

Tokyo Tatemono Group  
CSR Activities 2017 Digest



# Message from the President

## Aiming to Become a Corporate Group Necessary to Both Society and Customers

### Hitoshi Nomura

President and Chief Executive Officer



Founded as the Yasuda financial conglomerate in 1896 by Zenjiro Yasuda, our Group now has the fortune of celebrating its 120th anniversary in October 2016.

The foundation of business for Yasuda was a principle of “customer first” and a progressive spirit. These philosophies have become the heart of our business activities even today.

Presently, we pride ourselves on the trust we have cultivated for over a century, and we will work to create value for our customers and society through our various businesses under the corporate philosophy of “Trust beyond the era” so that we may continually contribute to building a better society in the future.

However, Japan faces various changes, such as intensifying competition between international cities, an aging society with a dwindling birthrate, medium to long-term population decline, and diversifying values. In these challenging times, we aim to provide “attractive value that brings surprise to customers” by

sparkling synergy and strengthening our software services through organic cooperation between various Group businesses in our medium-term business plan. Pursuing both ease of handling our hardware products and enhancement of software services are essential to respond to societal changes and overcome challenges such as an aging society with a dwindling birthrate and diversifying value bring new value to society. We are also driving the capability of each employee by accepting diverse human resources and building an environment to learn, which we believe will be the strength to create Group synergy.

The Tokyo Tatemono Group hopes to build trust with its customers and society by embodying its corporate philosophy of “Trust beyond the era” through all Group employees while growing as a “Corporate group that contributes to the society and necessary to both society and customers.” We ask for your continued support and guidance.

## Philosophy

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# Trust beyond the era.

We will strive for the growth of the company and the creation of an affluent society, taking pride in our trust that extends over a century.

We support affluent and dream-filled living.

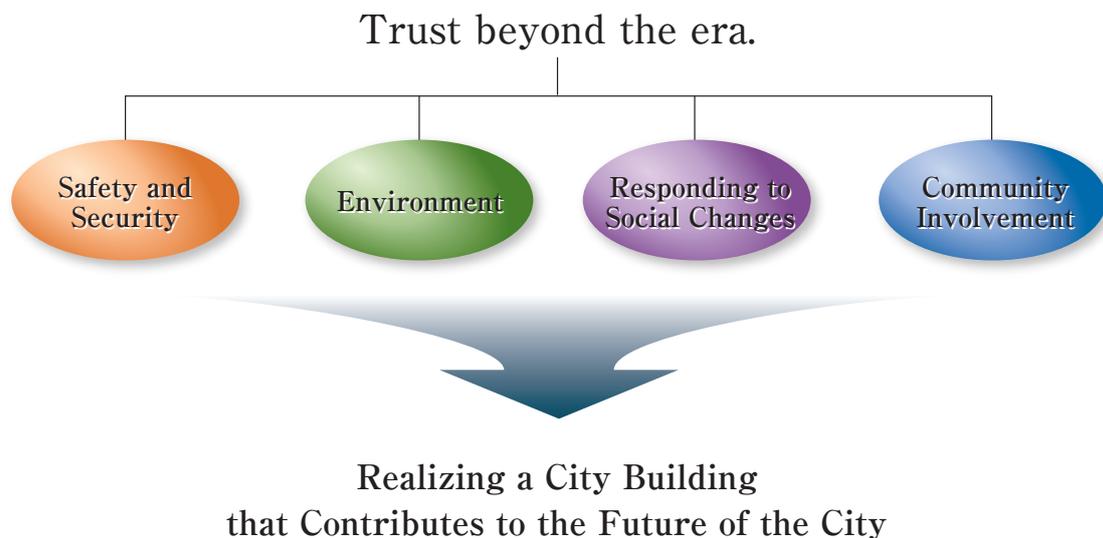
We aim to create comfortable urban environments.

We create worthwhile spaces offering peace of mind.

## CSR Philosophy

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CSR of Tokyo Tatemono Group is to realize city building that contributes to the future of the city based on corporate philosophy and corporate stance. In doing so, we promote CSR activities with the four themes of "Safety and Security," "Environment," "Responding to Social Changes" and "Community Involvement."



# Corporate Governance

## Corporate Governance Policy and System

To enhance the corporate value of Tokyo Tatemono, we strive to build optimal corporate governance while securing soundness and transparency of management while increasing its effectiveness.

We implement corporate governance system of company with board of accounting auditors and establish Board of Directors and Audit & Supervisory Board. Group Management Meeting and Executive Officer System are also implemented for effective and sound management of the Group.

### ■ Board of Directors

There are 11 directors and three are external directors. As a general rule, Tokyo Tatemono holds regular Board of Directors Meeting once a month and extraordinary meeting when a need arises to decide on important matters related to execution of operations and monitor the operations of the directors.

Auditors also participating in the Board of Directors Meeting and share their opinion and make reports when necessary.

### ■ Group Management Meeting

Group Management Meeting consisting from executive officers assigned roles is implemented to deliberate on important matters related to the management of the Group.

In addition, full-time auditors participate in the Group Management Meeting to grasp the situation of the deliberations and share opinion when necessary.

### ■ Audit & Supervisory Board

Audit & Supervisory Board consists from four auditors (two full-time auditors) and two external auditors.

### ■ Executive Officers

Executive Officer System is implemented to stimulate the Board of Directors by separating management and execution of operations and to accelerate decision making process related to operations.

### ■ Internal Control Committee

Internal Control Committee discuss and monitor management of internal control (promoting compliance management and internal management risks), etc. and report to Board of Directors, Audit & Supervisory Board, or other bodies when necessary.

### ■ Advisory Committee

An advisory committee was put in place on August 1, 2016 to deliberate matters such as the selection of director candidates and the chief executive officer as well as the compensation for directors (excluding outside directors). This committee is composed of up to five directors with more than half of whom are outside directors. We guarantee objectivity and transparency of procedures while relying upon the knowledge and advice of our outside directors.

## Supporting System for External Directors and Auditors

Planning Department, which act as a Board of Directors Secretariat, supports the external directors and auditors by providing explanations and information as necessary.

In addition, personnel are assigned as a staff of the auditors upon request from the Audit & Supervisory Board to smoothly execute the auditing duties.

Full-time auditors participate in important meetings including Board of Directors Meeting and Group Management Meeting while receiving relevant reports from accounting auditor, directors, and each division, in addition to having a system to enable exchanging opinion with individual bodies at any time.

# Safety and Security

## Quality in Commercial Properties Business

Tokyo Tatemono Group is promoting Commercial Properties Business under our motto of Human Building— People are always in the middle to ensure customers to feel safe, secure, and comfort. Not only the pursuit for safety and comfortability of building is important, but responding with software aspect is also important to offer sense of security and comfort. Specifically, the following four activities are carried out as axes to improve quality and customer satisfaction in Commercial Properties Business.

- (1) 3CS (Thanks) Activities to solve troubles at an early stage
- (2) Improvement based on customer satisfaction survey
- (3) Active improvement through commendation system
- (4) Regular improvement through implementing PDCA

## Quality in Residential Development Business

The brand identity of Brillia is refinement and comfort. Along with formulating a design guideline that enable refinement, we have built a strict quality standard and management system to prove comfort.

- (1) Acquisition of International Quality Standard ISO 9001 Certification
- (2) Utilization of Housing Performance Indication System
- (3) Quality checklist with approximately 1,000 items
- (4) Double check until construction
- (5) Various inspections
- (6) Reporting to customers

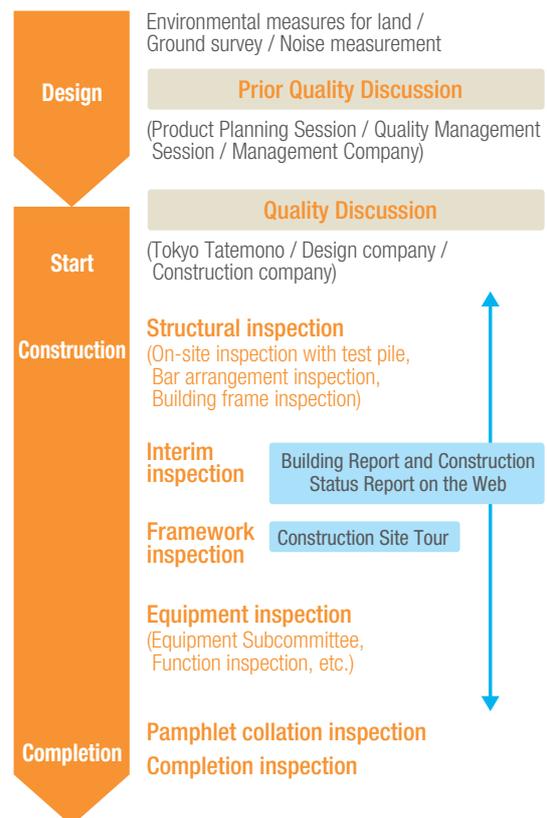
### ■ After-sales Service

We provide service after the completion of condominiums including long-term inspection, correspondence phone service "Brillia Owner's Dial" to support customer's everyday life, and authorization system of used condominiums that provide guaranteed quality at sales.

### ■ Security and Disaster Prevention Quality

Brillia designs and selects equipment following its own security guidelines, implementing high-level of security measures. In addition, we have established a comprehensive disaster prevention measure through "Brillia Disaster Prevention Guideline," which is based on the three concepts of preparation, protection, and cooperation.

### Quality Management until Completion



# Environment

## Group Environmental Policy

Established January 2011

Tokyo Tatemono Group has formulated the Group Environmental Policy to contribute in building a sustainable society through business activities that consider the environment.

- Creating a pleasant city and living with greenery
- Climate change prevention that leads the community
- Resource-saving activity that is kind to the earth
- Developing employees with high environmental awareness

## Acquisition of DBJ Green Building Certification that Certify Environmental and Social Awareness

Currently six properties of office, commercial, and other buildings Tokyo Tatemono own have acquired DBJ Green Building Certification and received high praise.

DBJ Green Building Certification is a system established by the Development Bank of Japan to evaluate initiatives for environmental and social awareness of real estates. The certification is ranked from One Star to Five Stars based on comprehensive score of five perspectives of environmental performance of building, comfortability of tenants, risk management, consideration for surrounding environment and community, and collaboration with stakeholders.

Tokyo Tatemono will continue to respond to social request related to real estate from the stakeholders, respond to the diversification of tenant's needs, and develop real estate considering the environmental and social impact.



Nakano Central Park (East/South)

### Properties certified by DBJ Green Building Certification

Name (Location)	Rank
"Nakano Central Park (East/South)" (Nakano, Nakano-ku, Tokyo)	2016
"Tokyo Square Garden" (Kyobashi, Chuo-ku, Tokyo)	2016
"Otemachi Tower" (Otemachi, Chiyoda-ku, Tokyo)	2016
"Tokyo Tatemono Nihonbashi Building" (Nihonbashi, Chuo-ku, Tokyo)	2016
"SMARK" (Iseaki, Gunma)	2016
"Apartments Tower Kachidoki" (Kachidoki, Chuo-ku, Tokyo)	2016

DBJ Green Building Certification [http://www.dbj.jp/en/service/finance/g\\_building/index.html](http://www.dbj.jp/en/service/finance/g_building/index.html)

## Highly Evaluated Two Consecutive Years by the World's Benchmark in Real Estate

Tokyo Tatemono has been highly evaluated by the Global Real Estate Sustainability Benchmark (GRESB)\*, which is a benchmark to evaluate efforts in environmental, social, and governance (ESG) performance of real estate centers, with the highest honor of the "Green Star" for two consecutive years. We also earned the high praise of "4 stars" (out of 5 stars) in the GRESB Real Estate Rating that provides a comparative assessment based on a comprehensive score that was introduced in 2016.

GRESB <http://gresb.com/>



\*GRESB (Global Real Estate Sustainability Benchmark). This is an ESG benchmark that specializes in real estate established through European superannuation funds and other financing.

# Responding to Social Changes

## Supporting Women to Take Active Role

Trend of number of working women is on the raise and their lifestyle and concept of happiness have diversified along with housing needs. Tokyo Tatemono Group has carefully researched the insights of working women and established the Brillia Bloomoi Project. The project aim to consider and promote the realization of housing that responds to the diversified needs.



Bloomoi is managed by female employees of Tokyo Tatemono

## Declining Birthrate and Growing Proportion of Elderly People

The birthrate is declining and portion of elderly people has been growing in recent years in Japan. It is expected that more than 30% of the total population will be over 65 years of age in 2025. Amid this situation, how final housing or nursing care and medical services should be important social issues.

Tokyo Tatemono Group places Senior Business as the third pillar of business next to Commercial Properties Business and Residential Development Business. With the Tokyo Tatemono Senior Life Support Co., Ltd. at the center, we aim to offer a rich life through integrating housing and service by providing housing service for the elderly and nursing care.



Exchange between the elderly and children in the nursery on the building's first floor

## Aging Condominium and Community Revitalization

Condominiums built all over Japan that supported the rapid growth after the World War II have aged in are in need of reconstruction. In addition to aging of the building, residents of condominiums which were full of childrearing families has aging and declining in number. Solitary death is raised a social issue and revitalization of a community that brings the resident together is a necessity. Tokyo Tatemono Group places long-term reconstruction and focus on redevelopment business as an important strategy of the Residential Development Business in the mid-term management plan. We will contribute in revitalizing the local community through renewing existing stock of condominiums and building and creating new values that match the coming generation at the same time.



**Brillia Tama New Town**  
Preserving existing greenery

## Establishing a Childcare Environment

In recent years, an issue of children on waiting lists for nursery school is occurring due to the lack of childcare facilities caused by a concentrated population and an increasing number of double-income families in urban areas. Tokyo Tatemono Group is working to newly expand the childcare business and to establish a childcare environment for households raising children and for the children of our future. We opened three nursery schools in 2017.



# Community Involvement

## Policy on Community Contribution

There are two policies for area management of Tokyo Tatemono Group that has a policy of "Loving the Community, Becoming Part of the Community." One policy is community building in cooperation with local community of Yaesu, Kyobashi, and Nihonbashi area around the Tokyo Station where our headquarters is located in. Another policy is community building in areas where we operate. We hope to increase the number of visitors through vitalizing the community and increase the allure and value of the community and properties. In doing so, Tokyo Tatemono Group encourages employees to take initiative in blend in with the community and promoting community building.

Such activities include cleaning and other activities related to the environment, management of public and shared items, events that vitalize the community, development of software such as providing services and community building, anti-crime, and disaster prevention.



Participating in Sanno Festival, One of the Three Major Festivals of Japan



Holding Eco Town Seminar (environmental seminar) to Learn and Think about Building Ecological City at Tokyo Square Garden



Participation in Partner's System of Tanbo as Reconstruction Support After the Great East Japan Earthquake



Supporting Disabled Sports: Shin-Toyosu Brillia Running Stadium

This booklet is digest version of the Tokyo Tatemono CSR site. More information is available on the Tokyo Tatemono CSR site. Furthermore, Japanese version of the Tokyo Tatemono CSR site has PDF version CSR report (Japanese) in that has even more information.

**CSR site (English)** <http://www.tatemono.com/csr/english/>

**CSR report (Japanese only)** <http://www.tatemono.com/csr/reports/>

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