

Society



Policy

The Company regards the health and safety of its employees as an important management issue that is essential for diverse members of the workforce to realize their full potential, to continue to improve the Company's competitiveness and to achieve sustained growth. We are working actively to maintain and promote employee health while striving to establish a workplace environment where employees can work energetically in accordance with their respective lifestyles.

Health and Productivity Management Declaration

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

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Management System

The Company is making progress with efforts relating to employee health and safety, which are overseen by the Director in Charge of Personnel. We regularly report to management regarding employee health issues or matters such as working hours, create proposals for how to make improvements and, through discussions with health insurance associations, we check and analyze employees' health issues and periodically hold consultations concerning improvement measures. We have established a specialized organization responsible for maintaining and promoting employee health: the Health Management Center. We are also working to achieve goals such as improving the rate at which employees undergo periodic health or stress checkups. We have also set up a Health Consultation Service where employees can discuss health issues freely, and in partnership with the Personnel Department, industrial physicians, public health nurses, and licensed psychologists, we are striving to improve the working environment and the physical and mental health of employees.

In meetings with our labor unions, we exchange and coordinate views based on a shared understanding that employee health and safety are important issues.

Board of Director Oversight

Activities relating to employee health and safety, and occurrences of accidents or occupational injuries, are reported to the Board of Directors, and the Director in Charge of Personnel provides management and oversight.

Procurement Standards to Ensure the Health and Safety of Employees and Outside Suppliers(excerpt from the Group's Sustainable Procurement Standards)

2. Respect for Human Rights Related to Labor

- Respect for basic human rights, freedom of association and collective bargaining rights
- Pay at least minimum wage and ensure health and safety
- Do not engage in child labor or forced labor
- Reduce excessive overtime work and prevent overwork
- Ban discrimination and ensure equal opportunity for workers
- Comply with countries' laws and regulations and standards in relation to the aforementioned items when conducting business

For details on the Group's Sustainable Procurement Standards, see Policy under Social Supply Chain.

Goals and Progress

The Company has set health checkup and screening rate goals to help maintain employee health, and we are steadily expanding efforts to improve this rate.

Health Checkup and Screening Rate

- Record in fiscal 2018 : 99.5%
- Record in fiscal 2019 : 99.8%
- Record in fiscal 2020: 99.5%
- Goal for fiscal 2021: 100%

Data with the third-party verification mark has been independently verified

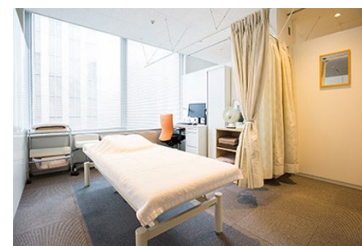
Note: The health checkup and screening rate is the percentage of all steady-basis employees undergoing health checkups or health screening. The total of all steady-basis employees consists of regular and part-time steady-basis employees as of the end of the fiscal year, excluding those necessarily prevented from undergoing screening (due to international postings, childcare leave, health conditions, etc.).

Major Initiatives

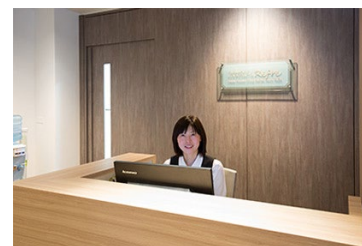
Stress Check

Through stress check tests by Mitsui Sumitomo Insurance Co., Ltd., an outside specialist organization, the Company periodically monitors the mental health of employees, linking these results with efforts to realize improvements.

- In addition to carrying out yearly health checkups, we also offer thorough health screening for all employees over 35 and their spouses, gynecological exams for female employees and the spouses of male employees, and leave to undergo thorough health screening.
- We are also working to ascertain employees' working situation and health status through annual personal interviews between Personnel Department staff and all employees, as well as through stress checks, interviews with an industrial physician for overworked employees, and other programs.
- To help employees recover from fatigue and maintain physical/psychological balance, we have established Refre, a facility where a massage specialist is always on duty and they can refresh themselves with a massage or a nap.



Refreshment Room



Refre reception desk

Excellent Enterprise of Health and Productivity Management

The Company affirms the principles of the Excellent Enterprise in Health and Productivity Management Certification System promoted by the Ministry of Economy, Trade and Industry, and we obtained certification as an outstanding enterprise in 2017. This system recognizes small, medium and large enterprises and other organizations that practice health management with particular excellence, based on efforts to respond to local health issues, and to improve health promoted by Nippon Kenko Kaigi. In recognition of our active engagement in health management, the Company was certified as an Excellent Enterprise of Health and Productivity Management 2020 (White 500) in the large enterprise category.



Excellent Enterprise in Health and Productivity Management System

This system is for commending large firms, small and medium-sized enterprises, and other corporations which practice health management with particular excellence, based on efforts responding to local health issues, and efforts to improve health promoted by the Nippon Kenko Kaigi. (Excerpt from home page of the Ministry of Economy, Trade and Industry)

No. of Employees Attending Seminars on Health and Safety Standards

The Company provides training every year on health and safety for new employees and newly appointed executive managers. In fiscal 2019, 63 new employees and 27 newly appointed executive managers undertook this training.

Percentage of Office Buildings with OHSAS 18001 Certification

At present, no business sites have received OHSAS 18001 certification.



Policy

The Group supports and respects the basic rights for workers set out in the ILO Declaration on Fundamental Principles and Rights at Work. The following labor principles are set forth in this declaration.

- Freedom of association and the effective recognition of the right to collective bargaining
- Elimination of all forms of forced or compulsory labor
- Effective abolition of child labour
- Elimination of discrimination in respect of employment and occupation

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.

Declarations to Society and Participation in International Initiatives

The Group believes it is important for various stakeholders to work collaboratively to solve social issues. We are working to fulfil our role by making declarations to society and leading the way in participation in various initiatives inside and outside Japan.

Participation in the United Nations Global Compact

The UN Global Compact is a worldwide framework put forward by the UN. Companies and groups participate in this voluntary initiative to be beneficial members of society and realize sustainable growth, by showing responsible, creative leadership. The ten principles of the UN Global Compact-structured around the four areas of human rights, labor, the environment, and anti-corruption-are based on the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption. The Group supports the principles of the UN Global Compact, which we signed in December 2018, and we have also joined the Global Compact Network Japan.

For details on the United Nations Global Compact (UNGCC), please see the following:

⇒ <https://www.unglobalcompact.org/>

Communication of Corporate Policy on Labor Standards

Our Group translates basic policy on labor management into English, and strives to ensure a common framework with employees and local staff working at business locations overseas.

Internships and Employment of People with Disabilities

The Company provides internships for students as an opportunity to improve the quality of their career options. We make a public appeal to undergraduate and graduate students, and accept more than 150 students annually.

First Facilities Challenged Co., Ltd. is a special subsidiary of Mitsui Fudosan Facilities Co., Ltd., established in 2006 based on the Act on Employment Promotion etc. of Persons with Disabilities. The Company promotes employment of persons with disabilities and provides them with work experience opportunities. In addition, the Company aims to raise the employment rate of people with disabilities to 2.3%, and has established a Challenged Center in its Personnel Department, composed of employees with intellectual disabilities as well as full-time advisors, that promotes employment for people with disabilities.

Our Efforts Relating to Equality of Opportunity to Work and to Harassment

The Company has established a Code of Employee Conduct with regard to human rights, and we fulfill our social responsibility regarding human rights problems actively and voluntarily. As an organization for promoting correct understanding and recognition of human rights problems among all employees, we have established the Fair Employment Screening and Human Rights Awareness Raising Committee.

The primary role of the committee is education and guidance, formulating and implementing training plans, investigative research, and supervision, communication, and coordination of issues relating to human rights problems. Specifically, we are implementing educational activities continuously to promote awareness of sexual harassment, abuse of power, other types of harassment, and discrimination. We have also established harassment consultation services inside and outside the company that are available by telephone 24 hours a day. Moreover, each Group company organizes a Fair Employment Screening and Human Rights Awareness Raising Liaison Conference to raise awareness of human rights issues across the Group, and we are actively hiring people with disabilities, local people overseas, and non-Japanese in Japan. In addition, we are continuously working to improve understanding and awareness regarding human rights through initiatives such as holding human rights awareness training for all Company employees.

Our Efforts for Labor Issues

Support for a Living Wage

We conduct labor management while abiding by the labor laws and regulations of each country. In terms of wages, we have adopted a basic policy of not only following rules on minimum wages in each country, but also paying wages that exceed those requirements. In fiscal 2020, the average annual salary paid by the Company in Japan was ¥12.74 million.

System Enabling Dialogue between Labor and Management

The Company works to ensure unity between labor and management by maintaining a framework for dialogue between employee representatives and Company management in which they meet several times a year to discuss the appropriateness of work environments and work conditions. We also exchange views and coordinate based on the shared understanding that employee health and safety is an important issue.

Preventing Child Labor and Forced Labor

The Group has never used child or forced labor. Also, to guarantee that none is used in the future, we ensure that each business location thoroughly complies with the laws and regulations of its host country, and conduct regular monitoring. In the unlikely event that such a violation is suspected to have occurred, we have also established a whistle-blower contact point that employees can report to.

Reducing Excessive Working Hours

The Company has formulated a clear policy and is working to reduce excessive working hours and overtime, complying with local laws on working hours and overtime as follows.

- Monitoring working hours and conducting interviews with employees
- Notifying both employees and their direct supervisors when they are in danger of overwork
- Utilizing a computer-usage time control system
- Establishing, promoting, and enforcing "no-overtime" days

Sexual Orientation

To prevent discrimination against LGBT (sexual minorities), the Company is making the following efforts.

- We have stated clearly in the Mitsui Fudosan Group Compliance Policies that discrimination on the grounds of sexual orientation is prohibited and inform all employees of this.
- Our harassment consultation services provide consultation of harassment relating to LGBT.
- We have formulated a set of Universal Design Guidelines which conform to the relevant laws, regulations, and ordinances, and established more than one multipurpose toilet in every lobby area for members of the LGBT community. Moreover, these multipurpose toilets have been fitted in areas that are outside the line of sight of others.

Group Employment Situation

(As of March 31, 2020)

Number of Employees by Business Segment (Entire Group)

Business segment	Number of employees	Percentage
Rental	1,418	5.9%
Built-for-sale	1,344	5.6%
Management	11,689	48.7%
Other	9,108	38.0%
Administration*	433	1.8%
Total	23,992	100.0%

*As of March 31, Employees belonging to administration departments who cannot be classified under a specific segment

Employment Situation at Mitsui Fudosan

(As of April 1 of each fiscal year)

Employee Composition

	Fiscal 2019	Fiscal 2020	Fiscal 2021
Male	983	1,039	1,091
(Regular employees)	759	793	838
(Irregular employees)	224	246	253
Female	648	689	746
(Regular employees)	313	342	384
(Irregular employees)	335	347	362
Total	1,631	1,728	1,837

*Excluding dispatched employees

Employee Composition by Age (Fiscal 2021)

	10s	20s	30s	40s	50s	60s and older
Male	2	229	289	200	287	84
Female	2	202	299	142	89	12
Total	4	431	588	342	376	96

*As of April 1, Excluding dispatched employees

Trends in Number and Percentage of Male and Female Regular Employees

	Fiscal 2019			Fiscal 2020			Fiscal 2021		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
General positions	1,222	1,087	135	1,250	1,094	156	1,281	1,098	183
		89.0%	11.0%		87.5%	12.5%		85.7%	14.3%
Technical positions	42	38	4	59	54	5	74	68	6
		90.5%	9.5%		91.5%	8.5%		91.9%	8.1%
Operational positions	200	0	200	203	0	203	212	0	212
			100.0%			100.0%			100.0%

*As of April 1, including dispatched employees


Trends in New and Departing of Regular Employees

	Fiscal 2019	Fiscal 2020	Fiscal 2021
New employees (regular employees)	51	63	62
Mid-career hires (regular employees)	35	49	49
Number of departing regular employees(excluding those rehired, including those departing due to mandatory retirement)	9	14	20
Full time staff voluntary turnover ratas	0.53%	0.51%	0.71%



Diversity & Inclusion Declaration and Initiative Policy

Diversity & Inclusion Declaration

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

As a real estate developer, the driver of our efforts to continuously provide new value is a major asset of ours—our people. Therefore, we have positioned the promotion of diversity and inclusion as one of our most vital management strategies, and the Group is coming together as one to create an organization in which personnel with diverse values, capabilities, and lifestyles can demonstrate each to the best of their abilities.

Diversity & Inclusion Initiative Policy

Our passionate, capable employees have a diverse range of skills, experiences, and values; as such, we are working to ensure an environment where they can demonstrate their individual abilities to the upmost, and recognize one another as individuals, evaluated fairly regardless of their race, nationality, religion, sex, age, presence or not of disability, gender identity, sexual orientation, or other characteristics. To this end, we are promoting workstyle reforms and enhancing our human resources system so as to raise organizational productivity and our employees' work-life balances. We have made promoting female participation a key theme, and set ourselves groupwide quantitative goals and qualitative action plans, and we will formulate various measures to promote this as a united Group.

Diversity & Inclusion Promotion Framework

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

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

Promoting Active Roles for Women

We have set ourselves groupwide quantitative goals and qualitative action plans, and we will formulate various measures to promote female participation as a united Group.

Our efforts will be focused on the following two points:

1. We will create an environment where people want to work long-term, where everyone can respect each other's values and lifestyles, including whether they care for children or others, regardless of gender
2. By promoting female participation, we will change awareness within the organization and raise those female employees' motivation and support their career development

To achieve these, we have formulated the following eight measures, and the Group will work as one to put them into practice.

1. We will create an environment where people want to work long-term, where everyone can respect each other's values and lifestyles, including whether they care for children or others, regardless of gender

- (1) Changing awareness throughout the organization and among managers (unconscious bias training, etc.)
- (2) Supporting childcare and leave to care for others (system enhancement , training, paternity leave promotion, etc.)
- (3) Developing a return entry system
- (4) Forming flexible workstyles that cater to individual positions and fields

2. By promoting female participation, we will change awareness within the organization and raise those female employees' motivation and support their career development

- (5) Changing awareness throughout the organization and among managers (diversity and inclusion training, etc.)
- (6) Developing mentor/sponsor systems for female employees
- (7) Forming a working group to promote female participation
- (8) Holding in-house events to encourage interaction

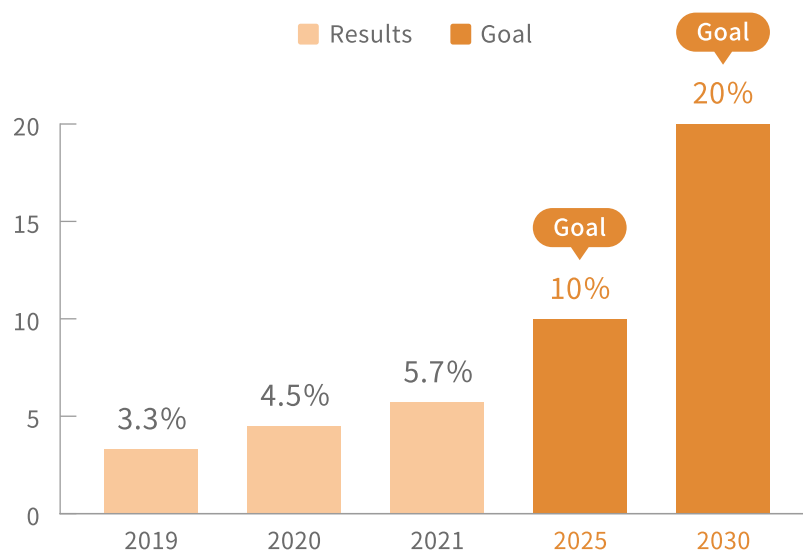
As well as the measures detailed above, each company will share positive case studies within the Group and further accelerate groupwide initiatives.

Group female participation quantitative goals

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

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

Mitsui Fudosan: Changes in the women in management positions ratio



Quantitative goals (to be a model company for promoting female participation)

	Women in management positions ratio	Ratio of hires of women	Return rate from childcare leave	Paid leave taken
Sunlife Creation	- (April 2021 results) 70.6%	- (FY2020 results) 82%	100%	Uptake: 70%
Mitsui Fudosan Retail Management	20% by FY2025 25% by FY2030	- (FY2020 results) 58%	100%	Uptake: 80%
Mitsui Fudosan Hotel Management	15% by FY2025 20% by FY2030	- (FY2020 results) 60%	100%	Uptake: 70%

An Environment Where People Want to Work Long-Term

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

Through efforts by members of the Personnel Department, such as discussions and individual interviews with all employees, we will grasp the circumstances that employees face and their hopes, and develop an environment and various systems, including those that support childcare and caring for others, accordingly.

Raising motivation and supporting career development

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



Diversity and inclusion training for organization heads (Mitsui Fudosan, with opening speech by the President)



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



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

Selected as a constituent brand for the MSCI Japan Empowering Women (WIN) Select Index for four consecutive years

2021 CONSTITUENT
MSCI Japan Empowering Women (WIN)
Select Index

Eruboshi Certification

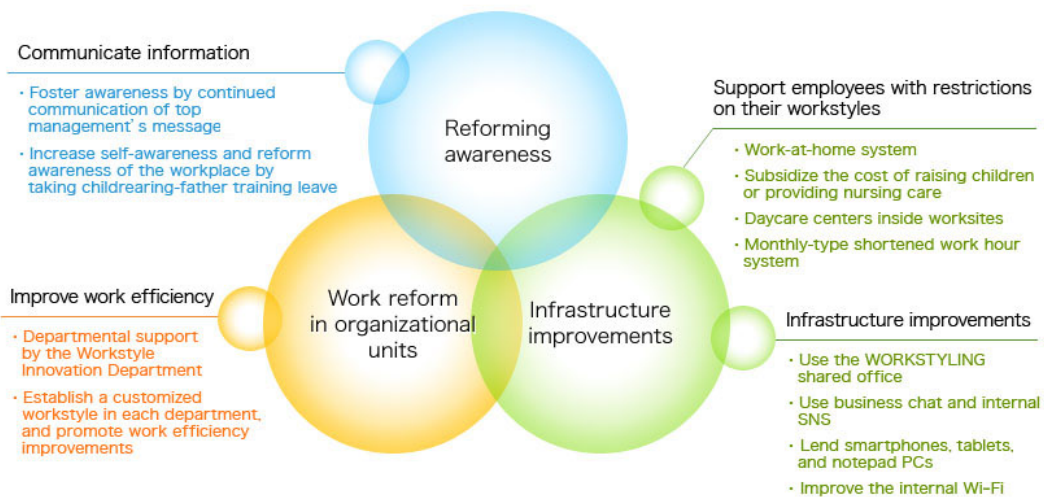


For more details, please follow the link below.

⇒ <https://www.mitsuifudosan.co.jp/corporate/hrm/women/>

Initiative Policy to Introduce Diverse Workstyles

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. The Company takes workstyle reform as a key initiative, and is building an organization that allows personnel with diverse values, skills, and lifestyles to fully realize their individual capabilities. This will enable us to respond to dramatically changing social needs and create new value. In addition, Mitsui Fudosan is improving work efficiency in all business divisions, thereby reducing employee working hours, and promoting an optimal balance between life and work. We believe appropriate work-life balance ensures a more fulfilling private life for employees, and is very effective for encouraging self-improvement and balancing work with child or family care. As a result, a workplace environment is established enabling diverse employees to fully realize their individual abilities, and this helps us create superior value and achieve sustained growth for our Group.



Major Initiatives

Our Efforts to Support Work-Life Balance

Reforming Awareness

Utilize internal publicity/broadcasting and a portal site on workstyle reform to conduct educational activities and share expertise, including messages from top management.

Infrastructure Improvements

- Utilize the WORKSTYLING Shared Offices provided by the Company
- Utilize a computer-usage time control system
- Establishing "no-overtime" days
- Flex-Time System (employees can flexibly determine their time for starting and stopping work within a certain range)
- Return Entry System (system for re-employment after resignation)
- Refreshment Leave (5-10 days, and commemorative prize travel tickets award in recognition of a certain number of years worked)
- Cafeteria Plan (a benefit program that can be used by selecting from a variety of options such as self-development or leisure/travel)
- Family Day (a Company event held every year with family participation to help deepen ties between employees and their families)



Family Day

Work Reform in Organizational Units

The Workstyle Innovation Department supports each department's initiatives, establishes customized workstyles, and promotes work efficiency improvements.

Number of paid leave days taken

Goal: 14 days a year

(Units: Days)

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Number of days taken	14.1	14.9	13.8

For regular and contract employees (those registered for the full year)

Our Efforts to Support Childcare

- In-office nurseries
- System for childrearing leave
- Spouse maternity leave
- Subsidy system for babysitter and after-school childcare expenses
- Work-at-home system
- Flex-time system for reduced working hours during childcare
- Childcare leave that can be used for up to three years, longer than the legally mandated period
- Childbirth and childcare interview system
- The Project for Working Side by Side with Children, (conducted in August 2017, a new workstyle experiment balancing childcare and work, where people spend time with their children while working)

Kurumin Certification

To support work balance for employees involved in childcare, we go beyond legally mandated programs, and provide programs such as in-office nurseries, childcare leave longer than the legally mandated period, and subsidies for the costs of raising children. In these and other ways, we are working to put in place an environment where it is easier to work, and employees can more fully realize their capabilities with peace of mind. Through these initiatives, we have continually achieved the target return rate from childcare leave of 100% for the past 21 years among regular Company employees, and 70% of male employees have taken paternity leave. We are also focusing effort on fostering awareness and understanding of childcare among all members of the workplace.



We acquired Kurumin certification from the Ministry of Health, Labour and Welfare in fiscal 2014

Number of Employees Taking Childcare Leave and Childrearing-Father Training Leave (men's childcare leave)

(Unit: People)

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Men	27(84.4%)	25(61.0%)	28(70.0%)
Women	15(100.0%)	10(100.0%)	13(100.0%)

Return Rate of Employees Taking Childcare Leave

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Regular employees	100.0%	100.0%	100.0%

Note: Excludes those departing due to use of the return entry system (system for re-employment of those who have resigned due to transfer of a spouse)

Our Efforts to Support Family Care

To support work balance of employees engaged in family care, we are developing an environment that includes a work-at-home system and a system for subsidizing the costs of family care. In addition, our Care Design Department, which supports lifestyles in later life, collaborates with the Personnel Department to hold Care Seminars for employees and their families, and offer care consulting courtesy of a qualified specialist in family care.

Employees Taking Family Care Leave

(Unit: People)

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Men	-	-	-
Women	-	-	-

Return Rate of Employees Taking Family Care Leave

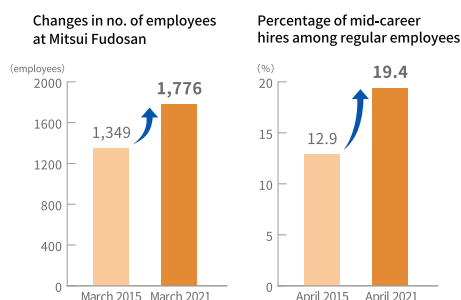
	Fiscal 2018	Fiscal 2019	Fiscal 2020
Return rate	-	-	-

Recruiting Personnel from Diverse Backgrounds

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

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

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



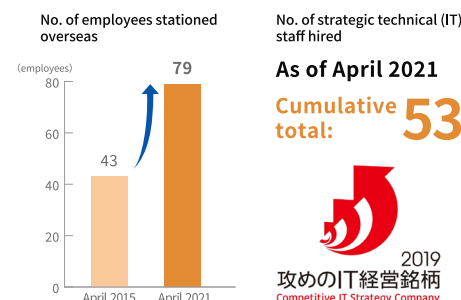
Recruiting and Training Global and IT Personnel

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

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

We are also aware that digital transformation (DX) has had a major impact on conventional business, and to raise its real, applicable value, we are accelerating efforts to apply digital and real estate technologies. To do this, we are actively hunting down highly specialized mid-career individuals that will be an immediate asset to our ICT. We are also applying their capabilities to each of our business domains to spur innovation. In our existing businesses, we are conducting various types of training under the belief that all employees are needed to promote even further DX.

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



Employment of Seniors

The Company has raised the age of mandatory retirement from 60 to 65. We are working actively to provide employment and settings where older workers can continue to demonstrate their wealth of knowledge and experience.

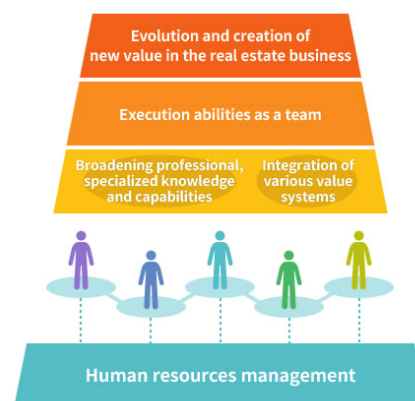
Employment of People with Disabilities

⇒ Please see the Labor Standards and Practices page

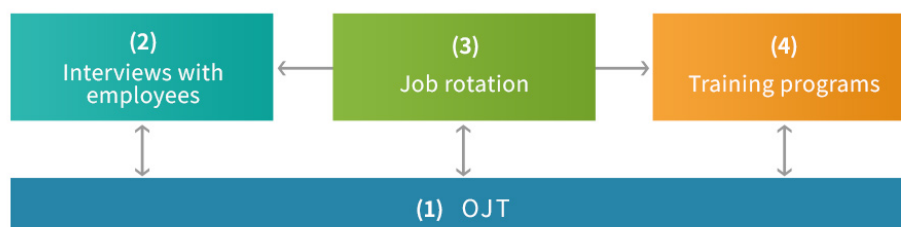
Policy

Under its Group Statement, the Company aims to bring affluence and comfort to urban living. Moreover, since its founding, the Company has inherited and nurtured a progressive spirit together with a free and open corporate culture, and used these as a driver for providing diverse, innovative solutions and services in connection with business and living. We see our people as an asset and the most important drivers in creating new value as a real estate developer. Our basic approach to human resource management is to treat each employee as an individual and create a stage on which they can hone their professional knowledge and abilities, increase their ability to create added-value, and transform team performance through the integration of diverse values and skills.

The Company aims to be a business and lifestyle solutions partner. To do so, Mitsui Fudosan is targeting the development of 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. To achieve this goal, we have adopted a basic policy on personnel development that broadens the capabilities of each individual by combining four opportunities for personnel development in accordance with the person's career.



Management System



(1) OJT

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

(2) Interviews with employees

We emphasize face-to-face communication with each individual. As part of our system, we provide employees with numerous opportunities to consult/discuss their career and capability development with the Personnel Department or their department manager. Every year, the Personnel Department conducts individual interviews with each employee, and ascertains information on their problems, development environment, work situation, worries, and other issues. In this way we develop and support capabilities in accordance with the hopes and vision of each employee.

(3) Job rotation

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

(4) Training programs

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

Examples of Training/Education for Employees' Personal Development

Training programs that involve the sharing of management awareness and corporate culture	MEET21 Training, Cross Expert Training, and diversity and inclusion training
Broadening/growth of capabilities and perspectives	Long-term temporary assignment training outside the company, Cross Expert Training, training to develop people, MEET21 Training, assistance to pass the Information Technology Passport Examination
Improving work execution capability and specialization	Registered real estate broker training and various types of e-Learning and other distance learning courses
Broadening basic abilities as global personnel	Overseas trainee programs (English-speaking countries, Chinese-speaking countries), overseas management training, global training for young and midlevel employees
Fostering the mindset needed as a working adult	Sustainability training (which covers compliance, human rights awareness, harassment, the SDGs, etc.)
Deepening understanding as a member of an organization	New employee training, new employee development instructor training, follow-up training in 1st and 2nd years after joining the company, and training for newly appointed executives

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

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

Development of Global Personnel

Rapid growth in our overseas business is a key element of our management strategy, and the market in Japan is becoming more and more globalized. We are therefore working to enhance overseas assignment training and language programs to develop human resources who can act on the global stage.



Training/Education

- Assignment for International Language Training (Global Training for Young and Mid-Level Employees): To build language skills, the ability to cope with different cultures, and international connections, we assign young employees (as a rule, all employees) and mid-level employees to overseas training for periods of 2-8 weeks.
- Trainee System: We have an international trainee system for internships and language training in Europe, the USA, and Asia, for periods of 6 months to one year. Different employees are assigned to this program every year.
- Compliance Training: Compliance training covering issues such as preventing corruption is held regularly at international locations for employees of local subsidiaries and local staff.



Overseas Language Training



Trainee System

Time Spent Developing Employee Abilities

Total time spent by the Company on capability development training and training time per employee in fiscal 2020 was as follows.

Training Time for Capability Development (track record for fiscal 2019)

- Total time for capability development training: 31,425 hours
- Training time per employee: 19.8 hours

Environmental Training and Education

As a part of its environmental efforts, the Company trains and educates its employees about the environment while also providing eco tours (tours of environmentally advanced facilities, etc.) and other activities to increase their interest in the environment.

Environmental Training and Education

Each year, the Company conducts afforestation training for employees at forests owned by the Group in Hokkaido. We also continue to carry out forest conservation work in collaboration with the staff of the Tokyo Metropolitan Government Bureau of Waterworks at Mitsui Fudosan & EARTH FOREST TOKYO, a forest for water resource conservation in Tokyo.

Group companies are also carrying out their own environmental training and education. Mitsui Fudosan Facilities Co., Ltd. provides environmental training for new employees and offer existing employees environmental training via e-Learning, as well as eco tours and other training. Mitsui Fudosan Residential Lease Co., Ltd. and Tokyo Midtown Management Co., Ltd. provide environmental education.



Afforestation training
(Mitsui Fudosan)



Eco Tour
(Mitsui Fudosan Facilities Co., Ltd.)

Environmental Education Activities (fiscal 2020)

	Type of Training	Number of Participants (fiscal year)
Mitsui Fudosan Co., Ltd.	SDGs training (online)	1,601
	Sustainability foundational course training	447
	Afforestation training for forests in Hokkaido (online)	115
Mitsui Fudosan Facilities Co., Ltd.	Environmental training in new employee training	20
	Environmental training through e-learning	1,529
	Eco Tours (Tour of waste treatment facility)	—
Tokyo Midtown Management Co., Ltd.	Bird watching event for employees and tenant staff	—

Eco Test

The Group encourages its employees to take the Certification Test for Environmental Specialists (Eco Test) administered by the Tokyo Chamber of Commerce and Industry. Mitsui Fudosan Facilities Co., Ltd. and Tokyo Midtown Management Co., Ltd. have made the Eco Test a required certification.

In addition, Mitsui Fudosan Co., Ltd., Mitsui Fudosan Facilities Co., Ltd. and Mitsui Fudosan Residential Lease Co., Ltd. are identified as companies that promote the Eco Test on the Eco Test information site of the Tokyo Chamber of Commerce and Industry.

Cumulative total of employees who have taken and passed the Eco Test (As of the end of fiscal 2019)

Company name	Positioning of Eco Test	Total number of employees who have passed the test	Pass ratio
Mitsui Fudosan Co., Ltd.	Qualifications for recommendation	398	Approx. 18.3% of all employees
Mitsui Fudosan Facilities Co., Ltd.	Required	1,542	Approx. 91.9% of fulltime and fixed-term employees, excluding junior employees
Mitsui Fudosan Building Management Co., Ltd.	Qualifications for recommendation	282	Approx. 15.0% of all employees
Mitsui Fudosan Engineering Co., Ltd.	Qualifications for recommendation	32	Approx. 33.3% of all employees, excluding dispatched employees
Mitsui Fudosan Residential Lease Co., Ltd.	Qualifications for recommendation	96	Approx. 13.0% of all employees
Tokyo Midtown Management Co., Ltd.	Required	78	Approx. 73.5% of all employees
Mitsui Fudosan Residential Service Co., Ltd.	Qualifications for recommendation	47	1.7% of all employees

Policy

The Group respects basic human rights and complies with the laws and regulations concerning worker's rights in each country where we conduct business. We also support and respect the basic rights for workers set out in the ILO Declaration on Fundamental Principles and Rights at Work. The Group complies with applicable laws and regulations in each country and region where we conduct business.

1. Policy Prohibiting Discrimination

We will eliminate all discrimination on the grounds of race, nationality, religion, sex, age, disability, or sexual orientation.

2. Policy Prohibiting Harassment

We will not tolerate any form of harassment, including sexual harassment or abuse of power.

3. Policy to Prevent Child Labor or Forced Labor

We will not permit child labor or forced labor. The Group has never used child or forced labor. To ensure that none is used in the future, we ensure that each business location complies thoroughly with the laws and regulations of its host country and conduct regular monitoring. In the unlikely event that such a violation is suspected to have occurred, we have also established a whistle-blower contact point that employees can report to.

4. Policy to Support Freedom of Association and the Right to Collective Bargaining

We respect freedom of association and the right to collective bargaining.

5. Policy Supporting Rights to a Minimum Wage and Living Wage

The Group conducts labor management while abiding by the labor laws and regulations of each country. In terms of wages, we have adopted a basic policy of not only following rules on minimum wages in each country, but also paying wages that exceed those requirements.


6. Principles and Procedures for Community Investment


The Group carries out business activities that do not infringe on human rights, either inside or outside Japan, by ensuring respect for the human rights of all stakeholders, including local residents and children. Through neighborhood creation, we are striving to form communities and create opportunities for interaction between diverse human resources, ultimately leading to new markets and employment. In this way, we offer various forms of value to the communities where we conduct business. By participating in and funding area management organizations, we invest in local communities, and work to increase the value of real estate.

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.

The Group has established the Mitsui Fudosan Group Human Rights Policy as detailed below, and is promoting human rights-related initiatives. In addition to this policy being publicly disclosed in our ESG Report, it can also be found via our internal portal and as well as raising awareness within the Group through training and other measures, we have established our Sustainable Procurement Standards based on this policy. We are also promoting human rights due diligence for the supply chain in accordance with the UN's Guiding Principles on Business and Human Rights.

Mitsui Fudosan Group Human Rights Policy

Seeking to coexist in harmony with society, link diverse values, and help build a sustainable society, as symbolized by its "  " corporate logo, the Mitsui Fudosan Group strives to help build a society of abundance for both people and the planet.


In order to live up to the philosophy symbolized by our "  " corporate logo, we believe that it is of the utmost importance to ensure that our business always gives due consideration to human rights, so we have established the Mitsui Fudosan Group Human Rights Policy (hereinafter this Policy).

This Policy is based on the Guiding Principles for Business and Human Rights advocated by the United Nations.

1. Respect for international human rights standards

The Mitsui Fudosan Group supports and respects international human rights norms including the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the core labor standards established by the International Labour Organization (ILO) in the ILO Declaration on Fundamental Principles and Rights at Work, which are: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labor; the effective abolition of child labor; and the elimination of discrimination in respect of employment and occupation.

2. Position of this policy

This policy details initiatives based on the conviction that we must be thorough about ensuring that our business always gives due consideration to human rights in order to achieve the philosophy symbolized by our "  " corporate logo-coexistence in harmony with society, linking of diverse values, and helping build a sustainable society.

3. Scope

This policy applies to all of the Mitsui Fudosan Group's officers and employees (all employees directly employed, including temporary employees, part-time workers, etc.). In addition, we ask our business partners to take human rights into consideration in their corporate activities based on this policy and the Mitsui Fudosan Group Sustainable Procurement Standards.

4. Education and training

The Mitsui Fudosan Group provides appropriate education and training to ensure that this policy is taken into account and effectively executed in all its business activities.

5. Human rights due diligence

The Mitsui Fudosan Group assesses in advance any negative impacts on human rights that could affect the various people with a relationship to its business activities (stakeholders) and takes both preventive and improvement initiatives. In addition, we appraise the performance and effectiveness of these initiatives and disclose relevant information.

6. Corrections and remedies

If it becomes clear that the Mitsui Fudosan Group has had a negative impact on human rights due to its business activities, or that it has been complicit in such impact, it works to correct and remedy the situation using appropriate internal procedures. In addition, the Mitsui Fudosan Group maintains a system for reporting and consulting about any acts that have a negative impact on human rights.

7. Dialogue with stakeholders

The Mitsui Fudosan Group continues to improve its human rights initiatives based on this policy, by engaging in dialogue with various stakeholders.

8. Salient issues related to human rights initiatives

Salient issues related to human rights initiatives are listed in an appendix to this policy. As these salient issues may change in response to evolving business and social conditions, we revise them as needed.

Established December, 2020
Masanobu Komoda
President & Chief Executive Officer
Mitsui Fudosan Co., Ltd.

Salient issues related to human rights initiatives

Prohibition of discrimination, harassment, or other unfair treatment in the workplace

We prohibit discrimination and unfair treatment on grounds not related to business performance, including race, nationality, origin, religion, beliefs, sex, age, disability, sexual orientation, gender identity, educational background, marital status, and employment type. We also do not allow any harassment in the workplace, such as sexual harassment or power harassment.

Ensuring a safe and healthy working environment

In addition to complying with laws and regulations related to working hours and occupational health and safety, we create a working environment in which all employees can work enthusiastically without feeling health or safety concerns when working.

Consideration for safety, security, and health in urban development

We conduct thorough quality control to ensure that the safety and health of our clients and the other people who use our facilities and services are not impaired. We also consider the safety and health of the people near the areas where we conduct business.

Consideration of minorities and prohibition of unfair discrimination toward them in business activities

In our business activities, we provide facilities and services that take minorities (social minorities; e.g., people with disabilities or foreigners, etc.) into consideration. In addition, we prohibit unfair discrimination or the promotion of discrimination when providing facilities and services.

Sufficient communication with clients and other stakeholders in business activities

In conducting our business activities, we strive to ensure that information provision and communication are sufficient to gain the understanding of our clients and other stakeholders.

Framework

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

The Managing Director acts as the person in charge of legal affairs and compliance, the Chief Risk Officer, the Chief Legal Affairs Officer, and the Chief Officer for Compliance, and he belongs to the Board of Directors and Risk Management Special Committee, and periodically reports on risk management to the Board of Directors. In fiscal 2020, there were no cases handled by the Risk Management Special Committee relating to human rights.

At present, alongside expanding human rights due diligence, we are investigating how to put in place mechanisms to deal with complaints, including through cooperation with our internal consultation service.

Establishment of an Internal Consultation Service

The Company has established internal contact points for consultation. These can be used by regular employees, and anyone engaged in work for our company based on an individual labor contract (contract employee), temporary transfer agreement, worker dispatch contract, part-time contract, or other agreement. Two contact points, internal and external, have been established, and workers can consult with either. The external contact point is provided at a law office, and it accepts consultations from a neutral standpoint,*1 notifies the Company of the consultation content, and encourages a response.

Topics for consultation include: wrongful conduct violating laws, regulations, internal rules, general social norms, or corporate ethics, sexual harassment, abuse of power, other forms of harassment, employment problems, and issues with the workplace environment.*2 The privacy of those who engage in consultation is protected, and there is never any retaliatory action or disadvantageous treatment due to such consultations in terms of personnel decisions. Consultations can be conducted under a real name, or anonymously.*3

*1 Representatives of the law office cannot provide legal opinions as lawyers, or take a stance protecting the consulting person.

*2 Simple expressions of opinion, dissatisfaction with personnel decisions, defamation of others, and similar issues cannot be the subject of consultation.

*3 To achieve early discovery and response to compliance problems—the original purpose of the system—the consulting employee's standpoint and other information are confirmed even in the case of an anonymous consultation.

Human Rights Due Diligence

When formulating our Human Rights Policy, in order to narrow down major issues related to human rights, we designated and evaluated human rights risks. In each business segment, we select issues related to our activities or business dealings that would infringe human rights of any of the stakeholders. We refine issues down to major human rights issues (human rights risks) specific to our Group, based on their severity according to the UN Guiding Principles and the likelihood of their occurrence. We also determined four levels of priority for initiatives informed by the scope of the relevant organization and the ease*1 with which we could minimize human rights risks. In fiscal 2021, we held a questionnaire for six construction companies representative of our supply chain and conducted on-site surveys at two in-operation construction worksites. As well as confirming the status of initiatives, we have been able to study ways of reducing risk and making improvements to our efforts.

*1: Considering, among other factors, the importance of dealings with the Mitsui Fudosan Group to the companies we work with from the standpoint of business transactions. For instance, for business partners whose main business is contract work for the Group, it would be relatively easy for us to affect the human rights measures being undertaken for employees of the business partner.

Human rights impact evaluation

Human rights due diligence

In 2020, we started human rights due diligence in accordance with the UN Guiding Principles on Business and Human Rights. As a supplement to the Human Rights Policy, we designated major issues related to human rights. We are continuously evaluating their impact on human rights, and putting in place initiatives to prevent or minimize their impact, and will continue monitoring.

(For more details, please see the Salient issues related to human rights initiatives.)

Human rights impact evaluation

Human rights impact evaluation is carried out for new and existing groupwide business (predominantly in Japan) in the manner detailed below. This evaluation also covers human rights issues that relate to labor problems or health and safety. When evaluating impact, we also took advice from Akiko Sato, an attorney who is a deputy secretary general at Human Rights Now, an international human rights NGO. We will ensure that in the future, too, we will continue to have such opportunities to gather feedback periodically.



To select major human rights impacts, we investigated the impact of issues related to our activities or business dealings that would infringe human rights of any of our stakeholders in each business segment (from a total of 202 issues). In line with their severity according to the UN Guiding Principles, and other factors, we narrowed the list down to a total of 42 important human rights issues (human rights impacts) unique to our business.

Sample of impact on stakeholders and human rights

		Business segment				
		Rental	Built-for-sale	Management	Agency	Contracting, etc.
Stakeholders	Group employees	Total for all segments (regular/non-regular)				
	Supplier employees	Total for all segments (regular/non-regular)				
	Tenants' employees, etc.	○	—	○	—	—
	Buyers, orderers, etc.	—	○ (incl. investors)	○	○	○
	Building users, visitors, etc.	○	—	○	—	—
	Local residents, businesses, etc.	○	○	○	—	○

Refining by severity and probability

Probability		Low (less than once a decade)	Medium (more than once a decade, less than once every three years)	High (once or more every three years)	
Severity: High	Direct		We selected issues in this area as important human rights issues (human rights impacts)		
	Indirect				
Severity: Medium	Direct				
	Indirect				
Severity: Low	Direct				
	Indirect				

In 2021, we carried out a questionnaire with six construction companies on overall ESG initiatives, including those connected to human rights, in order to properly grasp the impact on suppliers of important issues that relate to human rights and to investigate measures to prevent or minimize the impact. Of these companies, we conducted an on-site survey at two. ⇒ (Further details can be found at the Social Supply Chain.)

The results of the questionnaire and survey allowed us to deepen understanding of human rights issues. With regard to those issues, in the future we will maintain lines of communication with suppliers and work to make improvements. We will also carry out future surveys that look at human rights impacts at suppliers besides construction companies.

Stakeholder engagement to designate issues that impact on human rights

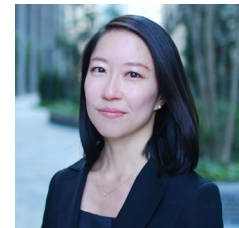
(Conducted on October 26, 2020, and August 2, 2021)

To designate issues that impact on human rights, we engaged with Akiko Sato, an attorney who acts as a deputy secretary general at Human Rights Now, an international human rights NGO. Her feedback is given below. We have reflected Ms. Sato's opinions as much as possible in the formulation of our Human Rights Policy, amendments to our Sustainable Procurement Standards, and in the implementation of our human rights due diligence. In the future, we hope to have Ms. Sato give feedback on how best to promote initiatives on the theme of business and human rights.

Expectations for the Mitsui Fudosan Group's initiatives for business and human rights

Attorney at Kotonoha Law. Deputy Secretary General at Human Rights Now, an international human rights NGO.

Currently, Ms. Sato works to enhance awareness and understanding of business and human rights by providing advice on topics such as human rights policy and human rights due diligence; coordinating stakeholder engagement; and proposing policy to the government.



Akiko Sato

Feedback:

- The Group needs to reconsider existing tasks from the framework of human rights, and embed a human rights perspectives into decision-making as part of daily work.
- With respect to information disclosure for human rights due diligence, when relaying information on the priority ranking process externally, the Group should make it clear that its investigations are based on the perspective of rights holders, and explain that to external stakeholders in line with ideas contained within the UN Guiding Principles.
- Many companies comply with human-rights-related laws and regulations, or enact initiatives to that end, but the Group must investigate whether merely complying with domestic law is sufficient in addressing the theme of business and human rights. Actually, many measures show some of Japan's laws including the law on eliminating discrimination against persons with disabilities are not up to international human rights standards. In the future, I would like the Group to recognize the gap between those international standards and Japanese domestic law, and respond to those international standards in line with the UN Guiding Principles.
- For issues related to supply chain initiatives where it is unclear where to start, one consideration should be first whether the issue has surfaced in the current situation in Japan or overseas, and whether it is a topic of international debate. For example, real estate companies should also focus on and evaluate the use of illegally harvested materials used at construction sites to make frames for concrete, something that is pointed out and debated by NGOs looking to eradicate the practice.
- The Black Lives Matter movement and other questions of racial discrimination are debated as international human rights issues, and so from an international perspective I think the Group would do well to publicize its own commitment to the cause. Japanese companies tend to do poorly in this regard. In light of corporate social responsibility, this may be evaluated by the international community as a lack of commitment to human rights and social issues.
- The level of demand to respond to human rights problems internationally can be considered from the perspective of the UN Guiding Principles on Business and Human Rights and its concept of eliminating adverse impacts. I feel it is also vital that the Group also focus on whatever positive impact their initiatives can make.
- Japanese businesses, when promoting diversity and inclusion, present the positive side—increased participation—but must also be earnest in efforts to tackle the root of the issue as a human rights risk, i.e., by banning discrimination. This will allow them to clarify policy and gain the understanding of stakeholders.
- Japanese companies don't feel comfortable to announce it when their initiatives don't make progress, but even making it clear that the company is aware of problems even if they are unable to effectively deal with it is itself important. If this kind of information is not disclosed externally, the transparency and accountability for stakeholders must be considered lacking. In such cases, there is a risk that a business may be shut out of the capital market.

Major Initiatives

Reducing Excessive Work and Overtime Work

The Company has formulated a clear policy and is making the following efforts to reduce excessive working hours and overtime.

- Monitoring working hours and conducting interviews with employees
- Notifying both employees and their direct supervisors when they are in danger of overwork
- Utilizing a computer-usage time control system
- Establishing, promoting, and enforcing "no-overtime" days

Our Efforts for Children's Rights

The Group supports the abolition of child labor inside and outside Japan, and respects the rights of children, namely: (1) The Right to Live, (2) The Right to Be Protected, (3) The Right to Be Nurtured, (4) The Right to Participate. We believe that ensuring healthy development of the children who will be the next generation-through neighborhood creation and operation of facilities-is essential for an affluent future, and based on that idea, we are making various efforts to support the human rights of children in our business activities and projects.

Business Activities and Projects Relating to Children's Rights

Business activities/projects	Summary
KidZania	KidZania is a social education oriented theme park for children, and here we support the growth and independence of children by encouraging them to have fun while experiencing work, and learn about the structure of society.
Mirai Kodomo Gakko	The Mirai Kodomo Gakko (future children's school) is a platform for learning that provides experience-based content at the Kashiwa-Campus (Kashiwa City, Chiba). A multi-faceted curriculum is provided through close collaboration with local government, the municipal board of education, local universities, and community residents.
Green Tours for Parent-Child Learning	At Tokyo Midtown, we hold Green Tours that allow parents and children to learn about trees, flowers, and other plants as they walk through Midtown Garden, which is located on the site.

Personnel training

Companywide compliance training (e-learning) twice a year, in addition to human rights training that uses videos once year, includes internal training (explanations of our Human Rights Policy, etc.) related to our Human Rights Policy and our Sustainable Procurement Standards.



Policy

The Group strives to coexist and collaborate with local communities and build new communities in accordance with the distinctive characteristics of each area and other factors based on our philosophy of coexisting in harmony with society, linking diverse values, and achieving a sustainable society. Furthermore, we have put in place a Policy for Social Contribution Initiatives to ensure that each Group company and department follows a common and uniform direction. Based on this policy, each and every member of the Group looks to contribute to society in four core areas: the global environment, local communities, culture and education, and international exchange.

The Mitsui Fudosan Group's Policy for Social Contribution Initiatives (Formulated March 27, 2013)

In line with our Group Statement that focuses on efforts to bring affluence and comfort to urban living, we actively contribute to society by revitalizing and creating urban areas while engaging in various activities from a global perspective, to provide affluence and comfort with the aim of achieving the sustained development of society and the economy.

1. We are primarily involved in four areas: the global environment, local communities, culture and education, and international exchange.
2. We strive to achieve harmony with local communities, and
3. We proactively make use of our own resources, including properties, networks, and personnel.

Management System

The ESG Management Committee under the ESG Promotion Committee, which is headed by the President and Chief Executive Officer, was established to promote social contributions throughout the Group. The ESG Management Committee formulates the principles and policies that define the social contribution activities of the Group. It also keeps up to date the social contribution targets, objectives and plans of each division and Group company while monitoring and evaluating progress toward targets and plans. The Social Contribution Activity Policy was created in March 2013 to serve as common ground for various activities to realize abundance and affluence in society from a global perspective.

Record of Social Contribution Activities

The Company actively supports a wide range of social contribution activities. Specifically, these include activities for culture and education, local communities, international exchange, and the global environment. We also promote a multitude of employee-led initiatives that support community creation.

Record of Social Contribution Activities

	Fiscal 2018	Fiscal 2019	Fiscal 2020
Expenditures on social contribution activities (million yen)	6,082	6,735	5,544
Percentage of ordinary income (%)	2.39	2.61	3.28

As of March 31 of each fiscal year

Culture, Education, and Sports	Mitsui Memorial Museum
	Sumida River Fireworks Festival
	Shiki Theatre Company-Kokoro Theater Project
	Promoting, Restoring and Preserving the Beauty of Japan' s Art-Tsumugu Project
	Tokyo 2020 Olympic and Paralympic Games-Real Estate Development Gold Partner
	Support for Sport (Japanese Women' s National Basketball Team, Japan Sport Climbing Representative, Japanese Wheelchair Rugby Team, Kawasaki Frontale, Kashiwa Reysol, etc.)
	International Multi-Sport Festival-Corporate Games
	Center for iPS Cell Research and Application
Local Support	Mitsui Memorial Hospital
	Sakura Fes Nihonbashi
	ECO EDO Nihonbashi
	Theater Festival-Hibiya Festival
	Disaster Reconstruction Efforts
International Exchange	&EARTH Clothing Support Project-Bring a Smile to the World with Your Clothes
	&EARTH x SOLTILO FAMILIA SOCCER SCHOOL Soccer Support Project
	Public-Private Cooperative Study Abroad Promotion Campaign-Tobitate! (Leap for Tomorrow) Study Abroad Initiative
	JEES-Mitsui Fudosan Scholarship established
Global Environment	&EARTH DAY (Environmental Education Event)
	&EARTH Classroom (Environmental Education at schools and other facilities)
	Let' s Learn! Let' s Play! Cool Choice Plaza (Environmental Education Event)

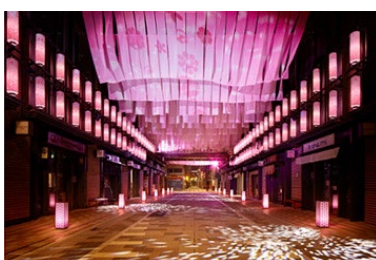
Regional Revitalization and Community Creation

The Company plans and hosts a diverse range of events that promote community creation and regional revitalization. We also carry out activities that help to strengthen family ties, as well as hold various events that educate communities on future society and environmental issues.

Our Efforts in the Nihonbashi Area

Nihonbashi Cherry Blossom Festival

Every year across March and April, Mitsui Fudosan holds the Nihonbashi Cherry Blossom Festival in the Nihonbashi area. The event is highly regarded for its economic ripple effects, its ability to increase customers and non-residents to the region, its effectiveness in disseminating information overseas, and the techniques and creativity that will influence events held in the future.



Nihonbashi Cherry Blossom Festival



Mirai Kidai Shoran

ECO EDO Nihonbashi

Every year between July and September, Mitsui Fudosan holds ECO EDO Nihonbashi, an event featuring goldfish scooping, paper lanterns, summer kimonos, and other ways people in the Edo era kept cool during a Nihonbashi summer.



ECO EDO Nihonbashi 2017, giant goldfish lanterns, scene on Naka Dori Street

Our Efforts in the Kashiwa-no-ha Area

Mirai Kodomo Gakko

The Mirai Kodomo Gakko (future children's school) is a platform for learning that provides experience-based content for students ranging from infants to high school students in the Kashiwa-no-ha Campus area of Kashiwa City, Chiba. With the backing of Kashiwa City, the Kashiwa City Board of Education, the Kashiwa Campus of the University of Tokyo, and Chiba University, a variety of people from throughout the neighborhood have acted as instructors-including teaching staff from elementary schools and universities, students, artists, residents, workers, and others from the local area-and a diverse curriculum has been provided. Since fiscal 2015, the school has been held more than 100 times.



Mirai Kodomo Gakko

Our Efforts at Tokyo Midtown

In Tokyo Midtown (Minato-ku, Tokyo), we participate as volunteers in events organized by the Azabu District General Branch Office of the Minato Ward Office, Tokyo Metropolitan Government. These events are held as part of the Minna De Ecotto Project for fostering concern for nature and living things among children in the area.

Our Efforts at Commercial Facilities

In cooperation with local government, companies, NPOs, and other organizations, the Group holds an experiential learning event for children called "Let's Learn! Let's Play! Cool Choice Plaza" at its commercial facilities, where participants can learn about energy and environmental issues.



Let's Learn! Let's Play! Cool Choice Plaza

Supporting Community Creation through Sport

Tokyo 2020 Gold Partner

As a Tokyo 2020 Gold Partner in the Real Estate Development category, the Company actively supports formation of local communities through fun events and neighborhood creation based on the power of sports. These efforts are based on the slogan BE THE CHANGE: Cities Start World Changes.

Further details can be found at the following URL.

⇒ <https://www.mitsufudosan.co.jp/bethechange/>

&EARTH x SOLTILO FAMILIA SOCCER SCHOOL

This event is hosted in collaboration with the SOLTILO FAMILIA SOCCER SCHOOL—a project designed by professional soccer player Keisuke Honda—and has been held at LaLaport FUJIMI, Urban Dock LaLaport TOYOSU, LaLaport EXPOCITY, and other Group commercial facilities since 2017. During the event, soccer gear no longer in use is collected and donated to children overseas through the NPO Japan Relief Clothing Center. Through their activities, the staff of SOLTILO also contribute to local communities by providing soccer instruction to children inside and outside Japan.



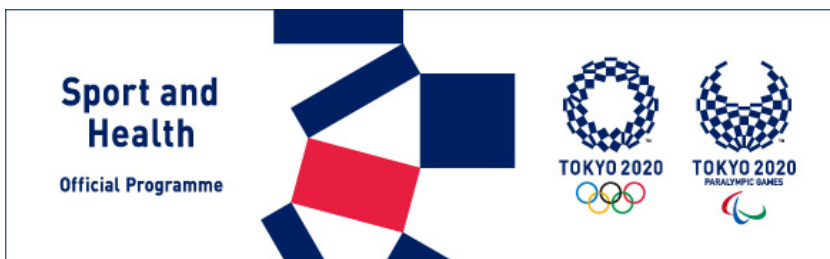
Pre-event



Soccer training held in Cambodia

Mitsui Offices Sports Festival for TOKYO 2020: FUTSAL CUP 2018

Using sports to stimulate interaction within companies and deepen interaction across corporate boundaries, Mitsui Fudosan holds the Mitsui Offices Sports Festival for TOKYO 2020: FUTSAL CUP (a certified Tokyo 2020 Official Programme) for people working at Mitsui Offices.



Futsal competition

Social Contribution through Volunteer Activities

&EARTH Clothing Support Project-Bring a Smile to the World with Your Clothes

The Company and Mitsui Fudosan Retail Management Co., Ltd. hold the &EARTH Clothing Support Project-Bring a Smile to the World with Your Clothes project at commercial facilities run by the Mitsui Fudosan Group. Unneeded clothing is collected, and then donated to refugees and disaster victims in countries all over the world through the NPO Japan Relief Clothing Center.

Together with its customers in each region, the Group seeks to alleviate disparities and poverty, and realize a more affluent society, and as such has held the event twice a year since 2008.

For further details, see (Japanese version only)

⇒ <https://and-earth.mitsui-fudosan.co.jp/clothes/>



Volunteers

Held Happy Smile Festival

At Gate City Osaki and COREDO Nihonbashi, we regularly hold events organized by the NPO Group Happy Smile to sell products handmade by people with disabilities from various welfare facilities, with proceeds returned to the creators as wages. The Company and Mitsui Fudosan Building Management Co., Ltd. provide a venue gratis and participate as volunteers. Volunteers from tenant companies also participate, and everyone involved with the building works as a team to make a social contribution.



Happy Smile Festival venue

Participation as Volunteers in Kokoro Theater

In full support of its mission, Group employees participate as volunteers in the Kokoro Theater Project, an initiative organized by the Butai Geijutsu Center and the Shiki Theatre Company, held to enable children to enjoy the emotionally moving experience of theater.



A scene from the musical

Stadium Beautification Activities: KEEP THE STADIUM CLEAN

As part of its environmental conservation activities, the Group takes part in the KEEP THE STADIUM CLEAN initiative. The aim is to cultivate a litter-free neighborhood culture at sports stadiums, and to communicate this to the surrounding community as a legacy for future generations. Spectators are handed garbage bags and called upon to clean the stadium and around the spectator seating area after the game.



Distribution of garbage bags



Picking up garbage after a game

Participation in Cleaning the Famous Nihonbashi Bridge

Every year in July, Company employees and their families voluntarily take part in activities to clean the famous Nihonbashi bridge, the starting point of the Five Routes of the Edo period and one of Japan's most renowned bridges. The Meikyo Nihonbashi Preservation Council is an organization that aims to restore the view of Nihonbashi, whose beauty was lost when it was covered by the Shuto Expressway, and pass the bridge on in good condition to future generations. In accordance with this purpose, this event is a summer tradition in the Nihonbashi area that has continued since 1959, with the participation of local residents and company employees.



Bridge cleaning



Participating employees

Communicating with Local Communities Following the Great East Japan Earthquake

Watasu Nihonbashi: A Center for Exchange with Earthquake Affected Regions

Watasu Nihonbashi (Chuo-ku, Tokyo) was opened in March 2015 as a result of encounters with the people of Minamisanriku Town following the Great East Japan Earthquake. The center plays a role as an intermediary linking Tohoku and Nihonbashi, and includes the Watasu Dining & Bar (1F/2F) featuring ingredients from Minamisanriku and other parts of Tohoku, and the Watasu Room interaction space (3F) for online exchange with junior high school students from the local area, events and workshops relating to reconstruction, and other programs. Junior high school students from Minamisanriku Town visit Watasu Nihonbashi and the Nihonbashi 1-chome Mitsui Building as part of their school trips and, among other activities, they exchange information relating to disaster prevention. Watasu Nihonbashi is continuing to broaden its efforts with local communities.



Junior high school students from Minamisanriku Town visiting Watasu Nihonbashi

Sustainability Training

CSR training has been conducted continuously since 2013 to improve awareness of disaster preparedness through experience of the situation in earthquake affected regions, and create opportunities for voluntary efforts and contribution to social issues. Employees visit Minamisanriku Town and regions within Fukushima Prefecture, both areas affected by the Great East Japan Earthquake.



CSR training in earthquake affected regions

Policy

As a corporate group supporting offices, housing, and other infrastructure necessary for daily life, we recognize that it is our duty to fulfill our social responsibilities at an even higher level. To accomplish this, we believe efforts should be made throughout the entire supply chain to promote sustainable procurement and thereby help resolve ESG issues. We have formulated Sustainable Procurement Standards summarizing basic guidelines in this area. We published these standards on our website in December 2018, and have notified our main business partners. In February 2022, as part of our human rights due diligence, we amended and added to the standards. As items to be complied with or actively promoted by both the Group and its suppliers, with basic guidelines on (1) Compliance with Laws and Regulations; (2) Respect for Human Rights in Business Activities; (3) Respect for Human Rights Related to Labor; (4) Safe and Healthy Working Environment; (5) Establishment of Business Ethics; (6) Ensuring Quality; (7) Consideration for the Environment; (8) Information Security; and (9) Crisis Management and Business Continuity Plan. To ensure sustainable procurement, we have included corrective measures and cooperation with monitoring and applying pressure to suppliers and contractors, by providing suppliers with cooperation requests alongside the standards. We have also produced separate explanatory notes that go into more details on the standards so as to raise awareness internally and within the Group, as well as at suppliers. The idea is to share these standards within the Group, build and operate an ordering and contract process in line with the nature of our business, and better inform and request the understanding of our business partners. To realize a sustainable society, we are working to promote sustainable procurement throughout our supply chain.

Mitsui Fudosan Group Sustainable Procurement Standards

Established: December 5, 2018

Revised: February 4, 2022

1. Compliance with Laws and Regulations

Companies doing business with the Mitsui Fudosan Group (hereinafter, “companies”) 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.

2.1 Prohibition of unjust discrimination and human rights violations in business activities

Companies shall not engage in acts of unjust discrimination or be complicit in it in their business activities. In addition, companies shall ensure that their business activities do not cause nor are complicit in human rights violations.

2.2 Respect for the rights of socially vulnerable and minority groups

In the provision of products and services, companies shall ensure that the basic needs of socially vulnerable and minority groups are met.

2.3 Universal design

In the provision of products and services, companies shall strive to offer universal design and services that are considerate of diverse situations, in order to ensure the convenience and comfort of all people.

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.

3.1 Freedom of association and right to collective bargaining

In compliance with local laws and regulations, companies shall respect the rights of employees to organize and bargain collectively as a means of participating in labor-management negotiations on working environment and wage conditions.

3.2 Prohibition of forced labor

Companies shall not use forced labor obtained through coercion, bondage, inhumane prison labor, slavery, human trafficking, or other such means. In addition, companies shall not force employees to work against their will and shall protect the right of employees to leave or terminate their employment of their own accord.

3.3 Prohibition of child labor and consideration for young workers

Companies shall not allow children under the minimum working age to work. In addition, companies shall not allow young workers under the age of 18 to engage in hazardous work that may jeopardize their health and safety, such as night shifts and overtime work.

3.4 Prohibition of discrimination in employment

Companies shall not engage in any form of unfair discrimination, including unfair discriminatory treatments based on grounds such as race, nationality, ethnicity, skin color, age, gender, sexual orientation, gender identity, religion, beliefs, disability, marital status, pregnancy, political affiliation, or union membership, in any employment practice, including wages, promotion, compensation, and retirement.

3.5 Prohibition of abuse and harassment

Companies shall respect the human rights of workers and shall not subject workers to inhumane treatment, including psychological or physical abuse, coercion, harassment, or any other potentially inhumane acts.

3.6 Adequate wages and allowances

Companies shall comply with all applicable laws and regulations regarding compensation paid to employees (including minimum wages, overtime pay, and legally mandated allowances and deductions) and social security. Furthermore, companies shall strive to pay wages at a level that allows workers to support their basic needs (a living wage).

3.7 Appropriate working hours, holidays, and leave

Companies shall not allow workers to work in excess of the maximum working hours set by local laws and regulations, shall appropriately manage working hours and days off in consideration of internationally recognized standards, and shall grant annual paid leave in compliance with local 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.

4.1 Management of employee health

Companies shall provide appropriate health management for all employees.

4.2 Occupational health and safety

Companies shall identify and assess risks to occupational safety and ensure safety through appropriate design, engineering and administrative controls.

Companies shall also identify and assess the risk of worker exposure to biological, chemical, and physical hazards in the workplace, and implement appropriate management.

4.3 Consideration for physically demanding work

Companies shall identify and evaluate physically demanding work and implement appropriate management to prevent occupational accidents and illnesses.

4.4 Safety measures for machinery and equipment

Companies shall evaluate the machinery and equipment used by workers in their work for safety risks and implement appropriate safeguarding measures.

4.5 Healthy, safe facilities

Companies shall ensure that the facilities provided for workers' lives (dormitories, cafeterias, toilets, rest areas, etc.) support adequate health and safety.

In addition, dormitories shall have appropriate emergency exits for emergencies.

4.6 Response in the event of occupational accidents or diseases

Companies shall record and report occupational accidents and diseases, and take appropriate measures and corrective actions.

4.7 Promotion of communication

Companies shall provide education and training on the appropriate health and safety information for the various occupational hazards that workers may be exposed to on the job, in the workers' native language or in a language and manners that workers can understand.

In addition, companies shall operate a system for workers to provide feedback on safety-related issues.

5. Establishment of Business Ethics

Companies shall conduct business activities based on high ethical standards in addition to compliance with the law.

5.1 Prevention of bribery and other forms of corruption

Companies shall not engage in bribery, corruption, extortion, or embezzlement of any kind. In addition, companies shall not offer or condone promises, offers or permits as a means of obtaining bribes or other illicit or inappropriate benefits.

5.2 Avoiding interactions with organized criminal groups

Companies shall avoid all interaction with organized criminal groups and other "antisocial forces" that threaten the order and safety of civil society.

5.3 Promotion of fair business activities

Companies shall promote fair business activities and refrain from acts that impede fair and free competition and acts of unfair competition.

5.4 Prohibition of abuse of dominant position

Companies shall not use their dominant position to unilaterally determine transactions in their own favor or to the detriment of their business partners.

5.5 Protection of intellectual property rights

Companies shall respect intellectual property rights, and the transfer of technology and know-how shall be done in a way that protects intellectual property. Companies shall also protect the intellectual property of third parties, such as customers and business partners.

5.6 Appropriate disclosure of information

Companies shall appropriately disclose their financial and non-financial information in accordance with applicable laws and regulations as well as social norms and guidelines of industry associations. Falsification of records or disclosure of false information shall not be tolerated.

5.7 Establishment of grievance mechanism and protection of whistleblowers

Companies shall operate a grievance mechanism to investigate and respond to problems and allow employees and other whistleblowers to report them. Companies shall also protect the confidentiality of information and the anonymity of whistleblowers, and shall not retaliate in any way against whistleblowers.

5.8 Responsible procurement of raw materials

For raw materials used in business activities, companies shall avoid those produced by unlawful means (including illegally logged timber and conflict minerals) and strive to utilize those produced with consideration for the environment and society, such as recycled timber and certified timber.

6. Ensuring Quality

Companies shall ensure and strive to enhance the safety and quality of the products and services they provide.

6.1 Consideration for security, safety, and health in urban development

In designing, manufacturing, and selling products, companies shall fulfill their responsibilities as suppliers by ensuring sufficient product safety, such as by meeting the safety standards stipulated by the laws and regulations of each country.

In addition, when providing services, companies shall strive to engage in business activities with consideration for the safety and health of the people who use the services and other related parties.

6.2 Quality management and quality assurance

Companies shall comply with all applicable laws and regulations, their own quality standards, and customer requirements regarding the quality of products and services. In addition, companies shall have a system in place to receive and appropriately handle customer complaints and grievances.

6.3 Provision of accurate information on products and services

Companies shall provide accurate and non-misleading information about products and services to customers and consumers. They shall not provide false or falsified information.

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.

7.1 Addressing climate change

Companies shall work continuously to reduce their energy consumption and greenhouse gas emissions by striving to improve energy efficiency and introduce renewable energy.

7.2 Efficient use of resources and waste management and reduction

Companies shall comply with laws and regulations and engage in appropriate waste management. They shall also pursue reduction, reuse, and recycling in order to ensure resources are efficiently used and minimize the generation of waste.

7.3 Prevention of pollution and management of chemical substances

Companies shall comply with relevant laws and regulations and implement appropriate measures to reduce the release of hazardous substances into the air, water, soil, etc.

In addition, companies shall manage hazardous chemical substances in order to ensure that they are identified, labeled, handled safely, transported, stored, used, recycled or reused, and disposed of in compliance with laws and regulations.

7.4 Reduction of water usage

Companies shall comply with laws and regulations, monitor the sources, uses, and discharge of the water used, and conserve water.

7.5 Conservation of biodiversity

In order to conserve the natural environment and ecosystems where diverse organisms live, companies shall work to reduce negative impacts of their business activities on them.

7.6 Provision of environmentally-friendly products and services

Companies shall be proactive in providing environmentally-friendly products and services. They shall also comply with all laws and regulations and customer requirements regarding chemical substances contained in products.

8. Information Security

Companies shall prevent leaks of confidential information and personal information and work to strengthen information security.

8.1 Information security and cyber security

Companies shall not only appropriately manage and protect their own confidential information but also the confidential information received from customers and third parties. In addition, they shall take defensive measures against cyber-attacks and other threats to prevent damage to themselves and others.

8.2 Protection of personal information

Companies shall comply with all relevant laws and regulations and appropriately manage and protect the personal information of all business partners, customers, employees, and others.

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.

9.1 Crisis management

In order to minimize the damage to workers and assets caused by natural disasters, accidents, and other emergencies, as well as indirect damage to related parties and the public resulting from such damage, Companies shall establish action procedures for emergency measures, install the necessary equipment, and provide education and training to enable employees to take such action in the event of a disaster.

9.2 Business continuity plan (BCP)

Companies shall identify and assess risk factors that could impede business continuity, and formulate a business continuity plan (BCP) that includes a close examination of the impact on business, the necessary medium- and long-term measures, and the status of initiatives.

Click the link below to see the Japanese version of the Mitsui Fudosan Group Sustainable Procurement Standards.
⇒ https://www.mitsuifudosan.co.jp/corporate/esg_csr/society/04.html

Supplier ESG Due Diligence

Supplier questionnaires

As a result of appraisals into human rights risks, we selected six major suppliers from the construction industry—which has a great deal of overlap with and influence from ESG topics—and carried out a supplier questionnaire in line with our Sustainability Procurement Policy to promote and raise awareness of the following important themes.

Questionnaire topics

- Compliance with Laws and Regulations
- Respect for Human Rights Related to Labor
- Establishment of Business Ethics
- Consideration for the Environment
- Crisis Management and Business Continuity Plan
- Respect for Human Rights in Business Activities
- Safe and Healthy Working Environment
- Ensuring Quality
- Information Security

The results of the questionnaire revealed that some efforts in the areas of Respect for Human Rights in Business Activities, Respect for Human Rights Related to Labor, Establishment of Business Ethics, Ensuring Quality, and Consideration for the Environment were lacking. Taking these results into account, in the future we will promote a further levelling up of ESG initiatives—including for human rights—aimed at suppliers.

Supplier on-site surveys (worksite monitoring)

For two of the six construction companies who answered the supplier questionnaire, we carried out an on-site survey that involved monitoring a worksite in operation. 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.

Results of the supplier questionnaire and on-site survey and response to issues

While there were no major problems identified in either the questionnaire or the survey, the following areas do require improvement.

Overview of risk evaluation, taking into account the results of the questionnaire and on-site survey

Risk evaluation for each area (based on questionnaire and survey results)		Areas with issues	
Priority level ↑ Major	2.2 Respect for the rights of socially vulnerable and minority groups 4.2 Occupational health and safety 4.3 Consideration for physically demanding work 4.4 Safety measures for machinery and equipment 4.5 Healthy, safe facilities 4.6 Response in the event of occupational accidents or diseases 5.1 Prevention of bribery and other forms of corruption 5.7 Establishment of grievance mechanism and protection of whistleblowers 6.2 Quality management and quality assurance 6.3 Provision of accurate information on products and services 7.1 Addressing climate change 7.2 Efficient use of resources and waste management and reduction 7.3 Prevention of pollution and management of chemical substances 7.6 Provision of environmentally-friendly products and services 8.1 Information security and cyber security 8.2 Protection of personal information 9.1 Crisis management 9.2 Business Continuity Plan (BCP)	4.7 Promotion of communication 5.3 Promotion of fair business activities	3.2 Prohibition of forced labor 4.1 Management of employee health 5.8 Responsible procurement of raw materials 6.1 Consideration for security, safety, and health in urban development 7.5 Conservation of biodiversity
	2.1 Prohibition of unjust discrimination and human rights violations in business activities 3.1 Freedom of association and right to collective bargaining 3.3 Prohibition of child labor and consideration for young workers 3.4 Prohibition of discrimination in employment 3.5 Prohibition of abuse and harassment 3.6 Adequate wages and allowances 3.7 Appropriate working hours, holidays, and leave 5.2 Avoiding interactions with organized criminal groups 5.4 Prohibition of abuse of dominant position 5.6 Appropriate disclosure of information	5.5 Protection of intellectual property rights	2.3 Universal design 7.4 Reduction of water usage
Minor			
Average score	100% (no problems at any of the six companies)	90%+ (problems at one company)	Less than 90% (problems at two or more companies)

Results of the questionnaire (overview)

- ▶ Six general contractor companies were asked about their initiatives related to the areas identified in the Sustainable Procurement Standards (explanatory notes)
- ▶ All six companies were implementing initiatives in the areas of Compliance with Laws and Regulations, Information Security, Crisis Management and Business Continuity Plan
- ▶ All six companies had essentially no issues in the area of Safe and Healthy Working Environment
- ▶ However, in the areas detailed below, there were instances where initiatives were not being implemented and where improvement is needed
 - Respect for Human Rights in Business Activities
 - Respect for Human Rights Related to Labor
 - Establishment of Business Ethics
 - Ensuring Quality
 - Consideration for the Environment

- With regard to those initiatives found to be lacking, we will discuss improvement measures and work to make improvements with construction companies.
- This questionnaire was aimed at construction companies, but in the future, we will expand this to other industries to better grasp their respective situations.

Major Initiatives

Promoting sustainable procurement

The ESG Management Committee under the ESG Promotion Committee, which is headed by the President and Chief Executive Officer, was established to tackle human rights issues throughout the Group. The ESG Management Committee formulates the principles and policies that define the human rights-related issues of the Group. It also works to promote human rights due diligence based on the Sustainable Procurement Standards and evaluates the results and investigates our response, among other roles. It also promotes a variety of activities that share vital commonalities with the Mitsui Fudosan Human Rights Policy, which was formulated in December 2020, from a global perspective.

Internal training

Groupwide compliance training is carried out twice a year (via e-learning), which includes internal training (explanations of the Human Rights Policy, etc.) on the Human Rights Policy and Sustainable Procurement Standards.

Diverse Collaborative Efforts

As part of our Environmental Initiatives Policy, we have set cooperation (collaborating and cooperating with various stakeholders) as one of our key activities. In collaboration and cooperation with customers, business partners, regional society, and the authorities, we will ensure we respect human rights in our business activities.

We are also a participating party in the Declaration of Partnership Building project, established by the Japanese Cabinet Office and other entities. The project aims to help large corporations and small and medium-sized enterprises form sustainable relationships that will help both to grow. By participating, companies declare that they will promote co-prosperity throughout entire supply chains and form new partnerships that go beyond the current scale, groups and borders, etc., as well as complying with positive trading practices with main operators and subcontractors.

Declaration of Partnership Building

In order to form a new partnership that will help us cooperate, and aiming for mutual prosperity, with the business partners that form our supply chain and companies that help us create value, we declare our intent to focus our energies on the following:

1. Promoting co-prosperity throughout the entire supply chain and forming new partnerships that go beyond the current scale, groups and borders, etc.

Through our direct business partners, we have put pressure on partners further down the supply chain (moving them from Tier N to Tier N+1 business partners) to work on improving added value throughout the chain. Also, through existing business partnerships and cross-company collaboration, etc., we are aiming to develop a framework that brings prosperity for both us and our partners. We have also supported our partners by offering advice on introducing teleworking or formulating business continuity plans (BCPs) from the perspective of responding to disasters or reforming the way people work.

Individual initiatives:

a. Cooperation between companies

Based on the ideal of coexisting in harmony with society symbolized by our "🤝" logo, we will promote our business hand in hand with our business partners. Equally, we are working with those same partners to create new industries through open innovation.

b. Environmental efforts

In addition to formulating a Group action plan to realize a decarbonized society, the whole supply chain is working together to implement five initiatives: (1) improving the environmental friendliness of new construction projects and existing properties; (2) using environmentally friendly electricity in shared areas and areas that our businesses use in buildings; (3) providing environmentally friendly options to business tenants and buyers; (4) securing a stable supply of renewable energy; and (5) reducing CO₂ emissions produced during construction.

2. Complying with promotion standards

For positive trading practices with new main operators and subcontractors, we comply with promotion standards based on the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises and are actively working to combat trading and business practices that interfere with our efforts to build partnerships with our business partners.

(1) Pricing methods

We do not make demands for unreasonably low cost prices. When determining costs associated with business dealings, where subcontractors wish to discuss prices, we debate the matter appropriately, with due consideration to how the subcontractor can achieve a suitable level of profit, with regard to the effect of rising labor costs and similar. The main operator specifies and issues contract terms and conditions, including decisions on prices, in writing and other formats.

(2) Bills and other payment criteria

We pay subcontractors' fees in cash.

(3) Intellectual property and expertise

During our dealings, we do not ask partners to disclose their expertise or transfer intellectual property rights without monetary compensation where inappropriate.

(4) Negative effects of changes to working styles

To allow business partners to also adapt to new working styles, we do not make inappropriate demands for unreasonably short deadlines or suddenly change specifications, which would result in a greater burden on the partner. In the event of a disaster, we would not force a subcontractor to take the entire burden of dealings, and where possible will consider how to resume our partnership when work can begin again.

3. Other

Based on the ideals of coexisting in harmony with society, linking diverse values, and achieving a sustainable society, the Mitsui Fudosan Group is working to build societies that enrich people's lives and our planet. We pursue ESG management and conduct business with awareness of our responsibilities with respect to the Environment, Society, and Governance. Reflecting our commitment to further accelerate the Group's ESG management, we can contribute in a significant way to the Japanese government's Society 5.0 vision and to the attainment of the UN's SDGs. In November 2021, we formulated policies for the Group regarding how to help bring about a decarbonized society and how to promote diversity and inclusion. In the future, we will continue to work to address social challenges through neighborhood creation.

February 28, 2022
Mitsui Fudosan Co., Ltd.
Masanobu Komoda
President and CEO

For more details on the Declaration of Partnership Building, refer to the site below (Japanese only)

⇒ <https://www.biz-partnership.jp/index.html>

Our Efforts to Improve Customer Satisfaction (CS)

The Group emphasizes communication with customers, and we address customer feedback and requests with great seriousness. By working to resolve and address various consumer issues, we will promote neighborhood creation from the customer's perspective, and improve the quality of services provided to customers.

Major Initiatives

Listening to Customers

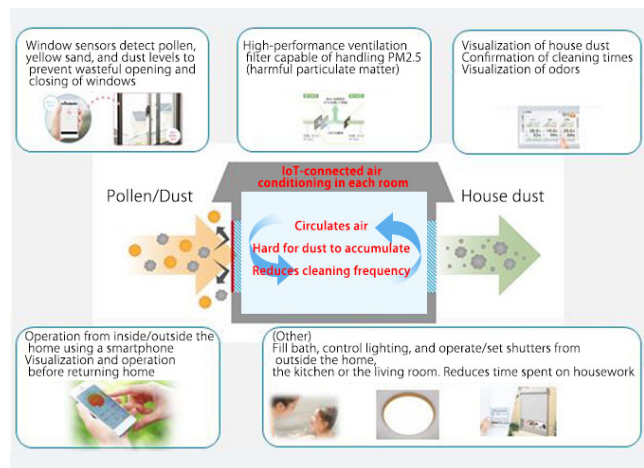
The Group undertakes a variety of activities as a part of efforts to listen to customers' comments. CS surveys are conducted encompassing a wide area including office building tenant companies and residents of condominiums and detached housing as well as hotel guests. The feedback gained through these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

Facility name	Examples of improvements
Office Buildings	<ul style="list-style-type: none"> • Crime prevention, smoking area separation • Improvements to common-use areas • Improvements to elevator operating programs • Improvements to restroom facilities • Meetings to observe elevator rescue drills • Tours to observe building facilities
Retail Facilities	<ul style="list-style-type: none"> • Installation of additional coin lockers and larger coin lockers • Refurbishments/enlargements made to kids' spaces • Installation of air purifiers in baby rooms • Installation of microwave ovens • Installation of curtains in diaper changing rooms • Replacement of flooring materials and wallpaper in nursing rooms • Refurbishments to women's restrooms • Increase in number of stroller pick-up locations (increase number of strollers) • Increase in stroller drop-off locations • Increase in cart drop-off locations, improvements to parking lot signs • Installation of additional benches and signs within each property, improvements to smoking room doors • Changes to rules on pets (reassess areas where pets are allowed)
Logistics Facilities	<ul style="list-style-type: none"> • Improvements to smoking areas in common areas, increase in vehicle/bicycle parking areas • Enhancement of shared amenities (setting up of Christmas trees, Kadomatsu Japanese New Year's decorations, message cards, etc.)

Barrier-Free and Universal Design

For all aspects of life, whether it be work, home life, recreation, or relaxation, the Group promotes the creation of urban environments and buildings that are easy for everyone to use, regardless of their cultural background, language, nationality, age, sex, or disability. Moreover, in our office buildings and other development projects, we examine ease of access using public transport, and evaluate accessibility for people with disabilities. We ensure our measures are within the scope stipulated by laws and regulations, and in some cases make additional efforts.

Mitsui Home's endeavor to make temperature and humidity equipment barrier-free was selected as a fiscal 2017 Leading Project for Sustainable Homes by the Ministry of Land, Infrastructure, Transport and Tourism. Seeking to make home life more healthy, secure, and convenient, the system combines duct-type air conditioning systems and IoT technology to suppress indoor dust and thereby reduce cleaning frequency. The project also enables users to do such things as remotely fill their bathtubs. In this way, the burden of housework and time spent are lessened.



All-Japan Customer Service Role-Playing Contest

Every August, Mitsui Fudosan Retail Management Co., Ltd. holds the All-Japan Customer Service Role-Playing Contest for representatives who qualify through preliminary competitions at nationwide commercial facilities. The contest aims to increase the value of visiting retail properties for customers by raising the quality of customer interaction and service that can only be found at real stores.



Contest participants

11th All-Out CS Contest

On February 20, 2019, Mitsui Fudosan Hotel Management Co., Ltd. held its 11th All-Out CS (Customer Satisfaction) Contest. A total of 20 participants took to the stage and demonstrated the customer service skills they have refined through their daily work in the form of roleplay, and reaffirmed the pleasure and importance of greeting the customer with a smile.

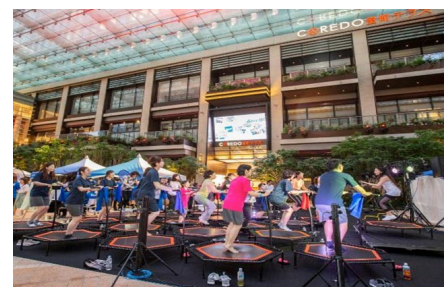


Contest participants

CASBEE-WO Certification

In May 2020, Nihonbashi Muromachi Mitsui Tower was awarded the S rank, the highest rank in the CASBEE-WO (Wellness Office) Certification System. At the same time, it achieved a total score of 92.0, the highest of any leased office building certified to date. We also conducted a CASBEE construction self-evaluation, and in recognition of the building's overall evaluation of superior environmental performance, it received certification as a CASBEE Smart Wellness Office.* Nihonbashi Muromachi Mitsui Tower promotes safe, reliable neighborhood creation and BCP. In addition to the installation of an energy plant, which itself was Japan's first initiative to provide electricity and heat to an existing urban area using an independent distributed power source, the tower also incorporates the latest seismic structural control devices. Furthermore, it offers facilities and a full range of programs to promote worker health, and these initiatives have received comprehensive positive recognition.

* A system administered by the Institute for Building Environment and Energy Conservation (IBEC) to certify office initiatives in both tangible and intangible aspects. The system evaluates not only factors with a direct influence on worker health and comfort, but also those contributing to enhanced intellectual productivity as well as features relating to safety and reliability.



&Well Festa health promotion event at the Roofed Outdoor Plaza (July 2019)

Tools for Communication with Our Customers

The Group offers a variety of communication tools to help build relationships with customers. In terms of content, these tools actively disseminate and exchange information primarily in areas such as housing, and support for improved customer safety, security and environmental awareness.

Company name	Communication tools
Mitsui Fudosan Residential Lease Co., Ltd.	Guide Book for Residential Life A guidebook for customers issued by Mitsui Fudosan Residential Lease summarizes the key points of life in rental housing.(Japanese version only) ⇒ http://mfhl.mitsui-chintai.co.jp/nyukyo/guide/
Mitsui Fudosan Residential Co., Ltd.	31sumai (Mitsui' s residence) A comprehensive information website for housing operated by Mitsui Fudosan Residential.(Japanese version only) ⇒ https://www.31sumai.com/
	Everyone' s Home A communication forum where everyone talks about homes.(Japanese version only) ⇒ https://www.mfr.co.jp/kurashi/idea_top/
Mitsui Fudosan Group Co., Ltd.	Healthy Forests and the Secrets of Trees This family-oriented pamphlet showcases the Mitsui Fudosan Group' s forest conservation activities.(Japanese version only) ⇒ https://www.mitsuifudosan.co.jp/and_forest/ebook/
Mitsui Home Co., Ltd.	Environmental and Social Activities(Japanese version only) ⇒ http://www.mitsuihome.co.jp/company/kankyo/
Tokyo Midtown Management Co., Ltd.	On the Green(Japanese version only) ⇒ http://www.tokyo-midtown.com/jp/about/csr/

Efforts to Improve Employee Satisfaction (ES)

By providing better work environments for employees in Mitsui Fudosan Group facilities, whom we regard as important partners, and in turn improving employee satisfaction (ES), we believe we can also enhance the level of customer service to lead to improved customer satisfaction (CS).

Going forward, we will continue to improve our system and the functionality of facilities used by employees, and work to provide an environment where all employees can comfortably work.

Major Initiatives

To improve the ES of employees working at commercial facilities, we are remodeling employee lounges. These cheerful, spacious lounges with a café atmosphere are decorated in a highly individualized style for each facility, and are restful spaces where employees can spend some relaxing time. Convenience has been enhanced by installing vending machines for food and convenience store products.



LaLaport TOYOSU



LAZONA Kawasaki plaza

Creating New Value and Markets through Neighborhood Creation

The Group seeks to create new value and markets through the creation of neighborhoods with outstanding function and quality, while in constant pursuit of cutting-edge approaches. As such, we summarize our basic stance toward neighborhood creation with the following three points. The first is to integrate diverse functions and features, which involves promoting mixed use (combining applications and functions) and integrating the tangible and intangible aspects of the Group's operations. The second is to create communities, which entails connecting people who reside or gather in, or visit a particular area within that region, and the third is to work beyond the simple creation of neighborhoods to address specific needs as neighborhoods mature with age year after year through town management. By establishing a virtuous cycle that comprises these three activity goals, we strive to create new value.

Major Initiatives

Our Efforts at TOKYO MIDTOWN HIBIYA

Further details are available here.

⇒ https://www.mitsufudosan.co.jp/machidukuri/tokyo_midtown_hibiya/?id=global (Japanese only)

Our Efforts at Mitsui Fudosan Logistics Park (MFLP)

Connecting Values Together with Customers and Creating New Values Together with Customers—based on this logistics business statement formulated in 2016, Mitsui Fudosan Logistics Parks (MFLP) are committed to creating value unbounded by existing categories. To that end, the Company is pursuing a wide range of measures. MFLP locations are advanced logistics facilities delivering not only enhanced efficiency, but also diverse benefits for the surrounding community. They create job opportunities at tenant enterprises, provide consulting support for recruiting and retaining personnel, create jobs for local construction firms, and generate economic activity for businesses located near the parks and their workforce.

These logistics parks are attracting attention as mixed-use facilities offering added value that suits conditions in surrounding communities.



Exterior perspective, Mitsui Fudosan Logistics Park Funabashi

Our Efforts in the Nihonbashi Area

Further details are available here.

⇒ <https://www.mitsufudosan.co.jp/machidukuri/nihonbashi/> (Japanese only)

Our Efforts to Eliminate Redeliveries

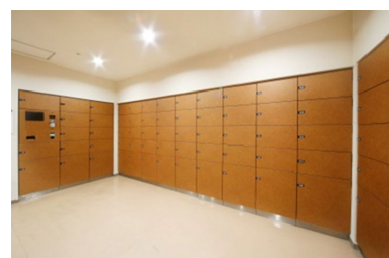
In response to the sharp increase in package delivery volume, which is becoming a social challenge, Mitsui Fudosan Residential Co., Ltd. and Fulltime System Co., Ltd. have formulated a project to improve efficiency of delivery lockers at condominiums. The measures are outlined below:

1. Expand the number of delivery lockers to meet current needs through redesign
2. Raise the turnover rate of packages being placed in and removed from lockers
3. Reduce the number of deliveries made to lockers
4. Offer a locker status check service

These four measures will be progressively introduced at selected Mitsui Fudosan Residential Co., Ltd. properties to enhance delivery locker efficiency, beginning with Park Tower Harumi, a large-scale residence completed in 2019.



Park Tower Harumi is introducing measures to enhance efficiency



Delivery lockers (concept)

Safe and Secure Neighborhood Creation

The Group aims to ensure safety and security by creating disaster-resilient neighborhoods, while working to raise awareness of disaster countermeasures through routine training, inspection, and education. We go beyond simply protecting the safety of employees, tenants, and customers, and strive to expand and improve measures for disaster preparedness in collaboration with local communities.

Disaster Countermeasures System

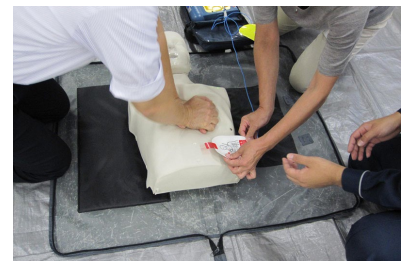
To ensure safety and security for the employees, tenant companies, and visitors to buildings and facilities managed by the Group, Mitsui Fudosan is promoting disaster countermeasure drills and lectures, and business continuity planning (BCP). To ensure the safety of our employees and tenants, we implement training based on disaster countermeasure manuals and BCPs as part of our disaster countermeasures.

The Company maintains a dedicated Disaster Countermeasure Headquarters at the Nihonbashi Muromachi Mitsui Tower (Chuo-ku, Tokyo). Power is generated with gas from a medium-pressure line, which is highly reliable in disasters. This supplies the power required by the building's BCP, even in emergencies.

In the event of a major earthquake, we have in place measures to set up an emergency headquarters that reports directly to the president. To ensure that we are better prepared to respond to any disaster, employees in the disaster center take shifts and remain on duty during weekday nights and holidays. Our disaster response system coordinates with Group companies to ascertain the safety of employees and the status of damage to properties. Employees train in lifesaving procedures using automated external defibrillators (AED). By ensuring that there are certified employees at each worksite, we are working to raise the resuscitation rate for cardiac arrest.



Disaster Countermeasure Headquarters



AED training

Disaster Countermeasures and BCP at Our Buildings

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

Main Initiatives at Mitsui Offices

● **Securing electric power to maintain key functions for 72 hours after infrastructure shut-down**

- (1) Emergency power generation equipment that can operate for 72 hours made standard in key buildings (also enabling exclusive power supply for specific areas)
- (2) Ability to maintain and quickly restore key functions (elevators, toilets, and ventilation systems, etc.) strengthened
- (3) The introduction of building damage evaluation systems expanded

● **Strengthening capacity to aid people unable to return home after a disaster**

- (1) Deployment of disaster stockpiles enhanced
 - Provision of a set amount of food and water for people unable to return home
 - Provision of one days' rations of food and water per employee to tenants free of charge
- (2) Information dissemination enhanced (digital information signage installed)

● **Establishing a permanent Crisis Management Center to act as a control center during disasters**

- (1) A permanent Crisis Management Center that enables unified information management during disasters has been established
- (2) Fully equipped with multiple emergency communication devices, including new video communication systems with dedicated channels
- (3) On-duty monitoring 24 hours a day, 365 days a year

● **Publication of disaster-related guidebooks**

A Disaster Preparedness Handbook, and a Guide to Preventing Office Fixtures from Falling or Overturning, have been issued to tenant companies to communicate the Company's disaster preparedness initiatives and the importance of measures for preventing falling and overturning of office fixtures

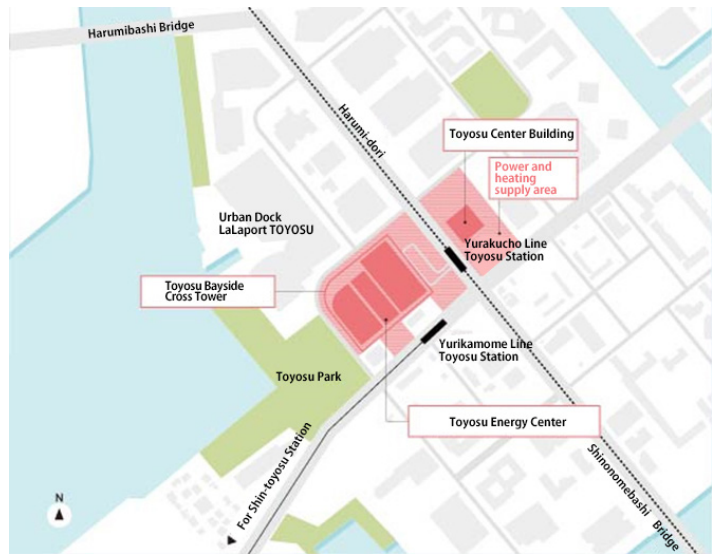
Nihonbashi and Toyosu Smart Energy Projects

Details about the Smart Energy Project are available here.

⇒ <https://www.mftg-smartenergy.co.jp/smart-city/index.html> (Japanese only)

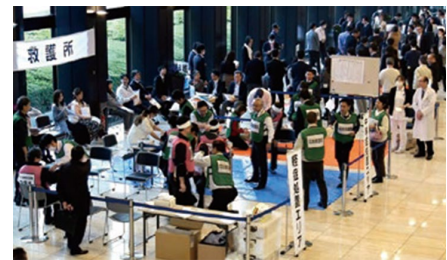
The Toyosu Smart Energy Project realizes a compact, independent distributed energy supply for our Toyosu area station-front facilities. In addition to Toyosu Bayside Cross Tower, a large-scale redevelopment situated across from Toyosu Station, the project will supply power and heat to the Toyosu Center Building, which will soon celebrate its 30th anniversary. The CGS* incorporated into this project will generate energy using gas supplied through welded-joint pipe, whose superior flexibility is capable of withstanding ground deformation. In addition, this large-scale CGS can provide 50% peak power levels required by the BCP in case of wide-area power outages. Moreover, the Energy Center is situated on an above-ground floor as a flood damage risk mitigation measure.

*CGS:Cogeneration System. A high total-energy efficiency system in which power and heat are generated from a heat source (municipal gas).



Mitsui Fudosan General Disaster Countermeasure Training

The Group carries out disaster countermeasure training based on its disaster countermeasure manuals and business continuity plan (BCP). In coordination with Group companies and tenants, Company-wide disaster countermeasure training for a large-scale earthquake is carried out twice a year, mainly on September 1 (Disaster Prevention Day) and March 11.



Joint general disaster countermeasures drill for tenants of Shinjuku Mitsui Building (Shinjuku-ku, Tokyo)

Disaster Countermeasures and BCP at Our Retail Facilities

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

Company-wide Disaster Countermeasure Training: Assembly on Foot

The Company and Mitsui Fudosan Retail Management Co., Ltd. carry out company-wide disaster countermeasure training twice a year to verify coordination between facilities in the event of a disaster.

Disaster Preparedness Program

At Tokyo Midtown Management Co., Ltd., all employees take part in practical simulation training at the Disaster Preparedness Training Center located in Tokyo Midtown (Minato-ku, Tokyo). Through the three-day, eight-hour program, the goal is to develop disaster countermeasure skills including combatting fires, administering first aid, and carrying out rescue operations.



Disaster preparedness lecture



Disaster preparedness training

Quizzes and Workshops to Promote Disaster Awareness Among Local Residents

In cooperation with local governments, fire departments, and other entities, the Company and Mitsui Fudosan Retail Management Co., Ltd. hold a series of disaster-related informational events, dubbed &EARTH Learn About Disaster Prevention!—BOSAI Stamp Rally, at retail facilities around the Tokyo metropolitan area, including LaLaports.



Survival kitchen



AED lecture

Disaster Countermeasures and BCP (MFLP, Logistics Facilities)

At Mitsui Fudosan Logistics Parks (MFLP), which are large-scale logistics facilities managed by the Company, we are engaged in the following efforts to bolster our BCP measures.

- **Seismic Isolation Structure**

Placing a layer of special rubber in a building's foundations insulates them from the ground and, in turn, minimizes damage to buildings during large earthquakes.

- **Emergency Power Generators**

We have installed emergency power generators as a backup electricity supply for lighting in common areas and office sections not only during blackouts but in cases of earthquakes and fires.

- **Vending Machines During Disasters**

We have installed vending machines set to provide free drinks during disasters.

- **Disaster Stockpiles**

We maintain disaster stockpiles at multi-tenant warehouses (sufficient for one to three days depending on the property).

- **Remote Monitoring Using Surveillance Cameras**

We have installed a surveillance camera system that enables disaster countermeasure headquarters to determine the situation on the ground.



MFLP Ibaraki



MFLP Inazawa

Disaster Countermeasures and BCP (Hotels)

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

Disaster Countermeasures Together with the Community and Society

In addition to bolstering disaster preparedness in its buildings and facilities, the Group is working to strengthen preparedness in surrounding communities and neighborhoods. We are engaged in a wide range of activities to raise awareness of disaster preparedness among residents and those working in the area.

The Community Comes Together to Participate in Nihonbashi Hands-on Disaster Preparedness Training

With help from Tokyo's Chuo City government, the Company and Nihonbashi Muromachi Area Management carry out disaster preparedness training in the Nihonbashi Area every March in conjunction with Fire Prevention Campaign Week in the spring.



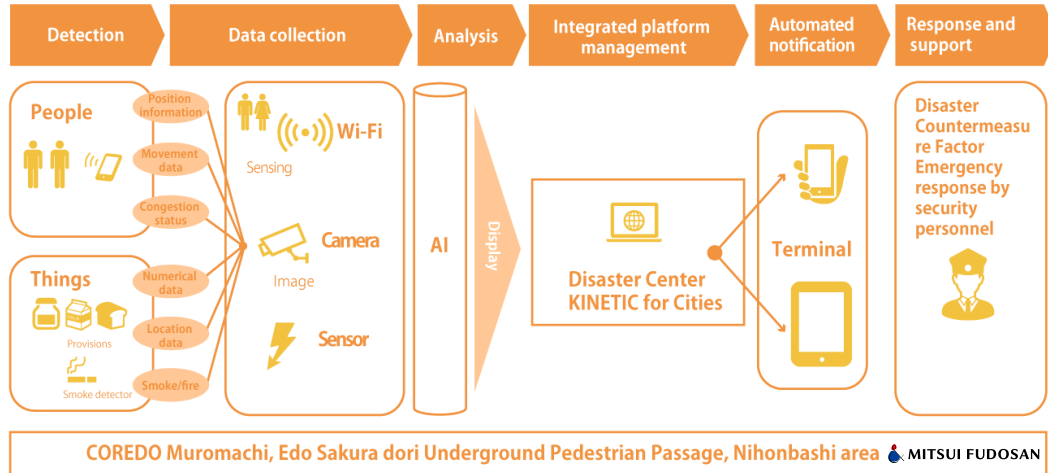
Nihonbashi Hands-on Disaster Preparedness Training

Kumamoto Earthquakes Research Report Distributed to Related Government Ministries and Agencies as Well as Universities

Since the Great Hanshin Earthquake of 1995, Mitsui Home Co., Ltd. has carried out inspections of all of its residences exposed to shaking of intensity 7 or greater. After the Kumamoto earthquakes of 2016, we sent over 1,600 people to investigate 1,263 Mitsui Home residences in the affected area, and published the findings in a research report. Of the buildings investigated, none were completely destroyed, and only 10 were slightly damaged. This result demonstrates the outstanding seismic resistance of Mitsui Home Co., Ltd.'s 2x4 design and construction methods. We distributed the report, published in February 2017, to related government ministries and agencies as well as universities, to share this earthquake-related data.

Field Testing for Enhanced Disaster Preparedness Utilizing ICT

In January 2018, the Company teamed with Cisco Systems to form a committee to enhance safety and security during disasters in the Nihonbashi Muromachi Area, and has since carried out field testing of disaster response services utilizing information and communications technology (ICT). The goal of the testing is to apply ICT when disasters occur to quickly ascertain conditions in our buildings and facilities as well as the whereabouts and safety of visitors and residents, provide optimal support in guiding people to shelters, and offer shelter to those who have been stranded due to public transport interruptions.



ICT/IoT Utilization Concept for Safe, Reliable Nihonbashi

Improving the Quality of Urban Development

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

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

Principal Guidelines, etc. of Each Business Area

Division	Guidelines, etc.
Office Buildings Business	<ul style="list-style-type: none"> • Office Building Design Manual (including BCP design manuals) Provides direction for planning and design by organizing and combining know-how on product planning and operational management. • Office Building Business Standard Operation Flowchart • Office Building Sign Planning Guidelines • Office Building Backyard Standards • Various Construction Quality Management Forms • CO₂ Reduction Measure Explanation Sheet
Retail Properties Business	<ul style="list-style-type: none"> • Retail Properties Design Request Form Provides direction for planning and design by organizing and combining know-how on product planning and operational management. • LaLaport Sign Planning Guidelines • Tenant Interior Design Manual • Design Criteria
Housing Business (High-rise Residences, Custom-Built Detached Residence)	<ul style="list-style-type: none"> • Housing Design Guidelines, Specification Documents, Product Specifications, etc.
Hotel Business	<ul style="list-style-type: none"> • Design Guidelines, Specification Documents Manual concerning the design and construction of Mitsui Garden Hotels.
Logistics Business	<ul style="list-style-type: none"> • Logistics Facilities Design Request Form • Mitsui Fudosan Logistics Parks Sign Planning Guidelines • Mitsui Fudosan Logistics Parks Facility Design Guidelines

Performance Evaluations by Evaluation Bodies

With the exception of certain properties, Housing Performance Indication System evaluation reports are obtained at both the design and construction stages for built-for-sale condominiums from a third party organization registered with Japan's Minister of Land, Infrastructure, Transport and Tourism as an objective evaluation of quality management. In addition, the custom-built detached residences of Mitsui Home are also constructed to perform to the high standards of the Housing Performance Indication System.

Basic Urban Development Design

The Group realizes outstanding function and quality in basic designs for neighborhood creation, while always pursuing innovation. Our aim is to create new value for the future of the people who live in these neighborhoods.

Our Efforts at Kashiwa-no-ha Smart City

The Group has positioned Kashiwa-no-ha Smart City (Kashiwa City, Chiba) as a cutting-edge model city to respond to a wide range of social challenges, including environmental challenges, a super-aging society, and economic stagnation. We are promoting the development of next-generation neighborhoods with participation from the public, private, and academic sectors.

Urban Design Center Kashiwa-no-ha (UDCK) Received Minister of Land, Infrastructure, Transport and Tourism Award

UDCK received the 6th Minister of Land, Infrastructure, Transport and Tourism Award for Urban Design Corporations (Urban Design Leader Support Category). Through public-private-academic collaboration, UDCK formulated project plans, coordinated designs, conducted post-project space management, and deployed organizations to implement these and relevant management methods to other regions. In this way, UDCK contributed to energizing projects as a whole by supporting leaders of neighborhood creation. The award recognized these contributions.



Urban Design and Management through Public-Private-Academic Collaboration Received the Ishikawa Award

The Urban Design Center Kashiwa-no-ha (UDCK) is a public-private-academic cooperative effort between Kashiwa City, Mitsui Fudosan, the University of Tokyo, and Chiba University. The center's urban design and management work was awarded the fiscal 2016 Ishikawa Award bestowed by the City Planning Institute of Japan.

Award recipients (from right: Hiroya Mimaki, Vice President, UDCK), Atsushi Deguchi (President, UDCK), Hiroyasu Akiyama (Mayor of Kashiwa City), Takeshi Ueno (Vice President, UDCK), Yoshikazu Kitahara (Executive Vice President, Mitsui Fudosan Co., Ltd.)



Our Efforts at Mitsui Fudosan Residential

Mitsui Fudosan Residential Co., Ltd.'s built-for-sale condominiums Park Court Aoyama The Tower and Park Court Akasaka Hinokicho The Tower received the Japan Institute of Design Promotion's Good Design award in fiscal 2018. This was the 19th consecutive year that Mitsui Fudosan Residential Co., Ltd. has received this award.



Model room

Our Efforts at Nihonbashi

The Nihonbashi Revitalization Plan for Preserving and Revitalizing Heritage while Creating the Future

Nihonbashi (Chuo-ku, Tokyo) has flourished as a center of commerce and culture since the Edo period. The Group's over three-hundred year history is closely associated with this area. To express our love and appreciation for Nihonbashi, we have begun the Nihonbashi Revitalization Plan with the concept of creating while retaining and reviving , to stimulate the area and make it even more attractive. We are collaborating with government, private enterprise, and local residents to create a new neighborhood that combines tradition and renewal.

Fukutoku Garden was established as a spacious plaza covering more than a thousand square meters among the buildings of Nihonbashi that are undergoing redevelopment. It is a restful spot which utilizes the nature of Japan to reproduce the history and tradition the area has fostered. The greenery surrounding the adjacent Fukutoku Shrine and its approach enables visitors to enjoy the beauty of the four seasons.



Fukutoku Garden

Creating Neighborhoods by Creating Roads in Nihonbashi

Nihonbashi in Tokyo flourished as the starting point of the five major highways leading to other parts of Japan. The Company is following a policy of Building Neighborhoods by Building Roads to avoid unplanned redevelopment in this area and ensure coexistence with the culture and tradition that is a product of Nihonbashi, with its historic buildings. As a first step, we are preserving the appearance of the area by unifying the height of the lower floors of buildings along Nihonbashi's iconic main street at 31 meters. Furthermore, by developing facilities and creating green spaces suited to the characteristics of the streets that have been loved in the area from the distant past, we are creating spaces for people to gather and enjoy themselves. Edo was known for its extensive network of canals, and by restoring some of this network as well, we are using the creation of roads as a point of departure to create the Nihonbashi of the future.

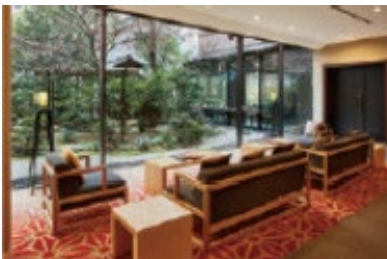


Nihonbashi, Chuo-dori (main street)

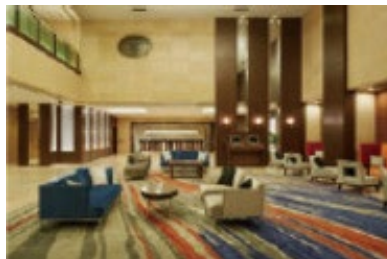
Hotel-related Initiatives

In renovation of the Mitsui Garden Hotels managed by the Group, our designs incorporate the special characteristics of the locality.

For Mitsui Garden Hotel Kyoto Sanjo (Nakagyo-ku, Kyoto City), we selected a scarlet hue, highly prized since ancient times, as the hotel's interior theme color. The renovated design is a fusion of traditional Japanese character with an exotic atmosphere that international travelers will appreciate. The inner garden is replete with Japanese atmosphere and the colors of the changing seasons, while printed silk wall art conveys the flavor of Kyoto, transforming the hotel into a place of refuge for the heart. For the renovation of Mitsui Garden Hotel Hiroshima (Naka-ku, Hiroshima City), the fresh breeze from the Inland Sea and the local specialty, oysters, were used as a design motif throughout the hotel, creating a characteristic Hiroshima interior atmosphere. At Mitsui Garden Hotel Kumamoto (Chuo-ku, Kumamoto), the design incorporates the rich natural environment and culture of Kumamoto, and guest room layouts were modified to create even more functional, comfortable spaces. Guest rooms have a Land of Fire or Land of Water motif, and for families, there are the popular guest rooms with a Kumamon (the mascot of Kumamoto) motif. Lobby and restaurant furniture and fabrics were completely renewed, with artwork with motifs of temari balls, a traditional craft product of Kumamoto, as well as other folk craft toys.



Mitsui Garden Hotel Kyoto Sanjo Lobby

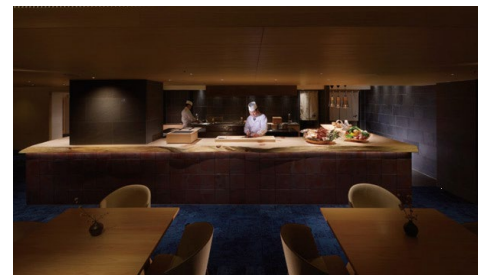


Mitsui Garden Hotel Hiroshima Lobby



Mitsui Garden Hotel Kumamoto Lobby

Local wood products and ceramic materials from Mie Prefecture were used in renovation of Mondo Misaki, the Japanese restaurant of the TOBA HOTEL INTERNATIONAL (Toba City, Mie). With the help of expert craftsmen from the prefecture, the interior design incorporates traditional Japanese techniques. Tiles are traditional Mie banko ware, the single-plank counter was fashioned from an Ise cypress over 300 years old, and interior fittings include traditional Japanese woodwork decorations.



Single-plank Ise cypress counter

Housing-related Initiatives

Barrier-free Temperature and Humidity Equipment Project by Mitsui Home

Mitsui Home's endeavor to make temperature and humidity equipment barrier-free was selected as a fiscal 2017 Leading Project for Sustainable Homes by the Ministry of Land, Infrastructure, Transport and Tourism. Seeking to make home life more healthy, secure, and convenient, the system combines duct-type air conditioning systems and IoT technology to suppress indoor dust and thereby reduce cleaning frequency. The project also enables users to do such things as remotely fill their bathtubs. In this way, the burden and time spent on housework is lessened.

Mute 45-50: Mitsui Home's High Sound-Insulating Floor System

Mitsui Home's highly sound-insulating floor system Mute 45-50 received an award in the Designs Contributing to the Safety and Security of Children category at the 11th Kids Design Awards. The system boasts excellent floor sound insulation and shock absorbing performance—at the highest level in the housing industry—which allows families rearing children to live freely, without worrying about sounds being transmitted to lower floors. Due to its outstanding shock absorbing performance, Mute 45-50 can also be used outside homes in nurseries, kindergartens, and medical facilities to reduce impact on the body and improve safety in case of falls.



Housing complex incorporating Mute 45-50

City Redevelopment Projects

The Group aims to realize the principles of coexisting in harmony with society, linking diverse values, and achieving a sustainable society. Furthermore, our stance toward neighborhood creation encompasses the following three activity goals.

- Integration of diverse functions and features by promoting mixed use (combining applications and functions) and integrating the tangible and intangible aspects of the Group's operations.
- Creation of communities by connecting regions with the people who reside, gather in, or visit the area.
- Working beyond the simple creation of neighborhoods to address, through town management, specific needs as neighborhoods mature with age year after year.

In office buildings and all other developments, we take into account access to public transport. With locations near transport hubs, we offer convenience and safety, and also promote environmentally friendly use of public transportation at retail facilities, hotels, and other places where many people gather, to contribute to the reduction of CO₂ emissions. Moreover, in all development, we evaluate accessibility for people with disabilities, take measures within the scope stipulated by laws and regulations, and in some cases make additional efforts.

Main Redevelopment Projects

Tokyo Nihonbashi Area

In collaboration with the local community, the Group strives to energize the Nihonbashi area by strengthening its function as a life science hub, while making use of the history and culture passed down from the Edo period in neighborhood creation and events.

Further details can be found at the following URL.

⇒ <https://www.mitsufudosan.co.jp/machidukuri/nihonbashi/?id=global> (Japanese only)

Kashiwa-no-ha Smart City

The Group has positioned Kashiwa-no-ha Smart City (Kashiwa City, Chiba) as a cutting-edge model city to respond to a wide range of social challenges, including environmental challenges, a super-aging society, and economic stagnation. We are promoting the development of next-generation neighborhoods with participation from the public, private, industrial, and academic sectors.

Further details can be found at the following URL.

⇒ <https://www.mitsufudosan.co.jp/machidukuri/kashiwanoha/?id=global> (Japanese only)

TOKYO MIDTOWN HIBIYA

TOKYO MIDTOWN HIBIYA (Minato-ku, Tokyo), which opened on March 29, 2018, aims to create new future-oriented experiences and value while carrying on the history and tradition of Hibiya, which first developed as a setting for social interaction and relaxation in the Meiji era, and played a major role in the modernization of Japan.

Further details can be found at the following URL.

⇒ https://www.mitsufudosan.co.jp/machidukuri/tokyo_midtown_hibiya/?id=global (Japanese only)

Create New Industries Through Open Innovation



Policy

In order to resolve social issues and create new value, the Group is working to promote innovation and create new industries by collaborating and cooperating with a variety of government bodies and companies inside and outside the Group.

Creating New Value and Markets

Innovation Hubs: Organizations and Structures to Promote Business Innovation

Against the backdrop of rapid changes in the business environment, companies face a need to transform their management and their business models through IT technology and digital transformation. Mitsui Fudosan is working to create new industries under a structure to create innovation within and outside the Group, through collaboration that leverages the strengths of five organizations: the Industry-Academia Collaboration Department (established in 2020), DX Division (established in 2020), Business Innovation Planning Department (established in 2020), Venture Co-creation Department (established in 2015), and Life Science Innovation Department (established in 2017).

In-House Hub Organizations That Support Innovation

DX Division

We strengthened the IT Innovation Division and are promoting digital transformation, including transformation of existing businesses, system enhancement, new business support, and better use of data, through the latest digital technology and support from digital experts. Because of our active efforts to promote DX, we were designated as a Competitive IT Strategy Company Stock in 2019 by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.



Industry-Academia Collaboration Department

At the Mitsui Fudosan Tokyo University Lab established with The University of Tokyo, we engage in research and proposals related to the next generation of cities. We also work to create new industries in collaboration with venture companies from The University of Tokyo.

Business Innovation Planning Department

This department engages in new business development with a focus on the real estate tech domain. It also promotes the creation of new businesses through its MAG!C business proposal system, which solicits a wide range of business ideas from throughout the company.

Life Science Innovation Department

This department constructs ecosystems in the field of life science by building communities, developing opportunities, and providing funds to support the creation of innovation. The Life Science Innovation Business Division is also building LINK-J, a platform for bringing together humans and sharing information for professionals in the field of life science.



Venture Co-creation Department

This department engages in startup investment, promotion of collaboration, ecosystem restoration, and support for intrapreneur training in large companies, with the aim of creating new industries through open innovation. The Venture Co-creation Department is deploying 31VENTURES, which provides comprehensive backing for startup growth centered on community, support, and funding, by utilizing the Group's wide-ranging domestic and international business domains. We also launched BASE Q, a nexus for business creation, in TOKYO MIDTOWN HIBIYA. As a place where people seeking to create new value and address social challenges can gather to create new businesses, BASE Q offers a diverse range of facilities and events where advanced technologies and innovative ideas intersect.



A Framework for Using Digital to Promote the Creation of New Industries The MAGIC Business Proposal System

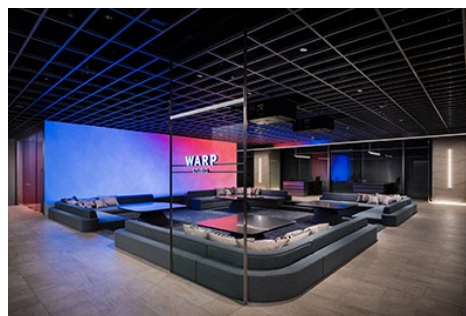
To activate Mitsui's spirit of entrepreneurship and its DNA of sparking innovation while promoting the creation of new businesses by drawing out the ideas of individual employees, we enhanced our business proposal system in terms of budget, personnel, and incentives to create MAGIC. This system launched in fiscal 2018, and received 80 entries in its first year. In fiscal 2019, we expanded its scope to encompass Group companies and received 147 entries, significantly more than in the initial year, and in fiscal 2020, GREENCOLLAR Inc. was launched as the first internal startup company to result from this system. GREENCOLLAR produces and markets fresh grapes in Japan and New Zealand.

“Tanren-juku” Business Incubation Training Program

Under mentoring by multiple outside partners, this incubation program provides powerful support for the development and commercialization of business seeds that have passed the final screening of the MAGIC business proposal system.

WARP Studio Open Innovation Hub

In the Yaesu area of Chuo-ku, Tokyo, we established the WARP Studio open laboratory under the concept of accelerating creative ideas by getting away from the head office. The studio is used by several different project teams, including those of new business projects created under the MAGIC business proposal system and DX projects that combine Group companies and partner venture companies. Here we work to create an open and creative atmosphere and to accelerate innovation, allowing mixed internal and external teams to function effectively.



WARP Studio open innovation hub