power Co., Inc.) from the *List of Emission Factors by Electricity Provider* published by the Ministry of the Environment.

2) Indicators and Targets Necessary for Managing Risks and Opportunities

Indicators and targets necessary for the management of risks and business opportunities will be set after we determine specific measures to address each risk and opportunity.