


FUSION BOOK

2022 ENVIRONMENTAL MANAGEMENT REPORT

WE ARE GREEN

 *TOKYU FUDOSAN HOLDINGS*

*CREATING CITIES CO-EXISTING WITH NATURE.
CREATING A FUTURE FOR PEOPLE.*

The background of the entire image is a green-tinted photograph of a wind turbine. The turbine's blades and tower are visible, though slightly out of focus, creating a sense of depth and movement. The overall color palette is a monochromatic green, which reinforces the 'green' theme of the text.

The spread of the new normal and the diversity of work styles. The rise of the social and ecologically minded future generation. What do we want to be in an uncertain and unpredictable world where values are changing, which is being called the era of VUCA? Where are we headed? We will create new lifestyles that combine home, work and play styles, along with impressive new experiences enabled by DX, while contributing to a decarbonized society with the diverse green power we possess. To create a future where everyone can be themselves and shine brightly. We will aim to become a corporate group that creates value for the future.

WE ARE GREEN

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 accelerates growth.

Message from the President



Driving society and tackling environmental issues together with a diverse range of stakeholders

In May 2021, we developed Group Vision 2030, the Group's long-term vision under the WE ARE GREEN Group slogan. Using our corporate color green as the base color, WE ARE GREEN expresses the diversity of the Group's wide range of business activities and human resources using a color gradation, and embodies our vision for a future where everyone can be themselves and shine vigorously. And here, it also expresses our determination to realize the Group policy of environmental management in conjunction with digital transformation (DX).

We believe that we are currently at a major turning point in history. The capacity of the earth's environment is reaching its limit, and how we can shape a society in the midst of limited natural capital is an urgent issue. Even in Japan, words related to the environment have come to dominate the vernacular in recent years, and the Tokyu Fudosan Holdings Group is no exception. We have been continually committed to coexisting with local communities and preserving natural environments in various business situations since the development of Den-en Chofu, where the roots of our business lie. In 1998, TOKYU LAND CORPORATION established an Environmental Philosophy, clarifying its stance towards environmental initiatives. In recent years, we have pursued initiatives that lead the industry. For example, in 2014 we were the first in the industry to enter the renewable energy business, and in 2019, we expressed support for the TCFD recommendations in an industry-first.

In the recently announced Medium-Term Management Plan 2025, we identified three issues to be tackled that are of particular importance from an environmental management perspective: a decarbonized society, a recycling-oriented society, and biodiversity. To address these issues in which there is a high level of social interest, we will provide solutions across the Group's supply chain, which spans development, management, operation, renovations and distribution. Through these initiatives, we will aim to expand business opportunities with the environment as a starting point. While our company name has the word "land" (=real estate) in it,

we will go beyond a real estate company that creates buildings and other things, and propose products and services that will help each person build a life of well-being.

What we aim to communicate through this report is our commitment to this kind of future-oriented environmental management. In addition, by publicizing the environmental management initiatives being implemented by the Tokyu Fudosan Holdings Group, we aim to help a diverse range of stakeholders including shareholders, investors, customers, business partners and Group employees understand our stance and ensure accountability. We also believe that being evaluated by our stakeholders in an interactive manner will facilitate external recognition and social credibility, and this bolsters our commitment to developing more sophisticated environmental management and improving disclosures going forward.

Initiatives to address environmental issues are not seen as costs, but as investments in sustainable growth. Moreover, sustainability is not something we can do alone; it is something we aim to achieve together with stakeholders. Promoting co-creation with diverse partners and driving sustainability throughout society as a core tenet of the Group represents a mission we take pride in as an environmentally advanced company, and is the reason we will further accelerate the Group's environmental initiatives.

President & CEO, Tokyu Fudosan Holdings Corporation

A handwritten signature in black ink, reading "Hiroyuki Nishikawa".

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]



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

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

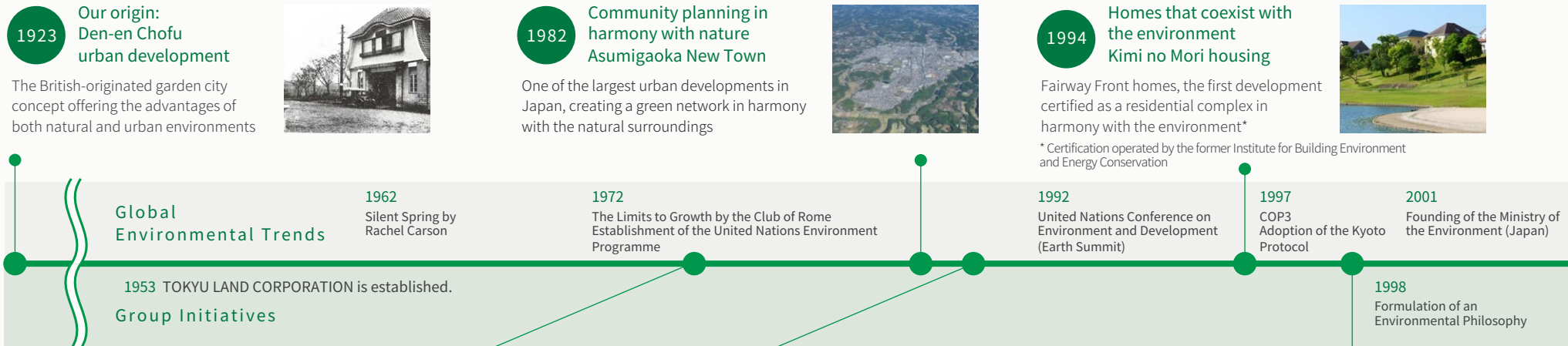
Noboru Goto led the Tokyu Group after succeeding his father Keita Goto, the Group's founder. As the first president of TOKYU LAND CORPORATION, he engaged in large-scale urban development and resort development projects, as well as serving as chairman of the Japan Chamber of Commerce and Industry (JCCI).



Provided by: TOKYU CORPORATION


History of the Group's Environmental Management Efforts

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.



1974 Coexistence with forests Tokyu Resort Town Tateshina

Tateshina is a highland resort area renowned as a summer resort destination. We have long worked on resort development that ensures harmony with nature, including the signing of a nature preservation agreement during development. Today, we have concluded a comprehensive partnership agreements with local governments and other entities, aiming to create a decarbonized society that coexists with the environment while further stepping up our efforts.



1984 Environmental conservation-oriented resort Palau Pacific Resort

For about four decades we have strived to conserve the environment and contribute to the local community through this environmental conservation-oriented resort. At the time of its development, we made efforts to preserve the existing trees on the site as much as possible, and adopted a low-profile design that ensured that the roofs of the buildings were lower than the height of the palm trees in an effort to achieve harmony with the surrounding natural environment. Coral was regenerated by making improvements to water channels and currents in the waters in front of the site, and it has now been designated by the state as a marine protected area.



1998 Formulation of an Environmental Philosophy (Revised as an Environmental Vision in 2011)

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 (later revised in 2015). 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

2012 Creating forests in cities
Tokyu Plaza Omotesando Harajuku

We promote large-scale rooftop greening at commercial facilities in the city center to contribute to the preservation of biodiversity



2015 Leading low-CO₂ project
BRANZ City Shinagawa Katsushima

Condominiums with J-credit certification for their CO₂ 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



2020 Smart city
TOKYO PORTCITY TAKESHIBA

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



2010
COP10 Convention on Biological Diversity
Adoption of the Nagoya Protocol

2011
Formulation of a vision for the environment

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)

2020
2050 Carbon Neutral Declaration (Japan)
Formulation of the Sustainable Procurement Policy

2021
SBT 1.5°C certification
GROUP VISION 2030 long-term vision

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 Support for TCFD recommendations
Participation in RE100 (TOKYU LAND CORPORATION)

2021 Setting of the SBT 1.5°C target

To tackle climate change from a global perspective, the Company was the first developer in Japan to support the TCFD recommendations and acquired Science Based Targets certification for the 1.5°C level. In addition, TOKYU LAND CORPORATION has been a member of the RE100 since 2019, and has set ambitious goals such as moving the year for achieving RE100 targets forward from 2025 to 2022, reflecting accelerating measures to deal with climate change.



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Scope of the report

Covered in this report: Tokyu Fudosan Holdings Corporation and Group companies
Reporting period: April 1, 2021 to March 31, 2022
(The report contains some information from prior to March 2021 and from April 2022 onwards)
Released: May 2022

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 April 1, 2022, unless otherwise specified.

Section **1**

Environmental Management Strategy

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

Build a solid business foundation

The Group policy

Environmental management

DX

Business policy

Utilization of intellectual assets

Co-creation with partners

- Key strategy
1. Producing of attractive city development
 2. Strengthening of environment-related business
 3. Digital transformation of BtoC business
 4. Creating of business in new domains

Strengthen the management base

Financial capital strategy

Human Capital and Organizational Climate

Governance

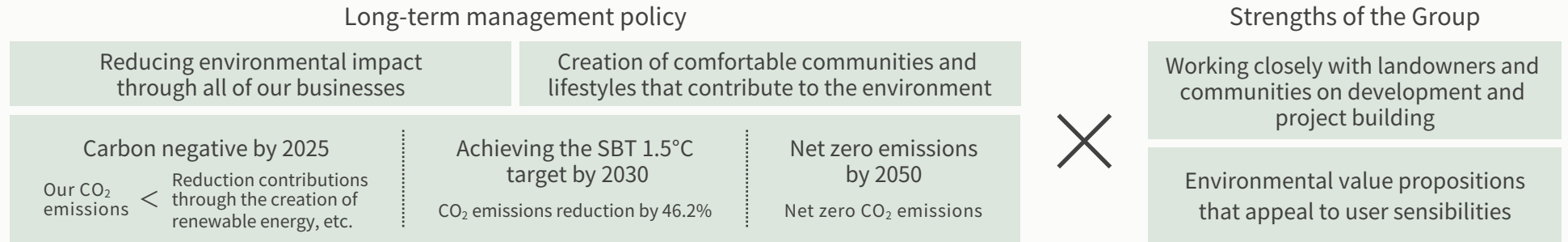
Our Ideal Vision

Create value for the future

Future where everyone can be themselves, and shine vigorously

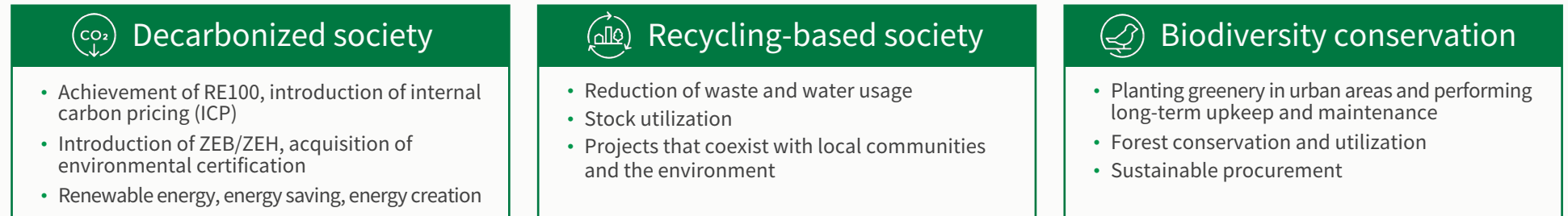
Medium-Term Management Plan: Value Creation Through Environmental Management

We aim to expand business opportunities using the environment as a starting point through initiatives aimed at a decarbonized, recycling-oriented society and biodiversity.

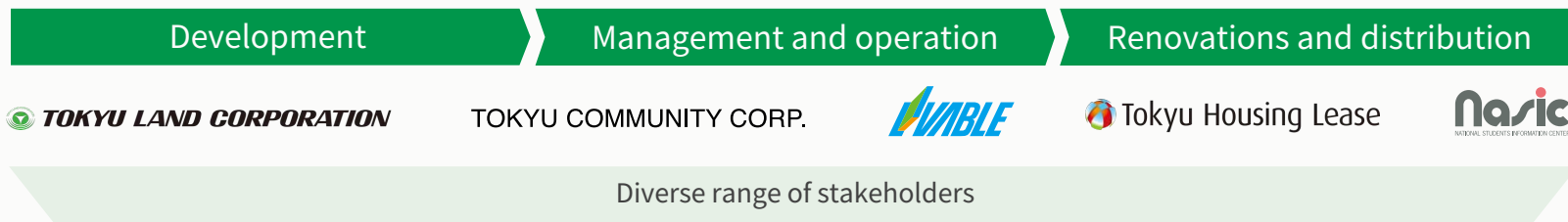


Medium-Term Management Plan

Expanding business opportunities with the environment as a starting point



Action policy: provide environmental solutions in every situation across our wide-ranging business domain and strive to create environmental value together with stakeholders.

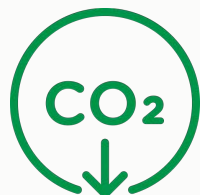


Section 2

Priority Issue 1 Decarbonized society



Decarbonized Society Approach and Targets



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

The issue of climate change represents a very important challenge for the Group, and we are taking swift action. Among these efforts, the Renewable Energy Business that we entered in 2014 represents a major strength of the Group, and we have taken advantage of the generating capacity it affords to further bring forward the achievement of RE100 targets to 2022. We are a corporate group that is able to use the renewable energy we have created in-house for urban development. Combined with the introduction of ZEB/ZEH, acquiring environmental certification and other developments, we are making steady progress in reducing our CO₂ emissions. Moreover, our goal is not to reduce emissions per se, but to create value through the urban development it enables.

● Targets

Achieving the SBT 1.5°C target CO ₂ emissions reduction by 46.2%(Compared to FY2019)	
Scopes 1 and 2 (Internal)	Reducing CO₂ emissions by at least 50% (Compared to FY2019) Reaching target levels at an early stage by achieving RE100 targets ahead of schedule
Scope 3*1 (Supply chains)	Collaborative efforts with partners (construction companies, etc.) <ul style="list-style-type: none"> ● Requesting the accurate monitoring and reduction of CO₂ emissions during construction, etc. Providing decarbonization value to customers <ul style="list-style-type: none"> ● ZEB/ZEH, acquisition of environmental certification, provision of renewable energy, etc.



*1. Reduction targets in TOKYU LAND CORPORATION's SBT certification apply to Category 1, 2 and 11

Specific initiatives for realization

RE100
To be achieved in 2022 (TOKYU LAND CORPORATION) Utilizing top domestic level of generating capacity Achieving targets faster than any other operating company in Japan*2

*2. According to list at the end of the RE100 2021 Annual Disclosure Report

ZEB/ZEH level*3	
FY2025 Approx. 50%	FY2030 100%

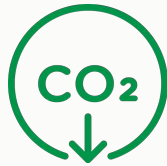
*3. Percentage of TOKYU LAND CORPORATION's facilities including condominiums and offices with building performance that meet or exceed ZEB/ZEH Oriented levels (based on commencement of construction work)

Acquisition of environmental certification*4	
FY2025 About 70%	FY2030 100%

*4. Applies to large non-residential properties (with floor space of 10,000 m² or greater) that are owned Excluding some joint projects

Introduction of ICP
Utilization for management decision-making in FY2023 The phased expansion of utilization is being considered <ul style="list-style-type: none"> ● Expansion of applicable targets ● More sophisticated evaluation criteria

Endorsement of the GX League Basic Concept	TOKYU LAND CORPORATION endorses the basic concept and is taking part in preparations for the full-scale operation of GX League
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Decarbonized society Specific initiatives

Renewable energy business

We operate businesses with a rated capacity of 1.3 GW (a higher total capacity than a nuclear power plant), which is at the top level in Japan for a renewable energy producer.

● Project outline

Since 2014, TOKYU LAND CORPORATION has been developing its renewable energy business after declaring its commitment to solving three social issues, namely the development of regional economics, achievement of a decarbonized society, and improving Japan's energy self-sufficiency rate. (The business has operated under the ReENE brand since 2018)

Total number of projects	81 (69 solar, 10 wind, and others)	ReENE RENEWABLE ENERGY BUSINESS
Rated capacity	1,311MW	
Generating capacity* ¹	Approximately 2.86 billion kWh / year (enough to power around 626,000 homes* ²)	
CO ₂ emissions reduction* ¹	Approx. 1.239 million t-CO ₂ / year	

**FY2025
Targets**

Rated capacity: 2.1 GW
(Equivalent of two nuclear power plants)



Received the top prize as part of the New Energy Award

The Company was awarded the Economy, Trade and Industry Minister's Award in recognition of expanding its renewable energy business and promoting widespread adoption.

*1. Before conversion for ownership share

*2. Calculated by estimating power consumption of 4,573 kWh / year per household
(From Japan Photovoltaic Energy Association Labeling Guidelines for FY2021)

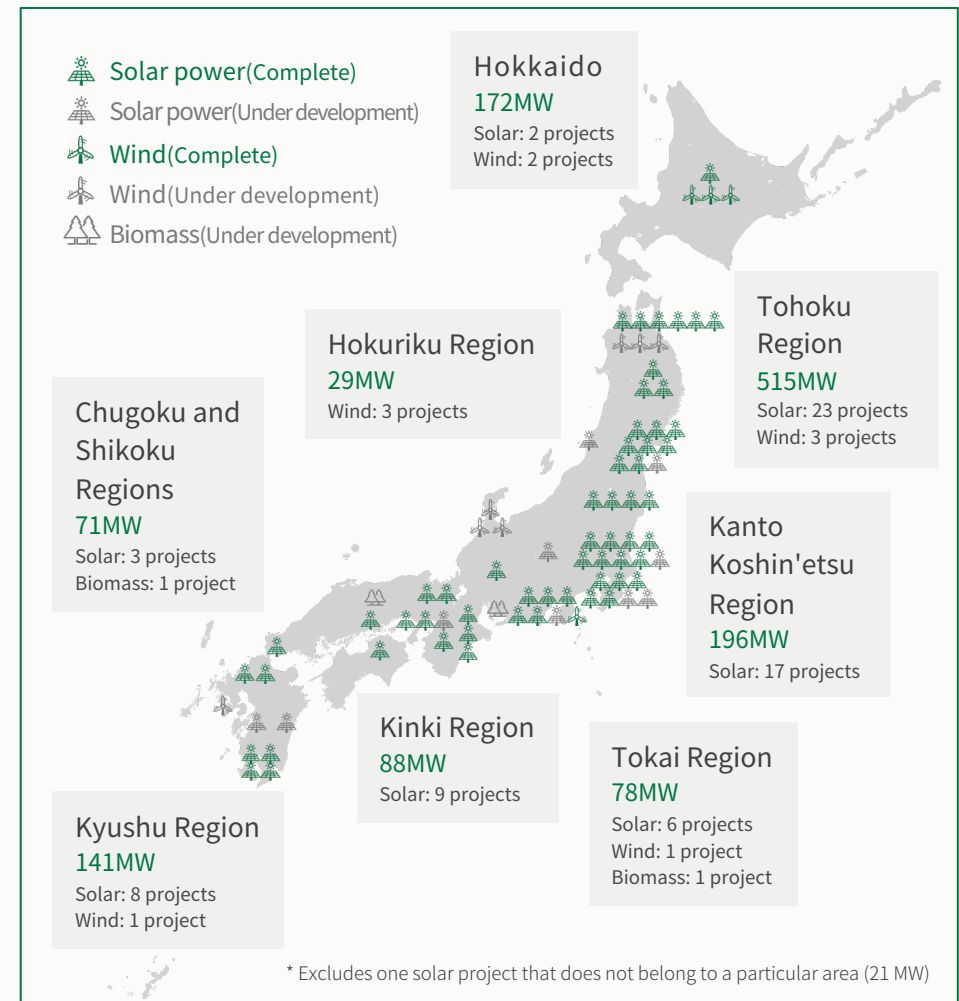


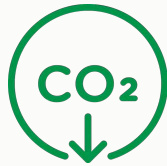
ReENE Matsumae Wind Power Plant (Hokkaido)
Rated capacity: 41 MW



ReENE Chonan Solar Power Plant (Chiba)
Rated capacity: 24 MW

● Portfolio (As of March 31, 2022)





Decarbonized society Specific initiatives

Use of renewable energy

Making use of our strengths as a renewable energy producer, we will hit RE100 targets ahead of schedule, introduce renewable energy to homes, and accelerate the utilization of renewable energy across the Group.

● Renewable energy usage ratio: 100% (TOKYU LAND CORPORATION)

All owned facilities **to switch to renewable energy in 2022**

CO₂ emission reductions: approx. 138,000 tons / year

* Enough to power approx. 68,000 homes

RE100

CLIMATE GROUP | CDP In 2019, TOKYU LAND CORPORATION was the first in the industry to join RE100, and has leveraged its top-level generating capacity in Japan while promoting the switch to renewable energy at the facilities it owns. Now, by achieving the RE100 target ahead of schedule in 2022, we aim to be the first domestic operating company to achieve RE100.

* Excluding some temporary-ownership properties and properties where it is difficult to reach agreements with business partners

● Group initiatives in the residential field

Condominiums that have introduced 100% renewable energy



Branz Tower Tanimachi 4-Chome has introduced effectively 100% renewable energy for all units and common areas,

achieving an environmentally advanced condominium promoting decarbonization together with tenants.

CO₂ offsetting at condominium showrooms



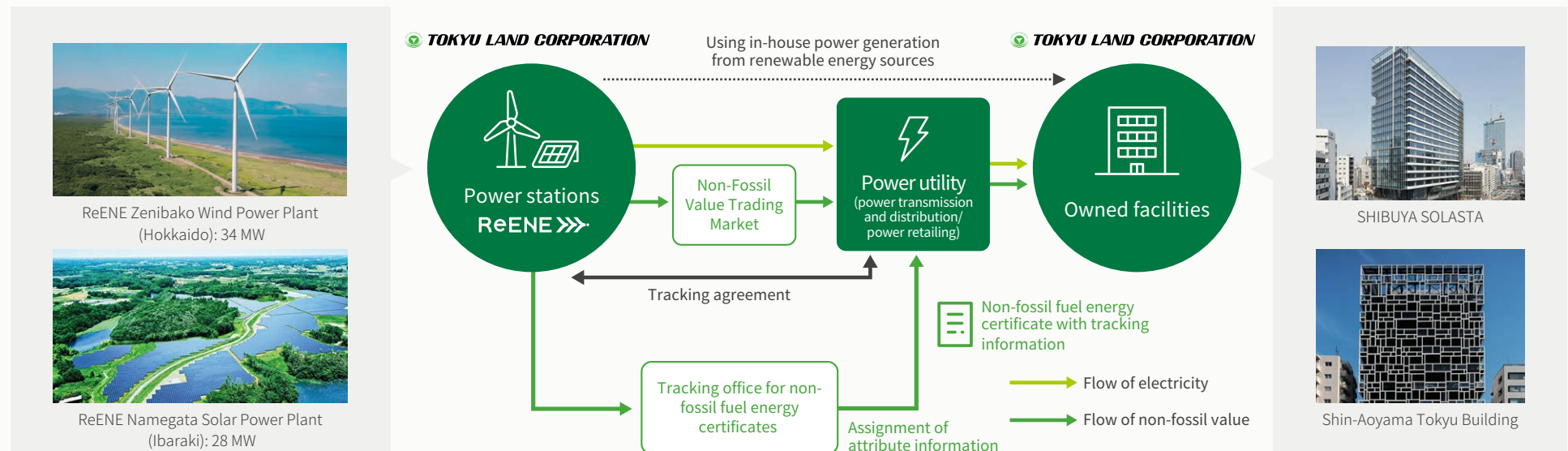
The CO₂ emissions at TOKYU LAND CORPORATION's condominium showrooms were offset with J-credits earned from the

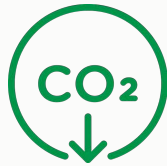
Group's Midori wo Tsunagu Project forest conservation activities.

Retailing of renewable energy to the common areas of condominiums

Sales of "Condominium Electricity Green Lite" options supporting the introduction of renewable energy were offered for the common areas of condominiums managed by TOKYU COMMUNITY CORP.

● System for renewable energy introduction





Decarbonized society Specific initiatives

Environmentally friendly real estate development

We promote environmentally friendly real estate development including the introduction of ZEB/ZEH in buildings, and enhance the value of the Group's assets by obtaining environmental certification ratings.

● Target for acquisition of environmental certification

FY2025: approx. 70%	FY2030: 100%
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* Applies to large non-residential properties (with floor space of 10,000 m² or greater) that are owned.
Excluding some joint projects and other endeavors

There is a growing demand from stakeholders such as tenants and investors for improvements to the environmental performance of buildings. The Group will raise the value of the buildings it operates and meet stakeholder expectations by increasing the percentage that have obtained environmental certification.

● ZEB/ZEH introduction target

FY2025: approx. 50%	FY2030: 100%
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* 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)

In light of trends in government policy and other factors, there is a need to steadily increase the ZEB/ZEH introduction rate. Going forward, the Company will promote introduction at various buildings including homes, offices and logistics warehouses that are newly constructed, and strive to reduce energy usage at buildings.

Example of environment certification acquired (Properties with DBJ Green Building Certification)

The building has received high praise for improved environmental performance, CO₂ reductions due to the installation of energy-saving equipment, and for the realization of a comfortable indoor environment.



● 5 stars



TOKYO PORTCITY
TAKESHIBA



SHIBUYA
SOLASTA



Hibiya Park Front

● 4 stars



Shin-Aoyama
Tokyu Building



Jimbocho Kita
Tokyu Building



Shin-Meguro
Tokyu Building

Example of a ZEB certified property



● Tokyo Community Technology Training Center NOTIA (2019)

Tokyo Community Technology Training Center NOTIA acquired Nearly ZEB certification. The facility is conducting demonstration testing aimed at proposals for labor and energy-saving solutions. Even after the building entered service, we have conducted to make efforts aimed at energy-saving operation, and in FY2020 primary energy consumption was successfully reduced by around 87%, in excess of the required standard.

* Good Design Award (2021) JABMEE 10th Carbon Neutral Award Grand Prize (2022)



● Sapporo Susukino Station Front Joint / Complex Development Plan (Tentative Name) (Scheduled for Completion in 2023)

ZEB-Ready certification was acquired for this project. Reduced panel skin load through the adoption of highly insulated sandwich panels and the adoption of radiant cooling using abundant groundwater will contribute to energy reductions.

Section 2

Priority Issue 2 Recycling-based society



Recycling-based Society: Approach and Targets



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

The social economy has moved from a linear economy that involves the high-volume consumption and disposal of resources in a single direction, to a recycling economy where some of those resources are recycled. Going forward, we need to aim for a circular economy with reduced procurement of resources from the natural world by achieving zero waste and resource recyclability. To make effective use of limited resources, the Tokyu Fudosan Holdings Group tries to reduce its burden on the environment and strives to create a recycling-based society.

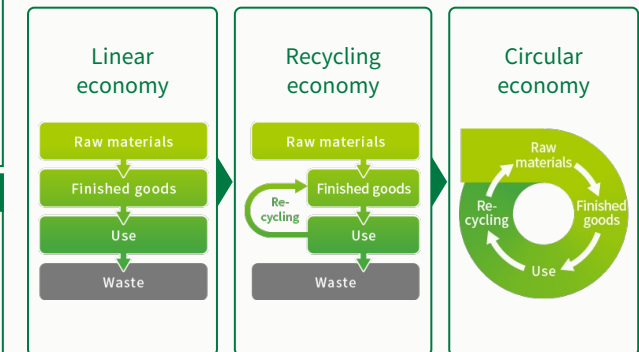
In addition, in efforts that reflect our unique position to utilize diverse points of contact with regions and local communities, we are also focused on realizing a sustainable, locally-based recycling-oriented society.

● Targets

Building a circular economy in every business

Resource-saving Development and investments
<p>Community planning that promotes resource saving and reuse</p> <ul style="list-style-type: none"> ● Utilization of eco-friendly construction materials during construction, and regenerative architecture ● Use of equipment and facilities to curb water use
Waste reduction Management and operation
<p>Utilizing existing stock to achieve zero waste</p> <ul style="list-style-type: none"> ● Effectively utilizing the waste at each facility we operate ● Management and renovation to help extend the service life of buildings

(Conceptual diagram of the circular economy)



Realizing a sustainable, locally based recycling-oriented communities

Regional revitalization through collaboration between regional communities and local governments

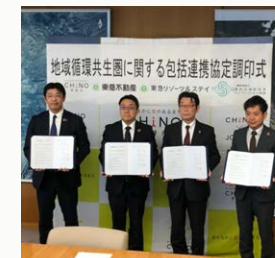
- Helping to revitalize the regions in which we operate
- Business expansion that links cities and regions

<Example initiatives>



Established the Association for Reciprocal Revitalization of Renewable energy and Region

The association builds mutually beneficial relationships between business operators and regional governments through the expansion of renewable energy businesses. The Company is a founding member.



Conclusion of a comprehensive partnership agreement on a regional recycling and co-existence zone

We aim to create a recycling and co-existence-oriented decarbonized society in partnership with the City of Chino in Nagano Prefecture and the Suwa Wide Area Decarbonization Innovation Association.

Action targets

<p>Waste generation</p> <p>11% reduction by FY2030 (compared to FY2019)</p>	<p>Water use</p> <p>Continue year-on-year reductions up to FY2030</p>
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Recycling-based society Specific initiatives

Conserving resources in development and operation

We will encourage the conservation of resources in the resource consumption-intensive development and operation of buildings, aiming to balance sustainable resource utilization with business operations.

● Attractive urban development achieved with resource conservation

In the real estate industry, there is a need to reduce the large volumes of construction materials such as concrete and steel used to develop buildings, and large amounts of electricity, water and other resources when operating those buildings. The Tokyu Fudosan Holdings Group incorporates resource conservation and reuse into plans for various facets of its business from the initial stages of a project, thereby promoting urban development that balances the development of attractive facilities with resource recycling.

Regenerating and utilizing buildings

Kudan-Kaikan Terrace will preserve and restore parts of the former Kudan-Kaikan, balancing the effective utilization of construction resources with the creation of unique charm through the passing down of culture.



Kudan-Kaikan Terrace (scheduled to be complete in 2022)



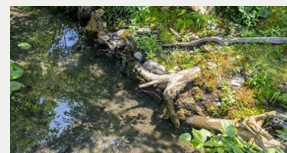
Restoration of a marble staircase with strong historical value

Installation of facilities that make effective use of resources

In the office building, water saving equipment and long-life devices such as LEDs are used, and green areas are maintained in an effort to prevent flooding and promote water circulation.



TOKYO PORTCITY TAKESHIBA



Rain gardens that store rainwater and allow it to slowly seep in underground

Proposals for eco-friendly facility management

Even at facilities outside the Group, we will use our extensive management know-how to provide owners with proposals for the efficient use of buildings and energy conservation. We also contribute to coordination with the local community with the utilization of facilities.



HOKKAIDO BALLPARK F VILLAGE (scheduled to open in 2023) ©H.N.F.

● Sustainability-oriented facility management

With the rising interest in sustainability seen in the purchasing activities of consumers, strengthening initiatives towards a recycling-oriented society together with tenants and customers leads to more attractive facilities in the operation of the Group's facilities.

Forming recycling-oriented communities that engender compassion

The NewMake Labo initiative being pursued by TOKYU LAND CORPORATION aims to create a recycling-oriented fashion community by up-cycling textile products that are problematic for high-volume waste through co-creation with companies, fashion brands and individual consumers.



Achieving resource recycling within commercial facilities

The Pass The Baton-Omohara initiative underway at Tokyu Plaza Omotesando Harajuku is an effort to turn raw waste from restaurants into compost and use it to cultivate strawberries in a rooftop garden as a recycling-oriented initiative. The cultivated strawberries are provided through the restaurants in the facility, achieving a resource recycling system that takes place entirely within the facility, from the procurement of ingredients to their use.





Recycling-based society Specific initiatives

Group coordination and co-creation with stakeholders

We aim to expand the circle of recycling together with the Group and stakeholders to create more value throughout the supply chain.

● Utilizing stock and extending the service life of buildings

In the long lifecycle of a building, we leverage the Group's strengths in employing a variety of approaches to extend the service life of buildings through high-quality building management and renovations. In addition, to respond to expanding needs for pre-owned real estate, we will accelerate the distribution of real estate to help recycle our existing stock. Roughly 200 TOKYU LIVABLE, INC. branches across Japan are working to conserve resources and energy.

Building management and long-term renovations to extend the service life of buildings

● Abiko Village(Completed in 1977)

Until now, three large-scale renovations have been conducted, and energy-saving improvements have been made to water supply facilities, hot water supply facilities and sash windows. In recognition of achievements including reduced power consumption of 75% and reduced fuel consumption of 38%, an award was received in the Long Life Category of the 31st BELCA Awards run by the Building and Equipment Long-life Cycle Association.



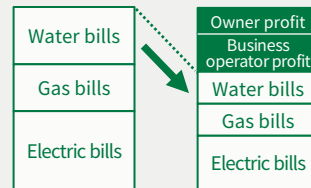
● BRANZ CITY Hongodai(Completed in 2021)

TOKYU LAND CORPORATION and TOKYU COMMUNITY CORP. had worked together since the development of the building to extend the large-scale renovation cycle of the building from 12 years to 16 years through the use of highly durable materials and other innovations. In addition to resource conservation, we have managed to reduce the financial burden on tenants by controlling the construction costs associated with renovations.



● 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.



● Cooperation with stakeholders

Securing the resources necessary for our business activities and reducing waste is a common and important challenge for every company and individual. To realize a sustainable society, we will scale up our efforts while not only working alone, but gaining the understanding and cooperation of our stakeholders including business partners and customers.

Strengthening initiatives with the supply chain

At Tokyu Re・design, we pursue enhanced sustainability by making the declaration that we "will not use illegal wood or products that may violate human rights" to 508 business partners and call on them to cooperate with us.



Learning together with future generations

At a student residence, we use domestic timber that promotes forest recycling and furniture that has been upcycled from waste materials. We provide opportunities for residents to learn about recycling-oriented manufacturing.



Campus Village Osaka Kindaimae
(Completed in 2022)

Business creation that takes the characteristics of people with disabilities into account

At Tokyu Livable, the herbariums presented to newly signed customers are created by a team of people with disabilities. Materials made from recycled origami cranes donated to the City of Hiroshima are used for the packaging materials.





Recycling-based society Specific initiatives

Achieving sustainable local communities and a sustainable resort business

Through the Company's strengths including the renewable energy business and resort business, we contribute to the revitalization of local communities and sustainability.

● Realizing sustainable, locally-based recycling-oriented communities

To the Tokyu Fudosan Holdings Group, which operates nationwide businesses including resorts and renewable energy, ensuring that local business environments are sustainable is one of the key challenges to be addressed. Taking into account approaches including the "regional recycling symbiosis zone" sustainable action model to supplement and mutually support regional resources promoted by the Ministry of the Environment, the Company aims to realize a sustainable, locally-based recycling-oriented society by pursuing initiatives to achieve regional revitalization through our business activities and to link cities with regional areas.

Joint venture with local government

An agreement aimed at supporting the formulation of community development plans in anticipation of the town's future has been entered into with the town of Matsumae, where the operating site of the ReENE Matsumae Wind Power Plant is located. Under the agreement, the Company will develop a renewable energy-based community development plan for the next ten years, promote digital transformation (DX) for the town offices, and propose SDG-related measures in coordination with town residents.



Conclusion of agreement on formulation of a community development plan with the town of Matsumae(2022)

Linking cities and regions

This is a limited-time market store where production processes researched by children are put on display so that customers can learn about the charms of each locale and the thoughts of the producers from the comfort of the city.



"Manabel Marche" at Tokyu Plaza Ginza(2021)

● Taking on the challenge of achieving a sustainable resort

The resort business run by the Group around Japan was made possible by the rich bounty of nature seen in each region. To continue to provide customers with an enriching and comfortable resort life, it is essential that we preserve beautiful natural environments and make effective use of limited resources. At each resort facility, the Group is committed to conserving resources and reducing waste to realize a sustainable resort business that coexists with the natural environment.

Examples of main initiatives

● Reducing plastics and other waste

Plastic products such as the amenities provided in guest rooms have been switched to naturally derived products that have a minimal impact on the environment. In addition, used cooking oils at facility restaurants undergo resource recycling.



Straws produced from pineapple leaves

● Effective utilization of water resources

In addition to making efforts to utilize water resources most effectively based on regional characteristics including rainwater, rivers and sea water, we have also implemented the trial adoption of a water reclamation plant capable of reusing wastewater.



TOKYU Harvest Club Atami Izusan & VIALA (Effective utilization of water resources through the use of mountain runoff)

● Regional recycling-oriented model of local production for local consumption

We are planned to form a regionwide resource cycle where compost generated from a facility's food waste is provided to local affiliated farms, and the vegetables harvested by those farms are offered at the facility.



Conceptual image of the model of local production for local consumption

Section 2

Priority Issue 3 Biodiversity conservation



Biodiversity conservation Approach and Targets



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

To mitigate the risks including the depletion of natural capital that is the source of land use and material procurement and rising procurement costs, the Company began efforts early on, including the establishment of a biodiversity policy in 2011. Conversing biodiversity is one of the key issues for the Group's business, which benefits from land development. In recent years the issue has taken on rising importance around the world, leading to the establishment of international frameworks such as SBT for Nature and TNFD. The Tokyu Fudosan Holdings Group pursues initiatives that take advantage of the characteristics of each city and region. We also set more ambitious action targets based on progress in the development of international frameworks, and have formulated internal policies and action plans consistent with them.

● Targets

Contributing to efforts to become nature positive based on regional characteristics

Urban Development Connecting the patches of green in urban areas	Countryside Protecting forests and waters
<p>Greening and considers people and nature, connecting the patches of green around the city</p> <ul style="list-style-type: none"> ● Urban greening as an ecological relay point ● Community planning in which people and nature coexist 	<p>Business development in regional areas coexisting with ecological services</p> <ul style="list-style-type: none"> ● Ecological surveys and conservation activities related to forests and oceans ● Sustainable procurement of timber and other resources

The Company has joined the 30by30 Alliance for Biodiversity established by 17 industry, government and private sector groups including the Ministry of the Environment. Going forward, we will also consider initiatives that utilize OECM-certified systems.

Formulation of related policies and manuals

<p>The Company has established clear policies as part of its efforts to conserve biodiversity. Going forward, we will make appropriate updates to various policies after determining the development status of international frameworks.</p> <ul style="list-style-type: none"> ● Biodiversity Policy (established in 2011) <ol style="list-style-type: none"> 1. We will ascertain the relationship between our business and biodiversity. 2. We will endeavor to reduce the impact that our business activities have on biodiversity. 3. We will strive to use biological resources sustainably. 	<ul style="list-style-type: none"> ● Sustainable Procurement Policy <p>We cooperate with stakeholders in an effort to ensure the sustainable procurement of construction materials and other resources throughout the supply chain.</p> ● Invasive Alien Species Response Manual <p>We have established measures to deal with highly invasive species and work to preserve regional ecosystems.</p>
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(Non-native flora) Annual fleabane

Action targets

<p>Midori wo Tsunagu Project 2030 Area of Forest Protected 3,000ha</p>	<p>Sustainable procurement 100% use of certified wood for formwork by 2030</p>
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World Economic Forum Global Risks Report 2022 - Global Risks Over the Next Decade

1st: Climate action failure	4th: Erosion of social cohesion
2nd Extreme weather	5th: Livelihood crises
3rd Biodiversity loss	6th: Infectious diseases

We recognize that biodiversity is a serious global risk.



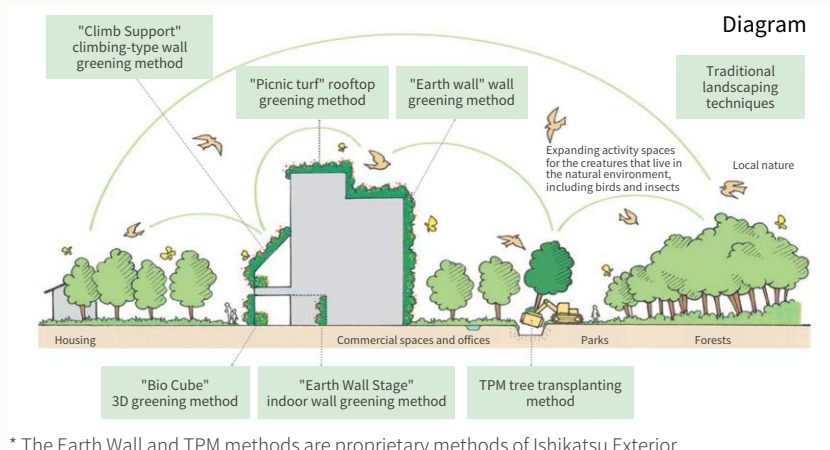
Biodiversity conservation Specific initiatives

Planting Greenery in Urban Areas to Connect Area Ecosystems

In the greater Shibuya area, our priority area, we are promoting greening and biological conservation efforts of which we are uniquely capable due to our wide-ranging business activities.

● Forming an Ecological Network

The Group is engaged in a wide range of business activities in the greater Shibuya area centered around Shibuya Station, which is a priority area for the Group. A feature of the area is the abundant green areas scattered throughout, including Meiji Jingu Shrine, Yoyogi Park and the Akasaka Imperial Residence. We are actively working on 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.



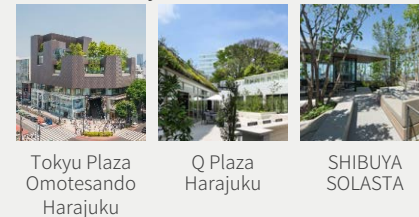
Initiatives at business sites

- Surveying and identifying the biological distribution (birds, insects) and native plants in the area
- Setting targets to attract birds and insects in the future considering how green areas will change over time
- Selecting plant species favored by the birds and insects living in the area when implementing building greening
- Coordinating with local elementary schools to install birdhouses made by children
- Verifying ecosystem conservation by monitoring the creatures coming to facilities

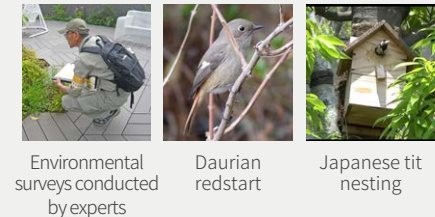
Ecological Network of the Greater Shibuya area



● Company business sites engaged in biodiversity conservation efforts



● Conducting surveys of living creatures





Biodiversity conservation Specific initiatives

Promoting Business Activities in Harmony with Green Areas

We actively promote greening to realize community development in which people and nature coexist, including facility greening and the use of certified wood in urban development and local forest conservation efforts in conjunction with customers.

● Promotion of greening at urban facilities

With the aim of creating living environments where multiple generations from children to the elderly can experience rich greenery, and advancing the physical and mental health of office workers while boosting their productivity and motivation, we actively promote greening in urban facilities such as residential buildings, offices and commercial facilities.



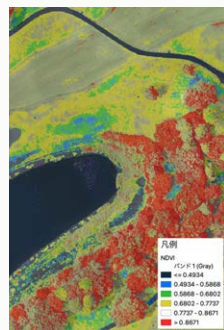
Setagaya Nakamachi Project



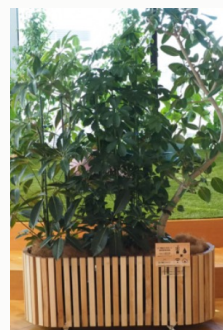
Shin-Meguro Tokyu Building

● Utilizing digital technologies in environmental greening projects

We are undertaking efforts to improve management quality by enhancing business efficiency using drone-based tree data and by collecting and analyzing data such as the soil moisture content of planted trees using sensors.



Accumulating data on the trees in golf courses



Planting management utilizing IoT

● Forest conservation in regional areas and resorts

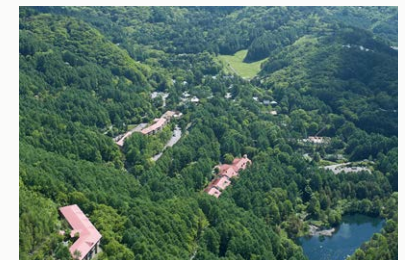
Midori wo Tsunagu Project

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.

Forest conservation at Tokyu Resort Town Tateshina

On a site of approximately 660 hectares, we are conducting activities to protect the forest together with the local government and forest owners' cooperatives, while also working to utilize forest resources, such as using thinned trees in golf course biomass boilers.

The forest conservation area to date is **20,311,998m²** which is the equivalent of about 434 Tokyo Domes



● Sustainable Procurement Activities

We have established requirements to use certified wood (FSC, PEFC, etc.) for formwork during construction, and strive to conserve forests and the ecosystems of the creatures that inhabit them through the appropriate utilization of forest resources.



Certified timber from Nishiawakura FSC-FM-certified forests



Use of certified domestic timber for construction materials



Biodiversity conservation Specific initiatives

Facility Operation that Carefully Considers Ecosystems

In the operation of each urban or resort facility, we endeavor to identify and conserve the surrounding ecosystem through ecological surveys and other activities, and also create opportunities for the customers who use the facilities and the local community to learn about those ecosystems together with us.

● Urban development and ecosystem conservation

Our facility management is not based only on maintaining an abundant amount of greenery, but also on ensuring coexistence with living creatures based on ecological surveys of the surrounding area and other activities. At our golf courses, we set days when courses rich in nature are opened up to the general public. We also install beehives around office buildings and run agricultural experience activities to raise awareness of the natural environment in urban areas.



TOKYO PORTCITY TAKESHIBA
(Installation of beehives)



TOKYO PORTCITY TAKESHIBA
(Rice planting experience)



Kawasaki Kokusai Ikuta Ryokuchi
Golf Course(Ecological survey of
racoon dog parents and offspring)

Promoting external certification

The Group promotes the acquisition of external certification related to biodiversity. Showing the level of our activities as assessed from the perspective of outside parties meets the expectations of stakeholders, and we also hope that it will enhance property values.

Results of our initiatives
(example)



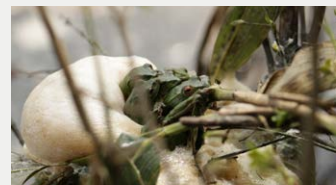
● Operation of resorts based on coexistence with the environment

The Tokyu Fudosan Holdings Group has engaged in resort operations across Japan for many years. As part of those activities, we have promoted a number of initiatives reflecting the importance with which we regard the ecological conservation of each area. By gaining a deeper understanding of creatures that inhabit the oceans and forests and providing opportunities for customers and local residents to interact with them together with us, we will continue our efforts to develop resort facilities that coexist with the environment.

● Hyatt Regency Seragaki Island Okinawa



In cooperation with a local university, we have implemented a conservation and restoration project to cultivate the declining population of clownfish and conduct ocean conservation activities. We provide customers with snorkeling experiences in the conservation area and conduct lectures for people to learn about the richness of the sea.



● Tambara Ski Park

To protect red-listed forest green tree frogs, we conduct habitat conservation activities together with local volunteers.

Section **3**

Environmental Promotion Platform

Governance

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. The committee also 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.

Supply chain management

To realize a sustainable society, the Company believes it is important to consider the natural environment across the entire supply chain, and works on supply chain management based on its Sustainable Procurement Policy. In our business operations we perform thorough management that takes the environment, safety and quality into account, and since 2021 we have been conducting non-financial risk assessments through due diligence for construction firms. We engage with each company to improve non-financial risks and continually work to mitigate supply chain risks.

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. The Company pursues measures based on the TCFD recommendations and engages in appropriate disclosures to ensure they are broadly understood.

● Support for TCFD recommendations

The Company believes that it is necessary to tackle climate change measures from a global perspective, and in March 2019 indicated our support for the TCFD recommendations, the first developer in Japan to do so. The Company is also a founding member of the TCFD consortium, a domestic organization formed to discuss TCFD initiatives.



The TCFD is a taskforce for disclosure of climate-related financial information founded by the Financial Stability Board (FSB) at the request of the G20 to consider methods for climate-related disclosures. In its final report released in June 2017, the TCFD recommended that companies disclose four items related to climate change-related risks and opportunities.

Responding to TCFD scenarios (example)

● Logistics facility — LOGI'Q



With the aim of achieving decarbonization, solar power generation

equipment for on-site PPA will be installed on the roof of the facility to provide 100% renewable energy to the facility's tenant companies and shipping companies, etc.

● TOKYO PORTCITY TAKESHIBA



To prepare for the risk of storm surges associated with rising sea levels, electric rooms and emergency generator facilities have been installed on higher floors, the floor of the disaster prevention center on the ground floor has been raised, and preparations for tide embankments have been made.

Category	The Group's initiatives	Corresponding Page
Governance	<ul style="list-style-type: none"> 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. 	28
Strategy	<ul style="list-style-type: none"> In each business of Urban Development, Resort, 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. Implementing ZEB/ZEH promotion, expansion of the renewable energy business, green financing and so on 	14-16, 30, 31
Risk management	<ul style="list-style-type: none"> 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. We recognize climate change as a risk of high importance and have integrated it into our companywide risk management activities. 	28
Metrics and targets	<ul style="list-style-type: none"> 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. TOKYU LAND CORPORATION has made the RE100 declaration and aims to achieve 100% renewable energy in 2022 ahead of schedule. 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. 	11, 13

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 (2030) and long (2050) terms).

Category	1.5°C	3°C	4°C
<ul style="list-style-type: none"> ● Transition risks <ul style="list-style-type: none"> Policies and legal restrictions Markets and reputations ● Opportunities <ul style="list-style-type: none"> Energy sources Market for products and services 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • In the medium term, a significant impact will arise due to carbon pricing and the costs of ZEB compliance, but in the long term the shift to ZEB will be complete and rental revenue will increase by maintaining a competitive advantage. • Renewable energy needs will expand. <p>Strategy</p> <ul style="list-style-type: none"> • Business will expand to meet the growing demand for renewable energy. In the resort business we will make use of local natural energy. • We will promote the adoption of ZEB/ZEH for newly constructed buildings, promote upgrades to the facilities of existing buildings, and achieve differentiation through the early introduction of renewable energy. 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • In the medium term, the impact due to ZEB compliance costs will be relatively mild, and although the degree of impact will be low compared with the 1.5°C scenario, the impact of shifting to ZEB will continue even in the long term. • Due to the widespread adoption of telework, demand for tenant office space has contracted. • Demand for renewable energy will expand by a certain degree. <p>Strategy</p> <ul style="list-style-type: none"> • Business will expand to meet the growing demand for renewable energy. • In each business, we will promote differentiation that is on par with the 1.5°C scenario. • We will roll out satellite offices in anticipation of the widespread adoption of telework. 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • Due to rising temperatures, construction costs and air conditioning expenses during operation will rise. • Due to the widespread adoption of telework, demand for tenant office space has contracted. • Demand for high-performance homes will expand due to rising temperatures. • Government support for renewable energy is weak, and market trends are uncertain. <p>Strategy</p> <ul style="list-style-type: none"> • We will expand our business to adapt to trends in renewable energy demand. • In each business, we will promote differentiation that is on par with the 3°C scenario, including measures to abate rising temperatures. • In the resort business, we will propose new resort lifestyles such as workcations.
<ul style="list-style-type: none"> ● Physical risks <ul style="list-style-type: none"> Acute Chronic ● Opportunities <ul style="list-style-type: none"> Resilience 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • In the long term, natural disasters due to abnormal weather events will gradually increase, but the impact will be minimal. <p>Strategy</p> <ul style="list-style-type: none"> • We will achieve differentiation through the selection of building locations and by strengthening BCP and LCP responses in coordination with tenants and residents. 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • Climate change will proceed faster than the 1.5°C scenario, and the degree of impact will expand. <p>Strategy</p> <ul style="list-style-type: none"> • In each business, we will promote differentiation that is on par with the 1.5°C scenario. • In the resort business, we will differentiate our facilities from competing ones through concentrated investment in high latitude ski resorts, and the management of golf courses planted with grass with strong heat resistance. 	<p>Risks, opportunities and financial impact</p> <ul style="list-style-type: none"> • In the long term, the impact from rising sea levels will increase compared to the 3°C, and damage to facilities due to natural disasters will dramatically increase. <p>Strategy</p> <ul style="list-style-type: none"> • In each business, we will promote differentiation that is on par with the 3°C scenario. • In the renewable energy business, we will achieve differentiation in the form of infrastructure strengthening measures for local communities, including the introduction of storage batteries.

We conducted analyses while referencing the scenarios proposed by the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) for temperature rises of 1.5°C (achieving the transition to a decarbonized society), 3°C (each country complies with its nationally determined contributions) and 4°C (governments, technologies and markets, etc. expand as an extension of current trends).

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

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

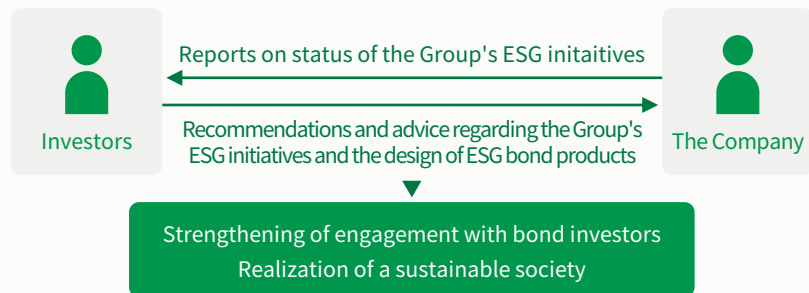
- To obtain understanding and support from bond investors and other stakeholders for the Group's ESG initiatives.
- To consistently provide to bond investors opportunities to invest in ESG bonds and expand the base for financing through ESG bonds.

Target

- The ratio of ESG bonds to the outstanding bonds at the Company
End of FY2025: **50% or more** End of FY2030: **70% or more**

Initiatives to deepen engagement

(Provisional Name) "WE ARE GREEN" Bond Policy Meeting



● 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.

Green bonds (January 2020)

- Term: 5 years
- Amount raised: 10 billion yen
- Number of investment proposals: 18



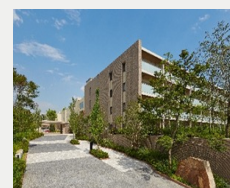
ReENE Matsumae Wind Power Plant



SHIBUYA SOLASTA

Sustainability bonds(December 2020)

- Term: 40 years (non-call period of 10 years)
- Amount raised: 30 billion yen
- Number of investment proposals: 51



Senior housing business



Startup support and co-creation business



Membership co-working office business

Sustainability-linked bonds(October 2021)

- Term: 10 years
- Amount raised: 10 billion yen
- Number of investment proposals: 27

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. Regarding our environmental initiatives, we were selected as a CDP Climate Change A List company in 2021.

● Acquisition of various environmental certifications

Since the Company formulated its basic environmental philosophy in 1998, it has continually worked to address environmental issues. In particular, the Company has received high praise for its pioneering efforts in the real estate industry, including promoting of the renewable energy business it entered in 2014, and improvements to the environmental performance of the properties it owns. The Company has also received high marks under various environmental certification schemes.



● SBT
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.



● GRESB
In a benchmark that gauges ESG considerations of real estate companies and funds, the Company has obtained a "4-star" real estate rating*1 and the highest "A" disclosure rating for five years running (2021)



● CDP Climate Change
The global standard in corporate environmental information disclosures to which 13,000 countries around the world respond. The Company was selected as one of the 200 companies on the climate change A list, the highest rating (2021)



● WELL Certification
For WELL Certification, the world's first certification system to evaluate the health and comfort of office buildings, the Company was the first developer in Japan to acquire the certification at its SHIBUYA SOLASTA headquarters.

*1. Standing Investment Benchmark

● High ratings from ESG evaluation organizations

The Company has been continually selected for inclusion in three environment-related indexes by the Government Pension Investment Fund (GPIF) since their establishment. In addition, we have been selected for 12 consecutive years for the FTSE4Good index, a global ESG evaluation, and as part of the DJSI index for 10 years running.

ESG assessment	Overview of evaluation	2017	2018	2019	2020	2021
DJSI Asia Pacific <small>Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA</small>	Comprehensively evaluates corporate sustainability from economic, environmental and social perspectives.	●	●	●	●	●
FTSE4Good Index Series <small>FTSE4Good</small>	Evaluates CSR initiatives in terms of environment, social and governance (ESG).	●	●	●	●	●
FTSE Blossom Japan Index <small>FTSE Blossom Japan</small>	Adopted for GPIF indices. An index that reflects exceptional performance of Japanese companies in responding to ESG.	●	●	●	●	●
MSCI Japan ESG Select Leaders <small>2022 CONSTITUENT MSCIジャパン ESGセレクトリーダーズ選抜</small>	Adopted for GPIF indices. An index developed by selecting companies demonstrating excellent ESG ratings from various Japanese industries.	●	●	●	●	●
S&P/JPX Carbon Efficient Index <small>S&P/JPX Carbon Efficient Index</small>	Adopted for GPIF indices. An index that focuses on carbon efficiency to determine weights among companies that make up the index.	— ^{*2}	●	●	●	●

*2. Introduced in 2018

Explanation of Terms

P.7	J-Credit	The Japanese government certifies the amount of greenhouse gas emissions (such as CO ₂) reduced through the introduction of energy-saving devices, use of renewable energy, appropriate forest management for absorption of CO ₂ by forest trees, etc., as credit.
P.7	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.11	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 ₂ emissions to change the behavior of emitters.
P.13	ZEB/ZEH	net Zero Energy Building / net Zero Energy House : Buildings with net zero or negative annual primary energy consumption. The amount of reduction is found by summing the amount of energy saving and the amount of energy creation, in comparison with conventional buildings.
P.15	Non-fossil fuel energy certificate with tracking information	Non-fossil fuel energy certificates provide proof of the non-fossil fuel value of electricity generated from renewable energies and other non-fossil fuel sources of energy. The certificates with tracking information include attribute information from which power plant the electricity was generated.
P.19	Regional recycling and co-existence zone	A concept that encourages communities to make full use of the local resources, such as beautiful natural scenery, for an autonomous and distributed society, and to fully demonstrate a region's vitality by complementing and supporting each other in terms of resources based on the characteristics of the region.(From the Ministry of the Environment website)
P.23	SBT For Nature	A method that places a greater focus on nature for science based targets (SBTs) that set targets with regard to climate change, and which sets targets that can be scientifically measured and acted upon regarding the interconnected systems of water, biodiversity, land and oceans in the value chain.
P.23	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. A beta version was released in March 2022.
P.23	Nature positive	A global goal to halt damage to biodiversity and allow nature to recover.
P.24	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.

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.