

Added to the ESG FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index.

TOKAI RIKA CO., LTD. has been selected as a constituent of both the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index. These indices include Japanese companies that adhere to global standards for environmental, social, and governance (ESG) practices.

This is our second consecutive year inclusion in the FTSE Blossom Japan Index, created by the global index provider FTSE Russell. The index is designed to measure the performance of companies that demonstrate excellent responses to ESG criteria. The FTSE Blossom Japan Index is widely used in the creation and evaluation of sustainable investment funds and other financial products.

※FTSE Russell is an evaluation agency for areas such as corporate governance, health and safety, anti-corruption, and climate change. Companies included in the FTSE Blossom Japan Index meet various criteria related to ESG standards.

Regarding the FTSE Blossom Japan Sector Relative Index, TOKAI RIKA has been selected for three consecutive years since its inception in March 2022. This index is designed to be sector-neutral, reflecting the performance of Japanese companies that excel in ESG practices relative to their respective sectors. The index also promotes the transition to a low-carbon economy by including only those companies with high greenhouse gas emissions that demonstrate improvements in their Transition Pathway Initiative (TPI) Management Quality Score*¹ due to climate change efforts.

*¹ TPI Management Quality Score…It evaluates the quality of companies' management of their greenhouse gas emissions and of risks and opportunities related to the low-carbon transition.



**FTSE Blossom
Japan Index**



**FTSE Blossom
Japan Sector
Relative Index**

These stock market indices are also adopted by Japan's public pension fund management and operation organization, GPIF (Government Pension Investment Fund), as one of the investment decision criteria when conducting ESG investments.

Since FY2021, the TOKAI RIKA Group has been promoting SDGs-based management, embodying its management philosophy of contributing to a prosperous society and harmonizing with nature and communities.

After identifying key issues (materialities), these issues have been aligned with the SDGs and incorporated into TOKAI RIKA's group policies, and its management team regularly conducts progress reviews to ensure continuous improvement. Since May 2021, TOKAI RIKA has been continuously holding briefings on challenges related to its future vision and promoting efforts to achieve its goals by FY2030, including its carbon-neutral strategy.

【TOKAI RIKA Sustainability Initiatives】

<https://www.tokai-rika.co.jp/en/sustainability/>

【TOKAI RIKA Mid-Term Business Plan TRV 2030】

https://www.tokai-rika.co.jp/en/investors/mid-term_business_plan.html