



August 29, 2024

The Okinawa Electric Power Company, Incorporated.

Seed Okinawa LLC

Tokyu Land Corporation

Pacific Islands Development Corporation

**Initiatives by the Okinawa Electric Power Group and Tokyu Land Group aimed at achieving the carbon neutrality targets adopted by the Republic of Palau
-Executed Basic Agreement on introduction of renewable energy at Palau resort hotel-**

The Okinawa Electric Power Group member Seed Okinawa LLC (Headquarters: Urasoe-Shi, Okinawa; President and CEO: Tetsu Yokota) and Tokyu Land Corporation (Headquarters: Shibuya-ku, Tokyo, President and CEO: Hiroaki Hoshino, "Tokyu Land" below) and Tokyu Land subsidiary Pacific Islands Development Corporation (Headquarters: Republic of Palau; President: Shinya Tange; collectively "Tokyu Land Group" with Tokyu Land below) executed a basic agreement on a joint business aimed at introducing renewable energy using solar power generation and storage cells at the "Palau Pacific Resort" resort hotel in the Republic of Palau.

■ Promotion of Decarbonization at Palau Pacific Resort

For about 40 years now, the Okinawa Electric Power Group has engaged in the introduction of solar power generation, storage cells and other forms of renewable energy in the small-scale power systems on remote islands in Okinawa Prefecture. Through these efforts, it has leveraged its strengths, including but not limited to the experience it has accumulated and its knowledge in system stabilization technology, to introduce renewable energy to island countries, particularly Asia and Oceania which include the Republic of Palau, and to offer assistance and international cooperation pertaining to system stabilization. Additionally, since 2022, the Okinawa Electric Power Group has utilized the "City-to-City Collaboration Project for Realizing a Decarbonized Society" scheme by the Ministry of the Environment of Japan to work towards providing assistance with the decarbonization of the Republic of Palau together with Urasoe City, Okinawa Prefecture.

Palau Pacific Resort, which is owned and operated by the Tokyu Land Group, has designed the height of its roof lower than the surrounding palm trees while retaining trees within the site as much as possible out of respect of harmony with the environment. Moreover, for roughly 40 years since it opened for business, the property has also tackled the inheritance of culture, creation of employment and development of infrastructure as well as environmental preservation.

Given the further intensification of social trends gravitating towards environmental preservation and decarbonization in recent times, for the purpose of making the supply of electric power to the hotel greener and more sustainable in line with the concept of Palau Pacific Resort, the Okinawa Electric Power Group and Tokyu Land Group have made the decision to work together to promote initiatives that facilitate reductions in CO₂ emissions.

■ **Contributions to Achieving the Carbon Neutrality Targets of the Republic of Palau**

In island countries such as the Republic of Palau, due to factors such as the small scale of demand, power sources mainly consist of diesel power generators and other forms of internal combustion power generation powered by heavy oil, which is especially high-priced among fossil fuels. Moreover, some of those island countries are remote islands where that fuel is transported using tanker trucks and oil drums, resulting in a high-cost structure.

Additionally, due to the limited demand for electric power and small scale of systems in island areas, introducing renewable energy in large quantities there causes challenges such as instability in electric power systems to manifest themselves.

For such reasons, in the Republic of Palau and other island countries as well, the introduction of renewable energy and its stable operation are current tasks that need to be addressed. The realization of the initiative described above would result in the creation of a model case for sustainable renewable energy systems in island areas as well as contribute to the achievement of the carbon neutrality targets* adopted by the Region of Palau.

Going forward, the Okinawa Electric Power Group and Tokyu Land Group will continue to promote the introduction of renewable energy, the realization of a stable energy utilization environment and other initiatives with social significance within and outside the Republic of Palau.

*The Republic of Palau currently supplies a majority of its electric power through diesel power generation. In order to achieve the targeted renewable energy ratios adopted by the Palau government of 45% by 2025 and 100% by 2050 (Source: IRENA Republic of Palau: Renewable Energy Roadmap 2022-2050), the accelerated popularization of renewable energy in the Republic is viewed as a necessity.



Scene from the Basic Agreement signing ceremony held on August 28, 2024 in Palau Pacific Resort (From left: Tokyu Land Corporation Operating Officer and Senior General Manager Itami, Seed Okinawa LLC President and CEO Yokota and Pacific Islands Development Corporation General Manager Tsukahara)

Attachment: Overview of “Renewable Energy Introduction Project in Republic of Palau Resort Facilities by the Okinawa Electric Power Group and the Tokyu Land Group”

Overview of “Renewable Energy Introduction Project in Republic of Palau Resort Facilities by the Okinawa Electric Power Group and the Tokyu Land Group”

[Overview of Joint Business]

1. Target Area

Inside the site of the Palau Pacific Resort

2. Overview of Initiative

□ Aiming to reduce CO₂ emissions by introducing solar power generation equipment (DC668kW/AC400kW) and storage cell equipment (Output: 100kW/Capacity: 300kWh) to reduce fuel burned by diesel power generators in onsite power generation equipment.

3. Tentative Schedule

Operation to commence in 2025

4. Roles

Okinawa Electric Power Group: Design, introduction and operation of solar power generation equipment

Tokyu Land Group: Assistance with consulting and coordinating with various sites and provision of installation spots for solar power generation equipment

5. Overview of Related Companies

◇The Okinawa Electric Power Company, Incorporated

Representative: Hiroyuki Motonaga, President

Established: 1972

Location: 5-2-1 Makiminato, Urasoe-shi, Okinawa

Business Activities: Electricity business, gas and heat supply businesses, telecommunications business, research & consulting, etc.

◇Seed Okinawa LLC

Representative: Tetsu Yokota, President and CEO

Established: 2021

Location: 5-2-1 Makiminato, Urasoe-shi, Okinawa

Business Activities: Research, analysis and consulting on introduction and expansion of renewable energy, associated system stabilization, etc.; sales of technology and know-how; etc.

◇Tokyu Land Corporation

Representative: Hiroaki Hoshino, President and CEO

Established: 1953

Location: 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Business Activities: Urban development, office, commercial facility, renewable energy, condominium, wellness, resort facility and overseas businesses, including urban development efforts in greater Shibuya area

◇Pacific Islands Development Corporation

Representative: Shinya Tange, President

Established: 1973

Location: Koror, Republic of Palau 96940

Business Activities: Development and operation of resort hotels

■ About the Republic of Palau

The Republic of Palau is made up of a group of islands numbering over 200 that is located 650 km southeast of the Philippines. These islands, which were formed out of limestone and volcanic islands, are covered in forest green and bordered by crystal-clear lagoons and coves. Teeming with a diverse array of marine life, Palau is famous as one of the world's leading diving spots. Numerous ruins that tell the tales of historic sites and former battlegrounds can be found on the Republic's ocean floor and in various locations on the islands, making it a popular destination among tourists seeking to reflect on history. Palau is expected to demonstrate further growth in hits tourism market in the future.

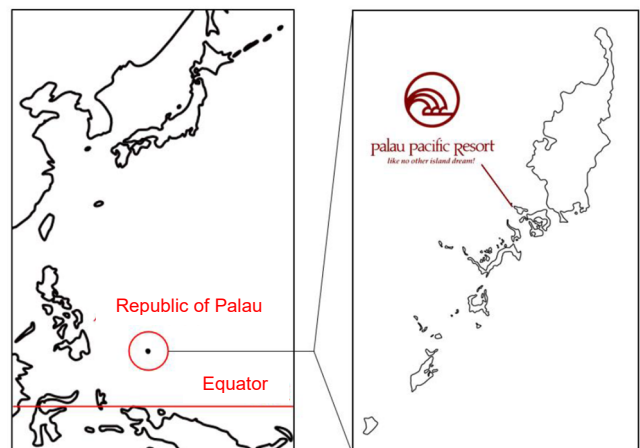
■ About Palau Pacific Resort

Located on the west coast of Ngerekebesang Island in the Republic of Palau's State of Koror, the Palau Pacific Resort will mark its 40th anniversary this year since opening for business in 1984. At present, it is the Republic's resort hotel with the largest number of guest rooms. On a private beach spanning approximately 250 m that offers an unbroken view of the Pacific Ocean, visitors can gaze at sunsets all year long. In addition to being an ideal place to savor the nature and traditions of Palau to one's heart's content, this beach resort also benefits from a pristine location that also overlooks the "Rock Islands Southern Lagoon," a UNESCO World Heritage Site (mixed heritage site), from an extremely close distance.

The Palau government has adopted as a goal the transformation of the Republic into an ecotourism destination for high-end visitors in order to strike a balance between protecting its natural environment and developing its tourism industry. Taking advantage of its highly rare location where abundant forms of nature can be simultaneously experienced by virtue of being surrounded by the West Pacific Ocean rich in marine life and forests inhabited by numerous bird species including those unique to Palau and even endangered ones, Palau Pacific Resort will continue bolstering further initiatives going forward with a view to that goal.



Panoramic view of Palau Pacific Resort



Location Map of Palau Pacific Resort

■ Overview of Palau Pacific Resort Facility

Site Area: 275,382 m²

Total Area: 19,226 m²

Number of Guest Rooms: 172

Opened: December 10, 1984

URL: <https://www.palauppr.com/>

*The above information also includes "The Pristine Villas and Bungalows at Palau Pacific Resort."