TOKYO TATEMONO GROUP CSR REPORT 2018



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[Editorial Policy]

Tokyo Tatemono Group sees the realization of a sustainable society as its duty. The CSR information broadcast to society is for the purpose of communicating the type of initiatives that we are undertaking to all of our stakeholders. The CSR Communication Book (Booklet) is published in an easy-to-read format to target an even greater number of people. Initiatives including all data are published in a CSR Report that brings together our efforts each year as a PDF on our CSR website. To facilitate understanding from various stakeholders, Tokyo Tatemono Group selects themes considered important to society and our customers and strives to expand our public information items around recent examples of initiatives for those themes. Our CSR information this year follows the trend to publish social ESG information and structure that information into E (Environment), S (Society) and G (Governance) chapters. In addition, the feature article includes initiatives distinct to the Tokyo Tatemono Group that we would like to highlight in particular to all of our stakeholders. In Responding to Social Changes, recent

In Responding to Social Changes, recent activities that the Tokyo Tatemono Group is focusing on in response to the changing society are reported.

[Publication Date]

June 2018 (Revised based on June 2018 environmental data)

[Period of Reporting]

Activities in FY2017 (January 1, 2017 to December 31, 2017) are set as the target period for reporting, but some of the information included in this report is for other fiscal years as well. Environmental data corresponds to a period between April to the following March of each fiscal year.

[Scope of Reporting]

This report primarily focuses on activities of Tokyo Tatemono Co., Ltd., but some sections report on activities of the entire Tokyo Tatemono Group or Group companies. Activities of Tokyo Tatemono Co., Ltd. are indicated as Tokyo Tatemono and activities of the entire Group are indicated as the Tokyo Tatemono Group.

[Department Supervising Publication]

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

Tokyo Tatemono was founded as the Yasuda financial conglomerate in 1896 by Zenjiro Yasuda, and it is the oldest real estate company in Japan. At a time when real estate transactions were not sufficiently available, Yasuda was founded based on a philosophy to ensure the customer always comes first and to have an enterprising spirit with the belief that all people should feel secure in real estate transactions. This philosophy is the foundation of our business activities even now passed down generation to generation for over 120 years to today.

Looking back at the history of the path taken by the Japanese corporation, we saw generations from a high growth period after the war to a lack of properties where anything built would sell. However, as society became more affluent, people began to select only quality real estate, and that quality has now become expected to give way to a generation where customers will only choose real estate able to provide greater added value. Companies must also continue to take on further challenges to earn trust from our customers or it will not survive. This means our philosophy focusing on the two principles to ensure that the customers always comes first and to have a progressive spirit of acting ahead of the times are more important than ever before. However, looking at the current economy in Japan, we can see the country is facing various changes, such as intensifying competition between international cities. a progressing aging society with a dwindling birthrate, population decline in the medium to long term, and diversifying values. In these challenging times, the Tokyo Tatemono Group has formulated a new five year mediumterm business plan that began in 2015 and is set to end in 2019 with the belief that the Group has just stepped up to the starting line in all things, such as truly benefiting our customers from their and society's perspective as well as considering what society wants.

The plan upholds the Group statement to "continue to be the leading choice, providing amazing value through innovative group synergy." We are aiming to provide attractive value, bringing wonder to customers, by facilitating synergy with systematic cooperation between various Group businesses and further reinforcing software services. 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 bring new value to society. Furthermore, this will surely contribute greatly to realizing a variety of goals that include making cities and human settlements inclusive, safe, resilient and sustainable,

which is one of the seventeen goals in the Sustainable Development Goals (SDGs) adopted at the United Nations Summit.

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 is necessary to both society and customers." We ask for your continued support and guidance.

Hitoshi Nomura

President and Chief Executive Officer

