

The Group improves the soundness and transparency of its management by emphasizing the practice and thoroughness of risk management and compliance. We are strengthening corporate governance while being cognizant of the creation of systems that enable more prompt and decisive decision-making.

Message from the Chairman of the Board of Directors



Kiyoshi Kanazashi

Chairman, Chairman of the Board of Directors
Tokyu Fudosan Holdings Corporation

The Tokyu Fudosan Holdings Group aims to realize its ideal vision to “create value for the future” and build a solid and distinctive business portfolio. Having set environmental management and digital transformation (DX) as Group-wide policies, the Group strives to create unique value. And the Group positions and implements governance as an essential management foundation to achieve this.

In the composition of the Board of Directors, while also paying heed to overall balance to ensure diversity, we focus on the skills the Board requires to achieve our long-term management policies and advance our medium-term management plans. We have determined seven skillsets that we would like the overall Board to possess. These are corporate management, environment/sustainability, accounting/finance, legal affairs/compliance/risk management, global, personnel/labor, and DX. Board candidates

are selected based on these criteria after consultation with the Nomination and Compensation Committee.


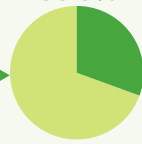


For our independent outside directors, in addition to their role and duty to appropriately supervise the performance of duties from a standpoint independent of management, we also ask them to give advice on business execution from a comprehensive and objective perspective, and to give their opinions from the perspective of the Group’s broad range of stakeholders. We believe that an appropriate ratio for independent outside directors in the Board is one-third or more, and the current ratio is 38%.

In order to further enhance the effectiveness of the Board of Directors, we conduct an effectiveness evaluation each year and address issues identified in the evaluation. In fiscal 2023, we sought to enhance the depth of Board discussions through such

initiatives as moving forward the timing of the distribution of advance materials for meeting agenda items, and conducting a seminar by an external lecturer on the theme of generative AI as training for Board members. In addition, in the evaluation of the Board’s effectiveness in fiscal 2023, we adopted the use of interviews for the first time, seeking to explore issues in greater depth through interviews conducted by an external organization. Going forward, we will continue working to identify issues and make improvements based on the use of questionnaires while combining this with periodic interview-based evaluations in order to enrich discussions and further improve the effectiveness of Board of Directors meetings.

We will maintain our ongoing efforts to create value for the future by strengthening governance, the foundation supporting our sustainable growth.

Timeline of the strengthening of corporate governance

FY	-2016	2017	2018	2019	2020	2021	2022	2023
Management plan	Medium- and long-term management plan Value Frontier 2020 Stage 1: Medium-term management plan 2014–2016 Stage 2: Medium-term management plan 2017–2020					Long-term vision GROUP VISION 2030 Medium-term management plan 2025		
Composition of the Board of Directors	FY2014: Elected first outside director FY2016: Increased the number of outside directors to three Outside directors 23.1%  3/13		Elected first female outside director Outside directors 30.8%  4/13			Increased the number of female outside directors to two Outside directors 40.0%  6/15	Outside directors 38.5%  5/13	
Outside directors/total directors								
Evaluation of the effectiveness of the Board of Directors	FY2016: Began evaluating effectiveness of the Board of Directors			Introduced third-party evaluation	Began using an external consultant			First use of interviews in evaluation
Nomination and Compensation Committee	FY2016: Established the Nomination and Compensation Committee					Changed so that outside directors account for a majority		
Compensation systems		Introduced a stock-based compensation system for directors and delegated operating officers			Evaluated remuneration for officers that takes into account their ESG efforts		Increased correlation with important management plan indicators	
Other	FY2015: Established independence standards for outside directors FY2015: Clarified policy regarding cross-shareholdings FY2016: Began the appointment of a lead independent outside director	Set KPIs for corporate governance	Established the Corporate Governance Guidelines		Disclosed a directors' skills matrix		Moved to Prime Market	

Corporate governance system

Basic approach

In order to fulfill our responsibility to our stakeholders, including customers, employees, business partners, local communities, shareholders, and investors, as well as our responsibility to future society, we strive to ensure our sustainable growth and increase corporate value over the medium and long term by addressing social issues through our business.

To that end, we will work to ensure the

soundness and transparency of management and build a corporate governance system that contributes to expediting decision making.

Corporate Governance Guidelines

We have stipulated our basic approach to and our system for corporate governance in the Tokyu Fudosan Holdings Group Corporate Governance Guidelines. We refer to these guidelines for implementing initiatives concerning governance and engaging smoothly in constructive dialogue

with shareholders and investors. Since we developed these guidelines in 2018, we have continued to review them in response to revisions of laws and social demand related to governance.

➔ [To the Corporate Governance website](#)

Roles of key organizations

Board of Directors

The Board of Directors passes resolutions on the Company's management policy and important matters concerning business execution and supervises the performance of duties by directors in accordance with stipulations of laws, the Articles of Incorporation, and other criteria.

Audit & Supervisory Board

Each member of the Audit & Supervisory Board audits daily corporate activities, including the legality of directors' performance of their duties and the appropriateness of accounting processes, in accordance with stipulations of laws, the Articles of Incorporation, and other criteria.

Nomination and Compensation Committee

This is a non-mandatory committee that mainly deliberates on matters related to the nomination of candidates for director and operating officer and compensation for directors and operating officers.

In order to promote the appropriate execution of business in terms of both financial and non-financial aspects, we have established the following organizations headed by the president and CEO.

Group Executive Committee

This committee deliberates on important matters related to management and operations of the Group and oversees deliberations, reports, and the implementation of major investment projects for each Group company, as well as business and other strategies, from a Group-wide perspective.

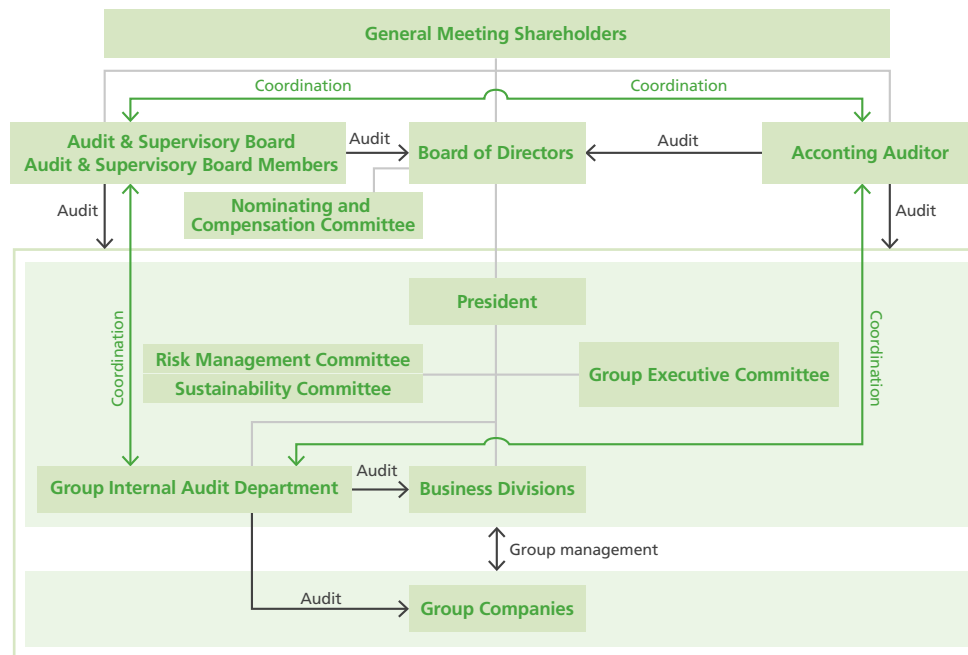
Risk Management Committee

This committee comprehensively manages and supports risk management by Group companies. This includes managing important Group-wide risk countermeasures; working to understand, evaluate, and monitor the status of risk management efforts at each Group company; and reporting the results of these activities to the Board of Directors. This committee meets twice a year.

Sustainability Committee

This committee evaluates the opportunities and risks of environmental issues such as climate change; human rights; diversity, equity, and inclusion (DE&I); social contributions; and other important issues. It also drafts plans, tracks achievements, and reports the results of deliberations to the Board of Directors. This committee meets twice a year.

Corporate governance structure



Board of Directors

Position of the Board of Directors

The Board of Directors functions as a supreme decision-making body, second to the General Meeting of Shareholders. It meets once a month, in principle, and extraordinary meetings are held as necessary. Based on regulations including the Board of Directors Regulations and the Duty Authority Regulations, the Board of Directors makes decisions on important matters related to the Group's management, such as management policies, business plans, and large-scale investment plans, in addition to matters stipulated in laws, regulations, and the Articles of Incorporation.

Authority for the execution of business

Main topics discussed by the Board of Directors

Fiscal 2023

- Progress of medium-term management plan and portfolio management
- Evaluations of the effectiveness of the Board of Directors
- Updates on reports concerning corporate governance
- Verification of the rationality of cross-shareholdings
- Audit reports from the Internal Audit Department
- IR activities reports
- Key risk indicator (KRI) monitoring report
- The economy and business environment outlook
- Financial market trends and the financing environment around the Group
- Activities reports from the Risk Management Committee, Sustainability Committee, and Information Security Committee
- Monitoring of the progress made on previous resolutions of the Board of Directors

relating to matters other than those to be discussed by the Board of Directors is delegated to the Group Executive Committee and other subordinate meeting bodies, as well as relevant officers and other responsible persons. The Board of Directors also supervises the performance of these duties.

Composition of the Board of Directors

We are striving for a composition of the Board of Directors that is diverse and possesses the skills required to achieve long-term management policies and advance medium-term management plans. For this purpose, we have developed a skills matrix to ensure a good balance between the Board of Directors' overall knowledge, experience, and capabilities, while ensuring its diversity.

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We select people with knowledge and judgment as candidates for internal directors. As for our outside directors, we select people who have extensive experience in fields such as management, legal affairs, finance, and accounting, while having a sensible, objective perspective. We choose candidates who can raise and discuss problems about growth strategies and the enhancement of governance from an independent standpoint. Candidates for outside director are selected based on the premise that they will not hold concurrent positions as a director, corporate auditor, or executive officer at more than five listed companies other than the Company. We believe that an appropriate ratio for independent

outside directors in the Board is one-third or more, and the current ratio is 38%.

Evaluating effectiveness of the Board of Directors

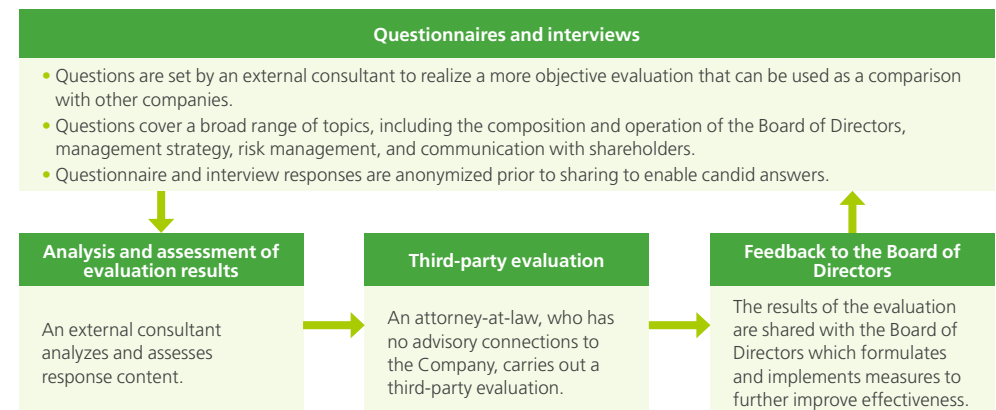
Each year, we carry out an evaluation of the effectiveness of the Board of Directors based on opinions from each director and Audit & Supervisory Board member and other information, with the aim of ensuring the soundness and transparency of management. In fiscal 2023, in addition to questionnaires, we also made use of interviews, a method that facilitates a deeper exploration of opinions. To ensure that the design and aggregation of the questionnaires was objective, we used an external consultant, and the responses were evaluated by a third-party attorney-at-law who has no advisory connections to the Company.

As an example of our efforts to improve Board effectiveness, in the fiscal 2022

evaluation, we received comments expressing a desire for earlier distribution of materials for Board of Directors and other meetings as well as for regular reporting on management strategies. In response, we devised operational measures to distribute materials for Board and other meetings earlier and thereby stimulate discussion. We also implemented reporting on DX-related fields and human resource strategies. Further, based on comments stating that we needed to more proactively communicate the Group's initiatives in non-financial information to enhance stakeholders' understanding, we improved information dissemination through the Integrated Report, Environmental Management Report, DX Report, sustainability website, and other means.

As a result of initiatives like these, the fiscal 2023 evaluation of the effectiveness of the Board of Directors again confirmed that the Board is sufficiently effective.

Effectiveness evaluation cycle



Nomination and Compensation Committee composition

The Nomination and Compensation Committee was established as an advisory body to the Board of Directors to increase the fairness and transparency of procedures for matters related to the nomination of director candidates and operating officers and matters relating to their compensation, among others. Internal rules stipulate that over half of the committee should be independent outside directors and that an independent outside director serves as chair. The Board of Directors consults this committee concerning the matters above before passing resolutions on them.

The committee met four times in fiscal 2023 and attendance was 100%. The composition in fiscal 2024 is as follows.

- Chair
Makoto Kaiami (Independent Outside Director)
- Member
Satoshi Miura (Independent Outside Director)
- Member
Tsuguhiko Hoshino (Independent Outside Director)
- Member
Kiyoshi Kanazashi (Chairman)
- Member
Hironori Nishikawa (President & CEO)

Specific matters considered by the Nomination and Compensation Committee

Fiscal 2023

- Individual evaluation concerning performance-based remuneration (bonuses) for executive directors and operating officers in fiscal 2022
- Compensation for outside officers
- Selection of a representative director, directors with special titles, and a lead independent outside director
- Selection of a chair and members for the Nomination and Compensation Committee
- Transfer of the representative director of a subsidiary (replacement of president)
- The fiscal 2024 director, operating officer, and Audit & Supervisory Board member system

Lead independent outside director

In accordance with Supplementary Principle 4.8.2 of Japan's Corporate Governance Code, we have appointed a lead independent outside director with a view to establishing a framework for communicating and coordinating with management and for cooperating with the Audit & Supervisory Board and its members.

Policies and procedures for the appointment or dismissal of members of senior management and the nomination of Director candidates

Appointment policies

- The candidate has the requisite character and knowledge to be a director.
- There are no health factors that might impede the execution of duties.

Directors appointed from within the Company

- The candidate has the requisite knowledge and judgement to practice management that will lead to the achievement of medium- to long-term management plans.

Succession plan

Each candidate's achievement of management indexes made through their work experience as a person responsible for two or more businesses is evaluated to determine whether they have the requisite knowledge, judgment, and management capabilities. At the same time, their aptitude is evaluated objectively by a third party.

Outside directors

- The candidate has a sensible, objective perspective and extensive experience in fields such as management, legal affairs, finance, and accounting.
- The candidate can raise and discuss problems about growth strategies and the enhancement of governance from an independent standpoint.
- The candidate cannot hold concurrent positions as a director, corporate auditor, or executive officer at more than five listed companies other than the Company.

Skills matrix

We have developed a skills matrix to ensure a good balance between the overall Board of Directors' knowledge, experience, and capabilities, while ensuring its diversity.

The seven skill areas required by the Company's Board of Directors (seven skill requirements)

- Corporate management
- Environment/sustainability
- Accounting/finance
- Legal affairs/compliance/risk management
- Global
- Personnel/labor
- DX

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Appointment procedure

Selection of candidates based on the appointment policies

Appropriate personnel are selected as candidates for senior management or director positions in accordance with the appointment policies.



Deliberation by the Nomination and Compensation Committee

The committee discusses the selection results and reports their advice to the Board of Directors.



Decision by the Board of Directors

The Board of Directors discusses the candidates, taking the advice of the Nomination and Compensation Committee into account, and makes a decision.

Dismissal policy

In the event a member of senior management is found to have committed an illegal or improper act, such as a violation of internal regulations, or is recognized as lacking the appropriate aptitude for their position, then the Board of Directors will discuss and decide on the necessary response based on advice from the Nomination and Compensation Committee.

Director compensation

The upper limit for annual compensation paid to directors is set at ¥600 million (not including employee salaries paid to directors serving concurrently as employees). We have also introduced a stock-based compensation system, which, in principle, grants directors shares of the Company at the time of retirement. These shares are separate from monetary compensation. The Company has established a trust for granting stocks, and based on this, executive directors and operating officers with whom the Company has concluded mandate contracts (operating officers designated by the Board of Directors) may receive a maximum of 130,000 points per year (with one point equating to one share). The Company may revoke all or part of the points granted to those who are deemed to have caused disadvantage or inconvenience to the Company.

Policies related to the determination of compensation for individual directors and other such matters are decided by the Board of Directors after consulting the Nomination and Compensation Committee.

Overview of policies related to the determination of compensation for individual directors and other such matters

Basic policy

- The level of compensation should enable the Company to acquire and maintain talented human resources and motivate them to perform their duties
- The system and structure should encourage them to contribute to increasing corporate value and shareholder value over the medium and long term

Compensation composition

Based on the basic policy, overall compensation comprises the following three compensation types.

• Monthly compensation

Basic compensation for the performance of daily work

• Bonuses

A short-term incentive determined based on consolidated business results for a single fiscal year and individual performance (Evaluation based on consolidated business results mainly focuses on consolidated operating profit but also includes comprehensive consideration of factors such as operating profit margin, ROE, the ratio of EBITDA to net interest-bearing debt, and ESG initiatives, while individual performance is evaluated on factors such as the business results of the organization the individual is responsible for and their contribution to achieving management plans.)

• Stock-based compensation

A medium- to long-term incentive designed to motivate directors to contribute to improving medium- to long-term business performance and corporate value (A grant of the Company's shares is paid on retirement through a trust for granting stocks, with the amount based on a number of points awarded to each director.)

Compensation levels

• Executive directors

Determined based on a level of compensation set for the president and CEO with a differential for each position factored in, with reference to objective data from external research organizations. The level of compensation for the president and CEO, used as the base level, is set at around 0.1% of the consolidated operating profit for the previous fiscal year,

in principle, and adjusted by factoring in extraordinary income and losses and the compensation levels of industry peers, among other considerations.

• Non-executive directors

Set at a level that will attract the human resources the Company requires and motivate the performance of duties.

Composition ratios

• Executive directors

Generally, a 5:4:1 ratio of monthly compensation, bonus, and stock-based compensation (when the bonus is the base amount)

• Non-executive directors

Limited to monthly compensation only in light of their role of supervising the management of the Company from an independent, objective standpoint.

Compensation framework for executive directors

Item	Fixed compensation	Variable compensation	
	Monthly compensation	Bonus	Stock-based compensation
When it is paid	Every month	Once a year	On retirement
Positioning	Basic compensation	Short-term incentive	Medium- to long-term incentive
Target percentage to total compensation	50%	40%	10%
Approach to fluctuation	-	Varies according to performance evaluation	Linked to stock price
Fluctuation from base amount		40–160%	

Compensation for Audit & Supervisory Board members

The upper limit for annual compensation paid to Audit & Supervisory Board members is set at no more than ¥120 million and compensation for individual members is determined through discussion by the Audit & Supervisory Board, within the scope of this upper limit.

Audits and internal control

Audit & Supervisory Board

The Company has adopted a statutory auditor system. Under this system, Audit & Supervisory Board members audit the duties of the directors from an independent standpoint entrusted by the shareholders, collect sufficient information to perform their duties, and ask for explanations on proposals and proactively express their opinions at the meetings of the Board of Directors.

The Audit & Supervisory Board is comprised of two full-time Audit & Supervisory Board members and two part-time Audit & Supervisory Board members (independent outside Audit & Supervisory Board members). The Audit & Supervisory Board formulates policies and plans for audits by its members, makes decisions on the duties of each member, and shares the results of the audits performed by its members in accordance with their roles.

Audit system—Three-pillar audit structure coordination

The Company employs a three-pillar audit structure consisting of the Internal Audit Department, the Audit & Supervisory Board and its members, and the accounting auditor. Based on the Internal Audit Regulations, Basic Internal Control Regulations on Financial Reporting, and Statutory Auditor Audit Standard, the three parties share information as well as

each other's reports. Further, they coordinate with each other as needed in the auditing activities they engage in from their respective independent standpoints.

In addition, the Internal Audit Department and Audit & Supervisory Board share awareness of issues with the Internal Control Department through the internal control system audits they perform and through the exchange of ideas with relevant officers.

To ensure the Internal Audit Department's independence and effectiveness, the Group Internal Audit Department has been established under the control of the president and CEO. In addition, the Company has established the Office of Statutory Auditors, an organization independent from Company executives, with dedicated staff supporting the work of the members of the Audit & Supervisor Board.

Internal control

The Tokyu Fudosan Holdings Group is thoroughly implementing compliance-based management to achieve its sustainable development and improve its corporate value. All members of the Group shall take steps to put in place and implement internal control systems to raise levels of efficiency and effectiveness while ensuring proper business operations, achieve management priorities, and disclose information appropriately. In addition, Audit & Supervisory Board members monitor and validate the progress of development and the operational status of internal control systems.

Total amount of compensation for directors and Audit & Supervisory Board members in fiscal 2023

Position	Total amount of Compensation (Millions of yen)	Total amount of each type of compensation (Millions of yen)			Number of eligible persons
		Monthly compensation (fixed compensation)	Bonus	Stock-based compensation	
Directors	414	201	160	52	14
(of which, outside directors)	58	58	-	-	5
Audit & Supervisory Board members	75	75	-	-	5
(of which, outside Audit & Supervisory Board members)	16	16	-	-	2

Notes:

- (1) Stock-based compensation is categorized as non-monetary compensation.
- (2) The number of people and the compensation amounts in the table to the left include one director and one Audit & Supervisory Board member who resigned at the closing of the 10th Ordinary General Meeting of Shareholders held on June 28, 2023.
- (3) The amount of bonuses includes the provision for bonuses for directors (and other officers) for fiscal 2023.
- (4) The amount of stock-based compensation is the provision for share awards for directors for fiscal 2023. The basis for calculating the provision for share awards for directors (and other officers) is the book value of the Company's shares acquired through a trust using funds provided by the Company.

Risk management policy

The Company has defined seven risk categories (investment risks, financial and capital risks, personnel and labor risks, legal and compliance risks, IT strategy risks/ digital strategy risks, information security risks, and crisis management risks) that, if manifested, could interfere with the achievement of management targets of Group companies. We recognize climate change risk as a risk with high significance.

To manage these risks appropriately, we have established the Basic Risk Management

Policy. We have developed and operate a risk management system based on this policy. In addition, with respect to the six themes to work on (materialities) set out under the long-term vision, we have identified and manage opportunities, risks, and relevant material risks.

Risk management structure

The Risk Management Committee and the Group Executive Committee manage each highly significant risk category in accordance with the type of risk. Overall risk management is overseen by the Risk Management

Committee, which reports to the Board of Directors.

The Risk Management Committee also manages Group priority risks, which are risks that need to be addressed on a Group-wide basis, and monitors and evaluates the status of risk management at each Group company.

Each Group priority risk is assigned to a supervising division, which is responsible for running a thorough PDCA cycle. Also, the monitoring and evaluation of the status of risk management at each Group company by the Risk Management Committee is strengthening

the overall Group risk management structure.

In addition, the Company takes steps to confirm the efficacy of its risk management systems as well as its risk management operations through internal audits. Audits of major risks are systematically undertaken in accordance with their priority. Where there is an urgent risk of a major loss, the Company provides information and makes decisions based on its Emergency Response Provisions so as to minimize damage.

Basic risk management policy

The Company makes every effort to clearly identify all major risks as they apply to the Group as a whole and takes systematic and continuous steps to implement all necessary measures on a priority basis in order to comprehensively manage all risks that have the potential to hinder the Group from achieving its objectives or to create a loss.

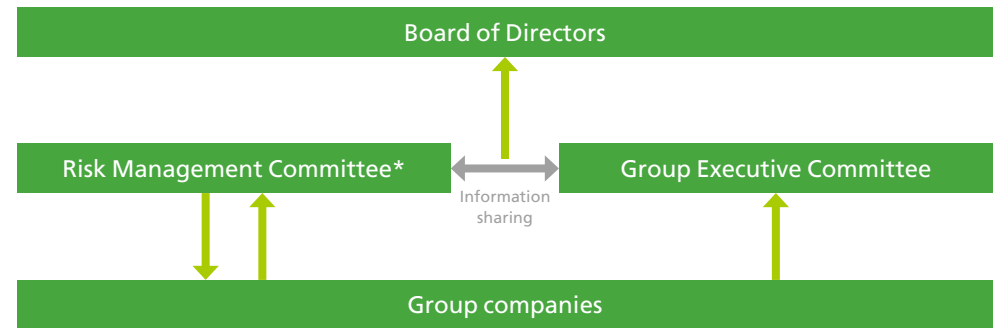
Highly significant risks

- Investment risks
- Financial and capital risks
- Personnel and labor risks
- Climate change risks

Other risks

- Legal and compliance risks
- IT strategy risks/ digital strategy risks
- Information security risks
- Crisis management response

Risk management structure



* Has overall control of managing Group priority risks and monitoring and evaluating the status of risk management at each Group company

Main scenarios and management initiatives for major risks

Risk category	Main scenario	Risk management initiatives
Investment risks	<ul style="list-style-type: none"> Asset-utilizing businesses may see a downturn in profits or profitability, or a decrease in the value of owned assets due to factors including changes in business conditions, real estate markets, or government policy in Japan and overseas. 	<ul style="list-style-type: none"> We have set risk management factors and calculate value at risk for each investment asset, and the amount of risk is managed through continuous monitoring.
Financial and capital risks	<ul style="list-style-type: none"> Our financial position and business performance may be adversely affected by a rise in interest rates or a steep drop in share price. 	<ul style="list-style-type: none"> When procuring financing from financial institutions, we minimize the impact of interest rate rises through steps such as ensuring the majority of interest-bearing debt is long-term. In regard to equity, we work to keep our share price at an appropriate level by analyzing capital market trends and other measures.
Climate change risks	<ul style="list-style-type: none"> Transition risk: Tighter laws and regulations, such as carbon taxes, may have an adverse impact on business, while companies that cannot adapt to movement toward a decarbonized society may suffer a fall in demand and loss of reputation. Physical risk: The ski resort business may be impacted by reduced snowfall and adverse climate events may raise costs by damaging buildings and lengthening construction periods. 	<ul style="list-style-type: none"> We have accepted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and joined the TCFD Consortium. We have formulated a plan to transition to a decarbonized society and have set climate change-related targets and are advancing Group-wide initiatives to achieve them. Details of initiatives are discussed and coordinated by the Sustainability Committee and reported to the Board of Directors.
IT strategy risks/digital strategy risks	<ul style="list-style-type: none"> If we are unable to respond swiftly and appropriately to technological progress and changes in customer demand, our financial position and business performance may be adversely affected. 	<ul style="list-style-type: none"> We are considering possible applications for new technologies in each business. We have positioned digital transformation (DX) as the Group policy and are advancing various measures.
Personnel and labor risks	<ul style="list-style-type: none"> The decline in the working population due to the declining birthrate and aging population in Japan, and the resulting shortage of human resources, may hinder the growth of our Group. 	<ul style="list-style-type: none"> We are eliminating over-long working hours and encouraging employees to use paid leave. We are adapting to the diverse work styles of employees through measures such as remote work and work-at-home systems.
Information security risks	<ul style="list-style-type: none"> If we were to suffer an information leak caused by a cyberattack or Group employee, it may adversely impact our social credibility and brand image. 	<ul style="list-style-type: none"> We are strengthening our security measures We are raising the digital literacy of employees through training, such as targeted email attack drills.
Crisis management response	<ul style="list-style-type: none"> A crisis such as a natural disaster, terror attack, accident, fire, or epidemic, an event such as the discovery of an environmental issue or real estate defect, or an extreme change in population demographics may result in conflict related to damages connected to assets owned by the Group or the fulfillment of compensation obligations. 	<ul style="list-style-type: none"> We are preparing safety measures and business continuity plans for times of disaster. We are carrying out training that anticipates a variety of potential disasters.
Legal and compliance risks	<ul style="list-style-type: none"> If an event such as a violation of laws and regulations or a payment of compensation for damages were to occur, it may adversely impact our social credibility and brand image. 	<ul style="list-style-type: none"> We have formulated and promote a compliance program. We are establishing compliance frameworks at each Group company. We have created a code of conduct and compliance manual for all Group officers and employees.

Reinforcing information security

The Group has established a fundamental policy on information management and the Fundamental Rules on Information Management, which clarify responsibility for information management and specify basic requirements and principles of information management, among other roles. In addition, the Information Security Committee has established and operates PDCA cycles, which includes receiving activity reports from each Group company.

Compliance

Based on the understanding that the practice of risk management through compliance-based management is the foundation of its operations, the Group raises the awareness of all officers and employees so that they will not only comply with laws and regulations but also make decisions and take actions in accordance with the Tokyu Fudosan Holdings Group Code of Conduct.

In addition, the Tokyu Fudosan Holdings Group Compliance Manual has been created as a practical manual, and all officers and employees are thoroughly informed about compliance through periodic training. Compliance helplines were established at the Company and individual Group companies for consultations and whistleblowing relating to violation of laws, regulations, and other rules. These helplines can be used by all Group employees (including contract employees, temporary employees, and part-time workers). Specifically, we have established an internal whistleblowing office that allows anonymous reports to be made and an external office, where cases are handled by a lawyer who is not our corporate lawyer. The aim of these offices is to discover and rectify violations at the earliest possible time. In fiscal 2023, 163 consultations and enquiries, mostly concerning minor issues, were made through these channels.

Tokyu Fudosan Holdings Group Code of Conduct

(Revised April 2024)

1. Fulfilling Our Promises to Society	2. Creating a Sound Work Environment	3. Doing Business with Integrity	4. Safeguarding Company Assets
<ul style="list-style-type: none"> Respect for human rights Contribution to society Coexistence with the environment 	<ul style="list-style-type: none"> Ensuring a healthy, safe, and comfortable work environment Prohibiting harassment Clearly separating public and private life 	<ul style="list-style-type: none"> Providing value consistently preferred by customers Practicing appropriate procurement Ensuring fair transactions Complying with laws and regulations Prohibiting bribery and inappropriate entertainment Severing all relations with antisocial forces Prohibiting insider trading 	<ul style="list-style-type: none"> Appropriately managing documents/information and operating information systems Appropriately managing sensitive, personal, and other information, and rigorously upholding confidentiality obligations Protecting company property