

○ Environmental Policy

Takara Leben Group environmental policy

The Takara Leben Group is committed to the corporate vision of "THINK HAPPINESS AND MAKE THE HAPPINESS," to contribute to the creation of cities where all people can live with peace of mind. We think more about tomorrow's happiness than anyone else and propose the creation of a sustainable environment that is friendly to the Earth.

1. Providing environmentally friendly buildings and spaces

We will strive to improve environmental performance, reduce environmental impact, and actively incorporate environmentally friendly technologies and ideas into our products and services to help address global warming and create a recycling-oriented city.

2. Addressing climate change

We will contribute to reducing greenhouse gas emissions and mitigating climate change issues through the efficient use of energy, the development and operation of renewable energy generation facilities, and the utilization of renewable energy.

3. Maintenance and conservation of biodiversity

In all of our business activities, we will strive to reduce the impact on, and conserve, biodiversity by taking into consideration the risks that may affect the surrounding ecosystems and biodiversity, conducting appropriate risk management, and giving due consideration to environmental conservation in accordance with the natural and social conditions of the region.

4. Promotion of resource recycling

We will work to conserve the water environment and reduce waste, and, through the promotion of the 3Rs (reduce, reuse, recycle), we will strive to reduce our environmental impact and contribute to the formation of a recycling-oriented society.

5. Compliance with environmental laws and regulations and environmental education

We will comply with environmental laws, regulations, and other relevant laws and regulations, and we will raise the environmental awareness of our employees through education and awareness activities on the environment.

6. Establishment of environmental management

We will promote appropriate environmental management by setting and periodically reviewing environmental targets.

○ Climate Change Initiatives

■ Takara Leben's perception of climate-related issues

We recognize the resilience of our business to climate change and climate-related challenges as follows: The progression of climate change is a scientific fact, as demonstrated by the Paris Agreement, the IPCC Special Report, and the IPCC Sixth Assessment Report. We recognize that the progression of climate change will cause dramatic changes in the natural environment and social structure and that it is a challenge that will have a significant impact on our management and overall business.

As a result of ongoing climate change, weather and climate disasters, such as more intense typhoons and torrential rains and more frequent heat waves and droughts, are expected to occur and expand, alongside a progressive rise in global sea levels, which may have a significant impact on our business.

As part of a worldwide effort to mitigate climate change, we anticipate a shift toward decarbonization of the social economy, including the establishment of frameworks to reduce greenhouse gas emissions and stricter emission regulations, and these changes could have a significant impact on our business. Recognizing that climate change is a systemic risk in finance, many stakeholders, including investors, are demanding disclosure of information on climate-related risks and opportunities. In particular, we recognize that improving transparency through the promotion of climate-related risk disclosure, in line with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), is a critical issue for our company. Identifying, assessing, and managing the risks and opportunities posed by climate change and enhancing the resilience of our business is essential to ensure our sustainable and stable earnings over the long term.

■ Governance

The following governance structure has been established to address climate-related risks and opportunities. The Chief Executive Officer for climate-related issues is the Representative Director, and the Executive Officer is the Director in charge of sustainability. The Chief Operating Officer reports regularly to the Chief Executive Officer on matters related to climate change response, including identification and assessment of climate change impacts, management of risks and opportunities, progress of adaptation and mitigation efforts, and establishment of indicators and targets, at the Sustainability Committee meetings. After deliberation and consideration of each agenda item by the attendees of the Sustainability Committee, decisions are made by the Chief Executive Officer.

■ Strategies

We establish a process for identifying, evaluating, and managing the impact of climate-related risks and opportunities on our business activities, strategies, and financial plans and operate it appropriately. In identifying and assessing climate-related risks and opportunities, we aim to do so systematically and objectively, utilizing scientific and academic knowledge.

■ Managing risks and opportunities

By managing identified climate-related risks/opportunities and promoting resilience initiatives, we aim to reduce business risks and realize value creation opportunities to ensure sustainable and stable earnings over the long term.

■ Indicators and targets

We establish indicators and targets for managing climate-related risks and opportunities that are consistent with our operational strategy and overall risk management. The Company agrees with the TCFD recommendations and disclose climate-related information in line with the requirements of the guidelines.

■ Repeal and revision

The Sustainability Committee approves this policy and any amendments or revisions to its content. At least once a year, the Sustainability Committee reviews the content of this policy to ensure that it is appropriate for our approach to climate-related issues.

○ Environmental Data

The Group's Scope 1 and Scope 2 greenhouse gas (CO₂) emissions and energy consumption are shown below:

■ Greenhouse gas (CO₂) emissions

Unit: t-CO₂

Category	FY2020	FY2021	Remarks
Scope1	374	378	Combustion of city gas, LP gas, kerosene, gasoline
Scope2	1,585	1,646	Use of electricity and cold water
Total	1,959	2,023	

* The scope of environmental data calculation covers the Takara Leben Group (11 consolidated companies).

* The period covered is FY2020 and FY2021 (April 1, 2020 to March 31, 2022).

* The figures for FY2021 are provisional and subject to change.

* The Group excludes greenhouse gases other than CO₂ (chlorofluorocarbons, etc.) because of their extremely small amounts, and it only calculates and reports CO₂ emissions.

■ Energy consumption

Unit: kL of crude oil equivalent

	FY2020	FY2021
Electricity	915.2	985.9
City gas	3.2	0.5
LP gas	0.0	0.4
Gasoline	140.8	144.4
Kerosene	0.7	0.3
Cold water	1.2	0.4
Total	1,061.1	1,131.9

* The scope and period covered by the energy data are the same as for CO₂.

* The values for FY2021 are provisional and subject to change.

* Crude oil conversion is a measure to compare the size of different energy sources, such as electricity and gas.

Renewable Energy

Energy Business

The Takara Leben Group conducts energy business utilizing renewable energy that contributes to reductions in the emissions of CO₂, a greenhouse gas. We develop mega-solar power facilities at places such as on idle land for large-scale solar power generation.

Since entering this business in 2013, we have been involved in developing many mega-solar power facilities centered on the Kanto area. Total power generation is approximately 310 MW as of the end of March 2022, and we acquired our first wind power plant, Leben Wind Plant Nagasaki Tsushima Power Generation Facility in November 2021.

List of renewable energy generation facilities

Tohoku

Aomori Prefecture

- LS Aomori Hiranai Power Generation Facility

Miyagi Prefecture

- LS Miyagi Osato Power Generation Facility
- LS Miyagi Sendai A & B Power Generation Facility
- LS Miyagi Osato 2 Power Generation Facility
- LS Miyagi Ohira Power Generation Facility
- LS Miyagi Matsushima Power Generation Facility

Fukushima Prefecture

- LS Fukushima Yamatsur Power Generation Facility
- LS Fukushima Kagamiishi 1 and 2 Power Generation Facility
- LS Fukushima Tamura Power Generation Facility

Iwate Prefecture

- LS Iwate Hirono Power Generation Facility
- LS Iwate Hachimantai Power Generation Facility

Kanto-Koshinetsu

Ibaraki Prefecture

- LS Koga Onanuma Power Generation Facility
- LS Tone A, B, and C Power Generation Facility
- LS Chikusei Power Generation Facility
- LS Tsukuba Bouchi Power Generation Facility
- LS Miho Power Generation Facility
- LS Mito Takada Power Generation Facility
- LS Tone Fukawa Power Generation Facility
- LS Sakuragawa 3 Power Generation Facility
- LS Kamisu Hasaki Power Generation Facility
- LS Hokota Power Generation Facility
- LS Sakuragawa 2 Power Generation Facility
- LS Inashiki Aranuma 1 Power Generation Facility
- LS Sakuragawa Nakaizumi Power Generation Facility
- LS Sakuragawa 4 Power Generation Facility
- LS Sakuragawa Shimoizumi Power Generation Facility

- LS Sakuragawa 1 Power Generation Facility
- LS Inashiki Aranuma 2 Power Generation Facility
- LS Takahagi Power Generation Facility
- LS Ibaraki Kasumigaura Power Generation Facility
- LS Sakuragawa Makabe Power Generation Facility

Tochigi Prefecture

- LS Shioya Power Generation Facility
- LS Nasu Nakagawa Power Generation Facility
- LS Fujioka A Power Generation Facility
- LS Fujioka B Power Generation Facility
- LS Shioya 2 Power Generation Facility

Nagano Prefecture

- LS Nagano Shiojiri Power Generation Facility

Tokyo Metropolitan Area

Saitama Prefecture

- LS Hanno Misugidai Power Generation Facility

Chiba Prefecture

- LS Chiba Wakaba-ku Power Generation Facility
- LS Sosa Power Generation Facility
- LS Chiba Sammu East and West Power Generation Facility
- LS Chiba Narita Power Generation Facility
- LS Chiba Katsuura Power Generation Facility

Chubu

Shizuoka Prefecture

- LS Shizuoka Omaezaki Power Generation Facility

Aichi Prefecture

- LS Aichi Toyohashi Power Generation Facility

Mie Prefecture

- LS Mie Yokkaichi Power Generation Facility

Kinki

Wakayama Prefecture

- LS Shirahama Power Generation Facility

Chugoku

Hiroshima Prefecture

- LS Hiroshima Mihara Power Generation Facility

Tottori Prefecture

- LS Tottori Daisen Power Generation Facility

Okayama Prefecture

- LS Okayama Tsuyama Power Generation Facility

Kyushu and Okinawa

Nagasaki Prefecture

- LS Nagasaki Isahaya Power Generation Facility
- LS Nagasaki Sasebo Power Generation Facility
- LWP Nagasaki Tsushima Power Generation Facility

Kagoshima Prefecture

- LS Kirishima Kokubu Power Generation Facility
- LS Kagoshima Kanoya Power Generation Facility
- LS Kirishima Kokubu 2 Power Generation Facility
- LS Kagoshima Tanegashima Power Generation Facility

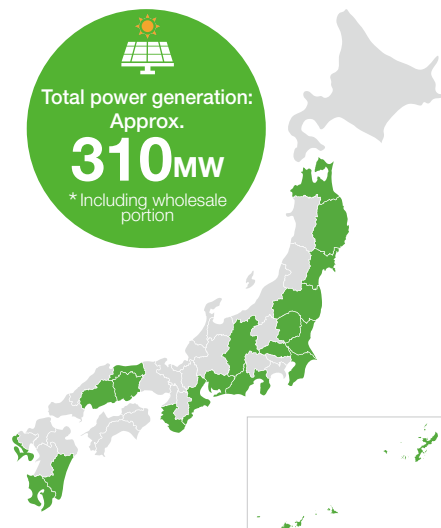
Miyazaki Prefecture

- LS Miyazaki Miyakonojo Power Generation Facility

Okinawa Prefecture

- LS Miyakojima Gusukube Power Generation Facility

etc.



Biomass Power Generation

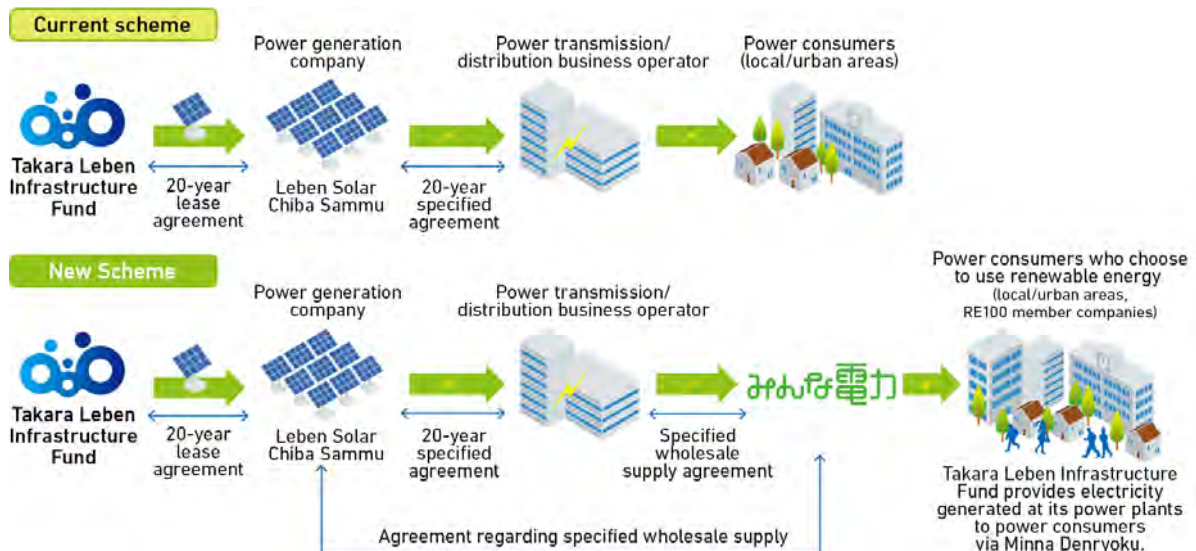
In 2021, Takara Leben entered the biomass power generation business for the first time in the company's history. The Fuji Asagiri Biomass Power Plant (Fujinomiya City, Shizuoka Prefecture), which is currently in trial operation to start selling electricity in FY2022, generates biomass power using cattle manure collected from members of the Fuji Kaitaku Agricultural Cooperative Association. The power plant generates electricity by burning biogas generated from the fermentation process of cattle manure, which emits less CO₂ than the direct combustion of wood waste and combustible waste. The liquid fertilizer produced with the biogas will be marketed as Fuji Asagiri Biomass Liquid Fertilizer.

This project is the second renewable energy power generation project, after the solar power generation project, and is also an initiative to build a regional recycling-oriented symbiosis zone that supplies clean energy while effectively utilizing waste materials and solving the problem of disposal of cattle manure.



LS Chiba Sammu East & West Power Plants Sign Specified Wholesale Supply Agreement with Minna Denryoku Co.

In September 2021, Takara Leben Infrastructure Fund concluded a specified wholesale supply agreement with Minna Denryoku Co. (currently UPDATER, Inc.) Minna Denryoku is developing a service that connects electricity producers and users with renewable energy sources. It aims to promote a decarbonized society and the spread of renewable energy by supplying electricity produced at the LS Chiba Sammu East & West Power Plants to households that choose energy with a low environmental impact and to companies that practice environmentally friendly management through Minna Denryoku.



○ Measures to Reduce CO₂ Emissions

Takara Leben Infrastructure Fund seeks to create eco-friendly, sustainable environments by investing in renewable energy power generation facilities and other projects. Its efforts contribute to reducing CO₂ emissions by approximately 77,328 tons* annually.

* Annual amount of reduction of CO₂ emissions compared to fossil fuel-fired thermal power plants based on the output of power generation facility panels.



○ Takara Leben Sustainability Fund

Takara Leben has begun operation of new means of financing with the aim of encouraging measures that contribute to the global environment. Leben Funding LLC. was established in January 2021, and in collaboration with Funds, Inc., it launched the Takara Leben Sustainability Fund #1~3 and conducted crowdfunding to solicit loan investments from a wide range of investors. The collected funds will be used as working capital for renewable energy projects and Sustainability (CSR) measures.



Providing Environmentally Conscious Products & Services

LEBEN NAGANO NAKAGOSHO THE PEERLESS ZEH Condominium

LEBEN NAGANO NAKAGOSHO THE PEERLESS (Nagano Prefecture) is a ZEH condominium* with unprecedented environmental value offered by Takara Leben, through its initiatives such as peak power usage control using IoT, energy conservation in private areas through all-electrification and collectively electricity receiving, and CO₂-free electricity supply. This is the first condominium certified as "ZEH-M Oriented," which is a project presented by the Ministry of the Environment to promote CO₂ reduction in new housing complexes and existing houses, among Takara Leben properties and in Nagano Prefecture.

* Condominiums developed under the ZEH (net Zero Energy House) scheme that aims to achieve the net zero target of annual primary energy consumption through energy conservation by improving thermal insulation efficiency and installing highly efficient equipment and systems, while maintaining comfortable interior environment.



ISO 14001 Certification Acquired

At Leben Home Build, we consider proactive initiatives to deal with environmental issues to be an important management issue. Therefore, we acquired ISO 14001 certification—the international standard for environmental management systems—in 2008.

The execution of ISO 14001 at Leben Home Build follows our management manual and is audited annually by an external agency. For FY2021, an on-site audit by an external agency was conducted in May, and we have renewed our existing certification.



Details of Leben Home Build's initiative

- Separate waste at construction sites and encourage recycling.
- Carry out waste separation and reduction at each business location.
- Encourage the use of environmentally friendly and compact vehicles as company vehicles.
- Adopt plans, designs, and proposals for saving energy.

Social Contribution and Recovery Activities

○ Tohoku-Miyagi Online Revive Marathon 2021

Takara Leben has been a supporter of the Tohoku-Miyagi Revive Marathon since FY2019 with the aim of supporting recovery from the 2011 Great East Japan Earthquake. Since FY 2020, the marathon has been held as the “Tohoku/Miyagi Online Recovery Marathon,” which can be held even in situations where people cannot gather due to the spread of the new COVID-19. Participating runners download a GPS training application to their smartphones, select a course of their choice from Iwate, Miyagi, or Fukushima, and aim to complete the target distance within the event period. The total distance run by all runners is donated to reconstruction support organizations in each affected area. Twenty-three employees from the Takara Leben Group participated in this event.



○ Donation to the “Chinju-no Mori Project”

In the Great East Japan Earthquake, deeply rooted trees mitigated the force of the tsunami, and in the Great Kanto Earthquake and the Great Hanshin Earthquake, disaster prevention forests played an important role in stopping large fires. One of the irreplaceable symbols of Japan’s forests is the “Chinju-no-mori” (Shrine Forest) that surrounded shrines. Takara Leben Tohoku supports and donates to the “Chinju-no Mori Project,” which aims to support disaster-prone Japan by creating as many forests as possible modeled after the “Chinju-no Mori” forests that nurture animal and plant life, bring minerals to fields, seas, and rivers, and protect communities and lifestyles.



○ Donation to Meals on Wheels Logistics System

Takara Leben Tohoku donates to Meals on Wheels Logistics System as part of its efforts to contribute to the achievement of the SDGs and the revitalization of the Tohoku area. This activity, promoted by the Japan Food Support Activities Cooperative Association, aims to create an environment where all people, including children and the elderly, who gather at children's cafeterias and other places across the country, can obtain meals. We have established a system to deliver food donated by various organizations and municipalities to approximately 1,800 locations and child support groups via 37 logistics centers (locations/warehouses with freezing/refrigeration facilities for food, matching coordination of donated food) and 76 hubs (branches where groups pick up food).



○ Issuance of Private Placement Bonds to Support Medical Professionals

In September 2021, Takara Leben Tohoku issued "Private Placement Bonds for Supporting Medical Professionals" to support medical professionals who are making daily efforts to combat the new COVID-19 infection. The bonds are a product in which a portion of the commission received by The Bank of Akita upon issuance (0.2% of the issue amount) will be donated to medical institutions working to combat the novel COVID-19 infection. In November 2021, the Bank made a donation to Meiwakai Nakadori General Hospital (Akita Prefecture).

○ Donation to Good Neighbors Japan

Good Neighbors Japan is a non-profit organization operating in Japan and abroad with a vision of "a society where children are full of smiles and everyone can live humanely" and a mission of "working with partners in Japan and abroad to eliminate the causes of poverty and discrimination and the threats posed by disasters and conflict."

In Japan, as a project to address child poverty, we operate the "Good Gohan" program, which regularly distributes food to single-parent households. Takara Leben Infrastructure Fund and its asset management company, Takara Asset Management support the activities of Good Neighbors Japan and make donations to the organization.

○ Donation to NPO KATARIBA

Takara Leben Infrastructure Fund and its asset management company, Takara Asset Management have donated to a non-profit organization certified by the Tokyo Metropolitan Government, KATARIBA. This organization provides educational support to children in Japan who have been deprived of opportunities to study due to reasons such as a disaster or poverty. Donations are used for activities such as creating a place for children to spend their after-school hours for free and providing study support and meal support.

○ TABLE FOR TWO

Takara Leben continues to donate to TABLE FOR TWO International, a non-profit organization that seeks to solve the global problem of food inequality. Since November 2018, as part of our diversity promotion efforts, we have been distributing vegetables cultivated at the Leben Village, a farm that employs those with disabilities, to anyone within the company who so desires. At the same time, we collect ¥50 for each bag of vegetables. As part of the activity costs for FY2021, we donated ¥5,400 in October 2021 and ¥13,270 in April 2022.

 TABLE FOR TWO



○ Japan Children Support Association Joined, Donation Made

Takara Asset Management and Takara Leben Infrastructure Fund, to which Takara Asset Management outsources asset management operations, has joined and made a donation to the specified non-profit organization “Japan Children Support Association.” The mission of the association is to permanently solve the cycle of child poverty and violence, and it provides support for foster parents and child raising so that children can live with peace of mind. Supporting the association is also linked to the SDGs.



○ Takara Leben Cleanup Activities

The Takara Leben Group aims to be a company that contributes to the development of local communities through real estate. Each of the companies in the Group engages in social contribution activities. Takara Leben Tohoku regularly cleans the Aoba-Dori street in front of its head office and the areas around condominium construction sites in order to beautify the areas where people live. In addition, Takara Leben Nishinohon is registered as a participating company in the “Petit Beautification Campaign,” a cleanup campaign promoted by Matsuyama City, and is regularly engaged in cleanup activities not only in Matsuyama but also in Fukuoka to promote the creation of a beautiful city. Similarly, Leben Home Build also conducts regular cleanups around its offices.



Support for Sports and Culture

○ Nippon TV Tokyo Verdy Beleza

In February 2021, Takara Leben signed a corporate partner agreement with Nippon TV Tokyo Verdy Beleza, Japan's leading women's soccer team, to provide the experience of excitement and joy that sports can bring.

In November, we held "Takara Leben Day," a crown game in the tenth round of Japan's first professional women's soccer league, WE League, versus Omiya Ardiya VENTUS. On the day, we distributed novelties to visitors, promoted Takara Leben by displaying our logo signboard, and invited elementary school students from Itabashi Ward, Tokyo, where our company was founded, to "Takara Leben Presents Itabashi Ward Soccer Festa" to enjoy playing soccer on the coveted pitch where professionals play matches.



○ Ehime SDGs Koshien

In commemoration of its 50th anniversary, the Takara Leben Group is holding an event to raise awareness of the SDGs among high school students, who are the future. Takara Leben Co., Ltd., Takara Leben West Japan Co., Ltd., and Leben Community Co. Ltd. have jointly been special sponsors of "Ehime SDGs Koshien - High School Students' SDGs Practice Project" (sponsor: NPO Association for Regional Education Support) since March 2022. In this project, 12 teams (82 students) of high school students interested in the SDGs learn the basics of the SDGs, such as poverty issues, climate change, and gender equality, and then decide on a theme based on local issues and their living environment to make presentations. Participating high school students will also be part of the jury to evaluate the results of each other's activities and select the grand prix winner.



○ Environmental Photo Contest

Takara Leben participated in the 28th Environmental Photo Contest 2022 (sponsored by President Inc. and supported by the Ministry of the Environment and the Institute for Environmental Civilization), in which citizens take photos based on a theme set by the company and express their thoughts and commitment to the environment through a joint effort between the company and citizens. Based on the company's commitment to solving social issues with the keyword "happiness," many entries were received for the Takara Leben Award, which was solicited under the theme of "Happiness in Water and Life." After a rigorous screening process, the Excellence Award was presented to "First Hand Push Pump," an impressive work showing water pumped from a well and the joyful expressions on the faces of children.



Excellence Award "First Hand Push Pump"



Honorable Mention "Playing with Water Rather Than Flowers"



Honorable Mention "Vegetable Washing"

○ grape Award 2021

The "grape Award," sponsored by the Nippon Broadcasting System Group's web media "grape," is a contest that calls for essays that touch the heart. In 2021, the theme of the contest was "Heartwarming episodes that happened around me" and "Stories that heal my heart." Three hundred and seventy-six submissions were received from a wide range of ages, from 13 to 85. Takara Leben has been a special sponsor of the "grape Award" for four consecutive years, presenting the "Takara Leben Award" to a work that is particularly "happy" and befits our corporate vision of "THINK HAPPINESS AND MAKE THE HAPPINESS."

『心に響く』エッセイコンテスト

grape AWARD

grape Award 2021

Takara Leben

タカラレーベン賞

応募作品の中から「幸せ」を感じる作品に贈られます。

特別協賛：株式会社タカラレーベン / 主催：株式会社グレイブ

○ MOMAT Corporate Partnership

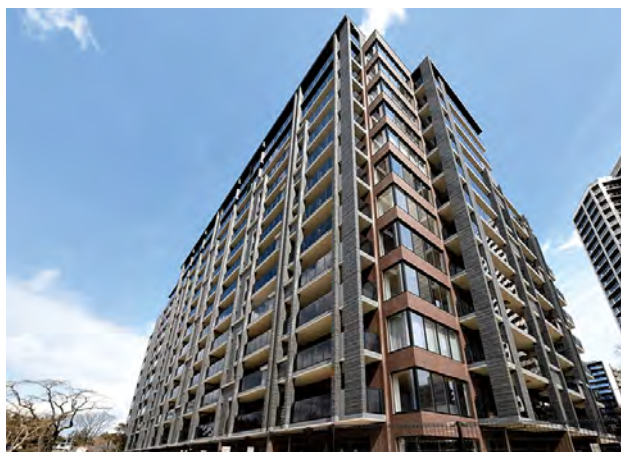
The National Museum of Modern Art, Tokyo, a major center for art in Japan, is promoting the MOMAT Corporate Partnership as a new museum support system in which companies and museums work together as partners.

Takara Leben has been a partner company of the MOMAT Support Circle since July 2021, supporting the activities of the National Museum of Modern Art, Tokyo (including exhibition organization, research and surveys, collection and storage of artworks, educational dissemination activities, and museum management projects), which provide happy moments to the public through artworks of high cultural value. Through this initiative, Takara Leben also aims to contribute to the cultivation of culture and provide employees with opportunities to experience outstanding works of art.



○ Takara Leben Tohoku's Efforts to Preserve Culture

The Takara Leben Group undertakes community development that looks to the future while preserving local cultural assets. During construction of THE LEBEN SENDAI OTEMACHI, which was developed on the site of a former Samurai residence near Aoba Castle in Sendai City, Miyagi Prefecture, Takara Leben Tohoku donated the remains of tiles, ceramics, and other artifacts from the Edo and Meiji Periods to municipal authorities. In addition, the exterior design of the building is based on the Kake Zukuri architectural style favored by Date Masamune, the first Lord of the Sendai clan, and by retaining the design that captures the historical background of the area, we are working to pass on the history and culture of the region.



○ Revitalizing Local Communities through Sponsorship of Professional Sports Teams

As an official sponsor, Takara Leben Tohoku supports three professional sports teams based in Sendai: Vegalta Sendai in the J-League, the Tohoku Rakuten Golden Eagles in professional baseball, and the Sendai 89ers in the B-League. Through sponsorship of each team, we are committed to the promotion of local sports and regional revitalization, and we will continue to contribute to the happiness and development of local communities.

