

Environmental Initiatives

Policy and System for Environmental Initiatives

Policy and Concept

Tokyo Tatemono Group has formulated the Group Environmental Policy to contribute in building a sustainable society through business activities that consider the environment.

Creating a pleasant city and living with greenery

We will create a rich and comfortable environment for earth and people by utilizing the strength of greenery as much as possible with consideration to biodiversity.

Climate change prevention that leads the community

We will actively implement environmentally-friendly technologies and ideas into our products and services to lead the community in building a low-carbon city.

Resource-saving activities that are kind to the earth

We will strive to reduce the use of resources and environmental impact through all available opportunities and contribute in creating a recycling-oriented society.

Developing employees with high environmental awareness

We will comply with laws related to the environment and educate and raise the awareness of our employees about the environment.

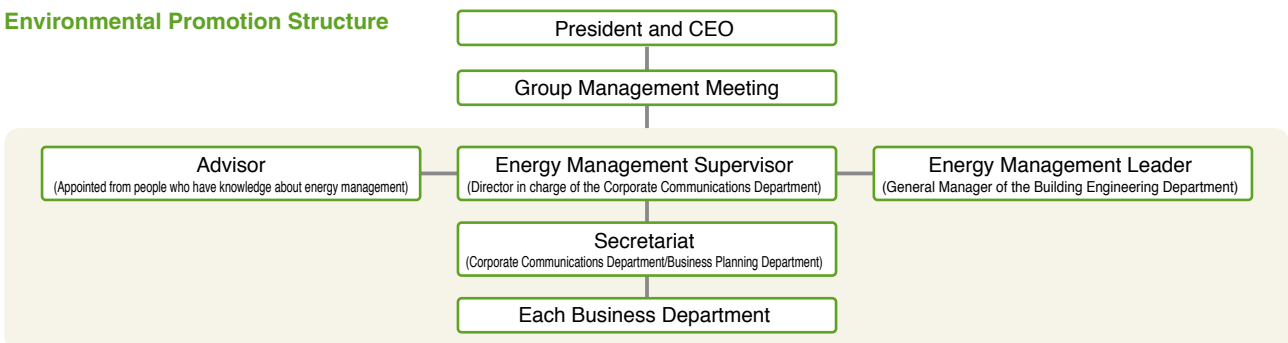
Established January 2011

System

Tokyo Tatemono Group has built a management system that matches the characteristics of each business, an office buildings business that engages in the construction and management of buildings, and a development business that engages in the development of the Brillia brand and other

housing under the Group Environmental Policy. In other businesses and Group companies, business is conducted considering the environment by formulating environmental guidelines for each business based on the Group Environmental Policy.

Environmental Promotion Structure



Environmental Management of Office Buildings

In the business activities of Tokyo Tatemono, the Office Buildings Business that operates and manages office buildings (commercial) uses the most energy. The ratio of energy use makes up 93.9% of Tokyo Tatemono (calculation based on the Energy Conservation Act*). Therefore, reducing the amount of energy used in the Office Buildings Business largely contributes to the reduction of the total amount of energy use at Tokyo Tatemono.

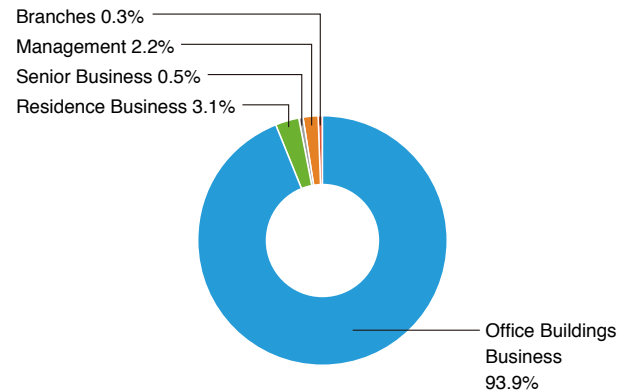
In the Office Buildings Department, we have formulated an environmental execution plan based on a high awareness of energy conservation with consideration to the issue of climate change and strive daily in energy-saving activities. We actively adopt environmental energy-saving technologies in the development of new buildings for the purpose of building environmentally-friendly buildings praised by society. In existing buildings, we promote energy savings by strategically renewing the buildings with energy-saving equipment in addition to efforts to save energy from an operational perspective and reduce the environmental impact with the help of tenants.

Moreover, in the reduction of energy consumption, we have defined unit consumption based on floor area as an

indicator and set 1% unit reduction every year on average over five years as a target in accordance with the Act on the Rational Use of Energy (per unit basis also applies to GHG emissions)

*Act on the Rational Use of Energy

Ratio of Energy Use at Tokyo Tatemono by Business (2018)



Environmental Execution Plan

Field of Initiative	Target	Description of Initiative
1. Energy savings through development	Acquire one of the top two levels in either certification or recertification for the third-party certifications listed in (1) to (3) in new long-term retention buildings; if the certification has already been acquired, the certification shall be maintained and acquired through subsequent certifications. (1) 4 or 5 stars in the CASBEE for Buildings (New Construction) certification* ¹ (2) S-rank or A-rank in the CASBEE for Building (New Construction)* ² (3) 4 or 5 stars in the BELS certification* ³	When formulating plans for new buildings, we carefully consider the matching, cost, and appeal with the characteristics of a property to incorporate environmental energy-saving technologies in design specifications (rooftop greening, reuse of rain water, visualization of tenant's energy usage, etc.) → Climate Change P.19
2. Energy savings through renewal and operational improvements		
Renewal of equipment (4 years between fiscal 2016 to 2019)	Energy reduction target Reduce the average over five years by 1% unit load each year as a crude oil equivalent	Update of equipment related to energy savings (Transition to LED lighting, update of equipment to high-efficiency heat pumps, etc.) → Climate Change P.19
Awareness of environmental investment value and the amount of energy savings		Use a construction history management system to aggregate investment value and energy savings every year
Energy management		(1) Manage energy each month by introducing energy management systems (2) Comprehensively manage the air-conditioning temperature in common areas (3) Use BEMS* ⁴ at offices that have implemented BEMS (4) Share information to realize management that leads to maximum design performance (5) Analyze and review the energy usage status of the previous year (6) Execute energy diagnostics through external institutions → Climate Change P.19
Cooperation with tenants		(1) Save power in summer and winter seasons (2) Distribute informational power saving pamphlets (3) Regularly distribute information about the environment and energy (4) Hold an energy-saving promotion conference once a year at offices that are part of the total reduction policy → Climate Change P.19

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Field of Initiative	Target	Description of Initiative
3. Promotion of recycling waste	Waste reduction target Reduce the unit load of waste emissions 5% by fiscal 2022 compared to fiscal 2017 (equivalent to 1% reduction each year)	(1) Adopt recycle and reuse products (2) Maintain a recycling rate through comprehensive management and the provisions of bins to separate garbage (3) Consider new recycling methods (4) Regularly inspect treatment plants (5) Hold conferences to promote the separation of garbage with tenants → Pollution Control and Effective Use of Resources P.25
4. Water-saving measures	Water reduction target Reduce the unit load of water 5% by fiscal 2022 compared to fiscal 2017 (equivalent to 1% reduction each year)	(1) Upgrade to water-saving equipment (2) Promote use of rain water and greywater → Water Resources P.24
5. Measures to prevent global warming	GHG*5 emission reduction target Reduce the average over five years by 1% unit load each year	(1) Reduce the amount of CO ₂ emissions (2) Consider power with a low CO ₂ emissions factor (3) Proper management and processing of air-conditioning fluorocarbons → Climate Change P.19 → Pollution Control and Effective Use of Resources P.25

*1 The DBJ Green Building Certification is a system established by the Development Bank of Japan to evaluate initiatives for environmental and social awareness of real estates.

*2 CASBEE for Buildings (New Construction) is a system to evaluate the energy savings and environmental impact of general buildings, excluding detached housing, based on the design at the time of new construction. This system is managed by the Japan Sustainable Building Consortium and Institute for Building Environment and Energy Conservation.

*3 The BELS Energy Efficiency Certification is a system to evaluate and label the energy efficiency of non-residential buildings based on guidelines issued by the Ministry of Land, Infrastructure and Tourism. This system is managed by the Jutaku Seinou Hyouka Kyoukai.

*4 Building Management System (BEMS): Building energy management system.

*5 GHG is an acronym that stands for Green House Gases. A generic name used for the various greenhouse gases.

Environmental Management in the Residence Business

In the Residential Development Department, we are formulating Environmentally Conscious Housing Guideline that systematized our environmental measures to promote considerations toward the environment and improve the brand value of Brillia. We design individual properties based

on these guidelines for residential development and strive to reduce the environmental impact. These guidelines continue to be revised according to social changes and technological advancements.

Brillia Environmentally Conscious Housing Guideline

● Three Concepts Underlying All Things

Condominiums are diverse in size, life of the building, and the materials used, which have a large impact on the environment and a wide range of distinct countermeasures. Therefore, we have put in place three concepts to Think Green, Think Lifestyle, and Think Future to incorporate in the entire Brillia series.

I Think Green – Green & Cool residential spaces filled with greenery: Setting up green spaces acts as a heat island countermeasure and brings about a rich natural environment friendly to the ecosystem.

II Think Lifestyle – Introduction of high-efficiency green residential equipment: High-efficiency equipment comfortably saves energy and contributes to disaster prevention in case of an emergency.

III Think Future – Eco Life Cycle Improvement Plan for Energy and Greenery: Resident participation in operation and management as well as community development will continue in a cycle with concepts I and II.

● Ratings for Environmental Performance

Level 1 and Level 2 have been set as two levels for environmental performance to objectively judge at what level a condominium satisfies environmental performance. Each level is equivalent to housing performance evaluation systems and evaluated by acquiring CASBEE® and the Tokyo Green Labeling System for Condominiums. We also put in place optional specifications for even greater consideration toward the environment.



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Supply Chain Initiatives

The Tokyo Tatemono Group actively incorporates environmentally-friendly technology and ideas into its products and services in every stage of its business

activities in accordance with the Group Environmental Policy, and it strives to save resources and use materials that reduce the environmental impact.

Compliance with Environmental Laws and Regulations

Tokyo Tatemono follows the Group Environmental Policy and adheres to all environmental laws and regulations.

There were no violations to environmental laws or regulations or any environmental accidents in 2018.

Item	Unit	2014	2015	2016	2017	2018
Violations of Environmental Laws and Regulations	Incidents	0	0	0	0	0
Environmental Accidents	Incidents	0	0	0	0	0
Environmental Fines	Yen	0	0	0	0	0

Highly Evaluated by the World's Benchmark in Real Estate

Tokyo Tatemono has been highly evaluated by the Global Real Estate Sustainability Benchmark (GRESB)*, which is a benchmark to evaluate efforts in environmental, social, and governance (ESG) performance of real estate centers, with the highest honor of the "Green Star" for four consecutive years. We also earned the high praise of "5 stars" (out of 5 stars) in the GRESB Real Estate Rating that provides a comparative assessment based on a comprehensive score that was introduced in 2016 for two consecutive years.



*Global Real Estate Sustainability Benchmark (GRESB): ESG benchmark that specializes in real estate established through European superannuation funds and other financing.

<http://gresb.com/>

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Acquisition of DBJ Green Building Certification Certifying Environmental and Social Awareness








Currently seven properties from offices to commercial buildings owned and managed by Tokyo Tatemono have acquired the DBJ Green Building Certification Four Stars or Five Stars and received high praise.

The DBJ Green Building Certification is a system established by the Development Bank of Japan to evaluate initiatives for environmental and social awareness of real estates. The certification is ranked* from One Star to Five Stars based on a comprehensive score from five perspectives of environmental performance in the building, comfortability of tenants, risk management, consideration for the surrounding environment and community, and collaboration with stakeholders.

Tokyo Tatemono will continue to respond to social requests related to real estate from its stakeholders, respond to the diversification of tenant's needs, and develop real estate considering the environmental and social impact.

*Evaluation by rank -- Five Stars: Building with the top class environmental and social awareness in Japan; Four Stars: Buildings with exceptionally high environmental and social awareness; Three Stars: Building with excellent environmental and social awareness; Two Stars: building with high environmental and social awareness; One Star: Building with satisfactory environmental and social awareness

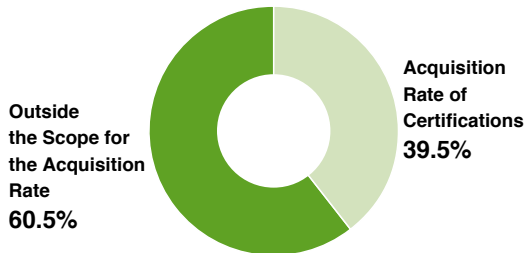
Properties Certified by the DBJ Green Building Certification

Name (Location)	Rank
"Nakano Central Park (South)" (Nakano, Nakano-ku, Tokyo)	2019 
"Tokyo Square Garden" (Kyobashi, Chuo-ku, Tokyo)	2019 
"Otemachi Tower" (Otemachi, Chiyoda-ku, Tokyo)	2019 
"Tokyo Tatemono Nihonbashi Building" (Nihonbashi, Chuo-ku, Tokyo)	2019 
"Hareza Tower" (Higashiikebukuro, Toshima-ku, Tokyo)	2019 Plan 
"SMARK" (Isezaki, Gunma)	2019 
"Brillia ist Tower Kachidoki" (Kachidoki, Chuo-ku, Tokyo)	2019 

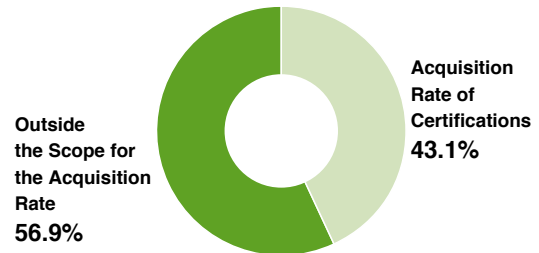
For more information about the DBJ Green Building Certification, see:
dbj.jp/service/finance/g_building/index.html

Acquisition Rate of the DBJ Green Building Certification

Acquisition Rate of Certifications for the Leasing Floor Area of Office Buildings



Acquisition Rate of Certifications for the Leasing Floor Area of Residential Buildings



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Issuing Green Bonds

Tokyo Tatemono will contribute to the expansion of a sustainable society through its businesses while furthering the environmental considerations it has placed focus on up until now. It has also issued public hybrid corporate bonds (green bond) of 50 billion yen based on the Green Finance Framework in March 2019 to diversify its financing methods. Public hybrid corporate bonds issued as green bonds were first case in Japan and its scale was also the largest in history.

Eligibility as a green bond was evaluated as the highest Green 1 of JCR Green Bond Evaluation*1 by Japan Credit Rating Agency, Ltd. (JCR).

All capital acquired through the green bond are planned to be used for the acquisition and refinancing construction capital for Hareza Ikebukuro and Nakano Central Park South, which are green buildings that fulfill the criteria of the green finance framework.

*1 Third party evaluation of green bonds based on green bond principles formulated by International Capital Market Association (IMCA) and green bond guideline 2017 edition formulated by the Ministry of Environment of Japan by JCR. The evaluation evaluates whether the use of the capital is for green projects and also management, operating structure, and transparency of the bonds. These evaluations are then evaluated comprehensively to decide the JCR Green Bond evaluation.

www.jcr.co.jp/greenfinance/

*2 Acquired or plans to acquire one of the top two levels in either certification or recertification for the third-party certifications listed in (1) to (3):

- (1) 4 or 5 stars in the CASBEE for Buildings certification
- (2) S-rank or A-rank in the CASBEE for Building (New Construction)
- (3) 4 or 5 stars in the BELS certification

[Overview of the Green Bonds]

Name	2nd Series Deferrable Interest and Callable Unsecured Subordinated Bonds (Green Bonds)
Condition Determination Date	March 8, 2019
Issue Date	March 15, 2019
Redemption date	March 15, 2059
Total Issue Amount	50 Billion Yen
Use of Proceeds	Hareza Ikebukuro Acquisition, Construction Funds and Financing Nakano Central Park South Acquisition, Construction Funds and Financing
Eligible Evaluations	Green1 (JCR)



Conceptual drawing of completed Hareza Ikebukuro

Climate Change

Policy, Concept, and System

As demand for initiatives toward the realization of a low-carbon society with consent to limit the average temperature rise worldwide to 2°C in the Paris Agreement, efforts to reduce greenhouse gases (GHG*) are indispensable not only in the real estate industry but also property holdings and business activities.

Moreover, preparing for the effects of climate change is vital because an increase in natural disasters such as wind and flood damage due to climate change has a dramatic impact on society while at the same time having the potential to impact real estate such as lowering the value.

The Tokyo Tatemono Group raises the **climate change prevention that leads the community** as one aspect in

the Group Environmental Policy to work in developing real estate with superior environmental performance, such as energy-saving equipment, while simultaneously advancing the development of real estate resistant to natural disasters such as wind and flood damage.

We are also striving toward energy savings from a building operation perspective by working with building management companies and tenants after building development.

*GHG is an acronym that stands for Green House Gases. A generic name used for the various greenhouse gases.

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Indicators and Results

In the business activities of Tokyo Tatemono, the Office Buildings Business that operates and manages office buildings (commercial) uses the most energy. The ratio of energy use makes up 93.9% of Tokyo Tatemono (calculation based on the Energy Conservation Act*). Therefore, reducing the amount of energy used in the Office Buildings Business largely contributes to the reduction of energy use of Tokyo Tatemono as a whole and the reduction of GHG. Moreover, in the reduction of energy consumption, we have defined unit load based on floor area as an indicator and set 1% unit reduction every year on average over five years as a target in accordance with the Act on the Rational Use of Energy (unit load basis also applies to GHG emissions). We actively introduced high-efficiency air-conditioning equipment and LED lighting fixtures in existing office buildings to reduce energy consumption but amount of energy usage and unit load increased due to increase from highly energy consuming commercial facilities and hotels starting operations exceeding the amount of reduction.

● Collection Period

- April to the following March each year

● Collection Scope

- Facilities required to provide notification under the Act on the Rational Use of Energy

*The floor area of buildings for reporting changes each year

● Collection Targets

- Amount of energy use and unit load
- Amount of GHG emissions and unit load

Tokyo Tatemono has received third-party assurance by Lloyd's Register Quality Assurance Limited (LRQA) to assure integrity of part of its FY2018 environmental and social data. The type and numerical data assured are marked with *. The third-party quality assurance is included in the ESG Data Book.

Item	Unit	2014	2015	2016	2017	2018	2019 target
Amount of Energy Use (Crude Oil Equivalent)*	kl	19,185	22,822	21,592	22,083*	23,895*	—
Unit Load	kl /Thousand m ²	37.8	36.3	35.4	34.2	35.0	36.0
Ghg Emissions*	t-CO ₂	39,929	45,059	44,629	42,147*	48,888*	—
Scope 1*	t-CO ₂	3,493	3,243	2,553	2,402*	3,300*	—
Scope 2*	t-CO ₂	36,436	41,816	42,076	39,745*	41,259*	—
Scope 3*	t-CO ₂	—	—	—	—	4,329*	—
Unit Load (excluding Scope 3)	t-CO ₂ /Thousand m ²	78.6	71.6	73.1	65.3	65.2	75.1
Floor Area of Scope	Thousand m ²	508	629	611	645	683	—

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Climate Change Initiatives in the Office Buildings Business

The performance of initiatives to reduce greenhouse gas emissions conducted in 2018 at office buildings owned and managed by Tokyo Tatemono is as follows:

*The performance below is from January to December 2018.

[Energy-saving Equipment Adoption and Renewal Initiatives]

- Renewal to high-efficiency air conditioning systems: 3
- Transition to LED lighting in private areas: 16
- Transition to LED lighting in common areas: 20
- Introduction of auto-off air-conditioning and lighting functions linked to security: 5

[Initiatives to Improve Operational Methods]

- Comprehensive management of the air-conditioning temperature in common areas: 26
- Use of BMS at offices that have introduced BEMS: 6
- Informational sharing to realize management that leads to maximum design performance: 1
- Execute energy diagnostics through external institutions: 1
- Lights-out and thinning of backyard lighting

[Initiatives to Cooperate with Tenants (Existing Buildings)]

- Distribute informational pamphlets about energy saving
- Power saving during the winter and summer seasons: 34
- Energy-saving promotion conference held once a year at offices that are part of the total reduction policy: 4

[Energy Saving at the Head Office]

- Lights-out during lunch
- Easing of air-conditioning temperature in summer through the introduction of Cool Biz
- Introduction of LED lighting
- Introduction of task ambient lighting
- Thinning of non-emergency lighting

For more information about the Tokyo Carbon Reduction Reporting Program, see:

www8.kankyo.metro.tokyo.jp/ondanka/ (Japanese Only)

We are submitting Tokyo Carbon Reduction Reports in accordance with the Tokyo Metropolitan Environmental Security Ordinance from the FY2009 results.

TOPICS

Low Energy Consumption Heat Measures

We have installed and begun operation of energy-saving air-conditioning systems and equipment recognized by the programs to promote measures against urban heat islands advocated by the Tokyo Bureau of Environment in July 2018 at Tokyo Square Garden. We are also putting in place low energy consumption heat measures from fine mist generation equipment and heat insulation films on glass eaves to the installation of additional heat reduction materials on benches.



Fine mist decreases the ambient temperature from three to five degrees Celsius without passers by or things nearby getting wet.

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Climate Change Initiatives in the Residence Business

Tokyo Tatemono was registered in the ZEH Developer Registration Program in May 2018 to actively work toward ZEH-M (ZEH-Mansion) in the future. We are gradually putting in place initiatives to popularize ZEH-M. We also aim to standardize ZEH based on the ZEH road map announced by the Ministry of Economy, Trade and Industry in 2018.



*ZEH is an acronym for Net Zero Energy House. A zero energy house has a total energy consumption that reduces energy consumption from measures such as heat insulation and energy savings as well as creates power through power generation to balance out the annual primary energy consumption (air-conditioning/hot water/ventilation) to zero. ZEH-M is the Net Zero Energy Housing standard for multiple-dwelling complexes.

TOPICS

Brillia Tsurumaki: The First ZEH-M from Tokyo Tatemono

Brillia Tsurumaki satisfies the ZEH-M Oriented*¹ criteria by improving thermal insulation performance, such as on exterior walls, adopting high-heat insulation sashes, and adopting highly efficient water heating systems. These innovations have earned Brillia Tsurumaki a designation by Tokyo as the first Highrise ZEH-M (ZEH Mansion) Proof-of-Concept Project*² under the design guidelines to promote net zero energy housing of multiple-dwelling complexes released by the Ministry of Economy, Trade and Industry in fiscal 2018.

*1 Ideal standards for highrise multiple-dwelling complexes with six or more stories as ZEH released by the Ministry of Economy, Trade and Industry in May 2018.

*2 The official name of this project is the Highrise ZEH-M (ZEH Mansion) Proof-of Concept Business as Part of the 2018 Support Subsidy to Promote Energy Savings (Project to Promote the Adoption of Innovative Energy-saving Technologies in Residences and Buildings) (Net Zero Energy House Support Program)



Conceptual drawing of completed Brillia Tsurumaki

Use of Renewable Energy Through Renewable Energy Certificates

The power used in model rooms for Brillia condominiums by Tokyo Tatemono takes advantage of the renewable energy certificate framework and has switched to 100% renewable

energy since May 2016. In 2018, we used renewable energy certificates for approximately 830,000 kWh of power.

Energy Creation Business Through Solar Power Generation Plants

Tokyo Real Estate Management makes energy-saving proposals as a building management company from the perspective of building management in addition to engaging in an energy creation business through solar power generation plants together with the start of a fixed price purchasing system for renewable energy. Solar power energy plants are expanding primarily in the Tohoku region. These eight plants have a total generation capacity of 12,382 kW as of December 2018.

Name (Location)	Generation Capacity	Operation Date
Oyama Solar Power Station (Oyama City, Tochigi)	785kW	February 2013
Iwaki Mega Solar Power Plant (Iwaki City, Fukushima)	2,454kW	November 2013
Joso Solar Power Generation Plant (Joso City, Ibaraki)	672kW	September 2014
Hatoyama Solar Power Generation Plant (Hatoyama Town, Hiki District, Saitama)	1,908kW	March 2015
Tochigi Hirai Solar Power Generation Plant (Tochigi City, Tochigi)	1,559kW	March 2015
Tochigi Seiho Solar Power Generation Plant (Tochigi City, Tochigi)	1,884kW	June 2015
Shirakawa Solar Power Generation Plant (Tanagura Town, Shirakawa District, Fukushima)	2,034kW	November 2015
Higashihiroshima Solar Power Plant (Higashi-Hiroshima City, Hiroshima)	1,086kW	December 2015

Raising Awareness About the Issue of Climate Change

SMARK Isesaki, Kishiwada CanCan Bayside Mall, ABIKO Shopping Plaza and MALera Gifu held Global Environment Festivals for Parents and Children (sponsored by the New Energy Foundation) to bring awareness to the issue of climate change as four commercial complexes operating in prime locations.

Many people participated in events where parents and children alike had fun while learning about the environment from a three-screen multicast video stage, craft and power generation workshops, introductions to corporate initiatives, a quiz rally and more.



Quiz Rally at SMARK Isesaki

Development of Real Estate Resistant to Wind and Flood Damage

In recent years, large-scale wind and flood damage occurs more often due to factors such as climate change. The Tokyo Tatemono Group assumes various disasters will strike such as typhoons, floods and earthquakes in the development of buildings and condominiums and adopts designs and equipment as measures against those disasters.

We are conducting the initiatives below at the Tokyo Tatemono Nihonbashi Building completed in February 2015.

- Adoption of seismic isolation structure (B1 column base seismic isolation)
- Installation of emergency power generators that can operate for up to 72 hours

- Installation of tide prevention plates above potential flooding as a measure against flooding in sudden rain and collapse of the Arakawa embankment
- Setup of a disaster prevention center on the second floor as a core function of buildings
- Installation of transformers and emergency power generators on building roofs (provides an uninterrupted power supply to allow ongoing operations even in the event flooding in the building)

→ Safety & Security Initiatives/Disaster Prevention Support
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Biodiversity

Policy, Concept, and System

Real estate development is closely related to regional ecosystem services and requires the consideration of the direct and indirect impact the businesses have on the surrounding ecosystem.

Tokyo Tatemono Group has formulated the Group Environmental Policy to contribute in building a sustainable society through business activities that consider the environment. We have raised **creation of a pleasant city and living with greenery** as one part of our Group Environmental Policy for biodiversity and will create a rich and comfortable environment for earth and people by utilizing the strength of greenery as much as possible with consideration to biodiversity.

Therefore, when creating green spaces at properties developed by Tokyo Tatemono Group, we consider the

distribution of vegetation and other life native to the region and select the appropriate plant species.

These initiatives use third-party certification systems such as SEGES and ABINC and are highly evaluated from a fair, third-party perspective.

● Examples of Third-party Certification for Biodiversity



SEGES Building Green/Urban Oasis/ABINC Certification

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Creating New Greenery in Cities

Artificial greenery is required more than preserving natural greenery when designing a certain scale of greenery in office districts that generally have little greenery. The area surrounding Tokyo Station is an office district that bustles with gigantic buildings, but the imperial palace and ocean are close by with many birds and insects migrating to live. Approximately 3,600 m² of Otemachi Forest was created in Otemachi Tower, which makes up roughly one-third of the entire property. We reproduced a richly diverse forest in Otemachi by gathering natural trees from mountains in the Kanto region based on the concept of a real forest. We also created the Kyobashi Hill as approximately 3,000 m² greenery dynamically linked from the first floor basement to the fifth floor of Tokyo Square Garden.

The greenery at Otemachi Tower and Tokyo Square Garden has been recognized by the Social and Environmental Green Evaluation System (SEGES) third party certification entity that evaluates greenery as space visitors can relax.



Otemachi Forest of Otemachi Tower

Preservation of Original Landscapes in Regions

The preservation of green spaces native to regions is desirable from the perspective of conserving biodiversity. This is able to preserve species of microorganism and plants living in the soil and topography is thought to also have a relationship with conserving the surrounding environment. Brillia Towers Meguro completed in November 2017 realized a new urban block boasting roughly 17,000 square meters in front of Meguro Station. Under the concept to create a forest in front of the station, we devised a square on the premises where roughly 900 trees were planted in addition to building waterways. The property also interconnects with the surrounding environments from Meguro River to the Institute for Nature Study of the National Museum of Nature and Science to contribute to the preservation of biodiversity in the region.



Forest Square of Brillia Towers Meguro

Water Resources

Policy, Concept, and System

As the lack of water worldwide becomes even more severe, developed nations and the rest of the world require ongoing improvements for the efficient use of water.

The Tokyo Tatemono Group has raised **resource-saving activities that are kind to the earth** as one part of the Group Environmental Policy to recognize the importance

of water resources, work at water-saving activities and the reduction of our environmental impact through every opportunity while striving to conserve water resources.

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Indicators and Results

● Collection Period

- April to the following March each year

● Collection Scope

- Facilities required to provide notification under the Act on the Rational Use of Energy

*The floor area of buildings for reporting changes each year

● Collection Targets

- Amount of potable water use/unit load

Tokyo Tatemono has received third-party assurance by Lloyd's Register Quality Assurance Limited (LRQA) to assure integrity of part of its FY2018 environmental and social data. The type and numerical data assured are marked with *. The third-party quality assurance is included in the ESG Data Book.

Item	Unit	2014	2015	2016	2017	2018	2019 target
Amount of Potable water Use	Thousand m ³	486	569	579	584*	654*	—
Unit Load	m ³ /m ²	1.0	0.9	0.9	0.9	1.0	0.9
Area of Scope	Thousand m ²	508	629	611	645	683	—

Water Resource Initiatives in the Office Buildings Business

In the office buildings owned and operated by Tokyo Tatemono, we have formulated a medium- to long-term repair and investment plan in 20-year increments. We promote systematic renovation construction as well as strive to introduce equipment that contributes to a reduction in the environmental impact during that renovation construction.

[2018 Water Resource Initiatives]

- Update to water-saving equipment
- Introduction of automatic flushing devices
- Confirmation of cooling tower reduction and exemption
- Halt of outdoor fountains during rainy weather
- (When developing office buildings) Introduction of equipment to process rain water and greywater inside buildings (re-use for non-drinking purposes)

Pollution Control and Effective Use of Resources

Policy, Concept, and System

The waste and hazardous substances produced through our business activities have the potential to greatly impact related parties and the surrounding environment. The Tokyo Tatemono Group has raised **resource-saving activities that are kind to the earth** as one part of the Group Environmental Policy. We work at resource-saving activities and the reduction of the environmental impact

through every opportunity and strive to prevent pollution and effectively use resources through the reduction and appropriate management of the waste and hazardous chemicals that are produced.

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Indicators and Results

● Collection Period

- April to the following March each year

● Collection Scope

- Part of office buildings and commercial facilities that are required to provide notification under the Act on the Rational Use of Energy

*The floor area of buildings for reporting changes each year

● Collection Targets

- Total waste emissions and unit load

Tokyo Tatemono has received third-party assurance by Lloyd's Register Quality Assurance Limited (LRQA) to assure integrity of part of its FY2018 environmental and social data. The type and numerical data assured are marked with *. The third-party quality assurance is included in the ESG Data Book.

Item	Unit	2014	2015	2016	2017	2018	2019 target
Total Waste Emissions*	t	3,208	4,685	4,914	5,173*	4,945*	—
Unit Load	t/Thousand m ²	7.4	7.9	8.6	8.6	8.3	8.4
Recyclable waste emissions*	t	—	—	—	3,395	3,202*	—
Area of Scope	Thousand m ²	436	590	571	603	593	—

Waste Reduction and Management Initiatives in the Office Buildings Business

In the office buildings owned and managed by Tokyo Tatemono, we are working to limit the production of waste and promote recycling by strengthening sorting and recycling of garbage. We have also adopted a centralized waste management system that utilizes an electronic manifest in 2018 to properly and accurately control as well as grasp waste emissions.

[2018 Waste Reduction and Management Initiatives]

- Encouragement for the adoption of reuse and recycling products in property management manuals
- Improvement of recycling rate through thorough separation and informational sharing
- Promotion of bottle cap recycling
- Recycling of spent fluorescent tubes and dry cell batteries: 32
- Convening of meetings to promote the separation of garbage for tenants: 4

Measures for Asbestos

Tokyo Tatemono has conducted surveys on the usage status of spraying materials that contain asbestos for all the buildings it owns. In buildings the use of asbestos was

found, we took the proper steps such as the removal and containment and shared information with the tenants.

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

Proper Processing of Fluorocarbons

Tokyo Tatemono complies with the Act on Rational Use and Proper Management of Fluorocarbons to protect the ozone layer and prevent global warming. We limit the use of controlled fluorocarbons (CFC, HCFC, etc.), more strictly recover coolants, and thoroughly check for leaks through simplified and regular inspections to limit the release of fluorocarbons into the atmosphere.

Moreover, in renewal of the air-conditioning systems in buildings and in the demolition of buildings, we are properly processing the fluorocarbons of air-conditioning systems that are collected.

Measures Against Volatile Organic Compounds (VOC) in Construction Materials

To maintain the health of tenants and other residents in buildings, Tokyo Tatemono restricts the use of products emitting formaldehydes, which is a substance that is the primary cause of sick building syndrome, in buildings separate to the regulations of the Building Standard Law to

define standards to counter formaldehydes. We measure the concentration of formaldehydes in new buildings in accordance with these standards to verify the safety of the indoor environments.

Proper Processing of Polychlorinated Biphenyl (PCB)

The electronic devices that contain PCBs (transformers, capacitors, and stabilizers) that are no longer used in each building owned by Tokyo Tatemono are collected and managed in a PCB storage room of the designated

building to reduce risks such as loss and leakage accidents. (Electronic devices processed in 2018: 96 drum cans; 10 pail cans)

Nitrogen Oxide (NOx) and Sulfur Oxide (SOx) Measures

Tokyo Tatemono regularly measures the concentration of Nitrogen Oxide (NOx) and Sulfur Oxide (SOx) as well as other chemicals emitted from equipment producing smoke and soot, such as the cooling and heating systems as well

as boiler equipment used in some office buildings. We also comply with the environmental standards defined in the Air Pollution Control Act in the operation of these systems.