

Tokyu Land Corporation Group

CSR Report 2012 – 2013



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Report Overview

Report Objective

This report has been compiled and published annually since FY2009, for the purpose of informing our stakeholders of the TLC Group's CSR activities. This 2012 edition reviews progress of CSR activities of the TLC Group as a whole and is organized by subjects that we specifically wish to convey.

Intended Readers

The report is compiled for our customers, shareholders, investors, our company executives and employees, suppliers, government agencies, NPO/NGO, local communities where the TLC Group conducts business activities, educational institutions, families of our executives and employees, and other stakeholders of the TLC Group of companies.

Scope of Reports

This report covers CSR activities of all major companies of the TLC Group (* See P.40).

Reporting Period

FY2011 (from April 2011 to March 2012). Some data may be referenced from other fiscal years.

References

"Sustainability Reporting Guideline (GRI, Third edition)," international guidelines for reporting sustainability.

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Discussion

TLC Group's CSR Creating New Value through Operations and Working to Achieve a Sustainable Society

Kiyoshi Kanazashi

President and CEO
Tokyu Land Corporation

Mr. Shiro Wakui

Professor, Department
of Environmental and
Information Studies, Faculty of
Environmental and Information
Studies, Tokyo City University

* Beginning April 2013 reorganized into
the Department of Environmental
Creation, Faculty of Environmental
Studies



With the view to achieving a sustainable society, in what ways should the TLC Group direct its efforts to contribute to society and to preserve the environment? The following is a conversation between landscape architect and university professor Shiro Wakui, who also serves as the chairman of the committee to publicize biodiversity and promote people to mainstream biodiversity, and Kiyoshi Kanazashi, the President and CEO of Tokyu Land Corporation.

The Role of the TLC Group as a Corporate Group in Society

Mr. Kanazashi: With a staff of around 16,000 employees, the TLC Group interacts with society across a wide range of fields. Starting with the role as developer, the Group not only engages in the development and operations of office space as well as commercial, residential, and resort facilities, among others, but is also active in real estate intermediation, condominium and commercial building management, fitness club operations, and the Tokyu Hands retail sales business. Naturally, each of these group operations makes their individual contributions to society, but I believe that the significance of our existence as a corporate group lies in our ability to provide corporate group level synergies.

Mr. Wakui: The ability to establish brands and serve customers in different fields is highly admirable. But it also puts the spotlight on the question on what brand the TLC Group forms as a corporate group that provide comprehensive lifestyle services, underscoring the importance of brand management. In other words, while bringing to bear the traditions and brands created to date, on top of this I believe it is essential to generate synergies and promote innovation.

Thoughts and Actions Surrounding the Recovery Support after the Great East Japan Earthquake

Kanazashi: We launched a recovery support project themed "Smile for Japan." When I visited the disaster area around the end of April 2011, I resented the idea



that only a certain part of society should have to bear the brunt. I felt that everyone in Japan should take on a small bit of the burden. We acted on the same principle as a corporation when we made the first step based on the notion that if there is something that can be done immediately it should be done now, instead of planning about ten years ahead.

At that time we happened to have a building in Ginza awaiting reconstruction, which we made available, free of charge for the disaster victims. Ginza is by its sheer name a strong brand which I believe might have done its part in disseminating information from the disaster area. Although I do not think that we accomplished anything major, my feeling is that over the course of this one year, based on our independent will, one after another we managed to do the things that we were supposed to do. Our employees also have independently participated in volunteer activities. For the future, the question arises where to commit ourselves and as a corporation for periods of 3-5 years.

Wakui: The Group's corporate culture showed itself in the manner of uniting as a corporate citizen with the disaster victim. Being engaged in urban and residential development, TLC is involved in spheres related to the very foundation of people's lives. In this sense, taking action has nothing to do with grandstanding but is about mutually doing what one is able to do, in the form of a true union with people. This strikes me as a sentiment both noble and praiseworthy. Actually, when I spoke with the mayor of Kesennuma City, he called it a source of immense psychological help for the affected to hear that TLC provides space for a satellite store in Ginza in the service of recovery support.

What is most needed at the disaster area today is realism. Also with regard to reconstruction, one can hardly say that there is a lot of experience and know-how available in the areas of urban planning and construction. This situation makes operations like TLC which are able to provide help especially valuable. Given that the economy is no longer a one-way ticket to growth, what is needed is the ability to make steady progress in the implementation

of operations without placing too much of a burden on future generations. In this area, TLC has in its own business operations achieved a successful track record that is visible to the eye. I think that more than people at TLC are aware, this experience might also be of huge significance for the needs of the disaster location.

Kanazashi: Like you said, experience is often rooted in every employee in the form of the corporate culture. This makes it so important that employees have an independent will of their own. In response to the request from a local government, we decided to dispatch a number of staff members equipped with this kind of will and know-how. In this context our company name is utterly irrelevant. In five or ten years, our operations might come to bloom, just as a result. What matters is to plant the seeds one by one if there are things that can be done now.

Wakui: Excellent. I can feel a strong sense of realism.

Future Value Springing from Action for the Environment

Kanazashi: In its three-year medium term management plan started in April 2011, TLC has positioned "environmental strategy promotion" as one of its important management issues. In 2011, we established the TLC Group Environmental Vision together with the environmental maxims of "Creating Cities Co-existing with Nature, Creating a Future for People." These maxims are predicated on the fact that many of the operations of the TLC Group take place in urban settings, be it leasing operations for office space and commercial facilities or condominium development and sales operations. On the other hand, there is the fact that the resort operations of the Group, often mentioned as a special characteristic, are situated in the immediate proximity of nature. Our determination to remain engaged in the preservation of the environment while bringing to bear the expertise accumulated in a wide-ranging business expanse reaching from urban locations to locations in natural settings is embodied in the maxims of "Creating Cities Co-existing with Nature."

Moreover, I would like to mention that the Group has its origin in the Den-en Toshi Co., Ltd. (1918), which concerned itself with the development of Denenchofu. The Group has since inherited its predecessors' concern for the environment integrated into their urban development operations, and we consider it our mission to carry this heritage forward into the future. This notion is expressed in the maxim of "Creating a Future for People."

Wakui: I expect that what we call environment will in future acquire outsized importance and value. We will likely see fierce international competition break out among cities around the world. In manufacturing, production bases are already concentrated on locations all over the

world where resources are ample and the cost of labor is low. The competition that I expect to break out in the future will surround the quest for locations in the world where to set up “places for thinking” about where and what to produce, or “places for management.” The result will be that “places for thinking” will demand environments of a high quality. Today the environment plays an extremely important part in determining the attractiveness of a city. Also in the case of Tokyo, which had a history as a strongly recycling-based city when it was still called Edo, it might prove a critical strategy to return to that historical status and to increase Tokyo’s international competitive edge by strengthening the environmental factor.

Kanazashi: What form to give the urban environment is not a question of individual buildings’ surroundings. When we think of landscaping the urban environment in the sense of broad-scale urban planning, I consider it desirable to make society at large the arena for discussing the locations of urban spaces, greenery, and buildings. What do you think?

Wakui: For the future, I expect that Tokyo will increase its urban density with taller buildings and proliferating greenery in open spaces above ground. When that happens, much will depend on whether developers focus more on making a profit through their environmental planning activities or whether environmental measures will play their part, such as the proliferation of greenery based on competent area management. My concern is that the better the quality of a developer is overall, the more concern they show for the environment, which may not always be fully appreciated.

For buildings’ interiors, introducing energy self-supply and renewable energy are easy to appreciate as metrics that move within the realm of business cash flows. But whatever extends to the architectural exterior is much less easily appreciable from a business perspective. A prime example is the Omohara Forest of the Tokyu Plaza Omotesando Harajuku (▶ see the special topic on page 7). The Omohara Forest is an important piece of social common capital and introduces the concept of area management to Omotesando. When it comes to whether maintenance can be covered out of business cash flows the problem is that as the quality of a created space goes up maintenance costs increase as well, which is a burden that falls mainly on the business operators or tenants. Viability requires that there must be an arrangement to find appreciation with society at large.

Kanazashi: Viewed from the perspective of operators, it all comes down to customers’ assessment. This makes it important to change customers’ perspective through information activity in the public, disseminated by persons like yourself and parts of the public administration. Fact is that to date the emphasis has tended to be predominantly on increasing leasable surface area, which is the wrong approach. If the entire building is conceived

with consideration of the environment and customers experience a feel-good factor inside and out, customers will be willing to pay for that. In other words, there is business value. I believe that this is an important cycle.

Creating New Values for CSR Management

Wakui: TLC understands what end users want, which is one of its great strengths. For example, with its long experience in providing residential property, there is a very good understanding of the lifestyle changes that end users are looking for. Preferences have changed from the detached house of old to the atmosphere of town, and today people are seeking to bond with nature. This trend also serves to invigorate urban redevelopment.

Beyond the end user, the topic that comes up is about how lifestyles are created. In the same way as the automobile revolutionized people’s lifestyles, today it is buzzwords like health, quality of life, and environment that define new lifestyles. How they can be realized in the office and at home will turn out to be a central issue, I believe.

Kanazashi: I would like us to be a developer most sensitive to customers’ lifestyles. To this end, our employees interact with customers and compile information on a daily basis. In addition, I believe it is the work of a business corporation to create new value by linking to the big trends in the world, like you said. If value creation for the customer connects to value for society at large, it becomes genuinely CSR driven management, which I regard as indispensable for the sustainable development of business corporations. In this way, I hope we will be able to contribute through our operations to achieving a sustainable society.

Thank you very much.



Assistance for Recovery from the Great East Japan Earthquake

日本に
笑顔を

日本中に笑顔があふれますように。

We express our heartfelt sympathy to people affected by the Great East Japan Earthquake. The TLC Group has set up a Disaster Area Assistance Project team and has been engaged in support activities appropriate for the Group and consistent with the requirements of the disaster area.

● For details about individual support activities, see our recovery support project website at <http://www.tokyu-land.co.jp/support-project/>

Assistance for "Midori no Tohoku Genki Camp" (July - August 2011 and March, July, and August 2012)

The "Midori no Tohoku Genki Camp" took place under a psychological care program for children after the Great East Japan Earthquake. The implementation was chaired by Tokyo Gakugei University professor Masayuki Kobayashi, with the participation of camping specialists and psychologists. Located at Onogawako Lakeshore at Urabandai, the camp was hosted on altogether five occasions in the summer of 2011 and in the spring and summer of 2012. On all five occasions, the TLC Group with the cooperation of the Hotel Grandeco provided lodging facilities for camp staff as well as equipment, and volunteers took photographs on the site and provided operative support.

August
2012



A work created with children's imagined city of the future "Midori no Dream Plan"

March
2012



Children made snow caves where they spent the night.

July
2012



Shower climbing to Fudo Waterfall



I participated in the camp in this spring and summer, taking many photos of smiling children which I handed out as presents. We shared heartfelt communication not only with the children but also with other staff members, making our time enjoyed together at the camp all the more memorable.

Shinya Hayakawa Harvest Club Hotel Department, Tokyu Resort Service Corporation

Revitalization of Japan from Ginza Activities at the Ginza TS Building

Themed "Great East Japan Earthquake Recovery Support Project from Ginza," at the Ginza TS Building, space was let to a recovery support group and related events took place.

* This project ended in August 2012 concurrent with the reconstruction of the Ginza TS Building.

Main Events (October 2011 - August 2012)



Sold products from the disaster area.



Photography and video exhibition of the Kesennuma local newspaper, together with various charity events.

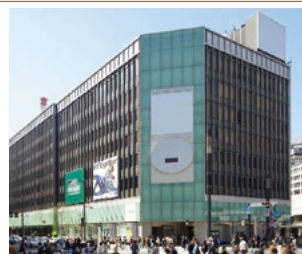


Provided dishes using produce grown in the disaster area.

Ginza Tsunagaru Restaurant

Support for a Communication Event for Children

TLC provided space for a communication event bringing together children from Yanaizu-machi in Fukushima Prefecture and Tokyo's Minato Ward (February 2012). In September 2011, also the Shimane Inn Aoyama and the Tokyu Stay Kamata provided space for social gatherings and the accommodation facilities.



Ginza TS Building

A diversity of booths had attracted crowd of people crowding.

Prayer Meeting for the Recovery from the Great East Japan Earthquake

On March 11, 2012, the day one year after the Great East Japan Earthquake, three light rays representing past, present, and future were sent skywards with prayers for hope for the disaster area. This event was held in connection with the "Light from 311 Japan" event at Kesennuma.



Volunteers for Support in the Disaster Area

Volunteer groups centered on volunteering employees from the TLC Group companies have been engaging in continuing activities in the disaster area. In September, October 2011 and in July 2012, the work done in Rikuzentakata City, Iwate Prefecture, consisted mostly of clearing away rubble, cutting grass, and digging sludge out of street gullies. Moreover, in November 2011, volunteers from Tokyu Livable, Inc. came to Shichigahama-machi, Miyagi-gun, in Miyagi Prefecture to participate in a "Pine Forest Clean Up Plan" clearing away rubble in the pine forest. Respectively in April 2012 and September 2012, new employees of TLC and from the TLC Group (excluding some employees), about 100 people provided volunteer work.

Volunteer activities for the reconstruction of the disaster are planned to be continued.

July
2012



Helping Set up Simple Lodging Facilities for Volunteers

The conversion (repair and change of use) of the former Yahagi Elementary School building into accommodation facility for volunteers promoted by Rikuzentakata City with the operational cooperation of TLC and Tokyu Homes Corporation, among others, was in part completed and the facility pre-opened in the period from July 28 until the end of October 2012. This project of Rikuzentakata City was started in order to provide lodging facilities for volunteers, supported by the TLC Group, which brought to bear its expertise in the development and operations of accommodation facility. Room furnishings, baths, and other facilities will be fitted next. The facility is scheduled to open around May 2013 (accommodation charges have yet to be determined).



Opening ceremony

Looking at the situation in the disaster area has taught me how comfortable my everyday life has been.

Kosuke Kakazu Tokyu Sports Oasis, Inc.



Project of "Temporary Housing x Green Curtain" in Aizuwakamatsu City

In June 2012, continuing on from last year, "green curtains" were created in a temporary housing cluster in Aizuwakamatsu City constructed by Tokyu Homes Corporation. The greenery was set up by eight volunteers together with the residents at altogether 46 households.



Goya has grown fast and formed large green curtains in the summer.



Although it was a rainy day, thankfully the participation from the residents of the temporary housing facilities was strong. After the work was completed, we were treated to tea. Working on the green curtain allowed us to experience residents' graciousness and has left lasting memories.

Kazunori Yamashiki
Landscaping Enhancement
Department, Ishikatsu Exterior, Inc.



Donation of Pellet Stoves

Four pellet stoves were donated to the temporary housing assembly hall at Sumita-cho, Iwate Prefecture. Sumita-cho is the location of a forest involved in a conservation effort under the Green Connection Project operated by the TLC Group. The wood pellets that serve as fuel for the stoves are produced here.



Action at Facilities of the TLC Group

All facilities are involved in support activities of some form, be it through collection boxes or donations out of sales proceeds, of charity events and so on.



On March 11, 2012, charity events were hosted at the commercial facilities of the Group. (The picture shows the Abeno Market Park Q's Mall in Osaka)



On April 15, 2012, the Nasu Yume Balloon Project took place to attract tourists to Nasu Highland, where visitor numbers had declined after the Great East Japan Earthquake.

Shaping Uniqueness and Value of the Location

TOKYU PLAZA

OMOTESANDO HARAJUKU

April 2012 saw the opening of Tokyu Plaza Omotesando Harajuku located at the Jingumae intersection at the center of the Omotesando/Harajuku area.

The Harajuku Central Apartments built in this location some 50 years ago were in their day a fountainhead of fashion and culture.

The Omotesando/Harajuku precinct has spawned many kinds of booms, and this intersection has always marked its center.

Taking up and continuing this history and culture, we have created in this location a next-generation commercial facility as a fashion theme park aiming to offer something to enjoy for every customer, based on the concept, "Shaping uniqueness and value of the location."

Specifically because consumers today can easily buy things on the Internet, with this location we provide real space and time where things, people, and nature can come together, and where customers can discover themselves afresh and experience the latest in fashion and culture.





Please turn the page and take a look at the inside of the Tokyo Plaza.

HISTORY

The Changing History of the Jingumae Intersection

The Jingumae intersection, where today the Tokyu Plaza Omotesando Harajuku stands, is lined with buildings once populated with people who back then were the drivers of contemporary fashion and culture.

1958

Harajuku Central Apartments



© Hazama Corporation

Upon their completion, the apartments served as shared residence for U.S. military personnel. Into the 1960s and later, members of the creative professions, such as cameramen, copywriters, and illustrators, became residents in large numbers. Having an office in the Harajuku Central Apartments became a status symbol as a member of the culture scene.



1980

Harajuku Plaza



Photo : Eiji Kitada

In the basement of the Harajuku Central Apartments, the Harajuku Plaza opened for business, with dim lighting and loud music, rows of boutiques and stores selling miscellaneous merchandise. Back then the location marked the forefront of fashion, even visited by musicians from overseas.



1999

t's harajuku



The location was beset with stores of the world's foremost brands at the time, including the Japan based flagship store of global fashion brand GAP, the first Japan based outlet of pizza specialty restaurant PizzaExpress, and merchandiser of imported sundries Sony Plaza.

Creating Cities Co-existing with Nature.



Creating **Cities** Co-existing with **Nature**.
Creating a **Future** for **People**.

Environmental Vision: Five Environmental Issues and Efforts at Their Solution

Based on the Environmental Vision of the TLC Group, Tokyu Plaza Omotesando Harajuku is also tackling the five environmental issues through operations.

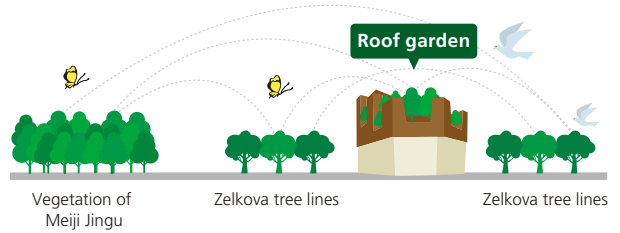
1. CO₂ emissions reduction

- Natural light through skylight windows
- Use of renewable energy through wind power generation
- Adoption of energy-saving technology such as LED lighting, motion sensors, and water sprayers for outside units
- Mitigation of heat island effect through green roof



2. Promoting biodiversity conservation

- Creation of contiguous peripheral greenery and formation of ecological networks
- Reproduction of a wide-ranging vegetation from tall trees to low trees and grass flowers to accommodate biodiversity
- Installation of water trays and nest boxes for birds and other attractions for animals



3. Conservation of water resources

Adoption of water saving installations (toilets, water faucets)



4. Resource saving

- Use of recycled wood for wooden decks
- Use of carpets made from recycled materials



5. Health care

- Reduction of toxic chemicals (use of low VOC building materials)
- Green roof for relaxation and atmospheric cleansing
- Temperature control in summer through dry mist



Green Connection Project

The TLC Group has been working together with customers on the Green Connection Project for the preservation of the environment. Having customers register as mail magazine subscribers saves each year 1m² of forest per person.

* By purchasing CO₂ absorption credits through FORESTOCK Association, the TLC Group returns the cost of forest improvements to the local forestry cooperatives.

● Outline of Green Connection Project



Creating Cities Co-existing with Nature. Creating a Future for People.

On the roof top of Tokyu Plaza Omotesando Harajuku, a terrace with abundant greenery was installed that is open for use to everyone, giving substance to the term plaza as a public place in the city.

Starting with the zelkova tree lining that is the symbol of Omotesando, we planted trees that let visitors feel the four seasons, creating a new forest in the sky.

This forest overlooks the streets of Omotesando and Harajuku and is well beloved by the residents of the area as much as by visitors. In the hope that it may become a popular location, we have named it "Omohara Forest."



Creating Cities Co-existing with Nature at Omohara Forest



Sparrow



Harmonia axyridis (red)



Parus major



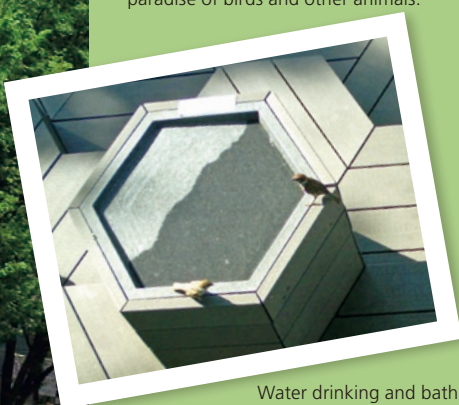
Harmonia axyridis (4-dotted)



Sympetrum infuscatum

Animal life at Omohara Forest

Birdpia (Sponsored by the Japanese Society for Preservation of Birds) Registration as a paradise of birds and other animals.



Water drinking and bathing place for small birds.



Understanding ecology through periodic surveys of animal life.



Installation of nest boxes made by pupils of Jingumae Elementary School.



Creating a Future for People.



Cherishing Locales' History and Environment

Yoshiro Kato
Commercial Facilities Division
Tokyu Land Corporation

When a new building is planned, special attention is given to the "locale's history" and "linkages to its surroundings." In the case of Tokyu Plaza Omotesando Harajuku, we planted trees on the buildings' wall surfaces and on the roof top in order to import into the building a space under the trees of Omotesando with the sunshine filtering through the tree foliage.

Historically, the Harajuku Central Apartments that once stood in this place were a gathering point for people and an originator of new trends. Omohara Forest on the roof top is not merely a green roof but was planned as a plaza, a public place, for people to come together. A café with an open front facing the plaza is meant to link people and to link people with nature. In the same way as the trees of Meiji Jingu and the trees lining Omotesando have over many years created superb green pathways, Tokyu Plaza Omotesando Harajuku will create a diversity of lasting memories with people and prosper along with its trees. We look forward to enjoying the sight in twenty or thirty years' time.



Linking the Location through Greenery and Public Places

Hiroshi Nakamura
NAP ARCHITECTS CO., LTD.

Tokyu Plaza Omotesando Harajuku is situated in a sunny location with trees visible from all angles and buildings huddled together as though to protect the trees. It is a design that gives substance to a new concept for the future in combining buildings with nature, whose intent is the harmonious coexistence society. The roof terrace Omohara Forest displays large-scale greenery with zelkova trees and other medium-height and tall trees, as an intended allusion to the vicinity's tree lined streets and the vegetation surrounding Meiji Jingu. In order that Omohara Forest may serve as a public space to relax, a space was created that extends in a cone shape with a top light at the center. Displaying a variety of atmospheres each season, Omohara Forest keeps changing its face during the days and months of the year. We hope that Omohara Forest will be loved as an urban plaza and frequently visited by many to experience "nature in the city."



Birdpia - A Paradise for Nearby Animal Life

Eisaku Okayasu
Japanese Society for Preservation of Birds

The Japanese Society for Preservation of Birds takes pleasure to announce that Omohara Forest has been registered in the association's Birdpia on the merits of creating an environment supportive of birds and other animals through the provision of trees with rich foliage and the installation of nest boxes and watering places. "Birdpia" is a term coined from the words "bird" and "utopia." The Birdpia designation is awarded to environments appropriate as habitats for birds and other animals living in our surroundings. The installed nest boxes are appropriate for the nest building of the parus major population in the vicinity of Meiji Jingu, among others. They were made by pupils and faculty of the nearby Jingumae Elementary School learning about the ecology and the appeal of wild birds and empathizing with them. It is our wish that through this environment, visitors to Omohara Forest may take home with them a vivid impression of the importance of the coexistence of people and animals.



Shaping Uniqueness and Value of the Location

Jiro Okubo
General Manager
Tokyu Plaza Omotesando Harajuku

Throughout the entire process from the planning stage to the current operations of this project, much attention was given to the concept, "Shaping uniqueness and value of the location," with the intent to provide an experience and space not available elsewhere. This is symbolized by Omohara Forest, with greenery of a lushness that betrays no sign of its urban surroundings, and with the soothing sound of birds' chirping. Omohara Forest has been the location of a range of events such as the "FIRST FRIDAY HARAJUKU" which revolves around bringing together plants, people and nature, connecting people, and interacting with the community. The location attracts not only shopping customers, but also people from the community and people from a diversity of strata comes together, giving rise to new forms of interaction and communication. Through Omohara Forest we will continue to promote a place for communication that can be experienced only here.

People at Jingumae Elementary School who built the nest boxes

Shibuya Ward Jingumae Elementary School



Learning about the ecology of birds.
(Instructor: Japanese Society for Preservation of Birds)



Linking Forests with the Nest Boxes Made by Children

Nobuo Kawashima
Principle, Shibuya Ward Jingumae Elementary School

Although Jingumae Elementary School is located in the city center adjacent to Omotesando Hills, nature is palpable with lots of trees in our school garden and with Meiji Jingu nearby. The school building has on its roof top a garden designed by the children named "Onbara Sky Forest." In the spring, there is blossoming moss pink and towards the end of the summer dragon flies can be seen. This spring, the school's PTA gave an explanation to students about Tokyu Plaza, which was opening nearby, and started a project for building nest boxes. Today, the nest boxes of individualistic designs are installed at Omohara Forest at Tokyu Plaza and the Onbara Sky Forest at the school, having the children look forward to seeing the first birds take residence in the nest boxes made by them.

**Special
Topic 2**

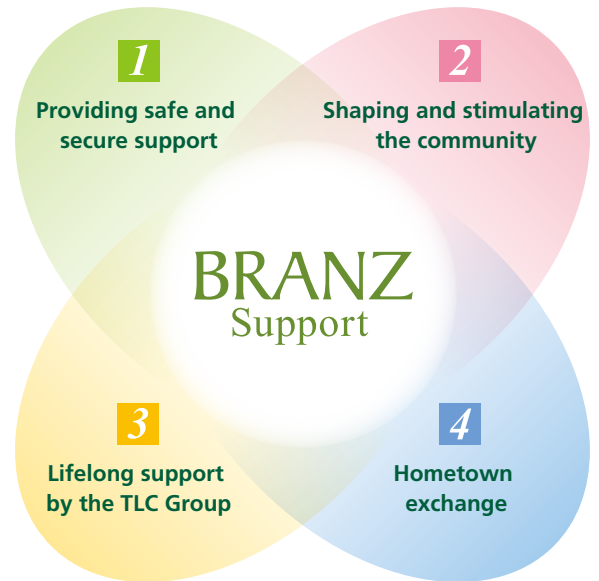
Lifelong Support Provided by the TLC Group

Cherishing Human Relations, BRANZ Support Program

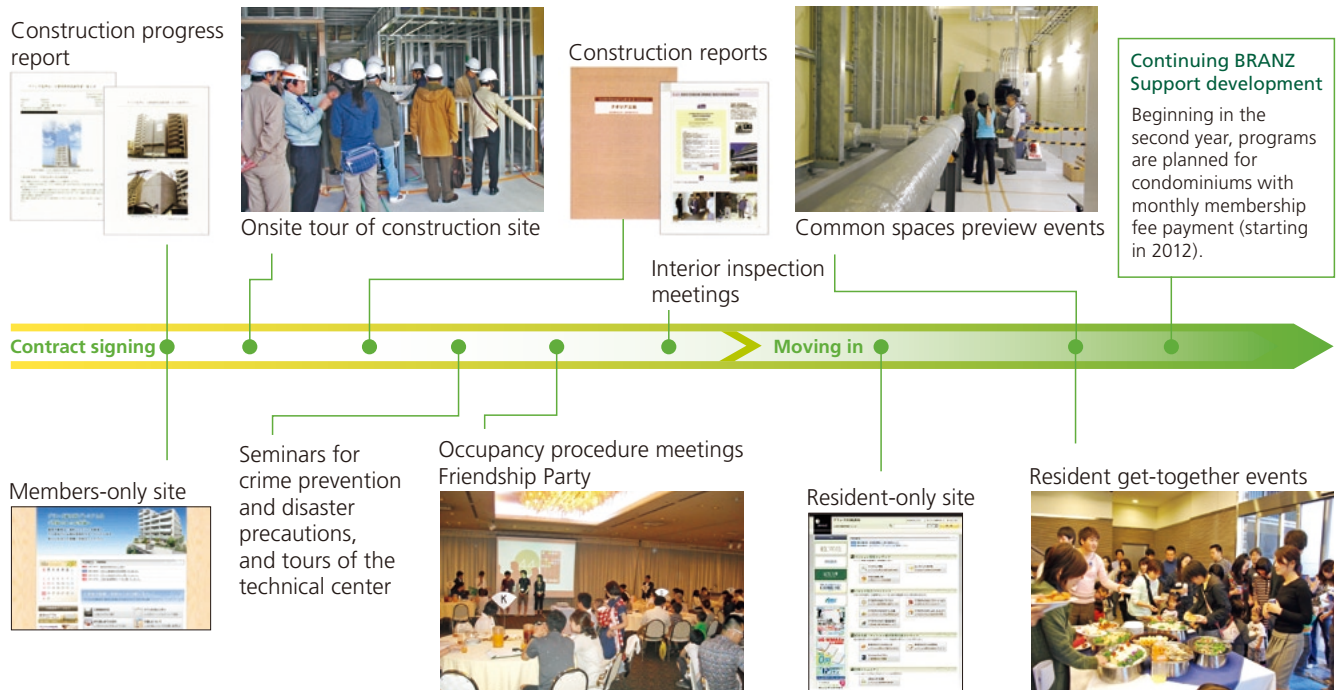
The BRANZ condominium brand of TLC offers three promises of "Spartan craftsmanship," "sophisticated sense of space," and "lifelong support," providing residents with a superb living environment.

BRANZ Support provides support for everyday life. Through a diversity of services helpful in day-to-day living and through events serving to promote the community life among residents, BRANZ Support provides security and comfort and promotes interpersonal relations.

● The Four Pillars of BRANZ Support



The BRANZ Support Program From Contract Signing Until After Property Handover



* Part of the programs might not be available in select areas.

1 Providing Safe and Secure Support

Customers awaiting the completion of their condominiums will be furnished with reports on the progress of the construction at the building site and booklets with a summary of the inspections and verifications executed at each stage of the construction work.

Many customers sign up to participate in onsite tours to verify with their own eyes the status at the construction site, which cannot be done after the completion of the construction work. Moreover, the common space preview events introduce in the form of a stamp-rally the various building facilities such as the inside of the control room, the pump room, and the supplies stock room.

Knowing one's living surroundings promotes safety in day-to-day living and provides an opportunity to get interested in disaster precaution measures and future building maintenance and repair.



Onsite tours have been popular because they provide a good understanding of the construction process.



Common spaces preview events come with detailed explanations about the locations of equipment for crime prevention and disaster precautions.

2 Shaping and Stimulating the Community

At each condominium community, resident get-together events and Friendship Parties are held in order to encourage communication among residents and to promote understanding of and interest in the condominium association.

Moreover, beginning in 2012, the "Healthy Body Festa" health maintenance program was launched, which is delivered by instructors from Tokyu Sports Oasis, Inc.



Many residents sign up, leading to lively exchanges at the venue.



Each family is introduced with a photo posted on the panel.



Healthy Body Festa (pelvic reset exercise)

3 Lifelong Support by the TLC Group

To help residents make the most of their valuable time over the years and decades of continuous living in their domiciles, the TLC Group in various ways provides a diversity of services to help residents with their day-to-day matters after moving into their condominiums.

Kazokuryoku-Plus -BRANZ Premium-

The Kazokuryoku-Plus -BRANZ Premium- offers prompt house calls on a single phone call to help resolve day-to-day problems.

- Emergency house calls to the home
- House calls to the home to provide help
- Support in day-to-day matters

Tokyu Cosmos Society

Provision of preferential services by the Tokyu Group companies.

WELBOX

A wide range of services with special benefits for users.

4 Hometown Exchange

This exchange started at Kamikawa-machi in Saitama Prefecture seven years ago. Through its events offerings, this service gives participants the opportunity to experience life in the countryside, to encounter nature, or get informed in matters of dietary education, and provides the chance for exchanges between city and countryside.



Experiencing forest preservation by helping with white cedar tree thinning, arranged with the cooperation of Saitama Prefecture Yorii Forestry Promotion Office.



Experiencing vegetable harvesting arranged with the cooperation of the local Kamiizumi Agricultural Group.

TLC Group's Approach to CSR (Corporate Social Responsibility) / CSR Promotion Structure

The TLC Group takes a proactive approach to CSR activities in order to earn the trust and confidence of Group's stakeholders and to win the continued goodwill of the Group's customers.

The Tokyu Group Group Philosophy

Mission Statement

Management Policy

Guidelines for Action

We hold this philosophy in common as we work together to create and support the Tokyu Group.

Mission Statement

We will create a beautiful living environment, where each person can pursue individual happiness in a harmonious society.

Management Policy

Work independently and in collaboration to raise Group synergy and establish a trusted and beloved brand.

- Meet current market expectations and develop new ones.
- Manage in harmony with the natural environment.
- Pursue innovative management from a global perspective.
- Value individuality and make the most of each person.

Through these means, we will fulfill our corporate social responsibilities.

Guidelines for Action

Fulfill your responsibilities.
Collaborate to enhance each other's abilities.
Reinvent yourself with a global awareness.

TLC Group's Approach to CSR

We believe that CSR means providing solutions to social issues through business activities and enhancing shareholders' satisfaction. As a member of the Tokyu Group, we share "The Tokyu Group Philosophy" and place our CSR activity as a pillar of management; we therefore formulated the "TLC Group Social Contribution Policy," and the "Environmental Vision"

TLC Group CSR Promotion Structure

The TLC Group has set up the CSR Promotion Committee that is formed from company executives within the group who are in charge of CSR. In addition, the Compliance Council and Environment / Social Contribution Council have been established within the Committee respectively to ensure compliance and risk management and to promote social contribution.

Diagram of the TLC Group's CSR Promotion Structure



TOPICS

Elected for Inclusion in the Dow Jones Sustainability Index of Stocks



The shares of TLC have been selected for inclusion in the Dow Jones Sustainability Asia/Pacific Index (DJSI Asia Pacific), which is the Asia/Pacific edition of the Dow Jones Sustainability Index (DJSI), the global benchmark for social responsibility investment (SRI)*.

The DJSI is the world's best known SRI index, jointly developed by U.S. based media firm Dow

Jones and Swiss based SRI research and rating firm SAM. The index rates enterprises' sustainability based on economic, environmental, and social aspects, and selects corporations that it finds to offer overall excellence. In 2012 the DJSI Asia Pacific included the names of 154 such corporations.

Additionally, TLC has been selected also into the international SRI index FTSE4Good for three consecutive years.

* Social responsibility investment (SRI): An investment method where individual and institutional investment considers as investment criteria in addition to financial analytical data, CSR information such as social, environmental, and corporate governance also matters.

TLC Group Environmental Vision

Established Environmental Philosophy in 1998
Revised into the Environmental Vision in 2011

Establishment of Environmental Vision

Under the Environmental Philosophy formulated in 1998, TLC has been engaged in the preservation of the environment. In 2011, following a review to keep up with changes in society, the TLC Group Environmental Vision was established.

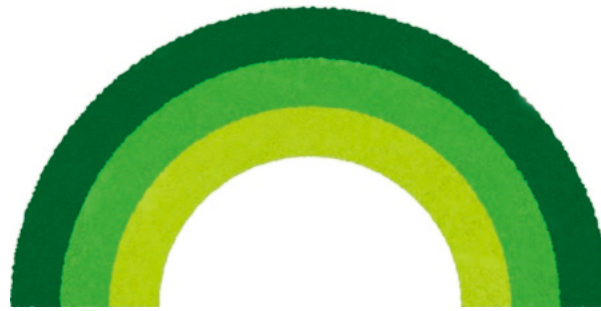
The Environmental Vision stipulates environmental philosophy, policies, and actions, and sets the direction for environmental activities at the TLC Group level.

Environmental actions propose specific steps addressing five global environmental issues from three different perspectives.

Environmental Message and Logo

An environmental message and logo were determined together with the Environmental Vision, "creating cities co-existing with nature, creating a future for people." The catchphrase "creating cities co-existing with nature" represents our approaches to incorporating nature into cities through business activities, and "creating a future for people" represents our hope to achieve a future sustainable society, taking over and developing ancestors' efforts for environmental conservation. The message also means that the TLC Group will create value through business activities.

A three-layer green rainbow, a symbol in the logo, represents our posture of making efforts for environmental conservation by connecting cities and nature, and people with their future, the TLC Group with the people in a community according to the environmental philosophy, policy, and through action as a whole based on the Environmental Vision.



Creating Cities Co-existing with Nature.
Creating a Future for People.

 **TOKYU LAND CORPORATION**

TLC Group Environmental Vision

Environmental Philosophy

We will create value to connect cities and nature, and people with the future.

Environmental Policy

We will make efforts to harmonize the environment and the economy through business activities.

Environmental Action

We will tackle five environmental issues from three viewpoints.

Three viewpoints

- 1) Publicize a goal and implement action.
- 2) Endeavor to implement progressive activities.
- 3) Conduct community-based activities in collaboration with local people.

Five environmental issues

- 1) CO₂ emissions reduction
- 2) Promoting biodiversity conservation
- 3) Conservation of water resources
- 4) Energy saving
- 5) Health care

2012 Enactment

Biodiversity Policies

1. We will grasp the relation between our operation and biodiversity.
2. We strive to minimize the effect of the operations on biodiversity.
3. We strive for sustainable use of biological resources.

TLC Group Social Contribution Policy

Providing Safety and Security

Contribution to Local Communities

Four Areas of the TLC Group Social Contribution

Childcare Support

Nursing Care Support

We endeavor to seek solutions to social issues by providing products and services that are unique to the TLC Group in order to provide fulfilling living environment to all people.

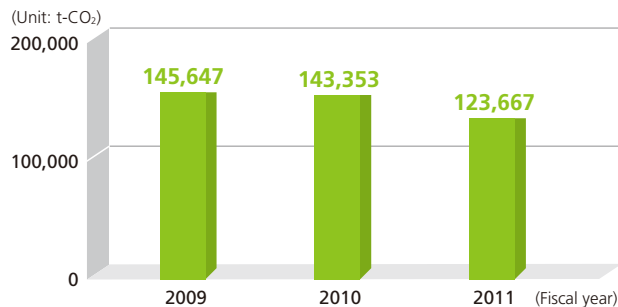
Five Environmental Issues (1) CO₂ Emissions Reduction

The TLC Group is committed to reducing CO₂ emissions to achieve a low carbon society in various scenes of business activities for the purpose of curbing global warming.

Reduction of CO₂ Emissions of the TLC Group

The TLC Group is tackling reductions in CO₂ emissions in accordance with the Revised Energy Saving Act and other laws and regulations, as well as the "Voluntary Action Plan on the Environment" of participating industry organizations.

CO₂ Emissions from TLC's Major Facilities



* Values reflect the combined totals for 67 office buildings, commercial facilities, and resort facilities.

Acquisition of Environmental Performance Ratings for Residences and Facilities

TLC has been aiming to achieve high environmental performance in the construction of residential, commercial and resort facilities as well as office buildings by acquiring external ratings such as provided by CASBEE and the Tokyo Green Labeling System of Condominiums and based on self-assessments. For example, BRANZ Tower Minamihorie is the first super high-rise in Osaka City to acquire certification as Osaka Eco Housing.

Moreover, the rental communal residence project Ambiente Kyodo in which Tokyu Livable, Inc. participated - a project based on the concepts of environment, child care, and disaster prevention - was elected as the "Land, Infrastructure and Transportation Ministry Project for Promoting CO₂ Reduction in Housing and Building" (FY2010).



Ambiente Kyodo
(operated by Chuo Fudosan Co., Ltd.;
completed in February 2012)

BRANZ Tower Minamihorie
(jointly with Itochu Property
Development, Ltd.; completion scheduled
for February 2014)

Energy Management at Facilities Operated by the Group

At the Abeno Market Park Q's Mall, commercial facilities opened in 2011, the energy management system "Motto save" provided by Osaka Gas Co., Ltd. was introduced, which is able to aggregate and display in units of thirty minutes the energy consumption data of tenants. Knowing the power consumption and CO₂ emission volume for each store has enabled tenants to take energy saving measures on their own account.

This system was also introduced at existing office buildings of TLC, with the demand monitoring systems for entire building as the standard. Moreover, beginning in 2010, energy management systems using the Internet were introduced in an effort to reduce CO₂ emission volumes through the administration and analysis of actual electric power, gas, and water consumption.

Actualization of Households' Energy Consumption

Monitoring system for energy consumption is installed as a standard feature at the condominiums (BRANZ Series) marketed by TLC in the Tokyo metropolitan areas. Energy consumption (electric power and gas) can be checked using PCs and mobile phones. Moreover, energy-saving performances can be displayed as rankings within each condominium building, offering residents an element of entertainment in their energy-saving efforts. (Features vary by condominium building.)



Actualization system "me-eco"

Efforts for Popularization of Smart Houses

Tokyu Homes Corporation developed “new environmental conscious concept housing” based on three concepts, “use of natural energy,” “long-life and durable house,” and “low life-cycle costs,” and announced it in August 2011. This concept housing is an example of long-term excellence with regard to aseismic performance and life cycle CO₂ reduction, among others, which is also reflected in the “S-rank (excellent)” awarded by the CASBEE environmental performance efficiency assessment indicator.

Moreover, in August 2012 Tokyu Resort Corporation initiated sales of the MIRAI NIHON™ next-generation smart house whose conceptual design was created by TBWA /HAKUHODO Inc.

Use of Solar Power Generation and Other Renewable Energy Sources

The TLC Group engages proactively in the use of renewable energy application. As an example, solar power generation has been installed at a number of condominium buildings and at the Palau Pacific Resort Hotel, while wind power generation has been installed at the Tokyu Plaza Omotesando Harajuku commercial facility.



Panel displaying solar power generation facilities installed at the Palau Pacific Resort and the amount of power generated.

Energy Saving through the Use of LED Lighting

The TLC Group has been promoting a broad-based change to LED lighting at residential and commercial facilities, office buildings, resort facilities, residential facilities for the elderly, and other locations. The shift to LED lighting has been rewarded with substantial energy saving and long-life.

At the Tokyu Hands Shinjuku branch, the shift to LED lighting brought approximately 44% reduction in electric power consumption compared with before. At the Tokyu Harvest Club Nasu, the adoption of LED lighting and electrical inverters for power equipment led to the recognition as an “Eco Keeper Establishment” by Tochigi Prefecture.



Eco Keeper Establishment Certification



Tokyu Harvest Club Nasu

Introduction of Hybrid Vehicles

The TLC Group companies have adopted hybrid vehicles for company use in an effort to reduce CO₂ emissions volume. Hybrid vehicles were introduced in the 2011 - 2012 period at Tokyu Community Corporation, Tokyu Livable, Inc., and Ishikatsu Exterior, Inc.



Adoption of hybrid vehicles for company use (Tokyu Livable, Inc.).

TOPICS

Abeno Q's Town

Honored with the Osaka Sustainable Architecture Award Special Prize

In February 2012, the special prize of the Osaka Sustainable Architecture Award was given to the multi-purpose facility Abeno Q's Town consisting of the Abeno Market Park Q's Mall and other facilities operated by TLC. With this award, Osaka Prefecture honors the principals and the designers of buildings that excel in their consideration especially of environmental consciousness. In this instance, the award acknowledged not only the concern for the environment reflected in actualization of energy usage, energy management, and the proactive greening of buildings, but also expressed high appreciation for the consideration afforded the location by controlling road congestion and light pollution.



Five Environmental Issues (2)

Promoting Biodiversity Conservation

The TLC Group makes efforts for promoting biodiversity conservation through TLC's participation in "Japan Business and Biodiversity Partnership," procurement of timber taking into account the ecosystem of forests, progressive landscaping technologies, and greening taking in consideration biodiversity of the vicinity.

Preservation of the Existing Natural Environment

For preserving as much as possible the original ecosystem, the use of trees pre-existing at the location is desirable. At the BRANZ Denenchofu condominium building completed in April 2012, pre-existing trees were used as symbolic trees at the entrance.



Pre-existing trees were utilized at BRANZ Denenchofu condominium.

Pre-existing trees were also utilized at the Tokyu Harvest Club Atami Izusan & VIALA membership resort hotel (scheduled to open in August 2013). Additionally, planning envisions that the location will be surrounded by a protected green sphere taking up around one-third of the site area.

At Asumigaoka Higashi in Chiba Prefecture, "underpass" passage ways for wild animals were built during the residential land development. The passage ways constructed as underground tunnels were built to prevent traffic accidents of wild animals crossing the road.



Sign marking the underpass

Biodiversity Conservation through the Greening of Buildings

Through the greening of buildings and their vicinity, the TLC Group seeks to create ecological corridors designed to attract birds and insects having their habitats nearby. As an example, at the BRANZ Shinonome condominium (completed in February 2012), symbolic trees have been

planted on the patio and nest boxes have been set up. Additionally, greenery is planted on the roofs of all buildings



Green roof and solar power generation equipment at the BRANZ Shinonome

including residential and office buildings, commercial facilities, and residential facilities for the elderly.

Moreover, the TLC Group provides greening also for the temporary enclosures of condominium building construction sites, using the "Earth Wall method" (a patented construction method) of Ishikatsu Exterior, Inc. and with ivy on highly water-preserving bog moss planted at the



Temporary enclosure with greenery (BRANZ Yonbancho)

ground, offering greenery for the nearby community to enjoy.

TOPICS

BRANZ GARDEN Kami Saginomiya

Honored with the "Nakano Midorino Koken Award"

In October 2012, the owner-occupied detached home community BRANZ GARDEN Kami Saginomiya was awarded the "Nakano Midorino Koken Award, Corporate Greening Award." With this prize Tokyo's Nakano Ward honors individuals and organizations who contribute to the beautification and greening of their towns. In this instance, the prize lauded the green link through the gardens from the Tochinoki Park and the strong commitment displayed by the residents.



BRANZ GARDEN Kami Saginomiya

Development of Advanced Greening Technology

Shikatsu Exterior, Inc., known for proposing advanced greening technologies such as the Trans Planting Machine (TPM) method, also developed the Urban Green Shade - small islands of greenery for a taking a short rest that



Urban Green Shade

bridge the gap between the city and nature - and humic soil that can be used for indoor flower pots and planters.

Floriculture at Ski Resorts

Ski resorts Mt. JEANS Nasu and Hunter Mountain Shiobara in Tochigi Prefecture maintain and manage a wide range of flowering plants from the spring until the fall. Narcissus, azalea, lily, and sunflower take turns blooming respectively in spring, early summer, mid-summer, and fall. Moreover,



Narcissus Park at Mt. JEANS Nasu

Tanbara Ski Park in Gunma Prefecture and the Tangram Ski Circus in Nagano Prefecture are growing lavender blossoming in the summer.

Cooperating in the Protection of the Dugong Population and Coral Formation

The Palau Pacific Resort Hotel contributes and cooperates across a wide range to preserve the environment of the Republic of Palau which is registered as a World Heritage site, through activities such as sponsoring surveys and educational events for the protection of the dugong population, providing nature observation guidance on the hotel site, and lobbying for the designation of the private beach in front of the hotel as a marine life conservation area by ordinance of the State of Koror. Moreover, by keeping the height of buildings below that of palm trees, building designs reflect consideration for preserving the natural scenery.



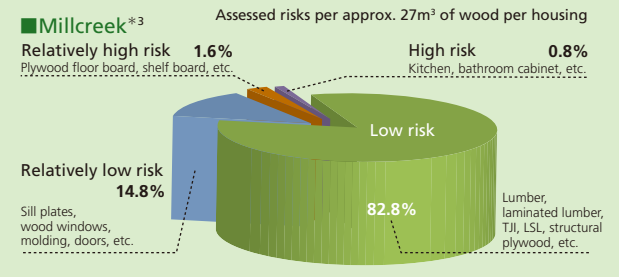
Poster calling for the protection of the dugong

Timber Procurement with Consideration of Global Environments and Local Communities

Tokyu Homes Corporation proactively promotes fair wood procurement*1 with the "Lumber Procurement Policy" established incorporating international procurement standards.

Assessment of wood-related environmental risks is implemented in cooperation with FoE Japan*2, an international environmental NGO. Based on results of the assessment, continuous improvement activities are conducted.

Environmental Risk Assessment Associated with Wood (as of March 2012)



*1 Fair wood trading refers to not only that trees are legally harvested, but also that they are logged in an environmental conscious manner and represents purchase of only socially-fair wood (no endangered species, no illegal logging or trading, no adverse effect on ecosystem or indigenous people.)

*2 Japan office of FoE (Friends of the Earth), an international environmental NGO

*3 North American-style homes (custom built)

TOPICS

Widening of the Green Connection Project

In October 2011, the TLC Group initiated the Green Connection Project as an environment conservation activity to be implemented with the cooperation of members of the public. Thus, consistent with many different areas of interaction between the Group and members of the public, the Group supports forest preservation activities and in this way contributes to solving the five environmental issues formulated by the TLC Group.



TLC Group Environmental Vision

Five environmental issues

- 1) CO₂ emissions reduction
- 2) Promoting biodiversity conservation
- 3) Conservation of water resources
- 4) Resource saving
- 5) Health care

Beneficial effects of forests

- CO₂ absorption
- Biodiversity conservation
- Watershed conservation
- Timber production
- Scenic views and relaxation

The Green Connection Project: Points of interaction with customers

- Purchase of condominiums
- Use of office buildings
- Use of resort facilities
- Card members of commercial facilities
- Moving into residential facilities for the elderly
- Ownership of shares

Five Environmental Issues (3)

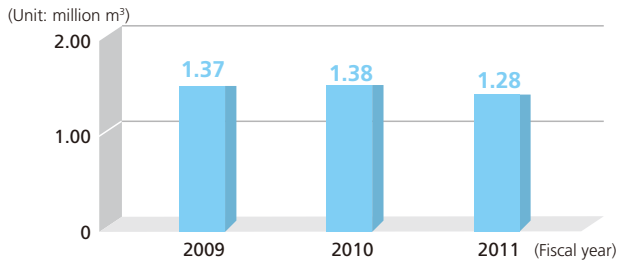
Conservation of Water Resources

The TLC Group makes efforts for conserving water resources by introducing diverse water-saving equipment to save water in business activities in TLC's office buildings, commercial facilities, and resort facilities.

Conservation of Water Resources by the TLC Group

The TLC Group has been working to reduce tap water consumption through the installation of water-saving facilities and equipment and the use of rain water and ground water.

● Tap Water Consumption Volume at the Main Facilities of TLC



* Values reflect the combined totals for 67 office buildings, commercial facilities, and resort facilities.

Conservation of Water Resource through Water-saving Facilities

The TLC Group has been promoting the introduction of all kinds of water-saving implements at the residential properties and facilities that the TLC Group markets and operates. Implements include water-saving faucets, dish washer-driers, and low-flow toilets. For newly designed commercial-use buildings, low-flow toilets are used with a water consumption of not more than six liters.

Usage of Rain Water and Ground Water

Efforts at using rain water are promoted along with water saving. At the various residential properties and facilities, rain water storage tanks have been introduced to procure water for cleaning common spaces and for watering green zones.

At the Grancree Seijo senior residence, rain water is used for watering the roof garden.



Rain water is collected on the roof for watering the garden.

Self-water Purification at Resort Facilities

"Palau Pacific Resort" has operated a hotel with drinking water generated by its own private water supply facilities since opening, and taken measures for saving water to protect water resources in Republic of Palau.



Palau Pacific Resort

Other Initiatives

For Raising Employees' Awareness of Environmental Issues

Since FY2009, TLC encourages employees to take the Certification Test for Environmental Specialists (Eco Test) hosted by the Japan Chamber of Commerce and Industry as part of environmental education for the employees. As of FY2011, successful examinees exceeded one hundred.



Product Development with Consideration to the Environment

Tokyu Hands, Inc. offers carefully selected products to effectively use limited resources taking into account the environment as a series of "Ecology in Your Hands." Out of the proceeds from sales of recommended items, one percent is donated to NPO Solarbear Foundation which engages in activities to prevent global warming.



Five Environmental Issues (4)

Resource Saving

The TLC Group makes efforts to promote recycling and saving resources in business activities, as well as longer life of housing and facilities, aiming to achieve a recycling society.

Long-life Residences and Use of Recycled Materials

Long-term Superior Housing Certifications were acquired for BRANZ Azabumamianacho condominium (completion projected for October 2013) and BRANZ Yonbancho condominium (completion projected for February 2014). Active efforts to acquire the certification will be made also for buildings planned in the future.

TLC's condominiums have acquired the highest three-star rating for "measures against deterioration" in the Housing Performance Indication System, in consideration of quality of concrete.

Recycled timber has been used also for the wooden decks of BRANZ Shinonome condominium among other steps to promote the effective use of resources.

Significant Reductions in Industrial Waste from Renovations

The total housing recycling system "Kurashi Up GREEN" of Tokyu Homes Corporation reduces industrial waste by around 90% compared with reconstructing from scratch, by re-using good-condition components of the original structure such as foundations and pillars. Moreover, facilities are not only replaced with new ones but at the same time also structural reinforcement is provided as measure to enhance building life.

In addition, Tokyu Resort Corporation offers seismic resistant assessments and guarantees with sales of its REWORTH renovation for country cottages.



Resource Saving and Recycling at Facilities Operated by the Group

The TLC Group promotes thorough separate collection and recycling of wastes. In relation to office buildings and commercial facilities, appropriate disposal has been implemented in relation to waste materials at construction, provide education to management companies, and call for cooperation of tenants.

Tokyu Resort Service Corporation is promoting recycling of waste oil from restaurants in hotels, golf courses, and ski resort facilities managed by Tokyu Resort Service, and switching from disposal chopsticks to ordinary ones.

Moreover, at the Tokyu Stay boarding hotels operated by Tokyu Relocation Co., Ltd., in Tokyo, amenities such as tooth brushes, etc., are provided only at the reception for

those guests who actually do need toiletry articles, in an effort to reduce the volume of waste.



Provision of amenities at the reception (Tokyu Stay)

Using Recycled Bio Resources

TLC makes bamboo smoked chips in the company-owned forest in Ichihara city, Chiba Prefecture, and uses the chips as materials for soil amendment of home garden spaces at some detached homes sold in "BRANZ GARDEN Asumigaoka Higashi." We also use wood which was cut during forest improvement activities for plant name tags and woodchips. In "Asakura Golf Club," logged wood is made into chips and recycled in the facility by Ishikatsu Exterior, Inc. At the same time, fallen leaves and lawns are turned into compost.



Compost and kitchen garden at BRANZ GARDEN Asumigaoka Higashi

Size Reduction for Newsletter and Guidebook

The community newsletter and guidebook for members of the WELBOX welfare menu service provided to clients of Ewel, Inc. have been reduced in size so as to lower the consumption volume of paper resources.



Left: original size; right: reduced size

Five Environmental Issues (5)

Health Care

Considering that environmental conservation would lead to physical health, the TLC Group offers health-conscious facilities and services.

Appropriate Handling of Toxic Chemicals and Waste

At the TLC Group's office properties, resort and commercial facilities, we are committed to a reduction of toxic chemicals that have an impact on the environment, and handle these substances in accordance with the applicable laws and regulations. CFC (chlorofluorocarbon,) which is used as air-conditioner coolant and PCBs, for condensers, are properly managed or discarded in accordance with the required procedures without leaks or discharges in accordance with the corresponding regulations. Control measures and procedures in relation to asbestos and contaminated soil are implemented when required in light of the site investigation results.

Residential Creations that Offer Environments for Healthy Living

The Japanese Building Standards Act has introduced a ban on two chemical substances, and the Ministry of Health, Labour and Welfare (MHLW) has issued guidelines for air concentration levels for 13 chemicals in response to the sick house syndrome.

TLC's condominiums and detached housings employ construction materials with the highest rating of F4-stars in JIS/JAS evaluation system, and acquired the highest three-star rating for the category of formaldehyde countermeasures in the Housing Performance Indication System. TLC also pays great attention to emission of other chemicals and is committed to providing healthier homes.

In total air conditioning system of "Millcreek," an imported housing of Tokyu Homes Corporation, it is possible to keep the entire house at constant temperature, and to keep the interior environment comfortable through a whole year by taking in fresh air free from pollen dust, moisture, and odor.

Industry and Academia in Joint Research of the Sick House Syndrome

Tokyu Homes Corporation was awarded a letter of appreciation from Chiba University in recognition of five years of cooperation in the "Chemiless Town Project" conducted between industry and academia in order to identify the causes and remedies of the sick house syndrome. The project included a diversity of empirical research surrounding the use of German-made ecological construction materials that include an absolute minimum of toxic chemicals and construction materials employing leading edge technology to actively reduce toxic chemicals such as photocatalysts.



At the award ceremony

Facilities and Services for Health Maintenance and Furtherance

The facilities of the TLC Group emphasize health maintenance and health promotion through the use of greenery. A number of residential facilities for the elderly offer gardening therapy, enabling residents to improve their health through tending to flowers and vegetables and by using the harvested vegetables for food, and in this way increase the communication among residents.



Gardening therapy

Since April 2012, Ewel, Inc. provides the health support tool "WELBOX Master of Health" under the WELBOX Welfare Menu Service for corporate customers. In addition to record-keeping and tracking functions for the number of steps users walk each day, for limited periods of time users are also offered health improvement events. For the future, plans are considered to share and use the health support services provided by Ewel, Inc.



"WELBOX Master of Health" and Walking Rally Events

Robust and Transparent Management Structure

As a member of group in pursuit of creating beautiful living environment, the TLC Group aims to establish a structure that ensures robust and transparent management, in order to perform our social responsibilities and enhance corporate value.

Corporate Governance

Corporate Governance System

TLC has implemented an executive officer system to separate the functions for decision-making and supervision on management policies, from those related to the execution of duties on business affairs to thereby strengthen corporate governance and increase management efficiency. In addition, from the standpoint of strengthening consolidated management of the TLC Group, the presidents of the major group companies attend the Group Management Committee.

The Board of Directors functions as the highest decision making body and is responsible for management policies and ensuring execution of duties by the directors. Board meetings are held on a monthly basis, and extraordinary board meetings are held as necessary. For FY2011, a total of 14 board meetings were held. The role of the statutory auditors is to attend important meetings and correctly assess the corporate status, and effectively supervise TLC and the group companies' operations and directors' execution of duties. Transparency in the management by appointing three external auditors in the four members Board of Statutory Auditors.

Internal Control Systems Framework

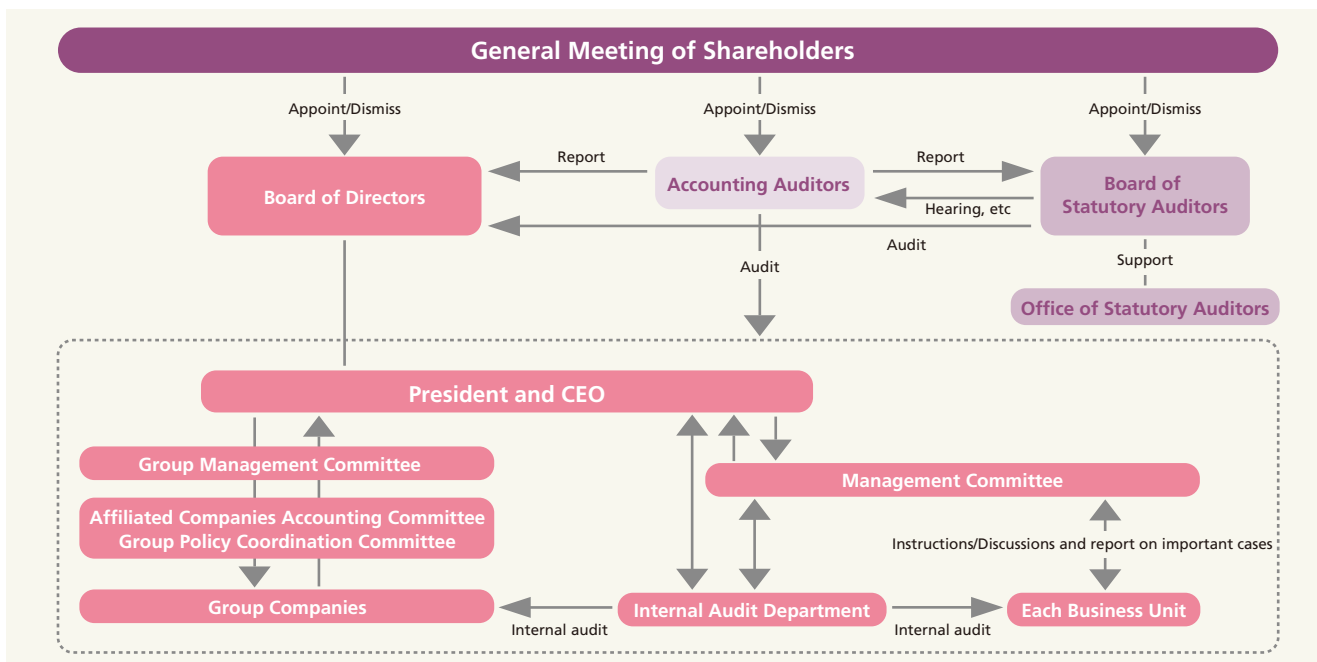
At TLC, compliance management is ensured as a result of the determination by the Board of Directors of

resolutions to enforce fair business practice across the TLC Group while advancing internal control framework, and validating progress on a regular basis. TLC has also established the Internal Audit Department in order to guarantee independency and fair practice of the internal control system. The Internal Audit Department conducts internal auditing of overall business practices of TLC and its subsidiaries, and objectively and justly examines and validates the legality and appropriateness of management/ operation systems and business conditions, and initiates improvement in business practices.

Compliance

The TLC Group has a compliance system in place that consists of committees such as the "TLC Group CSR Promotion Committee," and endeavors to ensure compliance management in accordance with the "TLC Group Code of Conduct." To supplement the Code, we have implemented the "TLC Group Compliance Manual," which outlines each item in the Code of Conduct more specifically, as a tool for our employees to put compliance into practice. Furthermore, we hold compliance trainings periodically to familiarize employees with compliance issues in order to establish a culture of compliance within the Group.

Corporate Governance System



Initiatives to Raise Awareness-raising Measures

TLC formulates "Compliance Program" in each fiscal year to plan compliance activities for that year. To ensure awareness of compliance and appropriate business practices, TLC conducts rank-specific trainings periodically for all executives, employees, contract workers, and temporary staff. For FY2011, a total of 33 such training courses were initiated, on the topic of compliance, legal matters, and financial instruments and exchange business.

Also, widening the scope, training has been introduced also for executives and employees of the TLC Group and steps are taken to increase awareness. Topics of internal seminars held in FY2011 included insider trading regulations, Organized Crime Exclusion Ordinances, and labor administration, among others. A compliance e-learning program for employees is continuing.

Moreover, examples of compliance incidents from other companies are posted each month and brought to the attention of employees together with cautionary warnings. Other measures to strengthen legal compliance include the implementation of internal regular legal conferences, adoption of in-house lawyers, and the creation of environments to enable employees to check for information on new legislation and revisions of laws concerning operations.



Compliance training

Helpline for Reporting Breach of Laws and Improper Actions

The TLC Group has a "Compliance Helpline" (whistleblowing compliance hotline) in place as a mechanism to prevent and remediate any violation of law or fraud. The external helpline is also available for employees to consult with independent attorneys on compliance issues.

Compliance with the Financial Product Trading Business

In accordance with the enforcement of Financial Instruments and Exchange Act, TLC is registered as a Type II Financial Instruments Business and an Investment Advisory and Agency Business. We are endeavoring to upgrade our business structure by strengthening the organization and establishing necessary company regulations. Furthermore, we are also working to build our internal management and control system and its validation system based on the PDCA management cycle to enhance compliance with law and regulation.

Furthermore, "basic training for securitization of real

estate" and internal seminars concerning "Financial Product Trading Business Manual" are held on a regular basis in order to familiarize employees with relevant laws and regulations, etc.

Policy for Anti-social Forces

The "TLC Group Code of Conduct" clarifies the principle of no association with anti-social forces. It is stipulated in the Code of Conduct that we shall construct close connection with police, attorneys and other external institutions within the context of our day-to-day business activities, and stand firm against any demands from anti-social forces. TLC also released "Guidelines for Anti-social Forces" and "Anti-social Forces Policy Manual" to prescribe actual preventive and handling procedures of anti-social forces and disseminating the guidelines and manual through compliance trainings for employees.

TLC Group Code of Conduct

1. Compliance with Law and Regulation and Fair Trading

- Ensure compliance to applicable laws and regulations.
- Ensure best practice in material procurement and fair trade.
- Ensure compliance with fiduciary responsibility in the execution of duties.
- Never connect with anti-social forces.

2. Ensuring Customer-oriented Awareness

- Identify customer needs and develop product to meet their needs.
- Prompt and dedicated response to customers' comments and requests.
- Customers' safety and security comes first when providing products and services.
- Provide a suitable and appropriate explanation and marketing of our products and services.

3. Suitable Execution of Duties

- Responsible execution of duties, keeping concepts of "speed" and "evolution" in mind.
- Nurture organization culture of placing emphasis on "Collective wisdom."
- Take advantage of combined strength of the corporate group.
- Ensure proper decision making process.
- Proper management of rules.
- Proper negotiations with business associates.

4. Proper Management of Information

- Operate appropriate document and information management system.
- Proper management of confidential information and compliance with confidentiality obligation.
- Prohibit insider trading.
- Timely and appropriate information disclosure and PR activities.
- Internal control to ensure proper accounting and financial reporting.

5. Ensuring Good Faith in Business Conduct

- Preserve corporate assets.
- Ensure a robust, safe, and comfortable working environment.
- Respect human rights.
- Contribution to society and consideration of the environment.
- Reasonable business entertaining and gift-giving.
- Clear distinction between business and personal matters.

Risk Management System

Day-to-Day Risk Management

Upon risk identification and assessment, the TLC Group has established a PDCA (plan, do, check, act) cycle as the risk management system. Critical risks that are project specific to TLC are to be discussed at "Management meetings" and then comprehensive risk management is carried out accordingly. Furthermore, TLC promotes risk management activities across the TLC Group through "TLC Group CSR Promotion Committee."

Crisis Management in the Event of a Disaster

TLC will respond to a disaster or other situation associated with a risk or occurrence of urgent and critical loss in accordance with the "Emergency Response Provisions," shall distribute all necessary information, make decisions in an appropriate manner, and take measures to minimize damage.

Moreover, TLC formulated "Emergency Response Basic Manual" stipulating code of behavior in an emergency, and individual manuals for large scale earthquakes and other diverse crises and hold response training according to it. TLC also developed business continuity plans (BCP) for a head office and individual businesses to avoid business interruption.



Earthquake response training

Information Management and Disclosure

Information Management System

With the objective of appropriately managing the information required for our business operations, TLC has constituted "Information Management Provisions" to stipulate information sharing to increase efficiency of business operations, to prevent breach of confidence, and ensure adequate information disclosure. On the other hand electronic information shall be handled on the base of "Electronic Information Security Rules" that are to be observed by directors and employees regarding information usage monitoring by information managers, information terminal use, and other electronic information related matters.

Protection of Personal Information

TLC has issued "Personal Information Protection Rules" to require all employees to observe relevant laws and

regulations. To disseminate the rules and raise awareness of personal information protection, TLC has distributed a "Personal Information Protection Manual" and conducts training on related matters. In addition, TLC pays close attention to choosing business and outsourcing partners, and promotes appropriate supervision in order to ensure information protection. Tokyu Community Corporation, Tokyu Livable, Inc., Tokyu Relocation Co., Ltd., and Ewel, Inc. have obtained a Privacy Mark that guarantees personal information to be safely managed and protected.

Prohibition of Insider Trading

In order to prevent insider trading that clearly is in breach of the Financial Instruments and Exchange Act, TLC established "Provision of Insider Trading Prohibition" to thereby raise awareness of the provisions through compliance trainings and e-learning programs.

IR Activities

TLC is committed to providing information to shareholders and investors in a fair, accurate and timely manner.

With respect to disclosure, TLC ensures strict compliance with applicable laws and regulations. We also disclose information on management strategies and our financial position to extensively promote understanding of our business activities.

We are pleased to note that TLC earned Internet IR Excellent Company Award 2011 from Daiwa Investor Relations (Daiwa Securities Group), won first place in "FY2011 Listed Company Web Site Quality Ranking by Nikko Investor Relations, and won the Bronze prize in IR Site Total Ranking 2012" by Gomez Consulting.



Daiwa Investor Relations (Daiwa Securities Group)
"Internet IR Excellent Company Award 2011"



Nikko Investor Relations
"FY2011 Listed Company Web Site Quality Ranking" First Place



Listed Company Industry Category Site Quality Ranking
Nikko Investor Relations webpage:
<http://www.nikkoir.co.jp/>



Gomez Consulting,
IR Site Ranking 2012
Total Ranking Bronze prize
Real Estate Ranking Bronze prize



Communication with Customers

Drawing upon diverse expertise across the Group gained through various services we have developed over the years, the TLC Group strives to further improve our products and services, and maximize customer satisfaction.

Measures to Improve Customer Satisfaction by Emphasizing Communication

To ensure that the entire TLC Group acts together to provide services that find full customer satisfaction, in 2009 the Service-way Forum for the enhancement of service offering was initiated, which is comprised of five companies* whose interaction with customers in relation to Group operations is particularly frequent. By mutually sharing their expertise and information, the participating companies aggregate their resources in their daily efforts to identify opportunities for bonding with and serving customers.

* Tokyu Resort Service Corporation, Tokyu Sports Oasis, Inc., Tokyu Stay Service Co., Ltd, Tokyu E-Life Design, Inc., Tokyu Land SC Management Corporation



Poster introducing activities

Aiming to Achieve Two-way Communication with Customers

In the service industry, the first step to successful customer communication is memorizing customers' names and faces. No effort is being spared in doing just that, but since communication is originally a two-way process, as a new additional measure, programs have been rolled out to have customers memorize the names and faces of the staff members serving them.

For example, the resort hotel Tokyu Harvest Club lets customers cast votes under the heading "Thumbs Up! Staff chosen by customers" to make an opportunity for customers to remember the faces and names of staff members. At Tokyu Sports Oasis, Inc., under the theme of "Smile Oasis Staff General Election," customers vote for the staff member they think best express the desire to make customers happy by providing service with a smile.



"Thumbs Up! Staff chosen by customers"

Voluntary Training Using Video Teaching Materials

Service-way Forum participant companies have prepared video educational materials for voluntary self-study displaying mannerisms, postures, and attitudes that, although undesirable, are prone to happen despite one's better knowledge. Adding improvement upon improvement, through mutual objective learning and observation, participants will be able to make customers feel comfortable and to enjoy the facilities.



Video training material for postures at the reception

Strengthening Relations with Customers

The TLC Group issues four times each year its Group newsletter "Cosmos" to about 130,000 customers who have signed up as subscribers, with a view to continue providing customers with suggestions for a congenial and comfortable lifestyle after the purchase of a product or service.

"Cosmos" was first published in 1969 and has been brought to customers for about 40 years. Incidentally, the autumn issue of 2012 commemorated the 200th issue since the publication was established. On this occasion, pages were given a complete makeover. In order to continue to attract the interest of our customers, we will commit to bringing news that relate closely to customers' lives, strengthening two-way communication with customers, and welcoming customers' opinions to bring all of these to bear on future service enhancements and product development.

Moreover, together with the renewal of "Cosmos," a new appearance was given also to the "Cosmos WEB" special website, which serves for the introduction of special bonus offerings. This site is meant to further enhance

customer satisfaction through the quick delivery of timely information that cannot be communicated through the quarterly newsletter.



The TLC Group's newsletter "Cosmos"



"Rie Yasumi's Senryu Seminar" event with customer participation

Communication with Tenants

Based on the concept of a "newsletter and information site linking towns, office buildings, and people working there," TLC has been publishing the freebie newspaper "Office to" and operates the special website "Office to CLUB" for tenants of the office spaces operated by TLC.

Launching this service sprang from the desire to bring additional comfort and convenience to tenants' office life.



The "Office to" free newspaper for office workers



Special site "Office to CLUB"

New Site for Consultations on Real Estate

In October 2012, Tokyu Livable, Inc. started its website "Online Real Estate Consultation Service" for consultations on real estate. The purpose of the site is to facilitate communication across the real estate industry at large through the release of industry know-how geared at individual and corporate customers as well as members of the real estate industry. In addition to consultations through the site, previous consultation cases are published.



Online Real Estate Consultation Service

VOICE

"Hint Market"

Along with merchandise, Tokyu Hands, Inc. offers also "hints" for making life more comfortable and convenient.

Customers do not visit us only to buy things. Prior to buying, they look for comfort, pleasure, stimulation, and happiness. We believe that our "hints" are the link between the things that customers buy and what comes after that.

A good hint from a staff member can inspire in a customer every emotion from happiness to elevation and confidence. This is why we look to be a "Hint Market" capable of offering good "hints" at all times.

For achieving this, communication with the customer is indispensable. When we hear what customers have to say, we can offer tailor-made hints. In this way, we too receive hints from customers for the future shape of Tokyu Hands. It is this kind of happy relationship with our customers what we are seeking to grow.



Ichiro Kokubu
Branding Section, Corporate Planning Division
Tokyu Hands, Inc.

Aiming at Creating a Workplace where People Feel Job Satisfaction

The TLC Group considers it important to create a working environment where employees can work with vigor and motivation in order to improve services to customers and improve our corporate value. Therefore, we have established various systems and structures to enable individual employees to make the maximum use of their personal characteristics and abilities, aiming at creating a workplace where employees can work with pride.

In-house Training Programs

At TLC, employees are not regarded as “human resources,” but rather, as “human asset,” exerting direct influence on corporate value and profit. TLC’s employee training program consists of four stages, with a five-year interval from the time they join the company. Each stage has goals to be achieved through a stage-specific training curriculum. The program is intended to enable employees to create new values and improve their skills as “value producers.” In addition to existing programs, TLC actively develops personal development programs to help each employee learn and acquire certifications for his/her chosen career path.

Specifically, there is training in the 5th and 10th year of a career, as well as technical career training with a view to the next career level such as assessment training for management positions, but also training for specific fields such as accounting training, training in logical communication, and lectures on legal affairs.

Furthermore, due to the attention placed on development of foreign business activities, TLC provides education of foreign languages (English/Chinese) for interested employees.

● Training Program Overview

Year count from joining TLC	Year 1 to 9	Year 10 to 15	Year 16 and over
Stage	Employee rank	Manager rank	Executive rank
Upskilling Programs (input)	<ul style="list-style-type: none"> - Marketing - Finance - Logical communication - Accounting - Career building - Law lectures - Finance lectures 	<ul style="list-style-type: none"> - Information gathering - Information analyzing - Risk assessment - Hypothesis formation and verification - Assessment 	<ul style="list-style-type: none"> - Strategy formulation - Business creation - Business management skills - Assessment training
Performance Goal (output)	Wide-ranging experience	Operation skill and specialization enhancement	Management and business management skill enhancement

Personnel Rotation Program

TLC systematically rotates young employees who have been with the company for ten years or less for the purpose of fostering personnel to take charge of management positions with a broad understanding of corporate business. TLC carries out the personnel rotation program, taking into account employees’ own wishes and aptitudes based on annual interview on personnel affairs. Those employees, in principle, would experience three kinds of duties at three divisions during the period of ten years after entering the company. With this program, it is possible for the company to determine an employee’s aptitude at an early stage, and for employees to conduct business activities from the company-wide viewpoint, in addition to their own division’s viewpoint.

Internship Programs to Support Future Employees

TLC offers two internship programs for next generation to learn first-hand what it means to work in the society, and rewards and challenges of working in the real estate business. One program is called “Internship” and gives actual working experience with our employees, while the other, “one-day Internship,” consists of visits to TLC’s projects and group workshops to discover advantages of the real estate industry. “I could more understand the real estate industry,” and “I could imagine myself working,” participating students said every year, highly appreciating the internship system which contributes to cultivating a view of career for the next generation.

VOICE

From the Human Resources Development Manager

In addition to the standard training programs structured according to years of service and job level, TLC maintains also a diversity of programs for human resource development.

Examples are cost support and awards programs for the acquisition of public certified qualifications, outsourcing/cross-industrial training programs to help with the creation of wide-ranging human networks and the acquisition of multilateral perspectives through exchanges with personnel from other companies across industry and sector boundaries, and correspondence course system to support employees' independent learning.

Moreover, the FA system has been established to enable employees to apply for a transfer to the department they desire after having worked for a certain number of years in the same job category or department.



Yurika Numataki
Personnel Department,
General Administration Division

Ensuring Employment Diversity

In order to promote employment diversity, TLC proactively employs people with disabilities, and improves and enhances their work environment. As a result, the employment rate of people with disabilities was about 2.1% as of the end of March 2012, largely exceeding the statutory employment rate at 1.8%. The re-employment system for retired persons has been introduced with an eye to productive employment for both employees and the company (job matching.) With this system responding to diversification of life plans after retirement which has been recognized as an issue of the aging society, a lot of employees who retired once are actively working, using skills that they have developed so far.

Respect for Human Rights

The "TLC Group Code of Conduct" includes an item "Respect human rights" which calls for employees to behave in a manner respectful of human rights. The Group respects basic human rights in accordance with the "Universal Declaration of Human Rights" adopted by the United Nations, and the legislation of Japan and of foreign countries where the Group maintains operations, take steps to prevent discriminating conduct, sexual harassment, and power harassment, etc., and for new hires implements a training program themed "Issues Surrounding Corporation and Human Rights" in order to promote appreciation for issues surrounding human rights. Moreover, the TLC Group works to create a corporate culture conducive to respect for the diversity of individuals' values, individuality, and privacy.

New Business Venture Proposal System

Since 2004, the TLC Group has implemented a new business venture proposal system, "Demand Innovation," with an eye to discovering a new source of profit for the next generation. Since FY2011, the Marketing Strategy Department of Business Innovation Division which was newly established for creating new business models has enhanced the system by supporting commercialization of suggested businesses as a specialized department, and invited ideas of new businesses from the TLC Group employees.

The TLC Group has the DNA to constantly challenge new businesses even in social transit periods, for example, in past days, establishing Tokyu Hands, Inc., and taking a leading role in introduction of installment selling of real estate in the industry. With such a corporate culture, aiming to commercialize new businesses, the TLC Group widely invites ideas which may break a social deadlock, free from industrial stereotypes from the TLC Group employees.



The poster to invite ideas

Support System for Childcare and Nursing Care

The TLC Group has implemented a number of measures to provide our employees with diverse working style options.

In 2012, TLC changed its childcare support regulations. Specifically, the regulations for reduced work time for childcare were made available for the employees with children up to the third grade of elementary school, and such other improvements for better reconciling childcare and work. Additionally, the 4-day work week was introduced for nursing care support.

Also at the Group companies, for example, Tokyu Hands, Inc. provides an exemption from overtime for employees with children up to the third grade at elementary school. It also has a system in which employees with a family member requiring nursing care are exempted from overtime work and can choose their own working hours. Tokyu Sports Oasis, Inc., on the other hand, implements flexible human resource management, including extended maternity leave (small children up to three-years old,) "Short Work-Hour upon Returning to Work Program" (work three hours less, for six months after returning to work,) and "Childcare Employees System" (employees with children in elementary school can choose their own working hours.)

Certified for Next Generation Accreditation Mark "KURUMIN"

In May 2010, TLC earned certification for employers that support development of next generation from Tokyo Labour Bureau. TLC executed an action plan to improve work-life balance, for instance, by establishing and enhancing new systems and workplace understanding to create better atmosphere for work-life balance, promoting paternity leaves, establishing system to allow employees to leave on expired annual holidays to be with the partner for the delivery or for nursing leave, and promoting taking paid annual holidays. Among Group companies, Ewel, Inc., Tokyu Community Corporation, and Tokyu Hands, Inc., and Tokyu Sports Oasis, Inc. have already acquired the certification.



KURUMIN (next generation accreditation mark)

VOICE

Using the Support System for Childcare

I have made full use of childcare support regulations, which provide maternity leave and childcare leave for twice and regulations for reduced work time for childcare after returning to work.

Regulations to support working mothers are upgraded year after year, for instance, the extension of the usage period for the system for reduced work time for childcare and the ability to use accumulated annual holidays for sick care. Thanks to this support, in recent years I can see that many more employees are balancing work and childcare, which has brought about an appreciable increase in understanding in the workplace.

I try to deliver high performance at work while my time is limited and not to take any work place stress back home but to cherish the time with my family and live each day with a good balance between work and childcare.



Yuga Nakajima
BRANZ Planning Department,
Residential Business Division

Volunteer Support

For employees who participate in volunteer activities for recovery support after the Great East Japan Earthquake, TLC has established a "Volunteer Leave System." In addition to up to five days of paid leave per year, participants are eligible to receive subsidies in a certain amount from the Company for the cost of their volunteer activities. Moreover, regulations have been established that allow participants in welfare activities and environment conservation activities to use for such participation, a certain number of accumulated but expired annual holidays.

Work-Life Design

TLC believes that employees generate respective multiplier effects by independently "designing" and thereby enhancing the shape of their work lives and personal lives. The Company therefore works to implement a concept of "work-life design" aimed at creating a relationship of mutual benefits between the Company and employees. To this end, the Company takes a range of measures such as programs designed not only for physical rest but also for making time for new activities and personal growth and programs to support diversity in work modes. For example, the Company has made Wednesday a "No Overtime Day" and has established a "commitment leave" system for employees to commit themselves to schedule at the start of each year at least seven days of paid leave that they will take during the year.

Revitalization & Communication Workshop

TLC holds "Revitalization & Communication Workshop" with the aim of allowing for exchange among employees and reducing stress. The purpose of this workshop is to figure out ways to work and live free from stress through various experiences with guest lecturers. For example, practice exercises that can be done without assistance such as stress endurance checks and laughter yoga (laughter exercises) for stress resolution, tapping for emotional relaxation and building concentration, effective complimenting (praise that reaches others) to facilitate communication, and other useful programs for actual business and life enjoy popularity among a lot of participants.



Workshop

Medical Checkup and Mental Healthcare

TLC provides periodic health examinations for all employees each year in spring, and also in the autumn for those who prefer a second exam and for employees with overtime in excess of internal standards.

For mental healthcare, TLC implements employee mental support program (EAP) arranged by a specialized external institution. The mental support program is also available for families of employees to consult with the specialist about any problems including non-work related problems such as childcare and nursing. Furthermore, the mental healthcare program offers self-checklist every year for employees to recognize their own stress levels.



User instruction card for mental healthcare consultation service

Enhancement of Working Environments

As part of the Company's welfare program, at the TLC head office, employees can take the "Office Massage" available once a week administered by visiting chiropractors. The offer has been praised by users for its relaxing and refreshing effects, for example, after working long hours at the PC.

Moreover, at Ewel, Inc., some areas for work breaks and for holding meetings have been equipped with tatami flooring to create spaces that promote relaxation. Using this kind of surroundings invigorates the communication among employees, supports creative thinking at meetings, and serves to raise productivity.



Tatami resting/meeting room at Ewel, Inc.

Kusanone Project

"Kusanone Project" is the name of an initiative to increase communication in a bottom-up configuration involving around 16,000 employees of the TLC Group. Activities incorporate a diversity of inputs from employees, many of them calling for better lateral integration and improved communication. This shared perception led to the initiation of activities aimed at closer interaction of employees and

Group companies and the provision of a one-stop service program conceived from the angle of offering value for customers at all times.

Based on the concept that close relations and interaction among employees are the source of increased value creation provided to customers, it is the aim of this project - through a range of measures and occasions whose purpose is to come to know and connect with people, meet and learn from people, and motivate people, etc. - to create a spontaneous cycle that serves the cooperation in the Group.



"Kusanone Web" Special Site



The image character Kusanone



PR board installed at all Group companies

Knowledge Forum (in-house seminars)

TLC holds in-house seminars called "Knowledge Forum" for executives and employees of the TLC Groups. With the aim of advancing reform of organizational culture, knowledge interaction with other leading companies, and of promoting learning and motivation, we invite leading figures in many different industries to speak at our Forums.

In FY2011, five presenters were invited to give lectures, among them Hirofumi Gomi, former Commissioner of the Financial Services Agency and current Chairman of PricewaterhouseCoopers Research Institute (Japan) Co., Ltd., who gave a lecture entitled "Lessons from the Financial Crisis -Regulation by the Authorities and Self Discipline-," and Isamu Tatsuno, President and CEO of MontBell Co., Ltd., who gave a lecture entitled "Dreams and Adventures -Playing in the Nature-." Since FY2004, the Knowledge Forum has been held 32 times in total as of September 2012.



The Knowledge Forum

Ensuring Safety and Security Contribution to Local Community

The TLC Group contributes to local communities by maintaining and enhancing the “safety and security” provided by its products and services and through helping to build communities.

Achieving High Quality

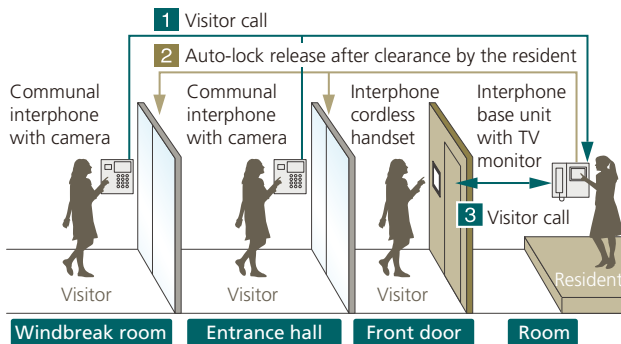
Condominiums and detached housings

Planning and developing condominiums and detached housings, TLC conduct strict quality checks such as ensuring the drawing and patrolling inspection at each stage of residential project from schematic design, construction, to after-sales service in order to maintain high quality, safety, installation of disaster and crime prevention equipment, and comfort of our products and services.

Based on the “planning checklist” which is a compilation of the know-how and experiences of product development and management over the years, we carefully verify the performance characteristics of our buildings’ structures, appliances and specifications during schematic planning and construction planning phases.

For crime prevention, we outline the fundamental idea in our “security guideline.” For example, in the case of condominiums of the BRANZ Series condominium, the way from the building entrance to each condominium is divided into three zones that are respectively protected through three kinds of security devices such as auto-locks and interphones equipped with surveillance camera and TV monitor.

● Outline of the Triple Security Application



Office buildings and commercial facilities

Our goal for TLC office buildings is assuring a safe working environment. We therefore take greatest care in undertaking routine safety measures and, based on our “Office Building Planning Guidelines” and “Universal Design Guidelines,” improve our approach day to day. Any accident that occurs is recorded in a database, and is managed by the Facility Management Information Network for inter-departmental sharing in order to investigate the causes and preventive measures.

This is one of the self-imposed requirements, among

other cutting-edge structural designs, to make TLC’s new office buildings with over 3,000 *tsubo* (9,917m²) floor space, to meet the equivalent performance level of the seismic resistance standard for Type II Government and Other Public Office Facilities*. In order to assure our tenants’ business continuity in case of earthquake, we also conduct seismic resistant assessment, and reinforce the structures to the level required by current Japanese Building Standard Act.

* The seismic resistance standard for Type II Government and Other Public Office Facilities: The structure should be designed and constructed to withstand severe shakes without serious damage that require major repair work. Specific measures have to be implemented for safety of life and structural functions.

Resort facilities

Tokyu Resort Corporation implements building inspections and seismic resistant assessments at the time of selling used detached homes which the company purchased, and if needed, reinforces their structure. Finally, properties guaranteed by outside inspection institution will be put on the market.

Condominium management

Tokyu Community Corporation implements seminars for management associations in effort to improve condominium management techniques, aiming at provision of condominiums which can satisfy customers.

One-year Guarantee for Transactions in Pre-owned Residences

In October 2012, Tokyu Livable, Inc. started offering its “Livable Intermediary Guarantee Service,” a one-year guarantee associated with the sale or purchase of an existing residence. An existing residence which structure has been inspected and its safety verified is protected with a one-year guarantee beginning with the date of the handover to the buyer.

The seller, on the other hand, obtains the advantage of an effective release from the statutory liability for defects of the building and can go ahead with offering a building eligible as a “Livable Guaranteeable Housing.” Buyers also

can get to know the inspection result before they decide to purchase and obtain a one-year insurance that is valid for longer than the statutory liability for defects, which normally covers only the first three months after the hand-over.



Strengthening Disaster Response Capabilities

TLC's condominiums distribute "DIY Guidebook for Seismic Countermeasures" in which countermeasures against earthquakes are explained, for example, how to prevent furniture from falling, as well as "Condominium Life Handbook" in which basic knowledge of condominium management and measures for crime and disaster prevention are described. In "BRANZ Support" Program (see P. 13-14,) seminars on crime/disaster prevention, fire drills, and other events are conducted at Tokyu Community's Technology Center (excluding some condominiums.)

Tokyu Community Corporation, on the other hand, offers seminars and useful ideas regarding disaster prevention instruments and proper building maintenance methods to condominium association board members.

It also put together "Disaster Control Guide" for each condominium association for their disaster preparedness.



Distributing information through handbooks.



Disaster response training (Tokyu Relocation Co., Ltd.)

Strengthened Defenses against Disaster through the Cooperation with Local Governments

TLC has been working in cooperation with local governments to strengthen defenses against natural disaster. For the South Gate Tower Kawaguchi (Kawaguchi City, Saitama Prefecture) scheduled for completion in January 2014, "Agreement on accepting people with difficulty getting home" was concluded with the Kawaguchi City government for the first time. The agreement provides for the installation of a disaster relief stockpile warehouse and the available use of temporary manhole toilets, bench seats which can turn into cooking stoves, and other equipment in case of an emergency.

A mutual aid agreement in case of disaster was

concluded also with Tokyo's Setagaya Ward, which provides for the registration of the residential facilities for the elderly, Grancreer Seijo and Grancreer Bajikouen as secondary evacuation shelters (welfare evacuation shelters), marking the first such occasion involving a private sector enterprise. Also in Tokyo's Shibuya Ward, where TLC has multiple offices, the Group participates in the Shibuya Ward Area Council for People with Difficulty Getting Home and is involved in the formulating of disaster response regulations.

Stockpile in Preparation for Disasters

Having taken various actions in preparation for disasters, such as a stockpile of food and setting up of emergency toilets, individual facilities of the TLC Group further enhanced stockpile and other disaster contingency planning in the wake of the occurrence of the Great East Japan Earthquake.

Condominiums of BRANZ Series have reserve storages for stockpile in place according to the number of resident households, and defined the criteria of storage area and stockpile. (Excluding some condominiums)



Reserve storage of "BRANZ City Konandai Uguisu no mori"

TOPICS

Tokyu Stay Ikebukuro and Tokyu Stay Kamata Designated as Excellent Certified Fire Prevention Property Offices

In January 2012, the Tokyu Stay Ikebukuro and Tokyu Stay Kamata were designated excellent certified fire prevention property offices, bringing the number of Tokyu Stay establishments bearing this designation to 14 out of 15. Strict requirements must be met in order to qualify for this designation, which is held only by few operators of business hotel chains.

Additionally, fire prevention and evacuation drills are exercised each month at Tokyu Stay. Operations and other measures are promoted to create environments that provide guests with security and comfort.



Tokyu Stay Kamata

Evaluation of Damaged Buildings Inspector / Emergency Lifesaving Courses

Tokyu Homes Corporation encourages its employees to attain certification for Post-Earthquake Temporary Risk Evaluation of Damaged Buildings Inspector. As of September 2012, 65 Tokyu Homes Corporation employees were certified. The role of inspectors is to assess post-earthquake building damages in order to prevent secondary disasters caused by building collapse or falling building materials caused by aftershocks.

Tokyu Land Corporation, Tokyu Land SC Management Corporation, Tokyu Community Corporation, Tokyu Sports Oasis, Inc., Tokyu Resort Service Corporation, Tokyu E-Life Design, Inc., Tokyu Relocation Co., Ltd., and other Group Companies also implement various approaches including enrollment in lifesaving courses to ensure safety of our facilities and services.



Standard Lifesaving Courses (Tokyu Relocation Co., Ltd.)



Standard Lifesaving Courses (Tokyu Community Corporation)

TOPICS

Tokyo Fire Department Awards Letter of Appreciation to Four Staff Members for Providing Emergency Lifesaving Care

At Tokyu Sports Oasis, Inc., all employees take emergency lifesaving courses and automated external defibrillators (AED) are deployed at all facilities. When a visitor of the Tokyu Sports Oasis in Honkomagome suffered a cardiopulmonary arrest while exercising, staff administered emergency measures using an AED, allowing the patient to undergo a full recovery within days.

In response, the Tokyo Fire Department awarded a letter of appreciation from the Fire Chief to the four staff members and the medical doctor who attended to the accident.



Initiative for the Children Emergency Call 110 Campaign

As increasing numbers of children are subject to crimes and accidents, children's safety has become a prime interest of society. Recognizing this issue, Tokyu Livable, Inc. has joined the "Children Emergency Call 110" program that provides a safe place for children to run to in case they are faced with danger. Among the Tokyu Livable's real estate shops in the metropolitan area, over 30 shops located on the ground level display the sign "Children Emergency Call 110" at the entrances to protect children from crime.

Moreover, at 11 bases in the metropolitan area, AEDs were put in place for emergency aid.



"Children Emergency Call 110" sticker

Aiming to Be a Community-based Company

The TLC Group proactively participates in local events with the aim of promoting communication among employees and revitalize local communities.

For example, we ran booths at summer festivals of condominiums managed by the TLC Group, and took part in local traffic safety activities and clean-up campaigns. We also co-sponsor and make donations to fireworks, festivals, and other events in various communities.

Moreover, each business establishment and facility voluntarily conducts clean-up activities in its surrounding neighborhood.



Local clean-up campaign

Contributing to the Development of Palau

Palau Pacific Resort is the first world class hotel ever to open in Palau. The hotel has had tremendous impacts; the number of visitors to Palau grew from only few thousands a year soaring to 100 thousand, making the islands of Palau one of the world renowned resorts.

The hotel not only contributed to attracting visitors, but also it has taken on an important role of job creation and human resource development over the years.

About 90% of our hotel workers are hired locally and given professional training in the hospitality industry. We are proud to say that our business activities have contributed greatly to the widespread improvement of living standards and overall economic development of Palau. In 2009, Palau Pacific Resort was awarded special acknowledgement from Koror state government council and Palau National Congress for our contribution to the society of Palau. Additionally, a letter of appreciation from the President of Palau was awarded.



Employees of the Palau Pacific Resort

TOPICS

Donation of Cape Hyraxes to the Tennoji Zoo

At the Abeno Market Park Q's Mall, three cape hyraxes (hoofed small animals) were donated to the Tennoji Zoo located nearby, funded with points from the facility's card point system donated by customers and with income derived from events. The names of the three animals, selected out of 500 proposals solicited from the public, are *Sora* (sky), *Yume* (dream), and *Hikari* (light), reflecting the hope for the further development of the location. They have been on public display since December 2011.

Moreover, the Abeno Market Park Q's Mall was awarded the "Japan Marketing Award, Region Award," out of appreciation for efforts such as the Abeno Amemura transmitting Osaka's "Ame-chan culture" and donations of picture books to pediatric hospital wards.



Notice of the donation of the cape hyraxes



Abeno Amemura

Dispatch of Lecturers for University Lectures on CSR

TLC dispatched employees as lecturers to Showa Women's University, located near the head office in Shibuya Ward, upon the university's request to provide lecture on corporations' CSR activities.

The university's Department of Contemporary Liberal Arts, Faculty of Human and Social Sciences provides a course on corporations' social contributions and environmental conservation activities as an optional course. For the lecture, the university had invited corporations with a strong commitment to CSR activities.

The topics of the lecture delivered in July 2012 were "The Necessity for Corporations to Engage in CSR" and "Activities of the TLC Group." The large number of questions after the lecture was a sign that the lectures had succeeded in captivating participating students' interest in the CSR activities of the Group.



CSR lecture at Showa Women's University

Movable Tokyu Hands Enlivens Regional Locales

Tokyu Hands, Inc.'s "Truck Market" is a store format set up as a short-term franchise for a limited time in regional locales. The store handles merchandise of popular items as well as seasonal items, and features interiors intended to resemble a busy warehouse or fresh product market. The Tokyu Hands movable store has earned high praise for the novelty of the idea of taking a store by truck to locales in the region and for bringing stimulus to the region, for which it was honored with the "Business Model Design Award" of the 2011 Good Design Award.



Truck Market

Meeting the Needs of Aging Society with a Low Birthrate (Support for Child-raising and Nursing Care)

In order to provide ease of childcare and day-to-day comfort for the elderly, the TLC Group provides various services to contribute to forming a society in which men and women of all ages can lead an affluent life.

Cooperation in Children's Work Experience

With the aim of helping children deepen their understanding of a society and think of future through work experience, the TLC Group holds diverse events to offer opportunities to experience work.

For example, targeting local junior high school students, the TLC Group Companies offer the following opportunities for work experience: Tokyu Sports Oasis, Inc.: work at sports club; and Ishikatsu Exterior, Inc.: landscaping design underlying development of residential areas and parks.

Support for NPOs' Assistance Activities for Children

Through its merchandise and know-how, Tokyu Hands, Inc. engages in social contribution activities together with its customers. For example, part of the sales revenues from sales of the Tokyu Hands Original Diary and income from event participation fees are donated to the public interest incorporated foundation "Save the Children Japan." The donated funds are used for children affected by the Great East Japan Earthquake and for activities to support residents of the region.



For Promoting Work-Life Balance

Ewel, Inc. offers welfare and benefit package menus (WELBOX.) The company has a work-care support service for companies to promote work-life balance. In November 2011, Ewel, Inc. held an event called "Fourth Work-Life

Balance for Parents and Children." The calligrapher Soun Takeda was welcomed as a lecturer and a hands-on workshop was held for colored paper for presents, among other things.



Calligrapher Soun Takeda, invited for a workshop

Events to Support Children's Growth

In August 2012, Tokyu Resort Service Corporation held "Summer Junior Golf Lesson" at the Asakura Golf Club. In collaboration with NPO Junior Golfer Conference of Japan (JGC), 85 elementary school pupils from 450 applicants were selected by lottery and invited to receive coaching from professional golfers for free. With a view to social and ethical education, Tokyu Resort Service Corporation holds the events to make healthy bodies of children, improve their skills, and teach manners necessary for social life and sportsmanship.

Moreover, cooperating with a request from the Fitness Industry Association of Japan (FIA), Tokyu Sports Oasis, Inc. has been providing support activities through offering any one of its Kids Program for children who have lost parents in the Great East Japan Earthquake free-of-charge.



Scene of the Summer Junior Golf Lesson

Provision of High-quality Living Environment for Seniors

TLC and Tokyu E-Life Design, Inc. support various aspects of senior lifestyles by operating our senior housing series "Grancreeper" that assures a comfortable, safe and secure living environment.

There are 10 "Grancreeper Series" residential facilities for the elderly as of September 2012 that are categorized into senior residences, and care residences. Residential facilities for the elderly are for healthy elderly and feature wide range of services for residents to enjoy safe and secure life, with excellent living spaces and common spaces. Care residences, on the other hand, are for people who require nursing care and are staffed to offer residents 24-hour assistance with meals, baths and other daily activities.

At residential facilities for the elderly, residents enjoy open dining rooms, large common baths, hotel-like services, and a variety of learning and recreational events to enhance their everyday life even more. The dining room offers three meals 365 days a year with no need for reservations. Staff are all required to take AED courses or standard lifesaving courses. In addition, in-house nurses and affiliated doctors provide healthcare for residents.

Tokyu Homes Corporation is engaged mainly in construction and operation of group homes for independent elderly, and holds various classes and events for residents. As of July 2012, the Company was engaged in operations and the solicitation for residents at the Lively Eda (opened in 2004 with 13 units), and provides support for building a community for the residents.



New Year's party at the group homes

Promoting Certified Care-fitters and Barrier-free

For elderly and physically challenged people to enjoy and feel comfortable at resort facilities, Tokyu Resort Service Corporation has been advancing barrier-free facilities and promoting the staff to acquire Care-fitter certifications from an NPO, Nippon Care-Fit Service Association. Certified Care-fitters have hospitality skills and assistance skills required to attend to the visitors. Many of the new employees in FY2012 have acquired certifications. Efforts to promote the acquisition of certifications will continue.

Dementia Supporter Training

In the increasingly aging society, we need to be aware of and have correct understanding of dementia.

In recognition of the issue of dementia, Tokyu Community Corporation has launched a training program for Dementia Supporters* since March 2008. The program teaches accurate knowledge of dementia as well as effective communication skills with condominium residents with dementia. Currently, all Amenity Mates (TLC condominiums' building managers) in the metropolitan area have completed the Dementia Supporter Training.

* Dementia Supporters: Taught by experts on dementia as lecturers (called "Caravan mate"), Dementia Supporter training programs are co-hosted by local municipalities and trade associations. Participants learn necessary skills to watch for people with dementia and their families, and become "Dementia Supporters." Concurrently, the Japanese Ministry of Health, Labour and Welfare launched a "Nationwide Caravan to Train One Million Dementia Supporters" campaign to increase the number of dementia supporters to one million nationwide, making every community always a safe and secure hometown.

TOPICS

Establishment and Activities of the Grancreeper Cultural Fund

In December 2011, Tokyu E-Life Design, Inc. established the "Grancreeper Cultural Fund" with the aim of helping senior residence occupants enjoy a fulfilled life of cultural activities. This fund is made possible by donations from residents.

As a commemorative event at the founding of the fund, a musical entitled "The Fall of Freddie the Leaf" produced by Shigeaki Hinohara, Honorary President of St. Luke's International Hospital was performed. Moreover, a number of globally active prominent musicians were invited to give concerts at the various Grancreeper facilities, including the cellist Tsuyoshi Tsutsumi and the violinists Teiko Maehashi and Kanako Yokoyama.

In May 2012, together with an event commemorating the 10th founding anniversary of Tokyu E-Life Design, Inc., at the Seijo Hall, a concert was given by a quartet formed by members of the NHK Symphony Orchestra, as well as a lecture meeting with Shigeaki Hinohara.

Cultural events of this kind will continue to be held in future.



Concert with Teiko Maehashi (Grancreeper Utsukushigaoka)

TLC Group Overview (as of the end of March 2012)

The TLC Group comprises a number of affiliated companies and a total of about 16,000 employees across the Group. The TLC Group provides comprehensive solutions and is a producer of comprehensive lifestyle services for the needs of our customer in areas such as sales, leasing, management, and real estate agency services, contracted construction, property management, and retail sales.



Financial Data

Financial Summary (consolidated)

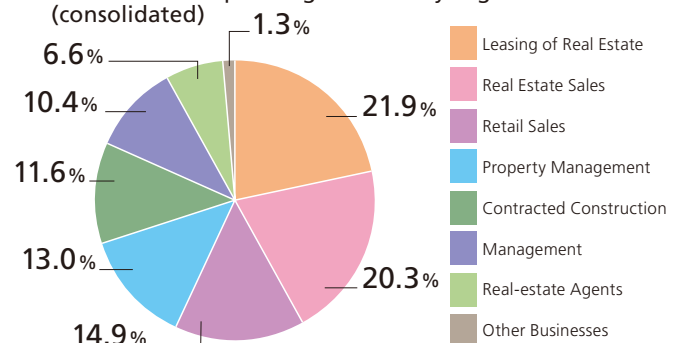
(Unit: ¥ billion)

Consolidated	FY 2009	FY 2010	FY 2011
Operating Revenue	5,521	5,714	5,568
Operating Income	355	625	501
Ordinary Income	282	549	349
Net Income	111	116	342
Total Assets	10,554	11,614	17,448
Total Net Assets	2,310	2,398	2,753

(Unit: ¥)

Dividends per share	7.00	7.00	7.00
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Breakdown of Operating Revenue by Segment (consolidated)



Major Group Companies

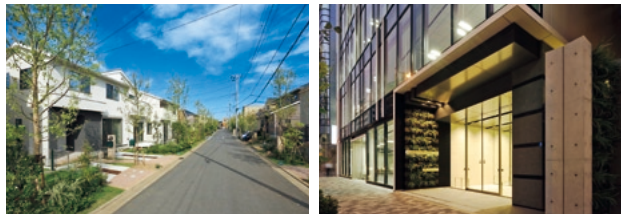
See the website for each company for further details.

Tokyu Land Corporation (TLC)

(Listed on the 1st section of TSE)

As a comprehensive real estate developer, the Tokyu Land Corporation is developing business to achieve an affluent lifestyle that harmonizes human beings with the environment through business activities such as "office buildings," "commercial facilities," "housing," "resorts," and "residential facilities for the elderly and leasing." TLC is committed to responding to social issues and creating new value through business activities of TLC and its group companies.

URL:<http://www.tokyu-land.co.jp/>



Tokyu Community Corporation

(Listed on the 1st section of TSE)

Centered on a track record in condominium and building management, Tokyu Community Corporation is engaged in the provision of total living service by offering support in creating comfortable residential and business environments.

Tokyu Livable, Inc.

(Listed on the 1st section of TSE)

Tokyu Livable, Inc. engages in total real estate distribution business operations through a nationwide branch network with four business mainstays in real estate trading and leasing intermediation, distribution of newly built condominiums and detached housings, real estate leasing operations, and real estate sales.

Tokyu Hands, Inc.

With the company slogan of "Hint Market," Tokyu Hands, Inc. provides hints to make our lifestyle happier and more affluent through a wide range of products and various events, and helps individual customers to create their own unique lifestyle. In addition to 26 Tokyu Hands, Inc. stores all over Japan, "HANDS NET" an online store, and other services.

Tokyu Homes Corporation

As a total housing solution company, Tokyu Homes Corporation engages in proposing and implementing residential propositions to customers for new residential construction, renovations, interior decoration, and residential care with the aim of providing high-quality residential solutions.

Tokyu Relocation Co., Ltd.

Tokyu Relocation Co., Ltd. offers a range of diverse residential services including rental housing management, corporate housing service, as well as convenient monthly condominium rentals for residents on business or training assignments and "Tokyu Stay", a hotel for long stay.

Tokyu Sports Oasis, Inc.

Tokyu Sports Oasis, Inc. operates membership fitness clubs centered on the Tokyo metropolitan area and the Kansai region providing the full range from serious exercise programs to relaxation. Responsive to clients diverse needs and highly trusted by its local customers.

Ewel, Inc.

Agency services for welfare programs

With operations based on welfare sub-contract service, Ewel, Inc. is a one-stop welfare service provider for corporations with consulting and system response capabilities based on a track record in areas such as the provision of the WELBOX benefit package menu and the introduction of and operations support for cafeteria plans.

Ishikatsu Exterior, Inc.

Ishikatsu Exterior, Inc. engages in environment maintenance through landscaping covering the range from family residences to resorts based on a total engineering system that melds craftsmanship with planning and design capabilities.

Tokyu Land Capital Management, Inc. Asset Management

An organizer and operator of "boutique-style" funds with fund-specific distinctive characteristics geared at domestic and foreign institutional investors and pension funds for investment in rental condominiums and commercial facilities.

TLC Comforia Investment Management Inc. Asset Management

Investment management firm of Comforia Residential REIT Inc., which invests mainly in rental residential real estate. As a professional body for real estate management, TLC Comforia Investment Management Inc. offers high-quality real estate investment and management services.

TLC Activia Investment Management Inc. Asset Management

Asset management firm of Activia Properties Inc., a real estate investment trust company for investment in commercial facilities and office buildings, etc. TLC Activia Investment Management Inc. emphasizes stable asset management and is committed to gaining the trust and confidence of investors and all other stakeholders.

Tokyu Land SC Management Corporation

Tokyu Land SC Management Corporation engages in commercial facility operation, management, planning, and consulting, with the aim of creating individualistic, lively, and highly appealing commercial facilities and spaces, with contribution to the society and development of local communities.

Tokyu Resort Service Corporation

Comprehensive resort management company engaged in resort facility management. As a "resort entertainment proposal company," Tokyu Resort Service Corporation aims to establish itself as a leading company in resort management.

Tokyu Resort Corporation

Tokyu Resort Corporation is a nationwide specialist firm in holiday home resorts, covering the range from new commission sales to intermediation in holiday homes, resort condominiums, and the membership resort hotel Tokyu Harvest Club.

Tokyu E-Life Design, Inc.

Engaged in the management and operations of senior housing facilities and nursing homes, emphasizing a comfortable and warm atmosphere. Tokyu E-Life Design, Inc. is committed to provide safe and convenient surroundings for seniors using its expertise in residence creation and facility operations.

Tokyu Living & Lifestyle Research Institute Inc. Research and Study

Tokyu Living & Lifestyle Research Institute Inc. is a think tank engaged in marketing of real estate, living life, urban development, resorts, and other services, and engaged in the provision of environment management support.

Third-party Opinion



Tomonari Yashiro

Professor, Institute of Industrial Science, the University of Tokyo

Profile

Graduated PhD from the Graduate School of Engineering of the University of Tokyo (Doctor of Engineering). Worked as a research associate at the Building Research Institute of the Ministry of Construction, and an associate professor at the University of Tokyo Graduate School. From April 2009 until March 2012 he has worked as the head of the Institute of Industrial Science, the University of Tokyo. Holds the current position since 2001.

TLC has been engaged in corporate activities that give substance to the Tokyu Group's Mission Statement: "We will create a beautiful living environment, where each person can pursue individual happiness in a harmonious society." Reading the information about the CSR efforts that intersperse this report (especially about efforts to improve customer satisfaction and employment and labor practices) strongly communicates the DNA inherited from the predecessor company Den-en Toshi Co., Ltd. founded in 1918. I regard this DNA as the essence of modern Japan's finest achievements and it is my strong wish that it may be preserved and developed, unaffected by any upsets that Japan might face in the time ahead.

CSR reports are regarded as a means for communicating the duty of accountability to stakeholders about the activities of corporations as members of society. This is why in the following, rather than contemplating the content of CSR activities themselves, I would like to reflect on the question of whether this report succeeds in satisfying the interests of stakeholders.

(1) In a CSR report, top management is expected to express in specific detail what constitutes the corporate social responsibility of their corporation and in what way management will become active in fulfilling that responsibility. In this report, the relevant section would appear to be the conversation with Mr. Shiro Wakui at the beginning, but from the matters expressed, a comprehensive, systematic understanding cannot be gained. It would be desirable, beginning with the next fiscal year, for reports to comprehensively and systematically explain management's perception of social responsibility and management's active involvement.

(2) The wide-ranging business scope of the TLC Group suggests a wide and varied roster of stakeholders. Compared with customers and employees, this report appears to say little about other stakeholders. A comprehensive description of all

stakeholders and the issues interconnecting the diverse stakeholder constituencies would have been helpful.

(3) Effective CSR implementation requires, for example, in the form of a PDCA cycle, the reviewing of activities, their effectiveness, and continuous improvements. From the next fiscal year, it would be desirable for reports to present an underlying CSR roadmap and based on that roadmap offer information on the status of progress.

(4) This report covers five topical main areas, comprised of efforts for environmental conservation, management structure, improving customer satisfaction, employment and labor practices, and efforts for social contribution through business. However, the ISO26000 international standard for CSR (JIS Z26000 Guidance on social responsibility) proposes the seven core subjects of organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development. A comparison of the two shows that the five main areas of this report cover the majority of the seven core subjects, but the descriptions concerning human rights and fair operating practices seem to lack compared with the other topics. Conceivably, this is because TLC regards these matters as self-understood and not requiring special mention. However, in the light of forecasts predicting that a growing number of Japanese corporations will prepare CSR reports structured consistent with the seven core subjects of ISO26000, I think that from the next fiscal year reports should treat human rights and fair operating practices in some more detail.

(5) Furthermore, the subjects of sustainable consumption, employment creation, technology development and access, wealth and income creation, and social investment, among others, which are raised by ISO26000, should also be considered for treatment in some form beginning with next year's report.

Third-party Opinion Acknowledgement



Ushio Okamoto

Director and Executive Vice President
Tokyu Land Corporation

I am grateful for the commentary of Professor Yashiro on the CSR related efforts of the TLC Group and the content of the CSR report.

I take the measure of appreciation afforded the corporate culture inherited by the Group as an expression of recognition for our CSR efforts to date, which serves to reaffirm my resolve to continue this valuable tradition also in the future.

The observations regarding active information dissemination by management and the scarcity of space dedicated to stakeholders other than customers and employees will be addressed with sincerity. The Group's history of CSR report issuance is still young. In order to prepare a platform for CSR promotion, first of all, priority has been given to creating pages that easily communicate themselves to customers and general readers. As has been

pointed out, in many areas, experience has yet to be accumulated. In future, in order to ensure that we reach a greater number of stakeholders, we will practice exhaustive information disclosure including also our activities in the other areas mentioned.

The TLC Group understands that responding to the expectations of society through our operations and contributing to the sustainable development of society are the CSR management issues of the TLC Group. Based on this understanding, we will persist in our daily efforts to be a corporate group in which our stakeholders place their trust and confidence.

For the various questions and concerns that might present themselves in the future, I would like to request the continued guidance of Professor Yashiro. Thank you.



Tokyu Land Corporation is included in the Dow Jones Sustainability Asia/Pacific Index, the global benchmark index for social responsibility investment (SRI).



FTSE4Good

Tokyu Land Corporation is included in the FTSE4Good Index, which encompasses companies who are committed to their social responsibilities.

**We support
the work of**



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私たちは  UNEP (国連環境計画) の活動をサポートします。



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