

Special Feature

Generating value through the creation of neighborhoods that people want to visit

Environment surrounding the office market

Mitsui Fudosan Group's Five Strengths

Workers' perspective

Growing acceptance of remote work; era of work style diversification

Individuals choosing where and when to work, according to their own productivity and lifestyles

Changes in office demand

Potential to strengthen the survival of the fittest nature of the office market

Highly competitive cities and offices will become increasingly preferred as such survival of the fittest features as location, specifications, and services grow in strength

Generating value through the creation of neighborhoods that people want to visit

Management's perspective

Renewed recognition that real spaces possess value that cannot be replaced by digital models

(renewed recognition of the significance and importance of offices)

- ▶ Serve as a place to gather and create innovations by leveraging face-to-face interaction
- ▶ Facilitate corporate branding
- ▶ Help secure human resources

Update on the Elements Required of an Office:

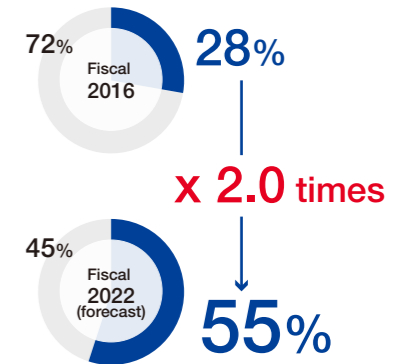
- ▶ Favorable locations
- ▶ High specifications (substantial common spaces, BCP / cyber security / pandemic capabilities)
- ▶ Substantial intangibles services
- ▶ Easy engagement with other companies

01 High-specification (mixed-use) asset development capabilities

Increasing ratio of favorably located, high specification, mixed-use assets in Central Tokyo



Central Tokyo mixed-use*



* Collated from the total building floor area data in the Status of Major Properties section of the Company's Financial Report.

02 Assets in favorable locations

03 Substantial intangibles services, etc.

&WORK STYLING MITSUI FUDOSAN: Multisite shared offices

&well MITSUI FUDOSAN: Health management support service

Green Power Supply Services: Provision of green electricity to tenanted spaces

&BIZ MITSUI FUDOSAN: Membership organization for businesspersons occupying Mitsui's Office

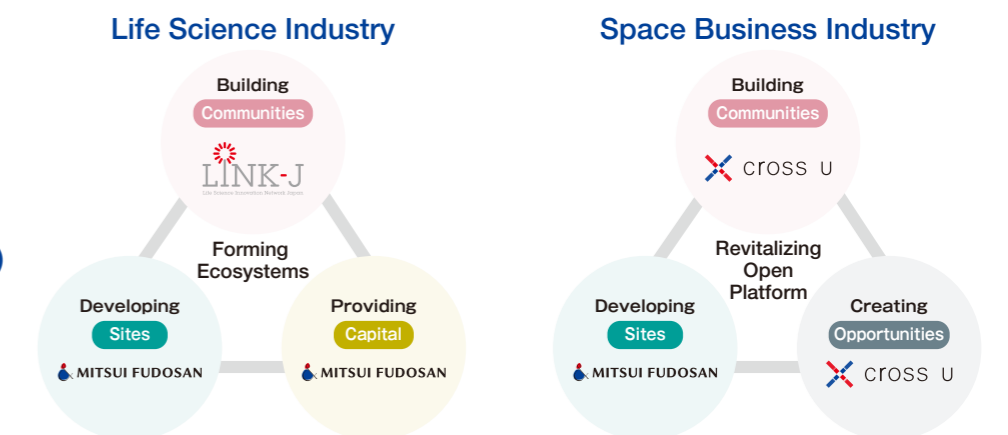
&BIZ consulting MITSUI FUDOSAN: Workstyle and workplace innovation support

&BIZ conference MITSUI FUDOSAN: Business support through diverse facilities

04 Substantial tenant company/institution network

- ▶ Office tenants: Over 3,000 companies
 - ▶ Diverse industries (business companies, academia, agricultural industry, medical corporations)
 - ▶ Substantial, deep, and robust relationships (business partners, joint research)
 - ▶ Cross-industry exchange mechanisms to create innovation (Mechanism to help provide opportunities for the exchange of information and interaction for large corporations, venture companies, NPOs, government agencies, etc.)
- &WORK STYLING** MITSUI FUDOSAN **BASE**

05 New demand creation capabilities (Business platform creation)



LINK-J, cross U: Both are general incorporated associations established mainly by the Company.

Output -The Company's Neighborhood Creation-

Outcomes -Creating Value-

Creating cities that integrate work and life and that people want to visit by meeting diverse needs and providing a host of appealing benefits

Creation of Economic Value
(Mitsui Fudosan's perspective)

Creation of Social Value
(external perspective)

Case Study TOKYO MIDTOWN YAESU



40th-45th floors
BULGARI HOTEL TOKYO

7th-38th floors Office floors

5th floor Rooftop terrace

4th-5th floors Innovation Field Yaesu (Yaesu Academic Commons, The University of Tokyo)

B1-3rd floors Retail zone

27th floor Tenant lounge
Fitness gym

2nd-3rd floors Certified children's garden

B2 floor Bus terminal

TOKYO MIDTOWN YAESU

Creating an office chosen by corporate leaders as a relocation destination

(Nihonbashi area)

No.1 popular location for office relocations

Source: Mori Building Co., Ltd. 2022 Survey of Office Needs in Tokyo's Core 23 Cities

(Asking rents in the Nihonbashi and Yaesu areas)

Rose by over 5%

(compared to the end of Jan. 2020)
Source: Sanko Estate Co., Ltd. asking rent data.

(Mitsui Fudosan's office vacancy rate in the Tokyo metropolitan area)

Relatively low and stable vacancy rate compared to the market

Central Tokyo 5 Wards	Mitsui Fudosan (Tokyo metropolitan area; non-consolidated)
6.48% <small>Source: Miki Shoji Co., Ltd.</small>	3.2%

Note: As of June 30, 2023

Improving market risk tolerance



Stable leasing cash flow

Creating communities through a collection of people, companies, goods, and information

Realizing innovation

Creating new businesses and demand

Improving Japan's industrial competitiveness and growth potential



Realizing people's prosperous lives



The Mitsui Fudosan U.S. Business Today

Purpose of Engaging in Overseas Business

- Acquire new income opportunities
- Decentralize the portfolio

Business Strategy



Mitsui Fudosan's Strengths in the U.S. Business

Developer Real estate connoisseur skills	×	Institutional investor Financing ability
Approx. 50 years of experience in the U.S. Creditworthiness	×	Promotion of Localization Network
Partnership Strategy Close relationships with major U.S. developers and local developers specialized in each area		

Recruitment that is conscious of the local business community

Portfolio



Mitsui Fudosan DNA Alive and Well in the USA

Business Model Evolution

Leasing revenue accumulation model

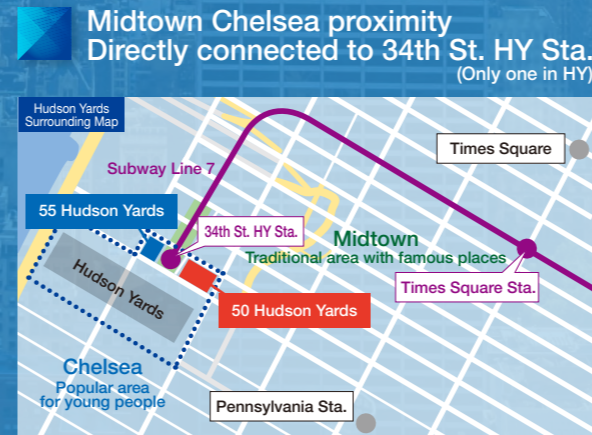
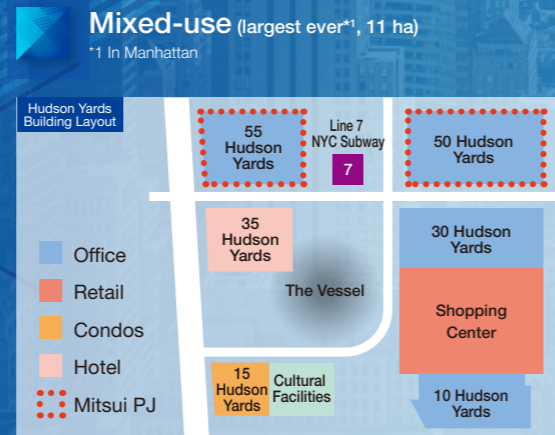
Hybrid model of leasing and property sales revenue

- Expand leasing revenue as the foundation of the overseas business following the completion of 50 Hudson Yards
- Actively capture new development projects in a market with remarkable growth
- Increase property sales with a focus on rental housing that has achieved stable occupancy, and rapidly realize income through development

TOPICS

50 Hudson Yards completed

50 Hudson Yards completed in Manhattan, New York City. This is the second building in which we have participated (90% business share), following "55 Hudson Yards" (completed in 2018).



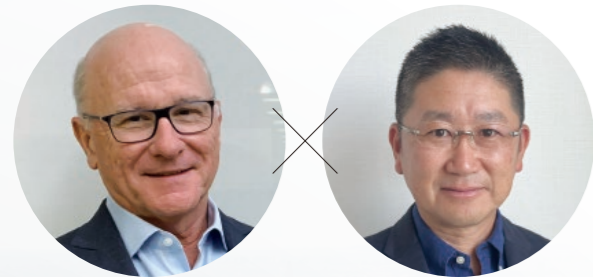
Largest scale office*2
New construction large floor plate
*2 In Manhattan

Building Name	50 Hudson Yards	55 Hudson Yards
Scale of the building	58 floors above ground and 3 floors below ground	51 floors above ground and 1 floor below ground
Total floor area	Approx. 269,000 m ²	Approx. 117,600 m ²
Standard floor area	Approx. 4,600-7,400 m ² *3	Approx. 2,600 m ²
Main use	Office	Office
Completion	June 2022	October 2018
Total project cost (¥145/\$)	Over ¥600 billion	Approx. ¥200 billion



Conversation between
the CEO and President
of Mitsui Fudosan America

The U.S. Market Today and Mitsui Fudosan's U.S. Presence



Mitsui Fudosan America, Inc. CEO

Mitsui Fudosan America, Inc. President

John Westerfield

Takeyoshi Sugimoto

1 History of Mitsui Fudosan America

Takeyoshi: The predecessor of Mitsui Fudosan America (MFA) was originally founded in 1973, which means we will welcome our 50th year in business in 2023. The major areas of business at the time of our founding included business park development, as well as in-use office building acquisition and management, among others. In 1986, we acquired 1251 Avenue of the Americas, where MFA's head offices are located today. And I see this move as a turning point that allowed MFA to grow to our current business scale.

John: Following our acquisition of 1251 Avenue of the Americas, MFA vigorously acquired office buildings in New York, Washington D.C., San Francisco, Los Angeles, and other cities throughout the 1990s and 2000s, during which time we also engaged in development projects in Los Angeles. Over the past decade, we have focused on developing office buildings and rental housing, and have more recently developed life science-related related properties.

2 Reading the Needs of Society and Entering New Markets

John: As I mentioned a few moments ago, the core of MFA's business activities has shifted from property acquisition to property development. And what we aim to achieve today are developments that help create communities and build neighborhoods. More recently we completed construction of several large-scale office buildings like 50 Hudson Yards and 55 Hudson Yards. And in addition to making investments in rental housing in the Sun Belt Area over the past few years, we have also entered new markets, such as life science facilities like Torrey View in San Diego, in response to growing demand for research and development facilities.

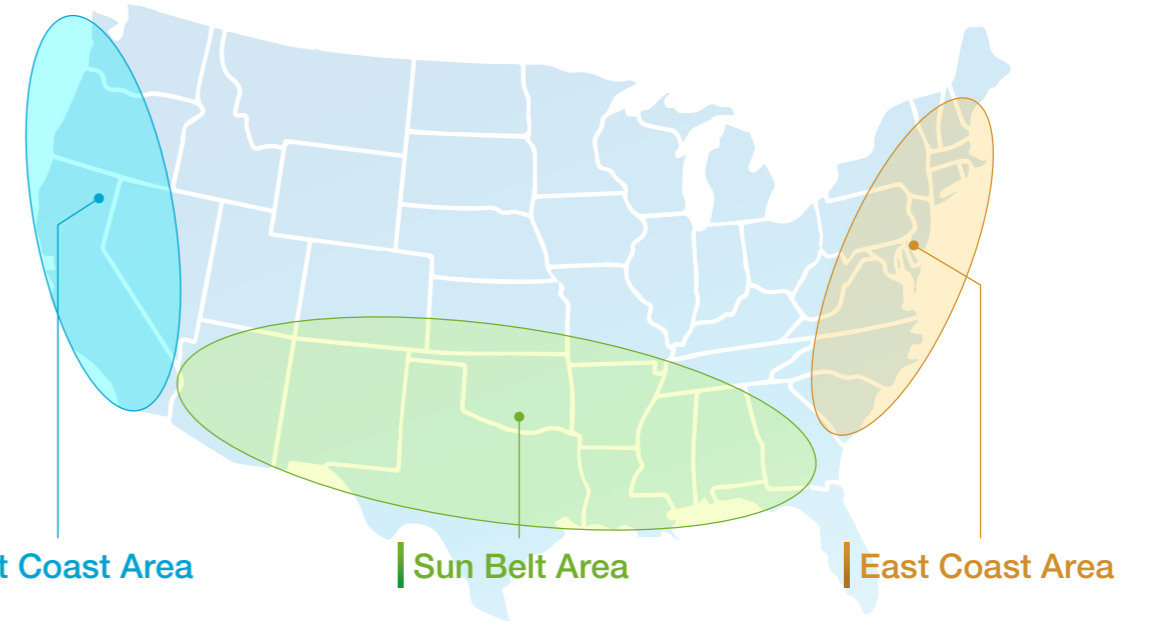
Takeyoshi: Unlike institutional investors, we are able to take risks involved in development, which can be broadly categorized into licensing approval, cost, and leasing. Mitsui Fudosan therefore possess an expansive abundance of experience in risk management accumulated through development projects in Japan. And I feel that our power of judgement regarding investment properties is also emerging as a strength on the U.S. market. Moreover, the growth potential of the U.S. economy has also arisen as a tailwind for our business. Specifically, the U.S. economy is anticipated to grow steadily against the backdrop of an increasing population and strong personal consumption. Although inflation remains at a high level and we intend to carefully ascertain how this will impact our business in the near term, nevertheless the U.S. economy is expected to maintain an annual potential growth rate of 2%–3%.

3 New Possibilities in the U.S. Market

John: The United States is definitely seeing continued growth in both population and the economy. At the same time, an accelerating population influx to the Sun Belt Area, the advancement of urbanization, expansion of knowledge-intensive and tech industries in major cities, and other recent trends will all also work to the benefit of our business. Moreover, the increase in demand for rental housing development due to housing shortages throughout the United States will also help to expand business opportunities for MFA.

Takeyoshi: As stated in VISION 2025, our long-term vision, the Mitsui Fudosan Group intends to further develop the overseas business over the future. And the goal of this policy is to increase income from the overseas business to a point where it accounts for 30% of total operating income by 2025. In order to ensure that MFA serves as the driving force for this growth, we intend to continue investing carefully, yet aggressively, for the purpose of contributing to the advancement of the Mitsui Fudosan Group.

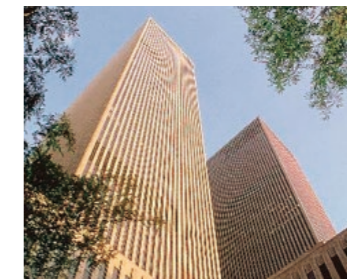
Business deployment in the U.S. (office buildings and rental housing)



East Coast Area

New York, Washington D.C., Boston, New Jersey, etc.

Asset class	Main properties
Office Buildings*	50•55 Hudson yards 1251 Avenue of the Americas
Rental Housing	Gallery 64 525 West 52nd Street



1251 Avenue of the Americas



Gallery 64

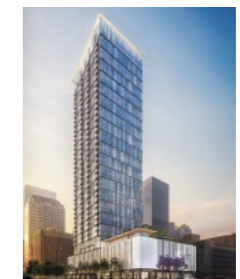
West Coast Area

San Francisco, Los Angeles, San Diego, Seattle, etc.

Asset class	Main properties
Office Buildings*	270 Brannan Torrey View
Rental Housing	Figuroa Eight Vance



Torrey View



Figuroa Eight

Sun Belt Area

Dallas, etc.

Asset class	Main properties
Rental Housing	Maple Terrace



Maple Terrace

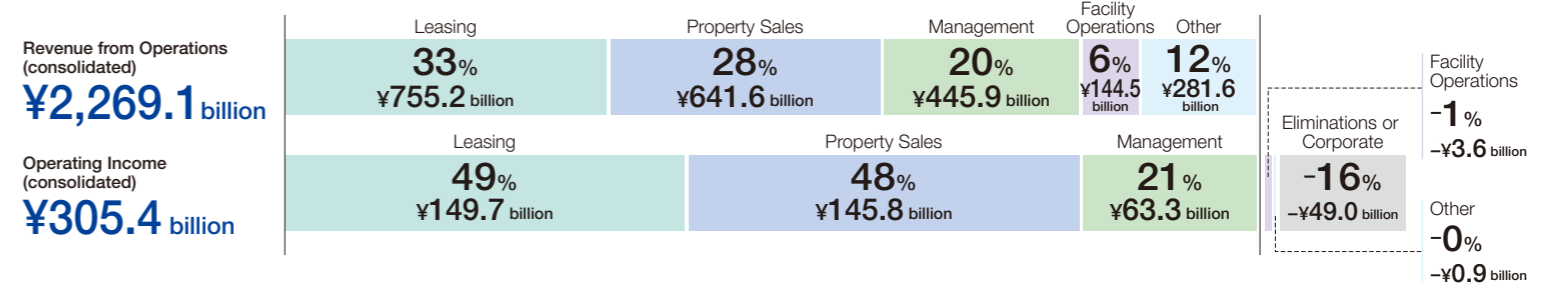
* Including lab & office

At a Glance

The Mitsui Fudosan Group's main business activities are implemented through its leasing business, property sales business, management business, and facility operations business. In line with this structure, we have adopted the five accounting segments of Leasing, Property Sales, Management, Facility Operations, and Other from fiscal 2023.

Furthermore, revenues and profits generated by individual projects are classified into these segments and may be allocated to a single segment or multiple segments.

Fiscal 2022 results (after reclassifying into the five accounting segments adopted from fiscal 2023) Note: Totals not add up to 100% due to rounding.



Overview of Accounting Segments (Facility Operations segment established from fiscal 2023)

	Leasing			Property Sales		Management		Facility Operations NEW		Other	
Segment Explanation	Includes revenue gained from the leasing of real estate.			Includes revenue gained from real estate property sales to individuals and investors.		Includes revenue from fees gained through the management and operation of real estate, brokering deals, and other sources.		Includes revenue gained from facility operations, including hotels, resorts, and Tokyo Dome City.		Includes revenue gained from the new construction of wooden housing under consignment and the renovation business.	
Sub-Segment	Office	Retail	Other	Property Sales to Individuals (Domestic)	Property Sales to Investors and Individuals (Overseas), etc.	Property Management	Brokerage, Asset Management, etc.	Hotels and Resorts	Sports / Entertainment	New Construction under Consignment / Reform, etc.	Other

Main Segment for Recording Revenue for Each Asset Class Category which is a main segment for recording revenue

Note: The categories shown here are to give an idea of the segments for recording revenues and profits, however, the actual details might differ.

Main Asset Classes		Leasing			Property Sales			Management			Facility Operations		Other	
		Office	Retail	Other	To Individuals		To Investors	Property Management	Brokerage		Asset Management	Hotels and Resorts	Sports / Entertainment	New Construction under Consignment / Reform, etc.
					Domestic	Overseas			To Corporations	To Individuals				
Office Buildings	P.57	✓					✓	✓		✓				
Retail Facilities	P.61		✓				✓			✓				
Logistics Facilities	P.63			✓			✓			✓				
Housing	Condominiums	P.65			✓	✓	✓	✓	✓	✓				
	Detached Housing	P.65			✓					✓			✓	
Hotels and Resorts	P.69										✓			
Tokyo Dome	P.71											✓		

Revenue from Operations and Operating Income by Segment (Four accounting segments of Leasing, Property Sales, Management, and Other for fiscal 2022 and earlier)



* Includes the Tokyo Dome Business since fiscal 2021

Office

Market Environment

Risks

- Changes in office demand due to the spread of telework, etc.
- Increase in office supply and intensifying competition to attract tenants in 2023 and 2025

Opportunities

- Heightened mindset toward productivity improvement among companies and workers
- Diversification of times, places, etc. for working associated with changes in working styles
- Renewed recognition of the value of offices that help realize real communication
- Expansion of corporate initiatives to achieve carbon neutrality

Competitive Advantages

- Medium- to long-term relationships with about **3,000**^{*1} tenant companies
- WORK STYLING members: Approx. **260,000**^{*2}
Number of office locations: Approx. **140** (nationwide)^{*2}
- Mixed-use type neighborhood creation know-how that goes beyond offices
- Diverse non-physical services that contribute to solving tenants' management issues
- Highly competitive property portfolio (locations, product performance, etc.)
- Achievement of integrated safety and security that spans from development to operational administration under Group management, and disaster-resistant neighborhood creation

*1 As of the end of March 2023 *2 As of the end of July 2023

Business Strategy

- Creation of new value for improving productivity through the provision of assets and intangible services that meet the needs of diverse working styles (places, times, etc. of work)
- Creation of neighborhoods that people want to visit, not for their elements from the perspective of facilities alone, but for people's activities, including working, playing, and living, and the services provided
- Promotion of carbon neutrality through the improvement of environmental performance in office buildings, and the provision of office building services^{*2} that contribute to tenants' decarbonization strategies

*2 Supply of green electricity to tenants, etc.

An Excellent Portfolio

Leasing Revenue (consolidated)

Approx. **¥426.9 billion**
(FY2022)

Leased Floor Space (consolidated)

Approx. **3,451,000 m²**
(as of the end of FY2022)

Leased Floor Space Ratio of Tokyo Metropolitan Area (non-consolidated)

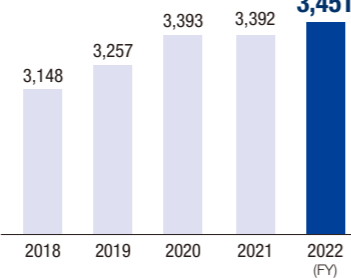
Approx. **90%**
(as of the end of FY2022)

Steady Expansion of Leasing Revenue and Leased Floor Space Mainly in Central Tokyo

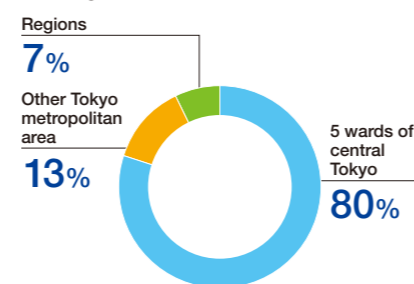
Leasing Revenue (consolidated)
(Billions of yen)



Leased Floor Space (consolidated)
(Thousand m²)

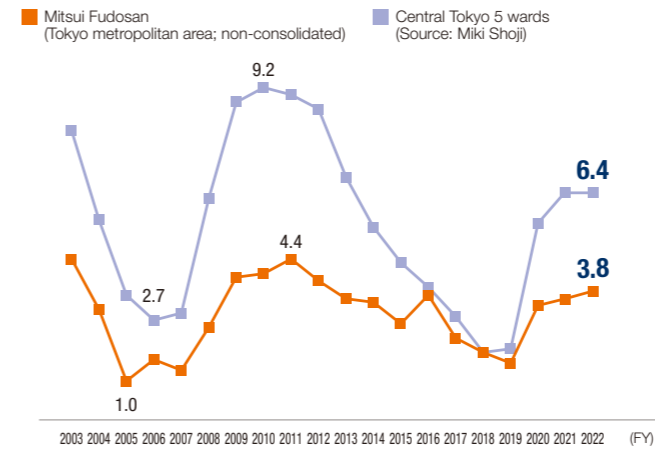


Leasing Revenue Ratio (by area, FY2022)



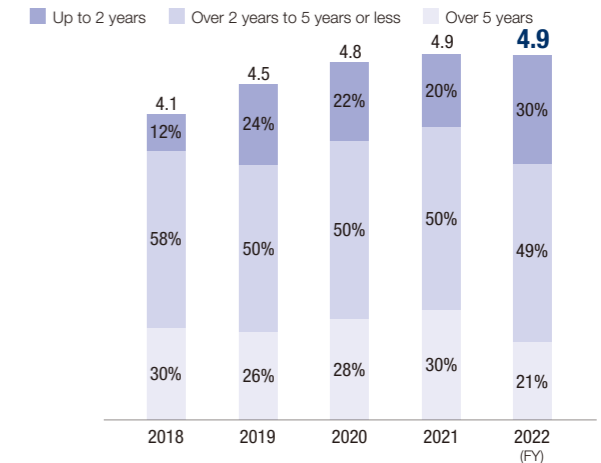
Office Vacancy Rates Remain Below Market Levels

Office Vacancy Rate (vacancy rates as of March 31 of the relevant fiscal year) (%)



Office Building Lease Contract Durations Are Steadily Increasing

Change in Office Building Lease Contract by Duration (non-consolidated) (Years)



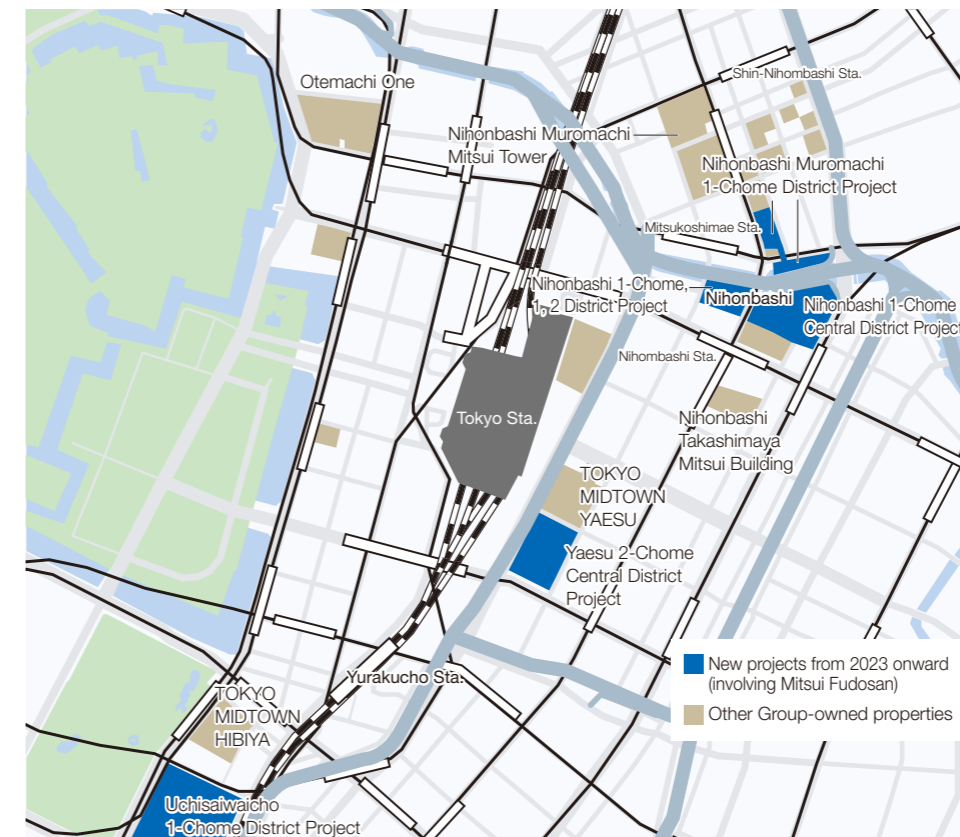
Future Development Pipeline

Domestic projects **7 properties** includes **6** redevelopment projects around Tokyo Station

Overseas projects **12 properties** includes **10** in Europe and North America and **2** in Asia

(as of the end of August 2023)

Redevelopment Pipeline in the Yaesu and Nihonbashi Areas



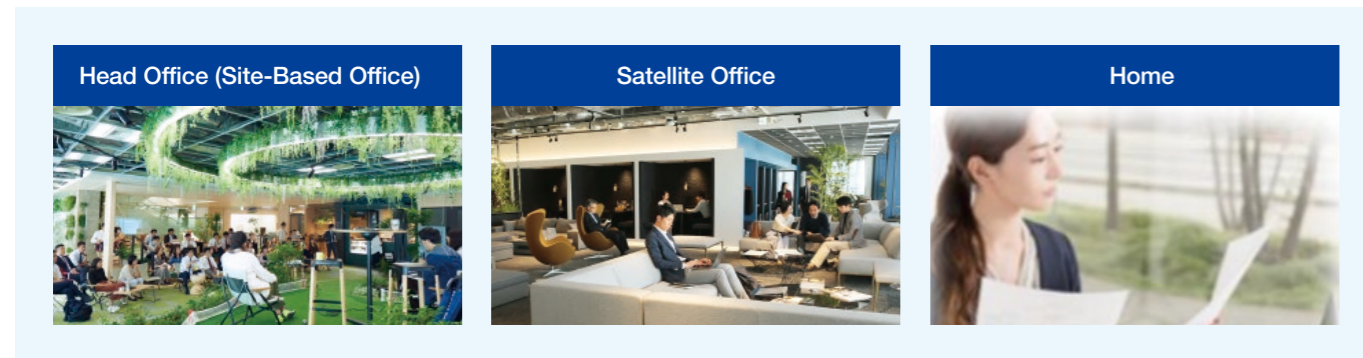
Providing the Best Mix of Optimal Work Styles for Customers (Companies and Workers)

Diversification of Customers' (Companies' and Workers') Needs



Our Group's Office Building Strategy

While remote work has made great inroads, the importance of face-to-face communication has also come to be newly appreciated. Our Group is combining a variety of assets and intangible services matched to the needs of diverse places and times for work and working styles, to provide new value aimed at productivity improvements.



Key Initiatives to Support the Strategy

Intangible Services Members' website for our customers &BIZ MITSUI FUDOSAN	Members' facility for our customers*1 &BIZ fitness MITSUI FUDOSAN &BIZ conference MITSUI FUDOSAN	Consulting services to propose and provide new work styles &BIZ consulting MITSUI FUDOSAN
Providing multisite shared offices that help expand work style options &WORK STYLING MITSUI FUDOSAN	Comprehensive platform for one-stop support of health management &well MITSUI FUDOSAN	
Community-building Aggregation, exchange, training/cooperation for companies and organizations LINK-J Life Science Innovations Network, Japan CROSS U	BCP Nihonbashi/Toyosu Smart Energy Projects	Environmental considerations Provision of green power to tenants

*1 Lounge, gym, café conference rooms, etc.

TOPICS

Achieving diverse work styles through WORK STYLING multisite shared offices

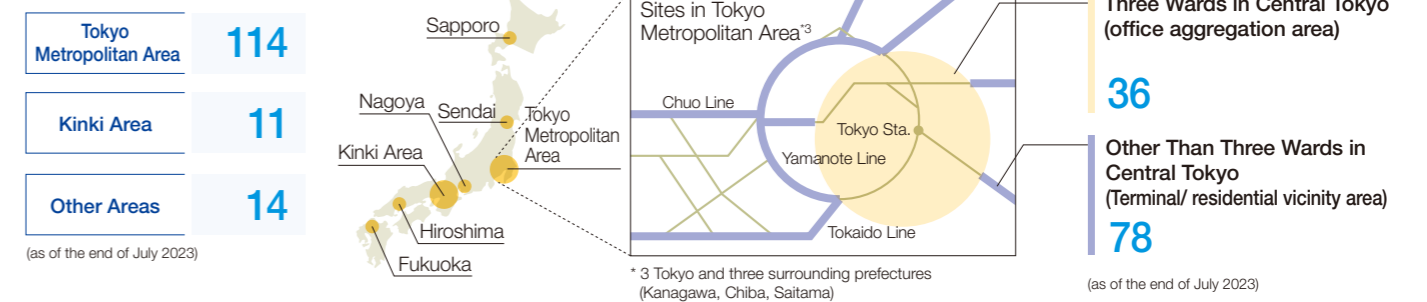
Service Office for Corporate Clients
WORK STYLING FLEX
 Expansion of office functions
 ●As a BCP measure
 ●For project use

Multisite Satellite Offices for Corporate Clients
WORK STYLING SHARE
 Expansion of workspaces
 ●As a workspace near home or business partners
 ●As a workspace for concentrating on work

WORK STYLING SOLO (specialized for single-person rooms)

Number of sites nationwide: **139***2
 Number of member companies: **Approx. 1,000**
 Number of members: **Approx. 260,000**
(as of the end of July 2023)
 *2 Tie-ups with Mitsui Garden Hotel, etc., included in these: 31 sites

Distribution and Breakdown of Sites



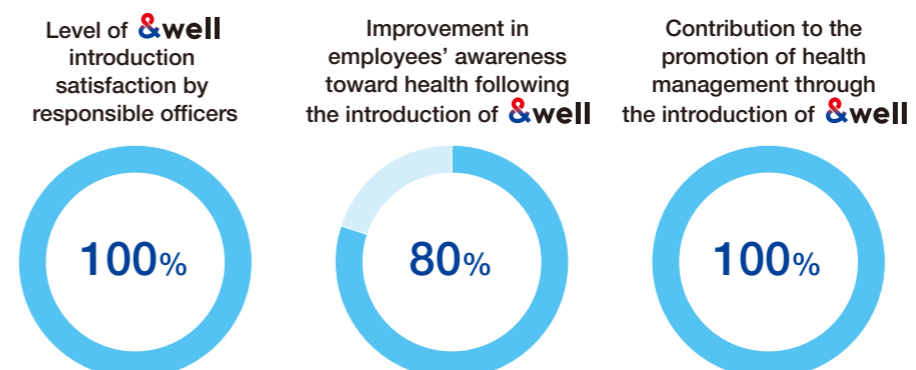
TOPICS

&well service to support the corporate issue of health management

Encompassing management as well as human resources and employees, &well is a service that supports corporate health management. According to a survey conducted in 2023, all of the companies that introduced &well reported that the service contributed to the promotion of health management, while 80% reported that employees' awareness toward health increased. Moreover, of the companies supported by &well that sought certification as a 2023 Health & Productivity Management Outstanding Organization, 30% were certified for the first time, 40% were selected as White 500 companies,

and 50% saw their certification ratings increase. In recognition of its various health-related initiatives, Mitsui Fudosan was selected as a 2023 Health & Productivity Stock Constituent and a company that practices health and productivity management with particular excellence. In an era in which calls for investment in human capital are reaching a crescendo, we will continue to support health management and well-being, a management issue for our customers, in both real and digital aspects.

Survey Results of Companies That Introduced the &well Service (FY2023)



Selection as a 2023 Health & Productivity Stock Constituent



Retail

Market Environment

Risks

- Concerns about the impact of such factors as rising energy prices on consumer sentiment and tenant earnings
- Concerns about the impact of EC market growth on real retail facility sales

Opportunities

- Increasingly established consumer behavior that properly distinguishes between and uses the real and digital
- Re-expansion of inbound demand

Competitive Advantages

- Retail tenants: Approx. **2,500**^{*1}
Tenant stores: Approx. **9,700**^{*1}
- Mitsui Shopping Park members: Approx. **13.5 million**^{*2}
- Over 40 years of expertise in retail facility planning, development, tenant sales, and operations
- Brand power and customer appeal through leading domestic brands including LaLaport and MITSUI OUTLET PARK
- Synergies with the logistics business, which meshes closely with retail facilities

*1 As of April 1, 2023 *2 As of the end of FY2022

Business Strategy

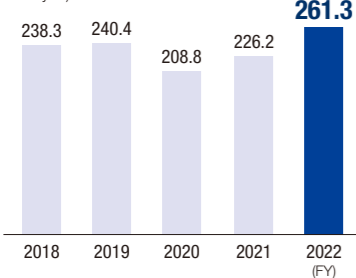
- Maximization of the value of visits and experiences by providing unique real-life experiences from the perspectives of sports and entertainment, etc.
- Provision of a purchasing experience that combines the real and digital by upgrading and expanding communication not only through &mall, the Company's official online site, but also diverse channels, including apps and various social networking services
- Enhancement of customer loyalty by strengthening links not only with the Company itself, but also various customer bases in a bid to upgrade and expand points of customer contact while further increasing customer convenience
- Promotion of our unique tripartite model combining real facilities, EC sites, and logistics to provide consumers with a wide range of purchasing options and to improve the efficiency of tenants' inventory management

An Excellent Portfolio

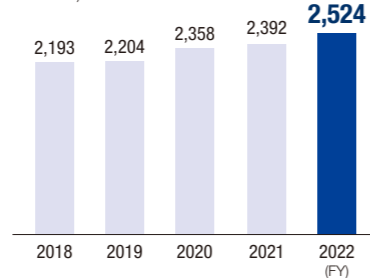
Retail Facility Revenue (consolidated) Approx. ¥1.4 trillion (FY2022)	Leasing Revenue (consolidated) Approx. ¥261.3 billion (FY2022)	Leased Floor Space (consolidated) Approx. 2,524,000 m² (as of the end of FY2022)
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Revenue Recovery on the Bank of Reopenings; Steady Increase in Leased Floor Space

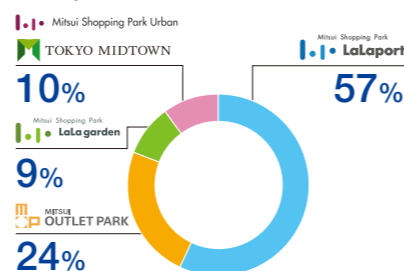
Leasing Revenue (consolidated)
(Billions of yen)



Leased Floor Space (consolidated)
(Thousand m²)



Facility Revenue Ratio* (by category)



* Includes master-leased facilities (FY2022; non-consolidated)

Carefully Selected Store Openings in Tokyo Metropolitan Area and Other Major Metropolitan Areas in Japan

Distribution of Store Openings (LaLaport, MITSUI OUTLET PARK)

- LaLaport*
- MITSUI OUTLET PARK (MOP)

* Includes LAZONA Kawasaki Plaza, DiverCity Tokyo Plaza



Number of Stores by Area (LaLaport, MITSUI OUTLET PARK)

	Total	LaLaport	MOP
Total	34	21	13
Tokyo metropolitan area	17	12	5
Kinki area	8	5	3
Chukyo area	4	3	1
Other	5	1	4

Future Development Pipeline

Domestic Projects

5 properties

(as of the end of August 2023)

Overseas Projects

5 properties includes 4 in Taiwan and 1 in Malaysia

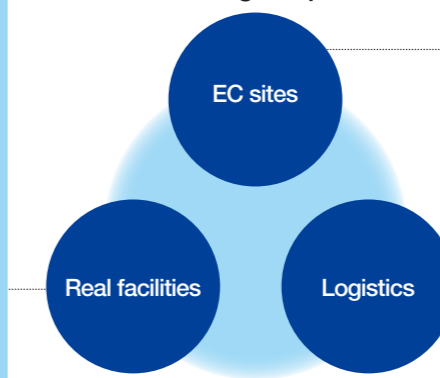
Promotion through Our Tripartite Model of Real Facilities, EC Sites, and Logistics

Providing a wide range of purchasing options to consumers while improving the efficiency of tenants' inventory management

Experiential Value Made Possible by Real Facilities Improvement of Customer Appeal

Retail Facility Revenue (FY2022)	Approx. ¥1.4 trillion
Mitsui Shopping Park point card members (as of the end of FY2022)	Approx. 13.5 million
Retail tenants (as of April 1, 2023)	Approx. 2,500 companies
Total tenant stores (as of April 1, 2023)	Approx. 9,700

Promotion through Tripartite Model



Elimination of Time and Place Restrictions on Purchasing and Sales Activities

Total number of stores **Approx. 420** (as of the end of August 2023)

Centralized Management of Real Facilities and EC Inventory

Logistics sites	64	Total floor space	Approx. 5.3 million m² (as of the end of August 2023)
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TOPICS

KISARAZU CONCEPT STORE, a site for creating a new clothing cycle

The KISARAZU CONCEPT STORE opened in June 2023 on a site adjacent to MOP* KISARAZU as a trial to tackle issues faced by the fashion industry, including the need to reduce overstock and build supply chains that are easy on the environment. Through these and other means, Mitsui Fudosan will contribute to creating a sustainable society by selling irregular and dead stock products that have not reached customers through the retail distribution channel so far, introducing new materials, upcycling products, and new manufacturing technologies that are environmentally friendly while also engaging in such activities as the promotion of initiatives to recycle clothing into soil and eco-friendly fuel.

* MITSUI OUTLET PARK



Logistics

Market Environment

Risks

- Intensification of competition for land acquisition due to entry of new players
- Overheating of leasing competition due to high-volume supply of new properties

Opportunities

- Increased efficiency and consolidation of the logistics function in response to relocation needs from aging warehouses and growth in the e-commerce market
- Increased labor saving and the growing need for mechanization through DX against the backdrop of labor shortages

Competitive Advantages

- Track record of advanced logistics facility development extending to **64 properties** in Japan and overseas*¹
- Close tenant relationships that enable provision of CRE solutions and direct sales to cargo owners (Office tenants: Approx. **3,000***², Retail tenants: Approx. **2,500***³, etc.)
- Diverse collaboration and business methods including joint ventures with originators
- MFLP quality which realizes industry top class customer satisfaction
- Ability to propose logistics solutions that leverage DX
- Installation of solar power generators on the rooftops of new logistics facilities to the greatest extent possible

*1 As of the end of August 2023 *2 As of the end of FY2022 *3 As of April 1, 2023

Business Strategy

- Providing a platform that helps to resolve logistics issues for customers and society as a whole by maximizing the resources of the Mitsui Fudosan Group
- Contributing to the resolution of issues in the logistics industry, such as labor shortages, by utilizing DX, and promoting MFLP brand differentiation
- Actively developing new products such as data centers, urban warehouses and freezer and refrigerated warehouses to meet diversifying customer needs by utilizing our know-how in the development of logistics facilities

An Excellent Portfolio

Cumulative Totals including Properties Previously Developed by the Company (as of the end of August 2023)

Total facilities under development or operation in Japan and overseas

64 properties

Of these, properties owned and operated by the Company: **19 properties**

Cumulative total investment

Over **¥850 billion**

Total floor space

Approx. **5.3 million m²**

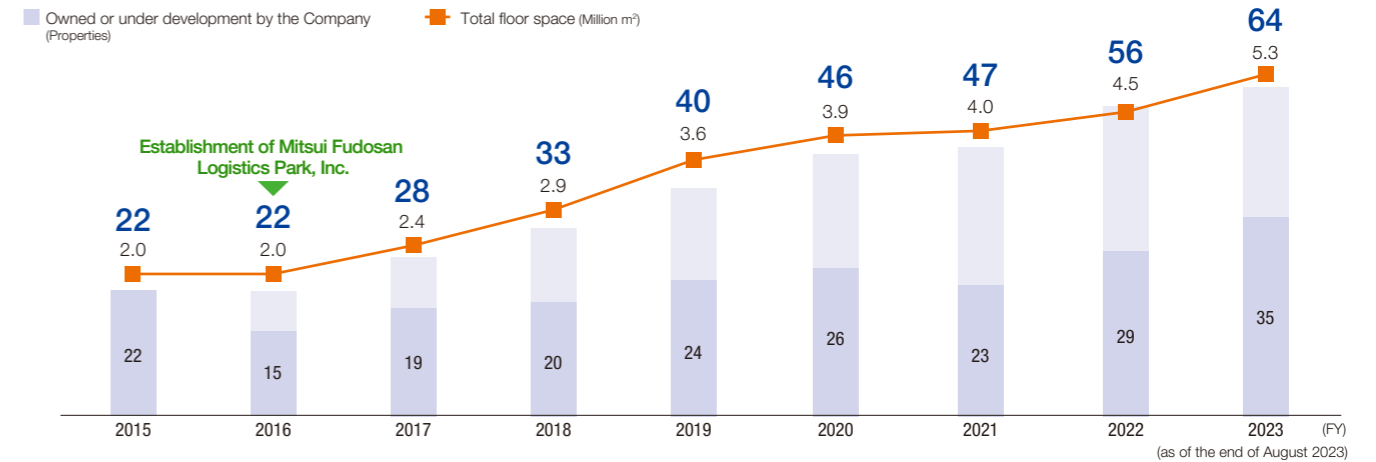
Of this, floor space owned and operated by the Company: Approx. **1.9 million m²**

Major development areas

Tokyo metropolitan area: **39 properties**

Stable Business Expansion

Number of Facilities under Development/Operation and Total Floor Space at the End of Fiscal Years



Future Development Pipeline

Projects **19 properties** include **9 properties** in Tokyo metropolitan area, **5 properties** overseas

(as of the end of August 2023)

TOPICS

MFLP EBINA I, ZEB certified environmentally conscious green energy logistics center

MFLP EBINA I is a green energy logistics center that can supply 100% of the electricity used in the facility as renewable energy and provide decarbonization support not only to Mitsui Fudosan but also to the tenant companies in accordance with their greening plans.

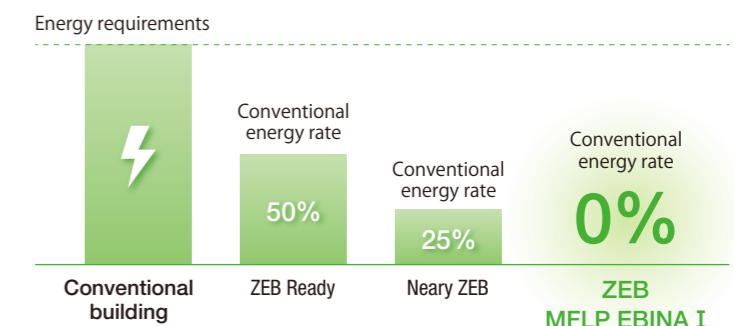


MFLP EBINA I

- Installation of solar power generators (Installed capacity: Approx. 2,000 kW; Power generation capacity: Approx. 2,200,000 kWh/year) and the supply of power to common and tenanted spaces
- Successful steps to achieve virtually zero CO₂ emissions across the facility as a whole in line with the use format through a green power supply service
- Obtained ZEB certification, the highest rank under the criteria set under Japan's Building Energy Conservation Act
- Received a Five-Star DBJ Green Building certification rating, a certification system established by the Development Bank of Japan to support environmentally and socially conscious real estate
- Active use of timber derived from forests owned by the Mitsui Fudosan Group as finishing materials at property entrances and lounges
- Steps to put in place green infrastructure as a biodiversity prevention measure, taking into consideration diversity and the surrounding environment



Solar panels installed on the rooftop



Housing (Homes and Living)

Market Environment

Risks

- Decline in housing-related demand due to rising interest rates and worsening business sentiment
- Contraction of domestic housing-related market due to population decline

Opportunities

- Heightened awareness concerning housing associated with diversification of customers' lifestyles
- Increased use of online business negotiations and electronic contracts by customers
- Focusing on environment-friendly product planning to realize a decarbonized society
- Focusing on the stock market due to a decrease in the number of new properties and aging buildings

Competitive Advantages

- Condominium unit sales: Approx. **240,000**^{*1}
- Mitsui Housing Loop members: Approx. **320,000**^{*2}
- Brand power as No. 1** in brokered deals for **37 consecutive years**
- A line-up of varied products and services related to housing (Leasing/sales, new/used, condominiums/detached houses, senior residences, management/operation/brokerage, etc.)
- Planning and development capabilities for realizing a product line-up of city center, large-scale, and redevelopment

*1 As of the end of FY2022 *2 As of the end of April 2023

Business Strategy

- Enhancing the ability to capture business opportunities through strengthening of cooperation among Group companies and mutual customer referrals, etc.
- Provision of proposals and solutions for optimal "Homes and Living" for every life stage of diverse customers
- Deepening and expansion of loyal customers through the one-stop provision of diverse products and services
- Promoting the introduction of ZEH and ZEH-M to realize a decarbonized society
- Promoting business that leverages Group collaboration in such stock businesses as reconstruction and redevelopment

Group Collective Capabilities That Offer One-Stop Accommodation for Varied "Homes and Living" Needs



Property Sales (Property Sales Segment)

Representative Products and Brands

Condominiums (to individuals)



Condominiums (to investors)



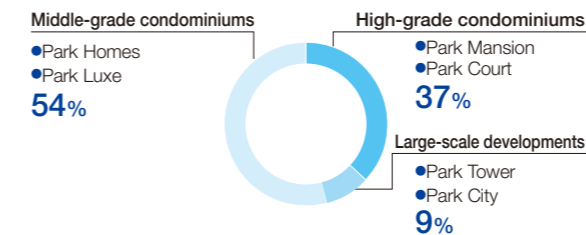
Detached Housing



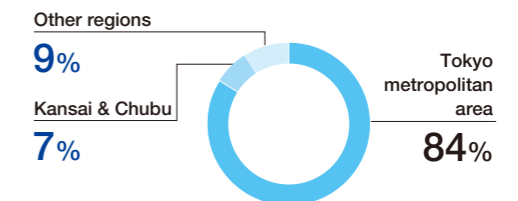
Condominiums (to individuals)

Maintenance of high profit margins and contract rates through a product line-up centered on central Tokyo, large-scale projects, and redevelopment

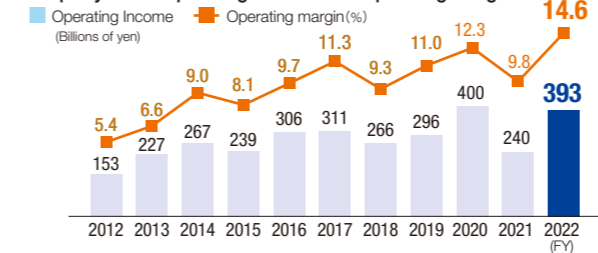
Sales by Brand (FY2022)



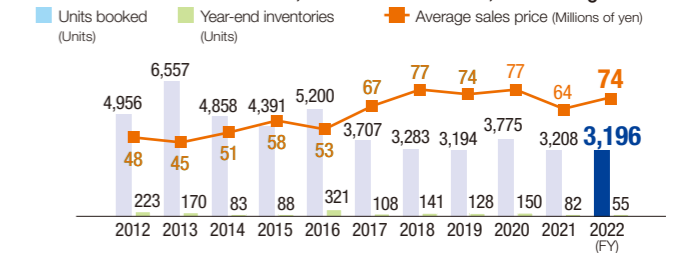
Sales by Region (FY2022)



Property Sales Operating Income and Operating Margin

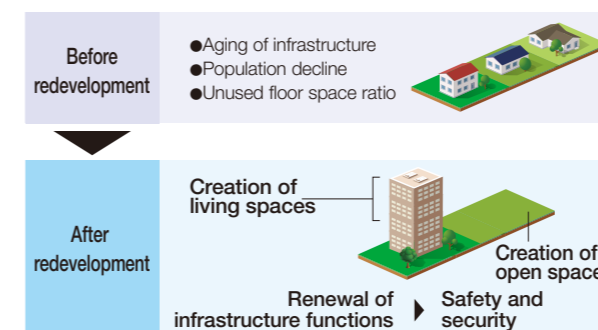


Condominiums: Units Booked, Year-End Inventories, and Average Sales Price



Value Created by Large-Scale Redevelopment Projects in Urban Centers

Using redevelopment techniques for high-level utilization of low-utilization land and development of blocks creates new living spaces in urban centers, as well as new value that greatly enhances the appeal of neighborhoods, by creating prosperity, safety, security, and open spaces for people to relax.



Example of creation of value through large-scale redevelopment



Future Development Pipeline

Large-Scale Projects **18 properties**

(as of the end of August 2023)

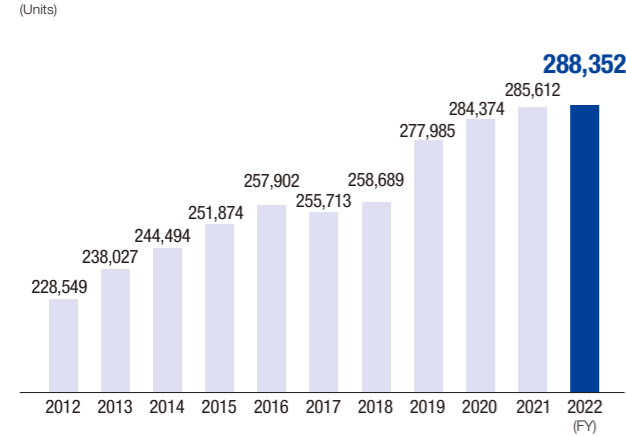
Land Bank (Condominiums) **Approx. 25,000 units**

Property Management (Management Segment)

Condominium Units under Management **Approx. 290,000**

We leverage the Group's collective capabilities, as well as expertise cultivated through a track record spanning many years, to provide condominium management services.

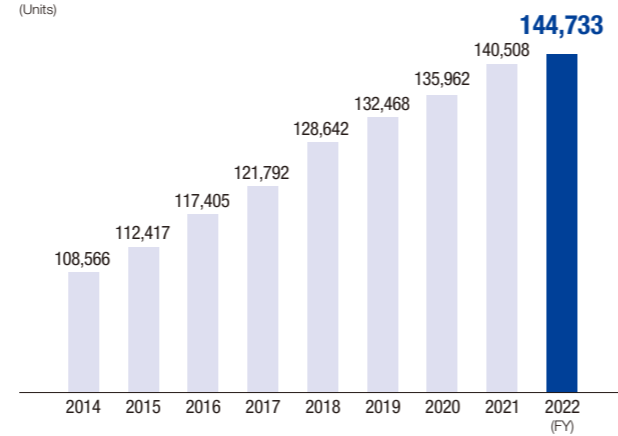
Number of Condominium Units under Management



Number of Rental Housing Units for Lease under Management **Approx. 140,000**

We provide rental condominium operation and brokerage-related services that benefit both property owners and tenants.

Rental Housing Units for Lease under Management



Car Park and Car Sharing Businesses That Support Enriching Lifestyles

Number of Hourly Parking Facilities under Management **Approx. 250,000**

Since it was launched in 1994, Mitsui Car Park Leasing has developed a business operating car parks all over Japan. It has contributed to dynamic neighborhood creation by providing car park management support services that enable land to be used effectively.



Number of Car Sharing Members **Approx. 380,000** (as of the end of April 2023)

We are expanding the car sharing business, centered on Mitsui Car Park Leasing locations in the Tokyo metropolitan and Kansai areas. Careco features a full lineup of vehicles, including minivans and Mercedes-Benzes.



Brokerage (Management Segment)

Number of Deals Brokered **Approx. 39,000**
No. 1 for 37* consecutive years

We are realizing safe and reliable deals that meet the needs of diverse customers in areas such as real estate sales, purchases, leasing, and usage.

* From FY1986 to FY2022



Brokerage Market (FY2022)

Rank	Company	Fee/Revenue (Billions of yen)	Transactions (Units)	Transaction volume (Billions of yen)	Number of stores
1	Mitsui Fudosan Realty Group	91.0	39,106	1,918.4	291
2	Company A	82.6	29,577	1,821.3	206
3	Company B	72.5	34,906	1,396.1	249
4	Company C	45.2	9,985	1,060.3	88
5	Company D	24.9	8,128	566.1	68

Source: "Fudosan Keizai Tsushin (The Real Estate Business Daily)," May 18, 2023, Real Estate Economic Institute Co., Ltd.

New Construction under Consignment (Other Segment)

Using the 2x4 construction method, which excels in earthquake resistance, thermal insulation, and other areas of basic performance, Mitsui Home has delivered over 250,000 new buildings in 49 years, primarily made-to-order homes. In addition to homes, it is also actively taking on construction consignments for large-scale facilities and overseas projects.

Buildings Delivered

Approx. 250,000 (cumulative total over the past 49 years)



Wooden Facility Construction*

Over 5,700 * Clinics, welfare, facility construction



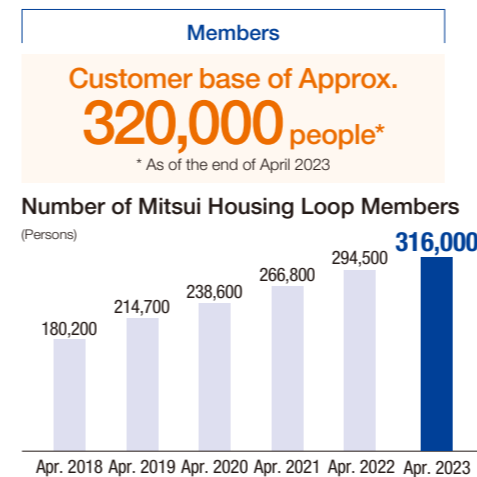
Other (Other Segment)

We offer space design, renovation, and renewal services for homes, offices, hotels, and more. Utilizing the design capabilities that are our strength, we provide wide-ranging support to all customers in every area, both individuals and corporations.



TOPICS

Mitsui Housing Loop—Providing one-stop solutions for homes and living



Members
Customer base of **Approx. 320,000 people***
* As of the end of April 2023

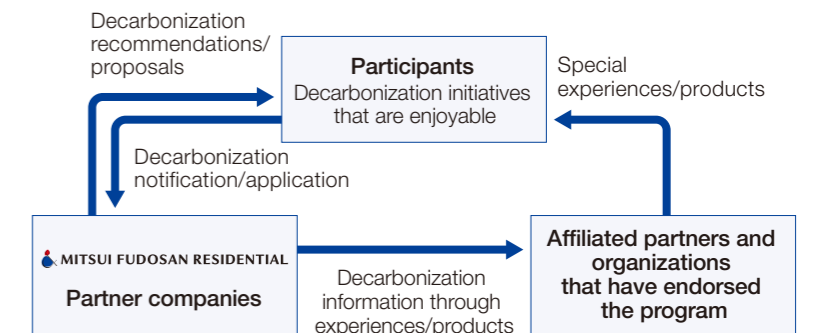
Providing Comfortable and Economical Services for People Living in Mitsui Homes



TOPICS

Launch of the Sustainable Living (Sus-Katsu) Program for the purpose of enjoyably engaging in sustainable decarbonization initiatives

Along with organizing decarbonization activities to do in homes and lifestyles, and recommending decarbonization activities to residents and tenants, Mitsui Fudosan Residential Co., Ltd. will introduce* at its properties a framework where data on the amounts of electricity and gas used by each residence is used to make CO₂ emissions and reductions visible on devices like smartphones and PCs, and perks are provided according to reductions. Every effort is being made to realize a decarbonized society by encouraging customers to embrace decarbonization activities and making them an enjoyable cycle that is sustainable.



* The program and systems are to be successively introduced at condominiums in the Tokyo metropolitan area for which planning commenced in fiscal 2022.



Hotels and Resorts

Market Environment

Risks

- Incidence of over-tourism owing to the rapid inbound recovery
- Increase in operating costs due to upswings in various commodity prices and utility expenses

Opportunities

- High evaluation of Japan's tourism resources from home and abroad
- Rapid recovery in the number of foreign visitors to Japan and expectations for further growth

Competitive Advantages

- Mitsui Garden Hotel members: **Over 800,000**^{*1}
- Number of directly managed guest rooms: Approx. **13,300 (domestic and overseas)**^{*1}
- Development of 14 hotel and resort brands meeting diverse customer needs, from luxury to lodging-focused brands
- Demonstration of synergies through collaboration on products within the Group (collaboration with WORK STYLING shared offices, attraction of restaurant tenants by leveraging retail tenant relations, collaboration with each member organization of the Group, etc.)

^{*1} As of the end of August 2023

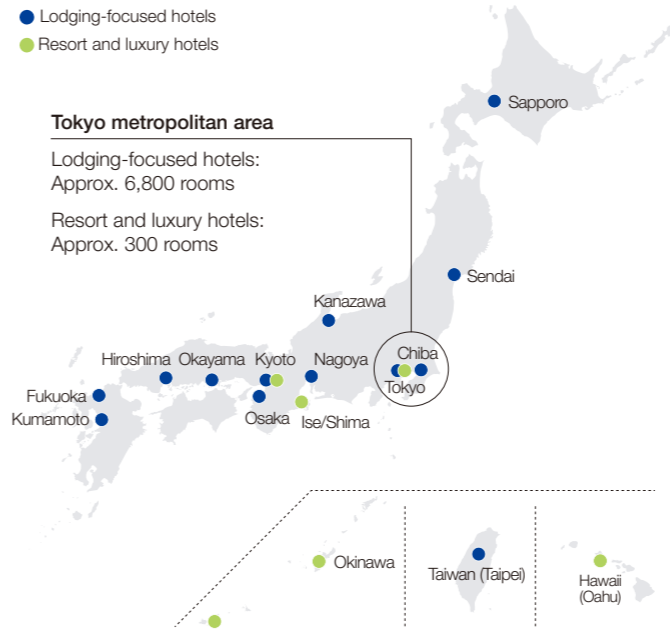
Business Strategy

- Capturing new demand for working, living, etc.,^{*2} by providing places to stay
- Expansion and deepening of loyal customers through the expansion of membership organization^{*3} services
- Strengthening brand power by developing luxury facilities for high-net-worth individuals in Japan and overseas

^{*2} Need for telework, short-term residence, hospital treatment stays, stays for accompaniment of hospital patients, etc.
^{*3} MGH Rewards Club, etc.

Development of Hotels and Resorts in Major Cities and at Tourist Destinations in Japan and Overseas (approx. 13,300 rooms)

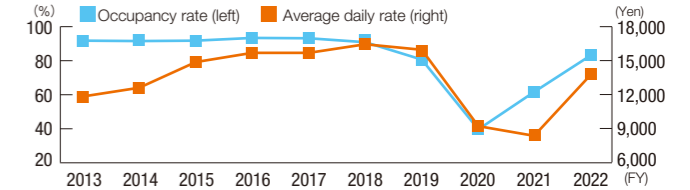
Our Company's Hotel and Resort Facility Development Areas (as of the end of August 2023)



Lodging-Focused Hotels: Number of Rooms by Area¹

	No. of Rooms	Percentage
Total	11,200	84%
Tokyo	5,400	41%
Tokyo metropolitan area (excluding Tokyo)	1,400	11%
Kyoto	1,300	10%
Osaka	300	2%
Other	2,800	21%

Occupancy Rate/Average Daily Rate (Lodging-focused hotels²)



Resort and Luxury Hotels: Number of Rooms by Area¹

	No. of rooms	Percentage
Total	2,100	16%
Tokyo	300	2%
Okinawa	500	4%
Other domestic	600	5%
Honolulu	700	5%

^{*1} Rooms rounded to the nearest 100 (as of the end of August 2023)
^{*2} Excluding Tokyo Dome Hotel

Future Development Pipeline

Number of guest rooms (includes overseas) **Approx. 1,000 rooms**

Of these, lodging-focused hotels: **Approx. 800 rooms**

Resort and luxury hotels: **Approx. 200 rooms**

(as of the end of August 2023)

An Excellent Portfolio

Hotels and guest rooms (including overseas)

53 hotels **Approx. 13,300 rooms** (as of the end of August 2023)

Brands That Meet Diverse Customer Needs

Lodging-focused hotels



Resort and luxury hotels



TOPICS

Receives the highest rating of five stars in the 2023 Forbes Travel Guide for a second consecutive year

The Mitsui Fudosan Group's resorts and luxury hotels are committed to providing high levels of hospitality. Against this backdrop, every effort is being made to promote a wide range of ESG-, DX-, and other related initiatives. Recognized for these endeavors, the Group's Halekulani Okinawa and HOTEL THE MITSUI KYOTO received the highest rating of five stars in the hotel category of the Forbes Travel Guide, one of the world's most authoritative travel guides, for a second consecutive year. Going forward, the Mitsui Fudosan Group will continue to welcome customers in Japan and overseas with its world-class service and meticulous hospitality unique to Japan.



TOPICS

Accelerating efforts to reduce food loss

The Mitsui Fudosan Group is successively introducing the TABETE food sharing service in a bid to reduce food loss at each of the hotels that it operates. The TABETE service is an initiative that promotes the sale of leftover food and bread from breakfast buffets that can be reheated in line with the Company's food hygiene management guidelines through the TABETE app operated by CoCooking Co., Ltd.

In addition, steps are being taken to conduct educational activities and encourage restaurant patrons to take an appropriate amount of food at all restaurants that serve buffets.



Example of a lunchbox sold using the TABETE app

Tokyo Dome

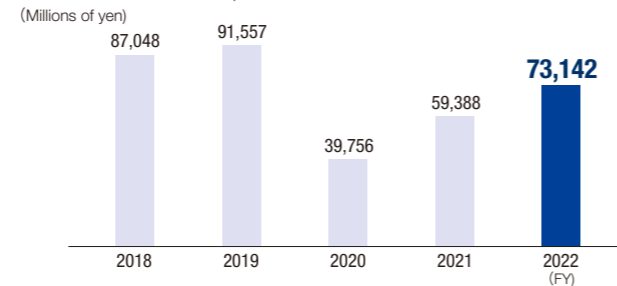
Improving the Value of Tokyo Dome City by Creating Attractive Spaces



To further improve the appeal of Tokyo Dome City, which combines stadiums, retail facilities and hotels with its focus on sports and entertainment, we undertook the largest renovation ever of Tokyo Dome, the core facility. Starting with the renovation of the stadium, we will work on various measures to improve value, including renovating areas other than the stadium, to transform Tokyo Dome City as a whole into a more attractive neighborhood.

<Reference> Tokyo Dome City business sales

Note: Figures for FY2018 to FY2020 are prior to consolidation and figures for FY2021 are post consolidation in the Group.



Strengths of Tokyo Dome City: Centrally Located, Convenient for Transportation × Collection of Varied Facilities with Customer Appeal

Power of Location

A Spacious Site in the City Center with Convenient Transportation

In central Tokyo

A spacious site covering Approx. **13** hectares

Adjacent to 3 stations on 4 lines, for convenience of transportation

Tokyo Station	Approx. 6 minutes
Haneda Airport	Approx. 45 minutes
Narita Airport	Approx. 50 minutes

Power of Facility

Plentiful Facilities That Meet the Needs of Diverse Visitors

Tokyo Dome
All-weather stadium with 55,000-person capacity

LaQua
Retail facilities, amusement park, spa

Tokyo Dome Hotel
Large-scale city hotel

Power of Events

Attraction of Customers through Varied Events in the City Center

SPRING: Professional baseball, Other sports, Events, Concerts, Business exhibits

SUMMER

WINTER

AUTUMN

Tokyo Dome City Business Sources of Revenue

Major sources of revenue for each Tokyo Dome City asset.

- Tokyo Dome**
 - Revenue from events, including professional baseball games and music concerts
 - Food and beverage/merchandise revenue
 - Advertising revenue
 - LaQua**
 - Revenue from facility operations (attractions, hot baths, etc.)
 - Retail tenant leasing revenue
 - Tokyo Dome Hotel**
 - Accommodation fees
 - Food and beverage revenue
 - Revenue from hall use
 - Other***
 - Revenue from facility operations (attractions, amusement facilities, etc.)
 - Retail tenant leasing revenue
 - Revenue from hall use
- * Yellow Building, Korakuen Hall Building, Tokyo Dome City Attractions, MEETS PORT, PRISM HALL, etc.



TOPICS

Tokyo Dome City large-scale renovation

- Landscape redesign**
(space design/newly established LED displays)
Construction started sequentially from January 2023 and is scheduled for completion in the summer of 2024.
- LaQua 20th anniversary of opening renovation**
Renovation from March to May 2023
- Construction of a new theater by Tokyo Dome x YOSHIMOTO KOGYO HOLDINGS Group**
Scheduled to open in January 2024
- New concept floors created in Tokyo Dome Hotel**
Stays possible from February and March 2023
- Seating upgrades inside Tokyo Dome for the 2023 season**
Seating operations commenced from March 2023



Dramatically Growing the Overseas Business

Market Environment

European and North American Market

Risks

- Changes in office and housing needs associated with remote work and other changes in working styles
- Accelerating inflation including building costs and interest rates continue to hover at a high level due to monetary tightening

Opportunities

- Preference for high-quality properties in favorable locations due to changes in the need for real venues
- Increase in demand for office properties with superior environmental performance
- Increase in demand for "Laboratory and Office" buildings associated with the growth of the life sciences industry

Asian Market

Risks

- Changes in the need for real retail facilities associated with growth in E-commerce
- Geopolitical risks caused by such factors as mutual tension between the United States and China

Opportunities

- Expansion of demand for consumption of experiences, etc., unique to real retail facilities
- Firm personal demand due to economic growth, growth of the middle class and personal consumption, the advance of urbanization, etc.

Competitive Advantages

"Engaged in Every Asset Class," "an Expansive Value Chain," and "Development Capabilities Necessary for Creating Neighborhoods"



A History of Over 50 Years in Overseas Business

Mitsui Fudosan America, Inc.
(Mitsui Fudosan (USA) established in 1973)

Approx. 50 years

Mitsui Fudosan (U.K.) Ltd.
(established in 1990)

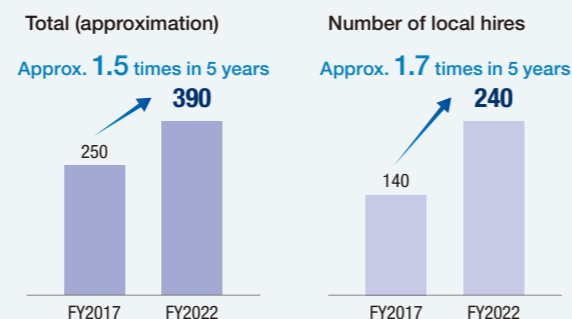
Approx. 30 years

Mitsui Fudosan (Asia) Pte. Ltd.
(TID Pte. Ltd. established through joint venture in 1972)

Approx. 50 years

Promoting Localization by Recruiting and Promoting Excellent Local Employees

No. of overseas business staff (excluding facility management companies)



Business Strategy

- Capture outstanding business opportunities by combining partner strategies with Group strengths nurtured through domestic business
- In order to respond to changes in the market environment, promptly rework product planning to support area and product strategies, sustainability, etc., and maintain and strengthen competitiveness

Area Strategy

Europe and North America

Develop with a focus on office buildings and leasing housing in a mature, highly transparent and liquid real estate market.



Asia

Capture growth in the Asian market where consumer spending is expanding and urbanization is progressing; engage in development with a focus on condominiums and retail facilities.



Overseas Partnership Strategy

- Advancing business in each region with **Approx. 60** partner companies

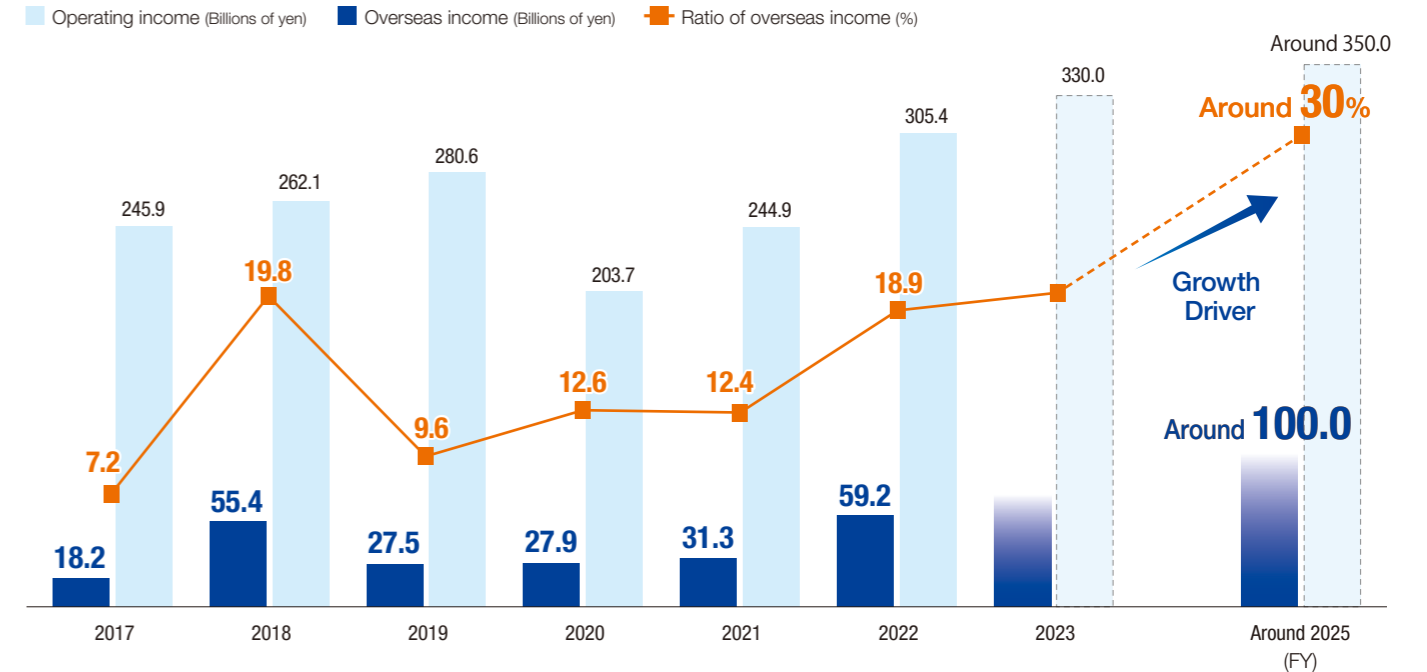
Major Partner Companies

	[Europe and North America]	[Asia]
USA	Related (company name) Tishman Speyer, Hines	Singapore Hong Leong Group
UK	Stanhope, EDGE Technologies	China Greentown Group
		Taiwan Cathay Real Estate Development Co., Ltd.

Overseas Sites and Business Development Areas

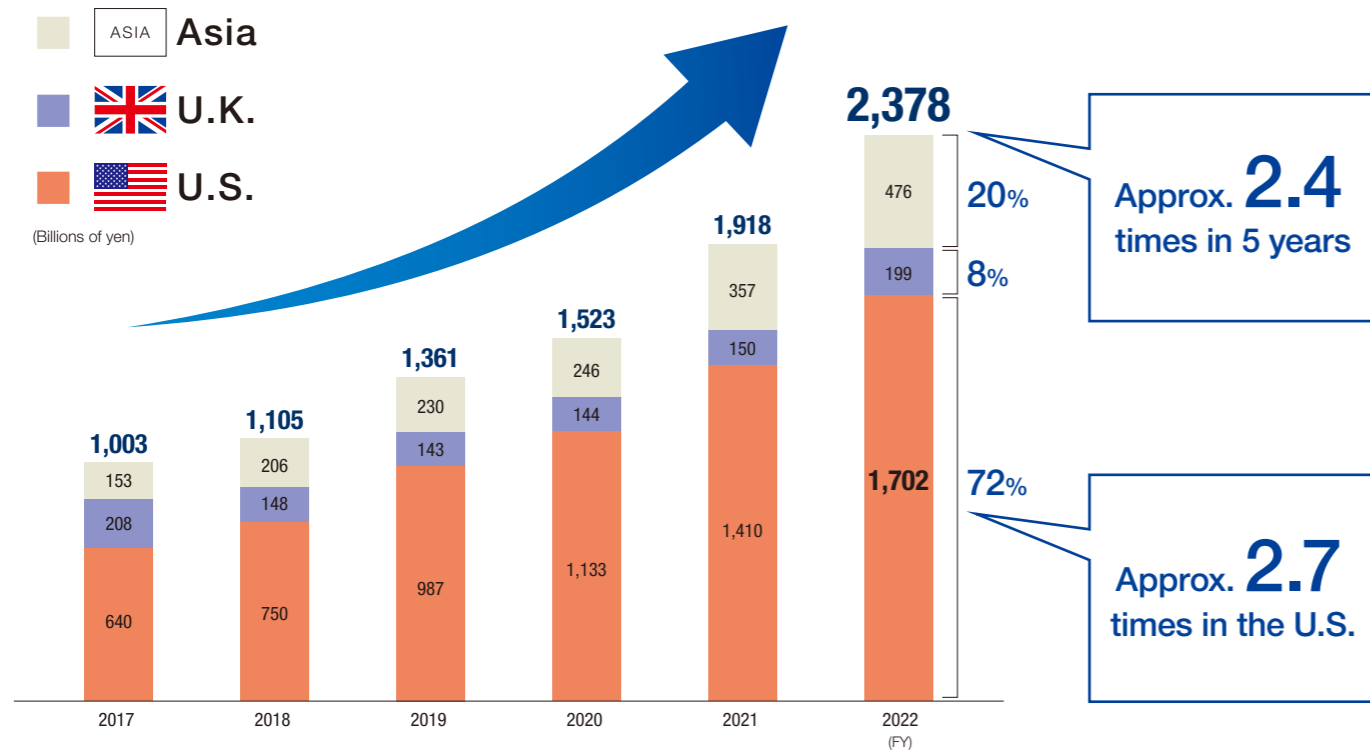


Growth of Overseas Income*

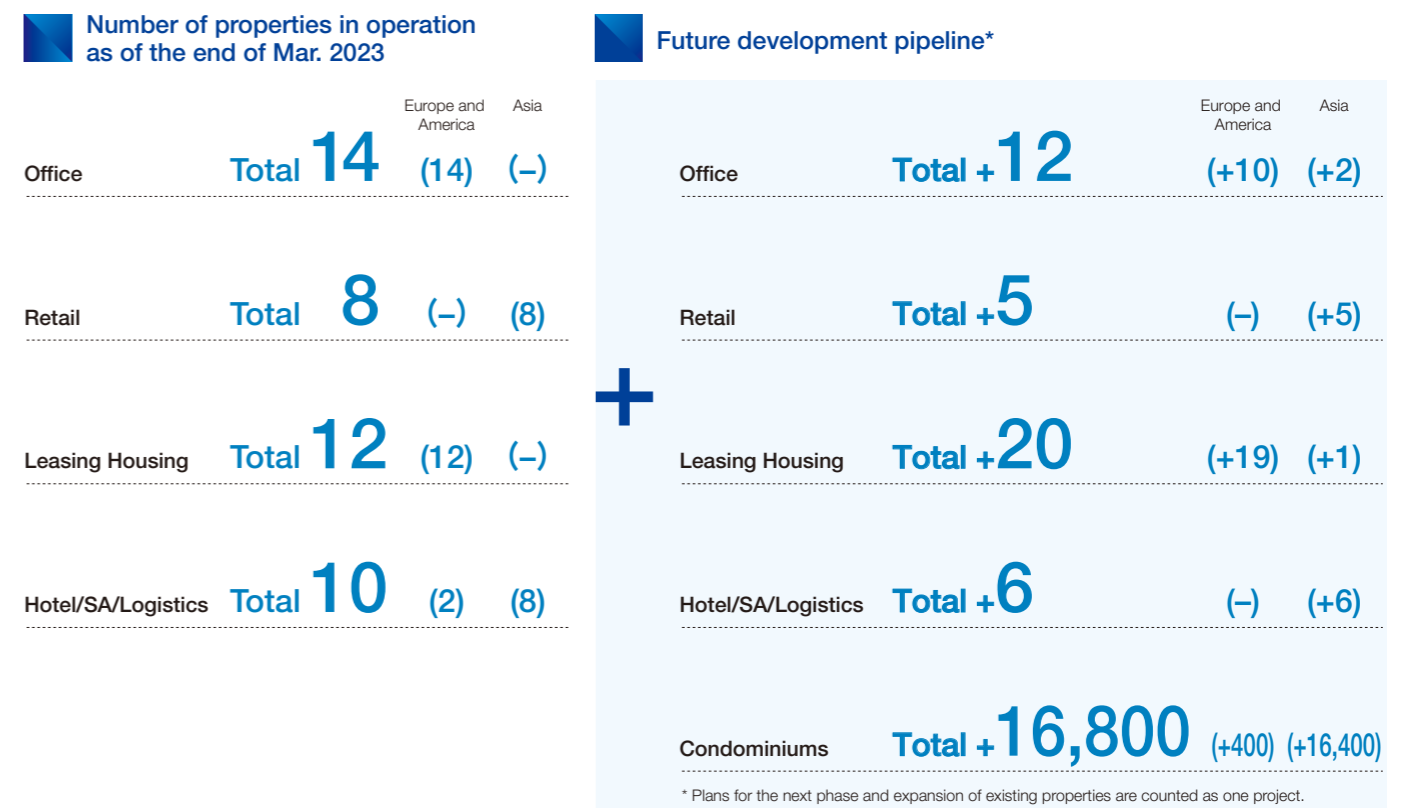


* Total overseas income [a] ÷ (consolidated operating income + pro forma operating income of overseas affiliates [b]) × 100
 [a] Total of overseas operating income and pro forma operating income of overseas affiliates.
 [b] Total of overseas equity method affiliated companies' operating income or amount equivalent to operating income multiplied by Mitsui Fudosan's equity interest, and profit/loss on sales of stocks of overseas equity method subsidiaries and affiliates (for the purpose of real estate sales). The amount equivalent to operating income is the amount of profit calculated from net income on a simplified basis after taking into consideration the tax burden.

Growth of Overseas Assets



Expansion of Projects Operating Overseas (future development pipeline)



Main Environmental Initiatives

For details regarding the main initiatives being carried out, please refer to ESG Report 2023. https://www.mitsufudosan.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 Sixth 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 hot days

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
	Measure	Energy conservation measures
	Market	Customer conduct change
	Technology	Propagation of technology for renewable energy and energy conservation
Physical	Chronic	Average temperature increase
	Acute	Rising sea levels
		Intensification of abnormal weather patterns

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
		Energy conservation measures	Moderate	Large
	Physical	Average temperature increase	Moderate	Moderate
		Rising sea levels/intensification of abnormal weather patterns	Moderate	Minor
		Major carbon tax increase	Minor	Moderate
		Energy conservation measures	Minor	Moderate
Opportunity	Transition	Customer conduct change	Minor	Moderate
		Propagation of technology for renewable energy and energy conservation	Moderate	Moderate
	Physical	Average temperature increase	Moderate	Moderate
		Major carbon tax increase	Minor	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 nonprofit organization engaged in international environmental surveys and information disclosure, in the "CDP 2022 Climate Change A List" of top-ranking companies in the climate change category (for the second consecutive year following 2021). 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

2022 Climate Change Questionnaire. Approximately 15,000 companies worldwide were covered, of which 287 (including 75 Japanese companies) were selected for inclusion in the Climate Change A List.



About CDP

Founded in 2000 in the United Kingdom, CDP is a nonprofit 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 2022, a record number of approximately 18,700 companies disclosed information through the CDP.

Biodiversity Conservation

Policy

Coexistence with nature, which is home to a diverse range of living creatures, adds significant value to communities, such as by providing places of enrichment and relaxation. On the other hand, the development of real estate by the Group and the extraction of natural resources used as raw materials for building materials in the supply chain are altering ecosystems and impacting biodiversity. In light of this, we believe that consideration of the impact on biodiversity is one of the most important management issues, and have recently established the "Mitsui Fudosan Group Biodiversity Policy." Based on this policy and a separately established basic plan, we will promote a wide range of integrated environmental initiatives, including the conservation of biodiversity.

In addition, we will proactively disclose information while referring to the Taskforce on Nature-related Financial Disclosures (TNFD), a framework built for the disclosure of nature-related risks and opportunities.

Policy and Basic Plan with Regard to Biodiversity (Formulated in Fiscal 2022)

"Mitsui Fudosan Group Biodiversity Policy"
"Biodiversity Conservation Basic Plan"

* For details on each policy and basic plan please refer to our website. https://www.mitsui-fudosan.co.jp/english/esg_csr/environment/06.html

Major Initiatives

Activities in Various Organizations

The Company Joined the Keidanren Committee on Nature Conservation. The committee administers a fund that supports nature preservation activities in developing countries as well as Japan. We are also a member of the 30by30 Alliance for Biodiversity, an initiative driven by the Ministry of the Environment, which serves as secretariat, that aims to conserve and protect at least 30% of Japan's terrestrial and marine areas with the goal of halting and restoring biodiversity loss by 2030.



Initiatives at Group-Owned Forests

The Group owns roughly 5,000 hectares of forest in Hokkaido, and every year cuts down a certain amount of timber to use in building materials for its real estate business. Around 40% of this total is natural forest and generally this remains untouched, and as such we believe that here there is minimal impact on the forest's ecosystems through our business activities. However, the remaining 60% is artificial forest, and here we recognize that the varying ages and types of trees, as well as other factors, are impacting ecosystems and biodiversity.

In line with the above, in March 2023 we formulated the "Biodiversity Conservation Basic Plan" for our Group-owned forests and disclosed information on the relationships between our forests and biodiversity as per the LEAP approach of the TNFD framework.

Overview of the Mitsui Fudosan Group-Owned Forests

Locations	31 municipalities (70 forests*) *Forests: One grouping of trees
Area	4,942.47 ha (including 63% that are artificial, 36% natural)
Usage situation	Every year, approximately 100 to 200 hectares of timber are harvested (including thinning, etc.). This timber is used as building materials for the Group's real estate business and in office furniture.
External certifications	• Sustainable Green Ecosystem Council (SGEC) certification for sustainable forest management, and is mutually recognized as a member of the Programme for the Endorsement of Forest Certification (PEFC). • FORESTOCK certification

With Regard to the Relationship between Group-Owned Forests and Biodiversity

Locate The Importance of the Geographic Location of Group-Owned Forests

Of our 70 forests, those where biodiversity conservation requires particular attention due to the following four perspectives have been designated as priority forests

- (1) Ratio of natural forest (2) Variation in tree age in artificial forests
- (3) Position relative to nature reserves and protected forests (4) Level of contribution to forestry management

Evaluate Impact on Ecosystems and Biodiversity and Dependence

The impact and dependence of forestry operations on ecosystems and biodiversity in the Group's forest holdings are identified and analyzed based on the results of on-site surveys of flora and fauna and interviews with local authorities.

Assess Risks and Opportunities Related to Biodiversity

In line with the knowledge we have gained regarding our forests' impact on ecosystems and their mutual dependence, as well as international movements surrounding biodiversity, we have identified, on a trial basis, our biodiversity-related risks and opportunities.

	Risks and opportunities related to biodiversity	Resulting economic impacts
Risks	Tree-cutting in forests near ridges could cause sediment runoff, and in turn lead to the loss of trees and other woodland ecosystems	The amount of timber production could fall as a result
	In artificial forests, if the simplification of tree species and forest layers and the disturbance of forest environments progress, it could lead to the loss of biodiversity	The resulting biodiversity imbalances could cause an increase in certain types of vermin, diseases, and pests, and in turn reduce the amount of timber produced
Opportunities	Market growth for wooden structures, which are said to have minimal environmental impact throughout their life cycle	Enhanced ability to respond to changes in consumer needs, improved competitive advantage, and higher revenue
	Introduction of financial incentives for nature conservation areas that have received OECM and other certifications	Possibility to lower operational costs

Note: The risks and opportunities above are examples of those anticipated for Group-owned forests. We will continue to conduct detailed assessments (such as quantitative analyses) of potential risks and opportunities.

Prepare Implementation of Biodiversity Conservation Measures

Based on the analysis conducted to date, we performed surveys of all 25 of the forestry cooperatives to which we outsource forest management, investigating their implementation of biodiversity conservation measures. While many cooperatives are implementing the measures they can within small sections of their forest, relatively few have implemented initiatives in wide areas or taken initiatives that require a combination of efficiency and safety in operations, which will be improved in the future.

* For details regarding the content and results of the various analyses, please refer to our website. https://www.mitsui-fudosan.co.jp/english/esg_csr/environment/06.html

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.

Sustainable Finance

Policy

As the international movement on environmental and social issues accelerates, further substantial efforts are required to achieve a decarbonized society. Sustainable finance to support the realization of such a society is becoming increasingly important. By proactively engaging in sustainable finance, we intend to raise more awareness of the Group's policy among a wide range of stakeholders and promote the diversification of financing and the realization of a decarbonized society.

Features of the Framework

Green Finance Framework

We have formulated the Green Finance Framework as we look to issue green bonds and execute green loans flexibly. The framework has set both domestic and global environmental certifications as eligibility criteria, allowing for investment in both domestic and global projects.

Sustainability-Linked Loan Framework

The Sustainability Linked Loan (SLL) Framework is a comprehensive SLL framework that uniformly defines SLL requirements such as sustainability performance targets (SPTs), applicable interest rates, and reporting. This will allow us to universally apply the framework to each financial institution's standard loan agreements in individual transactions, making it easier for both us and financial institutions to engage SLL.

Main Achievements of Sustainable Finance

We are aggressive in the use of sustainable finance to raise funds, and in fiscal 2022, of the approximately ¥320.0 billion* in yen amounts raised in Japan, 96%, or a total of ¥309.0 billion was procured through sustainable finance.

* Excluding non-recourse loans and short-term borrowings

Green Finance

We proactively engage in green loans and green bonds by utilizing green projects that meet the eligibility criteria set forth in the Green Finance Framework.

| Fiscal 2022

•Green loans

Project name	Procurement amount	Amount allocated	Amount unallocated
TOKYO MIDTOWN YAESU	¥48.0 billion	¥48.0 billion	—
TOKYO MIDTOWN HIBIYA	¥92.5 billion	¥92.5 billion	—

•Green bonds

Project name	Procurement amount	Amount allocated	Amount unallocated
TOKYO MIDTOWN YAESU	¥80.0 billion	¥80.0 billion	—

| Prior to fiscal 2021

•Green bonds

Year of procurement	Project name	Procurement amount	Amount allocated	Amount unallocated
2021	50 Hudson Yards	\$300 million	\$300 million	—
2019	Nihonbashi Muromachi Mitsui Tower	¥50 billion	¥50 billion	—

| Allocation Review

We obtain "Allocation Reviews" from an external reviewer with regard to our compliance with the eligibility criteria set forth in the framework for each use of funds and the status of the proceeds' appropriation.

| Green Project Case Study

•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 space: Approx. 289,750 m² (total of 2 blocks)
Uses: Offices, retail facilities, hotel, elementary school, bus terminal, parking lots, etc.
Schedule: Completed in August 2022

• 50 Hudson Yards

50 Hudson Yards is an office building development project in Manhattan, New York in which we participated through our U.S. subsidiary Mitsui Fudosan America, Inc. The building has a prime location directly connected to the 34th Street-Hudson Yards Station on the subway's No. 7 Line, has a park in front of the building entrance, large-sized floor plates that are preferred by a wide range of tenants, multiple dedicated lobby areas for the headquarters needs of large tenants, and valet parking service and a fixed number of parking spaces, which are rare in Manhattan. It is also state-of-the-art in terms of environmental performance and is scheduled to receive LEED Gold certification.



Overview of the property
Location: 50 Hudson Yards, New York, NY
Scale of the building: 58 floors above ground and 3 floors below ground
Total floor space: Approx. 2,842,000 sf (approx. 264,000 m²)
Uses: Offices, retail facilities
Schedule: Completed in June 2022

Sustainability-Linked Loans

For our sustainability-linked loans, which sets targets consistent with the ESG strategy of a borrower and for which the interest changes 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 our SLLs.

•Fiscal 2022 Achievements

Number of executions	Total amount
7	¥69.5 billion

•Fiscal 2021 Achievements

Number of executions	Total amount
12	¥69.0 billion

Positive Impact Finance

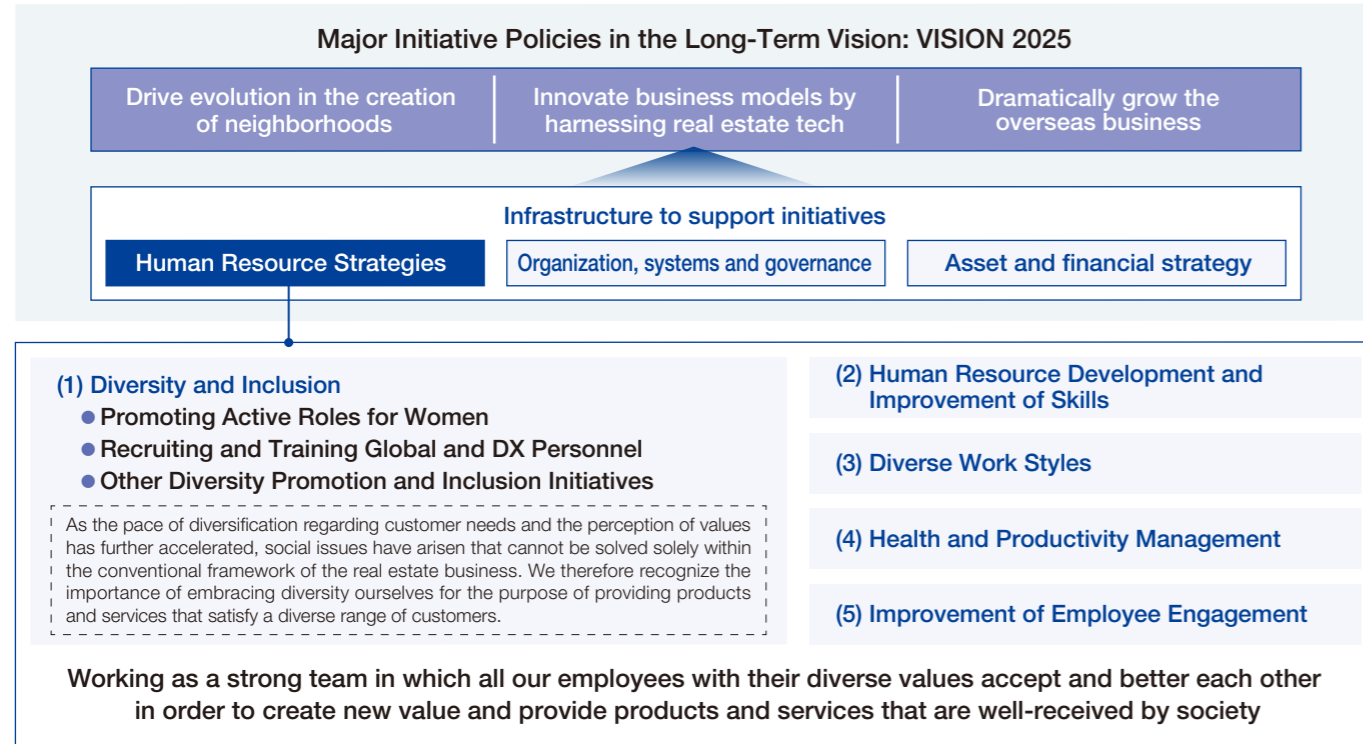
In December 2022 the Company entered into an agreement with Sumitomo Mitsui Trust Bank, Limited for "Positive Impact Financing" to be provided by that company (amount covered: ¥19.0 billion).

Positive Impact Financing is a method of financing in which financial institutions comprehensively analyze and evaluate the environmental, social, and economic impacts (both positive and negative) of corporate activities in accordance with the Positive Impact Financing Principles proposed by the United Nations Environment Programme and Finance Initiative (UNEP FI), and provide loans to support such activities on an ongoing basis. This evaluation has obtained a third-party opinion from Japan Credit Rating Agency, Ltd. regarding the compliance of the procedures for the evaluation with the Positive Impact Financial Principles and the reasonableness of the evaluation indicators utilized.

Main Social Initiatives

Human Resource Strategies

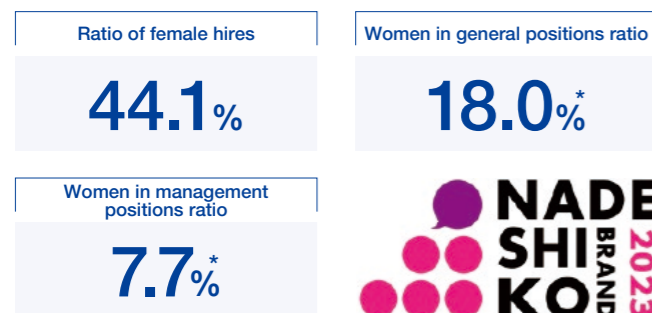
For details regarding the main initiatives being carried out, please refer to ESG Report 2023. https://www.mitsui-fudosan.co.jp/english/esg_csr/report/



Values without a noted time are as of FY2022.

(1) Diversity and Inclusion ▶ P.85

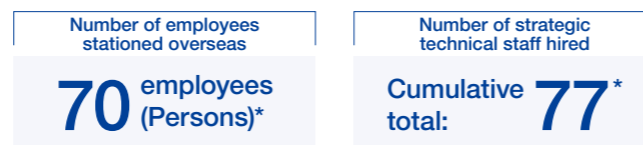
Women's Empowerment



Practical examples

- An Environment Where People Want to Work for a Long Time**
 - Unconscious bias training for all employees
 - Supporting childcare and leave to care for others, etc.
- Raising Motivation and Supporting Career Development**
 - Group joint training (Get Connected and Grow Project)
 - Diversity and inclusion training for organization heads
 - Mentor system for female managers
 - Development plan formulation for management positions and female manager candidates

Recruiting and Training Global and DX Personnel



Practical examples

- Dramatically Growing the Overseas Business**
 - Active recruitment of foreign nationals and new Japanese graduates or mid-career employees with global experience
 - Stints working overseas through job rotations
 - Mandatory one-month language training for younger employees
 - Specific language training for mid-level employees
 - One-year overseas internship program

Innovate Business Models by Harnessing Real Estate Tech

- Active recruitment of DX personnel
- DxU, digital transformation (DX) training for all of the Company's employees



* As of April 1, 2023

Other diversity promotion and inclusion initiatives

Practical examples

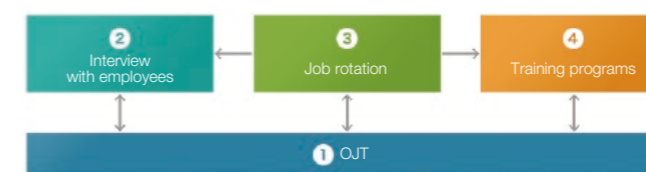
- Active recruitment of mid-career individuals from other industries
- System related to changing official duties
- System to allow contract employees to become regular employees
- System for re-employment
- Expanded employment of people with disabilities
- System for treating relationships as marriages regardless of gender if the Company acknowledges the relationship

(2) Human Resource Development and Improvement of Skills ▶ P.89

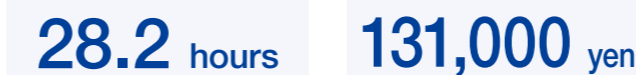
Practical examples

- Personal statement system related to wishes to change department, etc.
- Leave system whereby employees can take time to study at graduate school
- Graduate school tuition fee subsidy system
- Business proposal system
- Side-job system

Four opportunities for personnel development



Training time per employee	Training expenses per employee
28.2 hours	131,000 yen



(4) Health and Productivity Management ▶ P.90

Practical examples

- Use of the &well health management support app (visualization of health conditions and health activity circumstances)
- Health events such as the Team Step Count Challenge
- Expense subsidies (smoking cessation, preventive dentistry, etc.)



Health checkup and screening rate



(5) Improvement of Employee Engagement ▶ P.91

Practical examples

- Established various systems and environments to ascertain employees' circumstances and wishes through annual personal interviews conducted with all employees by Personnel Department staff

Turnover rate (Full-time staff)



I am proud to work for this company



* The proportion who responded to the statement "I am proud to work for this company" with a 4 or 5 out of a five-point scale of agreement.

Diversity and Inclusion

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 utmost, 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 D&I Promotion 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 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.

Priority Measures

| Promoting Active Roles for Women

•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 the awareness of the organization and 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. 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 2023, we had a 7.7% ratio of women in management positions and a 23.4% 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.

In recognition of our various initiatives, we were selected for the second consecutive year as a Nadeshiko Brand, a program in which Japan's Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) jointly select companies that excel in the promotion of women's participation. Similarly, we were selected for the sixth consecutive year as a constituent stock in the MSCI Japan Empowering Women Index, an index composed of companies that excel in gender diversity practices.



Selected as a Nadeshiko Brand



Eruboshi Certification

2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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

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

•Raising Motivation and Supporting Career Development

By conducting diversity and inclusion training, and other measures for organization heads, we are promoting female participation and advancing changes in awareness throughout the organization. We also offer female managers career development support via a mentor system and other initiatives, such as career development planning for female employees in management positions and female manager candidates. In addition, we work to enhance the motivation of female employees and support their career development through exchanges of opinions as part of D&I working groups composed of members openly recruited from within the Company, lectures and seminars by women in active roles, and exchange events within the Company.

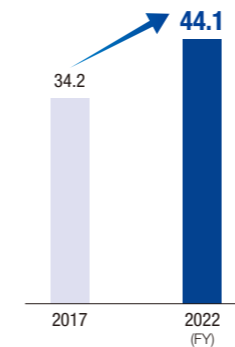
•Promoting Active Roles for Women in the Group

With the Mitsui Fudosan Personnel Department serving as secretariate, the Company established the Group Women's Participation Promotion Subcommittee to promote active roles for women as a unified group. Furthermore, we are promoting initiatives with the Group working in concert, including sharing policies and confirming progress at meetings at which Group

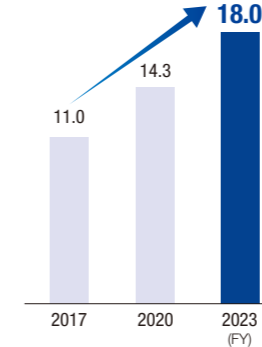
company presidents are present, periodically convening the Diversity and Inclusion Promotion Council together with the departments in charge of D&I at each Group company, and implementing universal Group initiatives.

We have also set and manage the progress of targets for each Group company regarding indicators such as the ratio of women in management positions.

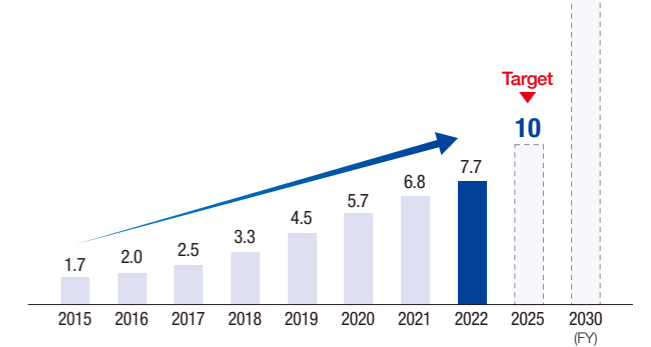
Ratio of Female Hires (new graduates + mid-career hires) (non-consolidated) (%)



Women in General Positions Ratio (non-consolidated)* (%)



Women in Management Positions Ratio (non-consolidated)* (%)



* Figures for each fiscal year are those for the beginning of the fiscal year starting April 1 of the following year.



Diversity and inclusion training for organization heads



Exchanging opinions as part of working groups composed of members openly recruited from within the Company

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.

- Gaining confidence in skills and abilities
- Building networks and information exchanges among female employees across companies
- Embodiment of role models and exchange
- Actively disseminate and share the implementation status



Message from a managing officer at a seminar-style training



Discussion during a seminar-style training

- 1 Seminar for young female employees (Fostering career awareness, etc.)
- 2 Seminar for female manager candidates (One-step-higher viewpoint and understanding roles)
- 3 Female manager forums (Attaining the point of view of management positions, networking between female managers)
- 4 Seminar for managers (Management skills, etc.)
- 5 Roundtable discussion by theme (Embodiment of role models and exchange)
- 6 One-time training (Coaching skills, etc.)
- 7 e-learning (Diversity management, etc.)

Recruiting and Training Global and DX Personnel

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

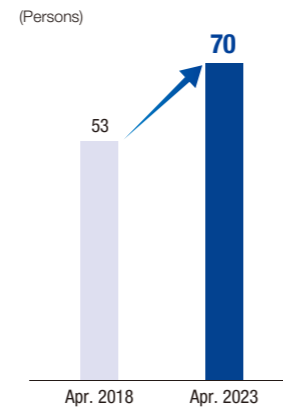
In an effort to expand the overseas business into a core driver of Group operating income by deploying the Group's strengths and business models developed in the domestic business on a global basis, we have been actively recruiting foreign nationals and Japanese new graduates or mid-career employees with global experience. Further, we are striving to create global-oriented staff through measures such as mandating a one-month language learning program 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 mid-career individuals possessing IT skills 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 recognition of this DX promotion structure, our DX project execution capabilities, and other DX activities, we were selected as a Digital Transformation Stock 2022 by Japan's Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency, Japan.

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

Number of Employees Stationed Overseas
(Persons)



Number of Strategic Technical Staff Hired

As of April 2023
Cumulative
total: 77



Other Diversity Promotion and Inclusion Initiatives

The Company is advancing initiatives intended to realize a corporate culture in which personnel with diverse values accept each other and actively engage with a high level of productivity, regardless of their race, nationality, religion, sex, age, presence or not of disability, gender identity, sexual orientation, or other characteristics.

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.

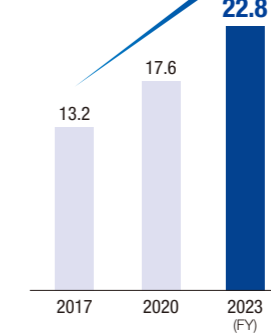
In addition, we have established a system related to changing official duties, as well as a system to allow contract employees to become regular employees, through which we encourage employees to further their careers within the Company. In addition, we have also introduced the Return Entry System for re-employing employees who have resigned for unavoidable reasons, such as the relocation of a spouse, childcare, or nursing care. As a means of enabling employees to choose from among a diverse range of workstyles and careers, we are creating an organization and systems that allow employees to fully demonstrate their abilities.

As far as the hiring of people with disabilities is concerned, we are continually working to employ these individuals based

on such perspectives as corporate social responsibility and diversity, and have therefore established the Challenged Center in the Company's Personnel Department composed of employees with intellectual disabilities as well as full-time advisors. Moreover, during February 2023, in collaboration with Hakuodo Incorporated we established SUPERYARD Co., Ltd., to expand employment at companies for people with mental disabilities and to support their career advancement after they have been employed.

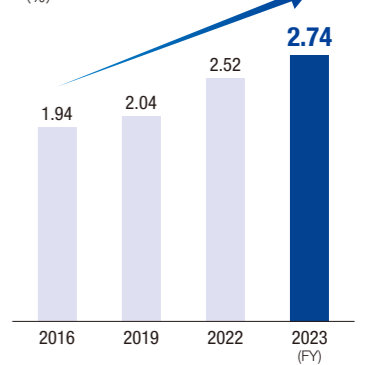
From the perspective of diversity of sexual orientation, we have established internal regulations to enable employees with same-sex partners to apply for and use various Company programs that cover spouses, family members, etc.

Percentage of Mid-Career Hires among Regular Employees
(%)



Note: As of April 1

Employment Rate of People with Disabilities
(%)



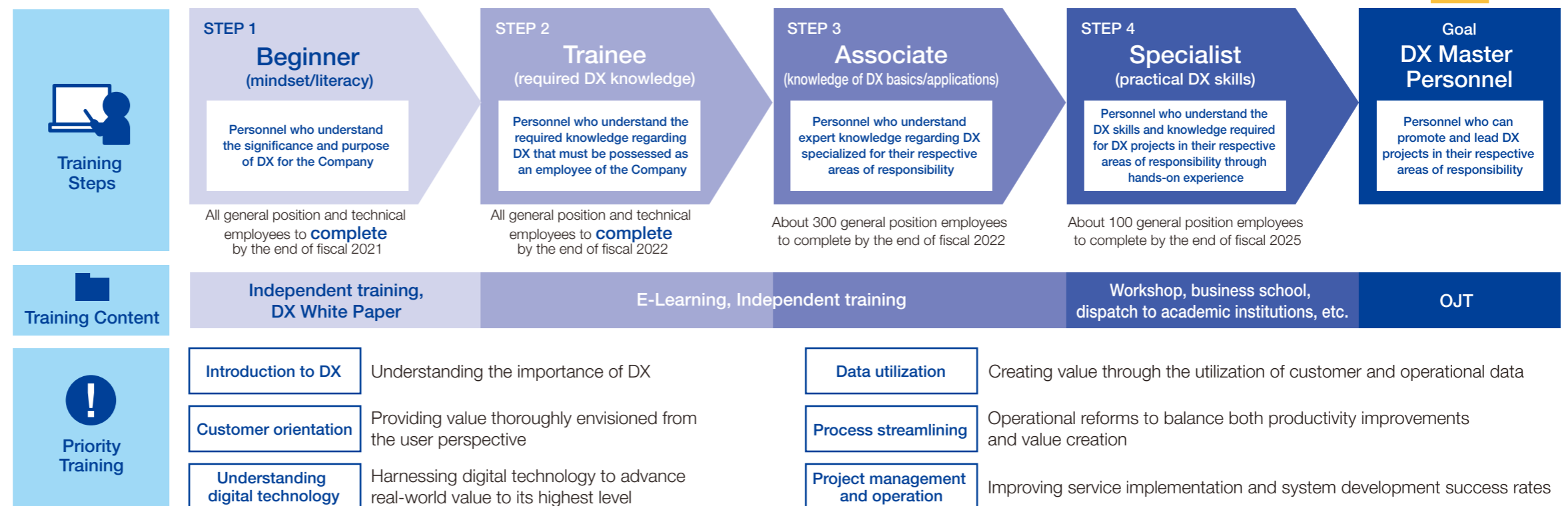
Notes: 1. As of June 1
2. Legally mandated rate: 2.30%

Mitsui Fudosan Co., Ltd. DX Training for All Employees DxU

Mitsui Fudosan has established DxU, the new DX training program, targeting all employees. The training has been organized into six priority areas, designed to impart not only digital knowledge, but to offer a multifaceted improvement in skills. We have also prepared a road map for each employee tailored to their individual skill levels. In an effort to raise the base level of DX knowledge and skills on a Group-wide basis, for all employees we conduct STEP 1 to foster mindset literacy and STEP 2 to provide the required knowledge for DX. In aims of developing personnel with the excellent planning and digital tool implementation skills seen as the two drivers of successful DX, we conduct STEP 3 to provide a more applied level of knowledge and STEP 4 to help employees understand DX skills and knowledge as part of actual duties through hands-on experience.

Employees who have completed each step are certified as DX Masters who can promote and lead DX projects in their respective areas of responsibility and are awarded a corporate commendation.

Training Road Map



Human Resource Development and Improvement of Skills

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, along with deepening the understanding of our businesses, we have established a side-job system that helps employees build experience in business domains separate from our existing businesses through a business proposal system. This side-job system also aims to help create innovation and make a social contribution. We have also established the Return Entry re-employment system, 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.



Basic policy on personnel development that broadens the capabilities of each individual by combining four opportunities

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 serve the role of making fair evaluations through an 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.

Training time per employee

28.2 hours

Training expenses per employee

131,000 yen

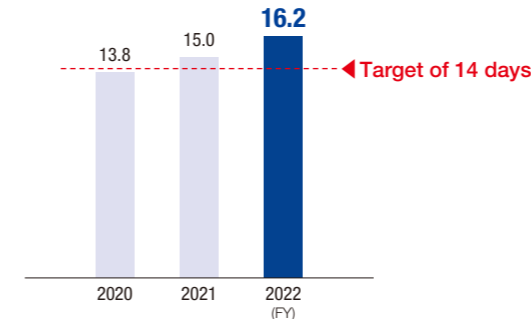
Diverse Work Styles

To respond to the dramatically changing needs of society and create new value, under the concept of workstyle reform, the Company believes in the importance of building organizations where human resources with diverse talents, lifestyles, and perceptions of value can maximize their respective abilities. For this reason, we are working to change mindsets and build infrastructure in a way that allows for flexibility in working locations and times. We also are striving to optimize a work-life balance by improving work efficiency, optimizing the allocation

Flexible work locations and times

Reforming awareness	<ul style="list-style-type: none"> Foster awareness with continued communication of top management's message Utilize internal public relations magazines and e-mail newsletters to conduct educational activities and share expertise Establish yearly targets for use of annual paid leave (14 days per year) and promote use of leave 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 Promotion Department Establish a customized workstyle in each department, and promote work efficiency improvements Support productivity improvements through the use of DX
Infrastructure improvements	<ul style="list-style-type: none"> Utilize the WORK STYLING Shared Office Introduce a work-at-home system for all employees Enable recording of PC usage hours and deploy a usage control system Establish a super flextime work system with no core time

Number of Paid Leave Days Taken
(Days)



Health and Productivity 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. Along with enacting a Health and Productivity Management Declaration and clarifying related policies, under this belief we have taken action to maintain and improve employees' health to create environments where employees can work energetically in ways suited to their individual lifestyles.

Specifically, we conduct consultations for employees by personnel staff, and provide health checkup expense subsidies for employees and their spouses. As a solution that contributes to the advancement of health management at companies, we conduct health promotion events, seminars, and step count challenges, as well as distribute articles via a mobile app, as part of the &well service offered by the Company. Moreover, we established a

of work, and reducing employees' working hours in all departments.

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.

Balancing childcare and leave to care for others

Childcare	<ul style="list-style-type: none"> In-office nurseries Supports a diverse range of workstyles for employees by making in-office nurseries available. Can be used by any employee of the Company regardless of gender. Temporary childcare and other one-time usage options are also available. Subsidy system for babysitter, day care/after-school childcare, and housekeeping service expenses Partially subsidizes the costs involved in hiring babysitters, day care/after-school childcare, and housekeeping services Childcare leave Available for up to three years of use, longer than the legally mandated period Childbirth and childcare interview system and training programs for those returning to work from maternity/childcare leave Conducts interviews between the employee, the manager, and the Personnel Department when returning to work. Also conducts training programs for the employee and manager when returning to work from maternity/childcare leave
Nursing care	<ul style="list-style-type: none"> Nursing care consulting system Provides consulting for employees involved in nursing care Subsidizing the cost of providing nursing care Partially subsidizes expenses for nursing care services Family care leave Acquisition of this leave can be split for up to a total of one year, longer than legally mandated periods
Other	<ul style="list-style-type: none"> Fertility treatment system Partially subsidizes expenses involved in fertility treatments

Return rate from childcare leave

100% for 23 consecutive years

Percentage of male employees taking childcare leave*

122.9%

* The denominator is the number of male employees whose partner gave birth in the relevant fiscal year, and the numerator is the number of male employees who used the leave system either as childcare leave at the time of their child's birth or childcare leave in the relevant fiscal year. Where there are male employees who take childcare leave, etc. in a different fiscal year from that of their child's birth, this rate may exceed 100%.

Health and Productivity Management Declaration

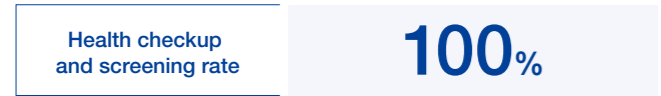
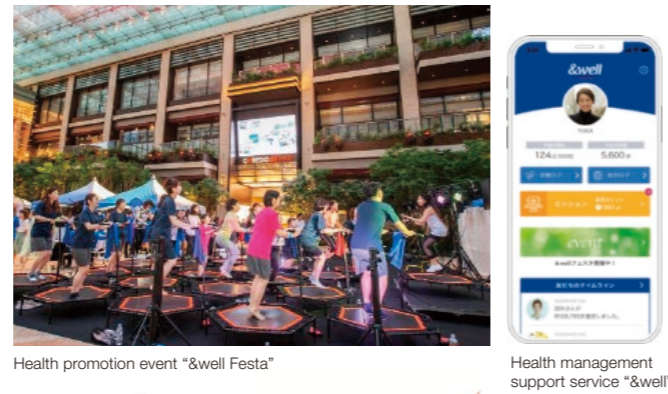
- Our progressive spirit and attitude of flexibly tackling tough challenges forms the basis for our approach of supporting individual employees' efforts to create new value from the sidelines via health and productivity management, and we will tie that into the Company's sustainable growth.
- We will actively invest in our employees' physical and mental well-being, and promote the creation of workplaces where diverse personnel are excited to work.
- Through 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.

Values without a noted time are as of FY2022.

Health Management Center under the charge of the managing director in charge of personnel affairs as an organization dedicated to actively promoting initiatives that include planning and verifying the effects of measures to address health issues in consultation with the health insurance association.

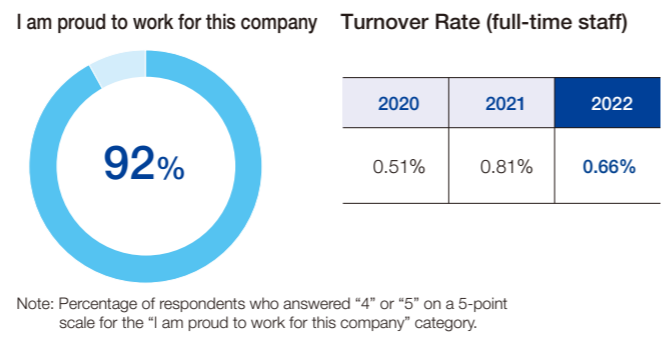
In recognition of these initiatives, we were selected as a 2023 Health & Productivity Stock Constituent, a program in which Japan's Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) jointly select companies that excel in health and productivity management practices. Among the listed companies on the TSE, enterprises deemed exceptional in terms of health and productivity management are selected as Health & Productivity Stock Constituents, with one enterprise generally selected per industry.

For seven consecutive years, we have also been certified under the Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500, Large Enterprise Category), jointly administered by Japan's Ministry of Economy, Trade, and Industry and Nippon Kenko Kaigi.



Improvement of Employee Engagement

In addition to conducting annual personal interviews between Personnel Department staff and all employees, we distribute engagement surveys to all employees for the purpose of measuring the coherency between the values and orientations of our employees and the organization as it currently stands. We believe that the fact that more than 90% of our employees are proud of working for the Company, possess the desire to independently contribute to their organization and work, and are able to engage in work of their own initiative is also a reason for the low turnover rate.



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

Human Rights Initiatives

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.mitsui-fudosan.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 guidelines, 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.

Supply Chain and Engagement

We conduct questionnaires and on-site surveys across the supply chain each year in order to identify any human rights risks that have a significant impact among those posed by the Group's business on the community, to properly grasp the impact on suppliers, and to investigate measures to prevent or minimize the impact. We will continue to expand the scope of companies and worksites subject to this effort, promote engagement on an ongoing basis, and strive to reduce human rights risks.

Fiscal 2021

In regard to construction sites believed to have the highest degree of impact, we conducted a questionnaire regarding the overall ESG initiatives, including human rights, of six construction companies, and conducted an on-site survey at the construction sites of two companies. Alongside an

external surveying company, we visited each worksite for one day and interviewed construction company staff, in particular confirming the specific initiatives mentioned in their answers to the questionnaire. We discovered no major problems, including any human rights or compliance infractions.

Fiscal 2022

We carried out a questionnaire with six building operation and management contractors and conducted on-site inspections at two companies' operation sites.

We also conducted a questionnaire survey for about 200 tenants at commercial facilities operated by our Group. In addition to introducing our Group's initiatives such as sustainable procurement standards and engagement with suppliers on ESG issues, we actively encouraged our supply chain to address ESG issues by sharing tenants' initiatives.

DX Promotion Initiatives

For details on major initiatives, please refer to the 2022 DX White Paper (In Japanese only). https://www.mitsui-fudosan.co.jp/dx/dx_hakusyo.pdf

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.

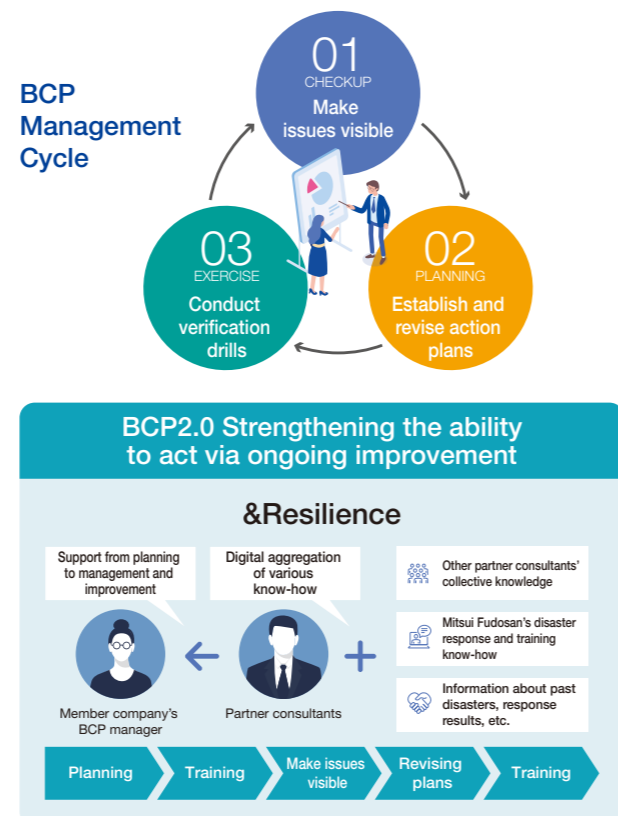
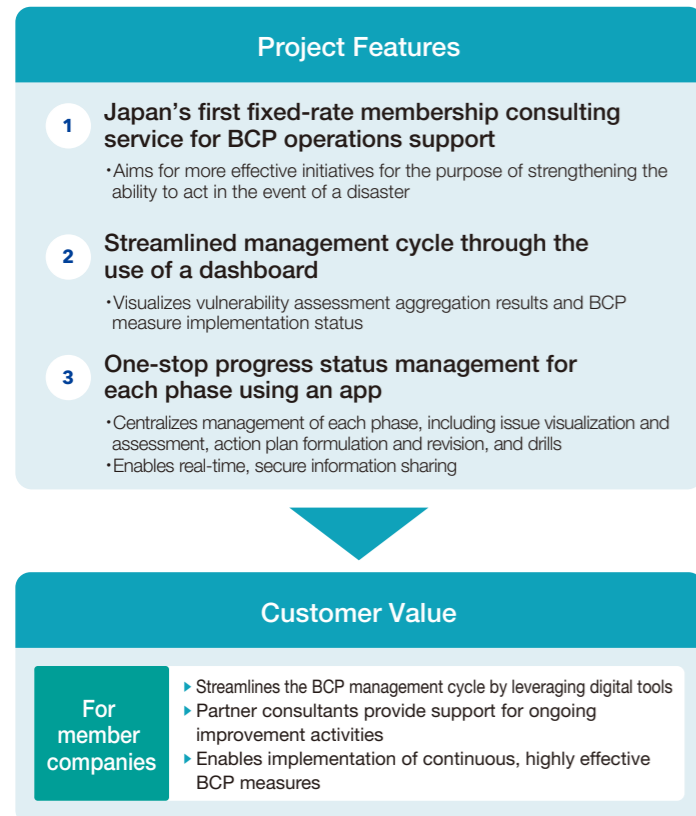
Business Reforms

Providing &Resilience Services to Streamline and Deliver Support for Stronger Corporate BCPs* Using Digital Tools

In order to meet the rapidly growing needs for assistance with BCP initiatives, Mitsui Fudosan began providing &Resilience services as a one-stop approach toward providing support for efforts aimed at strengthening the ability of customers to act in the event of disasters and other emergencies in 2022. Intended to achieve a more effective BCP 2.0, &Resilience is a fixed-rate membership consulting service that leverages digital tools to streamline initiatives for enhancing business continuity capabilities. BCP 1.0 to date has often gone no further than establishing plans. In contrast, BCP 2.0 is the unique concept in &Resilience that shines a light on the operational phase

after planning. BCP 2.0 outlines measures that are more effective, mainly training, in strengthening the ability to act during times of a disaster.

By centralizing and leveraging various know-how and past experience, including Mitsui Fudosan's disaster response and training know-how, partner consultants provide support for the entire BCP management cycle, from visualizing issues to establishing and revising action plans and holding verification drills for BCP managers at member companies. Through ongoing, effective improvement support, &Resilience enables customers to achieve highly effective BCP measures.



* Business Continuity Plan: Refers to a plan that establishes approaches to continuing business when natural disasters or other business continuity risks occur.

Workstyle Reforms

Promoting Workstyle Reforms through the Use of RPA*1 and Low-Code Development Platforms

In order to further promote workstyle reforms, Mitsui Fudosan utilizes RPA and low-code development platforms to streamline operations.

RPA Usage Track Record

(totals for FY2020–2022)

- Number of departments introducing RPA: **11**
- Number of systems in operation: **171**
- Total number of work hours reduced: **19,365**

RPA

Achieves streamlined operations through the automation of computer-based work

- Automation of routine tasks and office work is in progress
- Used for aggregation work, document preparation, and list organization, etc.

Low-Code Development Platforms

Used to streamline familiar tasks and to verify service MVP*2

- Regular employees create apps that streamline everyday work to improve efficiency
- Some departments are using this approach to improve familiar tasks
- Currently being used for MVP verification in which low-code development platforms are used to create simple apps for verification purposes, and to allow test subjects to experience services

*1 RPA automates tasks and reduces labor by replacing computer-based tasks with software that automatically performs operations.

*2 Minimum Viable Product: A product designed with the minimum required functionality. RPA is used for MVP verification in a process that makes repeated improvements based on feedback acquired from users provided with the product.

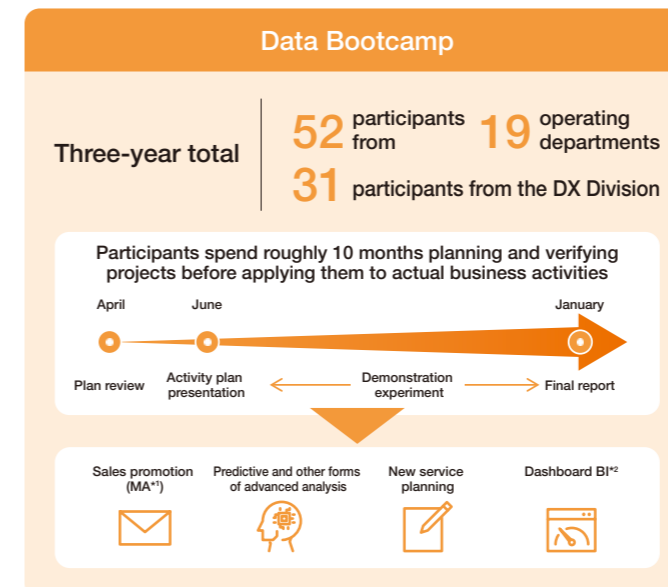
Promotion Bases

Initiatives for Business Growth Leveraging Acquired and Accumulated Data

Based on various data sets accumulated within the Group, Mitsui Fudosan employs co-creation between operating departments (business human resources) and the DX Division (digital human resources) as a means of advancing projects that leverage various data sets. As part of Data Bootcamp, participants spend roughly 10 months planning and verifying projects before applying them as part of actual business

activities, including sales promotion activities and new service planning. These projects have been implemented by a total of 19 operating departments over the past three years.

Moreover, as part of &Marketing, the DX Division leverages external knowledge to propose digital marketing improvement measures to each operating department in an effort that helps each business grow.

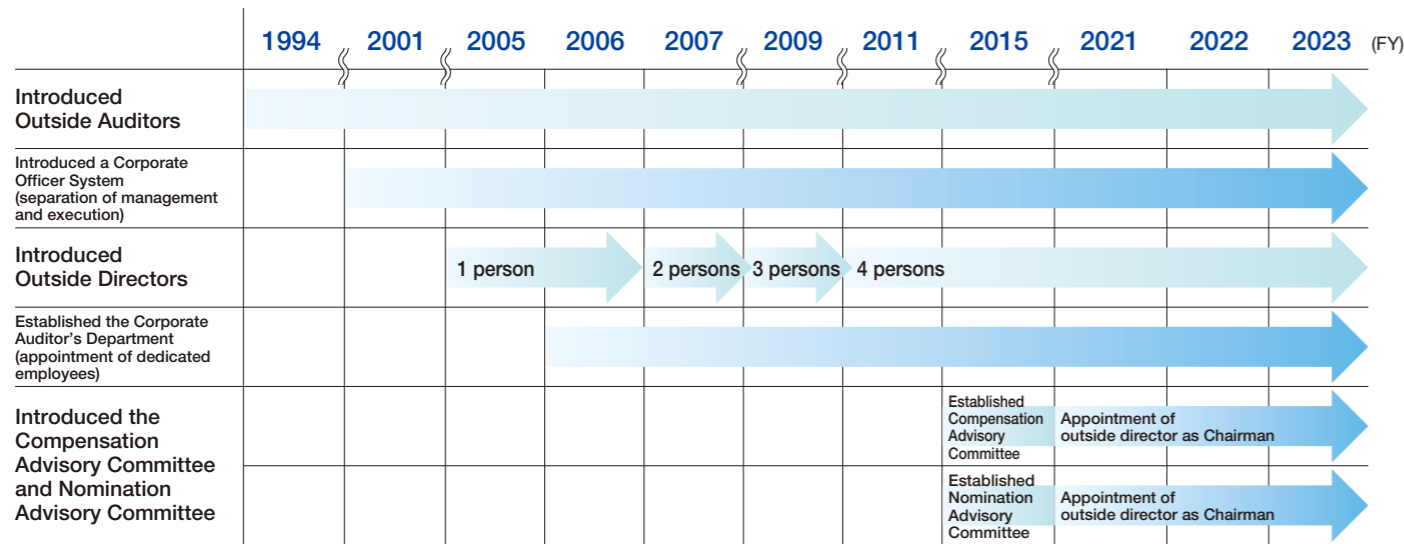


*1 Marketing Automation: Automatically identifies customer trends and preferences in real time, provides valid product information, and performs other marketing tasks.

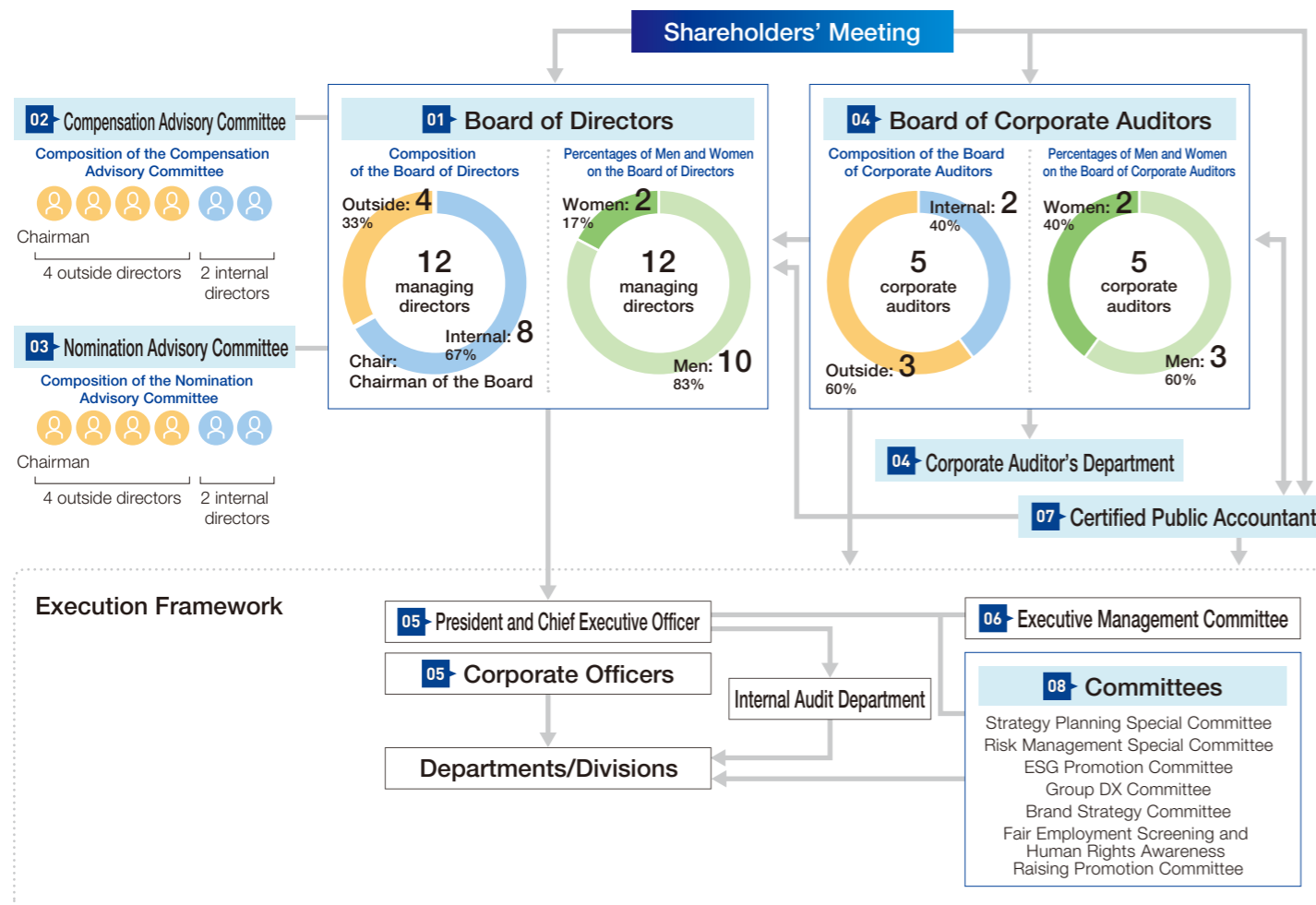
*2 Business Intelligence: A method that allows users to analyze and process the massive volumes of business data accumulated by a company's information systems, etc., on their own as necessary for application to business and management decision making.

Corporate Governance

Initiatives for Enhancing Corporate Governance



Corporate Governance Structure



Organizations in the Corporate Governance Structure

01 Board of Directors

The Board of Directors, headed by Chairman Masanobu Komoda and comprising 12 members, including eight internal directors (Masanobu Komoda, Takashi Ueda, Takashi Yamamoto, Takayuki Miki, Yoshihiro Hirokawa, Shingo Suzuki, Makoto Tokuda and Hisashi Osawa) and four outside directors (Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai, and Mami Indo), decides on issues material to Mitsui Fudosan and monitors the execution of business by managing directors. The corporate auditors also attend meetings of the Board of Directors and provide opinions as necessary.

02 Compensation Advisory Committee

The Compensation Advisory Committee, headed by independent outside director Tsunehiro Nakayama as Chairman and comprising six members, including four independent outside directors (Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai, and Mami Indo), President and Chief Executive Officer Takashi Ueda, and one internal director (Makoto Tokuda), advises on matters pertaining to the compensation of managing directors when the Board of Directors makes resolutions on such matters. Three meetings were held in fiscal 2022 with all committee members in attendance.

<Specific Advisory Matters>

- Changes in the amount of basic compensation paid to directors
- Partial revisions to the basic policy on directors' compensation
- Recent trends in and the direction of executive compensation considerations going forward
- Directors' basic compensation, bonuses, and restricted stock compensation paid

03 Nomination Advisory Committee

The Nomination Advisory Committee, headed by independent outside director Tsunehiro Nakayama as Chairman and comprising six members, including four independent outside directors (Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai, and Mami Indo), President and Chief Executive Officer Takashi Ueda, and one internal director (Makoto Tokuda), 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. Two meetings were held in fiscal 2022 with all committee members in attendance.

<Specific Advisory Matters>

- Certain changes in representative managing directors and selection of the President and Chief Executive Officer
- Partial revisions to the corporate regulations concerning the appointment of advisors and officers
- Certain changes in representative managing directors
- Division of duties of the executive directors
- Preliminary selection of representative managing director, executive director, director and corporate auditor candidates
- Appointment of executive corporate officers and corporate officers and the delegation of responsibilities
- Appointment of Group senior officers and Group corporate officers

04 Board of Corporate Auditors

The Board of Corporate Auditors, headed by senior corporate auditor Hiroyuki Ishigami and comprising five corporate auditors, including two internal auditors (Hiroyuki Ishigami and Wataru Hamamoto) and three outside auditors (Yukimi Ozeki, Minoru Nakazato, and Mayo Mita), 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 each corporate auditor has been assigned two dedicated employees.

05 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.

06 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. Full-time corporate auditors also attend meetings to stay informed of important decision-making processes and the status of business execution, and provide opinions as necessary.

07 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.

08 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. Moreover, the Group DX Committee, Brand Strategy Committee, and Fair Employment Screening and Human Rights Awareness Raising Promotion Committee have been established as advisory bodies to the President and Chief Executive Officer.

Enhancement of the Effectiveness of the Board of Directors

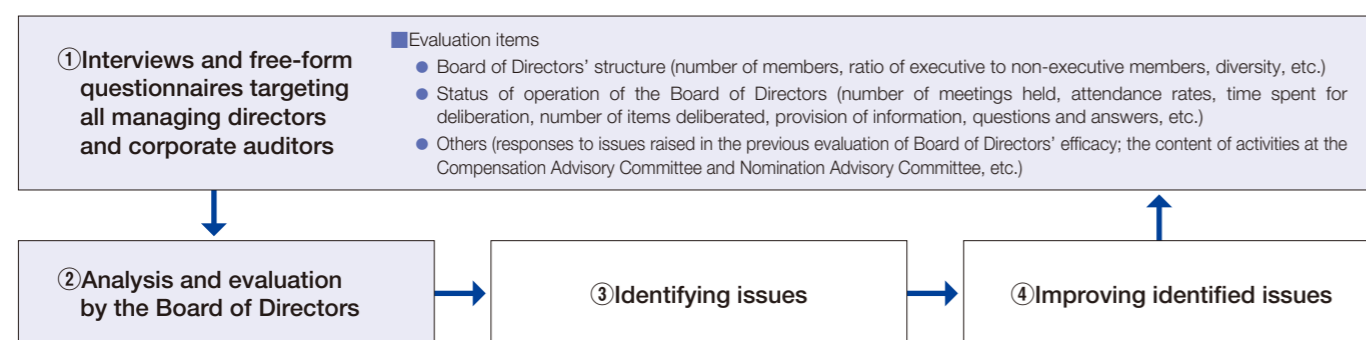
Evaluation of Board of Director Effectiveness

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.

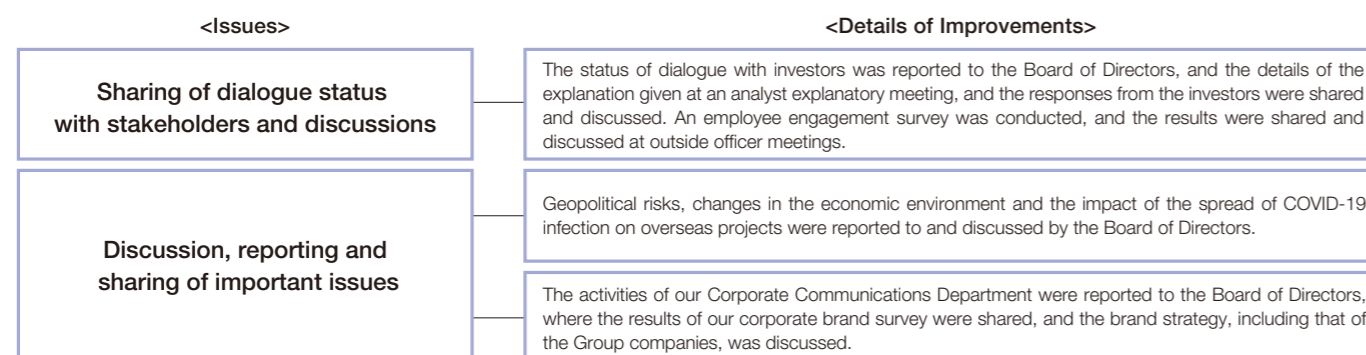
In the evaluation of the effectiveness of the Board of Directors in fiscal 2022 (current year), each evaluation item was generally highly evaluated, as shown in (2) below, and it was confirmed that the Board of Directors' efficacy was properly maintained.

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

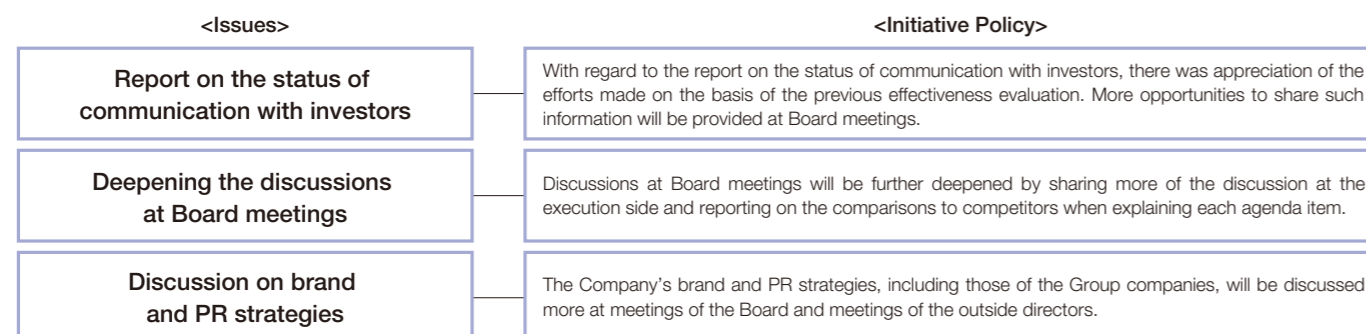


(2) Issues identified and actions taken in FY2021 (previous year)



(3) Issues identified and actions taken in FY2022 (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 two times in FY2022)	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 (FY2022)	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.)
Masanobu Komoda Chairman of the Board	11/12	●	●	●	●	●	●	●
Takashi Ueda President and Chief Executive Officer	12/12	●	●	●	●	●	●	●
Takashi Yamamoto Managing Director and Executive Vice President	12/12	●		●	●		●	●
Takayuki Miki Managing Director	10/12*2		●			●	●	●
Yoshihiro Hirokawa Managing Director	Newly appointed			●		●	●	●
Shingo Suzuki Managing Director	Newly appointed					●	●	●
Makoto Tokuda Managing Director	Newly appointed			●			●	●
Hasashi Osawa Managing Director	Newly appointed		●		●		●	●
Tsunehiro Nakayama Outside Director	12/12	●	●	●	●		●	
Shinichiro Ito Outside Director	12/12	●		●	●	●	●	
Eriko Kawai Outside Director	12/12		●	●	●	●	●	
Mami Indo Outside Director	Newly appointed	●	●	●	●		●	

*1 The above list does not contain all of the areas of expertise and experience of each individual.

*2 Managing director Takayuki Miki attended all 10 meetings of the Board of Directors held after his appointment on June 29, 2022.

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 the managing director and executive vice president
 - 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
 - Fiscal year plan
 - ESG plan
 - Report on risk management
 - Verification of stock holdings regarding strategic shareholdings
 - Other important matters

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 the corporate auditors.

Breakdown of Managing Directors' Compensation

Restricted stock compensation (medium- to long-term incentives)	Performance-based: About 50%–60%* (about 60%–70% for the President)
Bonuses (short-term incentives)	
Basic compensation	Non-performance-based: About 40%–50%* (about 30%–40% for the President)

* Data for all internal directors.

Performance-Based Compensation Indicators

Comprehensive consideration is given to the following factors, etc.:

- 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 vision
- 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 (FY2022)

Title	Total compensation (Millions of yen)	Amount of compensation by type (Millions of yen)			Number of applicable executives
		Basic compensation	Bonus	Restricted stock compensation	
Internal directors	1,432	626	559	246	9
Internal corporate auditors	106	106	—	—	2
Outside directors and corporate auditors	131	131	—	—	7

Note: The number of persons and the amount of compensation above include one managing director who retired at the conclusion of the 110th Ordinary General Shareholders' Meeting held on June 29, 2022.

Compensation of Executives Exceeding ¥100 million (FY2022)

Name	Title	Company	Amount of compensation by type (Millions of yen)			Total compensation (Millions of yen)
			Basic compensation	Bonus	Restricted stock compensation	
Hirokichi Iwasa	Chairman of the Board	Mitsui Fudosan Co., Ltd.	120	116	43	281
Masanobu Komoda	President and Chief Executive Officer	Mitsui Fudosan Co., Ltd.	120	140	62	323
Kiyotaka Fujibayashi	Managing Director	Mitsui Fudosan Co., Ltd.	79	60	27	166
Yasuo Onozawa	Managing Director	Mitsui Fudosan Co., Ltd.	74	60	27	162
Takashi Yamamoto	Managing Director	Mitsui Fudosan Co., Ltd.	52	45	21	129
	Managing Director	Mitsui Fudosan Residential Co., Ltd.	10	—	—	
Takashi Ueda	Managing Director	Mitsui Fudosan Co., Ltd.	60	45	21	127
Takayuki Miki	Managing Director	Mitsui Fudosan Co., Ltd.	47	45	17	109
Wataru Hamamoto	Managing Director	Mitsui Fudosan Co., Ltd.	63	45	21	129

Note: Executive officer data are for fiscal 2022.

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 the further sharing of value with shareholders (resolved at the 108th Ordinary General Shareholders' Meeting held on June 26, 2020). Meanwhile, stock acquisition rights that 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 the 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, gender, 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 the 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

Name / Position	Independent officer	Reasons for appointment	Fiscal 2022 attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Masanobu Komoda Chairman of the Board		Masanobu Komoda served as President and Chief Executive Officer for 12 years from June 2011 to March 2023, during which time he gained a wealth of experience and insight related to the Group's general business operations as an executive. Since April 2023, he has led the Group's management as Chairman of the Board (Representative) and plays an appropriate role in contributing to the 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 going forward.	Board of Directors Meetings: 11/12
Takashi Ueda President and Chief Executive Officer		Since joining the Company, Takashi Ueda has amassed abundant experience in various fields. As the Company's managing director, he is responsible for the building business, retail properties business, life science innovation business, and large-scale mixed-use development projects, among others. Since April 2023, he has led the Group's management as President and Chief Executive Officer (Representative) and plays an appropriate role in contributing to 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
Takashi Yamamoto Managing Director and Executive Vice President		Since joining the Company, Takashi Yamamoto has amassed abundant experience in various fields. As the Company's managing director, he is responsible for the overseas business and plays 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
Takayuki Miki Managing Director		Since joining the Company, Takayuki Miki has amassed abundant experience in various fields. As the Company's managing director, he is responsible for the logistics facility business, hotels/resorts business, new business development, support for capturing business opportunities, TOKYO DOME CORPORATION, and industrial government-academia collaboration and plays an appropriate role in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Miki as a managing director as he is expected to make further contributions going forward.	Board of Directors Meetings: 10/12 ^{*1}
Yoshihiro Hirokawa ^{*2} Managing Director		Since joining the Company, Yoshihiro Hirokawa 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 a managing officer such as by serving as manager of the retail properties business, personnel, and sustainability promotion. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities and has therefore selected him as a managing director.	—
Shingo Suzuki ^{*2} Managing Director		Since joining the Company, Shingo Suzuki has amassed abundant experience in various fields. After assuming the position of a managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as a managing officer, such as by serving as a manager of the building business, life science innovation business, and large-scale mixed-use development projects, among others. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities and has therefore selected him as a managing director.	—

Name / Position	Independent officer	Reasons for appointment	Fiscal 2022 attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Makoto Tokuda ^{*2} Managing Director		Since joining the Company, Makoto Tokuda has amassed abundant experience in various fields. After assuming the position of a managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as a managing officer, such as by providing support for capturing business opportunities for the Group and serving as manager of TOKYO DOME CORPORATION, industrial government-academia collaboration, and administration. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities and has therefore selected him as a managing director.	—
Hisashi Osawa ^{*2} Managing Director		Since joining the Company, Hisashi Osawa has amassed abundant experience in various fields. After assuming the position of a managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as a managing officer, such as by serving as manager of strategy planning and cooperation in the housing business and as a managing director of Mitsui Fudosan Residential Co., Ltd. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities and has therefore selected him as a managing director.	—
Tsunehiro Nakayama Outside Director	○	Drawing on his experience and insight as an executive, Tsunehiro Nakayama has played an appropriate role as the Company's outside director 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	○	Drawing on his experience and insight as an executive, Shinichiro Ito has played an appropriate role as the Company's outside director 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
Eriko Kawai Outside Director	○	Drawing on her experience overseas and insight, Eriko Kawai has played an appropriate role as the Company's outside director 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: 12/12
Mami Indo ^{*2} Outside Director	○	Drawing on her experience working in a securities company and think tank as well as her wealth of experience and insight serving in such capacities as a commissioner of the Securities and Exchange Surveillance Commission, Mami Indo as the Company's outside director is expected to make contributions in reinforcing the supervision functions of the Board of Directors and ensuring transparency. Moreover, recognizing that there is no possibility of conflicts of interest with general shareholders, she has been appointed as an outside director and independent officer.	—
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 and 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
Wataru Hamamoto ^{*3} Senior Corporate Auditor		Since joining the Company, Wataru Hamamoto has amassed abundant experience in various fields. While serving as a managing director of the Company, he has been responsible for a wide range of operations, including accounting, corporate planning, digital transformation, and sustainability promotion. The Company believes that he is capable of appropriately auditing the execution of business by managing directors with his abundant experience gained through these businesses, and has therefore selected him as a corporate auditor.	—
Yukimi Ozeki Outside Auditor	○	Yukimi Ozeki is 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. Going forward, Yukimi Ozeki 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: 12/12 Board of Corporate Auditors Meetings: 12/12
Minoru Nakazato ^{*2} Outside Auditor	○	Minoru Nakazato is expected to appropriately audit the execution of duties by the managing directors as an outside auditor through the use of his expert knowledge in taxation, legal affairs, and economics, and his wealth of experience serving as a scholar in universities. Moreover, because there is no possibility of conflicts of interest with general shareholders, he has been appointed an outside auditor and independent officer.	—
Mayo Mita ^{*2} Outside Auditor	○	Mayo Mita is expected to appropriately audit the execution of duties by the managing directors through the use of her abundant experience as a securities analyst and her broad knowledge in observing and analyzing companies from an objective standpoint. Moreover, because there is no possibility of conflicts of interest with general shareholders, she has been appointed an outside auditor and independent officer.	—

^{*1} Appointed on June 29, 2022. 100% attendance rate at Board of Directors meetings during the period of appointment.

^{*2} Newly appointed on June 29, 2023.

^{*3} Newly appointed on June 29, 2023. Attended 11/12 meetings of the Board of Directors as a Director in fiscal 2022.

Outside Directors' Discussion

A roundtable discussion was held among three outside directors (Tsunehiro Nakayama, Shinichiro Ito, and Eriko Kawai) on such topics as the Board of Directors' efficacy, issues as they relate to sustainable growth, initiatives aimed at promoting decarbonization and D&I, and expectations toward the Company's new structure following a change in the President. Details are presented as follows.



Shinichiro Ito

Outside Director
Member of the Nomination Advisory Committee
Member of the Compensation Advisory Committee

Tsunehiro Nakayama

Outside Director
Chairman of the Nomination Advisory Committee
Chairman of the Compensation Advisory Committee

Eriko Kawai

Outside Director
Member of the Nomination Advisory Committee
Member of the Compensation Advisory Committee

Evaluation of the Board of Directors' Efficacy / Vigorous Deliberations

What are your thoughts on the Company's Board of Directors, the mood in which meetings are conducted, including deliberations?

Ito | Meetings of the Board of Directors are conducted in an extremely positive manner. Deliberations, in particular, are especially vigorous. This was also the case during COVID-19, and remains the same as the impacts of the pandemic continue to subside. As outside directors, we can ask questions easily and receive the right answers from the relevant executives. On the whole, the Board of Directors operates in an appropriate and effective manner.

Nakayama | Four years have now passed since I assumed the position of outside director, and I wholeheartedly concur with Mr. Ito's comments. Deliberations by the Board of Directors are indeed

vigorous. Over and above the presenter of each agenda item and/or proposal, the President provides supplementary comments as required. In addition, the relevant department heads as well as the Chairman and President personally answer questions from outside directors. In this manner, every effort is made to provide outside directors with a better understanding of the Company. I believe it is this attitude toward Board meetings that has led to the lively exchange of opinions and stimulated discussions. Moreover, I feel that this atmosphere truly illustrates the Company's DNA.

Ito | There are indeed instances when the President himself takes the

lead in explaining important issues and proposals. In each case, I have found his input to be impressive and compelling.

Kawai | I agree with you both. I have been a Board member for two years now. Opinions are freely exchanged and questions answered in a careful and detailed manner. All Board members can ask questions without hesitation, even in the case of newly appointed outside directors whose industry knowledge may be limited. Questions and

comments always receive a firm and proper response. Moreover, the Secretariat provides detailed explanations prior to Board meetings. As such, we can grasp certain aspects of an agenda item in advance, and gain a better understanding of each issue. As a result, the Board of Directors is able to focus on more substantive questions in detail. This in turn helps to ensure that meetings are conducted in a more efficient and timely manner.

Evaluation of the Board of Directors' Efficacy / Stakeholders' Opinions

Based on your opinions pertaining to the Board of Directors' efficacy, how do you evaluate investors' comments and feedback from the employee engagement survey conducted last year?

Nakayama | As far as stakeholders are concerned, it is important for management to be attentive to the opinions of investors. In addition to addressing investors' concerns through various forums, including IR meetings, I believe the Company must pay close attention to what investors are keenly interested in, what aspects they are critical of, and how they view the Company's future. Clearly, a firm grasp of these issues and respect toward the opinions of investors are indispensable to management. With this in mind, I appreciate the feedback shared by the President from his frequent discussions with investors during Board of Directors' meetings held last year. I look forward to more feedback in the future. Turning to the employee engagement survey, Mitsui Fudosan has fostered an atmosphere in which people can speak freely. Having said this, I believe that the Company must periodically check each department to ensure that this culture continues to take root while reviewing the results of the survey.

Kawai | It is vital that the Company listens carefully to the opinions of investors and continues to engage in dialogue. In a sense, as outside directors, we represent the interests of shareholders. It is important that we maintain a deep understanding of the Company's

management. At the same time, we must stay finely attuned to investors' opinions.

Ito | Mitsui Fudosan is itself currently conducting an employee engagement survey. While I recognize that this is an extremely positive initiative, the Company would be better served if it were to extend this survey to Group companies. This would help in confirming the status of Group companies and further increase engagement across the Group as a whole. I had previously asked that the content of discussions on important matters before the Board of Directors with frontline executives and staff be shared with outside directors. As a result, employees engaged in the executive function are now more willing to provide detailed explanations.

Nakayama | I agree. From the perspective of outside directors who are not from the real estate sector, it is important to receive the viewpoints of real estate professionals when it comes to, for example, issues regarding overseas projects. I appreciate the fact that the background, processes, and details of internal deliberations are immediately shared with outside directors.

Evaluation of the Board of Directors' Efficacy / The Provision of Information to Outside Directors

Site tours and outside officer meetings are held to promote understanding. How have these initiatives helped you to fulfill your role as an outside director?

Ito | The site tour at TOKYO MIDTOWN YAESU was an excellent opportunity to gain confidence in the Company's strengths and business direction. Against the backdrop of an increasingly competitive office building leasing market, the chance to see this large-scale property with all of its floors under contract, and the transformation of an entire city brought to fruition, helped to confirm in my mind the Company's strengths and its efforts to create neighborhoods that get better with age with an eye to the future.

Nakayama | I could not agree more. Initially, I found it difficult to grasp many of the Company's concepts, including the creation of neighborhoods, getting better with age, and real estate as a service. Visiting TOKYO MIDTOWN YAESU and Kashiwa-no-ha Smart City, and experiencing each property firsthand, allowed me to gain a deeper understanding while completely transforming the image I had of

neighborhood creation. From personal experience, on-site visits are essential to understanding the Company's business concepts. The notions of getting better with age and real estate as a service have yet to gain widespread acceptance within society. For this reason, Mitsui Fudosan should ramp up its endeavors to promote each concept in the future.

Kawai | That's true. The concept of getting better with age accurately conveys the Company's goal of creating neighborhoods and embodies every facet of sustainability itself. In addition to TOKYO MIDTOWN YAESU, I visited the Nihonbashi area last year. Actually seeing the site and experiencing what kind of space was being developed and the thought that went into the development plans was far more rewarding than just looking at a map and learning about the project from my desk.

Overview of the Company's Fiscal 2022 Financial Results and Issues

How do you evaluate the Company's fiscal 2022 financial results, and are there any issues that you feel need to be addressed for the Company's future sustainable growth?

Ito | I believe the Company's fiscal 2022 financial results were impressive. Impacted by COVID-19, the Hotels and Resorts as well as Retail Properties businesses continued to face a harsh operating environment. Against this backdrop, Mitsui Fudosan should be commended for its success in placing each of these businesses on a recovery track and securing a certain degree of Group-wide profit growth. In relative terms, I believe the real estate sector is resilient to pandemics and is less susceptible to the rapid deterioration in financial results attributable to changes in the market environment. Although the first half of fiscal 2022 was still challenging, successful steps were taken to adjust positively to COVID-19. From fiscal 2023, I am confident that Mitsui Fudosan will demonstrate further growth and work positively toward achieving the numerical targets identified in its VISION 2025. Turning to the Company's overseas business, the external environment is undergoing wide-ranging change. In the United States, for example, this includes rising interest rates against the backdrop of rapid inflation. Despite this difficult operating environment, leasing at 50 Hudson Yards in New York continues to progress favorably free from any major negative factors. I believe this clearly differentiates this property and Mitsui Fudosan from the market. While geopolitical risks and future interest rate trends in Japan will require close attention, I am confident that the Company as a whole is more than capable of overcoming any hurdles.

Nakayama | Mitsui Fudosan's domestic Hotels and Resorts business as well as Mitsui Car Park Leasing have indeed struggled over the past two to three years. Over the long-term span of a decade, however, I believe these difficulties have helped strengthen the Company's business platform going forward. Historically, Mitsui Fudosan enjoyed steady growth in line with trends in its external environment. In contrast, the Company initiated steps to reform its business model and revise its earnings structure owing to COVID-19 with an eye on the post-pandemic period. Taking the aforementioned into consideration, results in fiscal 2022 reflect the fruits of these endeavors. Amid expectations of significant growth in inbound tourism, the fact that the Company took these steps to strengthen its management foundation

in response to COVID-19 will hold it in good stead to capitalize on potential business opportunities as they arise. In this regard, I rate highly Mitsui Fudosan's ability to turn adversity into an opportunity for growth. Turning to mature real estate markets, focusing largely on Europe and the United States, the Company's decision to adopt a "when in Rome do as the Romans do" posture while pursuing collaboration with local blue-chip business partners when advancing development projects is an extremely safe approach. Drawing on its experience in Japan, Mitsui Fudosan is successively rolling out LaLaport and other types of retail properties in Asia. Looking at the Company's efforts to develop business in Europe, the United States, and Asia, coupled with the recent completion of such flagship properties as 50 Hudson Yards, I believe that successful steps have been taken to further strengthen the Group's overseas business. In setting its direction going forward, Mitsui Fudosan has set the goal of generating roughly 30% of the Group's consolidated profits overseas. As a result of its ongoing efforts to engage in business based on a relatively cautious approach, I am convinced that the Company is promoting sound overseas measures. This includes minimizing risks amid recent significant changes in the financial environment and adopting a conservative financial strategy that largely revolves around the procurement of funds on a long-term, fixed interest rate basis.

Kawai | I agree. Overseas companies that have expanded their real estate activities on the back of the low interest rate environment have been especially hard hit by the sharp increase in interest rates. As a result, companies have been forced to hold back on some of their investments. Conversely, we have seen an upswing in potential opportunities, and have, for example, received a growing number of inquiries due to our sound financial position. As interest rates in Japan continue to hover at a low level, I think it is important for the Company to take advantage of the favorable operating environment and prudently acquire business opportunities from a long-term perspective while properly managing risks. I recognize that Mitsui Fudosan has skillfully identified and carefully pursued business opportunities, including the flagship 50 Hudson Yards in New York and development projects focusing mainly on rental housing in the U.S. Sun Belt Area. Having said this, the Company must still pay close attention to the outlook for future interest rates, which remains uncertain. Taking into consideration any upswing in interest rates as well as real estate cap rate and other trends, it is vital that we postulate on various scenarios while keeping a close eye on the market environment.

Nakayama | Drawing on my banking background, I have always

emphasized the importance of monitoring a company's cash management and cash flow. Within the real estate sector, Mitsui Fudosan is distinguished by its sound financial position and cash flow. Moreover, I am convinced that the Company's debt/equity ratio remains at a healthy level for an asset portfolio of approximately ¥8 trillion. However, recognizing that the global financial environment is likely to change drastically in the coming years, the Company should consider building a balance sheet that is appropriate for the times. For this reason, I see the need to engage in management with an even greater emphasis on balance sheet control, and would add there is room for improvement in the Company's PR strategy. As far as the Mitsui Fudosan Group's advertisements are concerned, they at best

show the colors of each Group company. Conversely, these promotions fail to properly convey a unified brand concept to consumers. The question then is how the Mitsui Fudosan Group should build and communicate its brand strategy to the general public. I would argue that this is a key issue that the Group needs to explore in depth in the future.

Kawai | I couldn't agree more. It is a shame that some of the Group's PR activities are not more effective. While Mitsui Fudosan has been actively involved in several attractive projects, including Nihonbashi and Kashiwa-no-ha Smart City, the Company should more proactively communicate how its efforts to create neighborhoods as a developer add value not only in economic, but also social terms.

Evaluation of the Group's ESG and Sustainability Initiatives

Mitsui Fudosan has identified diversity and inclusion (D&I) as well as decarbonization as key management issues and has pushed forward a host of ESG and sustainability initiatives to date.

How would you evaluate these initiatives and what are your thoughts on the issues the Company continues to face?

Kawai | Looking at the Group's D&I gender initiatives, Mitsui Fudosan has added Mami Indo as an outside director and Mayo Mita as an outside auditor. The Company's efforts to promote diversity over a short period of time is a reflection of the stance adopted by top management. In setting the direction for the entire Group, Mitsui Fudosan has identified D&I as one of the Company's most important management issues. As such, every effort is being made to increase the ratio of women among internal officers. Indicative of its steady progress, Mitsui Fudosan was selected as a Nadeshiko Brand for the second consecutive year. In this regard, I believe the Company is moving in the right direction in a positive and timely manner. In addition to putting forward a specific road map in its bid to achieve net zero emissions in fiscal 2050, Mitsui Fudosan formulated the Mitsui Fudosan Group Biodiversity Policy in March 2023 and reaffirmed its commitment. As a commitment to the outside world, the Company's policy and specific targets as well as the strong will of top management are to be highly commended.

Nakayama | Once again, I agree. As far as D&I is concerned, it is important that the Company has set clear numerical targets for the ratio of women in management positions at 20% and the ratio of female hires at 40% by 2030. To be honest, the real estate industry is not conducive to increasing the ratio of women, much like the construction industry. Since the number of past hires greatly influences

the number of future candidates for management positions, the only way to increase the ratio of women in management positions is to increase the number of female mid-career hires at this time. Even under these circumstances, it is significant that the Company has clearly set out numerical targets. The same can be said of efforts aimed at achieving decarbonization. In addition to announcing numerical targets, 2022 has been identified as the first year for implementing the decarbonization action plan. I am impressed by how far the Company has come in such a short period of time. With the President taking the lead, top management convey their unwavering commitment, cognizant that deliberations by the Board of Directors and other meetings should not end simply with the establishment of the necessary structure and systems, but also extend to implementation plans. With this in mind, I believe Mitsui Fudosan's commitment to the outside world is of the utmost importance.

Ito | Looking back around four years ago, I was adamant in



Tsunehiro Nakayama

Outside Director

After serving for many years in top management positions in the financial industry, including Representative Director and Deputy President of Mizuho Corporate Bank, Ltd. and Representative Director and Chairman of Merrill Lynch Japan Securities Co., Ltd., Mr. Nakayama was appointed a director of Mitsui Fudosan in June 2019. He also serves as a member of the Company's Nomination Advisory Committee and Compensation Advisory Committee.

Shinichiro Ito

Outside Director

After serving for many years in top management positions, including President & Chief Executive Officer, Representative Director and Chairman of the Board, Representative Director of ALL NIPPON AIRWAYS CO., LTD. and ANA HOLDINGS INC., Mr. Ito was appointed a director of Mitsui Fudosan in June 2019. He also serves as a member of the Company's Nomination Advisory Committee and Compensation Advisory Committee.



expressing my opinion on the empowerment of women, asking why the number of female employees was so low. Recently, the Company has adopted a more proactive approach toward increasing the number of female mid-career hires, and I feel that they have been earnest in their implementation. In its efforts to promote decarbonization, Mitsui Fudosan is also to be commended for its serious endeavors, including the use of wind power and mega solar power generation. Despite the difficulties in addressing Scope 3 emissions, I am impressed by the Company's efforts to move forward.

Nakayama | Nationality is a topic of increased discussion when it comes to D&I. Rather than limit these discussions to an individual's country of birth, I feel there is a need to adopt a more comprehensive approach and to look at such factors as experience and skills. Earlier in my career, I worked for a U.S. company. At that time, we were very aggressive in our D&I endeavors. Diversity is not an automatic process, and requires each company's strong commitment. With this in mind, there are those who believe Japan's current efforts toward gender

equality are belated. Other countries already boast a substantial track record and a high level of awareness. I am confident that Japan too can rapidly change in its efforts to promote gender equality in the future. From the perspectives of nationality and gender, deliberations should not be undertaken as a mere formality. Mitsui Fudosan must deliberate in depth on exactly what form of diversity it should pursue over the long term and take gradual steps toward achieving its goals.

Ito | As far as corporate governance is concerned, it is important that Mitsui Fudosan ascertain the structure and systems that best fit the Company rather than pursue the most advanced institutional design. From a positive perspective, Japanese-style management is deeply instilled in Mitsui Fudosan. In fact, the Company should have no qualms about this fact.

Kawai | The manner in which a company implements corporate governance is of the utmost importance. In this sense, I believe that Mitsui Fudosan is intuitively implementing the form of corporate governance that is best suited to it.

Expectations toward the New President

In closing, what are your expectations toward Mr. Ueda following his appointment as President and Chief Executive Officer?

Nakayama | As a company that engages in long-term projects, it is important that Mitsui Fudosan adopt a commensurate long-term perspective toward management and refrain from replacing its President on a short-term basis. I hope that as the Company's new President, Mr. Ueda will put forward a new path when outlining his next management policy and work diligently to definitively and steadily implement various strategies and measures. Mr. Ueda has a sound track record as a developer that supports Japan's industry and has actively promoted a significant number of projects in the past. Based on his wealth of experience, I have complete confidence in his ability to manage the Company in concert with Mr. Komoda in his role as Chairman. Mitsui Fudosan has recently renewed its management structure replacing four directors on its Board of Directors and three corporate auditors. Under the stewardship of the new President, Mr. Ueda, I look forward to the next stage of the Company's transition.

Ito | Mr. Ueda has commented that imagination, initiative, and implementation have provided the impetus for the Company's ongoing growth. He has gone on to say that Mitsui Fudosan will continue to move forward as an industrial developer or platformer, so to speak, beyond the boundaries of a real estate facilitator. Embodying Mr. Ueda's vision and passion, the Nihonbashi Revitalization Plan, which is

currently under way, aims to revitalize the city as an open platform for aerospace-related industries. Drawing on his past experience and various hardships as well as his transfer outside the Company to an investment advisory firm, Mr. Ueda boasts a broad perspective. Taking these factors into consideration, I look forward to his leadership.

Kawai | I believe Mr. Ueda has leveraged his various experiences outside the Company to generate new value through creative thinking. Guided by a renewed Board of Directors from the current fiscal year, I am confident Mitsui Fudosan will continue to exhibit generational diversification. Through reenergized communication with this younger generation and efforts to promote innovation grounded in diversity, amid an open corporate culture, I hold high expectations that Mitsui Fudosan will generate new business.

Eriko Kawai

Outside Director

Ms. Kawai serves as Professor Emeritus of Kyoto University. Active overseas for many years, and with a wealth of experience as a management consultant at various international organizations, including the Bank for International Settlements (BIS) and the Organization for Economic Cooperation and Development (OECD), Ms. Kawai was appointed a director of Mitsui Fudosan in June 2021. She also serves as a member on the Company's Nomination Advisory Committee and Compensation Advisory Committee.



Message from Newly Elected Outside Director

Outside Director Mami Indo

Having worked as an analyst and consultant at Daiwa Securities Co. Ltd. and Daiwa Institute of Research Ltd. and as a member of the Securities and Exchange Surveillance Commission, Ms. Indo has a wealth of experience and broad insight. Appointed as a director of the Company from June 2023, she is a member of the Nomination Advisory Committee and Compensation Advisory Committee.



—Ms. Indo, please tell us about your career to date.

Prior to my recent appointment as an outside director, I joined a securities company as one of the first generation of female career-track employees. As such, I possess experience in corporate management and capital market-related work in the private sector as, for example, an analyst, in investment banking and consulting as well as in financial and economic research. I also have experience in working as an official as a member of various councils in ministries and agencies as well as a member of the Securities and Exchange Surveillance Commission. During the course of this career, I have broadened my management-related knowledge through opportunities to meet with many managers irrespective of their industry and with people from academia. I believe that I can contribute to the Group based on my experience in both the private and public sectors as well as on the three-dimensional knowledge I have cultivated there.

—What are your thoughts on the Company's management?

In today's world, environment, society and governance (ESG) concerns are attracting increased attention, and the creation of new value in cooperation with other stakeholders to address a variety of issues is in demand. In the case of the Mitsui Fudosan Group, however, I believe that it is a company that is itself capable of leading the way and putting these aspects into effect while involving industry as a whole. What started me thinking that way was when I attended a briefing held when Kashiwa-no-ha Smart City opened for business, more than 10 years ago. At Kashiwa-no-ha Smart City, Mitsui Fudosan had collaborated with a variety of companies and academia, promoted neighborhood creation and implemented a variety of demonstration experiments to resolve social issues. Through this, I gained the feeling that co-creation of value was certainly taking place. I expect the Company to take on more challenges like this in the years to come.

In addition, innovation is an extremely important factor for companies to remain competitive and grow in a sustainable manner. Usually, innovation tends to refer to visible changes and distinct factors, but I believe that innovation comes in a variety of forms, including innovation that takes a long time to take shape. In particular, the Company's business model comprises a variety of stages, such as holding and leasing, development and sales, and management, and the business model as a whole is intricately intertwined. Therefore, comprehensive thought must be given to those parts of the

business where innovation should be brought about, and it is necessary to proceed in a steady manner from a longer-term perspective. It is my belief that innovation in the real estate industry calls for an approach that is different from that of other, more general companies.

Furthermore, while the term *real estate* seems like something fixed and akin to infrastructure, I think it is important to give flexibility to neighborhood creation. What people demand from a city changes with the times. The Mitsui Fudosan Group has a phrase, "getting better with age," and I believe that there is a need for neighborhood creation that is capable of evolving in conformity with changes in demographics and in the composition of industry. Recognizing the paramount importance that people live, work and enjoy themselves in good health, I think it is important to promote the real estate business and neighborhood creation with a view to resolving social issues, including these.

—Please tell us about your aspirations for the future.

Due to the nature of the neighborhood creation business, it is my belief that the Mitsui Fudosan Group has more stakeholders than other companies, not only customers, business partners and employees, but also visitors to the neighborhoods developed by the Company and the people in the surrounding areas. I would like to utilize the experience I have gained up to now, to monitor the Group's management not only from the perspective of the capital markets, but also from the standpoint of the various stakeholders.

With regard to the risks that are necessary in management, I also believe that fulfilling the role of encouraging executives to take those risks is demanded of outside directors. Of course, this does not mean that risks should be taken in a haphazard manner. After having confirmed whether the Company's risks have been analyzed from a variety of aspects and whether they have been classified into those that can and those that cannot be managed, I believe that it is important to proactively take on the risks necessary for the sustainable growth of the Group and the maximization of stakeholder profits. I would like to do my best together with the management team toward bringing to fruition the dreams and ambitions that should be realized and fulfilled by the Mitsui Fudosan Group.

Management Team

Members of the Board (as of June 29, 2023)



Masanobu Komoda
Chairman of the Board
Shares in Company: 89 thousand shares

Apr. 1978 Joined the Company
Apr. 2008 Executive Managing Officer, General Manager of Investment Dept.
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)
Apr. 2023 Chairman of the Board (Representative) (current position)

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



Takashi Ueda
President and Chief Executive Officer
Shares in Company: 39 thousand shares

Apr. 1983 Joined the Company
Apr. 2015 Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division
Apr. 2016 Executive Managing Officer, Chief Operating Officer of Office Building Division
Jun. 2020 Managing Director, Executive Managing Officer, Chief Operating Officer of Office Building Division
Apr. 2021 Managing Director, Senior Executive Managing Officer
Apr. 2023 President and Chief Executive Officer (Representative) (current position)



Takashi Yamamoto
Managing Director and Executive Vice President
Shares in Company: 28 thousand shares

Apr. 1982 Joined Sony Corporation
Mar. 1990 Joined the Company
Apr. 2013 Executive Managing Officer, Chief Operating Officer of Accommodation Division
Apr. 2016 Executive Managing Officer, Deputy Chief Operating Officer of International Division
Apr. 2017 Executive Managing Officer, Chief Operating Officer of International Division
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
Apr. 2023 Managing Director, Executive Vice President, Chief Operating Officer of International Division (Representative) (current position)



Makoto Tokuda
Managing Director
Shares in Company: 11 thousand shares

Apr. 1987 Joined the Company
Apr. 2022 Executive Managing Officer, Chief Operating Officer, Solution Partner Division
Apr. 2023 Executive Managing Officer
Jun. 2023 Managing Director, Executive Managing Officer (current position)

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



Hisashi Osawa
Managing Director
Shares in Company: 15 thousand shares

Apr. 1987 Joined the Company
Apr. 2023 Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division
Jun. 2023 Managing Director, Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division (current position)



Tsunehiro Nakayama Outside
Independent
Managing Director
Shares in Company: 3 thousand shares

Apr. 1971 Joined the Industrial Bank of Japan, Ltd.
Apr. 2004 Representative Director, Deputy President of Mizuho Corporate Bank, Ltd.
Mar. 2007 Resigned from 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.
Sep. 2017 Resigned from Merrill Lynch Japan Securities Co., Ltd.
Jun. 2019 Managing Director (current position)

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



Takayuki Miki
Managing Director
Shares in Company: 28 thousand shares

Apr. 1984 Joined the Company
Apr. 2017 Senior Executive Managing Officer, Chief Operating Officer of Logistics Properties Business Division
Apr. 2021 Senior Executive Managing Officer, Chief Operating Officer of Logistics Properties Business Division
Jun. 2022 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Logistics Properties Business Division (current position)



Yoshihiro Hirokawa
Managing Director
Shares in Company: 23 thousand shares

Apr. 1984 Joined the Company
Apr. 2017 Executive Managing Officer, Deputy Chief Operating Officer of Retail Properties Division
Apr. 2020 Executive Managing Officer, Chief Operating Officer of Retail Properties Division
Apr. 2021 Senior Executive Managing Officer, Chief Operating Officer of Retail Properties Division
Apr. 2023 Senior Executive Managing Officer, and Chief Operating Officer of Sustainability Promotion Division
Jun. 2023 Managing Director, Executive Managing Officer, and Chief Operating Officer of Sustainability Promotion Division (current position)



Shingo Suzuki
Managing Director
Shares in Company: 19 thousand shares


Apr. 1987 Joined the Company
Apr. 2021 Executive Managing Officer, Chief Operating Officer of Office Building Division
Jun. 2023 Managing Director, Executive Managing Officer, Chief Operating Officer of Office Building Division (current position)



Shinichiro Ito Outside
Independent
Managing Director
Shares in Company: 3 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)


Significant positions currently held, etc.
Special Senior Advisor, ANA HOLDINGS INC.
Outside Independent Officer (Audit & Supervisory Committee Member), Fuji Media Holdings, Inc.



Eriko Kawai Outside
Independent
Managing 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 Audit & Supervisory Board Member, Yamaha Motor Co., Ltd.
Outside Director of DMG MORI Co., Ltd.



Mami Indo Outside
Independent
Managing Director
Shares in Company: 0 shares

Apr. 1985 Joined Daiwa Securities Co., Ltd.
Apr. 2009 Executive Officer, Daiwa Institute of Research Ltd.
Apr. 2013 Executive Managing Director, Daiwa Institute of Research Ltd.
Apr. 2016 Senior Executive Director, Daiwa Institute of Research Ltd.
Dec. 2016 Resigned from Daiwa Institute of Research Ltd.
Dec. 2016 Commissioner, Securities and Exchange Surveillance Commission
Dec. 2019 Resigned from Securities and Exchange Surveillance Commission
Jun. 2023 Managing Director (current position)

Significant positions currently held, etc.
Outside Director, Tokyo Gas Co., Ltd.
Outside Director, Ajinomoto Co., Inc.

Corporate Auditors (as of June 29, 2023)



Hiroyuki Ishigami
Senior Corporate Auditor

Shares in Company: 6 thousand shares

Apr. 1982 Joined the Company
Apr. 2013 Executive Managing Officer, Chief Operating Officer of Retail Properties Division
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.



Wataru Hamamoto
Senior Corporate Auditor

Shares in Company: 33 thousand shares

Apr. 1984 Joined the Company
Apr. 2017 Executive Managing Officer, General Manager of Corporate Planning Department
Apr. 2019 Executive Managing Officer,
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
Apr. 2023 Managing Director
Jun. 2023 Senior Corporate Auditor (current position)



Yukimi Ozeki
Corporate 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



Minoru Nakazato
Corporate Auditor

Shares in Company: 0 shares

Apr. 1978 Research Assistant, University of Tokyo Faculty of Law
Apr. 1983 Research Assistant, Hitotsubashi University Faculty of Law
Nov. 1984 Assistant Professor, Hitotsubashi University Faculty of Law
Jul. 1987 Visiting Scholar, Harvard Law School
Jan. 1989 Visiting Professor, University of California, Los Angeles, School of Law
Mar. 1989 Associate Professor, Hitotsubashi University Faculty of Law
Apr. 1995 Associate Professor, University of Tokyo Graduate Schools for Law and Politics
Jan. 1997 Professor, University of Tokyo Graduate Schools for Law and Politics
Apr. 1997 Professor, University of Tokyo Graduate Schools for Law and Politics
Aug. 2004 Visiting Professor, Harvard Law School
Apr. 2020 Director, Nishimura Institute of Advanced Legal Studies
Jun. 2020 Emeritus Professor, The University of Tokyo (current position)
Dec. 2020 Registered as Lawyer, Daichi Tokyo BAR Association
Aug. 2022 Head, Director, Nishimura Institute of Advanced Legal Studies (current position)
Jun. 2023 Corporate Auditor (current position)



Mayo Mita
Corporate Auditor

Shares in Company: 0 shares

Apr. 1983 Joined Morgan Stanley Japan Securities Co., Ltd.
Dec. 2000 Managing Director, Morgan Stanley Japan Securities Co., Ltd.
Dec. 2013 Senior Advisor, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Dec. 2019 Resigned from Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Jun. 2023 Corporate Auditor (current position)

Significant positions currently held, etc.
Outside Director, Otsuka Holdings Co., Ltd.

Corporate Officers (as of April 1, 2023)

Takashi Ueda

President and Chief Executive Officer

Takashi Yamamoto

Executive Vice President

Takayuki Miki

Senior Executive Managing Officer

Yasuki Kaibori

Senior Executive Managing Officer

Yoshihiro Hirokawa

Senior Executive Managing Officer

Shingo Suzuki

Executive Managing Officer

Yutaka Kawamura

Executive Managing Officer

Retsu Togashi

Executive Managing Officer

Makoto Tokuda

Executive Managing Officer

Motoyasu Kato

Executive Managing Officer

Kazunori Yamashita

Executive Managing Officer

Hisashi Osawa

Executive Managing Officer

Chiharu Fujioka

Executive Managing Officer

Yutaka Saito

Executive Managing Officer

Nobuhiko Mochimaru

Executive Managing Officer

Mizuho Wakabayashi

Executive Managing Officer

Takashi Furuta

Managing Officer

Yugo Ono

Managing Officer

Tatekazu Nakamura

Managing Officer

Mitsuhiro Kodama

Managing Officer

Atsumi Kanaya

Managing Officer

Jiro Ueda

Managing Officer

Tetsuya Matsufuji

Managing Officer

Ken Aoki

Managing Officer

Mikiko Utsunomiya

Managing Officer

Hiroyuki Shinozuka

Managing Officer

Hiroataka Uematsu

Managing Officer

Kyosuke Hosoda

Managing Officer

Akiko Kaito

Managing Officer

Group Officers (as of April 1, 2023)

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.]

Hiroki Saito

Group Senior Officer [Mitsui Fudosan Investment Advisors, Inc.]

Akira Ikeda

Group Senior Officer [Mitsui Home Co., Ltd.]

Yosuke Seko

Group Officer [Mitsui Fudosan Residential Services Co., Ltd.]

Osamu Obayashi

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

Takao Yamada

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

Hiroshi Murakami

Group Officer [Mitsui Fudosan Building Management Co., Ltd.]

Takao Sakiyama

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

Kazuyuki Hiruta

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

Tomoo Nakamura

Group Officer [Mitsui Fudosan (U.K.) Ltd.]

Note: Figures for shares held by directors and corporate auditors are as of March 31, 2023.

Independence 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

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 101 and 102 for information on reasons for appointment of outside directors and outside corporate auditors.

Strategic Shareholdings

Concept and Standard for the Classification of Investment Stocks

Standard (established February 2023)

Investment stocks held purely for investment purposes

Stocks held as part of business investments for the purposes of benefiting from a medium- to long-term increase in share value, etc.

Investment stocks held for purposes other than purely investment purposes (strategic shareholdings)

Stocks held for purposes other than above

Note: Stocks considered effective in management strategy from a medium- to long-term perspective to improve the Group's corporate value by comprehensively taking into account business strategy, relationships with clients, and other factors.

Concept

In its business model, in addition to investing directly in real estate and benefiting from an increase in value, the Group may also invest in businesses in the form of equity capital and benefit from the increase in share value. We have reorganized the classification of investment stocks based on our actual business model, and set the standard for investment stocks held purely for investment purposes as stocks, as part of business investments, held for the purposes of benefiting from a medium- to long-term increase in share value etc. As a result of applying this classification concept to the investment stocks we currently hold, one stock issue (Oriental Land Co., Ltd.) has been reclassified from investment stocks held for purposes other than purely investment purposes [strategic shareholdings] to investment stocks held purely for investment purposes.

About our investment in Oriental Land Co., Ltd.

Involved in the establishment of Oriental Land Co., Ltd., in 1960, Mitsui Fudosan invested in a form of equity capital for the purpose of developing urban resorts and engaging in entertainment business activities. This investment was made as part of our core business, real estate investment, and we hold these shares for the purpose of benefiting from a medium- to long-term increase in share value etc.

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 20 stocks totaling 16.67 million shares, amounting to ¥165.2 billion.

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

- FY2019: ¥20.3 billion (3.57 million shares, 13 stocks)
- FY2020: ¥45.9 billion (5.06 million shares, 3 stocks)
- FY2021: ¥50.7 billion (3.65 million shares, 4 stocks)
- FY2022: ¥46.5 billion (3.10 million shares, 3 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 10, 2023, 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 FY2022)

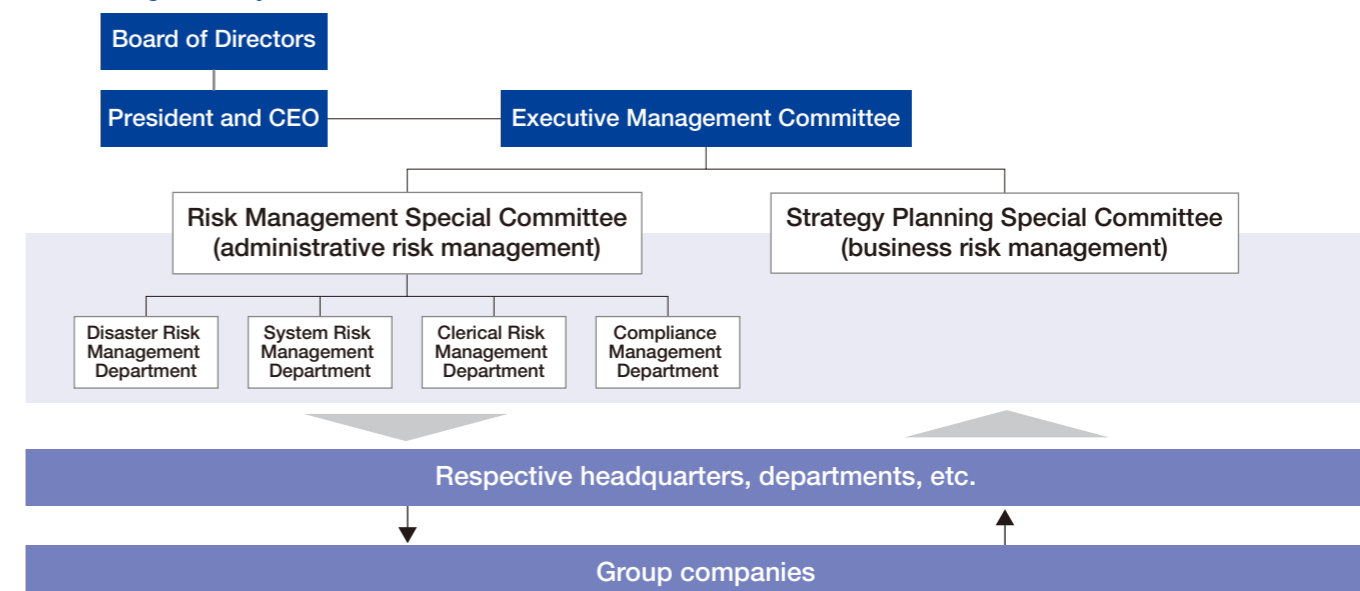
Stock holdings	
Number of stocks owned	123 (of which, 55 are shares of listed companies)
Amount recorded on balance sheet	¥190.6 billion (of which, ¥180.3 billion is for shares of listed companies)

Risk Management

The Executive Management Committee supervises overall risk management for the Group, and the President and Chief Executive Officer, who chairs the Executive Management Committee, supervises risk management. Under their supervision, the Strategy Planning Special Committee and the Risk Management Special Committee manage business risk and administrative risk, 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 (Please refer to the Securities Report* for the countermeasures being taken against each risk.)

Business Risk: Business risk is primarily risk associated with advancing business and earning profits.

Name of risk	Overview
Risk due to change in the business environment	<ul style="list-style-type: none"> ● Changes in business environment in general (exchange rate fluctuations, rising interest rates, declining birthrate and aging population, etc.) ● Changes in customer needs (lifestyle changes following the spread of the coronavirus infection, etc.)
Risk associated with market interest rates	<ul style="list-style-type: none"> ● Rising fund procurement costs associated with rising interest rates ● Deterioration in the Company's performance associated with rising interest rates (falling housing sales prices, rising investor yield expectations)
Risk associated with exchange rate fluctuations	<ul style="list-style-type: none"> ● Cost fluctuations through import prices ● Impact of the inclusion of the PL/BS statements of overseas business ● Decrease in rent revenues due to the impact of tenant companies' performance
Risk associated with climate change	<ul style="list-style-type: none"> ● Large-scale climate change ● Changes in needs that take climate change risks into account
Geopolitical risk	<ul style="list-style-type: none"> ● Impact of countries/areas concerned ● Impact of supply chain disruptions, etc.
Risk associated with the spread of infectious diseases	<ul style="list-style-type: none"> ● Business restrictions due to the spread of the coronavirus infection ● Decrease/change in customer needs due to the spread of the coronavirus infection
Risk from competition in the real estate industry	<ul style="list-style-type: none"> ● Competition with other companies in each business ● Disruptive innovation
Risk associated with rental income	<ul style="list-style-type: none"> ● Decrease in rental income due to tenant cancellations/rent reductions, contract cancellations, tenant bankruptcies, etc.
Risk of changes in asset values	<ul style="list-style-type: none"> ● Falling asset values due to declining demand for housing/rising investor yield expectations
Cost fluctuations risk	<ul style="list-style-type: none"> ● Price fluctuations in costs for construction, energy, labor, etc.
Fund procurement risk	<ul style="list-style-type: none"> ● Increase in funding costs due to changes in the lending attitudes of financial institutions, etc. • Rise in market interest rates • Financial market turmoil • Downgrading of the Company's credit rating, etc.

Name of risk	Overview
Real estate development risk	<ul style="list-style-type: none"> ● Cost increases and schedule delays due to a variety of circumstances during development (weather, disasters, buried objects, soil contamination, etc.)
Risk associated with overseas business	<ul style="list-style-type: none"> ● Business environments in overseas countries (inflation, exchange rates, civil wars/conflicts, impact of geopolitical risks on countries/areas concerned, etc.) ● Financial status, etc. of local partner companies
Risk related to property portfolio location	<ul style="list-style-type: none"> ● Occurrences of natural disasters, man-made disasters or acts of terrorism (earthquakes, typhoons, missiles, etc.) that cause damage to areas where our assets are concentrated
Risk associated with changes to laws, regulations, and government policy	<ul style="list-style-type: none"> ● Changes to business structure and fund procurement methods in response to changes in laws and regulations
Risk associated with securing diverse human resources	<ul style="list-style-type: none"> ● Insufficient human resource development and recruitment to respond to changes in the business environment and changing needs

Administrative Risk: Operational risk associated with administrative duties

Name of risk	Overview
Disaster risk	<ul style="list-style-type: none"> ● Natural disasters (earthquakes, wind and flood damage, etc.) ● Man-made disasters (war, acts of terrorism, etc.)
System risk	<ul style="list-style-type: none"> ● Systems failures and data leaks due to cyberattacks, etc. i IT systems ii Control systems
Compliance risk	<ul style="list-style-type: none"> ● Violations of laws, company rules, social norms, etc. i Violations of laws and regulations in business execution ii Violations of laws and regulations for employee personal gain
Quality risk	<ul style="list-style-type: none"> ● Caused by product/service/operation quality i Properties/real estate ii Management and operation business iii Other business

* See our annual securities report for details (In Japanese only).
https://www.mitsui-fudosan.co.jp/corporate/ir/library/fs/pdf/YUHO_2303.pdf

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 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
	Newly appointed executive manager training	Newly appointed executive managers	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, whistleblowing systems, etc. (October, February)
	Company-wide 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 fundraising 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