

CSR

## Message from the CSR Committee Chairman



A commitment to social and environmental issues has contributed to sustainable growth for the Group

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### ■ CSR and Earnings Growth on Equivalent Vectors

On April 1, 2017, I became the Group COO, taking on corporate management for not only the Development Sector, which I previously headed, but the Group as a whole. In pursuing mixed-use redevelopment projects, particularly urban-type compact towns, which is a main focus of the Group, enhancing a wide array of assets and services is indispensable and the role of Group COO is of vital importance.

I have also chaired the CSR Committee, a job which has, most notably, involved spreading the word on the CSR aspects of each and every Group project both within the Company and externally. With “building cities that connect today with tomorrow’s possibilities” and “embracing every moment of life’s pursuits” as corporate philosophies, the Group has established safety/security, the environment, community, and health/comfort as its four key CSR themes. These philosophies and key themes support Group CSR activities and are fundamental to our medium- to long-term growth strategy. In actuality, executive management has embedded these philosophies in its guidelines for conduct and decision-making from the beginning as a tool for tackling all types of issues that may arise.

## ■ Tackling Societal Issues to Expand Growth Opportunities

When I became the chair of the CSR Committee in April 2016, my first duty was to instill a stronger awareness of the importance of CSR in our employees. General real estate is an industry with strong connections to the establishment of social infrastructure and the laying of foundations on which people build their lives. I believe that this perspective will enable us to achieve sustainable growth for generations to come.

Concern for profits is natural for any company, but for me, rather than immediate profits, I would rather develop properties that hold on to their value years down the line, even given the up-front costs. For instance, commitment to environmental performance may increase costs, but only temporarily. Each improvement strengthens our brand power as well as our image as a company deserving of trust and leads to sustainable profits in the medium to long term.

The Group is promoting environmental initiatives. In 2009, the Group established its Environmental Statement and the Residential Development Business Unit developed PROUD Environmental Evaluation Sheets. In addition, the Leasing Business Unit instituted a policy to secure DBJ Green Building Certification and BELS Certification for properties acquired from April 2017 and thereafter, including offices, commercial and logistics facilities, and lease housing. Furthermore, the area of Funabashi City known as Funabashi Morino City has earned the ÉcoQuartier quality label and a World Smart City Award, two examples of acknowledgments not just for how it approaches environmental issues, but also for urban development and community-building. Moreover, we are using the experience and know-how gained from tackling the cutting-edge initiatives of this project and putting them to use in the development of other projects.

## ■ In Closing

Our strong relationship with the stakeholders most closely connected to our business activities is of extreme importance. In the housing business, for instance, it is important that our relationship with buyers does not end with the sale, but continues after move in. Customers have different needs corresponding to different life events, from after move in to management, repair, property brokerage, remodeling, relocation to assisted living facilities, and more. The Group strives to offer services that meet these needs. The understanding and cooperation of our business associates and partners are indispensable to accurately providing the most ideal products and services. In order to raise our corporate value for our shareholders and investors, we have to go after sustainable growth. As a corporate group with appeal and inimitable individuality, we will work determinedly on each challenge we face to earn the trust and faith of our stakeholders moving forward.