

Tokyu Fudosan Holdings Group Sustainable Procurement Policy Article Text

1) Legal compliance

1) -1. Total compliance with relevant laws and regulations

Comply with all applicable laws and regulations, including national and international laws, maintain a complete understanding of regional social norms and corporate ethics, and act based on sound judgement and a sense of responsibility.

2) Respect for human rights

2) -1. Compliance with and respect for international human rights and labor standards

Promote international human rights and labor standards,* and conduct business activities in a way that respects human rights.

* The International Bill of Human Rights (Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights), ILO Declaration on Fundamental Principles and Rights at Work, UN Guiding Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises, etc.

2) -2. No tolerance of discrimination

Discrimination based on nationality, race, religion, creed, gender, age, sexual orientation, gender identity, disability, or other such characteristics is not permitted. Eliminate discrimination and ensure fair employment and recruitment opportunities.

2) -3. No tolerance of harassment

Never engage in any form of harassment, including sexual and power harassment, and no demeaning remarks or actions are permitted in the workplace.

2) -4. Respect for local residents

Respect the local cultures and customs of the locations in which it operates, as well as local residents and communities.

2) -5. Respect for minority rights

Respect the rights of vulnerable persons and minorities.

3) Ensuring a work environment based on safety, health and well-being

3) -1. Freedom of association, collective bargaining rights

Guarantee freedom of association and the right to collective bargaining, and work to solve issues through labor-management dialogue in countries and territories where trade unions are not permitted by law or practice.

3) -2. No tolerance of forced labor

Eliminate and prevent all forms of forced labor.

3) -3. No tolerance of child labor

Prohibit and work to prevent child labor.

3) -4. Fair wages

Comply with relevant labor laws and regulations, and pay wages that exceed the local minimum wage.

3) -5. Elimination of excessive working hours

Manage working hours properly and work to prevent illegally long hours.

3) -6. Workplace health and safety measures

Conduct health and safety management based on relevant laws and regulations. Prevent occupational accidents and establish safe working environments and conditions that are safe and sound from both the physical and mental perspectives. Take appropriate safety measures for machinery and equipment, such as establishing the necessary internal safety rules and inspecting equipment. Provide workplace health and safety information and training in the employee's native or working language.

3) -7. Emergency preparedness

Implement safety measures to prepare for emergencies such as fire or earthquakes and ensure personnel safety through regular disaster drills.

3) -8. Prevention of occupational accidents and illness

Take appropriate measures to prevent occupational accidents and illness and take corrective measures in the event of any incidents. In such cases, a process has been established for employees to report hazards.

3) -9. Industrial Hygiene measures

Manage hazardous organisms and chemicals properly and provide training and protective equipment in cases when employees may come into contact with them.

3) -10. Measures for physically demanding work

Identify work that is physically demanding or that poses a health risk and take appropriate measures to prevent injury and/or illness.

3) -11. Proper sanitary facilities, meals and housing

Ensure that employees have access to sanitary toilets and clean drinking water. Wherever food and/or housing is provided, a safe and sanitary environment is maintained.

3) -12. Protection of foreign and migrant worker rights

Conduct appropriate labor management for foreign and migrant workers (including technical interns), based on relevant laws and regulations. Provide employment contracts and convey working conditions in a language that each worker can understand and prevent any illegal or improper actions such as withholding wages, requiring illegally long working hours, holding worker passports, forcing a worker to return to their home country, collecting security deposits, etc.

4) Ensuring proper business ethics

4) -1. Preventing corruption

Do not engage in or facilitate any form of corruption, such as money laundering, bribery, embezzlement, or obstruction of justice.

4) -2. Preventing contact with organized crime

Tolerate no contact with organized crime and firmly refuse any improper demands.

4) -3. Ensuring fair trade practices

Comply with relevant antitrust and subcontracting laws. Do not use superior position to impose unilateral conditions on business partners and do not hinder the business activities of competitors by unfair means.

4) -4. Appropriate response to conflicts of interest

Take appropriate measures to prevent conflicts of interest in all transactions, such as buying, selling and outsourcing.

4) -5. Responsible political involvement

Maintain sound, standard relations with politicians and administrative officials in accordance with relevant laws and regulations. Prohibit the provision of entertainment and gifts to politicians, as well as to Japanese and foreign government officials and equivalent persons.

4) -6. Protection of intellectual property rights

Protect intellectual property rights (patents, copyrights, design rights, etc.) from infringement by third parties. Likewise, do not infringe on the intellectual property rights and trade secrets of third parties.

4) -7. Maintaining confidential information and disclosure

Maintain an awareness of information that needs to be disclosed and that which needs to be kept confidential. Perform timely and appropriate information management in compliance with relevant laws and regulations.

4) -8. Compliance hotline and whistleblower protection

Maintain a compliance violation hotline to quickly identify and resolve compliance issues. Keep strictly confidential all information concerning those who report or inquire about compliance

violation cases. Take appropriate measures to prevent hotline users from suffering disadvantageous treatment, including internal retaliation, as a result.

5) Environmental measures

5) -1. Combatting climate change

In addition to renewable energy adoption, promote the efficient use of energy in business activities and throughout the life cycles of products and services. In this way, reduce the impact of greenhouse gas emissions on climate change.

5) -2. Biodiversity protection

In material procurement and other business activities, reduce the impact on the surrounding natural environment, biodiversity, and ecosystems. Do not use raw materials derived from endangered species of animals and plants for which measures have not been taken to conserve resources and ensure reproduction.

5) -3. Pollution prevention

Do not pollute the air, water, or soil, based on relevant environmental laws and regulations. Manage chemical substances appropriately and work to prevent the emission of pollutants while reducing the materials that cause them.

5) -4. Effective use of resources

Work to use resources in business activities effectively and to reduce waste, based on relevant environmental laws and regulations.

5) -5. Proper water use

Ensure the appropriate management and efficient use of water resources and take measures to conserve water used in business activities and the production of raw materials.

5)-6. Ensure appropriate use of forest resources

Comply with relevant laws and regulations in logging countries and territories and strive to procure forest products produced in a sustainable manner, including recycled and certified wood. Support the conservation of forests with high biodiversity and preservation value, while also respecting the cultures, traditions and economies of communities that coexist with forests.

6) Improving service and quality

6) -1. Ensuring safety

Always consider the safety and security of customers in every aspect of product and service planning, design, provision and after-sales service, to ensure customer health and safety.

6) -2. Quality control and quality assurance systems

Establish quality management systems, comply with design and quality standards for products and services and always strive to improve quality.

When procuring products, services, or raw materials, confirm that suppliers ensure animal welfare and are not involved in armed conflicts or criminal activities.

6) -3. Proper information disclosure for products and services

Explanations of the products and services comply with relevant laws and regulations, and important matters that may affect the decisions of consumers and end users must be described to them in a way they can understand. In addition, do not use definitive predictions, make false or excessive statements about products or services (such as misrepresentation), use ads that are discriminatory or misleading, or release ads that may have an adverse effect on children.

7) Proper information management

7)- 1. Proper information management

Establish and properly maintain information management systems to protect and prevent the unauthorized disclosure of information used in business activities, such as personal, privacy-related, and confidential information.

8) Business Continuity Planning

8)-1. Business Continuity Planning

Maintain business continuity plans (BCPs) to prepare for disasters or unforeseen emergencies.

9) Contributing to local communities

9)-1. Contributing to local communities

Respect the local cultures and customs of the communities where it conducts business. Also seek to gain an understanding of social issues in those communities through dialogue and strive to implement business activities and social contribution activities that help solve those issues.

10) Extension of the Sustainable Procurement Policy

10)-1. Extension to business partners

Encourage companies in the supply chain to understand and share this Policy.

10)-2. Cooperation for monitoring

Cooperate with any monitoring of the status of the activities based on this Policy.

3. Compliance Violation Reporting or Inquiries

If you are aware of any actual or possible violation of this Policy, please contact us using the inquiry form below. Do not report anything that you know to be false, denigrating, or defamatory, and avoid any threats, or statements that would obstruct business, etc.

You may be required to cooperate in an investigation of the facts.

Anyone who reports a non-compliance issue, reports something by means of an inquiry, or who makes an inquiry will be protected from any reprisals or other disadvantageous treatment by any members of the Group and its entire supply chain.

> Link

<https://www.tokyu-fudosan-hd.co.jp/english/inquiry/>

Established January 6, 2020