

Sustainable Products and Services Policy

Date of approval: 2025/5/18

SATOYAMA EXPERIENCE is committed to promoting sustainable products, excursion**s** and accommodation (at SATOYAMA STAY). This policy forms part of our Sustainability Policy. Promotion of sustainable tourism by local activity and accommodation providers like us is of the utmost importance since such efforts will have a significant impact on the entire tourism industry.

When developing and proposing our products and services, we will offer the most sustainable package possible within the budget of our customers. We will also work with travel agents who promote sustainable tourism and encourage them to suggest our services to customers seeking such travel. The policy will also inform the selection of excursion/accommodation suppliers that our company collaborates with.

This policy is effective immediately after approval by the management team and circulation to staff, and will be formally reviewed every 2 years to ensure its continued relevance.

Sustainable Product Principles

Our products and services are developed and offered to customers in accordance with the following core principles:

1. The right service for the right price

We offer a safe and hygienic service which customers can enjoy in comfort, and which meets their expectations. We also ensure that products and services are provided with priority given to the most sustainable options within the budget of the customer(s).

2. Fair business

We operate in accordance with fair business practices, respecting the law and human rights, and promoting economic and social equality, as well as environmental and animal protection.





3. Maximising positive impacts on the local environment and community

We will give top priority to providing sustainable activities and accommodation. We will minimise our negative impact on the local environment and community. We will do our utmost to contribute to the sustainability of the local area. For example, we actively organise opportunities for interaction between residents and our customers, in order to promote understanding and sharing of local cultural values.

<u>General Considerations for the Development and</u> <u>Management of Sustainable Products and Services</u>

• Ensuring fair treatment for workers

In order to ensure equal treatment, support human rights, and fulfil its corporate social responsibility, SATOYAMA EXPERIENCE hires staff for all positions without discrimination, whether by age, race, gender, religion, disability or socio-economic status. In addition, we provide and maintain good working conditions with welfare support, taking care of our staff both at work and in their wider lives. We aim to work with suppliers who operate with a high level of care for their human resources, which is of key importance to the tourism sector. Hence, prior to entering into agreements with suppliers, we assess the working conditions of their staff, with regard to such aspects as compliance with minimum wage requirements, reasonable working hours and appropriate breaks during work.

• Reducing single-use plastics

We aim to minimise the use of plastic in all we do. For instance, a water dispenser is available at reception for all users of our facilities, encouraging the reuse of personal water bottles. In addition, we do not offer vanity kits or individually packaged travelsized toiletry containers in guest rooms. We only provide toothbrushes, combs and shaving equipment on request at reception. We also minimise the provision of individually packaged single servings of food and beverages, both in our facilities and during activities, wherever possible.

Waste management

All customer communication, including registration and questionnaires, is conducted online to eliminate paper waste. We separate and handle all waste from our facilities in accordance with local waste management regulations, and we also encourage our guests to separate rubbish in the rooms. Organic waste from our activities and facilities





is converted into fertiliser for reuse in our vegetable garden. To reduce food waste, we ask customers to inform us of any dietary restrictions as far as possible in advance.

• Energy efficiency

Our primary services are activities conducted on foot or by bicycle, involving minimal use of fossil fuels. We also encourage our customers to travel to and from tour sites by public transportation wherever possible.

We have a set of internal sustainability rules which all our staff are required to follow, such as ensuring that lights and electrical appliances are switched off when not in use. Our facilities are equipped with energy-efficient light bulbs and appliances. We purchase our electricity from Hachidori Denryoku, a company which provides 100% renewable energy with zero CO2 emissions. In the event of such a comprehensive plan becoming unavailable, we identify the best alternative plan on the market with the least CO2 emissions.

• Water efficiency

We aim to maximise efficiency in our use of water resources. We have installed watersaving toilets and operate low-flow taps in our facilities to reduce waste. We also use flume water for watering vegetables and washing bicycles after tours.

Means of transport

We recommend and organise the most sustainable practical means of transport for both customers and staff involved in our activities. When using public transport, preference is given to local transport providers and, if more than one is available, to those with more sustainable practices.

Accommodation

When we arrange accommodation, whether through travel agents or directly with customers, preference is given to SATOYAMA STAY accommodation directly managed by SATOYAMA EXPERIENCE, which implements sustainability initiatives. Should this be unavailable or impractical, we recommend and arrange alternative accommodation which operates with the highest level of sustainability.

Protecting children from exploitation

We ensure that the rights of children are respected and safeguarded. We do not employ children below the age of 14. Nor will we do business with providers who do not guarantee the same. However, we do offer opportunities for students to learn about social responsibility and sustainable practices through joining us on an internship basis.





Local procurement

We prioritise Fairtrade products and local food grown sustainably for our customers. The shops visited during activities and suggested to our accommodation guests offer locally produced products. Likewise, patronage of local restaurants which mainly use locally produced ingredients and serve traditional dishes of this area is given priority.

Biodiversity considerations

Our activities and facilities are designed to have as little negative impact as possible on local biodiversity. For example, during tours we are careful to use official roads and marked trails, and at tea breaks we supply biodegradable teabags and avoid single-use cups. Environmentally friendly detergent is used in our facilities wherever possible, and no agrochemicals are used in our vegetable garden. Our website and customer communications provide information on endangered species and the importance of biodiversity protection in the *satoyama* ecosystem, and our tour guides reinforce this message through their interpretation.

A genuine and engaging experience

We aim to incorporate local art, architecture, history, food, and other cultural heritage elements into our tours and facilities. We are committed to creating experiences and spaces for our customers which allow them to feel the actual value of our cultural heritage. For instance, the design of our buildings, both interior and exterior, reflects local architectural and artistic traditions. We also use local ingredients and recipes for breakfast, and offer dinner visits to local homes as well as izakaya-hopping experiences.

Contribution to the community

We respect the life and culture of the local communities in our area, working with them to ensure that their culture and lifestyle are well maintained. Our staff communicate with local residents daily, and are sensitive to their feedback on the impact of our activities, both positive and negative. During activities, we try to create opportunities for interaction between local people and customers, encouraging the sharing of community values. We also make positive contributions to local communities whenever possible, actively participating in and sponsoring local or school events, whether through donations or by providing a venue and staffing.

