

Cooperating with Business Partners

The Mitsubishi Estate Group aims to grow side-by-side with its business partners and is committed to building an equitable, trusting relationship with every business partner.

■ Compliance in the order process

In accordance with the Mitsubishi Estate Group's Mission and Code of Conduct, Mitsubishi Estate has established the Order Action Guideline, which all executive officers and employees placing orders with business partners must follow, to ensure that orders are placed with transparency and impartiality. The Guideline is intended to ensure objectivity and economic rationality, but it also includes rules on environmental conservation, information management and avoidance of any involvement with organized criminal elements. When placing orders, the business organization and ordering organization are clearly separated. Appropriate ordering is ensured by requiring employees to use a check sheet to self-verify compliance at each stage of the order process. The results are then confirmed by Mitsubishi Estate's Legal & Compliance Department. The Orders Surveillance Committee, chaired by the president, meets when orders for large projects are placed (it met three times in fiscal 2013) and holds discussions to verify compliance in the order process.

■ Pursuing high-quality maintenance and management in the Building Business

Mitsubishi Estate thinks of the companies to which it outsources specialized work as important partners that have direct contact with clients, just as Mitsubishi Estate Group employees do.

The Building Business Group outsources work such as facility operation and management, security and cleaning to its business partners, and as such, the Group's guidelines for quality of management and services are shared with all their managers and on-site staff to ensure that the Group provides consistent services at all of its buildings. The Group strives to work with its business partners to share the same mindset and maintain and improve high-quality management. In addition, Mitsubishi Estate partially revised its Business Partner Evaluation System in fiscal 2010 to clarify the evaluation items and criteria. A briefing was held for business partners to explain these changes. As part of its quality management efforts through this system, launched in 2012, Mitsubishi Estate has presented an award to the company with the best practices.

■ Fair evaluation of construction companies

Mitsubishi Estate Home Co., Ltd. has established guidelines for its initiatives with business partners that take into account the unique characteristics of its business. The basic order unit price that will serve as the benchmark is set in agreement with the supplier as we strive to ensure equitability for the supplier.

Business partners in the architecture, facility and electronics industries are evaluated comprehensively and fairly on the basis of a questionnaire given to the employees who are their point of contact, and also taking into account the number of customer referrals, workmanship and credit conditions. The number of buildings with which they will be entrusted is decided based on this evaluation along with the fixed unit price. Business partners were given advance notice of the

areas to be evaluated in April, the evaluations were carried out from January through February of the following year, and evaluation results were released by March. Employees in the sales division also evaluate business partners with the aim of raising customer satisfaction through better post-purchase services.

In addition, clearly separating the manufacturer's product costs and the distribution costs until the product reaches the final delivery destination raises the transparency of product costs and distribution costs, enabling a fair evaluation of the material supplier and the manufacturer. When deciding on construction amounts, the costs of construction and operating expenses are accounted for separately, and efforts are made to prevent simple price competition.

■ Quality and Safety Promotion Rally

Mitsubishi Jisho Community Co., Ltd. held a Quality and Safety Promotion Rally in September 2013, bringing together 130 site agents, sales managers, technical employees and others from the construction companies slated to carry out large-scale repair work on condominiums managed by the company.

Mitsubishi Jisho Community explained the fiscal 2012 fall safety patrol reports and countermeasures taken, the future expansion of the private license system that trains and certifies professional technicians in painting and waterproofing, and the CS questionnaire results and CS etiquette.

The company also provided more in-depth information on points to watch out for in facility construction and its personal information protection policy.

After the rally, the construction projects representing excellent and most excellent work were selected based on CS questionnaires, managers' evaluations and the status of efforts with the private license. Certificates of thanks were awarded to the site agents, and certificates of recognition given to the 14 technicians who had passed the technical exam for the primary license (painting, waterproofing) at the gold level. The company will continue to provide safe, high-quality work with a customer-oriented perspective.



Quality and Safety Promotion Rally