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**GROUP VISION 2030** ▶

TOKYU FUDOSAN HOLDINGS GROUP  
Recovery Support Project

Great East Japan Earthquake For smiling faces all over Japan



## Contributions to Local Communities



The Tokyu Fudosan Holdings Group conducts social contribution activities that will lead to the resolution of issues in local communities with the aim of developing a sustainable society and creating abundant communities.

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# Supply Chain (Society)

## Policy

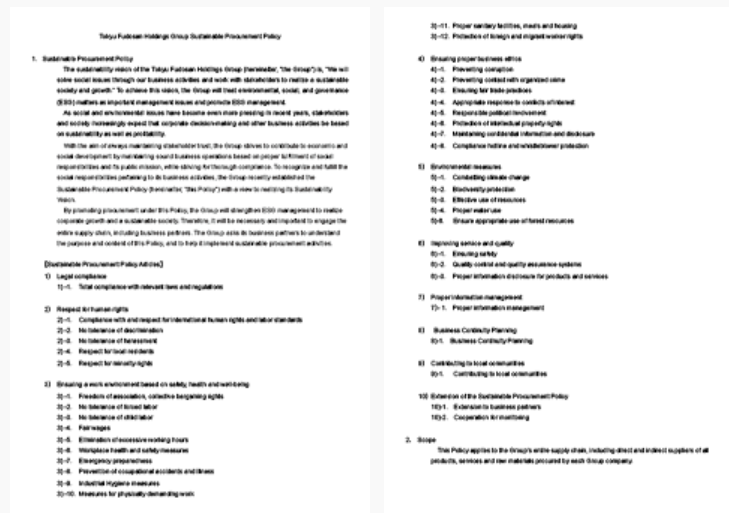
The Tokyu Fudosan Holdings Group recognizes the cooperation of stakeholders is necessary and important to ensuring proper social responses in our business activities across the entire supply chain.

In particular, the real estate business of the Group largely affects communities and parties over long-term time horizons from development to operation, so it is essential that we work closely with a variety of stakeholders. Additionally, the development and operation of homes, office buildings, commercial facilities and resorts that are mindful of local community development will create business opportunities and enhance the competitiveness of the Group.

It is based on this awareness that we will continue to work with stakeholders such as local governments, local communities, design firms, construction companies, and end customers to help revitalize and develop society across the entire supply chain of our businesses.

Tokyu Fudosan Holdings

## Sustainable Procurement Policy



[Tokyu Fudosan Holdings Group Sustainable Procurement Policy\(PDF:137KB\)](#)

[Tokyu Fudosan Holdings Group Sustainable Procurement Policy Article Text\(PDF:41.7KB\)](#)

In the Tokyu Fudosan Holdings Group, buyers comply with the Sustainable Procurement Policy.

Tokyu Fudosan Holdings

## Property portfolio management policy

We believe that addressing social issues such as health and safety in our real estate business will create business opportunities and improve our competitiveness. Based on this recognition, the Group is committed to addressing social issues for the benefit of its tenant employees. For example, with regard to safety, we will conduct annual drills for tenant employees at each of our facilities to prepare them for possible fires, evacuations, firefighting, and other drills. In terms of health, we will strive to maintain a good air environment by implementing appropriate ventilation at each facility and regularly measuring CO<sub>2</sub> concentration.

In order to provide equal opportunities, we communicate with tenants to ensure that there are no problems in recruiting employees for tenants of commercial facilities.

In addition, Tokyu Land Corporation is working with tenants of the facilities it operates and manages to increase the recycling rate of waste in order to reduce resource consumption. At office buildings, we distribute recycling guides on waste separation, explaining the distinction between recyclable and non-recyclable waste and the necessity of waste separation, and encourage the installation of mix paper boxes to promote recycling.

Tokyu Fudosan Holdings, TOKYU LAND CORPORATION

## Management Structure

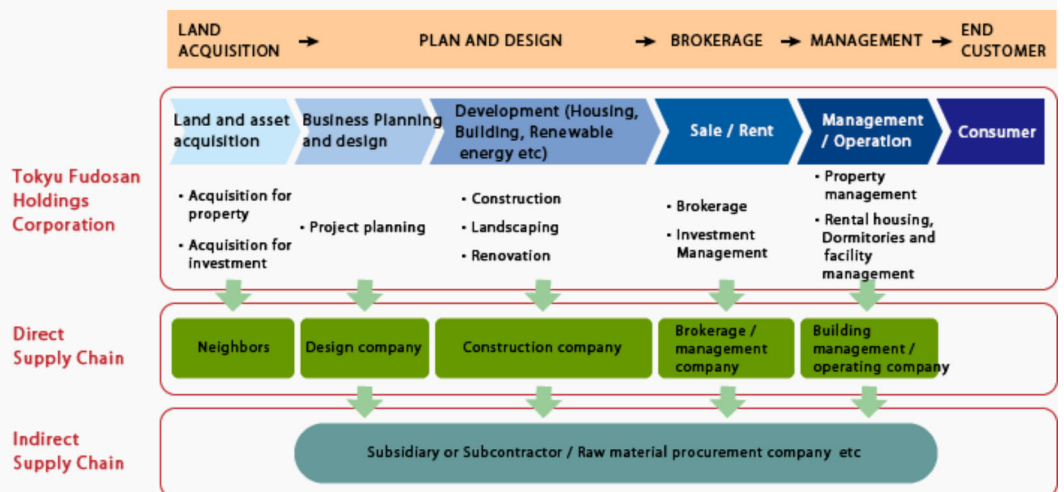
The Group strives to create value for local communities and end users by actively working to reduce the environmental burdens through urban revitalization or improved access to transit or to construct buildings that have barrier-free designs for individual projects in response to the initiatives it is carrying out for social issues in the supply chain.

Our group demands all of our business associates compliance with the following:

- (1) Ban on associating with anti-social forces
- (2) Compliance with general contractor selection criteria
- (3) Compliance with laws and regulations regarding reuse/recycling ratio of construction materials
- (4) Reduction of CO<sub>2</sub> emissions
- (5) Ban on unfair labor practice

Tokyu Fudosan Holdings

## Arrangement of Real Estate business value chain



Tokyu Fudosan Holdings

## Supply Chain Management

●**Critical Suppliers** The buildings developed by our group are not only sold and leased directly to customers, but are also important assets that generate the business of our group companies, including subsequent brokerage, management, and operation.

●**Supply Chain Quantity Analysis** Construction-related expenses accounted for 18.2% of the total amount paid by the Group in FY2021. Of the 335 suppliers related to construction and operation management at Tokyu Land Corporation, the core company of the Group, 93 (27.8%) were important suppliers.

●**Introduction of ESG Factors** As part of the supply chain management strategy, selection criteria for cost, construction period, and quality are set by the implementing departments to screen suppliers, and financial information from the head office department is used to screen suppliers with regard to business stability. In addition, our Sustainable Procurement Policy stipulates respect for human rights, a healthy, safe, and comfortable work environment, and consideration for the environment, and we conduct due diligence surveys of our supplier general contractors, using the results as a reference index when deciding which suppliers to order from.

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Tokyu Fudosan Holdings, TOKYU LAND CORPORATION

## Practice and Implementation

### Resolving Social Issues through dialogue with local communities and tenants

Tokyu Land Corporation provides opportunities for dialogue with local communities and tenants, and works to resolve local issues with all stakeholders.

For example, with regard to "disaster prevention," which is a common issue in the community, we conduct regular disaster prevention drills with our tenant employees and discuss the results of these drills with them to ensure that they are prepared to evacuate safely in the event of a disaster. In addition, to "improve the beauty of the community," our employees participate in volunteer cleanup activities in the community where our facilities are located, interacting and conversing with the local community association and residents. When developing office buildings and commercial facilities, we engage in dialogue with local merchants' associations, etc., and when necessary, we install local cargo handling areas within the facilities to "improve safety" for pedestrians when handling cargo.

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TOKYU LAND CORPORATION

### Redevelopment project in Shibuya

The Group is actively involved in urban redevelopment projects in an effort to create more appeal and attractive urban communities.

One of Japan's largest terminal stations, Shibuya fulfills a role not only as a hub of transportation, but also a hub of community information and culture. Currently, a public-private partnership is taking place to make fundamental changes to Shibuya's urban functions and Tokyu Land Corporation is a participant in this redevelopment project. In 2027 when all redevelopment is completed and the area serves as a hub for creative contents industries and urban tourism, Shibuya will be transformed into a community that attracts even more people from Japan and abroad.



Conceptual image upon completion of the redevelopment project around Shibuya Station

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TOKYU LAND CORPORATION

### Every real estate development with excellent access to transit

Tokyu Land Corporation has a basic philosophy of every developing office buildings that can access public transportation. Such excellent locations near stations with quick access to transit have received high marks from tenants because of the convenience and shortened commute times they offer. These buildings also help to mitigate CO<sub>2</sub> emissions because their location encourages the use of public transit, which has less of an impact on the environment.

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TOKYU LAND CORPORATION

### Disabled persons access is assessed for all buildings

Tokyu Land Corporation is taking measures such as stipulating design standards so that people with disabilities can use the facility safely in all development projects that are the main business entity. For example, for office buildings, we have introduced barrier-free and universal design, and have formulated the "Office Building Universal Design Guidelines" for the purpose of achieving a unified response. In addition, condominiums, office buildings, and commercial facilities are constructed as close as possible to railroad stations so that they can be easily accessed.

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TOKYU LAND CORPORATION

### Partnerships with university hospitals

In July 2015, Tokyu Sports Oasis, Inc. began accepting heart disease patients from Nippon Medical School Musashi Kosugi Hospital for heart rehabilitation. The company's heart rehabilitation program is carried out using preselected exercises based on a medical exam and ensures participant safety by having a physician on call to respond immediately in case of an emergency. In the future, Tokyu Sports Oasis, Inc. will work with Nippon Medical School Musashi Kosugi Hospital to create an urban area heart rehabilitation program jointly run by both.



Rehabilitation (sample image)

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TOKYU SPORTS OASIS Inc.



## Stakeholder Engagement on Human Rights, etc. - Due Diligence on Suppliers

Tokyu Fudosan Holdings Corporation considers construction companies that construct buildings among its suppliers to be important stakeholders and is working to resolve priority human rights issues in its supply chain.

Based on the Human Rights Policy and Sustainable Procurement Policy formulated in FY2019, in FY2020, we conducted "Due Diligence on Environmental and Social Issues in the Supply Chain" for 24 construction companies with which we have transactions, to identify negative impacts on social issues such as human rights and to understand procurement risks. We identified negative impacts on social issues such as human rights and identified procurement risks. (In addition, as part of our due diligence activities for construction companies, we have been regularly assessing the soundness of their corporate management, particularly from a financial perspective, as well as the risk of credit factors, every year since fiscal 2013.)

In fiscal 2021, we presented our "Human Rights Policy" and "Sustainable Procurement Policy" to all 172 construction companies with which we do business, and began requesting compliance with the policies, including secondary suppliers. We also conducted an online sustainable procurement questionnaire (self-assessment questionnaire) to determine the compliance status of 46 responding companies with respect to the Human Rights Policy and the Sustainable Procurement Policy, and rated 39 companies as low risk and 7 companies as high risk. We provided each company with written feedback including risk assessment results and improvement plans (conducted annually on a regular basis). (The results of the risk assessment and feedback, including improvement plans, were provided to each company in writing (conducted annually).

In FY2022, we will present our "Human Rights Policy" and "Sustainable Procurement Policy" to construction companies and others even at the stage of obtaining quotations before placing construction orders, as a prerequisite for placing orders if secondary suppliers and other suppliers comply with the policies, and conduct supplier engagement on environmental and social issues with two construction companies with which we have business relationships at real meetings.

In addition, we held real meetings with two construction companies with which we have business relationships to discuss measures to prevent and mitigate human rights, environmental and other risks and to deepen mutual understanding of our initiatives, based on our risk assessment for fiscal 2021.

Through due diligence on suppliers, we will continue to identify procurement risks in the supply chain, prevent and mitigate negative impacts on human rights and other issues, increase the effectiveness of human rights risk reduction, and promote the resolution of human rights issues throughout the supply chain.



Engagement with TODA CORPORATION  
(Date: December 20, 2022; Location: Toda Corporation Headquarters; Number of participants: 13)

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Tokyu Fudosan Holdings

## Capacity building for suppliers

Tokyu Re・design Corporation conducts training such as safety competitions for managers and staff every year for construction companies that are suppliers. Among them, we explain social issues such as safety measures in construction, human rights, and the use of certified timber, and invite outside lecturers to share good practices and strive to strengthen their capabilities. In 2021, we conducted training on illegal logging of timber and human rights issues.

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Tokyu Re・design Corporation

### **Integrated Social Supply Chain policy**

(1) Buyer training

Tokyu Land Corporation outsources various operations such as construction orders, and all employees play the role of buyers. For this reason, we have stated the supply chain policy in the e-Learning conducted for all employees as training, and we are training on the scope and content of our responsibility.

(2) Supplier contracts

We integrate the supply chain policy into the supplier contract for construction orders by describing the supply chain policy in the quotation outline.

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TOKYU LAND CORPORATION

### **Monitoring of suppliers for social issues**

Tokyu Land Corporation conducts on-site audits of suppliers regarding safety and the environment in all development projects in which we are the main business entity. We regularly inspect construction sites to see what measures construction companies are taking to ensure safety and the environment, and if any problems are found, we discuss them with the construction company managers and implement measures to quickly resolve them.

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# Human Rights and Community

## Policy

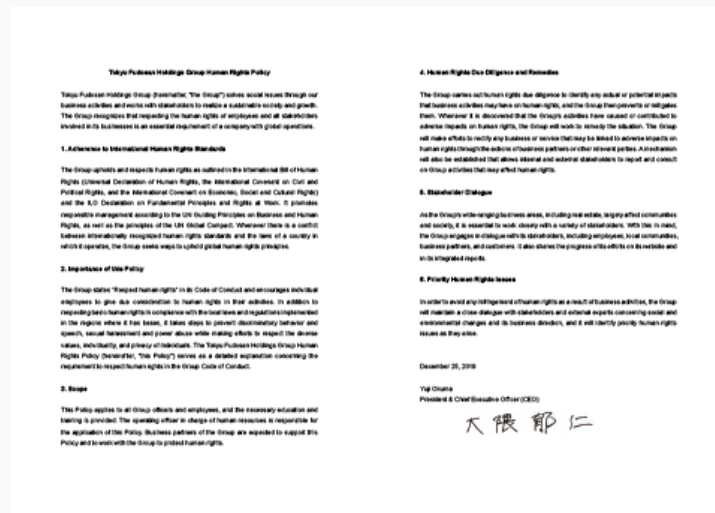
The Tokyu Fudosan Holdings Group recognizes that respecting the human rights of employees and all stakeholders involved in its businesses is an essential requirement of a company with global operations and an expectation placed in all companies. Then, in December 2019, we formulated the Tokyu Fudosan Holdings Group Human Rights Policy. It is based on this belief that we support the Universal Declaration of Human Rights and other international human rights doctrines and conduct with our suppliers to carry out business activities that fully respect human rights.

We take action both inside and outside of Japan to ensure that we do not violate the human rights of local residents due to economic disparities. We also support UNICEF's Children's Rights and Business Principles in an effort to effectively eliminate child labor and respect human rights.

We also expect all stakeholders, including business partners, to respect human rights.

Tokyu Fudosan Holdings

## Human Rights Policy



Tokyu Fudosan Holdings Group Human Rights Policy(PDF:95KB)

Tokyu Fudosan Holdings

## Management Structure

The Group has established the Sustainability Committee headed by the President & CEO, that report to the Board of Directors, and to respect the human rights of the stakeholders involved in the business of the Group. The Diversity Council to Human Resources Department, established as a subcommittee, leads relevant management activities across the entire Group. Day-to-day responsibilities and resources for relevant functions have been allocated to Human Resources Department.

Tokyu Fudosan Holdings



## Identification of salient human rights issues specific to the business

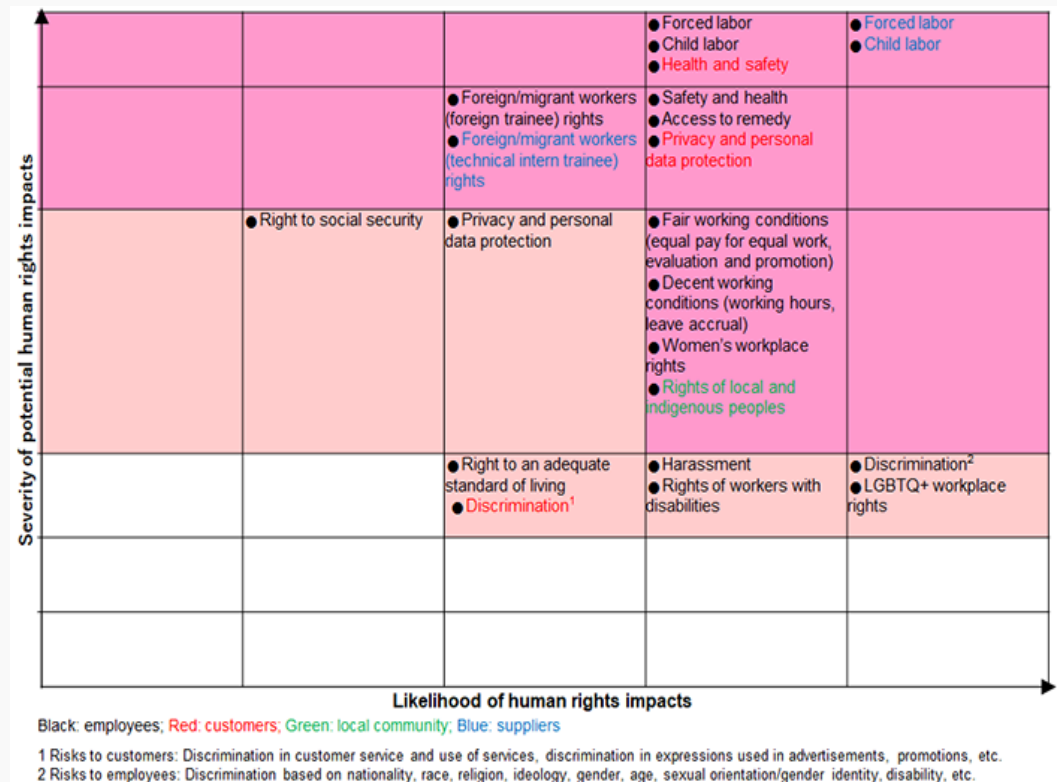
In FY 2019, the Group conducted a human rights risk assessment of its own businesses, value chains, etc., to analyze human rights issues in its domestic and international real estate-related businesses (urban, residential, management, brokerage, etc.) and domestic wellness businesses (resort hotels, urban hotels, senior housing, healthcare, golf courses, golf courses, and ), and domestic wellness businesses (resort hotels, urban hotels, senior housing, healthcare, golf courses, ski resorts, fitness clubs, etc.), we analyzed human rights issues using the likelihood of occurrence and potential impact severity of human rights issues as indicators. As a result, the following important human rights issues were identified

- (1) Forced labor / child labor
- (2) Work conditions and work environment of employees and suppliers (including migrant workers)
- (3) Participation in infringement of employees' privacy and personal information protection rights
- (4) Impact on Local communities while land development (including Indigenous people and migrant workers)
- (5) Employees and suppliers' safety in development
- (6) Infringement of rights to access remedy

In FY2022, we have reviewed the risks in line with changes in the Group's business and the materiality risks in our long-term vision, and have organized them into the following risk map.

## Human Rights Risk Map

\* Some issues salient to Group (February 2023)



As a result of reviewing the impact on human rights caused by our business activities among material human rights issues, we set "sustainable procurement (concrete formwork lumber)" and "consideration of human rights in the supply chain (implementation of due diligence on forced labor and child labor)" as KPIs for the fiscal 2030 target in our long-term vision. We are promoting human rights due diligence in our supply chain. As for suppliers, we are prioritizing "consideration of human rights for foreign technical intern trainees (workers).

As a specific initiative in human rights due diligence, we conduct human rights questionnaires, evaluations, and dialogues with suppliers to construction companies that are important to us as stakeholders. We will continue to engage with stakeholders to identify outstanding human rights issues and prevent and mitigate human rights risks.

### Human rights impact or risk assessments

Regarding the potential new projects and the existing projects, Tokyu Land Corporation respects the human rights of stakeholders regarding the project itself and business activities in the local community by continuously evaluating risks related to respect for human rights in accordance with our risk management process.

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TOKYU LAND CORPORATION

### Existing suppliers to identify those that are high risk

In fiscal 2020, we will conduct a human rights and procurement questionnaire on priority issues to 24 construction companies, and strive to engage with our business partners in due diligence. We did not find any non-compliance, so we did not take any concrete measures.

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TOKYU LAND CORPORATION

## Practice and Implementation

### Clear communication of human rights expectations to stakeholders

Tokyu Fudosan Holdings, Inc. requests that all stakeholders, including business partners, consider respect for human rights through its Sustainable Procurement Policy and other means. In particular, Tokyu Land Corporation holds regular engagement meetings with general contractors, as business partners, regarding human rights and communicates its expectations regarding human rights. In particular, we have separately addressed the human rights of foreign technical intern trainees, which has become an issue in recent years.

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Tokyu Fudosan Holdings, TOKYU LAND CORPORATION

### Efforts to respect human rights of suppliers and ensure sustainable procurement

At the 2021 Supplier Safety Convention, Tokyu Re・design Corporation gave a notice and explained from the president about the human rights consideration and timber procurement of foreign technical intern trainees for sustainable procurement.

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Tokyu Re・design Corporation

### Target for 2030 – 100% Sustainable Wood for Concrete Formworks

Much of plywood used for concrete formwork in Japan is made of south-sea timber logged in Malaysia, Indonesia and other nations, where some NGOs have pointed out that land grabbing in indigenous peoples' territories and environmental destruction have become problems.

In view of this situation, the Tokyu Fudosan Holdings Group takes human rights issues and environment protection seriously and pledge to obtain 100% of our plywood for our constructions' concrete formworks to from sustainable sources including FSC or PEFC certified or domestically sourced by year 2030.

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Tokyu Fudosan Holdings

## Understanding of LGBT penetration

In July 2017, the Group invited Mx.Maki Muraki who is the representative director of a specific NPO "Rainbow Color Diversity", and Mx.Yuji Kato who is a staff of Tokyo office. We held a study group titled " We can make use from tomorrow! LGBT basic knowledge and current Japan" and 85 people from 16 companies of our group participated.

LGBT is an acronym for a lesbian, gay, bisexual, and transgender that refers to sexual oriented (which sexuality) or sexual recognition (what is your sex).

On that day, they explained the challenges of the LGBT and talked about the expected response to the company. Participants received opinions such as frank stories of the parties and felt the need for future response.

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# Contribution to Local Communities and Society

## Policy

The Tokyu Fudosan Holdings Group recognizes the sustainability of communities and society is an important issue for the sustainable development of companies.

It is based on this awareness that the Group carries out various self-led activities through its businesses for communities and society, such as enhancing the value of an area or generating economic benefits. We will continue to work with stakeholders such as design firms, construction companies, and end customers to help revitalize local communities through our businesses.

Tokyu Fudosan Holdings

## Commitments

We are committed to take the Group's business and advance it to serve our local communities in creating jobs and making them revitalize and flourish.

Tokyu Fudosan Holdings

## Practice and Implementation

### Community investments

Tokyu Land Corporation has set the priority strategy of producing attractive cities in its long-term management policy for fiscal 2030 and is promoting urban development projects based on that strategy. Especially in large-scale redevelopment projects, we will strengthen disaster prevention functions for temporary returnees in the event of a disaster, improve the road network by replacing arterial roads, and improve public transportation facilities by improving bus stops, etc. We have positioned the area centered around Shibuya Station as the group's priority base "the Greater Shibuya Area", and in addition to the redevelopment project to improve the mobility around the station, we have developed and operated various commercial facilities and office buildings. It contributes to improving the international competitiveness of the city.

In addition, based on the concept of "future sharing," in which we share the "future" with all people, we are developing area branding to enhance the attractiveness of the city through startup co-creation, cooperation with people involved in Shibuya, area management, and other activities. For example, we are actively participating in the Shibuya Ekimae Area Management Association as its secretariat, and are working to make the Shibuya area more attractive through public-private partnerships under the theme of "Let your playful spirit move Shibuya."

### ● Cleanup Efforts

In Shibuya, we participate and cooperate in a wide range of community activities such as local festivals, volunteer cleanups, and events to enliven the city. For example, in cleanup activities, we regularly conduct volunteer cleanups before work in cooperation with various partners, including our employees, local residents, neighborhood workers, and entrepreneurs.

### ● Donation of crime-prevention buzzers to local elementary school students

Q's mall, a commercial facility in the Kansai area, collects point donations from its loyalty card members for "community use" and donates "original crime prevention buzzers" to first-year elementary school students in the vicinity of the facility on an annual basis. The program began in fiscal 2018, and 16,721 buzzers had been donated by fiscal 2021.

TOKYU LAND CORPORATION, TOKYU LAND SC MANAGEMENT CORPORATION

### Community investment for developing startup companies in Shibuya

Tokyu Fudosan Holdings Corporation and Tokyu Land Corporation established two programs with total investment of 5 billion yen for financially vulnerable start-up companies.

Tokyu Fudosan Holdings, TOKYU LAND CORPORATION

### Creation of local employment opportunities

Ewel, Inc. opened a second operation center that handles administrative processing in Yonago City, Tottori Prefecture to follow the other center in Matsue City, Shimane Prefecture. The Yonago Operation Center, which opened in February 2015, plans on hiring around 300 people from the local community over the next five years, which will contribute to the creation of local employment opportunities.



Yonago Operation Center  
(Yonago City, Tottori Prefecture)



Work space

EWEL, Inc.

### Contributing to communities in the tourist haven of Palau

For nearly three decades Tokyu Land Corporation through its management of the Palau Pacific Resort has continually worked on environmental conservation, the passing down of cultural traditions, the creation of employment opportunities and development of infrastructure in Palau. More than 80% of the Palau Pacific Resort's staff is hired from Palau and Tokyu Land Corporation gives back to the local community through the creation of employment opportunities and developing human resources qualified for working in the hospitality industry.



Palau Pacific Resort

TOKYU LAND CORPORATION

### Continuing to support disaster-stricken areas in the recovery effort

The Group has continued to provide assistance toward the recovery effort of the Great East Japan Earthquake since 2011 by utilizing its network of resources.

Tokyu Land Corporation has established a volunteer leave program that enables employees to take up to five days of leave per year in order to take part in volunteer activities in support of the reconstruction effort from the Great East Japan Earthquake. Additionally, Tokyu Land Corporation dispatches personnel around once or twice per month to attend local meetings with Kesennuma Regional Development, the developer of a planned commercial facility in the city's port area that will serve as a symbol of Kesennuma's reconstruction. In turn, these personnel provide advice concerning the operation, management and tenant solicitation for this facility to support its operations.

Tokyu Fudosan Holdings Corporation and Tokyu Resort Service Co., Ltd. have established an e-commerce site selling products from the Tohoku region and Kumamoto in order to support the reconstruction of these areas. One percent of the sales from this site will be donated locally through the Japanese Red Cross Society.

[Click here for more details.](#)



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Tokyu Fudosan Holdings, TOKYU LAND CORPORATION, Tokyu Resorts & Stays Co.,Ltd.

### Promoting Local Community Revitalization Programs

Tokyu Land Corporation and Tokyu Land SC Management Corporation which runs Q's Mall have been partnering with local communities in neighborhood revitalization, the "Smile Project".

As part of the project at Q's Mall embracing its slogan "Town is generous, people are joyful", the mall membership card holders donate their shopping points to "Let's give our school kids' safety alarms" program to make Q's Mall personal safety alarms to be presented to first graders in neighboring elementary schools every year.

The Smile Project has also implemented a number of community revitalization programs including donation of gym equipment to elementary schools around the Mall, responding to a local request for the better environment for local children to enjoy sports.



Q's Mall Original Personal Safety Alarms

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TOKYU LAND CORPORATION, TOKYU LAND SC MANAGEMENT CORPORATION



### Supporting local activities

Tokyu Land Corporation is involved with the activities of an NPO called the Shibuya Station Area Community Planning Council, which was established in order to promote Shibuya Station area, where Tokyu Land Corporation was founded, as a place to live, work to raise the profile of the community and promote its attractiveness. As part of its support, Tokyu Land Corporation sponsors the Shibuya Music Festival, a local event organized by the Council every year, and provides direct support to the Festival with employee volunteers. In addition, Tokyu Land Corporation is a member and supports the activities of the Shibuya Sakuragaoka Community Planning Council, established with a similar goal for the nearby Shibuya and Sakuragaoka neighborhoods.

For these activities we made the following donation in FY 2021.

(JPY)

<b>Cash contributions</b>	85,673,648
<b>Time contributions</b>	7,266,000
<b>Management overheads</b>	13,530,000
<b>Total</b>	106,469,648

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Tokyu Fudosan Holdings, TOKYU LAND CORPORATION