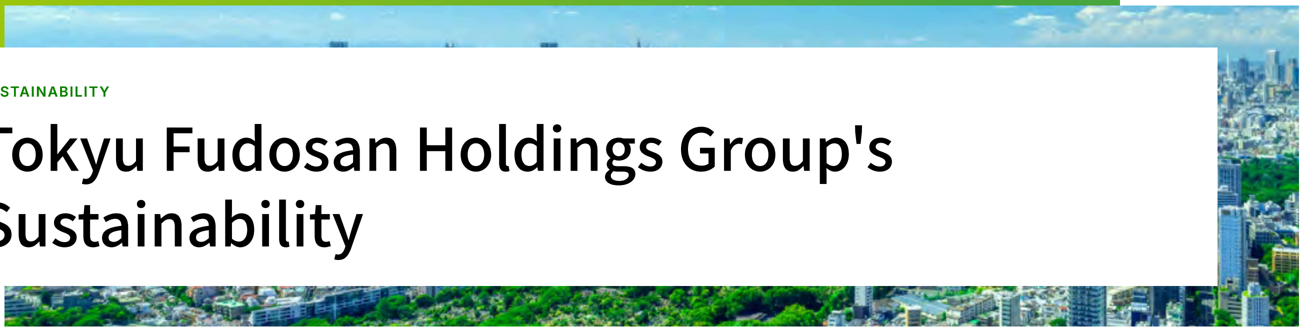

SUSTAINABILITY

Tokyu Fudosan Holdings Group's Sustainability

In order to achieve sustainable growth and increase corporate value over the long term, we have positioned non-financial efforts as a key management issue and promotes continuous strengthening of human capital strategy, social needs, environment and governance, with the Group Sustainability vision of "solving issues in the society through our business activities and work with stakeholders to realize a sustainable society and growth".

Sustainability Vision

Promotion Structure

Tokyu Fudosan Holdings Group Code of Conduct

Identification of Materialities & Opportunities and Risks

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Sustainability Vision

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Sustainability Vision | Sustainability Policy | GROUP VISION 2030

In order to realize our vision of becoming "create value for the future," we have established a Sustainability Vision and Sustainability Policy, and aim to create a sustainable society and enhance our corporate value.

Sustainability Vision

We solve issues in the society through our business activities and work with stakeholders to realize a sustainable society and growth.

Sustainability Policy

- We strive for environmental and economic harmony through our business activities.
- We endeavor to collaborate properly with stakeholders and maintain and strengthen relationships with them.
- We pursue sound and highly transparent management and actively disclose sustainability information.

GROUP VISION 2030

GROUP VISION 2030

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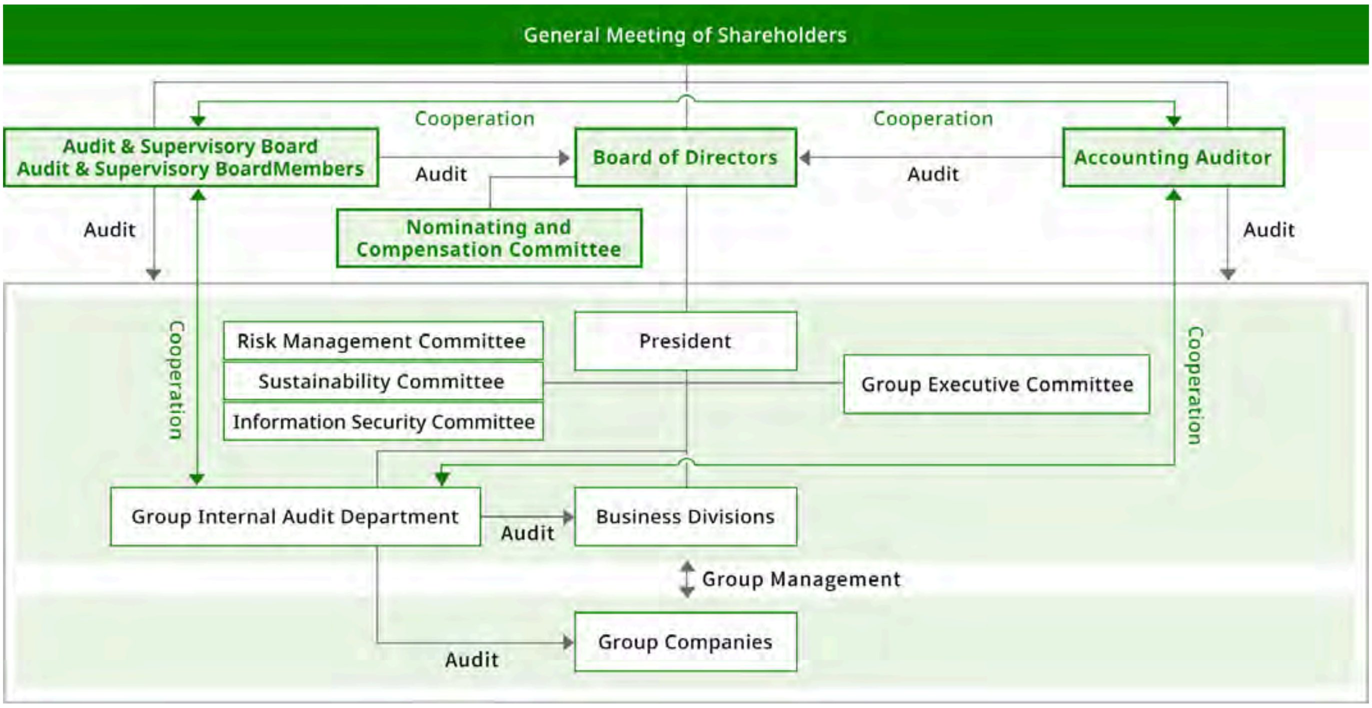
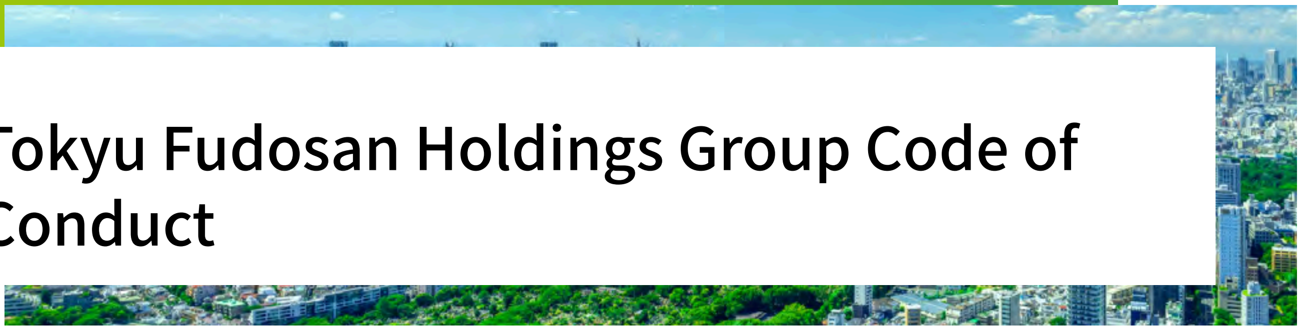
Promotion Structure

Aiming for continuous value generation, we have made Environmental, Social and Governance (ESG) factors as a vital part of the Group’s management.
Based on our identified social materiality, the Group’s long-term vision "GROUP VISION 2030" has been organized into six themes with KPI targets in terms of ESG aspects,and is promoting efforts that integrate financial and non-financial activities.
We are making Group-wide effort to achieve the KPI targets for FY2030, the last year of the long-term vision.
For employees including officers in investment decision-making bodies, non-financial content including ESG is a goal, and ESG performance is taken into account in compensation and other items.

In particular, in order to monitor climate change, etc., the President and Representative Director serves as the chairman, and the "Sustainability Committee" has been established with executive officers as members.

Organization chart of CSR promotion





Tokyu Fudosan Holdings Group Code of Conduct

Tokyu Fudosan Holdings Group Code of Conduct, which serves as a code of conduct for all officers and employees, is stipulated in the Compliance Regulations. And the Compliance Regulations is supervised by the Board of Directors to ensure that all officers and employees must comply with the Code. The Code of Conduct documents action principles for all executives and employees in order for the Tokyu Fudosan Holdings Group to always be trusted by stakeholders. In addition to compliance, the Code of Conduct also addresses the environment and society to encourage responsible efforts within the group for helping society and the group to achieve sustainability.

1. Fulfilling Our Promises to Society	2. Creating a Sound Work Environment	3. Doing Business with Integrity	4. Safeguarding Company Assets
• Respect for human rights • Contribution to society • Coexistence with the environment	• Ensuring a healthy, safe, and comfortable work environment • Prohibiting harassment • Clearly separating public and private life	• 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	• Appropriately managing documents/information and operating information systems • Appropriately managing sensitive, personal, and other information, and rigorously upholding confidentiality obligations • Protecting company property

Identification of Materialities & Opportunities and Risks

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Identification Process | Materialities and Our SDGs of the Tokyu Fudosan Holdings Group

To formulate the Long-term Management Plan, the Tokyu Fudosan Holdings Group determined social issues with a long-term importance to the Group, and identified materialities, taking into account inputs from the management and stakeholders including customers, local community, employees, clients and associates, and shareholders and investors. We are committed to solving social issues through our business activities in order to realize sustainable society and the Group's value creation.

Identification Process

Step 1 Determination, Integration and Consolidation of Social Issues

Social issues were determined and aggregated into a list of 561 items by references to stakeholders' comments, the Group companies' views, international frameworks such as SDGs, ISO26000, GRI and SASB, SRI ratings such as FTSE and DJSI, analyst reports, trends in competitors' activities and issues recognized by Japanese government and economic organizations. The list was integrated and consolidated into 37 social issues by sorting out similar ones, taking into account relevance to the Group.

Step 2 Recognition and Assessment of Stakeholder Expectations

We asked our 5 vital stakeholders, customers, employees, business associates /partners, stockholders/investors and local communities for their expectations to make sure they are sufficiently covered by the 37 issues whose importance were then evaluated.

Step 3 Clarification of Impacts / Relevance to Management/Business, Selection of Management Issues

For the 37 social issues, we evaluated their risks/opportunities to the Group as a whole and to each Group company to assess their importance. The issues were also considered for their relevance to the long-term management policies to select corresponding management issues.

Step 4 Identification of Management Issues, Risks and Opportunities

The management issues recognized and selected were discussed at the board meetings, reviewed by Group's management and outside board members before identified by the Board of Directors as especially material issues.

Materialities and Our SDGs of the Tokyu Fudosan Holdings Group

Themes to work on (Materialities and Our SDGs)	Main opportunities	Main risks
Create a variety of lifestyles. We will realize a vibrant life both physically and mentally by promoting the Lifestyle Creation 3.0 that combines home, work and leisure styles.	● Diversification of work styles, lifestyles home styles and play styles ● Fusion of all manner of lifestyle scenes	● Mismatch to consumer needs ● Degraded efficiency accompanying responding to segmentalized needs
Create well-being communities and lifestyles. We will realize a society where everyone can feel happy by building a secure, safe and comfortable life infrastructure and creating mutual aid communities.	● Increasing importance of community creation ● Growing needs for disaster preparedness and disaster damage reduction ● Increasing awareness regarding mental and physical health issues	● Subordination in competition between cities ● Declining attractiveness of city due to community decline ● Decreasing value due to insufficient asset maintenance and management
Create a sustainable environment. As an environmentally advanced company, we will create a carbon-free society and a recycle-oriented society by addressing global issues such as climate change.	● Growing needs to respond to the decarbonized and recycling-oriented society ● Expanding procurement of funds from ESG investors	● Escalation of climate change and natural disasters ● Increasing costs due to environmental restrictions, etc.
Create value in the digital era. We will work on our business model transformation by utilizing digital technologies to create customer's new experience value.	● Increasing importance of utilizing customer contact points ● Improving the scalability of services provided	● Declining position of real experiences due to enhancement of virtual ● Appearance of disruptors to existing businesses
Create an organizational climate under which diverse human capital is enlivened. We will continue to create innovation by addressing an organizational climate that respects human rights and under which diverse human capital can exercise their abilities.	● Increasing opportunities to secure diverse human capital ● Emergence of innovation due to diversification	● Intensifying competition and increasing costs in the human capital market ● Declining reputation due to the occurrence of human rights issues
Create governance to accelerate growth. As a group trusted by all stakeholders, we will aim to enhance our corporate value sustainably by increasing management transparency and fairness.	● Strengthening relationships with stakeholders by improving transparency ● Expanding procurement of funds from ESG investors	● Increasing cost of fundraising ● Decline in confidence due to legal violations

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Tokyu Fudosan Holdings Group's ESG Management

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Themes of our efforts to create value (Materialities) and KPI target for FY2030

We have established ESG as a significant management issue. Based on our identified social materiality, the Group’s long-term vision "GROUP VISION 2030" has been organized into six themes with KPI targets in terms of ESG aspects. We established KPI goals for fiscal 2030 for each of these themes, and we are progressing across the Group with initiatives aimed at achieving these goals, while following the PDCA cycle.

Scope of efforts

Regarding society, environment, and governance, we are working on these initiatives targeting 100% of the Group's business activities.

Themes of our efforts to create value (Materialities) and KPI target for FY2030

As of January 26, 2026

Materiality

S Create a variety of lifestyles

KPI	Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
Customer satisfaction level[*1]	90% or more	90% or more	90% or more	91.9%
Products and services that contribute to the Lifestyles Creation 3.0[*2] (cumulative)	100 cases or more	150 cases or more	50 cases or more	83 cases

S Create well-being communities and lifestyles.

KPI	Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
Measures to revitalize communities (cumulative)	100 cases or more	150 cases or more	50 cases or more	90 cases
Strengthening of safety and security[*3]	100%	100%	100%	100%

KPI		Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
RE100 to be achieved by 2025[*4]		Achieved	Achieved	Achieved	Achieved[*5]
Percentage of renewable energy power usage		60% or more[*6]	60% or more[*6]	65%[*7]	89.3%(*)
CO_2 emissions (compared with FY2019)					
	Scope1・2	(46.2)% (SBT certification)	(80)%	FY2023(50)%	(77.3)%
	Scope3(category 1・2・11)	(46.2)% (SBT certification)	(46.2)% (SBT certification)		(30.1)%
	(Qualitative Target)	Target for Initiatives: ● Collaborative efforts with partners (construction companies, etc.) ● Provide decarbonization value to customers	Additional Target: ● Promotion of Primary Data Collection	Same Target as in the Previous Mid-Term Plan	Achieved
CO_2 Reduction Contribution (as a Percentage of the Company's Own Emissions)			10 times Carbon Negative	Equal Carbon Negative	3 times Carbon Negative
Water usage		Reduction compared to the previous year	7% Reduction Compared to FY2023 (also Reduced from FY2019 Levels)	Reduction compared to the previous year	(13.0)%
Waste volume (compared with FY2019)		(11)%	7% Reduction Compared to FY2023 (22% Reduction Compared to FY2019)	(6)%	(11.8)%
Environment certification acquisition (e.g. CASBEE, DBJ)[*8]		100%	100%	70%	70.3%
Sustainable procurement (wood materials for molds)		100%	100%	30%	23.3%
Midori wo Tsunagu Project (Area of Forest Protected)		3,000ha	3,000ha	2,400ha	2,304ha
Environmental efforts through business (cumulative)		100 cases or more	150 cases or more	50 cases or more	105 cases

S Create value in the digital era.

KPI	Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
Number of initiatives for digital utilization (cumulative)	100 cases or more		50 cases or more	77 cases
↓ Initiatives contributing to revenue (a year)		100 cases or more		
DX/new business investment amount	Doubled (Compared to FY2021)[*9]	¥100 billion or more cumulative total from FY2025 to FY2030	1.5 times (compared to FY2021)[*9]	6.4 times (compared to FY2021)[*9]
Number of Personnel Trained for DX Promotion		10,000 personnel or more		
IT passport acquisition rate[*4]	100%	100%	80%	92.8%

S Create an organizational climate under which diverse human capital is enlivened.

KPI	Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
Investment in hiring, training, fostering a climate (Compared to the period of the previous medium-term plan)		1.5x/year or more		
Ratio of female managers (Ensuring of diversity in the core human capital)	20% or more	20% or more	9%	8.8%
Percentage of female new graduates hire	50%	50%	42%	39.5%
Ratio of childcare leave taken by male employees	100%	100%	100%	92.9%
Deepening of understanding of "DE & I" (percentage of employees who took an e-learning course)[*10]	100%	100%	100%	95.1%
Percentage of employees who undergo physical examinations	100%	100%	100%	100%
Respect for human rights in the supply chain (implementation of due diligence for forced labor and child labor)	100%	100%	50%	59.9%

G Create governance to accelerates growth.

KPI	Fiscal 2030 Targets in the Previous Mid-Term Plan	Fiscal 2030 Targets in the new Mid-Term Plan	Fiscal 2025 Targets	Fiscal 2024 results
Engagement with shareholders and investors	300 cases or more	400 cases or more	290 cases	367 cases
Improvement of effectiveness of the Board of Directors (third-party evaluation)	Implement every year	Implement every year	Implement every year	Implement
Observation of the code of compliant behaviors	100%	100%	100%	98.7%
Compliance Training Participation Rate		100%		

*1 Tokyu Cosmos Members Club Questionnaire survey

*2 The creation of ideal lifestyles for customers through the fusion of work styles, home styles and play styles.

*3 Support people who have difficulty returning home in the event of a disaster in a large, non-residential building, etc.

*4 Tokyu Land Corporation

*5 Excludes electricity generated through cogeneration involving private power generation (0.2% of overall electricity consumption), as there are no gases on the Japanese market that are recognized as green gases under the RE100 technical criteria.

*6 The long-term management policy announced in 2021

*7 The mid-term management plan announced in 2022

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

*9 The ratio represents the DX investment amount (previous medium-term plan target) relative to the FY2021 target of 1.4 billion yen.

*10 LGBT understanding evolution was changed to DE&I understanding evolution beginning in FY2022.

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United Nations Global Compact

Tokyu Fudosan Holdings Group supports and respects the UN Global Compact. In accordance with the 10 principles of the UN Global Compact broken down by the subjects of human rights, labor, environment, and anti-corruption, we are promoting responsible management aimed at contributing to the realization of a sustainable society.
Among them, the ESG subcommittee holds study sessions, etc. for more than 200 participating companies as a joint secretary company.

TCFD

Tokyu Fudosan Holdings Corporation has agreed to the recommendations of “Task Force on Climate-related Financial Disclosures(TCFD)” established by the Financial Stability Board (FSB). We are a member of the TFCD Consortium.

Refer to our disclosures in accordance with TCFD recommendation

SBT initiative・Business Ambition for 1.5°C・Race to Zero

Tokyu Fudosan Holdings Corporation has declared to SBT initiative that it will work to set a Science Based Target for GHG reduction by 2030 and has been approved by SBT initiative as "Science-based target" in line with a 1.5°C trajectory.
Additionally, we have joined Business Ambition for 1.5°C and Race to Zero, global campaigns aiming to achieve net-zero emissions (of greenhouse gas) before 2050.

Japan Climate Initiative

Tokyu Fudosan Holdings Corporation participates in JCI in support of JCI's declaration, "Joining the front line of global trend for decarbonization from Japan."

Japan Climate Leaders' Partnership (JCLP)

Tokyu Fudosan Holdings Corporation has joined the Japan Climate Leaders' Partnership (JCLP), a coalition of companies committed to realizing a sustainable, decarbonized society. Through our participation in JCLP, we will stay abreast of the latest domestic and international developments and policy proposals, further accelerating our decarbonization efforts.

RE100

Tokyu Land Corporation has joined the international initiative "RE100," with the goal of sourcing 100% of the electricity consumed in its business activities from renewable energy by the year 2050.
The renewable energy business, entered in 2014, has achieved top-class results domestically. In December 2022, Tokyu Land Corporation became the first business company in Japan to complete the transition to 100% renewable energy for the electricity used in its own offices and owned facilities, and in April 2024, CDP, the RE100 secretariat, certified that the company had achieved its RE100 targets.

TNFD

Tokyu Fudosan Holdings endorses the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) and is actively participating as a member of the TNFD Forum and have also registered as TNFD Adopters.

The environmental committee of The Real Estate Companies Association of Japan

Tokyu Fudosan Holdings has the President & CEO of the Company participating as a vice chairman of the Environmental Committee of the “The Real Estate Companies Association of Japan” and dispatched one employee of the Company to the association to deal with climate change and is actively working to consider and formulate policies. In addition, department heads and managers of related departments participate in the Environmental Committee and the two lower working groups (office buildings and housing) and we are working on promoting environmental action in the real estate industry. The committee periodically collects excellent efforts by member companies that lead to reduction of environmental burden and sustainable society building. They are used to share information among member companies and to further improve environmental awareness. Furthermore, we actively make proposals to public policies and regulations through “Low Carbon Town Planning Action Plan”or ” Environmental Voluntary Action Plan”.

In this way, we participate in the formulation of climate change strategies as an industry group that reflects national policies and make policy requests directly to the country or through Keidanren, an upper organization, in an effort to realize them.

Green Building Memberships

A member of our department represents our company in Green Building Japan, which was established to promote sustainable building and community environments in Japan.

Signatory to Initiatives

Tokyu Land Capital Management Inc. became a signatory of the Principles for Responsible Investment (PRI) as of June 2019, in agreement with the underlying concept.

The PRI is a set of investment principles established for the financial industry in 2006 under the leadership of the then United Nations Secretary-General Kofi Annan. The aim is for companies to include ESG factors in their decision-making processes on investment and enhance the long-term investment performance of their beneficiaries.

Signatory of:

PRI Principles for Responsible Investment

GX League

Tokyu Fudosan Holdings participates in the GX League, which was established by the Ministry of Economy, Trade and Industry. The GX League is a forum for companies that are taking on the challenge of GX (Green Transformation) and aiming to achieve sustainable growth in the present and future society, in order to achieve carbon neutrality and social change by 2050, to collaborate with other companies that are making similar efforts, together with government and academia. Since the direction of our group toward decarbonization and the efforts of the "GX League" match, our group will participate in the GX League and work together with other companies and players to take on the challenge of decarbonization and create value through our business.

30by30

"30by30" is the goal of effectively conserving at least 30% of the land and sea as healthy ecosystems by 2030, with the aim of halting biodiversity loss and restoring biodiversity by 2030 (Nature Positive). The G7 2030 Nature Compact, agreed at the G7 Summit held in the U.K. in June 2021, commits each G7 country to conserve and protect at least the same percentage of its own land and oceans. Tokyu Fudosan Holdings Corporation, TOKYU LAND CORPORATION and Tokyu Resorts & Stays Co., Ltd. have been members of the Ministry of the Environment's "30 by 30 Alliance for Biodiversity".
In February 2024, Tokyu Resort Town Tateshina (Chino City, Nagano Prefecture), which is operated and managed by the Group, was certified as a "Nature Coexistence Site". The Ministry of the Environment has been certifying "Nature Coexistence Site", which are areas where biodiversity is being preserved through private initiatives, such as corporate forests, Satoyama, and urban green areas, as part of its efforts to realize nature positivity, since fiscal 2023. We will accelerate our efforts to contribute to the "environment" just by staying at these resort facilities, clarify the values we offer as "experiential sustainable resorts" that co-create with local communities and nature, and provide sustainable experiences to guests visiting our facilities.

Keidanren Council for Nature Conservation

Tokyu Fudosan Holdings is a member of the Keidanren Council for Nature Conservation. The Keidanren Council for Nature Conservation was established by Keidanren in 1992, the year of the Rio Earth Summit (United Nations Conference on Environment and Development), as an organization to implement the ideas of the Keidanren Charter on the Global Environment in the field of nature conservation. Through exchanges with local companies and NPOs, the organization aims to realize a sustainable society through the creation of a society in harmony with nature.

Involvement in organizations dedicated to climate-related issues

Tokyu Fudosan Holdings Corporation actively participates in major domestic and international initiatives and organizations focused on climate change issues. Through policy advocacy and information dissemination activities, it contributes to the promotion and expansion of renewable energy and the realization of a decarbonized society. Specifically, it joined the international initiative “RE100,” setting a goal to source 100% of the electricity consumed in its business activities from renewable energy by 2050, and is steadily advancing its efforts. In December 2022, Tokyu Land Corporation became the first Japanese operating company to complete the switch to 100% renewable energy for electricity used in its own offices and owned facilities. In April 2024, it received certification from CDP, the RE100 Secretariat, confirming achievement of its RE100 target. Since then, it has continued exchanging views with other member companies and participating in working groups. It submits proposals to relevant and government agencies regarding measures aministriesnd policies to promote the expansion of renewable energy adoption.

Furthermore, it has participated in the Japan Climate Initiative (JCI) since its inception. As a member company, it endorses and cooperates in issuing proposals calling for the strengthening of national energy policies and decarbonization strategies. For example, through JCI, we have implemented specific climate-related policy proposals to the Japanese government, such as “raising the renewable energy ratio by fiscal year 2030” and “introducing carbon pricing.” Our company actively participates in these statements of intent and related activities. Furthermore, we serve as key members in industry associations such as the Renewable Energy Association for Stable Power Supply (REASP) and the Real Estate Association Environmental Committee. We regularly submit policy and technical proposals to relevant ministries and agencies, focusing on identifying challenges related to renewable energy and achieving long-term stable supply.

Moving forward, through our continued engagement with these climate-focused organizations, we will strengthen our concrete proposals and advocacy efforts regarding decarbonization policies and industry initiatives both domestically and internationally, leading the transition to a sustainable society.

For responding appropriately in those instances where the trade association position contradicts that of the company

Tokyu Fudosan Holdings Corporation regularly shares information internally regarding the activities and policy proposals of industry associations and initiatives it participates in, from the perspective of climate change and sustainability promotion. We confirm that these align with our Group's Basic Sustainability Promotion Policy, strategies, and goals.
Specifically, when new policies or policy proposals are decided by the industry associations we belong to, we actively express our company's views during the decision-making process and strive to ensure alignment with our own policies through deliberations and discussions. We also regularly report to the Sustainability Committee and relevant executives, and when necessary, conduct discussions and reviews at management meetings or the Board of Directors.
Should the policies or positions of an industry association or initiative significantly diverge from our Group's policies and strategies, or become clearly weaker than or contradictory to our company's stance on matters such as climate change response, we will promptly take the following actions:
We will engage with the organization to seek a change in its policy, explaining our company's views and intentions and requesting understanding.
As necessary, we will make proposals from our company's perspective, reflecting the views of investors, customers, the international community, and others, and lead discussions within the industry association.
If ensuring alignment proves difficult despite these efforts, we will consider and implement actions consistent with our Group policy, such as withdrawing from the organization or changing our participation format.
This entire process is managed by our Sustainability Promotion Committee. Matters significantly impacting Group policy will be reported to the Committee Chair (CAO). Following consultation with relevant departments, we will review internal policies and strategies as necessary.
Moving forward, we will consistently verify the consistency and appropriateness of our participation and activities within industry associations against our own policies, implementing appropriate measures to fulfill our social responsibilities.