

Tokyu Fudosan Holdings  
**CSR Report**  
2013–2014



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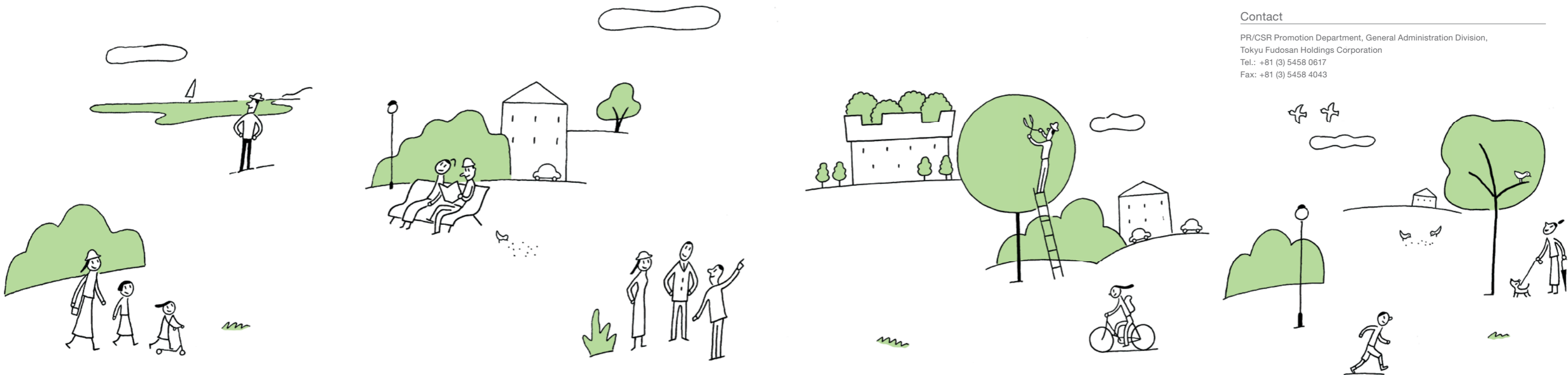


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**Under the new holding company system,  
we will fulfill our social responsibility through  
our business activities and create value needed  
by our stakeholders based on the Group's  
comprehensive strength and spirit of challenge.**



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## Tokyu Fudosan Holdings CSR Report 2013–2014

### Purpose of Publication

The CSR Report has been published since 2009 with a view to helping both internal and external stakeholders of the Tokyu Fudosan Group deepen their understanding of its CSR activities. In this 2013–2014 edition, we have summarized the progress made with the entire Group's CSR activities and introduced the important topics by theme.

### Intended Readers

This report is compiled for a range of stakeholders, including our customers, shareholders, investors, employees and their families, suppliers, government agencies, NPOs/NGOs, local communities where the Tokyu Fudosan Group conducts business activities, and educational institutions.

### Scope of Reporting

The report covers the corporate social responsibility (CSR) activities conducted by all Tokyu Fudosan Group companies (See p. 37).

### Reference

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.1

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### Contact

PR/CSR Promotion Department, General Administration Division,  
Tokyu Fudosan Holdings Corporation  
Tel.: +81 (3) 5458 0617  
Fax: +81 (3) 5458 4043

# Under the New Management System, the Tokyu Fudosan Group will make an all-out effort to meet social challenges in an appropriate manner.



## Shift to a Holding Company System in the 60th Anniversary Year

The history of the Tokyu Fudosan Group goes back to the establishment of Den-en Toshi Co. in 1918. In order to meet a social challenge of that time, specifically to provide inhabitants of cities created through modernization with sound dwellings, this predecessor company developed the Tamagawa-dai district, present Den-en Chofu based on the concept of creating an urban district featuring the “coexistence of houses and gardens.”

Since then, the Tokyu Fudosan Group has continuously passed down the business philosophy of identifying social challenges with the spirit of enterprise and meeting the challenges by implementing projects with ideals and ideas.

In October 2013, 95 years after the establishment of Den-en Toshi Co. and 60 years after Tokyu Land Corporation (TLC) became independent from Tokyu Corporation, the Tokyu Fudosan Group reorganized its structure to make a fresh start toward the future. Specifically, TLC, Tokyu Community Corporation and Tokyu Livable, Inc., the three core companies of the Group, established Tokyu Fudosan Holdings Corporation, then became wholly owned subsidiaries of this holding company, and began conducting business operations together with other Group companies under the new system.

## Proposing a Range of Solutions as a Comprehensive Real Estate Company

The Tokyu Fudosan Group has been pursuing growth while respecting the independent activities of each Group company. As a result, it has developed into a comprehensive real estate business group with a total of about 17,000 employees, who are engaged in real-estate sales and leasing agent services, management of buildings and condominiums, retailing, and the operation of resort facilities, in addition to the real estate



development business.

In the mean time, the business environment surrounding us has been rapidly changing. For example, the domestic real estate market is shrinking as Japanese society continues to grow older with a decrease in the number of children, and people’s work styles are being diversified with the progress of information and communication technologies.

Against this backdrop, we have shifted to the holding company system, which will help improve our management efficiency and business performance. We, however, aim to do even more under the new system: we will establish a system to make appropriate responses to a range of new social challenges and provide diversified solutions to meet the challenges in a manner that is possible only with a comprehensive real estate group.

Den-en Toshi Co. met a social challenge posed by the modernization of Japan by implementing a project with ideals and ideas, and like this predecessor, the Tokyu Fudosan Group is taking on the challenges posed by the new age while also going back to the basics of its business.

## Aiming to Be a Highly Reliable Corporate Group

We at the Tokyu Fudosan Group have been striving to increase the satisfaction of our stakeholders by fulfilling our corporate social responsibility (CSR) through business activities, as defined in our medium-term management plan Value Innovation 2013.

We have been working to meet the challenges of modern society by bringing together the forces of Group companies. In order to level up the initiatives, it is necessary for individual employees to continue pursuing the role to be played by the Tokyu Fudosan Group from the viewpoints of customers and society at large. Furthermore, for the Group to meet and exceed their expectations, each and every employee is expected to work with a strong awareness of the Group’s CSR and of the need to

meet social challenges through their business operations.

The Tokyu Fudosan Group has been making contributions to society and the protection of the global environment as part of its CSR activities, and to foster the activities in a comprehensive manner, we also established the CSR Promotion Committee. As a result, TLC was selected to be included in the Dow Jones Sustainability Index, which is a global benchmark for socially responsible investment, for two years in a row and in the FTSE4Good consecutively for four years. Following the shift to the new holding company system, the management team and employees will make a concerted effort to help the Group soar to new heights.

Finally, it is three years since the occurrence of the Great East Japan Earthquake in 2011, and recovery activities have been underway in the afflicted areas. During these years, the entire Tokyu Fudosan Group has been continuing to implement measures to meet the needs of the areas and giving support to them based on the characteristics of its business activities. People in the afflicted areas, however, are still in the course of recovery, and we will continue to provide the assets and know-how possessed by the Group to contribute to the full recovery of the afflicted areas.

The Tokyu Fudosan Group will make an untiring and all-out effort to meet the challenges posed by society in an appropriate manner, thereby continuing to win trust from its stakeholders.

**Kiyoshi Kanazashi**

President & Representative Director  
Tokyu Fudosan Holdings Corporation

# Our Business and CSR

A Round Table Meeting by Tokyu Fudosan Group Employees



Hiroyuki Tsukahara  
Tokyu Land Corporation



Yukiko Sugii  
Tokyu Hands, Inc.



Fumitaka Takahashi  
Tokyu Livable, Inc.



Shiho Nakagami  
Tokyu Land Corporation



Shiro Saito  
Tokyu Community Corporation

The Tokyu Fudosan Group works to fulfill its CSR by meeting social challenges through its business activities.

What kinds of CSR activities are individual Group companies conducting to help the Group continue to be a sustainable corporate entity?

Employees of the Group had a round table meeting to exchange opinions about the CSR activities of their companies.

(The meeting was held at the head office of Tokyu Land Corporation on Sept. 24, 2013.)



Facilitator:

**Makiko Akabane**

Director of the CSR Asia Japan office  
Has a total of more than ten years of experience in CSR activities at multinational companies and engaged in the launch of CSR-related departments at Starbucks Coffee Japan, Nikko Asset Management and others. Made contributions to CSR projects across Asia, including to the launch of the CSR department in the CSR Asia Singapore office, and has made a number of speeches on CSR.

## Viewing CSR from Individual Standpoints in Business

**Akabane:** I'm delighted to be participating in today's meeting as a facilitator. First of all, I would like to ask your opinions about the social challenges you have faced in your work and the approaches you are taking to meet them.

**Takahashi:** Tokyu Livable is mainly engaged in real-estate sales and leasing agent businesses. I belong to the General Affairs Department, and to be honest, I initially had no clear ideas about the social challenges to be met by our company and about the measures to be taken by us to meet the challenges. But the new president, who took up his post in 2011, showed the long-term vision of the company to all employees and dynamically inspired us to think, "We must change ourselves." Accordingly the corporate culture began to change and urge us to meet social requirements, including fostering energy conservation in our business operations and improving the work shift to make our workplaces more comfortable. Driven by this momentum, we are now implementing a range of measures.

**Nakagami:** I am making plans for office buildings at Tokyu Land Corporation (TLC), but I have for quite some time felt that we need to create comfortable space in office buildings from the viewpoint of customers. In offices, both men and women of different age groups and also people with physical disabilities are working, and their work styles are becoming increasingly diversified with the times and social changes. We reviewed the definition of "comfortable space" for workers in the project on the Shin-Meguro Tokyu Building, which was completed in December 2012.

**Tsukahara:** The Palau Pacific Resort will celebrate the 30th anniversary of its opening in 2014. The resort development project was launched before the term CSR became widely known, with an eye to fostering harmony between people and nature, developing a resort while preserving the natural environment and making contributions to the local economy. The entire project made direct contributions to the solution of social problems in Palau, through development based on the preservation of the natural environment and on the employment and education of local people. The then president led the project with a strong commitment, saying, "I will not implement the

project if we cannot make social contributions through it." I have been in charge of the Palau Pacific Resort for 19 years in line with this idea.

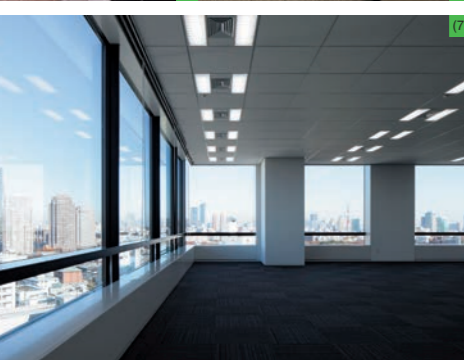
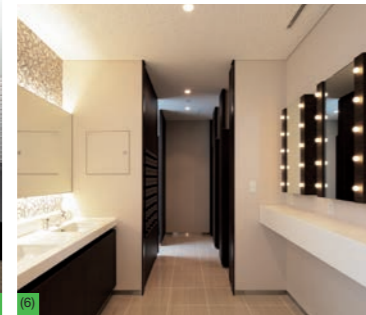
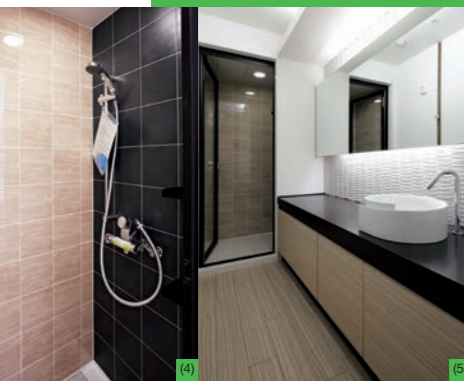
**Saito:** Tokyu Community is mainly engaged in the management of condominiums and office buildings. We not only manage the facilities but also communicate with the owners, tenants and residents and build local communities as part of our business operations. It is particularly important for us to foster communication among residents of condominiums. We also focus on the prevention of labor accidents. If workers dispatched from our company have labor accidents at the facilities, the tenants and residents will feel uneasy, which could lead to the devaluation of the buildings.

**Sugii:** Tokyu Hands upholds the basic principle of helping customers create their livelihood culture. Aspiring to restore the popularity of handcrafting and do-it-yourself, we are providing customers with opportunities to experience the joy of creating things and offering the products that give them tips to lead eco-friendly lives. We conduct business activities according to this concept, which I believe leads to the fulfillment of our CSR.



## Tokyu Land Corporation/Shin-Meguro Tokyu Building

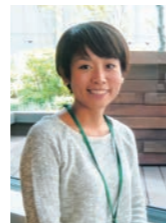
- TLC's Shin-Meguro Tokyu Building (completed in Dec. 2012 in Shinagawa City, Tokyo) was designed to provide tenants with a comfortable space where they can feel at home. For this office building, we adopted a design that would allow people working there to enjoy natural greenery, light and wind, while giving consideration to the complex topography.
- (1) The roof gardens, which were designed based on the concept of "Work outside" and with due consideration to the environment, provide a new communication space.
  - (2) The building is located in an urban area blessed with nature, and based on the results of the local ecological survey, the exterior and rooftops of the building are seamlessly linked with the surrounding nature by greening. We have thus built up an ecological network of organically linked living creatures, which contributes to local biodiversity conservation.
  - (3) We have posted signs to explain that birds and butterflies are attracted to the trees, thereby introducing our commitment to biodiversity conservation to visitors to the building.
  - (4), (5) The building is equipped with shower facilities for exclusive use by tenant members after jogging or working outside the office.
  - (6) Mirrors in women's restrooms are equipped with lights for makeup and also with fitting booths. The restrooms are thus designed from a female viewpoint.
  - (7) Ventilation switches are installed below the office windows for the intake of fresh air.
  - (8) The visualization of energy is promoted, including showing tenants the amount of electricity used in their offices in real time.



### Comment from a tenant

**Ms. Sanaka Nishiki**  
Starbucks Coffee Japan, Ltd.

When I feel a decrease in my concentration power after working at the desk for long hours, I move to the floor with greenery to work with a refreshed mind. We also sometimes take photos of new products with the green plants behind them. We conduct a neighborhood cleanup activity once a month, after which we take turns to freshen up in the showers. It is very convenient for us to be able to use the showering facilities within the building, as many do even before the start of a workday, including those who come to the office by jogging (laughs). The mirrors in the women's restrooms are also conveniently designed and I switch on the lights to put on my makeup. The office building is equipped with a lot of amenities, which make it a fun place to work and very popular among employees.



Photos of new products are sometimes taken with the green plants of the roof garden behind them.



TLC newly created this concept for the office building business based on the examinations repeatedly made by about 130 employees across the company, and the Shin-Meguro Tokyu Building was the first to be designed based on the concept.

**building smiles**  
TLC's office buildings

## Reviewing the Business from Customers' Viewpoints

**Akabane:** Each Group company has a clear idea about their CSR. Now let me ask you about the specific CSR activities you are conducting as part of your business operations.

**Takahashi:** Against the backdrop of the management reforms fostered by the new president, we at Tokyu Livable began implementing measures to (1) replace the cars used for sales activities with hybrid cars; (2) replace all office lights, including those used at sales offices across Japan with LED lamps; and (3) recycle various paper documents. Initially some employees were skeptical about these measures, but they have become more aware of the importance of the measures in accordance with the progress of the management reform, and now they are willing to implement them.

**Tsukahara:** Also at TLC, the president held a dialogue with employees—when the top leader expresses his passion, it certainly has a big knock-on effect among all the employees.

**Takahashi:** Employees are now more eager to implement the measures based on the recognition that they are supporting the Tokyu brand.



**Shiho Nakagami**  
Office Building Division  
Tokyu Land Corporation



**Fumitaka Takahashi**  
General Affairs Department  
Tokyu Livable, Inc.

**Nakagami:** TLC has created the concept of "building smiles," wanting to help office workers spend their business hours in a comfortable and fulfilling manner. We worked to embody this concept with the Shin-Meguro Tokyu Building and provide those working in this building with a comfortable office space. To this end we proposed "Work outside" as a new work style, and established roof gardens. Also for working women, we installed fitting booths and equipped the mirrors with lights for makeup in women's restrooms. We are thus providing new added value to support the diversification of work styles.

**Saito:** I am in charge of the management of the Shin-Meguro Tokyu Building as an employee of Tokyu Community. This

## Tokyu Livable, Inc.

Tokyu Livable is working to make environmental activities and cost reduction compatible by such measures as introducing hybrid cars and replacing lights with LED lamps to reduce its CO<sub>2</sub> emissions (with an annual reduction of 543 tons achieved by the spring of 2013) as well as increasing the paper recycling rate.

- (1) The president gave a briefing on the long-term vision, which fostered awareness among employees.
- (2) Employees are provided with substantial training at this technical center.
- (3) All cars used for the real-estate sales agent business in the Tokyo metropolitan area will be replaced with hybrid cars by the end of FY 2016.
- (4) The number of fluorescent lamps used at the offices was reduced by the use of light reflectors.
- (5) Employees are promoting paper recycling while ensuring document confidentiality by the use of the "confidential document collection box."



## Special Feature: Our Business and CSR

building is indeed different from other office buildings in terms of the variety of measures taken for it. For example, the dry mist system installed at the entrance not only serves as a cooling system but also helps those entering the building feel comfortable. Also we decorate the women's restrooms with flowers picked from the roof garden, something the tenants greatly appreciate. I am getting a lot of tips to meet the challenge of enhancing our services as a building management company.

**Nakagami:** I feel very pleased to hear that the building is being managed in line with the concept we have developed.

**Saito:** We are sharing information not only to deal with our customers' complaints but also to take preventive measures. In the past, we made responses after we had faced problems and complaints, but now we are sharing information about any signs of problems and customer needs felt through the daily communication with the customers in the same manner as treating "near-miss incidents" that could lead to serious labor accidents, so that we can make more prompt responses and provide even better services.

**Tsukahara:** In the resort business in Palau, we need to meet two requirements, which are to enhance ties with local employees and to keep harmony with nature. Palauan people are cheerful and the friendly services provided by local employees are popular among guests. We definitely need the support of local employees for our business, for which our company must be highly trusted by locals. At present, slightly more than 80% of all employees (about 300) are local people and we will increase the rate as high as possible in the future. It is 29 years since the opening of the resort and the number of local employees whose children are also working at the facilities is increasing. Moreover, under the internship program, we began accepting senior high students in addition to university students.

**Nakagami:** The company must provide local people with workplaces where they can feel the joy of working as a premise for the success of the resort business.

**Tsukahara:** We can learn a lot from the natural hospitality of Palauan people. There are also some issues that cannot be smoothly addressed without the help of locals. The resort business was launched before the term CSR became widely



known, but we cannot conduct the business without fulfilling our CSR and indeed the business itself is a CSR activity.

**Sugii:** Tokyu Hands is a retailer and we need to provide customers with our know-how and skills in communicating with them. We are working to do even more under the philosophy of helping customers enrich their lives.

Specifically, we hold an event named "Hands Hint Club" for schools and children's facilities located in the neighborhood of our stores. We think that teaching children the pleasures of handcrafting is the first step to help people enrich their lives.

**Takahashi:** Is the clay work you have in your hand an example of what the children make?

**Sugii:** Yes, this is a pencil made by using sawdust generated in the manufacture of pencils. You can make it easily, but making it for yourself using unusual materials gives you a great pleasure. I believe children participating in the event will feel great joy by experiencing something more than simple handcrafting.



Shiro Saito  
Building Management Department  
Tokyu Community Corporation

**Saito:** Do you hold the event regularly?

**Sugii:** We hold it on a biannual basis, receiving support from schools and children's facilities. In FY 2012, we held it at 49 locations across Japan, in which a total of more than 1,600 children participated.

Pencils and a birdcall to be hand-made by children using clay



Thank-you messages written on colored paper by children participating in the Hands Hint Club

## Starting Business with Commitment to Harmony with the Environment

**Akabane:** Now let me ask you about your environmental measures. Mr. Tsukahara has already told us about the importance of environmental measures.

**Tsukahara:** The Palau Pacific Resort is located on the former site of a Japanese military base. Before the site was developed by TLC, the front beach became muddy once it rained, and the mud flowed into the sea. In response, employees of the company conducted surveys on bleeding channels and oceanic currents and built a bank by piling up natural stones to improve the beach. In 2002, the local sea area was designated as a protective zone for marine creatures by the state government. At present, 117 coral species and 315 fish species including four endangered species are observed to live in the sea.

**All participants:** Oh, that's wonderful.

**Tsukahara:** We are also supporting the activity to protect dugongs, one of the endangered species. Now we can see dugongs swimming off the beach of the hotel and it is my dream to make the resort famous as a "place where you can see dugongs." We made these efforts to preserve the natural environment because it was necessary for tourism, but as a result we have been able to make contributions to the conservation and restoration of local biodiversity, about which I feel so happy.

**Nakagami:** By implementing environmental measures for the Shin-Meguro Tokyu Building, I have become convinced that we can achieve results more effectively by pursuing harmony with nature than simply increasing office efficiency in an inorganic manner. The building has roof gardens on the fourth, sixth and eighth floors to harmonize with the surrounding environment that is rich in greenery. We have thereby built up an ecological network for biodiversity conservation and also provide tenant members with a space where they can try a new work style, which is to "work outside." We aim to fuse workplaces with the natural environment and are pleased that they actually work and refresh themselves in the gardens.

**Saito:** For a company engaged in the management of condominiums and other buildings, it is one of the important environmental measures to provide tenants of office buildings with environmental data required for compliance with laws and regulations in a precise manner.

**Takahashi:** I hear not all tenant companies can easily obtain data about the amount of CO<sub>2</sub> emitted from the space rented by them from the management companies.

**Saito:** We are providing tenants with a range of data on environmental indicators, such as the use of electricity and the total amount of CO<sub>2</sub> emitted from the entire buildings, while also fostering the introduction of necessary monitoring systems. These data include not only absolute data but also comparative data showing changes with the times. By conducting these activities in an appropriate manner, we can win trust from tenants and owners of the buildings and help them increase the value of their assets.



Yukiko Sugii  
General Affairs Department  
Tokyu Hands, Inc.

## Tokyu Community Corporation

Tokyu Community is engaged in the management of office buildings and condominiums and inspects a range of facilities as an integral part of the business. The company also continues to enlighten tenants through the visualization of their energy use as an environmental initiative.

- (1) The company is in charge of BEMS (Building Energy Management System)-based energy management for the Shin-Meguro Tokyu Building, providing tenants with related information.
- (2), (3) Employees check the building facilities every month based on the list of inspection items identified for each building.



## Tokyu Hands, Inc.

Tokyu Hands holds an event called "Hands Hint Club" to communicate the joy of handcrafting to children. The event is held at elementary schools and children's facilities located near Tokyu Hands stores after school.

- (1) Members of the General Affairs Department and the stores serve as lecturers. Every time, the participating children create even better works, and the members enjoy seeing the children smile at their masterpieces.
- (2) In large festivals, as in this one held by Shibuya City, Tokyo, the members also teach children how to make birdcall whistles and other things that they can enjoy making easily in a short time.
- (3) Participating children have given us a lot of smiles and told us they would like to be involved again.





## Tokyu Land Corporation/Palau Pacific Resort

The Republic of Palau is a country composed of paradise-like tropical islands, which are surrounded by coral reefs and blessed with rich nature. TLC has been conducting a range of activities through the operation of the Palau Pacific Resort (PPR) for over 30 years, including environmental conservation, preservation of local culture, creation of local employment, and improvement of the infrastructure.

- (1) The sea area in front of the hotel was not a suitable habitat for corals due to the inflow of mud from the beach, but as a result of improving the beach based on the results of detailed surveys, the sea was successfully revitalized.
- (2) The company is working to conserve a range of living creatures, including the release and protection of endangered giant clams.
- (3) Because there is no waste treatment plant on the island, the disposal of waste poses a serious challenge. In response, TLC introduced a device to turn plastic waste into mixed oil at PPR and provides local employees with environmental education.
- (4) The 146 solar panels installed on the roof of the kitchen in Dec. 2011 generate electricity equivalent to the amount of electricity used for lighting in the restaurant area.
- (5) The hotel's guest cottages were constructed based on the concept of "harmony with nature." They are shorter than palm trees and the roofs are designed after Palau's traditional assembly house.



**Mr. Yoshiyuki Sadaoka**  
Former Ambassador Extraordinary and  
Plenipotentiary of Japan to Palau



The embassy is located within the premises of the Palau Pacific Resort and I highly appreciate the robust infrastructures provided by the Resort. Since its foundation, the PPR has been leading the economy of Palau by making contributions to local society through employment creation and other means. The Japan-Palau relationship is very important geopolitically and also as a model case for environmental protection. I greatly expect for further development of the PPR.

**Ms. Tokie Suzuki**  
Training & Development Manager  
Palau Pacific Resort



Employees of the Palau Pacific Resort are mainly composed of locals, who account for more than 80% of the staff. Since FY 2012, we have been providing selected young Palauan employees, who will be future leaders, with two-year intensive training. For the trainees, we have created a program that effectively combines classroom lectures and practical seminars, and the program also allows managers who serve as lecturers to acquire educational skills. Moreover, PPR holds an internship program for senior high school and university students. We have thus long been contributing to the creation of local employment and the development of human resources for the hotel industry in Palau, which is a tourism-oriented country.

**Mr. Alex Suzuki**  
Executive Chef  
Palau Pacific Resort



At one of PPR restaurants, we serve a special menu called "Palauan Sampler," which uses a range of local foodstuffs, including fresh fish from home waters, land crabs, taro leaves (for soup), coconut (to be mixed in fried rice) and fresh fruits. We would like to introduce the delicious food of Palau to our valued guests in addition to the local environment and people, thereby fostering local production and local consumption, and contributing to the development of local agriculture and fisheries.

## Responding to a Range of Customers Based on New Viewpoints and Measures

**Akabane:** In the Shin-Meguro Tokyu Building, fitting booths are installed at women's restrooms. It is indeed necessary to give more diversified support in line with the diversification of workers. Regarding this, could you introduce your recent measures?

**Takahashi:** Tokyu Livable is engaged in real-estate sales and leasing agent businesses and employees basically need to work on weekends. There are, however, few childcare facilities that are opened on weekends and this poses a serious problem to female employees. Fearing that leaving this problem unsolved would result in an increase in the turnover of female employees, the company opened an in-house childcare center in September 2013.

**Nakagami:** The center could give great support to female employees raising children.

**Takahashi:** We registered with the Ministry of Health, Labour and Welfare as a "positive action company" and established a special department named Diversity P.T. to provide a range of

training sessions on positive actions. We have also introduced a "job return" system to support the reinstatement of former employees.

**Sugii:** So you have implemented measures in rapid succession.

**Nakagami:** I participated in the Shin-Meguro Tokyu Building project, though office building development projects used to be implemented mainly by male employees. In the project I was able to incorporate the viewpoint of women in the concept that a great many employees planned for the building, and I think that in a sense this was quite revolutionary.

**Takahashi:** We have a corporate culture that encourages employees to learn and develop themselves, and the company provides us with enough training and monetary support. About 90% of all employees are qualified real-estate transaction specialists, and the qualification exam pass rate is as high as 75% among those who need to obtain the qualification, compared to the average rate (30%) in the real estate industry. Because we are engaged in the real-estate agent business, we do need to have the qualification, for which the company provides training sessions, including training camps, and also gives monetary support.

**Tsukahara:** I hope that you will make further efforts to increase the pass rate to 100%!

**Sugii:** As for training, Tokyu Hands provides employees with opportunities to experience repairing damaged floors and walls



**Hiroyuki Tsukahara**  
Resort Business Division  
Tokyu Land Corporation

## Message for the Round Table Meeting

**Professor Shiro Wakui**  
Faculty of Environmental and Information Studies  
Tokyo City University



The Tokyu Fudosan Group has been achieving growth in a range of business fields, including real-estate development, operation, management and agent businesses as well as retailing. The feature article on the round table meeting clearly shows us the fact that each Group company has been steadily conducting CSR activities through their business operations. I expect that the Tokyu Fudosan Group will further display its comprehensive strength while fostering the activities of individual Group companies. In particular I hope that the Group will make social contributions and corporate growth compatible based on the concept of "Creating Shared Value (CSV)" to gain more understanding and support from customers and society at large.

for themselves at its training facilities. As a retailer, we cannot compete with online retailers in the assortment of product items, but we have our own strength: we can directly communicate with customers and give appropriate advice to them, for example to one who is searching for repair parts for water equipment and to another who is vaguely interested in handcrafting. We actually use the products sold at our stores ourselves as part of our effort to communicate the joy of do-it-yourself to customers.

**Saito:** Oh, you go that far. But if you can give appropriate advice to customers based on your own experience, you can please them, which will eventually lead to an increase in sales. I sometimes see goods for energy conservation and disaster control displayed in the busiest sales corner of a store, which is necessary for the company to meet the needs of customers and also to fulfill its social role.

**Sugii:** Mr. Saito, how do you identify your customers' needs?

**Saito:** We are sharing the results of the user surveys conducted by TLC and utilize the data as an important tool to identify the needs of our customers. We also directly visit our customers with a frequency that amazes them, so that we can identify their potential needs. These visits help us make appropriate responses to the customers, win their trust, and understand what we should and should not do.

**Akabane:** What you have said shows the basis of the Tokyu Fudosan Group's CSR activities. Because you were always listening to the voices of your customers and society at large, you have been able to meet the changing challenges of the times and continue providing people with the products and services that help them lead comfortable lives. Through this meeting, I have learned that you are making daily efforts to ensure the profitability of your business while also making contributions to the solution of social problems through the business.

Thank you very much for telling me a lot of interesting stories today.

## Launch of the Kusanone Project

The Tokyu Fudosan Group has been implementing the Kusanone (grass-roots) Project to foster communication among about 17,000 employees in a bottom-up manner. Based on the idea that employees will be able to provide customers with better products and services by deepening understanding and communication among themselves, the Group holds sports events for employees, such as golf lessons and marathon relay races. It also fosters mutual understanding among employees and workplaces through the Group newsletter *Kusanone* and a special website for the project, with a view to nurturing the creation of a bright and open corporate culture.



Kusanone-chan, image character for the project



Special website for the Kusanone Project

## Assistance for the Midori no Tohoku Genki Camp

The Midori no Tohoku Genki Camp is a mental care program for children living in the areas afflicted by the Great East Japan Earthquake, which is implemented by the Executive Committee chaired by Professor Masayuki Kobayashi of Tokyo Gakugei University. With the help of psychologists and camping specialists, the activity is conducted mainly for children living in Fukushima Prefecture. To date, a total of seven camps were held by Lake Onogawa, located in Kitashiobara Village, Fukushima Prefecture, specifically in July and August 2011, March, July and August 2012, and March and August 2013. The Tokyu Fudosan Group has been providing the camping staff with accommodation and equipment, while also dispatching volunteers to support the camp operation, including taking photos during the event.



Children made igloos (Mar. 2013)



Children experienced kayaking (Aug. 2013)



Work created jointly by children to express their gratitude (Aug. 2013)



Participants enjoyed cooking together (Aug. 2013)

We have been supporting a total of nearly 400 children under the program. Over time, the nature of the mental problems suffered by children in Fukushima has changed, and the problems are far from being solved. The camps, however, have been scientifically proved to provide remarkable therapy for children suffering problems such as sleep disorders, needing too much affection, being full of fears, and rebellious behavior. We have been holding the camps with support from many people, including dedicated volunteers. I hope we can continue to implement the program in the future too.



Professor Masayuki Kobayashi  
Tokyo Gakugei University

## Smile for Children



### Hands Hint Club Tokyu Hands, Inc.

Tokyu Hands has been holding the Hands Hint Club handcrafting class at temporary housing facilities and elementary schools in the afflicted areas. In July 2013, 30 children enjoyed making birdcall whistles in the class held as part of the hands-on program implemented for parents and children by Koriyama City in Fukushima Prefecture.



### Provision of maintenance service for temporary houses Tokyu Homes Corporation

Tokyu Homes constructed 50 temporary houses in Aizuwakamatsu City at the request of Fukushima Prefecture, and has since been providing maintenance services to keep them comfortable to live in, including installing rainwater pipes, anti-freezing nets for the pipes, antiskid devices, and handrails.



### Green Curtain Project Ishikatsu Exterior, Inc.

In a temporary housing cluster in Aizuwakamatsu City in May 2013, volunteers and citizens created a "green curtain" to improve the thermal environment by planting bitter gourds, morning glories and other plants, receiving technical advice from Ishikatsu Exterior.

### Recovery support fairs at Tokyu Plaza Tokyu Land Corporation, Tokyu Land SC Management Corporation

At Tokyu Plaza, fairs were held to sell specialties from the afflicted areas to support their recovery, including those held successfully at Tokyu Plaza Kamata in Mar. and Nov. 2013 to support the recovery of Higashimatsushima. At Tokyu Plaza Shibuya, a fair to sell goods from Kesennuma has been held since Aug. 2013.



### Support for a charity golf tournament Tokyu Resort Service Corporation

The 5th Legend Charity Pro-Am Tournament was held at the Asakura Golf Club operated by Tokyu Resort Service Corporation in May 2013, and part of the proceeds was donated to organizations supporting children suffering illness and orphans of the disaster.



### Invitation to the fitness facilities Tokyu Sports Oasis, Inc.

Tokyu Sports Oasis provided about 4,000 refugees (junior high school students and those older) with complimentary tickets to its fitness facilities, in the hope of helping them to deal with the stress and lack of exercise caused by the disaster.

## Giving Support Capitalizing on the Characteristics of the Group

## The Tokyu Fudosan Group's Project to Support Recovery from the Great East Japan Earthquake

Under the slogan, "Smile for Japan," the Tokyu Fudosan Group has been making an all-out effort to give prompt support to recovery from the Great East Japan Earthquake, examining what the Group can do for the victims. We will continue to engage in the recovery activities as a unified team.

## Importance of Making a Continuous Effort

FY 2011		FY 2012			FY 2013						
<b>Launch</b> May 8 to 11, 2011 No. of participants: 8 Removed mud from houses	<b>1st round</b> Sept. 8 to 10, 2011 No. of participants: 25 Mowed grass and cleared away small debris * Establishment of the recovery support project team	<b>2nd round</b> Oct. 11 to 13, 2011 No. of participants: 29 Cleared away small debris	<b>3rd round</b> Apr. 20 to 22, 2012 No. of participants: 22 Leveled land to grow plants	<b>4th round</b> Jul. 10 to 12, 2012 No. of participants: 28 Removed mud from water channels	<b>5th round</b> Sept. 12 to 14, 2012 No. of participants: 103 Mowed grass and removed mud from side ditches	<b>6th round</b> Oct. 12 to 14, 2012 No. of participants: 39 Removed mud from side ditches	<b>7th round</b> Nov. 15 to 17, 2012 No. of participants: 34 Removed mud from side ditches	<b>8th round</b> Apr. 20 to 22, 2013 No. of participants: 22 Removed stones and driftwood from paddy fields	<b>9th round</b> July 19 to 21, 2013 No. of participants: 29 Mowed grass	<b>10th round</b> Sept. 6 to 8, 2013 No. of participants: 31 Searched for memorabilia for victims	<b>11th round</b> Oct. 9 to 11, 2013 No. of participants: 27 Searched for memorabilia for victims
<b>Received a letter of thanks from Sumita Town</b> In Dec. 2012, we received a letter of thanks from Sumita Town, Iwate Prefecture for the donation of pellet stoves to temporary houses located in the town.					<b>Opening an accommodation facility in Futamata, Yahagi Town</b> July 9, 2013 to opening (July 2012 to pre-opening) Tokyu Land Corporation (TLC), Tokyu Homes Corporation, and Tokyu Architects & Engineers Inc. gave support to Rikuzentakata City in its project to transform the former building of Yahagi Elementary School into a simple accommodation facility. The facility now provides accommodation to volunteers and others visiting the area for recovery support, tourists, and those temporarily returning to their hometowns, while also serving as an information dispatch center.						
<b>A total of more than 300 people participated in this voluntary recovery support activity, which was conducted 12 times.</b>											



# Tokyu Fudosan Group's CSR

## Fulfill Social Responsibility through Business Operations and Increase the Satisfaction of Stakeholders

We are now facing a range of problems and challenges in our society. These include environmental issues such as global warming and the need to conserve ecosystems; social challenges represented by the aging of society and a decreasing birthrate; and the requirements to be met by companies, such as ensuring compliance and enhancing their risk management systems. The Tokyu Fudosan Group defines its CSR as implementing initiatives to solve these

issues by making use of its resources in its business operations and thereby increasing the satisfaction of its stakeholders.

To fulfill our CSR, we are sharing the Tokyu Group Philosophy as members of the Tokyu Group and taking a range of CSR measures in our business operations, regarding CSR as one of our management priorities.

### Tokyu Group's Group Philosophy

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.

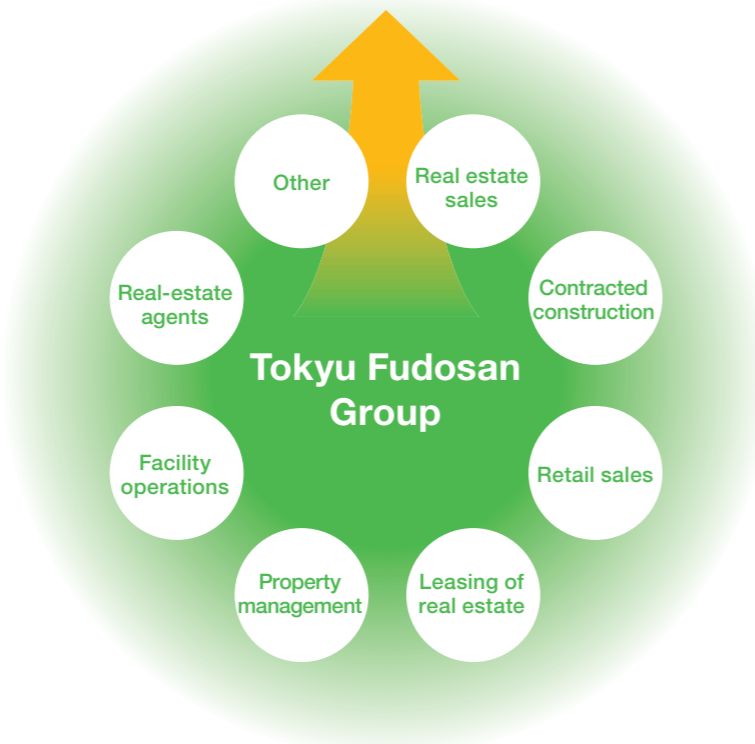
- Meet current market expectations and develop new ones.
- Manage in harmony with the natural environment.
- Pursue innovative management from a global perspective.
- Value individuality and make the most of each person.

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.

Our CSR  
Fulfill social responsibility through business operations and increase the satisfaction of stakeholders

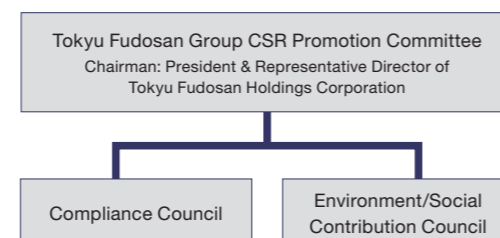


### CSR Promotion Structure

The Tokyu Fudosan Group has established a CSR Promotion Committee composed of directors in charge of CSR at each Group company, which directly reports to the President & Representative Director of Tokyu Fudosan Holdings Corporation.

The Group also has the Compliance Council to ensure compliance and risk management, as well as the Environment/Social Contribution Council to foster environmental management and social contribution activities. These councils are leading activities across the Group.

#### Tokyu Fudosan Group's CSR promotion structure



### CSR Initiatives Implemented in Five Areas

To continue to be a corporate group that is trusted and selected by stakeholders, the entire Tokyu Fudosan Group is working to fulfill its CSR through its business operations in the five areas that it deems particularly important.

#### Interaction with Customers

To continue to be a corporate group selected by customers, the Tokyu Fudosan Group is committed to enhancing customer satisfaction by making improvements based on the diversity of experiences gained across the Group.

- Improvement of Services and Quality —▶ p. 17
- Promoting Communication with Customers —▶ p. 18

#### Management Structure

To continue to be a corporate group trusted by society, the Tokyu Fudosan Group has been increasing the transparency and efficiency of its management, while enhancing its corporate governance and compliance.

- Corporate Governance —▶ p. 19
- Compliance —▶ p. 20
- Risk Management System —▶ p. 21
- Information Management and Disclosure System —▶ p. 21

#### Employment and Labor Practices

The Tokyu Fudosan Group has been improving its work environment in the belief that it can increase customer satisfaction and corporate value by enabling employees to display more of their individuality and abilities and work more vigorously.

- Development and Utilization of Human Resources —▶ p. 22
- Diversity Promotion —▶ p. 23
- Achievement of Work-Life Balance —▶ p. 23
- Enhancement of Employees' Health and Motivation —▶ p. 24

#### Environmental Conservation

The Tokyu Fudosan Group, based on its Environmental Vision, is implementing concrete measures for five environmental issues (CO<sub>2</sub> emissions reduction, biodiversity conservation, healthcare, conservation of water resources, and resource saving).



#### 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

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

#### Five environmental issues

- CO<sub>2</sub> emissions reduction —▶ p. 25  
[Policies on CO<sub>2</sub> emissions reduction]  
1. Reduce CO<sub>2</sub> emissions at business sites  
We aim to reduce CO<sub>2</sub> emissions per unit of area at our bases by at least 1% on average every year.  
2. Enhance the energy efficiency of buildings  
We will increase the energy efficiency of buildings to reduce the amount of CO<sub>2</sub> emitted from them by at least 20% compared to 1990.  
3. Reduce the amount of CO<sub>2</sub> emitted from business operations  
We will identify and reduce the amount of CO<sub>2</sub> emitted from our business operations, while increasing employees' awareness of the issue.
- Biodiversity conservation —▶ p. 28  
[Policies on biodiversity conservation]  
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.
- Resource saving —▶ p. 29
- Conservation of water resources —▶ p. 30
- Healthcare —▶ p. 30

#### Social Contribution

The Tokyu Fudosan Group has been working to help people improve their living environment based on four social contribution themes (providing safety and security, contribution to local communities, childcare support, and nursing care support).

#### Policy on social contribution

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

#### Four social contribution themes

- Providing safety and security —▶ p. 31
- Contribution to local communities —▶ p. 33
- Childcare support —▶ p. 35
- Nursing care support —▶ p. 36

# Initiatives to Enhance Customer Satisfaction

To continue to be a corporate group selected by customers, the Tokyu Fudosan Group is committed to enhancing customer satisfaction by making improvements based on the diversity of experiences gained across the Group.



## Improvement of Services and Quality

### Service-way Forum

To increase the satisfaction of customers by providing them with even better services across the board, the Tokyu Fudosan Group launched the Service-way Forum with the participation of five Group companies\* that frequently interact with customers in their business activities, for example, in the operation of commercial facilities. Through this activity, which kicked off in 2009, participating companies share their know-how and information, and daily examine and devise measures to build closer ties with customers and give them more support.

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



Poster introducing the activity

Tokyu Sports Oasis, Inc., which operates fitness facilities, regularly conducts a customer satisfaction survey to improve its service. In the questionnaire survey, quite a few respondents make comments on the breach of manners by users of the facilities. In response, as a means to improve manners, the company asked members of the facilities to write *senryu* (satirical haikus) on the good and

bad manners they had observed at the facilities, and the haikus were posted within the facilities.



Senryu posted to improve manners

Moreover, the companies participating in the Service-way Forum have created visual teaching materials to show employees the attitudes and responses that they think are acceptable but tend to be regarded in a negative light by customers. These materials are used in training and on other occasions.

### BRANZ Support

Tokyu Land Corporation (TLC) provides purchasers of the BRANZ-branded condominiums with the BRANZ Support services, which start to be offered upon the conclusion of the purchase agreement and continue until after the ownership is transferred to the purchasers. These services provided by the company to help the customers lead high-quality lives include tours of the construction sites, seminars on disaster and crime prevention, safety-related events, social parties held for residents of the condominiums, and local community development activities such as an event to experience harvesting vegetables.

## Promoting Communication with Customers

### Publication of the Group Magazine

The Tokyu Fudosan Group distributes its Group magazine *Cosmos* to about 200,000 customers in response to their requests, in the hope that it will help them continue leading comfortable lives after purchasing products and services from the Group.

In the fall of 2012, we totally renewed the magazine in commemoration of the publication of the 200th issue, aiming to provide readers with information more useful for their daily lives and to enhance interactive communication with customers through the magazine.



Group magazine *Cosmos*



Special website for readers of the magazine

Moreover, we are implementing the Loyal Customer Project to build even closer ties with customers in a host of ways, including organizing events that incorporate the requests and opinions of customers, and offering special benefits to readers of the magazine.

At the Shibuya Hikarie Hall in April 2013, we held an event on the theme of the enrichment of senior life by inviting Ms.

Sawako Agawa as a lecturer. Ms. Agawa, who is a writer and essayist, supports the Tokyu Fudosan Group's project to assist recovery from the March 11 disaster. At the event she gave a humorous introduction to some tips to enjoy senior life.



Special lecture by Ms. Sawako Agawa

### Organization of Classic Concerts

Tokyu Livable, Inc. annually holds the Livable Classic Concert, to which members of Tokyu Cosmos Society are invited by lottery.

In the 25th concert held in FY 2012, the audience enjoyed a great performance by the New Japan Philharmonic. Through the concerts we increase the satisfaction of our customers by providing them with opportunities to enjoy classic music, which also contributes to the promotion of culture and art.



Livable Classic Concert

### Dispatching Information to Tenant Workers

TLC publishes a free magazine named "*Office to*" for those working in the buildings operated by the company, and also hosts a membership website called "*Office to CLUB.*" Both the magazine and website are highly popular with readers and users.



Office to CLUB membership website

### Online Real Estate Consultation Service

Aiming to boost communication across the real estate industry, Tokyu Livable, Inc. has opened the Online Real Estate Consultation Service website to accept free of charge consultations about real properties from individuals, companies, and even from those engaged in the real estate business, regardless of whether they have dealings with the company or not. On the website, the company also discloses information about past consultation cases.



Online Real Estate Consultation Service

# Sound and Highly Transparent Management Structure

To continue to be a corporate group trusted by society, the Tokyu Fudosan Group has been increasing the transparency and efficiency of its management, while enhancing its corporate governance and compliance.

## Corporate Governance

### Governance System

Following the establishment and listing of Tokyu Fudosan Holdings Corporation on October 1, 2013, the Tokyu Fudosan Group has moved to a management system led by this holding company, under which its three core subsidiaries (Tokyu Land Corporation (TLC), Tokyu Livable, Inc. and Tokyu Community Corporation) and other Group companies conduct their business operations.

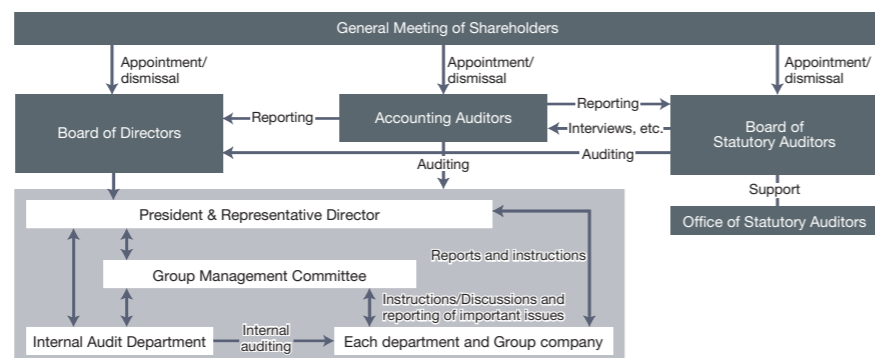
The Board of Directors functions as a supreme decision-making body second to the General Meeting of Shareholders, and makes decisions on the management policies and other important issues related to business operations. The Board also supervises the execution of duties by the directors. The Board members meet monthly in principle, and also have extraordinary meetings as necessary. Statutory auditors attend the Board meetings, interview the directors, review important documents, and check the financial situation. Through these activities the auditors correctly assess the corporate status to effectively carry out audits on

the business operations of Tokyu Fudosan Holdings and its subsidiaries as well as on the execution of duties by the directors. Of the four statutory auditors, three are appointed from outside the company to ensure management transparency.

### Internal Control System

The Tokyu Fudosan Group is fostering its internal control system under the leadership of Tokyu Fudosan Holdings Corporation. The holding company makes resolutions for the Group's appropriate business operations at the meetings of the Board of Directors, promotes the improvement of the related systems, and regularly checks progress to ensure compliance management. To ensure the independence and fairness of internal auditing, we have also established the Internal Audit Department, thereby building up a scheme to carry out and manage internal audits on Tokyu Fudosan Holdings and its subsidiaries and a system to examine and evaluate the legality and rationality of our business operations and foster their improvement.

### Corporate governance system



## Compliance

### Compliance System

The Tokyu Fudosan Group has the Tokyu Fudosan Group CSR Promotion Committee as the core of its compliance system and ensures compliance management in line with the Tokyu Fudosan Group Code of Conduct. Moreover the Group has the Tokyu Fudosan Group Compliance Manual, which makes specific explanations about each item of the Code to help employees achieve compliance. Furthermore, employees are regularly trained on compliance to increase their awareness.

### Awareness-raising Measures

TLC has established the compliance programs, plans the specific activities to be conducted under the programs in the fiscal year, and provides directors, general employees, contract employees, and also temporary staff with compliance training on a regular basis.

In FY 2012, the company ran a total of 34 training courses on compliance, legal matters, and the financial instruments business, while also holding in-house seminars on insider trading regulations, harassment, and responses to customers' opinions. In the compliance e-learning program, which is one of the compliance

programs, employees are educated on the Tokyu Fudosan Group Code of Conduct and on compliance-related problems, laws and regulations. Moreover, examples of compliance incidents faced by other companies are posted on signboards monthly to warn employees. Other measures implemented by the company to strengthen legal compliance include holding a regular in-house legal consultation meeting, making better use of the corporate lawyer, and providing employees with access to information on the enactment and revision of relevant laws and regulations.

Since October 2013, Tokyu Fudosan Holdings Corporation has been taking an initiative to improve the Tokyu Fudosan Group's compliance system and increase compliance awareness of Group company employees.



Compliance training

### Provision of Helpline Services

The Tokyu Fudosan Group has its own Compliance Helpline (a whistle-blowing system) to prevent and rectify non-compliance, including frauds and the violation of laws and regulations. The Group also makes an external compliance helpline service provided by lawyers available to employees, so that they can easily ask for advice regarding compliance issues.

### Policy for Anti-social Forces

The Tokyu Fudosan Group clearly states, "Never connect with anti-social forces" in its Code of Conduct. Based on this policy, we stand firm against any demands from anti-social forces based on close cooperation with the police, lawyers and other external organizations. In this regard, TLC has set the preventive measures and other practical procedures in the Guidelines for Anti-social Forces and the Anti-social Forces Policy Manual, and employees are educated on the issue as part of their compliance training.

### Tokyu Fudosan Group Code of Conduct

1. Compliance with Laws and Regulations and Fair Trading	2. Ensuring Customer-oriented Awareness	3. Suitable Execution of Duties	4. Proper Management of Information	5. Ensuring Good Faith in Business Conduct
<ul style="list-style-type: none"> <li>Ensure compliance with applicable laws and regulations.</li> <li>Ensure best practice in material procurement and fair trade.</li> <li>Ensure compliance with fiduciary responsibility in the execution of duties.</li> <li>Never connect with anti-social forces.</li> </ul>	<ul style="list-style-type: none"> <li>Identify customer needs and develop products to meet their needs.</li> <li>Prompt and dedicated response to customers' comments and requests.</li> <li>Customers' safety and security comes first when providing products and services.</li> <li>Provide a suitable and appropriate explanation and marketing of our products and services.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible execution of duties, keeping concepts of "speed" and "evolution" in mind.</li> <li>Nurture organization culture of placing emphasis on "Collective wisdom."</li> <li>Take advantage of combined strength of the corporate group.</li> <li>Ensure proper decision making process.</li> <li>Proper management of rules.</li> <li>Proper negotiations with business associates.</li> </ul>	<ul style="list-style-type: none"> <li>Operate appropriate document and information management systems.</li> <li>Proper management of confidential information and compliance with confidentiality obligation.</li> <li>Prohibit insider trading.</li> <li>Timely and appropriate information disclosure and PR activities.</li> <li>Internal control to ensure proper accounting and financial reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Preserve corporate assets.</li> <li>Ensure a robust, safe, and comfortable working environment.</li> <li>Respect human rights.</li> <li>Contribution to society and consideration of the environment.</li> <li>Reasonable business entertaining and gift-giving.</li> <li>Clear distinction between business and personal matters.</li> </ul>

## Risk Management System

### Day-to-Day Risk Management

The Tokyu Fudosan Group has established a system to execute a cycle of plan, do, check and act (PDCA cycle) to identify and manage risks.

TLC examines and manages project-specific important risks based on the results of deliberations made by the Management Committee. At the same time, the Tokyu Fudosan Group systematically fosters risk

management across the Group through the Group CSR Promotion Committee.

### Disaster Control System

In the event of emergencies that could cause serious damage to the company, such as disasters, TLC will make appropriate responses based on the Emergency Response Provisions, including distributing information and making decisions as necessary to minimize damage. The

company also provides employees with emergency training based on the Emergency Response Basic Manual and other individual manuals created to deal with various risks, such as mega-quakes.

Moreover the company is preparing business continuity plans (BCPs) for the head office and each business sectors, while also providing employees with training on cardiopulmonary resuscitation (CPR).

## Information Management and Disclosure System

### Information Management System

Tokyu Fudosan Holdings Corporation formulated the Information Management Provisions to ensure the appropriate treatment of information in its business operations. Based on the provisions, the company is fostering information sharing to increase business efficiency, preventing the leakage of secrets, and disclosing information in an appropriate manner. As for electronic information, the company has set the rules to be obeyed by directors and employees based on the basic policy on information security, including the rules on the monitoring of employees' access to information by information managers and on the use of computer terminals.

issue. Also, TLC chooses the companies to which it entrusts the treatment of personal information with due care and monitors the treatment of the information by the selected companies to foster information safety.

Tokyu Livable, Inc., Tokyu Community Corporation, Tokyu Relocation Co., Ltd., and Ewel, Inc. have obtained approval to use PrivacyMark, which provides a proof that these companies are safely managing and appropriately protecting personal information.

of the Group's business activities.

TLC received an Internet IR Commendation Award 2012 from Daiwa Investor Relations (Daiwa Securities Group) and won the first place among all the companies as well as in the real estate industry in the FY 2012 Listed Company Website Quality Ranking conducted by Nikko Investor Relations. Furthermore, it won a bronze prize in the Gomez IR Site Ranking 2013.

### Prohibition of Insider Trading

Tokyu Fudosan Holdings Corporation has set rules to prevent the illegal insider trading of financial instruments and make all employees aware of the rules.

### IR Activities

The Tokyu Fudosan Group works to dispatch information to shareholders and investors in a fair, accurate and timely manner. We comply with the related laws and regulations, and proactively disclose information about our management strategies and financial position to help stakeholders have a broader understanding



Daiwa Investor Relations  
Internet IR Commendation Award 2012



Nikko Investor Relations FY 2012 Listed Company Website Quality Ranking  
First place among all the companies as well as in the real estate industry



Bronze prize in the Gomez IR Site Ranking 2013

### Protection of Personal Information

TLC ensures compliance with the related laws and regulations based on its Personal Information Protection Rules. The company has distributed the copies of its Personal Information Protection Manual to all employees and provides them with training to increase their awareness of the

## Improving Workplaces to Increase Employees' Job Satisfaction

The Tokyu Fudosan Group has been improving its work environment in the belief that it can increase customer satisfaction and corporate value by enabling employees to display more of their individuality and abilities and work more vigorously.



## Development and Utilization of Human Resources

### Human Resource Development and Training

The Tokyu Fudosan Group attributes special importance to human resource development, regarding it as essential for the enhancement of customer satisfaction and corporate value.

With a view to turning each employee into a "value producer," Tokyu Land Corporation (TLC) has set four training stages for employees, each of which lasts for five years, and provides them with training to help them acquire necessary skills as they advance from the initial stage (first five years in the company) through to the fourth stage.

Tokyu Livable, Inc. also provides employees with training in a systematic manner, including the introductory training given to new employees at its Livable Square Minami-machida training center and the specialized training tailored to job level.

Tokyu Community Corporation has an in-house educational facility named "Tokyu Community Business College" to provide employees with enriching education and

training and help them develop themselves and acquire qualifications necessary for their jobs.

Other Group companies also work to develop human resources by providing a variety of training that suits their own business activities.

### Personnel Rotation Program

TLC implements a personnel rotation program targeting young employees whose years of service are below around 10 years, aiming to eventually develop them into human resources who can manage the company with a broad understanding of its business. Under the program, employees are allowed to experience at least two kinds of business and jobs during about 10 years after joining the company, in principle. This program enables the company to assess employees' aptitude for multiple jobs at an earlier stage of their career and to develop human resources who can conduct business operations from a cross-organizational viewpoint.

### Outline of the training program implemented by TLC

Years of service	First to ninth years	10th to 15th years	16th year onwards
Rank	General employees	Managers	Executives
Skill-up programs (input)	Marketing Finance Logical communication Accounting Career development Legal seminars Financial seminars	Information gathering Information analyzing Risk assessment Hypothesis formation and verification Assessments	Strategy formulation Business creation Business management skills Training on evaluation skills
Performance goals (output)	Wide-ranging experience	Improvement of operational skills and expertise	Improvement of management skills

## Diversity Promotion

### Ensuring Employment Diversity

The Tokyu Fudosan Group proactively employs people with disabilities and improves their work environment to promote employment diversity. At TLC, the employment rate of people with disabilities was 2.2% as of the end of March 2013, far exceeding the statutory employment rate of 1.8%.

The company also implements a re-employment system for retired persons as part of its effort to place the right people in the right jobs (job matching) for the sake of both the company and employees.

### Respect for Human Rights

The Tokyu Fudosan Group states “Respect human rights” in the Code of Conduct and encourages individual employees to give due consideration to human rights in their activities. The Group respects basic human rights in compliance with the Universal

Declaration of Human Rights adopted by the United Nations as well as with the local laws and regulations implemented in the regions where it has bases. The Group also takes steps to prevent discriminatory behavior and speech, sexual harassment and power abuse. TLC holds a training seminar for all new employees on the theme “Issues Surrounding Companies and Human Rights,” so that they can have a grasp of human rights issues.

### Proactive Use of Female Employees

Tokyu Livable, Inc. is working to increase the rate of female managers to 10% by FY 2018, regarding the promotion of female employees as one of the management priorities. In April 2013, the company newly established the Diversity Promotion P.T. as a department to raise employees’ awareness about the issue and to provide female employees with training to develop

their careers and abilities. It is also fostering the establishment of a system to give follow-up support to employees taking maternity and childcare leave.

#### Opinion from the Diversity Promotion P.T.

VOICE

##### To provide female employees with a better work environment

We collected opinions and requests from female employees by conducting questionnaire surveys targeting saleswomen and those raising children. As a result it was revealed that many of them, who were engaged in jobs for which they often had to work on weekends and holidays, had difficulty in finding childcare facilities to which they could entrust their children on weekends and holidays. In response, we opened the in-house childcare facility named “Livable Kids Room” in September 2013. We will continue to establish systems to help women display more of their abilities.



Kaori Nakamura  
Diversity Promotion P.T., HR Department  
Tokyu Livable, Inc.

## Achievement of Work-Life Balance

### Enhancement of the Support System for Childcare and Nursing Care

The Tokyu Fudosan Group has been implementing a variety of measures to provide employees with diverse work style options.

TLC revised its childcare support system in 2012 to allow employees to take childcare leave for a longer period and to work shorter hours until their children become third graders at elementary school.

Tokyu Hands, Inc. offers exemption from overtime work to employees with children who are third graders at elementary school or younger, and allows employees with family members who need nursing care not to work overtime and choose their working hours.

Tokyu Sports Oasis, Inc. is also fostering the flexible use of human resources by enabling employees to take childcare leave until the child becomes three years old, work three hours shorter per day for six months after returning to work, and apply to the Childcare Employee System to choose their working hours until the child graduates from elementary school.

### Obtaining Approval for the Use of the KURUMIN Mark

TLC is certified by the Tokyo Labor Bureau as a company strongly committed to supporting the development of next generations and is approved to use the “KURUMIN” certification mark.

TLC acquired the certification by

fostering a better work-life balance through the establishment and improvement of necessary systems and awareness-raising among employees. Specifically, it encouraged male employees to take childcare leave, established a system to allow employees to accumulate expiring annual leave days to use them to support childbirth by their spouses or to give nursing care to their family members, and also urged employees to take paid holidays based on an action plan, thereby meeting the certification criteria. Ewell, Inc., Tokyu Community Corporation, Tokyu Hands, Inc. and Tokyu Sports Oasis, Inc. have also acquired the certification.



### Support to Volunteer Activities

TLC has a volunteer leave system to encourage employees to participate in activities to support recovery from the Great East Japan Earthquake. Under the system, employees are allowed to take paid holidays for up to five days per year and given a certain amount of subsidy to cover the participation costs. Also, for other volunteer activities, such as social welfare and environmental conservation activities, the company has a system to allow employees to use part of the accumulated annual leave to participate in the activities.

### Work-Life Design

Based on the work-life design concept, TLC encourages employees to “design” both their work and private lives on their own initiatives to build up reciprocally beneficial relationships with the company.

Specifically, the company has designated every Wednesday as “No Overtime Day” and established a “commitment leave” system, under which each employee submits an annual plan to take at least seven paid holidays during the year at the beginning of that year. This system is designed to provide employees with enough time to refresh and develop themselves, thereby helping them make their work and private lives compatible and liberate themselves from mental pressure.

### Employee working at a Tokyu Hands store

VOICE

#### Using the childcare support system

I returned to work in April 2012, after taking maternity and childcare leave for the period of one year and four months. Before returning to work, I had been concerned that I might not be able to fulfill my role as manager as before, but my colleagues kindly welcomed me to the workplace, for which I feel so grateful. At present I am working shorter hours to take care of my child, and it is sometimes difficult to leave the workplace earlier. However, I can manage to do so thanks to the kind help from my boss and colleagues.



Masami Oshima  
Kitasenju Store  
Tokyu Hands, Inc.

## Enhancement of Employees’ Health and Motivation

### Health Promotion Workshop

TLC holds the Revitalization & Communication Workshop to provide employees with an opportunity to make mutual exchanges and mitigate stress. Employees obtain practical knowledge that is useful for their jobs and lives by attending hands-on seminars held as part of the workshop. These include the “body mapping” seminar in which employees learn how to mitigate stress based on the understanding of the human body structure as well as their own state and habits, and the “misunderstanding prevention” seminar to learn how to make oneself understood appropriately by others while showing respect to them.

### Employees’ Mental Health

All employees of TLC undertake health examinations every year and also receive interviews by health nurses depending upon the checkup results. Moreover employees whose overwork hours have exceeded the in-house criteria are provided

with detailed health check services. For the mental health of employees, TLC has introduced an employee assistance program (EAP) implemented by an external health organization, which is available also to families of employees. Users of the program can ask for professional advice even on problems not related to work, such as those regarding childcare and nursing care.

Furthermore, employees take an annual test to check their mental health status and stress level.



User instruction card for the mental healthcare consultation service

### Knowledge Forum

The Tokyu Fudosan Group has been holding in-house seminars under the title “Knowledge Forum” to help employees

increase their knowledge and work motivation. The company invites top runners in various fields to speak at the seminars to share their experience and findings with employees. Since FY 2004, 37 seminars have been held (as of September 2013) in total.

In FY 2012, five people were invited to speak at the Forum, including Mr. Tatsuo Wada, who serves as advertising manager at Suntory Liquors and Ms. Megumi Ushikubo, president of Infinity. The former talked about Suntory’s cross-media strategy by introducing the case of Suntory Highball and the latter about predicting the future market based on the understanding of the present situation of customers.



Speech by Ms. Megumi Ushikubo

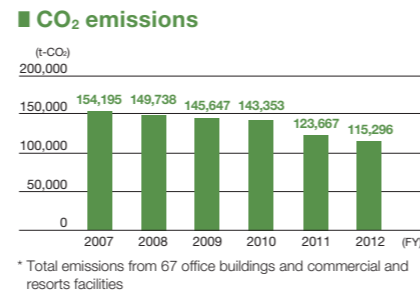
# Efforts for Five Environmental Issues

The Tokyu Fudosan Group, based on its Environmental Vision, is implementing concrete measures for five environmental issues (CO<sub>2</sub> emissions reduction, biodiversity conservation, healthcare, conservation of water resources, and resource saving).

## CO<sub>2</sub> Emissions Reduction

### Reduction in CO<sub>2</sub> Emissions

The Tokyu Fudosan Group is working to reduce CO<sub>2</sub> emissions in compliance with the environmental laws and regulations as well as with its Environmental Vision. In FY2012, we reduced our CO<sub>2</sub> emissions by about 25% from the FY2007 level.



### Reduction through the Improvement of Equipment

#### Environmental Targets for Office Buildings

The Real Estate Companies Association of Japan formulated an environmental action plan for the real estate industry and revised the PAL<sup>1</sup> and ERR<sup>2</sup> numerical energy conservation targets for new office buildings in March 2013.

The Spline Aoyama Tokyu Building and the Shin-Meguro Tokyu Building, which were developed by Tokyu Land Corporation (TLC), have achieved 13% and 17%, and 22.8% and 19.8% in terms of PAL and EPR, respectively, and TLC is thereby leading the industry in the effort to attain the numerical targets.

<sup>1</sup> Perimeter Annual Load (PAL): The value indicates the heat insulation performance of a building and becomes lower as the performance is improved.  
<sup>2</sup> Energy Reduction Ratio (ERR): The value shows energy efficiency relative to the baseline and becomes higher as the efficiency is improved.



Spline Aoyama Tokyu Building

#### Introduction of Hybrid Vehicles

Tokyu Livable, Inc. plans to replace all the vehicles used for its real-estate sales agent business in the Tokyo metropolitan area with hybrid cars by March 2017, which will lead to a reduction of 237 tons in its annual CO<sub>2</sub> emissions. Tokyu Community Corporation, Tokyu Community Corporation, and Ishikatsu Exterior, Inc. are also fostering the introduction of hybrid cars.



Hybrid car introduced by Ishikatsu Exterior

#### Cogeneration Systems

At eight Tokyu Stay extended-stay hotels, such as Tokyu Stay Shibuya Shin-minamiguchi, Yotsuya, and Higashi-Ginza Hotels, gas cogeneration systems are installed to reduce CO<sub>2</sub> emissions.

## Reduction through Operational Improvement

### Introduction of a Demand Response System

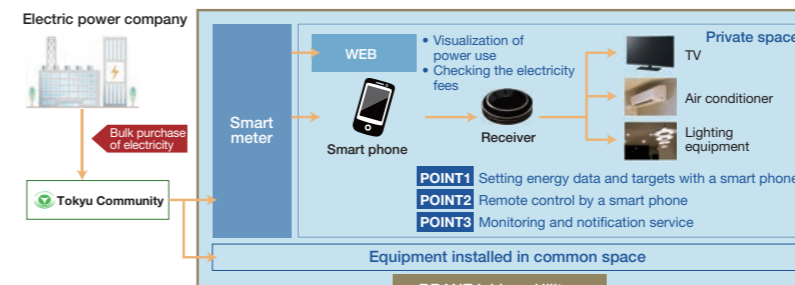
A demand response system contributes to the stable supply of electricity by controlling peak demand, and the introduction of this system is said to foster the effective use of electricity. Tokyu Resort Service Corporation has introduced it to the Amagi Kogen Golf Course, Mochizuki Tokyu Golf Club and Tateshina Tokyu Golf Course. With the help of the system, these three facilities suppress their peak electricity demand by reducing the use of air conditioners in their offices, thereby also reducing CO<sub>2</sub> emissions.



Mochizuki Tokyu Golf Club

### Introduction of a "Smart Mansion" System

TLC introduced a "smart mansion" system to BRANZ Ichigao Hilltop, which enables residents of this condominium to check their use of electricity, remotely control home electric appliances, and receive the sensor-based room temperature, humidity and brightness monitoring and notification service via their smart phones. The condominium is also equipped with a system for the bulk purchase of electricity provided by Tokyu Community Corporation.



Conceptual diagram for the bulk purchase of electricity and MEMS

### Use of the Carbon Offset Mechanism

TLC offset part of the CO<sub>2</sub> emitted from the disassembly of the Ginza TS Building by using the credit purchased from Kamaishi City, Miyagi Prefecture under the J-VER\* scheme, thereby setting the first example of using a credit sold by an entity afflicted by the March 11 disaster to offset the CO<sub>2</sub> emissions from the disassembly of a building. This is the first offsetting under the J-VER scheme in Japan and has contributed to the mitigation of global warming and also to the recovery of the afflicted areas.

\* Japan-Verified Emission Reduction (J-VER): Greenhouse gas emission trading scheme implemented by the Ministry of the Environment



Sign posted on the temporary fence, which shows the recovery support offsetting system

### Selected to Be an MEMS Aggregator

In April 2013, Tokyu Community Corporation was selected to be an MEMS aggregator in relation to the FY2012 project to accelerate the introduction of "smart mansions" implemented by the Ministry of Economy, Trade and Industry. Accordingly, the company will proactively make proposals on the bulk purchase of high-voltage electricity as well as on the introduction of the Mansion Energy Management System (MEMS) to the condominiums to which it provides management services. The company will help residents increase the asset value of their condominiums through these proposals

### Acquisition of Certification for Eco-Action 21

In May 2013, Tokyu Living & Lifestyle Research Institute Inc. obtained ECO-Action 21 certification from the Ministry of the Environment. The ministry has formulated the guidelines on the Eco-Action 21 environmental management systems and has been fostering the use of the systems. The company was granted this certification, receiving high evaluation for its efficient environmental activities, including the monitoring and improvement of its own use of energy and the provision of support to the environmental efforts made by other Group companies.



Eco-Action 21 certification

and the provision of a total support service, including energy conservation and power saving measures.

### Employee in charge of commercial facilities

VOICE

**CO<sub>2</sub> reduction through visualization**  
 Each tenant of Abeno Q's Mall has been implementing a system to visualize their use of electricity and water for more than two years, and according to the results of a questionnaire survey completed by the tenants, the introduction of the system resulted in a 4.06% reduction in power demand on average, while the total use of electricity also displayed a favorable decline to 93.5% of the previous year level. Moreover, we provide tenants with the ASP service to enable them to control their CO<sub>2</sub> emissions and energy use via the Internet, thereby further encouraging them to take voluntary actions to reduce their CO<sub>2</sub> emissions.



Katsuji Nakabayashi  
 Abeno Q's Mall  
 Tokyu Land SC Management Corporation

Use of Renewable Energy

Use of Solar Light and Solar Thermal Energy

TLC has been fostering the use of solar light, and solar power generation systems have been introduced to Branz Yonbancho, BRANZ Tower Osaka Bingomachi and other condominiums, as well as to its resort facilities, specifically to Tokyu Harvest Club Atami Izusan & VIALA, and the Palau Pacific Resort.

At BRANZ Center Kita, units located on the ninth and 10th floors are equipped with solar thermal and gas hot water supply systems, and residents can check reductions in CO<sub>2</sub> emissions by the use of a touch panel-type remote controller.



Solar power generation at the Palau Pacific Resort

Wind Power Generation

The Tokyu Fudosan Group fosters the use of wind power as a renewable energy source.

At Tokyu Plaza Omotesando Harajuku,\* two wind turbines are installed on the rooftop to foster the use of natural energy.

At Tokyu Harvest Club Atami Izusan & VIALA, a wind turbine is installed on the patio to supply electricity to outdoor lights.

\* The beneficial interest in the property is shared by the investment company named Activia Properties Inc.



Wind turbine installed within the premises of Tokyu Harvest Club Atami Izusan & VIALA

Initiatives Implemented in Cooperation with Customers

The Tokyu Fudosan Group is also fostering CO<sub>2</sub> emissions reduction initiatives in cooperation with customers. Tokyu Homes Corporation recommends customers to introduce solar power generation and energy-saving equipment when receiving orders for the Millcreek custom-built homes or for renovations from the customers.

Tokyu Relocation Co., Ltd. proactively makes proposals on energy-saving equipment to owners of the real properties for which the company provides management services. Ishikatsu Exterior, Inc. also advises golf facilities to introduce solar power generation systems.



Solar power generation at a Millcreek custom-built home

COLUMN

BRANZ Sakuranomiya Receives Commendation under the CASBEE Initiative Implemented by Osaka City

In March 2013, BRANZ Sakuranomiya received commendation under the comprehensive assessment system for building environmental efficiency (CASBEE) implemented by Osaka City, in recognition of the reduction of its environmental impact, which was achieved by the planting of cherry trees, the symbolic trees of the area, and the adoption of a latent heat recovery-type hot water supplier and water-saving equipment.



BRANZ Sakuranomiya

The Shin-Meguro Tokyu Building Obtains the Gold 2013 Green Building Certification from the DBJ

In May 2013, the Shin-Meguro Tokyu Building obtained the Gold 2013 certification under the Green Building Certification system implemented by the Development Bank of Japan (DBJ), being evaluated as a building developed with "exceptionally high environmental & social awareness." We will continue to satisfy and exceed the criteria to be met by office buildings by implementing environmental measures while also making them more comfortable.



Shin-Meguro Tokyu Building

Resort Hotel Developed to Achieve Coexistence and Harmony between Nature and People

Tokyu Harvest Club Atami Izusan & VIALA was opened in 2013 as a resort hotel blessed with nature, and the facilities are laid out to be surrounded by the sea and green plants. The hotel preserves 30% of the total site area as green space. Moreover, trees that have existed on the premises even since before the construction of the hotel are still growing on the patio, and the hotel is also fostering rooftop greening. In addition to these proactive greening measures, the hotel has solar panels, makes effective use of water resources, and uses electric vehicles for the management operations in order to conserve more energy.



Tokyu Harvest Club Atami Izusan & VIALA

Biodiversity Conservation

Understanding How Our Business Is Related to Biodiversity

Designated to Be the Operator of a Golf Ground

In October 2012, the consortium\* of Tokyu Resort Service Corporation and Ishikatsu Exterior, Inc. was designated to be the operator of the Kawasaki Kokusai Ikuta Ryokuchi Golf Ground, owned by Kawasaki City, and has been operating the facility since April 1, 2013.

Giving due consideration to the fact that the golf course is located within the Ikuta Ryokuchi, which is a nature-rich urban park, the consortium regularly conducts environmental surveys and fosters cooperation with NPOs and citizens to conserve the precious local ecosystems.

\* Tokyu Community Corporation is also participating in the business as a cooperator.

Surveys on Ecosystems

At Tokyu Plaza Omotesando Harajuku, surveys on living creatures have been conducted on the roof terrace garden named "Omohara Forest" since the opening of the facility in 2012.



Omohara Forest

Employee in charge of the Hakone eco tour

VOICE

Providing guests with a tour to enjoy nature with the five senses

The "Hakone trekking tour with an experienced guide" is very popular among our guests. There are so many repeaters in the tour and some of our guests give first priority to participating in it when they make their holiday plans. I believe that coming into contact with nature and enjoying beautiful natural scenery encourage people to take their first step toward nature conservation.



Toshihiro Tamefusa  
Tokyu Harvest Club Hakone Koshien  
Tokyu Resort Service Corporation

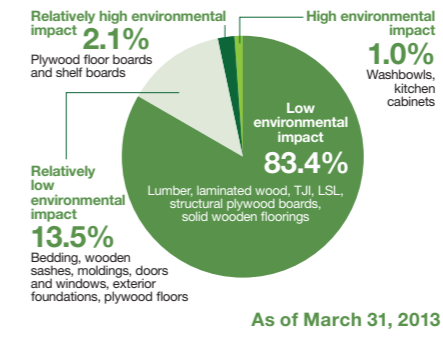
Reducing the Environmental Impact of Business on Biodiversity

Environmental Risk Assessment Associated with Wood

Tokyu Homes Corporation promotes fair wood procurement\* based on its Lumber Procurement Policy established by incorporating the relevant international procurement standards. The company makes wood-related environmental risk assessments receiving support from FoE Japan, an international environmental NGO, and continues to conduct improvement activities based on the assessment results.

\* Fair wood procurement involves procuring wood produced from trees that were cut down and processed not only legally but also in an environment-conscious and socially equitable manner.

Environmental impact assessment associated with wood (made on Millcreek North American-style homes)



As of March 31, 2013

Development of a Tree Surgery System

Ishikatsu Exterior, Inc. developed a tree surgery system, which combines diagnosis by a tree doctor with diagnosis by precision equipment that uses acoustic waves. The company determines whether it is all right to transplant a tree or not based on the diagnosis results, in the hope of protecting the lives of precious trees.



Sustainable Use of Biological Resources

Green Connection Project

The Tokyu Fudosan Group has been implementing the Green Connection Project since October 2011. Under this project, we are supporting forest preservation in cooperation with our customers, including the purchasers of condominiums and users of office and resort facilities. In our business we are committed to making effective use of wood derived from forests and promoting

the recycling of forest resources.



Green Connection Project

We supported the preservation of forest land extending over 8,342,745 m<sup>2</sup> in total (as of Aug. 2013)

Certified as an Urban Oasis and Commended for the Activities

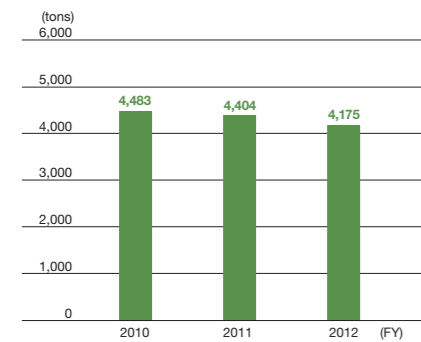
In October 2013, Omohara Forest was certified as an "urban oasis" by the Organization for Landscape and Urban Green Infrastructure and also won a prize in the 12th competition on special rooftop and wall greening technologies held by the Organization, gaining recognition for its activities and achievements.

## Resource Saving

### Reduction of Waste

Toward the creation of a recycling-oriented society, the Tokyu Fudosan Group is fostering the reuse of resources and reducing the generation of waste, while striving to prolong the life of houses and other facilities. In FY2012, we reduced the generation of waste by about 7% from the FY2010 level.

#### Generation of waste



\* Total amount of waste generated by 32 office buildings and commercial and resort facilities

### Recycling of Paper Resources

Tokyu Livable, Inc. uses a confidential document collection box. Documents collected in the box are disposed of by a company specializing in the service, which melts the entire container placed inside the collection box to eliminate the risk of information leakage. This also contributes to resource conservation because the melted paper is recycled.

Tokyu Livable began using the box in October 2012, and a total of 210,000 toilet paper rolls were produced from the collected documents during a period of five months.



Confidential document collection box

### Development of a Bunker Sand Washing Technology

Ishikatsu Exterior, Inc. developed the Refresh eco Bunker (Re Bunker) system based on the idea of the 3Rs\*. Using the system, the company collects and washes dispersed bunker sand, thereby eliminating the conventional need to replace and refill sand. This has led to a reduction in the consumption of sand, the related cost, and also the environmental impact caused by the disposal of removed sand.

Moreover, the company reuses water wasted from the sand washing process.

\* 3Rs: Reduce, Reuse and Recycle



Bunker sand washing system

### Reduction of Food Waste

At the Niseko Tokyu Resort, efforts are being made to reduce food waste from the restaurants and to recycle the generated waste by having it composted by a company that has natural fermentation equipment for the appropriate disposal of waste and the effective use of resources. In FY2012, Tokyu Resort Service Corporation reduced the total amount of food waste by 24.1 tons year on year.



Niseko Tokyu Resort

### Introduction of Pellet Stoves

Tokyu Resort Service Corporation installed a pellet stove in the lobby of Tokyu Harvest Club Amagikogen. The stove is fueled by wooden pellets, which are made by compressing and molding thinned/processed tree chips, and this contributes to the effective use of forest resources. Pellet stoves also have longer lives than other heating appliances and are attracting much attention as eco-friendly heating equipment.



Pellet stove

### Employee of Tokyu Hands VOICE

#### Reducing the use of disposable bags for waste reduction

In the fall of 2012, Tokyu Hands, Inc. started an activity to reduce the distribution of disposable shopping bags at its stores as part of its environmental impact reduction effort and also in response to increases in the numbers of shoppers bringing their own carrier bags to stores and of merchants who charge for disposable shopping bags. We are raising customers' awareness of this activity by point of purchase signs posted around the checkout counters and also by directly asking for cooperation to customers who are carrying their own bags. We sell a range of eco-friendly goods, including power-saving and water-saving devices, and our customers show great interest in them. Encouraged by this fact, we will take more time to entrench the use of "my bags."



Hiroshi Tanabe  
General Affairs Department  
Tokyu Hands, Inc.

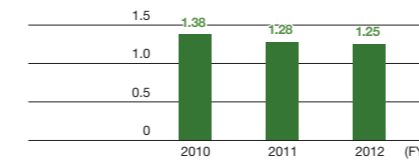
## Conservation of Water Resources

### Reduction in the Use of Water

In FY2012, the Tokyu Fudosan Group achieved an approximately 9% reduction in water use from the FY2010 level by such measures as introducing water-saving equipment.

#### Use of water by the Tokyu Fudosan Group

(Unit: million m<sup>3</sup>) 2.0



\* Total amount of water used by 67 office buildings and commercial and resort facilities

### Proactive Use of Rainwater

At BRANZ Tower Osaka Bingomachi and BRANZ Tower Minamihorie, rainwater storage tanks are installed to make effective use of rainwater for irrigation and cleanups.

### Reuse of Underground Water

Tokyu Harvest Club VIALA Hakone Hisui is located on the former site of an old Japanese inn, which extends over about 9,900 m<sup>2</sup> and has a large pond. The landscape of the site is preserved by making effective use of the pond, with the entrance, a restaurant with a terrace over the water, and a park that looks like a wasabi farm being laid out around the pond. Moreover, there is a waterfall in the garden that makes use of the differences in the height of the land on the site, while within the premises, the reuse of underground water is promoted for the conservation of water resources.



Resort hotel developed based on the concept of "harmony with the environment"

### Employee of Tokyu Sports Oasis VOICE

#### Water saving efforts

At Tokyu Sports Oasis facilities, the use of water in bathrooms accounts for about 60% of the total water use at the facilities, and accordingly we are implementing intensive measures to reduce water use in the bathrooms. Specifically, we have installed equipment to regulate the amount and duration of water use to all the faucets to save water. We have also reduced the reverse cleaning frequency for the pool water filtration machines, while maintaining the water quality, and are working to reduce the overflow of water from the pools.



Kotaro Take  
2nd Development Department,  
Development Division  
Tokyu Sports Oasis, Inc.

## Healthcare

### Treatment of Toxic Chemicals

At the Tokyu Fudosan Group's office buildings, commercial facilities and resort facilities, toxic chemicals are appropriately managed and disposed of in compliance with the related laws and regulations.

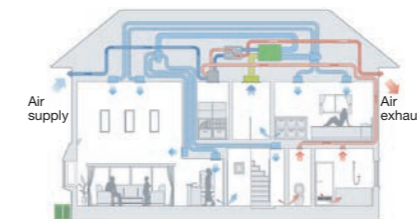
For CFCs used in air conditioners as coolants and PCBs contained in electric equipment, we strictly ensure legal treatment and disposal to prevent any leaks or emissions. We make timely checks for the presence of asbestos and soil contamination, implement necessary measures, and ensure appropriate management on a case by case basis.

#### Substances subject to regulation

- CFCs
  - PCBs
  - Asbestos
  - Soil contamination
- Legal management and disposal

### Provision of Healthy Living Environments

To address sick house syndrome, TLC is working to suppress the emissions of chemical substances. Specifically, it uses the materials in the highest F☆☆☆☆ class (lowest level in terms of formaldehyde emissions) as defined by JIS and JAS for condominiums and detached homes. Tokyu Homes Corporation has equipped Millcreek homes with a total air conditioning system, which keeps the indoor temperature consistent while taking fresh air into the house to provide residents with a comfortable indoor environment.



Illustrative image of the total air conditioning system

### Employee in charge of resort programs VOICE

#### Holding yoga classes in the nature-rich environment

A range of events are held at Tokyu Harvest Club facilities located across Japan. For example, we hold yoga classes in the resort hotel near Lake Hamana, which is famous for its beautiful scenery. Not only guests but also others can participate in the classes to promote both their physical and mental health, and the classes are enjoying great popularity.



Keisuke Ueda  
Tokyu Harvest Club Hamanako  
Tokyu Resort Service Corporation



# Measures for Four Social Contribution Themes

The Tokyu Fudosan Group has been working to help people improve their living environment based on four social contribution themes (providing safety and security, contribution to local communities, childcare support, and nursing care support).

## Providing Safety and Security

### Provision of a Special Disaster Kit

Tokyu Land Corporation (TLC) began providing residents of its BRANZ-branded condominiums with special disaster kits, starting with the condominiums located in the Kansai area. The kits were developed independently by Tokyu Hands, Inc. by incorporating the opinions of those who have actually experienced earthquakes.



Special disaster kit distributed to residents of BRANZ condominiums

### Disaster Simulation Camp for Families

In September 2013, TLC held a disaster simulation camp for families living in BRANZ condominiums. A total of 31 people participated in this camp from 10 households, so as to have a virtual experience of a disaster. They ate emergency food and slept in tents to understand the importance of making preparations against disasters.



Participants experienced sleeping in tents

### Pantry Shelter

Tokyu Homes Corporation proposed the idea of a “pantry shelter” as a component of a Millcreek MASTERS Grace imported home. The space, which has an area of about 7 m<sup>2</sup>, is used as a wine cellar in ordinary times but can also be used as a shelter in the event of a disaster. The shelter has resistance against a horizontal force up to 1.5 times the force imposed by the Great East Japan Earthquake, and is designed to provide the family with a place to store food, emergency supplies, and sleeping mattresses, allowing them to survive for 10 days.



Inside of the pantry shelter

### Measures for Elderly Facilities

At the Grancreer homes for the elderly, emergency power generators, temporary toilets for use in disasters by the elderly including those in wheelchairs, and automated external defibrillators (AEDs) are installed in preparation against disasters. Moreover, at each of the homes, emergency food and drinking water sufficient for all the residents and staff to survive for at least three days are stored.

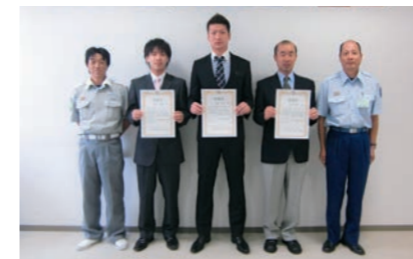
### Introduction of Iridium Satellite Phones

TLC introduced a total of 25 iridium satellite phones for use in the event of large disasters as a reliable means of communication, mainly in its commercial facilities located in the Tokyo metropolitan area and the Kansai area.

### Commended for Saving a Life

Tokyu Sports Oasis, Inc. provides employees with emergency first aid training so that they can deal calmly with unexpected incidents, and also holds free of charge training seminars on AEDs targeting members of its fitness facilities and local people.

In March 2013, employees of Tokyu Sports Oasis Esaka rushed to the locker room, having been informed that one of the members was lying on the floor, and took care of that person by cardiac massage and the use of an AED. Subsequently the employees were commended by the Suita fire department for saving a life, and were also highly evaluated for their deed by the doctor who treated the patient.



Commendation from the Suita fire department

### Livable Intermediary Guarantee Service

Since October 2012, Tokyu Livable, Inc. has been offering the Livable Intermediary Guarantee Service as a system to inspect and guarantee against the defects of used homes.

This service is beneficial to both sellers and buyers of used homes. By receiving the building safety inspection and one-year warranty service, sellers are substantively exempted from the defect liability and can advertise their homes as properties for which Tokyu Livable provides warranty, while buyers are informed of the building inspection results from Tokyu Livable before purchasing used homes and are guaranteed by the company against defects in the homes for one year following their acquisition, exceeding the usual three-month warranty period.



### Holding a ShakeOut Drill

In March 2013, Tokyu Fudosan SC Management Corporation held a ShakeOut drill in COCOE Amagasaki Ryokuyu Shintoshin\* as part of the disaster control initiative implemented by the Amagasaki-higashi fire department.

A ShakeOut drill is a drill held to teach participants how to act safely based on a disaster scenario developed in reference to the latest seismic research data, and the one organized in the shopping mall became the first to be held in a large shopping center in Japan.

\* Changed its name to Amagasaki Q's Mall on October 9, 2013



Participants learned how to protect themselves in the event of an earthquake

### Kazokuryoku-Plus

Tokyu Community Corporation offers the Kazokuryoku-Plus around-the-clock life support service to customers, which they can use simply by making a phone call to the designated number. To purchasers of BRANZ-branded condominiums, the company offers a special support service named “Kazokuryoku-Plus BRANZ Premium,” which they can use for free for five years.

#### Kazokuryoku-Plus service menu

- Emergency visit
- Support to household work
- Support to the elderly
- Support to the family
- Daily life support



Helping people lead comfortable lives in condominiums

### Organization of a Safety Promotion Meeting

Ishikatsu Exterior, Inc. held an annual safety promotion meeting during the National Safety Week in July 2013, in which participants reviewed the safety incidents of the previous fiscal year and shared the safety policies of each department. Also at the meeting, commendations were given to excellent safety examples to further foster safety.

At a lecture given concurrently with the meeting, an expert introduced the measures to prevent and deal with summer weariness and heat disorder, and participants enhanced their knowledge to make appropriate responses in emergencies, including when customers suffer heat exhaustion at golf grounds or other facilities.



Safety promotion meeting

### Employee in charge of the Kazokuryoku-Plus service VOICE

#### Enhancing the service to provide more safety and ease of mind

We provide the Kazokuryoku-Plus service as a paid membership life support service, which includes the repair of water supply equipment and transportation of fixtures. In June 2013, the fourth year from the launch of the service, the number of members reached about 46,500.

In FY2012, we further improved the service by extending the free-of-charge period from three years to five and by adding a service to support anti-seismic measures based on the lessons learned from the Great East Japan Earthquake. We will continue to offer Kazokuryoku (“family-like help”) to users of the service.



Tomokuni Shibuya  
Riiko Kojima  
Tomoya Ueda  
Condominium Life Department  
Tokyu Community Corporation

## Contribution to Local Communities

### Abeno Smile Project

TLC and Tokyu Land SC Management Corporation are implementing the Abeno Smile Project at Abeno Q's Mall operated by the companies, with a view to revitalizing the Abeno district jointly with local communities, and transforming it into a comfortable urban space where people can feel happy. To see more smiles in the area, the companies donated a Cape hyrax (a small guinea pig-like animal) to the local Tennoji Zoo in cooperation with customers, who used their accumulated card points for the donation, and also opened Abeno Amemura (a hard candy store) as a base to dispatch information about the "culture of *amechan*" (special attachment to hard candies) nurtured by people in Osaka.

#### Donation of picture books

The two companies donated about 40 picture books and 10 DVDs to the pediatric ward of Osaka City University Hospital located in Abeno Ward in January 2013 and also invited Saki Yagi, a freelance announcer, to the ward to read an original picture book for the children there, who all laughed at the story.



An original picture book was read for children

#### Organization of a food education event

The companies also organized a food education event for parents and children at Patisserie Labo. Tsuji located on the third floor of Abeno Q's Mall in August 2013. In the event held with support from the Osaka prefectural government, participants enjoyed making sweets using pumpkins, figs and other foodstuffs produced in Osaka.



Participants made sweets in the food education event

### Surveying Water Quality in Local Rivers

At the Arita Tokyu Golf Club, voluntary surveys are regularly conducted on water quality in the upstream and downstream areas of the local rivers to preserve the local environment and gain the understanding of local communities for the operation of the golf club. The survey results are reported to the local government.

In 2013, surveys were conducted in the upstream and downstream areas of Tama River in April and in Kamanakadani River in May, and the results have indicated that water quality in the rivers meets the environmental standards.



Survey on water quality conducted in Tama River

### Contribution to Local Communities by Wall Greening

TLC uses the Earth Wall method developed by Ishikatsu Exterior, Inc. as the green wall technique for the greening of the temporary fences established at its BRANZ condominium construction sites in the Tokyo metropolitan area.

The Earth Wall method can be used flexibly for walls of different sizes and allows multiple flower varieties to grow in a mixture on the walls, giving pleasure through the four seasons. At the BRANZ condominium construction sites, mainly ivies are planted on the fences so that people living in the neighborhood can enjoy greenery during the construction period.



Greening of the temporary fence at a construction site

### Donation to the Goshawk Protection Fund

At Tokyu Harvest Club Nasu, an activity to make donations to the Goshawk Protection Fund (an NPO) has been continued to protect endangered goshawks. The hotel is surrounded by nature and aspires to minimize its impact on the global environment.

In the Star Festival event held from June 30 to July 7, 2012, the hotel switched off the ordinary lights in the lounge and used candle-shaped LED lamps instead, and donated part of the proceeds to the NPO. The hotel also continues to donate part of the table tennis playing fees collected from its guests to the organization.



A goshawk, which is designated as a near-threatened species

### Exchange with Local Communities in Matsue City

At the Matsue Operation Center of Ewel, Inc., employees buy bread and pastries made at a local welfare institution for people with disabilities. The center, where about 300 local people are working as regular employees and operators, also contributes to the creation of local employment.

In addition, the company holds training seminars for new employees in Matsue City and provides them with opportunities to become involved with local people, including experiencing farming and eating local dishes with the locals.



Bread and pastries are sold at the "refresh space"

### Participation in an Event to Support Cancer Patients

Tokyu Sports Oasis, Inc. participated in a Relay For Life charity event held for patients suffering from cancers.

Relay For Life originated in the United States and aims to support cancer patients and to encourage more people to take cancer checkups. In Relay For Life events, patients, their families, friends and citizens form teams to take turns to walk on a playground for 24 hours, sharing courage and hope. In addition to this walk rally, various games and performances are held during the events. The donations collected through Relay For Life events held in Japan are used by the Japan Cancer Society for future cancer treatment and educational purposes.



Tokyu Sports Oasis walking team

### Open Courses at Shibuya University

Tokyu Hands, Inc. participates in the activities conducted by Shibuya University Network, which is an NPO that provides people with educational opportunities by using Shibuya as a campus. Specifically the company holds open courses to impart knowledge useful in day-to-day life to a range of age groups.

In FY2012, an employee of Tokyu Hands gave a lecture based on the lessons learned from past earthquakes under the title, "Imagination helps save a life—what we can learn from earthquakes" and gave a briefing on anti-disaster measures and how to use disaster control goods.

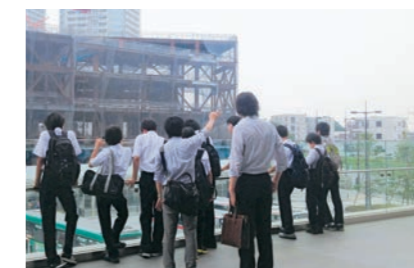


Lecture at Shibuya University

### Provision of Work Experience

The Tokyu Fudosan Group is proactively providing children with work experiences to help them deepen their understanding of society and think about their future.

In 2013, TLC gave job training to students of a junior high school located in the neighborhood of the head office. They made a tour of construction sites and other workplaces in order to understand the relationship between their lives and various occupations. TLC also provides children with opportunities to have job experiences, including working at the front desk of a sports club, serving guests at a restaurant within a golf ground, and giving support to residents of a home for the elderly.



Local junior high school students visited a construction site

### Cleanup Campaign

Tokyu Land SC Management Corporation conducts a cleanup campaign on the 19th of every month at the shopping centers operated by the company, in line with its action policy of "understanding and getting involved in local communities and having fun with the communities." All those involved in the shopping facilities, including not only the operational staff but also tenant employees and guards, collect trash around the facilities before they are opened, thereby contributing to local beautification.



Collecting trash around the facilities

### Employee in charge of resort facilities

VOICE

#### Fostering localized operations

Tokyu Resort Town Hamanako is located by Lake Okuhamana and Lake Inohana, and guests to the hotel can enjoy yachting, windsurfing, and other marine sports in the calm lakes throughout the four seasons. They can also play tennis and putting golf in the resort. To protect the local environment, we are conducting the "river friendship" activity to clean up and weed in the area by Lake Inohana, using supplies provided by Hamamatsu City. The lake is usually calm but depending upon the wind direction, driftwoods, vinyl materials used for agriculture, PET bottles and various other objects are washed up on the shores of the lake. As staff of the resort center with deep ties to the local area, we will work to clean up the lake and protect important local natural assets through a concerted effort, so that guests can enjoy marine sports in the lake with safety and comfort.



Tetsushi Takahashi  
Tokyu Resort Town Hamanako  
Tokyu Resort Service Corporation

## Childcare Support

### Provision of Childcare Information

Ewel, Inc. operates a community website to support women in pregnancy, childbirth and childcare (happy-mama.com) and provides information on childcare as part of its WELBOX welfare service package.

On the website, the company annually invites mothers to talk about how they named their babies and gives commendations to particularly good stories. It also announces the ranking of popular names for babies every year, introduces the accommodation facilities to which babies and children are welcomed, and provides various other information that helps mothers solve their childcare-related problems and enjoy raising children.



### Children Emergency Call 110

Tokyu Livable, Inc. is participating in the Children Emergency Call 110 program that provides children and students with shelters to which they can rush when they feel in danger. At each of the company's stores on the ground level among the real-estate sales agents located in the Tokyo metropolitan area, a Children Emergency Call 110 sticker is posted at the entrance to show that it serves as an emergency shelter to protect children from crime.

At Abeno Q's Mall operated by TLC and Tokyu Land SC Management Corporation, 1,000 Children Emergency Call 110 flags were donated to the Abeno Ward Office to be posted by local households and merchants who were supporting the activity, and the companies received a letter of thanks from the head of the ward.



### Rental Apartment with Support for Childcare

Tokyu Relocation Co., Ltd. operates the Brote Okurayama rental apartment with support for childcare, where special facilities for children, such as the "kids' room" are provided and events to support childcare are held regularly.

In FY2012, the company held a Christmas wreath class, yoga class for parents and children, and other events for residents of the apartment.



Christmas wreath class

### Junior Golf Lesson

In August 2013, Tokyu Resort Service Corporation held the 2013 Summer Junior Golf Lesson at the Asakura Golf Club with support from the NPO Junior Golfer Conference of Japan and from the Professional Golfers' Association of Japan, and 88 elementary school students were invited to the event.

In the event held as its sixth round, participating children received coaching from nine professional golfers, watched the demonstration made by Ryoken Kawagishi, a professional golfer, and also viewed a video letter from Hideki Matsuyama, another professional golfer. Through this event, the company helps children build their physical strength and also helps junior golfers improve their skills and manners.



Summer Junior Golf Lesson

### Employee in charge of the apartment with support for childcare VOICE

#### Supporting childcare by providing both facilities and programs

In accordance with an increase in the number of nuclear families (as opposed to the larger extended families of Japan's past), not a few mothers are said to feel lonely and isolated. In response, apartments with support for childcare have been increasing in number in recent years. There are, however, still few apartments where residents are given support to deepen their mutual relations. In Brote Okurayama, we hold community events by using the various facilities established within the apartment, in the hope of helping mothers easily exchange information with each other and feel more fun and pleasure in raising their children.



Kiyoshi Isogai  
Rental Housing Management Department  
Rental Housing Business Division  
Tokyu Relocation Co., Ltd.

### Ski School for Kids

At Tanbara Ski Park, Mt. JEANS Nasu, and Hunter Mountain Shiobara, Tokyu Resort Service Corporation opened the Jackie Ski School for children aged four to 12, featuring Jackie, the main character of the popular picture book series *Kumano Gakko* (the bears' school).

At the ski resorts, together with Jackie the bear girl, the school staff helps children make a debut as skiers, and special dishes featuring Jackie are served at the restaurants and character goods are sold at the shops.



Jackie Ski School

## Nursing Care Support

### Supporting the Elderly through the Provision of Homes

TLC and Tokyu E-Life Design, Inc. propose new lifestyles for the aging society through the operation of the Grancreer Series homes for the elderly. The homes are classified into "senior residences" and "care residences." The former is for the healthy elderly and provides them with substantial living space and common facilities, while the latter is for those needing nursing care and provides them with around-the-clock support service. In both types of the homes, staff members who took part in AED and emergency lifesaving courses help residents manage their health in cooperation with the doctors and nurses belonging to the partner clinics.

### Basic Seminar on Nursing Care

In cooperation with Tokyu E-Life Design, Inc., TLC held a basic seminar on nursing care in October 2012, inviting a person in charge of the operation of Grancreer as a lecturer. More than 100 employees participated in this seminar to learn about the basics, including the cases requiring nursing care, how to utilize nursing care insurance services, and differences between various types of nursing care insurance facilities. They were also briefed on the details of the services available for each of the nursing care levels, specific examples of weekly nursing care schedules, and the roles to be fulfilled and attitudes to be taken by the families of people in need of nursing care.



Basic seminar on nursing care

### Horticulture Therapy for the Elderly

At part of the Tokyu Fudosan Group's facilities for the elderly, "horticulture therapy" is given to residents to help them promote their health and mutual exchange. At Grancreer Fujigaoka, residents experienced planting tulips on the roof garden. They can do gait training and bask in the sun bath by visiting the garden to enjoy watering and looking at the flowers.



Planting tulip bulbs

### Preventive Care Service Provided by Tokyu Sports Oasis

Tokyu Sports Oasis, Inc. widely provides individuals, companies and facilities for the elderly with a health promotion program for the elderly. The company has developed this program, which helps the elderly maintain muscle strength and a sense of balance in a safe and enjoyable manner, jointly with Waseda University's Research Institute for Elderly Health.

To popularize the program, Tokyu Sports Oasis has also opened the Shinjuku Exercise Room for exclusive use by senior citizens, while holding training seminars to develop instructors for preventive care to help meet the potential needs for these instructors.



Easy-to-do physical exercise

### Dementia Supporter Training

In an aging society, we are increasingly required to have the correct knowledge and understanding of dementia. In response, Tokyu Community Corporation has been participating in the Dementia Supporter\* Training initiative since March 2008, with a view to providing employees with the correct knowledge of dementia and the skills to appropriately communicate with residents of condominiums managed by the company.

All of the company's Amenity Mates (building managers) presently working in the Tokyo metropolitan area have received the Dementia Supporter Training.

\* Dementia Supporters are those who have gained the proper understanding of dementia by receiving the Dementia Supporter Training provided by experts on dementia, who serve as lecturers (called "Caravan Mates"), with support from municipalities, trade associations, and others.

### Preventive care instructor VOICE

#### Helping the elderly promote their health

In the Shinjuku Exercise Room, I give lessons mainly to help the elderly enhance their muscle strength and increase flexibility in the movement of their joints so that they can lead their daily lives more comfortably. In the lessons, they do easy physical exercise by using small balls, tubes, and balance pats. Before and after the lessons, I try to communicate sufficiently with participants to prevent any incidents. For example I ask them to measure their blood pressures, question them about their physical conditions, and advise them to frequently drink water.

It is said that the physical exercise participation rate of Japanese people is 3%, and in particular elderly people tend to do exercise very actively or do not do it at all. I would like to communicate the importance of health promotion to as many seniors as possible.



Kunie Ihara  
Instructor  
Tokyu Sports Oasis, Inc.

# Tokyu Fudosan Group Overview

As a producer of comprehensive lifestyle services, the Tokyu Fudosan Group meets the needs of customers in a comprehensive manner in a range of fields, including real estate sales, contracted construction, retail sales, leasing of real estate, property management, facility operations, and real-estate agent services.

## Corporate Profile (as of October 1, 2013)

<b>Corporate name:</b> Tokyu Fudosan Holdings Corporation	<b>President &amp; Representative Director:</b> Kiyoshi Kanazashi
<b>Establishment:</b> October 1, 2013	<b>Capital:</b> 60,000 million yen
<b>Headquarters:</b> Shin-nanpeidai Tokyu Bldg., Dogenzaka 1-21-2, Shibuya-ku, Tokyo	<b>Website:</b> <a href="http://www.tokyu-fudosan-hd.co.jp/english/index.html">http://www.tokyu-fudosan-hd.co.jp/english/index.html</a>

## Holding Company System

As a pure holding company, Tokyu Fudosan Holdings Corporation makes and implements management strategies for the entire Group, appropriately allocates the managerial resources, fosters the creation of opportunities to increase synergy effects between businesses conducted by the Group, and promotes cooperation across the Group. Under this holding company, each operating company conducts business in line with the management strategies, flexibly promotes business expansion based on empowerment, and grasps more business opportunities by strengthening mutual cooperation, all toward the improvement of the corporate value as the entire Group.

### ■ Tokyu Fudosan Group



The Tokyu Fudosan Group shifted to the holding company system on October 1, 2013.

## Financial Data

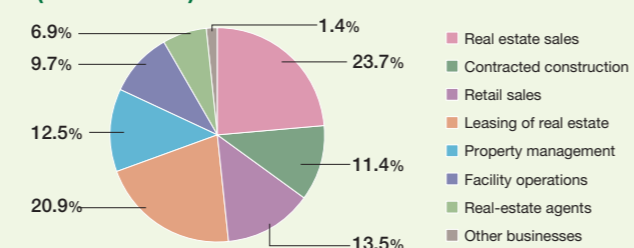
### ■ Financial Summary (consolidated)

(Unit: ¥ billion)

Consolidated	FY2010	FY2011	FY2012
Operating revenue	571.4	556.8	595.9
Operating income	62.5	50.1	52.0
Ordinary income	54.9	34.9	39.9
Net income	11.6	34.2	22.1
Total assets	1,161.4	1,744.8	1,718.4
Total net assets	239.8	275.3	307.0

The financial data for FY2012 and before are based on TLC's consolidated business performance.

### ■ Breakdown of operating revenue by segment (consolidated)



# Third-party Opinion

I would like to express my heartfelt congratulations for the establishment and listing of Tokyu Fudosan Holdings Corporation. I am honored to give a third-party opinion to this report, which was created immediately after the commemorative shift of the Group to the holding company system and the launch of business operations under the new system.

I served as facilitator at the roundtable meeting held with the participation of Group employees, in which I gained an impression that individual employees were making ceaseless efforts to identify their customers' needs and meet them in their daily business operations. I think that employees of the Group used to conduct CSR activities separately by company. Now, however, as a comprehensive real estate business group based on the strength of each Group company, they are beginning to generate synergy effects in meeting a range of social challenges, while also achieving the growth of the Group.

I read through the CSR report and would like to ask the Group to make examinations on the following three points to further enhance the report.

First, it is necessary for the Group to "clarify the policies" about do's and don'ts. Although the Group's environmental and social contribution policies are described in page 16 of the report, they are more like a "philosophy" and indicate the corporate attitudes to be taken toward the environment and social contributions. "Philosophy" provides the basis of the Group and is indeed important but for the entire Group to move into the same direction without hesitation, it needs to provide employees with a "compass," which each of them can look at when they get lost—and the "policies" represent the compass. At present, the Group has clear policies on CO<sub>2</sub> emissions reduction and biodiversity, and I recommend that the Group formulate policies also on other issues that are deemed important, including interaction with customers, employment and labor practices and the management structure.

Second, the Group needs to "measure the effectiveness" of its activities. It is quite appreciable that the Group is offering solutions to social challenges through its business operations, specifically by making contributions to local communities and developing human resources. The CSR report, however, does not provide much information about the effects brought about by the activities conducted by the Group. The Group has implemented a lot of necessary measures, I believe, but due to the lack of the aforementioned information, the ideas behind the measures are not well communicated to readers of the report. For example, the Group focuses on human resource development, deeming human resources as the Group's asset, but does not describe in the CSR report how many resources (money and time) it has invested in human resource development and what effects have been brought about by that investment. I think the Group can improve its CSR report by measuring the effectiveness of its activities and providing information about the measurements.

I also recommend that the Group examines including "descriptions about the CSR measures implemented across the supply chain" in the CSR report. There is a global trend in which companies are working to fulfill their social responsibility across the scope over which they have influential powers. Now that the Group has a more influential power as a comprehensive real estate business group, I expect that it will refer to the CSR activities conducted across its supply chain in the CSR report as much as possible, by starting with descriptions about priority issues.



**Makiko Akabane**  
Director of the CSR Asia Japan office

## Third-Party Opinion Acknowledgement

This is the first CSR report published by the Tokyu Fudosan Group after shifting to the holding company system. I would like to express my gratitude to Ms. Akabane, who kindly made comments on the memorial CSR report and also served as facilitator at the roundtable meeting of Group employees. The employees had meaningful discussions at the meeting, which I hope are appreciated by readers of the report.

The Tokyu Fudosan Group is engaged in a range of businesses, including real estate-related development, sales and leasing agent services, property management, retail sales; and the operation of resort and fitness facilities. We have been fostering cooperation within the Group to fulfill our CSR, and under the new holding company system, we will make further efforts to generate more synergy effects between Group companies.

As for the three issues pointed out by Ms. Akabane, namely "clarify the policies," "measure the effectiveness," and "give descriptions about the CSR measures implemented across the supply chain," we will address them as challenges to be met in the future. We will make efforts, recognizing the importance of not only conducting activities but also disclosing the results.

We regard it our CSR to meet social challenges through our business operations and increase the satisfaction of our customers. We will make further efforts to continue receiving a high evaluation as a corporate group, for which we would ask Ms. Akabane to give us advice on a continual basis.



**Hironori Nishikawa**  
Operating Officer and Manager of the General Administration Division  
Tokyu Fudosan Holdings Corporation