



Message from a Managing Director

Human resources strategy is of vital importance in securing competitive advantage and in promoting the initiatives set forth under our VISION 2025 long-term vision. The asset of human resources is the force that drives us to continue creating new value as a real estate developer.

Under a free and open corporate culture, Mitsui Fudosan has shared the progressive spirit and willingness to flexibly and tenaciously take on challenges that we have inherited and nurtured as our DNA since our founding, while offering varied and innovative solutions and services for business and living.

We improve employees' professional knowledge and capabilities through diverse on-site experience, enhancing their ability to create added value. Through this, diverse values come together in a spirit of mutual respect, transforming into driving force as a team. Within this process, addressing every individual employee and preparing an environment for action forms the foundation of our human resource management.

Customer-centered management is an immutable basic strategy in our VISION 2025. In this era of what is called VUCA (volatility, uncertainty, complexity, and ambiguity), the business environment surrounding our Company is changing at an ever faster pace. Under a declining birthrate, an aging population, the maturation of society, the advancement of women into the workforce, the further advance of globalization, changes in lifestyles and behavior brought about by the COVID-19 pandemic, and the growing importance of sustainability, the diversity and individuality of the customers to whom we provide services are widening. Accompanying these



Yasuo Onozawa
Managing Director,
Executive Vice President
(in charge of personnel)

changes in the environment are emerging social issues that cannot be solved simply within the framework of the conventional real estate industry.

To continue to develop and grow our business by nimbly reading changes in customers' lifestyles and values and by proposing solutions, it is vital that we ourselves accept diversity. We face demands to achieve active roles for diverse human resources by embracing diversity while nurturing ingenuity that is rich in ideas, differing values, and a pioneering spirit.

Based on this thinking, we positioned the promotion of diversity and inclusion as a key management strategy and formulated our Diversity & Inclusion Declaration and Initiative Policy, which we are implementing throughout the Group. The Group has also set the promotion of active participation by women as an important theme in our diversity and inclusion initiatives, and is undertaking varied related measures under quantitative and qualitative activity plans.

Diversity & Inclusion Declaration

The logo adopted by the Group as a management philosophy represents the principles of coexisting in harmony with society, linking diverse values, and achieving a sustainable society.

As a real estate developer, the driver of our efforts to continuously provide new value is a major asset of

ours—our people. Therefore, we have positioned the promotion of diversity and inclusion as one of our most vital management strategies, and the Group is coming together as one to create an organization in which personnel with diverse values, capabilities, and lifestyles can demonstrate each to the best of their abilities.

Diversity & Inclusion Initiative Policy

Our passionate, capable employees have a diverse range of skills, experiences, and values; as such, we are working to ensure an environment where they can demonstrate their individual abilities to the upmost, and recognize one another as individuals, evaluated fairly regardless of their race, nationality, religion, sex, age, presence or not of disability, gender identity, sexual orientation, or other characteristics. To this end, we are

promoting workstyle reforms and enhancing our human resources system so as to raise organizational productivity and our employees' work-life balances. We have made promoting female participation a key theme, and set ourselves Group-wide quantitative goals and qualitative action plans, and we will formulate various measures to promote this as a united Group.

Diversity & Inclusion Promotion Framework

Under our Management's commitment, the managing director in charge of personnel bears ultimate responsibility for ensuring diversity- and inclusion-related initiatives are pushed forward with the Personnel Department's Workstyle Innovation Department at their heart, with knowledge input from inside and outside the Group.

Diversity and inclusion is a major theme in ESG

activities. Reports of our activities, policies for each fiscal year, and other matters are discussed and formulated by the Board of Directors. Furthermore, we are promoting this topic as a united Group, and share policies at meetings at which Group company presidents are present, as well as periodically convening the Diversity & Inclusion Promotion Council.

Promoting Active Roles for Women in the Group

The essential aim of "diversity" is not the diversification of specific categories such as nationality, age, or gender, but rather the diversification of perceptions of value. To further promote this essential diversity by focusing on

the key theme of promoting active roles for women, the Group has set quantitative targets and qualitative activity plans for promoting these roles, and is enacting a variety of measures throughout the Group.

Group Female Participation Quantitative Goals

Group companies set targets for indicators such as the ratio of women in management positions, and manage progress toward these targets. We plan to accelerate efforts across the Group by designating model companies (SUNLIFE CREATION Co., Ltd., Mitsui

Fudosan Retail Management Co., Ltd., and Mitsui Fudosan Hotel Management Co., Ltd.) for the promotion of active roles for women, and by sharing information on best practices.

Women in Management Positions Ratio Targets (for Mitsui Fudosan Co., Ltd.)

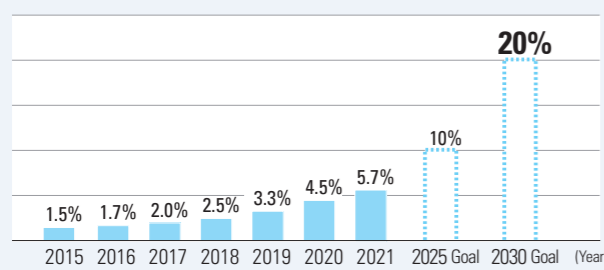
10% by 2025 **20%** by 2030

<See details on the next page>

Quantitative Goals (for Mitsui Fudosan Co., Ltd.)

	Goals			
	Women in management positions ratio	Ratio of hires of women	Return rate from childcare leave	Paid leave days taken
Mitsui Fudosan Co., Ltd.	10% by 2025 20% by 2030	40%	100%	14 days

Mitsui Fudosan: Women in Management Positions Ratio



Quantitative Goals (to Be a Model Company for Promoting Female Participation)

Company name	Goals			
	Women in management positions ratio	Ratio of hires of women	Return rate from childcare leave	Paid leave taken
SUNLIFE CREATION	- (April 2021: 70.6%)	- (FY2020 results: 82%)	100%	Uptake: 70%
Mitsui Fudosan Retail Management	20% by 2025 25% by 2030	- (FY2020 results: 58%)	100%	Uptake: 80%
Mitsui Fudosan Hotel Management	15% by 2025 20% by 2030	- (FY2020 results: 60%)	100%	Uptake: 70%

Promotion of Active Roles for Women in the Group: Qualitative Activity Plans

As a Group, we have formulated and are undertaking eight measures to achieve the following two priority objectives.

1. We will create an environment where people want to work long-term, where everyone can respect each other's values and lifestyles, including whether they care for children or others, regardless of gender
 - (1) Changing awareness throughout the organization and among managers (unconscious bias training, etc.)
 - (2) Supporting childcare and leave to care for others (system enhancement, training, paternity leave promotion, etc.)
 - (3) Developing a return entry system
 - (4) Forming flexible workstyles that cater to individual positions and fields
2. By promoting female participation, we will change awareness within the organization and raise those female employees' motivation and support their career development
 - (5) Changing awareness throughout the organization and among managers (diversity and inclusion training, etc.)
 - (6) Developing mentor/sponsor systems for female employees
 - (7) Forming a working group to promote female participation
 - (8) Holding in-house events to encourage interaction

been adopted by the Government Pension Investment Fund (GPIF) as an index for ESG investment.



Website introducing Mitsui Fudosan Group's efforts to promote active roles for women

See details of initiatives here: <https://www.mitsui-fudosan.co.jp/corporate/hrm/women/> (Only available in Japanese)



Launch of Working Team for Active Roles for Women



Nursery school in a workplace

Main Initiatives for Promoting Active Roles for Women

An Environment Where People Want to Work Long-Term

To develop an environment where diverse personnel, whether male or female, can play an active role, we are working to change awareness throughout the organization and among our managers. To do this, we are implementing unconscious bias training and other measures for all our employees.

Through efforts by members of the Personnel Department, such as discussions and individual interviews with all employees, we will grasp the circumstances that employees face and their hopes, and develop an environment and various systems, including those that support childcare and caring for others, accordingly. As an example, to create an environment that supports both work and childcare, we were quick to establish a flex-time system for reduced working hours during childcare, a work-at-home system, a childcare leave system that exceeds statutory requirements, and in-office

Return Rate from Childcare Leave Among Regular Employees

Past 21 years*

100%

*FY2000 - FY2020

nurseries. We have maintained a 100% return rate from childcare leave among regular Mitsui Fudosan employees for 21 consecutive years, and have a 70% rate of childcare support leave among male employees.

Through improvement of the environment and active hiring of women (with a female recruitment ratio target of at least 40%), female employees are playing active roles in many departments as corporate officers, company staff, and business line staff in Japan and overseas. As of April 2021, we have a 5.7% ratio of women in management positions and a 19.3% ratio of women in sub-section manager or equivalent positions. We are working to increase the ratio of women in management positions to 10% in 2025 and 20% in 2030.

For four consecutive years, Mitsui Fudosan has been selected for inclusion in the MSCI Japan Empowering Women Index (WIN), which has

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Selected for inclusion in the MSCI Japan Empowering Women Index (WIN)

THE INCLUSION OF Mitsui Fudosan Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Mitsui Fudosan Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI, MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.



Raising Motivation and Supporting Career Development

By conducting diversity and inclusion training, and other measures for organization heads, we will promote female participation and change awareness throughout the organization as we offer female managers career development support via a mentor system and other initiatives. Moreover, the working group we set up to promote female participation provides proposals and exchanges, cross-meetings that allow young females in general positions to interact, and seminars by women in active roles, and is raising female employees' motivation and supporting their career development.



Diversity and inclusion training for organization heads



Information exchange put on by the Diversity Management Promotion Project Team for employees on childcare leave (Mitsui Fudosan Retail Management)



Lecture and seminar (speakers included our former managing director and advisor on our female participation, Masako Egawa, and her introducer)

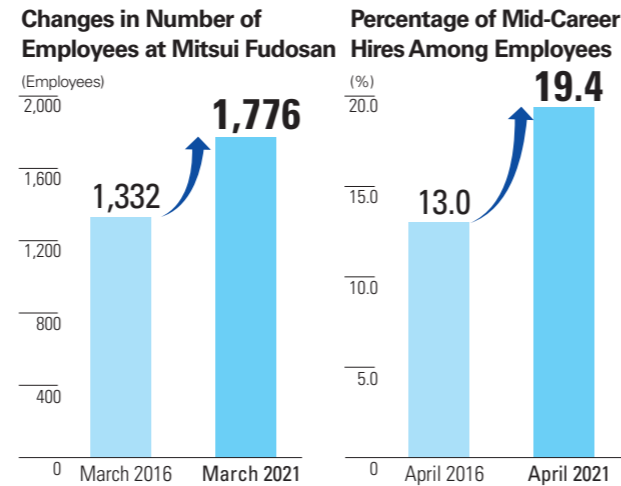
Measures Based on Human Resources Strategy

Recruiting Personnel from Diverse Backgrounds

To innovate the real estate business in the way we outline in our Group long-term vision, VISION 2025, there are a wide range of knowledge sets that we will need to bring together. As such, we are proactively recruiting mid-career human resources who have no experience in our industry or who were previously working in different fields.

We have put in place various training and mentoring systems that enable greater activity for diverse personnel with varied career histories and standpoint to demonstrate individuality based on their respective experiences and abilities.

Our aim is for these diverse personnel to work together and collaborate autonomously to produce new value and innovation.



Recruiting and Training Global and IT Personnel

Two of the main aspects of our initiative policy in VISION 2025 are to innovate business models by harnessing real estate tech and dramatically grow the overseas business. Our focus now is on recruiting and training global and IT personnel that can support those goals.

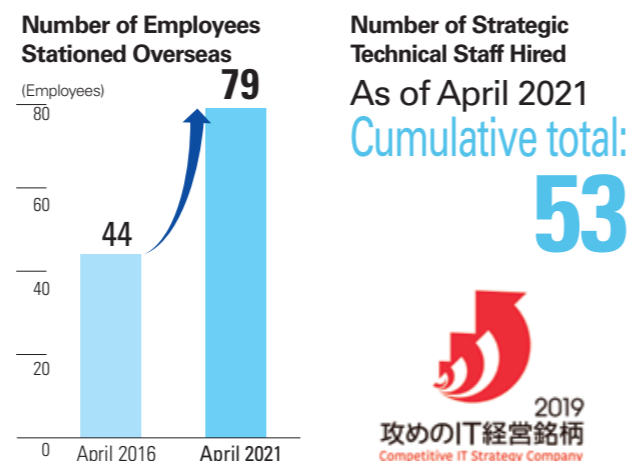
As globalization continues, we aim to have overseas profit constitute 30% of our consolidated operating income in or around the year 2025. To that end, we have been actively recruiting foreign nationals and Japanese new graduates or mid-career employees with global experience. Further, we are striving to create global-oriented staff through measures such as mandating language learning over several months for younger employees, conducting specific language training for mid-level employees, introducing a one-year overseas internship program, and stints working

overseas through job rotations.

We are also aware that digital transformation (DX) has had a major impact on conventional business, and to raise its real, applicable value, we are accelerating efforts to apply digital and real estate technologies. To do this, we are actively hunting down highly specialized mid-career individuals that will be an immediate asset to our ICT. We are also applying their capabilities to each of our business domains to spur innovation.

In our existing businesses, we are conducting various types of training under the belief that all employees are needed to promote even further DX.

In 2019, we were even selected as a Competitive IT Strategy Company by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.



Initiatives for Human Resources Development and Human Resources Management

Our basic approach to human resource management is to treat each employee as an individual and create a stage on which they can hone their professional knowledge and abilities, increase their ability to create added-value, and transform team performance through the integration of diverse values and skills.

Mitsui Fudosan aims to develop a diverse group of employees, who are able to make full use of their individual attributes, with both specialized and advanced business knowledge, and a broader perspective. In order to achieve this goal, we have adopted a basic policy on personnel development that broadens the capabilities of each individual by combining four opportunities (1: OJT, 2: annual interviews between the Personnel Department and each employee, 3: job rotation, and 4: training programs).

(1) OJT

We provide On the Job Training through work on-site as the basis for personnel development. Through specific jobs in the workplace and communication between employees, we develop the capabilities necessary for job performance in a planned, continuous fashion.

(2) Interviews with employees

To provide support aligned with individual employees' visions for career development and skill development, we offer many opportunities for face-to-face discussions with the Personnel Department and department heads.

Annual interviews with the Personnel Department aid in grasping employee issues, environment for development, and individual concerns, as well as in conducting fair evaluations through understanding of the working circumstances of individual employees and those around them.

(3) Job rotation

We develop professionals with a wide range of specialties. We conduct job rotation every few years. Our aim is to develop employees and an organization which can adapt to an ever-changing environment, and this is achieved by further deepening the experience and knowledge of each employee through work experience in multiple areas, while bolstering expertise through focus on work the employee is in charge of.

(4) Training programs

Between level-based training and training that can be selected to cater to individual employees' personal roles, skills, or capabilities, and other measures, we have more than 100 diverse programs underway. So that everyone can voluntarily work to improve their own abilities, we are preparing application-based training that incorporates interaction between employees from different industries.

In addition, to support career visions based on employees' diverse values, we are putting in place a number of systems, including a personal statement system related to changing official duties or wishes to change department, and a system to allow contract employees to become regular employees.

Going further, to deepen understanding of our businesses, one of our initiatives aimed at expanding experience in business domains separate from our existing businesses, we are looking to establish systems that include a business proposal system, a side-job system to help create innovation and make a social contribution, a leave system whereby employees can take time to study at graduate school, and a graduate school tuition fee subsidy system. In these ways, we will promote the fostering of issue-resolution capabilities and the ability to create added-value in this very changeable business environment.



Initiatives to Support Work-Life Balance

Promotion of Workstyle Reform

To respond to the dramatically changing needs of society and achieve the creation of new value, under the concept of workstyle reform the Company is building organizations where human resources with diverse talents, lifestyles, and perceptions of value can maximize their respective abilities.

We also promote the optimization of work-life balance by improving work efficiency in all departments, optimizing the allocation of work, and reducing employees' working hours. It is our belief that appropriate work-life balance carries great benefits including enhancement of employees' private lives, promotion of self-improvement, and achievement of childcare or nursing care alongside work. We further view this balance as forming workplace environments where diverse employees maximize their individual abilities, leading to the creation of higher value and sustainable growth for the Group.

Initiatives for Workstyle Reform

Reforming awareness	<ul style="list-style-type: none"> Foster awareness by continued communication of top management's message Utilize internal public relations magazines and email newsletters to conduct educational activities and share expertise Encourage the taking of continuous annual paid leave, and set targets for yearly use of leave (7 days per half year; 14 days per year) Conduct training on health and safety for organizational heads Evaluate efficiency as a factor involved in personnel evaluation
Work reform in organizational units	<ul style="list-style-type: none"> Support departments' initiatives through the Workstyle Innovation Department Establish a customized workstyle in each department, and promote work efficiency improvements Support productivity improvements through the use of IT
Infrastructure improvements	<ul style="list-style-type: none"> Utilize the WORK STYLING Shared Office Introduce work-at-home system Enable recording of PC usage hours and deploy a usage control system Implement paid leave that can be taken in half-day units

Promotion of Health Management

We view the health and safety of all employees as an important issue for management in strengthening the Company's competitiveness and achieving sustainable growth. While enacting a Health and Productivity Management Declaration and clarifying related policies, we take action to maintain and improve employees' health to create environments where employees can work energetically in ways suited to their individual lifestyles.

Health and Productivity Management Declaration

- Our progressive spirit and attitude of flexibly tackling tough challenges forms the basis for our approach of supporting individual employees' efforts to create new value from the sidelines via health and productivity management, and we will tie that in to the Company's sustainable growth.
- We will actively invest in our employees' physical and mental well-being, and promote the creation of workplaces where diverse personnel are excited to work.
- Through urban development, we will work to maintain and promote health in the region and in wider society. Equally, we will use health and productivity to resolve the issues that society is facing, to contribute to a healthier, richer future.

Specifically, we established a Health Management Center, under the charge of the managing director in charge of personnel affairs, to conduct consultations for employees by personnel staff, implement health checkup expense subsidies for employees and their spouses, hold health-related events, and so on. In consultation with the health insurance association, we actively promote initiatives that include planning and verifying the effects of measures to address health issues.



Health promotion event “&well Festa”



Health management support service “&well”

In recognition of our health management-related initiatives, we have been selected by the Certified Health & Productivity Management Outstanding Organizations Recognition Program (“White 500,” Large Enterprise Category) of the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi as a corporation that practices excellent health management.

