

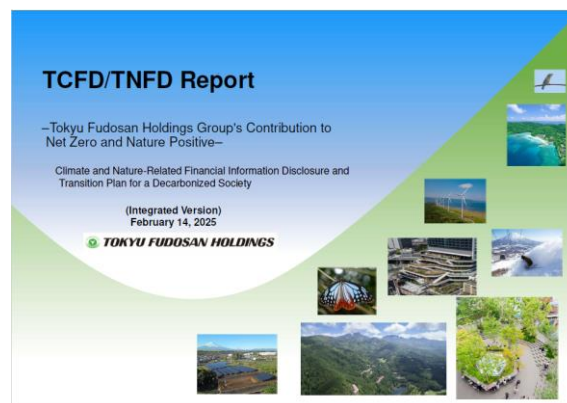
February 14, 2025

Tokyu Fudosan Holdings Corporation

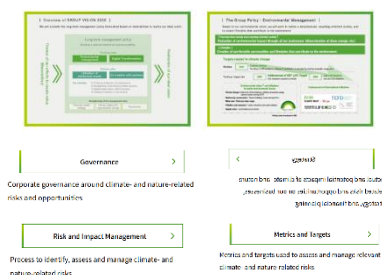
Tokyu Land Corporation

Tokyu Fudosan Holdings publicly releases a “TCFD/TNFD Report” that integrates three reports on climate, nature and a plan to transition to a decarbonized society (A first in the Japanese real estate industry)
-Promoting the integrated disclosure of contributions to Net Zero and Nature Positive-

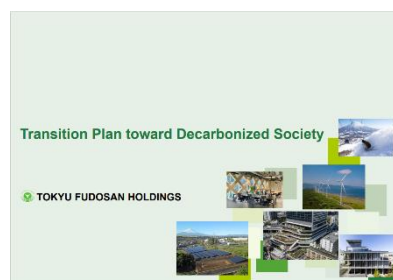
Tokyu Fudosan Holdings Corporation (Headquarters: Shibuya-ku, Tokyo; President & CEO: Hironori Nishikawa; “Tokyu Fudosan Holdings” below) hereby announces that it formulated a “TCFD/TNFD Report” that integrates climate change and nature-related financial information disclosures from three reports that it disclosed up to now: “Disclosures Based on TCFD Recommendations,” “Plan to Transition to a Decarbonized Society” and “TNFD Report (3rd Edition).”



[Climate/Nature] Disclosures Based on TCFD Recommendations



[Climate] Disclosures Based on TCFD Recommendations



[Climate] Transition Plan toward Decarbonized Society



[Nature] TNFD Report

The TNFD disclosure framework is consistent with the TCFD framework that preceded it in environment-related information disclosure and is currently established as a standard. A similar framework is also followed by the International Sustainability Standards Board, or ISSB. These are examples of how the integrated disclosure of climate-related and nature-related issues is being recommended. Additionally, due to guidelines for the Plan to Transition to a Decarbonized Society being established around the TCFD, some of the disclosure items for both are redundant. In addition, given the close relationship between the climate and nature, there are also calls for the promotion of deeper understanding by investors and other readers of associated reports.

In addition to taking such external trends into consideration, having targeted a decarbonized society, recycling-oriented society and biodiversity as priority environmental issues under its basic policy of environmental management, Tokyu Fudosan Holdings integrated its existing information disclosures based on its management strategy of pursuing environmental challenges in an integrated fashion within its operations. The content of each report is included in the Report. Note that Tokyu Fudosan Holdings will also continue to disclose the TNFD Report, which is benefiting from growing praise in various quarters, for the time being.

Believing that climate is simultaneously a risk and a new business opportunity from the perspective of operational activities, Tokyu Fudosan Holdings declared its support for the TCFD Recommendations. Subsequently expanding the scope of its scenario analysis in fiscal 2020, it conducted disclosures aligned with TCFD recommendations in March 2023 and issued a “Plan to Transition to a Decarbonized Society” report, which was prepared in accordance with guidelines set forth by the TCFD and other entities and was the first such report in Japan’s real estate industry, in July 2023. These are some of the proactive disclosure initiatives that Tokyu Fudosan Holdings conducted over time.

With respect to nature, in light of the close association that businesses of the Tokyu Fudosan Holdings Group have with nature in both city and countryside areas, Tokyu Fudosan Holdings attended the TNFD Forum in June 2023. In August 2023, it formulated the Japanese real industry’s very first “TNFD Report (1st Edition)” using the “TNFD Beta Version v.0.4” as a reference, and performed analysis and disclosures on an overview spanning its entire value chain and on its contributions to Nature Positive in the greater Shibuya area, the focal area of its operations.

Since then, Tokyu Fudosan Holdings has also disclosed a “TNFD Report (2nd Edition)” using the “Final Recommendations of the TNFD” as a reference in January 2024 and a “TNFD Report (3rd Edition)” that included its resort business for the first time in July of the same year.

*1: The Taskforce on Climate-related Financial Disclosures, or TCFD for short, is an international initiative established by the Financial Stability Board (FSB) at the request of the G20 in order to examine how to conduct climate-related information disclosures and response by financial institutions. After announcing its final report in June 2017, the TCFD announced that it would be dissolved in October 2023. In the future, its role will be taken over by the ISSB (International Sustainability Standards Board).

*2: The Taskforce on Nature-related Financial Disclosures, or TNFD for short, is an international taskforce inaugurated in 2021 that calls for the adequate assessment and disclosure of nature-related dependencies/impacts and risks/opportunities. The frameworks presented by the TNFD are linked to the TCFD, and recommend integrated disclosures for climate and nature.

■Reasons for Integration

The recent decision by Tokyu Fudosan Holdings to conduct the integrated disclosure of its 33 reports mainly consists of the following.

1. Close linkage between climate-related and nature-related challenges

While nature and ecology-related services degrade due to climate change, the degradation of forests and other forms of nature lead to the decline of CO2 emissions and sinks, illustrating the close association between the climate and nature. For this reason, because of the greater ease in forming a grasp of the entire situation by simultaneously analyzing the two, and for the purpose of indicating the relationship between non-financial data such as CO2 emissions and the financial data of firms, Tokyu Fudosan Holdings integrated its Plan to Transition to a Decarbonized Society.

2. Usefulness to investors and other readers

Organizing redundant content, unifying and indicating identical items and other such efforts enable investors and other readers of the reports to comprehend material information effectively. In actual business as well, there have been greater opportunities for requests for integration in engagement with investors.

3. Integrated and holistic disclosures

In “integration with other sustainability-related disclosures,” which constitutes a general requirement in TNFD recommendations, it is established that “Nature-related disclosures should be integrated with other business and sustainability-related disclosures whenever possible to provide report users with an integrated and holistic picture of the organization’s financial position and prospects. Integration of climate- and nature-related disclosures is of particular importance.” In this manner, integrated and holistic disclosures are recommended.

In addition to the above, for both TCFD and TNFD, there has already been progress in integrated disclosures at a large number of firms overseas, as well as a visible trend of integration at certain firms in Japan as well. Given this, Tokyu Fudosan Holdings, too, recently arrived at the decision to make integrated disclosures by also adding its Plan to Transition to a Decarbonized Society.

■Formulation of the Report

1. Overall overview

In the Report, Tokyu Fudosan Holdings included content on “[Climate] TCFD and Plan to Transition to a Decarbonized Society” and “[Nature] TNFD” for each common item (governance, strategy, risk/impact management and measurement indicators/targets).

Item	Content
Governance	Shared
Strategy	
Material risks/opportunities	Climate/Nature
Scenario analysis, business strategy and impact on financial plans	Climate
Dependence/impact analysis	Nature
Risk/impact management	Climate/Nature
Measurement indicators/targets	Climate/Nature
Plan for transition	Climate
Examples of efforts	Climate/Nature

2. Points Borne in Mind upon Integration

In integrating the reports, due to the increased volume resulting from the unification of three forms of disclosure content, Tokyu Fudosan Holdings included an Executive Summary and also came up with the following ideas to facilitate readability.

(1) Listing shared items

- ① Compiled shared items and organized them to eliminate redundancies (Governance, risk/impact management)
- ② Compiled tables that were previously separated and unified them to promote efficient understanding through visibility
 - Material risks/opportunities
Risks/opportunities for each business under nature were placed in separate tables due to being highly individualized.
 - Measurement indicators (Climate, nature, global indicators)

(2) Employing stand-alone statements of climate-only or nature-only content

- ① Financial impact based on scenario analysis (Climate-only, which was prepared first. Note that nature-only is scheduled to be prepared starting next fiscal year.)
- ② Dependence/impact (Statements of items particular to TNFD.)
- ③ Plan to Transition to a Decarbonized Society (Statements of content that does not overlap with TCFD.)

(3) Indicating icons on each page

Icons were indicated for climate/nature, the four pillars, LEAP, etc. on each page to facilitate understanding of what part of each complex, specialized framework disclosure content falls under.

3. Items Newly Analyzed in the Report (Multifaceted functions of forests additionally analyzed)

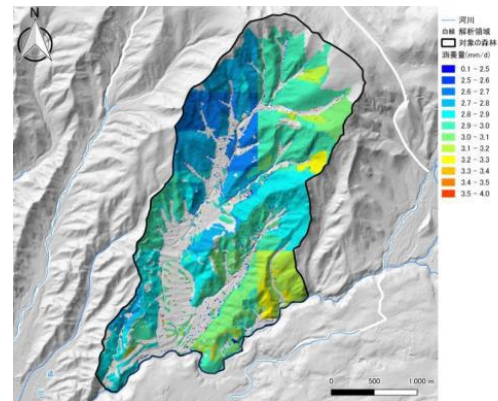
Tokyu Fudosan Holdings covered the multifaceted functions of forests in an analysis of Tokyu Resort Town Tateshina. In its TNFD Report 3rd Edition, the company analyzed carbon sequestration functions. Forests simultaneously possess multifaceted functions that demonstrate effects that are positive for society as well as for the environment, such as watershed cultivation, the supply of water resources and the prevention of sediment disasters.

In the Report, analyses of watershed protection and soil erosion control, both of which constitute vital forest functions, were added.

(1) Watershed cultivation function

Watershed cultivation is the phenomenon of rainwater and other forms of precipitation seeping into the ground due to soil retention afforded by forests, which contribute to the storage of water resources due to that water flowing slowly in the ground.

Tokyu Resort Town Tateshina is a large-scale resort complex that covers a total site area of 660 hectares and contains a number of facilities that include a hotel, a golf course, a ski slope, villas, restaurants and a community co-existence facility. This self-sustaining complex is equipped with its own waterworks that takes in water from multiple natural sources in the town and distributes drinking water across the entire town. Believing that the forest's watershed cultivation function in the town plays a key role in securing sustainable water sources and supply drinking water, in the Report, Tokyu Fudosan Holding assessed the watershed cultivation volume for the forest it manages at Tokyu Resort Town Tateshina and analyzed its relationship with the water volume consumed in the resort town.



Distribution of groundwater recharge in Tokyu Resort Town Tateshina

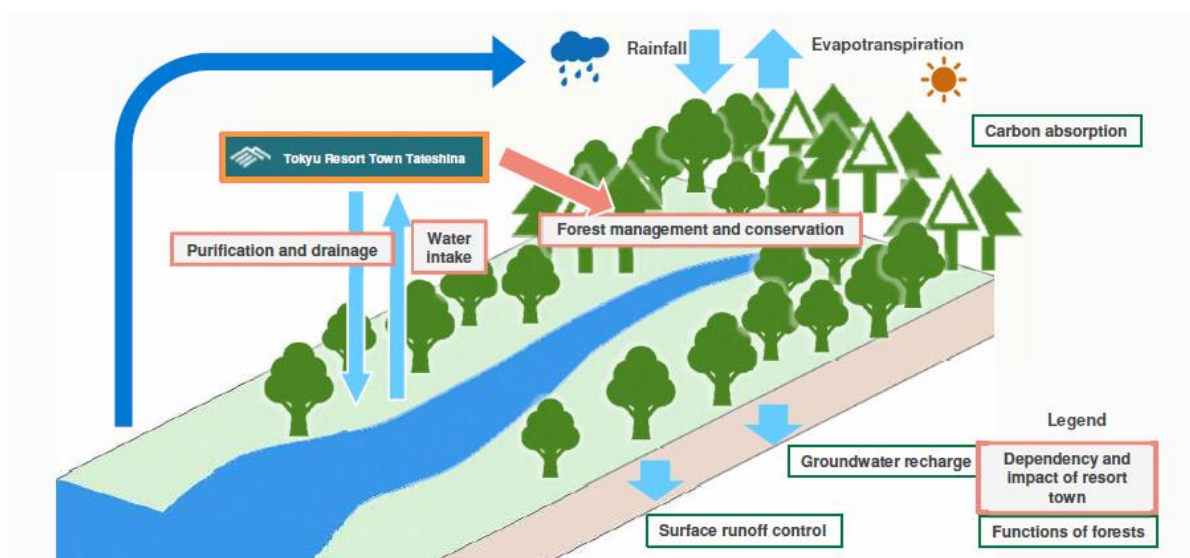
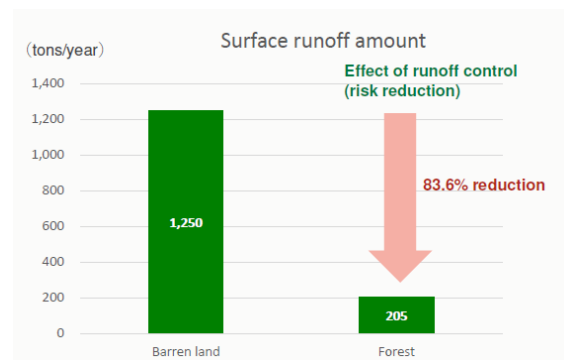


Image diagram of water circulation

This analysis yielded a calculation of approximately 5.32 million m³ per annum for the watershed cultivation volume for the entire forest within the town. The water intake volume for the entire town was found to be 0.16 million m³ per annum (actual figure for fiscal 2023), halting at 3.1% of the overall watershed cultivation volume. It was verified that all water consumption in the town was successfully being covered using the watershed cultivation volume for the forest within the town. This was assessed as being highly sustainable.

(2) Surface runoff control



Effective in controlling runoff compared to Barren land (leading to lower risk)

One of the ways forests function is to control surface runoff, largely through precipitation. In the Report, Tokyu Fudosan Holdings established quantitative projections of the surface runoff volume and assessed the effects of runoff control afforded by the forest at Tokyu Resort Town Tateshina.

This analysis showed that when the forest is preserved, the surface runoff volume at Tokyu Resort Town Tateshina comes to approximately 205 tons per annum. Conversely, were the forest to hypothetically become a barren land, the surface runoff volume would increase to 1,250 tons per annum.

Tokyu Fudosan Holdings found that by engaging in its business activities while appropriately preserving the forest and other elements of the environment, it could reduce the volume of surface runoff from the area by 83.6% compared to if the forest were a barren land. One can conclude that preserving the forest leads to lower risk of a compromised watershed cultivation function caused by surface runoff and accompanying disasters, degraded water quality, ecological destruction and so forth at Tokyu Resort Town Tateshina.

Please go [here](#) to read the TCFD/TNFD Report.

(Reference) Stronger disclosure of social efforts to complement environment-related disclosures

-Efforts aimed at urban resilience and community coexistence-

Viewing both the resolution of environmental issues and the continuity of communities and society as priority challenges for the forward development of corporations, the Tokyu Fudosan Holdings Group engages in a number of activities through its businesses that include the enhancement of area value and the generation of economic effects. Recently, the Group disclosed its main efforts in this regard on its Sustainability Site. Please review this along with the Report.

●Enhancement of urban resilience and area value

Urban redevelopment in greater Shibuya area

Redevelopment projects

Disaster countermeasures at operated/contracted management facilities

- Efforts aimed at community coexistence

- Community co-existence in greater Shibuya area

- Community co-existence in urban development and renewable energy businesses

- Community co-existence through TENOHA

- Efforts for community exchange at community-based shops, etc.

- Execution of community development agreements, etc. in communities

Please see [here](#) for details.

(Reference) Initiatives for Environmental Management and Digital Transformation (DX) that Tokyu Fudosan Holdings is striving for under its GROUP VISION 2030 long-term vision

Tokyu Fudosan Holdings Corporation announced its long-term vision, GROUP VISION 2023, in 2021. With “WE ARE GREEN,” an expression of its aim to realize its ideal shape by the year 2030 through diverse green power, as its slogan, the company continues to tackle environmental management and DX as its basic policies.

As the Tokyu Fudosan Holdings Group’s core enterprise, Tokyu Land Corporation is actively pursuing a myriad of initiatives with the aim of becoming an environmentally advanced company. By leveraging its renewable energy business that it independently develops on a large scale, it completed the changeover of its offices and facilities held*3 to 100% renewable energy in December 2022. Furthermore, in April 2024, Tokyu Land Corporation was certified by the CDP, the RE100 Secretariat, for achieving the RE100*4. According to the RE100

Secretariat, this marks the first time a business company that achieved the RE100 in Japan*5 was granted that certification.

Going forward, Tokyu Fudosan Holdings will continue using electricity from renewable energy in house as well as keep on providing environmental value to its customers through supplying such electricity through corporate PPA and other arrangements as it aims to realize a decarbonized society through its businesses.

*3: Certain joint business projects, etc. excluded.

*4: Excludes electricity from on-site cogeneration because RE100-approved green gas does not exist in the Japanese market.

Note that Tokyu Land Corporation conducts decarbonization initiatives using carbon neutral gas supplied by Tokyo Gas.

**5: Financial institutions excluded.

Tokyu Fudosan Holdings’ “GROUP VISION 2030

<https://www.tokyu-fudosan-hd.co.jp/english/group-vision-2030/>

Tokyu Fudosan Holdings’ “Medium-Term Management Plan 2025”

<https://www.tokyu-fudosan-hd.co.jp/ir/mgtpolicy/mid-term-plan/>