

Our initiatives to a virtuous circulation of funds, assets and capital

January 13, 2023

Our initiatives to achieve a virtuous circulation of funds, assets and capital



Medium-term Management plan launched in April 2020



Reduction of strategic shareholdings to zero

- ✓ Not holding any strategic shareholdings as a conventional stable shareholder
- ✓ Promoting circulation of capital markets

Nov. 2021

Impact equity investment

- Announcement regarding impact equity investment for solving social issues(¥0.5trn)
- ✓ Leveraging our equity investment to attract additional funds from investors(¥2.0trn). Promoting a virtuous circulation

Jul. 2022

Partnership with Apollo \$1.5 billion of alternative asset investment

- ✓ Strategic partnership with a major US asset management company, Apollo group and investment in its alternative asset portfolio
- ✓ Striving to create diverse investment opportunities for long-term investors



Expansion of external partnership (gain knowledge and utilize network)

- ✓ Participation in Breakthrough Energy Catalyst
- ✓ Strategic partnership with Energy Capital Partners and investment in ECP and its flagship fund



Virtuous circulation of funds, asset and capital

Positioning of each initiative

- Utilize external expertise and networks to expand and sophisticate solutions to support clients' transition toward carbon neutrality
- Contribute to a virtuous circulation of funds, assets and capital by creating new markets and financing demand in the decarbonization area and providing investment opportunities

Proprietary investments Solutions for corporate clients Solving management issues (decarbonization and transition) Private asset Apollo ✓ providing risk money for business innovation and business creation (Jul. 22) investments providing knowledges and support for implementation from technological aspects Breakthrough Energy Catalyst (Nov. 22) Impact equity Technology-Based investments **Finance Team Energy Capital Partners** (Jan. 23)

Virtuous circulation of funds, assets and capital

Businesses for investor clients Domestic investors Overseas investors Joint product development for institutional and retail investors Pursue global expansion by leveraging external partners' networks

Alliance with Energy Capital Partners (announced in Jan. 2023)

- Leading PE infrastructure manager in the US specializing in electric power and environmental infrastructure
- Contributing to solving corporate clients' management issues in decarbonization and transition areas by leveraging ECP's expertise and networks
- ➤ Largest power generation capacities in US (*1) ➤ Expertise and track record in broad sector

29GW

Total Power Generation Capacity

2.8**GW**

Renewable Power Generation Capacity

30 year (*2) of investment track record Hydro **Nuclear Decommissioning Utility Scale Solar** Waste to Energy **Electricity Storage** Solar with Battery 2011~ 1990's 2018~ 2007~ 2013~ Power **Environmental Infra Emission Controls** (Gas Fire) **Battery Recycling Energy Efficiency**

(*1)Combined portfolio company basis. Largest in the US private equity market.

(*2) Inclusive of Partners' experience prior to the establishment of ECP

Participation in Breakthrough Energy Catalyst (announced in Nov. 2022)

- Platform founded by Bill Gates to promote social implementation of innovative decarbonization technologies
- Acquiring latest information and expertise in green-tech and creating business opportunities in decarbonization for our corporate clients

Access to innovative technology



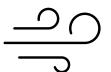
Green Hydrogen



Sustainable air fuel



Long-term energy storage



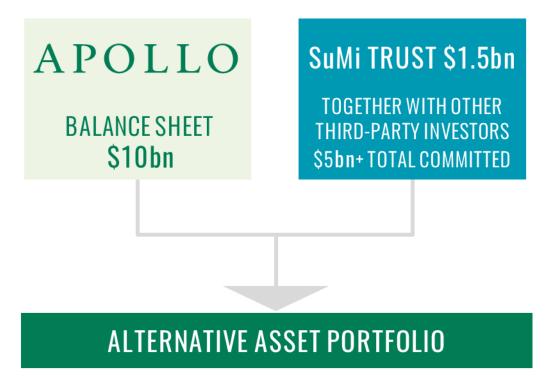
Direct air capture

- Global leading companies participate (two Japanese companies)
 - SuMi TRUST Bank
 - Mitsubishi Corporation
 - American Airlines
 - ArcelorMittal
 - Bank of America
 - BlackRock foundation
 - Boston Consulting Group
 - Citigroup
 - General Motors
 - HSBC
 - Microsoft

etc.

Alliance with Apollo Global Management (announced in Jul. 2022)

- A global leading alternative asset manager in terms of its track record in managing alternative asset investments
- Enhancing solutions for investors including pension funds and retail clients by leveraging Apollo's business base and know-how
- Creating domestic private asset markets through co-developing investment products and providing investment opportunities



Overview of Apollo Global Management

CEO	Marc Rowan
Established	1990
Head Office	New York City, New York, U.S.A.
Locations	North America/ Europe/ Singapore/ HongKong/ Tokyo/ Mumbai
Business Activities	Alternative asset manager with investment strategies spanning Yield, Hybrid, Equity and a Retirement Services business AUM (as of March 31, 2022) of \$512.8 billion