

Main Environment Initiatives

For details regarding the main initiatives being carried out, please refer to ESG Report 2022.
https://www.mitsui-fudosan.co.jp/english/esg_csr/report/

Responding to Climate Change

Policy

The Mitsui Fudosan Group recognizes that responding to climate change is a key management issue. We create buildings and neighborhoods with low energy consumption and reduced emissions of greenhouse gases, and we aim to build a low carbon society by taking steps together with our business partners, tenant companies and stores, and customers, to address global warming, such as conservation of energy.

Participation in Initiatives Concerning Response to Climate Change

Climate-Related Financial Disclosure in Accordance with TCFD

• TCFD and Mitsui Fudosan's Position

Our Group endorses the agenda of the Task Force on Climate-related Financial Disclosures (TCFD), which encourages corporations and others to disclose information relating to climate-related risks and opportunities. To mitigate risk through our business activities, including risk of damage from abnormal weather patterns linked to climate change; preserve environments where people and other living creatures can flourish; and establish a sustainable decarbonized society, we are taking the TCFD recommendations as a point of departure to disclose our analysis and response to climate change-related business risks and opportunities, and other related information.

• Scenario Analysis

Our analysis is based on the 1.5°C and 4°C scenarios outlined in the Fifth Assessment Report issued by the United Nations Intergovernmental Panel on Climate Change. As the time axis for analysis, we considered the typical life cycle of real estate assets, and calculated the impact of climate change by approximately the year 2050. In our scenario analysis, we used our Housing, Office Buildings, and Retail Properties businesses as the object of analysis, since these three categories represent the principal focus of the commercial activities of our Group, and are also likely to be major recipients of climate change impact.

• Analysis Result 1. Principal Risks and Opportunities

Based on external information, we identified risks and opportunities related to climate change, and gathered future projections for each risk and opportunity. With reference to the TCFD final report as well as other reports and sources relating to climate change, we considered risks and opportunities accompanying the transition to a decarbonized society (measures/regulations, industries/markets, technology) as well as physical risks and opportunities caused by climate change (chronic, acute), and identified significant risks and opportunities that may have an impact on our Group's three core businesses between now and 2050.

Under the 1.5°C Scenario, our Housing Business could be affected by an increase in carbon taxes, which would push up the price of raw materials and transport costs. While ZEH and energy conservation renovations would become more widespread, under the 4°C Scenario, an increase in the number of extremely

Significant Risks and Opportunities That May Affect the Three Core Businesses of the Mitsui Fudosan Group by 2050

Classification	Principal risks and opportunities	Projected future state	
Transition	Measure	Major carbon tax increase	In addition to taxes on GHG emissions by the Group, we expect higher costs for raw materials (steel, cement, etc.), which are significant on a base unit basis, as well as for transport and air conditioning. At the same time, low-carbon structures and other properties with superior environmental performance will be better positioned to compete.
	Measure	Energy conservation measures	Energy standards for new and renovated structures will be tightened, requiring additional capital investment. Furthermore, decarbonized energy sources and ZEH will become mandatory, more ZEB properties will be built, and more residential structures will be energy-efficient.
	Market	Customer conduct change	Products with superior environmental performance will be in greater demand and be more competitive.
	Technology	Propagation of technology for renewable energy and energy conservation	The propagation of energy conservation technology will lead to more renovations to enhance energy conservation.
Physical	Chronic	Average temperature increase	On-site operations will be hindered on extremely hot days, leading to higher operational costs and construction delays. In addition, increased use of air conditioning will push up facility management costs, but these will be offset to some degree by enhanced air-conditioning efficiency.
	Acute	Rising sea levels	Certain coastal structures will be damaged by typhoon-generated tidal surges accompanying sea level rise.
		Intensification of abnormal weather patterns	Frequent heavy precipitation and flooding within the confines of levees can result in suspension of on-site operations and construction delays. In addition, customer safety may be threatened, and facilities assets may be damaged.

hot days would have a variety of impacts, including reduced labor productivity, and the result could be higher new construction costs. Under the 1.5°C Scenario, our Office Buildings Business is also projected to see an increase in procurement costs. Costs may also rise due to higher GHG emission taxes and expanded ZEB construction. At the same time, in terms of business opportunities, we would expect increased lease income from properties with superior environmental performance. Under the 4°C Scenario, office air-conditioning costs and damage from high tides and flooding are a potential concern. Finally, in our Retail Business, the 1.5°C Scenario indicates higher costs of the same type as in the other business areas. Lower lighting and heating costs can be expected, thanks to more efficient and renewable energy use with AI-equipped air-conditioning and other systems, but under the 4°C Scenario, retail properties situated near the ocean may experience increased risk of damage from high tides and flooding.

• Analysis Result 2. Estimate of Business Impact

We reviewed available quantitative data and the significance of risks and opportunities. For selected principal risks and opportunities, we estimated the financial impact on our Group's business in the year 2050. Under the 1.5°C Scenario, we projected a comparatively large negative impact on costs associated with higher carbon taxes, and the cost of meeting tightened energy conservation standards. At the same time, we estimated that these impacts would be fully offset by opportunities to construct more buildings with superior environmental performance, an area where our Group maintains a competitive advantage, and by reductions in heating and lighting costs made possible by advanced energy-conservation technology. Under the 4°C Scenario, we projected only limited actual losses from high tides and flooding, and overall, relative to the 1.5°C Scenario we estimated there would be fewer factors with a major financial impact.

Estimates of Financial Impacts on the Businesses of the Mitsui Fudosan Group in 2050

Type	Principal risks and opportunities	Factors with possible business impact	Results of financial impact estimate	
			4°C Scenario	1.5°C Scenario
Risks	Transition	Major carbon tax increase	Minor	Moderate
		Major increase in raw materials costs	Minor	Moderate
		Energy conservation measures	Moderate	Large
	Physical	Increase in ZEH construction costs	Minor	Moderate
		Average temperature increase	Moderate	Moderate
		Rising sea levels/intensification of abnormal weather patterns	Moderate	Minor
Opportunity	Transition	Major carbon tax increase	Minor	Moderate
		Energy conservation measures	Minor	Moderate
		Creation and sales of carbon credits as a result of ZEH construction	Minor	Minor
	Physical	Customer conduct change	Minor	Moderate
		Propagation of technology for renewable energy and energy conservation	Moderate	Moderate
		Average temperature increase	Moderate	Moderate
Results derived from analysis			Moderate	Moderate

Affiliation with RE100

The Group is a member of RE100, a global initiative committed to utilizing 100% renewable energy. We are also proud to be fighting climate change as a recognized member of the JCLP (Japan Climate Leaders' Partnership), a local partner of RE100.

For more detailed information about RE100, please refer to the following link.
<https://www.there100.org/re100-members>



Acquired SBT Initiative Certification for Greenhouse Gas (GHG) Emission Reduction Targets

Greenhouse gas (GHG) emission reduction targets for the whole Group have been set as the 1.5°C Target, which aims to limit the global average temperature increase to below 1.5°C compared to pre-industrial levels from the international Science Based Targets (SBT) initiative.

For more detailed information about the SBT initiative, please refer to the following link.
<https://sciencebasedtargets.org/companies-taking-action>



External Evaluations

We have been selected for inclusion by CDP, a non-profit organization engaged in international environmental surveys and information disclosure, in the “CDP 2021 Climate Change A List” of top-ranking companies in the climate change category. Through this, we have been recognized as a globally leading company in climate change activities.

Specifically, we were recognized for our actions to reduce CO₂ emissions, reduce climate change risk, and advance the progress of a low-carbon economy, on the basis of data reported in the CDP’s 2021 Climate Change Questionnaire. CDP’s evaluation in

fiscal 2021 covered approximately 12,000 companies worldwide, of which 200 (including 55 Japanese companies) were selected for inclusion in the Climate Change A List.



About CDP

Founded in 2000 in the UK, CDP is a non-profit organization that seeks information disclosure and the promotion of initiatives by companies and local government to tackle climate change, water resource conservation, forest conservation, and other environmental issues. The organization collects, analyzes, and evaluates information on the environmental activities of major companies around the globe, and every year selects companies that excel in climate change

initiatives and information disclosure for inclusion in the Climate Change A List.

CDP’s annual environmental information disclosure and process for its evaluation are widely recognized as global standards for corporate environmental information disclosure. In fiscal 2021, over 13,000 companies, representing over 64% of global market capitalization, responded to the survey.

Water

Policy

We develop buildings and create neighborhoods that help preserve the water environment through measures such as the effective utilization of water and replenishment of subterranean aquifers. We also preserve water resources through water conservation and effective use of water resources together with our business partners, tenants and stores, and customers.

Environmental Pollution and Resources

Policy

We prevent environmental pollution by observing laws, regulations, and ordinances relating to air pollution, water pollution, soil contamination, and hazardous materials, and we also work hard to curb emissions of pollutants and contaminants that are not subject to regulation by laws, regulations, and ordinances. In addition, we take hazardous materials into consideration when acquiring land as well as in the building design stage. We also ensure appropriate management and disposal, and thereby prevent impacts due to hazardous materials on the environment or building users. Furthermore, when advancing construction, we strive to procure materials that lessen global environment load and reduce the amount of waste produced.

Biodiversity Conservation

Policy

When carrying out a new development project, the Mitsui Fudosan Group confirms the presence of trees, forests, and other elements of the natural environment that should be preserved on development sites, and we preserve, transplant, or conserve trees, forests and other natural features when needed. In developing regions with many natural areas, we assess environmental impact on plants, animals, and ecosystems based on laws, regulations, and ordinances relating to environmental impact assessments and protection of the natural environment.

Sustainable Finance

Policy

We have formulated a Green Finance Framework and a Sustainability-Linked Loan Framework in order to promote the “Group Action Plan to Realize a Decarbonized Society” formulated in November 2021 from the aspect of financing. By proactively engaging in sustainable finance, we will continue to contribute to the diversification of financing and the realization of a sustainable society.

Main Achievements

Issued Green Bond

Based on the framework, for procurement of funds, we issued green bonds, for which the use of proceeds is limited to projects that contribute to solving environmental problems, three times in the past, utilizing our highly environmentally friendly green buildings.

• TOKYO MIDTOWN YAESU

Date of issue	July 14, 2022
Tenure	5 to 10 years
Total Amount of Issue	¥80 billion
Use of Proceeds	The full amount will be used as investment capital to fund TOKYO MIDTOWN YAESU

TOKYO MIDTOWN YAESU is a large-scale, mixed-use redevelopment project that will be the start of the ongoing redevelopment project in front of Tokyo Station. As for environmental certification, TOKYO MIDTOWN YAESU has received the highest (S) rating under Japan’s CASBEE-architecture certification for new buildings and plans to obtain either the highest (Five-Star) or the second-highest (Four-Star) rating in the DBJ Green Building Certification. In addition, as a way to utilize green energy to realize a carbon-free society, Mitsui Fudosan will launch the “Green Energy Supply Service” in response to the needs of tenants. The service provides tenants a green energy environmental value of “Non-fossil Fuel Energy Certificates with Tracking,” which means that the energy is derived from the five solar power generation facilities owned and developed by Mitsui Fudosan.



Overview of the property
 Location: Yaesu 2-chome, Chuo-ku, Tokyo
 Scale of the Building:
 • 45 floors above ground and 4 floors below ground (Block A-1)
 • 7 floors above ground and 2 floors below ground (Block A-2)
 Total floor area: Approx. 289,750 m² (total of 2 blocks)
 Uses: Offices, retail facilities, hotel, elementary school, bus terminal, parking lots, etc.
 Schedule: Completion in August 2022 (planned)

• 50 Hudson Yards

Date of issue	January 21, 2022
Tenure	10 years
Total Amount of Issue	US\$300 million
Use of Proceeds	The full amount will be used for refinancing the development project costs of 50 Hudson Yards

• Nihonbashi Muromachi Mitsui Tower

Date of issue	September 12, 2019
Tenure	5 years
Total Amount of Issue	¥50 billion
Use of Proceeds	The full amount will be used for refinancing the purchase of reserve floor space for Nihonbashi Muromachi Mitsui Tower

Note: Issued based on the framework at the time of issuing these bonds

Execution of Sustainability-Linked Loan

For our sustainability-linked loan, which sets targets consistent with the ESG strategy of a borrower and changes the interest rate depending on the achievement of the targets, we execute loans based on our SLL Framework. In this, we have set a reduction target of 46.2% by fiscal 2030 in Scope 1 and 2 emissions (compared with fiscal 2019) announced in our “Group Action Plan to Realize a Decarbonized Society” formulated in November 2021. The following is a summary of SLL.

Number of executions	13	Total amount	¥79 billion
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(As of the end of July 2022)

Main Social Initiatives

Diversity and Inclusion

For details regarding the main initiatives being carried out, please refer to ESG Report 2022.
https://www.mitsui-fudosan.co.jp/english/esg_report/

Diversity and 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.

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 enhance our employees’ work-life balance. 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.

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 advanced, centralized in the Personnel Department’s Workstyle Innovation Department, with knowledge input from inside and outside the Group.

Diversity and inclusion is a major theme in ESG activities. Reports on 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, while periodically convening the Diversity and Inclusion Promotion Council.

Promoting Active Roles for Women

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.

An Environment Where People Want to Work for a Long Time

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 flextime system for reduced working hours during childcare, a work-at-home system, a childcare leave system that exceeds statutory requirements, and in-office nurseries. We also provide returning to work after maternity/childcare leave training programs and we have maintained a 100% return rate from childcare leave among regular Mitsui Fudosan employees for 22 consecutive years, and have a 79% rate of childcare support leave among male employees.

Through improving the environment and actively hiring 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 2022, we had a 6.8% ratio of women in management positions and a 22.8% ratio of women in sub-section manager or equivalent positions. We are working to increase the ratio of women in management positions to 10% by 2025 and 20% by 2030.

For five consecutive years, Mitsui Fudosan has been selected for inclusion in the MSCI Japan Empowering Women Index (WIN), which has been adopted by the Government Pension Investment Fund (GPIF) as an index for ESG investment.

Return Rate from Childcare Leave Among Regular Employees For past 22 years* **100%**
* FY2000-FY2021

2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Selected for inclusion in the MSCI Japan Empowering Women Index (WIN)
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Raising Motivation and Supporting Career Development

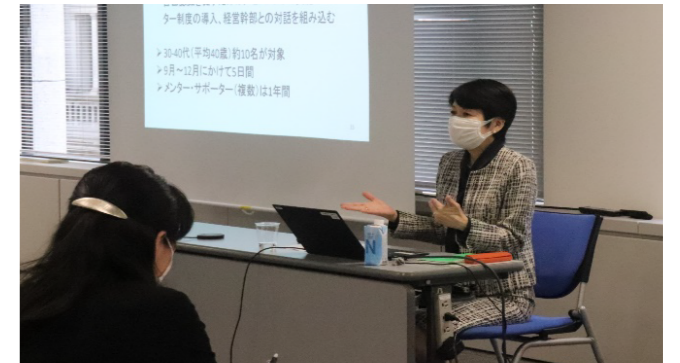
By conducting diversity and inclusion training, and other measures for organization heads, we will promote female participation and change awareness throughout the organization as we offer female managers career development support via a mentor system and other initiatives. Moreover, the working group 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 Co., Ltd.)



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

Mitsui Fudosan Group Get Connected and Grow Project

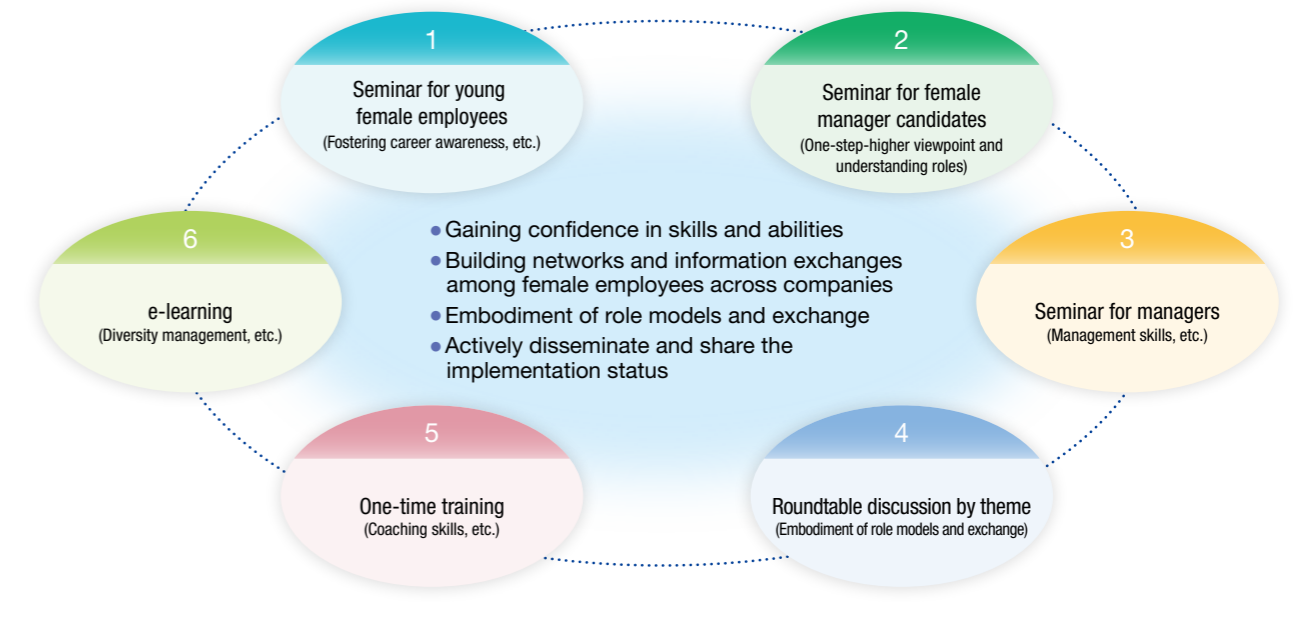
From fiscal 2022, we have been running the “Mitsui Fudosan Group Get Connected and Grow Project,” which holds group joint training and networking events. In addition to gaining confidence in their skills and abilities, by holding joint events within the Group, creating networks and role models among female employees across companies.



Message from corporate officers at seminar-style training



Discussions during seminar-style training



Human Resource Strategies

For details regarding the main initiatives being carried out, please refer to ESG Report 2022. https://www.mitsufudosan.co.jp/english/esg_report/

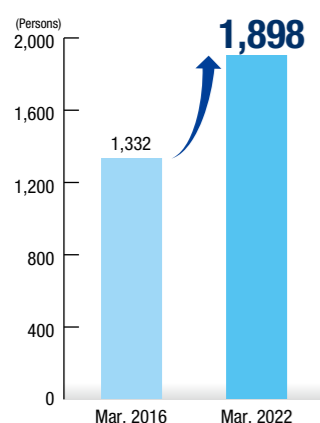
Recruiting Personnel from Diverse Backgrounds

To innovate the real estate business in the way we outline in our Group's long-term vision, VISION 2025, there is 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.

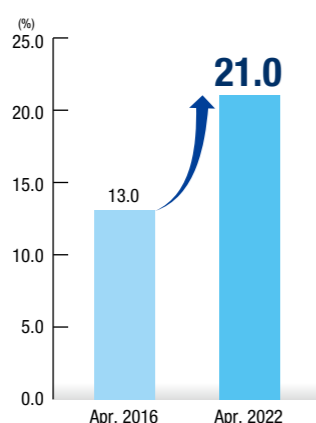
We have put in place various training and mentoring systems that enable greater activity for diverse personnel with varied career histories and standpoints to demonstrate individuality based on their respective experiences and abilities.

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

Changes in Number of Employees at Mitsui Fudosan



Percentage of Mid-Career Hires among Employees



Recruiting and Training Global and DX 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 digital transformation (DX) personnel who can support those goals.

As globalization continues, we aim to have overseas profit constitute about 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 having stints working overseas through job rotation.

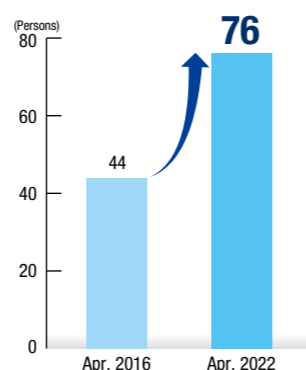
We are also aware that digital transformation (DX) has had a major impact on conventional business, and to raise its real, applicable value, we are accelerating efforts to apply digital and real estate technologies. To do this, we are actively hunting down highly specialized mid-career individuals who will be an immediate asset to our information and communications technology (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 need to further promote DX.

We were selected as a Noteworthy DX Company for 2022 by the Ministry of Economy, Trade, and Industry and the Tokyo Stock Exchange.

Number of Employees Stationed Overseas



Number of Strategic Technical Staff Hired

As of April 2022
Cumulative total:
63



Initiatives for Human Resource Development and Human Resource Management

Individual employees hone their professional knowledge and abilities, and increase their ability to create added value. We transform team performance through the integration of diverse values and skills. 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.

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).

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 when someone wishes to change departments, 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.

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 Annual interviews between the Personnel Department and each employee

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, an 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 by job rotation. 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 focusing on the 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 under way. 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.



Work-Life Balance

For details regarding the main initiatives being carried out, please refer to ESG Report 2022. https://www.mitsufudosan.co.jp/english/esg_report/

Promotion of Workstyle Reform

To respond to the dramatically changing needs of society and create 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 are striving to optimize 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 an appropriate work-life balance carries great benefits including enhancement of employees' private lives, 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 with 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 D&I Planning 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 a work-at-home system Enable recording of PC usage hours and deploy a usage control system Introduce a flextime system (no core time)

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.

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, for six consecutive years 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.



Health and Productivity Management Declaration

1. 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 into the Company's sustainable growth.
2. 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.
3. Through neighborhood creation, 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.

Human Rights Initiatives

For details regarding the main initiatives being carried out, please refer to our website. https://www.mitsuifudosan.co.jp/english/esg_csr/society/03.html

Policy

The Mitsui Fudosan Group respects basic human rights and complies with laws and regulations concerning workers' rights in each country where it conducts business.

Basic Approach to Human Rights

The Mitsui Fudosan Group complies with laws and regulations of each country and region in which it conducts business activities.

- (1) We will eliminate all discrimination on the grounds of race, nationality, religion, sex, age, disability, or sexual orientation.
- (2) We will not tolerate any form of harassment, including sexual harassment or abuse of power.
- (3) We will not permit child labor or forced labor.
- (4) We respect freedom of association and the right to collective bargaining.

We also support and respect the basic rights for workers set out in the ILO Declaration on Fundamental Principles and Rights at

Work and the UN's Guiding Principles on Business and Human Rights. Furthermore, we pursue methods to ensure that basic human rights are respected in countries and regions that do not adhere to internationally recognized basic human rights.

Initiatives for Raising Human Rights Awareness

Mitsui Fudosan has established a Code of Employee Conduct with regard to human rights. We are also building a Group-wide framework for respecting human rights by establishing the internal Fair Employment Screening and Human Rights Awareness Raising Promotion Committee and organizing Fair Employment Screening and Human Rights Awareness Raising Liaison Conferences with each Group company. Additionally, we are continuously working to improve understanding and awareness regarding human rights through initiatives such as holding human rights awareness training for all Mitsui Fudosan employees.

Supply Chain Management

For details regarding the main initiatives being carried out, please refer to our website. https://www.mitsuifudosan.co.jp/english/esg_csr/society/04.html

The Mitsui Fudosan Group's Sustainable Procurement Standards

As a corporate group that supports the foundations of life such as offices and housing, the Group recognizes the need to fulfill its social responsibilities at a higher level. To this end, we believe that the entire supply chain should work together to promote sustainable procurement that contributes to the resolution of ESG issues. The Group has formulated the "Sustainable Procurement Standards" outlining the basic guideline and we published these standards on our website in December 2018 and have notified our main business partners. In February 2022, we revised these standards to prepare for

human rights due diligence, and include basic guidelines on items to be complied with or actively promoted by both the Mitsui Fudosan Group and its business partners related to ordering.

We share these standards within the Group to build and operate an ordering and contract process in line with the nature of our business, and also notify and request the understanding of our business partners. We address the promotion of sustainable procurement throughout the supply chain to realize a sustainable society.

1. Compliance with Laws and Regulations, etc.	Companies doing business with the Mitsui Fudosan Group shall not only comply with the applicable laws and regulations in their home countries and the countries and regions where they conduct business, but shall also respect internationally recognized standards of conduct.
2. Respect for Human Rights in Business Activities	In order to ensure the implementation of business activities with consideration for human rights, companies shall identify in advance the potential adverse impact of their business activities on the human rights of various people, including foreign populations and indigenous peoples, and take preventive measures and/or remediation measures, making reference to international human rights norms such as the Universal Declaration of Human Rights.
3. Respect for Human Rights Related to Labor	Companies shall respect the human rights of workers, in line with international human rights standards, including the core labor standards established by the International Labour Organization (ILO), while also complying with relevant laws and regulations.
4. Safe and Healthy Working Environment	In addition to complying with the relevant laws and regulations, companies shall also pay due attention to domestic and international guidelines on worker safety and health, and make efforts to provide a safe and healthy working environment that minimizes work-related injuries and physical and mental illness.
5. Establishment of Business Ethics	Companies shall conduct business activities based on high ethical standards in addition to compliance with the law.
6. Ensuring Quality	Companies shall ensure and strive to enhance the safety and quality of the products and services they provide.
7. Consideration for the Environment	Companies shall proactively address global environmental issues such as resource depletion, climate change, and environmental pollution, while also considering local environmental issues to ensure the health and safety of the people in the communities involved.
8. Information Security	Companies shall prevent leaks of confidential information and personal information and work to strengthen information security.
9. Crisis Management and Business Continuity Plan	Companies shall take appropriate measures to ensure the safety of their employees and other stakeholders, and to resume business activities as soon as possible, in the event of a natural disaster or accident.

Strengthening Human Rights Due Diligence

The Company is a member of the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI), which was established in January 2020 to solve the issues faced by migrant workers in Japan through the collaboration of various stakeholders. The Company participates in the "Consultation and Relief Pilot Project" launched by JP-MIRAI in May 2022 (eight private companies including the Company participate).

This platform is the first of its kind in Japan, and provides a package of an integrated mechanism covering information provision to foreign workers, a multilingual consultation desk and solving of highly independent and neutral disputes, and a feedback service to companies on human rights risks.

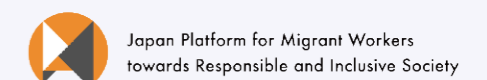
Specifically, JP-MIRAI provides foreign workers working for participating companies with the following: (1) establishment of a portal site that provides useful information for working in Japan; (2) establishment of a consultation desk which can lower psychological hurdles for foreign nationals as they can talk in their native languages; (3) accompanying support for dealing with problems that are difficult to solve on one's own; and (4) use of non-statutory dispute resolution mechanisms in the event of a

dispute with an employer. JP-MIRAI collects data from the above services to analyze the issues faced by foreign workers.

The Company will utilize the human rights violation risk information regarding foreign workers fed back from JP-MIRAI and strive to strengthen its supply chain management and human rights due diligence.

Overview of "Japan Platform for Migrant Workers towards Responsible and Inclusive Society"

Established in January 2020 by various stakeholders including private companies, local governments, NPOs, experts and lawyers to gather and collaborate to solve the issues faced by migrant workers in Japan and to make Japan a trusted destination for workers from around the world. As of May 2022, there were 443 participating members. Private companies and JICA (Japan International Cooperation Agency) serve as the joint secretariat.



Female Employees Roundtable Discussion

The Mitsui Fudosan Group accepts challenges.

Making the most of individuals and contributing to the Group,
we will create a more pleasant workplace for women.



Meaning of working for Mitsui Fudosan Group

In what situations do you find your work at the Mitsui Fudosan Group satisfactory?

Nagai When I work at Mitsui Fudosan, the first thing I think about is that there is a culture where people accept and cooperate with me when I tell them what I want to do. People around me give advice regarding my thoughts, and I feel excited and satisfied when an idea expands and takes shape. For example, I am in charge of the operation of a resort hotel in Toba, Mie Prefecture, and wanted people to know about Mie, so I proposed a local product sales meeting and an in-house pearl lecture by inviting a lecturer. The people I work with helped me, and I was able to make it happen. Sales were very good and we were able to hold the event twice last year.

Kodama Indeed, there is a culture to make you try new things in our Group. I am in charge of condominium sales. Because of the COVID-19 pandemic, it has been difficult to conduct sales activities in person, so I suggested a sales method in which we

communicate with customers online for all procedures except for making sales contracts, which is something that has to be done in person. There are a lot of times when we don't know if we can understand our customers' needs well online or if we can make a contract without seeing the actual property, and some people said that the existing way is better. But some people are willing to help us because we can't take on new challenges without this opportunity. In fact, the property I was most recently in charge of is being sold using this method, and the contract is progressing smoothly.

Nakayasu Do you mean that there are customers who make a contract without actually visiting the planned site or model room of the property?

Kodama That's right.

Nakayasu That's amazing.

Kodama They are not telling me that such an approach will not work, but there is a network of people inside and outside the Company who help me to make it happen. This is an attractive point for my work in this Group, and I feel satisfied working where I can put my own thoughts into shape.

Tochigi What surprised me when I joined Mitsui Fudosan was that people in the Company helped me regardless of the department or when you joined the Company. I was a mid-career hire, and although I had some experience as a working adult, I still didn't know how to work in this industry, and I had no acquaintances in this Company. But as I was told to seek advice from a certain person, I visited him and he kindly gave me advice even though I was not acquainted with him. Other than that, I was also introduced to a more suitable person to consult with, and I experienced my connections being expanded more and more, and I realized that problems were solved or I had good discussions. So, I was impressed by this culture.

Utsunomiya The real estate business involves a lot of people because the size is big and the length of projects is long. Since the entire Group, including the Group companies, is involved in a series of work from purchasing land to developing, selling and operating a property, it is impossible to work smoothly unless people are well connected. Because we all know that working separately does not bring success, there is a culture of always thinking not only about one's own work, but also about how to give it to the next person and how they can do it well.

Yoshida I work for Mitsui Fudosan Investment Advisors and my job is building private real estate funds and doing asset management of real estate assets incorporated into the funds. I find the job of project management rewarding. In this job, I constantly consider what is best for each of the many stakeholders involved, such as investors who invest in the funds, and coordinate the entire process. I can work on a big project with real estate that you wouldn't normally be able to work on or with investors that you wouldn't be able to meet. So, project management is very interesting.

Tochigi Project management is a key phrase that made me change my job to Mitsui Fudosan. In my previous job, I worked for a manufacturer and was stationed in Europe. I had an



opportunity to work on a project basis, and I found project management itself very interesting. So I joined Mitsui Fudosan, which is closely related to daily life and conducts project management as part of its business. I am currently in charge of office building development. Our Company's development projects are large, and there are many difficult matters to deal with, but through discussions with various people, such as general contractors and design offices, we can move the projects forward little by little with their help. I find such overall job management very satisfactory and enjoyable.

Utsunomiya We, Mitsui Fudosan, as a developer, are not experts specializing in a particular field, but are trained to maximize the strengths of our partners, who are experts, and to achieve our goals, with diverse and broad perspectives. Regardless of the scale of the project, it can be said that our staff are trained by many external parties.

Tochigi I enjoy the sense of managing and moving forward with a project that involves a large number of people and solving problems. I also find it rewarding to build relationships of trust with people with various personalities and strengths to form a team.

Kodama I want to work with this person again or that person wants to work with me again—that kind of relationship is an asset to me, and is also an asset to the Company.

Tochigi Exactly. I feel that we are building relationships that continue not only during the project, but even after it's over.

Working styles where diversity has an advantage

Do you feel that your personality and experience are advantageous for your work?

Nakamura I was in charge of LaLaport's operations in the past, and I realized that what I noticed was different depending on my life stage. Especially when it comes to the safety and security of retail facilities, although not much had bothered me before, when I had a child, I noticed, "This height is dangerous because it may hit an infant's face," and "When a child is about three years old, these decorative promotional products might be swallowed." I often experienced that when I informed

what I noticed to others, and then improvements were made right away, which was very rewarding. In our sales promotion activities, in order to find out how to make mothers raising children come to the retail facilities, targeting about a hundred employees raising children in the Company, we conducted a questionnaire survey. The resulting ideas from this survey were incorporated into measures, and the results were highly appreciated by customers.

Nakayasu In B2C work, you can incorporate your thoughts and what you realized in your work, and feel the customer's reaction to it directly. The sale of condominiums is the same.

Kodama Some of the customers who are considering purchasing a condominium are single, but most customers are families. Because I have a child, I can utilize my own experiences in the sales promotion, like, I can advise customers about needs for changing housing, such as having this type of layout will be good when starting a family in the future.

Nakayasu For example, do you think men and women have different needs and information?

Kodama Men often pay more attention to the quantitative aspects such as property price, but women tend to focus on the qualitative aspects. Some of these customer needs have already been recognized by customers, while others only come to light when we make suggestions. Therefore, in order to create new products and differentiate our products from those of other companies, we are not only reflecting customers' opinions in our products, but everyone is joining the discussions about what we can newly suggest to our customers every day. Because "housing" is a basic item, there are many different customers, so

in order to continue discussions from all perspectives, diversity on the part of employees is also important.

Nakayasu How about in the B2B business?

Tochigi In a large-scale development project, for example, there are many occasions to have discussions with external parties, such as local governments, neighbors of properties, and landowners. Depending on the other party or the purpose of the discussion, the person to go to in the discussion is determined according to the personality and position of individual staff members; like, I may be asked "this time, Tochigi-san is the appropriate person to go to," or for another occasion, it might be better for the team leader to go. Because not everyone excels in all tasks, I think it is important for us to share roles on the team and decide who should do what on the spot. We all work together to promote our business, but as there are diverse persons, as to who should do what task on each occasion, I feel it is important to put the right person in the right place.

my boss at the time, and he set up a team with me as the leader. He thought that rather than reducing Yoshida's duties because of her constraints, it would be better for her to work with her team to realize what she wanted to do. I am very grateful to him because he tried to solve the problem by making friends instead of carrying problems by myself.

Utsunomiya Since there is no Superman, it's important to share your roles by involving your boss and people around you by saying "Please do this. I'll do that." That also serves as a risk management in preparation for unexpected situations. Regardless of gender, each person has different circumstances and specialties. Get help at times and help when someone is in trouble. I hope that the sense of mutual relationship will spread more and more.

Toward the future of the Mitsui Fudosan Group

What do you think of the current workplace in terms of women's ease of working?

Tochigi Most of the managers around me are men, and some of them go out for drinks on weekday evenings and play golf with business associates on holidays. I think there will still be a style of working in such a way, but recently, the number of women in managerial positions has been increasing,

and they have created different work styles from those of previous managers. Recently, I had the opportunity to talk with colleagues in my department about the image of the next management position, and the result was, "What we feel when we look at managers today, and how we become new types of



Mikiko Utsunomiya

Mitsui Fudosan Co., Ltd.
Managing Officer
Joined the Company in 1991 as a new graduate



Riyo Tochigi

Mitsui Fudosan Co., Ltd.
Office Building Division, Development Group,
Office Building Development Department (II)
Joined the Company in 2020 as a mid-career hire



Satoko Nagai

Mitsui Fudosan Co., Ltd.
Hotels and Resorts Division, Operation and Management Group,
Hotel and Resort Management Department (II)
Joined the Company in 2007 as a mid-career hire



Aya Nakamura

Mitsui Fudosan Retail Management Co., Ltd.
Planning Section, D&I Planning Department
Joined the Company in 2013 as a new graduate



Miho Kodama

Mitsui Fudosan Residential Co., Ltd.
Development Section, Urban Development Department (II)
Joined the Company in 2003 as a mid-career hire



Yoko Yoshida

Mitsui Fudosan Investment Advisors, Inc.
Investment Advisory Dept./Global Investment Advisory Dept.
Joined the Company in 2014 as a mid-career hire



Rie Nakayasu (facilitator)

Mitsui Fudosan Co., Ltd.
D&I Promotion Department, Personnel Department
Joined the Company in 2010 as a mid-career hire

Enhancing a work-life balance

Have you ever had a hard time achieving a good balance between work and private life?

Nakamura When a child gets sick, you may have to take time off urgently. In the past, we just felt sorry for our colleagues. But in 2019, Mitsui Fudosan Retail Management appointed a female corporate officer for the first time, and based on her opinion, an information exchange meeting for employees raising children was started. By listening to the experiences of people in a similar situation and giving advice to each other, I was able to change my awareness in a positive manner and I was relieved that I wasn't alone, I have friends.

Kodama Mitsui Fudosan Residential also has a large percentage of male employees, so sometimes working mothers raising children in each department used to be isolated. In order to solve this problem, we invited working

mothers from across departments and job categories and had a roundtable discussion, and many of the opinions that came out were that information could not be shared with everyone and that colleagues would not understand. These opinions were compiled and fed back to the Personnel Department.

Utsunomiya Rather than complaining that they don't listen to us or they would not understand us, it is important to communicate the opinions by ourselves. If you need to rely on others in your business, it may be difficult for you to state your request. Our Group has a base to accept various opinions, so you better try to convey your thoughts without hesitation.

Yoshida In the past, when I was caring for my family member and couldn't find a good balance with my work, I talked with

leaders and managers, ultimately depends on our awareness [of the need for diversity]."

Kodama There are various styles of work, and each has its advantages and disadvantages. Rather than simply denying the existing work styles, we must communicate our opinions properly while respecting the feelings of other persons. I think that will make the work go smoothly.

Utsunomiya I think empathy is a strength of women. When I joined the Company, there were very few women in general positions and I had to adapt to the way men think and work. But now the working environment is different. Even if there is a situation in which discussions go in a particular direction, if you have empathy, you will never deny the other person and can find a point of contact by saying that "Although I understand your idea, this view is also important."

Nagai In the past, it was difficult for me to state my opinion when I thought I might be wrong, but recently I have started to think that by stating my opinions I may present a basis for judgments, so I am doing it little by little.

Utsunomiya In reality, there are situations where decisions are made based on the logic of men and they are adjusted accordingly. However, in order to promote D&I, it is essential for every employee to change their thinking and behavior. I believe that even if we are in a different position, by continuing to have frank and persistent dialogue, we will transform ourselves into a company and society that accepts diversity. For the next generation, we now have a heavy responsibility.

Note: This roundtable discussion was conducted while taking precautions against COVID-19.

DX Promotion Initiatives

Further Accelerating “Real Estate as a Service”

As one of three visions in the Mitsui Fudosan Group’s long-term vision, VISION 2025, the Group calls for “harnessing technology to innovate the real estate business.”

In an era of great changes and diversification in lifestyles, we advocate “Real Estate as a Service,” which provides real estate to customers as a service rather than a thing. This service is based on actions such as “working,” “living,” and “enjoying,” and we will further strengthen digital transformation (DX), which is a crucial and necessary means to realize this.

Business Reforms Office Buildings

Using Robots at TOKYO MIDTOWN YAESU

Mitsui Fudosan has been studying the use of robots in office buildings for some time, and to achieve vertical and horizontal movement of robots, at TOKYO MIDTOWN YAESU, in addition to the active use of automatic doors, we enabled communication and coordination with elevators and security doors. As a result, fully autonomous running of robots is realized, and not just limited to “demonstration experiments,” but a full-scale introduction of robot utilization will start from this facility.



Provided by Takenaka Corporation

● Delivery robot: Providing a food delivery service using a robot, a first for an office building



Delivery robot “RICE”

● Cleaning robot: Autonomous driving for complete labor-saving in cleaning jobs, which was not possible in the past



Cleaning robot “RULO-Pro”

● Transport robot: By making it possible to easily transport heavy loads, it is possible to employ a diverse range of human resources.



Transport robot “THOUZER”



Provided by Takenaka Corporation

Business Reforms Tokyo Dome

Completely Cashless Operations in Tokyo Dome

To promote digital transformation (DX) in the biggest renovation in our history, completely cashless operations were introduced within Tokyo Dome from March 2022. By using mobile payment terminals, not only all the retail stores and on-site ticket counters, but also sales of food and drinks in the stadium have enabled complete cashless payment. Reducing contact opportunities such as giving and receiving cash is expected to help strengthen measures against the spread of infection, and also customer wait times at retail stores and other facilities can be reduced.

Visitors can enjoy easier, smoother shopping and game watching at the stadium thanks to a range of convenient cashless payment options. In addition, a DX Support Desk at the stadium will offer step-by-step assistance to visitors who are using cashless payments for the first time.



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完全キャッシュレス化

現金はご利用いただけません

DX サポートデスク

DX サポートデスクでは、キャッシュレスに関するお問い合わせに対応いたします。

COMPLETELY
CASHLESS

OUR
NEW
EXP.

Provided by The Yomiuri Shimbun



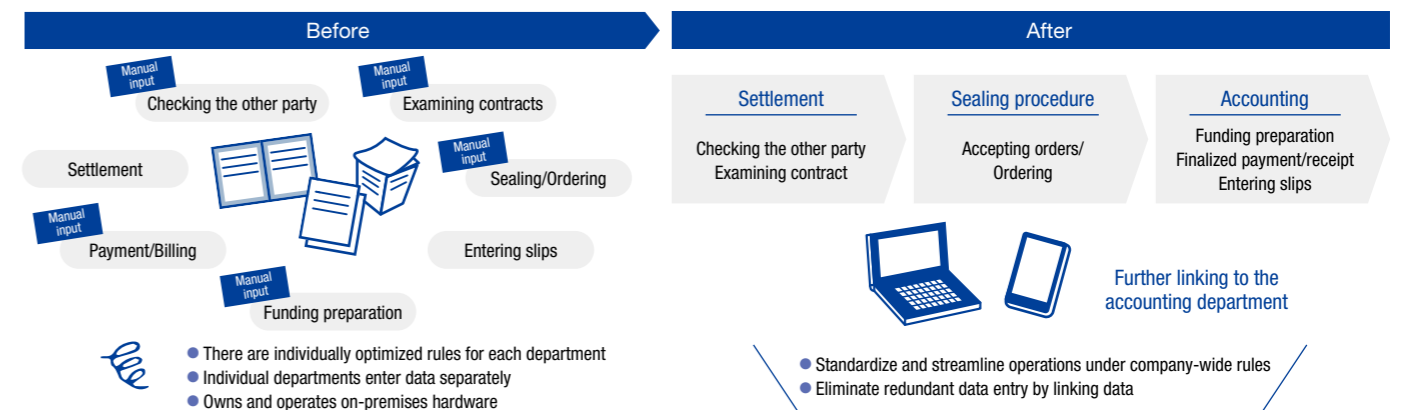
Workstyle Reforms

Revamping the Core System with a Full-Cloud System to Realize Operational Efficiency and Mobile Work

Mitsui Fudosan revamped its core decision-making and accounting systems and introduced new systems in April 2019. In addition to standardizing business processes that had previously been individually optimized for each department, we also integrated independent decision-making and accounting systems to build a full cloud system. By standardizing and streamlining company-wide operations, eliminating redundant data entry and digitizing workflows, we will reduce approximately 58,000 hours of workload annually.

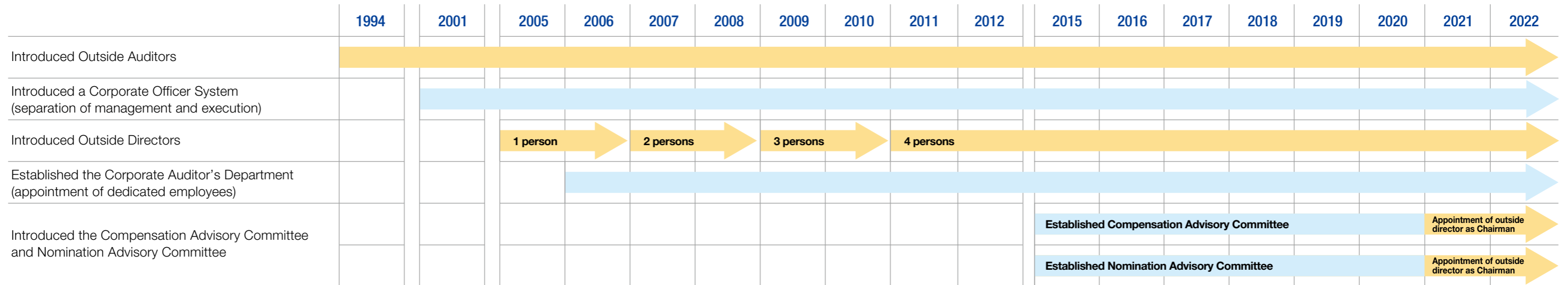
We plan to migrate all IT systems, including other core systems, to the cloud in the future, as the use of the cloud makes it possible to reduce the operational load and strengthen BCP/DR.

- **Advantage 1: Achieves standardization and efficiency of company-wide operations and simplifies operations**
All of the operational processes which were different in each department are listed on the system, and a standardized management method is used.
- **Advantage 2: Linking data shortens work and the check time, and reduces mistakes**
By pre-formatting the items to be entered in the approval form and linking the data entered in the approval form with the accounting operation, mistakes are reduced and the check time is shortened.
- **Advantage 3: Digitization of workflows and the introduction of mobile approval have made it possible to work anywhere**
By digitizing workflows that used to be paper-based, approximately 840,000 sheets of paper are reduced per year, and also, printing, mailing, and storage costs are lowered, so that workload associated with document management and operation is reduced. In addition, a mobile approval function is introduced to promote mobile work, allowing workers to work anywhere.

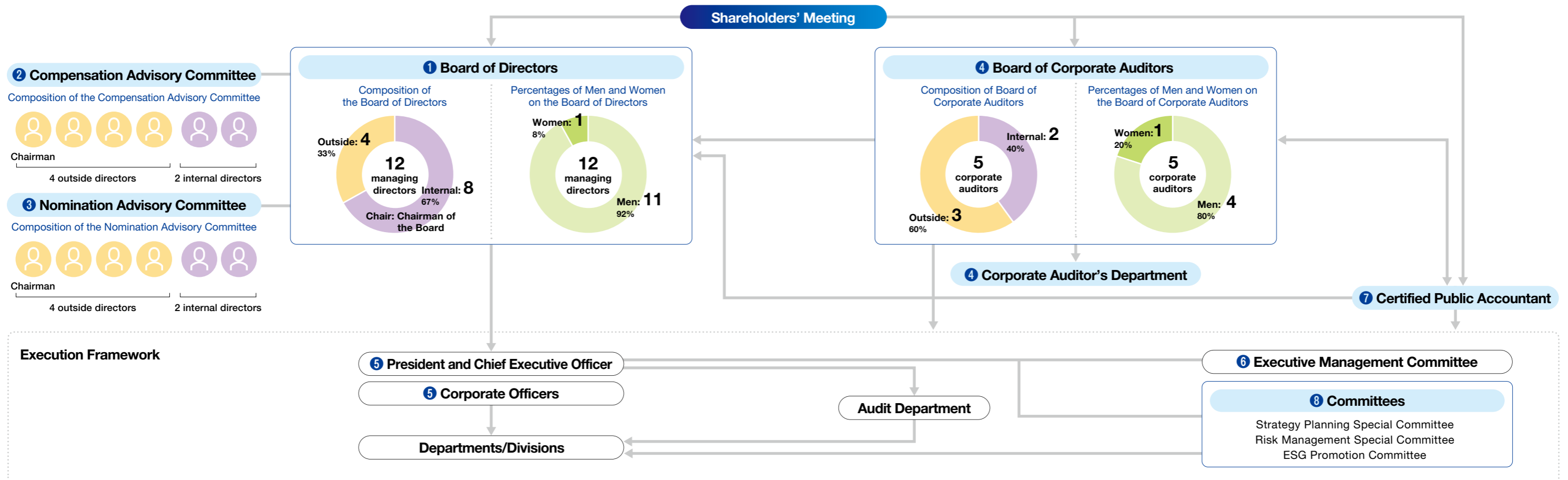


Corporate Governance

Initiatives for Enhancing Corporate Governance



Corporate Governance Structure



Organizations in the Corporate Governance Structure

1 Board of Directors

The Board of Directors, headed by Chairman Hiromichi Iwasa and comprised of twelve members, including eight internal directors (Hiromichi Iwasa, Masanobu Komoda, Kiyotaka Fujibayashi, Yasuo Onozawa, Takashi Yamamoto, Takashi Ueda, Takayuki Miki, and Wataru Hamamoto) and four outside directors (Masafumi Nogimori, Tsunehiro Nakayama, Shinichiro Ito, and Eriko Kawai), decides on issues material to Mitsui Fudosan and monitors the execution of business by managing directors. In addition, under Article 373 (1) of the Companies Act, we have designated a special managing director who may pass judgment on the urgent acquisition of assets via bidding, etc., when so empowered by the Board of Directors under Article 362 (4) of the Companies Act. The corporate auditors also attend meetings of the Board of Directors and provide opinions as necessary.

2 Compensation Advisory Committee

The Compensation Advisory Committee, headed by independent outside director Masafumi Nogimori as Chairman and comprised of six members, including four independent outside directors (Masafumi Nogimori, Tsunehiro Nakayama, Shinichiro Ito, and Eriko Kawai), President and Chief Executive Officer Masanobu Komoda, and one internal director (Yasuo Onozawa), advises on matters pertaining to the compensation of managing directors when the Board of Directors makes resolutions on such matters.

3 Nomination Advisory Committee

The Nomination Advisory Committee, headed by independent outside director Masafumi Nogimori as Chairman and comprised of six members, including four independent outside directors (Masafumi Nogimori, Tsunehiro Nakayama, Shinichiro Ito, and Eriko Kawai), President and Chief Executive Officer Masanobu Komoda, and one internal director (Yasuo Onozawa), advises on matters pertaining to the nomination of managing directors and corporate auditors, as well as the appointment and dismissal of managers when the Board of Directors makes resolutions on such matters.

4 Board of Corporate Auditors

The Board of Corporate Auditors, headed by senior corporate auditor Masatoshi Sato, is comprised of two internal auditors (Masatoshi Sato and Hiroyuki Ishigami) and three outside auditors (Yoshitaka Kato, Yasushi Manago, and Yukimi Ozeki), for a total of five auditors, and formulates auditing policies and determines assignments. It also receives reports and discusses material items on audits conducted according to these policies and assignments. Note that the Corporate Auditor's Department has been established specifically to assist the corporate auditors with their work, and there are two dedicated employees.

5 Corporate Officers

Mitsui Fudosan has introduced a corporate officer system with the aim of creating a business execution framework that best suits its operating environment and activities. By promoting the separation and reinforcement of the management and executive functions, a role that was previously undertaken by managing directors, the system enhances management soundness and efficiency. In addition, seeking to further reinforce the management of the Mitsui Fudosan Group, we have expanded the range of managers across the Group and introduced a Group corporate officer system, under which executives at Group companies have been given a status and mission similar to those of the corporate officers.

6 Executive Management Committee

The Executive Management Committee, consisting of executive corporate officers, has been formed to deliberate and report on important matters related to business execution, and supervises internal control and risk management. Fulltime corporate auditors also attend meetings to stay informed of important decision-making processes and the status of business execution, and provide opinions as necessary.

7 Certified Public Accountant

Mitsui Fudosan has concluded an auditing contract with KPMG AZSA LLC as its certified public accountant, which conducts audits. There is no shared interest between the auditor and the Company, nor between employees conducting operations for the auditor and the Company.

8 Committees

Mitsui Fudosan has established committees headed by the President and Chief Executive Officer. The Risk Management Special Committee is an organization that manages work risks, while the Strategy Planning Special Committee is an organization that manages business risks. Through these, we identify and assess risk issues and draft countermeasures. In addition to these, the ESG Promotion Committee manages the Company's initiatives involving sustainability.

Enhancement of the Effectiveness of the Board of Directors

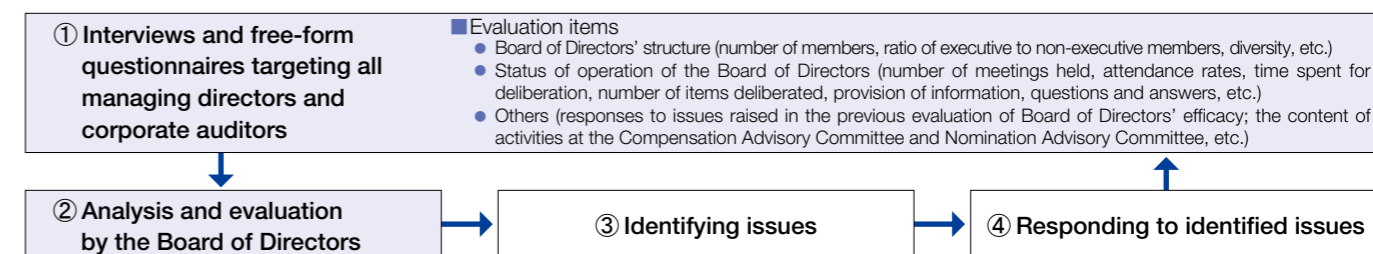
Evaluation of Board of Director Effectiveness

Aiming to further enhance the functions of the Board of Directors, the Company analyzes and evaluates the efficacy of the Board of Directors every year to identify issues and respond to such issues. As a means of analysis and evaluation, the Company uses a third-party organization for preparation and analysis of questionnaires. The evaluation and improvement process for the effectiveness of the Board of Directors is as described in (1) below.

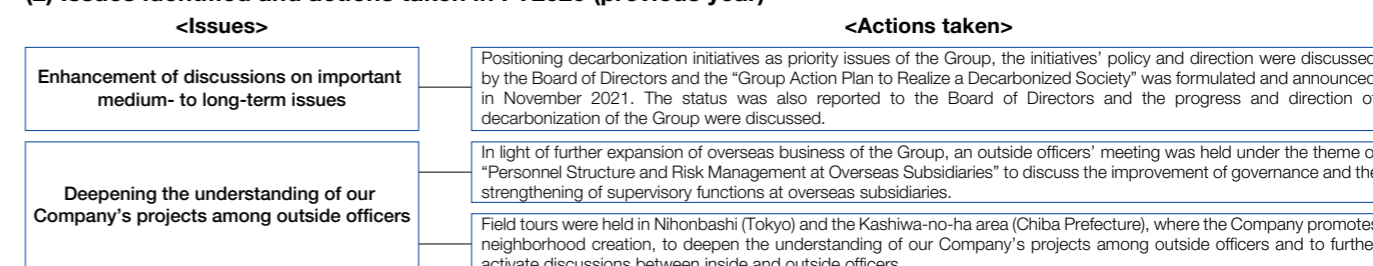
In the evaluation of the effectiveness of the Board of Directors in fiscal 2021 (current year), each evaluation item was generally highly evaluated, as shown in (2) below, and it was confirmed that the Board of Directors' efficacy was properly maintained.

In the future, we will continue to identify issues and formulate action policies as described in (3) below.

(1) Evaluation and improvement process Process of utilizing a third-party organization

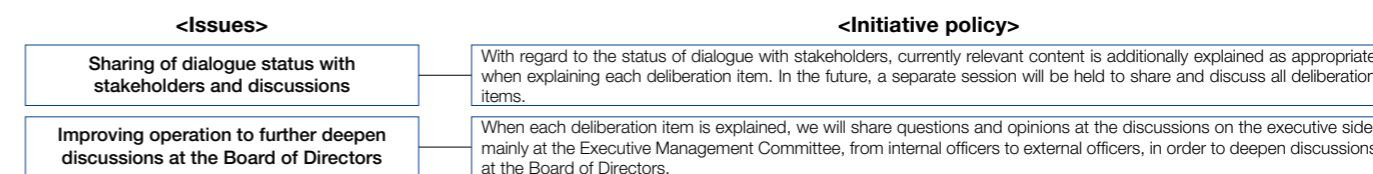


(2) Issues identified and actions taken in FY2020 (previous year)



(3) Issues identified and actions taken in FY2021 (current year)

Generally, a high evaluation was given to each evaluation item. The improvement initiatives listed above are being implemented based on the findings of the previous evaluation of Board of Directors' efficacy and it was confirmed that the Board of Directors' efficacy was properly maintained.



Initiatives Aimed at Holding Meaningful Discussions

To aid managing directors and corporate auditors in ably fulfilling their roles, the Company conducts orientations upon appointing new officers, performs regular executive training, and otherwise provides information necessary for the performance of duties.

In addition to creating opportunities for exchanges of opinions between outside officers and top management, assigning staff to support the Board of Directors and the Board of Corporate Auditors, and distributing materials and providing briefings to outside directors in advance of Board of Directors meetings, the Company bears expenses required by managing directors and corporate auditors in carrying out their roles.

Practical example

Outside Officer Meetings (conducted five times in FY2021)	We hold Outside Officer Meetings as appropriate to enable exchanges of opinions with corporate auditors, outside directors, and internal directors, including the President and Chief Executive Officer. These meetings address our business strategy and specific businesses.
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Managing Directors' Expertise, Experience, and Attendance at Board of Directors Meetings

To ensure balance and diversity for the Board of Directors as a whole and to enable multifaceted and useful discussions in meetings, we take the capabilities and experience of managing directors into account in the selection of human resources, and maintain an appropriate scale for the Board of Directors that allows it to function effectively and efficiently.

		Attendance at Board of Directors Meetings (FY2021)	Areas of expertise and experience						
			Corporate management	Treasury, accounting and finance	Compliance and risk management	Global	Technology and innovation	ESG and sustainability	Urban development (real estate development, etc.)
Hikomichi Iwasa	Chairman of the Board	12 / 12	●	●	●		●	●	●
Masanobu Komoda	President and Chief Executive Officer	12 / 12	●	●	●	●	●	●	●
Kiyotaka Fujibayashi	Managing Director and Executive Vice President	12 / 12	●		●			●	●
Yasuo Onozawa	Managing Director and Executive Vice President	12 / 12			●			●	●
Takashi Yamamoto	Managing Director	12 / 12	●		●	●			●
Takashi Ueda	Managing Director	12 / 12		●				●	●
Takayuki Miki	Managing Director	Newly appointed		●				●	●
Wataru Hamamoto	Managing Director	12 / 12		●				●	●
Masafumi Nogimori	Outside Director	12 / 12	●		●	●	●	●	
Tsunehiro Nakayama	Outside Director	12 / 12	●	●	●	●		●	
Shinichiro Ito	Outside Director	11 / 12	●		●	●	●	●	
Eriko Kawai	Outside Director	10 / 12		●	●	●	●	●	

Board of Directors Decisions and Reports

The following matters are resolved by or reported to the Mitsui Fudosan Board of Directors as stipulated by laws and regulations, the Company's Articles of Incorporation, and company rules such as those regarding the Board of Directors. Agenda items to be deliberated by the Board of Directors are, in principle, deliberated in advance by the Executive Management Committee, which is composed of executive corporate officers. Full-time corporate auditors also attend Executive Management Committee meetings to stay informed on important decision-making processes and the status of business execution, and provide opinions as necessary.

- (1) Matters related to shareholders' meetings
- (2) Matters related to managing directors
 - Preliminary selection of director candidates
 - The appointment and dismissal of representative managing directors
 - The appointment and dismissal of executive directors
 - Compensation and bonuses for managing directors
 - Other important matters
- (3) Matters related to the Company's structure
- (4) Important matters related to compliance, etc.
 - Formulating a compliance promotion plan for the fiscal year
 - Reporting on the results of compliance promotion activities implemented during the fiscal year
 - Formulating an audit plan for the fiscal year
 - Reporting on audit activities implemented during the fiscal year
 - Evaluating internal controls concerning financial reporting during the fiscal year and formulating audit-related policy (J-SOX activities)
- (5) Important matters related to personnel
 - The appointment and dismissal of corporate officers and executive corporate officers
 - The appointment and dismissal of key employees
 - Compensation and bonuses for corporate officers, etc.
- (6) Important matters related to finance and assets
- (7) Other matters that are especially important in regard to managing the Company or executing duties

Executive Compensation

Breakdown of Compensation

Managing directors' compensation consists of basic compensation, bonuses paid as short-term incentives that comprehensively take into consideration such things as business results achieved in each fiscal year which must be approved by resolution at the Ordinary General Shareholders' Meeting, and restricted stock compensation paid as medium- to long-term incentives for the purpose of sustainably increasing the corporate value of the Group and further sharing shareholder value with shareholders. Compensation paid to outside directors and corporate auditors is solely basic compensation.

The amount of compensation for managing directors is determined by the Board of Directors following consultation with the Compensation Advisory Committee. Corporate auditors' compensation is determined based on discussions among corporate auditors.

Breakdown of Managing Directors' Compensation

Restricted Stock Compensation (Medium- to Long-Term Incentives)	Performance-based (Approx. 45%–50%)
Bonuses (Short-Term Incentives)	
Basic Compensation	Non-performance-based (Approx. 50%–55%)

Performance-Based Compensation Indicators

Comprehensive consideration is given to the following factors:

- Performance for the current term
- Status of ESG-related initiatives
- Redistribution of profits among shareholders based on our returns policies
- Progress of our Group's long-term management policies
- Economic climate
- Business environment

Executive Compensation Structure

Title	Basic compensation	Short-term incentives	Medium- to long-term incentives
		Bonus	Restricted stock compensation
Internal directors	○	○	○
Internal corporate auditors	○	—	—
Outside directors and outside corporate auditors	○	—	—

Compensation by Title, Amount of Compensation by Type, and Number of Applicable Executives (FY2021)

Title	Total compensation (Millions of Yen)	Amount of compensation by type (Millions of yen)			Number of applicable executives
		Basic compensation	Bonus	Restricted stock compensation	
Managing directors (of these, outside directors)	1,342 (76)	714 (76)	464 (—)	163 (—)	13 (5)
Corporate auditors (of these, outside corporate auditors)	152 (46)	152 (46)	—	—	5 (3)
Total (of these, outside directors and corporate auditors)	1,495 (122)	867 (122)	464 (—)	163 (—)	18 (8)

Note: The number of persons and the amount of compensation above include one managing director who retired at the conclusion of the 109th Ordinary General Shareholders' Meeting held on June 29, 2021.

Compensation of Executives Exceeding ¥100 million (FY2021)

Name	Title	Company	Amount of compensation by type (Millions of yen)			Total compensation (Millions of yen)
			Basic compensation	Bonus	Restricted stock compensation	
Hikomichi Iwasa	Chairman of the Board	Mitsui Fudosan Co., Ltd.	120	93	30	244
Masanobu Komoda	President and Chief Executive Officer	Mitsui Fudosan Co., Ltd.	120	93	30	244
Yoshikazu Kitahara	Managing Director and Executive Vice President	Mitsui Fudosan Co., Ltd.	75	52	19	147
Kiyotaka Fujibayashi	Managing Director	Mitsui Fudosan Co., Ltd.	73	52	19	145
Yasuo Onozawa	Managing Director	Mitsui Fudosan Co., Ltd.	68	52	19	140
Takashi Yamamoto	Managing Director	Mitsui Fudosan Co., Ltd.	52	39	14	118
Takashi Ueda	Managing Director	Mitsui Fudosan Residential Co., Ltd.	10	—	—	
Takashi Ueda	Managing Director	Mitsui Fudosan Co., Ltd.	63	39	14	117
Wataru Hamamoto	Managing Director	Mitsui Fudosan Co., Ltd.	63	39	14	117

Note: Executive officer data are for fiscal 2021.

Restricted Stock Compensation System

The Group has introduced a restricted stock compensation system in lieu of stock options as compensation for managing directors, excluding outside directors with the aim of providing an incentive to achieve continuous improvement of the Company's corporate value and to encourage a further sharing of value with shareholders (resolved at the 108th Ordinary General Shareholders' Meeting held on June 26, 2020). Meanwhile, stock acquisition rights which have already been granted as stock options but have not yet been exercised will continue to exist. However, no new stock options will be granted.

Purpose of introduction:

Providing incentives for eligible directors* to achieve continuous improvement of the Company's corporate value, and to encourage a further sharing of value with the shareholders.

Maximum amount:

Up to ¥600 million/200,000 shares per year

Restriction period:

For the duration of the period until the point immediately after the eligible director loses his or her position as the Company's managing director.

Other:

In addition to the eligible directors, the Company also has introduced the system to managing officers and Group officers who do not concurrently serve as managing directors of the Company.

* Eligible directors: Directors excluding outside directors

Appointment of Managing Directors/Corporate Auditors and Corporate Officers

Appointment of Managing Directors and Corporate Auditors

Based on the Group's management philosophy and management strategy, the Company performs comprehensive evaluations of character, capabilities, insights, and other factors to appoint persons considered suitable as managing directors and corporate auditors.

Introduction of the Corporate Officer System

Mitsui Fudosan has introduced a corporate officer system with the aim of creating a business execution framework that best suits its operating environment and activities. By promoting the separation and reinforcement of the management and executive functions, a role that was previously undertaken by managing directors, the system enhances management soundness and efficiency.

In addition, seeking to further reinforce the management of the Mitsui Fudosan Group, we have expanded the range of managers across the Group and introduced a Group corporate officer system, under which executives at Group companies have been given a status and mission similar to those of the corporate officers.

Reasons for Appointment of Managing Directors and Corporate Auditors

	Independent officer	Reasons for the appointment	Fiscal 2021 attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Hironichi Iwasa Chairman of the Board		Hironichi Iwasa served as President and Chief Executive Officer from June 1998 to June 2011, during which time he gained a wealth of experience and insight related to the Group's general business operations as an executive. Since June 2011, he has led the Group's management, deciding upon important matters of management and supervising business execution, among other duties. As a result, he plays an appropriate role in contributing to enhancement of the Company's corporate value. The Company re-selected Mr. Iwasa as a managing director as he is expected to make further contributions to enhancement of the Group's corporate value going forward.	Board of Directors Meetings: 12/12
Masanobu Komoda President and Chief Executive Officer		Masanobu Komoda has served as President and Chief Executive Officer since June 2011, during which time he has gained a wealth of experience and insight related to the Group's general business operations as an executive. He leads the Group's management, deciding upon important matters of management and supervising business execution, among other duties. As a result, he plays an appropriate role in contributing to enhancement of the Company's corporate value. The Company re-selected Mr. Komoda as a managing director as he is expected to make further contributions to enhancement of the Group's corporate value going forward.	Board of Directors Meetings: 12/12
Kiyotaka Fujibayashi Managing Director and Executive Vice President		Since joining the Company, Kiyotaka Fujibayashi has amassed abundant experience in various fields. In addition, he served as President and Representative Director, Mitsui Fudosan Residential Co., Ltd. from April 2012 to March 2021, gaining a wealth of experience and insight as top management. Presently, as the Company's managing director, he is responsible for the Group's housing business. In this capacity, he decides upon important matters of management and supervises business execution, among other duties, playing an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Fujibayashi as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 12/12
Yasuo Onozawa Managing Director and Executive Vice President		Since joining the Company, Yasuo Onozawa has amassed abundant experience in various fields. Presently, as the Company's managing director, he is responsible for general administration, secretarial duties, public relations, human resources and affiliated businesses, etc. In this capacity, he decides upon important matters of management and supervises business execution, among other duties, playing an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Onozawa as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 12/12
Takashi Yamamoto Managing Director		Since joining the Company, Takashi Yamamoto has amassed abundant experience in various fields. Presently, as the Company's managing director, he is responsible for the overseas business. In this capacity, he decides upon important matters of management and supervises business execution, among other duties, playing an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Yamamoto as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 12/12

	Independent officer	Reasons for the appointment	Fiscal 2021 attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Takashi Ueda Managing Director		Since joining the Company, Takashi Ueda has amassed abundant experience in various fields. Presently, as the Company's managing director, he is responsible for the building business, new business development, and large-scale mixed-use development projects, among others. In this capacity, he decides upon important matters of management and supervises business execution, among other duties, playing an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Ueda as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 12/12
Takayuki Miki Managing Director ^{*1}		Since joining the Company, Takayuki Miki has amassed abundant experience in various fields. After assuming the position of managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as managing officer such as by serving as manager of the logistics properties development. In this capacity, he is playing an appropriate role including deciding upon important matters of management and supervising business execution, among other duties. Based on the aforementioned, the Company re-selected Mr. Miki as a managing director as he is expected to make further contributions going forward.	—
Wataru Hamamoto Managing Director		Since joining the Company, Wataru Hamamoto has amassed abundant experience in various fields. Presently, as the Company's managing director, he is responsible for accounting, corporate planning, and promotion of digital transformation (DX), among others. In this capacity, he decides upon important matters of management and supervises business execution, among other duties, playing an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Hamamoto as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 12/12
Masafumi Nogimori Outside Director	○	As the Company's outside director, Masafumi Nogimori has played an appropriate role aimed at reinforcing the supervision functions of the Board of Directors and ensuring transparency. He is expected to make further contributions going forward, and because there is no possibility of conflicts of interest with general shareholders, he has been appointed as an outside director and independent officer.	Board of Directors Meetings: 12/12
Tsunehiro Nakayama Outside Director	○	As the Company's outside director, Tsunehiro Nakayama has played an appropriate role aimed at reinforcing the supervision functions of the Board of Directors and ensuring transparency. He is expected to make further contributions going forward, and because there is no possibility of conflicts of interest with general shareholders, he has been appointed as an outside director and independent officer.	Board of Directors Meetings: 12/12
Shinichiro Ito Outside Director	○	As the Company's outside director, Shinichiro Ito has played an appropriate role aimed at reinforcing the supervision functions of the Board of Directors and ensuring transparency. He is expected to make further contributions going forward, and because there is no possibility of conflicts of interest with general shareholders, he has been appointed as an outside director and independent officer.	Board of Directors Meetings: 11/12
Eriko Kawai Outside Director	○	As the Company's outside director, Eriko Kawai has played an appropriate role aimed at reinforcing the supervision functions of the Board of Directors and ensuring transparency. She is expected to make further contributions going forward, and because there is no possibility of conflicts of interest with general shareholders, she has been appointed as an outside director and independent officer.	Board of Directors Meetings: 10/12 ^{*2}
Masatoshi Sato Senior Corporate Auditor		Since joining the Company, Masatoshi Sato has amassed abundant experience in various fields. As a director of the Company, he has overseen wide-ranging work including accounting, general affairs, and IT innovation, and possesses abundant experience gained through these duties. Based on this, the Company has determined that he is able to appropriately audit the execution of duties by managing directors, and has appointed him as a corporate auditor.	Board of Directors Meetings: 12/12 Board of Corporate Auditors Meetings: 12/12
Hiroyuki Ishigami Senior Corporate Auditor		Since joining the Company, Hiroyuki Ishigami has amassed abundant experience in various fields. As a director of the Company, he has overseen wide-ranging work involving the retail facilities, hotels/resorts, and logistics businesses, and possesses abundant experience gained through these duties. Based on this, the Company has determined that he is able to appropriately audit the execution of duties by managing directors, and has appointed him as a corporate auditor.	Board of Directors Meetings: 12/12 Board of Corporate Auditors Meetings: 12/12
Yoshitaka Kato Outside Auditor	○	Yoshitaka Kato is currently fulfilling appropriate roles as an outside auditor of the Company towards sufficiently realizing his function of monitoring the execution of duties by the managing directors through the use of his professional knowledge and broad experience concerning accounting and taxes and expressing his opinions on the agendas as necessary. Going forward, he is expected to make further contributions, and because there is no possibility of conflicts of interest with general shareholders, he has been appointed an outside auditor and independent officer.	Board of Directors Meetings: 12/12 Board of Corporate Auditors Meetings: 12/12
Yasushi Manago Outside Auditor	○	Yasushi Manago is currently fulfilling appropriate roles as an outside auditor, sufficiently realizing his function of monitoring the execution of duties by the managing directors through the use of his professional knowledge and broad experience concerning finance and legislation and expressing his opinions on the agendas as necessary. Going forward, he is expected to make further contributions, and because there is no possibility of conflicts of interest with general shareholders, he has been appointed an outside auditor and independent officer.	Board of Directors Meetings: 11/12 Board of Corporate Auditors Meetings: 11/12
Yukimi Ozeki Outside Auditor	○	Yukimi Ozeki is currently fulfilling appropriate roles as an outside auditor, sufficiently realizing her function of monitoring the execution of duties by the managing directors through the use of her professional knowledge and broad experience concerning the Companies Act and expressing her opinions on the agendas as necessary. Going forward, she is expected to make further contributions, and because there is no possibility of conflicts of interest with general shareholders, she has been appointed an outside auditor and independent officer.	Board of Directors Meetings: 11/12 Board of Corporate Auditors Meetings: 11/12

*1 Newly appointed as an inside director on June 29, 2022

*2 Appointed on June 29, 2021. 100% attendance rate at Board of Director meetings during period of appointment.

Management Team

Members of the Board (As of June 29, 2022)



Hiromichi Iwasa
Chairman of the Board
Shares in Company: 92 thousand shares

- Apr. 1967 Joined Company
- Jun. 1995 Managing Director, General Manager of Project Planning Division, Project 1st Planning Dept., General Manager of Project Planning Division, Construction Dept.
- Apr. 1996 Executive Managing Director, Chief Operating Officer of Project Planning Division
- Jun. 1997 Senior Executive Managing Director (Representative), Chief Operating Officer of Project Planning Division
- Apr. 1998 Senior Executive Managing Director (Representative), Chief Operating Officer of Asset Management Division
- Jun. 1998 President (Representative)
- Apr. 2001 President and Chief Executive Officer (Representative)
- Jun. 2011 Chairman of the Board and Chief Executive Officer (Representative)
- Apr. 2019 Chairman of the Board (Representative) (current position)

Significant positions currently held, etc.
Outside Director, TV TOKYO Holdings Corporation



Masanobu Komoda
President and Chief Executive Officer
Shares in Company: 62 thousand shares

- Apr. 1978 Joined Company
- Jun. 2009 Executive Managing Director, Executive Managing Officer, General Manager of Investment Dept.
- Jul. 2010 Senior Executive Managing Director, Senior Executive Managing Officer, General Manager of Investment Dept.
- Apr. 2011 Senior Executive Managing Director, Senior Executive Managing Officer
- Jun. 2011 President and Chief Executive Officer (Representative) (current position)



Kiyotaka Fujibayashi
Managing Director and Executive Vice President
Shares in Company: 20 thousand shares

- Apr. 1981 Joined Company
- Apr. 2012 President and Representative Director, Mitsui Fudosan Residential Co., Ltd.
- Jun. 2013 Managing Director, Executive Managing Officer
- Apr. 2017 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division
- Apr. 2020 Managing Director, Executive Vice President, Chief Operating Officer of Homes and Lifestyle Promotion Division
- Apr. 2021 Chairman of the Board, Mitsui Fudosan Residential Co., Ltd. (current position)
- Apr. 2022 Managing Director (Representative), Executive Vice President, Chief Operating Officer of Homes and Lifestyle Promotion Division (current position)



Takayuki Miki
Managing Director
Shares in Company: 19 thousand shares

- Apr. 1984 Joined Company
- Jun. 2022 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Logistics Properties Business Division (current position)



Wataru Hamamoto
Managing Director
Shares in Company: 25 thousand shares

- Apr. 1984 Joined Company
- Jun. 2019 Managing Director, Executive Managing Officer
- Apr. 2020 Managing Director, Executive Managing Officer, Chief Operating Officer of DX Division
- Apr. 2021 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of DX Division
- Apr. 2022 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Sustainability Promotion Department (current position)



Masafumi Nogimori
Managing Director (Independent Outside Director)
Shares in Company: 2 thousand shares

- Apr. 1970 Joined Fujisawa Pharmaceutical Co., Ltd.
- Jun. 1997 Director, Fujisawa Pharmaceutical Co., Ltd.
- Jun. 2000 Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
- Jun. 2001 Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
- Jun. 2003 Director and Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
- Apr. 2005 Representative Director and Executive Vice President, Astellas Pharma Inc.
- Jun. 2006 Representative Director, President and Chief Executive Officer, Astellas Pharma Inc.
- Jun. 2011 Representative Director and Chairman, Astellas Pharma Inc.
- Jun. 2017 Managing Director (current position)

Significant positions currently held, etc.
Outside Director, Daicel Corporation
External Director, Linical Co., Ltd.



Yasuo Onozawa
Managing Director and Executive Vice President
Shares in Company: 31 thousand shares

- Apr. 1981 Joined Company
- Jun. 2016 Managing Director, Executive Managing Officer
- Apr. 2017 Managing Director, Senior Executive Managing Officer
- Apr. 2020 Managing Director, Executive Vice President
- Apr. 2022 Managing Director (Representative), Executive Vice President (current position)

Significant positions currently held, etc.
Outside Director, Imperial Hotel, Ltd.



Takashi Yamamoto
Managing Director
Shares in Company: 21 thousand shares

- Mar. 1990 Joined Company
- Jun. 2017 Managing Director, Executive Managing Officer, Chief Operating Officer of International Division
- Apr. 2019 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of International Division (current position)



Takashi Ueda
Managing Director
Shares in Company: 22 thousand shares

- Apr. 1983 Joined Company
- Jun. 2020 Managing Director, Executive Managing Officer, Chief Operating Officer of Office Building Division
- Apr. 2021 Managing Director, Senior Executive Managing Officer (current position)



Tsunehiro Nakayama
Managing Director (Independent Outside Director)
Shares in Company: 2 thousand shares

- Apr. 1971 Joined the Industrial Bank of Japan, Ltd.
- Apr. 2004 Representative Director, Vice President of Mizuho Corporate Bank, Ltd.
- Apr. 2007 Advisor, Merrill Lynch Japan Securities Co., Ltd.
- May 2007 Representative Director, Chairman, Merrill Lynch Japan Securities Co., Ltd.
- Nov. 2008 Representative Director, Chairman, and President, Merrill Lynch Japan Securities Co., Ltd.
- Mar. 2009 Representative Director, Chairman, and President, Merrill Lynch Japan Securities Co., Ltd., and Representative in Japan, Bank of America Group
- Jul. 2010 Representative Director, Chairman, Merrill Lynch Japan Securities Co., Ltd.
- Jun. 2017 Director, Merrill Lynch Japan Securities Co., Ltd.
- Jul. 2017 Special Advisor, Merrill Lynch Japan Securities Co., Ltd.
- Jun. 2019 Managing Director (current position)

Significant positions currently held, etc.
Outside Director, Tokai Tokyo Financial Holdings, Inc.



Shinichiro Ito
Managing Director (Independent Outside Director)
Shares in Company: 2 thousand shares

- Apr. 1974 Joined ALL NIPPON AIRWAYS CO., LTD.
- Jun. 2003 Member of the Board of Directors, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2004 Executive Vice President, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2006 Executive Vice President, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2007 Senior Executive Vice President, Representative Director, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2009 President & Chief Executive Officer, Representative Director, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2013 President & Chief Executive Officer, Representative Director, ANA HOLDINGS INC., and Chairman of the Board, ALL NIPPON AIRWAYS CO., LTD.
- Apr. 2015 Chairman of the Board, Representative Director, ANA HOLDINGS INC.
- Apr. 2017 Chairman of the Board, ANA HOLDINGS INC.
- Jun. 2019 Managing Director (current position)
- Apr. 2022 Special Senior Advisor, ANA HOLDINGS INC. (current position)



Eriko Kawai
Managing Director (Independent Outside Director)
Shares in Company: 0 shares

- Oct. 1981 Joined Nomura Research Institute, Ltd.
- Sep. 1985 Joined McKinsey & Company's Paris Branch
- Oct. 1986 Joined Mercury Asset Management/SG Warburg plc
- Nov. 1995 Director and Chief Investment Officer (CIO) of Yamaichi Regent ABC Polska
- Jul. 1998 Senior Pension Funds Administrator of Bank for International Settlements (BIS)
- Oct. 2004 Senior Pension Funds Administrator of Organization for Economic Cooperation and Development (OECD)
- Mar. 2008 Representative of Kawai Global Intelligence
- Apr. 2012 Professor of Kyoto University
- Apr. 2021 Professor Emeritus of Kyoto University (current position)
- Jun. 2021 Managing Director (current position)

Significant positions currently held, etc.
Outside Director, Daiwa Securities Group Inc.
Outside Director, CMIC Holdings Co., Ltd.
Outside Audit & Supervisory Board Member, Yamaha Motor Co., Ltd.

Note: Figures for shares held by managing directors and corporate auditors are as of March 31, 2022.

Corporate Auditors (As of June 29, 2022)



Masatoshi Sato
Senior Corporate Auditor
Shares in Company: 14 thousand shares

Apr. 1990 Joined Company
Jun. 2015 Managing Director, Executive Managing Officer
Apr. 2019 Managing Director
Jun. 2019 Senior Corporate Auditor (current position)



Hiroyuki Ishigami
Senior Corporate Auditor
Shares in Company: 6 thousand shares

Apr. 1982 Joined Company
Jun. 2017 Managing Director, Executive Managing Officer, Chief Operating Officer of Retail Properties Division
Apr. 2019 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Retail Properties Division
Apr. 2020 Managing Director
Jun. 2020 Senior Corporate Auditor (current position)

Significant positions currently held, etc.
Outside Corporate Auditor, Imperial Hotel, Ltd.



Yoshitaka Kato
Corporate Auditor
(Independent Outside Auditor) Shares in Company: 0 shares

Nov. 1974 Joined Tetsuzo Ota & Co.
Sep. 1978 Registered as Certified Public Accountant
Jun. 2006 Executive Director, Ernst & Young ShinNihon LLC
Aug. 2008 CEO, Ernst & Young ShinNihon LLC
Jun. 2015 Corporate Auditor (current position)

Significant positions currently held, etc.
Outside Corporate Auditor, Sumitomo Chemical Co., Ltd.
Outside Audit & Supervisory Board Member, SUMITOMO CORPORATION



Yasushi Manago
Corporate Auditor
(Independent Outside Auditor) Shares in Company: 0 shares

Apr. 1978 Joined Ministry of Finance
Jul. 2009 Deputy Vice Minister, Ministry of Finance
Jul. 2010 Director-General of the Budget Bureau, Ministry of Finance
Aug. 2012 Administrative Vice Minister, Ministry of Finance
Feb. 2014 Registered as Lawyer, Daiichi Tokyo Bar Association
Feb. 2014 Of Counsel, Nishimura & Asahi LPC (current position)
Jun. 2015 Corporate Auditor (current position)

Significant positions currently held, etc.
Outside Director, Nippon Television Holdings, Inc.



Yukimi Ozeki
Corporate Auditor
(Independent Outside Auditor) Shares in Company: 0 shares

Apr. 1999 Full-time Lecturer, Nagasaki University Faculty of Economics
Aug. 2000 Research Scholar, University of Michigan Law School
Apr. 2004 Associate Professor, Komazawa University Faculty of Law
Apr. 2010 Professor, Seikei University Law School
Sep. 2015 Visiting Scholar, University of California, Berkeley, School of Law
Jun. 2016 Corporate Auditor (current position)
Apr. 2021 Professor, Chuo Law School, Chuo University (current position)

Significant positions currently held, etc.
Outside Director, Bourbon Corporation

Corporate Officers (As of April 1, 2022)

Masanobu Komoda
President and Chief Executive Officer

Kiyotaka Fujibayashi
Executive Vice President

Yasuo Onozawa
Executive Vice President

Takashi Yamamoto
Senior Executive Managing Officer

Takashi Ueda
Senior Executive Managing Officer

Takayuki Miki
Senior Executive Managing Officer

Yasuki Kaibori
Senior Executive Managing Officer

Wataru Hamamoto
Senior Executive Managing Officer

Yoshihiro Hirokawa
Senior Executive Managing Officer

Akihiko Funaoka
Executive Managing Officer

Shingo Suzuki
Executive Managing Officer

Yutaka Kawamura
Executive Managing Officer

Retsu Togashi
Executive Managing Officer

Hiroki Saito
Executive Managing Officer

Makoto Tokuda
Executive Managing Officer

Motoyasu Kato
Executive Managing Officer

Kazunori Yamashita
Managing Officer

Hisashi Osawa
Managing Officer

Takashi Furuta
Managing Officer

Yugo Ono
Managing Officer

Tatekazu Nakamura
Managing Officer

Chiharu Fujioka
Managing Officer

Atsumi Kanaya
Managing Officer

Yutaka Saito
Managing Officer

Nobuhiko Mochimaru
Managing Officer

Mizuho Wakabayashi
Managing Officer

Jiro Ueda
Managing Officer

Tetsuya Matsufuji
Managing Officer

Ken Aoki
Managing Officer

Mikiko Utsunomiya
Managing Officer

Hiroshi Murakami
Managing Officer

Hiroyuki Shinozuka
Managing Officer

Hiroataka Uematsu
Managing Officer

Kyosuke Hosoda
Managing Officer

Group Officers (As of April 1, 2022)

Yoshikazu Kitahara
Group Senior Officer [TOKYO DOME CORPORATION]

Hideki Moriya
Group Senior Officer [Mitsui Fudosan Residential Co., Ltd.]

Yasushi Endo
Group Senior Officer [Mitsui Fudosan Realty Co., Ltd.]

Toru Kamura
Group Senior Officer [Mitsui Fudosan Residential Co., Ltd.]

Shuji Tomikawa
Group Officer [Mitsui Fudosan Investment Advisors, Inc.]

Yosuke Seko
Group Officer [Mitsui Fudosan Residential Service Co., Ltd.]

Akira Ikeda
Group Officer [Mitsui Home Co., Ltd.]

Osamu Obayashi
Group Officer [Mitsui Fudosan Retail Management Co., Ltd.]

Takao Yamada
Group Officer [Mitsui Fudosan Residential Co., Ltd.]

Mitsuhiro Kodama
Group Officer [Mitsui Fudosan Residential Co., Ltd.]

Takao Sakiyama
Group Officer [Mitsui Fudosan Residential Co., Ltd.]

Note: Figures for shares held by directors and corporate auditors are as of March 31, 2022.

Independence of Outside Directors and Outside Corporate Auditors

Mitsui Fudosan appoints its outside directors with the expectation that they will contribute their extensive experience and broad knowledge to the Company's management, and that they will play an appropriate role in strengthening the audit function of the Board of Directors and ensuring transparency. The Company also appoints its outside auditors with the expectation that they will bring an objective stance to auditing the directors in the performance of their duties, based on their expert knowledge and extensive experience.

Note that, in line with Tokyo Stock Exchange requirements for judging the independence of independent officers, the Company uses the following standards for judging said

independence: whether there is a risk of conflict of interest with any of the Company's general shareholders; whether any special interests exist with the Company; and whether in working to enhance the soundness and transparency of the Company's management, the individual is capable of making objective, fair and impartial judgments.

See pages 95 and p. 96 for information on reasons for appointment of outside directors and outside corporate auditors.

See the Corporate Governance Report for details.
https://www.mitsui-fudosan.co.jp/english/corporate/governance/download/governance_report.pdf

Strategic Shareholdings

Policy Regarding the Reduction of Strategic Shareholdings

Mitsui Fudosan continuously reviews the status of its strategic shareholdings. Upon confirming the significance of shareholdings based on the quantitative rationality of holdings and relationships with business partners, we have decided to reduce our shareholdings. Meanwhile, in overall consideration for business strategy and relationships with business partners, to improve the Group's corporate value, Mitsui Fudosan holds shares considered effective for management strategies as shares for purposes other than net investments (strategic shareholdings) from a medium- to long-term perspective.

Sales Results Related to Strategic Shareholdings

Since establishing this reduction policy in December 2018, the Company has sold 18 stocks totaling 13,560,000 shares, amounting to ¥118.7 billion.

[Sales results] (Mitsui Fudosan Co., Ltd. Non-consolidated)

- FY2019: ¥20.3 billion (3,570,000 shares, 13 stocks)
- FY2020: ¥45.9 billion (5,060,000 shares, 3 stocks)
- FY2021: ¥50.7 billion (3,650,000 shares, 4 stocks)

Verification by the Board of Directors

When verifying the rationality of shareholdings, we verify whether or not the benefit, risk, etc., associated with the shareholdings are commensurate with the capital cost. Furthermore, in addition to confirming the significance of shareholdings from the perspectives of transaction performance, stable funding, and creation of business opportunities, we also verify whether or not the holdings contribute to improving the medium- to long-term corporate value of the Group.

At a meeting held on May 13, 2022, the Board of Directors verified appropriateness with regard to the significance of strategic shareholdings based on the quantitative rationality of holding and relationships with business partners for each stock brand. As a result, for stocks for which the rationality of holding or significance of holding has decreased, we will examine selling by considering factors such as impact on the stock market.

Standard for Exercising Voting Rights

In exercising voting rights, Mitsui Fudosan makes comprehensive decisions based on viewpoints including whether it will lead to improved shareholder returns or enhanced corporate value of the company invested in over the medium to long term.

In addition, regarding important matters such as those indicated below, Mitsui Fudosan conducts individual examinations based on internal standards and appropriately determines the approval/disapproval of each matter.

(Appropriation of surplus, appointment/dismissal of managing directors and corporate auditors, director compensation and retirement benefits, changes to the Articles of Incorporation, etc.)

Strategic Shareholdings (As of the end of FY2021)

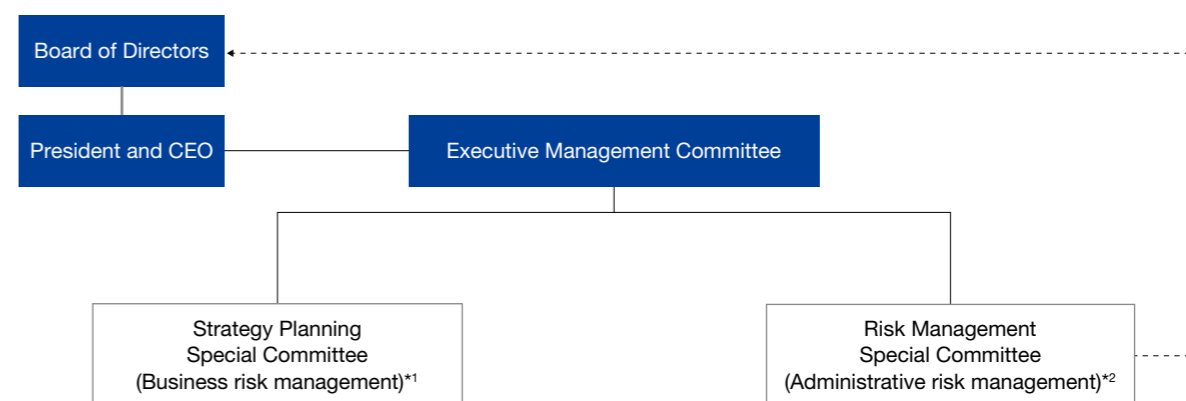
(1) Stock holdings	
Number of stocks owned:	128 (of which, 57 are shares of listed companies)
Amount recorded on balance sheet:	¥741.5 billion (of which, ¥730.1 billion is for shares of listed companies)
(2) Main stock: Oriental Land Co., Ltd.	
Presence of strategic shareholding by the other company	None
Amount recorded on balance sheet	¥559.4 billion
Background and purpose of holding:	The Company was involved in the establishment of Oriental Land Co., Ltd. in 1960 and has owned its shares ever since. Mitsui Garden Hotel PRANA Tokyo Bay, located in Urayasu City, Chiba and operated and managed by the Group, is a partner hotel of Tokyo Disney Resort, and the Company is an official sponsor of Tokyo Disneyland and Tokyo DisneySea, which is operated by Oriental Land Co., Ltd. Therefore, the Company believes this holding provides utility in terms of facilitating the promotion of the Group's business activities and creating business opportunities.
Sales results: (Mitsui Fudosan Co., Ltd. Non-consolidated)	FY2019: 960,000 shares (¥12.9 billion) FY2020: 3,000,000 shares (¥45.6 billion) FY2021: 3,000,000 shares (¥48.4 billion)

Risk Management

Under the Executive Management Committee, which supervises overall risk management for Mitsui Fudosan and the Mitsui Fudosan Group, the Strategy Planning Special Committee and the Risk Management Special Committee manage business risk*1 and administrative risk,*2 respectively.

The Risk Management Special Committee meets in principle once a month to identify and delineate risk issues and evaluate and propose preventive and response measures. Where required, the committee shares information and/or communicates in other ways with the Mitsui Fudosan Group.

Risk Management System



Major Risks*3

Mitsui Fudosan Group Business Risk

- (1) Risk of changes in the economic environment
- (2) Risk associated with market interest rates
- (3) Fund procurement risk
- (4) Risk from competition in the real estate industry
- (5) Real estate development risk
- (6) Risk associated with rental income
- (7) Risk associated with overseas business
- (8) Risk associated with external partners
- (9) Risk of changes in asset values
- (10) Risk of changes in operating cost
- (11) Risk associated with climate change
- (12) Risk of natural disasters, man-made disasters, etc.
- (13) Environmental risk
- (14) Risk associated with the spread of infectious diseases
- (15) Geopolitical risk

Mitsui Fudosan Group Administrative Risk

- (1) Risk associated with compliance with laws and regulations
- (2) Risk associated with changes to laws, regulations, and government policy
- (3) Risk of legal action or conflict
- (4) Risk of conflicts of interest
- (5) Risk associated with internal controls and accounting
- (6) Risk concerning cyber security
- (7) Risk associated with securing diverse human resources

*1 Business risk: Business risk is primarily risk associated with advancing business and earning profits, including development risk, leasing risk, and market risk.

*2 Administrative risk: Administrative risk is operational risk associated with administrative duties, including disaster risk, system risk, clerical risk, and compliance risk.

*3 See our annual securities report for details. https://www.mitsui-fudosan.co.jp/corporate/ir/library/fs/pdf/YUHO_2203.pdf (Only available in Japanese)

Compliance

Basic Policy

Based on the Mitsui Fudosan Group Compliance Policies, the Mitsui Fudosan Group has positioned compliance as a key issue in Group management and works to comply with laws, regulations, and social norms, and implement fair and highly transparent corporate activities in accordance with corporate ethics.

Compliance Structure

Mitsui Fudosan has made the officer in charge of general administration the person responsible overall for compliance. In this role, the officer receives reports from the Compliance Management Department and others, and particularly important matters are reported to or submitted for discussion by the Board of Directors or the Executive Management Committee. Said officer is also responsible for formulating a compliance-related action plan each fiscal year, including the enactment, revision, or abolition of Company rules, the implementation of training regarding laws, regulations, or Company rules, and the surveying and reporting of the situation regarding compliance

with laws, regulations, or Company rules. Said officer is also responsible for implementing compliance activities based on this plan. Group companies are also required to formulate and implement compliance promotion plans, and this is reported to and confirmed by the Company at the end of the fiscal year.

Internal Consultation Service

Mitsui Fudosan has established two points of contact providing consultation for employees of the Company, an internal contact and an external law firm. These contacts can provide consultation on issues regarding compliance with laws and regulations, as well as matters pertaining to the work environment.

Compliance Training

Mitsui Fudosan provides compliance training to new employees and various directors and management-level employees of the Company, including newly appointed executive managers and officers, with the aim of improving compliance awareness. It also implements e-learning-based training for all directors and management-level employees.

Main Training and Awareness-Raising Initiatives (Mitsui Fudosan)

	Initiative	Target	Content/Date held
Internal training	New employee training	New employees	(April) Implemented every month for dispatch and contract employees
	New executive manager training	Newly appointed officers	Study sessions held on preventing bribery, organized crime, information security, preventing insider trading, etc. (March)
	Officer compliance training	Managing directors, executive officers, full-time corporate auditors, etc.	(September)
	Overseas compliance training	International Division, employees assigned to overseas subsidiaries	Explanation of compliance violation case studies including cases involving overseas companies, as well as sharing of the importance of preventing bribery, etc. (December)
	Training for local staff at overseas subsidiaries	Local staff at overseas subsidiaries	Training held on preventing bribery, protecting personal information, whistle-blowing systems, etc. (October, February)
	Companywide compliance training (e-learning)	All staff, including corporate officers	(June, November)
Awareness-raising activities	Internal bulletins	All directors and employees	Mitsui Fudosan Group Compliance Policies shared through internal bulletins and handbooks
	Compliance news	All employees	Information provided on topics and subjects that should be considered in regard to the execution of operations, such as "eliminating organized crime," and "a warning regarding ransomware." (April, July, October, February)

Preventing Improper Conduct

In Interactions between the Company and Society and the Economy

Eliminating Interactions with Organized Crime

Mitsui Fudosan strictly forbids any kind of connection to organized crime and, as a company, takes a firm stance in dealing with such groups. Each division of the Company also investigates and confirms that a transaction partner is not involved in organized crime before the transaction begins. Should the unlikely situation occur that forces the Company to face unwarranted demands or violent behavior from such organizations, it will contact the relevant police department and take any other action necessary, including legal measures.

Ensuring Fair Transactions and Competition

Mitsui Fudosan will comply with all relevant laws, such as the Antimonopoly Act, and will avoid any conduct that could result in unfair transactions or unjust competition. We will engage with business connections sincerely as an equal partner and handle the procurement of goods and services based on fair standards.

Preventing Corruption

(1) Prohibiting Bribery and Handling of Gifts and Entertainment
Mitsui Fudosan has prohibited the illicit provision of benefits to public officials and other individuals in similar positions. Also, in dealings with business connections and affiliates, etc., a rule has been established preventing the giving or receiving of excessive gifts, entertainment, and the like.

Also, the Company has established a structure and rules to be followed to prevent bribery and has formulated and is implementing Regulations for Preventing Bribery with the aim of preventing such conduct before it occurs.

(2) Donations to Politicians and Political Organizations

Mitsui Fudosan does not provide donations for political activities to any parties other than official political parties and political fund-raising organizations. Furthermore, support for activities by political organizations is conducted appropriately in accordance with the Political Funds Control Law, laws and regulations connected to the Public Offices Election Law, and other relevant laws and regulations.

Other

- (1) Personal information protection
- (2) Consumer protection
- (3) Environmental conservation
- (4) Protection of and respect for intellectual property rights
- (5) Prohibition of insider trading

In Interactions between the Company and Its Employees

Respecting Human Rights

Mitsui Fudosan does not discriminate due to sex, age, birthplace, nationality, race, ethnicity, creed, religion, disability, or any other grounds. The Company respects human rights and strives to maintain fair workplaces.

Managing Company Information Appropriately

Mitsui Fudosan recognizes the importance of managing documents and information and strives to implement appropriate management based on its Information Management Rules, Document Rules, Information System Management Rules, and the like.

Other

- (1) Decision-making according to rules
- (2) Prohibition of sexual and power harassment
- (3) Separation of public and private