



To whom it may concern

Sumitomo Mitsui Trust Bank, Limited






**Notice regarding the Conclusion of a Positive Impact Finance (with unspecified use of funds)
Loan Agreement (with Tokyu Fudosan Holdings Corporation)**

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama; hereinafter “SuMi TRUST Bank”) and Tokyu Fudosan Holdings Corporation (President and Representative Director: Hironori Nishikawa; hereafter “Tokyu Fudosan Holdings”) concluded a “Positive Impact Finance (with unspecified use of funds)” loan agreement (hereinafter “this agreement”) that is in line with the Principles for Positive Impact Finance (*1) released by the United Nations Environment Programme Finance Initiative (hereafter “UNEP FI”) (*2).







Positive Impact Finance (hereinafter “PIF”) is intended to support corporations’ activities of which we comprehensively analyze and evaluate the impacts (both positive and negative) related to the environment, society and economy. The most notable feature of PIF is that the degree of contribution from corporate activities, products and services in achieving Sustainable Development Goals (SDGs) is used as evaluation indicator and monitored based on publicly disclosed information.

Tokyu Fudosan Holdings sets its vision for sustainability, as “We solve issues in the society through our business activities and work with stakeholders to realize a sustainable society and growth.” With its wide range of businesses development, diverse assets and customer base, and highly specialized personnel, Tokyu Fudosan Holdings works to resolve various social issues through “Creation of Lifestyle(s)” that is, through new home, work and play styles, working beyond the bounds of physical structures.

In concluding this agreement, SuMi TRUST Bank assessed the following initiatives of Tokyu Fudosan Holdings both qualitatively and quantitatively as initiatives that particularly have impact on achieving SDGs.

Theme	Content	Goals and Indicators (KPI)	SDGs
Improving Quality of Life / Creating Cooperative Communities	Solve social issues changing with the times with “Life Story Town,” “Lifestyle Creation 3.0,” etc.	<p>(Goals)</p> <p>a. Contribute to improving quality of life, creating communities and local economies through the creation of value on the time axis and the spatial axis in city planning</p> <p>b. Increase customer satisfaction level to 90% or more by FY2030, according to the Tokyu Cosmos Members Club Questionnaire survey</p> <p>c. Implement measures to revitalize communities 10 cases or more per year after FY2021, and 100 cases or more by FY2030</p> <p>d. Supply products and services that contribute to “Lifestyles Creation 3.0” 10 cases or more per year after FY2021, and 100 cases or more by FY2030</p> <p>(Indicators (KPI))</p> <p>a. Status of value creation in new lifestyle creation</p>	    



		<p>and a wide range of business fields, and initiatives for increasing local value</p> <p>b. Customer satisfaction level of Tokyu Cosmos Members Club Questionnaire survey</p> <p>c. The number of measures to revitalize communities</p> <p>d. The number of products and services that contribute to “Lifestyles Creation 3.0”</p>	
Urban resilience	Development of robust, disaster-resistant city functionality	<p>(Goal)</p> <ul style="list-style-type: none"> ✓ Contribute to safety and security in local communities and urban areas <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Status of initiatives of providing value through “Safe and Secure Housing” 	 
Global environmental conservation	Urban development for coexistence with the environment	<p>a. Initiatives to reduce CO₂ emissions</p> <p>(Goals)</p> <ul style="list-style-type: none"> ✓ Net-zero CO₂ emissions (scope1,2,3) by FY2050 ✓ 46.2% reduction in CO₂ emissions (scope1,2,3) by FY2030 (compared with FY2019) ✓ CO₂ emissions (scope1,2) are less than "CO₂ reduction contribution" comprising the sum of renewable energy generation (equity ratio) and forest conservation credits by FY2025 <p>(Indicators (KPI))</p> <ul style="list-style-type: none"> ✓ CO₂ emissions (scope1,2,3) ✓ Volume of contribution to reduction of CO₂ emissions <p>b. Expansion of use of renewable energy</p> <p>(Goal)</p> <ul style="list-style-type: none"> ✓ 100% renewable energy for the electricity used for business activities of all of Tokyu Fudosan Holdings by FY2050. Achieve 60% by FY2030 and 90% by FY2040 as milestone goals <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Ratio of renewable energy in the total of the electricity used for business activities of all of Tokyu Fudosan Holdings <p>c. Promotion of acquisition of environmental certifications for real estate</p>	   



		<p>(Goal)</p> <ul style="list-style-type: none"> ✓ 100% acquisition of environmental certifications in newly constructed, large-scale properties, including office buildings and commercial facilities (CASBEE: A Rank or above, DBJ: 4 stars or more, BELS: 4 stars or more) <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Ratio of acquisition of environmental certifications <p>d. Proper use and management of water resources</p> <p>(Goal)</p> <ul style="list-style-type: none"> ✓ Reduce water usage every year compared to the previous year until FY2030 <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Water usage per area of floor space of its business offices and real estate portfolio <p>e. Reduction of waste volume</p> <p>(Goals)</p> <ul style="list-style-type: none"> ✓ Reduce waste volume 11% by FY2030 (compared with FY2019) <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Waste volume per area of floor space of its business offices and real estate portfolio 	
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This agreement has obtained a third-party opinion (*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding compliance of the procedures related to this agreement's evaluation to the Principles as well as the rationality of the evaluation indicators.

Through providing PIF and other solution for sustainability businesses, we will continue to support clients' business activities that contribute to the achievement of the SDGs and contribute to the enhancement of their corporate value over the medium to long term.

Ends

(*1) The Principles for Positive Impact Finance

The Principles for Positive Impact Finance was developed by UNEP FI in January 2017 as a financial framework for achieving the SDGs. Companies disclose the level of contributions to achieving SDGs through KPIs. Banks then provide funding by evaluating the positive impact observed from these KPIs that is intended to guide the borrowers to increase positive impact and reduce negative impact.

The lending bank, as a responsible financial institution, will check if the impact is continuing or not by monitoring the indicators.



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(*2) The United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme (UNEP) is an executive body for implementing the “Human Environment Declaration” and the “International Environmental Action Programme”, established in 1972 as a subsidiary body to the United Nations system. UNEP FI represents a broad as well as close partnership between UNEP and more than 200 global financial institutions. Since its establishment in 1992, UNEP FI has been working in concert with financial institutions, policy/regulatory authorities to transform itself into a financial system that integrates economic development and ESG considerations.

(*3) For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:

<https://www.jcr.co.jp/en/>