Group Policy Environmental Management

Message from an Executive Officer



Establishing a solid position in the market through high added value realized via the creation of environmental premiums

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Ever-evolving environmental initiatives that carry on our founding spirit

The Tokyu Fudosan Holdings Group traces its origins back to Den-en Toshi Co., which was founded in 1918 by Eiichi Shibusawa and likeminded individuals to create an ideal garden city rich in greenery. Since our founding, we have pursued urban development in harmony with the environment and local communities, and in 1998, in a move that was almost without precedent in the industry at the time, we formulated our Environmental Vision.*1 Our DNA of addressing social issues through business activities and taking on the challenge of sustainable urban development has been passed down and continues to evolve in the form of our unique value creation.

In GROUP VISION 2030, our long-term management policy formulated in fiscal 2021, we positioned environmental management as a Group-wide policy and set "decarbonized society," "circular society," and "biodiversity" as priority issues. Leveraging our value chain, we are accelerating environmental initiatives across all business domains.

The main contributor toward realizing a decarbonized society is our renewable energy business. Since commencing operations in this business in 2014, we have developed 301 businesses across Japan (total number of projects, as of March 2026), and our energy generation capacity has grown to rank among the highest domestically. Furthermore, we have switched all electricity used at our facilities to 100% renewable energy generated in-house, becoming the first company in Japan*2 to achieve RE100 in 2024, and we managed to maintain this certification in 2025.

Regarding our efforts toward achieving a circular society, we have launched a building regeneration initiative, which makes use of the structural components of existing buildings. In a project completed in Shibuya in 2024, we reduced CO_2 emissions and waste by approximately 90% compared with new building construction, substantially reducing our environmental impact in the process.

In the area of biodiversity, meanwhile, we are advancing building greening in the Greater Shibuya Area and forming an ecological network that serves as a stopover for wildlife on the move. At Tokyu Plaza Omotesando "Omokado," we drew on accumulated ecosystem survey data to issue the first TNFD report in the real estate industry in 2023.

Such business activities clearly illustrate our track record and accumulated expertise in environmental initiatives, which have not only been highly praised*3 by customers, external organizations, and other stakeholders but also instilled in us a strong sense of responsibility and pride as an environmentally advanced company.

Please refer to our Sustainability website for details of external evaluations.

*1 Formulated in 1998 as our basic environmental philosophy but renamed the Environmental Vision in 2011
*2 Excludes financial institutions

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Linking highly distinctive types of environmental premiums to earnings

Our goal is not merely to contribute to the environment. Rather, it is to create new value by addressing environmental issues. In Medium-Term Management Plan 2030, we are promoting the creation of environmental benefits, combining environmental considerations with solutions to social issues such as safety, security, and comfort to generate highly distinctive added value with the aim of achieving sustainable growth and enhancing profitability.

The Company's efforts to simultaneously address environmental issues while realizing business growth are already producing results. For instance, in the renewable energy business—one of our growth strategies—we have built a value chain spanning the development, power generation, management, operation, and retail of electricity at our power plants, and we are expanding the business. Regarding office buildings, in March 2026, we launched Team Green, an advanced environmental collaboration with tenant companies of said buildings that support our environmental initiatives. Through this collaboration, we intend to accelerate our environmental initiatives together with the 36 participating companies,[*3] which share an appropriate portion of the expenses.

Furthermore, we formed and procured financing for Japan's first building regeneration fund. Under the building regeneration initiative I mentioned earlier, we renovate older buildings and convert them into highly profitable stores and offices, enabling us to collect rents on a par with newly constructed buildings and promoting economic circulation. This groundbreaking initiative enhances the value of existing stock buildings and promotes economic circulation.

In our resort business, we are promoting experiential sustainable resorts, which convert environmental value into customer value. At Palau Pacific Resort, for instance, our marine life conservation efforts have resonated with customers, and at Tokyu Resort Town Tateshina, environmental initiatives such as forest conservation have contributed to higher hotel occupancy rates. Ecosystem conservation activities directly enhance the value of facilities and their surrounding areas, making them critically important tourism resources. ▸ P.33

Our advanced environmental initiatives are a unique strength that serve to enhance not only asset value but also customer experiential value and local value. By converting these types of non-financial value into financial value, we will help expand revenue and establish a solid position in the market. Through the creation of such types of environmental premiums, we will pursue monetization alongside the enhancement of corporate value.

*3 As of April 30, 2026

Realizing environmental management that creates value into the future

The Tokyu Fudosan Holdings Group conducts on-site environmental education classes for elementary and junior high school students, the leaders of the future, and many employees voluntarily participate as environmental education supporters. Furthermore, in fiscal 2025, we received 203 entries for our Sustainable Action Award. Every person takes ownership and builds on their modest successes to create broader impacts across the Group. Such activities have made us cognizant of the fact that environmental management has become deeply embedded in our organizational culture and is leading to concrete actions.

In modern society, values are changing, and more so than ever, people demand the balancing of enrichment and comfort with consideration for the environment. To pass on a sustainable society to the next generation, it is essential to transform social systems and encourage behavioral change in each person.

Going beyond the role of a developer, the Group provides infrastructure such as renewable energy and operates businesses involved in every area of people's daily lives. When a customer chooses to utilize the Group's facilities and services, it leads directly to the creation of environmental premiums and the resolution of social issues. Creating such a virtuous cycle is precisely the form of environmental management we aspire to realize.

The Tokyu Fudosan Holdings Group's vision of realizing "a future where everyone can be themselves and shine vigorously" cannot be accomplished without a sustainable global environment. We will develop our environmental initiatives into new business opportunities and a source of competitiveness, creating value that endures into the future. As the partner that stakeholders continue to choose, we will come together as a group to deepen environmental management, creating a virtuous cycle that leads to a brighter future. That stands as both our mission and challenge to overcome.



Employees working as environment education supporters help students learn about the environment

Group Policy

Environmental Management

We create premium value by combining our strengths as an environmentally advanced company with solutions for social issues.

Overview of environmental management



We create premium value, our "environmental premium," that other companies cannot offer, by combining solutions to environmental and social issues with a focus on three key environmental issues. We endeavor to expand business opportunities presented by the need to resolve environmental issues and enhance local value nationwide.

Please refer to our Environmental Management Report for details.

Environment

Solutions for environmental issues

Expanding business opportunities with our strengths in environmental progressiveness

Three key environmental issues

- Decarbonized society
- Circular society
- Biodiversity

Creation of business opportunities

Gaining new business opportunities through co-creation with partners across industry boundaries

Society

Solutions for social issues

Enhancing local value through sustainable community development

Key social issues addressed by the Group

Formation of sustainable regional circular societies

- Contribute to solving and revitalizing local issues through business expansion
- Enhance local value through co-creation with local partners

Safe and secure community development

- Improve disaster resilience through district reorganization and integration
- Build disaster-response systems and form local communities
- Expand resilience of not only buildings but also entire communities

Output

Environmental premiums

Strengthening earnings power by creating high added value

Pursuit of uniqueness

Leading urban development by leveraging our strengths in environmental and energy businesses

Further expansion of business opportunities

Promoting business activities based on solving environmental issues

Create added value through environmental management

- Enhance asset value for the future
- Improve and customer experiential value

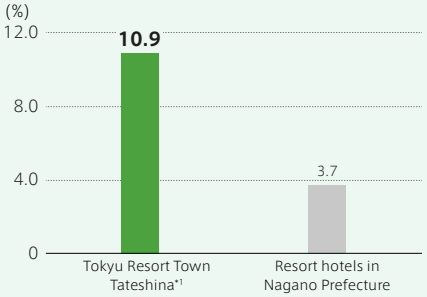
Example of environmental premium creation

Hotel at Tokyu Resort Town Tateshina

Increase in occupancy rates to a level above the average for resort hotels in Nagano Prefecture

At this resort, we promote "Morigurashi," a sustainable environmental initiative striving for forest conservation and harmonious coexistence with local communities. Moreover, since fiscal 2023, we have strengthened initiatives aimed at enhancing customer experiential value by leveraging the natural environment. On the environmental front, we have planted an edible garden to promote resource circulation and held participatory events aimed at monitoring biodiversity. On the social front, we are engaged in various initiatives, including collaboration with Chino City and the development of TENOHA as a hub for environmental communication and regional collaboration. These activities have contributed to earnings, resulting in not only higher operating revenue and guest numbers for the resort in fiscal 2024, compared with the previous fiscal year, but also growth in occupancy rates above the average for resort hotels in Nagano Prefecture.

Growth in room occupancy rates
(Fiscal 2023 and fiscal 2024)



Tokyu Resort Town Tateshina*1
Resort hotels in Nagano Prefecture

*1 Occupancy rate growth is calculated as the weighted average by the number of rooms for the three accommodation facilities at Tokyu Resort Town Tateshina (Tokyu Harvest Club Tateshina, Tokyu Harvest Club Tateshina Annex, and Tateshina Tokyu Hotel) in fiscal 2023 and fiscal 2024.

Output

Environmental premiums

Tokyu Resort Town Tateshina
(Fiscal 2024 results*2)

Operating revenue up
+5.8% year on year

Guest numbers up
+2.9% year on year

Factors behind increase in operating revenue and guest numbers (hypothesis)

- **Growing interest in relaxation in natural environments**
- **Improved customer satisfaction**
  Tokyu Harvest Club member survey*3
  14.9% of Tateshina members cited "experiences of being in nature" as their reason for using the facility (compared with 7.6% for members of other facilities).
  Customer satisfaction: **91.4%** (up 2.4% from fiscal 2022)
- **Increase in new overnight and day visitors**
- **Greater use by local residents and more repeat visitors**

*2 Operating revenue: Total operating revenue from accommodations, dining, golf, skiing, and villas at Tokyu Resort Town Tateshina
Guest numbers: Total number of guests for accommodations, dining, golf, skiing, and activities at the three accommodation facilities in Tokyu Resort Town Tateshina

*3 Based on valid responses from the 2024 Tokyu Harvest Club member survey