

Sustainability

Materially significant issues

Materially significant issues		Policies and targets
Environment	Reduction of environmental load	<ul style="list-style-type: none"> Coordinate with Property Management and Building Management on promotion of management and reduction of energy consumption, greenhouse gas emissions, water consumption, and waste output
	Maintenance and enhancement of environmental and construction performance	<ul style="list-style-type: none"> Carry out performance and function evaluation of properties on a regular basis and ameliorate any deterioration in performance, etc. Maintain and improve competitiveness by acquiring green building certifications and through visual representation of building performance
Social	Creation of pleasant workplaces	Asset manager <ul style="list-style-type: none"> Improve quality of operations by enhancing and expanding employee education system and promoting acquisition of qualifications Continue to improve office environments and work on providing pleasant working environments Give consideration to work-life balance and boost employee satisfaction
		Tenant <ul style="list-style-type: none"> Promote improvement of employee satisfaction and work towards increasing job satisfaction of tenant employees
	Contribution to boosting attractiveness and vitalization of Fukuoka and Kyushu	<ul style="list-style-type: none"> Enhance dissemination of information regarding strengths and charms of Fukuoka and Kyushu Support research and studies on local economy and industries and promote attractive urban development in collaboration with local business circles
Governance	Involvement in local community	<ul style="list-style-type: none"> Deepen dialogue and collaboration with local community through participation in community activities and various initiatives using properties under our management to grow and develop together with the local community
	Information disclosure and dialogue with stakeholders	<ul style="list-style-type: none"> Disclose financial and non-financial information to stakeholders in an appropriate and timely manner Build relationships of trust through proactive dialogue with stakeholders and reflect stakeholder feedback in management strategy
	Compliance / Risk management	<ul style="list-style-type: none"> Ensure thorough compliance including compliance with laws and ordinances and elimination of conflict of interest with interested parties, and develop and operate an appropriate internal risk management system to maintain and improve corporate value

Environment → P36

Measures against river flooding caused by typhoons and local heavy rains due to global warming

Following the replacement and new installation of water stops at Canal City Hakata in the 32nd fiscal period, newly installed water stops as countermeasure against flooding caused by typhoons at Tissage Hotel Naha in the 33rd fiscal period

Social → P37, 38

Support for town creation and vitalization in investment target areas

- Provided support to 7 districts in total by utilizing the Corporate Version of Hometown Tax System



Governance → P39

Changes to the asset management fee structure

- Effective on September 1, 2020 (beginning of the 33rd fiscal period)

The Management Fees 1 and 3 were reviewed for the purpose of further reinforcing the linkage between unitholder interest and the asset management fee structure

- Management Fee 1
Reduced the rate of total assets at the end of the fiscal year from 0.3% to 0.25%
- Management Fee 3
Raised the rate from 2.0% to 3.6% on the amount available for distribution before payment of the management fee 3

Certification from external organizations and information disclosure → P35

Publication of "Integrated Report 2020": (becoming the only J-REIT to do so)



福岡リーディング投資法人
統合報告書
Integrated Report
Fukuoka Realty Co., Ltd.

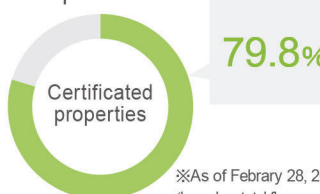
Integrated Report Card

- External evaluation
- The GRESB survey 2020



Received the rating of "Green Star" and "3 star" in the GRESB survey 2020

- Green Building certificate
- Green Building certificate acquisition ratio



※As of February 28, 2021 (based on total floor space)