

Overview of Fukuoka REIT Corporation

FRC's Characteristics

FRC has the following five main strengths.

- 1 Japan's first region-specific REIT**
 Asset management leveraging our in-depth knowledge of the real estate environment of the Fukuoka and Kyushu regions
- 2 Excellent portfolio centered on the Fukuoka metropolitan area**
 A portfolio of carefully selected investments in the high growth area of Fukuoka City, which is gaining attention in Japan and abroad
- 3 Solid support from a sponsor company involved in property development**
 Asset portfolio expansion and high occupancy rates facilitated through coordination with our sponsors
- 4 Establishment of a stable financial base**
 Conservative control of the interest-bearing debt ratio and long-term diversification of repayment deadlines
- 5 Stable dividends and steady NAV* growth since listing**
 Appropriate management of real estate investments

FRC was listed as the first region-specific REIT in Japan on June 21, 2005, based on our intention to draw funds to the region by introducing excellent properties in Fukuoka and Kyushu to investors locally and around the world. We capitalize on distinctive regional features, a characteristic of the real estate industry, centering our operations on Fukuoka and the broader Kyushu region, as well as Yamaguchi and Okinawa prefectures. Our portfolio primarily comprises retail facilities and office buildings. Driven by the core philosophy of "Act Local, Think Global," our mission is to pursue the best interests of unitholders.



Name	Fukuoka REIT Corporation
Representative	Yukitaka Ohara, Executive Director
Security code	8968
Listed date	June 21, 2005 (Tokyo Stock Exchange, Fukuoka Stock Exchange)
Accounting periods	February and August
Asset manager	Fukuoka Realty Co., Ltd.
Sponsors (Shareholders of the Asset Management Company)	Fukuoka Jisho Co., Ltd. Kyushu Electric Power Co., Inc. THE BANK OF FUKUOKA, LTD. THE NISHI-NIPPON CITY BANK, LTD. Nishi-Nippon Railroad Co., Ltd. SAIBU GAS HOLDINGS CO., LTD. Kraftia Corporation Kyushu Railway Company Development Bank of Japan Inc.

Glossary NAV
 NAV is an abbreviation for Net Asset Value at an investment trust. Net assets are defined as total investment trust balance sheet assets minus liabilities, with the base price based on the number of units. For REITs, the term net assets refers to net assets plus unrealized gains or losses reflecting the difference between the book value of the property owned and the appraised value.

[Calculation method] NAV: Net assets + Unrealized gains or losses - Dividends
 Market net assets value per unit: NAV / Total number of units issued

Fukuoka REIT Corporation by the Numbers

As of August 31, 2025

Properties owned

37

Occupancy rate

99.6%

**Asset size
(based on acquisition price)**

231,590
million yen

Dividend per unit

4,203 yen

**Investment type
(based on acquisition price)**

Office buildings	35.5%
Retail	45.8%
Others	18.7%

Credit ratings*

JCR AA- (stable) **R&I A+** (stable)

Dividend yield

4.5%

LTV*

42.5%

Unrealized gain

60,547 million yen

**Investment areas
(based on acquisition price)**

Fukuoka metropolitan area*	75.2%
Other Kyushu areas	24.8%

Securities code

8968

Accounting periods

**February
August**

Glossary Credit rating
 A grade that reflects the safety and creditworthiness of a company and its ability to pay the principal and interest of bonds issued by the company based on an analysis of the company's performance and financial condition.

LTV
 An abbreviation for Loan to Value and an indicator of a company's borrowing ratio as well as a measure of stability in borrowing. The lower the value, the greater the degree of safety against redemption of debt.
 [Calculation method] LTV (%): (Interest-bearing debt / Total assets) × 100

* The Fukuoka metropolitan area includes Fukuoka City, Chikushino City, Kasuga City, Onojo City, Murakata City, Dazaifu City, Koga City, Fukutsu City, Itoshima City, Nakagawa City, Umi Town, Sasaguri Town, Shime Town, Sue Town, Shingu Town, Hisayama Town, and Kasuya Town.

CEO's Message



Fukuoka REIT Corporation
Executive Director
Fukuoka Realty Co., Ltd.
President and CEO

Yunitaka Ohara

I very much appreciate your continued understanding and support for the business activities of both Fukuoka REIT Corporation and Fukuoka Realty Co., Ltd.

Progress since taking office and efforts to enhance unitholder value

Roughly one year has passed since assuming the position of President and CEO of Fukuoka Realty Co., Ltd. One especially memorable event over this period was the public offering (PO) conducted in September 2024, shortly after my appointment. While there were concerns that the PO would potentially dilute unitholder value, we devised a strategy to pair property acquisitions and dispositions in a bid to “steadily increase dividends” and “secure financial flexibility by lowering the Loan-to-Value (LTV) ratio.” FRC’s investment unit price did indeed exhibit a temporary downturn following the PO. However, the price has subsequently climbed and recently (as of August 29, 2025) reached a level 16.5% higher than the price recorded on the date of my appointment on June 21, 2024. This significantly outperforms the Tokyo Stock Exchange REIT Index, which improved 11.0% over the same period. At the same time, the Investment Corporation’s market capitalization has increased approximately 27% from 126.1 billion yen to 160.3 billion yen. This is ostensibly due to the support and understanding of investors as well as the daily efforts of all officers and employees, who remain deeply rooted in local communities, for which I am extremely grateful. Over and above the aforementioned, FRC decided to undertake the acquisition of its own investment equity for the first time in April 2025. This initiative stems from our commitment to prioritize the allocation of cash generated (proceeds from the disposition of properties + depreciation) toward measures that contribute to the enhancement of unitholder value over the medium to long term. I am confident that this type of capital policy, which is designed to improve the efficiency of funds, has been favorably received by investors.

Fostering a corporate culture while engaging in internal reform (DX)

We recognize that sharing a common mindset while working toward a single uniform goal are critical to achieving sustainable growth. With this in mind, we took steps to ensure that our core

philosophy, “Act Local, Think Global,” was more relatable and readily accepted by each and every officer and employee, and redefined our mission, vision, and values. After holding multiple retreats with senior management, we announced details of deliberations to all officers and employees in June 2025. Our goal going forward is to further instill this common mindset and vision throughout the Investment Corporation and Asset Management Company as a whole.

<Fostering a corporate culture

—Toward an “Open & Simple” organization—

We place particular value on an “Open & Simple” approach. In adopting an “Open” approach, we recognize the critical need to ensure that internal issues, the status of management, and the decision-making process are as transparent as possible. In this vein, we are fostering a culture where every officer and employee takes ownership, shares insights, and works in unison to reach the most appropriate solution.

In following a “Simple” approach, we place considerable emphasis on consistently asking the question “What is most important?” This is especially valuable in an era when business activities are distinguished by their volatility, uncertainty, complexity, and ambiguity (VUCA). It is against this backdrop that we hold stakeholders, beginning with tenants, most dear. Tenants are the bedrock on which our business exists, and as such we instill in all officers and employees the paramount importance of enhancing tenant and stakeholder value.

<Internal reform —Promoting digital transformation (DX)—>

We are also focusing our efforts on DX in a bid to improve the efficiency of our operations as well as productivity. Our goals in particular are to strengthen collaboration between systems that previously relied heavily on manual labor, reduce human error, and streamline operations. Initiatives such as the renewal of accounting systems and the application of AI tools to improve operating efficiency are already underway. Other initiatives include setting aside specified internal times for DX consultation and putting in place an environment in which all officers and employees can actively embrace new technologies.

Evolution of our investment strategy and future outlook

It is vital that we take full advantage of our strength as a region-specific REIT that focuses on the Fukuoka and Kyushu regions while remaining flexible when responding to various issues, including changes in the market environment. As far as our future growth is concerned, we will strengthen our portfolio through the replacement of properties.

In addition to engaging in sound management as a listed REIT from a financing perspective, we have adopted flexible financing strategies, including the use of SPCs, to achieve both capital efficiency and profitability. Moreover, we are improving the value

of existing properties and bolstering sustainability activities while pursuing sustainable growth in concert with local communities.

Sustainability initiatives with a view to coexisting with the community

Addressing environmental, social, and governance (ESG) concerns is an essential prerequisite for modern-day companies. As an entity that is deeply rooted in the Fukuoka and Kyushu regions, I believe that our defining focus lies not only in the environment and governance, but also in fulfilling our social responsibility, and in particular, coexisting with the community.

With this in mind, we held workshops last fiscal year to remind all officers and employees that sustainability is a natural element of their daily activities as opposed to an extraordinary issue. These workshops are a valuable opportunity for officers and employees to consider the long-term perspective (impact path) of how sustainability activities ultimately connect to specific aspects of FRC’s and Fukuoka Realty’s business operations.

While recently inspecting several facilities within the portfolio, I witnessed a growing number of instances where officers and employees instinctively pick up trash. In this regard, affection toward the properties we own and attention toward contributing to the community are increasingly part and parcel of our daily activities. I feel an enormous sense of pride that this embodies our core value of “loving the properties we manage.”

At the same time, we are making steady progress toward our goal of obtaining Green Building certification for at least 85% of our properties by 2030. We have also set a CO₂ emissions reduction target of 35% compared with the level recorded in 2019 by 2030. To this end, we are advancing a host of concrete measures, including the collation of environmental data and work to install LED lighting while collaborating with tenants as well as property management and building maintenance companies.

<Coexisting with the community>

As a region-specific REIT, our greatest strength stems from our close ties with the Fukuoka and Kyushu regions. Two key features set us apart. One is our disparity with other companies in Fukuoka and the other is our disparity with other REITs. In the case of the former, frequent opportunities to interact with overseas investors allow us to stand out. We take great pride in our role as a major gateway that connects overseas investors with the Fukuoka and Kyushu regions. Among companies in Fukuoka and Kyushu, few engage in our level of dialogue with markets abroad. In contrast, FRC continues to build strong ties with overseas investors through regular dialogue and IR activities. We adopted the word “Global” as a part of our mission to reflect not only the goal of attracting overseas investment but also our thoughts toward expanding business in the future.

Our activities go well beyond simply investing in real estate as a REIT. I like to think of ourselves as a guide for the Fukuoka and Kyushu regions, conveying to the world the diverse values of

each region. Our goal is to further unlock Kyushu’s infinite appeal, including its nature, history, culture, architecture, landmarks, and cuisine, in an effort to help develop the entire region. In addition to collaborating closely with leading local companies such as Fukuoka Jisho Co., Ltd., a comprehensive developer and our sponsor, as well as government and local authorities, we are working to coexist with the community by participating in projects that revitalize the region, including upgrading and expanding night markets and renovating parks (e.g., the Seiryu Park Development, Management and Operation Project).

Enhancing transparency while fulfilling our responsibility to stakeholders

We recognize that enhancing management transparency is of the utmost importance if we are to garner the trust of stakeholders. With the exception of personnel and other highly confidential matters, we internally share the details of Investment as well as Executive Committee meetings with all officers and employees to ensure that they understand the logic behind decisions made and to promote swift implementation. We also vigorously engage in the external disclosure of information and constantly consider how to clearly impart information such as our vision and thoughts.

Working in concert with the region, FRC and Fukuoka Realty remain committed to achieving a sustainable society and maximizing unitholder value. As we work toward achieving these goals, we kindly ask for your continued support and understanding.

Yunitaka Ohara President and CEO, Fukuoka Realty Co., Ltd.

Place of Birth: Chiba Prefecture Hobby: Running

Profile

April	1997	Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)
January	2004	Joined Fukuoka Realty Co., Ltd. Appointed as Head of Acquisition Office of Investment Department
April	2005	Appointed as Senior Manager of Investment Department
October	2007	Appointed as General Manager of Investment Department
June	2013	Appointed as General Manager of Planning Department
February	2015	Seconded to Fukuoka Jisho Co., Ltd. Appointed as Deputy General Manager of Building Business Division
June	2017	Appointed as Executive Officer Appointed as Vice President of Kitakyushu Murasakigawa Development Co., Ltd.
March	2019	Appointed as Vice President of Walk Asset Management Co., Ltd.
June	2020	Appointed as Senior Executive Officer of Fukuoka Jisho Co., Ltd.
August	2020	Appointed as Vice President of FJ Asset Management Co., Ltd.
June	2021	Appointed as Vice President, Board of Directors of Fukuoka Realty Co., Ltd. Appointed as Corporate Auditor of Kyushu Leasing Service Co., Ltd.
February	2022	Appointed as Vice President of FJ Logi Co., Ltd.
May	2022	Appointed as Substitute Executive Director of Fukuoka REIT Corporation
June	2022	Appointed as Vice President of The Kyushu Card Co., Ltd.
June	2023	Appointed as Vice President of FJ Urban Operations Co., Ltd.
May	2024	Appointed as Executive Director of Fukuoka REIT Corporation (current position)
June	2024	Appointed as President and CEO of Fukuoka Realty Co., Ltd. (current position)

Fukuoka REIT Corporation: Our 20-Year History as a Listed Company

2005	● Acquired Properties: SunLive City Kokura, Sanix Hakata Building
2006	● 10th anniversary of Canal City Hakata ● Acquired Properties: Taihaku Street Business Center, Amex Akasakamon Tower, Square Mall Kagoshima Usuki, Kumamoto Intercommunity SC
2007	● Acquired Properties: Hanahata SC, City House Keyaki Dori
2008	● Acquired Properties: Kurume Higashi Kushiwara SC, K's Denki Kagoshima
2009	● Acquired Properties: Higashi Hie Business Center
2011	● Acquired Properties: Canal City Hakata・B
2012	● Canal City Hakata South Building LAOX/XEBIO opens ● Acquired Properties: Aqualia Chihaya
2013	● Issued the first investment corporation bond* ● Acquired Properties: Tenjin Nishi-Dori Center Building, D-Wing Tower, Hotel FORZA Oita, Tenjin North Front Building
2014	● Executed a 5-for-1 investment unit split ● Acquired Properties: Tosu Logistics Center, Granfore Yakuin Minami
2015	● 10th anniversary of Fukuoka REIT Corporation ● Acquired Properties: LOGICITY Minato Kashii, Marinao City Fukuoka (Marina Side Building)
2016	● 20th anniversary of Canal City Hakata ● Introduced the largest 3D projection mapping display in Japan and the new Aqua Panorama water fountain at Canal City Hakata

2017	● Issued the second investment corporation bond ● 15th anniversary renewal of Park Place Oita ● Recorded the highest Canal City Hakata visitor count in history (17.02 million for fiscal 2017) ● Acquired Properties: LOGICITY Hisayama
2018	● Issued the third investment corporation bond ● Acquired Properties: Konoha Mall Hashimoto, Higashi Hie Business Center II, Tissage Hotel Naha
2019	● First company in Kyushu to undertake a Green Loan
2020	● Became the first J-REIT to issue an integrated report ● Acquired Properties: Higashi Hie Business Center III, LOGICITY Wakamiya
2021	● 25th anniversary of Canal City Hakata ● Acquired Properties: Tenjin Nishi-Dori Business Center (land with leasehold interest)
2022	● Acquired Properties: Hakata Chikushi-Dori Center Building, Island City Minato Bay related site (land with leasehold interest) (tentative, MOU signed) ● Transferred Properties: Kurume Higashi Kushiwara SC (transferred in three installments)
2023	● Acquired Properties: Kumamoto East Front Building, Hakata FD Business Center, Axion Befu-Ekimae Premium
2024	● Transferred Properties: Marinao City Fukuoka (Marina Side Building), Tenjin North Front Building (transferred in six installments)
2025	● Acquired Properties: LOGICITY Kumamoto Mifune, Axion Otemon Premium ● Acquired own investment equity ● Acquired assets (silent partnership equity interests)

Unit Price Chart



*1 A 5-for-1 split of Fukuoka REIT investment units was effectuated on March 1, 2014. Accordingly, investment unit prices and issuance prices until February 25, 2014, have been divided by 5.

*2 Turnover by February 25, 2014, was multiplied by 5.

Note: Additional new investment units were issued through third-party allotment on October 8, 2024.

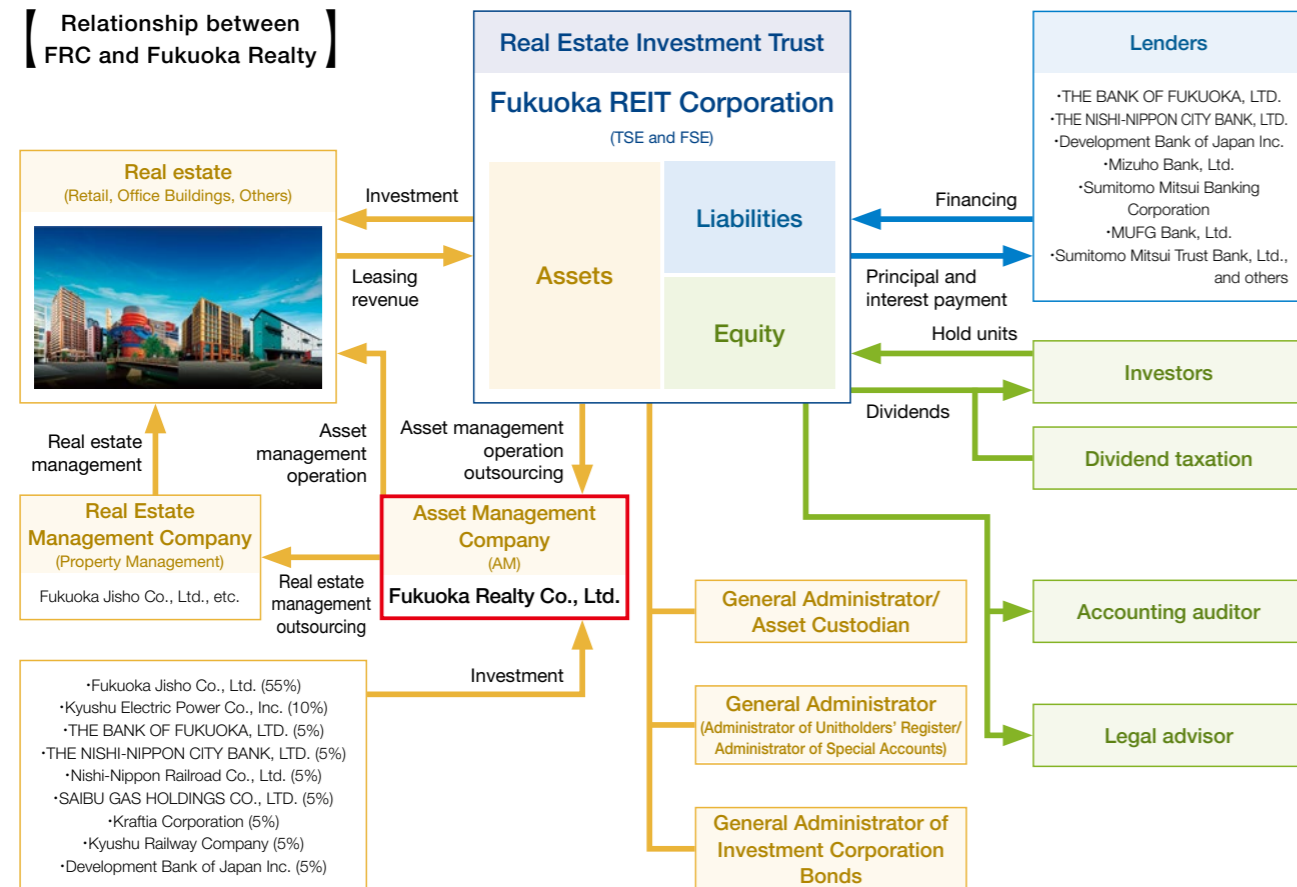
Glossary Investment corporation bonds

These are bonds issued by investment corporations in accordance with the Act on Investment Trusts and Investment Corporations and are equivalent to corporate bonds. Investment corporation bonds are issued to secure financing, with funds used to acquire real estate, undertake repairs on existing buildings, repay borrowings, and fund reimbursements.

Relationship with Fukuoka Realty Co., Ltd.

Structure of FRC

J-REIT, or Japan Real Estate Investment Trust, refers to a publicly traded real estate investment trust. It pools funds from investors and utilizes them to invest in real estate assets such as retail, office buildings, and residences. Profits generated from rental income and other sources are distributed to investors. Fukuoka REIT Corporation (FRC), as Japan's first region-specific REIT, was listed on the Tokyo Stock Exchange (TSE) and the Fukuoka Stock Exchange (FSE) on June 21, 2005, becoming the 17th J-REIT to be listed in the country. The Asset Management Company of FRC, Fukuoka Realty is entrusted with the key operations of "acquiring and selling assets," "asset rental management," and "financing" in accordance with the Basic Policy of "Act Local, Think Global."



Column: Investment Types of J-REITs

J-REITs can be broadly categorized into two types: single-use specialized and multiple-use.

Single-Use Specialized

These J-REITs focus on properties with specific uses, such as office buildings, retail facilities, residential properties, logistics facilities, hotels, and healthcare facilities.

Multiple-Use

Multiple-use J-REITs are divided into comprehensive types, which invest in properties with three or more uses, and combined types, which focus on properties with two uses. **FRC is classified as a comprehensive type.**

J-REITs specialized in single-use properties

- Office buildings
- Residential properties
- Hotels
- Retail facilities
- Logistics facilities
- Healthcare facilities

J-REITs with a portfolio of multiple-use properties

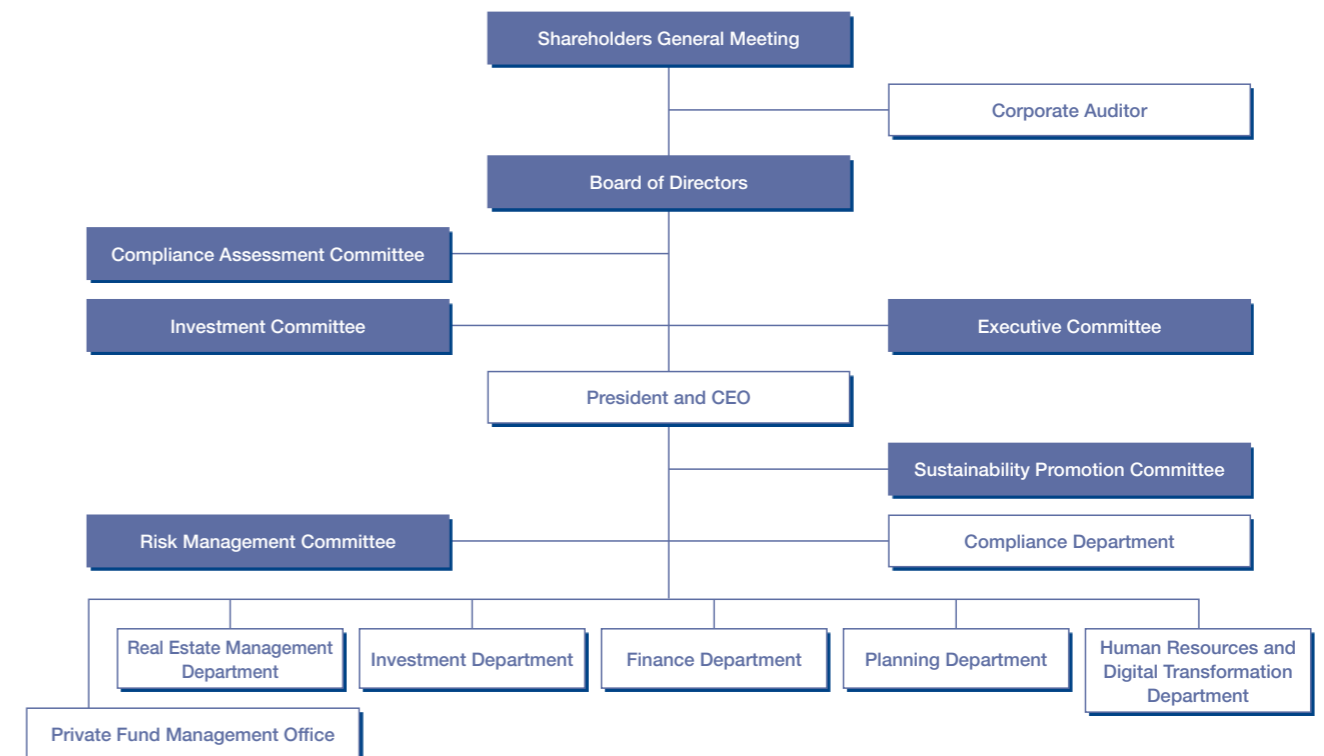
- Comprehensive
- Combined

Organizational Structure of Fukuoka Realty

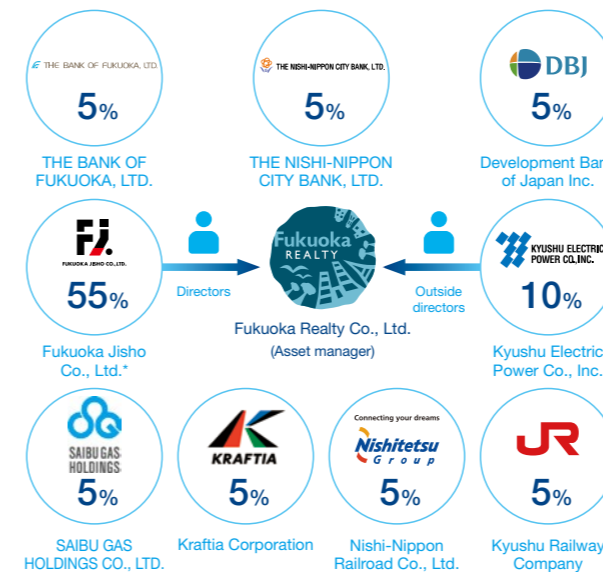
Company Structure

Located in Fukuoka City and comprising 48 employees with a variety of experience in real estate, finance, and other fields, Fukuoka Realty possesses a high level of expertise and makes full use of information unique to the local area in managing FRC's assets.

In November 2024, we established the Human Resources and Digital Transformation Department. Moving forward, we will focus on strengthening HR functions and promoting digital transformation to enhance management strategies and improve internal engagement.



The Shareholder (Sponsor) Structure



* Concluded a contract with FRC and Fukuoka Realty concerning pipeline support.

Glossary Pipeline support agreement

Pipeline support agreements refer to contracts that provide the opportunity to acquire a property from a sponsor in advance of and in priority to a third party.

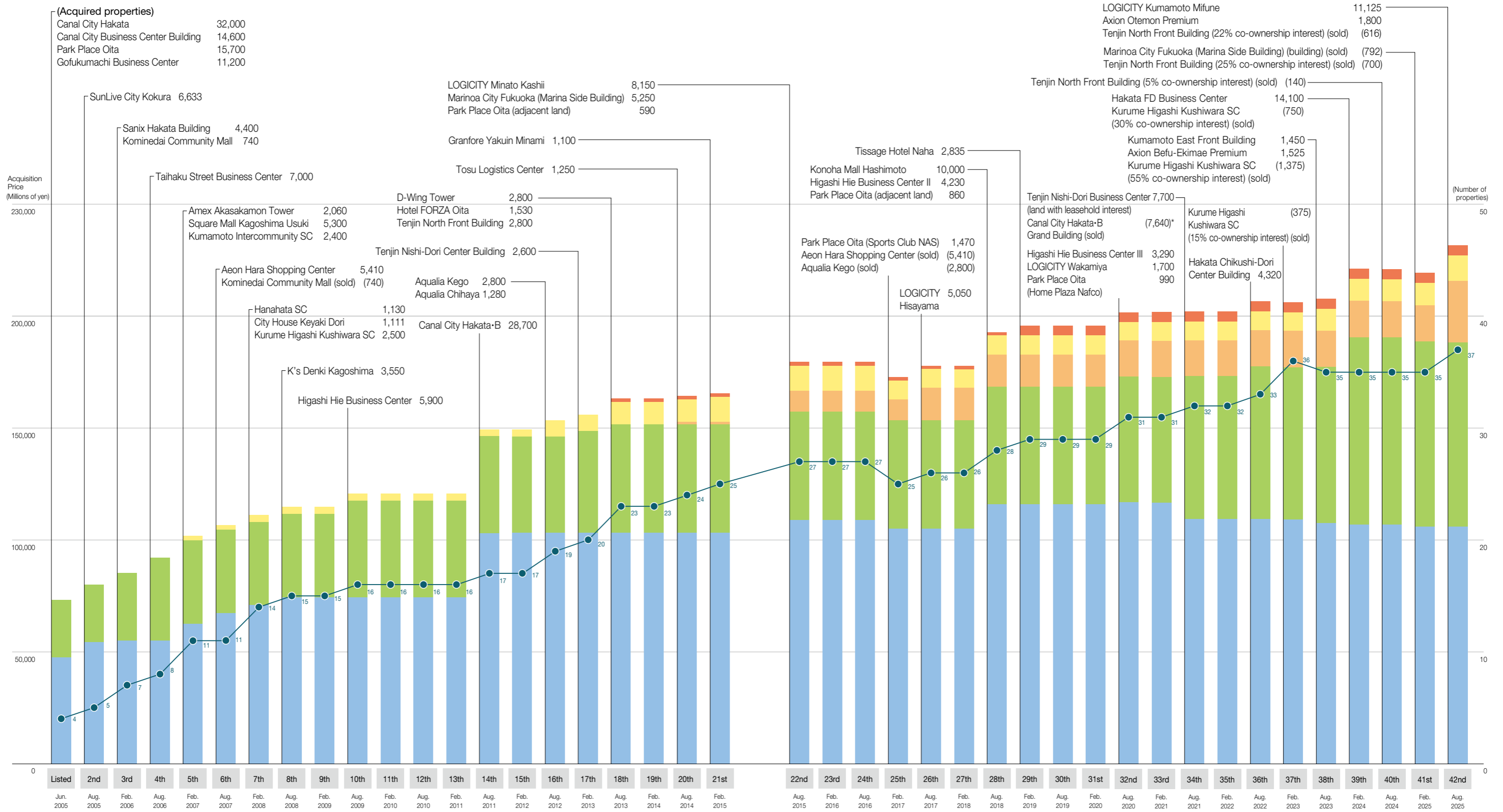
In addition, leading companies in the Fukuoka and Kyushu regions that are in agreement with FRC's concept participate as shareholders (sponsors) of Fukuoka Realty. FRC aims to achieve sustainable growth as a REIT through the expanded scale of its assets via the contribution of excellent properties from among our sponsors and by actively leveraging their support, including the provision of relevant information.

With regard to the properties owned and developed by the sponsor companies, Fukuoka Jisho Co., Ltd., FRC, and Fukuoka Realty Co., Ltd., have concluded a pipeline support* memorandum of understanding (MOU) to seek stable and continuous acquisition opportunities.

History of Asset Portfolio Expansion

Trends in Asset Size (based on acquisition price)

■ Retail ■ Office buildings ■ Logistics ■ Residences ■ Hotels ●-Number of properties



Note: Amounts indicate acquisition price.
* FRC has co-ownership interest in the amount of 88.28%, and the amount indicates the appraisal value at the time of transfer.

Who We Are

Growth Strategy

Sustainability

Data Section

Value-Creation Story



Promote Attractive Urban Development in the Fukuoka and Kyushu Regions



Related Stakeholders

<p>Clients/Tenants Total tenants in all properties: 1,095</p> <ul style="list-style-type: none"> Customer satisfaction surveys at retail facilities Tenant satisfaction surveys 	<p>Region and Society Population of the 6 prefectures we have properties in: Approx. 11,610,000</p> <ul style="list-style-type: none"> Organizing community and other events utilizing facility common areas Active participation in the Hakata Town Planning Promotion Council's activities Announcement of financial results by the Fukuoka Stock Exchange 	<p>Employees Number of full-time officers and employees: 51</p> <ul style="list-style-type: none"> Various employee education systems Employee satisfaction surveys Career interviews with employees 	<p>Unitholders/Financial Institutions No. of unitholders: 15,973 No. of financial institutions we deal with: 22</p> <ul style="list-style-type: none"> General Meeting of Unitholders Results briefings for investors 1-on-1 meetings (Japan and overseas) 	<p>Sponsors Sponsors: 9</p> <ul style="list-style-type: none"> Contribution of excellent properties Ongoing information exchange Human resource exchanges 	<p>Environment/Nature Property location/6 prefectures (Fukuoka/Saga/Kumamoto/Oita/Kagoshima/Okinawa)</p> <ul style="list-style-type: none"> Environmental preservation (Electricity and water conservation) Green Building certification
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Value-Creation Activities



Investment Strategy [See p.26](#)

Management Strategy [See p.27](#)

Financial Strategy [See p.28](#)

Fund procurement (financing)

Information communication (IR/SR)

Research

Human resources who are familiar with the area and have built trusting relationships collect high-quality information on properties from sponsors and the community

Strengths and characteristics of the value-creation process

- Property appraisal skills unique to a local person
- Robust network
- Market research and analysis

Related capital

- Intellectual capital (information-gathering ability)
- Human capital (know-how)
- Social relationship capital (relationships of trust, cooperation and collaboration)

Challenges and initiatives to further strengthen value creation

- Employment of exceptional human resources required for suitable business execution
- Asset portfolio expansion and realization of high occupancy rates

[See p.26](#)

Acquisition

Acquisition of excellent real estate in the Fukuoka and Kyushu regions through sponsor companies and local communities

- Discovery and acquisition of properties that can generate stable cash flow
- Improvement of property value

- Financial capital (financing ability)
- Manufacturing capital (excellent properties)
- Human capital (discerning eye, expertise)

- Diversification in fund procurement
- Discovery of excellent properties using networks we created

[See p.26](#)

Management

Constant forward-looking management with an attention to detail unique to a region-specific REIT

- Stable cash flow
- Derive maximum value from our real estate portfolio over the long term

- Human capital (know-how)
- Social relationship capital (relationships of trust, cooperation, and collaboration)
- Natural capital (natural environment)

- Maintenance of NOI in existing properties
- Essential environmental initiatives

[See p.27](#)

Management, Valuation, and Sales/Replacement

Portfolio management from a medium- to long-term perspective and appropriate financial strategies

- Sound financial position
- Realization of stable distributions and dividends

- Financial capital (management know-how/performance)
- Human capital (know-how)
- Social relationship capital (relationships of trust, cooperation, and collaboration)

- Management focused on long-term fixed interest rate entities and financial stability
- Management that emphasizes the best interests of unitholders

[See p.28](#)

Related Stakeholders

Clients/Tenants
Total tenants in all properties: 1,095

- Customer satisfaction surveys at retail facilities
- Tenant satisfaction surveys

Region and Society
Population of the 6 prefectures we have properties in: Approx. 11,610,000

- Organizing community and other events utilizing facility common areas
- Active participation in the Hakata Town Planning Promotion Council's activities
- Announcement of financial results by the Fukuoka Stock Exchange

Employees
Number of full-time officers and employees: 51

- Various employee education systems
- Employee satisfaction surveys
- Career interviews with employees

Unitholders/Financial Institutions
No. of unitholders: 15,973
No. of financial institutions we deal with: 22

- General Meeting of Unitholders
- Results briefings for investors
- 1-on-1 meetings (Japan and overseas)

Sponsors
Sponsors: 9

- Contribution of excellent properties
- Ongoing information exchange
- Human resource exchanges

Environment/Nature
Property location/6 prefectures (Fukuoka/Saga/Kumamoto/Oita/Kagoshima/Okinawa)

- Environmental preservation (Electricity and water conservation)
- Green Building certification

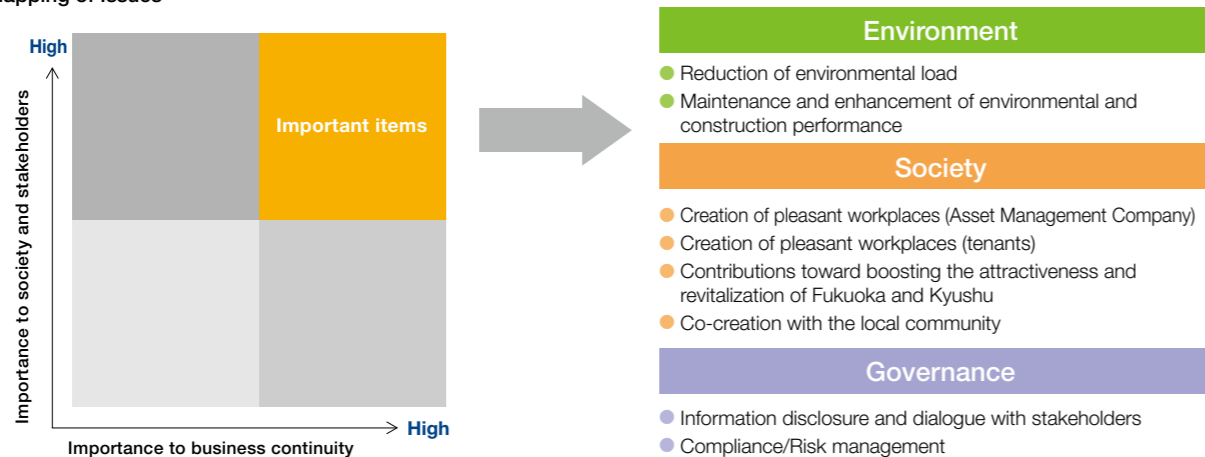
Materiality

Fukuoka REIT Corporation and Fukuoka Realty Co., Ltd., consider it essential to take into account environmental, social, and governance (ESG) factors in addition to pursuing profitability to achieve the best interests of unitholders over the medium to long term. Accordingly, we strive to respond to various ESG-related issues within our real estate investment and management processes.

Identifying Materiality

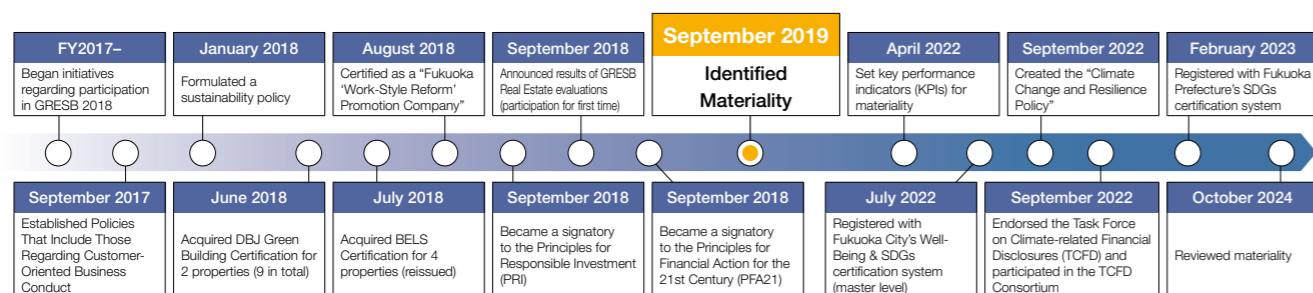
Fukuoka Realty, the Asset Management Company, has identified materiality in its sustainability initiatives based on the demands and expectations of stakeholders and the expected impact on and importance to FRC's business.

Mapping of Issues

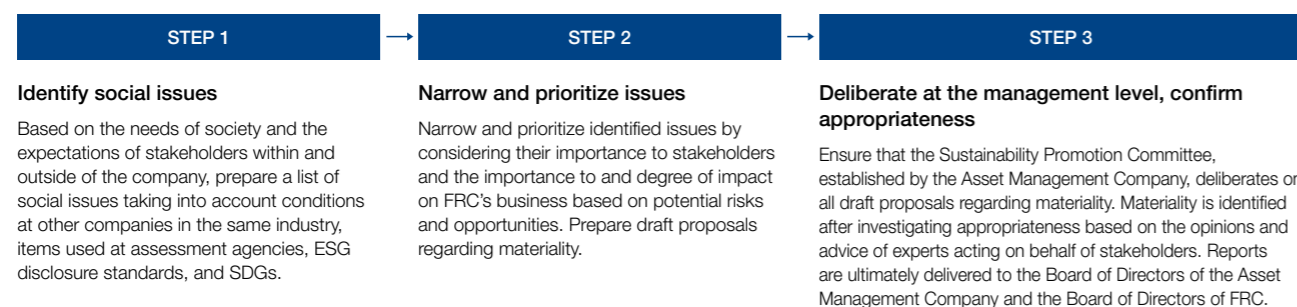


We have identified nine material issues through the process below from environmental, social, and governance perspectives that are of high importance to society and stakeholders and to business continuity.

Historical Background Behind the Identification of Materiality



Process for Identifying Materiality



Materiality

In October 2024, we undertook a review of the materiality identified in 2019. As part of our efforts to strengthen our sustainability management, we considered such factors as changes in the external social environment, internal environmental analysis, and stakeholder expectations. This review aims to clarify our vision and values for sustainable management, and to establish the direction of our future sustainability strategy, in line with the materiality review process.

	Materiality	Policies and targets	KPIs and targets	Related SDGs
Environment	Addressing climate change	• Coordinate with property management and building management companies to manage and reduce greenhouse gas emissions, contributing to the preservation of nature in Fukuoka and Kyushu.	• (By 2030) 35% reduction in CO ₂ emissions (compared with 2019, basic unit)	7, 11
	Resource circulation and efficient utilization	• Coordinate with property management and building management companies to enhance the efficient use of resources (energy and water) and promote the recycling of waste and water, contributing to the preservation of nature in Fukuoka and Kyushu.	• (By 2030) 75% recycling rate for waste	12, 13
	Natural disaster preparedness	• Contribute to the safety and security of tenants and the local community by conducting regular risk assessments of owned properties to maintain and enhance real estate resilience.		13
	Business operations for resolving environmental issues	• Enhance asset value by conducting regular performance and functionality assessments of owned properties, and updating outdated features. • Increase asset value and improve appeal to tenants by obtaining Green Building Certification and visualizing building performance.	• (By 2030) 85% Green Building Certification rate or higher	7, 13
Society	Creation of pleasant workplaces (Asset Management Company)	• Strengthen human capital management by incorporating diverse perspectives and providing a work environment that enhances employee performance. • Improve business quality and strengthen operational capabilities by enhancing employee education systems and encouraging qualification acquisition.	• Training per employee (number of times) • Office environment improvements (number of instances)	4, 8
	Improvement in tenant engagement	• Increase tenant satisfaction and achieve stable property operations by establishing an engagement cycle with tenants, understanding the diverse business needs of domestic and international clients, and improving facility management.	• Conduct regular tenant satisfaction surveys (all properties)	3, 8
	Contributions toward boosting the attractiveness and revitalization of Fukuoka and Kyushu	• Aim to create a society where the people of Fukuoka and Kyushu can showcase their competitiveness and uniqueness, ultimately enhancing asset value, by attracting domestic and international tenants through the dissemination of information about the strengths and appeal of Fukuoka and Kyushu, and by collaborating with the local business community to foster regional economic development.	• Join and participate in local economic organizations • Host community exchange events (number of events) • Join and participate in area management organizations • Continued participation in activities that contribute to the community (number of times)	9, 11, 17
Governance	Compliance/Risk management	• Aim to maintain corporate value and increase trust from stakeholders by ensuring compliance with laws and regulations, eliminating conflicts of interest in transactions with stakeholders, and developing and operating internal systems for appropriate risk management, while also strengthening employee awareness of compliance.	• Compliance training (number of times)	15
	Information disclosure and dialogue with stakeholders	• Build trust with stakeholders by disclosing financial and non-financial information in a timely and appropriate manner, ensuring strict compliance with the Corporate Governance Code, and engaging in proactive dialogue. Incorporate the feedback and requests received into business strategies.	• Dialogue with investors (number of times) • Employee ESG training (number of times)	17

Process for Revising Materiality

