

March 28, 2024

FOR IMMEDIATE RELEASE

Activia Properties Inc.
21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo
Nobuhide Kashiwagi
Executive Director
(Code: 3279)

Asset Management Company
TLC REIT Management Inc.
Akira Kubo
President & CEO

Inquiries
Manabu Kamikawara
General Manager of Strategy Department
Activia Management Division
(Tel: +81-3-6455-3377)

Notice Concerning Changes in Organizational Structure and Director of the Asset Management Company

Activia Properties Inc. (“API”) announces that, TLC REIT Management Inc. (“TRM”), to which API entrusts its asset management operations, made decision today on the matters below.

Details are as follows:

1. Organizational Structure Change in TRM (scheduled to be effective on April 1, 2024)

(1) Transfer of jurisdiction of Sustainability Department

TRM considers its contributions to sustainable social development as an important management issue, and with aim to strengthen the strategic promotion of ESG initiatives of API and to speed up decision-making processes etc., the Sustainability Department, which is currently under the jurisdiction of Corporate Management Division, will be an independent department.

(2) Organizational chart and business overview of each department

The organizational charts of TRM before and after the change are shown below in Attachment 1.

Please refer to Attachment 2 for the business overview of each department after the change.

2. Change of Director

It was decided at the Board of Directors meeting of TRM held today to submit a resolution proposal to elect a new director to an extraordinary general meeting of shareholders to be held in written form pursuant to Paragraph 1, Article 319 of the Companies Act.

(1) Newly appointed director (scheduled to be effective on April 1, 2024)

Minoru Hirachi, Director (Part-time)

(Note 1) Appointment to director will be formally decided by the extraordinary general meeting of shareholders to be held in written form.

(Note 2) The profile of the newly appointed director is in Attachment 3.

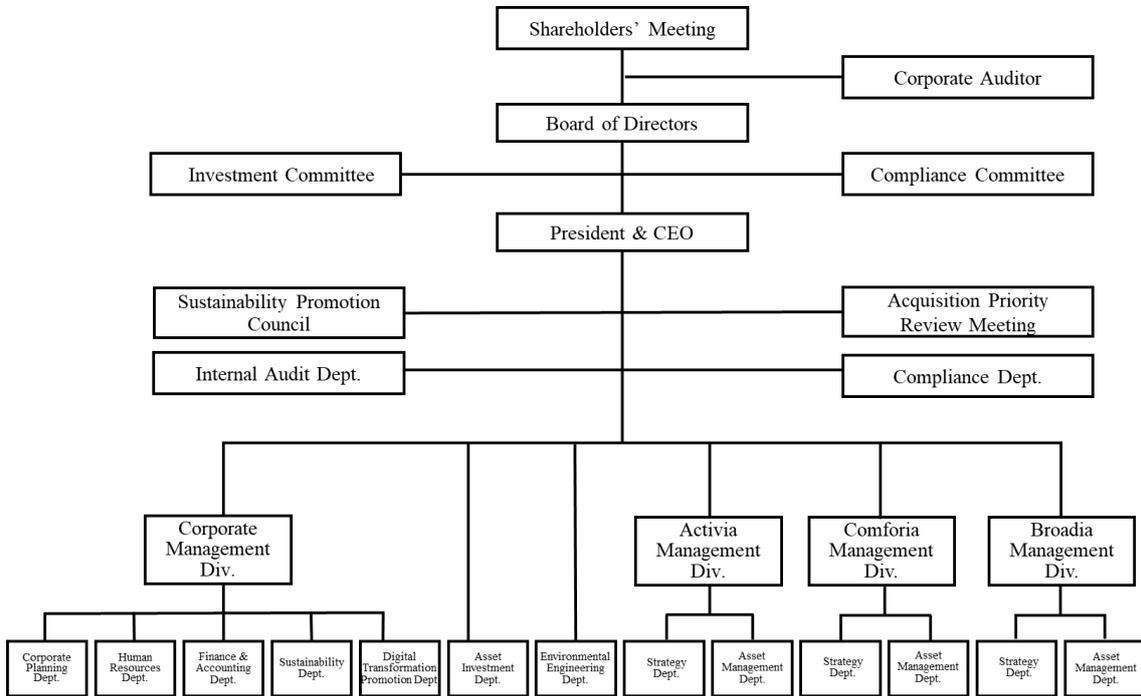
- (2) Resigning director (scheduled to be effective on March 31, 2024)
Akiko Enokido, Director (Part-time)

TRM makes necessary reports and other arrangements pursuant to the provisions of the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Law and other applicable laws and regulations.

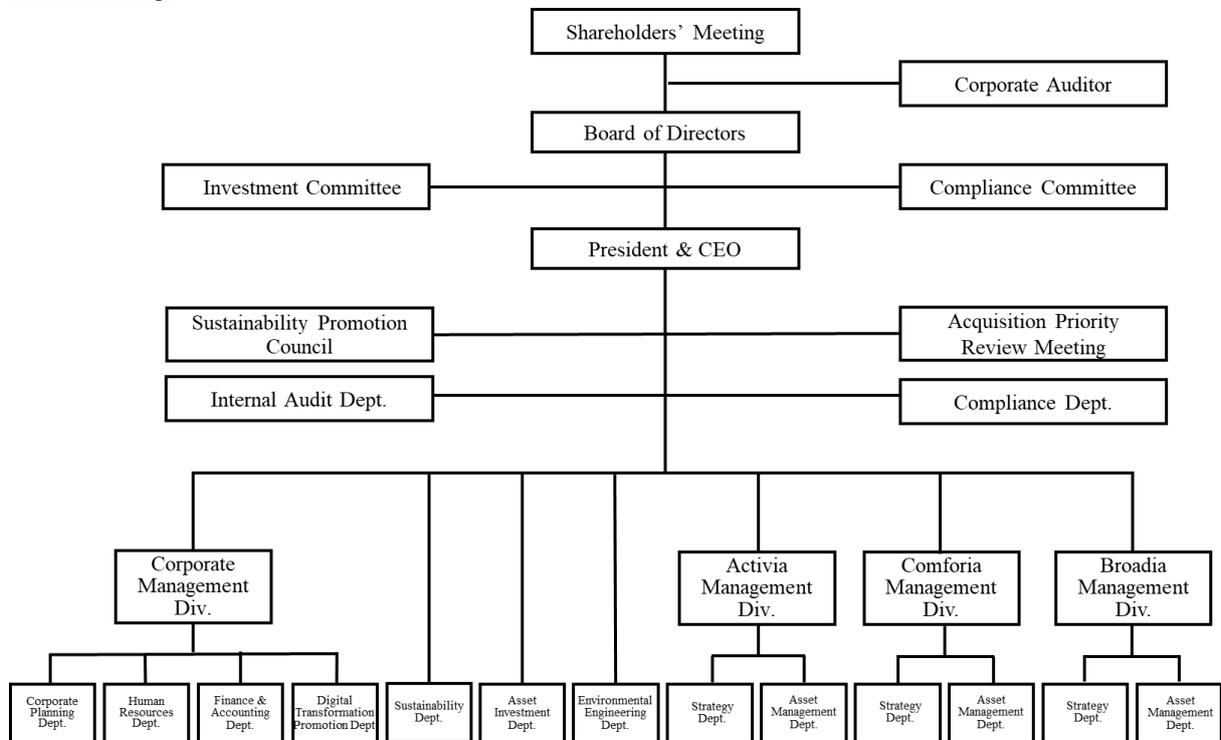
*Website of API: <https://www.activia-reit.co.jp/en/>

TRM organizational chart

Before the change



After the change



(Attachment 2)

Business overview of each department after the organizational structure change (Changes are underlined)

Department	Summary of duties
Strategy Department, Activia Management Division	Matters concerning: <ul style="list-style-type: none"> • establishment of investment policies such as asset management guideline, etc. for API • establishment of management policy of assets of API • establishment of basic policies of overall portfolio and asset management plans, etc. for API • establishment of dividend distribution policy for API • financing (investment units) of API • IR and disclosure of API
Asset Management Department, Activia Management Division	Matters concerning: <ul style="list-style-type: none"> • establishment of income and expenditure plan by property (including property management plan) for API • establishment of asset management plan for API • repairs and other works of assets of API
Environmental Engineering Department	Matters concerning: <ul style="list-style-type: none"> • repairs and other works of assets of the investment corporations • due diligence and engineering support for real estate
Asset Investment Department	Matters concerning: <ul style="list-style-type: none"> • collection of information related to real estate, etc. having the potential to be incorporated to the investment corporations' portfolios • acquisition and disposition of real estate, etc. for and of the investment corporations • due diligence of real estate, etc. • operation of Acquisition Priority Review Meeting
<u>Sustainability Department</u>	Matters concerning: <ul style="list-style-type: none"> • ESG investment • environmental responsiveness of properties of the investment corporations • operation of Sustainability Promotion Council
Digital Transformation Promotion Department, Corporate Management Division	Matters concerning: <ul style="list-style-type: none"> • information system and IT infrastructure • promotion of digital transformation
Finance & Accounting Department, Corporate Management Division	Matters concerning: <ul style="list-style-type: none"> • establishment of financial plan for the investment corporations • financing (borrowings and investment corporation bonds) for the investment corporations • accounting and financial settlement for the investment corporations • calculation of dividend and distribution, etc. for the investment corporations • management strategy, financial accounting and budget plan

<p>Human Resources Department, Corporate Management Division</p>	<p>Matters concerning:</p> <ul style="list-style-type: none"> • overall HR & labor • in-house education and training
<p>Corporate Planning Department, Corporate Management Division</p>	<p>Matters concerning:</p> <ul style="list-style-type: none"> • operation of unitholders' meeting and board of directors meeting of the investment corporations • overall corporate planning and administration • establishment and abolishment of internal rules and other various rules • overall general affairs and administrative affairs • operation of the Shareholders' Meeting, Board Meeting and Investment Committee • management and storage of important documents, seal, etc. • supervision of information security operation • crisis management
<p>Compliance Department</p>	<p>Matters concerning:</p> <ul style="list-style-type: none"> • supervision of establishment and implementation of basic policies related to compliance • management of compliance with laws and ordinances • establishment of compliance program • follow-up of the law system and structure of investment trust • confirmation and management of important legal documents such as contracts • response to and management of incidents and complaints • response to and management of legal disputes such as lawsuits and mediation • supervision of risk management • response to supervisory authorities • operation of Compliance Committee
<p>Internal Audit Department</p>	<p>Matters concerning:</p> <ul style="list-style-type: none"> • proposal of internal audit plan • implementation of internal audit • preparation of records of internal audit investigation, internal audit reports and directions • other matters related to internal audit

(Attachment 3)

Profile of the newly appointed director

Position	Name	Brief biography	
Director (Part-time)	Minoru Hirachi	Apr. 1994	Tokyu Land Corporation
		Apr. 2011	Manager of Finance Department, Finance Management Department
		Apr. 2012	Manager of Human Resources Department, General Administration Department
		Oct. 2013	Manager of Human Resources Department, General Administration Department, Tokyu Fudosan Holdings Corporation
		Apr. 2014	Manager of Human Resources Department, General Administration Department, Tokyu Land Corporation
		Apr. 2018	Manager of Office Building Management Department, Urban Development Division, Urban Business Unit, Tokyu Land Corporation
		Apr. 2018	General Manager of Commercial Facilities Management Department, Urban Development Division, Urban Business Unit
		Oct. 2019	General Manager of Office Building Leasing & Marketing Department, Urban Development Division, Urban Business Unit
		Apr. 2020	Executive Manager of Office Building Leasing & Marketing Department, Urban Development Division, Urban Business Unit
		Apr. 2022	Executive Manager of Commercial Business Department, Urban Development Division, Urban Business Unit (to present)
		Apr. 2022	Director (Part-time) of TOKYU LAND SC MANAGEMENT CORPORATION (to present)
		Apr. 2024	Operating Officer, Division Manager of Urban Development Division, Urban Business Unit, Tokyu Land Corporation (scheduled to be effective as of April 1, 2024)
		Apr. 2024	Director (Part-time) of TLC REIT Management Inc. (scheduled to be effective as of April 1, 2024)
Apr. 2024	Director (Part-time) of Tokyu Land Capital Management Inc. (scheduled to be effective as of April 1, 2024)		