


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

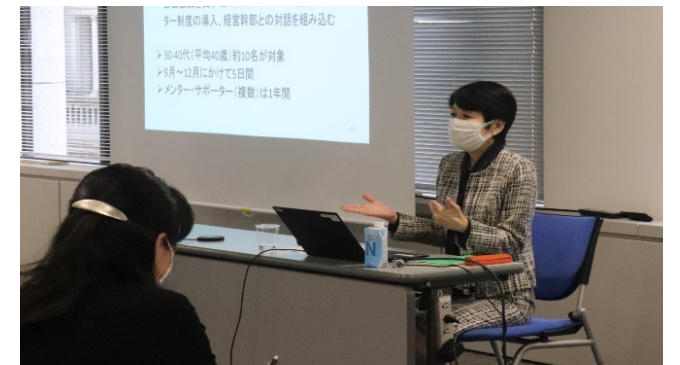
By conducting diversity and inclusion training, and other measures for organization heads, we will promote female participation and change awareness throughout the organization as we offer female managers career development support via a mentor system and other initiatives. Moreover, the working group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

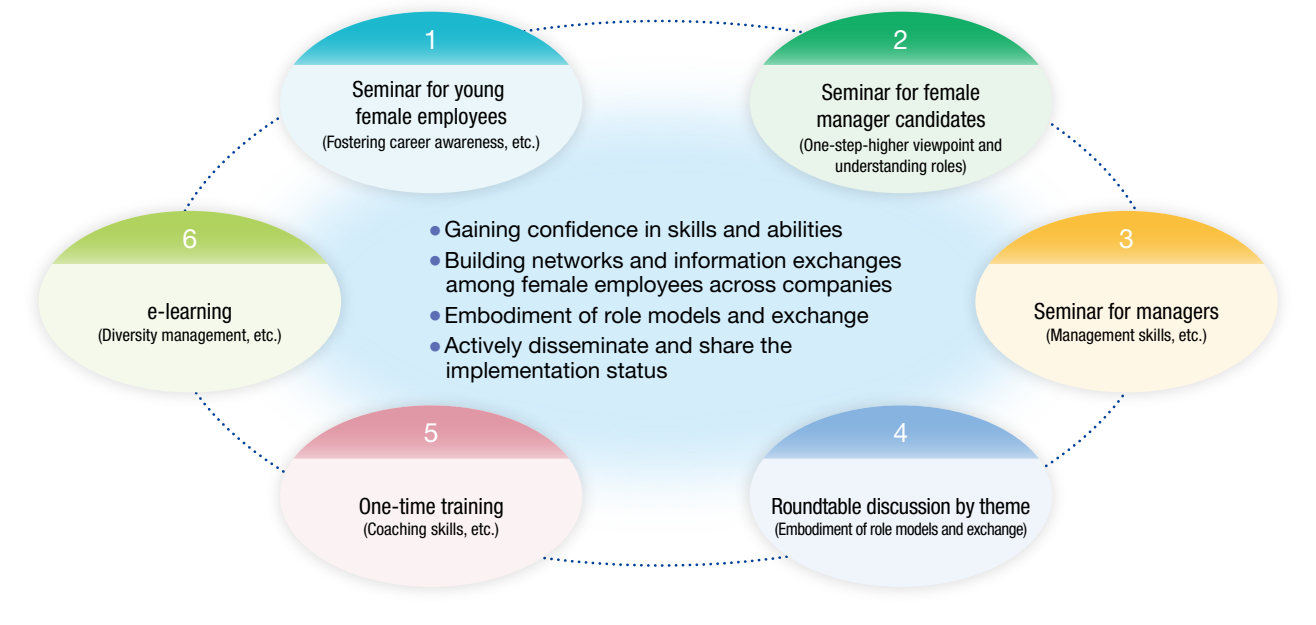
From fiscal 2022, we have been running the “Mitsui Fudosan Group Get Connected and Grow Project,” which holds group joint training and networking events. In addition to gaining confidence in their skills and abilities, by holding joint events within the Group, creating networks and role models among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

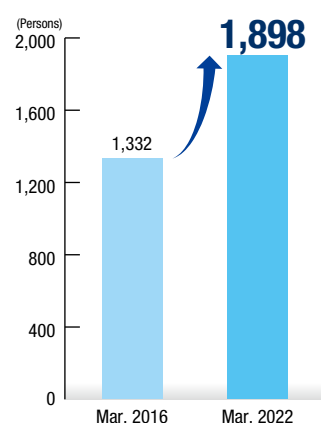
Recruiting Personnel from Diverse Backgrounds

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.

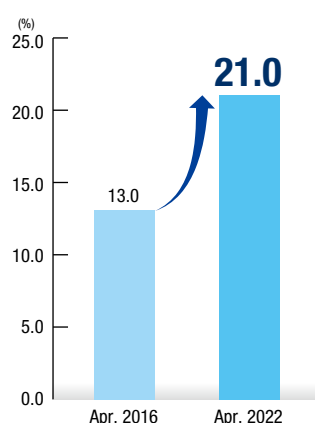
We have put in place various training and mentoring systems that enable greater activity for diverse personnel with varied career histories and standpoints to demonstrate individuality based on their respective experiences and abilities.

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.

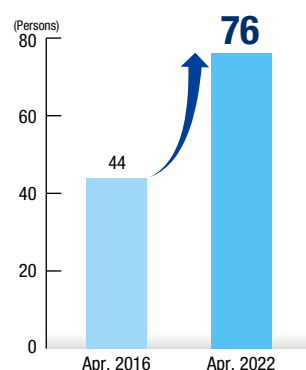
We are also aware that digital transformation (DX) has had a major impact on conventional business, and to raise its real, applicable value, we are accelerating efforts to apply digital and real estate technologies. To do this, we are actively hunting down highly specialized mid-career individuals who 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.

