

Corporate Philosophy, Corporate Data, Financial Highlights, Editorial Policy

Message from the President and CEO

Sustainability Promotion

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- Sustainability Promotion Framework
- Material Issue KPIs and Targets
- Stakeholder Engagement
- Participation in Initiatives
- External Evaluation for Sustainability

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- Disclosure Based on TCFD Recommendations
- Disclosure Based on TNFD Recommendations
- Environmental Management
- Promoting a Decarbonized Society
- Responding to Natural Disasters
- Biodiversity
- Water Resources
- Promoting a Recycling-oriented Society
- External Evaluation and Certification Related to Environmental Friendliness

Sustainability Finance

Social

- Respect for Human Rights
- Supply Chain Management
- Improving Quality and Customer Satisfaction
- Revitalizing and Utilizing Real Estate Stock
- Contributing to Local Society and Communities
- Human Resource Development
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Sustainability Finance

Policy and Concept

Sustainability finance refers to bonds and loans to raise funds specifically for addressing environmental issues such as climate change, as well as social issues including poverty, health, and economic disparity with the aim of transitioning to a more sustainable society.

The Tokyo Tatemono Group promotes urban development that contributes to solving social issues. We strive to improve the attractiveness of the areas in which we develop and to increase the value of our entire asset portfolio. We aim to channel these efforts toward our sustainable growth as a company.

We will establish the cycle of allocating the funds we raise to projects that help solve social issues or have environmental improvement effects. By leveraging our businesses to address social issues and achieve higher levels of growth as a company, we will contribute to the advancement of a decarbonized society and the realization of a sustainable society.

Sustainability Finance Framework

Tokyo Tatemono has put in place several finance frameworks to guide its financing. These frameworks apply the four elements defined in the Green Bond Principles, Social Bond Principles, Green Loan Principles, and Social Loan Principles referred to by the International Capital Markets Association: Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting.

● Use of Proceeds

Proceeds will be allocated to the acquisition and construction of green projects with environmental benefits and social projects that contribute to solving social issues, both of which meet the eligibility criteria, or will be used for refinancing such projects.

● Process for Project Evaluation and Selection

The Finance and Sustainability Management Departments select projects that meet the eligibility criteria. The final decision is made by the President or the officer in charge of the Finance Department.

● Management of Proceeds

The status of the allocation of proceeds is tracked and managed by the Finance Department using an internal control system. The results are confirmed by the officer in charge of the Finance Department or the general manager of the Finance Department on an approximately quarterly basis. The proceeds are managed as cash or cash equivalents until they are allocated. If any funds remain unallocated, additional projects will be selected from among projects that meet the eligibility criteria. The unallocated proceeds will be managed in cash or cash equivalents until their reallocation is decided.

● Reporting

We disclose the allocation status of proceeds-until all raised funds have been fully allocated- as well as the environmental improvement impacts, and social benefits, on our website once a year.

Track Record in Sustainability Finance

● Japan's First Green Bond Issuance and the World's First in the Real Estate Sector

In March 2019, we issued Japan's first (and the world's first for the real estate sector) green hybrid bond with an issue size of 50.0 billion yen. As the largest green bond issue in Japan and with a record number of investment commitments, it also won the Silver Prize (Minister of the Environment's Prize) in the bond category of the first ESG Finance Awards Japan* for its environmental improvement effects and high level of transparency in the use of funds.

* The ESG Finance Awards Japan is an initiative established by the Ministry of the Environment of Japan to evaluate, recognize, and publicize the efforts of investors, financial institutions, and other organizations that have achieved outstanding environmental or social impact through their active involvement in ESG finance and green projects. The awards also recognize companies that have incorporated important environment-related opportunities and risks into their management strategies to enhance their corporate value and create impact on the environment.

● First Issuance of Sustainability Bonds in the Real Estate Sector in Japan

In July 2020, in a first for the real estate sector in Japan, Tokyo Tatemono issued sustainability bonds worth a total of 40 billion yen, becoming the largest-ever issue amount and gaining the largest number of investors by a company not operating in finance for this bond type in the country.

The issued sustainability bonds involved a package of funds to cover the overall urban development of the YNK (Yaesu-Nihonbashi-Kyobashi) area of central Tokyo. The proceeds were allocated to developing this area as a place for comprehensive solutions to social issues, from combating climate change, strengthening disaster prevention and mitigation, and medical cooperation, to addressing food issues and building an innovation ecosystem. As an initiative that was groundbreaking even by global standards, Tokyo Tatemono received the Gold Award in the issuers category of the 2nd ESG Finance Awards Japan.



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Overview of Green Bonds and Sustainability Bonds

Name	2nd Series Subordinated Bonds (Green Bonds)	32nd Issuance of Unsecured Corporate Bonds (Sustainability Bonds)	3rd Series Subordinated Bonds (Sustainability Bonds)	34th Unsecured Corporate Bonds (Sustainability Bonds)	4th Series Subordinated Bonds (Sustainability Bonds)	33rd Unsecured Corporate Bonds (Sustainability Bonds, for individual investors)	35th Issuance of Unsecured Corporate Bonds (Sustainability Bonds, for individual investors)	36th Issuance of Unsecured Corporate Bonds (Sustainability Bonds, for individual investors)
Issue date	March 15, 2019	July 16, 2020	February 10, 2021	July 06, 2023	June 05, 2025	July 30, 2021	May 02, 2024	July 11, 2025
Redemption date	March 15, 2059	July 16, 2030	February 10, 2061	July 06, 2033	June 05, 2062	July 28, 2028	May 02, 2031	July 09, 2032
Issue amount	50.0 billion yen	20.0 billion yen	40.0 billion yen	20.0 billion yen	50.0 billion yen	10.0 billion yen	10.0 billion yen	10.0 billion yen
Framework eligibility criteria	Green Projects Eligible properties are those that have already acquired or are scheduled to be certified/recertified as one of the top two ranks in any of the third-party certification bodies listed in ① to ⑤ below. ① 4 or 5 stars in the DBJ Green Building certification ② A or S rank in the CASBEE Building certification (new buildings) ③ 4 or 5 stars in the BELS certification	Green Projects Eligible properties are those that have already acquired or are scheduled to be certified/recertified as one of the top two ranks in any of the third-party certification bodies listed in ① to ③ below. ① 4 or 5 stars in the DBJ Green Building certification ② A or S rank in the CASBEE Building certification (new buildings) ③ 4 or 5 stars in the BELS certification				Green Projects Eligible properties are those that have already acquired or are scheduled to be certified/recertified as one of the top two ranks in any of the third-party certification bodies listed in ① to ④ below. ① 4 or 5 stars in the DBJ Green Building certification ② A or S rank in the CASBEE Building certification (new buildings) ③ 4 or 5 stars in the BELS certification ④ ZEB certification: "ZEB", Nearly ZEB, ZEB Ready, or ZEB Oriented		
		Social Projects Projects that contribute to any of the following ① to ③ ① Basic infrastructure development and access to essential services ② Socioeconomic improvement and empowerment ③ Food safety				Social Projects Projects that contribute to any of the following ① to ② ① Basic infrastructure development and access to essential services ② Socioeconomic improvement and empowerment		
Use of Proceeds	<ul style="list-style-type: none"> Funding for acquisition, construction, and refinancing of Hareza Tower Refinancing of the acquisition and construction of Nakano Central Park South 	Urban development of the Yaesu-Nihonbashi-Kyobashi (YNK) area next to Tokyo Station, as a contribution to solving social issues ① TOFROM YAESU (Tokyo Station Ekimae Yaesu 1-Chome East District Urban Redevelopment Project (Districts A and B)) ② Yaesu 1-chome North District Urban Redevelopment Project (Gofukubashi Project) ③ Tokyo Square Garden ④ Tokyo Tatemono Nihonbashi Building ⑤ City Lab TOKYO ⑥ TOKYO FOOD LAB ⑦ xBridge-Kyobashi/xBridge-Yaesu/xBridge-Global ⑧ KITCHEN STUDIO SUIBA ⑨ TOKYO IDEA EXCHANGE	Urban development of the Yaesu-Nihonbashi-Kyobashi (YNK) area next to Tokyo Station, as a contribution to solving social issues ① Tokyo Square Garden ② Tokyo Tatemono Nihonbashi Building	Urban development of the Yaesu-Nihonbashi-Kyobashi (YNK) area next to Tokyo Station, as a contribution to solving social issues ① TOFROM YAESU (Tokyo Station Ekimae Yaesu 1-Chome East District Type 1 Urban Redevelopment Project (Districts A and B)) ② Tokyo Square Garden	Urban development that creates value of place and value of experience by meeting the diverse needs of customers and society ① Hareza Tower ② Nakano Central Park South ③ Brillia ist Tower Kachidoki ④ Nonaoayama Building (residences for the elderly, daycare facilities)	Urban development that creates value of place and value of experience by meeting the diverse needs of customers and society ① Nakano Central Park South ② Brillia ist Tower Kachidoki	Urban development that creates value of place and value of experience by meeting the diverse needs of customers and society, etc. ① Nakano Central Park South ② Brillia ist Tower Kachidoki	
External Evaluation	Green1 (JCR)	SU1 (F) (JCR)						
Reporting	Sustainability Finance Reporting							

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Green Loan Financing

We are steadily raising funds through green loans in accordance with a new financing framework established in June 2022.

Green Loan Overview

Name	1st Green Loan	2nd Green Loan	3rd Green Loan	4th Green Loan	5th Green Loan	6th Green Loan	7th Green Loan	8th Green Loan	9th Green Loan	10th Green Loan
Borrowing date	June 28, 2022	December 23, 2022	December 23, 2022	September 29, 2023	December 22, 2023	March 29, 2024	July 31, 2024	November 19, 2024	May 01, 2025	June 26, 2025
Repayment date	June 28, 2032	December 28, 2029	December 23, 2032	September 29, 2028	December 27, 2030	March 31, 2034	July 31, 2034	November 28, 2031	May 01, 2032	June 26, 2035
Loan amount	10.0 billion yen	1.0 billion yen	10.0 billion yen	1.0 billion yen	1.0 billion yen	7.0 billion yen	5.0 billion yen	1.0 billion yen	2.0 billion yen	10.0 billion yen
Framework eligibility criteria	<p>Green Project Eligible properties are those that have already acquired or are scheduled to be certified/recertified in any of the third-party certification bodies listed in ① to ⑤ below.</p> <ul style="list-style-type: none"> ① 3, 4, or 5 stars in the DBJ Green Building certification ② A or S rank in the CASBEE Building certification (new buildings) ③ 4 or 5 stars in the BELS certification ④ ZEB Certification: ZEB, Nearly ZEB, ZEB Ready, or ZEB Oriented ⑤ ZEH Certification: ZEH-M, Nearly ZEH-M, ZEH-M Ready, or ZEH-M Oriented 									
Use of Proceeds	① Refinancing the acquisition and construction of Tokyo Tatemono Sendai Bldg. ② Refinancing the acquisition and construction of T-LOGI Narashino	Refinancing the acquisition and construction of Tokyo Tatemono Sendai Bldg.	Refinancing the acquisition and construction of Tokyo Tatemono Sendai Bldg.	Refinancing the acquisition and construction of Tokyo Tatemono Sendai Bldg.	Refinancing the acquisition and construction of SMARK ISESAKI	Refinancing the acquisition and construction of SMARK ISESAKI	Refinancing the acquisition and construction of SMARK ISESAKI	Refinancing the acquisition and construction of SMARK ISESAKI	Refinancing the acquisition and construction of SMARK ISESAKI	Refinancing the acquisition and construction of T-LOGI Sagamihara
External Evaluation	Green1 (F) (JCR)									
Reporting	Reporting on Green Loans									