

## Helping to build local communities through community development that brings together the Group's expertise

# Case 01

BRANZ City Hongodai is a large-scale condominium development built in Sakae Ward, City of Yokohama. It contains 458 units organized into three blocks on a vast site with a total area of 2.3 hectares. The land was formerly the site of a company housing development and Tokyu Fudosan created a proposal for solving issues and adopted a lump-sum acquisition service in collaboration with Tokyu Livable to acquire and develop the land.

In 2021, construction was completed on the first block, BRANZ City Hongodai Gate Terrace. Sales for this block's units kicked off during the COVID-19 pandemic, so we put a focus on fostering a resident community while respecting the values of the post-pandemic period, namely connections with family and being able to live in one's own way. Our aim was to realize an environment where people from different generations can live comfortably.

This development makes full use of the Group's community development expertise and resources, including Tokyu Land Corporation's corporate sales, development, and regional co-existence support capabilities, Tokyu Livable's real estate brokerage capabilities, and Tokyu Community's management services.

### Encouraging exchange between residents and with other locals to realize lifestyles that can sustain the community

In a large-scale condominium complex, it is important to foster a sense of community between residents and between residents and other local people. As regional communities become more diverse and complex, there is a growing need to address various social issues. Within this, community building is expected to play a considerable role, contributing to areas such as realizing safe and comfortable lives for both child-raising generations and the elderly, and enhancing disaster response capabilities.

At BRANZ City Hongodai, we have planted over 2,700 trees throughout the grounds and we have leveraged the advantages of the large scale to disperse various shared facilities between the three buildings, enabling residents from each block to come and go freely. The central courtyard area can also be opened up to the community,

enabling regional activities to be carried out more flexibly. We are using the shared facilities as spaces to encourage exchange between residents and we have introduced a community support program to expand this sense of community into the wider area.

In addition to providing support for the unrestricted activities of residents, we also cooperated with the local neighborhood association and other organizations that are active in the area to create mechanisms for generating exchange.



An event at BRANZ City Hongodai  
People from the wider area also participated, contributing to the building of a neighborhood community



After the units in the first building were handed over to residents, we held a welcome event in March 2022, followed by various other events such as a disaster preparation tour, a cleanup and Christmas event, and handicraft workshops. As of May 2024, we had held a total of 23 events attended by over 2,000 people, contributing to the establishment of community activities.

Going forward, we will work to ensure the continuance of activities focused on residents by supporting the operation of the COMMUNITY CLUB residents' organization, becoming more familiar with resident's needs, and providing support that helps residents to organize and implement activities themselves.

### Extending the period before large-scale renovation work is needed

At BRANZ City Hongodai, we have extended the warranty period covering large-scale renovation work on the buildings from the

usual 12 years to 16 years through various measures such as using highly durable materials. This was achieved through Group collaboration between Tokyu Land Corporation, which handled the development, and Tokyu Community Corp., which engages in comprehensive real estate management. Large-scale renovation work has an impact on a property's ability to retain value as an asset. The effects of this extension include a reduction in the number of times work is required. This lowers the overall cost of work, reduces the future cost burden, and also facilitates the smoother operation of management associations and design improvements.

We are utilizing the Group's comprehensive strength to enhance value and create residences where people can live safely and comfortably in the long-term, including over multiple generations.

## A cycle of co-existence with local communities in every region of Japan

Local communities are important stakeholders in the Group's activities. We are advancing various initiatives that support co-existence with the community with the aim of realizing sustainable community development across a business area spanning all of Japan.

# Case 02



### Japan's first agreement concerning collaboration to accelerate lifestyle rebuilding



In February 2024, Tokyu Community Corp. and Kitahiroshima City, Hokkaido, concluded an agreement concerning the provision and use of damage assessment survey results as part of the emergency response in times of disaster. This is the first agreement in Japan to involve surveys for assessing the damage to housing caused by earthquakes.

One of many issues faced after the occurrence of a widespread disaster is that the large number of damaged properties causes delays to the implementation of damage assessment surveys, which are needed to issue certification proving the status of damage victims. Tokyu Community Corp. has launched Field's EYES, a construction management system that includes a function for carrying out damage assessment surveys of homes. This function allows surveys to be carried out swiftly while still ensuring the accuracy required for issuing damage certification, and also enables information to be managed centrally. Under the system, the company can carry out home

damage assessment surveys in areas which have received a certain amount of damage and for which it has received approval from the management association in advance through the submission of materials. Documents containing the results of the survey are provided to Kitahiroshima City and then a report is given to the relevant management association. Kitahiroshima City then ascertain and assess damage based on the documentation from Tokyu Community Corp. and swiftly issue damage certification in a collaborative effort aimed at accelerating rebuilding.

In 2019, Tokyu Community Corp. and Kitahiroshima City both participated in an industry–government–academia collaboration on measures to minimize damage during disasters and accelerate the recovery of buildings. The collaboration also involved an exchange of opinions and joint training with the University of Tokyo. Four cities surrounding Kitahiroshima City also participated in joint training exercises which were the first in Japan to be held through a collaboration between five local governments and a private sector company.

### Community building support for large-scale rental condominium buildings

Since November 2019, Tokyu Housing Lease Corporation has been managing and operating Shinonome Canal Court CODAN, a rental housing property owned by the Urban Renaissance Agency.

The property is a large-scale rental


condominium complex comprising 1,712 units in 11 buildings, spread over a large site covering about four hectares. Tokyu Housing Lease Corporation has established Shinonome Center, a facility located within the site, with the aim of improving resident satisfaction by enhancing the quality of services provided. The center is operated by specialist staff who improve and manage the maintenance of both shared and exclusively owned areas of buildings and respond to resident requests. The company is also actively supporting community building by planning and implementing various events for residents and the wider community, including flea markets and a summer festival.

### Working with students to create the future of neighborhoods

Kyoto City is advancing an initiative that aims to provide students studying in the city with fulfilling student lifestyles and to cultivate their affection for the region. It hopes that these students will stay and find employment in Kyoto to look after the future of the city. In June 2020, National Students Information Center Co., Ltd. concluded an agreement with Kyoto

City, where it is headquartered. The agreement concerns collaboration to provide fulfilling student lifestyles in Kyoto's universities and student neighborhoods. In 2021, Tokyu Fudosan Holdings also joined to make it a three-party agreement and we launched the Student Mirai Community Project, in which we work with students on ways in which the Group's activities can be used to solve issues facing the city.

In fiscal 2023, 15 students from eight universities in Kyoto collaborated with companies in the city on a project in which they interviewed former exchange students who now work at these companies with a view to creating a digital book and a behind-the-scenes video for an international audience. By reporting information from a student perspective, the project communicated the appeal and value of working in Kyoto with a focus on what students want to know. The project's achievements were announced at a special presentation meeting held in April 2024 with Koji Matsui, Mayor of Kyoto, in attendance.

 [Work in Kyoto—Communicating the Appeal of Kyoto Together with Students \(behind-the-scenes video\) \(Japanese only\)](#)



A flea market held within the site



A student interviews an employee from collaborating company TOWA CORPORATION

# Implementing three human capital strategies in coordination with management strategies

We aim to maximize the Group’s comprehensive strength by advancing human capital strategies based on our human capital philosophy and management strategies.

**Human capital philosophy**

**Aiming for growth and the creation of a sustainable society with every employee having “challenge-oriented DNA” and a “mission to engage in society”**

**Human capital strategies**

**We have formulated three human capital strategies and established human capital KPIs for each measure. ( → See p. 81 )**

<p><b>Develop people who create value</b></p>  <ul style="list-style-type: none"> <li>• Dissemination of Group philosophy</li> <li>• Development of DX talent</li> <li>• Human capital development based on environmental management</li> </ul>	<p><b>Develop organizations with diversity and a sense of unity</b></p>  <ul style="list-style-type: none"> <li>• Empowerment of women</li> <li>• Empowerment of diverse human capital</li> <li>• Fostering of an innovative organizational climate</li> </ul>	<p><b>Enhance motivation to work and foster an employee-friendly work culture</b></p>  <ul style="list-style-type: none"> <li>• Promotion of health and productivity management</li> <li>• Support for diverse work styles</li> <li>• Improvement of employee engagement</li> </ul>
<p>Developing people who create value is a personnel development approach that incorporates the Group Philosophy and our management strategies. We will work to develop human resources who are highly-productive and widely contribute to society by pursuing the core measures of disseminating Group philosophy, developing DX talent, and advancing human capital development based on environmental management, with the goal of maximizing the value created by each individual employee.</p>	<p>Developing organizations with diversity and a sense of unity is an approach to fostering workplace environments that support the Group’s value creation. To realize this value creation, we think it will be essential to empower women, empower diverse human capital, and foster an innovative organizational climate by advancing diversity, equity, and inclusion (DE&amp;I) initiatives.</p>	<p>Enhancing motivation to work and fostering an employee-friendly work culture is an approach to building workplace environments that support the efforts of individual employees. We recognize that ensuring the safety and health of employees is an important part of sustainable corporate development so we are working to improve our workplace environments. We are also using IT to enable flexible work styles and strive to enhance employee satisfaction.</p>

## Human capital management implementation structure

We have established a structure for implementing human capital management to ensure the interlinking of human capital and management strategies. After receiving reports on human capital strategy issues and KPI progress, the Sustainability Committee and Risk Management Committee discuss what course to take together with senior management members and report the results to the Board of Directors.

In addition, to implement our human capital strategies across the Group, we hold Group Human Capital Council meetings twice a year, sharing our vision with the Group’s companies and at the same time engaging in the comprehensive monitoring of human capital issues and KPIs. Further, meetings of the following cross-sectional sub-working groups are also held: The Diversity Implementation

Council, Recruitment Strategy Council, Labor Management Council, Disabled Persons Employment Liaison Council, and Health and Productivity Management Information Exchange Council. The Recruitment Strategy Council deliberates and reports on matters concerning employee recruitment and assignment, namely issues concerning the recruitment of new graduates and mid-career hires. The council is involved in recruitment activities at the Group’s companies in order to develop human resources who are highly-productive and who widely contribute to society, which will be needed to realize GROUP VISION 2030.

The Group Human Capital Council deliberates and reports on issues concerning human capital cultivation, transfers, evaluations, and compensation. To support individual growth, each Group company operates systems such as job rotation systems, internal free agent (FA) systems, and open application systems in

order to enhance organizational capabilities by placing the right individuals in the most appropriate positions. We also maintain and operate evaluation and compensation systems adapted to the unique characteristics of each Group company and business. Our evaluations

are not restricted to just business results. They consider an employee’s participation from various angles, including conduct, demonstration of capabilities, and 360° evaluation, nurturing growth from a medium- and long-term perspective.

- Implementation structure**
- Platforms for connecting with the Board of Directors
  - Maintenance of a structure and mechanisms for strategy implementation such as monitoring activities and the establishment of various councils

**Structure and mechanisms**



# Implementing our three human capital strategies on a Group-wide basis

We are advancing distinctive initiatives to create synergies within the Group and to encourage the growth and engagement of diverse individuals.

## Human capital strategies adapted to business models

In addition to advancing Group-wide human capital strategies based on the Group's shared human capital philosophy, each Group company is also implementing initiatives that have been optimized in accordance with its business model. The Group's businesses can be broadly divided into asset-utilizing businesses and human capital-utilizing businesses, and the employees advancing each

type of business require different skills and knowledge. Therefore, each business envisions its ideal employee and then establishes human capital development systems and implements measures based on this. The Group Human Resources Department coordinates with corporate departments, particularly the Group Corporate Planning Department, to support individual companies in advancing human resources measures with the aim of ensuring consistency between management strategy, business strategy, and human capital strategy.

### Asset-utilizing business (Tokyu Land Corporation)

Human capital requirements	Main measures
The ideal employee for realizing the long-term vision is somebody who can thrive in an organization of business producers, so we are strengthening the development of business producers who can proactively take on challenges with an ambitious vision and a broad perspective. We have set three principles for behavior (spirit of challenge, ownership, and partnership) and five specific requirements for human capital (planning capabilities, executive ability, influence, human resource and organizational development ability, and a sense of ethics), and we clarify our expectations for each type of work and level of seniority.	<ul style="list-style-type: none"> <li>In addition to new graduates and mid-career hires, the scope of recruitment has been expanded to include referrals and the rehiring of former employees</li> <li>Established an alumni network of retired employees to create opportunities for business co-creation and rejoining the Group</li> <li>Set organizational contribution targets that evaluate contributions made to the organization</li> <li>Switched to a promotion system based on merit rather than length of service</li> </ul>

### Human capital-utilizing business (Tokyu Livable, Inc.)

Human capital requirements	Main measures
Responding to needs for the purchase, sale, or rental of real estate is a large business area and the skills and knowledge of each individual employee are key to creating revenue opportunities in this area or through coordination between businesses. Finding ways to utilize employees quickly after joining the company has a direct impact on business success. The ideal employee we are working to develop is a multi-value creator who can use the business operations and resources of not only their own department but also the entire Group to provide customers with added value.	<ul style="list-style-type: none"> <li>Holding briefing sessions for managers in which they receive an explanation of management policy and business strategies from the president and can ask questions directly</li> <li>Implementing the Toranomaki Program, which gathers together and organizes the expert knowledge of outstanding managers so that other employees can learn from it</li> <li>Established career challenge and inhouse intern systems that enable employees to experience working in other departments</li> </ul>

## Spreading our philosophy

“WE ARE GREEN” is a Group slogan that represents our intent to realize our ideal vision for 2030 through diverse green capabilities. Once a month, we hold regular WE ARE GREEN meetings that bring together the public relations departments of each company with the aim of communicating and spreading our message. We use a Group-wide internal survey to measure the degree of personal investment of operating officers of the Group's companies, representing the degree to which they personally had implemented Group coordination.

In fiscal 2023, 92% of operating officers (138 respondents) said they implemented Group coordination, achieving our fiscal 2025 target of 90% ahead of schedule.

Additionally, each year the president of Tokyu Livable, Inc. gives briefing sessions on management policy and business strategies for the managers that are leading its operations. Videos of these sessions are also streamed so they can be viewed by all employees.



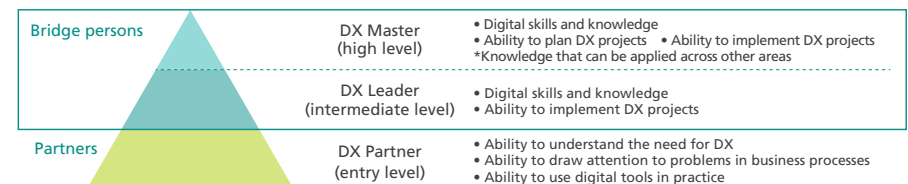
A briefing session by a top management member of a Group company (Yoichi Ota, President & CEO, Tokyu Livable, Inc.)

## Development of DX talent

TWe are building a Group-wide DX support framework by recruiting digital specialist personnel, with efforts centered on TFHD digital Inc. We have set the target of developing 6,000 DX promotion personnel by fiscal 2025, and we are working to achieve this by establishing programs for acquiring a wide

range of digital skills, as well as measures such as carrying out practical training that involves creating ideas for digital businesses. As a result of these efforts, in fiscal 2023 a cumulative total of 58 business utilized digital technology. Tokyu Land Corporation is also encouraging all of its employees to acquire IT passports with the goal of having 100% of employees possessing them by fiscal 2030.

### DX promotion personnel system chart



## Implementing our three human capital strategies on a Group-wide basis

### Human capital development based on environmental management

Under our Group-wide policy of environmental management, we encourage each employee to gain an understanding of environmental issues and develop human resources who can create opportunities to deliver environmental value. We hold the Sustainable Action Awards to recognize specific initiatives that address social and environmental issues through business activities. In fiscal 2023, we received 181 entries (an increase of 58 on the previous fiscal year), a large number that also enabled us to achieve our

fiscal 2025 target of a cumulative total of 300 entries ahead of schedule. The fiscal 2023 result for environmental efforts through business was 34, bringing our cumulative total up to 70. We are aiming to achieve a total of over 100 efforts by fiscal 2030.



The awards ceremony for the 2023 Sustainable Action Awards

### Empowerment of women

We have positioned the empowerment of women as a management issue and have set the ratio of women among new graduate hires, ratio of female managers, and ratio of female candidates for management positions as the KPIs for this issue. We are actively advancing initiatives to empower women, including introducing a promotion program that has been adapted to include people taking childbirth and childcare leave, and providing networking opportunities that go beyond the boundaries of each company. In fiscal 2023, we held an event featuring Keiko Hamada, the former editor of AERA magazine, and a roundtable discussion between female leaders from our five main Group companies. These were shared through the Group's portal site with the aim of developing our corporate

culture. Going forward, we will work to empower women to an even greater extent, including supporting career building and work-style reforms, while also closing the wage gap between men and women.



A Group-wide networking event (total of 118 participants)



A roundtable discussion between female leaders from our five main Group companies

### The STEP internal venture scheme

As of fiscal 2023, STEP\*, the Group's co-creation-based internal venture scheme, has received a total of 302 proposals, four of which are to be commercialized. In January 2024, we established LeaPro Co., Ltd., which is engaged in planning a business to support the career building and development of engineers. Also, movement has started to change the

Group's approach to human resource initiatives based on a proposal received in fiscal 2021 concerning support for the return to work of people suffering from mental ill health. This shows the STEP scheme is not limited to just starting new companies. We will engage every aspect of the Group, without exception, to foster an innovative organizational culture.

\*An acronym with S standing for Start, Sustainable, and Shibuya, T standing for TFHD (Tokyu Fudosan Holdings), and the other letters standing for Entrepreneur Program

### Realizing work-style reforms by moving Tokyu Housing Lease Corporation's head office

In November 2023, Tokyu Housing Lease Corporation moved its head office to Minato-ku, Tokyo, thereby bringing its scattered offices together into a single building to make communication more active and foster a sense of unity. This has not only improved the motivation of employees, but also made the time spent

working in the office more meaningful, realizing a work environment that helps to enhance the services it provides customers.

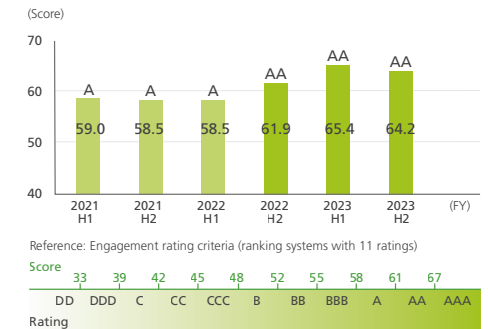


The office provides areas where employees can gather naturally





### Improvement of employee engagement

Since the second half of fiscal 2022, Tokyu Land Corporation has maintained an employee engagement score equivalent to an AA rating. Although it is realizing workplaces where each individual can freely demonstrate their individuality and abilities, it also recognizes that the generalization and standardization of knowledge is an issue. It is working to improve the issues identified by each score with the aim of enhancing work satisfaction and the inclusivity of its workplaces.

#### Tokyu Land Corporation's employee engagement score



**Strategy measures and human capital KPI** Results from past years → See p. 102

Human capital strategies	Measures	Human capital KPI	FY2023 result (YoY)	Target	Outcomes	
 Develop people who create value	<ul style="list-style-type: none"> <li>Dissemination of Group philosophy</li> </ul>	<ul style="list-style-type: none"> <li>Degree of personal investment in achieving the long-term vision of executive officers at each Group company (extent of Group coordination)</li> </ul>	92% (+8%)—covering a total of 138 officers	90% (FY2025)	 2030 Create value for the future	
	<ul style="list-style-type: none"> <li>Development of DX talent</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of IT passports*1</li> <li>Number of initiatives utilizing digital technology</li> </ul>	84% (+13%) Cumulative total of 58 (+15)	100% (FY2030) Cumulative total of at least 100 (FY2030)		
	<ul style="list-style-type: none"> <li>Human capital development based on environmental management</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable Action Awards</li> <li>Environmental efforts through business</li> </ul>	181 entries (+58), cumulative total of 304 Cumulative total of 70 (+34)	50 entries/year, cumulative total of 300 (FY2025) Cumulative total of at least 100 (FY2030)		
 Develop organizations with diversity and a sense of unity	<ul style="list-style-type: none"> <li>Empowerment of women</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of women among new graduate hires*2</li> <li>Ratio of female managers (ensuring the diversity of core human capital)*2*3</li> <li>Ratio of female candidates for management positions*2*3</li> </ul>	39% (-7%)—April 2024 result 9% (+1%)—April 2024 result 18% (+0%)—April 2024 result	50% (April 2030) At least 20% (April 2030) At least 20% (April 2030)		
	<ul style="list-style-type: none"> <li>Empowerment of diverse human capital</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of mid-career hires among managers*2*3</li> <li>Deepening understanding of DE&amp;I (percentage of employees who took an e-learning course)*2</li> </ul>	54% (+8%)—April 2024 result 96% (+10%)	50% (April 2030) 100% (FY2030)		
	<ul style="list-style-type: none"> <li>Fostering of an innovative organizational climate</li> </ul>	<ul style="list-style-type: none"> <li>Number of proposals commercialized through STEP, the Group's co-creation-based internal venture scheme</li> <li>Acquiring external knowledge and sharing expertise within the Group</li> </ul>	Cumulative total of 302 proposals (+49 proposals) 1 commercialized, cumulative total of 4 Held 11 seminars, cumulative total of 119 seminars	Commercialization of 1 proposal/year (FY2025) Hold 4 seminars/year (FY2025)		
	 Enhance motivation to work and foster an employee-friendly work culture	<ul style="list-style-type: none"> <li>Promotion of health and productivity management</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of employees who undergo physical examinations*2</li> <li>Ratio of employees who undergo stress checks*2</li> <li>Ratio of childcare leave taken by male employees*2</li> </ul>	100% (+0%) 93% (+0%) 89% (+24%)		100% (FY2030) 100% (FY2030) 100% (FY2030)
		<ul style="list-style-type: none"> <li>Support for diverse work styles</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of Group companies implementing a remote working system*2</li> <li>Ratio of Group companies implementing a flextime (or staggered working hours) system*2</li> </ul>	100% (+0%) 100% (+0%)		100% (FY2030) 100% (FY2030)
		<ul style="list-style-type: none"> <li>Improvement of employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Carrying out employee engagement surveys and implementing improvements*1</li> </ul>	AA engagement rating (same as previous FY)		AA engagement rating (FY2030)
<ul style="list-style-type: none"> <li>Production of personnel who are highly-productive and widely contribute to society</li> <li>Realization of environments where employees can work with motivation and ambition and in good physical and mental health.</li> </ul>						

\* Results for fiscal 2023 and April 2024 are provisional estimates and include figures that have yet to undergo third-party verification.

\*1. Tokyu Land Corporation

\*2. Combined total of the five main business companies (Tokyu Land Corporation, Tokyu Community Corp., Tokyu Livable Inc., Tokyu Housing Lease Corporation, and National Students Information Center, Co., Ltd.)

\*3. "Managers" indicates employees at the manager level or above while "candidates for management positions" indicates employees one level below manager (assistant manager or equivalent)

# Promoting due diligence internally and externally

We are practicing due diligence and working toward solutions to human rights issues in order to ensure respect for the human rights of not only Group employees, but also people throughout our entire supply chain.

## Human Rights Policy and Sustainable Procurement Policy

In December 2019, we formulated the Tokyu Fudosan Holdings Group Human Rights Policy. We support and respect the human rights described in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and we cooperate with suppliers to carry out business activities that respect human rights, using the framework outlined in the United Nations Guiding Principles on Business and Human Rights and based on the principles outlined

in United Nations Global Compact and other international norms.

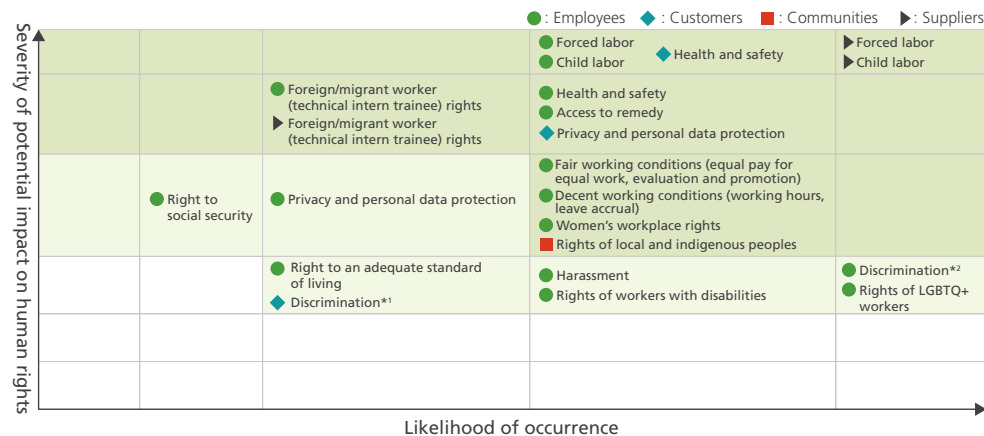
Additionally, in January 2020 we formulated the Tokyu Fudosan Holdings Group Sustainable Procurement Policy. As a responsible corporate group, we are practicing sustainable procurement throughout our entire supply chain with the aim of preventing and lessening the negative impact of our business activities on human rights and the environment.

Furthermore, we ensure that Group companies and suppliers know about our policies and that they understand and comply with them.

## Identifying and mapping human rights risks

When formulating our human rights policy, we analyzed and evaluated risk based on the likelihood of occurrence and severity of

potential impact, both on a Group-wide basis and for each business. In fiscal 2022, we revised our evaluations in accordance with business restructuring and risks related to our materialities, and formulated the human rights risk map shown below.



\*1 Risk to customers: Discrimination during the provision of customer service or use of services, discriminatory depiction in advertising, etc.  
 \*2 Risk to employees: Discrimination based on nationality, race, religion, personal beliefs, sex, age, sexual orientation, gender identity, disability, etc.

## Priority issues and main initiatives

Our risk evaluations identified six items as important human rights issues.

1. Forced labor and child labor
2. Employment conditions and work environments of employees and suppliers (including migrant workers)
3. Infringement on employees' privacy and personal information protection rights
4. Impact of land development on local communities (including indigenous people)
5. Safety of employees and suppliers during development
6. Infringement on the right to access remedy

After considering the effects of our business activities on human rights, we have positioned the prevention of forced and child labor within the supply chain and the sustainable procurement of construction

materials as priority issues. Accordingly, we have set relevant KPI with targets for fiscal 2030 in our long-term management policy and we disclose achievement rates pertaining to these targets.

Also, since September 2018, we have participated in the Construction and Real Estate Human Rights Due Diligence Promotion Council, an organization comprising construction companies and other companies related to the construction industry. The council works to identify the impact of business activities on human rights and to carry out research in areas such as measures for addressing these impacts, with the aim of building mechanisms for human rights due diligence that includes supply chains.

## Practicing due diligence toward suppliers

Tokyu Land Corporation practices due diligence toward the construction companies that are its main business partners and important suppliers. As part of this, our guidelines for estimates stipulate compliance with our Human Rights Policy and Sustainable Procurement Policy, consideration for the human rights of foreign technical intern trainees, and also require that estimates include certified wood for the wood used in concrete formwork. Since fiscal 2021, we have conducted sustainable procurement surveys on an

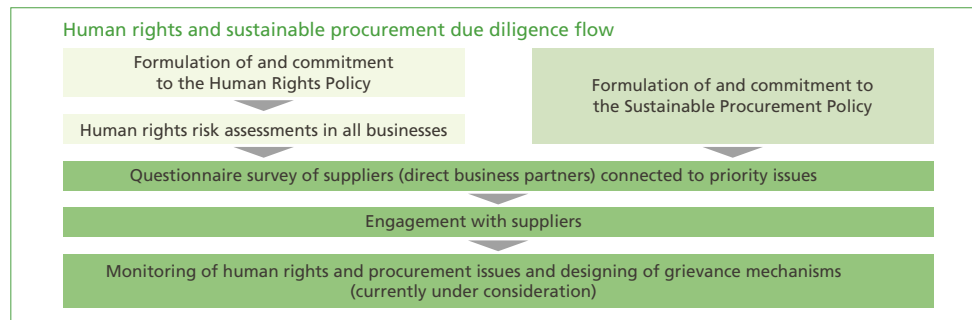
annual basis. These assess risk in regard to each construction company and are implemented under the supervision of an external consultant. We provide each company with feedback from these risk assessments in document form, which includes proposals for improvements. We also carry out supplier engagement, focusing on companies that require significant improvements or companies which are engaged in advanced environmental initiatives. This engagement includes checking the progress made on proposed improvements and sharing examples of excellent practices by environmentally advanced companies.

## Promoting due diligence internally and externally

## Supplier evaluation (construction companies)

Item		Unit	FY2021	FY2022	FY2023
Number of suppliers		Subject	171	184	190
Number of evaluations obtained		Subject	45	79	97
Evaluation ratio		%	26.7	42.9	51.5
Evaluation results (Social/ environmental issues)	High risk	Subject	4	8	9
	Medium risk	Subject	29	45	52
	Low risk	Subject	12	26	36

Evaluation based on the number of results judged to be high risk in the responses to a self-evaluation survey conducted by construction companies.  
 High risk: A company that has a particular need for improvement and requests improvement  
 Medium risk: A company that generally has no problems, but there is room for improvement in some procurement activities  
 Low risk: Companies that practice procurement activities in accordance with sustainable procurement policies



## Practicing due diligence within the Group

We are working to educate Group employees about human rights through awareness raising content in internal newsletters, e-learning, and new employee training, among other measures. We have also established contact points\* for consultation regarding harassment and LGBTQ+ matters.

\*Tokyu Land Corporation and Tokyu Community Corp.

## Consideration for the human rights of migrant workers

We ensure that the human rights of migrant workers are considered by businesses operated and managed by the Group. We are strengthening engagement, including facilitating the sharing of information and collaboration over educational activities between Group companies that employ a lot of migrant workers, with the aim of making them the first-choice companies for applicants. Going forward, we will respond to changes in laws and regulations and practice due diligence within employment activities.

## Tokyu Bldg. Maintenance

Since fiscal 2017, Tokyu Bldg. Maintenance has taken part in the Technical Intern Training Program and as of March 2024, 68 trainees worked in its building cleaning business. It has been carrying out original and creative initiatives to show consideration for trainees and to help them understand operational processes. Also, in fiscal 2023, we engaged an external consultant to carry out due diligence concerning the company and trainees. This confirmed that an appropriate management structure was in place, including the

## Tokyu Resorts &amp; Stays Co.,Ltd

Tokyu Resorts & Stays Co.,Ltd operates the Group's hotel and resort facilities throughout Japan and it employs migrant workers from various countries. To respond to customer needs accompanying the growing number of overseas visitors to Japan, it is encouraging the employment of people who fall under the Engineer/Specialist in Humanities/ International Services or Specified Skilled Worker (i) visa categories.

As of March 2024, the company had 11 non-Japanese workers with specified skills, and they are working in the restaurant and kitchen departments of various facilities. When employing these workers, the company strives to engage and develop them, including by providing education on Japanese language and culture, explanations of the company's rules

employment of inhouse interpreters by the company and regular communication with supervisors. It also confirmed that there were no human rights infringements requiring immediate improvement.

## Main initiatives

- 1) Between one and three months before a prospective trainee comes to Japan, we visit them in their home country and conduct an interview
- 2) We encourage trainees to enter a Japanese essay writing contest
- 3) After a trainee has been in Japan a year, we visit their family in their home country
- 4) We implement training programs for acquiring skills (once per month)

and regulations, and practical skills training. It also employs the same career development and evaluations systems it uses for all employees. Going forward, it will encourage workers to acquire Designated Activities (ii) visas and actively promote them to management positions. There are plans for human rights due diligence to be carried out within fiscal 2024.



Training before workers are allocated to a facility