

## Management

# Message from the President and CEO

Empowered by the trust of our stakeholders,  
we aim to be a good company  
that is truly sustainable.

### Being a good company for our stakeholders is the key to being sustainable

Tokyo Tatemono was established in 1896 by Zenjiro Yasuda, the founder of the former Yasuda Zaibatsu. Eiichi Shibusawa, the father of modern Japanese capitalism, was also deeply involved in the establishment of the company, which has the longest history of business operations in Japan as a comprehensive real estate company. In recent years, there has been a growth of interest around the world in stakeholder capitalism, which aims to correct side effects of conventional capitalism such as widening inequality and excessive emphasis on short-term profitability. Many entrepreneurs, including Yasuda and Shibusawa, were ahead of their time with respect to this thinking. They aspired to find a balance between ethics and economics and their philosophy has continued to the present day. I believe that the Tokyo Tatemono Group is one company that has fully inherited that spirit.

In our long-term vision, “Becoming a Next-Generation Developer,” formulated in February 2020, we set forth our aim to be a good company for all stakeholders. We will pursue balance at a higher level through our business, developing solutions to social issues while driving growth as a company. This is a simple expression of our ideal corporate image. A “good company” as defined in our long-term vision is one whose employees are doing work that they can be proud of, work that is recognized by their families. By extension, the Group needs to be a company that is valued by all its stakeholders. This does not mean that we are in the best condition for all stakeholders at a certain moment, but rather that we strive to consider all stakeholders in a balanced way from a medium- to long-term perspective. This will ultimately enhance our corporate value and make our Group sustainable.

The Group has always been committed to quality as well as business scale and sales growth; we incorporate the standpoint of the customer as we develop our business. I strongly believe that this attitude is vital for earning the trust of our stakeholders. Without such trust, there can be no sustainable business growth for our Group.



**Hitoshi Nomura**

Representative Director,  
President and CEO  
Tokyo Tatemono Co., Ltd.

**Management**

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ESG Management

Materiality of the Tokyo Tatemono Group

Special Feature

Environment

Environmental Management

Sustainability Finance

External Evaluation and Certification for Green Building

Responding to Climate Change

Pollution Control and Resource Recycling

Water Resources

Biodiversity

Responding to Natural Disasters

Social

Diversity & Inclusion

Work-Life Balance

Human Resource Investment and Development

Health Management / Occupational Safety and Health

Respect for Human Rights

Improving Quality and Customer Satisfaction

Revitalizing and Utilizing Real Estate Stock

Contributing to Our Communities

Governance

Corporate Governance

Risk Management

Compliance

Supply Chain Management

Data

Third-Party Assurance

**Reviewing materiality and accelerating efforts to resolve social issues**

In 2020, the global economy was rocked by the coronavirus pandemic, which led to widespread city lockdowns and restrictions on movements. At the same time, the year also brought a marked increase in demand for ESG initiatives, with global ESG investments exceeding 730 billion dollars. In the area of climate change, Japan followed many other countries in the world in declaring that it will be carbon neutral by 2050.

Our Long-Term Vision, “Becoming a Next-Generation Developer” focuses on 2030, which is also the target year for the Sustainable Development Goals (SDGs). Many aspects of our contribution to the SDGs directly correspond to our efforts to build relationships of trust with our stakeholders. When we formulated the Long-Term Vision, we established the Sustainability Committee under my direct jurisdiction. The aim of the Committee is to realign our existing sustainability initiatives and further accelerate them throughout the Group.

In June of this year, we revised our materiality to respond to rapid changes in social trends. Focusing the value we can deliver to society through our business, we reviewed the priority issues that we should address. As a result of this process, we have newly identified 14 material issues as relevant to achieving our long-term vision.

In addition, in May of this year, we established the Tokyo Tatemono Group Human Rights Policy and Sustainable Procurement Standards to ensure respect for human rights and sustainable and responsible procurement throughout our business activities.

**With roots more than a century old, our enterprising spirit is a driving force for realizing our long-term vision**

Our advanced efforts to solve social issues are also bearing fruit.

The Hareza Tower, an office building completed in May 2020 within Hareza Ikebukuro, has acquired ZEB Ready certification. This is the first certification for a super high-rise mixed-use building. In addition, we continue to develop properties that lead the industry in environmental performance. For example, Brillia Tower Seiseki Sakuragaoka Blooming Residence (launched in March 2021) meets ZEH-M Oriented standards and is the only property in the Tokyo metropolitan area to be selected for the FY2019 Super High-Rise ZEH-M Demonstration Project.

In July 2020, we became the first real estate sector company in Japan to issue a sustainability bond. This was the largest sustainability bond ever issued by a general business company in Japan, receiving a record number of investment commitments. This is an advanced initiative that will use the proceeds for urban development of the Yaesu, Nihonbashi, and Kyobashi areas around Tokyo Station. A series of projects will not only improve the environmental performance of individual buildings, but also comprehensively address social and environmental issues. Through the redevelopment of the Yaesu, Nihonbashi, and Kyobashi areas, we aim to create an “innovation

ecosystem” for industry, academia, and government. The concept of this project is to enable a wide range of players from large corporations and venture companies to investors and research institutes to accumulate in the area and interact with each other. We hope that this will in turn lead to the development of new fields and generate a virtuous cycle of economic growth.

In addition, we are also working to respond to diversifying lifestyles. Brillia City Nishi-Waseda, which opened its model room in July 2020 and started sales in September 2020, has floor plans and common areas that are designed with child-rearing in mind. To meet the increasing demand for working from home and remote working, the property also has a co-working lounge that can be used by local residents. We have received strongly positive feedback about these amenities from our customers.

These new initiatives to enhance the urban environment are a testament to the enterprising spirit that we have carried with us since our founding—that of boldly embracing new challenges without excessive fear of failure. I believe that spirit will continue to be a driving force in realizing our long-term vision.

**Engaging sincerely with our customers to secure their trust for the future**

We live in a time of rapid social change. But even as IT technology such as real estate tech continues to advance further in the future, I strongly believe that our corporate philosophy, with its emphasis on trust, is our indispensable DNA.

Trust originates with the way each employee deals with customers. I often say to employees that I want them to hone their ability to understand not only the information they see and hear from customers, but also to understand each customer’s feelings and standpoint. Grasping a sense of things intuitively and perceiving meaning in this way is what enables us to create new value. The relationship of trust with our customers and business partners will lead to our next business. This is the kind of business development we should aim for. Every project, regardless of how big it may be, starts with obtaining information. I want our employees to refine their ability to see the essence of things and build trust that will last into the future. That is how we build our reputation so that potential customers will think of turning to Tokyo Tatemono first.

Empowered by the trust placed in us by our stakeholders, the Tokyo Tatemono Group will continue to pursue sustainable growth. I would like to ask all of our stakeholders for their continued understanding and support of our Group.

June 2021