

Utilization of Human Resource Assets

Diversity & Inclusion

Policy and Concept

With the declining birthrate and growing proportion of elderly people as well as a declining workforce, effectively using a workforce that includes women and senior citizens is more important than ever before. In addition, as customer needs diversify, we believe contributing to the provision of services from an even broader point-of-view and greater decision making relates to providing high-quality services.

Tokyo Tatemono upholds the realization of a satisfying working place where employees can feel their growth in the Human Resource Policy, and it is building an environment where diverse human resources can feel motivated while dedicating themselves to their job free from obstacles. Moreover, through the participation of a variety of human resources, we aim to provide services that respond to more sophisticated and diversified customer needs.

System

The Tokyo Tatemono Personnel Division links the departments in charge of administration at each Group Company to promote various measures in the Tokyo

Tatemono Group and supports these measures horizontally across the Group so that diverse human resources can continually grow free from obstacles.

Indicators and Results

Tokyo Tatemono has received third-party assurance by Lloyd's Register Quality Assurance Limited (LRQA) to assure integrity of part of its data. The type and numerical data assured are marked with *.

● **Collection Period:**

- January to December each year. Data is as of December of each year unless stated otherwise.

● **Collection Scope:**

- Tokyo Tatemono Co., Ltd.

Item	Unit	2014	2015	2016	2017	2018
Number of Full-time Employees (total)	People	543	576	584	687	719
Men	People	456	458	461	542	548
Women	People	87	118	123	145	171
Female Full-time Employee Rate	%	16.0	20.5	21.1	21.1	23.8
Female Employee Rate	%	29.1	24.9	25.8	26.6	27.7
Number of Managers	People	274	281	295	339	350
Men	People	269	275	287	328	334
Women	People	5	6	8	11	16
Female Management Rate	%	1.8	2.1	2.7	3.2	4.6
Female Director Rate	%	0	0	0	0	0
New Hires (Total)	People	11	15	14	19	22
Men	People	7	10	10	15	14
Women	People	4	5	4	4	8
New Female Hiring Rate	%	36.4	33.3	28.6	21.1	36.4
Difference in Average Tenure Between Male and Female Employees	Year	—	3.9	2.6	1.9	2.7
Employment Rate of Persons with Disabilities*	%	2.06 (June)	2.06 (June)	1.88 (June)	1.98* (June)	1.87* (June)
Re-employment Rate of Employees at Retirement Age	%	60.0	66.7	75.0	91.7	87.5

Promotion of Women to Take Active Roles

Tokyo Tatemono is working to build a workplace and appoint diverse human resources as a way to fully drive the potential of the individual skills and personalities of women as well as their ambition.

In December 2018, our female employment rate was 28%, which increased seven points from 2015.

We have established various policies as systems for maintaining careers with flexibility to life events when building a women-friendly workplace progress.

● Leave Systems for Pregnancy, Childbirth, Child Rearing and Nursing Care as well as Re-employment Policies for People Who Have Resigned

We have established leave systems both female and male employees may use for pregnancy, childbirth, child rearing and nursing care in addition to re-employment policies for

employees who have resigned from their post for the same reasons.

● Policy to Accompany a Spouse Transferred Overseas

Opportunities for both male and female employees to work overseas are growing as globalization and equal opportunities for employment for both men and women progress. If the spouse of an employee has been transferred overseas and the employee will accompany their spouse to live overseas, Tokyo Tatemono provides a system to approve leave for up to three years to facilitate a full family life of that employee. Employees who have resigned for this reason are also able to take advantage of the re-employment policy for employees who have resigned. This system can be used regardless of whether the employee is a man or a woman.

Expanding the Child Rearing Support Policy

Tokyo Tatemono expanded the child rearing support policy in January 2019 for the purpose of establishing a workplace environment that allows both the growth of the employee and society. This expansion extends the applicable period

of the various systems for child rearing so that employees can take advantage of the policies more easily, such as broadening the work forms that can be chosen under the short-work hour system.

Overview of the Child Rearing Support Policy

- Policy for Both Men and Women
- Policy for Women

*Areas indicated in white are designated by the law or health insurance.

*Red text indicates areas expanded by Tokyo Tatemono this year.

*Some policies designate a certain length of tenure or have other requirements.

During Pregnancy

Policy	Overview
Flextime System	The employee may use the flextime system. Salary: Same wages as the standard flextime system
Carry Over Paid Leave Policy	The employee may use the carry over paid leave policy. Salary: Paid leave
Re-employment Policy for Employees Who Have Resigned Due to Pregnancy, Childbirth, Child Rearing or Nursing Care	The employee may be re-employed by Tokyo Tatemono if they express the desire to work for the company again after resignation.

Before/After Childbirth

Policy	Overview
Carry Over Paid Leave Policy	The employee may use the carry over paid leave policy. Salary: Paid leave
Re-employment Policy for Employees Who Have Resigned Due to Pregnancy, Childbirth, Child Rearing or Nursing Care	The employee may be re-employed by Tokyo Tatemono if they express the desire to work for the company again after resignation.
Leave Before/After Childbirth	The employee may take leave for up to six weeks before childbirth and eight weeks after childbirth. Salary: Paid leave
Child Rearing Leave	The employee may take leave until March 31st plus an additional month after their child has reached the age of three. Salary: Unpaid (compensation is provided by employment insurance)
Child Rearing Leave Benefits	The employee receives an equivalent of 67% of their salary during child rearing leave (50% after six months from when leave begins) Period: Until the child reaches one year of age (Special cases: 1-year and 6-months to 2-years old)
Exemption from health insurance and employee benefit premiums	The employee is exempt from health insurance and employee benefit premiums during child rearing leave. Period: Until the child reaches three years of age

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Policy	Overview
Special Leave for Childbirth	The employee may take one day of special leave. Salary: Paid leave
Congratulatory Money for Childbirth	The employee receives 50,000 yen as congratulatory money for childbirth.
Lump Sum for Childbirth/Child Rearing (Lump Sum for Family Childbirth/Child Rearing)	The employee is paid 420,000 yen as a lump sum for childbirth/child rearing. The employee receives this lump sum for multiple children.
Childbirth Expense Benefits Policy	The employee may borrow a lump sum for childbirth/child rearing at no interest (legal payment).
Income Tax Exemption for Childbirth Expenses	The employee may write off the cost incurred during childbirth as a medical exemption for their income taxes.

During Child Rearing

Policy	Overview
Flextime System	The employee may use the flextime system. Salary: Same wages as the standard flextime system Period: Until the day the child completes third grade [extended]
Carry Over Paid Leave Policy	The employee may use the carry over paid leave policy. Salary: Paid leave
Re-employment Policy for Employees Who Have Resigned Due to Pregnancy, Childbirth, Child Rearing or Nursing Care	The employee may be re-employed by Tokyo Tatemono if they express the desire to work for the company again after resignation.
Short-work Hour System	The employ may work six hours as their normal working hours. Choose between five types of work forms [target expanded] Period: Until the child completes third grade [extended]
Leave Related to Child Rearing	The employee may take leave for one full day or divide the leave by hour. Salary: Unpaid Period: Until the child reaches one year of age
Restrictions on Overtime for Child Rearing	The employ is limited to no more than 24 hours of overtime per month and must not exceed 150 hours of overtime per year. Period: Until the day the child completes third grade [extended]
Restrictions on Late Night Work for Child Rearing	The employee may be restricted from working between 10:00 p.m. to 5:00 a.m. Period: Until the day the child completes third grade [extended]
Exemption from Overtime for Child Rearing	The employ may be exempt from exceeding the fixed overtime. Period: Until March 31st plus an additional month after the child has reached the age of three.
Nursing Care Leave for a Child	The employee may take up to five days leave for their first child or up to ten days for their second child between April 1 to March 31 to care for injured or sick children (leave may be taken in half-day increments). Salary: Unpaid Period: Until the day the child completes third grade [extended]
Pediatric Expense Benefits	The employee receives assistance for expenses incurred for medical care of their child.
Child Allowance	The employee receives a child allowance.
Special Babysitter Discount	The employee receives a special discount on babysitter fees if they use a welfare service.

Promotion of Seniors to Take Active Roles

Tokyo Tatemono has introduced a re-employment policy for employees at retirement age so that employees who have reached the age of 60 can take active roles by leveraging their career up to that point. In addition, the Personnel Division consults with employees who have put off retirement and works so that they can leverage the career they have built up to that point to take an active role in-line with their desire to work based on a life plan for each and every person.

Re-employment Status of Employees at Retirement Age

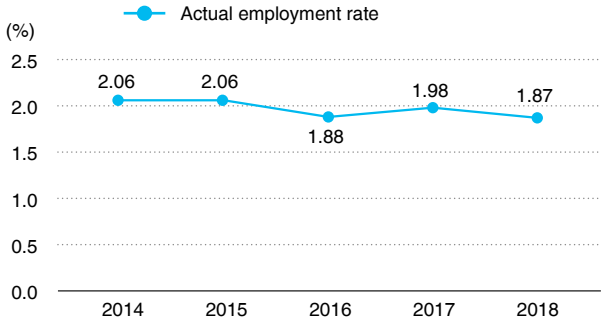
	Employees at retirement age	Re-employment
2018	8	7 87.5%
2017	12	11 91.7%
2016	4	3 75.0%
2015	6	4 66.7%
2014	5	3 60.0%

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Promotion of People with Disabilities to Take Active Roles

Tokyo Tatemono actively strives to employ people with disabilities. We have prepared a system in which people with disabilities will have long-term stable employment, such as assigning them to the most appropriate department, conducting regular consultations with the Personnel Division, and setting working hours considering the level of disability.

Trends in the Employment Rate of People with Disabilities (as of June each year)



Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Work-Life Balance

Policy and Concept

Realizing a work-life balance and increasing productivity have become important issues in the sustainable development of employees and companies amidst concerns about issues of long working hours and mental health grow. The Tokyo Tatemono Group is conducting initiatives to sustain and improve the health of executives and employees based on the Group Health Management Declaration.

In terms of overtime, we prevent overwork in accordance with labor agreements such as the 36 Agreement while striving to control overtime.

We also support a better work-life balance through recreational activities outside working hours such as club activities.

Tokyo Tatemono Group Health Management Declaration

The corporate philosophy of Tokyo Tatemono is "Trust beyond the era," which incorporates our will to strive for the growth of the company and the creation of a prosperous society, taking pride in the trust placed in us that extends over a century.

To embody this corporate philosophy, we believe the health of our executives and employees as well as their families is vital.

We see mental and physical health of executives and employees as the source of sustainable corporate growth and actively promote activities for each and every person to maintain and improve their health.

I will strengthen environment to achieve this as the chief executive officer in charge of health management, and I vow that we will endeavor in health management unified as a Group.

Hitoshi Nomura
President and Chief Executive Officer
Tokyo Tatemono Co., Ltd.

System

We have established Health Committee made up of members from the Personnel Division, industrial physicians, and representatives from each office. The Health Committee generally convenes once a month for the purpose of improving standards of occupational health in

the workplace and encouraging employees to maintain and improve their health.

Moreover, we are working to maintain and improve health throughout the entire Group through exchange between Tokyo Tatemono Group companies.

Indicators and Results

Tokyo Tatemono has received third-party assurance by Lloyd's Register Quality Assurance Limited (LRQA) to assure integrity of part of its data. The type and numerical data assured are marked with *.

● Collection Period:

- April to the following March each year. (Turnover rate is from January to December)

● Collection Scope:

- Tokyo Tatemono Co., Ltd.

Item	Unit	2014	2015	2016	2017	2018
Turnover Rate (Only for Personal Circumstances)*	%	1.7	2.2	1.4	1.4	2.6*
Rate of Health Check-ups* ¹	%	100	100	100	100*	100*
Average Number of Paid Leave Days Taken* ¹ 2020 Target: 30% Increase Compared to 2015 (11.4 days)	Days	8.6	8.8	8.7	8.8*	9.9*
Number of Lost Time Injury* ²	Incidents	1	2	1	0*	1*

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Item	Unit	2014	2015	2016	2017	2018
Total Days Lost Due to Absence*	Days	86	138	47	81*	137*
Employees Unionized Rate	%	100	100	100	100	100

*1 Other leave systems such as summer leave and national holidays are also provided (these days are not included in the above figures)

*2 Number of lost time injury: Accidents that occur during work that result in one or more days absence.

Health Management Initiatives

Tokyo Tatemono is conducting various initiatives based on the Group Health Management Declaration.

●Third-party Evaluation of Health Management

Our sincere efforts toward health were evaluated and received the highest rank in 2014 for distinguished initiatives with the health considerations of employees in the DBJ Health Management Rating run by the Development Bank of Japan.

We were recognized under the Certified Health and Productivity Management Organization Recognition Program (White 500), a program in which the Ministry of Economy, Trade and Industry certifies companies practicing excellent health management, for the third consecutive year since the program was founded in 2017.

Moreover, Tokyo Tatemono and eight group companies have been recognized by the National Federation of Health Insurance Societies (Kenporen) in Tokyo as an outstanding organization under the Health & Productivity Management Outstanding Organizations Recognition Program and were issued Silver certifications as outstanding organizations.



●Health Improvement Initiatives

Tokyo Tatemono aims to have a check-up rate of 100% for periodic health examinations, and is advancing initiatives to raise greater awareness in all employees about health management (100% rate is sustained since 2011). We coordinate with health insurance associations to conduct a wide range of initiatives for improving health management. We also understand the health risk attributes of employees in addition to actively engaging in preventative measures against severe illnesses for non-obese and young people not eligible for special screenings with the purpose of improving health through preventative and early-term treatment. We have also been introducing group dental check-ups since 2017 as part of our efforts in health management.

As daily health measures, we are strengthening support to maintain the health of employees by ensuring that the costs required for voluntary health management such as physical examinations, various cancer screenings, medical treatment, pharmaceuticals, and health management programs are covered in the Welfare Cafeteria Plan*. We had also been subsidizing the cost for influenza vaccines up until recently, but we have strengthened the prevention of mass infection during the influenza season by inviting physicians to the company to provide vaccinations from 2016.

*This plan assigns a set number of points to each employee and they can individually choose a menu of their own within the set number of points. This provides a benefit of being able to put together a menu suitable to individual health needs.

●Mental Health Initiatives

Tokyo Tatemono conducts stress tests through an online service every year for all of its employees to properly and easily grasp the stress levels of each employee. In addition, we are providing mental health counseling via health insurance associations and these counseling services have been made available to employees who have unstable mental health. We started linking to psychiatric advisors in 2016 and have put in place a support system that includes return to work training.

As mental health enlightenment activities, we are conducting training in self-care and employee care overseen by line managers, and newly appointed managers in particular are required to participate in the training for employee care overseen by line managers (100% attendance rate). We invite sports trainers as lecturers for new employees and conduct training all employees participate. We understand the importance of mental health for all of our employees and strive in the early diagnosis and prevention of mental health problems.

CSR Website Feature: Health Management Ensuring Results (Published 2017)

<https://www.tatemono.com/csr/special/healthcare.html>

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Labor and Management Dialogue

Tokyo Tatemono supports the right for freedom of association and collective bargaining. All of our employees except for core management have formed and are members of the Tokyo Tatemono Labor Union (as of January 1, 2019).

The Union and Tokyo Tatemono have concluded a labor agreement and work to solve a diverse range of challenges through a dialogue between labor and management.

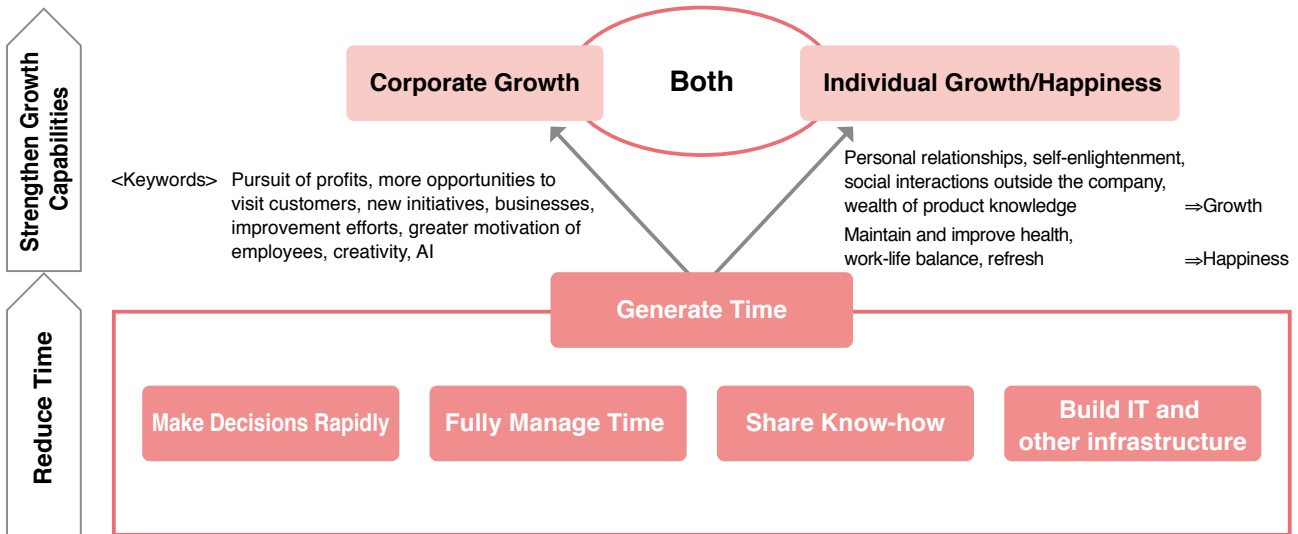
Endeavoring for Work-style Innovation Together as Labor and Management

Tokyo Tatemono established a Work-Style Innovation Labor-Management Review Meeting with the labor union in 2017. This meeting committee structure anticipates the accomplishment of the Group medium-term business plan and growth thereafter and aims to further improve productivity and efficiency in business execution. We know conducting work-style innovation suitable to Tokyo Tatemono is necessary and have setup specific measures for debate between labor and management.

We shared the purpose and goals intended by work-style innovation and engaged in a lively debate between labor and management. Since 2018, we have been conducting telework trials in an effort to further the introduction of specific measures geared toward enhancing productivity.

[Tokyo Tatemono Work-Style Innovation Concepts]
The ideal goal of work-style innovation is to bring about more time, such as more efficiency, to aid in corporate growth as well as individual growth and happiness.

Image of Tokyo Tatemono Work-Style Innovation

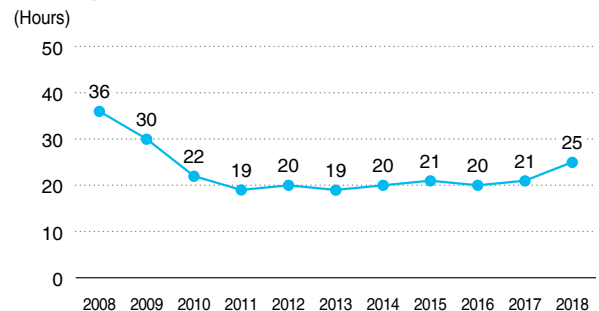


Initiatives to Reduce Overtime

Tokyo Tatemono has continued measures to prevent overtime since 2008 from the perspectives of work-life balance and employee health management. We have adopted a system to shut down computers at the standard end of the working day in 2010 to control late-night working hours and prevent overwork. Furthermore, in departments long-working hours occur, we have implemented a framework to fight back by requiring direct supervisors to report improvement measures. Through this type of PDCA cycle, we are striving to reduce overtime (outside working hours).

Transitioning to Fixed Overtime per Month

*1 The fixed regular working hours per day is 7.5 hours (statutory working hours is 8).



Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Occupational Health and Safety

Tokyo Tatemono works to ensure employee safety by advancing a wide range of initiatives for the guarantee of a work-friendly environment as stated in the Compliance Manual. Although we have not acquired the OHSAS18001

or other external certifications related to occupational health and safety, we work to ensure safety by conducting risk assessment and improvement activities.

Support of Club Activities

Tokyo Tatemono put in place approval and subsidy rules for club activities in 2014 and has introduced systems to support the outside activities of employees. Currently, we are subsidizing rental fees of activity venues and participation costs in competitions for the 12 clubs that have been approved. Employees of Group companies are also participating, and we are conducting Group-wide activities that go beyond corporate barriers. Furthermore, each club participates in athletic competitions held by local public organizations and actively communicates with the local community.



The music club performed at Grapes Tateishi and Grapes With Omorinishi senior residences that include services.

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Human Resource Development

Policy and Concept

Tokyo Tatemono actively strives to develop the skills of employees based on the belief that the employees themselves are the foundation of sustainable corporate growth.

We have revised various systems related to human resources in 2012 for the purpose of strengthening workplace building that creates added value and human resource development and innovating organizational culture with not only optimization of individuals and departments but also the entire organization. As part of the innovation, the Human Resource Policy was formulated and used as a foundation to build a human resource development system.

Human Resource Policy

1. Developing ideal human resource
Ideal human resource: person that is trusted and that opens new avenue for the future
2. Realization of a satisfying working place where employees can feel their growth

System (Human Resource Development System)

Tokyo Tatemono has set the first five years after joining the company as a time to focus on developing young employees by implementing a collective training program that includes basic business training (logical thinking, marketing, management strategy, etc.). Furthermore, for the purpose of experiencing and gaining the broader knowledge required for employees of a comprehensive real estate company, they are rotated around to experience about three departments in the ten years after joining the company for new graduate recruits. To strengthen the OJT development cycle in the workplace, training for managers who are the instructors and counseling system for new recruits have been implemented. The operation status of these initiatives is monitored through regular interviews by the Personnel Division. We are providing enhanced programs such as volunteer

type internal training and external dispatch training as well as multi-industry social training for mid- and higher level employees to cultivate a self-learning climate for employees.

Training for managers includes training to enhance daily line management such as training for evaluators and mental health and line care training, in addition to dispatching employees to external training agencies such as business schools to enhance their strategic perspective and management capabilities.

In addition, we have established self-enlightenment programs and support systems to acquire certifications to assist in independent learning through all levels of employment. Furthermore, we support learning English and Chinese and dispatching employees to overseas training considering future global expansion.

2019 Annual Training System (Summary)

	Stratified Training	Global Training	Self Enlightenment External Deployment	Support Systems to Acquire Certifications
Executives	Executive Training			
General Managers	New General Manager Training	Attending Language School	Support for Attending Business or Graduate School	Building Lots and Buildings Transaction Business
Group Leaders	New GL Training	Overseas On-sight Observation	Business School Dispatching to Complete Single Subject Training	The Official Business Skills Test in Bookkeeping
Managers	New Manager Training	Overseas Deployment Training	Cross Industry Training	The Japan Business Law Examination
Assistant Managers	New Assistant Manager Training	Local Subsidiary Internships	Distance Learning	Certified Building Administrator
Senior Employees	Strategic Communication, Presentation, Accounting, Finance, Marketing, Management Strategy, and Third-year Group Training.		Outside Seminars	Real Estate Consulting Induction
New Employee Training	New Employee Training and Basic Practical Real Estate Training Logical Thinking and IT			Association for Real Estate Securitization Master
				Redevelopment Planner
				Real Estate Appraiser
				First-class Architect

Index	Message from the President	Feature	Corporate Philosophy and CSR	Environmental Initiatives
Safety & Security Initiatives	Responding to Social Change	Community Involvement	Utilization of Human Resource Assets	Improving Management System

Collective Group Workshops for New Employees for Group Synergy

Tokyo Tatemono Group has positioned providing amazing value through innovative group synergy as one important strategy based on the Medium-term Business Plan to continue to be the leading choice. We are conducting Group workshops for junior employees as one initiative to drive Group synergy. In 2018, we conducted camp-style introductory training (four days and

three nights) right after new graduates joined the company and held a Group athletic meet for the purpose of improving the power of unity after six months of employment. Furthermore, we have prepared various collective training programs for the third year after joining the company to support the building of relationships able to drive Group synergy.

TOPICS

Third-year Collective Group Workshops Together with Group Companies to Drive Group Synergy

In January 2018, 51 third-year employees from five Tokyo Tatemono Group companies (Tokyo Tatemono, Tokyo Tatemono Real Estate Sales, Tokyo Tatemono Amenity Support, Tokyo Real Estate Management and Nihon Parking Corporation) gathered over two days for training to learn how to create a foundation for Group synergy. In this large collective training for new third-year employees, we were able to deepen the understanding of the businesses that are being cultivated at each company and debate topics such as the ideal form of the entire Group and the business environment as individual teams. On the last day of training, each team presented ways to drive Group synergy in addition to new businesses and services to realize in the next five years for an audience which included executives and general managers.



Presentations

Overseas Training for Global Human Resource Development

Tokyo Tatemono conducts overseas training for the purpose of heightening a global mind as business expands more and more globally. Furthermore, as a more practical program in 2018, we deployed interns to our local Chinese subsidiary and we conducted training where these interns were able to

learn local culture and business trends through actual work experience. In the future, we will also support the growth of human resources who have a desire to take on the challenge of creating new value on a global scale regardless of country