Initiatives to Improve Quality

The Mitsui Fudosan Group equates quality with efforts to provide a level of comfort, safety, and security that fully satisfies customers and to help secure the sustainable growth and development of society. On this basis, we are committed to developing urban areas that bring to fruition people-friendly environments by further enhancing quality.

Enhancing Safety and Security

The Mitsui Fudosan Group recognizes that providing its customers with a greater sense of safety and security is an important element in ensuring the quality of its products and services. Among a host of initiatives, we are therefore promoting and strengthening disaster countermeasures.

Disaster Countermeasures and BCP (Buildings)

Since the Great East Japan Earthquake, tenant needs have increased for safety, security and business continuity planning (BCP). In response, Mitsui Fudosan has been implementing disaster countermeasures and BCP measures in its existing and newly built buildings to improve preparedness during normal times and responsiveness during emergencies.

◆ Multilanguage PA System Installed at Nihonbashi 1-chome Mitsui Building

Mitsui Fudosan and TOA Corporation have collaborated to develop a multilanguage PA support system, one of which was installed in February 2017 in Nihonbashi 1-chome Mitsui Building (COREDO Nihonbashi). The system was added to the emergency PA system for this large-scale multifaceted facility, making possible delivery of information relating to disaster evacuation in Japanese, English, Chinese, and Korean. In addition to the many foreign visitors to its retail facilities, Nihonbashi 1-chome Mitsui Building includes the offices of numerous foreign enterprises, and previously delivered emergency announcements live, in multiple languages. The newly-developed multilanguage PA support system, however, is capable of delivering approximately 500*1 discrete announcements in a synthetic voice, and facility managers can easily select announcements to fit the situation via a PC interface. Automating the delivery of evacuation guidance announcements, which previously had been carried out live over the facility’s PA system, makes possible clear and reliable delivery of emergency information to visitors and tenants. In March 2017, the system was used for a disaster countermeasures drill, proving its effectiveness for safe, reliable management of the facility.

Going forward, we plan to install this system in other office buildings, retail facilities, hotels, and other facilities to meet the need for multilingual PA support.

*1 Approx. 500 types:
Approx. 125 announcements in four languages (Japanese, English, Chinese, Korean)
◆ Mitsui Fudosan General Disaster Countermeasure Training
The Mitsui Fudosan Group carries out disaster countermeasure training based on its disaster countermeasure manuals and business continuity plan (BCP). In coordination with group companies and tenants, companywide disaster countermeasure training for a large-scale earthquake is carried out twice a year, mainly on September 1 (Disaster Prevention Day) and March 11.

We also collaborate with tenant companies to carry out disaster countermeasure training in our major buildings. In accordance with the principles of self-help, mutual assistance, and public assistance, we are taking steps to boost our disaster countermeasure capabilities by broadening awareness of cooperative efforts being taken by tenant companies, individual tenants, and building managers. On September 8, 2016 and March 16, 2017, we conducted drills in the underground plaza of Edo Sakura-dori Avenue that involved sheltering those unable to return home after a disaster.

◆ Disaster Response and Fire Drills Using a Vacant Building
In July 2016, Mitsui Fudosan Facilities used a vacant building to carry out disaster response and fire drills. The goal was to strengthen participants’ ability to respond to emergencies by practicing in an environment that provided an experience they could not have had in the building where they normally worked. The drills were realistic and included actual use of fire extinguishers, evacuation amid smoke to replicate conditions during a fire, practice moving others with stretchers and an EvacChair, and activation of the foam fire extinguishing system in the underground parking lot.
Disaster Countermeasures and BCP (Retail Facilities)

At retail facilities operated by the Mitsui Fudosan Group, we have enhanced practical measures—such as preparing disaster manuals compatible with all facilities and publicizing customers’ guided evacuation procedures as part of our initial disaster responses—as well as pursuing disaster countermeasure initiatives at our facilities.

At LaLaport SHONAN HIRATSUKA (Hiratsuka City, Kanagawa), which opened in fiscal 2016, we installed an emergency generator capable of operating for approximately 24 hours, and emergency supply stockpiles as well as space for sheltering those unable to return home after a disaster, to help provide our customers with safety and peace of mind.

Disaster Countermeasures and BCP (Logistics Facilities)

At Mitsui Fudosan Logistics Parks (MFLP), which are large-scale logistics facilities managed by Mitsui Fudosan, we are engaged in a wide range of efforts to bolster our BCP measures. For example, in fiscal 2016 we installed a subsurface (well) water facility at MFLP Funabashi I (Funabashi City, Chiba). We are also pursuing the following disaster countermeasures and BCP measures at other facilities, including MFLP Hino (Hino City, Tokyo).

Disaster Countermeasures and BCP (Hotels)

To help ensure business continuity in our hotels, we have ensured that all of the elevators we operate are seismically resistant. All hotels are equipped with emergency backup generators capable of operating for approximately 24 hours, and a surveillance system connected with headquarters to monitor conditions at each site.
Disaster Countermeasures and BCP (Other)

Structural Upgrade Consulting Service

One major reason aging structures are not upgraded for seismic resistance is because the cost of such upgrades cannot be recovered. In August 2016, through a tie-up with Shigeru Aoki Architect & Associates Inc., Mitsui Fudosan began providing structural upgrade consulting services for structures built to previous seismic standards.*2 This service coordinates the overall project, including adjustments relating to ownership succession and rights, as well as verifying and resolving any real estate issues, such as commercial performance. We then use REFINING ARCHITECTURE methods to upgrade seismic resistance and renovate the structure internally and externally, including any required additional equipage, to create what is essentially a new building for approximately 70% of the cost of reconstruction. To ensure stable operation of the renovated building as a rental property, Mitsui Fudosan Residential Lease subleases the building, which enables long-term financing for the renovation and enhances the prospects for restoration of the building as an ongoing rental operation. Mitsui Fudosan Reform can also provide renovation services directly, including seismic upgrades.

The Mitsui Fudosan Group’s one-stop structural upgrade consulting service is contributing to the solution of a range of problems. It promotes seismic upgrading of aging structures, which contributes to meeting seismic resistance targets established by the national and local governments as well as to disaster mitigation. It also is helping to solve the problem of an increasing number of unoccupied residences due to Japan’s shrinking population, and promotes circulation in the secondary real estate market.

*2 Former seismic standard:
Standard applied to building inspections carried out prior to May 31, 1981.

Disaster Countermeasures System

To ensure the safety of the tenants and customers who use Mitsui Fudosan Group’s facilities, we implement training based on disaster countermeasure manuals and BCPs as part of our disaster countermeasures. Mitsui Fudosan has set up two dedicated Disaster Countermeasure Headquarters offices at the Mitsui Building No. 2 (Chuo-ku, Tokyo) and Ginza 6-chome-SQUARE (Chuo-ku, Tokyo) that function as permanent bodies. The Company has also installed emergency power generators able to operate for approximately 72 hours. In the event of a major earthquake, Mitsui Fudosan has in place measures to set up an emergency headquarters that reports directly to the president. To ensure that the Company is better prepared to respond to any incidence of a disaster, employees in the disaster center take shifts and remain on duty during
Security and Anti-Crime Measures
To provide its customers with safety and security, the Mitsui Fudosan Group makes every effort to ensure security and prevent crime at its properties.

Advanced Security System Installed at Mitsui Fudosan Logistics Park (MFLP)
As part of its efforts to ensure safe, reliable logistics management, Mitsui Fudosan has installed advanced security systems in its logistics facilities, including MFLP Funabashi I and MFLP Hino. Mitsui Fudosan jointly developed this camera surveillance system with Crew Systems, Inc., thereby realizing high functionality and low cost based on the latter's proprietary cloud technology. This system is being installed at numerous Mitsui Fudosan office buildings and other large facilities, and is contributing to enhancing customer safety and peace of mind.

Barrier Free
The Mitsui Fudosan Group is promoting the creation of neighborhoods that are barrier free and stress free in all aspects of life: work, home life, recreation, and relaxation.

Field-Testing Navigation System with Voice Interface
To attract a wide range of visitors to a designated area and provide them with the information and guidance they require, Mitsui Fudosan, in collaboration with Shimizu Corporation and IBM Japan, Ltd., began field testing an advanced voice-interface navigation system in Tokyo's Nihonbashi Muromachi district in February 2017. The tests are verifying the ability of any visitor, including wheelchair users and persons with visual impairment, to use a smartphone app to obtain indoor and outdoor voice guidance (Japanese and English) for clear, convenient directions to his or her destination. Test results will be analyzed using a variety of metrics, including positional accuracy, voice guidance timing, ease of comprehension, and appropriateness of information provided, with the goal of practical application.
Preserving and Utilizing the Natural Environment (Preserving Biodiversity)

The Mitsui Fudosan Group strives to preserve and utilize trees and forests to protect the precious natural environment in urban areas, while at the same time passing on the memories and history of the land. The Group also works to create new green spaces in urban areas. Recognizing the maturity that comes with age, the Group is also working to create and restore greenery and biotopes that are in harmony with the surrounding environment and preserve biodiversity, and to provide places and opportunities to get in touch with nature. We also conserve and utilize Group-managed forests for the sustainable procurement of lumber resources.

Preserving and Creating Greenery in Urban Settings

While working to preserve existing greenery in urban spaces, the Mitsui Fudosan Group is taking steps to create new green spaces, which includes greenery on rooftops and wall greenification.

◆ Park City Musashikosugi The Garden Includes 2,800 m² of Green Space

The development concept for Park City Musashikosugi The Garden (Nakahara-ku, Kawasaki City) is that of a town in the middle of a garden. The concept includes roof and wall greenery, with total green area of approximately 2,800 m², equal to roughly 40% of the site area. Planted foliage will harmonize with the area's natural environment, and a line of *tabunoki* trees will be planted alongside the zelkova trees lining the road on the south edge of the site, creating a double line of trees. Azalea bushes are also being planted. In addition, cherry trees will be planted along the eastern edge of the site, creating a unified space with those already situated on the other side of the road, and these trees will be extended along the north edge of the site. The cedar trees that stood on the site prior development are being relocated to the west side.

Note: Zelkova trees along the road south of the site are outside the site.

◆ Over 20% of Park City Kashiwa-no-ha Campus The Gate Tower’s Site Reserved for Greenery

Approximately 22% of the site area of Park City Kashiwa-no-ha Campus The Gate Tower (Kashiwa City, Chiba) is reserved for greenery, including wall and roof greenery.
◆Peaceful Space Recreates Japanese Nature and Nihonbashi’s History and Traditions
Mitsui Fudosan developed Fukutoku Garden as part of the Nihonbashi Honcho 2-chome Designated Block Development Plan (tentative name) in Chuo-ku, Tokyo. This restful green plaza stretches over more than a thousand square meters, surrounded by office buildings including COREDO Muromachi. Fukutoku Garden encloses Fukutoku Shrine and recalls a traditional Japanese cultivated woodland, planted with a variety of representative deciduous broadleaf trees such as hill cherry, Japanese maple, aohada, and snowbell, as well as sawthorn oaks like those on the grounds of the shrine. The plaza and its greenery convey a sense of nature, tradition, and comfort, and symbolize the forest that used to enclose the shrine. The greenery surrounding Yakuso Shrine includes weeping cherry and weeping plum trees as well as Japanese nutmeg, an evergreen conifer that will express the contrasting beauty of the trees with and without leaves during the winter. The greenery will add a touch of color to the culture and heritage of the site.

◆Creating a Greenway Along a Trunk Road on a Former Factory Site
LaLa City SHONAN HIRATSUKA (Hiratsuka City, Kanagawa), is a large-scale development area on the site of a former Nissan Shatai autobody factory, and includes a commercial sector, a residential sector, a medical and welfare sector, and an industrial sector. Hiratsuka Road (Sector Road I) connects the eastern and western areas, and a greenway has been situated along the south side of this road. Ten zelkova trees already located on the site were transplanted to this greenway on the site of LaLaport SHONAN HIRATSUKA. In addition, we are engaged in efforts to create green areas with two parks (LaLaport Aozora and LaLaport Sukoyaka Parks, both to be transferred to municipal administration) and by planting a green belt around the industrial sector.
Restoring and Creating Wildlife Habitats

Mitsui Fudosan is working to restore and create new wildlife habitats in regions that have fewer natural areas.

A joint project on the part of industry, government, academia, and the local community is restoring the tidal wetlands and seaweed beds around Ago Bay (Shima City, Mie). Wetland restoration efforts have been ongoing since 2012 on a two-hectare coastal plot of open land at NEMU RESORT, which is situated overlooking the bay.

In addition, at AMANEMU Resort Hotel (jointly developed with resort hotel brand Aman), which opened on the same site in March 2016, the principal trees of the existing woodland were planted to create a forest in harmony with the natural environment.
Provision of Venues and Opportunities for Activities in Touch with Nature

Mitsui Fudosan provides venues and opportunities for activities that put people in touch with nature so that its customers and others can maintain an interest in nature.

Green Tours
Mitsui Fudosan holds Green Tours in Tokyo Midtown that allow parents and children to learn about trees and flowers as they walk through Midtown Garden.

In May 2016, we held a New Green Edition of our Green Tour, with participation by 35 parents and children who observed trees and other vegetation, with guidance from the managing gardener, and the opportunity to plant flowers on the site. Participants also received kits for growing plants at home.

◆ Programs to Experience Nature
NEMU RESORT is located in Ise-Shima National Park. The resort carefully manages the natural heritage on its site, and offers guests a variety of programs to experience nature.

Programs offered in fiscal 2016 included woodpecker watching in the on-site forest; a guided nature experience with a dedicated guide at the Tree Terrace; a sea creatures exploration party to the shore to observe sea life; and a cruise to observe nocturnal marine fire flies.

In addition, the site includes an aquatic park set among hills, and a tidal wetlands lake with walking paths for exploring.

◆ Built-for-Sale Condominium Where Residents Can Experience Farming and Food
Park City Kashiwa-no-ha Campus The Gate Tower features a hydroponic Green Factory, where food is grown indoors without soil. The factory is open to residents and their friends who wish to experience farming and food.

◆ Providing Relaxing Green Spaces
An area equivalent to approximately 40% of the site area of Park City Musashikosugi The Garden is reserved for foliage. Trees that change with the four seasons are planted on site, and walking paths, benches, and small plazas create areas for relaxation amid the greenery.
Initiatives for Sustainable Forest Resource Procurement

Under its Eco-Action Plan 2016, Mitsui Home Co., Ltd. has adopted a policy of ensuring legal and sustainable forest resource procurement while aiming to increase the use of sustainable forest resources for all lumber in fiscal 2016 to 100%.

We also formulated and are implementing the Mitsui Home Group Resource Procurement Guidelines. As a result, we reached our medium-term goal of 100% compliance with legally harvested resource procurement. However, compliance with sustainable procurement of such resources was 83%.

In fiscal 2017, we introduced our second medium-term environmental plan, Eco-Action Plan 2020. Going forward, we will continue working to procure only legally harvested forest resources.

The Mitsui Home Group Resource Procurement Guidelines (Overview)

As a company that draws on trees and forests in the conduct of its business activities, Mitsui Homes adheres strictly to a policy of sustainable forest resource procurement to ensure an abundant ecosystem and to maintain regional society. Moving forward, the company will work diligently to reduce its global environmental load.

Confirm the legality of timber and lumber products
When procuring from countries and regions where the possibility of illegal harvesting exists, the legality of timber and lumber procured are confirmed in advance.

Procure sustainable forest resources
We promote procurement of forest resources from sources that practice sustainable harvesting, to protect precious forests, their environments and biodiversity.

Protect precious species
We work to protect valuable and endangered tree species.

Manage and maintain the supply chain
We work with partners to manage and promote legal, sustainable supply chains.

Implement measures for timber and lumber products according to three classifications by their environmental impact (amount used and portion used).

Major construction material
Applicable material: lumber, I-joist, LSL, OSB, plywood, laminated wood, LVL, foundations, etc.

Outdoor wood product
Applicable* material: wood decking, wood fencing, major imitation wood items made from molded resin, etc.

Principal wood product
Applicable* material: Doors, windows and screens, flooring and stairway materials, fixtures, wood exterior materials, kitchen, wash stand, storage, etc.

*Procurement guidelines that prioritize the level of environmental impact and degree of difficulty, taking into consideration the proportion of timber weight in products. These guidelines are being implemented incrementally.

Summary of second Medium-Term Plan: Eco-Action Plan 2020  *Selected items relating to materials procurement

<table>
<thead>
<tr>
<th>Major Theme</th>
<th>Environmental Goals</th>
<th>Medium-Term Goal (2020)</th>
<th>Major Activities</th>
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| 1. Forest Resource Utilization | Materials Procurement
We ensure that all procured forest resources were legally harvested, and promote sustainable procurement of such resources. | Maintain 100% internal compliance with legal procurement standards | Strict adherence to procurement guidelines
Effective use of domestically-produced materials |
Preserving and Utilizing Landscapes and Streetscapes

The Mitsui Fudosan Group has established its own guidelines for remaining in harmony with the surrounding environment and creating bustling spaces when forming neighborhoods, with the aim of preserving and utilizing landscapes and streetscapes. Building Neighborhoods by Building Roads in Nihonbashi is one example of such efforts.

Retaining, Revitalizing, and Creating Cityscapes Rich in Historic Culture and Tradition

◆ Creating Neighborhoods by Creating Roads in Nihonbashi

During the early Edo era, Nihonbashi in Edo was designated as the starting point of the five major highways leading to other parts of Japan. People and goods from all over the country gathered here, making it a major center of commerce and culture. The Mitsui Fudosan Group’s over three-hundred year history is closely associated with this area. To express our love and appreciation for Nihonbashi, we have begun the Nihonbashi Revitalization Plan with the concept of retaining, revitalizing, and creating the future, to stimulate the area and make it even more attractive. We are collaborating with the government, private enterprise, and local residents to create a new neighborhood that combines tradition and renewal.

We are following a policy of Building Neighborhoods by Building Roads to avoid unplanned redevelopment and ensure coexistence with the culture and tradition that is a product of Nihonbashi, with its historic buildings. As a first step, we are preserving the appearance of the area by unifying the height of the lower floors of buildings along Nihonbashi’s iconic main street. Moreover, by developing facilities and creating green spaces along four additional well-loved streets in the district in accordance with their characteristics, we are creating spaces for people to gather and enjoy themselves. Edo was known for its extensive network of canals, and by restoring some of this network as well, we are using the creation of roads as a point of departure to create the Nihonbashi of the future.

◆ GATE SQUARE KOSUGI-JINYACHO Receives Good Design Award

GATE SQUARE KOSUGI-JINYACHO (Nakahara-ku, Kawasaki City) is a project to build low-rise housing on the former site of the 400 year-old mansion owned by the Hara family, which has contributed to the development of the area since the Edo era. Based on the concept of continuing the local spirit, many precious legacies of the mansion have been preserved, including its gate, the shrine, and trees that are over a century old, while the housing design incorporates motifs from the original main mansion. Every effort has been made to restore the look of the original structures and the craftsmanship that went into them. For example, foundation stones remaining on the site have been used in the new design. GATE SQUARE has drawn praise for sustaining regional history and the culture of past generations while providing a new housing environment, and during fiscal 2016 it received the Good Design Award.
Creating Space Design That Reflects Local Cultures

The Mitsui Fudosan Group strives to create compelling space designs, devoting meticulous attention to interior design details in its hotels so that domestic and international tourists and business travelers can experience the distinctive characteristics of the regional culture and natural environment.

Space Design Full of Unique Regional Atmosphere

Large-Scale Renovation of Existing Hotels

On April 1, 2016, Mitsui Fudosan Group reopened two renovated hotels under its management—Mitsui Garden Hotel Kyoto Sanjo (Nakagyo-ku, Kyoto City) and Mitsui Garden Hotel Hiroshima (Naka-ku, Hiroshima City)—with each renovation taking into account the special characteristics of the locality.

For Mitsui Garden Hotel Kyoto Sanjo, we selected a scarlet hue, highly prized since ancient times, as the hotel's interior theme color. The renovated design is a fusion of traditional Japanese character with an exotic atmosphere that international travelers will appreciate. The inner garden is replete with Japanese atmosphere and the colors of the changing seasons, while printed silk wall art conveys the flavor of Kyoto, transforming the hotel into a place of refuge for the heart.

For the renovation of Mitsui Garden Hotel Hiroshima, the fresh breeze from the Inland Sea and the local specialty, oysters, were used as a design motif throughout the hotel, creating a characteristic Hiroshima interior atmosphere.

Mitsui Garden Hotel Kumamoto (Chuo-ku, Kumamoto), closed from April to October, 2016, due to the earthquakes that struck that year, also reopened its doors in April 2017. The new design incorporates the rich natural environment and culture of Kumamoto, and guest room layouts were modified to create even more functional, comfortable spaces. Guest rooms have a Land of Fire or Land of Water motif, and for families, there are the popular guest rooms with a Kumamon (the mascot of Kumamoto) motif. Lobby and restaurant furniture and fabrics were completely renewed, with artwork with motifs of temari balls, a traditional craft product of Kumamoto, as well as other folk craft toys.
Local Lumber Used in Renovation of TOBA HOTEL INTERNATIONAL

After a renovation, TOBA HOTEL INTERNATIONAL (Toba City, Mie) reopened in March 2017. Mondo Misaki, the hotel's Japanese restaurant, features local wood products and ceramic materials, and an interior design that features traditional craft techniques of the prefecture. Tiles are traditional Mie banko ware, while the single-plank counter was fashioned from an Ise cypress over 300 years old. Interior fittings include traditional Japanese woodwork decorations.
Improving Health and Comfort

The Mitsui Fudosan Group makes every effort to support the health of its customers. At the same time, we engage in activities that allow customers to use our products and services in comfort.

◆ Mitsui Home Receives Kids Design Award

Mitsui Home had three entries in the 10th Kids Design Awards competition, hosted by the Kids Design Association*3 (with support from the Ministry of Economy, Trade and Industry and the Consumer Affairs Agency): Premium Monocoque Construction, an advanced wooden frame construction method; Smart Breeze, a healthy air-conditioning system; and Myocho Kindergarten. All three received awards in the category of Contributions to Child Safety and Peace of Mind.

Premium Monocoque Construction is an advanced wood framing technique using proprietary technology that can enhance the functioning of roofs, exterior walls, and foundations. It delivers significantly strengthened resistance to seismic shock, fire, and wind. Its basic features protect children and contribute to easing children’s fears when disasters occur. Construction using this technique is highly airtight and thermally insulated, and helps resist condensation that can be a cause of mold and mites. These features result in enhanced air quality and a better environment for protecting the health of children with asthma and allergies.

By maintaining not only temperature but humidity at uniform levels, our Smart Breeze air-conditioning system maintains a healthy environment resistant to the spread of allergy-causing mold and mites. It contributes to prevention of the propagation of colds and influenza during winter, which often happens when air is excessively dry, and its advanced-performance filters are highly effective in filtering PM2.5 pollutants, which helps provide a healthier environment for nursing infants and children.

Local, solid unpainted cypress floors and cedar walls and ceilings were used extensively in the construction of Myocho Kindergarten in Futtsu, Chiba. The use of solid wood in floors, walls and ceilings creates a distinctively gentle atmosphere. The solid lumber has excellent insulating and humidifying properties, which helps maintain a healthy interior environment that protects the children from allergies and influenza.

Mitsui Home will undertake to raise awareness of the beneficial technologies and construction applications of wood behind these awards, and will work to develop products and techniques that contribute to the society that is the goal of the Kids Design Association.

*3 Kids Design Association

This NPO brings together the Ministry of Economy, Trade and Industry and interested organizations and enterprises from across many industries with the aim of creating a social environment that will foster enhanced safety, peace of mind, and healthy growth and development for the next generation. The Kids Design Award is given to promote the broad propagation throughout society of outstanding products, environments, and services that help children live in safety and develop rich sensibilities and creatively, and that foster a society conducive to raising children.
Quality Management

The Mitsui Fudosan Group works diligently to ensure the quality management of its buildings as well as every other facet of its business operations, including products and services, as the foundation for providing safety, security, and comfort to its customers. We are convinced that the delivery of quality-based security, safety, and comfort is a prerequisite for realizing customer satisfaction (CS).

Quality Management in Each Business

Each business draws up its own design guidelines, manuals, etc. on quality management and puts them into practice to ensure quality is managed thoroughly. The guidelines, manuals, etc. are also reviewed and revised as needed to reflect customer feedback, problems that have taken place, etc. Reviews of safety-related matters are carried out from time to time and following a disaster.

Principal Guidelines, etc. of Each Business Area

Office Buildings Business
- Office Building Design Manual (including BCP design manuals)
  Provides direction for planning and design by organizing and combining know-how on product planning and operational management.
- Office Building Business Standard Operation Flowchart
- Office Building Sign Planning Guidelines
- Office Building Backyard Standards
- Various Construction Quality Management Forms
- CO2 Reduction Measure Explanation Sheet

Retail Properties Business
- Retail Properties Design Request Form
  Provides direction for planning and design by organizing and combining know-how on product planning and operational management.
- LaLaport Sign Planning Guidelines
- Tenant Interior Design Manual
- Design Criteria

Built-for-Sale Condominium Business
- Total Quality Project Management (TQPM)

Built-for-Sale Detached Residence Business
- Detached Housing Design Standards
  Unique design standards based on the Building Standards Act, the Japan Housing Finance Agency standards, and our abundant experience and achievements, to provide high-quality housing.

Rental Housing Business
- PAX-M
  A quality management manual, compiled in fiscal 2007 and revised in March 2013, is still being used.

Custom-Built Detached Residence Business
- Design Standards
- Product Specifications

Hotel Business
- TQPM Manual: Hotel Version
  Manual concerning the design and construction of Mitsui Garden Hotels.

Logistics Business
- Logistics Facilities Design Request Form
- Mitsui Fudosan Logistics Parks Sign Planning Guidelines
- Mitsui Fudosan Logistics Parks Facility Design Guidelines
Condominium Quality Management Process: Total Quality Project Management (TQPM)

Having the seller’s responsibility to hand over the condominiums promised to its customers by the dates promised, Mitsui Fudosan Residential utilizes the TQPM System, its proprietary quality management system, to fulfill that responsibility. The system serves to confirm whether design and construction management have been undertaken in accordance with the respective roles of the designer, supervisor and builder.

Mitsui Fudosan works to ensure a consistent level of quality management at all Mitsui built-for-sale condominiums. Under the TQPM System, there is compliance with design and construction standards and a design gate management process at the design stage as well as the witnessing of Key Quality Items (KQIs) and document verification at the construction stage.

Performance Evaluations by Evaluation Bodies

With the exception of certain properties, Housing Performance Indication System evaluation reports are obtained at both the design and construction stages for built-for-sale condominiums from a third party organization registered with Japan’s Minister of Land, Infrastructure, Transport and Tourism as an objective evaluation of quality management.

In addition, the custom-built detached residences of Mitsui Home Co., Ltd. are also constructed to perform to the high standards of the Housing Performance Indication System.
Enhancing Customer Satisfaction (CS)

The Mitsui Fudosan Group works diligently to improve the quality of its customer-oriented products and services while consistently promoting communication as a part of efforts to satisfy each and every customer.

**WORKSTYLING Multi-Site Shared Office for Corporate Clients**

Mitsui Fudosan’s Multi-Site Shared Office WORKSTYLING Project provides company employees with a wide variety of worksite choices that meet the needs of their workstyle or life stage, while enhancing the quality of security and other services.

We are planning to open WORKSTYLING shared offices in roughly 30 prime locations. Going forward, the Mitsui Fudosan Group will monitor user comments carefully to identify hidden needs, and by leveraging our comprehensive capabilities, will work to bring these workspaces and related services not only to office buildings, but to a wide range of life scenes.

### WORKSTYLING Advantages

1. **Corporate client contract system**
   - Contracting entities are limited to corporations; employees can use any location on a timeshare basis in 10-minute units
   - Each corporation’s monthly metered time is totaled across all sites for invoicing
   - A dedicated web-based app unifies management of users’ entry and exit history and usage by type of room (personal or conference room), enabling easy client management of employee offsite work attendance

2. **Security**
   - A concierge is on duty at all times and a high level of security is maintained
   - Communications are also secure, including the use of Wi-Fi encryption

3. **User experience**
   - A variety of spaces are available, including private offices, conference rooms, and open space. Space that enables seamless merging of personal work with team meetings facilitates interaction and input
   - The web-based app offers search and reservation functions for private and meeting spaces at all locations, with user recommendation features, easy availability confirmation, and shared calendar functions

4. **Locations Throughout Japan**
   - We plan to open WORKSTYLING shared offices in roughly 30 conveniently-located, prime urban locations throughout Japan
Ongoing Mama with LaLaport Initiative

Mitsui Fudosan Group has begun offering Mama with LaLaport services at its LaLaport commercial facilities, to meet the needs of mothers and fathers with small children who want to enjoy casual shopping. Based on internal and external advice and customer opinion, we have developed facilities and services, and have worked with shops to create unique menus and services, with the aim of evolving toward commercial facilities that can be used more conveniently and comfortably by parents with children.

Mama with LaLaport was rolled out at LaLaport Izumi (Izumi City, Osaka), which opened in fiscal 2014. Today it is offered at all 13 LaLaport locations, most recently at LaLaport SHONAN HIRATSUKA, launched in fiscal 2016. Since fiscal 2015, we have been leveraging the highly localized advantages of all four of our LaLa Garden facilities, offering facility and service support reflecting customer needs, to make shopping more convenient and comfortable for parents and children.

Work-Life Bridge

Work-Life Bridge is a project for people who are employed in Mitsui office buildings. Its goal is to reimagine the role of offices within daily life, which includes not only work but such tasks as housekeeping and child rearing.

The project team is centered on women involved in our office building business. Our goal is to contribute to better work styles for everyone by planning and implementing a variety of measures to bridge the concepts of Work and Life, and formulating them from a uniquely female perspective.

In October and November 2016, we collaborated with Oisix.daichi Inc. to hold sales events for Kit Oisix. These kits consist of a recipe and ingredients to prepare a main and side dish in 20 minutes. The events took place at Nihonbashi 1-chome Mitsui Building (COREDO Nihonbashi) and the Kasumigaseki Building (both in Chiyoda-ku, Tokyo), and were held in response to comments from people employed in Mitsui office buildings, such as “I’d like to prepare safe, healthy meals myself, but I don’t have the time to cook or go to the market,” and “I’d like to try my hand at cooking, as long as the recipe is simple.” Response to the events was gratifying.

Work-Life Bridge is designed to provide support for meeting the challenges faced by people working in Mitsui office buildings, and is planning and implementing a wide range of measures. It provides support relating to rearing infants and young children and reducing time needed for housekeeping; provides spaces that facilitate working; holds events for working women; offers services that give children first-hand experience in a variety of areas during long school vacations; and women’s support rooms at our WORKSTYLING multi-site shared office facilities.

Going forward, we will introduce additional measures based on the concept that solving the challenges that working women face can lead to better working environments for everyone.
Customer Service Role-Playing Contest Held

Mitsui Fudosan Retail Management Co., Ltd., which manages retail properties, works together with its facility management staff to enhance customer satisfaction (CS) by providing services that leave a lasting impression.

The 8th Customer Service Role-Playing Contest was held in August 2016 to promote enhanced customer interaction and service. Preliminary competitions to select contest finalists were held at 44 new and continuing Mitsui facilities, and the 44 individuals selected to go on to the finals vied with other competitors to be number one in customer service by portraying customer service challenges drawn from actual experience.
Initiatives Aimed at Enhancing Customer Satisfaction at Hotels

Mitsui Fudosan Hotel Management, which manages the Mitsui Garden Hotel network, holds a CS contest and all-out greetings campaign at all of its hotels annually.

At the Ninth All-Out CS Contest held on February 8, 2017, 21 individuals representing their hotels used role-playing to simulate interactions with customers.

Steps have been taken to put in place a CREDO, which outlines behavioral guidelines for all Mitsui Garden Hotel employees. Hotel managers and CS captains take the lead in ensuring that all employees practice the six behavior guidelines, outlined in this CREDO, that are aimed at improving customer and employee satisfaction. In addition, CREDO Communication is published and a CREDO prize awarded to employees who exhibit outstanding customer service. Through these and other means, every effort is being made to ramp up these activities.

Moreover, directors and officers in charge of each hotel attend biannual CS Promotion Meetings to discuss and consider various matters pertaining to the improvement of customer service.

To enhance service at TOBA HOTEL INTERNATIONAL and NEMU RESORT, employees of Tokyo’s Imperial Hotel are providing customer service training.

Listening to Customers

The Mitsui Fudosan Group undertakes a variety of activities as a part of efforts to listen to customers’ comments. CS surveys are conducted encompassing a wide area including tenant companies, residents of condominiums and detached housing as well as hotel guests. The feedback gained through these surveys is extremely helpful in improving the Group’s initiatives. We carefully monitor customer feedback received through boxes placed for this purpose at our commercial properties. These opinions and comments are used to improve operations in facilities and other areas, including store planning and design.

Examples of Improvements Based on User Opinions

Office Buildings
- Crime prevention
- Improvements to common-use areas
- Improvements to restroom facilities
- Tours to observe building facilities
- Smoking area separation
- Improvements to elevator operating programs
- Meetings to observe elevator rescue drills

Retail Facilities
- Installation of additional coin lockers and larger coin lockers
- Refurbishments/enlargements made to kids spaces
- Installation of air purifiers and microwave ovens in baby rooms
- Installation of curtains in diaper changing rooms
- Replacement of flooring materials and wallpaper in nursing rooms
- Refurbishments to women’s restrooms
- Increase in number of stroller pick-up locations (increase number of strollers)
- Increase in stroller drop-off locations
- Increase in cart drop-off locations
- Improvements to parking lot signs
- Installation of additional benches and signs within each property
- Improvements to smoking room doors
- Changes to rules on pets (reassess areas where pets are allowed)

Logistics Facilities
- Improvements to smoking areas in common areas
- Increase in vehicle/bicycle parking areas
- Enhancement of shared amenities
  (setting up of Christmas trees, Kadomatsu Japanese New Year’s decorations, message cards, etc.)
Providing Spaces That Realize Diverse Lifestyles

We are striving to develop and provide offices and residential environments that meet diverse needs arising from lifestyle diversification.

◆ Mitsui Office Building Social Events

The Mitsui Fudosan Group works closely with regional communities to create the foundations and opportunities to vitalize society by creating neighborhoods that mature with age. In addition, under the slogan Beyond the Office, we are striving to provide offices that are not simply places where work takes place, but places that bring together workers, enterprises, and regional communities to create high value-added communities. To realize this goal, we held events to promote social interaction between the employees of enterprise tenants of Mitsui Fudosan buildings, from June to July 2016.

- MONSTER HUNTER Social Event
  Held with the supervision and support of Capcom Co., Ltd., one of our tenants, this social event utilizes the highly popular hunting action game MONSTER HUNTER X.

- In-building Networking and Matchmaking Parties
  These social mixing events exclusively for individuals working in Mitsui buildings are popular and always well-attended.

- Business Get-Togethers
  These events provide not only a setting to exchange business cards and uncover opportunities, but include seminars to stimulate participants’ intellectual curiosity.

- Futsal tournament
  Teams were recruited from tenant companies in selected buildings and a futsal tournament was held.

- Dialog in the Dark Event
  These events, organized by Dialog in the Dark Japan, an NPO, give participants the opportunity to realize the importance of communication by sharing an experience in specially equipped, darkened environments.

◆ Car-Sharing Service for Office Building Tenants

As the sharing economy becomes more pervasive, Mitsui Fudosan and Mitsui Fudosan Realty have introduced a car-sharing service for tenants of World Business Garden (Mihama-ku, Chiba City), which is managed by Mitsui Fudosan. This corporate membership-based service was inaugurated on March 13, 2017, to further enhance the added value of this office building. In addition to the convenience of having cars available for sharing at the on-site parking lot, the cars are eco-friendly hybrid vehicles with EyeSight driver assist systems to enhance safety, including brake assist features, lane-keeping functions, and drive recorders as standard. As part of our services to tenant enterprises, we are promoting membership in, and utilization of, this car-sharing service.
◆Offering Diverse Lifestyles

The Mitsui Fudosan Group is working to create spaces that respond to the ongoing diversification of individual lifestyles. In addition, by providing security with abundant hospitality, we are offering lifestyles suiting the needs of individual customers through housing.

An example of this is Park Axis PREMIER MINAMI Aoyama (Minato-ku, Tokyo), which won the Good Design Award in fiscal 2016. During the planning stage of this building, we used user interviews and observation to get closer to latent awareness and needs, and this approach enabled us to provide unprecedented value. We discovered that what users wanted was quality, home-like environments with a connection to the community, rather than hotel-like accommodations. This is the kind of true luxury users are seeking in housing. The Good Design Award was the result of our meticulous design of activities that customers expect from their housing, which was highly evaluated.

Our WESTWOOD detached housing also received the Good Design Award. WESTWOOD features an innovative one-story design to deliver efficient, roomy accommodations for small households. The design responds to trends toward smaller households and an aging resident population, and provides all basic living functions on one floor. The award also recognized construction techniques, such as the use of roof insulation, in stabilizing the environment in each room.

Going forward, Mitsui Fudosan will continue to provide cozy, comfortable living spaces that respond flexibly to individual lifestyles, and will offer housing that is healthy, safe, reliable, and in harmony with the local environment.

◆Enhanced CS Through Enhanced ES

At Mitsui Shopping Park LaLa Garden Kasukabe (Kasukabe City, Saitama) and Mitsui Shopping Park LaLa Garden Kawaguchi (Kawaguchi City, Saitama), we renovated our employee lounges in spring 2017 to promote employee satisfaction (ES). The renovation includes a restful, café-style area and for the first time, a powder corner, to enable employees at these facilities to spend comfortable break time. We also undertook to enhance the lounge functions, including the provision of mobile phone charging plugs.

By providing better work environments for employees in Mitsui Fudosan Group facilities, whom we regard as important partners, we believe we can also enhance the level of customer service (CS) provided to visitors to those facilities. Based on this concept, we will continue working to create worker-friendly environments.