

— CSR

+ Tokyu Fudosan Holdings Group's CSR

> A Commitment from Top Management

+ Create Value for Customers

■ Environmental Conservation Initiatives

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TOKYU FUDOSAN HOLDINGS GROUP
Recovery Support Project

Great East Japan Earthquake



Environmental Conservation Initiatives



The Tokyu Fudosan Holdings Group, based on its Environmental Vision, is implementing measures to address five environmental issues (climate change, biodiversity conservation, pollution and resources, water usage, and supply chain) from three viewpoints.



Environmental Vision

Basic Policy developed in 1998, revised in 2015

● 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 Chain

> Climate Change

> Biodiversity Conservation

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Climate Change

Policy

The Tokyu Fudosan Holdings Group recognizes that climate change is an important environmental issue that greatly impacts its business activities.

In 2014, the Intergovernmental Panel on Climate Change (IPCC) released the Fifth Assessment Report (AR5). This report found that warming of the climate system is unequivocal and it is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century. Climate change caused by global warming not only causes rising sea levels, but also abnormal weather such as an increase in heavy rains and flooding as well as droughts. The businesses of the Group are not only directly affected by weather conditions, such as snowfall amounts required to operate ski areas, but also indirectly affected as well such as the fact that the worldwide procurement of various supplies required for our businesses may become difficult. It is based on this awareness that the Group is promoting the more efficient use of energy and the utilization of renewable energy at its business offices as well as the office buildings, commercial facilities and resorts that it owns in an effort to mitigate the impacts that its business activities have on climate change. The development and operation of energy efficient office buildings, commercial facilities and resorts will create business opportunities and enhance the competitiveness of the Group. We will continue to work with design firms, construction companies, end users and other stakeholders in an effort to realize a low-carbon society and address the issues of climate change and energy consumption.

Tokyu Fudosan Holdings

Management Structure

The Tokyu Fudosan Holdings Group has in place the Tokyu Fudosan Holdings CSR Promotion Committee, which is chaired by the President & Representative Director of Tokyu Fudosan Holdings and co-chaired by the Director in Charge of CSR of Tokyu Fudosan Holdings, and whose members include directors in charge of CSR from Tokyu Fudosan Holdings' subsidiaries. The committee meets regularly twice a year to discuss, plan and confirm results pertaining to material issues, such as compliance, climate change, social contributions, and diversity. In turn, the results of committee deliberations are reported to the Board of Directors, which is led by the President & Representative Director of Tokyu Fudosan Holdings.

Additionally, the Environment/Social Contribution Council, established as a subcommittee to the Tokyu Fudosan Holdings Group CSR Promotion Committee, leads relevant management activities across the entire Group.

The Environment/Social Contribution Council, comprised of environmental managers from each group company, sets group-wide fiscal year targets for greenhouse gas emissions, a major cause of climate change, monitors results and shares information based on a shared policy. This ensures proper reporting under relevant laws and regulations and environmental impacts are reduced through business activities.

The Group considers the reduction of CO₂ emissions, a major cause of global warming, to be of particular importance in addressing the issue of climate change. For this reason, we have set the following targets.

Short- to medium-term target

The Tokyu Fudosan Holdings Group aims to reduce CO₂ emissions per floor area of our business offices and real estate portfolio 25% compared to FY 2005 by the FY 2020.

Long-term target

The Tokyu Fudosan Holdings Group aims to reduce CO₂ emissions per floor area of our business offices and real estate portfolio 30% compared to FY 2005 by FY 2030.

Tokyu Land Corporation has established process targets for the development projects it is involved in based on the format of these projects. For example, development projects involving new build condominiums must comply with Insulation Performance Level 4 within the Evaluation Methods and Standards based on the Housing Quality Assurance Act. Also, Tokyu Plaza Ginza, a large-scale commercial facility, will be developed with the same level of performance as quasi-top level place of business recognized for outstanding countermeasures taken against global warming by the Tokyo Metropolitan Government.

Tokyu Fudosan Holdings

CO₂ emissions and energy consumption

	2005 (FY; base year)	2014 (FY)	2015 (FY)	2016 (FY)	2020 (FY; short-term target year)	2030 (FY; long-term target year)
CO ₂ emissions (Unit:thousand t-CO ₂)	655.4	234.8	210.7	232.7	-	-
Energy consumption (Unit:thousand GJ)	-	4,659.7	4,374.3	4,542.9	-	-
CO ₂ emissions (intensity) (Unit:kg-CO ₂ /m ²)	133	101.9	98.4	106.6	100	93
Achievement rate	-	-23%	-26%	-20%	-25%	-30%

Number of target facilities	-	226	210	192
Office buildings	-	86	80	70
Commercial facilities	-	71	64	59
Resorts facilities	-	59	58	55
Other	-	9	7	7
Overseas	-	1	1	1
Floor area	492.6	2,377.3	2,291.9	2,184.3
Office buildings	-	715.8	718.3	599.3
Commercial facilities	-	1,117.5	1,226.3	1,042.4
Resorts facilities	-	506.2	296.3	491.6
Other	-	23.0	35.7	35.7
Overseas	-	14.8	15.3	15.3

Tokyu Fudosan Holdings

Reduction of CO₂ emissions / Reduction of energy consumption

● Reduction of CO₂ emissions / Reduce energy consumption at resort facilities

(I) Unquantified, Process targets

(1) Targets in the investment process

- ① Electrical facility : Introduction of energy saving fluorescent spheres and LED lamps
- ② Water supply and sanitation facility : Introduction of water-saving type faucets
- ③ Air conditioning equipment : Update, Installation of inverter control device

(2) Targets in the management process

- ① Electrical facility
 - Review of lighting time
 - Unnecessary lights go out
 - Review illuminance
- ② Water supply and sanitation facility
 - Revision of temperature setting of cold / hot water
 - Review operating hours
 - Review temperature setting and capacity of hot water tank, bath tub or pool etc
- ③ Air conditioning equipment
 - Operation at proper temperature
 - Stop unnecessary air conditioning and introduce outside air and efficient operation of total heat exchanger
 - Clean filter or fin of air conditioner, ventilator and kitchen exhaust hood

(II) Achievement status on quantified reduction targets

[Achievement status]

※Compared to FY2005

FY2013	FY2014	FY2015	FY2016
-26%	-23%	-26%	-21%

● Process or quantified targets and records on reduction of CO₂ emissions or energy consumption (FY2016)

(1) Targets in the investment process and reduction record

- ① Electrical facility:
 - Energy reduction target 10.55kl ⇒ record 17.23kl
 - CO₂ reduction target 20.50t-CO₂ ⇒ record 33.50t-CO₂
- ② Water supply and sanitation facility:
 - Energy reduction target 6.98kl ⇒ record 6.72kl
 - CO₂ reduction target 17.11t-CO₂ ⇒ record 16.76t-CO₂

③ Air conditioning equipment:

Energy reduction target 14.18kl ⇒ record 19.31kl

CO₂ reduction target 31.11t-CO₂ ⇒ record 41.97t-CO₂

(2) Targets and records in the management process

① Electrical facility :

Energy reduction target 15.43kl ⇒ record 25.21kl

CO₂ reduction target 30.00t-CO₂ ⇒ record 49.00t-CO₂

② Water supply and sanitation facility:

CO₂ reduction target 40.14kl ⇒ record 35.78kl

CO₂ reduction target 86.64t-CO₂ ⇒ record 112.45t-CO₂

③ Air conditioning equipment:

CO₂ reduction target 39.75kl ⇒ record 27.74kl

CO₂ reduction target 84.21t-CO₂ ⇒ record 61.59t-CO₂

TOKYU LAND CORPORATION

Practice and Implementation

Reduction in CO₂ emissions in office buildings

The Group works to reduce CO₂ emissions in the office buildings it manages through the installation of energy-saving equipment and in cooperation with its tenants. By implementing these initiatives, the Group aims to serve a pioneering role in achieving the numerical energy conservation targets for new office buildings stipulated in the environmental action plan formulated by the Real Estate Companies Association of Japan.

At the Shin-Meguro Tokyu Building developed by Tokyu Land Corporation, we have achieved visualization through the installation of BEMS (building energy management system) monitors on each floor that allow tenants to confirm their energy consumption and also reduced energy use for the entire building through means such as the installation of natural ventilation systems and automatic dimming equipment.



Shin-Meguro Tokyu Building



Energy management monitor for each floor

TOKYU LAND CORPORATION

Reduction in CO₂ emissions in condominiums

The 356-unit Branz City Shinagawa Katsushima is a large condominium building in which the collective strengths of the Tokyu Group, including Tokyu Land Corporation and Tokyu Community Corporation, are being used to make it more energy efficient.

As a result of efforts including the adoption of the world's first home use fuel cell for condominiums called Enefarm in all housing units and the installation of HEMS as a system that enables the visualization of home power consumption, it has been estimated that CO₂ emissions have been reduced by at least 60% and the highest S Rank (self-evaluation) has been acquired using CASBEE (Comprehensive Assessment System for Built Environment Efficiency). We will verify CO₂ reduction results and provide feedback to residents as we aim for even further energy efficiency. In recognition of these efforts, the project was selected as a Low-CO₂ Residence and Building Leadership Project by the Ministry of Land, Infrastructure and Transport.



Branz City Shinagawa Katsushima



Enefarm for condominiums

TOKYU COMMUNITY CORP., TOKYU LAND CORPORATION

Use of renewable energy

The Group uses photovoltaic energy, wind power and other forms of natural energy to power various businesses.

Solar power generation systems have been introduced to resort facilities, specifically to the Palau Pacific Resort and Tokyu Harvest Club Atami Izusan & VIALA. In addition, at the commercial facility Tokyu Plaza Omotesando Harajuku, two wind turbines have been installed on the rooftop to foster the use of natural energy.



Photovoltaic energy
(Palau Pacific Resort and Tokyu Harvest Club Atami Izusan & VIALA)



Wind power
(Tokyu Plaza Omotesando Harajuku)

Tokyu Fudosan Holdings, TOKYU LAND SC MANAGEMENT CORPORATION, TOKYU LAND CORPORATION

TOKYU LAND CORPORATION

Third-party Verification of Environmental Data

The Tokyu Fudosan Holdings Group receives verification of its environmental data from a third-party in order to ensure the reliability of this information. For fiscal 2017, the scope of this verification includes data for our greenhouse gas emissions (Scope 1, Scope 2, and Scope 3).

Third-party Verification Report on Greenhouse Gas Emissions



[Third-party Verification Report.pdf \(PDF:109KB\)](#)

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Biodiversity Conservation

Policy

Tokyu Fudosan Holdings Group's business activities rely heavily on ecosystem services for land development and materials procurement. Given this, we are strongly aware that biodiversity conservation represents an important environmental issue.

The loss of biodiversity would make it difficult for us to reap the benefits of ecosystem services that until now have benefited our businesses in terms of land use and construction materials procurement, which carries with it the risk of much higher costs. Furthermore, the loss of biodiversity is an extremely critical issue that could threaten the very existence of society and human life.

The development and operation of housing, office buildings, commercial facilities and resorts that help to conserve biodiversity will create business opportunities and enhance the competitiveness of the Group.

It is based on this awareness that we will continue to work with design firms, construction companies, customers, local communities and other stakeholders to carry out responsible materials procurement and conduct ecosystem studies at the time of development for our business activities as well as the office building, commercial facilities and resorts we develop in an effort to mitigate impacts on biodiversity and conserve biodiversity.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & Representative Director, and to address climate change issues, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group. The Environment/Social Contribution Council, comprised of environmental managers from each group company, manages the results of group-wide efforts on biodiversity issues and shares information based on a shared policy. This ensures biodiversity conservation is addressed throughout all business activities.

Tokyu Fudosan Holdings

Practice and Implementation

Conducting ecosystem studies and conserving biodiversity using greenery

The Group actively introduces greenery at its condominium, office and commercial facility buildings, which links with community greenery to form ecological networks considerate of biodiversity. When developing large-scale properties that will impact the local community, we conduct ecosystem studies on the local environment during the planning stage in order to introduce greenery through planters or other means that will provide a habitat for native birds and insects. Such formation of greenery networks helps to conserve the biodiversity of the entire community.

Additionally, we conduct regular studies on living organisms throughout the year at the roof terrace garden named Omohara Forest at Tokyu Plaza Omotesando Harajuku in order to gain an understanding of the ecosystem created there.



Ecosystem study in progress
at Tokyu Plaza Omotesando Harajuku



Seven-spot ladybug



Japanese white-eye

Tokyu Fudosan Holdings, TOKYU LAND SC MANAGEMENT CORPORATION, TOKYU LAND CORPORATION

Acquired the top AAA rank for JHEP Certification

The FUTAKO TAMAGAWA Rise integrated commercial and residential complex that is a joint venture between Tokyu Land Corporation and Tokyu Corporation acquired the top rank (AAA) for JHEP Certification, which is Ecosystem Conservation Society - Japan's system for certification of biodiversity assessments. We developed the building's roof garden into an open space containing water and greenery as a large-scale roof garden with features such as a vegetable garden and a killifish pond in an aim to create a community that is in harmony with the abundant natural environment in the surroundings.



FUTAKO TAMAGAWA Rise



Killifish pond created
as part of the roof garden



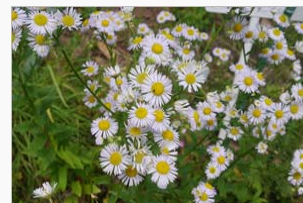
TOKYU LAND CORPORATION

Creation of "Invasive Alien Species Response Manual"

According to the Invasive Alien Species Act (Ministry of the Environment), an invasive alien species is a species of fauna or flora that did not originally reside in Japan and was brought to Japan intentionally or unintentionally by human actions and that may cause damages to local ecosystems. The Group has created a manual that outlines ways to deal with an invasive alien species if it is found in order to protect the community's ecosystem.



(Non-native fauna)
Nettle caterpillar



(Non-native flora)
Annual fleabane

Tokyu Fudosan Holdings

Environmental impact assessment associated with wood conducted by NGO

Tokyu Homes Corporation has established a wood procurement policy incorporating international standards in an effort to promote the procurement of fair wood. With the assistance of International Environmental NGO FoE Japan, Tokyu Homes Corporation conducts environmental impact assessments associated with wood and carries out continual improvement activities based on the results. Environmental impact assessments conducted in March 2016 (percentage versus approximately 27m³ of wood usage per home) found that 98.2% of the wood used to construct Millcreek custom-built homes is sourced from materials that have a low or relatively low environmental impact.

*Environmental impact assessment associated with wood

An assessment method that evaluates the environmental impacts of applicable wood and wood products by assigning point scores to risks for each environmental impact category (illegal thinning risk, environmental impact risk on thinned areas, impact risk from transport, and risk of extinction of tree species, etc.) and then computes the total score.

TOKYU HOMES CORPORATION

Acquired PEFC-CoC Forest Certification

Tokyu Homes Corporation is promoting fair wood procurement together with its supply chain based on the company's wood procurement policy.

Acquired PEFC-CoC Forest Certification

Tokyu Homes Corporation is promoting fair wood procurement together with its supply chain based on the company's wood procurement policy. In August 2014, Tokyu Homes Corporation acquired PEFC-CoC Certification*. A forest certification program uses a third party to evaluate and certify that wood is produced from responsibly managed sustainable forests. This certification was acquired for the entire supply chain, from forest to saw mill, processing, distribution and supply to home construction. This means that Tokyu Homes Corporation's products are responsibly contributing to environmental preservation consistently from forest to customer. Tokyu Homes Corporation is committed to engaging in further efforts to preserve the environment, for which interest is growing internationally.



*PEFC: Programme for the Endorsement of Forest Certification Schemes; a forest certification body based in Switzerland. The administration of the PEFC forest certification program is carried out by the PEFC Council of NPOs and independent NGOs.

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Pollution and Resources

Pollution

Policy

The Tokyu Fudosan Holdings Group believes that one of its duties is to mitigate the release of pollutants from its business activities. This is why we are working with design firms, construction companies and other stakeholders to prevent the release of pollutants and mitigate pollutants by avoiding the use of materials that are a source of pollutants in order to reduce our impacts on the environment.

Tokyu Land Corporation has established specific measures for the development projects it is involved in based on the format of these projects. For example, development projects involving new build condominiums or detached housing must be in compliance with Formaldehyde Abatement Level 3 and the company has created an in-house manual on soil contamination and asbestos abatement to ensure it takes proper measures.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & Representative Director, and to address the issue of pollutants, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group. The Environment/Social Contribution Council, comprised of environmental managers from each group company, manages the results of efforts on pollutants and shares information based on a common policy. This ensures pollutants are addressed throughout all business activities.

Tokyu Fudosan Holdings

Practice and Implementation

Preventing VOCs in homes

Tokyu Land Corporation has established its own proprietary design standards to prevent sick house syndrome in the condominiums and houses it builds and it has adopted the use of low-formaldehyde interior and construction materials in order to mitigate the causes of this syndrome.

TOKYU LAND CORPORATION

Handling of hazardous substances

The Group's office buildings, commercial facilities and resorts manage and dispose of hazardous substances in a responsible manner in accordance with relevant laws and regulations. We carry out procedures and dispose of fluorocarbons used in air conditioners and PCBs used in electrical facilities in accordance with the law. These substances are handled with the utmost care to prevent leakage or release. For asbestos and soil pollution, we carry investigative studies in a timely manner and implement proper measures or controls based on the situation.

TOKYU LAND CORPORATION

Waste

Policy

The Group recognizes that the mitigation and proper disposal of waste is an important environmental issue because increased business activities will result in increased waste.

We also believe that it is important to endeavor to reduce waste emissions based on an approach incorporating the 3Rs (reduce, reuse, recycle); instead of using vast amounts of resources for our businesses.

The development and construction of long-life housing, office buildings, commercial facilities and resorts, and curbing the use of resources by promoting recycling in business activities, will contribute to reduction of pollution through curbing the use of resources in business activities.

It is based on this awareness that we will continue to work with design firms, construction companies, end customers and other stakeholders to reduce waste through responsible recycling and achieve a recycling-oriented society.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & Representative Director, and to address the issue of waste, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group.

The Environment/Social Contribution Council, comprised of environmental managers from each group company, manages the setting of group-wide targets, results of efforts, and shares information about waste based on a common policy. This ensures data on the use and storage of waste by each company is understood and that proper management/disposal is carried out in accordance with relevant laws and regulations. This also ensures that we are making efforts to reduce waste through our business activities.

The Group has established the following target for waste.

Target

We aim to reduce waste emissions per floor area of our business offices and real estate portfolio 25% compared to FY2005 by the FY 2020.

Tokyu Fudosan Holdings

Practice and Implementation

Waste reduction through remodeling

The Tokyu Fudosan Holdings Group is working to reduce waste through home renovations. Tokyu Resort Corporation is conducting the sales of vacation homes that have been seismically diagnosed and guaranteed and also ecologically remodeled under its REWORTH program.

Tokyu Fudosan Holdings, TOKYU HOMES CORPORATION

Data on waste volume

	2005(FY) (base year)	2014(FY)	2015(FY)	2016(FY)	2020(FY) (target year)
VOC emissions (Unit:liters)	-	0	0	0	-
Hazardous waste emissions (Unit:kg)	-	144,205	35,807	110,349	-
Non-recyclable waste emissions (Unit:t)	-	10,621	9,360	13,280	-
Recyclable waste emissions (Unit:t)	-	8,175	9,548	11,848	-
Cost of environmental fines (Unit:yen)	-	0	0	0	-
Waste emissions (intensity) (Unit:kg/m ²)	13.23	10.23	10.06	13.32	9.92
Achievement rate	-	-23%	-24%	+0.7%	-25%

Tokyu Fudosan Holdings

Use of Resources

Policy

The Group recognizes that the responsible use of resources is an important environmental issue because increased business activities will result in increased use of resources, even though these resources are limited in nature.

We also believe that it is important to endeavor to use resources more effectively based on an approach incorporating the 3Rs (reduce, reuse, recycle); instead of using vast amounts of resources for our businesses.

The development and construction of long-life housing, office buildings, commercial facilities and resorts, and curbing the use of resources by promoting the reuse of resources in business activities, will create business opportunities and enhance the competitiveness of the Group.

It is based on this awareness that we will continue to work with design firms, construction companies and other stakeholders to use resources responsibly and more effectively.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & Representative Director, and to address the issue of use of resources, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group.

The Environment/Social Contribution Council, comprised of environmental managers from each group company, shares information from across the group based on a common policy. This ensures that we are using resources responsibly and efficiently.

Tokyu Fudosan Holdings

Practice and Implementation

Forming a reuse cycle for wood resources

The Green Connection Project is an initiative with customers and other stakeholders of the Group to help preserve forests. This initiative has preserved forests in various uses, from condominium purchases to use of offices and resorts, with more than 1,000 hectares saved to date. Wood produced from forests is utilized in various businesses operated by the Group and also provided to customers, which forms a reuse cycle.



Eave materials for
the Shin Aoyama Tokyu Building



Morinomiya Q's MALL
BASE playground equipment



Original stationery sold
at Tokyu Hands

Tokyu Fudosan Holdings, TOKYU HANDS INC., TOKYU LAND SC MANAGEMENT CORPORATION,
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Water Use

Policy

The Tokyu Fudosan Holdings Group recognizes the importance of water conservation in its capacity as a fundamental component of social infrastructure.

Today, water shortages are growing more serious worldwide due to desertification and other factors. Although Japan, where the vast majority of the Group's business offices are located, has yet to experience chronic water shortages, in light of the water resources used to produce the materials we import, so-called "virtual water", the issue of water shortages and water pollution around the world is not irrelevant to our business operations. The development and operation of homes, office buildings, commercial facilities and resorts that excel at water conservation through the use of water saving systems and features will create business opportunities and enhance the competitiveness of the Group.

It is based on this awareness that we will continue to work with design firms, construction companies, customers, local communities and other stakeholders to carry out responsible management and efficient use of local water resources for our business activities and at the office buildings, commercial facilities, and resorts we own.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & CEO, and to address the issue of water resource conservation, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group.

The Environment/Social Contribution Council, comprised of environmental managers from each group company, sets group-wide fiscal year targets for water use and shares information based on a common policy. This ensures we are able to understand water use volume for each group company, report proper information in accordance with relevant laws and regulations, and work to reduce water use throughout all business activities.

We have set the following target for water use.

Target

We aim to reduce water use per floor area of our business offices and real estate portfolio 25% compared to FY 2005 by the FY 2020.

Tokyu Land Corporation has established process targets for the development projects it is involved in based on the format of these projects.

For example, development projects involving new build condominiums or detached housing must use water efficient toilets that use less than six liters of water per flush as well as efficient hot water saving kitchen, shower, and bathroom vanity fixtures.

Tokyu Fudosan Holdings, TOKYU LAND CORPORATION

Practice and Implementation

Reducing water use with water saving systems and features

The Tokyu Harvest Club Atami Izusan & VIALA was opened as a resort hotel in harmony with nature in 2013. The resort hotel has been making efforts to conserve water resources through the use of water-saving toilets and reducing the use of tap water by actively using mountain groundwater.

At Tokyu Harvest Club Hotel Hakone Koshien and VIALA Hakone Hisui, efforts are also being made to use water effectively through the reuse of underground spring water from the premises.



Tokyu Harvest Club VIALA Hakone Hisui uses underground spring water

Tokyu Fudosan Holdings, Tokyu Resort Service Co., Ltd, TOKYU LAND CORPORATION

Initiatives Along the Tama River - Environmental Conservation of the River and its Basin

The Tokyu Foundation for Better Environment (Public Interest Incorporated Foundation) works to improve the environment of the Tama River area by conducting surveys of the Tama River and its basin, supporting environmental activities, and disseminating information.

Tokyu Fudosan Holdings

Water use

	2005 (FY) (base year)	2014 (FY)	2015 (FY)	2016 (FY)	2020 (FY) (target year)
Water use (unit:m ³)	-	3,141,305	2,811,153	2,662,803	-
Water use intensity (unit:m ³ /m ²)	1.12	1.39	1.32	1.23	0.84
Achievement rate	-	+24%	+18%	+10%	-25%

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Supply Chain (Environment)

Policy

In the real estate business involving the Tokyu Fudosan Holdings Group, since development and operation of houses, office buildings, commercial facilities, resort facilities, etc. are going on for a long time and many stakeholders are involved, we recognize that we need to work on the entire supply chain in cooperation with stakeholders (design companies, construction companies, customers etc.). Also, since we utilize large amounts of resources from the environment for our business activities, we will work on the entire supply chain for water resources conservation, biodiversity conservation, saving resources, reduction of pollutants and waste and appropriate treatment.

–Water Resource– In order to properly manage water resources according to region / time and efficiently use water resources, it is necessary to work in cooperation with stakeholders. Also, Japan, where many of our business sites are concentrated, has yet to experience chronic water shortage, but in our business activities, we recognize that it is necessary to consider the water resources used for the production of imported materials (so-called “virtual water”).

–Biodiversity Conservation– Land development and materials procurement in our business activities are highly dependent on ecosystem services. Because damaging the ecosystem makes it difficult to receive such service, the Group will conduct appropriate material procurement and ecosystem surveys in collaboration with our stakeholders and work on biodiversity conservation.

–Saving Resources– The Group recognizes that the responsible use of resources is an important environmental issue because global environmental resources are finite. We also believe that it is important to endeavor to use resources more effectively based on an approach incorporating the 3Rs (reduce, reuse, recycle); instead of using vast amounts of resources for our businesses. The Group will work with stakeholders to use resources responsibly and more effectively.

–Reduction of Pollutants and Waste and Appropriate Treatment– The Group recognizes that the reducing emissions of pollutants and waste in business activities is one of the corporate social responsibilities. The Group will work to reduce the impact for the environment in cooperation with design firms and construction companies to reduce pollutants and waste discharges, reduce materials causing the pollutants and waste, and apply appropriate treatment when discharging it we will work.

On the other hand, tackling the real estate business in consideration of the global environment will create business opportunities and enhance the competitiveness of the Group. It is based on this awareness that we will work with stakeholders to help protect the environment across the entire supply chain of our businesses.

Tokyu Fudosan Holdings

Management Structure

The Group has established the CSR Promotion Committee headed by the President & CEO, and to address environmental issues within the supply chain, the Environment/Social Contribution Council, established as a subcommittee, leads relevant management activities across the entire Group.

Tokyu Fudosan Holdings

Practice and Implementation

Acquisition of environmental performance certification, including LEED and CASBEE

The Group works with stakeholders to obtain environmental performance certification to improve the environmental practices of its entire supply chain.

In August 2015, Futako Tamagawa Rise Tower Office (Setagaya City) acquired LEED for New Construction Gold certification through a partnership involving Tokyu Corporation, Tokyu Land Corporation and Setagaya City. In November 2015, the entire Futako Tamagawa Rise development became the first location in the world to receive LEED for Neighborhood Development Gold certification. This neighborhood development project received high marks not only for its verdant surrounding environment next to the Tama River, but also for its excellent access to public transportation, high density, compact development, and its initiatives for biodiversity and the more efficient use of energy.

In addition, we are also actively working to acquire CASBEE and DBJ Green Building certification for our residential, office and commercial facility developments as part of our efforts to display environmental performance.

*LEED

A green building certification program administered by the U.S. Green Building Council.



Futako Tamagawa Rise

TOKYU LAND CORPORATION

Reducing water use with water saving systems and features

The Tokyu Harvest Club Atami Izusan & VIALA was opened as a resort hotel in harmony with nature in 2013. The resort hotel has been making efforts to conserve water resources through the use of water-saving toilets and reducing the use of tap water by actively using mountain groundwater.

At Tokyu Harvest Club Hotel Hakone Koshien and VIALA Hakone Hisui, efforts are also being made to use water effectively through the reuse of underground spring water from the premises.



Tokyu Harvest Club VIALA Hakone Hisui uses underground spring water

Tokyu Fudosan Holdings, Tokyu Resort Service Co., Ltd, TOKYU LAND CORPORATION

Reduction of water usage by using rainwater

The office building "Kasumigaseki Tokyu Building" developed by Tokyu Land Corporation has introduced facilities to utilize rainwater falling on the roof. The collected rainwater is used for miscellaneous water such as toilet wash water to save water usage. Water retention pavement for suppressing the rise in road surface temperature is laid on a part of the outer structure by thermal evaporation of water vapor, and it is expected that the heat island phenomenon will be mitigated.

TOKYU LAND CORPORATION

Operating energy management systems together with tenants

Tokyu Land Corporation actively employs energy saving equipment and is constantly working to improve the management and operation of equipment that consume large amounts of energy, such as air conditioners.

At Abeno Q's Mall in the Abeno Ward of Osaka, Tokyu Land Corporation together with business owners and tenants jointly operates the Motto Save system with Osaka Gas Co., Ltd. that makes it possible to mitigate CO₂ emissions. This system aggregates energy usage data for the common space and private space of the mall on a cloud so that business owners and tenants can check, analyze and share findings about the energy usage data of each tenant.

We will continue to work on energy saving measures with the goal of realizing a low-carbon society in the future.

TOKYU LAND SC MANAGEMENT CORPORATION, TOKYU LAND CORPORATION

Visualizing energy usage with smart meters

Tokyu Land Corporation installs smart meters for the condominium units it sells to encourage the visualization of energy usage. At Branz Sapporo Nakajima Koen, smart meters come standard that automatically read electricity usage data in 30-minute increments using telecommunications.



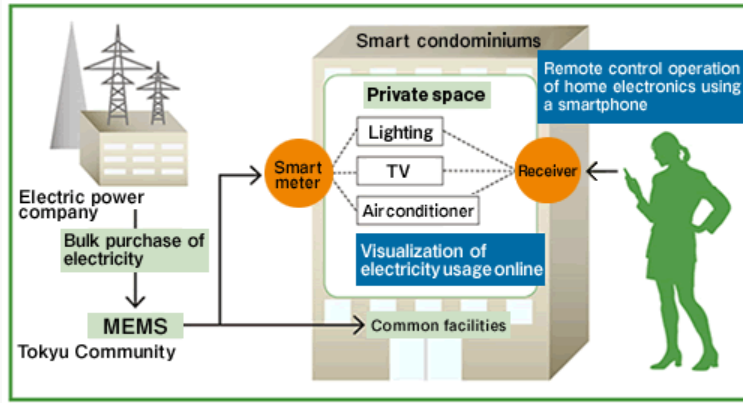
Smart meter (sample image)

TOKYU LAND CORPORATION

Managing energy usage of condominiums

Tokyu Community Corporation has been selected to be an MEMS aggregator as an energy management service provider by the Ministry of Economy, Trade and Industry. It is adopting MEMS (condominium energy management systems) and bulk high-voltage electricity receiving services (a type of energy-saving system) in the condominiums that it manages.

These systems were introduced for approximately 786 housing units during FY2014 as part of efforts to reduce energy use at existing condominiums.



Conceptual diagram of bulk electricity purchases and MEMS

Tokyu Fudosan Holdings

Hosting of environmental seminars

Tokyu Homes Corporation (Newly built housing division), recognizing the importance of working with suppliers to achieve the sustainable use of forest resources, holds seminars respecting the forest environment every year for construction materials manufacturers. Tokyu Homes Corporation will continue to raise awareness about the environment across the supply chain in an effort to realize more sustainable procurement of resources in the future.

TOKYU HOMES CORPORATION

CO₂ emissions data

(unit: thousand t-CO₂)

	2014 (FY)	2015 (FY)	2016 (FY)
Scope 1			42.9
Scope 2	234.8	212.5	189.8
Scope 3	1,034.1	821.9	1,228.7

Tokyu Fudosan Holdings

Energy usage data

(unit: thousand GJ)

	2014 (FY)	2015 (FY)	2016 (FY)
Scope 1			4,542.9
Scope 2	4,659.7	4,374.3	

Tokyu Fudosan Holdings