

# ***2023 ENVIRONMENTAL MANAGEMENT REPORT***

***Creating Cities Co-existing With Nature.  
Creating A Future For People.***

**WE ARE GREEN**

 **TOKYU FUDOSAN HOLDINGS**



# WE ARE GREEN

We will incorporate the environment and digital transformation into our business to shape future lifestyles.

Be it renewable energy initiatives, digitally driven emotional experiences, or community development loved by locals, everything we do is inspired by a desire to encourage the wellbeing of every individual. We will continue to combine our Group's diverse green capabilities to create value for the future.

*Toward a Vibrant Future for All*

Our ideal vision for 2030

# Create Value for the Future

We resolve social issues through our business activities and aim for sustainable society and growth together with our stakeholders.

We realize a future where everyone can be themselves and shine vigorously through the creation of a variety of appealing lifestyles.

Themes to work on for value creation (Materialities)



Lifestyle

Create a variety of lifestyles.



Liveable City

Create well-being communities and lifestyles.



Environment

Create a sustainable environment.



DX

Create value in the digital era.



Human Capital

Create an organizational climate under which diverse human capital is enlivened.



Governance

Create governance to accelerate growth.

# Message from the President



**Aiming to be an environmentally advanced company that creates sustainable cities and lifestyles by turning solutions to environmental issues into business opportunities.**

About two and a half years have passed since we formulated our long-term vision, Group Vision 2030, under the WE ARE GREEN Group slogan. Our long-term vision is based on our corporate DNA of urban development / community planning and the growing awareness of environmental issues in society as a whole, as shown by the Japanese government's pledge to work toward carbon neutrality in October 2020. In the Medium-Term Management Plan that we announced last year, we defined our environmental priorities as a decarbonized society, a recycling-oriented society, and biodiversity conservation, and have since accelerated specific initiatives in these areas.

Looking back over the past two and a half years, the GX concept of turning efforts to address environmental issues into business opportunities has taken root, and we have been able to roll out a variety of businesses that lead to solutions to essential issues. In this regard, we have spearheaded efforts in the industry, with the expansion of our Renewable Energy Business and the conversion of all of Tokyu Land Corporation's facilities to renewable energy using know-how from that business. From the perspective of creating a recycling-based society, we are implementing recycling initiatives to "make the most of what we have," such as accelerating the distribution and extending the life of existing stock through the expansion of the Real Estate Agents and Property Management & Operation businesses, and (re)cycling food at the facilities we operate. We are also contributing to solving local issues through our business by utilizing our nationwide offices to ensure that each community is sustainable in the long term. In terms of biodiversity conservation, we were one of the first in the industry to publish a TNFD report summarizing our contribution to nature positivity in the greater Shibuya area. In addition to our efforts to preserve ecosystems in the resort industry, which has strong ties to natural capital, we also plan to utilize Ishikatsu Exterior's environmental greening business more extensively as green infrastructure in the future.

While solid progress has been made, there are also areas where we feel there are issues to be addressed. The foundation of GX is to balance environmental initiatives with economic growth, which requires stakeholders to understand our environmental initiatives, and to continue to be a company that is chosen—and deliver products and services that are chosen—by society. We believe that

we need to work harder to expand our earnings as a company by ensuring that we continue to be chosen in this way. To do so, we must continue to propose sustainable lifestyles that go beyond buildings and products, and that can coexist in harmony with the future of the planet. By communicating the appeal of our environmentally friendly products and services to our stakeholders, so that they feel a natural desire to join us, we will work to create a sustainable society for the future and envision sustainable growth for our company.

This report is the second in a series, following on from the 2022 Environmental Management Report, which was published for the first time last year. Together with the Integrated Report disclosed in August, this report provides an in-depth look at our environmental management guidelines. It explores the three priority issues established last year, demonstrating our commitment to comprehensively tackling highly relevant environmental issues, while digging deeper into each of them. It also includes a more refined explanation of our strategy regarding the Medium-Term Management Plan's focus on expanding business opportunities from an environmental perspective. Sustainability cannot be achieved without working together with our stakeholders. Through this report, we hope to convey our commitment as an environmentally advanced company, to accelerate collaboration with our stakeholders and drive sustainability throughout society.

President & CEO, Tokyu Fudosan Holdings Corporation

A handwritten signature in black ink, reading "Aonori Iwashikawa". The signature is written in a cursive, flowing style.

**Why are we an  
"environmentally advanced  
company"?**

Of the approximately 6,370 km radius of the earth, only the first 20 km of the surface layer is a bustling ecosystem. Within this small base, we live together with 8.7 million species of life. But this global environment has been endangered by human hands. The changes can be felt first-hand, and are visibly accelerating. We can no longer pretend that this has nothing to do with us.

We are committed to creating sustainable lifestyles that enables us to coexist with the Earth in the future, and have identified the key issues as creating a decarbonized society, a recycling-oriented society, and ensuring biodiversity conservation. We will leverage our knowledge, know-how, and resources in all aspects of urban development and community planning, including real estate development, distribution, property management, and operation. The group will work together to solve complex and intertwined environmental issues. This is a challenge to change the future through sustainable urban development.

The spirit underlying our concept of an "environmentally advanced company" has been passed down since the time of our founding.

**Creating Cities Co-existing with Nature. Creating a Future for People.**

We have been putting, and will continue to put, this environmental vision into practice.

# Our thoughts on the environment and its origins

With the origins of the Tokyu Fudosan Holdings Group tracing back to our venerable founder Eiichi Shibusawa and the ideas of our first president Noboru Goto, we have long strived to create a sustainable society and tackle environmental issues through our business activities.



I wanted to create something resembling a Garden City in Japan and to make up even a little for the shortcomings of city life.

—Seien Kaikoroku [Memoirs of Eiichi Shibusawa]

The origin of wealth is jingi-dotoku (humanity and morality). If wealth is not based on correct morality, then it cannot continue in complete perpetuity.

—Rongo to Soroban [The Analects of Confucius and the Abacus]



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**Eiichi Shibusawa** 1840 - 1931 |

Established the Den-en Toshi Company, the origin of the Group

Eiichi Shibusawa is often referred to as the father of Japanese capitalism for his role in building the foundation for the Japanese economy. He was active from the Meiji era (1868-1912) into the early Showa period (1926-1989).

He was involved in the establishment and development of around 500 companies and around 600 public works projects, and made great efforts in support of philanthropic activities.

I want you to go about your work with a clear understanding in your mind that **you are really doing work for the benefit of the people who will inhabit that land**

—Remarks from a roundtable discussion on the Ito-Shimoda Line Construction and Development Plan appearing in the February 1984 edition of Tokyu Corporation's in-house magazine Seiwa

**Don't construct buildings taller than a palm tree**

—Remarks made during a tour of the planned construction site of the Palau Pacific Resort

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**Noboru Goto** 1916 - 1989 | First president of TOKYU LAND CORPORATION

Noboru Goto led the Tokyu Group after succeeding his father Keita Goto, the Group's founder. As the first president of TOKYU LAND CORPORATION, he engaged in large-scale urban development and resort development projects, as well as serving as chairman of the Japan Chamber of Commerce and Industry (JCCI).



Provided by: TOKYU CORPORATION

# History of the Group's Environmental Management Efforts

OUR HISTORY

Proactive environmental initiatives through business activities that date back to the Group's origin with the development of Den-en Chofu have been carried over to the present, where environmental management is promoted as a Groupwide policy.

## 1923 Our origin: Den-en Chofu urban development

The British-originated garden city concept offering the advantages of both natural and urban environments



## 1982 Community planning in harmony with nature Asumigaoka New Town

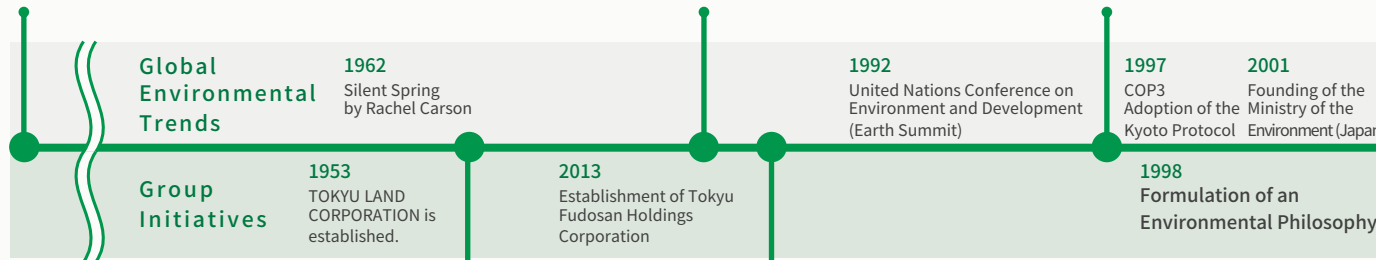
One of the largest urban developments in Japan, creating a green network in harmony with the natural surroundings



## 1994 Homes that coexist with the environment Kimi no Mori housing

Fairway Front homes, the first development certified as a residential complex in harmony with the environment\*

\* Certification operated by the former Institute for Building Environment and Energy Conservation



## 1974 Coexistence with forests Tokyu Resort Town Tateshina

At the popular summer resort destination of Tateshina, we are working to create a resort that ensures harmony with nature, including the signing of a nature preservation agreement during development. We have concluded a comprehensive partnership agreement with the local government, aiming to create a decarbonized society that coexists with the environment while stepping up our efforts.



## 1984 Environmental conservation-oriented resort Palau Pacific Resort

In Palau, we have long been committed to environmental conservation and community service. From the time of development, we have worked to preserve trees and harmonize with the surrounding environment by designing buildings lower than the palm trees, and we have also worked to improve the marine environment and restore coral reefs. The resort is also designated as a state marine life reserve.



## Environmental Philosophy



### 1998 Formulation of an Environmental Philosophy 2011 Revised as an Environmental Vision

In 1998, the Environmental Philosophy was formulated to promote environmental conservation efforts Groupwide. To bolster those efforts, the Group's Environmental Vision was announced in 2011. We target five environmental issues and make proactive efforts to solve them through our business activities.

### Environmental Vision

#### Environmental Philosophy

We will create value to connect cities and nature, and people with the future.

#### Environmental policy

We will make efforts to harmonize the environment and the economy through business activities.

#### Environmental action

We will tackle five environmental issues from three viewpoints.

#### Three viewpoints

- Publicize a goal and implement action
- Endeavor to implement progressive activities
- Conduct community-based activities in collaboration with local people

#### Five environmental issues

- Climate change
- Biodiversity conservation
- Pollution and resources
- Water use
- Supply chains



## History of the Group's Environmental Management Efforts

### 2010 ▶ 2019

# OUR HISTORY

**2012** **Creating forests in cities**  
Tokyu Plaza  
Omotesando Harajuku

Implementing rooftop greenery in harmony with the ecosystems of surrounding areas at commercial facilities in the city center



**2015** **Leading low-CO<sub>2</sub> project**  
BRANZ City Shinagawa  
Katsushima

Condominiums with J-credit certification for their CO<sub>2</sub> emission-reducing effects



**2019** **Acquisition of Nearly ZEB**  
Technology Training  
Center NOTIA

First certification for an office building in Tokyo Training facility for learning about energy saving and creation



**2010**  
COP10 Convention on Biological Diversity  
Adoption of the Nagoya Protocol

**2011**  
Formulation of a vision for the environment  
Formulation of a Biodiversity Policy

**2013**  
Establishment of Tokyu  
Fudosan Holdings Corporation

**2015**  
Adoption of the COP21  
Paris Agreement  
Adoption of SDGs

**2016**  
Support for United Nations  
Global Compact

**2019**  
Support for TCFD recommendations  
Participation in RE100 (Tokyu Land  
Corporation)

**2010** **Taking part in the COP10**  
Interactive Fair for Biodiversity

The Company took part in the COP10 Interactive Fair for Biodiversity held concurrently with COP10 in Nagoya, Aichi Prefecture in October 2010. The Company focused on showcasing its environmental conservation efforts including greening technologies and the preservation of nature through resort operation in Palau. In addition, workshops that made use of thinned wood were conducted for children.



**2014** **Participation in the Renewable**  
Energy Business

Taking advantage of the development capabilities we have cultivated as a developer, we operate businesses around Japan. We are working to solve issues including long-term stability, low-cost operation and the promotion of use in furtherance of the Japanese government's vision to make renewable energies the main source of electricity in Japan. In addition to the Group's business expansion, we believe this will contribute to the development of regions where power generation facilities are installed and lead to a higher energy self-sufficiency rate for Japan.



**2019** **Becoming the first Japanese**  
developer to endorse TCFD  
recommendations

To tackle climate change from a global perspective, the Company became the first developer in Japan to support the TCFD recommendations. In 2022, we assessed and disclosed risks and opportunities in the medium term (2030) and long term (2050) in each business of our Urban Development, Resort, Residential and Renewable Energy operations, based on three scenarios: 1.5°C, 3°C and 4°C.



# History of the Group's Environmental Management Efforts

## 2020 ▶

# OUR HISTORY

### 2020 Smart city TOKYO PORTCITY TAKESHIBA

Office facility engaged in efforts to realize a decarbonized society through biodiversity conservation and the utilization of IoT



### 2022 Preservation and restoration of historic buildings Kudan-Kaikan Terrace

Combining a preserved building that utilizes the former Kudan Kaikan with a newly constructed office building, to both pass on historical value and conserve resources



### 2023 Airing of advanced environmental commercials (TOKYU LAND CORPORATION)

The Group's first corporate commercial promoting its image as an environmentally advanced company



2020  
2050 Carbon Neutral Declaration (Japan)

2020  
Formulation of the Sustainable Procurement Policy

2021  
GROUP VISION 2030 long-term vision

2022  
COP15: Kunming-Montreal Global Biodiversity Framework (GBF) adopted

2022  
Joined the 30by30 Alliance for Biodiversity

2023  
Transition Planning for a Decarbonized Society TNFD Report released

### 2021 Formulation of a long-term vision Setting of the SBT 1.5°C target 2021

The Group has formulated a long-term vision—Group Vision 2030—and included environmental management as one of its policies, aiming to reduce environmental impact through all business operations. In addition, with our goal of net zero emissions by 2050, we are the first developer in Japan to acquire certification for the SBT 1.5°C level target.



### 2022 Selected by CDP Climate Change as an A-list company, the highest rating (for the second consecutive year)

In 2022, approximately 18,700 companies worldwide will comply with CDP data disclosure, including more than 330 A-list companies (91 Japanese companies).



### 2022 RE100 requirements Achieved 100% renewable energy (Tokyu Land Corporation)

We have completed switching 100% of electricity used at Tokyu Land offices and owned facilities to renewable energy. We achieved our initial target well ahead of schedule by leveraging our strengths as an electricity customer with large-scale facilities, and as a renewable energy provider with over 1.6 GW of capacity.



### 2023 Transition planning for a decarbonized society

We issued an independent report in line with the TCFD recommendations and other guidance, while demonstrating alignment of our decarbonization strategy with our business strategy and financial indicators.

### 2023 Disclosed the first TNFD report for the real estate industry in Japan

We have designated the greater Shibuya area as a priority area for review and analysis of nature-related information, and disclosed impacts, dependencies, risks, and opportunities relating to natural capital using the framework presented by TNFD.



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## Scope of the report

Covered in this report: Tokyu Fudosan Holdings Corporation and Group companies  
 Reporting period: April 1, 2022 to September 30, 2023  
 (The report includes some information from prior to April 1, 2022 and after September 30, 2023.)  
 Released: November 2023

## Items to note concerning our future outlook

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, the statements herein do not constitute assurance regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

\*The information contained in this report is true as of September 30, 2023 unless otherwise specified.

*Section* **1**

# Environmental Management Strategy

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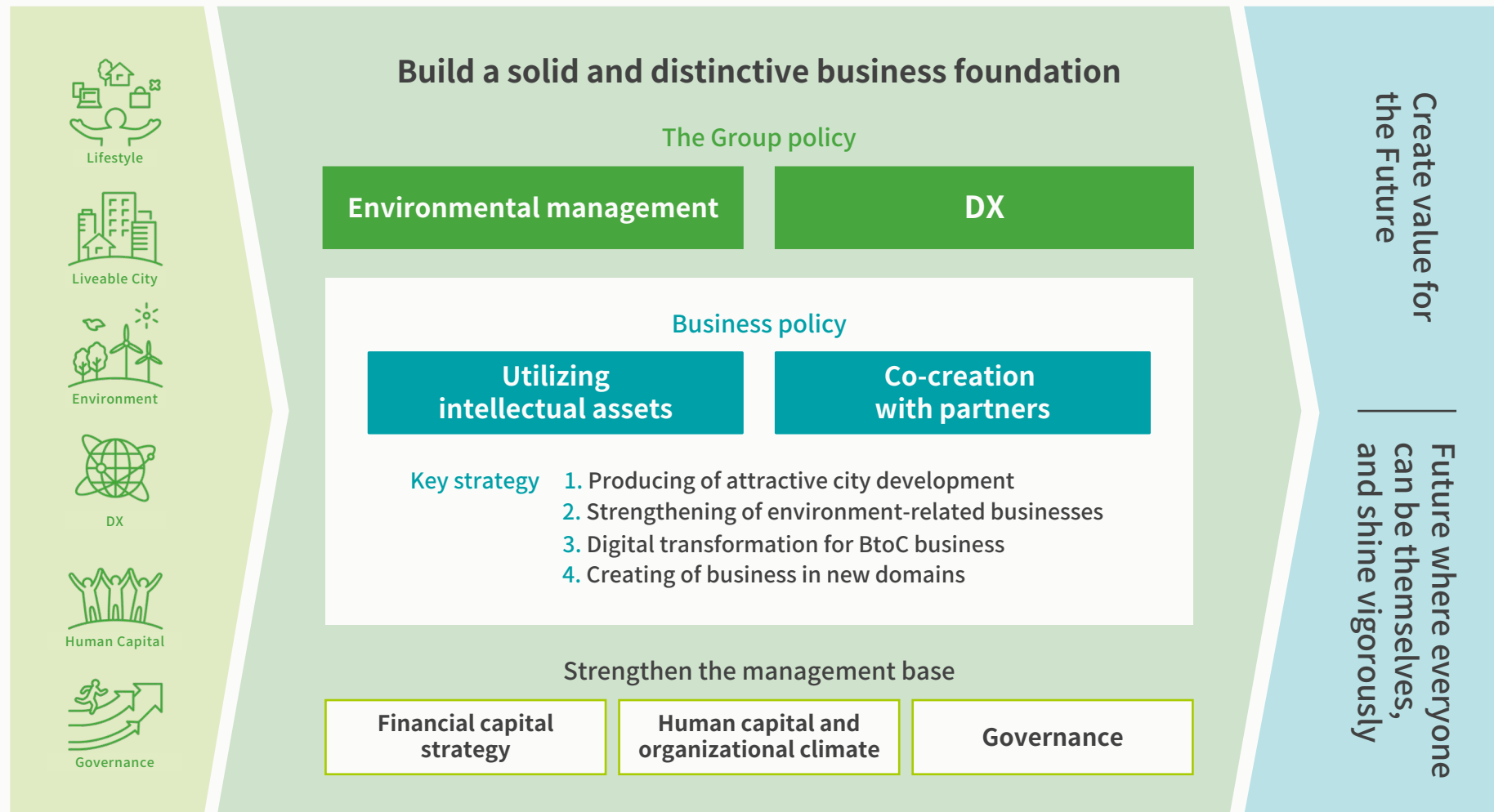
# GROUP VISION 2030 long-term vision

We will promote long-term management policy based on material issues that are important to the Group, and realize our ideal vision. Environmental management is regarded as an important group policy as part of our long-term management policy.

## Materialities

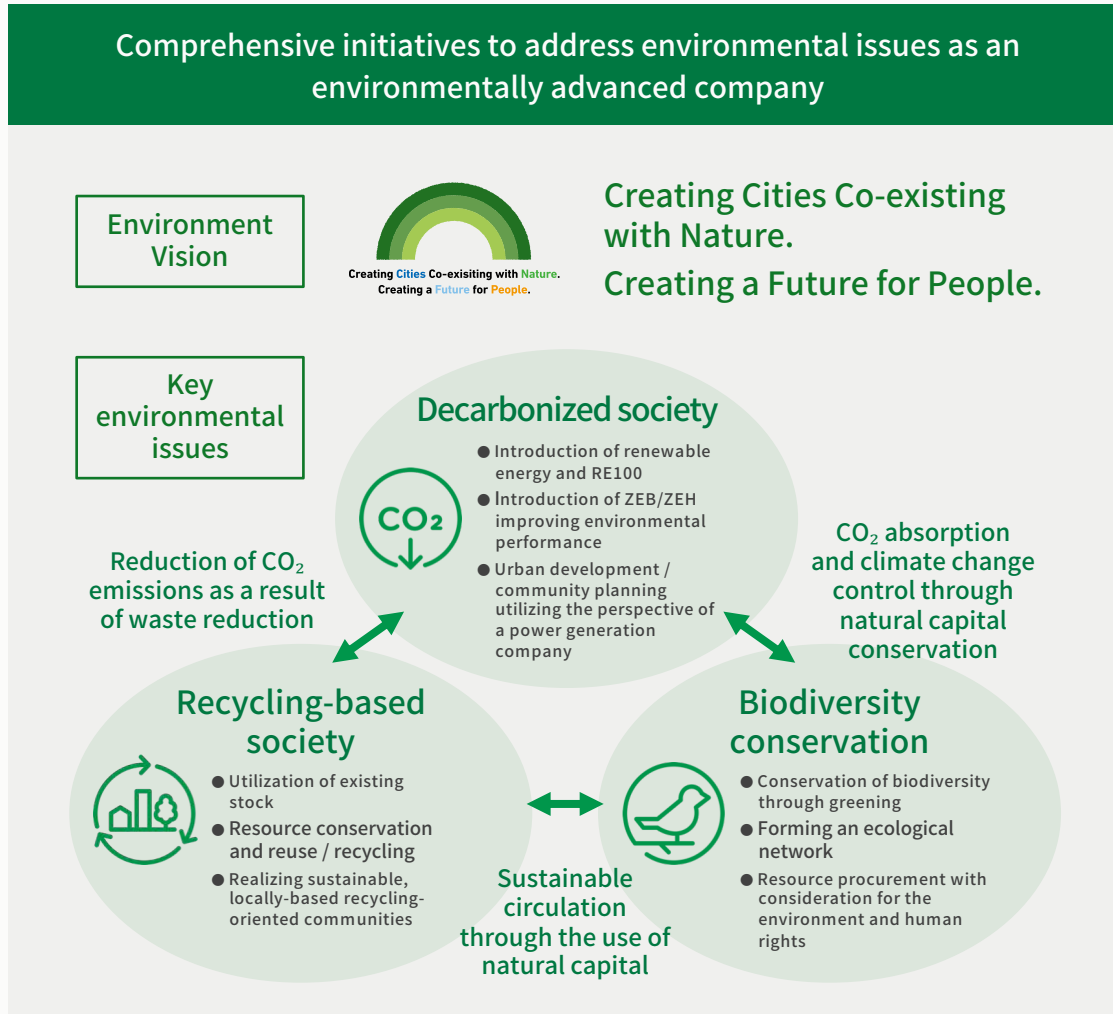
## Long-term management policy

## Our ideal vision

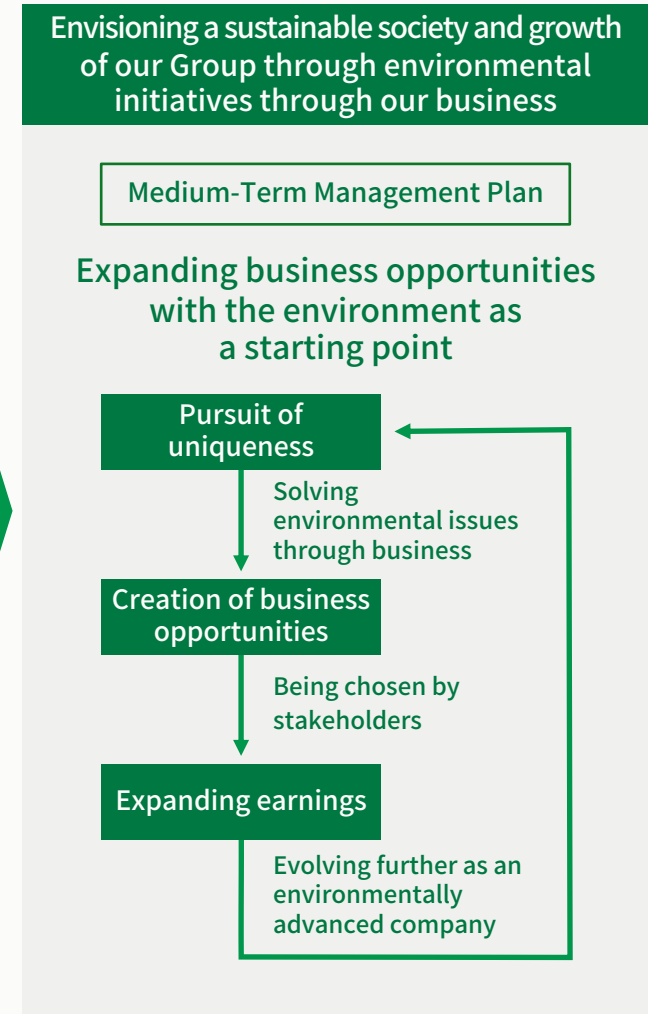


# Group Environmental Management Policy Overview

Based on our Environment Vision, which was formulated in 1998 as our basic environmental philosophy, we have been working to address environmental issues as an environmentally advanced company by setting three priority issues. We envision sustainable growth of society and our Group through GX, by viewing solutions to environmental issues as business opportunities and expanding business opportunities starting from environmental initiatives.



Turning solutions to environmental issues into business opportunities



# Expanding business opportunities with the environment as a starting point

We aim to be a company that continues to be chosen by its stakeholders through ongoing implementation of essential initiatives. Together with partners who share our values for a sustainable future, we will create new business opportunities and achieve medium-to-long-term growth.

## Pursuit of uniqueness

We will create unique initiatives that embody the essence of Tokyu as an environmentally advanced company and communicate our environmental value to the world.

### Results

- Contributing to the creation of a decarbonized society through the Renewable Energy Business
- Promoting the use of renewable energy for urban development / community planning, including **achievement of RE100 requirements**
- Creating **flagship development properties** that embody being the essence of being "environmentally advanced"



(Illustrative rendering of completed project)

Forestgate Daikanyama / TENOHA Daikanyama

## Creation of business opportunities

We will expand the circle of environmental initiatives beyond the industry, and capture further business opportunities by linking them to an increase in corporate value.

### Results

- **Expansion of business-to-business partnerships** based on the provision of environmental value
- **Expanding partnerships with companies and local governments by utilizing know-how from the Renewable Energy Business**



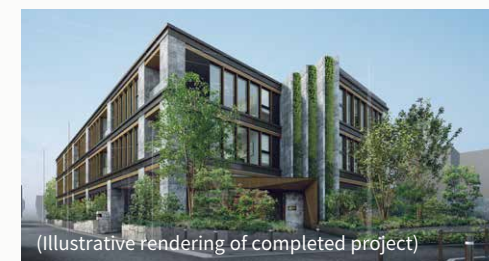
Comprehensive business alliance with East Japan Railway Company (JR East)

## Expanding earnings

We will propose environmental products that our customers can relate to, and which will help them to achieve sustainable lifestyles, and earn compensation for each individual business.

### Results

- Proposing environmentally friendly real estate to society through development of ZEB/ZEH, etc.
- New initiatives in environmental business, including the creation of forest conservation credits
- Making environmental friendliness of buildings a **factor in selection for partners** in BtoB business



(Illustrative rendering of completed project)

BRANZ JIYUGAOKA

# Policy for Future Initiatives / Aiming to be an Environmentally Advanced Company

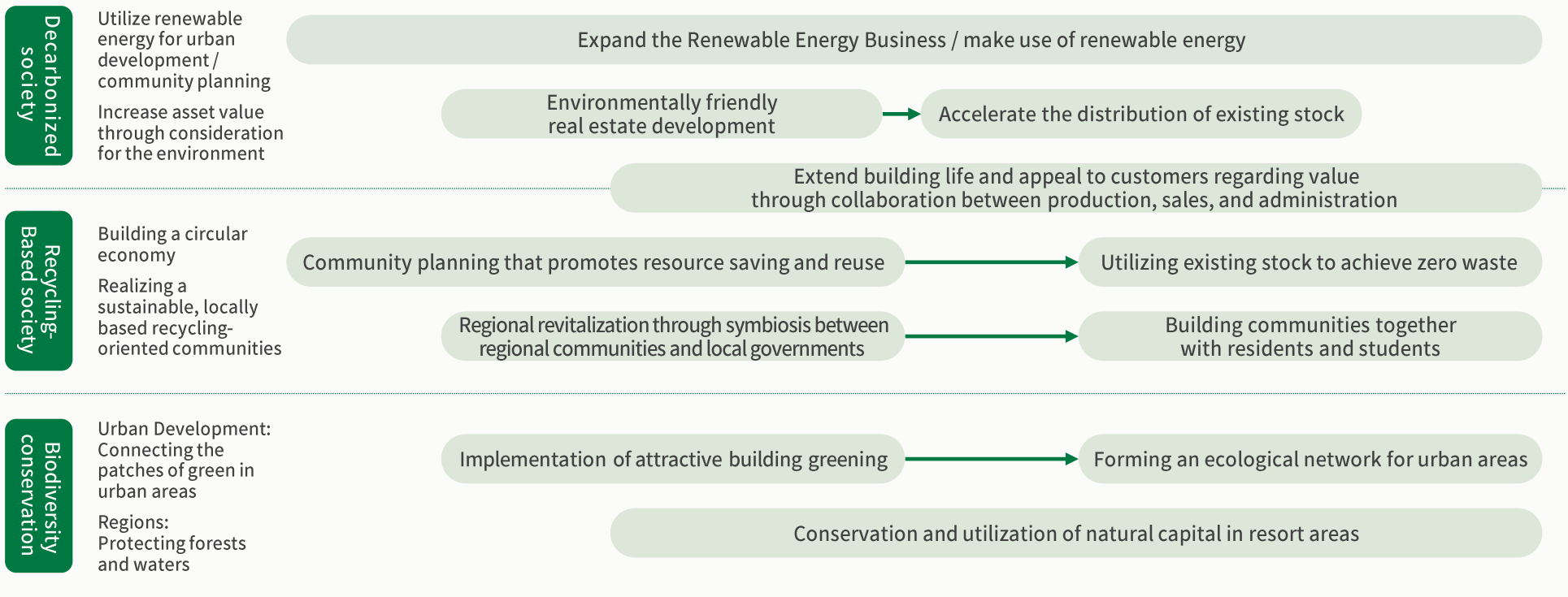
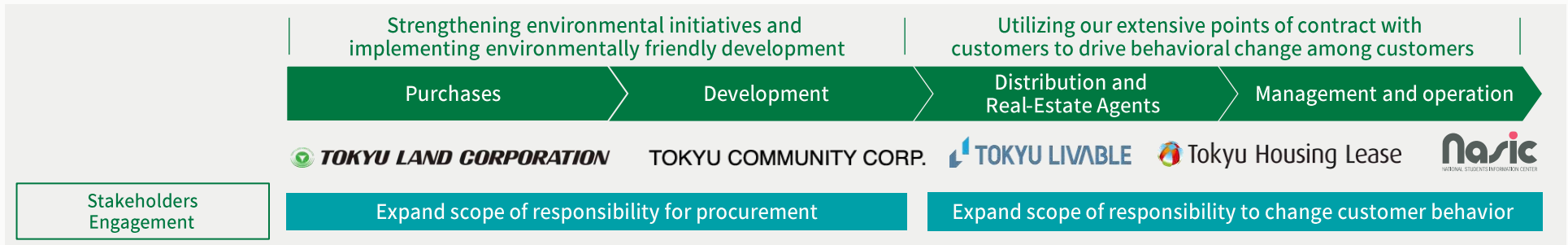
We will continue to expand business opportunities while keeping abreast of the fast-changing social environment. Aiming to be an environmentally advanced company that engages in sustainable urban development / community planning through GX, utilizing the advantages of turning solutions to environmental issues into businesses.

	Action policy	Aiming to be an environmentally advanced company
Pursuit of uniqueness	<p><b>Social environment</b>   There are more specific demands for efforts such as strengthening the foundation of environmental initiatives, stories for increasing corporate value, and methods for differentiation from other companies.</p> <ul style="list-style-type: none"> <li>● Create environmental value by identifying the strengths and weaknesses of each business in priority issues and leveraging strengths</li> <li>● Promote environmental responsiveness in urban areas and <b>improving competitiveness as environmentally advanced cities and regions</b> → Greater Shibuya area, Tateshina resort, etc.</li> <li>● Lead the way in urban development / community planning based on a next-generation energy mix by leveraging the strengths of the renewable energy business</li> </ul>	<p>Achieve the top regional position* in providing environmental value *Top position in a specific region or business</p> <p>Work to solve environmental and regional issues on a city-by-city basis, and implement measures to strengthen inter-city</p>
Creation of business opportunities	<p><b>Social environment</b>   Increasing needs for cross-industry collaboration to solve environmental issues Contribution by companies to solving local issues is a prerequisite for new business advancement.</p> <ul style="list-style-type: none"> <li>● Achieve solutions to environmental issues by expanding the circle of advanced environmental initiatives, <b>covering areas of environmental consideration that cannot be covered by Tokyu alone, with the help of partners</b></li> <li>● Strengthen collaboration with local governments, starting with contributions to resolution of local and environmental issues Promote symbiosis with local communities and create a superior business environment</li> </ul>	<p>As the importance of environmental contributions increases in business competition and urban planning, we will work to solve environmental issues from our own perspective</p> <p>By basing all aspects of community planning on environmental considerations, we can attract people who want to do something together in their town</p>
Expanding earnings	<p><b>Social environment</b>   With the exception of a few early adopters, the value of environmentally conscious products is not easily promoted, and the majority are oriented toward cheapness and convenience.</p> <ul style="list-style-type: none"> <li>● Lead the appeal of environmentally friendly products to customers. We propose sustainable lifestyles coexisting with the global environment, that people naturally can empathize with and wish to engage in themselves</li> </ul>	<p>Continue to offer products with intrinsic environmental contribution value that are not inferior to those of other companies, even in the face of product competition among environmentally friendly products</p>



# Environmental Management Leveraging the Strengths of Our Value Chain

In each cross-section of the Group's various businesses, we will implement initiatives based on business characteristics and linkages. We will also strengthen stakeholder engagement by expanding our scope of responsibility beyond the value chain to include procurement and changing customer behavior.



## Section 2

### Priority Issue 1

# Decarbonized Society

As real estate developers, we are on the demand side of energy, but we are also on the supply side of renewable energy, so our role in creating a decarbonized society is becoming even more important. Last year, Tokyu Land Corporation converted 100% of the electricity used at all of its facilities to renewable energy, achieving its CO<sub>2</sub> emissions reduction target well ahead of schedule. However, it is still important to reduce the energy consumption of buildings by improving their environmental performance, through further expansion of ZEB/ZEH. This July, we became the first in the industry to develop a plan for transitioning to a decarbonized society in line with the TCFD framework, reorganizing business risks and opportunities due to climate change. Going forward, we will continue to expand our renewable energy business, which is an important pillar of our operations, and make various environmental contributions through our existing businesses. We will also involve stakeholders while engaging in decarbonization initiatives throughout the supply chain, with the aim of creating a decarbonized society in the future.



# Being a group that continues to be chosen by stakeholders, and achieving decarbonization with our environmental business as our strength

## RE100

Tokyu Land Corporation has switched 100% of the electricity used at all of its facilities in Japan\*1,2 to renewable energy sources by utilizing its own power generation facilities.

### ● Targets / results

2050: achieve net zero emissions, 2030: SBT1.5°C target CO <sub>2</sub> reduction 46.2% (in comparison with FY2019)			
	Target		Fiscal 2022 result
Scope1,2	FY2023	-50.0% <b>Achieved</b>	-50.6%
Scope3*3	FY2030	-46.2% Collaborative efforts with partners (e.g., construction companies) / providing decarbonization value to customers	-10.9% Participation in the development of a manual for calculating GHG emissions during construction, etc.
ZEB/ZEH level*4	FY2025	Approx. 50% FY2030 100%	25%
Acquisition of environmental certification*5	FY2025	Approx. 70% FY2030 100%	48.7%
Introduction of ICP	Utilization for management decision-making in FY2023		Started visualization by Group Executive Committee

### Analysis of climate change risks and opportunities and organization of strategies

Transition plan	July 2023: Formulated Transition Plan to a Decarbonized Society in line with the TCFD framework
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\*1. Excludes projects to be sold or demolished and certain joint ventures where the Group does that do not have energy management authority, which do not fall within the scope of RE100.  
 \*2. Excludes electricity generated by on-site cogeneration, since there is no RE100-approved green gas in the domestic market. We are also working toward decarbonization by adopting carbon-neutral gas supplied by Tokyo Gas Co., Ltd.  
 \*3. Reduction targets in Tokyu Land Corporation's SBT certification apply to Category 1, 2 and 11  
 \*4. Percentage of Tokyu Land Corporation's facilities including condominiums and offices with building performance that meet or exceed ZEB/ZEH Oriented levels (based on commencement of construction work)  
 \*5. Applies to large non-residential properties (with floor space of 10,000 m<sup>2</sup> or greater) that are owned.

### Priority Initiatives

Expanding the Renewable Energy Business, which contributes to the decarbonization of society as a whole



- Rating capacity 2.1GW
- New business development in Japan and overseas

Urban development / community planning utilizing the perspective of a power generator



- Renewable energy supply to meet tenant needs
- Business expansion with partners
- Preparation for energy shift in cities

Environmentally friendly real estate development for creating sustainable cities



- Expansion of ZEB/ZEH initiatives
- Proposal of environmental initiatives to customers
- Environmental measures utilizing natural capital such as wooden materials and greening



Decarbonized society Specific initiatives

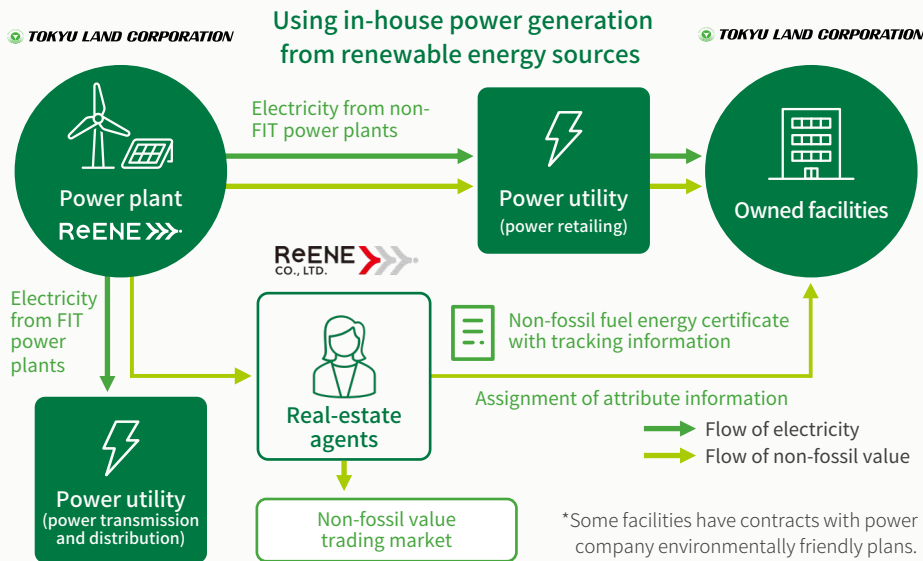
# Conversion of all Owned Facilities to Renewable Energy Toward RE100 Achieved

In 2019, Tokyu Land Corporation became the first in the real estate industry to join RE100. We have been advancing the installation of renewable energy at our properties by leveraging the advantages of having our own Renewable Energy Business. We have now achieved our goal of switching 100% of our electricity at all 244 of our owned facilities in Japan to renewable energy sources by 2022.

## ● System for renewable energy introduction

### Use of FIT power plants

The non-fossil value created by our FIT power plants, along with the generation of renewable electricity, is tied to facilities owned by the Group as non-fossil fuel energy certificates with tracking information.



### Use of non-FIT power plants

Raw green power from non-FIT power plants is supplied directly to our own facilities. In the future, we will supply renewable energy to society at large, with a view to selling electricity externally.

### What is RE100?



RE100 is an international initiative that commits to 100% renewable energy for electricity used in business by at least 2050. Tokyu Land Corporation became the first real estate company in Japan to join RE100\*1 in 2019. There are 77 member organizations in Japan (as of December 2022), but Tokyu Land Corporation is the only other domestic operating company\*2 to have achieved this goal.

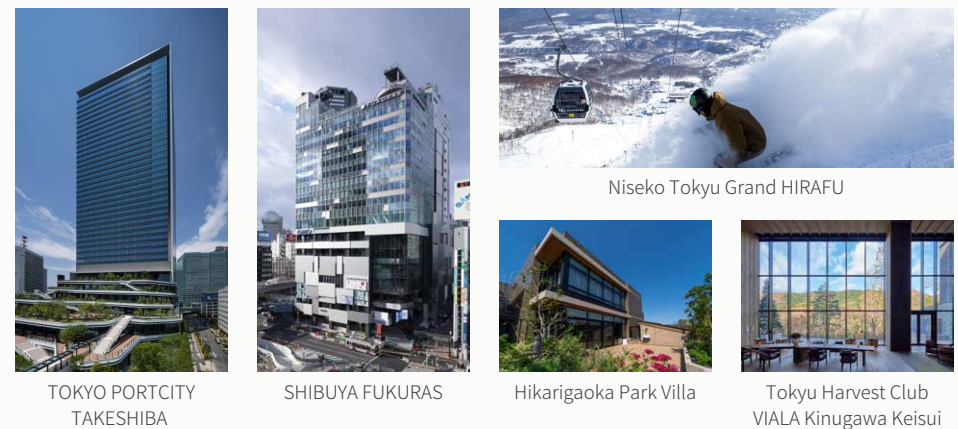
### RE100 requirement "Completion of 100% renewable energy switchover of electricity used"

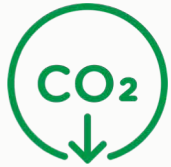
Tokyu Land Corporation has achieved its goal of completing its transition to 100% renewable energy by December 2022, leveraging its strengths as an electricity consumer that owns large-scale facilities, and as a renewable energy provider with over 1.6 GW of generation capacity.

\*1. Based on industry classification of companies listed on the First Section of the Tokyo Stock Exchange.

\*2. Excluding financial institutions.

### Renewable energy switched facilities (example)





Decarbonized society Specific initiatives

# Expansion of the Renewable Energy Business

We operate businesses with a rated capacity of 1.6 GW, which is at the top level in Japan for a renewable energy producer. We will continue to expand the Renewable Energy Business and contribute to a decarbonized society based on the understanding of our business sites. We will also strengthen our efforts in new related businesses such as overseas business development, offshore wind power generation, and storage batteries.

## ● Business Portfolio (as of September 30, 2023)

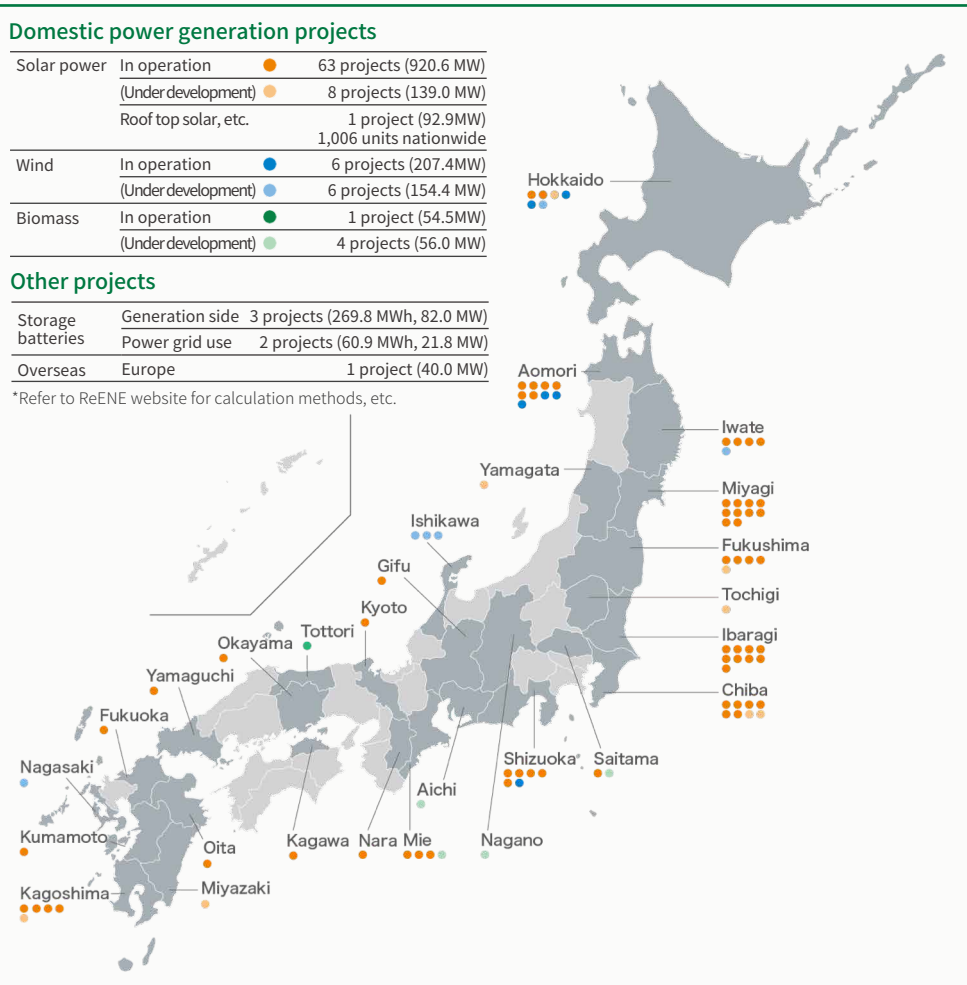
### Domestic power generation projects

Solar power	In operation	63 projects (920.6 MW)
	(Under development)	8 projects (139.0 MW)
	Roof top solar, etc.	1 project (92.9MW) 1,006 units nationwide
Wind	In operation	6 projects (207.4MW)
	(Under development)	6 projects (154.4 MW)
Biomass	In operation	1 project (54.5MW)
	(Under development)	4 projects (56.0 MW)

### Other projects

Storage batteries	Generation side	3 projects (269.8 MWh, 82.0 MW)
	Power grid use	2 projects (60.9 MWh, 21.8 MW)
Overseas	Europe	1 project (40.0 MW)

\*Refer to ReENE website for calculation methods, etc.



## ● Business overview and goals

Since 2014, we have been developing our Renewable Energy Business, after declaring our commitment to solving social issues—specifically, the creation of a decarbonized society, co-existence and mutual development with communities, and improving Japan's energy self-sufficiency rate.

Total number of plants	89 (72 solar, 12 wind, and others)
Rated capacity	1,625MW (1,074MW after share conversion)
Generating capacity*1	Approximately 3.52 billion kWh / year (enough to power around 741,000 homes*2)
CO <sub>2</sub> emissions reduction*1	Approx. 1.529 million t-CO <sub>2</sub> / year

**FY2025 Targets** | **Rating capacity 2.1GW**  
(Equivalent of two nuclear power plants)

\*1. Before conversion for ownership share

\*2. Calculated by estimating power consumption of 4,743 kWh / year per household (From Japan Photovoltaic Energy Association Labeling Guidelines for FY2022)

## ● New business development in Japan and overseas

We are also expanding our business overseas, acquiring a solar power plant in Spain in September 2023. We aim to develop and own a total of 1 GW in the Southern Europe region in the future. In Japan, the company we are also involved in new businesses such as grid storage batteries and offshore wind power. The storage battery business is expected to be in increasing demand to provide regulating capabilities for renewable energy output fluctuations.



Manzanares solar power plant (Ciudad Real, Spain)



# Urban development / community planning utilizing the perspective of a power generator

In an era of rapid energy shift to non-fossil fuels, such as the shift to 100% electric vehicles for sales, we will achieve further business expansion by providing added value to communities and businesses through the combination of know-how we have accumulated over many years in urban development and community planning with the perspective of a power generation company.

## ● Renewable energy supply to meet tenant needs

While tenant needs for renewable energy continue to grow, physical constraints on renewable energy generation in urban areas limit the amount of electricity generated. Despite this, we will work to expand the supply of renewable energy through power generation using limited rooftop space and other locations, as well as through off-site corporate PPAs.

### Providing renewable energy value to tenants through rooftop power generation

By installing solar panels on the roofs of logistics facilities and other facilities to supply raw green power, tenants can appeal to society about their use of 100% renewable energy. Storage batteries for disaster readiness and quick charging facilities for EVs have also been installed.



Our logistics facility LOGI'Q

### Renewable energy supply from a consumer viewpoint

While it has been pointed out that one of the bottlenecks for tenants to adopt corporate PPAs is that most of them are long-term contracts (15/20 years, etc.), we are already supplying renewable energy to Takashimaya through a corporate PPA with a short-term contract (two years), the first of its kind in Japan.



## ● Business expansion with partners

Suitable development sites for mega solar projects are limited in Japan, and future expansion of solar power generation will require collaboration with various partners who own land and buildings. We will expand the circle of decarbonization by gaining the understanding of our stakeholders and expanding our business.

### Farm-based solar power generation using farmland

While suitable sites for solar power generation are becoming increasingly limited, Solar Share—which utilizes farmland under the panels—is a business that achieves land utilization and provides solutions to agricultural issues. We are conducting demonstrative tests on power generation and crop growth, with an eye to business expansion.



ReENE Solar Farm Higashi-Matsuyama

### Power generation using school roofs / contributing to environmental education

A total of 53 schools in the city of Yokohama have been selected as PPA providers to utilize their roofs. In addition to creating an urban local production for local consumption model, producing and consuming energy in an urban development, we also plan to provide opportunities for environmental education at these facilities.



\*Illustrative image

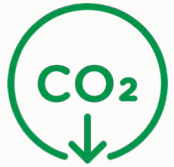
## ● Preparation for energy shift in cities

### Introducing the world's first IOWN concept for urban development in collaboration with NTT Group

The transition away from fossil fuel-based energy is expected to significantly increase urban demand for electricity. Against this backdrop, we are attempting a world-first in urban development / community planning using NTT's IOWN concept, in collaboration with NTT Group. This concept, which creates a foundation for next-generation communications through high-speed, high-capacity communication, will improve power efficiency through optoelectronic integration technology and enable significant reductions in electricity consumption. We aim for this project to become a model case for the future, by creating an environmentally advanced city that combines cutting-edge convenience and sustainability.



Shibuya Sakura Stage, where the IOWN service will be introduced



Decarbonized society Specific initiatives

# Environmentally friendly real estate development for creating sustainable cities

Going forward, we will engage in sustainable urban development and community planning that will enable us to coexist with the Earth in the future through the steady creation of environmentally friendly buildings. In addition to improving the environmental performance of our own buildings, we will work with stakeholders to help create a decarbonized society by proposing that buildings developed by other companies be made more environmentally friendly.

## ● Expansion of ZEB/ZEH initiatives (new construction and renovation of existing buildings)

The entire group aims to achieve 100% ZEB/ZEH for new construction as soon as possible. LOGI'Q Minami Ibaraki acquired ZEB CASBEE S-rank certification, and COCONO SUSUKINO acquired ZEB Ready certification. Going forward, we will continue working to reduce the environmental impact of existing buildings through renovation. In terms of residential buildings, we acquired ZEH Oriented certification for BRANZ Jiyugaoka, and will continue to implement the transition toward ZEH Oriented buildings in the future, including for L'GENTE, owned by Tokyu Livable.

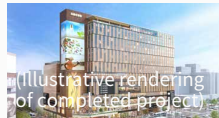
March 2022\*1 ZEB level in principle for new buildings  
FY2023 Standardized ZEH specifications for BRANZ condominiums  
FY2025 Standardized ZEH specifications for in-house developed condominiums (Tokyu Land Corporation, Tokyu Livable)



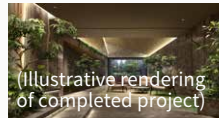
Tokyu Community Technology Training Center NOTIA



LOGI'Q Minami Ibaraki



COCONO SUSUKINO



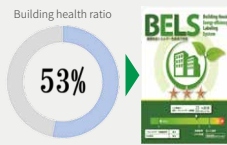
BRANZ JIYUGAOKA

\*1. Applies to large non-residential properties (with floor space of 10,000 m<sup>2</sup> or greater) that are owned. Excluding some joint projects

## ● Proposing environmental initiatives to clients

### Proposals to acquire environmental certification from a management perspective (Tokyu Community)

We provide EM Doc, a unique service to quantify building health rates for existing properties. Based on the results, we propose to the building owner to obtain environmental certification, leading to proposals for ZEB conversion at the time of renovation.



### Introduction of environmental measures for existing rental housing (Tokyu Housing Lease)

From the standpoint of a rental housing management and operation company, we will continue to introduce renewable energy in the common areas of our properties. We will also work to propose the introduction of environmental measures to property owners.



Shinonome Canal Court CODAN

## ● Examples of environmental certification (DBJ Green Building certified properties)

### 5Stars (highest rating)



TOKYO PORTCITY TAKESHIBA



SHIBUYA SOLASTA



Hibiya Park Front



SHIBUYA FUKURAS



Kudan-Kaikan Terrace

## ● Environmental measures utilizing natural capital such as wooden materials and greening

### CO<sub>2</sub> reduction and storage through development using wooden materials

Campus Village Ikuta uses a mixed wood and RC structure and wood-like design on the interior and exterior to create a warm and inviting space. The project is expected to contribute to decarbonization through the reduction of CO<sub>2</sub> emissions and carbon storage effects during construction by using a large amount of wood.



Campus Village Ikuta

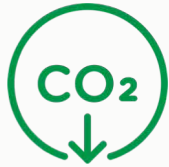
### Energy conservation for air conditioning through greening using potatoes\*2

In this approach, the area around the AC outdoor unit is greened with sweet potato leaves to reduce ambient temperatures and improve air conditioning efficiency through the transpiration and shielding effects of the leaves. In addition to saving energy and reducing electricity consumption without placing a burden on tenants, the project also creates opportunities for communication through potato harvesting events.



Unosawa Tokyu rooftop greening system using sweet potatoes

\*2. Patented technology of Nikken Sekkei Ltd. and Sumitomo Corporation





Decarbonized society Specific initiatives

## Information disclosed in compliance with TCFD recommendations

Events caused by climate change are risks and opportunities that impact the strategies and finances of the Group in the medium and long term, and we recognize them as serious issues. We pursue measures based on the TCFD recommendations—which recommend disclosure of risks and opportunities relating to climate change to companies—and engage in appropriate disclosures to ensure they are broadly understood.

### ● TCFD-related initiatives

<b>FY2018</b>	<p>Conducted scenario analysis as a project supported by the Ministry of the Environment Conducted analysis of 2°C and 4°C scenarios</p> <p>Subject to analysis   Medium-term (2030) / Urban Development Long-term (2050) / Leisure</p> <p>Disclosed scenario analysis in line with TCFD</p> <p>Became first Japanese developer to endorse TCFD recommendations</p>
<b>FY2019</b>	Disclosed scenario analysis in the Annual Securities Report
<b>FY2020</b>	<p>Conducted a new scenario analysis with expanded areas of coverage Conducted analysis of 1.5°C, 3°C, and 4°C scenarios</p> <p>Subject to analysis   Medium-term (2030) / Urban Development, Residential, Leisure, Renewable energy Long-term (2050) / Urban Development, Residential, Leisure, Renewable energy</p>
<b>FY2022</b>	<p>Selected as a case study for the TCFD Consortium's Guidance on Climate-related Financial Disclosures 3.0</p> <p>Selected by the Financial Services Agency as a case study for Disclosure of Sustainability Information in Annual Securities Reports</p>
<b>FY2023</b>	<p>The latest 1.5°C scenario is reflected in the analysis</p> <p>Establishment of the Transition Plan to a Decarbonized Society</p>

Category	The Group's initiatives
Governance	<ul style="list-style-type: none"> <li>The Sustainability Committee, which is chaired by the President and Representative Director, deliberates on important matters related to climate change and reports the results to the Board of Directors.</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>In each business of Urban Development, Leisure, Residential and Renewable Energy, risks and opportunities in the medium term (2030) and long term (2050) are assessed based on three scenarios, 1.5°C, 3°C and 4°C.</li> <li>Implementing ZEB/ZEH promotion, expansion of the renewable energy business, green financing and so on</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>2030 KPIs on climate change have been set as material issues in the long-term management policy, and their progress is managed by the Sustainability Committee.</li> <li>We recognize climate change as a risk of high importance and have integrated it into our companywide risk management activities.</li> </ul>
Metrics and targets	<ul style="list-style-type: none"> <li>For greenhouse gas (GHG) emissions we have acquired SBT certification for the 1.5°C level as a 2030 target and declared that we will achieve net zero emissions internally and across our supply chain by 2050.</li> <li>Tokyu Land Corporation has made the RE100 declaration and aims to achieve 100% renewable energy in 2022 ahead of schedule.</li> <li>Reduction in water usage and waste, the acquisition of environmental certifications for buildings and the area of forests that we preserve have been set as KPI targets.</li> </ul>

Note: Further details are disclosed on the Company's website.






# Scenario Analysis Based on the TCFD Recommendations

For our main businesses of Urban Development, Resort, Residential and Renewable Energy, we have conducted analyses of the impact of risks and opportunities expected under three climate change scenarios (1.5°C, 3°C and 4°C in the medium and long term (2030 to 2050)

## ● Scenario Analysis Overview

Details of our analysis of risks and opportunities and financial impact for each scenario are disclosed on our website.

In addition, the Transition Plan to a Decarbonized Society developed in July 2023 reorganizes the key climate-related risks and opportunities that affect the Group.

		1.5°C			3°C	4°C			
		Risks and opportunities / Strategy			Financial impact		Artist's impression		
		Business	Medium term	Long term					
<b>[Transition risks]</b> Policy and legal / Technologies / Markets / Reputation  <b>[Opportunities]</b> Energy sources / Products and services / Market	[Risks and opportunities] • Carbon pricing system increases building and operating costs • Increased tenant demand for ZEB buildings will affect rent and vacancy rates • Increased demand for ZEH among homebuyers and intensifying competition among products • Significant increase in need for renewable electricity, etc.  [Strategy] • We will promote the adoption of ZEB/ZEH for newly constructed buildings, promote upgrades to the facilities of existing buildings under our operation, and achieve differentiation through the early introduction of renewable energy. • We will also work with general contractors to reduce CO <sub>2</sub> emissions during the construction phase to reduce the impact of carbon pricing, etc.	Urban Development	High	Fairly low	 Renewable Energy Business	• • •	• • •		
		Residential	Fairly low	Low					
		Leisure	Fairly low	Low					
		Renewable energy	High	Low					
<b>[Physical risks]</b> Acute Chronic  <b>[Opportunities]</b> Resilience	[Risks and opportunities] • Gradual increase in damage to facilities due to natural disasters • Increased tenant demand for BCP for facilities will affect rent and vacancy rates • Shortened ski resort operating periods due to rising temperatures, etc.  [Strategy] • We will seek to achieve differentiation through the selection of building locations and by strengthening BCP and LCP responses in coordination with tenants and residents. • We will also work to secure revenue through off-season use of facilities, etc.	Urban Development	Low	Fairly low	 Ski area	• • •	• • •		
		Residential	Low	Fairly low					
		Leisure	Low	Fairly low					
		Renewable energy	Low	Fairly low					

The degree of impact is classified as follows. High: 10% or more of consolidated operating revenue Fairly high: 10% or more of operating revenue for that business portfolio Medium: 5-10% of operating revenue for that business portfolio Fairly low: 2-5% of operating revenue for that business portfolio Low: less than 2% of operating revenue for that business portfolio

**Please refer to the Transition Plan to a Decarbonized Society on the Group website for more information on risks with significant impacts, 3°C and 4°C scenario analyses, and details of each analysis.**

## Section 2

### Priority Issue 2

# Recycling-based society

In the real estate industry, where we use large amounts of resources to develop and operate buildings, there are calls to further reduce resources and waste in order to build a circular economy, which is becoming increasingly important. We will focus our efforts on priority areas with high resource use, such as construction materials, water resources, and food waste. We are also working to encourage the recycling of existing stock by extending the life of buildings and reducing the number of underutilized buildings through the expansion of businesses related to distribution, real estate agency, property management, and building operations. In addition, because the Group has long been involved in community planning, we place great importance on contributing to the realization of a sustainable, recycling-oriented society in our local communities. Through collaboration with our stakeholders, we will contribute to addressing local issues that are closely linked to community planning, while leveraging our broad business base to ensure that local communities are sustainable over the long term.



# Helping to create a recycling-oriented business cycle and sustainable local communities

## ● Building a circular economy in every business

Based on the characteristics of the wide range of businesses within the group, we will take steps to conserve resources, focusing on priority areas with high resource use. In addition, we are working to reduce building-related waste through innovative solutions during building renovations and by extending the service life of existing buildings, and are also promoting the effective use of food waste from restaurants.

<b>Distribution, Real-Estate Agents, Property Management</b>	<b>Utilizing existing stock to achieve zero waste</b>	<b>Purchasing, Development, Operation</b>	<b>Community planning that promotes resource saving and reuse</b>
Making the most effective use of existing buildings as an environmental contribution initiative in which more people can easily participate <ul style="list-style-type: none"> <li>• Helping to building longevity through appropriate maintenance</li> <li>• Reducing underutilized stock through distribution of pre-owned properties</li> </ul>		Real estate development that utilizes the existing structure and reduces the need for procuring resources <ul style="list-style-type: none"> <li>• Implementing new development through renovation and preserved buildings</li> </ul>	Effective use of waste from building renovations and food waste <ul style="list-style-type: none"> <li>• Establishment of a "Zero Emissions Club"</li> <li>• Food recycling (e.g., utilization of food waste)</li> </ul>

Waste generation		2019 (reference year)	2020	2021	2022	2030 (targets)
	Emissions (t)	29,251	27,673	27,827	21,181	-
	Emissions intensity (kg/m <sup>2</sup> )	9.6	8.3	8.5	7.4	8.5
[Action targets] 11% reduction by FY2030	Reduction rate	-	-13.6%	-11.7%	-22.5%	-11.0%

Water use		2019 (reference year)	2020	2021	2022	2030 (targets)
	Water usage (1,000m <sup>2</sup> )	5,751	4,582	4,867	5,087	-
	Usage intensity (m <sup>3</sup> /m <sup>2</sup> )	1.8	1.3	1.4	1.7	-
[Action targets] Year-on-year decrease until 2030	Reduction rate	-	-27.3%	7.3%	18.7%	Year-on-year decrease

## ● Realizing a sustainable, locally based recycling-oriented communities

We are engaged in a wide range of urban development and community planning businesses with various business locations throughout Japan. The basic premise of our business continuity is to ensure that each community remains sustainable over the long term. In collaboration with various stakeholders, we tackle the issues faced by each community through our business, and contribute to the creation of a sustainable recycling-based society in each community by resolving them.

<b>Purchasing, Development</b>	<b>Improving local lifestyles by introducing new industries</b>	<b>Distribution, Real-Estate Agents, Property Management, Operation</b>	<b>Utilizing business locations to coexist with local communities</b>
Implementing sustainable community planning together with local residents as we develop our business <ul style="list-style-type: none"> <li>• Driving the creation of TENOHA—a community symbiosis base</li> <li>• Support for community planning that makes the most effective use of local resources, etc.</li> </ul>	 (Illustrative rendering of completed project) 	Engaging in local community building activities with customers using our business locations <ul style="list-style-type: none"> <li>• Community-based commercial facility management</li> <li>• Creating real estate agencies open to the community, etc.</li> </ul>	 



Recycling-based society Specific initiatives

## Utilizing existing stock to achieve zero waste

The Group's management and real-estate sales agent businesses are strengthening their efforts with a strong sense of purpose, since their business expansion itself contributes to solving social issues. We will make the most effective use of existing buildings as an environmental contribution initiative in which people can participate more easily.

### ● Contribution to building longevity (Lifetime Management)

Tokyu Community's concept of "Lifetime Management" is to maintain existing buildings in the best possible condition to enhance asset value. As the industry leader in terms of the number of condominium units under management, we are committed to making a simple and essential contribution to the environment by "using what we already have" for a long time.

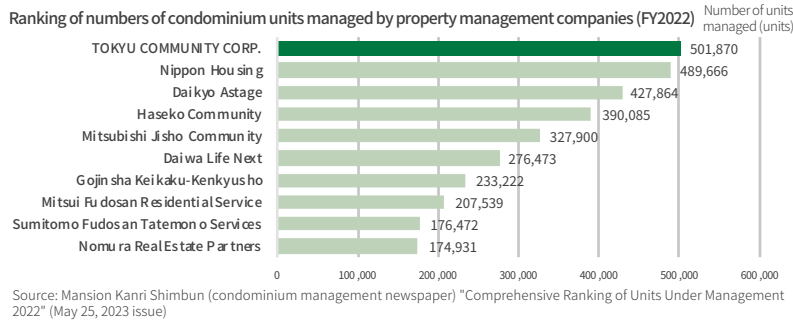
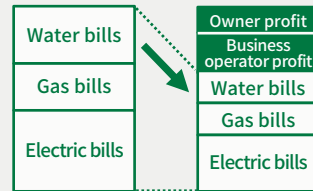
#### Revive Plus brand for renovation work

Revive Plus is a unique approach to renovation work that only a property management company can provide. Through it, we not only revive buildings, but also give shape to the wishes of residents and propose ways to add to asset value with an eye to future changes.



#### Eco tuning

TOKYU COMMUNITY CORP. has acquired certification as an Eco-Tuning business under a program promoted by the Ministry of the Environment. Appropriate operational improvements to equipment and systems leads to lower customer asset costs and proposals for environmental improvements.



### ● Reducing underutilized stock through distribution of pre-owned properties

Tokyu Livable handles close to 30,000 real-estate sales annually. By passing used buildings on to their next occupants, we are contributing to the creation of a recycling-oriented economy that utilizes existing resources and does not dispose of buildings, as well as solving the problem of vacant buildings, which is a social issue.

#### Increase in the number of used real-estate property transactions

Tokyu Livable offers added-value services such as building and equipment warranty services, with the number of transactions reaching 29,577. Going forward, we will continue to contribute to the reduction of underutilized stock, through the utilization of existing stock.



#### Reducing CO<sub>2</sub> emissions by continuing to use existing buildings

The difference in CO<sub>2</sub> emissions or GHG (CO<sub>2</sub>) emissions when an existing house is renovated compared to building a new house is around one quarter, or about 207 kg per square meter. \*1 Based on Tokyu Livable's number of transactions, it is estimated that the company contributes to an overall reduction of approximately 90,000 tons of CO<sub>2</sub> per year\*2.

Tokyu Livable's number of transactions for existing houses (less than 30 years old) and estimated reduction in CO<sub>2</sub> emissions (approximate)

	Number of existing houses handled	Estimated CO <sub>2</sub> emissions reduction
FY2020	3,912	80,900 tons
FY2021	4,553	94,200 tons
FY2022	4,471	92,500 tons

\*1. Source: "Projections of CO<sub>2</sub> Emissions from Construction, Renovation, and Demolition of Residential Buildings Until 2050" (March 2009)

\*2. The figure is calculated by multiplying the total building area (approximate) of existing houses\*3 in which Tokyu Livable was involved in real-estate agency sales for either the seller or the buyer (or both) by the difference between emissions per square meter for new construction and emissions per square meter for renovation (refer to \*1).

\*3. Less than 30 years old and according to the registration classification as determined by the sales representative at the start of the sales activity.



Recycling-based society Specific initiatives

## Community planning that promotes resource saving and reuse

Various resources are consumed in the urban development / community planning process. These include construction materials during building construction, and water, food, and building renovation materials during building operation. In each business phase, we work to conserve resources and recycle waste, to build a recycling-oriented society in the future.

### ● Engaging in real estate development that utilizes the existing structure and reduces the need for procuring resources

In real estate development, the building frame (concrete, steel, etc.) consumes a particularly large amount of resources, and the resulting CO<sub>2</sub> emissions are also significant. The Group is responding to this challenge by pursuing renovation, preservation, and regeneration of architecture.

#### Comforia Takashimadaira (Renovation)

A 27-year-old company housing unit was renovated under the concept of "upcycling for living." We are also making use of wood from forest thinning and working to reduce food waste through composting using food waste in vegetable gardens. The building has also acquired BELS certification for its thermal insulation retrofit, even though it is an existing building.



#### Kudan-Kaikan Terrace (preserved architecture)

Part of the former Kudan-Kaikan, built in 1934, was preserved and restored, and a new building was added. In addition to reducing CO<sub>2</sub> emissions by approximately 60 tons by utilizing the old frame of the building, resource conservation and waste reduction were achieved by reusing finishing materials such as 2.9 tons of roof tiles and 10.9 tons of tiles.



### ● Reduction of water resource usage

In addition to standardizing the installation of water-saving devices and other equipment at the time of development, we have formulated water management plans, and water use is monitored at all facilities under our operation and management. At some facilities, we are promoting the use of graywater by purifying kitchen wastewater and rainwater and using it as toilet flushing water.



TOKYO PORTCITY TAKASHIBA

### ● Effective utilization of waste during renovation and food circulation

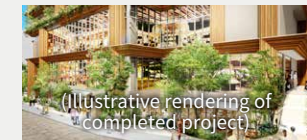
In the process of long-term operation of buildings, the need for renovations and other improvements arises. At that time, we engage in initiatives that take resource conservation and waste reduction into consideration. We are also working to achieve food recycling by utilizing food waste from commercial facility and hotel restaurants.

#### Establishment of a "Zero Emissions Club"

Tokyu Land Corporation has established a cooperative system with 14 partner companies to reduce waste emissions from office building and commercial facility renovations. Our goal is to realize the recovery and recycling of chlorofluorocarbons (CFCs) as air conditioning refrigerants, and the development and widespread use of recycled interior building materials.

#### Food circulation

At Forestgate Daikanyama, diverse businesses will work together to generate electricity and produce compost using food waste. Compost fertilizer is used to grow crops in collaboration with cooperating farmers, and is transformed into high-grade sweets and other products.



Forestgate Daikanyama

In addition, the area under the solar panels installed at ReENE Solar Farm Higashi-Matsuyama is used as farmland. Harvested vegetables were served at Group hotel restaurants, and leftover food waste was recycled by composting and reuse.



ReENE Solar Farm Higashi-Matsuyama

Tokyu Harvest Club is also introducing composting machines for food waste disposal at all facilities, as well as introducing initiatives to enjoy food recycling and local production for local consumption at the resort by offering vegetable harvesting experiences at the farm.



Harvest experience at our own farm



Recycling-based society Specific initiatives

# Realizing a sustainable, locally based recycling-oriented communities

Through collaboration with our stakeholders, we will contribute to solving local issues that are closely related to community planning. The introduction of new industries in communities will help to improve the quality of life in these areas.

## ● TENOHA: a base for solving local issues and revitalization



At business sites across Japan, we are implementing community symbiosis initiatives aimed at resolving issues and revitalizing local communities. We have named the facility that serves as the base for these activities TENOHA. Each facility aims to create a place where "people, products, and services can grow" through the utilization of existing facilities, which are local assets and resources, and through environmentally friendly architecture.

### TENOHA Daikanyama

TENOHA Daikanyama is an activity base that connects the community and city in cooperation with businesses and governments engaged in circular economy activities, with the main goal of providing sustainable living experiences. The building is constructed of timber from forest thinning in Nishiawakura Village, Okayama Prefecture—a forest targeted for conservation under our Green Connection Project—and is easily disassembled and relocated.



TENOHA Daikanyama



TENOHA Higashi-Matsuyama

### TENOHA Higashi-Matsuyama

A demonstration platform for local agriculture and renewable energy. Vegetables grown at the nearby ReENE Solar Farm Higashi-Matsuyama are served at the café, offering food and lifestyles that will make customers appreciate sustainable local production for local consumption.



TENOHA Oga



TENOHA Noshiro

## ● Making the most of the asset of "wind": Regional symbiosis in Matsumae Town, Hokkaido

Tokyu Land Corporation has concluded an agreement with the town of Matsumae in Hokkaido regarding community planning, educational support, and coexistence of wind power generation with the local fishing industry, and is working to resolve local issues and coexist in harmony with the community. The project will not only implement wind power generation utilizing some of the strongest winds in Japan, but also revitalize the region by utilizing its tourism resources. We are also working on a joint project to create a vision for the future of the town's fishing industry.



ReENE Matsumae Wind Power Plant

In terms of education, we give on-site classes at elementary schools to help children understand the value of wind as a resource. We also conducted an initiative to have children from the town draw pictures in the machine room in the center of the windmill. In addition, the company is also making wind power generation more accessible and familiar to the town's residents by supplying power for local festivals.



Wind power generation provides electricity for local festivals



Recycling-based society Specific initiatives

## Utilizing business locations to coexist with local communities

From commercial facility to real-estate agents and rental housing, the Group has a variety of business locations throughout Japan. Together with customers who use each location, we are engaged in community building activities from a medium to long-term perspective.

### ● Creating real estate agencies open to the community

Tokyu Livable's signage at some of its stores provides local government announcements and local PR information, including tourist attractions, in cooperation with local governments. They also sponsor local events and make donations with the aim of becoming a store with strong roots in the community.



### ● Student community formation support

The Student Information Center has been running tenant community building activities—including welcome parties—for around 30 years. Since the pandemic, the program continues to be implemented in a form that has been changed to an online format that connects venues and tenants' rooms nationwide.



Helping students make connections

### ● Community-based commercial facility management



Amagasaki Q's Mall GrinGreen Project: a community exchange project



#### Community exchange at Q's Farm, an urban farm

Amagasaki Q's Mall has implemented the GrinGreen Project to foster community exchanges through green-themed events. Approximately 300m<sup>2</sup> of unused green space will be developed as Q's Farm, where agricultural events and local collaborative events will be held. The aim is to create a place where visitors can experience agriculture, food, and flowers, giving customers a sense of connection with the community through contact with nature.

#### 3,989 crime prevention buzzers donated to 41 local elementary schools

Four facilities in the Kansai region have donated original crime prevention buzzers to first-year elementary school students, using a total of more than 120,000 points donated by customers during the year. The initiative has continued for nine years, thanks to the generosity of local citizens. Together with the local community, we are contributing to preventing children from becoming victims of crime.



Security buzzers donated to local elementary schools



Co-hosting local traditional summer festivals and facility events

#### A 300-year-old tradition: Mandoro Fire Festival co-hosted with the facility's summer festival

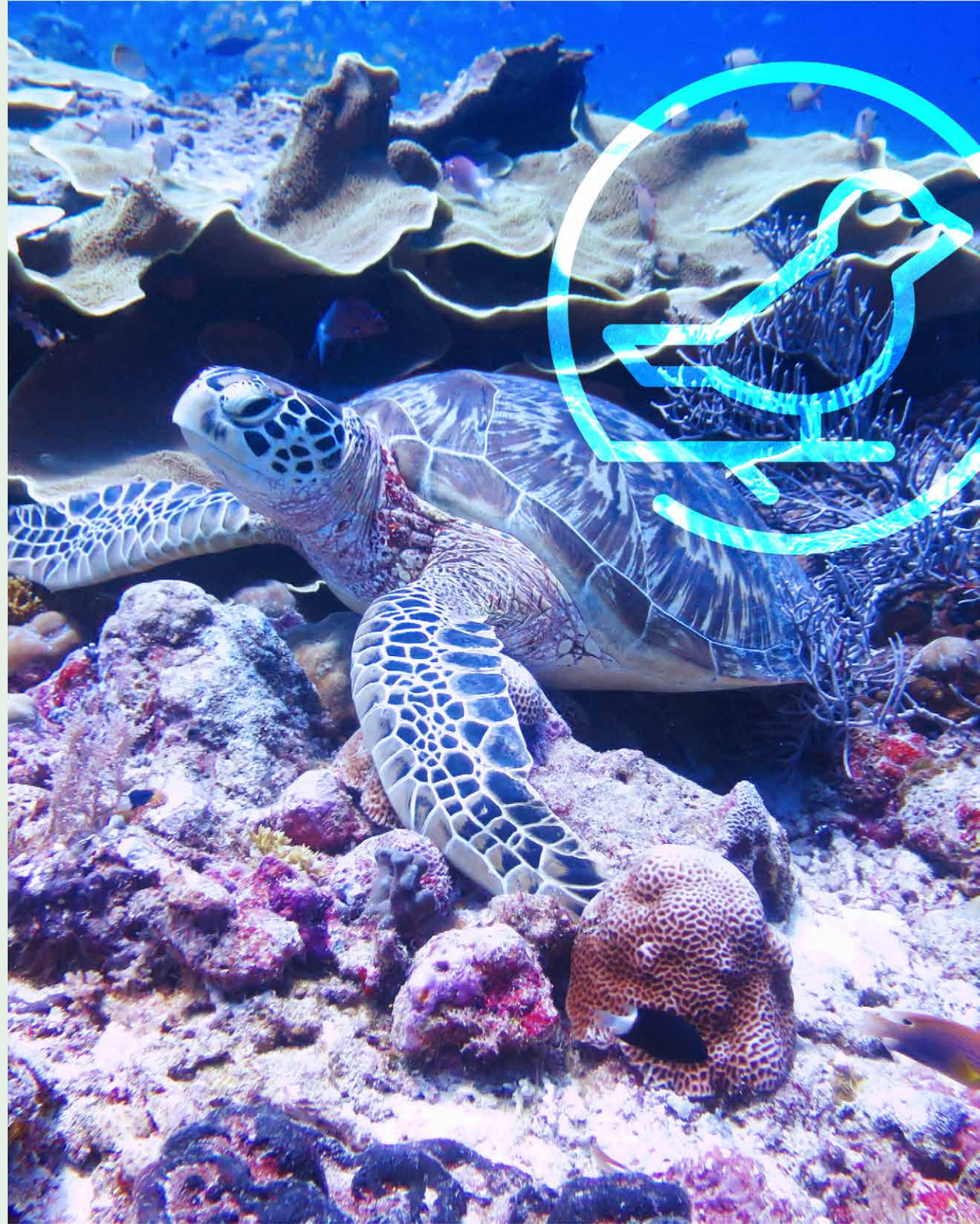
The Mandoro Fire Festival is a traditional event in the Kayano area of Minoh, Osaka Prefecture, where Minoh Q's Mall is located. In August 2022, the facility co-hosted the event in conjunction with the Q's Summer Festival, which attracts approximately 3,000 visitors. A long line of lanterns and torches continued along the Senri River. This initiative has created a large scale, lively festival in cooperation with the local community.

## Section 2

### Priority Issue 3

# Biodiversity conservation

Biodiversity conservation is an inseparable part of the Group's business, which is based on the benefits of natural capital such as forests and oceans, as well as the use of land for the development and operation of facilities. We believe that initiatives must be based on local characteristics, and have implemented ongoing efforts since our founding, including development in harmony with the ecosystem in Palau and the formulation of a Biodiversity Policy in 2011. In response to the recent increase in the importance of nature positivity internationally, we revised our biodiversity policy in August 2023 to take a more in-depth approach. Prior to the TNFD's final recommendations, the Group disclosed a TNFD Report summarizing the results of a review of the Group's nature-related risks and opportunities. Going forward, we will continue to work toward the creation of a society that coexists in harmony with natural capital, taking into account the unique characteristics of cities and rural areas, and utilizing the power of green infrastructure to connect people with nature.





# Contributing to the preservation of regional ecosystems by utilizing the characteristics of cities and regions

## ● Biodiversity Policy (established in 2011, revised in August 2023)

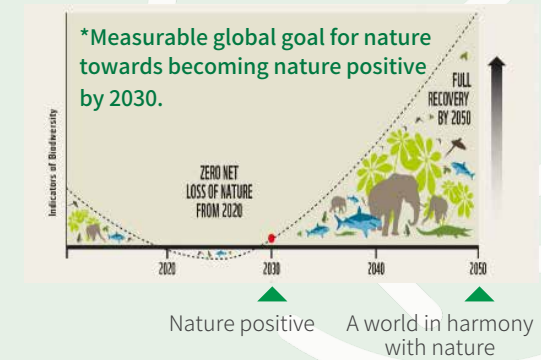
The Group formulated its Biodiversity Policy in 2011, the year after COP10, and began working on it from an early stage. In response to recent social and policy trends in Japan and abroad, we have updated the policy, based primarily on the Group's ongoing efforts to coexist in harmony with nature.

### Commitment summary

Respecting the international goal of being "nature positive," and in collaboration with various stakeholders, the Group actively engages in initiatives to avoid or minimize negative impacts on biodiversity conservation and to increase positive impacts.

## ● Contributing to efforts to become nature positive based on regional characteristics

In accordance with the TNFD framework, we assessed the current state of our relationship with nature. Considering the scale of our business operations and the importance of biodiversity conservation, the greater Shibuya area was identified as a priority urban area, and our resort facilities were identified as a priority area in rural areas. This initiative will be supported by the green infrastructure technology of Ishikatsu Exterior, a landscaping company that is part of the Group.



### Urban Development Connecting the patches of green in urban areas

#### Greening and considers people and nature, connecting the patches of green around the city

- Urban greening as an ecological relay point
- Community planning in which people and nature coexist

Priority area Greater Shibuya area

Achieve nature-positive community development with positive effects on biodiversity restoration before and after development. This includes not only greening of individual facilities, but also formation of an ecological network.

### Countryside Protecting forests and waters

#### Business development in regional areas coexisting with ecological services

- Ecological surveys and conservation activities related to forests and oceans
- Sustainable procurement of timber and other resources

Priority area Resort facilities

The Group has acquired OECM and ABINC certifications through its conservation and quantification of natural capital and its engagement in business that coexists with ecosystem services. We will also work to encourage behavioral change among customers through sustainable tourism.

### Supporting the realization of nature positivity

#### Green infrastructure connecting people with nature

Greening by leveraging the strengths of Ishikatsu Exterior, an environmental greening business.

#### Utilizing the functions of the natural environment to solve various issues in society

- Disaster readiness and mitigation
- Environmental considerations (environmental preservation, reduction of environmental impact)
- Wellbeing



# Information disclosed in compliance with TNFD recommendations

Prior to the TNFD's September 2023 release of its final framework for corporate disclosure of natural capital risks and opportunities, including biodiversity conservation, the Group disclosed the results of its study of nature-related risks and opportunities, as well as a TNFD Report summarizing its efforts to date.

## ● TNFD framework and main disclosures

The TNFD report is structured around the four pillars recommended by the TNFD (Governance, Strategy, Risk/Impact Management, and Metrics and Targets) and the LEAP approach (Locate the interface with nature; Evaluate dependencies and impacts; Assess risks and opportunities; and Prepare to respond and report).

## ● Report summary

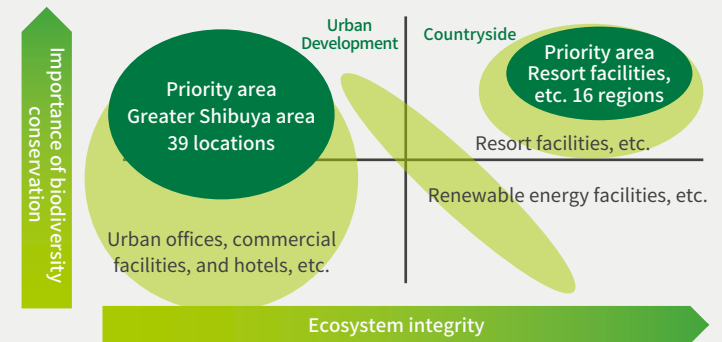
### Overview of impact / dependence on nature and establishment of priority areas

#### ● Step 1 Understand the Group's overall impact and dependence on nature

Segment	Business	Sales Scale	Impact			Dependence	
			Ecosystem (land/sea, etc.)	Resources (water, etc.)	GHG emissions	Resources (water, etc.)	Culture (healing/landscape, etc.)
Urban development	Offices, commercial facilities, residential	■	Extra-large	Large	Large	Large	Large
Strategic investment	Renewable energy	■	Extra-large	Large	Large	Extra-large	
	Logistics	■	Extra-large	—	Large	Medium	Medium
	Condominium management, environmental greening	■	Extra-large	—	Large	—	—
Property Management & Operation	Resorts	■	Extra-large	Extra-large	Large	Extra-large	Extra-large
	Healthcare	■	Extra-large	Large	Large	High	Large

#### ● Step 2 Analysis of the importance of each property location, etc.

Analyze each of the indicators related to natural integrity and importance and water stress for the locations of properties owned and operated by the Group.



**Urban development projects in the greater Shibuya area** (priority area considered in this study)



# Information disclosed in compliance with TNFD recommendations

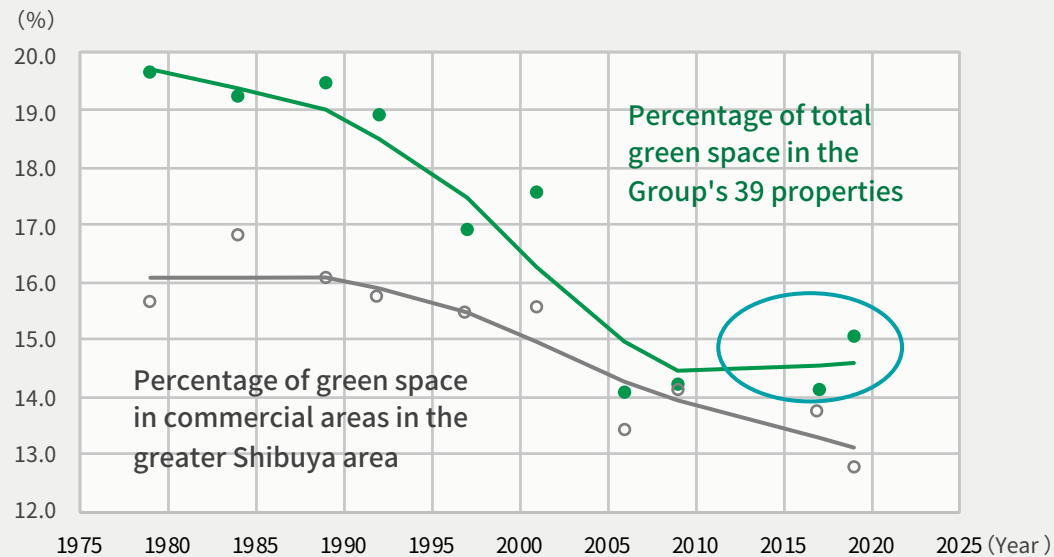
In the greater Shibuya area, which we have designated as a priority area, we reevaluated how our efforts to date have contributed to nature positivity.

## Nature-related dependence and impact in the greater Shibuya area

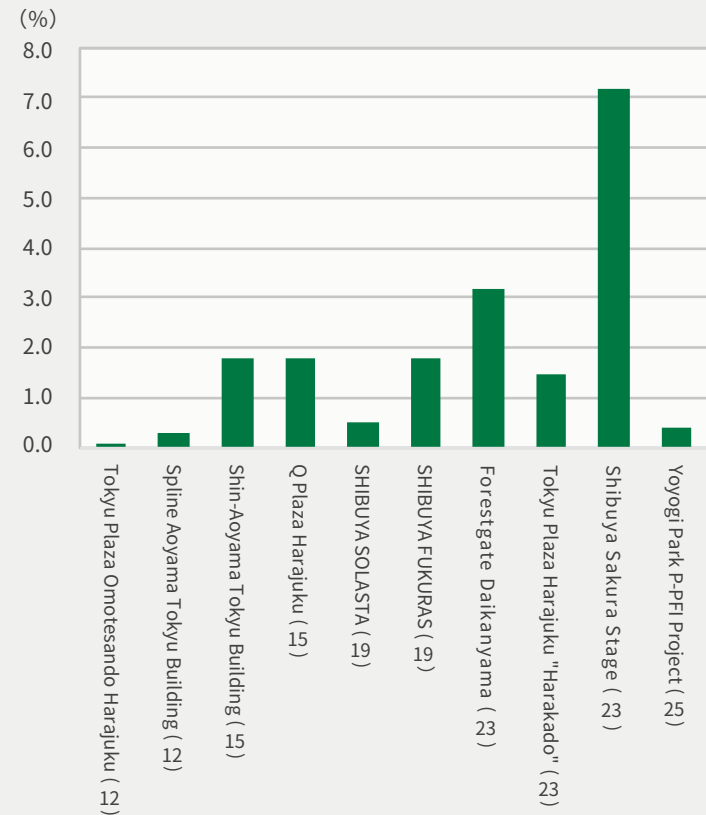
(Quantitative analysis using Think Nature's analysis tools revealed that the Group's development efforts in the greater Shibuya area have produced **positive effects on biodiversity around the time of development, for properties developed since FY2012**. Efforts to ensure the quantity and quality of greenery in recently completed properties—such as by securing green space under various urban development programs and selecting native tree species for planting—have produced results, and the Group's urban development and community planning efforts have been recognized as **contributing to nature positivity**.

In particular, the quantity and quality of green space tends to be higher in properties that are the subject to redevelopment projects than in previous facilities, and we will continue to engage in urban development and community planning in harmony with nature.

● Percentage of green space



● Biodiversity restoration effects (pre-construction → post-construction)



\*The year of completion is shown in parentheses.



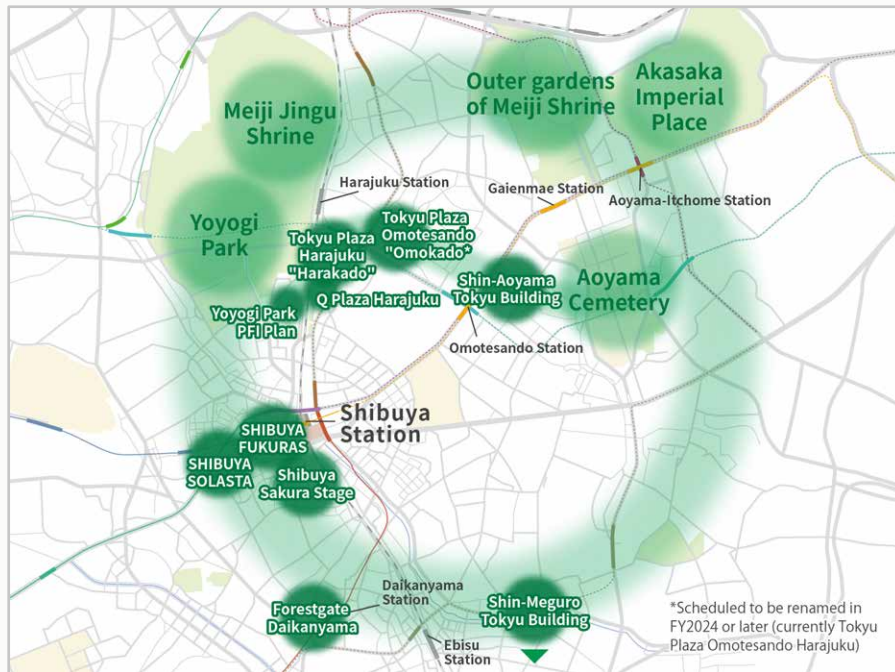
Biodiversity conservation Specific initiatives

# Greening and considers people and nature, connecting the patches of green around the city

The greater Shibuya area, centered on Shibuya Station, is a key area for the Group's business operations, and has been designated as a priority area in our biodiversity contribution activities. In this area, we are engaged in greening and ecosystem conservation efforts, of which we are uniquely capable due to our long-term, wide-ranging business activities.

## ● Ecological network

The greater Shibuya area is surrounded by large green areas such as Meiji Shrine, and is one of the few areas in central Tokyo where one can live in harmony with nature. We are actively engaged in urban greening of our business sites in this area, and are striving to form an ecological network in the greater Shibuya area that will connect surrounding areas with greenery to serve as relay points for the creatures that live there. When developing large-scale properties that have a particularly large impact on the local community, we conduct a survey of the surrounding ecosystem at the planning stage and plant trees in consideration of the birds and insects that inhabit the area, thereby promoting the preservation of local biodiversity.



## Conducting continuous biological monitoring



In cooperation with Regional Environmental Planning Inc., a specialist in natural environment conservation, we conduct regular surveys of living creatures throughout the year to monitor changes in the ecosystem of green spaces at major properties in the greater Shibuya area, including the rooftop terrace at Tokyu Plaza Omotesando Harajuku.

## Building greening

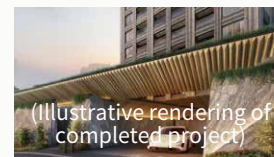
Target	Building greening (rooftops, walls, etc.) *Newly constructed large office buildings / commercial facilities
	<b>Target for FY2030: 100% Actual result in FY2022: 100%</b>



We are engaged in building greening of urban offices and commercial facilities with specific targets. We also aim to turn these properties into wellbeing facilities, where users of the facility can experience the richness of greenery as a result of our building greening efforts.

## Use of sustainable timber during construction

Target	Use of sustainability-conscious timber in plywood for concrete formworks
	<b>Target for FY2030: 100% Actual result for FY2022: 2.8%</b>



BRANZ CHIYODA FUJIMI

In order to procure sustainable building materials in cooperation with our stakeholders, we have established a Sustainable Procurement Policy, in addition to making efforts to ensure traceability of timber. We use certified timber formworks during construction, and are working to conserve forests in procurement areas through the appropriate use of forest resources.



Biodiversity conservation Specific initiatives

## Business development in regional areas coexisting with ecological services

Resort area facilities are inseparable from land, freshwater, and marine ecosystems. In order to protect and coexist with ecosystems, the Group works together with local communities to understand and conserve local ecosystems, and offers customers who use its facilities ways to spend time in harmony with the environment.

### ● Operation of resorts based on coexistence with the environment

#### Tokyu Resort Town Tateshina: protecting and living with the forest



A portion of the approximately 660 hectares of forests spreading across the resort town site is being conserved through appropriate management, based on a forest

management plan. Approximately 50 tons of CO<sub>2</sub> absorbed by the forest annually are certified as J-credits, and wood from forest thinning is used for biomass boilers and other purposes. In addition to being one of the first to join the Ministry of the Environment's 30by30 Alliance for Biodiversity, we are also participating in a project to investigate issues relating to nature-symbiosis sites, with the aim of acquiring certification.

#### ● Expanding MORIGURASHI Initiatives

We engage in MORIGURASHI initiatives, which aim to solve local issues and protect nature by bringing local residents and employees together in harmony with the forest, a common asset of the local community, through activities and other means. We are also expanding our efforts to surrounding areas.



#### ● Understanding and preserving ecosystems together with customers

Utilizing the Biome app, which allows customers to identify living creatures by name simply by photographing them with a smartphone camera, we enable customers to experience the richness of nature more closely and monitor the living creatures on our properties. The collected data will be used to conduct further biodiversity conservation initiatives.



#### Palau Pacific Resort: an environmentally advanced resort ahead of its time



We have been working together with the local people for many years in Palau, a land with rich natural surroundings that is often referred to as "the last paradise on earth." During development, in-depth environmental surveys are conducted to protect marine and terrestrial ecosystems. With a long-term perspective spanning more than 40 years, we have been working with local organizations on a variety of environmental conservation activities to maintain natural beauty and biodiversity.

#### ● Marine life conservation activities

The sea area in front of the resort, which had been difficult for coral to inhabit due to mudslides, was successfully restored to a sea rich in marine life through beach renovation based on surveys. It is now recognized as a marine life sanctuary, and protects more than 566 species of marine life, including endangered species such as sea turtles.



#### ● Nature conservation activities in cooperation with the local community

Resort employees formed a Green Care Committee to spearhead nature conservation and environmental beautification activities. We also encourage local residents to participate in environmental protection activities, such as cleaning up nearby roads and uninhabited islands, and planting trees.





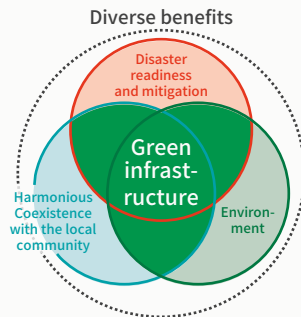
Biodiversity conservation Specific initiatives

# Biodiversity conservation across the value chain

Our activities are based on the concept of "green infrastructure" to utilize the functions of the natural environment to solve various issues in society. Rather than outsourcing, the Group engages in unique initiatives utilizing Ishikatsu Exterior's know-how and technology throughout the value chain.

## ● Green infrastructure: connecting people with nature

The function of green infrastructure is not limited to preserving the environment, but has a wide range of benefits, including contributing to harmonious coexistence and symbiosis with the local community through better relations between people and nature, and disaster readiness and mitigation, by utilizing the functions of the natural environment. We will continue to utilize this concept in our development and management activities regardless of location, in both urban and rural areas.



Excerpt from the Ministry of Land, Infrastructure Transport and Tourism website

### Ishikatsu Exterior technologies

By organizing technologies and know-how related to green infrastructure implemented in greening projects, Ishikatsu Exterior has created Greentect, a system to share information with stakeholders. We have created a system to evaluate each project according to the effectiveness and utility of green infrastructure, and to certify our own environmental projects.



### Rain gardens contributing to disaster readiness and mitigation

By creating a hollow in the planting area and using soil with excellent rainwater storage functions, rainwater is temporarily stored in the planting area instead of being discharged directly into the sewage system. This reduces the risk of flooding during heavy rains and reduces the load on the sewage system.



### Pergolas with community symbiosis effects

Intertwining vines with pergolas are expected to have a healing effect by surrounding facility users with greenery, and also to soften sunlight by shading from the sun, thereby lowering body temperature.



## ● Midori wo Tsunagu Project

This is an initiative to contribute to forest conservation based on the usage of Company facilities, including condominium purchases by customers as well as office and resort spaces. In addition, the wood from forest thinning generated through forest conservation activities is utilized for construction work and provided to customers, forming a recycling cycle.

Target	Forest conservation area
	<b>Target for FY2030: 3,000 ha Actual result for FY2022: 2,086 ha</b>



Q's Land Baby



Comforia Takashimadaira

*Section* **3**

# Environmental Promotion Platform

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# Internal Promotion System

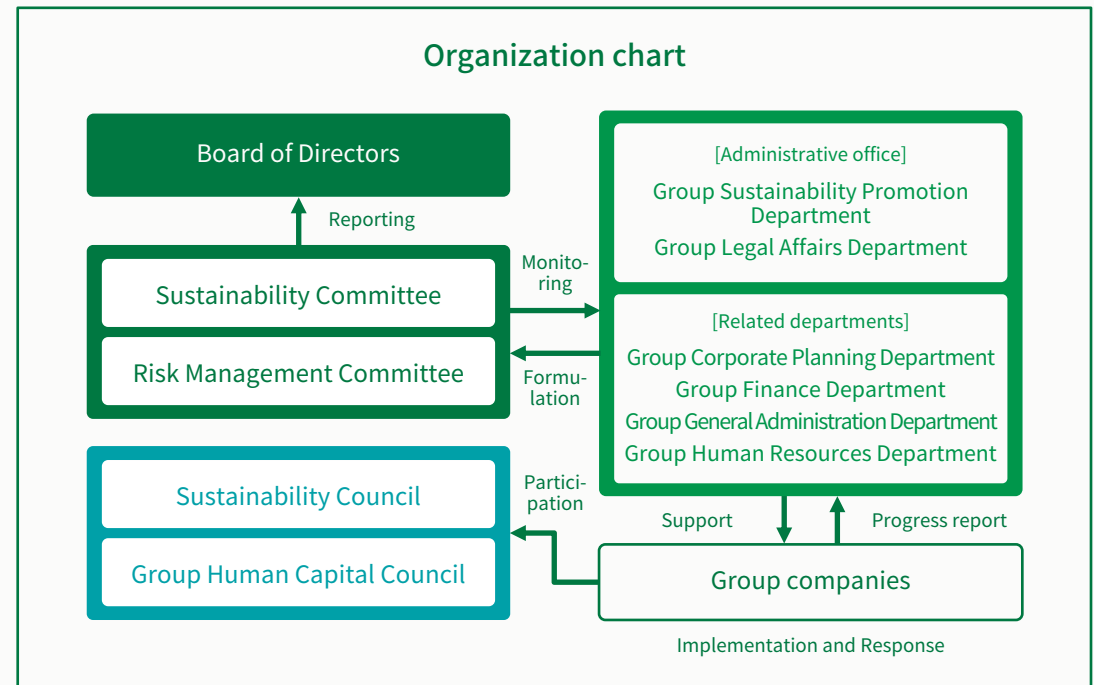
The Company practices thorough risk management and compliance in its environmental management activities. In addition, we endeavor to build optimum systems and continually strengthen governance to enable decision making that is swift and decisive.

## ● Action framework

To promote environmental management, the Sustainability Committee, which is chaired by the President and Representative Director and comprises Managing Officers as members takes action on important issues related to the environment, checks results in relation to plans, proposals and targets, and reports on its activities at Board of Directors meetings in coordination with the Risk Management Committee. In 2023 we also established the Sustainability Council, a subordinate organization to the Sustainability Committee, which works in each related department to provide support and cooperation to each Group company while implementing management that spans the Group.

### Main activities of the Sustainability Committee

- Formulation of policies, targets (KPIs) and action plans relating to environmental management
- Monitoring the state of progress towards KPIs for results management



## ● Dealing with environmental risks

The Company recognizes the seven individual risks set forth in the Basic Regulations on Risk Management as risks that have a serious impact on management, and also recognizes Climate Change risk as a serious emerging risk. Additionally, in formulating our long-term management policy, we have identified major risks and opportunities that relate to the material issues of creating a sustainable environment, and designated Climate Change risk as an important risk. With this risk, we promote systems for supervision and action that are based on the TCFD recommendations.



# ESG Finance

The Company has formulated a policy to continually issue ESG bonds for the long term, and is committed to promoting environmental initiatives on the financial front. By expanding funding through ESG financing, we are pursuing environmental management together with stakeholders.

## ● Formulation of the WE ARE GREEN Bond Policy

Through the issuance of ESG bonds, we aim to deepen engagement with bond investors, and achieve a sustainable society and growth together with all stakeholders, bond investors included.

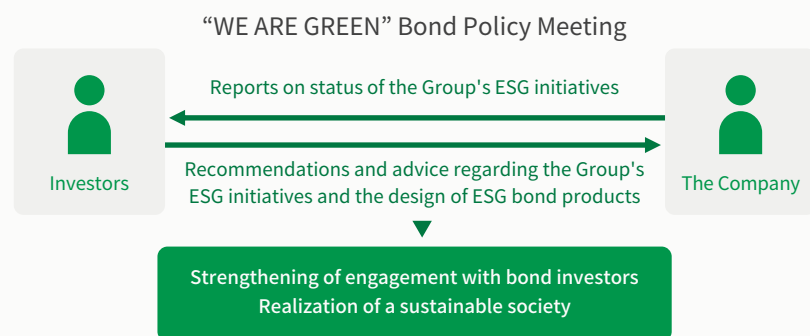
### Why the policy was formulated

- To obtain understanding and support from bond investors and other stakeholders for the Group's ESG initiatives.
- To consistently provide to bond investors opportunities to invest in ESG bonds and expand the base for financing through ESG bonds.

### Target

- The ratio of ESG bonds to the outstanding bonds at the Company  
Actual result at the end of FY2022: **25%** Target at the end of FY2025: **50% or more**  
Target at the end of FY2030: **70% or more**

### Initiatives to deepen engagement



## ● Stable and well-planned financing

Based on the Group's environmental initiatives and targets, we will procure funds through ESG financing in various forms, including green bonds, social bonds and sustainability bonds.

### ReENE green bond (March 2023)

- Term: 5 years
- Amount raised: 10 billion yen
- Number of investment proposals: 23



Nobechi Mitsuwan Wind Power Plant



ReENE Shibayama Golf Club Solar Power Plant

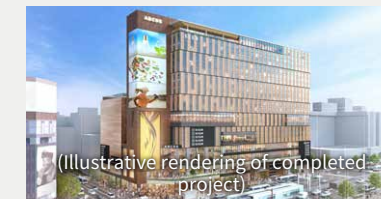
### Kudan-Kaikan Terrace sustainability bond (June 2023)

- Term: 10 years
- Amount raised: 10 billion yen
- Number of investment proposals: 42



### COCONO SUSUKINO green bond (June 2023)

- Term: 5 years
- Amount raised: 10 billion yen
- Number of investment proposals: 23



# External Evaluation and Certification of Sustainability

The Company has addressed general ESG issues ahead of the rest of the industry and has earned recognition through being selected for various certifications.

## ● Endorsement of international initiatives

	<p><b>SBT</b> Greenhouse gas emission reduction target that aims to restrict global temperature rises to a level sufficiently lower than the 2°C rise compared with the preindustrial era. The Company was the first developer in Japan to acquire certification for the 1.5°C level.</p>		<p><b>TCFD</b> A taskforce on climate-related financial disclosures information, founded by the Financial Stability Board (FSB) at the request of the G20, to consider methods for disclosures of information relating to climate management.</p>		<p><b>RE100</b> An international collaborative initiative with the goal of procuring 100% of electric power consumed by business activities from renewable energy sources. Tokyu Land Corporation joined the initiative in April 2019, and achieved the transition to 100% renewable energy, a requirement of RE100, by December 2022.</p>
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## ● High ratings from ESG evaluation organizations

<p>CDP</p>	<p>FTSE4Good Index Series</p>	<p>FTSE Blossom Japan Index</p>	<p>FTSE Blossom Japan Sector Relative Index</p>
<p>A corporate survey on climate change conducted by CDP, an international environmental non-profit organization. The Company has been <b>selected for the highest rating, the A List, in climate change measures for two consecutive years in FY2021 and FY2022.</b></p>	<p>Evaluates CSR initiatives in terms of environment, social and governance (ESG). The Company has been <b>selected for a total of 14 consecutive years*1</b> since 2010. In 2023, we received a score of 4.6, making us <b>the top-scoring real estate business in the country.</b></p>	<p>Adopted for GPIF indices. An index that reflects exceptional performance of Japanese companies in responding to ESG. The Company has been <b>selected for seven consecutive years since the index's establishment.</b></p>	<p>Adopted for GPIF indices. An index that reflects exceptional performance of Japanese companies in responding to ESG by industry sector. The Company has been <b>selected for two consecutive years since the index's establishment.</b></p>
<p>MSCI Japan Empowering Women Index (WIN)</p>	<p>S&amp;P/JPX Carbon Efficient Index GRESB</p>	<p>GRESB</p>	
<p>MSCI Japan Empowering Women Index (WIN) A stock price index developed by MSCI in 2017. The Company was selected as having a high gender diversity score calculated from multiple perspectives based on data relating to female employment, as disclosed in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace.</p>	<p>Adopted for GPIF indices. An index that focuses on carbon efficiency to determine weights among companies that make up the index.</p>	<p>Adopted for GPIF indices. An annual benchmark assessment that measures the environmental, social and governance (ESG) considerations of real estate companies and funds. The Company has <b>obtained 4 Star and Green Star</b> GRESB Real Estate ratings, a GRESB Disclosure Rating with <b>the highest level (A) rating for seven consecutive years</b>, and a perfect score of 100 points for two consecutive years.</p>	

\*1. Selected as Tokyu Land Corporation for four consecutive years from 2010 to 2013, and for 10 consecutive years from 2014 to 2023 after the establishment of Tokyu Land Holdings.

# Stakeholder Engagement

The development and operation of residential properties, office buildings, commercial and leisure facilities, etc., involves many stakeholders over a long period of time. We believe that in order to take appropriate environmental actions, we need to work together with our stakeholders throughout the supply chain.

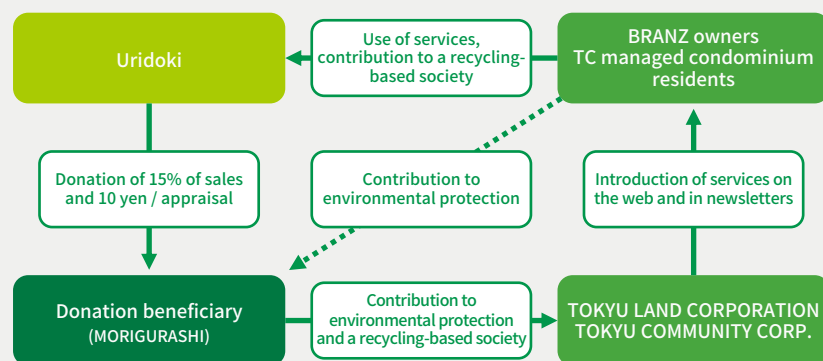


## ● Customers

In addition to improving the environmental performance of buildings sold or leased to customers, we are also working to raise environmental awareness by encouraging office building tenants to conserve electricity and water. We also work with customers to solve environmental issues identified through a wide range of customer contacts, while adding value to our business.

### Recycling-based society working with customers

The Company has a CVC investment interest in Uridoki, Inc., which operates a matching platform service for sale of unwanted items. We provide this service to BRANZ condominium purchasers and residents of Tokyu Community (TC) managed condominiums. A portion of the proceeds are used for activities that contribute to forest conservation and local communities, such as MORIGURASHI (operated by Tokyu Resorts & Stay), to promote reuse as well as forest conservation and help to create a recycling-based society.



## ● Group employees

### Award system for fostering human resources who take on challenges

We established the Sustainable Action Award for Group employees, to recognize employees who take on the challenges of sustainable initiatives. In FY2022, the first year of the program, 123 projects from 19 companies were submitted, of which 12 were awarded. We will continue to aim for a cumulative total of 300 applications by FY2025.



## ● Shareholders and investors

Target

Shareholder and investor engagement  
**Target for FY2025: 290 or more applications**  
**Actual result in FY2022: 284 applications**

We hold individual meetings with shareholders and investors, as well as regular briefings for institutional investors, analysts, and individual investors. We regularly report your opinions and concerns to meetings attended by senior management, and use them to improve management in order to enhance our corporate value over the medium to long term.

# Stakeholder Engagement

## ● Local communities

In addition to participating in area management activities and district council meetings in our business areas and surrounding areas, we are also involved in local cleanup activities and disaster drills, and engage in sustainable urban development and community planning that will enhance the value of the entire area from a long-term perspective.

### Contributing to a sustainable society through harmonious coexistence with local communities

Tokyu Land Corporation participates in the Shibuya Area Management Council / Association as an administrative office, and is working to make Shibuya more attractive through public-private partnerships under the theme of "+Fun Shibuya Project." ("Move Shibuya in sense of fun.") We participate and cooperate in a wide range of community activities, such as local festivals, and engage in efforts to enliven the Shibuya area.



Tokyu Livable supports the vision of the Japanese Para Sports Association to realize a vibrant and symbiotic society by 2030, and is committed to social contribution through sports as an official partner.

## ● Business partners

As represented by our Scope 3 initiatives, we are working with business partners and industry associations to further strengthen our efforts to realize a sustainable society through environmental initiatives, such as the formulation and dissemination of our Sustainable Procurement Policy.

### Supply chain-wide risk mitigation activities

Based on our Sustainable Procurement Policy and Human Rights Policy, we assess non-financial risks through environmental and social due diligence on suppliers with whom we do business. We are working to mitigate risks throughout the supply chain through engagement with each company to ensure mutual understanding of initiatives and risk improvement.



Engagement session with Toda Corporation



\*Illustrative image.

As a member of the Environmental Committee of The Real Estate Companies Association of Japan and its Construction GHG Emissions Calculation Manual Study Group (and Subcommittee) [tentative name], we participated proactively in the formulation of the emissions calculation manual. In order to help the industry as a whole to achieve its upstream emissions reduction targets, we worked to understand the current situation by improving the accuracy of emissions calculations and considered measures to reduce emissions.

# Stakeholder Engagement

## ● Future society

One of the essential purposes of environmental initiatives is to see what we can leave behind for the children of today, who will live in the society of the future. We engage in environmental education activities, such as visiting local elementary schools, and various career development support activities through contacts with university students to engage the generation that will be responsible for the sustainable growth of the company and society.

### Contributing to a sustainable society through harmonious coexistence with local communities

#### ● Creating opportunities for community exchange beyond the framework of designated management

Daishi Park in Kawasaki (for which Ishikatsu Exterior has been designated as the designated management company) served as the stage for an event called DAISHI Nikkori Tontoko Town, in which children attending local elementary schools took the lead in running a virtual town and learning how society works through experiences such as labor, tax payment, and consumption. We will continue to hold events such as this through collaborations among industry, academia, government, and the private sector, including local governments and businesses, as well as universities with know-how about children's towns around the world.



Children's event at Daishi Park, Kawasaki

#### ● Promoting understanding of renewable energy through visiting classes at elementary and junior high schools

In the town of Matsumae in Hokkaido, where we are developing our onshore wind power business, we signed an agreement with the Matsumae Board of Education to provide visiting classes and wind power plant tours for local children, who are the future leaders of the town. In this way, we provide opportunities for people to learn about renewable energy. We also conduct environmental education activities through classes and events taking advantage of local characteristics, such as the demonstration of cultivation of agricultural crops, and the making of Matsumae's original soba noodles for local high school students.



Visiting classes and power plant tours by employees

#### ● Solving social issues with ideas from free-thinking students

With the cooperation of the city of Kyoto, with which we have concluded a Cooperative Agreement on Enhancing Student Life in Kyoto—City of Universities and Students, the Student Information Center has created a video that presents an attractive image of living in Kyoto City. The Center is also running the Creating the Future of the City with Students project to solve various social issues and help create a sustainable society, by combining the free and flexible ideas of students and wide-ranging business domains of Group companies.



Creating the Future of the City with Students project

## Explanation of Terms

P.9	TCFD	Task Force on Climate-related Financial Disclosures: In 2015, at the request of the G20, the Financial Stability Board (FSB) was established, with Michael Bloomberg as its chair. Its final report was published in 2017, and revised in 2021. It encourages companies and institutions to make proactive disclosures regarding their efforts to address climate change.
P.10	RE100	Renewable Energy 100%: An international collaborative initiative, in which companies from around the world participate with the goal of procuring 100% of the electric power consumed by their business activities from renewable energy sources.
P.10	SBT	Science Based Targets: Greenhouse gas emission reduction targets set by companies for the next five to ten years, consistent with the levels required by the Paris Agreement (which aims to limit the global temperature increase to well below 2°C above pre-industrial levels, or to 1.5°C).
P.10	Net zero	Reducing greenhouse gas emissions to zero. This means not only reducing emissions, but also reducing unavoidable emissions to net zero by subtracting the amount of emissions absorbed by forests and other means.
P.10	TNFD	Taskforce on Nature-related Financial Disclosures: A taskforce on nature-related financial disclosures that was formed in 2020 by four bodies, the United Nations Development Program (UNDP), World Wide Fund for Nature (WWF), United Nations Environment Programme Finance Initiative (UNEP FI) and Global Canopy. The task force requests the appropriate assessment and disclosure of the risks and opportunities to natural capital caused by corporate business activities.
P.19	ICP (Introduction of carbon tax)	Internal Carbon Pricing: A method where a company sets carbon prices independently and uses it to visualize the business impact of a carbon tax, or for organizational strategy and decision making. This is one method of carbon pricing which puts a price on CO <sub>2</sub> emissions to change the behavior of emitters.
P.23	IOWN	IOWN Innovative Optical and Wireless Network Initiative concept: It is a concept of a network and information processing infrastructure—including terminal devices—that can provide high-speed, high-capacity communications and vast computing resources by optimizing both the individual and the whole, based on all manner of information and utilizing innovative technologies, primarily optical technologies.
P.33	Nature positive	In the Kunming-Montreal Biodiversity Framework adopted at COP15 in 2022, under the 2050 vision "Living in harmony with nature," the global goal is to take urgent action to reverse the loss of biodiversity and put nature on a path to recovery by 2030.
P.33	Ecological network	An approach to designate locations that meet excellent natural conditions in a target region as biodiversity hubs (core areas), and interconnect those core areas with ecological corridors which enable wildlife to move and disperse.
P.37	30by30	An initiative which seeks to effectively conserve at least 30% of the Earth's land and oceans as healthy ecosystems by 2030, toward the goal of nature positivity.

# *WE ARE GREEN*



***TOKYU FUDOSAN HOLDINGS***

*WE ARE GREEN* — We strive to merge the power of various forms of green deployed by our Group to create a future where everyone can be themselves and shine vigorously.

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