

Sustainable Cities  
for a Sustainable Earth!



MITSUBISHI ESTATE GROUP  
**Sustainability Report**  
**2023**

Mitsubishi Estate Group Sustainability Report 2023



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# EDITORIAL POLICY

## Editorial Policy

The Mitsubishi Estate Group publishes the Sustainability Website and the Sustainability Report as a means of informing stakeholders of Group efforts to realize a sustainable world.

In the fiscal 2022 report, the Group provides information on advancements in the Group's initiatives under the four key themes of the Mitsubishi Estate Group 2030 Goals for SDGs set forth as part of the Long-Term Management Plan 2030 aimed at achieving the Mitsubishi Estate Group Sustainability Vision 2050, a vision of the Group's future through 2050. The report on the Group's sustainability activities is organized under the environmental, social and governance (ESG) criteria to disclose policies, activity results and other details. Numerical data related to these activities is disclosed in the ESG Data, including data from past years.

## Reporting Structure

The Sustainability Website is designed to provide a full range of information regarding the Group's sustainability activities, including detailed numerical data, utilizing the advantages that the website offers, with care taken to reflect most updated information in a timely manner.

Starting in fiscal 2021, a PDF edition of the report with an enhanced search functionality is available to provide a handy access to information disclosed on the website.

We invited you to review the Group's Integrated Report also for its medium- to long-term initiatives to enhance corporate value including sustainability. Details regarding the company profile and performance can be found on the Mitsubishi Estate website.

[Integrated Report](#)



[IR Information](#)



[Corporate Data](#)





## Scope

- Mitsubishi Estate Co., Ltd.
- Mitsubishi Estate consolidated subsidiaries in principle

Note: The ESG Data sets out the scope of each data respectively.

List of organizations covered (PDF 218KB)

PDF

## Period

In this report, “fiscal 2022” refers to the period from April 1, 2022 to March 31, 2023, and other fiscal years are referred to in a corresponding manner. The report covers fiscal 2022, but also includes information pertaining to other fiscal years.

## Reference Guidelines

Global Reporting Initiative (GRI) Standards

ISO 26000:2010 Guidance on social responsibility

Environmental Reporting Guidelines (2018 edition), Ministry of the Environment, Japan

SASB Standards, Sustainability Accounting Standards Board

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# MESSAGES



## Message from the President

**Atsushi Nakajima**  
President & Chief Executive  
Officer  
Mitsubishi Estate Co., Ltd.

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**Bunroku Naganuma**  
Executive Vice President  
Mitsubishi Estate Co., Ltd.

## Message from the Director Responsible for Sustainability

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**Tetsuo Narukawa**  
Outside Director  
Mitsubishi Estate Co., Ltd.

## Outside Director's Message

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## Message from the President

**Creating a truly meaningful society through urban development based on trusting relationships with diverse stakeholders**

**Atsushi Nakajima**

**President & Chief Executive Officer  
Mitsubishi Estate Co., Ltd.**

## Inheriting entrepreneurship and enhancing the value of spaces

The Mitsubishi Estate Group has been working on its Long-Term Management Plan 2030 since April 2020. However, during the first three years of the plan, we have experienced major changes in the social environment that were unforeseen at the time it was formulated. The spread of COVID-19 has completely shaken up our economy and livelihoods, as well as the way people work and even their values. In addition, we are facing a situation in which it is difficult to predict the future due to waves of change with the manifestation of geopolitical risks and the fragmentation of the international community, particularly the invasion of Ukraine by Russia in 2022. I assumed the post of President in April 2023, and I take my responsibility for setting the direction of management in this increasingly uncertain environment very seriously.



In the Long-Term Management Plan, the Group clearly stated its policy of integrating sustainability into management. As set out in this plan, my mission is to practice management focused on increasing both social and shareholder value. While these two elements may be contradictory in the short term, they are not inherently opposed to one another. Building an internal compliance system is the right thing to do, and engaging in business that contributes to society and being useful to society over the long term will amass excellent human resources and create opportunities for the next stage of growth. For a company, being recognized for providing social value is the minimum requirement for engaging in corporate activities, and ultimately translates into an increase in shareholder value.

The urban development of the Mitsubishi Estate Group originates from Mitsubishi's decision to take over from the Meiji government the entire Marunouchi area of Tokyo, which in 1890 was a deserted field overgrown with grass. Thanks to the strong determination of our predecessors, the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts) subsequently evolved into a business center that supports the economic development of Japan. Throughout this time up until the present day, we have been pursuing urban development that has enhanced the value of spaces in addition to real estate for more than 130 years with a belief in being cutting-edge while contributing to the creation of Japan's industry. This kind of mindset inherited from our predecessors has been embodied in our mission statement, which is to contribute to the creation of a truly meaningful society through urban development.

We believe that "a truly meaningful society" is a society in which each of our stakeholders can find happiness and joy.



We will identify changes in society, listen to the opinions of our stakeholders, and take advantage of the various business capabilities of the Group to enhance the attractiveness of spaces. By so doing we will bring satisfaction, happiness, and smiles to all kinds of people. I believe that our ability to pursue this kind of businesses is precisely where our strength lies. Keeping in our minds the tremendous entrepreneurship of our predecessors, who, in an empty field, built a world-class business center, we will continue to promote urban development with more flexibility in our ideas than ever before without being constrained by the stereotypes of the past.

## Identifying global trends to reflect them in business

Over the past ten years or so, the Mitsubishi Estate Group's International Business has expanded significantly. In addition to real estate development businesses in various countries, we have also expanded the global network of the Investment Management Business. In the International Business, our mission of building attractive communities and enhancing the value of spaces is the same. Going forward, we will continue to grow the International Business further and strengthen its collaboration with other business sectors as set out in the Long-Term Management Plan.

At the same time, it will be important to be alert and identify global trends in promoting business in Japan as well. When we think about how the Mitsubishi Estate Group can contribute to Japan maintaining its presence in the world, continuing to increase the competitiveness of cities with a high profile internationally such as Tokyo and Osaka is essential. However, it is also vital to create unique towns and areas in order to increase the attractiveness of Japan as a whole, including rural areas. Looking at the development of the Marunouchi area, we may have a strong sense of the merits of the Mitsubishi Estate Group, but I think we must look at our company objectively from a broader perspective, without being complacent.

A global perspective also holds the key to taking a multi-faceted approach to providing value to society. From 2011, I was seconded to Rockefeller Group, the core of our U.S. business, and I served as President & CEO there from 2014, which was a very valuable experience for me. When I was initially assigned, I was often bewildered by differences in culture, ways of thinking, and business practices. I learned from this experience that it's not a matter of whose argument or position is right. Rather, it is important to understand things from diverse perspectives. Communicating with one another and working toward mutual understanding is key.

Today's world is being described an "era of fragmentation." However, precisely because we are in this situation, I want to have faith that the whole world could join together through mutual recognition of diversity and respect for diverse values. In 2019, many people visited Japan for the Rugby World Cup 2019™ Japan Tournament co-sponsored by Mitsubishi Estate, and we witnessed firsthand fans and players enjoying their stay in Japan. I feel that the steady recovery of inbound travel demand amid the easing of travel restrictions indicates that many people feel Japan is an attractive country. Sports, culture, and the arts play a substantial role in connecting people, and I would like to incorporate these elements into urban development, creating the hope that people will connect on a global scale.





## Using Marunouchi as the platform for meeting the challenge of new value creation



With 2020 onwards positioned as Marunouchi NEXT Stage, we have been working to create new urban value for the Marunouchi area, which forms the foundation of the Mitsubishi Estate Group. Marunouchi NEXT Stage is a vision to create a platform where people and companies come together and interact to create new values, generating innovation and strengthening digital infrastructure, and thereby aims to improve quality of life (QOL) for individuals and find and solve social issues. Using the entire neighborhood as the platform, we will provide venues for demonstration experiments, expand support for startups, and leverage entertainment and the arts to develop the area into a place where people come together to exchange information and culture

with each other.

Take Yurakucho, a district which is to undergo a large-scale redevelopment. We will take on the challenge of leveraging art for creative urban development. Although we are still in the exploratory stages, based on the special features of the neighborhood, we would like to create a unique character that is distinct from the Marunouchi and Otemachi districts, which are ahead in redevelopment, and which will, in turn, translate into enhancement of value in the Marunouchi area as a whole.

On another front, in our TOKYO TORCH project (formerly Tokyo Station Tokiwabashi Project), where we anticipate the completion of the Torch Tower in fiscal 2027 following the Tokiwabashi Tower, completed in June 2021, we challenge ourselves to deliver diverse functions not limited to offices, including Japan's highest hanging garden, an ultra-luxury hotel, and the first high-rise residences in the Marunouchi area.

We are also aware of the changing roles of offices as work from home (WFH) is becoming more accepted in the post-pandemic work environment. What is the significance of going into the office despite the increasing number of tasks that can be performed online even at a remote location? What people are seeking is value as a "place for interaction and creation" consisting of communication that deepens through sharing spaces in real life and the new ideas and inspiration that come about unexpectedly through casual conversations. As a place where people and companies meet, the overwhelming conglomeration of the Marunouchi area is a major strength. Going forward, we hope to build on this strength to further accelerate urban development with an accurate grasp of the changes in social needs and a more flexible approach to buildings, spaces, and their functions.



## Demonstrating management commitment and striving for high goals aimed at decarbonization

The Mitsubishi Estate Group formulated the Mitsubishi Estate Group Sustainability Vision 2050 by reflecting on the present from the perspective of our vision for 2050 and our purpose (the meaning of our existence in society). In our Long-Term Management Plan, we position the Mitsubishi Estate Group 2030 Goals for the SDGs, which are the milestones for achieving the vision, as the center of our strategy for increasing social value. We established KPIs and action plans in the four key themes of the 2030 Goals – that are environment, diversity and inclusion, innovation, and resilience – to drive our efforts in these areas.

In terms of our decarbonization initiatives, we significantly revised up our targets for reducing GHG emissions and the renewable energy ratio, and, in June 2022, we were the first Japanese company to receive certification for targets in line with the Net-Zero Standard from the SBT initiative<sup>\*1</sup>. This can be considered a step forward, but we still have much to do. The targets we set this time certainly cannot be achieved easily, and we must keep going with trial and error and adjusting our course as necessary.

Furthermore, there are growing social demands for nature positive initiatives. As some aspects of the Group's real estate development business alter nature, we have a responsibility to be proactive about conserving and expanding natural capital and ensuring biodiversity. In February 2023, Mitsubishi Estate concluded a three-way collaboration agreement with Minakami-cho, Gunma Prefecture and the Nature Conservation Society of Japan (NACS-J), launching efforts aimed at becoming nature positive<sup>\*2</sup>. This initiative utilizes Japan's corporate hometown tax donation system, working to convert planted forests with depleted biodiversity into natural forests and regenerating woodlands through donations to the town of Minakami. By collaborating with people who have specialist knowledge and share our vision, we will give concrete shape to a goal we cannot achieve alone.

This is a challenge in a field yet to be explored by Mitsubishi Estate. However, we will assess the results of the initiative quantitatively and qualitatively and consider the potential for applying it in other areas. Furthermore, looking ahead, I believe we should aim to become nature positive through our business in itself.

In the field of sustainability, we cannot bring about major changes even if each of the relevant departments add up their likely achievements and set realistic goals. I think it is a field in which there will be no progress unless top management sets high goals itself and communicates their thoughts. From this perspective, I think positioning increasing social value as a strategic goal, demonstrating the commitment of management both inside and outside the company in the Long-Term Management Plan was of great significance. In fiscal 2022, I was involved in initiatives aimed at achieving the goal in my position as Director Responsible for Sustainability, and I would like to make further significant progress for the Group as a whole by demonstrating my own commitment as top management again, both inside and outside the Company.



## Increasing sensitivity to the issues to realize a truly diverse society

In order to implement the Long-Term Management Plan, it is essential to create an environment in which each and every Mitsubishi Estate Group employee can make the most of their different capabilities. The continued pursuit of true diversity and inclusion at the Mitsubishi Estate Group also forms an important foundation for providing society with proposals for richly diverse urban development.

During my assignment in the United States, I felt every day that it is a society where people with different races, nationalities, cultures, religions and various other attributes coexist, based on mutual respect of each other's diversity. In comparison, I feel the idea that Japanese society is contrastingly homogenic in a certain sense has been the accepted opinion for a long time.

The United States has its own unique challenges, and I do not believe we should simply follow in its footsteps. However, I think we can say that an environment in which diversity must be recognized encourages the creation of these principles and norms. There has been an increasing understanding of gender issues in Japan in recent years, and Mitsubishi Estate has accelerated initiatives aimed at increasing the percentage of female managers. However, we need to further deepen our understanding of diversity, and I include myself in this. I believe that the important thing as a company or as an individual is to first increase our sensitivity to the kind of issues arising in the world today. We must dig deep to find out what the issues are and where we need to change. Everyone at the Group, and managers in particular, must be prepared to take another look at and improve their own organization, with the assumption that unconscious bias is present.

In April 2022, the Group revised the Mitsubishi Estate Group CSR Procurement Guidelines into the Mitsubishi Estate Group Supplier Code of Conduct to clarify our policy on striving to ensure global standards across the supply chain on human rights and environmental issues. The Code of Conduct not only covers suppliers that have direct transactions with the Group but also second tier suppliers and others lower in the supply chain. We have transactions with many companies of different sizes and from different industries, and it is not easy to treat them the same as the situations of each company are not uniform. Now that we are going into the second year of the Code of Conduct, we would like to further deepen our communication with each company to progress in a better direction across the supply chain.

## Continuing to meet challenges as the Ecosystem Engineers

Now that I am in charge of management in my capacity as President, my hope for the future of the Mitsubishi Estate Group is that it will be a corporate group that continues to take on new challenges. I would like to build a strong presence around the world as well as in Japan so that Mitsubishi Estate comes to mind when people think about real estate companies. To accomplish this, it is not only important to build strength in our business but also to build trusting relationships with diverse partners. Urban development is a project in which society as a whole creates things that individuals and companies cannot achieve by themselves, and this is the same everywhere. Mitsubishi Estate is a company with approximately 1,000 employees on the non-consolidated basis and approximately 10,000 employees at the Group overall. The number of employees is by no means large in comparison with the size of our business. In other words, it can be said that our business is based on strong external partnerships and the fusion of mutual resources. Thus, the foundation of our business consists of strong relationships with diverse partners as well as our employees, who are our human assets with the interpersonal skills to build these relationships and a spirit of meeting challenges without fear of failure.

Our vision to "Be the Ecosystem Engineers" as stated in the Mitsubishi Estate Group Sustainability Vision 2050 has deepened our awareness of co-creation with diverse stakeholders. We will continue to be the Ecosystem Engineers bringing together the power of people and companies in different positions by demonstrating solid achievements in increasing both social and shareholder value in order to earn trust. We would like to contribute to the realization of a sustainable society while sharing aspirations and values related to urban development with all kinds of stakeholders.





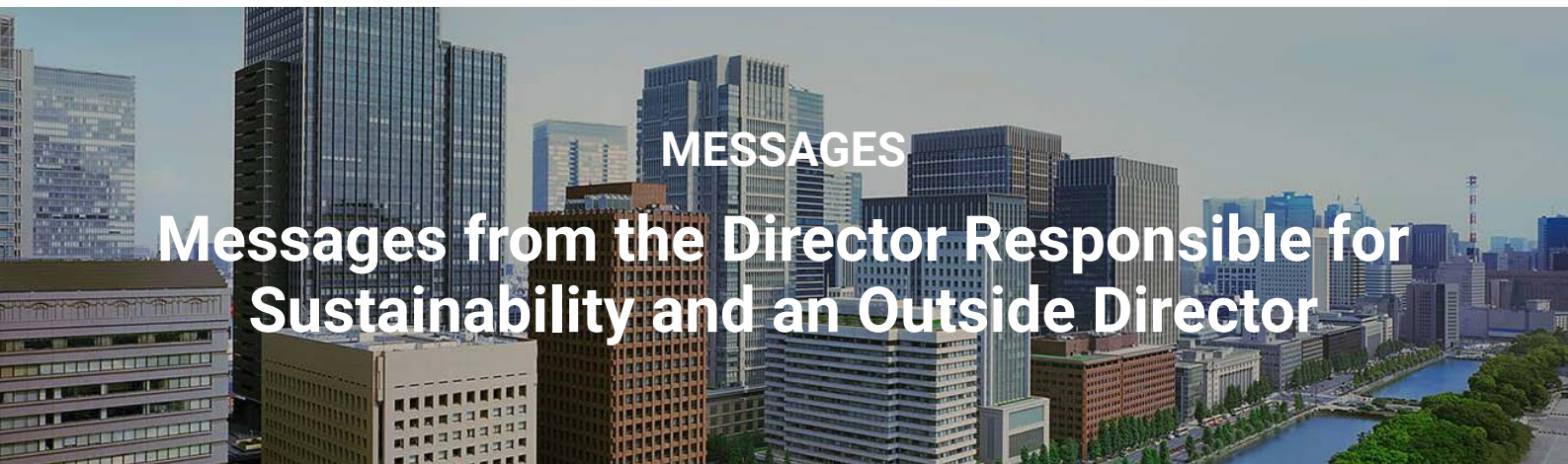
- \*1 An environmental initiative that calls for companies to set greenhouse gas emission reduction targets based on scientific evidence (= SBT: Science Based Target) consistent with the level required by the Paris Agreement (limiting average global temperature rise due to climate change to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C)
- \*2 Nature positive: Refers to halting the loss of biodiversity and restoring nature for the sake of human beings and the Earth. The realization of a nature-positive society was set as a mission for the international community at the 15th Conference of the Parties to the Convention on Biological Diversity (COP 15) and global targets have been established to achieve it.

## Atsushi Nakajima

President & Chief Executive Officer

Mitsubishi Estate Co., Ltd.

(As of September 29, 2023)



## MESSAGES

# Messages from the Director Responsible for Sustainability and an Outside Director



## Message from the Director Responsible for Sustainability

**Bunroku Naganuma**

Executive Vice President

Mitsubishi Estate Co., Ltd.

### Contributing to solving social issues through business activities

As the world undergoes major changes due to the impact of the COVID-19 pandemic, the international situation, and other factors, the sense of urgency about social sustainability, including climate change and human rights, continues to escalate. It is expected of corporations that they promote a virtuous cycle between economy and the environment to drive the creation of a sustainable society. Today, it is no longer possible to increase corporate value without taking action to increase social value.

To respond appropriately to this situation and contribute to the realization of a sustainable society while engaging in business activities, we must consider the best options the Group should take based on identification of accurate information and dialogue with our stakeholders.

### Working to realize the vision for 2050

The Mitsubishi Estate Group has set out the Mitsubishi Estate Group Sustainability Vision 2050, “Be the Ecosystem Engineers,” as our vision for 2050. We have been promoting urban development in a variety of locations, principally the Marunouchi area (the Otemachi, Marunouchi, Yurakucho districts), for over 130 years. Urban development involves working in partnership with various stakeholders to nurture the city together. The Group has promoted urban development while making it a goal to constantly provide society with new value by considering local communities and the natural environment, addressing the diverse social issues and responding to changes in the times, and designing plans based on a forward-looking perspective.



As the Ecosystem Engineers, the Mitsubishi Estate Group provides the spaces and infrastructure (ecosystems) in which diverse individuals and corporations are able to coexist sustainably and thrive together economically, environmentally, and socially. We believe doing this creates new value and innovation which leads to the development of our goal: a sustainable city and society. The Group also formulated the Mitsubishi Estate Group 2030 Goals for SDGs (“the 2030 Goals”) to serve as milestones for achieving this vision. We articulated specific action plans and KPIs in the four key themes – environment, diversity and inclusion, innovation, and resilience. The 2030 Goals serve as a key driver in increasing social value, one of the strategic goals of the Group’s Long-Term Management Plan. We strive to provide even greater value and help realize a sustainable society through our business activities for all of our stakeholders based on the 2030 Goals.

In my capacity as the director responsible for sustainability, I lead the Sustainability Management and Promotion Department in the planning and drafting of measures related to sustainability targets across the Group. We formulate measures following deliberations and reports at the Sustainability Committee, which is chaired by the President of Mitsubishi Estate. In addition, the Group has incorporated its annual targets and initiatives related to the four key themes of the 2030 Goals into annual plans for each business or functional group since fiscal 2020. The Sustainability Management and Promotion Department implements interviews timed with the establishment and review of these annual plans. The Sustainability Committee reports on the progress of the KPIs in the 2030 Goals and deliberates on the establishment of new targets and revisions. The details of the meetings of the Sustainability Committee are also reported to the Board of Directors. Achievement of the targets in annual plans has been positioned as one of the qualitative evaluation items for officer remuneration.

## Initiatives toward the 2030 Goals

In the area of environment, as part of our efforts toward a decarbonized society, we established the Group’s GHG emission reduction targets and announced net-zero commitment in March 2022. As a result, we became the first Japanese company to gain certification in June 2022 for targets in line with the Net-Zero Standard from the SBT initiative. In terms of GHG emissions, in particular, in order to reduce Scope 2 emissions, we have been actively promoting the introduction of renewable power since fiscal 2021 and have significantly accelerated the timing for achievement of RE100, which we aim to do in 2025. In fiscal 2022, we achieved a renewable power ratio of more than 50% for the Group overall by switching all the electricity used in properties that the Group owns and operates\* in Tokyo and Yokohama to renewable energy sources, and expanding similar initiatives at properties in Sendai, Hiroshima and other cities where the Group has its branches.

We are also working to strengthen our governance and business strategies related to climate change, and we will continue to proactively disclose appropriate information based on frameworks such as TCFD and SASB. With regard to TCFD, we published a new scenario analysis based on risk analysis utilizing Carbon Risk Real Estate Monitor (CRREM), a risk assessment tool developed by research institutes in Europe, in May 2023.

In addition, in areas such as biodiversity and water resources, discussions have accelerated about the role expected of corporations and new information disclosures. In February 2023, Mitsubishi Estate concluded a three-way, ten-year collaboration agreement with Minakami-cho, Gunma Prefecture and the Nature Conservation Society of Japan (NACS-J) to undertake a “Nature Positive” initiative to halt the loss of biodiversity and restore nature. While closely monitoring these trends, Mitsubishi Estate will consider and address the issues it needs to work on to realize sustainable growth in recognition of the importance of addressing global-scale issues beyond those that relate specifically to the Group.





In the key theme of diversity and inclusion, we revised our targets for the percentage of female managers, while boosting recruitment of new graduates and experienced professionals to increase the percentage of female employees to over 40%. We are also promoting a variety of initiatives, including the enhancement of internal programs to support diverse workstyles, as well as education to ensure the appropriate mindset of our employees. In October 2022, the OMY SDGs ACT5 Executive Committee, composed of Mitsubishi Estate, The Norinchukin Bank and others, conducted a survey asking questions regarding the progress of diversity and inclusion (D&I) in fiscal 2021. We targeted the Marunouchi-area workers and people from companies, offices, and stores in charge of human resources and promoting D&I with the aim of “realizing development of urban spaces with a barrier-free mindset.” Based on the results of this questionnaire, we will further develop a variety of actions to realize a city where everyone embraces differences and can work with ease. We will aim to realize a society in which all people can live more safely and securely.

In the key theme of innovation, we are actively investing in start-ups and venture capital with the aim of discovering new business projects and creating synergies with existing businesses. In addition, we are developing and operating business incubators and also promote digital transformation (DX) in the real estate industry utilizing the latest technologies. In 2022, we also launched Bricks Fund Tokyo, a CVC that invests in start-ups attempting to create a mid-to-long term social impact through solving social challenges and industrial restructuring.

In the key theme of resilience, we consider being prepared for natural disasters, such as earthquakes and storms, one of the most important issues for urban development. We have already taken measures to counter earthquake and water damage and develop stable energy supplies for individual properties, and we have also promoted human aspects of resilience in collaboration with our external partners, including the development of an environment to enable business continuity in a disaster and the establishment of temporary accommodations for stranded commuters. We will continue to strengthen safe and secure urban development through a variety of initiatives.

## Promoting urban development that creates value in partnership with diverse stakeholders

The Mitsubishi Estate Group must share common values and standards for conduct and make concerted efforts with diverse stakeholders in aiming to realize a sustainable society and the Group’s mission. Mitsubishi Estate has established the Sustainability-Minded Construction Architectural Design and Construction Policies for real estate development that outline the conditions required by type and scale in areas such as design specifications. This document is provided to contractors together with a written quote outline when we place orders. Moreover, in April 2022, we established the Mitsubishi Estate Group Supplier Code of Conduct in line with global standards and reinforced systems for verifying compliance of suppliers on human rights, the environment, and other areas. By doing so, the Group is working to build an even more sustainable supply chain.

The Mitsubishi Estate Group endorsed the UN Global Compact in April 2018. Since then, the Group has been working steadily to realize a sustainable society in accordance with the approach of international initiatives. Going forward, we will continue our work to engage in dialogue and collaboration with all stakeholders to solve diverse social issues and respond to the needs of society as well as the demands and expectations of the Mitsubishi Estate Group through our core business, thereby striving to maximize the value we provide to all stakeholders and further enhance our corporate value.

\* Refers to buildings and commercial facilities of which the Company owns a 50% equity stake or higher, excluding buildings owned in the capital recycling business and buildings slated to be redeveloped.

(As of September 29, 2023)



## Outside Director's Message

**Tetsuo Narukawa**

Outside Director

Mitsubishi Estate Co., Ltd.

### **Bringing a long-term approach to urban development Supporting sustainable urban development and management exemplifying the Group's identity**

The Mitsubishi Estate Group has long established its identity as a corporate group dedicated to bringing a long-term view to urban development. I was strongly reminded of this after being appointed as an outside director in 2018.

I worked in the property development industry for over ten years and was also involved in developing office buildings during the 15 years I spent working in Germany before that. In Germany, sustainability is the focus of urban development, and the approach for both offices and housing is to create urban areas that are aligned with the environment and easy to live in for human beings. Based on this thinking, master plans are written by local governments and other entities in line with national policies and property developers engage in urban development in accordance with these master plans.

In Japan, while there are certain regulations imposed by the authorities, it can be said that businesses have a high degree of freedom on how they pursue urban development. This means that the approach of a real estate company toward urban development has great impact as well as coming with great responsibilities.

The Mitsubishi Estate Group operates based on a long-term view having drawn up a master plan on how to pursue urban development in an area. I believe this serves as the foundation of Mitsubishi's approach because the experience of doing business in the Marunouchi area accumulated over many years.

The Group's identity as a corporate group that values long-term views is indeed firmly embedded in minds of employees precisely because of the Group's experience and foundation in the Marunouchi area, and each and every employee has a sense of mission, satisfaction, and pride about being involved in urban development. I feel that this is exactly where the Group's strength lies.



As part of its Long-Term Management Plan 2030, Mitsubishi Estate pursues management focused on increasing both social and shareholder value in tandem. In order to enhance sustainability and corporate value into the future, we must constantly anticipate change and continue to make strategic investments. To accomplish this, it is essential to take a long-term view on value creation and solving social issues, as well as considering ESG. This is what the society of today demands, and I believe it is a key means of solving social issues.

Decarbonization is one of the key themes in sustainable urban development. The meaning of urban development is conceiving a vision for an area as a whole and, by extension, for society as a whole. I believe that the Mitsubishi Estate Group has the strength, the experience, and the will to carry this out.

One of the most important challenges for real estate companies in the approach to a decarbonized society is addressing so-called Scope 3 emissions (indirect emissions across the value chain). Promoting further initiatives in response to this challenge will increase the social value of the Mitsubishi Estate Group. In order for us to present our efforts in this area to shareholders and investors in a more convincing manner, it will be necessary to enhance discussions of the KPIs that will form the basis for the disclosure.

In the area of diversity and inclusion, Mitsubishi Estate is also showing significant progress, including the strengthening of supply chain management initiatives based on human rights and promotion of recruitment activities with an awareness of gender balance. I believe this will entail both the Board of Directors and the business execution team working together while pursuing diverse expertise and perspectives ourselves.

Although I think there are still many difficulties in terms of translating social value or non-financial value into financial value in Japan, Japanese companies need to consider this point strategically. I feel that the younger generation, the next generation, is moving closer to a more global standard of awareness. I believe that, by promoting initiatives to increase social value, we will become a company that is also highly valued by the next generation. I would like to share my experience with the younger generation as well as the management team while supporting Mitsubishi Estate in the enhancement of its corporate value.

(As of September 29, 2022)



# SUSTAINABILITY MANAGEMENT

Mitsubishi Estate Group Sustainability Vision 2050  
**Be the Ecosystem Engineers**

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**Corporate Philosophy and Sustainability Vision**

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**Value Creation Model**

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**Participation in Global Initiatives**

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# SUSTAINABILITY MANAGEMENT

## Corporate Philosophy and Sustainability Vision

### Philosophy

#### The Spirit of Mitsubishi: The Three Principles/Mission/ Code of Conduct/Guidelines for Conduct

#### The Spirit of Mitsubishi: The Three Principles

*Shoki Hoko*

所期奉公

**Corporate  
Responsibility to  
Society**

Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

*Shoji Komei*

処事光明

**Integrity and  
Fairness**

Maintain principles of transparency and openness, conducting business with integrity and fairness.

*Ritsugyo Boeki*

立業貿易

**Global  
Understanding  
through Business**

Expand business, based on an all-encompassing global perspective.

The Mitsubishi Estate Group has steadily implemented efforts aimed at achieving the Mission of Mitsubishi Estate Group. In addition, we have established the Mitsubishi Estate Group Code of Conduct to be practiced in implementing the Group Mission. Further, we have implemented the Mitsubishi Estate Group Guidelines for Conduct, which sets out the specific standards of conduct in order to realize "who we aspire to be, what we are expected of, and what we should do in order to achieve these aspirations," as established in the Code of Conduct. We periodically assess the expectations of global society and social trends and review the effectiveness of the Code of Conduct as necessary. Going forward, we will continue to put into practice the substance of the Code of Conduct and the Guidelines for Conduct with the aim of "creating a truly meaningful society through urban development" as set out in the Group Mission.



## The Mission of Mitsubishi Estate Group

### We contribute to society through urban development.

By building attractive, environmentally sound communities where people can live, work and relax with contentment, we contribute to creating a truly meaningful society.

## The Mitsubishi Estate Group Code of Conduct

### In order to carry out the Group Mission, we pledge to observe the following Code of Conduct.

#### 1. We will act with integrity.

We will base our conduct on laws and ethics and always reflect with humility upon our behavior, valuing our communication with society and placing priority in our corporate activities on earning trust through fairness and transparency.

#### 2. We will strive to earn the trust of our clients.

We will approach all objectives from our clients' point of view, providing safe and reliable products and services, and make information available as appropriate.

#### 3. We will strive to create a vibrant workplace.

While aiming at personal growth, we will respect the human rights and the diversity of opinion of others and increase our creativity and professionalism, while displaying our collective strengths as a team.

## Mitsubishi Estate Group Guidelines for Conduct (Revised April 2018)

Details regarding the Mitsubishi Estate Group Guidelines for Conduct are available here.





# Mitsubishi Estate Group Sustainability Vision 2050

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050 to move toward a corporate management focused on sustainability by 2050 and to promote businesses that help realize a sustainable world.

## Mitsubishi Estate Group Sustainability Vision 2050

# Be the Ecosystem Engineers

We aspire to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individual, corporations, and more) are able to coexist sustainably and thrive together—economically, environmentally, and socially.

→ [The Mitsubishi Estate Group Sustainability Vision 2050 Video](#)

In order to realize the content of the Mitsubishi Estate Group Sustainability Vision 2050, the Group has established Mitsubishi Estate Group 2030 Goals for SDGs, which are positioned as milestones defining specific themes and actions to achieve the 2050 vision. We are committed to providing even more profound value to a wider range of stakeholders in the four key themes of Environment, Diversity & Inclusion, Innovation, and Resilience.

## Mitsubishi Estate Group 2030 Goals for SDGs

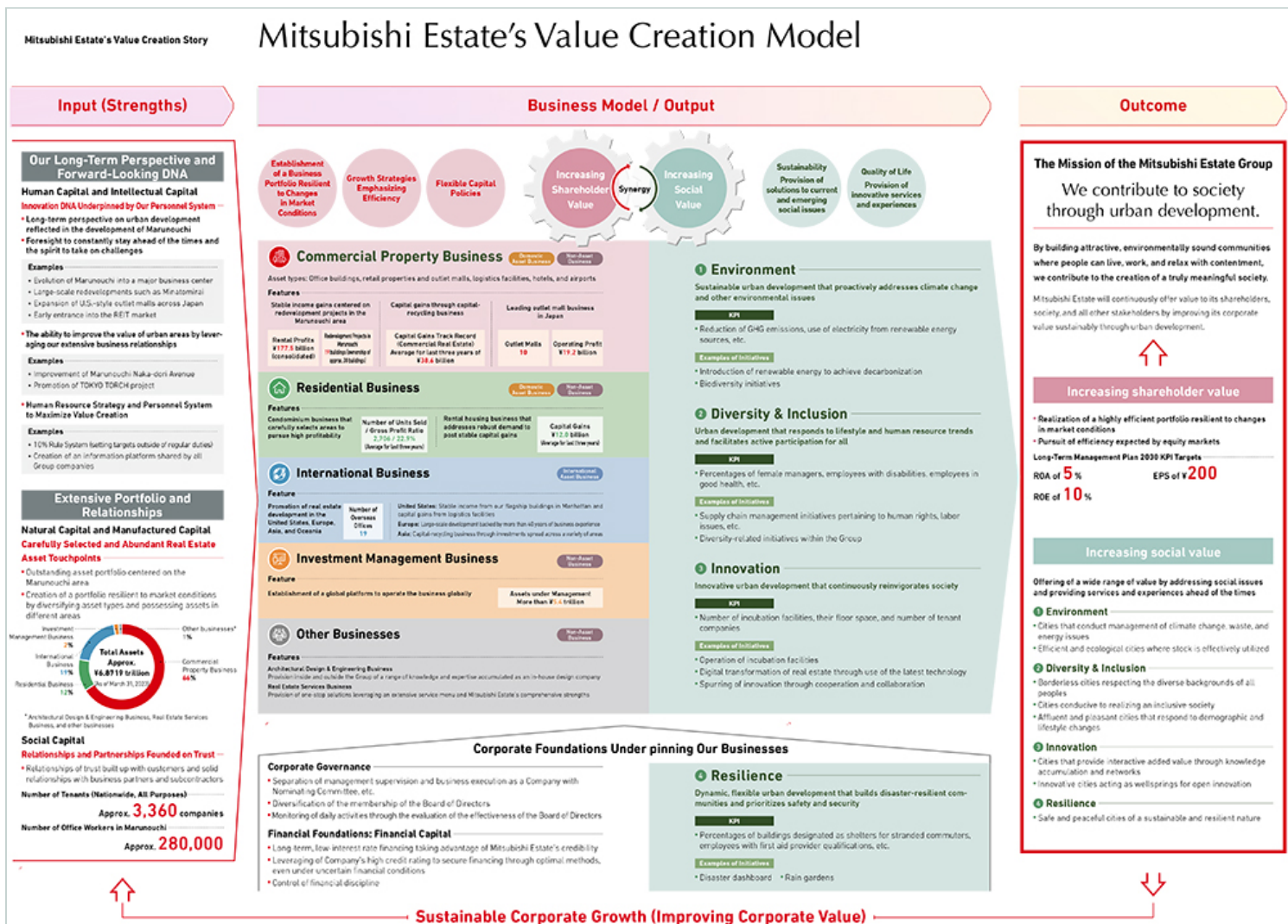
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# SUSTAINABILITY MANAGEMENT Value Creation Model

## Mitsubishi Estate Group Value Creation Model



Mitsubishi Estate Group Value Creation Model (134KB)







# SUSTAINABILITY MANAGEMENT

## Sustainability Promotion System

## Operational Framework for Sustainability

Mitsubishi Estate takes an active, group-wide approach to sustainability. Chaired by the President & Chief Executive Officer of Mitsubishi Estate with the Director responsible for Sustainability (the Director in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate) as the deputy chair, the Group's Sustainability Committee comprises executives in charge of respective functional and business groups and the executives in charge of the Corporate Group, as well as managers of the major Group companies, and it ensures group-wide implementation of sustainability. The Sustainability Subcommittee serves as forum for detailed discussion to prepare for Sustainability Committee meetings.

The Sustainability Committee typically meets twice a year to deliberate and report on important matters related to sustainability. Prior to the meetings of the Sustainability Committee, the Sustainability Subcommittee conducts preliminary discussions and reporting while compiling information on efforts to promote sustainability made by business groups.

The deliberations of the Sustainability Committee are submitted to the Executive Committee whenever necessary in light of their importance and other factors. The deliberations of the Sustainability Committee are also reported to and supervised by the Board of Directors.

The Sustainability Committee formulates policies and plans. In implementing the policies and plans it approves, the Director responsible for Sustainability oversees the process, while the sustainability managers and staff of each department at Mitsubishi Estate and each Mitsubishi Estate Group company and the Sustainability Promotion Executive Office (Sustainability Management and Promotion Department at Mitsubishi Estate) together head the execution of specific activities and studies.



**Board of Directors**

Report ↑      ↓ Supervision

**Sustainability Committee**

- Committee Chair:** President & Chief Executive Officer of Mitsubishi Estate
- Deputy Committee Chair:** Director in charge of Mitsubishi Estate Sustainability Management Promotion Department
- Committee members and others:**
- Executives in charge of respective functional and business groups and executives in charge of the Corporate Group at Mitsubishi Estate, presidents of major Group companies, and others
  - Chairperson and standing statutory auditors of Mitsubishi Estate
  - Outside experts and others (Invited as necessary)

**Sustainability Subcommittee**

- Committee Chair:** General Manager of Sustainability Management and Promotion Department
- Committee members and others:**
- Executive officer in charge of Mitsubishi Estate Sustainability Management and Promotion Department, general managers of line and staff departments for functional and business groups, general managers of the Corporate Group, and sustainability managers and staff at major Group companies
  - General managers of Mitsubishi Estate Internal Audit Office and Audit Committee Office

Instruction →

← Deliberate/Report

**Chief Sustainability Officer**

Director in charge of Mitsubishi Estate Sustainability Management Promotion Department

**Sustainability Promotion Executive Office**

Mitsubishi Estate Sustainability Management Promotion Department

**Sustainability managers and staff**

Each Mitsubishi Estate Department, and Mitsubishi Estate Group companioning



# Monitoring Progress Relating to Key Themes

The Mitsubishi Estate Group formulated the Mitsubishi Estate Group 2030 Goals for the SDGs, a core component for its strategy of increasing social value, and one of the strategic drivers that the Group has set out in its Long-Term Management Plan 2030 (launched in 2020). The 2030 Goals make plain the four key themes of the environment, diversity & inclusion, innovation, and resilience, and articulate specific action plans and targets for each theme. For the "environment" theme in particular, the Group has established quantitative goals linked to international initiatives, such as the formulation of science-based targets (SBTs) and participation in RE100.

To achieve these goals, the Group has incorporated its annual targets and initiatives related to the four key themes into annual plans for each organization and function. The Sustainability Committee tracks Group-wide progress and manages the process using the PDCA cycle. Target progress and detail are also regularly monitored by third-party organizations.

Finally, achieving the annual plans is included as one of the qualitative evaluation criteria for determining officer remuneration.

## Past Meetings of the Sustainability Committee

### Fiscal 2022

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#### 1st meeting (July 11, 2022)

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- Status of Incentive Programs for Sustainability-Related Initiatives
- Status of supply chain management-related initiatives
- Results of ESG and various benchmarks
- OMY SDGs ACT5 2022 and Other Sustainability Activities
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs

#### 2nd meeting (February 17, 2023)

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- FY2021 results and future prospects regarding energy and waste
- Result of Stakeholder Engagement
- OMY SDGs ACT5 2022 initiatives and Training Program for Experiencing Social Issues
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs



## Past Meetings

### Fiscal 2021

#### 1st meeting (July 7, 2021)

- Review of energy-related targets (SBT, RE)
- Report on Energy and Urban Development Action 2050
- Information on activities for OMY SDGs ACT5 2021 and status of their implementation
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDG

#### 2nd meeting (February 25, 2022)

- Revisions to energy-related targets (SBT, RE)
- Revisions to CSR procurement guidelines and status of supply chain management-related initiatives
- Raising the target for percentage of female managers
- Report on activities for OMY SDGs ACT5 project
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs

### Fiscal 2020

#### 1st meeting (July 30, 2020)

- Partial revision of the Sustainability Committee Regulations and the Sustainability Subcommittee Regulations
- Discussion of OMY SDGs ACT5
- Roadmap toward achieving the Mitsubishi Estate Group 2030 Goals for SDGs and analysis of issues
- Discussion of recent topics, etc.
  - (1) Mitsubishi Estate Group's SDGs-related press release
  - (2) Sustainability-related topics (report on recent conditions based on global situation associated with COVID-19 pandemic)
  - (3) Current status of Mitsubishi Estate-sponsored promotions

#### 2nd meeting (February 8, 2021)

- Discussion on introducing renewable power in Otemachi-Marunouchi-Yurakucho area
- Initiative related to ensuring traceability of concrete formwork panels at Mitsubishi Estate Residence
- OMY SDGs ACT5 event report
- Discussion on promotion of internal communication measures related to sustainability
- Discussion on complying with ESG index benchmarks
- Discussion on implementation of third-party checks aimed at promotion of the Mitsubishi Estate Group 2030 Goals for SDGs





## Fiscal 2019

### 1st meeting (December 2019)

- Establishment of the long-term (2050) vision<sup>\*1</sup> and the medium-term goals (2030)<sup>\*2</sup> in relation to sustainability management
- Status of response to ESG investment and various benchmarks

\*1 Mitsubishi Estate Group Sustainability Vision 2050 announced in January 2020

\*2 Mitsubishi Estate Group 2030 Goals for SDGs announced in January 2020

### 2nd meeting (February 2020)

- Discussion of the promotion plan and system of checks aimed at "spiraling up" the action plan for Mitsubishi Estate Group 2030 Goals for SDGs, and proposal for concrete action plan in the human rights area
- Discussion of joining RE100 and endorsement of TCFD recommendations

## Fiscal 2018

### 1st meeting (July 2018)

- Setting numerical targets for KPIs and extension of boundaries (scope of disclosure), including consideration of science-based target (SBT) content (medium- to long-term greenhouse gas emission reduction targets)
- Implementing in-house SDGs working group (including review of materiality)
- Publication of Integrated Report
- Human rights due diligence procedures
- Green bond issuance

### 2nd meeting (March 2019)

- SDGs working group implementation report
- Participation in medium- to long-term CO<sub>2</sub> emissions reduction targets (SBTs)
- Review of KPIs
- Change of rules and organization name
- (Name changed from CSR & Environmental Sustainability Department to Sustainability Management and Promotion Department in fiscal 2019)



## Fiscal 2017

### 1st meeting (July 2017)

- Report on FY2016 key CSR themes and KPI results
- CSR activities report, etc.

### 2nd meeting (February 2018)

- Initiatives for SDGs and review of key CSR themes and KPIs
- Launch of human rights due diligence study group



# SUSTAINABILITY MANAGEMENT

## Participation in Global Initiatives

### Signed the United Nations Global Compact

In April 2018, the Mitsubishi Estate Group became a signatory to the United Nations Global Compact. Our brand slogan is "A Love for People. A Love for the City" and our Group mission is to contribute to society through urban development. Henceforth the Group will uphold the Ten Principles of the UN Global Compact and endeavor to respect human rights, eliminate unfair labor, protect the environment and avoid corruption as it continues to contribute to the development of a sustainable world by establishing targets and policies suited to its business and pursuing them using the PDCA management cycle.



### Mitsubishi Estate's GHG Reduction Targets Approved by Science Based Targets Initiative

The Mitsubishi Estate Group formulated group-wide medium- to long-term greenhouse gas (GHG) emissions reduction targets in March 2019. In April 2019, the Group's targets were approved by the Science Based Targets initiative as consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C) based on scientific evidence. Moreover, in March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).





## GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions\*.)

\* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

## Signing on to Race to Zero and Business Ambition for 1.5°C

In line with the commitment to the Net-Zero Standard set by the SBTi, the Group has also signed on to the international decarbonization campaigns Race to Zero\*<sup>1</sup> and Business Ambition for 1.5°C\*<sup>2</sup>.

\*1 Race to Zero is an international campaign announced in June 2020 by the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) to rally leadership and support from "real economy" actors, including businesses, cities, regions, investors, and universities, to commit to achieving net zero carbon emissions by 2050, and to take immediate action to achieve this goal.

\*2 Business Ambition for 1.5°C is an international campaign led by the UN Global Compact, the We Mean Business Coalition, and the SBTi that makes an urgent call for businesses to set science-based GHG emissions reduction targets with the goal of achieving net-zero emissions by 2050.







## Participating in RE100

On January 31, 2020, Mitsubishi Estate joined RE100, a global corporate leadership initiative bringing together businesses committed to 100% renewable energy. With its March 2022 formulation of GHG reduction targets in line with the Net-Zero Standard established by the SBTi (Targets approved by the SBT initiative in June 2022), Mitsubishi Estate is aiming to achieve group-wide 100% renewable power use by fiscal 2025.



See the following for the renewable energy rate and a list of buildings to introduce renewable energy.

Reference: ESG Data > E: Environmental data > (1) KPI > Renewable energy rate



Reference: List of Buildings Introducing Renewable Energy



\* RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP, an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.

## Participating in JCLP

In April 2020, Mitsubishi Estate became an executive member of the Japan Climate Leaders' Partnership (JCLP), a group of companies that aim to realize a sustainable decarbonized society. Through its participation in JCLP, Mitsubishi Estate will work with other companies toward decarbonization and make policy proposals to the government.



JCLP also serves as Japan's point of contact for RE100 memberships in partnership with The Climate Group, an international, non-profit organization.



## Signed on to TCFD

On February 3, 2020, Mitsubishi Estate announced its support for the recommendation of TCFD. In May 2020, the Company disclosed such information as governance, strategies, risk management, indicators and targets on climate change risks and opportunities in accordance with the framework recommended by TCFD. Going forward, the Company will consider expanding the scope of information to be disclosed as it works to further improve governance and business strategies pertaining to climate change based on the results of the scenario analysis.



\* The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) based on a G20 request to investigate how to disclose climate-related information and respond to financial institutions. The task force issued its final report in June 2017, encouraging companies and others to disclose climate change-related risks and opportunities.

[Information Disclosure Based on TCFD Recommendations](#)



## Signed the Principles for Responsible Investment (PRI)

The Principles for Responsible Investment (PRI) comprises an international network of investor signatories that works to realize the Six Principles established for the finance industry in 2006 under the leadership of the then United Nations Secretary-General, Kofi Annan. This network is promoted through the United Nations Environment Programme (UNEP) and the United Nations Global Compact (UNGC).



PRI encourages the incorporation of Environment, Social and Governance issues into investment decision-making processes, with the aim to help companies enhance long-term investment performance and better fulfill their fiduciary duty.

Endorsing the basic approach of PRI, Japan Real Estate Asset Management (JRE-AM) became a signatory in August 2018, while Mitsubishi Jisho Investment Advisors became a signatory in March 2020.

JRE-AM has received the following evaluation results for which we made the report\* in 2021.

\* PRI signatories are required to report on the status of their ESG integration practices to PRI each year.

Module	Score
Investment & Stewardship Policy	★★★★☆
Real Estate	★★★★★ (Highest rating)



## The Six Principles of PRI

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.



# SUSTAINABILITY MANAGEMENT

## Stakeholder Engagement

### Basic Policy and Approach

Living up to its mission, “We contribute to society through urban development,” Mitsubishi Estate Group strives to contribute to creating a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment. The Mitsubishi Estate Group's business is built upon the foundation of its relationships with a wide variety of stakeholders, including customers, shareholders, local communities, government and local authorities, business partners, and executives and employees and their family members. Business activities in urban development involve many stakeholders by their very nature, and the Mitsubishi Estate Group has the responsibility to pursue its business activities while living up to the trust placed in it by these

stakeholders. Based on the opinions of outside experts and others, the Group identifies the stakeholders involved in the conduct of its business and analyzes the relationship with each stakeholder and the degree of influence and other factors to determine the level of priority. To this end, the Group places great importance on stakeholder engagement, with the following as its main objectives.

- Receiving recognition for the Group's initiatives
- Having stakeholders share their expectations and concerns related to the Group
- Obtaining opinions on new social issues and themes and learning from best practices
- Sharing with stakeholders the Group's initiatives and corporate stance

In light of these objectives, the Group examines and implements the most suitable methods of engagement with each stakeholder (see “Methods for dialogue with stakeholders” below). The Mitsubishi Estate Group utilizes the opinions received through stakeholder engagement in its business and engages in two-way communication with stakeholders to maintain their trust and confidence, thereby ensuring the sustainable continuity of business.



Stakeholder Engagement





## Governance Structure

Daily stakeholder engagement efforts are conducted by each Group company and department in charge, which maintains close communications with each stakeholder, working in collaboration with the relevant departments of each Group company.

Opinions received through stakeholder engagement are compiled by Mitsubishi Estate's Sustainability Management and Promotion Department and provided as feedback to management for reflection in business operations and further development of initiatives.

The Group regularly reviews whether engagement with each stakeholder is effective and strives to minimize stakeholder engagement risks, such as overlooking stakeholder expectations and requests or failing to approach specific stakeholders adequately.

## Methods for Dialogue with Stakeholders

Stakeholders	Definition	Opportunities for dialogue	Primary themes
Customers	Users of tenant buildings, parties to housing and condominium contracts, various subcontractors, etc.	<ul style="list-style-type: none"> <li>● Customer satisfaction surveys, questionnaires, etc.</li> <li>● Communication through marketing activities</li> </ul>	<ul style="list-style-type: none"> <li>● Urban development to create safety and security</li> <li>● Quality and safety management for products and services</li> <li>● Urban development to support declining birthrates and aging populations</li> </ul>
Community and Society	Local community and local residents involved in the Mitsubishi Estate Group's business	<ul style="list-style-type: none"> <li>● Meetings with influential stakeholders</li> <li>● Dialogues through cooperation with administrations, local government and NPOs</li> <li>● Social contribution initiatives</li> </ul>	<ul style="list-style-type: none"> <li>● Economic contributions to the community</li> <li>● Promoting smart communities</li> <li>● Sustainable use of forest resources</li> </ul>
NGO・NPO	NGOs, NPOs, etc. that promote activities on themes related to the Mitsubishi Estate Group's business	<ul style="list-style-type: none"> <li>● Hold individual dialogues</li> <li>● Collaborate in organizing events on specific themes</li> <li>● Participate in events, seminars, etc. held by NGOs and NPOs</li> </ul>	<ul style="list-style-type: none"> <li>● Climate Change</li> <li>● Biodiversity</li> <li>● Resource Circulation</li> <li>● Water Resources</li> <li>● Forest Conservation</li> <li>● Human Rights</li> <li>● Diversity etc.</li> </ul>



Stakeholders	Definition	Opportunities for dialogue	Primary themes
Employees	Mitsubishi Estate Group employees	<ul style="list-style-type: none"> <li>● Communication via personnel evaluations</li> <li>● Dialogue via compliance survey and other internal platforms</li> </ul>	<ul style="list-style-type: none"> <li>● Developing the capabilities of employees, utilizing diverse human resources and providing equal opportunities</li> <li>● Maintaining safety as well as physical and mental health</li> </ul>
Business Partners	Construction subcontractors, cooperating companies, suppliers, etc.	<ul style="list-style-type: none"> <li>● Communication during operations</li> <li>● Subcontractor evaluation systems, training sessions for registered construction firms, quality and safety promotion conferences, other</li> <li>● Communication during procurement activities</li> <li>● Disseminating the Supplier Code of Conduct and implementing interview surveys</li> </ul>	<ul style="list-style-type: none"> <li>● Supply chain management</li> <li>● Green procurement</li> <li>● Urban development to create safety and security</li> </ul>
Shareholders and Investors	Individual and institutional investors	<ul style="list-style-type: none"> <li>● Financial results briefings (twice a year)</li> <li>● Small group meetings and property tours for analysts and investors</li> <li>● One-on one meetings with Japanese and foreign institutional investors (around 300 meetings per year)</li> <li>● Participation in various other online conferences, etc.</li> <li>● ESG-specific presentations to shareholders</li> <li>● Communication using IR tools</li> </ul>	<ul style="list-style-type: none"> <li>● Economic performance</li> <li>● Healthy corporate management</li> </ul>



# Stakeholder Dialog Details

## FY2022 Stakeholder Dialog Details

- Main dialog partners: BSR, WWF Japan, experts on each subject, etc.
- Dialog method: Online interviews (11 sessions)
- Dialog time frame: April to June 2022

Theme	Stakeholder expectations for the Company, perceived issues
Climate change	<ul style="list-style-type: none"> <li>● It would be ideal to have procurement and ordering policies that promote concrete decarbonization efforts.</li> <li>● As is apparent by the fact that so-called offsets are not allowed in SBTi target setting, there is a major trend toward not recommending the use of credits for the purpose of offset. When using credits to neutralize final residual emissions to contribute to reduction outside the scope of targets, it is important to confirm the details of whether sustainability is being guaranteed in the true sense.</li> <li>● Proactive policy proposals on carbon pricing and energy saving performance standards are anticipated.</li> <li>● Because of the high possibility that the approach to the biomass output coefficient will be changed, it is necessary to watch trends and consider how it should be handled.</li> </ul>
Lumber	<ul style="list-style-type: none"> <li>● When promoting domestic lumber as qualifying as low risk, the company should confirm that the risk actually is low after performing human rights and environmental risk assessments. The same applies for the CLT business.</li> <li>● Formulation of policies in pursuit of traceability and sustainability are anticipated for use of wood other than formwork plywood panels as well.</li> </ul>
Plastic	<ul style="list-style-type: none"> <li>● With regard to the reuse and reduction of plastics and other waste, besides the 2030 targets, urgent establishment of KPIs targeting 2025 is anticipated. Also, in preparation for eliminating the cycle of mass production, mass consumption, and mass disposal, proactive collaboration with relevant parties is anticipated in order of waste reduction, reuse, and material recycling.</li> <li>● With the goal of expanding Otemachi-Marunouchi-Yurakucho initiatives across the country in mind, the company must be conscious of its position as a base for each region and collaborate with tenants and waste disposal vendors to promote a circular economy far and wide in a sustainable manner.</li> </ul>
Biodiversity	<ul style="list-style-type: none"> <li>● The company should conduct assessments not only on business areas, but also on the impact and reliance of biodiversity in areas that include suppliers of building materials, etc.</li> <li>● Rather than conserving biodiversity for the purpose of CSR, the company needs to consider such preservation within its business operations.</li> <li>● Effective public communication is expected in the future through SDGs ACT 5 and other channels.</li> </ul>



Theme	Stakeholder expectations for the Company, perceived issues
Water	<ul style="list-style-type: none"> <li>● The company should evaluate the risks, opportunities, impact and dependence on the environment across the entire supply chain including raw materials procurement in terms of the watershed and operations.</li> <li>● The company should establish water targets and strategies that link to the company's overall strategy.</li> <li>● For example, gravel has been improperly collected in some areas (Mekong River basin, etc.), resulting in environmental and social issues. It is anticipated to perform identification and risk analysis of areas where gravel used in concrete is collected and formulate a policy in pursuit of sustainability and traceability.</li> <li>● At locations important to achieving the above water targets and strategy, the company should promote AWS certification while maintaining consistency with the overall water targets.</li> </ul>
Human rights	<ul style="list-style-type: none"> <li>● An evaluation of the effectiveness of current risk reduction initiatives and disclosure of results is anticipated.</li> <li>● The company should identify "human rights trafficking" as a possible human rights risk associated with hotel business and implement countermeasures.</li> <li>● Efforts are anticipated on improving minimum wages and living wages, as well as policy proposals.</li> </ul>
Supply chain management	<ul style="list-style-type: none"> <li>● The company is currently focusing efforts on labor conditions and environmental risks at construction sites. However, the company should conduct risk assessments on building materials (particularly steel, cement, and glass) going forward.</li> <li>● Disclosure of the company's main supplier list is also anticipated.</li> </ul>
Technology	<ul style="list-style-type: none"> <li>● As a company whose goal is urban development utilizing technology, the company should conduct risk assessments in line with the type and application of technologies it employs. Afterward, the company must formulate a Group-wide policy on technology use.</li> </ul>
Diversity and inclusion	<ul style="list-style-type: none"> <li>● It is important to improve initiatives considering both "attribute-based diversity" and "experience/skill/knowledge-based diversity." To achieve this, it is vital to provide equal opportunities and analyze from various viewpoints whether any inequalities exist.</li> <li>● Rather than viewing gender diversity as an issue of employee mindset, it is important to view it as a management issue. To do so, training for executives and the management on the importance of gender diversity is required.</li> <li>● In addition to training, it may be a good idea to begin LGBTQI+ initiatives through an employee working group.</li> <li>● Promotion of D&amp;I among suppliers is also anticipated.</li> </ul>





## Partnerships with Outside Organizations

Partner organization	Overview	Our role
The Association of Real Estate Agents of Japan	The Association's members are major and medium-sized housing manufacturers and real estate companies that focus on real estate marketing activities. The Association aims to improve the various systems related to real estate transactions through related investigations, research, and proposals, etc.	Deputy Director Board Members Corporate Advisor
Real Estate Companies Association of Japan	The Association's members are companies that engage in urban and community development. It conducts investigations and research on systems related to real estate, makes policy proposals, and conducts social contribution activities to make it possible to proactively and effectively promote the supply of high-quality offices and homes and the smooth distribution of a stock of housing.	Deputy Director Board Members Corporate Advisor
Japan Building Owners and Managers Association	As Japan's only nationwide organization of business operators who own and manage office buildings, the Association conducts investigative research and awareness-raising activities related to building operation and management, etc.	Chair
Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho	The Council engages in efforts related to urban development in light of the "Guidelines for the Redevelopment of the Area" of the Otemachi, Marunouchi, and Yurakucho areas of Tokyo, in collaboration with companies, organizations, and governmental agencies, etc., in an aim to increase the area's value and achieve sustainable development of central Tokyo.	Regular Members Director Chair Committee Chair
Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts (Commonly known as the "Ecozzeria Association")	The Association operates the "CSV Business Creation Platform" that aims for better urban development and to resolve social issues directed toward achievement of the "Otemachi, Marunouchi, Yurakucho (OMY) Sustainability Vision." It works to create opportunities for interaction between companies and many people inside and outside the OMY area, build CSV business that sustains development of "environment," "economy," and "society" on that foundation, conduct R&D related to cutting-edge technology that contributes to creation of a sustainable society, etc., and implement awareness-raising activities.	Regular Members Board Members Auditor



Partner organization	Overview	Our role
OMY Area Management Association (Commonly known as "Ligare")	The Association handles "soft" components of urban development of the OMY area. It plans and operates events and other activities, conducts public relations, and engages in investigational research, and otherwise conducts activities as the instrument advancing systems established by government, such as the "Tokyo Municipal Ordinance on Promoting the Syareta-Machinamidukuri, the Creating of an Attractive and Exceptional City" and outdoor advertising projects.	Regular Members Deputy Director Board Members
The Industrial Federation for Human Rights, Tokyo The Corporate Federation for Dowa and Human Rights Issues, Osaka	Recognizing that human rights are the foundation of sustainability, the Federation works to solve a variety of human rights problems, such as the problem of discrimination, from a corporate perspective.	The organization is operated independently by members (human rights staff).

## Multi-stakeholder Policy

See the following for Mitsubishi Estate's multi-stakeholder policy.

Multi-stakeholder Policy (Japanese only) (PDF 366KB)





# Stakeholder Engagement in Urban Development

The Group engages with stakeholders, including local communities, and takes into account their opinions in the development process.

## An Example in Development of New Condominiums

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The Park House Jiyugaoka Diana Garden received comments from stakeholders, including local communities, at the time of planning regarding its biodiversity initiatives, and introduced the BIO NET INITIATIVE, an initiative implemented by Mitsubishi Jisho Residence to conserve biodiversity. The following activities have been carried out. The property is located in the urban area of Jiyugaoka, but has become a rare property that retains a large green space.

(1) Securing the amount of greenery and attracting species through large-scale green spaces

25% of the site has been converted to green space through the use of traditional plants and native species, leaving an area contributing to biodiversity of over 29% of the site.

(2) Use of environmental surveys (covering houses, vegetation, and ecosystems) before construction begins and donation to the community

The planned site is the former residence of the late Yonekichi Hiraiwa, known as a leading researcher on canines and wolves, which was called "Hakuhisou. The results of a survey conducted in cooperation with the Nature Conservation Society of Japan were used in the project and donated to the Museum of Modern Japanese Literature and J-Spirit.Inc, which serves as the secretariat for the Jiyugaoka Townscape Formation Committee, an urban renewal promotion corporation that aims to promote urban development and landscape formation in the Jiyugaoka area.

(3) Preservation of existing trees, topsoil and rare plants

We have conducted temporary off-site storage of existing trees, topsoil, and rare plants, and their re-planting on the proposed site. We have also successfully created of new homes for creatures that prefer a grassland environment and habitat for creatures that have existed in the soil.




# SUSTAINABILITY MANAGEMENT

## External Evaluations of ESG Performance

### ESG Index Inclusion and External Evaluations

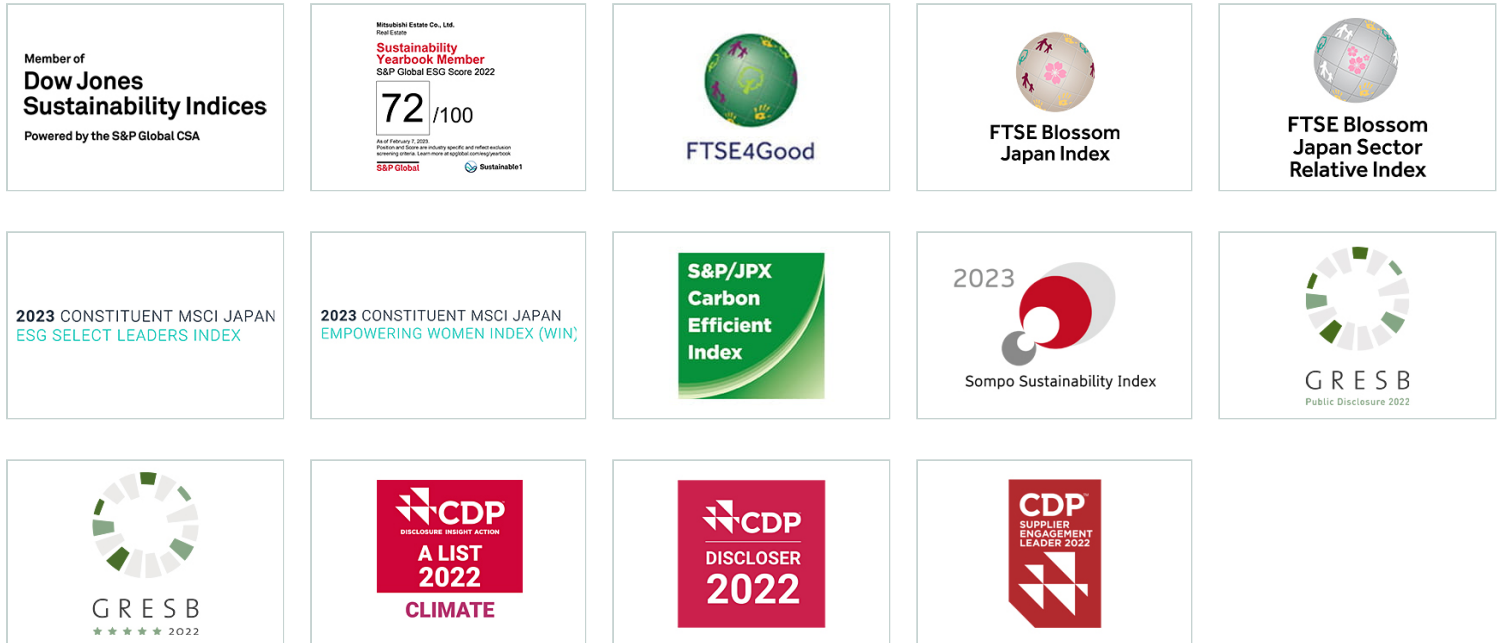
Mitsubishi Estate has been selected for inclusion in the following environmental, social and governance (ESG) indices for socially responsible investment (as of July 2023).

- Dow Jones Sustainability World Index
- Dow Jones Sustainability Asia Pacific Index, 3rd consecutive year
- S&P Global Sustainability Yearbook Member 2023
- FTSE4Good Global Index, 22nd consecutive year
- FTSE Blossom Japan Index, 7th consecutive year
- FTSE Blossom Japan Sector Relative Index, 2nd consecutive year
- MSCI Japan ESG Select Leaders Index, 7th consecutive year
- MSCI Japan Empowering Women Select Index, 6th consecutive year
- S&P/JPX Carbon Efficient Index, 6th consecutive year
- SOMPO Sustainability Index, 12th consecutive year
- GRESB Public Disclosure, 6th consecutive year
- 2022 GRESB Real Estate Assessment
  - 5 Stars, the highest rating in GRESB Standing Investments Benchmark<sup>\*1</sup> (3rd consecutive year)
  - 4 Stars, the highest rating in GRESB Development Benchmark<sup>\*2</sup>
- \*1 Assessment of the performance of standing investment portfolio
- \*2 Assessment of the new construction and major renovation portfolio
- Score: A, CDP Climate Change 2022 Questionnaire
- Score: A-minus, CDP Water Security 2022 Questionnaire
- Score: B CDP Forests 2022 Questionnaire
- CDP2022 Supplier Engagement Leader
- Certified in 2023 as Outstanding Health and Productivity Management Organization





Socially responsible investing is an approach to investing in companies that takes into consideration their environmental and social initiatives and corporate governance as well as economic aspects. We will continue to integrate our business with sustainability as we pursue sustainable corporate management.



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# SUSTAINABILITY MANAGEMENT

## Mitsubishi Estate Group ESG-Related Rules and Policies

The Mitsubishi Estate Group has established rules and policies based on [the Mitsubishi Estate Group Mission, the Code of Conduct, and the Guidelines for Conduct](#).

### Mitsubishi Estate Group Basic Environmental Policy

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Basic Environmental Policy, which is based on its corporate mission. The entire Group works together to implement sound environmental management.

[Mitsubishi Estate Group Basic Environmental Policy](#)



### Mitsubishi Estate Group Green Procurement Guidelines

The Mitsubishi Estate Group has established the Green Procurement Guidelines as an active effort to be environmentally friendly and help reduce the burden on the global environment. The Guidelines promote green procurement, which refers to procurement or construction methods that use materials and equipment with a low environmental impact.

[Mitsubishi Estate Group Green Procurement Guidelines](#)



### Mitsubishi Estate Group Timber Procurement Guidelines

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Timber Procurement Guidelines based on the Mitsubishi Estate Group Basic Environmental Policy to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Mitsubishi Estate value chain.

The timeline for the measurement of progress in the achievement of the guidelines is fiscal 2025 as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The guidelines were established with supervision from WWF Japan.

[Mitsubishi Estate Group Timber Procurement Guidelines](#)





# Mitsubishi Estate Group Supplier Code of Conduct

The Mitsubishi Estate Group believes that, in order for it to contribute to the creation of a truly meaningful society through its business activities, it is essential that it work with its business partners to promote socially responsible procurement at all stages of the supply chain. With this recognition, the Group revised its CSR Procurement Guidelines, which was created in April 2016, and established the Mitsubishi Estate Group Supplier Code of Conduct in April 2022.

[Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct](#)



## Mitsubishi Estate Group Human Rights Policy

As a member of society, the Mitsubishi Estate Group has a renewed awareness of the importance of respecting human rights. Accordingly, on April 1, 2018, we established the Mitsubishi Estate Group Human Rights Policy with the aim of fulfilling our responsibility to respect the basic human rights not only of Group companies, but of all stakeholders.

[Human Rights Initiatives > Policy on Human Rights](#)



[Human Rights Initiatives > Mitsubishi Estate Group Human Rights Policy](#)



## Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the statement to comply with Article 54 of the UK Modern Slavery Act 2015. The aim is to identify slavery and human trafficking risks in the Mitsubishi Estate Group and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

[Human Rights Initiatives > Mitsubishi Estate Group UK Modern Slavery Act Statement](#)



## Mitsubishi Estate Group Anti-Corruption Guidelines

The Mitsubishi Estate Group announced the Mitsubishi Estate Group Anti-Corruption Guidelines on July 1, 2018.

[Compliance > Preventing Corruption](#)





# Mitsubishi Estate Group Guidelines on Social Contribution Activities

In April 2008, the Mitsubishi Estate Group established the Mitsubishi Estate Group Guidelines on Social Contribution Activities. Each Group company implements its own activities in accordance with the basic policy.

[Social Contribution Activities / Support for Communities > Basic Policy and Approach](#)



# Mitsubishi Estate Group Declaration on Customer Respect

The Mitsubishi Estate Group established the Mitsubishi Estate Group Declaration on Customer Respect on April 1, 2018.

[Enhancing Customer Satisfaction > Mitsubishi Estate Group Declaration on Customer Respect](#)





# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

In Long-Term Management Plan 2030, the Mitsubishi Estate Group declared its aim to address current and emerging social issues through its business activities under management targets focused on strategies for increasing both social and shareholder value to realize a sustainable society. Efforts toward this goal began in 2018 with the formation of a Groupwide working group, which anticipated changes in the Group's operating environment to identify seven material issues. Based on these issues, we established the Mitsubishi Estate Group 2030 Goals for the SDGs, which set out four key themes as the social issues that the Group must focus on in particular. At the same time, we established Mitsubishi Estate Group Sustainability Vision 2050 (Be the Ecosystem Engineers) with a title expressing the Group's vision for realizing a sustainable society based on a long-term outlook essential for urban development. We have positioned the Mitsubishi Estate Group 2030 Goals for the SDGs as a milestone establishing specific themes and actions for realizing our 2050 vision. The Mitsubishi Estate Group will aim to achieve ongoing growth and create a truly meaningful society through sincere efforts to address social issues.





Mitsubishi Estate Group Sustainability Vision 2050




# Be the Ecosystem Engineers

We aspire to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individual, corporations, and more) are able to coexist sustainably and thrive together—economically, environmentally, and socially.








→ [The Mitsubishi Estate Group Sustainability Vision 2050 Video](#)

## Mitsubishi Estate Group 2030 Goals for SDGs

In order to help realize a sustainable world and provide even more profound value to a wider range of stakeholders, the Mitsubishi Estate Group is implementing world-class initiatives on the four key themes of **Environment, Diversity & Inclusion, Innovation, and Resilience**.

<p><b>1. Environment</b></p> <p>Sustainable urban development that proactively addresses climate change and environmental issues</p>  <p><b>READ MORE</b> →</p>	<p><b>2. Diversity &amp; Inclusion</b></p> <p>Urban development that responds to lifestyle and human resources trends and facilitates active participation for all</p>  <p><b>READ MORE</b> →</p>
<p><b>3. Innovation</b></p> <p>Innovative urban development that continuously renews society</p>  <p><b>READ MORE</b> →</p>	<p><b>4. Resilience</b></p> <p>Dynamic, flexible urban development that builds disaster-resilient communities and prioritizes safety and security</p>  <p><b>READ MORE</b> →</p>

## Material Issues for the Mitsubishi Estate Group (Key areas to pursue in sustainability management)

<p>01</p>  <p><b>Environment</b></p>	<p>02</p>  <p><b>Globality</b></p>	<p>03</p>  <p><b>Community</b></p>	<p>04</p>  <p><b>Diversity</b></p>	<p>05</p>  <p><b>Declining Birthrate and Aging Population</b></p>	<p>06</p>  <p><b>Leveraging Existing Properties</b></p>	<p>07</p>  <p><b>Digital Innovation</b></p>
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→ [Material Issues of the Mitsubishi Estate Group](#)



# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

## Material Issues of the Mitsubishi Estate Group

The Mitsubishi Estate Group implemented internal working units throughout the Group in fiscal 2018 to promote further Group-wide integration of sustainability and management. In the working units, we newly identified the themes that the Group should focus on in consideration of the SDGs as the seven material issues (key issues in sustainability management) as well as the associated opportunities and risks. Then the Group formulated Mitsubishi Estate Group 2030 Goals for SDGs based on these seven material issues. The Group will work to achieve its key themes derived from this process in its Long-Term Management Plan 2030.

## Process for Identifying Material Issues

### STEP 01 Set out strengths/characteristics of each business unit

- Review process for each business
- Clarified strengths/characteristics (source of value creation) of own company

### STEP 02 Identified 55 changes in business environment related to business activities

- Identified social issues and trends, such as the SDGs
- Set out relationships between business processes and social issues and trends, such as the SDGs
- In addition to relationships with business processes, examined social environment and trends from the perspective of the Medium-Term Management Plan (fiscal 2018-2020) and the perspective of the executive office



## STEP 03

### Identified 24 key social issues and trends we should focus on from the three perspectives of business unit operations, the Medium-Term Management Plan (fiscal 2018-2020), and external evaluations

- Identified business opportunities and risks for each social issue and trend
- Grouped material issues based on opportunities and risks
- Careful review conducted by working group executive office

## 24 key Social Issues and Trends

- Worsening of climate change
- Exhaustion of existing natural resources and resultant changes in energy configuration in society as a whole
- Increase in frequency of natural disasters (including earthquakes)
- Further penetration of the Internet of Things (IoT) (including virtualization and acceleration of the proliferation of information)
- Increase in e-commerce and omni-channel commerce, and diversification of payment methods
- Economic growth of emerging nations, principally in Asia
- Rise in interest in physical and mental health, medical care, and wellness
- Acceleration of the aging population and changing position of the elderly in society in Japan
- Progress of the social advancement of women and the diversification of society
- Growth in need for social integration and universal design
- Increase in prevalence of aging public infrastructure and housing stock (including vacant housing)
- Changes in lifestyles and work styles
- Deterioration of the natural environment and depletion of natural resources
- Increase in social unease due to terrorism and crime (including risks from the outbreak of infectious diseases)
- Risk of rise in associated costs
- Improvements in artificial intelligence (AI) (including the spread of automated driving technology)
- Progress of globalization (including increases in inbound and outbound tourism and rise in immigration)
- Global population growth and shortage of food supplies
- Decline in the total population and working-age population of Japan
- Emergence of risks in the supply chain (including worsening of human rights issues)
- Increase in number of foreign workers in Japan
- Restructuring and revitalization of regional communities (including regional depopulation and population increases of major cities)
- Promotion of private sector vitality, as a result of the privatization of public facilities
- Diversification of consumption patterns, such as the sharing economy



## STEP 04 Implemented dialogue with stakeholders in order to share awareness internally and externally

- Prepared draft of material issues and carried out stakeholder interviews
- Submitted to management
- Carried out interviews with three outside experts for third-party opinions on the draft of material issues submitted to management

\* Titles as of December 2018

- Dr. Mika Takaoka (Ph.D. in Economics)  
Professor, College of Business, Rikkyo University
- Mari Yoshitaka  
Chief Environmental and Social Strategist, Environmental Strategy Advisory Division, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
- Dr. Norichika Kanie (Ph.D. in Media and Governance)  
Professor, Graduate School of Media and Governance, Keio University

(In no particular order)

## Material Issues of the Mitsubishi Estate Group

01



Environment

02



Globality

03



Community

04



Diversity

05

Declining Birthrate  
and Aging  
Population

06

Leveraging  
Existing  
Properties

07



Digital Innovation

## Mitsubishi Estate Group 2030 Goals for SDGs

In order to help realize a sustainable world and provide even more profound value to a wider range of stakeholders,  
the Mitsubishi Estate Group is implementing world-class initiatives on the four key themes of **Environment, Diversity & Inclusion, Innovation, and Resilience.**

\* Our materiality assessment results are signed off by Board of Directors.



# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

## Key Theme 1: Environment

### Sustainable urban development that proactively addresses climate change and environmental issues

#### Related SDGs



### Opportunities and Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>● Increasing need for acquiring and leasing of real estate with low environmental impact</li> <li>● Reducing waste accompanying longer demolition/rebuilding time spans due to effective use of existing properties</li> </ul>	<ul style="list-style-type: none"> <li>● Rise in vacancy rates and decline in sales closing rates and sales prices in the event of a late response amid an increase in the need to acquire and lease real estate with low environmental impact</li> <li>● Increasing cost for new real estate development due to stronger environmental regulations and for countermeasures due to tightening of standards for repair work</li> </ul>





## Main Values Provided

- Urban development managed for climate change, waste, and energy
- Efficient and eco-friendly urban development leveraging existing properties

## Targets and KPIs

1

### GHG Emissions Reduction Targets (revision in March 2022)

Targets approved by the SBT initiative in June 2022



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions<sup>\*</sup>)

\* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

### Renewable Energy Rate Target (revision in March 2022)

Joined RE100

RE100

- Achieve 100% group-wide by fiscal 2025



2

**Promote waste recycling and reduction of emissions focusing on food and plastic items**

**Waste recycling rate**

in 2030

**90%**

**Waste disposal**

by 2030

**20%  
reduction**

(compared to FY2019, per m<sup>2</sup>)

3

- Promote sustainable timber use

**OUR ACTION**



**Reducing GHG Emissions and Promoting Utilization of Renewable Energy**

[READ MORE →](#)



**Reducing Waste and Increasing Recycling Rate**

[READ MORE →](#)



**Making Use of Japan-grown Timber to Promote Sustainable Use of Forest Resources**

[READ MORE →](#)



## Key Theme 1: Environment

# Reducing GHG Emissions and Promoting Utilization of Renewable Energy

## Reducing Greenhouse Gases and Promoting Use of Renewable Energy

The Mitsubishi Estate Group set out Group-wide medium- to long-term greenhouse gas emissions reductions targets (approved by the SBTi\*<sup>1</sup> in April 2019) in March 2019. Moreover, in March 2022, the Group formulated new reduction targets in line with the Net-Zero Standard published by the SBTi in October 2021 (Targets approved by the SBT initiative in June 2022). The Group also joined RE100\*<sup>2</sup> in January 2020 and had committed to switching to 100% renewable energy for the electricity used in business by 2050. With the revision of the Group's targets in line with the Net-Zero Standard outlined above, the Group has also renewed its renewable energy rate target to achieve 100% group-wide by fiscal 2025.

These two goals are positioned as important parts of the Environment theme in the Mitsubishi Estate Group 2030 Goals for SDGs, and the Group is working together to deepen its initiatives in these areas.

\*1 The Science Based Targets initiative is a joint initiative by the World Wide Fund for Nature (WWF), CDP (an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts), UN Global Compact, and the World Resources Institute (WRI). The initiative encourages companies to set greenhouse gas emissions reduction targets based on scientific evidence, which are consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.)



\*2 RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.

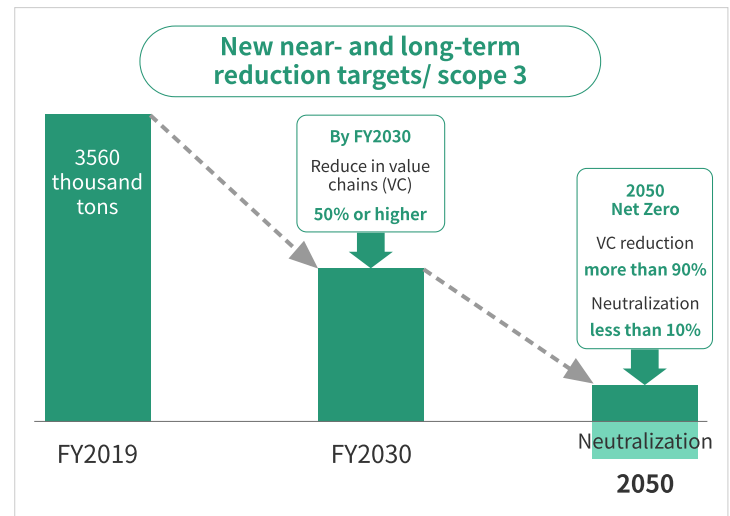
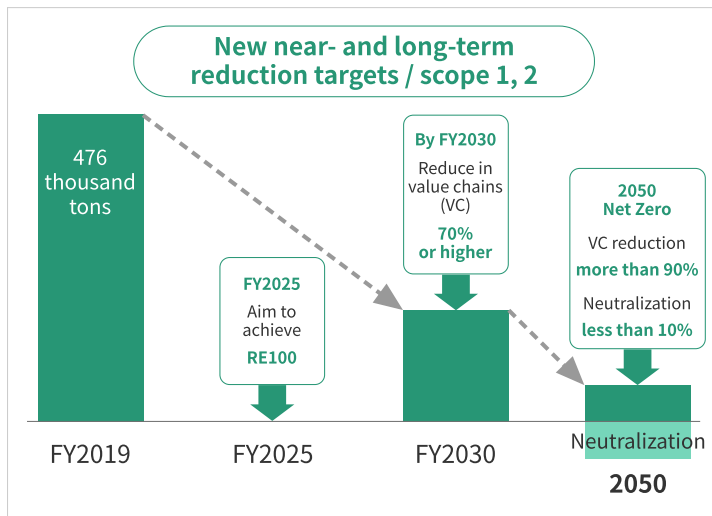
### GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions\*)

\* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.



## Based on SBTi's new Net-Zero Standard (1.5°C scenario)



## Scope-by-scope of the Group's primary sources of emissions and initiatives to reduce and neutralize them

- Scope 1: Direct burning of fuel (gas and heavy oil) from the heating supply business and the operation of emergency power generators**  
Of the emissions for FY2020 (base year), nearly all of the Scope 1 emissions resulted from the use of city gas in the heating supply business. Although these emissions reductions are currently unable to be calculated as part of reduction amounts under the SBTi, we will introduce carbon-neutral city gas using credits gained from forest absorption to help neutralize emissions outside the value chain. As of November 2021, Marunouchi Heat Supply Co., Ltd., has replaced all of the city gas it uses at its district heating and cooling plants with carbon-neutral city gas.
- Scope 2: Direct burning of fuel due to use of purchased electricity, steam, cold and hot water, etc.**  
Of the emissions for FY2020 (base year), the majority of Scope 2 emissions resulted from electricity consumption. In addition to further introducing renewable energy at our owned properties, we will aim to achieve a high level of environmental performance and energy efficiency at our properties under development. We will also actively pursue the acquisition of Zero Energy Building (ZEB) and Zero Energy House (ZEH) certifications, among others.
- Scope 3: Emissions from other business activities (building construction, use of sold real estate, etc.)**  
Of the emissions for FY2020 (base year), Scope 3 emissions mainly resulted from the use of construction materials in building construction and the use of sold products. In September 2021, we opened the Royal Park Canvas Sapporo Odori Park, Japan's first high-rise, hybrid-wooden hotel, which utilizes timber produced in Hokkaido. The amount of lumber used in the structural frames of the Royal Park Canvas Sapporo Odori Park is the largest in Japan, enabling the hotel to curtail approximately 1,380 tons of CO2 emissions compared with a building made entirely out of reinforced concrete. In this way, the Royal Park Canvas Sapporo Odori Park helps in the fight against global warming.  
Emissions derived from construction materials are an issue that we need to address throughout the entire supply chain of development and construction. Accordingly, we will deepen our collaboration with architectural design companies, construction companies, construction material manufacturers, and other stakeholders in an effort to reduce these emissions.  
Furthermore, for future emissions from the use of real estate purchased by customers, we are working to introduce renewable energy in such real estate in the same manner as we are doing via our Scope 1 and Scope 2 initiatives at Company-owned properties. We are also taking steps to reduce per-unit emissions via the introduction of energy-efficient equipment. In these ways, we are working to reduce overall emission amounts. Please see the following for details on the CO2 emissions reduction targets of Mitsubishi Estate Residence Co., Ltd., which handles condominium sales.

Mitsubishi Estate Residence CO2 Emissions Reduction Strategy (Japanese only) (PDF 1.3MB)





# Accelerating the Transition to Renewable Energy Sources to Achieve RE100

The Mitsubishi Estate Group has been actively introducing renewable energy since FY2021 to achieve RE100. In FY2022, the rate of renewable electricity reached approximately 50% as a result of transitioning to electricity derived from renewable sources at almost all of the approximately 50 Company owned office buildings and commercial facilities <sup>\*1</sup> located in Tokyo and Yokohama, as well as Company-owned buildings and facilities in Hiroshima and Sendai. The renewable electricity introduced by the Group complies with RE100, combining green electricity and FIT non-fossil-fuel energy certificates with tracking information. Since the buildings will be powered entirely by renewable electricity, <sup>\*2</sup> the tenants of said buildings are effectively deemed to be using renewable electricity.

\*1 "Company-owned buildings" refers to buildings and commercial facilities of which the Company owns a 50% equity stake or higher, excluding buildings owned in the capital-recycling business and buildings slated to be redeveloped. Regarding buildings and commercial facilities of which the Company owns less than a 50% equity stake, the Company intends to introduce renewable energy-based electricity at certain properties in collaboration with building operators and other parties.

\*2 Electricity supplied by gas cogeneration systems, etc., is generated using carbon-neutral city gas.

See the following for the list of building introducing renewable energy.

List of Buildings introducing Renewable Energy



## Promoting ZEB and ZEH in New Buildings and Rental Apartments to Reduce Environmental Impact

Mitsubishi Estate acquired its first ZEB Ready (office category) certification for a high-rise tenant office building, tentatively called the Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of November 2025.

The energy conservation measures employed in this project are tested at the Group's headquarters to ensure they are energy efficient and facilitate a comfortable environment. Starting with this property, the Group aims to achieve high environmental performance in line with ZEB requirements for all new buildings to be developed.

Furthermore, in February 2023 Mitsubishi Estate Residence started construction on (tentative name) the Osaka Abeno Showa-cho 3-chome Project, <sup>\*1</sup> the first rental apartment building in the Kansai region to meet ZEH standards. In

addition to meeting ZEH-M Oriented standards, the apartment building will use solar panels to generate electricity used in communal areas. These initiatives are part of Mitsubishi Estate Residence's goal to meet or exceed the ZEH-M Oriented Standard in new condominiums and new rental apartments under its CO2 emissions reduction strategies (formulated in January 2022). The entire Group will work together to reduce the environmental impact of its buildings and to provide new value.

\*1 This project falls under a basic agreement and general planning subcontracting agreement between ENEOS Corporation and Mitsubishi Estate Residence. The scheme designates ENEOS as the primary owner, while Mitsubishi Estate Residence is responsible for the project's design and other specifications as the general planner.



(Tentative name) Uchi-Kanda  
1-chome Project



(Tentative name) Osaka Abeno  
Showa-cho 3-chome Project





# Developing Logistics Facilities That Proactively Advance Initiatives for Reducing Environmental Impact

Mitsubishi Estate has adopted a general policy for the Logicross series of obtaining Building-Housing EnergyEfficiency Labelling System (BELS)\* certification for all logistics facilities since the November 2020 development of Logicross Ebina. Completed in November 2022, Logicross Osaka Katano obtained a five-star rating, the highest under the BELS certification system. In addition, Logicross Zama Komatsubara, completed in March 2022, obtained Zero Energy Building (ZEB) certification, a first for Mitsubishi Estate, by utilizing an in-house consumption scheme using electricity generated at the facility through solar panels.

\* A system established by the Ministry of Land, Infrastructure, Transport and Tourism to label energy-efficiency performance of new and existing buildings.



Logicross Zama Komatsubara



## Key Theme 1: Environment

# Reducing Waste and Increasing Recycling Rate

## Initiatives at Mitsubishi Estate Headquarters

Under "Environment," one of the key themes in Mitsubishi Estate Group 2030 Goals for the SDGs, the Mitsubishi Estate Group has set targets of 90% for waste recycling and a 20% reduction in waste disposal (compared to FY2019, per m<sup>2</sup>). The Group is also aiming to recycle 100% of waste in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts).

To meet these targets, in addition to introducing innovative technologies and revising methods of waste disposal, it is important for each and every one of us to make a conscious effort to reduce and sort waste, ensure appropriate recycling, and improve the recycling rate for resources. Japan's Basic Act on Establishing a Sound Material-Cycle Society stipulates a user-responsibility approach under which the waste generator bears responsibility for reduction, reuse, and recycle (3Rs). The Mitsubishi Estate Group is committed to collaborating with stakeholder tenants on 3R initiatives in order to work together to pass on a better society to the next generation.

Since February 2021, Mitsubishi Estate has been implementing an initiative to sort waste into 15 categories at its headquarters. In asking tenants to strengthen the sorting of waste, we worked with a manufacturer of fixtures to design and introduce a trash station that can hold 15 separate bins. The specifications will allow the bins to be integrated into a cabinet and, for hygiene considerations, there will be no flaps on the bin openings.

### Examples of initiatives aimed at strengthening sorting of waste at Mitsubishi Estate headquarters

- **Creating an environment that facilitates sorting of recyclable waste:** As most of the waste disposed of as combustibles is actually recyclable, trash stations that allow waste to be sorted into 15 separate bins have been provided in place of trash bins that were dedicated solely for combustibles.
- **Promoting recycling of mixed paper:** Mixed paper that is not soiled or specially processed, such as envelopes and paper bags, can be recycled into toilet paper, and better sorting is effective for reducing combustible waste in offices. At the trash stations, mixed paper bins have been installed next to the combustible bins to make sorting easy.
- **Promoting recycling by sorting PET bottles into three separate bins:** Empty PET bottles are sorted into the PET bottle bin, the caps go into a dedicated container, and the labels go into the waste plastic bin.



- **Establishing strict rules for sorting and disposing of lunchbox waste:** The rules for sorting and disposing of waste in shared office kitchens have been enforced. Empty plastic lunchbox containers go into the waste plastic bin, leftovers go into the food waste bin, and disposable chopsticks and paper napkins go into the combustible bin. Leftover drinks and ice are disposed of in the sink.

See the following for the list of the 15 waste categories. (Sustainability Guide Vol.2)

Waste Separation at a Glance (PDF 1.28MB)

PDF

## Initiatives in Collaboration with Tenants and Other Parties

### Circular City Marunouchi - An Urban Environment for Resource Recycling

As the third step in Circular City Marunouchi, an initiative aimed at 100% waste recycling with a focus on recycling of resources in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts), the Mitsubishi Estate Group is taking part in a business to recycle waste cooking oil used in restaurants in the Marunouchi area into sustainable aviation fuel (SAF) in the first business of its kind for a comprehensive real estate company. SAF is a fuel with non-fossil fuel feedstock. If 100% of the feedstock were to be waste cooking oil, CO<sub>2</sub> emissions throughout the value chain would be reduced by approximately 80% compared with conventional aviation fuel. The Group also started recycling of waste cooking oil into biodiesel fuel in March 2023. The biodiesel is used to fuel the trucks that collect the waste cooking oil. In the future, together with the use of SAF, Mitsubishi Estate will further develop programs for circular utilization of fuel in the Marunouchi area.

#### Step 1: The “Marunouchi to Go Project”

This is a project conducted in cooperation with restaurants in the Marunouchi area to distribute containers (to go boxes) and paper bags free-of-charge to enable takeaways of leftovers, which will lead to reductions in food loss. The paper bags are made from 100% recycled cardboard from offices in the Marunouchi area, and the containers are eco-friendly, being made from bagasse (strained lees from sugarcane).

#### Step 2: The Bottle to Bottle Recycle Circulation Program

A project working with Suntory Beverage & Food Limited and Coca Cola Bottlers Japan Inc. to collect plastic bottles discarded in 24 office buildings in the area and recycle them into new plastic bottles. By recycling approximately 600 tons of plastic bottles annually, it is calculated that CO<sub>2</sub> emissions throughout the value chain can be reduced 60%\* compared to the manufacture of raw materials sourced from petroleum.

We will continue to promote environmentally-friendly urban development in collaboration with diverse stakeholders, including the employees of tenants as well as visitors to the area.

\* Research by Mitsubishi Estate



## Initiative for Weighing the Waste of Retail Tenants

The Mitsubishi Estate Group believes that the cooperation of stakeholders, including tenants, in addition to the Group itself, is essential in achieving waste recycling rate and reducing waste disposal targets set under “Environment,” one of the key themes in the Mitsubishi Estate Group 2030 Goals for the SDGs, as well as the targets for the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts), and a waste recycling rate of 100%. As part of our collaboration with stakeholders, we began weighing the waste of each retail tenant in three buildings, starting with the Marunouchi Building in fiscal 2020, followed by the Shin-Marunouchi Building and the Marunouchi Park Building. We have been working with tenants to ensure thorough sorting of waste by assigning staff to support sorting, preparing manuals and videos, and raising awareness. As a result, the recycling rate for food waste increased 4.9% (total for three buildings compared to fiscal 2020). In the future, we will continue to increase the number of buildings taking part in the initiative while also renewing waste processing rooms and in-building garbage bins and reviewing their operation.

Going forward we will continue to promote environmentally-friendly urban development by striving to increase the recycling rate and reduce the volume of waste disposal with the understanding and cooperation of tenants to achieve a sound material-cycle society.

## GOTEMBA PREMIUM OUTLETS<sup>®</sup> food residue from restaurants used as recycled compost for in-mall greening

In September 2021, GOTEMBA PREMIUM OUTLETS<sup>®</sup> began a food recycling initiative contributing to the formation of a recycling-oriented society. Producing recycled compost from food residue generated within the mall reduces waste and enables such residue to be used as recycled food resources on the premises. Thus far, we have created three compost heaps within the mall from food residue generated by eight participating restaurants. This food residue is collected, biodegraded by microorganisms, and composted at a recycling center. The Company uses the recycled compost as a planting compost for mall-greening efforts, including at the Flower Terrace in GOTEMBA PREMIUM OUTLETS<sup>®</sup>.



GOTEMBA PREMIUM OUTLETS<sup>®</sup>





# Ecofurni, a Collection and Sales Service for Used Office Furniture

Mitsubishi Estate launched in March 2022 full-scale operation of Ecofurni, a service for collection and sale of used office furniture. Under this initiative, office furniture that is no longer needed due to office layout changes, etc., is collected from companies, inspected and cleaned in a directly-managed showroom-cum-warehouse, where it is displayed for sale as used furniture. The company is working to expand this business, including the opening of the second showroom in Ikebukuro this spring.

The used furniture at Ecofurni is also used in furnished offices where furniture is leased together with the office and subscription services for furniture and appliances. Products that have still not been shipped after a certain period of time are reused and recycled as much as possible rather than being treated as industrial waste. We will continue to focus on this environmental recycling-oriented business model that can contribute to both providing services to support flexible workstyles and realizing a sustainable society.



Examples of furnished offices using used furniture from Ecofurni

Ecofurni (Japanese only)







## Key Theme 1: Environment

# Making Use of Japan-grown Timber to Promote Sustainable Use of Forest Resources

## Promoting Utilization of CLT and Other Materials to Expand Use of Japan-grown Timber

Japan's forests account for some two-thirds of the country's land mass, with 40% being planted forests. More than half of these planted forests are five decades old or more, having reached their harvestable age. Expanding the harvesting and use of timber sourced from these forests not only helps promote Japanese forestry, which is facing the challenges of appropriate forest conservation and shortage of workers in the industry, but also contributes to the cycle of Japan's forestry resources, including helping to reduce CO2 emissions by fixing carbon in urban areas. Therefore, the Mitsubishi Estate Group has set out a goal to promote sustainable timber use and is promoting the utilization of Japan-grown timber and certified timber.

## Developing Various Initiatives to Bring Out the Value of Wood

The Mitsubishi Estate Group is promoting a switch to the use of timber construction and wood in its business activities from the perspective of sustainability. At Japan Wood Design Award 2022 (organized by Japan Wood Design Association), seven projects by six group companies, including Mitsubishi Estate Co., Ltd., won awards. The MOKUWELL HOUSE, Japan's first purely wooden prefabricated residence using cross-laminated timber (CLT)\* produced by MEC Industry received the Grand Prize (the Minister of Agriculture, Forestry and Fisheries Award).

Also, in October 2022, KIDZUKI, a platform for promoting a switch to the use of timber construction and wood developed by Mitsubishi Estate Home concluded an agreement on initiatives leveraging wood with Tamagawa Academy & University. Going forward, there will be deeper cooperation from the standpoint of environmental education to contribute to creating value for wood and solving environmental and social issues. While displaying synergies among Group companies, we will advance initiatives that utilize the appeal of wood with the aim of promoting the use of timber construction and wood in the cities of the future.

\* CLT consists of wooden panels formed by laminating layers of lumber perpendicular to one another. Compared with conventional wooden panels, its strength is more stable, and it also offers outstanding heat insulation. It is gaining attention as a construction material that will expand the applications of timber to large-scale structures such as condominiums and office buildings in addition to low-rise detached housing.



MOKUWELL HOUSE exterior



CLT manufactured at MEC Industry's own plant

## MEC Industry Aiming to Achieve an Appropriate Forest Cycle

MEC Industry was established in January 2020 with investment from Mitsubishi Estate Co., Ltd., Takenaka Corporation, Daiho Corporation, Matsuo Construction Co., Ltd., Nangoku Corporation, Kentec Corporation, and Yamasa Mokuzai Co., Ltd. with the goal of realizing a society that promotes effective use of wood. Combining the strengths of the seven companies and having its own plant enables integration of the previously fragmented business flow from manufacturing through to sales, making it possible to provide high quality products at a low cost.



MEC Industry's Kagoshima Yusui Plant

MEC Industry has its own plant in Yusui, Kagoshima Prefecture, which serves as a production site to make use of Japan-grown timber.

MEC Industry handles everything at its own plant from procurement of logs to manufacturing of CLT and 2x4s as well as manufacturing of building materials using wood materials and of prefabricated housing. Expanding the use of Japan-grown timber through these products fixes carbon absorbed by forests in urban areas helping to realize a decarbonized society. In addition, it is also expected to function as green infrastructure and contribute to maintaining and enhancing biodiversity and natural capital by promoting a cycle in Japan's planted forests, which are reaching optimum harvestable age. Moreover, the use of wood as a construction material, and particularly as the main structural material, reduces the use of steel and concrete and thereby enables the reduction of greenhouse gas emissions during construction, while making it possible to recycle materials when a building is eventually dismantled. MEC Industry is also working to reduce waste at its own plant through the use of wood scraps generated in manufacturing processes as a heat source for boilers and other measures.

In February 2023, MEC Industry and Yusui concluded an agreement on assistance and cooperation in the event of a disaster. If an earthquake, storm, flood, or other disaster occurs or is likely to occur in Yusui, MEC Industry will endeavor to ensure the safety of the people of Yusui by providing an evacuation site and building and supplying temporary emergency housing among other measures.



## Japan's First High-Rise Concrete-Wood Hybrid Hotel Using Hokkaido-Grown Timber

Mitsubishi Estate debuted The Royal Park Canvas – Sapporo Odori Park, Japan's first high-rise hybrid hotel built of reinforced-concrete and wood using Hokkaido-grown timber, on October 1, 2021. Located in Sapporo, Hokkaido, the hotel will be operated by Royal Park Hotels and Resorts. The property features a hybrid wood building with the lower and middle floors constructed from reinforced-concrete with wooden ceilings; one floor in the mid-rise section built with a hybrid reinforced-concrete and wooden structure; and the upper floors constructed using an entirely wood-built structure. The property is a new type of hotel never seen before which brings together all the advances in wood construction made by the Mitsubishi Estate Group to date.



A lounge furnished with Hokkaido-grown timber

Approximately 80% of the wood used as a structural material is Hokkaido-grown timber. The use of Sakhalin fir, which is the most abundant resource in any of Hokkaido's plantations, in various parts of the building, including the CLT flooring, contributes to promoting local industry and recycling forest resources. The interior designs of the hotel's guest rooms and lobby also make extensive use of timber. Further, the hotel is actively promoting local production for local consumption based on the "Hokkaido Experience," offering food and drink focusing on locally produced products. The project was selected for inclusion by the Ministry of Land, Infrastructure, Transport and Tourism in the Fiscal 2019 2nd Pilot Projects for Sustainable Buildings (Wooden Structure).

## Miyako Shimojishima Airport Terminal

Miyako Shimojishima Airport Terminal opened in March 2019 on Miyako Island, Okinawa, where there is abundant nature. It is the first airport terminal in Japan to utilize CLT as a structural material for the roof. The CLT was produced with regional wood designated by Okinawa Prefecture, thereby contributing to the vitalization of the regional forestry industry. The project has also implemented a range of energy-saving measures and earned the Net Zero Energy Building (ZEB) recognition, the first for airport terminals in Japan.



Check-in lobby using CLT as structural material for the roof



# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

## Key Theme 2: Diversity & Inclusion

### Urban development that responds to lifestyle and human resources trends and facilitates active participation for all

#### Related SDGs



### Opportunities and Risks

#### Opportunities

- Increasing demand for facilities and services to meet needs of global customers
- Alleviation of labor shortages through acceptance of foreign workers into Japan
- Rise in demand for facilities and services that respond to diverse lifestyles, workstyles, and consumption styles, such as the acceleration of teleworking and freelance working
- Growth in demand for facilities and services tailored to new needs due to demographic changes
- Increasing demand for facilities and services tailored to the concept of universal design, such as barrier-free layouts

#### Risks

- Increasing country-specific risks and compliance risks, including supply chain management
- Declining demand for facilities and services with inadequate provision for diversified needs
- Decreasing demand for facilities and services accompanying demographic changes (decline in working population, etc.)
- Decreasing user numbers and rise in vacancy rates in the event of a late response amid an increase in demand for facilities and services tailored to the concept of universal design, such as barrier-free layouts



## Main Values Provided

- Borderless urban development with respect for diverse backgrounds worldwide
- Socially inclusive urban development
- Abundant and comfortable urban development responding to demographic and lifestyle changes

## Targets

- Strengthen hospitality and realize stress-free cities
- Respect different lifestyles, local customs, religions, and sexual orientation
- Use timber that complies with the Sustainable Sourcing Code or equivalent and establish traceability of timber to be used in businesses

- Ratio of female managers: Over 20% by FY2030, 30% by FY2040, 40% by FY2050
- Ratio of male employees taking childcare leave of absence: Over 75% by FY 2025, 100% by FY2030
- Ratio of female employees taking childcare leave of absence: 100% every year until FY2030

## OUR ACTION



**Initiatives to Support Active  
Participation by Diverse  
People**

[READ MORE →](#)



**Initiatives to Address  
Globalization**

[READ MORE →](#)



**Action on Human Rights and  
Supply Chain**

[READ MORE →](#)



**Creating Workplaces with  
Diversity**

[READ MORE →](#)





## Key Theme 2: Diversity & Inclusion

# Initiatives to Support Active Participation by Diverse People

## Providing an Environment where People with Developmental Disabilities Can Live with Ease at The Green at Florham Park

Rockefeller Group International is the core company of the Mitsubishi Estate Group's operations in the United States. Engaging primarily in the real estate development and ownership and investment management businesses, it plays a key role in driving the Mitsubishi Estate Group's globalization. Rockefeller Group has been working in cooperation with its joint venture partners on The Green at Florham Park, a large-scale, mixed-use project combining offices, residential housing, and a hotel in Florham Park, New Jersey.



Exterior view of The Green at Florham Park

In October 2020, Rockefeller Group completed development of a 62-unit housing project dedicated to serving people with developmental disabilities seeking independent living opportunities and a high quality of life. In the past, there has been a lack of places where those with developmental disabilities can enjoy vibrant lives. The project has provided housing and an environment conducive to well-being and thereby enables the residents to enjoy their lives as active members of their local community.

This is an initiative which embodies the aim of contributing to a truly meaningful society through urban development as set out in the Mitsubishi Estate Group's philosophy, and recognized by Mark Taylor, the Mayor of Florham Park, as a "wonderful project for our community."

Video featuring the supportive housing project



# Initiative on Well-Being

The Marunouchi Infirmary was created based on input from working women. Helping address health issues that specifically affect the physical and mental well-being of women, including pre-menstrual stress, pregnancy, childbirth, and menopause, the infirmary conducts activities to enhance health literacy to increase understanding in the workplace and among women and provide health support. Through these activities, Mitsubishi Estate will promote well-being in its urban development, not only by itself but together with other companies that endorse its efforts, to realize a women-friendly work environment and culture so as to expand choices for working women at various life stages.

## Examples of Initiatives: 1 Supporting Better Health Literacy in the Marunouchi Area

The Online Marunouchi infirmary holds online seminars for men and women to learn about women's healthcare and related matters to promote mutual understanding. It has also established a contact point for consultations and counseling. In these ways, the Online Marunouchi infirmary extensively promotes health support through Marunouchi-based companies and for general visitors to the area.



## Examples of Initiatives: 2 Visualizing Working Women's Health Issues Faced by Companies

Working Women's Health Scores\* is a measure using data to visualize women's health, working environments, and other conditions by 14 companies centered on the Marunouchi area in cooperation with Femmes Medicaux, which offers consulting on women's healthcare, including on addressing the Health issues of modern women, and Mitsubishi Estate.

Mitsubishi Estate and Femmes Medicaux plan to extensively promote a service identifying issues based on the health scores of women, which will use the scores to highlight issues faced by working women at participating companies.



A large-scale, hands-on wellness event (Marunouchi Building, first floor, Maru Cube)

\* With the cooperation of Kanagawa University of Human Services, we developed survey categories based on an epidemiological survey. Approximately 3,400 women responded to the survey through the personnel departments of the 14 companies.

Marunouchi infirmary (Japanese only)





## Inclu Marunouchi, a Center for Supporting the Employment of People with Disabilities

Tokyo's Marunouchi area has about 4,300 companies, each of which supports employee diversity and work-life balance while also providing a working environment that welcomes people with physical and mental disabilities.

The Mitsubishi Estate Group is creating communities it hopes will be areas in which anyone, regardless of disabilities, can work comfortably in the Marunouchi area. As part of these initiatives, the Group has been operating since October 2018 Inclu Marunouchi, a center for supporting the employment of disabled people and providing information, on the fifth floor of the Shin-Kokusai Building, in cooperation with Startline Co., Ltd., a company offering consultation and support for disabled people.



Bright entrance of Inclu Marunouchi

Inclu Marunouchi provides companies with a wide range of support services utilizing the Marunouchi area's convenience and sense of community, such as providing information on employment for disabled people, offering satellite offices staffed with support staff and providing consulting services. Mitsubishi Estate works closely with companies using the center and develops new ideas and programs to create a working environment where employees with disabilities further demonstrate their abilities.

→ [Inclu Marunouchi \(Japanese only\)](#)

## Cotooffice, the Working Space with a Built-In Daycare Center

Businesses urgently need to address the shortage of daycare centers to support their child-rearing employees and avoid a loss or shortage of human resources resulting from extensions of childcare leave or resignation. Further, as many businesses make efforts directed at workstyle reform, it will be necessary to embrace further flexible workstyles through the introduction of telecommuting and utilization of diverse facilities and infrastructure. To meet these social needs, and to provide tenant companies and employees in the Marunouchi area a diversity of high-quality services, in April 2018 Mitsubishi Jisho Property Management opened a new business called "Cotooffice – Working with Your Children in the Office," a working space with a daycare center attached, at the Shin-Kokusai Building. It is the first such endeavor for the Mitsubishi Estate Group. In addition, Cotooffice Sanno Park Tower opened as a daycare center for residents of the Sanno Park Tower. Through the Cotooffice, Mitsubishi Jisho Property Management responds to the needs of those working for tenants in buildings managed by the company and provides a safe and secure childcare service with facilities on par with licensed daycare centers. It also works together with Mama Square, a company with experience managing childcare facilities on company premises, to provide safe, reliable childcare services.



Cotooffice in Shin-Kokusai Building

These facilities provide amenities such as laundry and diaper service, and a daycare app, at no extra charge, to reduce the burden on parents commuting to work with their children. They also offer unique education programs that take advantage of the unique features the Marunouchi area offers. These include an intellectual training program created in collaboration with Mitsubishi Ichigokan Museum, Tokyo, a nature program that gives children the chance to experience nature in the Marunouchi area, a green oasis within the city, and English programs for children. Such programs and services will not be limited to the Marunouchi area, but will be extended to buildings across Japan owned and managed by the Mitsubishi Estate Group.



Cotooffice in Sanno Park Tower





## Key Theme 2: Diversity & Inclusion Initiatives to Address Globalization

# Launch of WELL ROOM Healthcare Service Available in Multiple Languages

Mitsubishi Estate founded WELL ROOM Co., Ltd., and began the WELL ROOM healthcare service, available in multiple languages, in November 2021. Primarily targeting small and medium-sized enterprises and start-up companies, WELL ROOM provides not only referrals to medical institutions offering health checkups but also mental health and industrial physician consulting services to people who speak different languages and who are from various cultures, in order to realize comprehensive healthcare management for employees regardless of their nationality.

Through this service, we will alleviate the fears and anxieties often felt by non-Japanese people working in Japan regarding medical treatment and healthcare while helping mitigate the risk of non-Japanese people taking a leave of absence or resigning from their positions by reinforcing our efforts in relation to mental healthcare, which has been in the spotlight as a result of the COVID-19 pandemic.



WELL ROOM website pages

# Enhancing Universal Design of JNTO Tourist Information Center (TIC) for Overseas Visitors

Commissioned by the Japan National Tourism Organization (JNTO), Mitsubishi Estate has been operating the JNTO Tourist Information Center for overseas visitors (JNTO TIC) in the Marunouchi area since January 2012.

Since its establishment, Mitsubishi Estate has put efforts into universal design that can be easily accessed by all people including overseas visitors that are elderly or have disabilities. In April 2019, Mitsubishi Estate further enhanced the universal design in terms of both the physical and human environment. In light of the recent increase in the number of elderly and disabled overseas visitors to Japan, Mitsubishi Estate entrusted supervision of the improvements to Inclu Marunouchi, a facility that supports employment for people with disabilities in the Marunouchi area, while also referring to feedback from travelers with disabilities.

In the physical environment, Mitsubishi Estate introduced tactile paving and Braille Neue, a new style of braille that can be read with both the eyes and the fingers by overwriting letters onto braille. Mitsubishi Estate also improved the human environment, which includes the staff of JNTO TIC taking the Universal Manners Test (UMT).

As a progressive tourist information service that can be used in comfort by all visitors to Japan, JNTO TIC will also work to share its knowledge on support for universal design in such ways as hosting inspection tours by tourism information centers from all over Japan.



Braille Neue, a new style of braille that can be read with both the eyes and the fingers



Staff from Inclu Marunouchi checking the braille

→ [Inclu Marunouchi, a Center for Supporting the Employment of People with Disabilities](#)





## Key Theme 2: Diversity & Inclusion Action on Human Rights and Supply Chain

# Conducting Corporate Human Rights Due Diligence to Engage in Business Activities with Respect for Human Rights

The Mitsubishi Estate Group has set diversity & inclusion as one of the key themes for the realization of the Mitsubishi Estate Group 2030 Goals for SDGs. Respect for human rights is an essential element in the realization of a sustainable world. In order to fulfill its duty to respect the basic human rights of all stakeholders, the Group formulated the Mitsubishi Estate Group Human Rights Policy in April 2018 and conducted corporate human rights due diligence. Taking the results into consideration, the Group decided to implement the following initiatives to provide solutions for social issues.

## 1. Using sustainably-sourced timber for concrete formwork panels

The concrete formwork panels<sup>\*1</sup> used in construction of offices and housing are made of lumber imported from Southeast Asia countries such as Malaysia and Indonesia. NGOs and other institutions have said that procurement of some of these materials involves illegal logging, including the taking of indigenous peoples' lands and the destruction of the environment.

From the perspectives of human rights and environmental protection, the Mitsubishi Estate Group uses timber that complies with the Sustainable Sourcing Code<sup>\*2</sup> (certified lumber or Japan-grown timber) or equivalent as the timber in its concrete formwork panels. The Group aims to achieve a usage rate of 100% by 2030.

\*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

\*2 The code, in which international agreements and guidelines for sustainability in different sectors are used as a reference, specifies guidelines and methods of operation aimed at implementing sustainability-oriented procurement, among other matters.



Usage rate of lumber that complies with Sustainable Sourcing Code for Timber or equivalent



Example of formwork panels in use

## 2. Respect the human rights of foreign technical interns

The Group will request its suppliers to instruct and make known to their associates, where it is assumed that many technical interns work, matters in the activities of technical interns that often go unnoticed, such as issues related to pay and daily life, which were revealed in interviews conducted with foreign technical interns.

## 3. Corporate human rights due diligence concerning overseas businesses

When considering business activities in Asia, where there are many cases of human rights violations in general, the Group will conduct corporate human rights due diligence using checklists to confirm whether there were any issues such as forced evictions in the area. The result will be used in decision-making when participating in business activities.

Human Rights Initiatives





# Ensuring Traceability in Newly-Built Condominiums for Sale

In its newly-built condominiums for sale, Mitsubishi Estate Residence is using concrete formwork panels<sup>\*1</sup> based on sustainable sourcing standards for timber and to ensure traceability.

To ensure traceability, all companies in each stage of distribution, including logging and supply, must be certified. Mitsubishi Estate Residence has been working to ensure traceability by using timber that has obtained FSC forest management certification, which confirms that forests are properly managed, and a FSC chain of custody (CoC) certification, which verifies that timber produced in FSC-certified forests is managed and processed appropriately in the subsequent stages of distribution. However, there were still many companies ranging from formwork processors to construction companies that have not obtained CoC certification. This was an issue because certification doesn't cover the entire distribution chain, which meant that traceability was not completely ensured.

To address this issue, Mitsubishi Estate Residence has started an initiative to ensure traceability throughout the supply chain by building a scheme to obtain third-party certification from Japan Gas Appliances Inspection Association, a third-party certification body, based on the use of materials certified under the Programme for the Endorsement of Forest Certification (PEFC), a global alliance of national forest certification systems that mutually endorses their certification systems. The initiative commenced with The Parkhouse Komazawa Residence, which was completed in December 2021, and the traceability of the timber in concrete formwork panels in all buildings will be ensured in fiscal 2030. In order to strengthen the initiative, Mitsubishi Estate Residence will also aim to obtain international certification in addition to the third-party certification method. At The Parkhouse Takanawa Matsugaoka, which went on sale in July 2021, the company obtained FSC<sup>\*2</sup> project certification for the supply chain component. This is a worldwide first-case<sup>\*3</sup> of obtaining project certification based on FSC standards for concrete formwork panels, and has been achieved through cooperation with Kiuchi Construction Co., Ltd.

As a leading company in the newly-built condominiums for sale industry, Mitsubishi Estate Residence is working to make this an industry-wide initiative by communicating the issues and solutions both internally and externally.

\*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

\*2 Forest Stewardship Council<sup>®</sup>: An independent, non-profit organization that promotes responsible management of forests worldwide and operates an international forest certification system.

\*3 According to research by Mitsubishi Estate Residence



# Promoting Efforts in Supply Chain Management

In order to help realize a sustainable and truly meaningful society through its business activities, the Mitsubishi Estate Group believes it is important to promote efforts across the supply chain. As such, the Group established the Mitsubishi Estate Group Supplier Code of Conduct based on the Code of Conduct and Guidelines for Conduct. The Supplier Code of Conduct has been published on the corporate website, and disseminated to the Group's major business partners. It sets out obligations that suppliers are required or expected to fulfil, which include compliance with laws and regulations, respect for human rights, respect for local communities and indigenous peoples' rights, occupational health and safety, practice of corporate ethics, protecting the environment and reducing environmental impact, guaranteeing information security and establishing a risk management system.

The Group asks its suppliers to also strive to disseminate this Code of Conduct to their business partners so that they understand and cooperate with its spirit and content, and thereby continue to promote efforts to fulfill its social responsibility across the supply chain with the aim of realizing a sustainable society.

## Establishment of Mitsubishi Estate Group Supplier Code of Conduct

[Establishment of Mitsubishi Estate Group Supplier Code of Conduct](#)



## Notification in and outside of the Group on the Supplier Code of Conduct

[Notification in and outside of the Group on the Supplier Code of Conduct](#)



## Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk

[Conducting Self-assessment Questionnaire \(SAQ\) on Suppliers with High Sustainability Risk](#)






# Assessment of Human Rights and Environmental Risks Associated with Construction Materials

In FY2022, Mitsubishi Estate assessed human rights and environmental risks associated with each of the construction materials used at its construction sites. Identifying the materials used in each of more than 20 varieties of construction materials with the highest weight ratios used at our construction sites, we checked the principal places of production and importing countries of 18 staple materials and determined related human rights and environmental risks. We plan to examine countermeasures regarding construction Material risks to focus on in the future.

## Assessment of Human Rights Risks Associated with Technology

The Company has set out the Mitsubishi Estate Digital Vision, which aims to promote new urban development that allows people to experience convenient living environments through digital transformation (DX). In FY2022, we identified and assessed the actual and potential impact on human rights of services and products related to technology for realizing our vision based on a human rights assessment process to promote business activities with consideration for human rights. We will explore appropriate countermeasures for preventing and mitigating human-rights risks.





## Key Theme 2: Diversity & Inclusion Creating Workplaces with Diversity

### Initiative Policies

The Mitsubishi Estate Group recognizes that respect for human rights and accommodation of diverse human resources and workstyles are crucial to management and business activities. Accordingly, the Mitsubishi Estate Group Guidelines for Conduct include provisions related to respect for human rights and diversity and empowerment of individuals, and the Mitsubishi Estate Group Human Rights Policy has been established to direct steadfast efforts based on these guidelines. Based on this human rights policy, the Group has formulated plans for specific human rights themes such as the action plan in accordance with Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace formulated for the purpose of empowering female employees. Moreover, based on the opportunities and risks described in the Mitsubishi Estate Group 2030 Goals for SDGs, we have established KPIs and work actively to develop various programs to form the foundation for challenge and innovation by employees.

The Group is also focusing efforts on enhancing personnel programs with awareness about ease-of-working for a variety of life stages, well-being, and work-life integration\*. There is a particular emphasis on developing an environment enabling anyone, regardless of gender, position, form of employment, age, and other attributes, to express their thoughts freely and engage in dialogue and opinions in discussions within the company (realization of diversity in opinions).

We will continue incorporating feedback from employees while we strive to create a vibrant organization that allows even more diverse human resources to play active roles with diverse workstyles and create change, leading to sustainable growth for the Mitsubishi Estate Group.

\* Achieving comprehensive fulfillment in both work and life without barriers separating the two



# Targets, Results, and Main Initiatives

## Percentage of female managers (Scope: Mitsubishi Estate Co., Ltd.\*<sup>1</sup>)

### ● Targets:

- Over 20% by FY2030, 30% by FY2040, and 40% by FY2050

### ● Results:

- FY2023: 7.3% (as of April 1, 2023); FY2022: 7.2% (as of April 1, 2022)

### ● Initiatives

- Raised the percentage of female employees accounted for by assistant manager-level employees eligible as candidates for management positions
- Plans in place to implement a survey and introduce measures to promote gender diversity

Sustainability Activities (ESG) > Social > Promoting Diversity > Empowerment of Women



## Rate of use of male employees taking childcare leave of absence (Scope: Mitsubishi Estate Co., Ltd.\*<sup>2</sup>)

### ● Targets:

- 100% every year until FY2030

### ● Results:

- FY2022: 11.0.6%; FY2021: 75.5%;

### ● Initiatives

- Disclosed the percentage of male employees taking childcare leave
- Encouraged the taking of childcare leave (periodically issued literature on taking childcare leave to male employees with newborns while encouraging employees who had yet to take childcare leave to discuss doing so with their superiors)
- Facilitated roundtable discussions among male employees with experience of taking childcare leave (held roundtable discussions with male employees who have taken childcare leave to share their experiences with fellow Company employees)
- Create and promote awareness of a handbook on pre- and post-childbirth leave and childcare leave summarizing childcare and other types of leaves of absence and procedures for leave takers to follow
- Plans in place to implement the following initiatives
  - Monitor the ratio of male employees taking childcare leave (contact male employees who have not taken childcare leave for more than a certain period after the birth of their child and confirm their intentions and other relevant information)



# Rate of female employees taking childcare leave of absence (Scope: Mitsubishi Estate Group<sup>\*3</sup>)

## ● Targets:

- 100% every year until FY2030

## ● Results:

- FY2022: 100%; FY2021: 98.7%

## ● Initiatives

- Provided a handbook offering support regarding pregnancy, childbirth, and reinstatement to work
- Carried out consultation sessions
- Held platforms (such as roundtable discussions and lectures) offering information helpful to achieving a work–life balance and developing a career
- Carried out interviews for employees with their department and with the Human Resources Department when they are reinstated to work following childcare leave
- Plans in place to set up a working group for promoting the active participation of women in the workplace to hold events and other activities in relation to creating networks and navigating life events

Sustainability Activities (ESG) > Social > Promoting Diversity



\*1 Scope of targets changed to Mitsubishi Estate in conjunction with their upward revision in FY2022

\*2 Scope of targets changed to Mitsubishi Estate in FY2023

Denominator and numerator are calculated as follows:

<Calculation method until FY2020>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees whose spouse gave birth during the corresponding fiscal year and who took maternity leave during the corresponding fiscal year

<Calculation method from FY2021>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees who took maternity leave during the corresponding fiscal year

\*3 Five Mitsubishi Estate Group companies: Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Design, and Mitsubishi Real Estate Services

# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

## Key Theme 3: Innovation

### Innovative urban development that continuously renews society

#### Related SDGs



### Opportunities and Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>● Decreasing cost of environmental countermeasures and investment with the advancement of technological innovation</li> <li>● Rise in the efficiency and convenience of operating facilities through utilization of IT and robots</li> <li>● Increasing need and opportunities for utilization in smart communities, residences, and offices</li> </ul>	<ul style="list-style-type: none"> <li>● Declining demand for brick-and-mortar stores and services accompanying the advance of online buying and selling, such as electronic commerce</li> <li>● Decreasing demand for facilities and services due to late response to IT and digital innovation</li> <li>● Loss of opportunities because of a late response amid an expansion in development opportunities and demand for smart communities, houses, and offices</li> </ul>



## Main Values Provided

- Interactive, value-added urban development based on knowledge-building and networks
- Cutting-edge urban development with continual open innovation

## Targets

- Innovate business models and maximize performance
- Support the creation of new ideas and businesses from the perspective of urban development, contribute to the growth of cities and industries

## OUR ACTION



**Operating Incubation Offices**

[READ MORE →](#)



**Promoting Real Estate  
Digital Transformation (DX)  
Leveraging the Latest  
Technologies**

[READ MORE →](#)



**Creating Innovation through  
Collaborations and Alliances**

[READ MORE →](#)



## Key Theme 3: Innovation Operating Incubation Offices

### Creating Innovation through the Operation of Incubation Offices

Mitsubishi Estate has been establishing organizations to assist venture companies since 2000 and develops and operates business support facilities for growing companies from Japan and overseas, mainly in the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts). Mitsubishi Estate supports the growth of start-up companies in ways that are both tangible (creating venues to congregate and interact) and intangible (promoting interaction).

#### EGG, an Innovation Ecosystem Hub

EGG was relaunched in December 2022 with a change of name, a floor expansion and refurbishment, and rebranding. Since 2007, EGG has operated as a business site for growing companies from Japan and overseas. Through this recent renewal, the aim is to further increase the concentration of growing companies from Japan and overseas and enhance the value added of the area as a neighborhood overflowing with opportunities for collaborations and co-creation between companies promoting new technologies and business, in addition to helping to increase Japan's competitiveness.



#### FINOLAB, a Company to Support FinTech Development

The FinTech Center of Tokyo (FINOLAB) is a membership-based community and space based in the Otemachi area of Tokyo aiming to create a FinTech ecosystem and generate new businesses. Mitsubishi Estate established FINOLAB in February 2016 in cooperation with Dentsu Inc. and Information Services International-Dentsu, Ltd. as Japan's first FinTech hub. The center is currently managed by FINOLAB Inc.



Shared space

Through collaboration with different industries centered on FinTech, FINOLAB supports the development and growth of start-ups, providing the solutions and environment for major companies to promote innovation and help solve issues of business creation. It also aims to build next-generation business ecosystems capable of creating businesses that solve social issues.

## Global Business Hub Tokyo, a Shared Workspace Linking Otemachi with the World

The Global Business Hub Tokyo in the Otemachi Financial City Grand Cube is one of the largest business support facilities in Japan for startups and up-and-companies from Japan and overseas. The facility provides business matching events and high-quality networking opportunities, contributing to the development of business for the companies using it. The Global Business Hub Tokyo aims to help create the world's business center of choice in Otemachi, Tokyo.

\* Run by the General Incorporated Association Global Business Hub Tokyo and staffed by Mitsubishi Estate



Terrace Lounge

## Inspired.Lab, an Open Innovation Hub That Encourages Collaborative Creation

Inspired.Lab is a co-working space established by Mitsubishi Estate together with SAP Japan Co., Ltd., a subsidiary of the software company SAP SE, in the Otemachi Building in February 2019. The space is occupied by technology startups and new business development teams from major corporations working on creating new businesses in cutting-edge areas such as AI, IoT, and robotics.

The facility contains a lounge space for stimulating interaction, workshop spaces to use for idea sharing, and a work area that can be used to create prototypes of ideas. Staff from SAP are also permanently onsite to provide both physical and human support for new business creation, including the provision of programs for discovering and developing innovation. Inspired.Lab helps its users test and verify their ideas in the facility, the building, and the surrounding area, thereby facilitating speedy commercialization. Since the facility began operating, a number of new businesses have come to fruition based on the open environment.



Entrance

## TMDU Innovation Park (TIP), a Medical and Research Site-Based Innovation Community

TMDU Innovation Park (TIP), established in Ochanomizu, Tokyo in August 2021 to realize a society with better medical care and better health for people, is an innovation community to drive collaboration by academia, companies and start-ups from diverse industries, and government, leading to medical and healthcare innovation.

TIP is a demonstration project to engage in open innovation in an environment in close proximity to the research, educational, and medical sites of Tokyo Medical and Dental University. The university and Mitsubishi Estate are jointly planning and running the project based on a joint research agreement concluded in July 2021. It is hoped many will take advantage of TIP to share time, space, and minds among industry, academia and government, which in turn create ideas that cannot be conceived by a single university or company and accelerate the pace of innovation with the ultimate goal of delivering total healthcare innovation.



Innovation XR Lab



## TOKIWA BRIDGE Serviced Offices for Recently Established Start-Ups

Located on a floor of the TOKYO TORCH (Tokiwabashi Project in front of Tokyo Station), TOKIWA BRIDGE is a serviced office center for start-ups that launched in January 2022. Companies that are eligible to become tenants are domestic recently established start-ups and carve-out companies spun off from larger ones as external businesses. With a maximum tenancy period of three years until December 2024, the facility is designed for new companies to blossom.



TOKIWA BRIDGE provides the growing startups with the offices they need to foster a corporate culture, promote interaction among employees, and attract new human resources. Newly designed, flexible contract and usage formats, including day-of-the-week leasing and hot-desking, help accelerate their business growth.

\* TOKIWA BRIDGE is a facility with a limited period until December 31, 2024.

## Yurakucho SAAI Wonder Working Community

The Yurakucho SAAI Wonder Working Community is a membership-based working community with a hub on the 10th floor of the Shin-Yurakucho Building where individuals with diverse values come together to encounter new sensibilities and give shape to ideas. The main target is entrepreneurs and potential entrepreneurs with a focus on people and individuals.



The aim is to create a community that will nurture individuals not restricted to the conventional framework, such as people who want to take on new challenges while belonging to a company or people in charge of new business searching for businesses within the company, and enable them to thrive and succeed in the era of side jobs and second jobs.



# YOXO BOX Venture Company Growth Support Center

YOXO (pronounced “Yokuzo”) BOX is a growth support center for venture companies established in October 2019 in Kannai, Yokohama. In addition to 12 YOXO BOX OFFICE serviced offices that come with business support, the center is equipped with a co-working space to encourage interaction and an event space that can accommodate up to 100 people.



The name YOXO BOX expresses the meaning that the center will be a sandbox (= testing ground) for creating new interaction in Yokohama. It will promote activities to realize “Innovation City Yokohama” by providing attractive business networks of collaboration between industry, government, and academia, consisting of a large number of mentors, including university professors and well-known entrepreneurs, tenant companies, major companies, and Yokohama City, as well as a full range of business support systems, including programs to support entrepreneurs and promote the creation of businesses, such as a start-up advice service.

See the following website for more details about each facility.

[Mitsubishi Estate Office Information](#)







## Key Theme 3: Innovation

# Promoting Real Estate Digital Transformation (DX) Leveraging the Latest Technologies

## Formulation of Digital Vision

In June 2021, we formulated the Mitsubishi Estate Digital Vision, a concept that aims to leverage digital transformation to create urban environments allowing ordinary citizens to enjoy comfortable living. Under this vision, the Group will develop environments that allow users to enjoy experiences in urban settings while moving freely between online and offline worlds by extending the physical contact points with customers that it has built up in its real assets and diverse business portfolio. In addition, we will pass on the data accumulated through these experiences to users in the form of various optimized services and new service offerings. Mitsubishi Estate will evolve urban environments into platforms for new discoveries and inspirations by promoting the creation of environments where people and companies can assemble, meet, and interact both online and offline with other people and other companies.

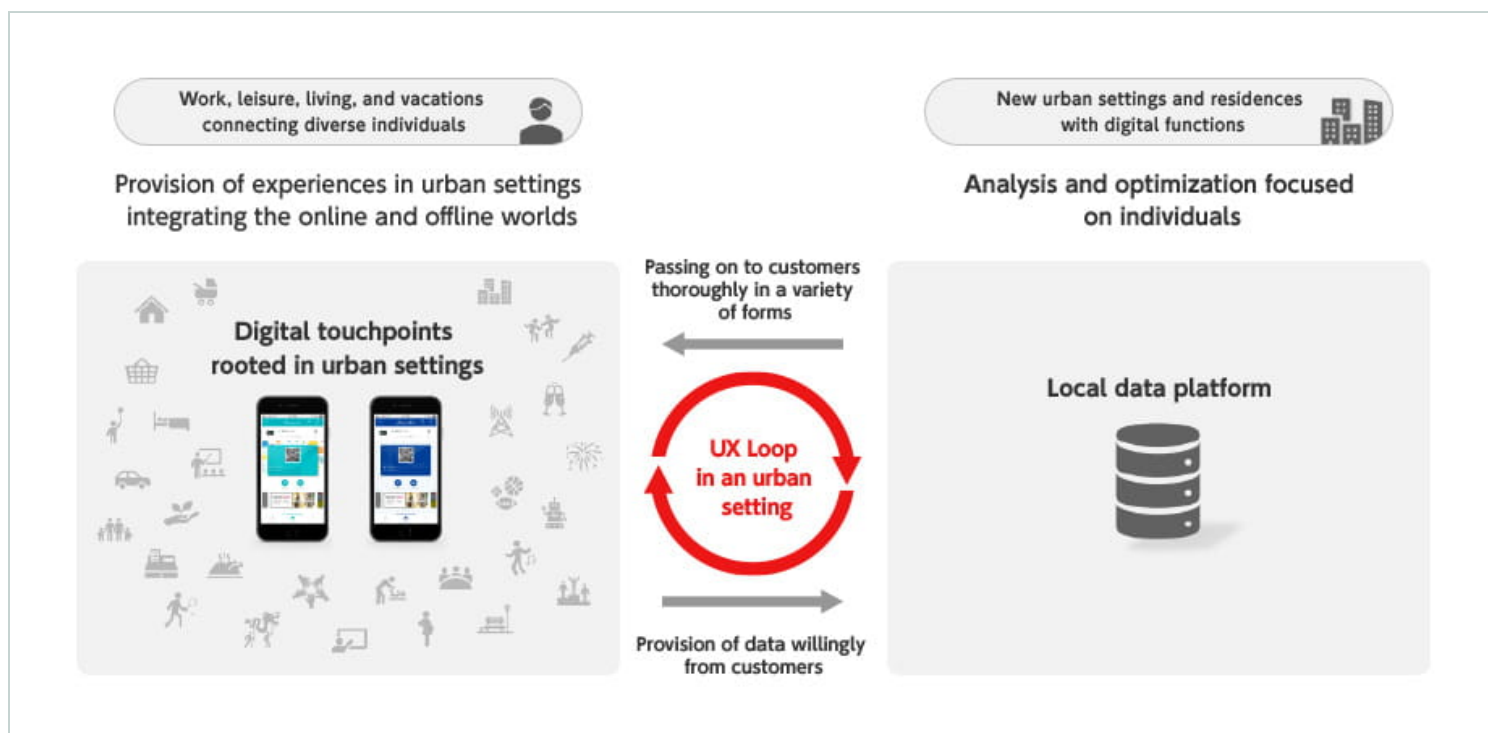
As part of our efforts to realize this vision, we have built Machi Pass, a common authentication ID. Twenty-three services both inside and outside the Group are linked with this ID as of July 1, 2023. Via this single common authentication ID and a password, users can take advantage, if they so wish, of a variety of services offered in an urban setting as well as receive optimized information and services based on such data as their user history and location information. This initiative will help evolve the urban setting into a place that provides enriched user experiences by accumulating and optimizing the experiences of individual customers as data and passing it on to them to facilitate even better experiences.

Mitsubishi Estate has been selected for inclusion as one of the Noteworthy DX Companies 2023 by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

### [Mitsubishi Estate's Digital Vision goals]

- (1) Help address social and individual challenges by providing online and offline experiences where participants can come and go as they please
- (2) Continuously update experiences by analyzing and using overarching project data and data generously provided by individuals
- (3) Build an open ecosystem with relevant city parties and encourage participation and cocreation with a variety of players





## Primary Initiatives Promoting Next-Generation Services Utilizing Robots

Along with its promotion of smart cities, Mitsubishi Estate has formulated the Mitsubishi Estate Digital Vision and is advancing urban development that allows people to experience convenient living environments through digital transformation (DX).

As part of these efforts, the Company will offer new services featuring the deployment of robots at facilities and in various urban environments. This will be achieved by promoting the creation of robot-friendly environments facilitating the introduction of robots

that can be accessed both online and offline to support the provision of advanced services in smart cities. As well as alleviating labor shortages, making use of robots also helps increase efficiency in maintaining and managing facilities. As the COVID-19 pandemic has prompted an increase in the need for non-face-to-face and non-contact services, the range of tasks that robots are uniquely placed to perform has expanded. At the same time, robots' communication and coordination with elevators and security doors are indispensable for their smooth operation. To this end, Mitsubishi Estate will take on the responsibility of acting as a hub for cooperation between all stakeholders—including local governments, tenant companies, robot manufacturers, and security and cleaning companies—to promote next-generation urban development.

Outline of Initiatives for Creating Robot-Friendly Environments



## Establishment of Digital Transformation Human Resources Development Program MEDiA (MEC Digital Academy)

In order to achieve the Mitsubishi Estate Digital Vision which aims for new lifestyles and urban environments that fuse offline and online worlds, Mitsubishi Estate established MEDiA (MEC Digital Academy), a digital transformation human resources development program for all employees, including those of Group companies (approximately 10,000 people) in October 2022.

In addition to revising eligibility and content for training related to the digital field conducted in the past, we introduced Udemy Business online training content, which helps to upgrade the digital literacy of all Group employees. In addition, we established new advanced programs that match the different skill levels of individual employees with the aim of providing a better user experience (UX) in each business area and increasing the precision of business and management decisions through advanced analysis and use of data.

## HOMETACT, a Comprehensive Smart Home Service Aimed at Helping to Reduce CO<sub>2</sub> through HEMS Support

Leveraging its knowledge as a comprehensive real estate developer, Mitsubishi Estate has developed HOMETACT\*, its own smart home service which is easy to introduce in the Japanese home environment and is being adopted in The Park Habio series of rental condominiums by Mitsubishi Estate Residence. We are also working to provide the service outside of the Group.

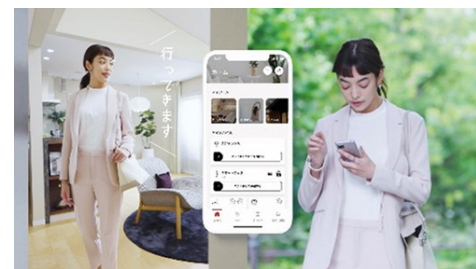
The company has worked to leverage digital transformation in the area of real estate management, such as unattended property viewings and package drops using smart locks and face authentication systems. In addition, we have agreed to a partnership with LIXIL Corporation and mui Lab, Inc. in the energy management field to undertake joint development of home energy management system (HEMS) to help reduce CO<sub>2</sub>.

The partnership will not only significantly expand the range of household devices that can be linked, but by developing an interface that will allow households to understand the amount of energy they use intuitively, will also increase user awareness of conserving energy and provide support for an environmentally-conscious lifestyle. The ecosystem is continuing to expand through partnerships with more than 20 companies already.

\* HOMETACT is a comprehensive smart home service that enables control of a wide range of IoT devices across multiple manufacturers, including air conditioning, televisions, lighting, and curtains, using a smartphone app and smart speakers. With the implementation of HEMS functions, it is evolving into an energy saving solution.

三菱地所の総合スマートホームサービス

# HOMETACT





# Utilizing IT in Condominium Management

## Streamlining Operations Using Chatbots

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Mitsubishi Jisho Community, which manages condominiums for sale and lease, office buildings, and public facilities, began operating Chatbots, an automated conversation program using artificial intelligence (AI), on LINE in October 2019. Chatbots automatically reply to typical inquiries and requests from customers, business partners, real estate brokers, remodeling contractors, and others, resulting in reduced customer wait times. In so doing the company is working to increase service efficiency through the utilization of IT.

In addition, customers who belong to Mitsubishi Jisho Residence Club, the customers' membership organization across the Mitsubishi Estate Group, can receive information on the club's benefits and services in a timely manner on LINE.

In the future, Mitsubishi Estate is considering sending the regular notifications for each condominium via LINE and making it possible for customers to submit a variety of documents to the management association or the managing company via LINE as well.

## Introducing Smartphone App Smart Rijikai

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In November 2019, Mitsubishi Jisho Community began distributing Smart Rijikai ("Smart Management Association"), an iOS and Android app, as an initiative to improve service quality. The app is intended for the condominium management associations from which the company is entrusted with management operations, providing a service that makes it possible for them to view the agenda for administrative board meetings on the app and make resolutions after question and answer sessions. The association's administrative board members can take part in meetings online at a convenient time and are able to check materials, make comments, and exercise voting rights depending on the agenda.

## Developing the Condominium Self-Management App KURASEL

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Mitsubishi Jisho Community developed KURASEL, an app that makes it easier to manage condominiums, in service from November 2020. Although in the past there have been calls from condominium management associations to manage condominiums themselves or to reduce management costs, no products or services were available to meet their needs until now.

The app was developed by condensing condominium management expertise cultivated over 50 years enabling a wide range of functions: the management of complex information in the condominium management association (e.g. owner and resident information, contract and order management information); storage and viewing of board meeting materials; income and expenditure status; management of payments. All this can be centrally managed through the app via a smartphone or online. This makes it easier for condominium management associations to function without outsourcing work to a management company.

The provision of this brand-new service will reduce management costs, alleviate shortage of reserve funds for repairs, and contribute to solving social issues such as the shortage of human resources serving on the management boards of condominiums.



## Key Theme 3: Innovation

# Creating Innovation through Collaborations and Alliances

## Development of OMY SDGs ACT5

The OMY SDGs ACT5 Executive Committee, composed of Mitsubishi Estate, The Norinchukin Bank, Nikkei Inc., Nikkei Business Publications, Inc., and others, launched OMY SDGs ACT5 in fiscal 2020 to implement a variety of SDG-related activities in the Otemachi, Marunouchi, Yurakucho area, where approximately 280,000 workers and 4,300 companies are congregated. The project has established five SDG-related action themes (ACT5), which are sustainable food, the environment, well-being for people and society, diversity & inclusion, and communication. The objective of the project is to nurture communities of individuals that want to take action on social issues and create opportunities for driving social innovation. The project will verify the synergistic effects of SDGs-related activities based on corporate collaboration and will aim to build a model city of the SDGs.



In addition, the project has developed ACT5 Members' Points, an app designed to encourage individuals to switch up their recycling habits and to analyze participant attributes and trends. With cooperation from many retailers in the Otemachi, Marunouchi, and Yurakucho area, the app creates opportunities for participants to take part in action to address the SDGs throughout the area, such as earning points for using their own cups and collecting old clothing. Accumulated points can be exchanged for sustainable products or donated to organizations that contribute to achieving the SDGs, with the aim of creating a virtuous cycle triggering the next action in this area.

### Fiscal 2022 Results

- Number of actions: Implemented 63 actions linked to ACT5

Examples of actions

ACT1 Sustainable food: "SUSTABLE 2022 - Dishes to Change the Future -"

ACT2 Environment: "Re;Post" old clothing collection project

ACT3 Well-being: "Charity Walking" to encourage donations while walking to improve health

ACT4 Diversity & Inclusion: E&J: D&I training community for human resources and D&I promotion staff

ACT5 Communication: "OMY SDGs Film Festival 2022," a collection of films with SDGs-related themes

- Number of partner companies and groups: Realized partnerships with 84 companies and groups

- Participants: A total of 16,168 people (cumulative three-year total of 35,000 people) had opportunities to learn and think about social issues from a variety of angles and take action.



See the OMY SDGs ACT5 Action Report for more details (Japanese only).

Action Report 2022 (Japanese only)

PDF

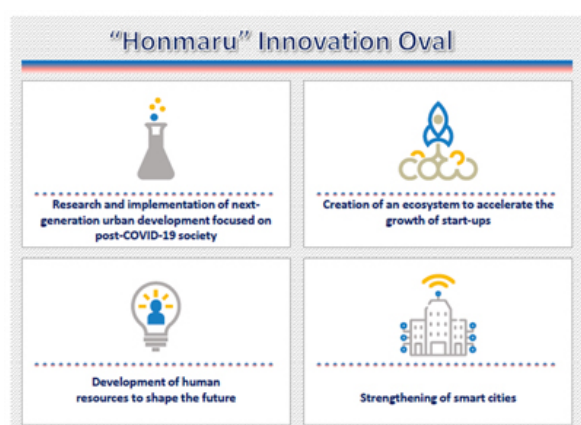
See the following dedicated website for the latest news (Japanese only).

OMY SDGs ACT5 (Japanese only)



## Strengthening Industry-Academia Collaboration to Address a Diverse Array of Social Issues

Mitsubishi Estate is strengthening industry—academia collaboration to address multilayered social issues. In October 2022, we concluded a decade—long industry—academia agreement with Tokyo University, resulting in the launch of the MEC-UTokyo-Lab. Defining the area from Tokyo University's principal base in Hongo to Otemachi, Marunouchi, and Yurakucho, where Mitsubishi Estate promotes urban development, as the “Honmaru” area, we are advancing joint research, field trials, and collaborations with startups in the area. In December 2022, we concluded a comprehensive partnership agreement with Tokyo University of the Arts. By enhancing the creativity of companies and individuals in the Otemachi, Marunouchi, and Yurakucho areas through the power of art, we will facilitate the creation of business ideas and new industries. In addition, we entered into a joint research contract with Hitotsubashi University in March 2023 on creating value for spaces in a data-driven society. With this, we will help resolve social issues through open innovation by strengthening cooperation with the faculty and graduate school of social data science, established in FY2023.



Overview of industry-academia collaboration with Tokyo University

Hitotsubashi University's East Main Building (a registered tangible cultural asset), which is due for renovation into an incubation and exchange hub







## Supporting the Creation of Communities for Spurring Innovation in the Marunouchi Area

Mitsubishi Estate is bolstering initiatives to spur open innovation in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). The M Cube, operated by Mitsubishi Estate, is an open innovation community with a focus on start-ups. With EGG, formerly named EGG JAPAN an innovation hub in the Shin-Marunouchi Building acting as its base, the M Cube supports business development by offering a place for companies to meet through events and activities. Together with the Tokyo Marunouchi Innovation Platform, which is operated by the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts (the Ecozzeria Association), the M Cube has launched MiiTs, a community creating opportunities for collaboration among major companies and start-ups. In these ways, the M Cube aims to spur innovation by consolidating know-how on new technologies while leveraging the networks and assets it has accumulated.



EGG

See the following dedicated website for The M Cube, TMIP, and MiiTS.

The M Cube



TMIP



MiiTS



## Creating New Business through Investment in Startup Companies and Venture Capital

In order to drive business model innovation for further growth in the 2020s, Mitsubishi Estate aims to improve existing businesses while moving forward with various initiatives to move into new growth areas.

As part of this effort, with the aim of delving into new businesses and creating synergies among existing ones, Mitsubishi Estate has been aggressively investing in start-up and venture capital companies both in Japan and overseas focusing on seven priority areas — namely agriculture; renewable energy; infrastructure, public private partnership (PPP), private finance initiatives (PFI); real estate-related services; content business, entertainment, sports; tourism, inbound business, regional revitalization; and healthcare and food — as well as fields that are directly connected to real estate. The Business Creation Department takes a central role in these efforts.

Mitsubishi Estate also utilizes its Corporate Accelerator Program to solicit ideas from venture companies with the goal of creating new business models to combine with our business assets. The company also runs programs such as the Mitsubishi Estate Innovation Challenge (MEIC), soliciting new business proposals from employees.

Moving forward, Mitsubishi Estate will continue to pursue new business opportunities in a wide range of sectors and cultivate future growth while seeking innovations to its business model and creating new value.



# Investing in Start-Ups Taking on the Challenge of Social Contributions over the Medium to Long Term

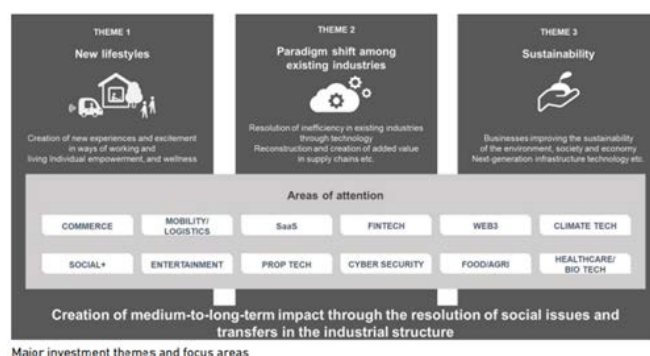
## BRICKS FUND TOKYO by Mitsubishi Estate

In 2022, the Company launched BRICKS FUND TOKYO by Mitsubishi Estate, a fund for investing in start-ups that take on the challenge of realizing social contributions over the medium to long term, such as resolving social issues and transforming the industrial structure.

With a mission to lay the foundations for a new era by implementing the vision of entrepreneurs in society, the fund has established three investment themes and 12 focus areas. The fund aims to help improve corporate value over the medium to long term and co-create growth industries by supporting investee companies with the implementation of their vision in society, such as through the provision of sales support drawing on the Mitsubishi Estate Group's management infrastructure, the implementation of field trials in Otemachi, Marunouchi, Yurakucho, and other areas, and the promotion of business co-creation and collaboration.

Mitsubishi Estate has proactively engaged in co-creation with start-up companies over the years, such as through the implementation of the Mitsubishi Estate Accelerator Program. Going forward, the establishment of this fund will enable us to further accelerate innovation and transform business models unbound by the frameworks of existing businesses while contributing to the development of an ecosystem for start-up companies in Japan.

As of July 2023: 9 investees



BRICKS FUND TOKYO (Japanese only)





# MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

## Key Theme 4: Resilience

**Dynamic, flexible urban development that builds disaster-resilient communities and prioritizes safety and security**

### Related SDGs



## Opportunities and Risks

### Opportunities

- Increasing need to acquire and lease real estate highly resilient to disasters (including urban floods) accompanying climate change
- Growing need to acquire and lease real estate highly resilient to disasters such as earthquakes

### Risks

- Decreasing asset value and increasing expenses for maintenance and countermeasures due to intensifying and increasing in disasters (such as urban floods) accompanying climate change
- Fall in asset values and rise in expenses for maintenance and countermeasures due to disasters such as earthquakes
- Increasing renovation expenses and disaster countermeasures costs accompanying aging of buildings



## Main Values Provided

- Sustainable, resilient, safe and secure urban development

## Targets

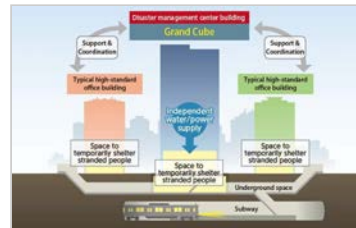
- Enhance disaster preparedness to minimize functional stagnation during disasters
- Enhance BCP function through hardware measures and strengthen neighborhood communication

## OUR ACTION



### Establishment of Disaster Preparedness and Mitigation Framework

[READ MORE →](#)



### Initiatives to Enhance Disaster Preparedness in Buildings

[READ MORE →](#)



## Key Theme 4: Resilience

# Establishment of Disaster Preparedness and Mitigation Framework

## Framework of Anti-Disaster Measures and Anti-Disaster System

In addition to basic policies and action guidelines for natural disaster and other crisis management, the Mitsubishi Estate Group has established the Emergency Response Manual setting out the details of action in an emergency. Mitsubishi Estate also has its own Framework of Anti-Disaster Measures to ensure that necessary countermeasures are taken to protect human life and infrastructure from disasters and to take appropriate and prompt recovery measures. This framework covers a wide range of measures in a detailed manner, including standard precautionary measures, assignment of responsibilities, plans for drills, plans for emergency measures in the event of a disaster, and recovery measures. The Anti-Disaster System is put into action when a large-scale disaster occurs or is expected to occur. The Disaster Management Headquarters is established, and the company will work with government officials, police, fire department, general contractors, sub-contractors, the Chiyoda Medical Association, and St. Luke's MediLocus to support stranded commuters, respond to the injured, and conduct emergency safety checks of buildings.

In 2012 the company formed an agreement with the Chiyoda-ku government to receive stranded commuters in the event of a large-scale disaster.

See the following for the number of buildings that have been designated as temporary shelters for stranded commuters.

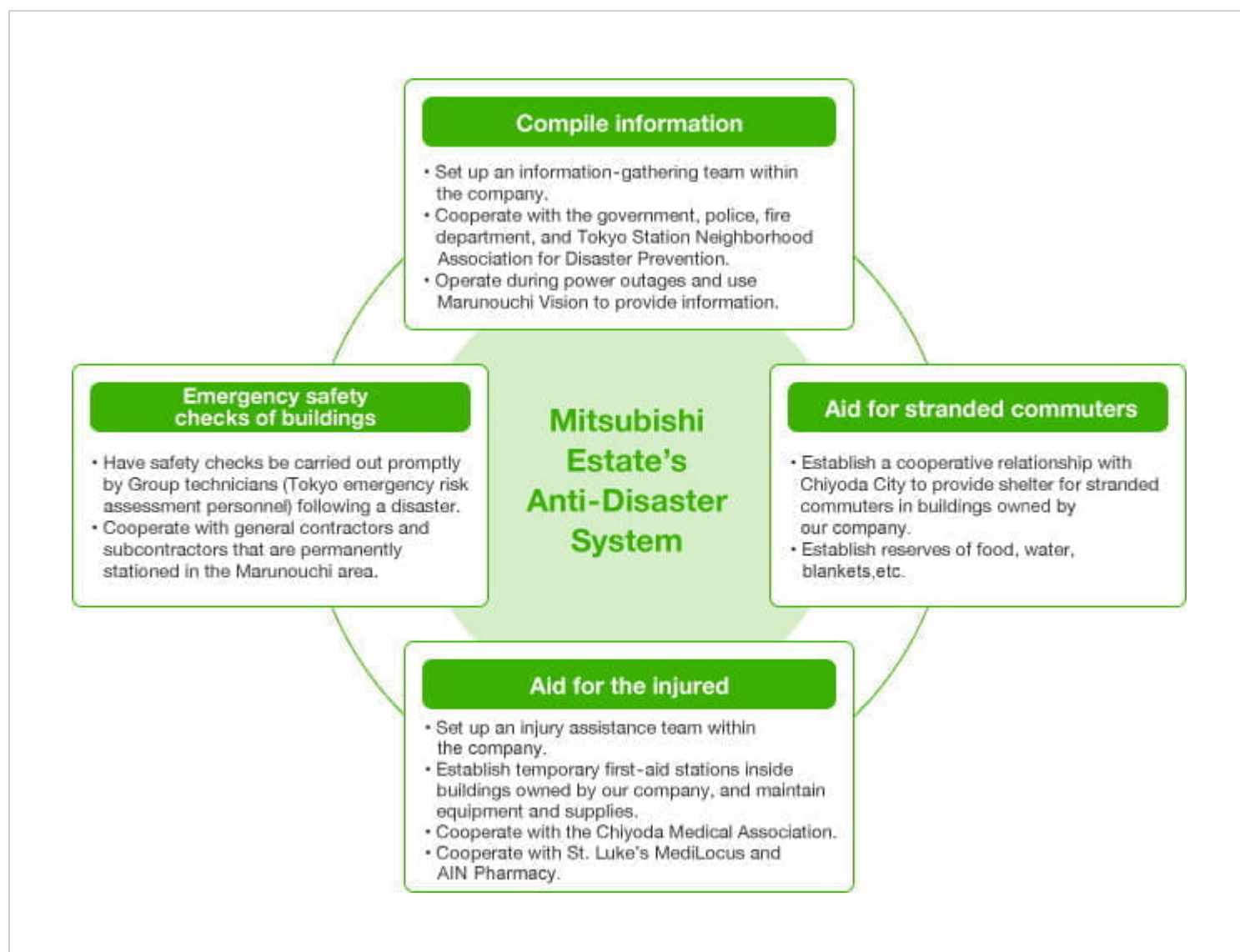
[ESG Data > S: Social data > \(2\) Other > Resilience](#)







## Anti-Disaster System



## Business Continuity Plan

The Mitsubishi Estate Group has drafted a Business Continuity Plan (BCP) to prevent crucial operations from being interrupted if a disaster or accident occurs – and, if they are suspended, to enable their speedy resumption – and we established "Mitsubishi Estate Group Business Continuity Plan Guidelines" in October 2006.

In December 2012, we established "Mitsubishi Estate Business Continuity Plan Documents" and the "Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document" in light of the Great East Japan Earthquake. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.

Furthermore, in light of changes in the social and business environment, we strive to continually upgrade the content of the Business Continuity Plan through PDCA cycles and will implement further improvements going forward in order to fulfill our social responsibility.



# Prompt Building Diagnoses and Restoration Measures During Disasters

When a major disaster, such as an earthquake, occurs, prompt building diagnosis and restoration work are required. Mitsubishi Estate worked together with the group company Mitsubishi Jisho Sekkei Inc., developing a framework for cooperating with various construction companies and strengthening further our frameworks for ensuring the safety and security of tenant companies and visitors.

The Mitsubishi Estate Group owns and manages numerous large buildings in locations that include the Marunouchi area. Because building maintenance and other maintenance work occur on a daily basis, many construction companies have developed support systems. By taking advantage of the unique strengths of the Mitsubishi Estate Group, which has specialized technical personnel stationed in its buildings, we have established a framework for rapid building diagnosis and restoration in times of disasters on the basis of the cooperative relationships we have developed day after day.

In specific terms, our disaster preparedness measures involve collaboration with construction companies, including cooperation with building emergency risk assessment personnel as long as the companies' business continuity plans are not hindered (inspecting building exteriors, locations that pose fire hazards, and vital facilities); cooperation on emergency repairs to ensure building safety; cooperation on inspections to determine the level of damage to building facilities; cooperation on proposals for disaster recovery plans, and the provision of emergency response supplies.

## Establishing Building Safety Management Systems and Independent Guidelines

Mitsubishi Estate has established a Safety Management Office within its Facility Management Planning Department, and we have partnered with Mitsubishi Jisho Property Management and other group companies to continuously carry out daily inspections and safety inspections at buildings all across the country that are managed and operated by the Mitsubishi Estate Group. Additionally, we carry out centralized management of activities and data at each location, including safety inspections and improvements, and implement preventive safety measures by sharing accident data within the Mitsubishi Estate Group, and providing instructions and support as necessary.

We collect building-related accident data, including data from other companies, in order to rapidly investigate the cause of accidents and determine whether corrective measures are required. This information is shared promptly to prevent the recurrence of accidents. Based on our experiences from the Great East Japan Earthquake, we organize this data according to what responses have been taken, what reinforcements are needed, and what items need to be reviewed, and we push for ongoing improvements to our safety response measures. We have also created Building Safety Design Guidelines that contain standards independently established by our company, guidelines stricter than the Building Standards Act and other laws and regulations, that are applied right from a building's design stage to preemptively avoid accidents, and we conduct reviews of these guidelines as needed.



# Formulation of Measures to Combat Volcanic Ash Due to an Eruption of Mt. Fuji – Reducing Damage and Disruption Resulting from Disasters

In November 2021, Mitsubishi Estate formulated and published action guidelines for building operation and management based on the scenario of a volcanic ash following an eruption of Mt. Fuji.

Japan's National Disaster Management Council published the report Countermeasures for Wide-Area Ash Falls from Major Volcanic Eruptions in April 2020, in which an eruption of Mt. Fuji was used as a model to illustrate the effects of ash fall, including power outages and transportation infrastructure shutdowns in the Tokyo metropolitan area. Mitsubishi Estate formulated action guidelines based on a timeline to facilitate a prompt response and to mitigate damage and disruption.

The action guidelines cover approximately 20 buildings owned by Mitsubishi Estate in Otemachi, Marunouchi, and Yurakucho, where there is a major concentration of head office functions within the Tokyo metropolitan area. They establish the timeline for maintaining building functions, providing evacuation guidance and taking in stranded commuters based on an eruption, the subsequent Japan Meteorological Agency ash fall forecasts, and actual ash fall conditions as well as specify the necessary materials and equipment.

## Conducting Regular Lifesaving Classes for Employees

Mitsubishi Estate has been continuously conducting regular lifesaving classes (including AED training) for disaster response staff since September 2008, and we were recognized as a "Certified Excellent Lifesaving Class Attendance Business\*" by the Tokyo Fire Department in February 2009.

\* Granted to businesses with at least one qualified first aid instructor and where at least 30% of employees complete regular lifesaving classes

See the following for the rate of employees with first aid provider qualification



Regular lifesaving class in progress (fiscal 2019)

ESG Data > S: Social data > (1) KPI > Resilient Urban Development





## Holding Comprehensive Emergency Drills in Private-Public Collaboration

Every September, Mitsubishi Estate holds comprehensive emergency drills with the participation of all of its executives and employees and many others from Group companies and other parties. This tradition dates back to 1923, when the Great Kanto Earthquake struck Tokyo and the Estate Department of Mitsubishi Goshi Kaisha, the precursor of Mitsubishi Estate, provided emergency aid, primarily from the former Marunouchi Building, which had been completed that year. Building on this experience, disaster response drills have been held regularly since 1926.

Fiscal 2022 marked the 96th drill, with emergency drills held for the first time since 2019, and the exercises included joint drills with the Chiyoda Medical Association and local fire station.

Given that telecommuting has become widespread, we reviewed the emergency disaster framework for confirming the safety of employees and implementing emergency activities on site assuming a limited number of employees who can help during a disaster (50% reduction). We also implemented drills taking in stranded commuters and setting up temporary first aid stations at nearly 40 properties simultaneously across the country. Also, since 2021, Mitsubishi Estate has been installing a next-generation camera system that can collectively control and manage camera images in the Marunouchi area. To verify wide area safety management methods during disasters, images were streamed from buildings where the cameras were installed to the emergency management headquarters to gather information. At the same time, the first large-scale fire drill was conducted at the Tokiwabashi Tower, which was completed in June 2021. The series of firefighting exercises was held in collaboration with the local fire station and fire brigade, and included rescue drills using fire trucks with ladders and an exercise during which multiple fire trucks simultaneously sprayed water.

Going forward, we will continue to work with the local fire department, as well as our buildings' corporate tenants, to keep enhancing the safety and security of Marunouchi and other neighborhoods where the Group has its presence by ensuring there are adequate systems in place for emergencies.

## Area Disaster Preparedness Initiative: Verification Tests of Disaster Dashboard Beta+

Mitsubishi Estate continuously takes steps in preparation for a potential disaster in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). Between December 2022 and February 2023, the Company implemented verification tests of Disaster Dashboard Beta+, a platform for sharing information among disaster-response agencies and providing information to stranded commuters through public private cooperation with Chiyoda Ward. For these tests, we made a prototype of a digital map displaying the locations of evacuation areas, buildings designated as shelters for stranded commuters, and a disaster hub hospital. Certain facilities in Chiyoda Ward and other entities would share information under a scenario that would provide information during a disaster to stranded commuters through a QR code available inside train stations and other locations. Along with the digital signage and website versions of the map, we are building the forthcoming disaster dashboard with Chiyoda Ward. We also conducted verification tests with Chiyoda Ward to check the usefulness of a system for collecting, arranging, and streaming a live-camera feed during a disaster. In these ways, we continuously contribute to the promotion of safety and security, which includes establishing the functions of next-generation disaster-preparedness centers to cope with an inland earthquake and other disasters in Tokyo and fulfilling the functions of a smart city.



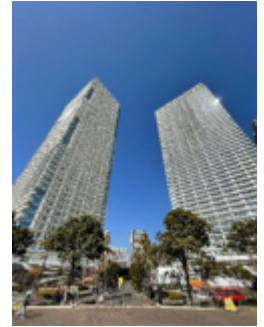
Example of a verification test streaming a live-camera feed



## Initiatives by Mitsubishi Estate Residence

### Strengthening Systems for Local Disaster Preparedness and Mutual Assistance in Preparation for a Major Disaster

Given the absence of management associations or disaster preparedness plans at its rental apartments, Mitsubishi Estate Residence proposed disaster preparedness initiatives at The Parkhabio Nakano Fujimicho Garden. Mitsubishi Estate Residence provides support through infrastructure and non-infrastructure measures, including the creation of a First Mission Box® containing an instruction card to ensure residents act quickly and confidently during a disaster and the installation of a system for storing and using surplus electricity generated using solar power generators. In addition, in February 2023, Mitsubishi Estate Residence and Mitsubishi Estate Community conducted the first joint disaster prevention drills at the two residences that comprise The Park House Harumi Towers in cooperation with the management association and residents' association. We will promote disaster-resilient urban development by strengthening systems for local disaster preparedness and mutual assistance.



Disaster prevention drill

### Holding Environmental and Disaster Preparedness Education for Elementary School Students in Condominiums for Sale

On October 23, 2022, Mitsubishi Estate Residence and the Tokyo Metropolitan Government Bureau of Environment jointly held an event for parents and children called "Experience a House that Halves Energy Consumption through Energy Saving and Solar Power Generation." The event was held at The Park House Shin Urayasu Marine Villa, newly built condominiums for sale that meet the ZEH-M Ready standard. The aim of the event was to consider and take action with children to reduce CO2 emissions in homes and to prepare for natural disasters, which are increasing due to global warming. The Tokyo Metropolitan Government has selected Mitsubishi Estate Residence as a business for "CO2 reduction action (zero emissions action) movement – A sustainable society created by consumers and businesses," and this event formed part of these activities. Mitsubishi Estate Residence will continue to focus its efforts to create even more opportunities for children who are the next generation to learn about sustainability.





# Disaster Resilient Urban Development Leveraging Collaboration Between Industry and Academia

Mitsubishi Estate Residence and Kyorin University are collaborating on disaster prevention initiatives, contemplating what universities, local governments, and businesses can do to develop contingency plans for the local communities. Together with Portland State University in the U.S., Kyorin University has worked on the Disaster Resilient Urban Development fieldwork program since 2017 in the Sanriku region affected by the Great East Japan Earthquake and in Tokyo in preparation for an earthquake directly striking the capital. A part of this program entailed a tour in June 2019 of a condominium in Kanade no Mori, a residential district offered by Mitsubishi Estate Residence in Narashino, Chiba Prefecture. At this location, visitors studied the efforts by the Mitsubishi Estate Group and shared ideas on urban development focusing on disaster resilience. The company also held a workshop where local residents were invited to the university to work together and discuss disaster contingency plans for the town.

In February 2020, a disaster contingency partnership agreement was signed as a way to further enhance disaster preparedness. In addition to emergency drills, workshops, and lectures, this initiative resulted in participants working together to create English versions of disaster preparedness tools designed for foreign nationals living in Japan, including Sonaeru Drill (a disaster preparedness workbook) and Sonaeru Karuta (a disaster preparedness card game).

In 2021, we strengthened our cooperation utilizing such occasions as a lecture as part of Community and University, a compulsory subject for first-year university students, and the university's Program for Training Coordinators of Community Revitalization in an Aging Society, a course designed for working adults, to work with Kyorin University students and other individuals to discuss local disaster preparedness.

In November 2022 and again in May 2023, Craft Market @ Kyorin University was held at the university's Inokashira Campus. With the aim of creating a resilient community, the market offered a range of fun programs designed to foster disaster preparedness, including, among many other choices, a workshop using Sonaeru Drill, a tool for parents and children to think about disaster preparedness together. Industry, government, and academia collaborated in order to increase urban disaster preparedness and created an opportunity for local residents to consider preparedness.


Going forward, we will collaborate and cooperate with various industries through disaster preparedness and sustainability initiatives to realize resilient communities and urban development in a sustainable society.



Portland State University-Kyorin University fieldwork  
(Sharing Mitsubishi Estate Group initiatives)



The English version of Sonaeru Drill was released to the general public on March 9, 2020.



## Key Theme 4: Resilience

# Initiatives to Enhance Disaster Preparedness in Buildings

## Top Level Seismic Performance to Withstand Megaquake (Seismic Intensity 7)

Buildings owned by Mitsubishi Estate in the Otemachi, Marunouchi, Yurakucho area have seismic performance that is at least equivalent to that set out in the Building Standards Act (new earthquake resistance standards), even for buildings that were built prior to the enactment of new earthquake resistance standards. Moreover, based on original standards for earthquake resistance formulated with Mitsubishi Jisho Sekkei that exceed those required by laws and regulations, Mitsubishi Estate has ensured that the seismic performance of ultra-high-rise buildings constructed since 2002 is 1.5 times higher than that of conventional skyscrapers and that it is possible to remain in the building even in a seismic intensity 7 megaquake.

## Area BCP Initiatives Based on Area Disaster Prevention Buildings

Completed on April 1, 2016, the Otemachi Financial City Grand Cube is an ultra-high-rise building designed with advanced disaster preparedness functions that considered lessons learned following the Great East Japan Earthquake, which took place during the planning stage of its development. All conceivable flood damage measures were taken to minimize risk in the event of a flood, such as installing flood barrier panels, water-tight doors and other water barrier measures, and locating a stockpile warehouse and important offices (transforming equipment and disaster prevention center) on above-ground floors. Mitsubishi Estate has employed a full range of inventive methods in its quest to build an advanced disaster-resistant city. An urban water purification system was installed, which is a first for a private company, and also installed was a system that allows electricity, water and ventilation to function independently in the event infrastructure services are interrupted. Having learned from heightened demand for bathing in regions affected by the Great East Japan Earthquake, Mitsubishi Estate excavated out hot springs from a depth of 1,500 meters and opened a bathing facility. This facility will be made available for use by disaster relief personnel in emergencies and to improve hygiene.

The company has also developed collaborative systems for emergencies, such as an affiliation with St. Luke's MediLocus, an international medical facility.

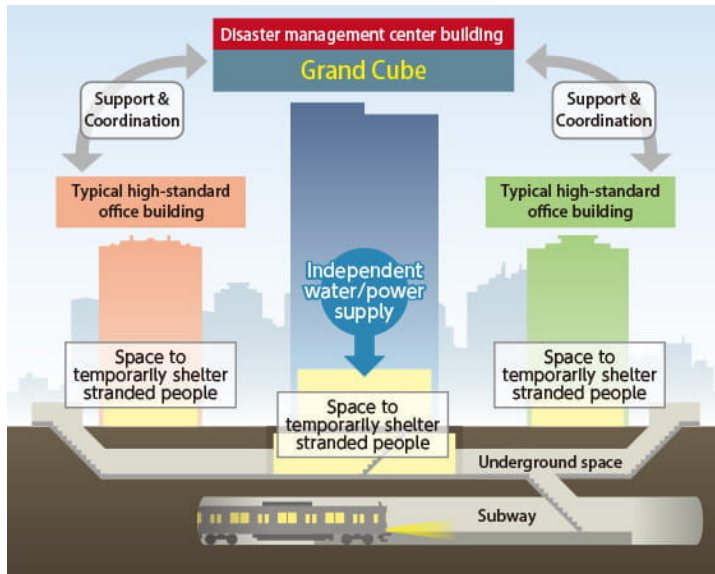
As a result of these efforts, Grand Cube was designated a disaster response base by the Council for Area Development and Management of Otemachi, Marunouchi, and Yurakucho, and it will take an important role in improving disaster resilience for the area overall.

Details on functions for BCP and the safety, security and BCP of Mitsubishi Estate's office buildings are shown in the pages below.

Mitsubishi Estate Office Information  
Otemachi Financial City Grand Cube / Full BCP Support



Mitsubishi Estate Office Information  
Mitsubishi Estate's Concept of the Office Building—Safety, Security & BCP



"Disaster management center building" contributing to the BCP of the entire district



Exterior of Otemachi Financial City Grand Cube



# Introducing Systems to Enable Timely Response to Earthquakes

Mitsubishi Estate has introduced varied systems to detect seismic disturbances, evaluate the level of damage automatically, and thereby enable a timely response in the event of an earthquake.

## Installation of Yuremasu Seismographs

With the aim of conducting elevator safety shutdowns and preventing lock-in accidents whenever an earthquake occurs directly beneath Tokyo, Mitsubishi Estate has installed Yuremasu seismographs developed by Mieruka Bousai Co., Ltd. in various facilities in the Tokyo metropolitan area, operated by the Mitsubishi Estate Group. The system rapidly conveys seismic P-wave data measured at each facility to high-rise buildings in the Marunouchi area, making it possible to implement safety measures that include emergency shutdowns of elevators prior to the arrival of strong swaying.

## Installation of Damage Level Evaluation System

Mitsubishi Estate has introduced a damage level evaluation system that ascertains a building's damage condition during an earthquake based on data from seismographs installed at several locations inside buildings, and then rapidly determines whether continued use is feasible. We have been installing this system in skyscrapers in the Otemachi, Marunouchi, Yurakucho, Yokohama, and Aoyama areas beginning with the Marunouchi Building, the Shin-Marunouchi Building, and the Marunouchi Park Building.

## Introduction of Center Functionality

Mitsubishi Estate and Mitsubishi Jisho Property Management have introduced center functionality that allows for remote and integrated monitoring of buildings owned by the Mitsubishi Estate Group.

## Reinforcing Communication Equipment

The Group also works to reinforce communication equipment (digital MCA and IP radio systems) in each company facility to address congestion of the general phone lines in the event of an emergency.





# Conducting Verification Tests for a Rain Garden, Green Infrastructure on Marunouchi Naka-dori Avenue

Mitsubishi Estate conducted verification tests for a rain garden in a portion of roadside greenbelts on Marunouchi Naka-dori Avenue over a six-month period from May 2022 to October 2022 as a green infrastructure initiative for the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). We simultaneously conducted research on six issues, including permeability, water-retention capacity, the growth conditions of plants, and the effect of landscaping, to examine the possibility of establishing a rain garden in the area. As a result, we confirmed a rain garden could be expected to be effective in various ways, such as minimizing road flooding during torrential rainfall, with the rain garden's greenbelts temporarily storing rainwater to delay it flowing into drainpipes. Following discussions with the relevant parties, we decided to leave the rain garden in place after the tests were completed. We intend to ensure it also helps the area prepare for and minimize damage from natural disasters and mitigate the urban heat-island phenomenon.



A rain garden created





# Sustainability Activities (ESG) Environment

**Sustainable Cities  
for a Sustainable Earth**



**Policies and Targets**

[READ MORE →](#)



**Promotion System**

[READ MORE →](#)

**TCFD** TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**Information Disclosure  
Based on TCFD  
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## Environment Policies and Targets

### Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets (SBT-Approved)

The Mitsubishi Estate Group formulated group-wide medium- to long-term greenhouse gas (GHG) emissions reduction targets in March 2019. In April 2019, the Group's targets were approved by the Science Based Targets initiative as consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C) based on scientific evidence. Moreover, in March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).

The Group will further deepen its initiatives through such means as introducing electricity derived from renewable energy and utilizing new technologies, thereby contributing to the realization of a low carbon footprint society.



\* The Science Based Targets initiative is a joint initiative by the World Wide Fund for Nature (WWF), CDP (an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts), UN Global Compact, and the World Resources Institute (WRI). The initiative encourages companies to set greenhouse gas emissions reduction targets based on scientific evidence, which are consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.)

### Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets

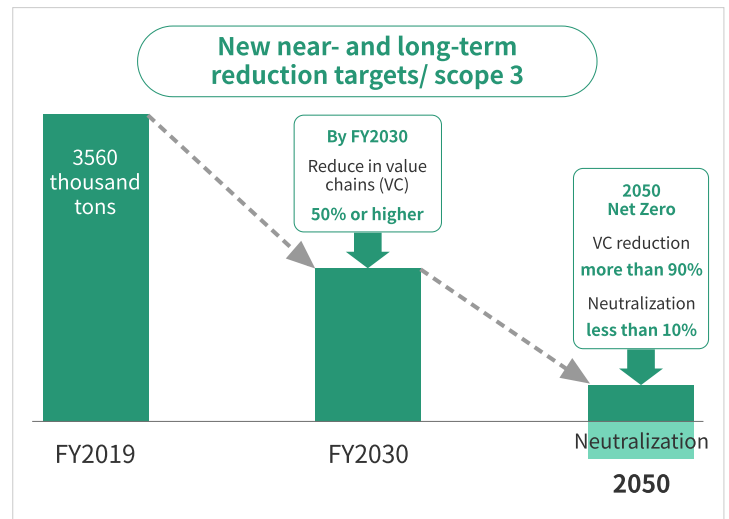
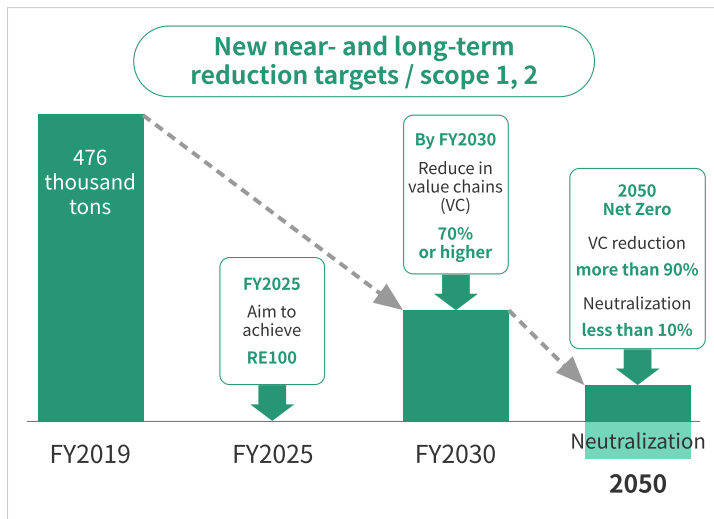
#### GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions\*)

\* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.



## Based on SBTi's new Net-Zero Standard (1.5°C scenario)



See the following for data on greenhouse gas emissions.

[ESG Data > Environmental Data](#)



## Formulating Target for 100% Renewable Energy Rate in Conjunction with RE100 Commitment

On January 31, 2020, Mitsubishi Estate joined RE100\*, a collaborative initiative under which businesses commit to using 100% renewable energy. In March 2022, Mitsubishi Estate revised its GHG reduction targets in line with the SBTi's Net-Zero Standard and, in conjunction with these revisions, also renewed the Group's renewable energy rate target to achieve 100% group-wide by fiscal 2025.



\* RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP, an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.



# Mitsubishi Estate Group Basic Environmental Policy

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Basic Environmental Policy, which is based on its corporate mission. The entire Group works together to implement sound environmental management.

The Mitsubishi Estate Group has developed an environmental management system and strives to protect the environment by promoting environmental initiatives and reducing environmental impact, as well as complying with all environmental laws and regulations. Mitsubishi Estate is determined to ensure that its business activities play a leading role in the development of sustainable communities.

## 1. Building a low-carbon society

We are proactive about the efficient use of resources and energy, and encourage the use of renewable energy to contribute to the creation of a low-carbon society.

## 2. Creating a sound material-cycle society

We strive to reduce, reuse, and recycle in every stage of our business, including planning, development, design, construction, management and dismantlement, in order to contribute to building a sound material-cycle society.

## 3. Fostering harmony between nature and human society

We endeavor to foster new cultural values and to practice environmental responsibility by demonstrating concern for biodiversity and developing attractive urban spaces that harmonize with the surrounding natural environment, thus helping to build a society that lives in harmony with nature.

## 4. Promoting environmental communication

We proactively provide information on the environment and communicate with society on a broad range of issues in our efforts to coordinate and cooperate with a wide range of stakeholders.

## 5. Increasing employees' ecological awareness

In our efforts to increase employees' awareness of environmental conservation issues and ensure highly effective environmental activities, we provide environmental education and awareness programs, aiming to develop an ecologically aware workforce.

Established on May 1, 2004

Revised on January 1, 2006 and April 1, 2010





# The Mitsubishi Estate Group Green Procurement Guidelines

The Mitsubishi Estate Group established the Green Procurement Guidelines as an active effort to be environmentally friendly and help reduce the burden on the global environment. The Guidelines promote green procurement, which refers to procurement or construction methods that use materials and equipment with a low environmental impact.

These Guidelines apply to all products, services, designs and construction work procured by the Mitsubishi Estate Group.

In April 2016, the Group also drew up the Paper and Printed Matter Procurement Guidelines to further those efforts.

The basic policies set out in the Green Procurement Guidelines are as follows.

**01** Conservation of Energy  
and Resources

**02** Reduction of  
Environment Pollutants

**03** Preservation of  
Biodiversity

**04** Long-Term Usability

**05** Recyclability

**06** Use of Recycled  
Material

**07** Ease of Treatment and  
Disposal

**08** Curtailment of Total  
Volumes Procured

[Green Procurement Guidelines \(PDF 97KB\)](#)



## Mitsubishi Estate Group Timber Procurement Guidelines

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Timber Procurement Guidelines based on the Mitsubishi Estate Group Basic Environmental Policy to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Mitsubishi Estate value chain.

The timeline for the measurement of progress in the achievement of the guidelines is fiscal 2025 as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The guidelines were established with supervision from WWF Japan.

<Target>

We only source timber grown in countries where the risk of illegal logging is deemed low, including Japan-grown timber.

Achieve 100% by FY2030

→ A low-risk score of 91 or higher based on the individual country forest risk assessment provided by Preferred by Nature

[Mitsubishi Estate Group Timber Procurement Guidelines \(PDF 86KB\)](#)

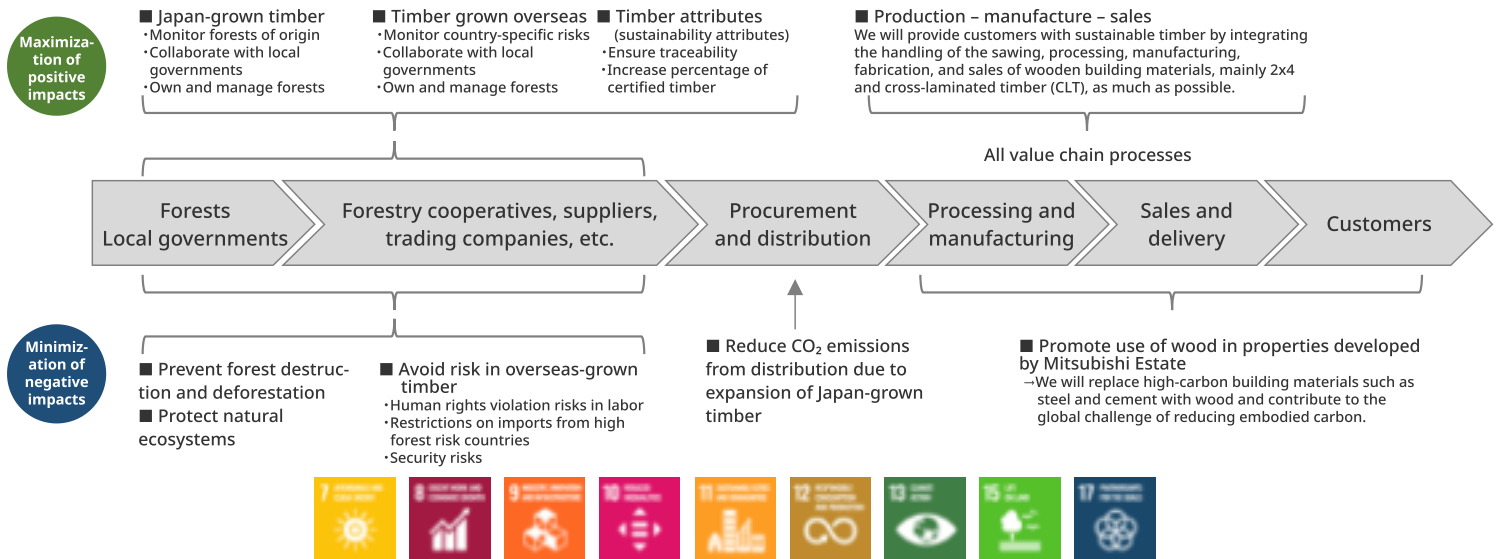






## Mitsubishi Estate Group Timber Procurement Value Chain Impact Mapping

The Mitsubishi Estate Group will provide society with sustainable timber by maximizing positive impacts and minimizing negative impacts in business operations related to timber procurement based on the following mapping of the value chain, in order to address deforestation and climate change risks and protect natural ecosystems.





## Environment Promotion System

### Environmental Promotion System

The Mitsubishi Estate Group sets out matters related to efforts to promote sustainability, including conservation of global environment, in the Mitsubishi Estate Group Sustainability Regulations. The Sustainability Committee, chaired by the President & CEO of Mitsubishi Estate with the Chief Sustainability Officer (the director in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate) as deputy chair, meets twice a year as a rule to deliberate and report on climate change and other important issues related to sustainability. Prior to meetings of the Sustainability Committee, the Sustainability Subcommittee conducts preliminary discussions and reporting and compiles information on efforts to promote sustainability taken by business groups, etc. The deliberations of the Sustainability Committee are reported to the Board of Directors and the Board of Directors has oversight of environmental related issues including climate. The Sustainability Committee has the management responsibility for environmental related issues including climate. Climate issues are on the agenda of the board of directors at least semi-annually.

### Monitoring Group-Wide Environmental Initiatives

To monitor the progress of environmental initiatives across the entire Mitsubishi Estate Group, a survey is taken of all Group companies that share the Code of Conduct. The survey covers the progress of measures to reduce environmental impact.

### Building and Implementing an Environmental Management System

Mitsubishi Estate has each of its Group companies implement an environmental management system (EMS), a mechanism for responding to global environmental problems and contributing to the sustainable development of society.

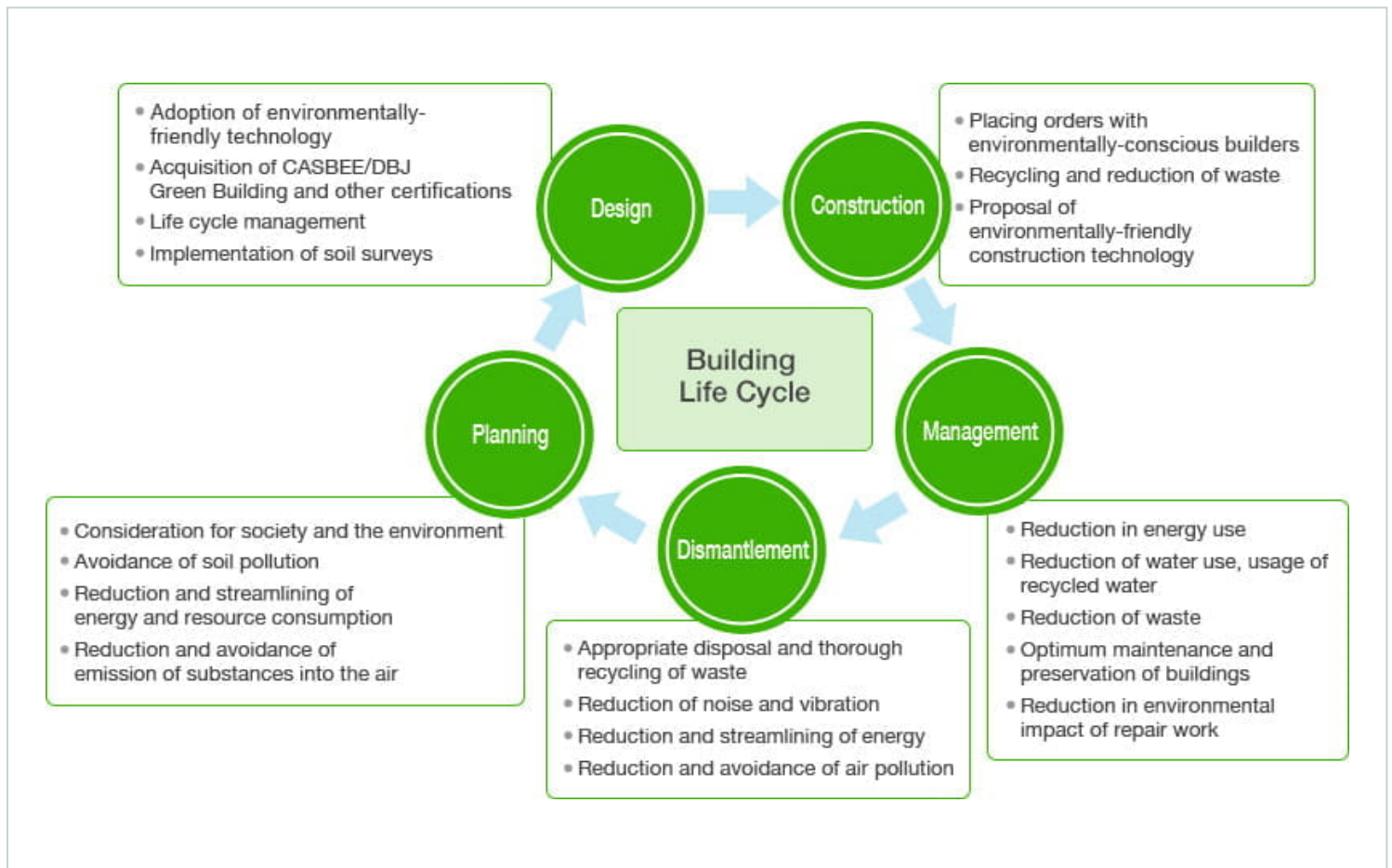
EMS provides companies with a framework to help achieve environmental goals effectively by setting specific targets and assessment systems and utilizing the PDCA cycle to ensure continual review and improvement. The Mitsubishi Estate Group establishes targets and works to improve its environmental performance by obtaining certification for ISO 14001 (certification obtained by Mitsubishi Jisho Design Inc.), the international EMS standard, as well as establishing its own EMS, which complies with ISO 14001.



# Approach to Building Life Cycle

The Mitsubishi Estate Group runs various businesses involved in the development, planning, construction and management of real estate and considers reducing environmental impact through Group-wide efforts as one of its duties. The Group Basic Environmental Policy aims to reduce the burden on the environment caused by buildings throughout their life cycle, from planning and design to operation and management and dismantlement. The entire Group works together to implement constructive and sustainable measures to that effect.

## Environmental considerations during a building's life cycle





# Environment

## Information Disclosure Based on TCFD Recommendations

On February 3, 2020, Mitsubishi Estate announced its support for the recommendations of TCFD\*.

In May 2020, the Company disclosed such information as governance, strategies, risk management, metrics and targets on climate change risks and opportunities in accordance with the framework recommended by TCFD.

In May 2023, in order to enhance the scope of information disclosed, the Company adopted the Carbon Risk Real Estate Monitor (CRREM), which analyzes transition risks (risks which could result from the process of transition toward a lower-carbon economy), in addition to its existing analysis of two scenarios, including one with the less than 2°C target required by the Paris Agreement, and analyzed the future impact of climate change on the core business of the Mitsubishi Estate Group.

Going forward, the Company will continue to enhance the information disclosed while improving governance and business strategies related to climate change.



\* The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) based on a G20 request to investigate how to disclose climate-related information and respond to financial institutions. The task force issued its final report in June 2017, encouraging companies and others to disclose climate change-related risks and opportunities.

[Information Disclosure Based on TCFD Recommendations \(PDF 777KB\)](#)



Our disclosures based on TCFD recommendations, we primarily refer to the following scenarios and tools.

● RCP 8.5 (flood damage assessment by nation)

● IEA STEPS

● IEA SDS

● IEA 2DS

● CRREM



# Climate-related risk assessments

Risks	Relevance and inclusion	Details
Current regulation	Relevant, always included	<p><b>[An example of the risk type]</b> Tokyo Cap-and-Trade Program: Japan's first mandatory emissions trading scheme The Tokyo Metropolitan Government has in place the Tokyo Cap and Trade System, which applies to large-sized businesses. Subject businesses are required to reduce CO2 emissions by 15% against the base year over a 5-year period, and if it is not achieved, a company is obliged to purchase carbon credits. Non-complying companies are subject to a fine, in addition to bearing the costs for related administrative measures, as well as having their names disclosed. Therefore, it is considered to be a crucial risk in terms of reputation and finance.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Each business group and group company conducts risk assessments to identify important risks each year, and respond to priority risks (individual priority risks). In addition, line staff departments monitor the progress, cooperate and support the risk management at each group company. With regard to the individual priority risks selected, the Sustainability Committee and the Risk Compliance Committee, chaired by the president, accurately grasp the risks of the entire group, and visualize the risks and their priorities by identifying and mapping risks that need to be addressed intensively. Current regulatory risks (Tokyo Cap &amp; Trade System) are also evaluated, managed, and addressed in cooperation with the department in charge. As for emission reductions, the company is planning to introduce renewable energy at an early stage, in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>
Emerging regulation	Relevant, always included	<p><b>[An example of the risk type]</b> In the scope of our company's business, when new emission regulations are implemented to achieve the Paris Agreement etc., additional measures and costs such as introduction of new energy-saving equipment and switching of energy sources may occur. Therefore, they are assessed as mid- and long-term financial risk. In particular, the impact is considered to be large in the scenario of 2°C or less, and in addition to purchasing additional emissions credits, the company sees indirect increases in construction costs due to higher costs of carbon-intensive building materials as a potential risk in the future.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring in cooperation with the departments in charge in case any major change of regulations coming up. For instance, the third commitment period of mandatory Tokyo cap &amp; trade scheme is expected to start from 2020 to 2024. Our properties located in Tokyo are obliged to reduce CO2 emissions during the 5 years. If any property fails to meet such reduction obligation, additional expenditure will be required. Therefore, such risk is identified, evaluated and managed at the Sustainability Committee and Risk Management &amp; Compliance Committee and also monitored by the departments in charge. In addition, in order to respond to the introduction of emission regulations, the company is planning to introduce renewable energy at an early stage, in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>





Risks	Relevance and inclusion	Details
Technology	Relevant, always included	<p><b>[An example of the risk type]</b> Although our company will not develop technologies with respect to facilities in our own buildings, there is a possibility that we cannot achieve our mid- and long-term targets and emission regulations when the energy efficiency of facilities and low-carbon technologies are not advanced as expected. In that case, additional costs may be required due to additional introduction of high-efficiency energy-saving equipment with poor cost-effectiveness. Therefore, they are assessed as mid- and long-term financial risks.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring in cooperation with the departments in charge. For instance, as a result of assessment and management of technology risk, investment on Clean Planet Inc. whose business is R&amp;D of new energy has been made taking into consideration the use of energy in our facilities in the future. The long-term management plan to target 2030, which was announced in January 2020 (FY2019), sets targets and aims to develop new businesses in line with these targets in order to develop and manage real estate efficiently and effectively in response to technology risks.</p>
Legal	Relevant, always included	<p><b>[An example of the risk type]</b> It is expected that the Real Estate Companies Association of Japan will set voluntary target when the national GHG emission reduction plan is established in accordance with Japan's 26% emission reduction target announced at the COP 21. When such voluntary target is set, a pressure to reduce emissions would grow strong against us because we are owner of many large buildings and emit more GHGs than other companies, so that we may be forced more investment. Therefore, they are assessed as crucial financial risks. Legal risks are assumed to increase, especially at 2 degree C or below scenario.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of Japanese government and the world in cooperation with the departments in charge. In addition, in order to respond to the introduction of emission regulations, the plan for early reduction of emissions and introduction of renewable energy is being planned in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>
Market	Relevant, always included	<p><b>[An example of the risk type]</b> While the preferences of consumer is changing toward low carbon buildings and energy efficient buildings, if we can't provide buildings our customers prefer, it may lead to lower occupancy rate, lower sales and lower corporate value evaluation. Therefore, they are assessed as crucial financial risks. In the future, our group will promote measures based on the SBT and RE100. However, if measures are not implemented under the scenario of 2 degree C or less, we believe that the risk of an increase in vacancy rate and a decrease in rent will be especially large.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of changes in customer demand and their financial impacts in cooperation with the departments in charge. In addition, we intend to promote measures based on the SBT and RE100 as a countermeasure against risks, and we believe that the CO2-free construction of buildings (introduction of renewable energy, construction of ZEB, etc.) should be particularly important.</p>



Risks	Relevance and inclusion	Details
Reputation	Relevant, always included	<p><b>[An example of the risk type]</b> While being required to disclose and respond to ESG-related information and issues, there is a possibility of losing confidence from investors unless we are able to respond to the transition to a carbon-free society. Since it leads directly to the stock price, it is assessed as a crucial financial risk. In addition, with the transition to a carbon-free society, there is a possibility that there will be a risk of criticism of buildings with low environmental performance. In such a case, the impact on the business (e.g. reduction of rent, prolongation of leasing period) and corporate value is expected.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of impacts on corporate values of ESG evaluation by third parties in cooperation with the departments in charge. In addition, we intend to promote measures based on the SBT and RE100 as a countermeasure against risks, and we believe that the CO2-free construction of buildings (introduction of renewable energy, construction of ZEB, etc.) should be particularly important. We believe that it is important to disclose information on these initiatives, disclose them appropriately to stakeholders, and accumulate dialogues.</p>
Acute physical	Relevant, always included	<p><b>[An example of the risk type]</b> Because of the occurrence of urban flood caused by the increase in the number of floods caused by climate change, there is a risk of loss of rent due to the inability of our property to operate. Therefore, it is assessed as a crucial financial risk. On the other hand, we are proud that we are implementing a higher level of countermeasures than other companies, such as implementing development with strict standards in terms of building hardware and implementing disaster prevention measures in terms of software, and we believe that risks can be minimized even in the event of flood damage.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of exposure risks to extreme weather affected by geographical aspects in cooperation with the departments in charge. Concrete examples of risk countermeasures include the installation of tide boards and ground floors such as disaster prevention centers.</p>
Chronic physical	Relevant, always included	<p><b>[An example of the risk type]</b> Necessity of changing the operation of air conditioning systems and renovating air conditioning systems in our buildings because of rising temperatures. New design of whole building structure to maintain comfort inside requires more investment. Therefore, it is assessed as a crucial financial risk. On the other hand, in our buildings, we assume that initiatives are already progressing to a certain degree and that additional costs will be small, and we estimate that the financial impact will be negligible.</p> <p><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of exposure risks to extreme weather affected by geographical aspects in cooperation with the departments in charge.</p>



# Environment

## Climate Change Strategies

### Basic Policy and Approach

The damage to human life and property caused by extreme weather events such as heat waves, heavy rain, and drought is becoming more serious each year.

The real estate industry is known to emit a particularly large proportion of greenhouse gases as a percentage of all industries. The Mitsubishi Estate Group, which owns a large number of properties in and outside Japan, recognizes it has a great responsibility, and considers it essential to address climate change in order to achieve the Mission of Mitsubishi Estate Group, which is to contribute to society through urban development.

It is against this backdrop that, in order to identify the impact of climate change on business activities and take appropriate actions, the Group endorsed the TCFD Recommendations in February 2020 and implemented analysis and information disclosure<sup>\*1</sup> in line with the TCFD information disclosure framework (governance, strategy, risk management, and metrics and targets around climate-related risks and opportunities). Based on the results of this analysis, the Group will further strengthen its governance and business strategies related to climate change in order to appropriately manage and respond to climate-related transition risks (including regulatory, technological, market, and reputation risks) and physical risks (acute and chronic risks).

Moreover, collaboration with a broad range of external stakeholders is essential for the Group as it implements initiatives aimed at realizing a carbon-free society. To this end, in April 2020, Mitsubishi Estate joined the Japan Climate Leaders' Partnership (JCLP)<sup>\*2</sup>, a coalition of companies acting against the climate crisis, and working to collaborate with other companies to enact policy proposals to the government with the aim of decarbonization.

The Mitsubishi Estate Group will respond steadily to climate change by deepening the initiatives it takes through its business activities in line with this basic policy and approach.

\*1 [Information Disclosure Based on TCFD Recommendations](#)

\*2 [JCLP website](#) 

# Goals and Achievement Status

## Goals

Under the basic policy and approach described above, the Mitsubishi Estate Group has formulated medium-to-long term reduction targets for the Group's overall greenhouse gas emissions (reductions in GHG emissions [Scope 1 + 2 + 3] of 35% by fiscal 2030 and 87% by fiscal 2050 compared with fiscal 2017. In April 2019, these targets were approved as being based on scientific evidence by the Science Based Targets (SBT) initiative. In March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).



In January 2020, Mitsubishi Estate made a commitment to switching to renewable energy for 100% of the electricity it uses and joined RE100, a global collaborative initiative aimed at switching to electricity derived from renewable energy for 100% of the electricity used in business. In March 2022, Mitsubishi Estate revised its GHG reduction targets in line with the SBTi's Net-Zero Standard and, in conjunction with these revisions, also renewed the Group's renewable energy rate target to achieve 100% group-wide by fiscal 2025.



## GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- **Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions**
- **Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions\*)**

\* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

## Renewable Energy Rate Target (revision in March 2022) Joined RE100

- **Achieve 100% group-wide by fiscal 2025**

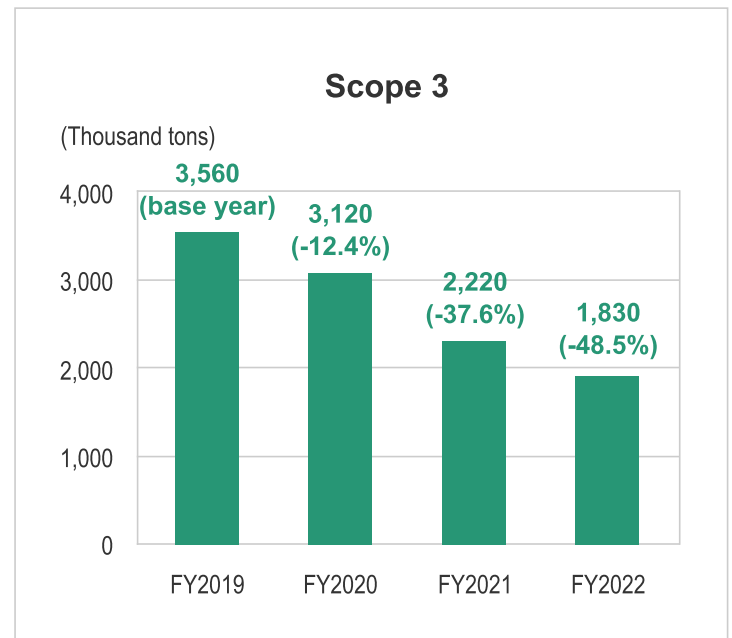
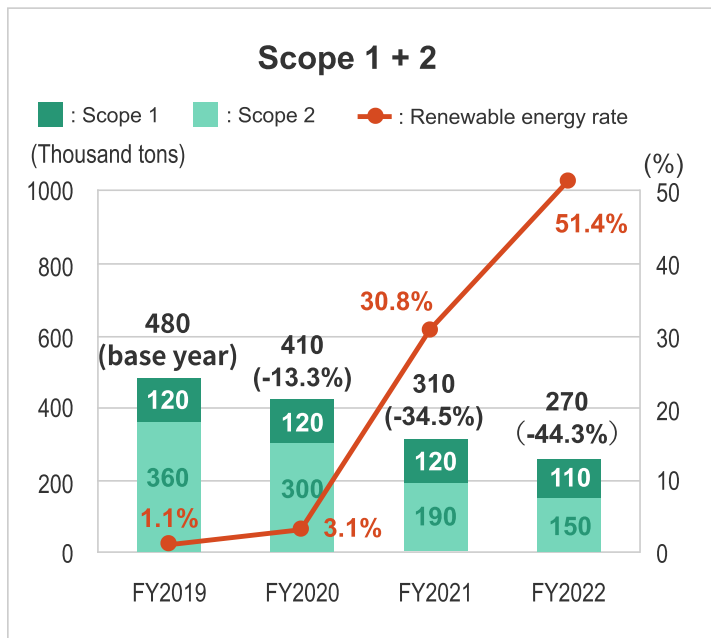


## Achievement Status

In order to achieve the targets above, the Group is implementing measures such as the use of high-efficiency equipment in the operation of office buildings, which is the Group's core business. In addition, given that factors such as external temperature and building operating conditions impact energy usage, we work with tenants to conserve energy and reduce GHG emissions.

As part of its efforts to reduce Scope 2 emissions, the Group is working to introduce electricity sourced from renewable energy (renewable power) in the properties it owns. The Group also actively takes steps in the properties it develops to obtain certifications, including those for ZEB and ZEH, with the aim of achieving advanced environmental performance and energy efficiency. Furthermore, for building and construction materials, which are the main source of Scope 3 emissions, the Group is enhancing collaboration throughout the supply chain to drive reductions in its development and construction work.

GHG Emissions, Including CO<sub>2</sub>, and Ratio of Electricity from Renewable Energy Sources



See the following for data on GHG emissions and the ratio of renewable power.

[ESG Data > Environmental data](#)







# Energy Management Initiatives

## Introducing "Super Tube" to Enhance District Heating-Cooling and Cogeneration Systems

Since Marunouchi Heat Supply began operating in 1976, it has developed a district heating-cooling network in the Otemachi, Marunouchi, Yurakucho area and supported energy management for the entire area. The steam and cold water generated by its plants are supplied to buildings through underground tunnels and used for air conditioning. Most of the buildings the Group owns in this area benefit from this system.

At the end of December 2020, Marunouchi Heat Supply and Mitsubishi Estate completed the "Super Tube," a 250-meter long culvert running north to south along Marunouchi Naka-Dori Avenue, and began supplying energy via this tunnel the following January. The Super Tube, which is 30 meters underground, is highly earthquake-resistant and the heat supply pipes inside it form an arterial network that will underpin the stable supply of energy in the Otemachi, Marunouchi, Yurakucho area. The supply of heat generated by the high-efficiency equipment at the Marunouchi Nijubashi Building plant through the Super Tube will reduce CO2 emissions and increase energy efficiency in the Yurakucho district.

With the construction of the Super Tube, the steam network linking the Marunouchi 1-chome, Marunouchi 2-chome, and the Yurakucho districts is now complete, and the mutual backup function between plants in an emergency has also been strengthened. Moreover, the effective use of unused heat is being promoted through the supply of exhaust heat generated by the cogeneration system to multiple buildings in the area through the steam network.

## Formulation of Smart Energy Urban Development Action 2050

In March 2021, Mitsubishi Estate and Marunouchi Heat Supply formulated Smart Energy Urban Development Action 2050, concentrating on the Otemachi, Marunouchi, Yurakucho area. The two companies will work on symbiotic and comprehensive energy policies that fully capitalize their management resources with the aim of next-generation urban development to maximize both environmental value and socioeconomic activity.

Central to Smart Energy Urban Development Action 2050 is the realization of an urban microgrid that will contribute to energy resilience, climate change countermeasures, and decarbonization in this area. The urban microgrid is a concept that integrates the use of self-owned power sources and renewable energy, which will be proactively brought in from outside. It also makes it possible to improve the efficiency of heat and power supply while making building energy consumption more efficient and smarter by maximizing the use of the district heating-cooling system. The creation of an urban microgrid contributes to climate change countermeasures and decarbonization during normal times, while also ensuring energy resilience to support business continuity in the area in the event of a major earthquake and other emergencies, thereby maximizing socioeconomic activity of this central business district.

In order to realize the urban microgrid, Energy and Urban Development Action 2050 sets out three management strategies. These consist of (1) Supply management strategy: improving overall efficiency through integrated heat and power supply system and decarbonization of electricity and heat; (2) Supply and demand management strategy: improving energy management efficiency through smarter energy consumption in new and existing buildings; and (3) Linkage and business management strategy: participating in renewable energy projects and contributing to regional revitalization, collaborating with diverse energy businesses on verification. Measures will be implemented in these three directions.



## Outline of the Strategies

### (1) Supply Management Strategy

Decarbonization of electricity (proactive introduction of renewable energy)	We will proactively introduce renewable energy in order to drive decarbonization of electricity.
Decarbonization of heat and construction of optimum energy portfolio	Together with optimizing the combined heat and power portfolio, we will promote decarbonization of heat, which will contribute to the overall portfolio.
Business continuity based on integrated heat and power and self-owned power sources; enhanced efficiency through area supply control	In addition to building a system that can supply each building with heat and electricity in an integrated manner, we will establish an autonomous emergency system through the ownership and operation of self-sustaining power sources and further improve efficiency in normal times through area supply control.
Area supply management and load levelling control using demand response <sup>*1</sup> , heat and power storage, and VPP <sup>*2</sup> , etc.	We will build systems that will manage heat and power supply within the area effectively, including coordinated supply among buildings and time band leveling, utilizing demand response, power and heat storage, VPP and other methods.

\*1 Demand response: refers to changing power demand patterns by controlling energy usage volume on the energy consumer side

\*2 Virtual Power Plant (VPP): A cloud-based distributed power plant that uses information technology to aggregate the capacities of different distributed energy resources and function as if it were a physical power plant

### (2) Supply and Demand Management Strategy

An approach with long-term building stock in mind	We will manage from the perspective of the future building portfolio with an eye on the long-term rebuilding schedule in the area.
Making newly developed buildings emissions-free	For buildings developed in the future, we will study measures that contribute to maximizing energy conservation performance and make buildings emissions-free.
Improvement of energy consumption efficiency in existing buildings	We will make effectively timed investments that contribute to greater energy conservation and smarter building design and operation with an eye on the repair life cycle of existing buildings.
Upgrading of management through "BENI," an independently developed next-generation cloud-based BEMS platform	We are developing our own next-generation cloud-based building and energy management system (BEMS) that will contribute to improving the operational efficiency of the diverse parties involved in building operation, as well as visualizing and providing an overall picture for energy conservation activities.
Demand-side load management using demand response and power and heat storage, etc.	We will engage in energy demand-side load management using demand response, power and heat storage, and other methods to encourage more efficient energy use.



### (3) Linkage and Business Management Strategy

Participation in renewable energy business and contribution to regional revitalization

In addition to participating in renewable energy projects across Japan, we will contribute to regional revitalization and local community development that helps to promote industry and create jobs in varied regions.

Development of cocreation with energy businesses

We will develop relationships for cocreation that go beyond business transactions as an energy consumer with businesses in energy-related fields, including power generation, transmission and distribution, electricity retail, gas supply, and aggregator business.

Promotion of collaborative verification and R&D in the Marunouchi area

We will provide our assets in the area as demonstration fields for the implementation and verification of new technologies, thereby contributing to their establishment.



# Promoting Renewable Energy

## Promoting Use of Renewable Power in Buildings

Mitsubishi Estate acquired its first ZEB Ready (office category) certification for a high-rise tenant office building, tentatively called the Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of November 2025. The energy conservation measures employed in this project are tested at the Group's headquarters to ensure they are energy efficient and facilitate a comfortable environment. Starting with this property, the Group aims to achieve high environmental performance in line with ZEB requirements for all new buildings to be developed. Furthermore, in February 2023 Mitsubishi Estate Residence started construction on (tentative name) the Osaka Abeno Showa-cho 3-chome Project,\* the first rental apartment building in the Kansai region to meet ZEH standards. In addition to meeting ZEH-M Oriented standards, the apartment building will use solar panels to generate electricity used in communal areas. These initiatives are part of Mitsubishi Estate Residence's goal to meet or exceed the ZEH-M Oriented Standard in new condominiums and new rental apartments under its CO2 emissions reduction strategies (formulated in January 2022). The entire Group will work together to reduce the environmental impact of its buildings and to provide new value.

\* This project falls under a basic agreement and general planning subcontracting agreement between ENEOS Corporation and Mitsubishi Estate Residence. The scheme designates ENEOS as the primary owner, while Mitsubishi Estate Residence is responsible for the project's design and other specifications as the general planner.

See the following for the list of buildings that have introduced renewable energy.

List of Buildings Introducing Renewable Energy



## Promoting Use of Renewable Power in Logistics Facilities

Mitsubishi Estate has adopted a general policy for the Logicross series of obtaining Building-Housing Energy-Efficiency Labelling System (BELS)\* certification for all logistics facilities since the November 2020 development of Logicross Ebina. Completed in November 2022, Logicross Osaka Katano obtained a five-star rating, the highest under the BELS certification system. In addition, Logicross Zama Komatsubara, completed in March 2022, obtained Zero Energy Building (ZEB) certification, a first for Mitsubishi Estate, by utilizing an in-house consumption scheme using electricity generated at the facility through solar panels.



Logicross Zama Komatsubara

\* Power Purchase Agreement = a third-party ownership model for self-consumption solar power generation facilities

## Promoting Use of Renewable Energy at Premium Outlets®

Premium Outlets® nationwide operated by Mitsubishi Estate・Simon began using 100% renewable energy for electricity (“renewable power”) used in communal areas such as the dining areas of food courts and toilets in June 2022. The renewable power used is sourced by purchasing green energy certificates\*. Ami Premium Outlets and Shisui Premium Outlets will also use power generated by carport-type solar power generators installed in 2016 and 2017 respectively.

Fukaya-Hanazono Premium Outlets, which opened in October 2022, is the first Premium Outlets to operate on renewable power for all the electricity used in the facility, including tenant exclusive-use areas. The approximately 8,000MWh of electricity for the entire facility (estimated annual usage), including common-use and tenant exclusive-use areas, is covered by solar panels and green energy certificates. In addition, the facility features the active adoption of a design that promotes natural light and ventilation, which enhances the environment for visitors in addition to reducing energy consumption.\* A system in which green power is treated as power with the “environmental added value” of reducing CO2 emissions with this value certified by a third party and traded in the form of certificates.

\* A system in which green power is treated as power with the “environmental added value” of reducing CO2 emissions with this value certified by a third party and traded in the form of certificates.



Carport-type solar power generator for captive consumption  
(Aimi Premium Outlets)



Carport-type solar power generator for captive consumption  
(Shisui Premium Outlets)



Installed solar panels  
(Fukaya-Hanazono Premium Outlets)





## Using Renewable Power in Condominiums

Mitsubishi Estate Residence has been promoting the use of renewable power in condominiums to achieve a 50% reduction in GHG emissions by 2030 compared with 2019, the target set in January 2022.

### Expanding Installation of Solar Panels on Condominiums

Mitsubishi Estate Residence has been working to utilize renewable energy by installing the soleco energy-creation system that combines high-voltage collective power systems with solar power systems in newly built condominiums with more than 40 residential units as a general rule since 2010. As of March 31, 2023, soleco had been installed in 235 condominium buildings. Mitsubishi Estate Residence will proceed with installation of solar panels on newly built condominiums for sale with less than 40 residential units where soleco has not been installed, while also introducing “soleco+<sup>\*</sup>” for newly built condominiums for lease. In addition, approximately 250 t in CO<sub>2</sub> emissions reductions from electricity generated at 84 of the properties where soleco is already installed were qualified for J-Credits, which offset all of the electricity used in fiscal 2020 at the Mitsubishi Estate Residence head office and some of the communal areas in the same building. Since fiscal 2021, all the electricity used at Otemachi Financial City Grand Cube, which the head office occupies, has been switched to electricity sourced from renewable energy. Therefore, Mitsubishi Estate Residence is now using the J-Credits from soleco to offset electricity used in condominium sales centers<sup>\*2</sup>.

\* An electricity supply system that combines solar panels and non-fossil fuel energy certificates

### Switching All Electricity in Condominiums to Non-Fossil Fuel Energy Sources (Carbon Offsetting Using Electricity with Non-Fossil Fuel Energy Certificates)

In addition to expanding the installation of solar panels, Mitsubishi Estate Residence will switch to electricity with non-fossil fuel energy certificates for the electricity that the customers purchase at The Parkhouse brand of condominiums. Mitsubishi Estate Residence will switch to electricity with non-fossil fuel energy certificates for the high-voltage collective power purchased at The Parkhouse brand of condominiums and enable customers to contract for electricity with non-fossil fuel energy certificates at the time of delivery for The Parkhabio brand of condominiums for lease. By doing this, the company will realize the supply of electricity with non-fossil fuel energy certificates that does not emit CO<sub>2</sub> in all newly built condominiums for sale and lease by 2030. Approximately 60%<sup>\*</sup> of the energy that customers use at home is electricity, so switching to electricity free of fossil fuels can reduce CO<sub>2</sub> emissions in the daily lives of customers.

\* Based on research by Mitsubishi Estate Residence



# Promoting Energy-Saving Measures

## Promoting the Use of Carbon Neutral City Gas

Marunouchi Heat Supply Co., Ltd. began using carbon neutral city gas in March 2020 at the Marunouchi Building and the Otemachi Park Building, the first-ever use of carbon neutral gas by office buildings in Japan. The carbon neutral city gas derives from carbon neutral LNG purchased by Tokyo Gas from Shell Group with Shell Group's carbon credits used to offset the CO<sub>2</sub> emissions generated in all processes from exploration to use as fuel.

The carbon neutral city gas is being used in the hybrid power generation system installed in the Marunouchi Building in March 2019 and the gas co-generation system in the district heating and cooling plant in the Otemachi Park Building. As a result, significant reductions in CO<sub>2</sub> emissions have been achieved.

Furthermore, beginning November 2021, Marunouchi Heat Supply switched the city gas it employs at all district heating and cooling plants it operates to carbon neutral city gas. This means that now approximately 3.4 million m<sup>3</sup> of carbon neutral city gas is supplied annually, achieving the country's highest reduction of CO<sub>2</sub> emissions at 97,000 t<sup>\*1</sup> per year, equivalent to the amount of city gas used in nearly 90,000 average households. In switching over fully to carbon neutral city gas, the company's global and environmentally minded initiatives and a strong heat network has resulted in a local heat supply business contributing to better resilience and achieving a sustainable society.

Also, with the goal of popularizing carbon neutral LNG and improving its utility value, Tokyo Gas, which procures and supplies carbon neutral LNG, along with four organizations that purchase the gas, established the Carbon Neutral LNG Buyers' Alliance in March 2021 (with 44 member companies as of end of August 2022).

\*1 The CO<sub>2</sub> emission factor used in calculations is the value that offsets the greenhouse effect gas occurring from the process covering natural gas extraction to burning.



Underground heat supply piping



## Promoting ZEB and ZEH in New Buildings and Rental Apartments to Reduce Environmental Impact

Mitsubishi Estate acquired its first ZEB Ready (office category) certification for a high-rise tenant office building, tentatively called the Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of November 2025. The energy conservation measures employed in this project are tested at the Group's headquarters to ensure they are energy efficient and facilitate a comfortable environment. Starting with this property, the Group aims to achieve high environmental performance in line with ZEB requirements for all new buildings to be developed. Furthermore, in February 2023 Mitsubishi Estate Residence started construction on (tentative name) the Osaka Abeno Showa-cho 3-chome Project,\* the first rental apartment building in the Kansai region to meet ZEH standards. In addition to meeting ZEH-M Oriented standards, the apartment building will use solar panels to generate electricity used in communal areas. These initiatives are part of Mitsubishi Estate Residence's goal to meet or exceed the ZEH-M Oriented Standard in new condominiums and new rental apartments under its CO2 emissions reduction strategies (formulated in January 2022). The entire Group will work together to reduce the environmental impact of its buildings and to provide new value.

\*1 This project falls under a basic agreement and general planning subcontracting agreement between ENEOS Corporation and Mitsubishi Estate Residence. The scheme designates ENEOS as the primary owner, while Mitsubishi Estate Residence is responsible for the project's design and other specifications as the general planner.



Uchi-Kanda 1-chome Project

## Taking Measures for a Net Zero Energy Building (ZEB) at Miyako Shimojishima Airport Terminal in Okinawa

Opened in March 2019, the Miyako Shimojishima Airport terminal is Japan's first-ever airport terminal that has earned a Net Zero Energy Building (ZEB) rating. The Group has incorporated a range of sustainable, energy-saving measures. It was designed based on a plan that will make primary energy consumption around 68% less than a comparable structure built to the national standard, and for which the project was accredited with the ZEB Ready rating by the Agency for Natural Resources and Energy of Japan's Ministry of Economy, Trade and Industry. It has also earned the highest ranking of the Building-housing Energy-efficiency Labeling System (BELS), and is the first airport terminal in Japan to actively adopt CLT\* as a structural material for its roof.



Projects Utilizing CLT





## Reducing CO<sub>2</sub> Emissions during Condominium Construction

As part of its efforts to reduce CO<sub>2</sub> emissions during construction, Mitsubishi Estate Residence will gradually transition to using concrete mixed with blast furnace cement, which emits fewer CO<sub>2</sub> emissions, as a general rule for on-site piling in all new condominiums for sale or rent that it develops. The company has already introduced such concrete at 14 properties (as of Jun 2023), including Atsugi First Avenue, Chuo Nihonbashi Hisamatsucho, and The Parkhabio Bunkyo Edogawabashi.

In order to further accelerate reductions in CO<sub>2</sub> emissions, Mitsubishi Estate Residence has used environmentally-friendly H-BA concrete (concrete with lower CO<sub>2</sub> emissions than ordinary concrete)\* in the above-ground areas of the building for The Parkhouse Hibarigaoka, scheduled to go on sale in January 2024.

\* An environmentally-friendly concrete with reduced CO<sub>2</sub> emissions during concrete manufacturing achieved by mixing ordinary Portland cement with blast furnace cement type B.



# Including CO2 Emissions in Condominium Household Account Books to Raise Environmental Awareness

Since 2013, Condominium Household Account Books have been distributed to those considering buying a unit in The Parkhouse, a condominium sold by Mitsubishi Estate Residence, with the objective of communicating the environmental performance of the brand and stimulating energy-saving behavior. This account book presents approximation of utilities and other running costs to be incurred after moving into the condominium and communicates energy conservation performance in an easy-to-understand monetary value, thereby helping potential customers make more informed purchasing decisions.

Since October 2021, with the cooperation of MEC eco LIFE, Mitsubishi Estate Residence has been disclosing the CO2 emissions of each unit, which is expected to encourage residents to reduce emissions in their daily lives. Mitsubishi Estate Residence has also launched an initiative in its renovation (purchase and resale) business to provide customers with Energy Conservation Performance Reports, which disclose information on energy performance following the style of the Condominium Household Account Books. In recognition of its Condominium Household Account Books, Mitsubishi Estate Residence was selected in 2020 as a participating company in the “CO2 reduction action (zero emissions) movement—a sustainable society created by consumers and businesses,” an initiative of the Tokyo Metropolitan Government. Following the end of the three-year collaboration project, Mitsubishi Estate Residence will continue with a cooperation agreement for three years from 2023. Mitsubishi Estate Residence will continue to introduce the ZEH-M standard, renewable energy, and take other initiatives to achieve a 50% reduction in GHG emissions by 2030 compared with 2019, the target set in January 2022.



Condominium Household Account Book (Japanese Only)





## Combining Aerotech with Solar Power Generation to Meet Net Zero-Energy House (ZEH) Standards

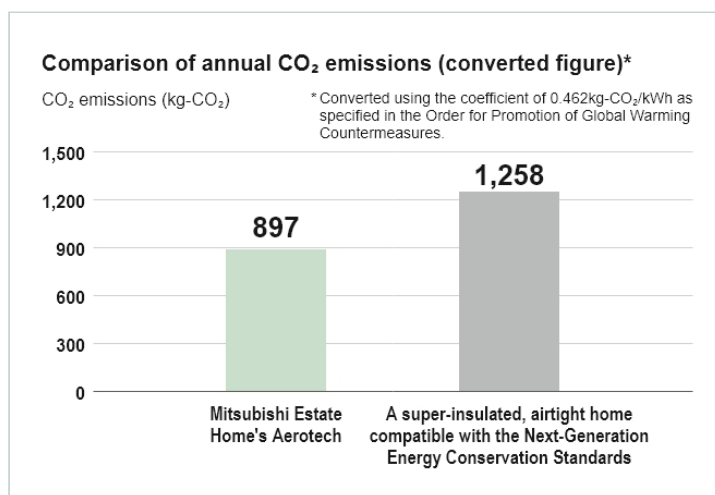
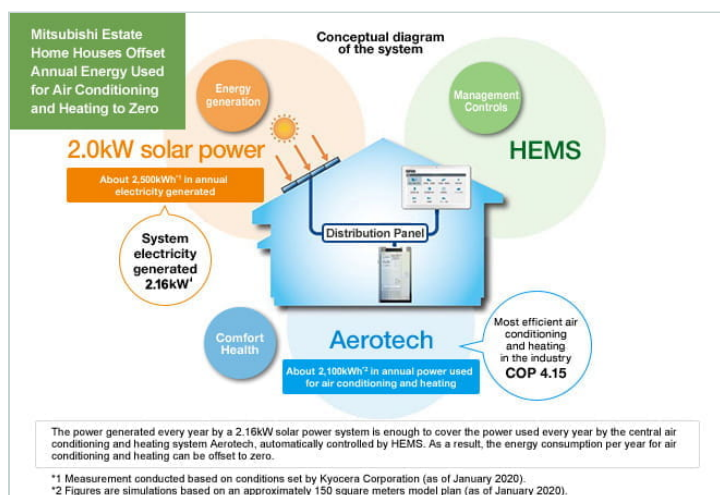
Aerotech is a central air conditioning system that Mitsubishi Estate Home offers in its custom-built homes. It provides heating, cooling, and ventilation for the entire home using a single compact indoor unit. The Aerotech system delivers the industry's top-class heating and cooling efficiency that helps lower power consumption while allowing residents to control room temperatures across the entire residence, including the bath and toilet. It also contributes to preventing heatstroke and heat shock by minimizing temperature differences across the home. Since its debut in 1995, the system has been installed in more than 90% of the company's custom-built detached homes, and is in use in more than 10,000 houses. Building on a track record of 28 years since its release, the company is continuing to evolve as an entire-home air conditioning system pioneer.

Starting October 2019, Mitsubishi Estate Home, in collaboration with a service provider, began offering Zuttomo Solar for Aerotech, a service that provides free installation of solar power generation equipment for customers who purchase a detached custom-built home. By combining solar power generation with features such as Aerotech and the Home Energy Management System (HEMS), CO<sub>2</sub> emissions can be reduced by nearly 361 kg per year compared with homes heated and cooled using individual heat pump air conditioners. Furthermore, the annual power capacity delivered by the solar power generation system (approximately 2,600 kWh equivalent\*1) significantly exceeds annual heating and cooling energy expenditures (approximately 2,100 kWh equivalent\*1).

Mitsubishi Estate Home established the CO<sub>2</sub> Emissions Reduction Strategy and aims to reduce CO<sub>2</sub> emissions by 60% (compared with fiscal 2019) by fiscal 2030 and to achieve net zero by fiscal 2050. Utilizing its Aerotech and Zuttomo Solar for Aerotech services, the company will continue promoting the Net Zero Energy House (ZEH) and the Nearly-ZEH\*2 initiatives (target ZEH percentage by fiscal 2030: 85%) by upgrading the insulation performance of properties, using highly efficient equipment, and making innovations in design techniques. This will provide customers with an energy efficient, comfortable home environment while contributing to the reduction of CO<sub>2</sub> emissions.

\*1 Figures are simulations by Mitsubishi Estate Home assuming an approximately 150 square meters model plan (as of July 2023).

\*2 Advanced housing that looks ahead to ZEH. It features a highly insulated exterior shell and highly efficient, energy saving equipment with annual primary energy consumption close to zero through use of renewable energy, etc.





## Initiatives proposed by the Architectural Design and Engineering Group; Environmental Architecture of Sharing Wellness and Happiness / Net Zero Energy Building (ZEB)

Mitsubishi Jisho Sekkei has defined "Environmental architecture" as architecture that allows residents and users to share wellness and happiness to offer high added value architectural design. It aims to be environmentally conscious, provide comfort, promote wellness, and deliver personal design for higher productivity. This new concept delivers the design of comprehensive environmental where interactions among people create new and diverse values.

### Environmental Architecture of Sharing Wellness and Happiness



KANKYO KENCHIKU

第6068002号(標準文字)、区分(第37類・第42類)



- > **Comfort** Energy saving and improving productivity
- > **Wellness** Reducing absenteeism<sup>\*1</sup> and presenteeism<sup>\*2</sup>
- > **Diversity** Improving productivity through personal design

\*1 Absenteeism: Being absent from work due to sickness

\*2 Presenteeism: Physical or mental health issues reducing work productivity while at work

## ZEB Initiatives—Achieving both Net Zero Energy Building and Comfort

In addition to improving "energy efficiency" toward ZEB, we are introducing a variety of environmentally friendly technologies in large-scale buildings with the aim of creating a highly comfortable working environment that provides diverse work styles and worker preferences. These technologies have been introduced through the development of new systems, the experimental stage, and the demonstration stage in small and medium-sized buildings, and we are working on the design of tenant office buildings with next-generation energy efficiency and comfort based on simulations and actual measurements.

# CO<sub>2</sub> Emissions Reduction Initiatives by Japan Real Estate Investment Corporation

In anticipation of the early achievement of the CO<sub>2</sub> emissions reduction target it unveiled in 2019, Japan Real Estate Investment Corporation (JRE) is seeking to reduce its CO<sub>2</sub> emissions by 80% by FY2030 compared with FY2019 and to achieve virtually zero emissions by FY2050 as new targets raising the rate of its CO<sub>2</sub> emissions reductions. The new targets have been certified by the Science Based Targets (SBT) initiative.<sup>\*1</sup> In conjunction with its application to the SBT initiative, JRE has made several changes to align with global standards, such as switching to a total emissions reduction target from its previous per-unit target, revising the base year from FY2013 to FY2019, and managing emissions reduction targets for Scope 1, Scope 2, and Scope 3.<sup>\*2</sup> In addition, JRE joined RE100, an international initiative encouraging companies to source 100% of the electricity they use in their business activities from renewable energy. Moreover, JRE will work to realize a decarbonized society by sourcing 90% of the electricity it uses at buildings under its ownership from renewable energy by FY2030 and 100% by FY2050.

\*1 An international initiative aiming to limit the average global temperature rise resulting from climate change to below 2 °C above pre-industrial levels

\*2 Scope breakdown: Scope 1: Emissions caused directly by combustion of fuel (gas, fuel oil); Scope 2: Emissions caused indirectly by combustion derived from the use of electricity and local heating and cooling; and Scope 3: Emissions caused indirectly by combustion resulting from the use of fuel and electricity in relation to tenant areas, etc.

## Acquisition of ZEB Certification

JRE aims to own 5-10 ZEBs by 2030 (including ZEB Ready and ZEB Oriented buildings). In collaboration with Mitsubishi Jisho Design Inc., we have started to verify the future possibility to make the existing properties to ZEBs through renovations. In 2021, we acquired ZEB Ready Certification for JRE Higashi-Gotanda 1-Chome Building and for Daido Seimei Niigata Building in 2022, our second such certification. These are the acquisitions of ZEB Ready Certification by application at the design stage based on the assumption of renovation work in an existing building. JRE will continue to promote its ZEB initiatives in order to achieve its KPIs.



JRE Higashi-Gotanda 1-Chome Building



# Publishing the Report on Measures Against Global Warming

## Publishing the Tokyo Metropolitan Environmental Security Ordinance Report on Measures against Global Warming

Please click below to view Mitsubishi Estate's Report on Measures against Global Warming.

Mitsubishi Estate Report on Measures against  
Global Warming (Japanese only) (PDF 2.7MB)



The Environmental Bureau of the Tokyo  
Metropolitan Government Public Report  
Data (Japanese only)



## Publication of Minato-ku Global Warming Countermeasures Report in Accordance with the Minato-ku Global Warming Countermeasures Reporting Program

See the following for Mitsubishi Estate's Minato-ku Global Warming Countermeasures Report.

Fiscal 2021 Minato-ku Global Warming  
Countermeasures Report (Fiscal 2020 Results)  
(Japanese only) (PDF 4.7MB)



Excerpt from Fiscal 2021 List of Registered  
Business Sites published by Minato-ku (Fiscal  
2020 Results) (Japanese only) (PDF 225KB)





# Governance system and framework for public policy Engagement in Climate Alignment

We have management system in place for lobbying activities and trade association memberships and have a governance framework for public policy engagement with clear accountabilities up to executive level as all public policy engagements are processed according to the internal approval process up to executives. Our company has clear approval criteria for each case and executives judge according to the criteria.

In terms of reviewing and monitoring process to assess whether public policy engagements and lobbying are aligned with Paris Agreement, we examine the performance and activities of trade associations and direct lobbying activities and determining whether they are in line with the Paris Agreement based on the content of their activity reports.

If we find misalignments between climate change policy positions of trade associations and our own climate position, we would make public statements distancing the company from the misalignment, and/or would leave the trade association.

## Examples of Energy Efficiency Programs

Type of Energy Efficiency Program implemented	Description of Program
Retrofitting lighting	If the lights could be turned off when there is no one in the toilet stalls, energy use could be greatly reduced. For this reason, we replaced all of the current light fixtures in our buildings' toilet stalls, which cannot turn off individually, with LED light fixtures equipped with sensors for detecting users.
Smart grid/building technology	In order to make building management efficient, we have integrated our buildings' energy consumption information with the management system. This system can compile data across all buildings by energy type, application, time period, and so on. This allows for efficient management analysis that goes beyond individual buildings.
Window replacements	Coating low-insulation glass window surfaces with a special film improves their heat insulation capability as well as their ability to prevent solar radiation from entering. This can help reduce energy spent on air conditioning and improve interior spaces near windows.





# Working Together with Tenants

## Organizing Global Warming Prevention Council Meetings

Mitsubishi Estate has been organizing yearly Global Warming Prevention Council meetings since 2008, collaborating with the tenants in its buildings. The Council meetings are convened for an explanation of CO2 emission reduction and energy-saving initiatives, based on the Tokyo Metropolitan Environmental Security Ordinance and the Energy Saving Act, and to provide updates on their progress. Mitsubishi Estate will continue this initiative to provide tenants with information on energy-saving activities underway in the building, their concrete reduction targets, and energy-saving methods that can thereby promote energy-saving activities together with its tenants.

## Publication of the Sustainability Guide

Since fiscal 2019, Mitsubishi Estate and Japan Real Estate Asset Management have jointly published the Sustainability Guide, which is distributed to office tenants with support from Mitsubishi Jisho Property Management.

In order to realize the sustainable urban development and contribution to the SDGs set out by the Mitsubishi Estate Group, it is necessary to collaborate with all stakeholders involved in urban development and build cooperative relationships. The guide will primarily be utilized as a communication tool for promoting collaboration with office tenants to help facilitate a sustainable world.

### ● Main Topics

- Sustainability Guide Vol.1 (published 2019) : New office spaces and workstyle reform
- Sustainability Guide Vol.2 (published 2021) : What an office should be like in the "new normal" era • Recycling waste

Sustainability Guide Vol.1 (published 2019) (PDF 958KB)

PDF

Sustainability Guide Vol.2 (published 2021) (PDF 1.34MB)

PDF



## Green Lease Program Benefits Both Owners and Tenants

Japan Real Estate Asset Management (JRE-AM), which provides asset management services for Japan Real Estate Investment (JRE), has been actively promoting renovations of equipment in building stock aimed at reducing environmental impact. Its aim is to build a portfolio that is highly rated by tenants and investors that prioritize environmental performance of buildings.

In general, building owners are reluctant to introduce environmental equipment renovations because they do not necessarily produce economic benefits commensurate with the investment. In these circumstances, JRE-AM has introduced a Green Lease Program under which a portion of the reduction in energy usage fees received by tenants is returned to building owners for a certain period. Taking advantage of the program, the company has been progressively converting lighting in tenant use areas to LED. This also has the advantage of dramatically reducing electricity fees for tenants, creating a "win-win" benefit for both tenants and building owners.

By expanding the Green Lease Program, JRE-AM will continue to provide value-added, environmentally-friendly real estate that contributes to CO2 reduction.

## Establishing New Green Lease Clause

In order to promote energy conservation in collaboration with tenants, Mitsubishi Estate has established a new green lease clause in its lease agreement template.

See the following for the percentages of agreements based on the green lease clause.

[ESG Data > E: Environmental data > \(2\) Other](#)





## Environment

# List of Buildings Introducing Renewable Energy

In achieving its medium-to-long term targets (SBTs) for greenhouse gas emissions reductions and the target for the ratio of renewable power (RE100), the Mitsubishi Estate Group believes that it is imperative to switch the electricity used in the buildings it owns and operates to electricity derived from renewable energy ("renewable power"). Based on this recognition, the Group is steadily implementing a switch to renewable power in line with the RE100 commitment.

See the following for the list of buildings introducing renewable energy. (Buildings that have not commenced the switch to renewable electricity are excluded even where an agreement to switch has been concluded.) (As of March 17, 2023)

\* Buildings and commercial facilities in which Mitsubishi Estate's ownership is 50% or more. capital-recycling business and projects scheduled for redevelopment are excluded.  
For buildings and commercial facilities in which Mitsubishi Estate's ownership is less than 50%, upon consultation with business partners and other parties, electricity from renewable energy was introduced at some projects.

## Around Tokyo Station (Otemachi / Marunouchi / Yurakucho)



### Marunouchi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

[For additional details of this property](#)



### Shin-Marunouchi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

[For additional details of this property](#)



### Mitsubishi Building

Year of introduction: FY2021

[For additional details of this property](#)



### Marunouchi 2-chome Building

Year of introduction: FY2021

For additional details of this property



### Marunouchi-Nakadori Building

Year of introduction: FY2021

For additional details of this property



### The Industry Club of Japan, Mitsubishi UFJ Trust And Banking Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



### Marunouchi Eiraku Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



### Marunouchi Oazo A District(Nihon Seimei Marunouchi Building, Marunouchi Kitaguchi Building, Marunouchi Hotel, Oazo (Shop&Restaurant))

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

\*Marunouchi Kitaguchi Building

For additional details of this property



### Tokyo Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property





### Marunouchi Park Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### Shin-Tokyo Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### Shin-Kokusai Building

Year of introduction: FY2021

For additional details of this property [📄](#)



### Kokusai Building

Year of introduction: FY2021

For additional details of this property [📄](#)



### Marunouchi Nijubashi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### Otemachi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### Otemachi Financial City Grand Cube

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### Otemon Tower-ENEOS Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### OTEMACHI PARK BUILDING

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)





## TOKYO TORCH Tokiwabashi Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

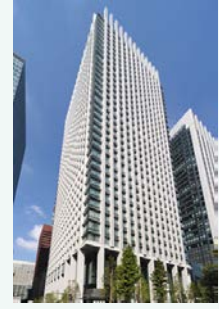
For additional details of this property



## Otemachi Financial City North Tower

Year of introduction: FY2021

For additional details of this property



## Otemachi Financial City South Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



## Hibiya Kokusai Building

Year of introduction: FY2021

For additional details of this property



## Shin-Otemachi Building

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



## Shin-Nisseki Building

Year of introduction: FY2022

For additional details of this property



## Other areas in Tokyo



### Mitsubishi Chemical Nihonbashi Building

Year of introduction: FY2021

[For additional details of this property](#)



### Shinjuku Eastside Square

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

[For additional details of this property](#)



### Shinjuku Front Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

[For additional details of this property](#)



### Shin-Aoyama Building

Year of introduction: FY2022

[For additional details of this property](#)



### Akasaka Park Building

Year of introduction: FY2022

[For additional details of this property](#)



### Sanno Park Tower

Year of introduction: FY2022

[For additional details of this property](#)



### Sanno Grand Building

Year of introduction: FY2022

[For additional details of this property](#)



### Kandabashi Park Building

Year of introduction: FY2022

[For additional details of this property](#)



### Nibancho Garden

Year of introduction: FY2022

[For additional details of this property](#)



### Shibuya Cross Tower

Year of introduction: FY2022

For additional details of this property



### Linksquare Shinjuku

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

For additional details of this property



### Mita Kokusai Building

Year of introduction: FY2022

For additional details of this property



### Toyosu Foresia

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

\* Owned via a TMK (tokutei mokuteki kaisha ;  
a form of special purpose vehicle [SPV] in  
Japan)

For additional details of this property



### Toyosu Front

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

For additional details of this property



### Mizuho Lease Building

Year of introduction: FY2022

For additional details of this property



### AquaCity Odaiba

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

For additional details of this property



### SUNAMO Minamisago Shopping Center

Year of introduction: FY2022

For additional details of this property



### Ponte Porta Senju

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

For additional details of this property





### Higashikurume Shopping Center Qurune

Year of introduction: FY2022

For additional details of this property [📄](#)



### M's CROSS Omotesando

Year of introduction: FY2022

## Yokohama



### The Landmark Tower Yokohama

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



### MARK IS Minatomirai

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)

# Sendai



## Kakyoin Square

Year of introduction: FY2022

[For additional details of this property](#)



## Sendai Park Building

\* Our share only

Year of introduction: FY2022

[For additional details of this property](#)



## Yomiuri Sendai Ichibancho Building

\* Our share only

Year of introduction: FY2022

[For additional details of this property](#)



## Jozenji Park Building

Year of introduction: FY2022

[For additional details of this property](#)



## kurax

Year of introduction: FY2022

[For additional details of this property](#)



## IZUMI PARK TOWN Tapio

Year of introduction: FY2022

[For additional details of this property](#)



## Katsura Garden Plaza

Year of introduction: FY2022



## Shopping Garden Caraway

Year of introduction: FY2022

## Takamori Shopping Plaza

Year of introduction: FY2022





### Teraoka Shopping Plaza

Year of introduction: FY2022



### Teraoka Knots

Year of introduction: FY2022

For additional details of this property [📄](#)



### Murasakiyama Plaza

Year of introduction: FY2022



### Sendai Royal Park Hotel

Year of introduction: FY2022

For additional details of this property [📄](#)

## Chubu Area



### Dai Nagoya Building

Year of introduction: FY2021

Acquisition of DBJ Green Building  
Certification

For additional details of this property [📄](#)



# Osaka



## Grand Front Osaka (South building, North building, Umekita Square)

Year of introduction: FY2022

[For additional details of this property](#)

# Hiroshima



## Hiroshima Park Building

Year of introduction: FY2022

[For additional details of this property](#)



## Shin Hiroshima Building

Year of introduction: FY2022

Acquisition of DBJ Green Building  
Certification

[For additional details of this property](#)



## NHK Hiroshima Broadcasting Center Building

Year of introduction: FY2022

[For additional details of this property](#)

Please see the following page for more details about the Mitsubishi Estate Group's acquisition of environmental real estate certifications, including the Development Bank of Japan (DBJ) Green Building certification and the Comprehensive Assessment System for Built Environment Efficiency (CASBEE) certification.

[Promoting Acquisition of Environmental Real Estate Certifications](#)





## Environment

# Reducing Waste and Preventing Pollution

## Policy on Waste Reduction, Preventing Pollution, and Reducing Use of Resources

The Mitsubishi Estate Group has set a policy creating a sound material-cycle society in the Mitsubishi Estate Group Basic Environmental Policy and strives to reduce, reuse, and recycle at each stage of business, including planning, development, design, construction, management, and dismantlement. The Group also works to reduce waste, pollution, and use of resources by increasing the lifespan of buildings, including the use of existing buildings through renovation.

Moreover, in the area of Environment, one of the Key Themes stated in the Mitsubishi Estate Group 2030 Goals for SDGs, the Group has set goals for increasing waste recycling rates and reducing emissions, mainly for food and plastic in the management and operation of its properties, and is working in collaboration with tenants and other stakeholders to achieve a material-cycle society.

## Goals and Achievement Status

In waste reduction, preventing pollution, and reducing use of resources, the Group has set goals for 2030 in the area of Environment, one of the Key Themes set out in the Mitsubishi Estate Group 2030 Goals for SDGs. In concrete terms it has set targets for improving the waste recycling rate to 90% by 2030 and reducing waste emissions by 20% per m<sup>2</sup> compared to fiscal 2019. The Group is implementing initiatives utilizing Plan Do Check Act (PDCA) with the aim of achieving these goals.

The Group is working to create a sound material-cycle society by taking action in collaboration with diverse stakeholders, including both tenant companies and suppliers, as well as urban residents, building visitors and other stakeholders.

See the following for the data on reduction of waste.

[ESG Data > E: Environmental data > \(1\) KPI](#)



# Reducing Waste

## Initiatives in Cooperation with Stakeholders and Other Parties

See the following for information on initiatives at Mitsubishi Estate Headquarters and initiatives in cooperation with stakeholders and other parties.

Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment > Reducing Waste and Increasing Recycling Rate →

## Recycling Lunch Box Containers as a Community with the Marunouchi Eco-Bento Project

In May 2016, Mitsubishi Estate launched the Marunouchi Eco-Bento Project to promote bento ("lunch box") container recycling involving the entire community, which is the first initiative of its kind in Japan.

The project introduced a special P&P Re-repack recyclable containers coated with plastic film for bento sold in the Marunouchi area. After finishing the bento, only the lid and removed film are discarded, while the container is returned to a collection box located in each building for recycling. Mitsubishi Estate coordinates with multiple shops in the planning and operation of the project as a property developer.

During the verification test conducted with 15 participating shops in 3 buildings over a two-month period starting in October 2015, 20.8% of containers were collected, reducing nearly 665 kg of CO<sub>2</sub> (equivalent to the amount absorbed by 48 cedar trees in one year). Participating shops mentioned that it was an easy way to contribute to society, resulting in more participating stores across a wider area as we launch the full-scale project. Currently, 12 shops in 15 buildings participate. There are plans to reach out to more shops in the future and install additional collection points in order to further reduce the impact on the environment.



Marunouchi Eco-Bento Project (Japanese only)





## Initiatives to Reduce Waste in the Detached Housing Business

In June 2022, Mitsubishi Estate Home established the CO<sub>2</sub> Emissions Reduction Strategy to accelerate the realization of a decarbonized society. Having established the selection of construction methods that reduce waste and materials that are easy to recycle as one of its strategies, the company will continue to promote further initiatives in this area.

Specifically, the company will aim to reduce onsite waste by promoting pre-cutting of structural, insulation, and construction materials (interior and exterior) during construction, optimization of order volumes, and improvement of construction methods. In addition to the measures taken during construction, the company also aims to reduce the frequency of repairs through the use of more durable exterior and other materials leading to a reduction in waste from repairs and demolition.

## Initiatives to Reduce Food Loss at Yokohama Royal Park Hotel

In 2019, Yokohama Royal Park Hotel launched the SDGs Committee, which has conducted staff awareness surveys and other activities. In July 2021, it also established an organization chaired by the hotel's general manager to further raise the awareness of staff and implement initiatives that will contribute to achievement of the SDGs.

The hotel is working in partnership with the customers who dine at its restaurants and hold functions there, as well as suppliers, on initiatives to reduce the amount of edible food that is discarded (food loss).

### Examples of initiatives

- Function buffet “3010 Initiative” recommendations:

The 3010 Initiative is a Ministry of the Environment campaign to reduce food loss that calls for guests at functions to stay seated to enjoy the food for 30 minutes after the toast and to return to their seats to continue enjoying the food for an additional 10 minutes before the function winds up in order to reduce leftover food. Yokohama Royal Park Hotel has endorsed the campaign and provides the information to the organizers of functions using the hotel's facilities. The hotel provides information on the initiative at the venue and reception as much as is possible at functions where understanding has been obtained to encourage cooperation by function participants.

- Measuring the amount of buffet food discarded:

The hotel is working to reduce food loss by measuring and identifying the amount of buffet food discarded for each food ingredient, optimizing the replenishment of food, and raising awareness about reducing waste.

- Making effective use of vegetable scraps:

The hotel makes effective use of vegetable scraps in broth and bouillon.

- Reusing food products close to their sell by date:

The hotel offers some of the bread that does not sell out at the delicatessen free-of-charge for breakfast at the club lounge or sells it at a reasonable price through the TABETE\* platform app. In addition, it donates some food products approaching their expiration date to the Harenohi Kenohi children's cafeteria.

\* A food sharing service that allows people to “rescue” food by purchasing meals that still taste good and are safe to eat but do not sell out in store.



Yokohama Royal Park Hotel is contributing to the achievement of a sustainable society through various other initiatives including introduction of biodegradable straws in all its restaurants and bars, sale of bouquets made with flowers previously used at the hotel, and treatment of miscellaneous and kitchen wastewater used in the building for use as water for flushing toilets.

As a result of these initiatives, in June 2021, the hotel obtained Superior certification as a top-ranked certified business in the Y-SDGs, the SDGs certification system established by Yokohama City. In May 2022, as a result of further initiatives and staff awareness raising, the hotel was recognized and registered as a Kanagawa SDGs Partner, recommended by Kanagawa Prefecture, and obtained the top-ranking Supreme certification in the Y-SDGs in July 2022.



Making effective use of vegetable scraps



Y-SDGs Supreme obtained in July 2022

Yokohama Royal Park Hotel SDGs initiatives

[PDF](#)

# Initiatives for Effective Use of Building Stock

## Effectively Using Building Stock with Building Renovation Business

Since May 2014, Mitsubishi Estate Residence has been involved in the Building Renovation Business (renovation and rental business using building stock), where small- and medium-sized buildings are renovated for earthquake resistance and to meet needs and then leased as rental properties such as offices and residences, including shared residences.

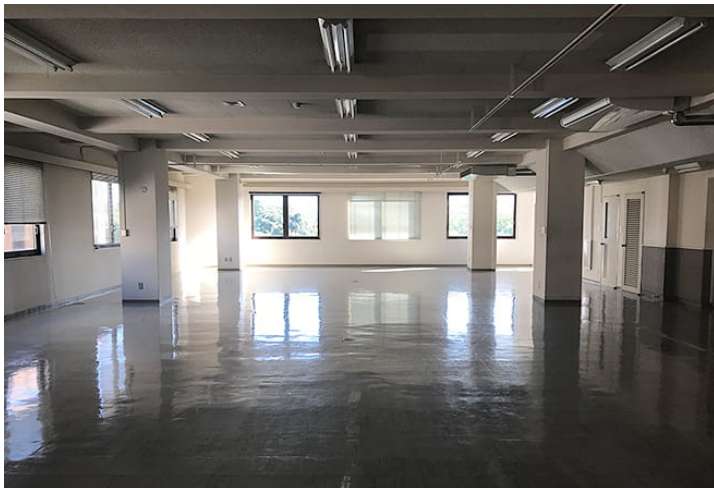
In June 2021, renovations on The ParkRex OHORIKOEN, a project which was the first lodging facility conversion, were completed in the Otemon neighborhood of Chuo-ku, Fukuoka, with FIKA Co., Ltd. unveiling its first hostel in the Western Japan area at the grand opening of UNPLAN Fukuoka.

In addition, Mitsubishi Estate Residence is promoting its Renovation Business, which buys individual units or whole buildings of existing condominiums to be renovated and resold, mainly in the Tokyo metropolitan area.

Renovation is environmentally friendly as it enables revival of buildings with less environmental impact than demolition and new construction. Moving forward, the company will continue promoting these businesses in its efforts to realize a sustainable society through the revitalization of the housing market and the effective utilization of existing building stock.

### The ParkRex OHORIKOEN

#### Dormitory area



Before renovation



After renovation



## Major Renovation of Otemachi Building

Since 2018, Mitsubishi Estate has been carrying out large-scale renovation work on the Otemachi Building, an office building completed in 1958 and thus more than 60 years old. These renovations were completed in May 2022. In addition to an overall upgrade of the building itself, including improvements to the exterior walls and interior, and construction of a lounge and terrace for the building and neighborhood workers, Mitsubishi Estate created new networking spaces where people and companies come together, enabling venture companies and start-ups to interact with large companies. Responding to the social demand for effective use of building stock, Mitsubishi Estate will continue to embrace the challenge of buildings that last for 100 years with the aim of creating value in the form of hubs for the generation of new businesses.

The Otemachi Building has excellent transportation access as it is directly connected to Otemachi Station, where users can take five different subway lines. In addition, the building has large floor plates with a shape suitable for subdivision into small parcels to lease. Mitsubishi Estate opted for renovations so that it could quickly provide diverse interaction and open innovation in the Marunouchi area, bringing together the cutting-edge technologies of multiple companies.

Furthermore, in terms of eco-friendly urban development through renovation, the project enabled a reduction of waste and building materials compared to demolition and new construction. The project has also reduced future management costs through the use of an alkali-resistant, glass reinforced cement (GRC), which is much more durable and fire resistant than ordinary cement, as the main exterior wall material. In addition, the introduction of LED lighting and adoption of Low-E double glazing with superior heat insulation properties and window frames with embedded sunshades have improved environmental performance, including energy savings from reduced heat load (reduction of approximately 44%). Mitsubishi Estate has also developed a 4,000m<sup>2</sup> open space atop the building as the Otemachi Building Skylab, the largest rooftop space for an office building in Tokyo, and created a greenery-filled workspace and the vegetable garden The Edible Park Otemachi by Grow (658m<sup>2</sup>, operation by PLANTIO, Inc.), creating a new environmentally-friendly space for interaction.



Otemachi Building before renovation



Otemachi Building after renovation

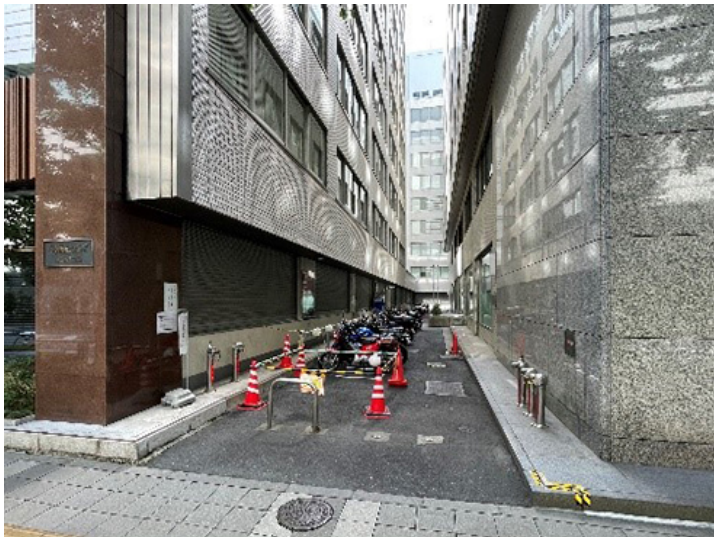




## Yurakucho SLIT PARK Aimed at Reconstruction of Yurakucho Utilizing Existing Building Stock

On June 1, 2022, Mitsubishi Estate opened Yurakucho SLIT PARK, a renewal of the laneway space between the Shin-Kokusai Building and the Shin-Nisseki Building in the Marunouchi area. The name of SLIT PARK embodies the concept of turning lanes in urban areas into parks. The dimly-lit space, which was previously used as a bike-parking area and as service entrances, has been transformed into an urban park space overflowing with light and greenery. The project embodies Mitsubishi Estate's commitment to utilization of existing building stock in the reconstruction of the Yurakucho area, and incorporated attempts to reuse waste materials from the construction for decorating the space. The project has also served to enhance pedestrian mobility by connecting Daimyo-Koji Avenue and Marunouchi Naka-dori Avenue via SLIT PARK.

Equipped with wi-fi and power, it can also be used as a space for work. Other features include the provision of food, drink, and merchandise services by kitchen cars and food stalls and the holding of events in which anyone is free to participate, making it a place where people can interact and create a community.



Laneway on the Daimyo-Koji Avenue side  
(Before renewal)



Laneway on the Daimyo-Koji Avenue side  
(After renewal)

## Café-style Area Management Hub Utilizing Idle Land in a Redevelopment Area

Mitsubishi Estate Residence opened Monnaka Coffee utilizing idle land in a redevelopment area in Tokyo's Koto Ward under a redevelopment project in which the company is participating. The café will be used for dissemination of local information, interaction between residents, and hosting events that create vitality until construction of redeveloped buildings is launched. Mitsubishi Estate aims to make it a venue for reminding local residents and visitors of the attractions of the area and deepening interaction, thereby help establish an area management system that will continue even after redevelopment, foster a sense of anticipation about the new urban environment, and create urban vitality. Consideration has also been given to reducing environmental impact as the building uses timber grown in Tama and consists of units that can be individually dismantled and relocated while reused items are also being utilized for furniture and fixtures.



## Preventing Pollution

### Introducing Biodegradable Straws and Other Eco-Friendly Items at Royal Park Hotels

The Mitsubishi Estate Group's Royal Park Hotels and Resorts have been promoting initiatives for the Sustainable Development Goals (SDGs). These initiatives include the introduction of biodegradable straws in 2018, the introduction of guestroom amenities made from biomass, and mineral water using 100% recycled plastic bottles<sup>\*1</sup> as measures to eliminate plastic from April 2022. These measures have now been introduced at 18 hotels<sup>\*2</sup> around Japan. (Not all measures are implemented at all hotels.)

Biodegradable straws are a product that has obtained the GreenPla® mark from the Japan BioPlastics Association (JPBA) and are made from plant-derived natural cycle resin using polylactic acid obtained from starch such as cornstarch. Royal Park Hotels and Resorts is working to reduce the impact on the natural environment from waste by replacing the approximately 280,000 straight plastic straws used annually with a plant-derived product.

Royal Park Hotels and Resorts is gradually switching its guestroom amenities<sup>\*3</sup> to SINTOWORLD's Eco-Amenity Series, which is an eco-friendly biomass product that uses raw materials containing rice husks and recycled plastics, as well as packaging materials made from paper. The hair brushes, shower caps and tooth brushes have obtained Biomass Mark 40<sup>\*4</sup>.

The introduction of mineral water using 100% recycled plastic bottles is also aimed at reducing waste and promoting recycling. Recycled plastic bottles, which use recyclable plastic sourced from the plastic bottles collected from the general public, are environmentally friendly in promoting a reuse cycle for plastic bottles.

\*1 Some hotels are, alternatively, not providing mineral water in guest rooms.

\*2 Sendai Royal Park Hotel, Royal Park Hotel (Nihonbashi, Tokyo), Yokohama Royal Park Hotel, The Royal Park Hotel Iconic Tokyo Shiodome, The Royal Park Hotel Iconic Kyoto, The Royal Park Hotel Iconic Osaka Midosuji, The Royal Park Hotel Tokyo Haneda, The Royal Park Hotel Kyoto Sanjo, The Royal Park Hotel Kyoto Shijo, The Royal Park Hotel Kyoto Umekoji, The Royal Park Hotel Hiroshima Riverside, The Royal Park Hotel Fukuoka, The Royal Park Canvas – Sapporo Odori Park, The Royal Park Canvas - Ginza 8, The Royal Park Canvas - Nagoya, The Royal Park Canvas Kyoto Nijo, The Royal Park Canvas - Osaka Kitahama, The Royal Park Canvas Kobe Sannomiya

\*3 Toothbrushes, hair brushes, razors, shower caps, towels, and cotton pads

\*4 A mark that can be displayed on products with a biomass content of 10% or more (dry weight) with certain quality and safety standards.

## Managing Hazardous Substances

The Mitsubishi Estate Group manages and disposes of hazardous substances appropriately in accordance with relevant laws and regulations. The Group carries out disposal and procedures appropriately in accordance with laws and regulations regarding the fluorocarbon refrigerants in air conditioners and PCBs used in electrical equipment and manage them rigorously to prevent leakage and release. The Group also conducts timely surveys to identify the presence of asbestos and soil contamination and implements the appropriate countermeasures and management according to the situation.





## Preventing Water Pollution

The restaurants and similar establishments above a certain size located in facilities managed and operated by the Mitsubishi Estate Group are subject to regulation by laws and ordinances related to water pollution. At facilities that are subject to the regulations, the Group has installed wastewater treatment facilities, and wastewater is treated to meet standards before being released into sewers and public waterways such as rivers and the sea.

## Preventing Soil Pollution Around Condominiums

Mitsubishi Estate Residence conducts soil pollution studies prior to acquiring property for development, and we enact soil pollution prevention measures and remedies as needed.

The employee in charge uses a property acquisition checklist to review the property, and a further review of that information is carried out by a dedicated surveying company. The acquisition of property comes with the obligation to attach and submit the dedicated surveying company's survey report, and after making an acquisition decision, we are obligated to have a dedicated surveying company conduct a detailed survey (history survey) regardless of whether there is any danger posed by pollution. For the land sales contract, we clarify the duties and responsibilities of the land's seller with regard to pollution, and we implement whatever measures are necessary.

### Assisting Customers During Condominium Site Acquisition






## Environment

# Conserving Water Resources

## Basic Policy and Approach

The effects of climate change brought about by global warming have led to a greater risk of water shortages worldwide. In Japan, there are doubts about the continued stable supply of water from dams due to changing rainfall patterns in recent years. To mitigate the effect of water shortages on socio-economic activities and ensure the stable use of water, it is important to systematically promote the efficient use of water resources and enact strategies based on supply and demand considerations. We also view access to sanitation-controlled water as one of the basic human rights.

Based on this perception of the challenges, the Mitsubishi Estate Group not only complies with the laws and regulations of each country where we operate, but also promote initiatives in line with international goals, initiatives, and international standards, including the SDGs, and will implement urban development along with building development and operation giving consideration to the efficient use of and preservation and conservation of water resources and will continue working in collaboration with tenants, joint venture partners, local people involved in urban development, and government agencies to use water efficiently and reduce usage.

## Initiatives for Efficient Water Use

Each company in the Mitsubishi Estate Group has built an environmental management system (EMS) and manages and implements targets for environmental activities, including water management.

See the following for the Mitsubishi Estate Group's environmental management promotion system.

[Environmental Management Promotion System](#)



See the following for data on water use.

[ESG Data > Environmental Data](#)





## Goals and Achievement Status

The Mitsubishi Estate Group sets goals in accordance with its business models. For example, installation of water-saving toilets as well as kitchens, wash basins, and showers that conserve hot water is standard in The Parkhouse series of condominiums supplied by Mitsubishi Estate Residence.

See the following for water-related data.

[ESG Data > E: Environmental data > \(2\) Other](#)



## Implementing Water Risk Assessments

The Mitsubishi Estate Group periodically implements assessments of water stress and water risk for properties covered by SBTs in and outside Japan using Aqueduct, an assessment tool developed by the World Resources Institute (WRI).

The risk level does not rise to the "medium-high" category in any of the areas where the Group's properties are located. For the time being, it is considered that there are no major concerns related to water use and wastewater, etc. However, the Group will continue to monitor water use and risk level at each site every fiscal year.

When developing and operating real estate in regions rated as "high" or "extremely high" risk levels, where water stress or risk is high, the Group will strive for efficient water use to mitigate impact on the local environment and engage in the appropriate consultation and dialogue with external stakeholders to ensure the proper use of water.

See the following for the results of water risk assessment.

[ESG Data > E: Environmental data > \(2\) Other](#)





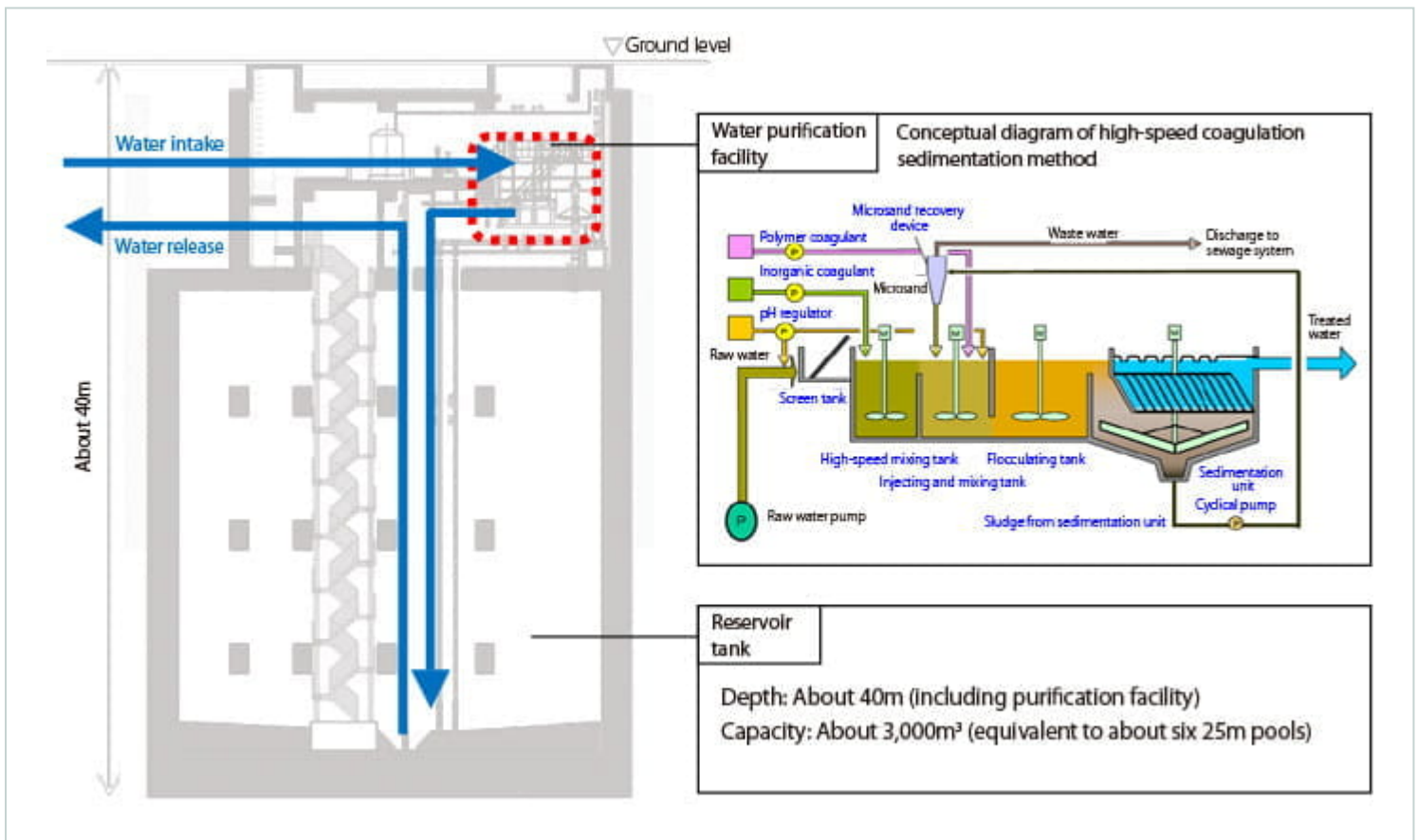
# Initiatives for Improving Water Quality

## Otemon Tower-ENEOS Building Equipped with Water Purification Facility for Imperial Palace Moat

The quality of the water in the Imperial Palace moat has deteriorated significantly as the result of a lack of fresh water. The Otemon Tower-ENEOS Building, which was completed in November 2015, is the first private-sector project to introduce a rapid water purification facility capable of purifying up to 500,000m<sup>3</sup> of water per year to improve water quality in the Imperial Palace moat. Additionally, to prevent water from stagnating as a result of low water levels in the moat, the facility is also equipped with a massive water reservoir capable of replenishing water equivalent to about six times the volume of a 25m swimming pool. Since the completion of the project, the rapid water purification facility has been slowly but surely helping improve the quality of the water in the moat.



### Cross-section view of purification and reservoir facility



Preserving Biodiversity



## Initiatives for Efficient Use of Recycled Water

The Mitsubishi Estate Group uses recycled water obtained by processing cooling tower blowdown, tenant kitchen wastewater, and rainwater for flushing toilets and watering outdoor plantings.

### Utilizing Recycled Water on Gyoko Dori Avenue in Public-Private Collaboration

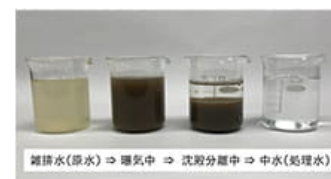
Gyoko Dori is an avenue stretching from the Marunouchi Central Gate of Tokyo Station to Hibiya Dori Avenue. Since fiscal 2010, in collaboration with the Bureau of Construction, Tokyo Metropolitan Government, Mitsubishi Estate has been implementing measures against the heat island phenomenon to curb increases in road surface temperature by sprinkling recycled water from the Marunouchi Building on this avenue. As the sprinkled water evaporates due to the high temperature it lowers the temperature of its surroundings, thereby decreasing the road surface temperature.

As part of this initiative, the Tokyo Metropolitan Government Bureau of Construction installed water retaining paving on the roadway that can store water within the paving of Gyoko Dori Avenue. Mitsubishi Estate installed equipment for sprinkling the recycled water from the Marunouchi Building on the road.

### Utilizing Recycled Water at Sunshine City

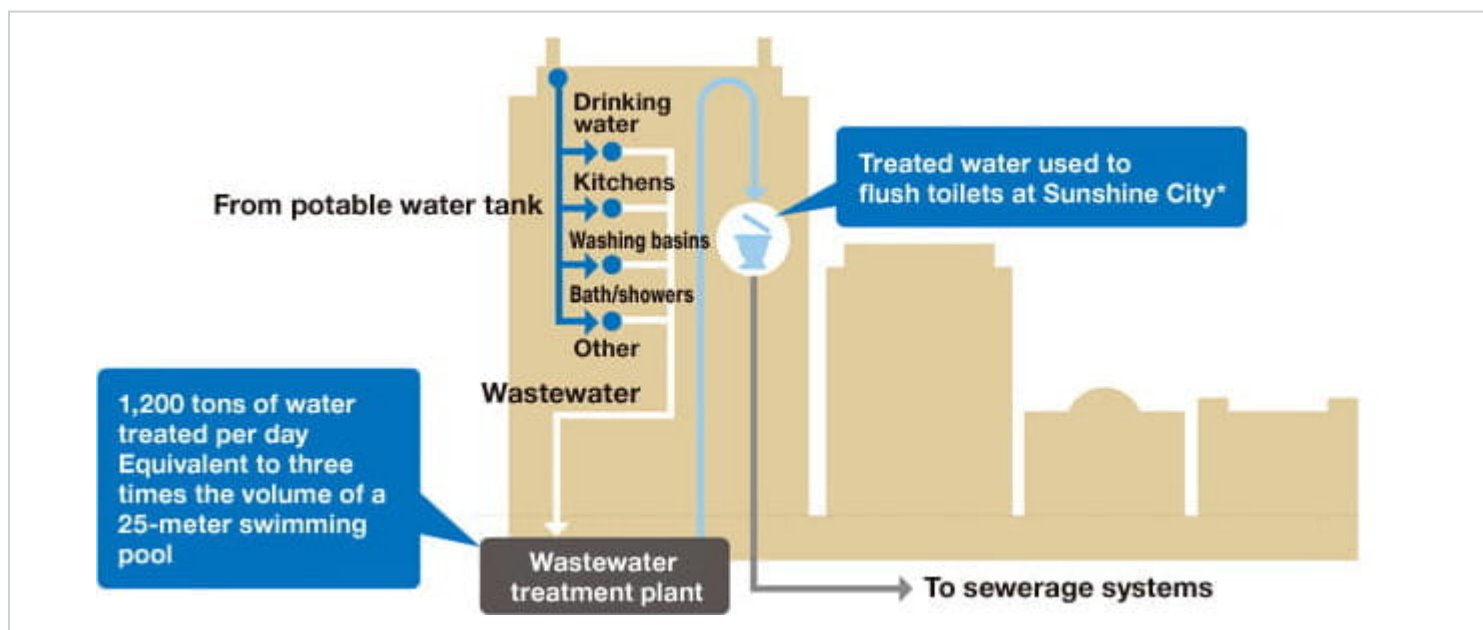
Sunshine City employs a wastewater recycling system to recover water used in its building, using the activated sludge method which treats wastewater with the power of bacteria.

The treatment system was installed 40 years ago when Sunshine City was first built. It was the first recycled wastewater system installed in Japan for a single building. The treatment plant is located in the 3rd floor basement of the Sunshine 60 Building. In a single day it recovers up to 1,200 tons of wastewater from toilet sinks, kitchen wastewater, and drain water from the Hotel bathrooms. The treated recycled water is used to flush toilets inside the building.



Process for producing recycled water

### Wastewater Recycling System



\* Excluding water used in warm-water washing toilet seat





## Examples of Water Efficiency Programs

Type of Water Efficiency Program implemented	Description of the program
On-site waste water treatment	All wastewater from kitchens emitted by restaurant tenants in the building is gathered and treated at the building's underground wastewater treatment facility. The wastewater is purified to the point where it is reusable. The purified wastewater is reused in the toilets within the building for flushing.
Water meters available to tenants	Water meters are installed to monitor the water use of tenants residing in the building. The amount of water usage is disclosed to the tenant.

A photograph showing a person's hand with fingers spread, gently touching a lush, green, mossy surface. The lighting is soft, highlighting the texture of the moss and the skin of the hand.

## Environment

# Preserving Biodiversity

## Policy on Biodiversity

The Mitsubishi Estate Group has implemented a policy of reducing and avoiding the impact and fostering harmony between nature and human society as part of the Mitsubishi Estate Group Basic Environmental Policy. Through its business activities, the Group considers biodiversity and promotes the creation of an attractive society in harmony with nature.

In addition, the Group does not engage in development in areas designated as World Heritage Sites or in areas designated as I through IV under the International Union for Conservation of Nature (IUCN). When the Group engages in development of land likely to have an impact on biodiversity, it consults with governments, NGOs, and other external partners to take appropriate mitigation measures and remedial action.

In accordance with these policies, all Group companies consider biodiversity in the course of their business activities and develop biodiversity-friendly initiatives cooperating with NPOs and other external partners. The Group also promotes obtaining the Association for Business Innovation in harmony with Nature and Community's ABINC certification at properties with a certain amount of green space.

Through such initiatives, the Group strives to achieve a net positive impact. The Group also asks tier 1 suppliers as well as non-tier 1 suppliers to take similar initiatives aimed at a net positive impact as it works to achieve its goals throughout the value chain.



## Goals and Achievement Status

As part of its efforts to ensure development in tandem with consideration for biodiversity, the Group promotes projects while holding hearings with governments and other external stakeholders starting from the project concept stage in order to comply appropriately with various environment-related laws and regulations (Forest Act, Urban Park Act and Natural Parks Acts, and Nature Conservation Act, etc.)

For example, before development, the Group works with governments to survey and provide specific protection for rare species, relocating them if necessary and periodically monitoring and reporting on them after relocation. For large-scale developments, the Group conducts an evaluation of the impact on the surrounding environment (an environmental assessment) in accordance with the Environmental Impact Assessment Act.

Moreover, Mitsubishi Estate Residence, which works on housing projects, has implemented the BIO NET INITIATIVE\* as a program to plant trees and plants in a manner that will consider preserving biodiversity for all of its condominiums to be developed under The Parkhouse, the mainstream brand for the company's built-for-sale condominiums, regardless of the project size and land area. In implementing the initiative, the company has prepared biodiversity preservation guidelines composed of five main actions.

The guidelines incorporate actions such as not using invasive plants including specified foreign organisms and invasive alien species defined by the government, confirming the local plants around the project site and nurturing vegetation that is suitable for the area, and reducing chemical spaying as much as possible to lessen impact on earthworms and mole crickets, in addition to promoting the growth of plants utilizing the vital energy of the soil. The plan is to reduce the impact on the habitat of plants and animals in the area around the development and provide stopovers for diverse organisms through planting and maintenance.

In this way, the program provides an environmentally-friendly habitat for these diverse organisms while reducing the impact on biodiversity, and thereby strives to achieve a net positive impact, including the creation of habitat for plants and animals in the surrounding area.

## Five Actions and Specific Examples

Actions	Specific examples
(1) Protect	- Do not use invasive plants such as specified foreign organisms and invasive alien species defined by the government.
(2) Nurture	- Confirm the local plants around the project site and nurture vegetation that is suitable for the area. - Use Japanese native species for at least 50% of plantings.
(3) Connect	- Help to secure stopovers for birds and butterflies flying in the area by creating an affinity with street greenery in the neighborhood and incorporating local native species.
(4) Utilize	- Reduce heavy pruning as much as possible and utilize the natural shapes of the trees. - Reduce chemical spraying as much as possible to lessen impact on earthworms and mole crickets, in addition to promoting the growth of plants utilizing the vital energy of the soil.
(5) Reduce	- Control the incidence of weeds and reduce weed control costs through dense plantings of low shrubs and ground cover and the spreading wood chips, etc. on the surface to reduce exposure of the soil.

\* The initiative commenced in February 2015.

See the following for more information on efforts related to the BIO NET INITIATIVE.

BIO NET INITIATIVE website (Japanese only)





## Initiatives in the Marunouchi Area

### Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat

In recent years, the biota of the Imperial Palace moat had become degraded, hindering the natural generation of its native water plants. In October 2017, Mitsubishi Estate signed an agreement with the Ministry of the Environment to promote use of natural resources of the Imperial Palace Outer Garden, and launched the Moat Project in May 2018. The project aims to improve the waterfront environment of the Imperial Palace moat and conserve the endangered rare water plant species. This is the first such project for a private company, implemented through a collaboration with NGOs and other institutions, including the Ministry of the Environment, the Nature Conservation Society of Japan, the National Institute for Environmental Studies (NIES) Center for Climate Change Adaptation (CCCA), and the Natural History Museum and Institute, Chiba.



Flora and fauna taken from the moat are transferred to a container biotope atop a building owned by Mitsubishi Estate or Hotoria Square\*, thereby preserving it outside the area as alternatives to the Imperial Palace water environment.



Rare dragonflies such as the red damselfly are congregating in ponds where the water plants are transplanted, and the restoration of the Mizohakobe (waterwort) (*Elatine triandra* var. *pedicellata*), previously regarded as extinct in the 23 wards of Tokyo on the Tokyo Red List 2010, was successfully reintroduced in fiscal 2019.

Moreover, since 2019, water chestnuts cleared from the Imperial Palace moat in the project have been composted. The vegetables grown with the compost in Yatsugatake are used by the Mitsubishi Estate Group, creating a new resource cycle.

In addition to restoring and preserving the water environment, including the rare flora and fauna, the project aims to build a biodiversity network in the neighborhood around the moat, thereby revitalizing the ecosystem that was once widespread in the area, as well as utilizing these activities to create a more attractive city.

\* Hotoria Square is an eco-friendly green space of approximately 3,000 square meters located at the foot of the Otemachi Park Building and Otemon Tower-ENEOS Building in front of the Imperial Palace Outer Garden. Plantings mainly consist of native and local species that are found in the grove of the Imperial Palace. Also found in the square are a gently sloping body of water, stone walls, and nesting boxes for birds. Through these initiatives, Mitsubishi Estate is promoting environmental improvement and ecosystem preservation in the Marunouchi area of Tokyo.



## Biomonitoring in the Marunouchi District

The Marunouchi District is bordered by the Imperial Palace and moat, Hibiya Park, and other green spaces that conserve the precious natural ecosystem in this urban neighborhood, making it a good place to observe varied animal and plant life throughout the year. Mitsubishi Estate has been running a biomonitoring survey in the Marunouchi district since 2009, in collaboration with the NPO Center for Ecological Education. It compiled the results of the survey and published the Marunouchi Living Things Handbook in June 2013. The Handbook provides information about the abundance of nature in the district and also suggests ways in which individuals can help protect biodiversity in their own areas. By doing so, the Handbook aims to function as a PDCA tool for ecosystem management in the district.



This initiative received positive feedback and won the Japan Committee for UNDB Award in the Tokyo Region Biodiversity Contest, held at the GTF Green Challenge Awards 2013 organized by the GTF Greater Tokyo Festival Executive Committee. The company will press on with its efforts to preserve biodiversity in the future.

Marunouchi Living Things Handbook (Japanese only)



## Initiatives in The Edible Park Otemachi by Grow, the Otemachi Building's Rooftop Vegetable Garden

In May 2022, Mitsubishi Estate completed a major renovation of the Otemachi Building, originally constructed in 1958, and opened the Otemachi Building Sky Lab, a rooftop area of approximately 4,000m<sup>2</sup>, creating a new space for human interaction.



The Otemachi Building Sky Lab features The Edible Park Otemachi by Grow (658m<sup>2</sup>, management: PLANTIO, Inc.), Tokyo's biggest rooftop vegetable garden, in addition to a lush green workspace and other areas that, prior to its renewal, had been a typically utilitarian commercial building rooftop.

About 40 kinds of vegetables will be grown based on user participation starting from the stage of soil preparation, with the focus being on heirloom vegetable species considered native to Tokyo. The "grow GO" vegetable growing app allows users to monitor the growth of vegetables and take part in harvesting upon maturation. The aim is for the vegetable garden to become a hub for sustainable interaction with workers in the building, visitors, and food handlers through agriculture and food.

The Edible Park Otemachi by Grow (Japanese only)





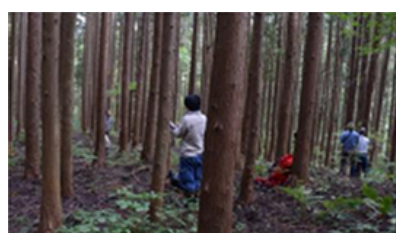


## Initiatives in Other Areas

### Taking on Nature-Positive Activities in Minakami, Gunma Prefecture

Mitsubishi Estate has launched a nature-positive initiative in Minakami, located in Gunma Prefecture, to halt the loss of local biodiversity and allow nature to recover. In February 2023, the Company signed a 10-year partnership agreement with Minakami and the Nature Conservation Society of Japan (NACS-J). This agreement is the first large-scale collaboration project in Japan to take advantage of the corporate furusato nozei tax rate (a tax system that supports regional revitalization), and Mitsubishi Estate will donate ¥0.6 billion to Minakami in support of environmental and biodiversity conservation within the 10-year partnership period.

Major initiatives include restoring planted forests with deteriorating biodiversity back to natural forests, conserving and restoring mountain villages and neighboring agricultural or forest areas, and maintaining the sparse population of sika deer. While providing nature-based solutions through these initiatives, we also hope to undertake quantitative evaluation of biodiversity conservation. Minakami, located near the source of the Tone River, which supplies water to the Kantoregion, Mitsubishi Estate, operating businesses centered on the Marunouchi area, which is served by the Tone River, and NACS-J, an environmental NGO active across Japan with a high level of expertise in biodiversity conservation, will collaborate closely to realize a nature-positive society while making use of their expertise as a municipality, company, and NGO, respectively.



An unmanaged planted forest



Regeneration felling and planting



Original natural forest region currently undergoing regeneration

### Mitsubishi Estate Residence Obtains ABINC Certification (Condominium Category)

Mitsubishi Estate Residence has continued to obtain the Association for Business Innovation in harmony with Nature and Community's ABINC certification in the condominium category, certified annually since 2014, when this particular category was first launched.

Mitsubishi Estate Residence has been promoting BIO NET INITIATIVE, a biodiversity preservation program since February 2015 at The Parkhouse, the mainstream brand for the company's built-for-sale condominiums. Under this initiative, the company develops greenery plans for each condominium premise in a manner that will help preserve biodiversity. The company aims to obtain ABINC certification (condominium category) with projects that demonstrate particularly high levels of contribution to preservation of biodiversity.

We will continue to make efforts in environmentally friendly urban development and residential development for the preservation of biodiversity and sustainable use.



## About ABINC certification (condominium category)

ABINC certification (condominium category) evaluates and certifies efforts at companies such as the creation of green spaces that consider biodiversity and the management and use of green spaces, from the four perspectives of creating environments that contribute to biodiversity, maintenance and management that considers biodiversity, communication activities, and other initiatives. Specifically, the 18 categories below have been established as the criteria for evaluation.

### 18 categories of ABINC certification (condominium category)



- |  |  |  |
|--|--|--|
| <b>1</b> Size of area that contributes to biodiversity   | <b>2</b> Cubic volume of greenery                            | <b>3</b> Creation of cohesive green spaces                                       |
| <b>4</b> Depth of soil that supports plants  | <b>5</b> Harmony with surrounding environment                | <b>6</b> Creation of vegetation that is rooted in the community                  |
| <b>7</b> Creation of high-quality rooftop and wall greenery that contributes to preservation of biodiversity | <b>8</b> Consideration of animal habitat and movement routes | <b>9</b> Appropriate management of types and volumes of chemical substances used |
| <b>10</b> Consideration of water environment   | <b>11</b> Consideration of the material cycle                | <b>12</b> Monitoring of indicator organisms                                      |
| <b>13</b> Measures to counter non-native species   | <b>14</b> Qualifications of managers, etc.                   | <b>15</b> Collaboration with the community and experts                           |
| <b>16</b> System of resident, management association, and residential management trustee initiatives         | <b>17</b> Promotion of environmental education programs      | <b>18</b> Preservation of rare local species                                     |

See the following for information on ABINC certification status.

[ESG Data > E: Environmental data > \(2\) Other > 5. Green Building Certification](#)



[List of Properties with DBJ Green Building and /ABINC Certifications \(PDF 755KB\)](#)





# Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation

Mitsubishi Estate and Shimojishima Airport Management have been carrying out environmental conservation activities since July 2018 to protect the rich natural environment of the Miyakojima area. We carried out environmental conservation activities for the first time in three years following the recent COVID-19 pandemic from October 20–21, 2022 in cooperation with Miyakojima City, The Nature Conservation Society of Japan, the non-profit organization Miyako Island Sea Environment Network, and other groups with participation by approximately 60 Mitsubishi Estate Group employees. In addition, on this occasion, we also cooperated with OMY SDGs ACT5 and six workers from the Otemachi, Marunouchi, and Yurakucho area who had applied and took part as well.

1) Beach clean-up activities: Beaches are Miyakojima City's biggest tourism resource and form beautiful landscapes with elevated coral reef vegetation. However, the increase in plastic waste and other flotsam is considered to be a problem, and conservation is a matter of urgency. Therefore, under the direction of the non-profit organization Miyako Island Sea Environment Network, beach clean-ups were carried out on the beaches of Shimoji Island and Miyako Island over two days on October 20 and 21.



Beach clean-up (Shimoji Island)

2) Reforestation activities for the grey-faced buzzard: The grey-faced buzzard, a member of the hawk family, is the official bird of Miyakojima City. Positioned at the apex of the local woodland ecosystem, it is an index species for rich biodiversity of the local woodland. The grey-faced buzzard, which is a migratory bird, visits Japan in the spring from its winter home in Southeast Asia and then migrates via Miyako Island after spending the breeding season in the woodlands of mainland Japan. However, over the past few years, there has been a decline in numbers due to the devastation of the woodland that serves as its mating ground, a decline in forests in stopover sites, including Miyako Island, and poaching at its winter home, and it has been designated an endangered species. In the 1980s, approximately 50,000 grey-faced buzzards were identified on the Miyako Islands, but their numbers fell to 6,000 in 2021, and the decline in forests where the grey-faced buzzards can rest during migration remains a major issue. With the cooperation of Miyakojima City and under the direction of the Nature Conservation Society of Japan, the Wild Bird Society of Miyako, and Miyako Forest Cooperative, 250 Alexandrian laurel trees were planted in an area of approximately 600 square meters on Irabu Island of the Miyako Islands on October 20. The location where the trees were planted was densely populated with wild tamarind, which is listed in "100 of the World's Worst Invasive Alien Species" (International Union for the Conservation of Nature). Going forward, we will also plant other species of trees such as the Luchu pine with the aim of reviving a natural environment with rich biodiversity where the grey-faced buzzards will be able to thrive. This is the first time that a private-sector company has carried out reforestation for the conservation of the grey-faced buzzard on land owned by Miyakojima City.



Reforestation activity for the grey-faced buzzard (Irabu Island)

The Mitsubishi Estate Group will continue to promote protection of the rich natural environment as well as development of the local economy.



## Sunshine Aquarium Coral Conservation Activities

Sunshine Aquarium, operated by Sunshine City, a Mitsubishi Estate Group company, is an urban aquarium located in a high-rise building, and it is the first of its kind in Japan. Conceived as an “oasis in the sky,” its considerable ingenuity reveals the true form of living creatures in dynamic exhibitions that provide the sensations of the sky, light, water, and greenery. Since opening in 1978, it has served the four roles of an aquarium: environmental education, recreation, research, and conservation of species. It has been particularly focused on providing visitors with “impressive discoveries” to stimulate their interest in the biological environment. In 2006, the aquarium launched the Coral Project in cooperation with Onna Village in Okinawa Prefecture, and has been implementing two initiatives: the Coral Restoration Project and the Coral Reef Regeneration Project.

The coral reefs, which are the symbol of thriving marine environment, are in a gradual decline due to factors such as coral bleaching caused by global warming of the oceans, the natural enemy of coral. The decline of coral also risks the destruction of the surrounding marine ecosystem, leading to seas that will be uninhabitable for living creatures. In order to remedy this situation, Onna Village in Okinawa Prefecture has been implementing coral conservation activities, led by the fishermen's cooperative, since 1969. In support of these activities, Sunshine Aquarium launched a permanent exhibition on the coral of Onna and commenced the Coral Restoration Project, under which the aquarium temporarily removes part of the coral of Onna Village, grows it in tanks, and then returns it to the seas of Okinawa. This makes it possible to preserve the DNA of the coral of the Onna Village and reproduce it even if the coral is damaged due to natural disaster or environmental degradation. Since 2014, the aquarium has also implemented the Coral Reef Regeneration Project, which aims to regenerate coral reefs via sexual reproduction, with the fertilization of coral eggs by sperm. The aquarium will continue these activities into the future with the hope of restoring the coral reefs.



Coral returned in the Coral Restoration Project



Coral spawning in the Coral Reef Regeneration Project



Coral Project (Japanese only)







## Initiatives at MARK IS Minatomirai

MARK IS Minatomirai is a commercial complex located in the Minatomirai area of Yokohama, Kanagawa. Based on the concept of a "life entertainment mall," it offers a variety of products and services so that all shoppers can enjoy a relaxing visit and find what they need to lead fulfilling lives.

Everyone's Garden is a nearly 1,000m<sup>2</sup> rooftop garden on the fifth floor that brings a lush green space to the city environment of Yokohama. Here, visitors will find a diverse variety of plant life with approximately 80 species, including over 30 types of fruit trees including citrus varieties, and various garden vegetables. In addition to the orchard and vegetable garden, there is also a vegetable garden terrace that visitors can use for things discovered and picked in the garden.

Everyone's Garden is a casual venue that offers city dwellers a rare chance to commune with the earth and nature. It is designed and operated as a place to be enjoyed by visitors while preserving biodiversity and significantly contributing to the environment.



Orchard



Vegetable garden



Vegetable garden terrace

Facility operation and management: Mitsubishi Jisho Property Management Co., Ltd.

Vegetable garden management: Green Wise Co., Ltd.

### Biodiversity preservation initiatives at Everyone's Garden

#### 1. Biodiversity conscious planting

The diverse environmental plan includes over 30 types of fruit trees, vegetation that bears fruit for creatures and serves as sources of nectar, along with vegetable gardens and small rice paddies, etc.

#### 2. Human and creature friendly plant care methods

Garden management methods are planned and utilized to both care for the plants and create an environment where people, small birds, and insects can gather and rest.

#### 3. Designed to attract living creatures

The garden is designed as an environment where small birds can feed, rest, and raise their young, coexisting with insects while exerting a positive influence on plants

#### 4. Activities that teach about living things in a fun way

Rather than conventional environmental activities, activities are planned in a way so that visitors can enjoy nature while resulting in contributions to the environment.

\* Check the MARK IS Minatomirai website for the latest event information, [MARK IS Minatomirai official website](#)





MARK IS Minatomirai is ABINC certified by the Association for Business Innovation in harmony with Nature and Community.



MARK IS Minatomirai



## Environment

# Promoting Sustainable Use of Wood

## Basic Policy and Approach

The Mitsubishi Estate Group has established a policy of fostering harmony between nature and human society as part of the Mitsubishi Estate Group Basic Environmental Policy. The Group is committed to no gross deforestation and promoting the sustainable use of wood as it considers biodiversity through its business activities. In addition, the Mitsubishi Estate Group Timber Procurement Guidelines\* were established in July 2022 in the Group's own value chain to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber.

Moreover, in the area of Environment and Diversity and Inclusion, which are the Key Themes stated in the Mitsubishi Estate Group 2030 Goals for SDGs, the Group has set goals for promoting the sustainable use of wood and ensuring the traceability of wood used in business activities. It will continue working for sustainable uses of wood giving consideration to respecting human rights and protecting natural resources in areas where imported timber is harvested.

\* Scope of the Mitsubishi Estate Group Timber Procurement Guidelines: The guidelines cover the entire Mitsubishi Estate Group, and the target activity is the direct procurement of timber and timber products for construction.

## Targets and Status of Achievement

From the perspective of human rights and environmental protection, the Mitsubishi Estate Group uses timber based on the Sustainable Sourcing Code (certified timber or Japan-grown timber) or equivalent as the timber in the concrete wall panels used when building offices or housing with a target of achieving a usage rate of 100% by fiscal 2030 to eliminate forest destruction. Moreover, in the Mitsubishi Estate Group Green Procurement Guidelines, the Group stipulates use of timber products certified by forest certification systems that can verify that they are from properly managed forest resources, and mandates consideration given to promoting the use of Japan-grown timber. This applies to all of the products, services, designs, and construction procured by the Mitsubishi Estate Group, and the Group requests the cooperation of all suppliers. In addition, the Mitsubishi Estate Group Timber Procurement Guidelines stipulate no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Group's own value chain. The timeline for the measurement of progress in the achievement of these guidelines is fiscal as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The Group also complies with policies on the sustainable use of timber and forest-related laws and regulations and has developed mechanisms to monitor and ensure compliance.

See the following for the Mitsubishi Estate Group Timber Procurement Guidelines

[Sustainability Activities \(ESG\) > Environment > Policies and Targets > Mitsubishi Estate Group Timber Procurement Guidelines](#) →



## Primary Initiatives

### Promoting Use of Cross Laminated Timber (CLT) and Other Products

The Mitsubishi Estate Group promotes sustainable manufacturing by using Japan-grown timber. In recent years, the Group has promoted the use of cross laminated timber (CLT) and other products as a construction material that expands timber usage opportunities.

Promoting Utilization of CLT to Further Expand Use of Japan-grown Timber



### Initiatives by Mitsubishi Estate Home

Mitsubishi Estate Home fulfills its mission to enrich people's lifestyles and lives through proposals for the creation of high-quality, high value-added homes. At the same time, from the perspective of using Japan-grown forest resources and decarbonization, the company promotes the use of wood, a sustainable environmentally-friendly resource, as it works on projects to promote wooden structures and finishes in buildings, thereby helping realize a sustainable society.

### GHG Emission Reduction Targets

To reduce GHG emissions, Mitsubishi Estate Home has set a target to achieve a ZEH rate of 85%\* in properties the company constructs by 2030 through promoting further use of Japan-grown timber and improved efficiency of household equipment with the aim of achieving net zero by 2050. In addition, the company aims to achieve a 60% reduction in GHG emissions by fiscal 2030 through initiatives that include selecting construction methods that generate little waste and materials that are easy to recycle, as well as promoting pre-cut technology.

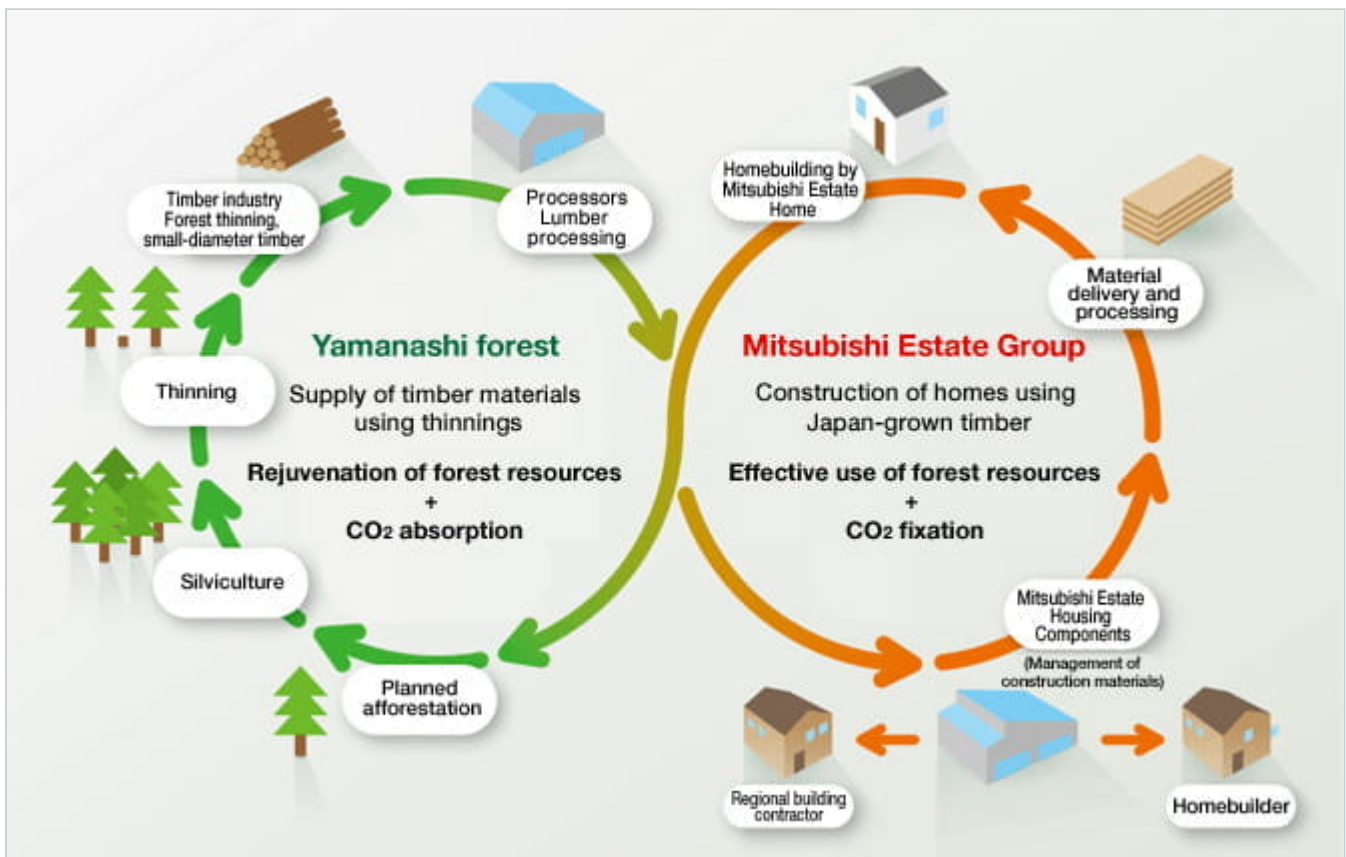
\* Includes Nearly ZEH

## Ensuring the Traceability of Timber

Mitsubishi Estate Home actively utilizes Japan-grown timber with clear traceability in order to ensure the appropriate use of forest resources and the sustainable development of the timber industry. By using Japanese timber in a sustainable way, the company helps to create sound and well-maintained forests, contributing to a forest cycle of "plant, raise, use, and plant."

In 2011, Mitsubishi Estate Home concluded the Agreement on Use of Yamanashi Prefecture-Grown Certified Timber Products for Housing Materials. By introducing the use of certified Japan-grown timber for flooring plywood as the standard practice\* in April 2018, Mitsubishi Estate Home is working to promote the economically sustainable and responsible use of timber and to create a circular society that is in harmony with nature.

\* Excludes some products



Building a network that can sustain a forest economy



## Promoting Sustainable Utilization of Timber

In November 2018, Mitsubishi Estate Home began using Japan-grown timber as the material for wall frames in new homes built using the 2 x 4 construction method as the standard practice. As a result, the percentage of Japan-grown timber used for the structural timber in each new custom-built home is the highest level among 2 x 4 homebuilders in Japan.

See the following for more information on usage results.

[ESG Data > E: Environmental data > \(1\) KPI > 2. Resources \(Waste, Water, Forestry Resources, etc.\)](#)



Mitsubishi Estate Housing Components is promoting the use of Japan-grown timber in structural parts of single homes. In August 2010, it acquired an international standard (FSC-CoC certification) so that it could distinguish between these and other products in the chain of custody.

### About FSC-CoC

FSC chain of custody (CoC) certification verifies that FSC-certified material has been identified and separated from ineligible and unacceptable material as it makes its way along the supply chain from the forest to the market.

\* Excludes some products

## KIDZUKI Concept to Promote Wooden Structures and Finishes

Using its knowledge of wood accumulated over many years, Mitsubishi Estate Home has launched the KIDZUKI concept to promote wooden structure and finishes not only in buildings, but across a wide range of fields.

The name KIDZUKI is a portmanteau of the Japanese words for wood, awareness, and to build, encapsulating the idea of creating new value. The aim is for KIDZUKI to be a platform for various wood-based ideas and projects, forming a network to share issues, needs, and solutions among business operators in various fields, governments, and creators.

In collaboration with a number of wood furniture makers, projects are under way to develop original wooden products, as well as regional revitalization projects through effective use of wood in cooperation with universities and government agencies. We aim to build a full-featured platform as a networking venue for learning more about wood and augmenting its possibilities.

[KIDZUKI \(Japanese only\)](#)







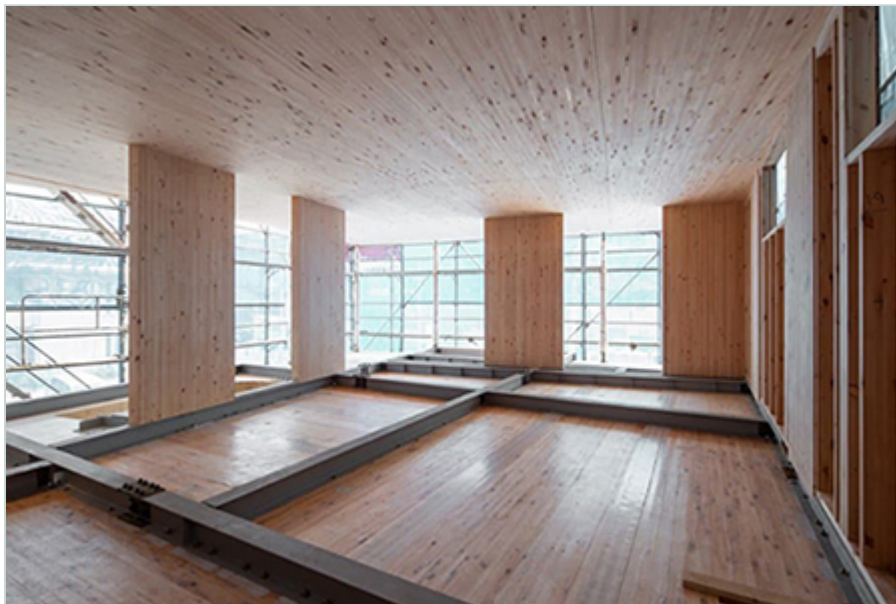
# World's First Flat Mass Timber Construction Method Developed – A New Timber-Constructed Custom-Built Home Brand

To meet the needs of customers who demand a greater level of freedom in their wooden homes, Mitsubishi Estate Home has developed the world's first patented technique\* called the Flat Mass Timber (FMT) Construction Method.

The FMT Construction Method is a hybrid technique that uses both wood and steel frames. By making the most of large cross-section laminated wood plank panels, a simple, strong design can be achieved with minimal intrusion of construction elements such as walls and beams into living spaces.

The company started offering ROBRA homes in September 2020. ROBRA is the brand for wooden custom-built homes using the FMT Construction Method that exemplifies the possibilities of wood and fresh exterior design concepts.

\* Patented in October 2019



Structural body

## Manufacturing Environmentally-Friendly, Highly Durable Wall Panels with High Yield Strength

Mitsubishi Estate Housing Components manufactures highly durable, high yield strength wall panels with approximately 14 times the strength of conventional panels for use in four-story wooden structures built with the 2×4 method. The panels use Shinshu larch for 24 mm thickness structural plywood, which is not normally used for houses. They also use domestic Japanese hinoki cypress and Japanese cedar for laminated wood and laminated wall supports. Additionally, 54% of the building's frame is made from Japan-grown timber, helping revitalize the domestic forestry industry. Furthermore, the insides of the wall panels are able to secure the equivalent of 68 tons of CO<sub>2</sub>, making them environmentally-friendly wooden structures.



Construction using highly durable, high yield strength wall panels

## Engagement with External Stakeholders

In September 2018, Mitsubishi Estate initiated the Construction and Real Estate Human Rights Due Diligence Study Group in which eight real estate and construction-related companies participate. As part of this initiative, the company holds study groups with other companies in these industries on the use of sustainably sourced timber from the perspective of environmental protection and respect for human rights. The aim of discussions at the study group is to deepen understanding about the risks of environmental destruction, including violation of human rights and destruction of forests and to expand the use of sustainably sourced timber going forward.

See the following for more details on the study group.

[Launch of the Construction and Real Estate Human Rights Due Diligence Study Group](#)





# Environment

## Promoting Acquisition of Sustainability Certifications

### Policy on Obtaining Sustainability Certifications

Mitsubishi Estate recognizes that addressing environmental and social considerations in real estate and indicating performance on these considerations externally is important to meet the expectations and demands of stakeholders such as tenants and investors. Therefore, the company has a policy of proactively obtaining sustainability certifications whenever possible.

In Japan, Mitsubishi Estate has obtained certifications that include DBJ Green Building Certification, Comprehensive Assessment System for Built Environment Efficiency (CASBEE), and Building-Housing Energy-efficiency Labeling System (BELS), while the main certifications obtained overseas include Leadership in Energy and Environmental Design (LEED) and BRE Environmental Assessment Method (BREEAM) certifications.

Evaluation/Certification System	Overview
DBJ Green Building Certification	<p>DBJ Green Building Certification is a certification system established by the Development Bank of Japan (DBJ) in April 2011 as an initiative to support environmentally and socially conscious management of real estate. Based on a comprehensive assessment which covers such areas as environmental performance, disaster prevention, community considerations and other stakeholder engagement, the system evaluates and certifies real estate anticipated by society and the economy.</p> <p>→ <a href="#">DBJ Green Building Certification</a> </p>
Comprehensive Assessment System for Built Environment Efficiency (CASBEE)	<p>CASBEE is a system for comprehensively assessing the quality of buildings, including interior comfort and consideration to landscape as well as environmental considerations such as energy conservation and use of materials and equipment with low environmental impact. It was developed by a research committee established for comprehensive environmental assessment of buildings in April 2001 as a collaborative project between industry, academia, and government under the auspices of the Ministry of Land, Infrastructure, Transport and Tourism, and has been continuously upgraded and maintained since.</p> <p>→ <a href="#">Institute for Building Environment and Energy Conservation</a> </p>



Evaluation/Certification System	Overview
Building-Housing Energy-efficiency Labeling System (BELS)	<p>BELS is a system for the assessment and certification of energy efficiency performance in newly built and existing buildings by a third-party organization. In April 2016, the scope of the system was expanded to residential buildings, and it was designated as one of the third-party certifications in the Guidelines on Building Energy Efficiency Labelling based on Article 7 of the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act).</p> <p>→ <a href="#">Association for Housing Performance Evaluation and Labeling (Japanese only)</a> </p>
Leadership in Energy and Environmental Design (LEED) certification	<p>LEED is a system for assessing environmental performance of buildings and site use developed and operated by the U.S. Green Building Council (USGBC).</p> <p>→ <a href="#">U.S. Green Building Council</a> </p>
BRE Environmental Assessment Method (BREEAM) certification	<p>BREEAM is an environmental assessment system developed by Building Research Establishment Ltd. (BRE) in the UK in 1990 as a tool for assessing the sustainability performance of buildings, communities, and infrastructure. Performance is assessed in a total of ten categories including energy, health and well-being, water, materials, and waste, and rated on a five-point scale of Pass, Good, Very Good, Excellent, and Outstanding.</p> <p>→ <a href="#">BREEAM</a> </p>
WELL Building Standard	<p>This is an environmental performance evaluation system for buildings and urban subdivisions with a focus on health and wellness. It is operated by International WELL Building Institute (IWBI) and certification is handled by Green Business Certification Inc. (GBCI). The latest version, WELL v2, was launched in 2020, and consists of the following 10 concepts: air, water, nourishment, light, movement, thermal comfort, sound, materials, mind, and community.</p> <p>→ <a href="#">WELL</a> </p>
SITES Certification	<p>The Sustainable SITES Initiative (SITES). Designed by the U.S. Green Building Council (USGB), which designs and updates the LEED rating system, the certification is administered by Green Business Certification Inc. (GBCI) in the U.S. It offers guidelines and a quantitative evaluation system on green infrastructure design, technology, and management. Certification is now available outside the U.S. with v2.</p> <p>→ <a href="#">The Sustainable SITES Initiative (SITES)</a> </p>
Energy Performance Certificates (EPCs)	<p>A system for assessing the energy efficiency of buildings on a seven-point scale from A to G. In accordance with the Minimum Energy Efficiency Standard (MEES) stipulated by law in 2015, office buildings that fail to achieve a B rating by 2030 can no longer be newly leased to tenants.</p>



# Environmental Design Policies and Incentive Programs

In working toward achieving the goals put forth in “Environment,” a key theme in Mitsubishi Estate Group 2030 Goals for SDGs, Mitsubishi Estate has established real estate development environmental design policies as well as incentive programs for leading projects, to promote real estate development business that contributes to sustainability goals.

The Company has established the Sustainability-Minded Construction Architectural Design and Construction Policies for real estate development that outline the conditions required by type and scale, in areas such as design specifications, building materials, and construction methods. This document is included with a written quote outline when we receive construction projects.

Additionally, in fiscal 2022, the Company launched programs that provide incentives to those implementing advanced sustainability initiatives in the process of deciding on investments in new development projects.

## Architectural Design and Construction Policies



The following policies were established with an aim of achieving Mitsubishi Estate Group 2030 Goals for SDGs and decarbonized society

1. Acquisition of sustainability certifications
2. Initiatives to improve energy-saving performance
3. Introduction of renewable energy source and equipment
4. Use of water
5. Selection of building materials
6. Building material attributes, certifications, etc.
7. Sustainability efforts at construction sites

## Incentive Programs



Promote sustainable development projects internally by introducing incentives such as relaxation of investment criteria with projects that meet certain sustainability requirements

# Goals and Achievement Status

See the following for the status of environmental certification acquisitions.

[ESG Data > E: Environmental data > \(2\) Other > 5. Green Building Certification](#)



[List of Mitsubishi Estate Group Properties with DBJ Green Building and ABINC Certifications \(PDF 755KB\)](#)







## Promoting ZEB and ZEH in New Buildings and Rental Apartments to Reduce Environmental Impact

Mitsubishi Estate acquired its first ZEB Ready (office category) certification for a high-rise tenant office building, tentatively called the Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of November 2025. The energy conservation measures employed in this project are tested at the Group's headquarters to ensure they are energy efficient and facilitate a comfortable environment. Starting with this property, the Group aims to achieve high environmental performance in line with ZEB requirements for all new buildings to be developed. Furthermore, in February 2023 Mitsubishi Estate Residence started construction on (tentative name) the Osaka Abeno Showa-cho 3-chome Project,\*1 the first rental apartment building in the Kansai region to meet ZEH standards. In addition to meeting ZEH-M Oriented standards, the apartment building will use solar panels to generate electricity used in communal areas. These initiatives are part of Mitsubishi Estate Residence's goal to meet or exceed the ZEH-M Oriented Standard in new condominiums and new rental apartments under its CO2 emissions reduction strategies (formulated in January 2022). The entire Group will work together to reduce the environmental impact of its buildings and to provide new value.

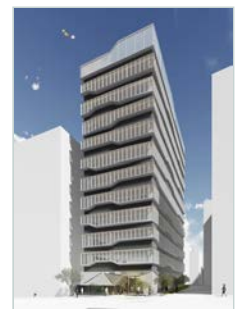


(Tentative name)  
Uchi-Kanda 1-chome  
Project

\*1 This project falls under a basic agreement and general planning subcontracting agreement between ENEOS Corporation and Mitsubishi Estate Residence. The scheme designates ENEOS as the primary owner, while Mitsubishi Estate Residence is responsible for the project's design and other specifications as the general planner.

## Acquisition of WELL Core Precertification under WELL v2 for the Chiyoda 1-Bancho Project (Tentative Name) – Supporting Workstyles That Emphasize Well-Being

Mitsubishi Estate has become the first company in Japan to receive precertification for WELL Core—which can be acquired by buildings occupied by tenants—under WELL v2, the latest version of the WELL Building Standard (WELL Certification), an international ratings system for buildings that emphasizes the health and well-being of people. The Company received the precertification for the Chiyoda 1-Bancho Project (tentative name), which it is advancing in Chiyoda Ward, Tokyo, for reasons including the high evaluation of the project's promotion of urban development in line with WELL development concepts, the introduction of a panel heating and cooling system, the facilitation of fitness for workers, and the provision of operable windows that offer ample natural light. Following completion of the project, we aim to obtain platinum certification, the standard's highest certification level.



Chiyoda 1-Bancho  
Project at the time  
of the  
precertification  
announcement;  
view of building  
exterior

Recent years have seen an increasing number of companies acquiring WELL Certification for areas of buildings reserved for office space. However, meeting the WELL Core certification standards for the actual building has the advantage of enabling tenant companies to more easily pursue WELL Certification for their office spaces by, for example, exempting them from screening for certain evaluation items. With the preliminary certification as a forerunner to further efforts, we will continue proactively supporting workstyles that emphasize well-being and enhancing office value from the perspective of concern for the environment.



# Acquisition of SITES<sup>®</sup> Gold Certification for Tokiwabashi Tower and TOKYO TORCH Park, Thereby Becoming the First Urban Mixed-Use Development Project in Japan to Acquire Such Certification

TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have acquired SITES<sup>®</sup> Gold Certification, an environmental certification that evaluates primarily the sustainability of landscapes, becoming the first urban mixed-use development project to receive such a certification in Japan.

Furthermore, these sites have been newly registered under Edo-Midori Green Area, a system by the Tokyo Metropolitan Government for registering and publicly announcing green spaces where native plant species are actively planted and where biodiversity is conserved. With this registration, TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have now acquired five environmental certifications—the others

being DBJ (Development Bank of Japan) Green Building Certification, Social and Environmental Green Evaluation System (SEGES) certification, and Association for Business Innovation in Harmony with Nature and Community (ABINC) certification—bringing them to a globally leading level in terms of environmental awareness.

Going forward, we will continue to promote urban development with an even greater awareness of the environment, with the goal of opening all sites of the TOKYO TORCH project by fiscal 2027.



TOKYO TORCH Park

**THE Sustainable  
SITES  
Initiative<sup>®</sup>**





# Promoting Green Urban Development with GRAND GREEN OSAKA

Mitsubishi Estate Co., Ltd., is leading the Umekita 2nd Project, a joint venture of nine companies (JV9)\* to develop the area in front of JR Osaka Station. The urban development project will be named GRAND GREEN OSAKA, an open space that integrates lush greenery and innovation. We have commenced the project, which includes the construction of a 45,000 m<sup>2</sup> park that aims to enhance the city's appeal in collaboration with Osaka City and Urban Renaissance Agency. As such, GRAND GREEN OSAKA was selected for the Ministry of Land, Infrastructure, Transport and Tourism's 2021 Sustainable Building Leadership Project (CO<sub>2</sub> Leadership Project). The landscape design offers a sense of local flair, and environmental planning considers biodiversity. In addition, the project introduces cutting-edge technologies, such as geothermal and wastewater energy and solar photoelectric generators, as well as infrastructure that contributes to resource recycling. The project has been awarded gold certification (plan certification) in the LEED Neighborhood Development (LEED ND) category for area developments by Leadership in Energy and Environmental Design (LEED), an internationally recognized green building rating system developed by the U.S. Green Building Council. We will continue to promote green urban development with a view to the advanced opening of the Umekita 2nd Project district, scheduled for summer 2024.

\* Mitsubishi Estate Co., Ltd., Osaka Gas Urban Development Co., Ltd., ORIX Real Estate Corporation, Kanden Realty & Development Co., Ltd, Sekisui House, Ltd., Takenaka Corporation, Hankyu Corporation, Mitsubishi Estate Residence Co., Ltd., and Umekita Development Specific Purpose Company (SPC funded by Obayashi Corporation)



Panoramic view of GRAND GREEN OSAKA  
(rendering of completed project)



GRAND GREEN OSAKA obtained LEED Gold  
certification



# Efforts to Acquire Environmental Certification in Overseas Business

The Mitsubishi Estate Group operates globally. Since Mitsubishi Estate New York was established in 1972, we have expanded our real estate development and rental business in the U.S., the U.K. and other European countries, as well as Asia and Oceania, making the most of our track record and wide-ranging network. We are engaged in socially and environmentally conscious urban planning with people in these regions.

## Initiatives in the United States

In the U.S., the Mitsubishi Estate Group carries out a wide range of projects, primarily through Rockefeller Group International. In addition to owning and operating large-scale office buildings in areas of Manhattan in New York, the Rockefeller Group manages a range of development projects around the country, including office, residential, industrial, and mixed-use projects. Industrial projects in particular have established the Group as a leading developer in the main industrial markets of New Jersey and the Inland Empire, California. Moreover, the industrial sector is expected to expand further due to the dramatic growth of e-commerce within the U.S. over the past few years. It aims to raise the value of real estate with a focus on environmental performance, and therefore works to acquire LEED certification on both its new development buildings and existing buildings.

### Projects earning environmental certification (examples)



#### GOLD

##### 1271 Avenue of the Americas, New York

Located in Manhattan, this building completed in 1959 underwent large-scale renovations from 2016 to 2019. The entire outer curtain wall was replaced and the air conditioning equipment was replaced with energy efficient models, resulting in the building attaining LEED Gold status in 2020.



#### GOLD

##### 1901 L Street, Washington, D.C.

Located in central Washington, D.C., this building was co-developed with the U.S. real estate company The Meridian Group. It is the result of an extension on a 1970s office building and large-scale renovations. The building was completed in 2019 following environmentally-friendly plans and was awarded a Gold LEED rating.



#### GOLD

##### Paradigm River North, Colorado

Located in central Denver, this 8-story, 19,000 m<sup>2</sup> office building was jointly developed with local real estate company Jordon Perlmutter & Co. Construction began in 2022 with a planned completion date of 2025. With environment-friendly plans, we are aiming for a Gold LEED rating.







## Initiatives in Europe

Since the establishment of Mitsubishi Estate London in 1986, the Mitsubishi Estate Group has handled real estate leasing and development projects for office and leasing properties in central London and continental Europe. With an emphasis on the environmental aspects of its properties the Group has earned BREEAM certification for newly developed buildings as well as buildings already owned.

### Projects earning environmental certification (examples) **BREEAM™**



**Outstanding** (planned)

#### **8 Bishopsgate, London**

8 Bishopsgate, a large-scale office redevelopment project in the City of London, which began construction in February 2019 and completed on June 19, 2023, is expected to achieve the highest ratings in multiple

environmental certifications.

In the UK, the RIBA 2030 Climate Challenge, a set of targets developed by the Royal Institute of British Architects (RIBA) for energy and carbon use in the construction industry based on the UN Sustainable Development Goals (SDGs), has been established and the property complies with these targets. In addition to using a glass façade with outstanding environmental performance for the entire exterior, the property is also equipped with solar panels and reuses greywater from rainwater, as well as other measures. As a result, it is expected to achieve the highest rating of “Outstanding” in BREEAM certification. It has also been certified with the highest “A” EPC Rating, which indicates the energy efficiency of a building in operation. In order to enhance diverse workstyles and well-being, an exclusive tenant-use cafeteria and an adjacent large outdoor terrace are located on the mid-rise floor, with a large 200-seat town hall and a business lounge on the low-rise floors. As a unique feature in the U.K., where environmental awareness is growing, there are no car parks, with the building instead featuring a large bicycle park and shower/locker facilities. Beyond being environmentally friendly, the building also supports a healthy working life for workers.



**Excellent**

#### **Warwick Court, London**

Warwick Court is a major office refurbishment project that was completed in July 2022. By maximizing the use of the existing façade and structure, and also reusing the interior stones from the building reception, this structure achieved a substantial CO2 emissions reduction of approximately 70% compared to new construction. Moreover,

the building contributes to the well-being of workers by installing a new rooftop terrace and a tenant-exclusive terrace, as well as by providing bicycle parking and shower/locker facilities. Through these efforts, the building is expected to achieve the BREEAM Excellent rating.





## Initiatives in Asia and Oceania

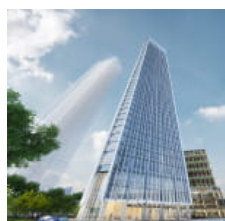
In Asia and Oceania, the Group established the subsidiary Mitsubishi Estate Asia Pte. Ltd. in Singapore in 2008, followed by Mitsubishi Estate (Shanghai) Ltd. in China in 2013. The Group opened its Taiwan Representative Office in 2017 and established Mitsubishi Estate Taiwan Ltd. in 2018, PT. Mitsubishi Estate Indonesia and Mitsubishi Estate Vietnam Company Ltd. in 2019, Mitsubishi Estate (Thailand) Co., Ltd. in 2020, and Mitsubishi Estate Asia Pte Ltd in Australia in 2021. The Group operates in Singapore, Indonesia, Vietnam, Thailand, Malaysia, and the Philippines, Australia, and China, developing office, residential, and retail properties.

### Projects earning environmental certification (examples)



#### Crystal Bridge, China

This is a large-scale complex development project where construction began in February 2023 in partnership with major U.S. developer Tishman Speyer, state-owned real estate developer New Changning Group, and Huolala, a major logistics services company. It is planned to earn LEED certification for the project by greening the city block and considering the environmental performance of the buildings.



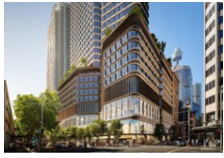
#### Trinity Tower, Indonesia

This is a large-scale office building project which Mitsubishi Estate has developed jointly with The Gesit Companies, Santini Group, and Shimizu Corporation. The project was awarded Best Green Development in the PropertyGuru Indonesia Property Awards 2018, which is given to outstanding real estate projects in Indonesia, in recognition of its advanced environmentally-friendly initiatives. With the commencement of building operation in July 2021, the project earned a Gold rating by the Green Building Council Indonesia (GBCI) in its GreenShip New Building (NB) Version 1.2 rating platform.



#### CapitaSpring, Singapore

November 2021 saw the completion of CapitaSpring, a mixed-use facility in the center of Singapore that Mitsubishi Estate had developed jointly since 2017 with CapitaLand Group, one of Asia's largest real estate companies. Consisting primarily of offices, CapitaSpring is a high-rise, large-scale, mixed-use facility with 51 aboveground floors and a total floor area of more than 93,000 m<sup>2</sup> and features serviced apartments, retail facilities, and other amenities. With its outstanding environmental performance—highlighted by its exterior design evoking nature, efficient use of water and energy, a green area for strolls, and an extensive green area provided by the rooftop garden—CapitaSpring has received Green Mark Platinum, the highest award for the Building and Construction Authority (BCA) Green Mark, Singapore's most recognized environmental performance indicator. Through this facility, we propose new styles of working and living to a wide range of people near Raffles Place station, Singapore's foremost office area.



### Parkline Place, Australia

At Parkline Place, a premium office building project, where development is under way in Sydney with the Oxford Properties Group and their subsidiary Investa, Mitsubishi Estate concluded a financing agreement for use as property construction funds thanks to a Green Loan\*. Using the funds from this loan, we plan to engage in environmental design that promotes efficient use of energy and resources, and to recycle approximately 90% of construction waste. Through these efforts we aim to attain 6-Star status, the highest level of Australia's real estate environmental certification as well as Core and Shell Certification v3 in the international WELL Building Standard certification program for health and wellbeing.

See the following for more information on green loans.

Sustainability Activities (ESG) > Environment > Adopting Sustainable Finance



### Sydney Place, Australia

Sydney Place is a large-scale area development project in the Circular Quay area, located at the northern end of the CBD in Sydney, Australia, undertaken jointly with Lendlease, an Australian real estate and construction company, and Ping An Real Estate, a real estate company that is a subsidiary of a major Chinese financial group. In addition to its 180 George Street (Salesforce Tower), a premium office building, the project has developed public plazas and commercial facilities to make the area come alive. The development provides environmentally and health-conscious spaces for the tenant companies and their employees by introducing LED lighting, motion sensors, automatic blinds that open and close according to the outside climate, and car sharing using electric vehicles. As a result of these environmentally-friendly initiatives, the project has obtained WELL certification Core and Shell rating\*<sup>1</sup> and the Green Building Council of Australia's Design & As Built 6 Star Green Star\*<sup>2</sup>. The project also aims to earn NABERS Energy 5.5 Star\*<sup>3</sup> rating as well.

\*1 A WELL certification that mainly covers newly built tenant buildings

\*2 A real estate environmental certification system operated by Australia's Green Building Council of Australia

\*3 A real estate environmental rating assessed by Australia's National Australian Built Environment Rating System



# Environment

## Adopting Sustainable Finance

## Sustainability Linked Finance

### Sustainability Vision 2050-Linked Finance Framework

On March 30, 2023, Mitsubishi Estate formulated the Sustainability Vision 2050-Linked Finance Framework<sup>\*1</sup> (“the Framework”). The framework was established with the aim to achieve the Mitsubishi Estate Group Sustainability Vision 2050, accompanied by the Mitsubishi Estate Group 2030 Goals for SDGs, detailed interim milestones and goals to reach the vision in 2050, the declaration of “Net-Zero emission by 2050” launched in March 2022, and an other challenging KPI, the proportion of women in managerial positions. The Mitsubishi Estate Group will further promote and accelerate the achievement of these targets by utilizing Sustainability Linked Bonds and Sustainability Linked Loans based on this framework.

\*1 Revised Sustainability Vision 2050-Linked Bond Framework formulated in June 2022

Sustainability Vision 2050-Linked Finance Framework (PDF 2.4MB) (Japanese only)





## Indicators (KPIs/SPTs) based on this framework

KPIs		SPTs		Determination date
KPI1	Percentage of electricity from renewable energy sources * Joined R100	SPT1	Achieve 100% electricity from renewable energy sources by FY2025	December 31, 2026
KPI2	Percentage of reduction in total GHG emissions, including CO <sub>2</sub> , in the Mitsubishi Estate Group's <sup>*1</sup> value chain * Obtained SBTi Net-Zero Standard certification from the SBTi in June 2022	SPT2-1	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 by FY2030 (base year: FY2019)	December 31, 2031
		SPT2-2	Achieve net zero by 2050	December 31, 2051
KPI3	Percentage of female managers <sup>*2</sup>	SPT3	Achieve 40% female managers by FY2050	December 31, 2051

\*1 Selection of target organizations is based on control criteria. Properties in which the Mitsubishi Estate Group's ownership rights and trust beneficiary rights are less than 50% are excluded from data calculations in principle.

\*2 A person in a job which has subordinates or a person in an equivalent position without subordinates

See the following for details on CO<sub>2</sub> Emissions/Renewable Power Targets.

[Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment](#)



See the following for details on Female Manager Targets.

[Sustainability Activities \(ESG\) > Social > Promoting Diversity > Empowerment of Women](#)



See the following press releases for more information.

→ [Formulation of New Group-Wide Targets for Reducing CO<sub>2</sub> and Other Greenhouse Gases and Announcement of 2050 Net-Zero Based on a New Standard Defined by SBTi \(PDF 547KB\)](#) [PDF](#)

→ [Mitsubishi Estate Group 2030 Goals for SDGs](#)

## Third-Party Opinion on Alignment

Mitsubishi Estate obtained a third-party opinion from a third-party evaluation organization stating that the Mitsubishi Estate Sustainability Vision 2050-Linked Finance Framework conforms to the ICMA Sustainability-Linked Bond Principles 2020 and the Ministry of the Environment Green Loan and Sustainability Linked Guidelines 2020.

See the following for details of the third-party opinion from Japan Credit Rating Agency, Ltd.

[Third-Party Opinion from Japan Credit Rating Agency, Ltd. \(PDF 4.0MB\) \(Japanese only\)](#)





# Issuance of Mitsubishi Estate Sustainability-Linked Bonds

Sustainability-linked bonds are bonds that may change financially and structurally in response to a company's achievement of pre-determined sustainability goals.

## 1st bond (Issue date: July 22,2022)

Mitsubishi Estate issued our first Sustainability Linked Bond on July 22, 2022.

### Overview

<b>Name</b>	Mitsubishi Estate Co., Ltd. 139th - 141st Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)		
<b>Terms decision date</b>	July 15, 2022		
<b>Issue</b>	139th bonds	140th bonds	141st bonds
<b>Issue date</b>	July 22, 2022	July 22, 2022	July 22, 2022
<b>Redemption date</b>	July 22, 2027	July 22, 2032	July 22, 2052
<b>Term</b>	5 years	10 years	30 years
<b>Issue amount</b>	20.0 billion yen	20.0 billion yen	20.0 billion yen
<b>Interest rate</b>	0.360%	0.644%	1.543%
<b>KPIs</b>	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO <sub>2</sub> , in the Group's value chain	(1) Percentage of reduction of total GHG emissions, including CO <sub>2</sub> , in the Group's value chain (2) Percentage of female managers
<b>SPTs<sup>*1</sup></b>	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)	(1) Achieve net zero by 2050 (2) Achieve 40% by FY2050
<b>SPTs determination date</b>	December 31, 2026	December 31, 2031	December 31, 2051
<b>Bond characteristics after determination</b>	In the event there is no third-party verified reporting by the determination date that the SPTs have been achieved, donations will be made or voluntary credits that have been certified under a Japanese program or by an international certification organization will be purchased before the redemption date.		
<b>Bond ratings</b>	AA- (Rating and Investment Information, Inc. (R&I)), A+ (S&P Global Ratings Japan Inc.), A2 (Moody's Japan K.K.)		

\*1 Sustainability Performance Targets. Targets for improvement in measurable KPIs on which issuers commit to a predefined timeline  
See the following press releases for more information.

→ Issuance of Mitsubishi Estate's First Sustainability-Linked Bond (PDF 538KB) (Japanese only) [PDF](#)





## Announcement of Investment in the Sustainability-Linked Bonds

See the following press release for information on investors who have announced their investment in the 1st Mitsubishi Estate Sustainability-Linked Bonds.

Issuance of Mitsubishi Estate's First Sustainability-Linked Bonds (2)  
- Issuance of Total 60.0 Billion Yen in Sustainability-Linked Bonds - (PDF 539KB) (Japanese only)

[PDF](#)

## 2nd bond (Issue date: July 22, 2022)

Mitsubishi Estate issued our 2nd Sustainability Linked Bond on May 2, 2023.

### Overview

<b>Name</b>	Mitsubishi Estate Co., Ltd. 142nd - 143rd Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)	
<b>Terms decision date</b>	April 26, 2023	
<b>Issue</b>	142nd bonds	143rd bonds
<b>Issue date</b>	May 2, 2023	May 2, 2023
<b>Redemption date</b>	May 2, 2028	May 2, 2033
<b>Term</b>	5 years	10 years
<b>Issue amount</b>	30.0 billion yen	30.0 billion yen
<b>Interest rate</b>	0.430%	0.900%
<b>KPIs</b>	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO <sub>2</sub> , in the Group's value chain
<b>SPTs</b>	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)
<b>SPTs determination date</b>	December 31, 2026	December 31, 2031
<b>Bond characteristics after determination</b>	In the event there is no third-party verified reporting by the determination date that the SPTs have been achieved, donations will be made or voluntary credits that have been certified under a Japanese program or by an international certification organization will be purchased before the redemption date.	
<b>Bond ratings</b>	AA- (Rating and Investment Information, Inc. (R&I)), A+ (S&P Global Ratings Japan Inc.), A2 (Moody's Japan K.K.)	

See the following press releases for more information.

→ [Issuance of Mitsubishi Estate's Sustainability-Linked Bonds \(PDF581 KB\) \(Japanese only\)](#) [PDF](#)

## Announcement of Investment in the Sustainability-Linked Bonds

See the following press release for information on investors who have announced their investment in the 2nd Mitsubishi Estate Sustainability-Linked Bonds.

Issuance of Mitsubishi Estate's Sustainability-Linked Bonds (PDF581 KB) (Japanese only)

PDF

## ESG Finance Award Japan

Our Sustainability Linked Bonds received the Gold Award (Minister of the Environment Award) in the fundraiser category of the 4th (2023) ESG Finance Award Japan, which was established and organized by the Ministry of the Environment to promote and expand the use of ESG finance. See the following press release for more information.

→ [Announcement of the Winners of the 4th Annual ESG Finance Award Japan \(Japanese only\)](#)



## Use of Sustainability Linked Loan (SLL)

The Sustainability Linked Loan Principles seek to promote and support environmentally and socially sustainable economic activity and economic growth by setting Sustainability Performance Targets ("SPTs") linked to borrowers' sustainability goals, linking loan terms such as interest rates to borrowers' performance against SPTs, and providing incentives to achieve SPTs.

## Conclusion of SLL Agreement with The MUFG Bank

Mitsubishi Estate concluded a sustainability linked loan with The MUFG Bank.

### Overview of the Loan

#### Loan (1)

- Execution date: March 30, 2023
- Loan period: 4 years
- Amount: 15.0 billion yen
- Application of funds: Business funds

#### Loan (2)

- Execution date: March 30, 2023
- Loan period: 5 years
- Amount: 15.0 billion yen
- Application of funds: Business funds

## Goals related to SPTs for this Sustainability Linked Loan

KPI	Percentage of electricity from renewable energy sources
SPT	Achieve 100% by FY2025



## Conclusion of SLL Agreement with The Norinchukin Bank

### First Loan Agreement (Execution Date: May 29, 2020)

Mitsubishi Estate concluded the Japanese real estate industry's first loan agreement based on a sustainability linked loan with The Norinchukin Bank.

#### Overview of the Loan

- Execution date: May 29, 2020
- Loan period: 11 years and three months
- Amount: 11.5 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 1.6MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 510KB)

[PDF](#)

### Second Loan Agreement (Execution Date: October 14, 2022)

Mitsubishi Estate concluded loan agreements based on SLLs with The Norinchukin Bank, which will be the second such loans following the one executed on May 29, 2020.

#### Overview of the Loans

##### Loan (1)

- Execution date: October 14, 2022
- Loan period: 11 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

##### Loan (2)

- Execution date: October 14, 2022
- Loan period: 6 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 3.0MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 532KB)

[PDF](#)



# Green Finance

## Mitsubishi Estate Green Bond Issued

The mission of the Mitsubishi Estate Group is to contribute to the creation of a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment.

In June 2018, in order to raise funds for the Tokyo Station Tokiwabashi Project currently underway in front of the Nihonbashi exit of Tokyo Station, Mitsubishi Estate issued the Mitsubishi Estate Green Bond, the first in Japan from an integrated real estate company. The Mitsubishi Estate Green Bond was issued based on a framework in accordance with the Green Bond Principles published by the International Capital Market Association (ICMA), and Mitsubishi Estate obtained an opinion on compliance with the principles from a third-party certification institution.

The Mitsubishi Estate Green Bond also obtained the highest GA1 rating in an R&I Green Bond Assessment carried out by Rating and Investment Information, Inc. which evaluates the extent to which proceeds from the issuance of a green bond are used to invest in projects that contribute to solving environmental problems.

## Overview

<b>Name</b>	Mitsubishi Estate Co., Ltd. 127th unsecured corporate bonds (Mitsubishi Estate Green Bond)
<b>Date of determination of issuance terms</b>	June 20, 2018
<b>Date issued</b>	June 26, 2018
<b>Maturity date</b>	June 26, 2023
<b>Term</b>	5 years
<b>Total amount issued</b>	20 billion yen
<b>Use of proceeds</b>	All funds will be used to finance the construction of Tower A of the Tokyo Tokiwabashi Project facing Tokyo Station. → <a href="#">Project website (Japanese only)</a>
<b>Bond rating</b>	AA- (Rating and Investment Information, Inc.) A+ (Standard & Poor's Global Ratings Japan) A2 (Moody's Japan)

See the following press releases for your reference (Japanese only).

→ [Announcement of the Issuance of Mitsubishi Estate Green Bond to Fund Construction of Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station \(PDF 270KB\)](#)

→ [Mitsubishi Estate Unveils New Name for Its Tokyo Tokiwabashi Project as "TOKYO TORCH" \(PDF 4.3MB\)](#)

→ [Mitsubishi Estate Completes Tokiwabashi Tower \(PDF 5.7MB\)](#)



## Third-Party Ratings Concerning Eligibility

### Second party opinion

The bonds were issued based on a framework that followed the Green Bond Principles published by the International Capital Market Association, and the company obtained opinions from a third party certification organization regarding the bond's eligibility as a green bond.

Second Opinion from Sustainalytics  
(Japanese only) (PDF 820KB)

[PDF](#)

### Green bond assessment

The R&I Assessment evaluates the extent to which funds raised through green bonds are invested in business projects that solve environmental projects. This project received the highest rank of GA1 in the Assessment.

[R&I Green Bond Assessment] Mitsubishi  
Estate Co., Ltd. Mitsubishi Estate Green  
Bond: GA1 Assessment (PDF 799KB)

[PDF](#)

### Ministry of the Environment issuance model cases

The company filed an application for the bond to be considered as a model case by the Ministry of the Environment for its Models of Green Bond Issuance in 2018. It was selected and has confirmed with the Ministry and its contractors that the bond complies with the Green Bond Guidelines 2017.

Pre-Issuance Report (Japanese only) (PDF  
1.37MB)

[PDF](#)

## Mitsubishi Green Bond Investment Announcements

Please see the following press release for information on investors that have announced their investments in the Mitsubishi Estate Green Bond.

Announcement (3) of the issuance of the Mitsubishi Estate Green Bond to fund the Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station - Terms determined today with an issue amount of 2 billion yen and an interest rate of 0.09% (PDF 270KB) (Japanese only)

[PDF](#)



## Allocation Report

Mitsubishi Estate has confirmed that the funds procured from the issue of green bonds to finance the construction of the Tokiwabashi District Redevelopment Project Tower A in front of Tokyo Station have been used in full. The Finance & Accounting Department executive officer in charge of these matters has filed a management assertion regarding the appropriation of these funds.

Procured Appropriations	Appropriations Used	Appropriations to Be Used
19,931 million yen	19,931 million yen	0 million yen

As of July 17, 2020

Management Assertion (Japanese only) (PDF 50KB)

[PDF](#)

## Details of the Tokiwabashi District Redevelopment Project

- A large-scale redevelopment project covering a total area of 3.1 hectares, the largest in the vicinity of Tokyo Station. It includes the development of an approximately 390m super high-rise tower that will become a new landmark for the city of Tokyo and a spacious plaza measuring approximately 7,000m<sup>2</sup> that will transform the area in front of Tokyo Station, all of which will be developed and equipped in stages. The project is a designated project for the National Strategic Special Zone Program.
- The project will be carried out in stages over a 10-year period while maintaining and updating vital infrastructure functions including sewage pumps and transformer substations within the district.
- As a designated project for the National Strategic Special Zone Program, this project will be located in the middle of Tokyo's chief business center and is positioned to be known as the Tokyo Global Financial Center. To that end it is intended to contribute to urban redevelopment in the following ways:
  1. Renewal of urban infrastructure, creation of a pedestrian network, preparation of a plaza, etc.
  2. Creation of a hub to enhance international competitiveness (finance/business exchange and urban tourism).
  3. Creation of superior disaster management and an eco-conscious urban environment.

→ [TOKYO TORCH project website \(Japanese only\)](#)



A rendering of TOKYO TORCH overall at the time of its opening as seen from the Marunouchi side of JR Tokyo Station

## DBJ Green Building Certification

Tower A for the Tokiwabashi District Redevelopment Project in front of Tokyo Station has been awarded the Development Bank of Japan (DBJ) Green Building certification as a building that exhibits the highest level of “environmental and social awareness” in Japan (certification obtained March 29, 2019). The structure was subsequently renamed Tokiwabashi Tower and awarded the DBJ Green Building certification upon its completion (certification obtained August 6, 2021).



## Use of Green Finance for Office Building Development Project in Sydney, Australia

In December 2021, Mitsubishi Estate entered into a green loan agreement to fund construction of Parkline Place, a premium office building development project being undertaken in Sydney, Australia, in partnership with Oxford Properties Group and its subsidiary Investa. A green loan is a loan in which the use of funds is restricted to projects that have an effect on improving the environment. This is the first time that Mitsubishi Estate has used a green loan to raise funds for an overseas project.

Mitsubishi Estate plans to use the funds from the loan to promote an environmental design that will help improve efficient use of energy and resources and for initiatives such as recycling approximately 90% of construction waste. Through these initiatives, the company aims to obtain the highest 6-Star rating in Australia’s Green Star<sup>\*1</sup> real estate environmental certification system. The company is also considering provision of work-life management, mindfulness, personal health and other such services in addition to environment-related initiatives with the aim of obtaining Core and Shell<sup>\*2</sup> Certification under WELL Certification (WELL Building Standard<sup>\*3</sup>), which is an international certification concerned with health and well-being.

### Overview of Green Loan

- Contract month: October 2021
- Lender: Gresham Property (GPF No. 8 Fund)
- Borrowing amount: AUD 700 million (approx. JPY 56.9 billion [AUD1 = JPY81<sup>\*4</sup>])
- Borrowing period: October 2021 - March 2024 (planned)
- Application of funds: Construction costs for Parkline Place
- A real estate environmental certification system operated by the Green Building Council of Australia
- A category of certification within WELL Certification that mainly applies to newly-constructed tenanted buildings.
- A U.S. certification system that evaluates buildings and spaces from the perspective of human health and well-being.
- As of December 2021

See the following press release for more details.

Mitsubishi Estate Announces Green Loan Funding for Parkline Place, its Office Building Development in Sydney, Australia (Japanese only) (PDF 448KB)

[PDF](#)



# Positive Impact Finance

Positive Impact Finance (PIF) is financing based on the Principles for Positive Impact Finance proposed by the United Nations Environment Programme Finance Initiative. As part of this program, financial institutions comprehensively analyze and evaluate both the positive and negative impact corporate activities have on the environment, society, and economy, as they provide loans with the aim of continued support. The most significant feature of the program is that the level of contribution to achieve Sustainable Development Goals (SDGs) through a company's activities, products, and services is used as evaluation indicators and monitored based on publicly disclosed information.

## Positive Impact Finance loan agreement signed

In November 2021, Mitsubishi Estate signed a Positive Impact Finance (with unlimited use of funds) loan agreement with Sumitomo Mitsui Trust Bank, Limited.

### Overview of the initiative

<b>Date of agreement</b>	November 30, 2021
<b>Loan period</b>	10 years
<b>Loan amount</b>	5 billion yen
<b>Use of funds</b>	Long-term operating funds

In order to help achieve a sustainable society through its business activities, the Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050 and has set out the Mitsubishi Estate Group 2030 Goals for SDGs as part of its Long-Term Management Plan 2030, detailing themes and actions established as milestones for achieving this vision.

In concluding this agreement, Sumitomo Mitsui Trust Bank qualitatively and quantitatively assessed the Group's initiatives in the four areas of focus that the impact Mitsubishi Estate Group 2030 Goals for SDGs sets out – namely, environment, diversity & inclusion, innovation, and resilience – areas that particularly have impact toward achieving SDGs. See the following press release for further details.

Notice regarding the Conclusion of a Positive Impact Finance (with unlimited use of funds) Loan Agreement (PDF 357KB)



This program has obtained a third-party opinion from Japan Credit Rating Agency, Ltd. as its assessment procedures being compliant to the Principles for Positive Impact Finance Principles as well as for the rationality of the evaluation indicators employed.

The Japan Credit Rating Agency website for further details (PDF 1.6MB) (Japanese only)





# Sustainability Activities (ESG) Social



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## Social Contribution Activities / Support for Communities

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## Goals and Achievement Status

See the ESG data page for our progress in achieving diversity-related goals.

[ESG Data > Social Data](#)



## Empowerment of Women

### Establishment of Action Plan to Promote Women's Success

Mitsubishi Estate has established and published an action plan in accordance with Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace.

The action plan sets out targets and specific initiatives aimed at achieving a positive working environment for women in accordance with the objective of the Act, which is to promote women's participation and advancement.

#### Overview of Action Plan

##### Period of the Plan

April 1, 2021 – March 31, 2026

##### Our Challenges

1. Although recruitment of women is on the rise, it is difficult to increase the number of female managers rapidly due to the low levels of recruitment in the past. Therefore, it will be necessary to increase the number of female managers steadily, including the number of female candidates for middle management positions.
2. To realize a workplace environment in which it is easy to balance childcare and work, it is also important to raise the percentage of male employees taking childcare leave. However, the target of 100% has not been achieved.





## Objectives

1. Raise the percentage of female managers to more than 20% by 2030.
2. Raise the percentage of eligible men taking childcare leave to more than 75% by fiscal 2025 with an eye on achieving 100% by fiscal 2030.

## Initiatives

1. Boost recruitment of women in new graduate and mid-career hiring
  - Strengthen public relations activities aimed at women with a goal of bringing the percentage of women in new graduate and mid-career hiring to more than 40%.
2. Create an environment that makes it easier for women to continue working
  - Host forums (roundtable discussions, lectures, etc.) providing information facilitating work-balance with child rearing as well as career development for female employees who are taking childcare leave or who have returned to work for a certain period after returning.
  - Provide interviews with human resources divisions/departments on return to work from childcare leave.
  - Raise awareness of the reemployment program and leave system in conjunction with the transfer of a spouse.
3. Initiatives to raise the percentage of men taking childcare leave
  - Monitor the use of childcare leave by male employees whose spouse has given birth and encourage them to take the leave.
  - Host roundtable discussions, etc. by male employees who have taken childcare leave to encourage men to take the leave.

The full text of the action plan is available here.

Action Plan based on the Act on the Promotion of Female Participation  
and Career Advancement in the Workplace (PDF 73KB)

PDF

In addition, we have examined our future vision and set targets for the ratio of female managers: 20% by fiscal 2030, 30% by fiscal 2040, and 40% by fiscal 2050. In order to achieve these goals, we will promote gender balanced recruitment activities, introduce a personnel system that allows flexible work arrangements, hold internal roundtable discussions and seminars regarding balancing work and childcare for both men and women.

### The ratio of female managers\*



\* Ratio of female managers at Mitsubishi Estate

\*those in positions where they manage subordinates, or above, and those who are in equivalent positions even if they do not manage subordinates.



# Hiring of Persons with Disabilities

Mitsubishi Estate actively seeks to hire persons with disabilities, in response to social demands to ensure their employment opportunities. The company strives to create a workplace in which all employees can demonstrate their unique skills without regard to their disability and provide the environment they need for success.

## Various Programs for Work-Life Integration

At Mitsubishi Estate, we believe in the importance of not creating barriers between work and daily life, but rather, in viewing both as one and achieving comprehensive fulfillment (work-life integration). To achieve this, we have established various systems that allow employees to choose a variety of work styles.

### List of work-life integration and employee health promotion programs and welfare initiatives (Mitsubishi Estate)

Name of program	Overview of program
Flexitime program	<p>In principle, eligible employees can on prescribed working days work between 6.00 a.m. and 8.00 p.m.</p> <p>Note: The Company officially abolished core working hours (the period when employees are required to attend work) in April 2023.</p>
Childcare leave of absence	<p>Can be used until the end of the fiscal year in which the child turns three years old (14 days of paid leave from the day on which childcare leave starts)</p> <p>* The legally stipulated period in Japan is until the child's first birthday as a general rule (or until the child turns two years old as a maximum in special circumstances).</p>
Nursing care leave of absence	<p>Can be used for a maximum of three years (can be divided into shorter durations up to three times)</p>
Nursing care leave of absence for children	<p>Can be used until the end of the March after the child enters the third grade in elementary school</p> <p>Can be used as a special paid leave of absence until the child enters elementary school</p>
Nursing care leave of absence for family	<p>Can be used as a special paid leave of absence</p>
Shortened work hours for childcare	<p>Can be used until the end of the March after the child enters the third grade in elementary school</p> <p>Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes</p>
Shortened work hours for nursing care	<p>Can be used within three years of the start of use for each person in the eligible family</p> <p>Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes</p>



Flextime program for pregnant women, those caring for children and those nursing family members	<p>Can be used during pregnancy</p> <p>Can be used until the end of the March after the child enters the third grade in elementary school</p> <p>Can be used within three years of the start of use for each eligible person in the family (Work hours can be shortened by up to 2.5 hours in increments of 15 minutes)</p>
"Refresh" vacations	<p>Special paid vacations are given every five years after five consecutive years of employment</p> <p>Company pays travel costs after 25 or 30 years of consecutive employment (upper limit imposed)</p>
Accumulated vacation	<p>Employees can accumulate up to 90 days of paid vacation that was not used. This can be used for the employee's or family member's illness, a spouse's childbirth, to participate in volunteer activities, childcare or nursing care for family members, among others.</p>
Retiree Reemployment System	<p>Can be used following the specified interview when an employee resigned due to childcare, nursing care for family members, changing jobs, or starting a business</p>
Leave system for the transfer of a spouse	<p>Leave up to three years can be taken to accompany a spouse on a relatively short transfer (overseas traineeship/study of approximately 1-2 years)</p>
Transfer request system for spouses relocating to a new location	<p>An employee in a position that does not normally involve transfers can transfer within the Group when wishing to relocate due to the transfer* of a spouse only when it is organizationally feasible</p> <p>* Limited to Japan</p>
Hourly paid leave program	<p>Paid leave is available in one-hour units (using eight hours is equivalent to using one day of paid leave)</p>
Teleworking program	<p>It is possible to work at a location other than the company, such as a satellite office affiliated with the company or at home</p>
Expense subsidy program based on cafeteria plan	<p>The program provides subsidies for expenses on employee health promotion activities (sports activities and checkups not covered by insurance, etc.)</p>
Consultations with occupational health physician	<p>An initiative to provide consultations with an occupational health physician for employees, including managers, who have exceeded the 80 hours of statutory monthly overtime work</p>
Positive Off Movement	<p>An initiative to set targets for the number of days of paid leave taken and to encourage employees to take paid leave</p>



## Support for Combining Work with Raising Children

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Mitsubishi Estate has established a general action plan compliant with the Japanese law called "Act on Advancement of Measures to Support Raising Next-Generation Children," to help its employees balance work and childcare. The company is recognized as a childcare-supportive company by the Ministry of Health, Labour and Welfare and received Kurumin Mark certification in 2017.

As part of its efforts to support childcare, the Mitsubishi Estate Group launched a new business in 2018 to operate its own daycare centers at its properties, in addition to temporary daycare services using contracted daycare centers. It also provides support such as subsidies for the cost of babysitting, as well as opening a center that helps employees find daycare services for their children. Information on programs available for childcare is provided on its intranet site for pregnancy, childbirth, and childcare information.

## Support for Combining Work with Nursing Care for Family Members

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Mitsubishi Estate also offers a range of programs to support employees who are providing nursing care for their family. Employees can take nursing care leave or work shorter hours while nursing family members. In addition, a nursing guidebook is issued and internal seminars are held to offer information on caring for family members.

## Support for Employees' Life Plans

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Mitsubishi Estate has set a retirement age of 60, but has introduced a job matching program to reemploy employees that want to continue working after retirement age.

This program enables employees of retirement age who meet certain standards to continue working, which not only supports employees' life plans, but also enables veteran employees to pass on the skills, expertise and personal connections built up over years of experience, thus helping to maintain service quality. Currently, these veterans are registered as advisors.

At the same time, expectations for this second phase of life are varied, and individuals make diverse choices. For this reason, the company provides life planning seminars, training on planning for life after retirement. In addition, the second life support program has been set up, enabling employees two years away from retirement to embark on a fulfilling "second life" with early retirement.



# Social Creating Environment and Programs Conducive to Open Innovation

## Programs to Encourage Open Innovation

In order to promote business in a social and economic environment that is changing at an increasingly rapid speed, Mitsubishi Estate is engaging in business model innovation. In October 2019, Mitsubishi Estate established new personnel programs for the purpose of encouraging open innovation and expanding further the possibilities for independent career choices by individuals.

### New Business Proposal System —Mitsubishi Estate Group Innovation Challenge (MEIC)

Through the New Business Proposal System, launched in 2009, we have extensively sought business proposals and ideas from employees. With more than 130 applications received to date, the system has realized new initiatives that have helped diversify the Group's sources of earnings and strengthen its core business, such as GYMM, a pay-as-you-go gym, and Ecorfurni, a business reselling used office furniture. In 2021, we launched the Mitsubishi Estate Group Innovation Challenge (MEIC) program to expand the scope of this system to encompass Group companies. We will continue striving to strengthen systems for encouraging employees to take on challenges with the aim of spurring Groupwide innovation.

### Borderless! x Socializing! Initiative

On April 1, 2017, we established the Work Style Reform Promotion Committee, chaired by the president & chief executive officer, with the aim of strongly promoting the top-down reform of our corporate culture, the streamlining of business processes, and the creation of new value through increased productivity. In August 2018, the committee was renamed the BxS (Borderless and Socializing) Committee. The BxS Committee's promotion secretariat plays a central role in developing a variety of activities aimed at Companywide workstyle reforms and improving operational efficiency. Every year, the secretariat conducts a survey on the status of the Mitsubishi Estate's operational efficiency, workstyles, and corporate culture and reports the results of the survey Companywide. Any issues that become apparent from the results of the survey become a theme for discussions centered on the secretariat from the following year onward.





## Secondary Job Program

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Mitsubishi Estate has established a secondary job program\* based on a permit system to help employees maximize their own potential through diverse experience and encourage them to accept various challenges that lead to their growth or career advancement. In so doing, the company aims not just to help the knowledge and connections obtained through a secondary job be returned into the core business, but also to create an environment for employees to work with more satisfaction through self-actualization.

\* Excludes businesses that involve a conflict of interest with Mitsubishi Estate, such as competitors. Working hours up to 50 hours in any single month.

## Open Recruitment of Human Resources with Secondary Jobs and Dual Employment in Some Businesses

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In some of its businesses, primarily new ones, Mitsubishi Estate has begun accepting human resources with secondary jobs and dual employment\* through open recruitment to hire a broad range of human resources that possess knowledge not present in its existing businesses. As the first step, in the meditation studio operation business, which was established in April 2019 through the new business proposal program, Mitsubishi Estate recruited and employed\* human resources with responsibility for planning brand and marketing strategy from among human resources with secondary jobs and dual employment.

\* Assumes once weekly employment based on an individual outsourcing agreement with Mitsubishi Estate.



# Creating an Office Environment that Leads to Value Creation

## Initiatives at Mitsubishi Estate Head Office

Mitsubishi Estate upholds the concept of "Borderless! × Socializing!" for its head office and has implemented a range of initiatives to create a venue for generating new value through spaces where people can connect with one another without borders and fully demonstrate their strengths. The company put this aspiration into practice as part of our work style reforms for productivity and employee health advancement.

While continuously implementing reform of the office environment and systems, Mitsubishi Estate is also implementing a range of verification testing at the head office in such areas as biometric security and the use of robots for tasks such as cleaning and serving tea. The achievements, knowledge, and expertise obtained through these initiatives are being utilized in proposals to customers, planning for new office buildings, and urban development.

Mitsubishi Estate is also promoting SDGs awareness and initiatives of employees at the head office as part of its efforts to help realize a sustainable society. These include the holding of events for employees to familiarize themselves with social issues through food at the in-house cafeteria, the establishment of a display area where they can experience sustainable products from around the world, and enhancing the effective sorting of waste (into 15 types).

In addition to the Otemachi Park Building head office, which is already available to Group companies, Mitsubishi Estate opened satellite offices in Marunouchi and Yurakucho for the use of Group companies in response to such needs as promoting efficient and flexible workstyles, strengthening BCPs, creating bases for information sharing and events, and deepening communication throughout the Group. These offices have been named "MIX," expressing the hope that they will be places where diverse people from the Group and sometimes from outside the Group will mix together and create new value.



### Free-address work environment

Employees can choose locations on any given day from a host of different seating options, including low tables, high tables, large and individual desks, to match their workstyle preferences. Efforts are also made to reduce paper and digitalize documents, eliminating more than 70% of document storage cabinets compared with pre-relocation.



### Internal staircase to eliminate borders between floors

Private stairways have been installed so that employees can move freely between floors, bypassing the building's common areas. This encourages spontaneous communication, promotes health and mitigates the risks posed by loss or theft of confidential materials.



### SPARKLE Cafeteria

The cafeteria can also be used as a workspace to facilitate the creation of new ideas and insights. It also serves as place for communicating through food and is used as a space for sharing information on subjects of interest to the company such as health management, the SDGs, and project introductions.



### One-third allocated to common area

One-third of the head office is allocated to a common area. This helps to create inspiration through casual communication and to increase motivation and productivity.



### MIX MARUNOUCHI

Also available for use as an event space.





## Initiatives at Mitsubishi Jisho Property Management Head Office

Mitsubishi Jisho Property Management received the New Office Promotion Award as part of the 35th Nikkei New Office Award program, sponsored by Nikkei Inc. and the New Office Promotion Association (NOPA). The company's head office is located on the second floors of the Marunouchi 2-chome Building and the Marunouchi-Nakadori Building, straddling the street of Marunouchi Nakadori. The renovation of the head office was based on the concept of "Open the Blinds" to open up the blinds both visually and psychologically, and treats the offices which are spread across two buildings as one floor, with Marunouchi Nakadori viewed as a courtyard. The renovation was designed to offer a variety of venues for people to meet to co-create new value while feeling in every sense connected with the city. Besides the reception area and a collaboration area where customers and partner companies are welcomed, the renovated head office has created various spaces for enhancing communication, including MIX Marunouchi, a group office available to employees of the Mitsubishi Estate Group.



Offices located on the second floors of buildings straddling Marunouchi Nakadori



Reception area in the Marunouchi 2-chome Building



Office interior



## Initiatives at Mitsubishi Estate Home Headquarters

In line with relocating its headquarters from the Kokusai Shin Akasaka Building to Shinjuku Eastside Square in June 2022, Mitsubishi Estate Home has launched Tokyo Base. This future co-creation office packed with various new features aims to provide employees with an environment allowing them to work with greater freedom and energy, to increase the value we provide to customers, and to help solve social issues.

This is the first location at the Mitsubishi Estate Group to adopt activity-based working (ABW) with the goal of creating a vibrant atmosphere where employees can enjoy working. ABW offers employees the freedom to select from various types of work points (seats) depending on their current tasks, which help maximize the performance of all employees.

There are recharge spaces in the open café and work area where employees can relax, replete with furnishings made from Japan-grown timber, something we focus on as a core value. Touching and feeling the logs and saplings on display helps raise employee awareness of the issues the Japanese forestry industry faces, inspiring them. Interacting with our core values in the possibilities of wood and experiencing first-hand our product values helps trigger the emergence of innovation that has true value as they work with their customers and partners.



Japan-grown structural materials normally used in our custom-made detached housing projects are repurposed in the café space





## Initiatives at the MEC Design International Head Office

MEC Design International\*, which engages in interior design for offices and other spaces, refurbished its head office in Chuo-ku, Tokyo in February 2022 embracing diversification in values and changes in lifestyle and the way people work in its own offices.

Incorporating numerous opinions and requests from employees through in-house questionnaires and workshops, the company established “Act More, More Real” as a grand concept for a refurbishment to express employees’ styles of working. Drawing inspiration from the walkways alongside canals, the seamless connection of a WALK zone where employees actively mingle and a WORK zone that realizes flexible work styles creates an office bringing together diverse human resources and allowing a full sense of their passion to be expressed while achieving a balance between life and work.

In an office that adopts activity based working (ABW) and provides a variety of work environments, employees can freely choose where to work according to their individual needs and requirements. This means they can act more like themselves, inspiring one another, and create a place that communicates MEC Design International’s passion as a design firm to the world. In the refurbishment, with contributing to the SDGs in mind, the company also made efforts to reduce building material waste and effectively utilize surplus and recycled products. Instead of conventional furniture and fixtures, long-lasting and health-conscious products were selected.



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### Interact and Share (Work Lounge/Café Counter)

The lounge, which has a versatile layout and can be used for a variety of purposes, is located directly next to the reception area to encourage internal and external interactions.



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### Experience, Experiment, and Combine (Gallery, Atelier)

Located in the center of the space is a work area that includes manufacturers’ sample displays and work counters with various usage scenarios in mind where people can experiment and combine various materials to create new spaces. It’s a work space where the process of space creation can be communicated and felt in a realistic way.



### Learn and Concentrate (Book Library)

The library area connected to the atelier is a place for reading and sharing the latest information on trends in Japan and overseas.

- \* MEC Design International Corporation: As a comprehensive interior design firm in the Mitsubishi Estate Group, it is involved in design for offices, residential interiors, hotels, commercial spaces, and others. With its team of professionals conversant in interior design, the company provides a wide range of services from consulting, conceptualization, planning, design, and construction through to procurement of furniture, fixtures, and equipment (FF&E).

MEC Design International



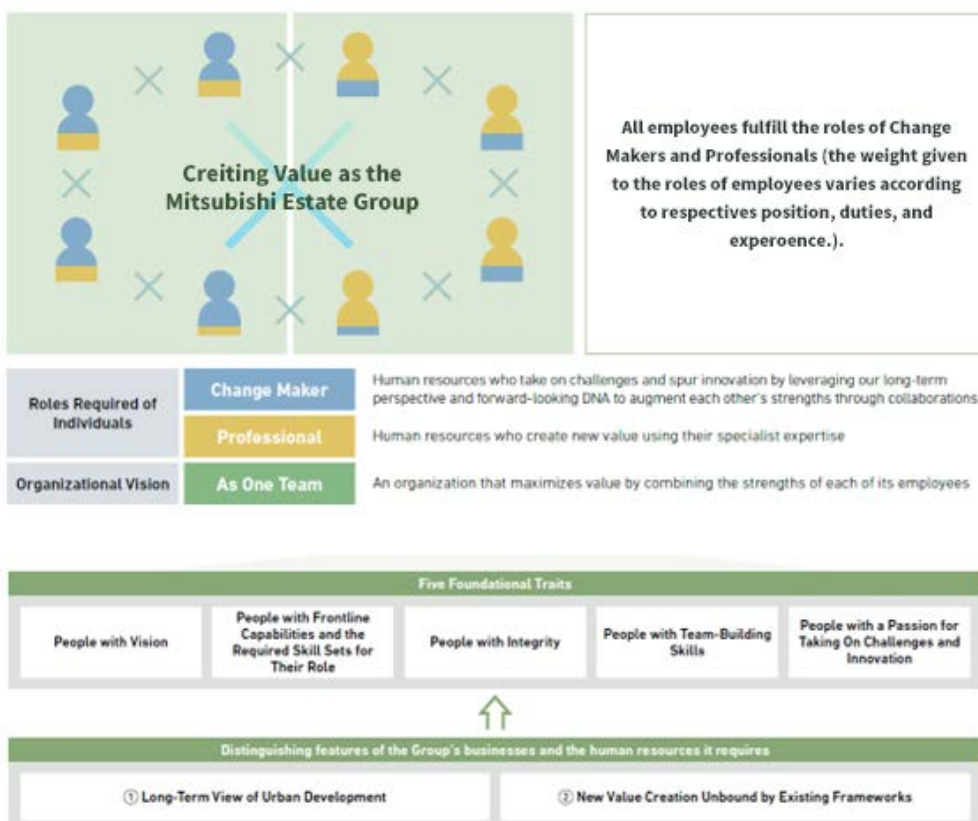


## Basic Policy and Approach

The Mitsubishi Estate Group believes human resources are an important asset for realizing Long-Term Management Plan 2030 and creating new value for society. In addition, the Group formulates the vision for its human resources and organization based on the distinguishing features of its business model and its future business policies.

## Vision for Our Ideal Human Resources and Organization

The Mitsubishi Estate Group promotes a wide range of businesses on a Groupwide basis, including the Commercial Property, Residential, International, and Investment Management businesses. The Group believes it needs human resources who can fulfill the two roles of Change Makers and Professionals while possessing the five traits it requires of them to achieve further business expansion. The Group also adopted the slogan of “as one team” to reflect its vision of the ideal organization, one that harnesses the strengths of each and every employee.





# Distinguishing Features of the Group's Businesses and the Human Resources It Requires

## (1) Long-term view of urban development

Implementing urban development under a long-term perspective looking several decades ahead, the Mitsubishi Estate Group has built a long-term business model encompassing everything from land acquisition to development, management, and other activities. A distinguishing feature of the Group's urban development is that each and every employee cooperates with a diverse array of stakeholders in a broad range of business process areas. For this reason, the Group requires human resources with expertise on its business processes as a whole who are able to manage relationships with stakeholders.

## (2) New value creation unbound by existing frameworks

Long-Term Management Plan 2030 calls for the Company to work to create new value by proactively promoting its international asset and non asset businesses as well as its domestic asset business. Achieving this goal requires human resources who can create value in new domains.

## Five Traits

The Mitsubishi Estate Group has defined the human resources it requires as people who possess the five traits outlined below. Although our employees fulfill a diverse range of roles according to business conditions and their own career aspirations, possession of the five traits is a requirement for all employees. As a result, we take measures emphasizing these five traits in our recruitment and development of employees.

Five traits	Definition	Desired strengths	Measures
(1) People with Vision	People who can visualize what they want to achieve and have the determination and dynamism to do so	The ability to create and promote their vision with determination and courage	● Implementation of job-level-specific training on the topic of vision
(2) People with Frontline Capabilities and the Required Skill Sets for Their Role	People who develop their skills and knowledge as a professional in both their field of specialization and the real estate industry and who have the ability to drive business forward	The ability to make sound judgments, be customer-oriented, and drive business forward while also being productive and possessing risk management skills as well as professional level skills and knowledge	● Introduction of a support system for employees to obtain qualifications relevant to their respective business domains





(3) People with Integrity	People with high ethical standards, who act with integrity and fairness, and who build good relationships with those around them	Open-mindedness and high ethical standards	<ul style="list-style-type: none"> <li>● Holding of Groupwide compliance training for new employees, recently promoted employees, and new mid-career hires</li> </ul>
(4) People with Team-Building Skills	People capable of carrying out human resource development and management in order to increase the competitiveness of the organization	The ability to nurture talent, work as part of a team, and deploy management skills	<ul style="list-style-type: none"> <li>● Arrangement of one-on-one meetings to improve the quality and volume of communication within the organization</li> </ul>
(5) People with a Passion for Taking On Challenges and Innovation	People who are not bound by precedent or convention and who have the spirit to take on challenges and act without fear of failure	Challenge-oriented and innovative	<ul style="list-style-type: none"> <li>● New Business Proposal System</li> <li>● Secondary Job Program</li> <li>● 10% Rule System</li> <li>● Job-level-specific training on the topic of taking on challenges and innovation</li> </ul>

## Initiatives Related to People with a Passion for Taking On Challenges and Innovation

Among the five traits, we particularly focus on initiatives related to people with a passion for taking on challenges and innovation.

### New Business Proposal System-Mitsubishi Estate Group Innovation Challenge (MEIC)

Through the New Business Proposal System, launched in 2009, we have extensively sought business proposals and ideas from employees. The system has realized new initiatives that have helped diversify the Group's sources of earnings and strengthen its core business, such as GYMM, a pay-as-you-go gym, and Ecofurni, a business reselling used office furniture. In 2021, in light of a rapidly changing business environment, we expanded the scope of this system to encompass Group companies and launched a new program, the Mitsubishi Estate Group Innovation Challenge (MEIC), in order to further promote this system. We will continue striving to strengthen systems for encouraging employees to take on challenges with the aim of spurring Groupwide innovation.



### The 10% Rule System

We have introduced a system that seeks to have employees dedicate 10% of business hours to activities promoting business model innovation, or activities improving operational efficiency and transforming our corporate culture that contribute to such innovation. The content of the activities is included in assessments of human resources. Employees are free to choose how they use their time and are currently working on a wide range of topics, such as developing measures to improve efficiency in their daily work, building networks with external parties, and preparing applications for the New Business Proposal System. An internal survey found almost 70% of employees were engaged in business model innovation through such initiatives. We aim to increase that percentage further.







## Change Maker: Human resources who augment each other's strengths through collaboration by leveraging our long-term perspective and forward-looking DNA

A distinguishing feature of the Mitsubishi Estate Group's business model is the creation of new value through collaboration with a vast internal and external network in urban development, which is a long-term business activity. The Group requires employees to have the spirit to take on challenges without being bound by precedent, so that they can identify issues from fresh perspectives and augment each other's strengths through collaboration by using internal and external networks while leveraging the Group's strengths of a long-term perspective and forward-looking DNA.

### Measure 1 : Establishing the Collaborative Creation Sales Department (April 2022)

In April 2022, we established the Collaborative Creation Sales Department as an organization to create new value by matching the Mitsubishi Estate Group with competitive content partners who anticipate the needs of the times. The department builds a content-driven database and collects information extensively from Group employees, while also sharing and publicizing information. As a result, the department has steadily established a track record on a variety of topics, including pets, leisure, art, the environment, and industry-academia collaborations.

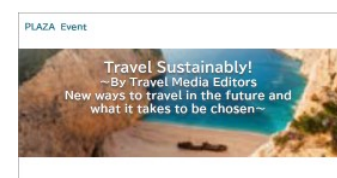


Please refer to our website for details.

### Measure 2 : Drive Information

Mitsubishi Estate has created an information platform that Group companies can also join to accelerate (drive) the promotion of businesses through access to information. Using the platform, employees communicate information internally and externally of their own accord.

Regularly held PLAZA events, to which external guests are invited, contribute to the construction of networks, the development of fresh perspectives, and other innovations.



PLAZA Event



## Professionals: Human resources who create new value using their specialist expertise

In addition to steadily advancing large-scale developments in Japan, Mitsubishi Estate recognizes it must strengthen its International Business, expand its non-asset business, and advance into the services and content domain, while enabling human resources with specialist expertise in various domains to accelerate the development of businesses to create value to achieve Long-Term Management Plan 2030. Based on this view, the Company has improved its recruitment of specialist human resources in various domains and invested proactively in training programs to help all employees acquire and strengthen the expertise they require.



### Measures to Develop Change Makers and Professionals / Groupwide Interactions among Human Resources

In the Mitsubishi Estate Group, Group companies with employees who have a strong awareness of their role as Professionals are responsible for various specialist domains, including the Residential Business, businesses for operating and managing buildings, and the design, real estate brokerage, and Investment Management businesses. In addition, the Group implements initiatives to broaden the two roles of Professionals and Change Makers through Groupwide interactions among human resources, such as secondments from Mitsubishi Estate to Group companies to broaden the role of Professionals and secondments from Group companies to Mitsubishi Estate to broaden the role of Change Makers. The Group also encourages communication across organizational lines in various other ways, including through joint training sessions for newly hired employees of the Mitsubishi Estate Group (with the participation of over 20 companies) and through Takanawa House, a Group dormitory for young, unmarried employees who have been with the Group less than three years (used by eight companies).



## As One Team: maximizing organizational value by connecting and combining individual strengths

The Mitsubishi Estate Group recognizes that accommodating diverse human resources and workstyles is crucial to managing and operating its businesses. The Group therefore aims to maintain a well-balanced composition of employees in terms of nationality, gender, age, career stage (graduate recruits and mid-career recruits), and other characteristics.

In particular, Mitsubishi Estate focuses on ensuring diversity in its recruitment through a range of initiatives, such as setting a target for female employees to account for more than 40% of its workforce every year, introducing a recruitment process for non-Japanese human resources in its graduate recruitment, and strengthening recruitment of mid-career hires (mid-career hires account for approximately 40% of new recruits in the average year).

We also encourage a diversity of opinions to create an environment where employees can freely express their diverse values and views with peace of mind. In this way, the Group aims to achieve ongoing growth by creating a vibrant workplace.

### Diversity of Opinions

The Group's vision for having diversity of opinions entails creating and maintaining an environment where all employees, regardless of duty, job title, employment status, gender, age, or other attributes, can freely express their views with peace of mind and have them taken into account. In addition to harnessing the strengths of all employees, the Group believes such an environment enables it to make appropriate value judgments as a company, which in turn helps improve corporate value. The Group has also promoted awareness of and created a culture conducive to having a diversity of opinions by distributing more than 300 posters with a QR code that employees can scan to read an outline of the idea behind having diversity of opinions for displaying in various meeting rooms and other locations.

In conjunction with these efforts, we have established a range of programs, such as the flextime program and childcare leave of absence, to comprehensively enhance work and everyday life to a point where they become a single entity (work-life integration), without creating barriers between the two.

Below is a list of Mitsubishi Estate's various programs, benefits, and initiatives related to the promotion of employees' health and work-life integration.

[Sustainability Activities \(ESG\) > Social > Promoting Diversity > List of work-life integration and employee health promotion programs and welfare initiatives \(Mitsubishi Estate\)](#)





# Personnel Evaluation System

Mitsubishi Estate conducts two types of personnel evaluations: MBO (Management By Objectives) and behavioral evaluation.

MBO is conducted once every six months, and targets for each job are set in advance by the employee and the primary evaluator, and the actual degree of achievement is evaluated.

Behavioral evaluations are conducted once a year to assess the degree of fulfillment of the five traits, and elements we seek within each trait defined for each grade ("People with vision," "Professional People," "People with Integrity," "People with Team-Building Skills," and " People with a Passion for Taking On Challenges and Innovation").

MBO and behavioral evaluations are graded by the evaluator, primary evaluator, and secondary evaluators and will be linked to bonus and salary. The results of the evaluations along with expectations of the employee are communicated by the evaluator during the semi-annual feedback meeting.

## Initiatives for Human Resource Development

### Human Resource Development Programs

Mitsubishi Estate provides a range of training to recognize positions according to the growth stage and develop the skills of employees. The company supports individual growth through provision of programs such as joint Group training for new hires and newly appointed managers and skill development programs to help individual employees acquire the knowledge and skills they need and to encourage independent and self-directed study.

Target	Level-specific training	Capacity development program	Programs to support acquisition of qualifications
Directors	Director program	Group company executive management skill training program	
Level 3 Management career	Level 3 New management career training	<b>Capacity development program</b> Logical thinking Presentation Accounting & finance Basic real estate Marketing Facilitation Labor Standards Act Financial strategy Human resource development (coaching, behavior evaluation) Organizational development (leadership) Management strategy Global economy Authority and responsibilities, required roles, Companies Act, etc. Risk management Compliance General corporate law Human rights awareness & diversity SDGs Digital transformation (DX), and new business creation (design thinking, etc.)	
Level 2 Management career	Level 2 New management career training		<b>Global human resource development</b> Short-term posted training to business schools and other locations Trainee system Short-term language training Study abroad Programs to improve language skills
Level 1 Management career	Level 1 New management career training New manager training (organized Group-wide) Evaluator training		
Level 3 Professional career	Level 3 New professional career training		
Level 2 Professional career	Level 2 New professional career training		Registered Real Estate Broker license ARES Certified Master qualification Condominium Manager Facility Manager Certified Building Administrator Real Estate Consulting Master Real Estate Appraiser Redevelopment Planner Other
Level 1 Professional career	3rd Year training 2nd Year training New recruit training		



# Offering a Wide Range of HR Development and Training Programs

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The Mitsubishi Estate Group carries out a wide range of training programs to develop employees' capabilities and raise their awareness about compliance and human rights.

In addition to basic skill development programs, Mitsubishi Estate has established a range of elective skill development programs that give employees the opportunity to choose at their own initiative.

## Internship Program

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Mitsubishi Estate runs an internship program to help interns understand the nature of the job and the industry.

## Mitsubishi Estate Group-Wide Training

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- New recruit training/New recruit follow-up training/Self-care training
- 2nd Year training/3rd year training
- Joint time management training
- Marketing
- Presentation training
- Logical thinking training
- Practical coaching training
- Business law training
- Financial affairs & Accounting training
- New manager training/New manager follow-up training





## Global Human Resource Development Initiatives

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As part of the Global Basic Skill Strengthening options to develop human resources capable of thriving on the global stage, Mitsubishi Estate provides programs such as short-term overseas language training and has introduced a system to subsidize second-language studies. Additionally, under the Global Business Skills Strengthening option, employees can take part in a training system where they gain practical experience at Group companies in the U.S., the U.K. and Asia. There are also study-abroad and business school programs available so they can develop the capabilities needed to perform in a global environment.

In addition to medium and long-term dispatch programs, there is also a lineup of short-term programs lasting approximately one month, making it easy for employees who are unable to leave the workplace for long periods of time to participate. Moreover, internal debriefing sessions are held after the training so that results and lessons can be shared widely with other employees, helping everyone see how a global mindset is relevant to their own work.

Mitsubishi Estate will continue to augment its training programs in and outside of Japan to ensure that they are useful to and available to employees in a wide range of positions.

## Consultations for Career Development

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At Mitsubishi Estate, employees set goals for their own work, their contributions to the organization, and their skill development. They then review their achievements every six months via management by objective (MBO) consultations with supervisors. They also confirm the evaluation of their performance in these consultations, and salary changes are decided based on the results of these appraisals. The company also holds human resource consultations with every employee (with the exception of Level 3 management career employees and re-employed contract employees), aiming to solicit their views and requests of the company as well as to promote skill development.

## Utilizing Human Resources and Organizational Data and Information

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### Utilizing Human Resources and Organizational Data and Information in Developing Recruitment Strategies

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We analyze the number of applicants for each recruiting channel and the number of pages viewed on our recruiting website, and conduct recruiting activities while exploring more efficient ways to disseminate information to candidates.

We conduct our recruiting activities by considering the channels through which we can approach candidates with the necessary skills and experience.

We analyze the results of aptitude tests taken by candidates at the time of entry into the main selection process, and use the results in our recruitment activities for the following year and beyond.



## Conducting Periodic Employee Surveys to Analyze Conditions and Trends of the Company and Each Department

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Once a year, we conduct a periodic employee survey on job satisfaction, openness of each department, and the status of operational efficiency.

Based on the survey results, we analyze the characteristic trends by department, branch, or position and grade to improve workplace environment and corporate culture.

## Consolidation and Utilization of Information on Human Resource Based on Management Strategies

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We formulate personnel allocation plans that considering the number of employees, skills, etc. required, each department's job description, job characteristics, and plans, as well as company-wide management strategies.

In addition, we strive to promote and enhance performance of diverse individual employees by consolidating and utilizing employee information (assignment and job history, experience, career aspirations, etc.) through our personnel system and periodic personnel interviews.



## Policy on Human Rights

As a member of society, the Mitsubishi Estate Group is keenly aware of the importance of respect for human rights. To fulfill our responsibility to respect the basic human rights of all stakeholders, not only those involved in Group businesses, we set up the Mitsubishi Estate Group Human Rights Policy on April 1, 2018. The Policy was formulated and published under the name of the President & Chief Executive Officer of Mitsubishi Estate Co., Ltd. following deliberation by the Executive Committee and Board of Directors, and has been communicated to parties both in and outside the Group.

Respect for human rights is part of the Mitsubishi Estate Group Guidelines for Conduct, which all employees are expected to follow on a daily basis. These Guidelines stress the importance of respect for human rights and diversity, which means that employees show concern for human rights and the environment in the course of their business activities. The Human Rights Policy adds to this by mandating respect for the fundamental human rights of all the stakeholders involved in the Group's businesses, throughout its supply chain. The Mitsubishi Estate Group does not tolerate any form of discrimination and human rights violations based on nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinion, national or social origin, property, disability, birth, class or other status in its corporate activities, and is committed to ensuring equal opportunity.

### Mitsubishi Estate Group Guidelines for Conduct (excerpt)

#### 4. Respect for human rights and diversity

We respect human rights and believe that diversity maximizes value.

1. We respect human rights at all times.
2. We reject discrimination and harassment in any form.
3. We strive to establish a creative and competitive organization that safeguards and respects the beliefs of the individual as reflected in the diverse communities in which we work and live.
4. We foster an open corporate culture in which all employees are encouraged to speak freely.





## Mitsubishi Estate Group Human Rights Policy (excerpt)

We uphold and respect international standards related to human rights. These include the International Bill of Human Rights, which sets out the fundamental human rights possessed by all the people of the world, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which contains requirements concerning fundamental rights in the workplace (freedom of association, right to collective bargaining, prohibition of forced labor, effective abolition of child labor, and prohibition of discrimination in recruitment and occupation). Moreover, we have formulated this policy based on the UN Guiding Principles on Business and Human Rights.

We help ensure that respect for human rights is actively practiced in all business activities, and that such activities do not infringe on the human rights of other people. If such activities nevertheless result in a violation of the human rights of others, efforts shall be made to minimize the negative impact.

We carry out human rights due diligence in order to minimize any negative impact caused by human rights violations occurring as a result of the Group's business activities. We maintain a framework for human rights due diligence and make improvements to the framework on an ongoing basis or if problems arise in order to improve its efficacy.

Furthermore, in the event that the activities of a business partner or any other individual or organization affiliated with the Mitsubishi Estate Group directly have a negative impact on the human rights of others, even if we were not directly involved in fostering such a negative impact, we shall endeavor to make improvements together with stakeholders to ensure respect for human rights and eliminate all violations.

Mitsubishi Estate Group Human Rights Policy (PDF 36KB)

PDF

## Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the statement to comply with Article 54 of the UK Modern Slavery Act 2015. The aim is to identify slavery and human trafficking risks in the Mitsubishi Estate Group and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

FY2022 (PDF 137KB)

PDF

FY2021 (PDF 82KB)

PDF

FY2020 (PDF 94KB)

PDF

FY2019 (PDF 197KB)

PDF

FY2018 (PDF 366KB)

PDF

FY2017 (PDF 1,980KB)

PDF

FY2016 (PDF 715KB)

PDF



# Promotion System

The Human Resources Compliance & Diversity Promotion Office in the Human Resources Department of Mitsubishi Estate Co., Ltd. implements activities to promote and ensure respect for human rights in collaboration with relevant departments of Group companies.

Mitsubishi Estate holds an annual meeting of its Human Rights Education & Diversity Promotion Committee (chaired by the director in charge of human resources) to review the status of its human rights and diversity promotion initiatives, exchange views on ways to improve programs, review that fiscal year's activity plan and share knowledge on recent human rights conditions and promotion of diversity.

The Mitsubishi Estate Group has joined the Tokyo Industrial Federation for Human Rights, the Corporate Federation for Dowa and Human Rights Issues, Osaka, and the Mitsubishi Human Rights Enlightenment Council. In addition to participating in training on social integration and other human rights issues, the Group is committed to addressing human rights issues, and participates in activities such as information gathering to expand this training to Group companies.

## Initiatives for Human Rights Due Diligence

Mitsubishi Estate has established the Human Rights Education & Diversity Promotion Committee and is working to ensure human rights are respected across the Group. The company also conducts human rights due diligence by looking at Group-wide issues and analyzing them by dividing the business into three areas: real estate development business, international business, and hotel business. In 2017, Mitsubishi Estate hired expert consultants and lawyers to conduct document-based research to assess human rights risk and identified the following as priority human rights issues.

- (1) Forced labor and child labor
- (2) Working conditions and working environments for employees
- (3) Safety of users
- (4) Discrimination against users
- (5) Impact on indigenous peoples and local communities
- (6) Breach of personal information
- (7) Working conditions and working environments for the workers of suppliers

## Mitsubishi Estate Group Initiatives

The Mitsubishi Estate Group is working to prevent damage to health caused by excessive work, promote work-life balance, and prevent workplace harassment.

Occupational Health and Safety / Health  
Management →

Promoting Diversity →

Employment and Labor Relations →





## Initiatives in Real Estate Development Business

### Launching and Holding the Construction and Real Estate Human Rights Due Diligence Promotion Council\*

Acting as the organizer, Mitsubishi Estate launched the Construction and Real Estate Human Rights Due Diligence Study Group in September 2018 with the participation of eight real estate and construction companies. The United Nations Guiding Principles on Human Rights call on companies to avoid causing and exacerbating direct negative impacts on human rights as well as to endeavor to avoid and mitigate any adverse impacts on human rights with which they are indirectly involved in all facets of their business, including in their value chains. In light of this call, Mitsubishi Estate established the study group in collaboration with other companies in the real estate industry and with construction companies, with the aim of developing mechanisms to ensure human rights due diligence that also encompasses the supply chain. The study group identifies impacts on human rights arising from business activities and investigates and researches methods for addressing such impacts in order to fulfill the responsibilities called for by the United Nations Guiding Principles on Human Rights. Specifically, these responsibilities are to avoid infringing on the human rights of others and to devise measures to prevent, mitigate, and correct human rights violations with which study group participant companies are involved.

\* Name changed from Human Rights Due Diligence Study Group to Human Rights Due Diligence Promotion Council in April 2023

### Respecting the Human Rights of Foreign Technical Interns

The Group conducts interviews with foreign technical interns and requests its suppliers to instruct and make known to their associates, where it is assumed that many technical interns work, matters in the activities of technical interns that often go unnoticed, such as issues related to pay and daily life. More specifically, the Group has included these requirements in quotation specifications distributed from April 2020 onwards to keep construction companies informed.

### Using Sustainably-Sourced Timber for Concrete Formwork Panels

The concrete formwork panels<sup>\*1</sup> used in construction of offices and housing are made of lumber imported from Southeast Asia countries such as Malaysia and Indonesia. NGOs and other institutions have said that procurement of some of these materials involves illegal logging, including the taking of indigenous peoples' lands and the destruction of the environment.

From the perspectives of human rights and environmental protection, the Mitsubishi Estate Group uses timber that complies with the Sustainable Sourcing Code<sup>\*2</sup> (certified lumber or Japan-grown timber) or equivalent as the timber in its concrete formwork panels. The Group aims to achieve a usage rate of 100% by 2030. Mitsubishi Estate has requested construction companies to comply by including the requirements in quotation specifications distributed from April 2020 onward.

\*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

\*2 The code, in which international agreements and guidelines for sustainability in different sectors are used as a reference, specifies guidelines and methods of operation aimed at implementing sustainability-oriented procurement, among other matters.



## Initiatives in International Business

When considering business activities in Asia, where there are many cases of human rights violations in general, the Group will conduct corporate human rights due diligence using checklists to confirm whether there were any issues such as forced evictions in the area. The result will be used in decision-making when participating in business activities. More specifically, based on the concept of Free, Prior and Informed Consent (FPIC), the Group checks on such matters as whether there are opportunities for free discussion in a safe place, whether dialogue is one-sided, whether there is any threatening language or conduct or any forced or violent exclusion, and whether relocation to an alternative location with an appropriate standard of living is guaranteed. In addition, the Group gives special attention to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups as they are particularly susceptible to human rights violations.

## Initiatives in Hotel Business

Royal Park Hotels and Resorts, the company which operates 13 hotels in Japan, introduced certified wine and Fairtrade coffee in fiscal 2019 in order to implement initiatives for the sustainable development goals (SDGs).

Fair trade is an approach to trade that aims to improve the lives of producers and workers in developing countries that are in a weak position by consistently purchasing raw materials and products from developing countries at a fair price. As a hotel chain, Royal Park Hotels and Resorts endorses this approach and has introduced Fairtrade<sup>\*1</sup> and Fair For Life<sup>\*2</sup> certified wines at its full-service hotels and premium limited-service The Series hotels, and Fairtrade coffee at its full-service hotels.

The company has also provided information on Fairtrade products to restaurants occupying its hotels as tenants.

### \*1 Fairtrade certification

A system that certifies product raw materials comply with the economic, social, and environmental standards stipulated by Fairtrade International, including guarantee of minimum prices, safe working environment, and preservation of soil, water resources, and biodiversity, in their production, export and import, processing, and manufacturing, and that the raw materials and products of developing countries are traded under fair terms and conditions.



### \*2 Fair For Life certification

A certification system for fair trade and responsible supply chains by ECOCERT (established in 1991 in France), a world-leading certification organization with 23 branches around the world which provides a variety of organic certifications for agricultural and other products in over 80 countries.





# Ensuring Traceability in Newly-Built Condominiums for Sale

In its newly-built condominiums for sale, Mitsubishi Estate Residence is using concrete formwork panels\*1 based on sustainable sourcing standards for timber and to ensure traceability.

To ensure traceability, all companies in each stage of distribution, including logging and supply, must be certified. Mitsubishi Estate Residence has been working to ensure traceability by using timber that has obtained FSC forest management certification, which confirms that forests are properly managed, and a FSC chain of custody (CoC) certification, which verifies that timber produced in FSC-certified forests is managed and processed appropriately in the subsequent stages of distribution. However, there were still many companies ranging from formwork processors to construction companies that have not obtained CoC certification. This was an issue because certification doesn't cover the entire distribution chain, which meant that traceability was not completely ensured.

To address this issue, Mitsubishi Estate Residence has started an initiative to ensure traceability throughout the supply chain by building a scheme to obtain third-party certification from Japan Gas Appliances Inspection Association, a third-party certification body, based on the use of materials certified under the Programme for the Endorsement of Forest Certification (PEFC), a global alliance of national forest certification systems that mutually endorses their certification systems. The initiative commenced with The Parkhouse Komazawa Residence, which was completed in December 2021, and the traceability of the timber in concrete formwork panels in all buildings will be ensured in fiscal 2030. In order to strengthen the initiative, Mitsubishi Estate Residence will also aim to obtain international certification in addition to the third-party certification method. At The Parkhouse Takanawa Matsugaoka, which went on sale in July 2021, the company obtained FSC\*2 project certification for the supply chain component. This is a worldwide first-case\*3 of obtaining project certification based on FSC standards for concrete formwork panels, and has been achieved through cooperation with Kiuchi Construction Co., Ltd.

As a leading company in the newly-built condominiums for sale industry, Mitsubishi Estate Residence is working to make this an industry-wide initiative by communicating the issues and solutions both internally and externally.

\*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

\*2 Forest Stewardship Council®: An independent, non-profit organization that promotes responsible management of forests worldwide and operates an international forest certification system.

\*3 According to research by Mitsubishi Estate Residence

## Assessment of Human Rights Risks Associated with Technology

The Company has set out the Mitsubishi Estate Digital Vision, which aims to promote new urban development that allows people to experience convenient living environments through digital transformation (DX). In FY2022, we identified and assessed the actual and potential impact on human rights of services and products related to technology for realizing our vision based on a human rights assessment process to promote business activities with consideration for human rights. We will explore appropriate countermeasures for preventing and mitigating human-rights risks.



## Establishment of Help Line on Human Rights

The Mitsubishi Estate Group has set up a helpline as a way for its employees to report any compliance issues including human rights violations, breaches of Code of Conduct and Guidelines for Conduct. It is available to Group full-time temporary and part-time employees. Investigation and fact confirmation are carried out concerning each report received and response measures are taken as necessary to improve the workplace environment. The Company's Legal & Compliance Department receives the reports through an external contractor and works with the Group companies that are subject of the reports, while protecting the privacy of the callers and whistleblowers, guaranteeing confidentiality and ensuring they receive no unfavorable treatment in the workplace. A dedicated compliance helpline has also been set up for external users such as suppliers and other business partners.

## In-house Educational Activities

### Ongoing Human Rights Programs

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The Mitsubishi Estate Group provides training on human rights as part of its training for new employees on an ongoing, Group-wide basis. New employees learn about the Group's approach and initiatives on human rights as well as its Human Rights Policy, deepening their understanding of human rights.

Mitsubishi Estate carries out management career training on the prevention of workplace harassment including bullying and harassment and the reporting procedures for such incidents. Human rights lectures are also given every year to executives such as the company's president, directors and department managers, as well as Group company presidents.

Moreover, the Group provides training to instill the Mitsubishi Estate Group Rules on Prevention of Harassment. Mitsubishi Estate and some Group companies also carry out training on themes such as social integration. These training sessions all seek to cultivate a greater sense of human rights by raising participants' awareness of discrimination.

### Calling for Human Rights Education Slogans

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The Mitsubishi Estate Group solicits suggestions for human rights education slogans every year. The winning entry will be published in *mec's*, the Group's communication magazine, providing an opportunity for readers to reflect on human rights.

## Regular Dialogue with External Stakeholders

Mitsubishi Estate Co., Ltd. engages in regular exchanges of opinions and dialogue with stakeholders, including NGOs and experts, in order to appropriately address a variety of issues, particularly human rights and environmental problems in its own operations and supply chain. The input obtained through these dialogues is used to improve and upgrade initiatives.



## Basic Policy and Approach

In order to help realize a sustainable and truly meaningful society through its business activities, the Mitsubishi Estate Group believes it is important to promote efforts across the supply chain. As such, the Group established the Mitsubishi Estate Group Supplier Code of Conduct based on the Code of Conduct and Guidelines for Conduct. It sets out obligations that suppliers are required or expected to fulfil, which include compliance with laws and regulations, respecting human rights, local communities, indigenous peoples' rights, and cultural heritage, occupational health and safety, establishment of corporate ethics, environmental conservation and reduction of environmental impact, ensuring information security and establishing a risk management system.

The Group asks its suppliers to also strive to notify this Code of Conduct to their business partners so that they understand and cooperate with its spirit and content, and thereby continue to promote efforts to fulfill its social responsibility across the supply chain with the aim of realizing a sustainable society.

## Establishment of Mitsubishi Estate Group Supplier Code of Conduct

The Mitsubishi Estate Group believes that, in order for it to contribute to the creation of a truly meaningful society through its business activities, it is crucial that it ensure responsible procurement not only for itself but also in cooperation with business partners across the entire supply chain. Based on this idea, the Group revised its CSR Procurement Guidelines, which were created in April 2016, and established the Mitsubishi Estate Group Supplier Code of Conduct in April 2022.

[Mitsubishi Estate Group Supplier Code of Conduct \(PDF 136KB\)](#)

PDF





# Mitsubishi Estate Group Order Action Guidelines

In accordance with the Mitsubishi Estate Group's Mission and Code of Conduct, Mitsubishi Estate has established the Order Action Guidelines, which all executive officers and employees placing orders with business partners must follow, to ensure that orders and contracts are administered with transparency and impartiality. The Guidelines are intended to ensure objectivity and economic rationality, but they also include rules on environmental conservation, information management and avoidance of any involvement with organized criminal elements. These Order Action Guidelines are shared by the entire Group, and order and contract processes are established and administered to suit the businesses of individual companies based on them.

## Promotion System

Mitsubishi Estate's Sustainability Management and Promotion Department, which is in charge of sustainability overall, and the Company's Human Resources Department, which is in charge of human rights and diversity, take the lead in supply chain management. Important matters are deliberated at the Sustainability Committee and the Sustainability Subcommittee, and they are reported to the Board of Directors. Board of Directors has oversight of implementation of the supplier ESG program. Outstanding Group initiatives are reported and shared at the committee and subcommittee. Mitsubishi Estate's Sustainability Management and Promotion Department also takes charge of notifying and coordinating efforts relating to the Mitsubishi Estate Group Supplier Code of Conduct.

Mitsubishi Estate engages in appropriate ordering and contracting. This includes the separation of the business organization and the ordering organization when placing orders with construction companies and the use of a self-check sheet for a self-inspection of compliance status, the results of which are reviewed objectively by the Company's Legal & Compliance Department. When placing particularly large construction orders, the Orders Surveillance Committee chaired by the Mitsubishi Estate President & Chief Executive Officer meets to deliberate from the perspective of compliance.

See the following for the system related to human rights.

[Human Rights Initiatives](#)





# Primary Initiatives

## Notification in and outside of the Group on the Supplier Code of Conduct

In order to ensure the dissemination of its Supplier Code of Conduct and Green Procurement Guidelines both inside and outside of the Group, Mitsubishi Estate publishes these guidelines on its corporate website. The Company also requests its suppliers to guide and encourage their partner companies to cooperate by distributing the Supplier Code of Conduct together with quotation guidelines.

The Mitsubishi Estate Group Green Procurement Guidelines



## Conducting Self-assessment Questionnaire(SAQ) on suppliers with high sustainability risk

In order to promote the improvement of sustainability and ESG-related initiatives throughout the entire supply chain, we are checking the status of suppliers' compliance with the Supplier Code of Conduct through SAQ. SAQ is conducted targeting "construction companies" and "cleaning companies." They are our significant suppliers considering the following aspects and risks.

- Environmental, Social, and Governance aspects<sup>\*1</sup>
- Country-specific risk<sup>\*2</sup> and Sector specific risk
- Business relevance (high-volume suppliers, and/or critical component suppliers to our businesses)

<sup>\*1</sup> Criteria for defining high ESG risks

1. Suppliers where migrant workers work as they may be vulnerable to human rights violations
2. Suppliers with high environmental impact
3. Suppliers having multiple consignment structure which may lead to governance risk

<sup>\*2</sup> We conduct SAQ on our business operations in Japan as most of our business is operated, and also in south-east Asia as considering country specific risk and human rights risks tend to be higher than other regions.

In addition to our tier-1 suppliers, we will also conduct SAQ on our tier-2 and subsequent suppliers. Through in-depth risk assessment of the supply chain, we will identify potential risks and request and require suppliers to make improvements based on the result of SAQ.

Our Supplier Code of Conduct refers to major international standards such as the International Finance Corporation (IFC) Environmental and Social Performance Standards, the Responsible Business Alliance Code of Conduct, and the Building Responsibly Principles. Our SAQ (supplier assessment) is carried out in order to check suppliers' compliance with the Supplier Code of Conduct.

In this context, we see working conditions and treatment of migrant workers, working hours of all workers, and establishment of grievance mechanisms as anticipated high-risk items.

We will also strengthen our supply chain management by promoting sustainability and ESG-related initiatives through on-site audit and other means in conjunction with SAQ.



## Initiatives in FY2022

We conducted SAQ with a total of 60 suppliers (43 construction companies and 17 cleaning companies), including secondary and subsequent suppliers. In order to gain an accurate understanding of the status of sustainability promotion at suppliers, interviews with workers at supplier companies were conducted after the SAQ was completed at construction companies. Based on an understanding of the actual status of suppliers, we will consider measures to address issues and strengthen supply chain management.

## Evaluations of Business Partners in Each Business

Business	Social and environmental assessment
<b>Building Business</b>	Mitsubishi Estate has adopted an evaluation system for subcontractors that assesses from multiple perspectives the quality, safety and hygiene, and environmental initiatives of construction companies engaged in subcontracted work in its Building Business. The subcontractors are given feedback on the results of the assessment, and asked to make improvements if necessary.
<b>Condominium Business</b>	Mitsubishi Estate Residence utilizes a Contractor Interview Sheet when selecting new subcontractors with which to partner, and confirms the subcontractors' conditions, including the headquarter organization's on-site support system. In addition, in order to enhance the quality of construction and ensure safety and hygiene on-site, the company asks the subcontractors to submit work schedules and construction plans to ensure in advance and places orders with an appropriate construction schedule. The company also strives to make improvements by ensuring good communication with subcontractors, such as holding meetings before the start of work and regular meetings during construction at each site and evaluating the contractor when the work is completed.
<b>Custom-Built Housing Business</b>	Mitsubishi Estate Home has established guidelines for its initiatives with business partners that take into account the unique characteristics of its business. The basic order unit price that will serve as the benchmark is set in agreement with the supplier as we strive to ensure equitability for the supplier. Business partners in the architecture, facility and electronics industries are evaluated comprehensively and fairly on the basis of a questionnaire given to the employees who are their point of contact, and also taking into account the number of customer referrals, workmanship and credit conditions. The number of buildings with which they will be entrusted is decided based on this evaluation along with the fixed unit price. In addition, clearly separating the manufacturer's product costs and the distribution costs until the product reaches the final delivery destination raises the transparency of product costs and distribution costs, enabling a fair evaluation of the material supplier and the manufacturer. When deciding on construction amounts, the costs of construction and operating expenses are accounted for separately, and efforts are made to prevent simple price competition.



## Improving Quality and Safety during Condominium Remodeling

The employees of Mitsubishi Jisho Community work together with partner companies which deal directly with clients to improve quality, safety and customer service etiquette when it comes to repair work which must be performed while clients are in residence.

The company constantly aims to raise the level of construction quality by, for example, using the company's exclusive skills testing and registration system for technicians (private license system) and sharing aftercare case studies with partner companies once repair work is complete. They also put the safety of clients first during construction and work with partner companies to create work sites that are safe, secure and pleasant for all involved. In addition to all this, since 2011 the company has conducted a customer service questionnaire every year after the completion of a large-scale repair project, the results of which are used to provide feedback to partner companies and help improve customer service.

Every year from July to August, the company works with business partners to organize the Work Quality & Safety Promotion Rally, where it shares its goals of increasing customer satisfaction levels and carrying out safe and high-quality construction projects. The company also takes the opportunity to publicly acknowledge outstanding field representatives and people who performed excellently in the technical skills examination.

## Organizing Registered Contractor Workshops in the Custom-Built Housing Business

Since 1998, Mitsubishi Estate Home has organized registered contractor workshops for all subcontractors including artisans (workers with specialized skills related to building) and managers from partner companies. The workshops allow the company to guide and support participants as the master contractor, helping them learn about health and safety and how to improve safety, quality and appropriate behavior at construction sites.

### Supplier List

#### Mitsubishi Estate

##### Major construction companies

- Obayashi Corporation
- KONOIKE CONSTRUCTION CO.,LTD.
- The Zenitaka Corporation
- TAKENAKA CORPORATION
- NIHON KENSETSU CO.LTD.
- KAJIMA CORPORATION
- JFE Civil Engineering & Construction Corp.
- DAISUE CONSTRUCTION CO.,LTD.
- TEKKEN CORPORATION
- Fujita Corporation
- Kuboco Co.
- SHIMIZU CORPORATION
- TAISEI CORPORATION
- TODA CORPORATION
- Muranaka co. ltd.



# Mitsubishi Estate Residence

## Major construction companies

- IWATA CHIZAKI Inc.
- KAJITA Corporation
- Kawaguchi Construction Co.,Ltd.
- Kiuchi Construction Co., Ltd.
- Kumagai Gumi Co.,Ltd.
- Koshin Construction Co., Ltd.
- SATO KOGYO CO.,LTD
- Shimizu Corporation
- Daiichi Kensetsu Corporation
- Daisue Construction Co., Ltd.
- TAISEI CORPORATION
- DAIHO CORPORATION
- TAKENAKA CORPORATION
- TSUCHIYA CORPORATION
- TOA CORPORATION
- TOKYU CONSTRUCTION CO., LTD.
- Nankai Tatsumura Construction Co.,Ltd.
- NISHIMATSU CONSTRUCTION Co.,Ltd.
- JDC CORPORATION
- HASEKO Corporation
- Fujita Corporation
- HEISEI CO., Ltd.
- MAEDA CORPORATION
- Matsui Kensetsu K.K.
- Mabuchi Construction Co.,Ltd.
- Muranaka co. ltd.
- MURAMOTO CORPORATION
- MEIKO CONSTRUCTION CO.,LTD.
- Morimoto Corporation
- YAHAGI CONSTRUCTION CO.,LTD.
- WAKACHIKU CONSTRUCTION Co., Ltd.

# Mitsubishi Jisho Property Management

## Major cleaning companies

- ling Co.,Ltd.
- Eiwa Tatemono Kanri CO., LTD.
- KYORITSUKANZAI CO.,LTD
- GLOBESHIP Corporation
- SANKEI BUILDING MANAGEMENT CO., LTD.
- SANKO INC.
- SEIBI Co., Ltd.
- Sotsu Amenity Service Corporation Ltd.
- Taisei Co., Ltd.
- CHIYODA BLDG. KANZAI CO.,LTD
- TOKYO BISO KOGYO CORPORATION
- Tokyo Fudosan Kanri K.K.
- NIKOH SANGYO co.,Ltd.
- NIPPON KANZAI Co., Ltd.
- Nihon Buil.Maintenance Inc.
- HARIMA B.STEM CORPORATION
- MENTEC KANZAI co.,Ltd
- Ryo-sa BUILWARE Corporation





## Royal Park Hotels and Resorts

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### Major cleaning companies

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- Eiwa Tatemono Kanri CO., LTD.
- KYORITSUKANZAI CO.,LTD
- CBS Corporation
- Houzestaff
- S・B・M
- GLOBESHIP Corporation
- SAYCO Building Management Co.,Ltd.
- PARCO SPACE SYSTEMS CO., LTD.
- Kyushu Daiken
- Keiji Hotel Service
- JATEC Co.,Ltd.

## Mitsubishi Jisho Community

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### Major cleaning companies

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- ling Co.,Ltd.
- Houzestaff




## Social Employment and Labor Relations

### Promotion of Dialogue with Employees and Labor Union

Mitsubishi Estate supports the right to group negotiation and emphasizes problem-solving together with labor unions. The company forms labor agreements with the Mitsubishi Estate Labor Union and discusses issues that need to be resolved and the right course of development for the company to take on the basis of trust, in order to build positive relationships.

Moreover, in terms of labor hours, the company and labor union have signed the statutory agreement on overtime work (known as "36 Agreement") and work together to set internal management standards based on labor-management consultations to avoid excessive working hours for employees.

Mitsubishi Estate also holds a Labor Council as a forum for regular management dialogue on employee health and safety with the union whereby they report and discuss union members' requests and needs concerning these issues. Through these activities, Mitsubishi Estate strives to improve its workplaces and systems so that the needs of all union members can be reflected.

### Equitable Salary System

At Mitsubishi Estate, regular wage raises were discontinued in 2000, and a salary increase system based on skill development was adopted. A performance-based bonus system based on MBO and an objective performance evaluation and promotion system have also been adopted to raise employees' motivation to improve their work and skills. There are no salary discrepancies based on gender.

### Payment of Fair Wages

The Mitsubishi Estate Group ensures payment of the minimum wage or above based on the laws in each of the countries where it conducts business.

See the following for average annual salary of employees at Mitsubishi Estate Co., Ltd.

[ESG Data > Social Data](#)



### Retirement Allowance Program

Mitsubishi Estate has established a defined-benefit lump sum retirement grant program and a corporate pension program.



## Occupational Health and Safety

### Policy on Occupational Health and Safety

Beyond complying with the Labor Standards Act and other labor-related laws and regulations, the Mitsubishi Estate Group proactively takes various steps to maintain and promote the health of all its employees and ensure their safety.

Mitsubishi Estate has established the "Health Management Declaration" based on the belief that employees being healthy, both physically and mentally, and maximum performance are the source of corporate vitality. Under the Health Management Plan 2030, multiple KPIs\* have been set and performance is monitored annually to ensure continuous improvement.

In addition, with regard to the working environment, including occupational health and safety, we consult with the labor union and implement improvement measures and initiatives to create a comfortable environment for our employees.

Mitsubishi Estate Home Co., Ltd. conducts risk assessment regarding occupational health and safety for new and existing projects during formulation of its annual health and safety management plan and during hazard prediction activities on construction sites. The company implements safety measures on construction sites after identifying risks arising from the work and analyzing the possibility of occurrence and degree of impact.

The Mitsubishi Estate Group's Supplier Code of Conduct also includes items related to "Occupational Health and Safety" and requires compliance with the following items: "Compliance with laws and regulations related to occupational health and safety," "Occupational safety," "Occupational injury and illnesses," "Sanitation, food, and housing," and "Health and safety communication." We believe it is important for our suppliers to have a workplace that guarantees occupational health and safety, and we communicate with suppliers through self-assessment questionnaire and audit.

\* Percentage of high-risk group for metabolic syndrome (aged 40 or older\*): 14.8% by FY2030

Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels (aged 40 or older\*): 32.8% FY2030

Cancer screening rate: 90% (every year from FY2021 - FY2030)

Maintain percentage of high stress group: 10% or lower (national average: 10%) (every year from FY2021 - FY2030)

### Management Structure for Occupational Health and Safety

Mitsubishi Estate holds a monthly Health Committee meeting chaired by the head of the Human Resources Department and industrial physicians, persons in charge of health and safety from the Human Resources Department, and a representative of the labor union attend. In this meeting, the number of occupational accidents, overtime work, and other items of high risk to the Company are reported.



## Primary Initiatives

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### Participating in External Groups

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To respond appropriately to the demands of society and employees, the Group proactively participates in workshops, conferences, and initiatives on labor standards and will continue to improve its efforts by incorporating outside knowledge.

### Response to Industrial Accidents

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In cases of accidents or incidents leading to injuries or fatalities, we identify the cause(s) through such means as interviews and surveys of the employees involved and strive to prevent recurrence by considering and promoting improvement measures.

See ESG data for number of industrial accidents.

[ESG Data > Social Data](#)



### Preventing Excessive Work

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The Mitsubishi Estate Group strives to comply with local laws regarding working hours and overtime in each country where it conducts business. The Group has also taken various initiatives to reduce excessive working hours.

Mitsubishi Estate has introduced a work management system that is linked with computer log-on/off times so that supervisors can follow employees' work conditions. Supervisors also meet one-on-one with their subordinates to discuss workload and task difficulty so they can understand conditions that may impact their health. Any employee, including those in managerial positions, who works more than 80 hours of overtime in a month is encouraged to have a checkup with an occupational physician. This is a part of Mitsubishi Estate's commitment to helping employees manage their health.

In order to promote work-life balance, the company adopted a flex-time schedule for all employees in fiscal 2016 and implemented initiatives such as the "positive off movement" to help employees make plans to take days off and encourage them to take paid leave. In fiscal 2017, the company introduced an hourly paid leave program and a tele-working program. The company is also making efforts to create a healthy and innovative working environment led by the B×S Promotion Committee, an organization under the direct supervision of the President established in the same year.



## Managing Employee Health through Medical Examinations

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Mitsubishi Estate carries out a scheduled medical examination once a year for all employees to help them maintain and improve their health. In 2016, the company added electrocardiographs and stomach ultrasounds (for persons 35 and older) to further improve detection of lifestyle diseases. We also take the time to provide follow-up examinations, urgent examinations and meetings with occupational physicians depending on the results of the medical examinations. To improve the screening rate, individual notices with information about medical examinations are sent to people who miss their examinations.

## Training and Education on Health and Safety

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At Mitsubishi Estate, all new managers are required to take mental health training. This training aims to deepen understanding of mental health and improve occupational health and safety within the organization by providing knowledge required for managers on managing members with regard to these issues, such as ((1) prevention, (2) how to respond to employees with mental health issues when they occur, (3) how to engage with employees returning to the workplace who had mental health issues, (4) workplace improvement measures, etc.).

## Conducting Stress Check Tests

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Mitsubishi Estate conducts stress checks once a year for all employees. The Human Resources Department analyzes the results for the entire organization and each department, and the Human Resources Department provides feedback to the managers of each department. And they have discussions regarding health issues that each department has and occupational health and safety.





# Health Management

## Policy on Health Management

Mitsubishi Estate advocates health management, in which it considers employee health from a management perspective and works on it strategically. Based on this perspective, Mitsubishi Estate established the Health Management Declaration in October 2016 to systematize initiatives and plans the company and the health insurance union has carried out thus far, articulate the top management's commitment, and ensure further improvements in maintaining and improving employee health.

### Mitsubishi Estate Health Management Declaration

Mitsubishi Estate believes that the source of corporate vitality is maximizing employee performance through both mental and physical health.

With the aim of creating a vibrant workplace advocated in the Mitsubishi Estate Group Code of Conduct, the company will further develop the activities to maintain and improve employee health that it has worked on thus far and continue to promote health as we work together with the health insurance union, the Mitsubishi Estate Labor Union, employees and their families.

In addition, based on the Mission of the Mitsubishi Estate Group to contribute to society through urban development, we will continue contributing to the society at large by supporting health promotion for the people who live, work and relax in the communities.

In implementing its health management, Mitsubishi Estate has appointed the executive with responsibility for human resources as the health management promotion officer. The company also makes commitments to safety and hygiene in its labor agreements and strives to protect employee health and safety through health checkups and safety education.



## Health Management 2030

Complementing the ESG initiatives in the Long-Term Management Plan 2030, and after reanalyzing the findings of the fiscal 2020 health checkups, Mitsubishi Estate has formulated Health Management 2030, a set of health-related KPIs, and is working to achieve improvements in employees' health.

See the following for results of the KPIs.

ESG Data > S: Social data > (1) KPI > Health Management



### Health Management 2030 KPIs

	KPI	2025 targets	2030 targets
Lifestyle diseases	Percentage of high-risk group for metabolic syndrome (aged 40 or older*)  *Percentage of individuals whose results of their regular health checkup for any of the categories affecting the determination of lifestyle diseases reached or exceeded the level at which medical attention is recommended	25.6%	14.8% (equivalent to national average; approximately 60% of FY2019 percentage)
	Percentage of healthy group (aged 40 or older*)  *Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels	20.85%	32.8% (equivalent to national average; approximately 370% of FY2019 percentage)
Malignant growths (cancer)	Cancer screening rate	Cancer screening rate: 90% (every year from FY2021 - FY2030)	
Mental health	High stress group	Maintain percentage of high stress group at 10% or lower (national average: 10%) (every year from FY2021 – FY2030)	



# Primary Initiatives

## Initiatives on Employee Health Promotion

Beginning in fiscal 2017 a subsidy program was set up for health-promoting programs (sports activities, checkups not covered by health insurance, etc.) for employees with the “Cafeteria Plan.”\*1

It also strives to raise employees' awareness of health by holding health-related in-house exercise events and seminars, including a physical improvement competition.\*2

\*1 This program enables employees to use points allotted to them to choose programs from a menu set by the company (sports activities, checkups not covered by health insurance, etc.).

\*2 Five-member teams representing each department compete for rankings, with changes in fat and muscle mass and number of steps taken over the last two months converted into points.

## Initiatives on Health Issues (Lifestyle Diseases, Cancer, and Mental Health)

### Lifestyle Diseases

- Mitsubishi Estate analyzes health screening results and in collaboration with the health insurance union provides measures for employees at risk of lifestyle diseases (programs designed to prevent more severe disease\*1) and encourages individual participation in specific health guidance to improve overall participation.

### Cancer

- In addition to making mandatory the screening for the five cancers recommended for screening in Ministry of Health, Labour and Welfare guidelines according to employees' age, Mitsubishi Estate has established a system to subsidize the cost of screening for other cancers with the aim of early detection and early treatment.

### Mental Health

- In order to strengthen the consultation system from the perspective of improving mental health, Mitsubishi Estate has included psychiatrists as occupational physicians.
- Since fiscal 2016, Mitsubishi Estate has expanded systems for absence and leave due to injury and illness and established a return to work support program for employees with mental illness that have required a long-term absence or leave.
- In addition to providing mental health training for newly hired employees and newly appointed managers by advising physicians, Mitsubishi Estate implements regular education on mental health for managers, including e-learning.

\*1 Programs designed to prevent more severe disease: lifestyle improvement and guidance programs provided by medical institutions

Please see the following for the Mitsubishi Estate Health Management Strategy Map

[Mitsubishi Estate Health Management Strategy Map \(PDF 75KB\)](#)





## Winning Recognition under the Certified Health & Productivity Management Outstanding Organizations Recognition Program

Mitsubishi Estate has been recognized as an outstanding organization in health management under the Certified Health & Productivity Management Organization Recognition Program run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi.

See the following for the latest information on the certification.

[External Evaluations of ESG Performance](#)



## Addressing Infectious Diseases and Other Global Health Issues

The Mitsubishi Estate Group regards health problems due to infectious diseases such as the recent COVID-19 pandemic as well as HIV/AIDS, tuberculosis, and malaria as a global issue. In order to protect employees from these kind of health problems, the Group instructs expatriate employees and their accompanying family members to receive the vaccinations recommended by government quarantine stations for each destination prior to travel. In the location of an overseas posting, we also provide medical consultation services, which include hospital arrangements, and ensure to make clean, safe, serviced apartments and condominiums available. Through these activities, we provide support for employees and their families to live overseas in good health and safety.



# Social Enhancing Customer Satisfaction

## Basic Policy and Approach

The Mitsubishi Estate Group has made clear in the Group Code of Conduct that it strives to earn the trust of its clients and works to create safe, reliable and improved products and services through communication with its customers.

## Mitsubishi Estate Group Declaration on Customer Respect

The Mitsubishi Estate Group established the Mitsubishi Estate Group Declaration on Customer Respect on April 1, 2018.



Mitsubishi Estate Group Declaration on Customer Respect (PDF 61KB)

[PDF](#)

Information on Activities Related to the Declaration (Follow-up Activities) (PDF 146KB) (Japanese only)

[PDF](#)





# Promotion System

When the Group receives comments or complaints from clients, the customer service personnel of each Group company receive them and, routinely, field staff are sent to the site to handle issues in person. The opinions received from clients are attended to sincerely, fairly, and impartially. Mitsubishi Estate collects matters that should be handled by the whole Group, reports them to management, and makes the necessary changes in its business activities. For items where correction is needed, the relevant departments all work together to handle the matter promptly.

## Primary Initiatives

### Implementing Tenant Satisfaction Surveys

Mitsubishi Estate implements customer satisfaction surveys for with the tenants of its office buildings. The surveys mainly check the level of satisfaction with the management and operating systems of each building, and the company makes improvements as needed based on the survey results.

See the following for the survey implementation rate.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Employee satisfaction and customer satisfaction](#)



## Responsible Advertising Activities

Mitsubishi Estate Residence Co., Ltd. has created a "Real Estate Advertisement Creation Manual" that we revise as necessary. We interpret the regulations and conduct our business in conformance with our obligations established by the real estate advertising rules set forth in the "Fair Competition Codes Concerning Indication of Real Estate" and "Fair Competition Codes Concerning Limitations on Premiums Provided by Real Estate Businesses." In view of specific cases experienced in the course of conducting our business, we have clarified our policies with regard to various scenarios and have compiled them in an easy-to-understand, practical manual.

It can be used as a guide for sales activities and designing advertisements, of course, but we also provide it to people associated with the real estate business to be applied as a reference manual for conducting activities in an autonomously ethical manner. We strive to ensure we never betray our customers' trust by encouraging false expectations or by failing to inform customers of things that would be to their disadvantage.



## "Five Eyes" to Create Quality Residences

Mitsubishi Estate Residence proposes the peace of mind and quality required in condominiums with five areas of focus using "Five Eyes," an original system for all properties it offers under its The Parkhouse brand of condominiums for sale (some features available only in the Tokyo metropolitan area).

### Five Eyes



CHECK EYE'S



ECO EYE'S



CUSTOM EYE'S



LIFE EYE'S



COMMUNITY EYE'S

- Check Eyes: Mitsubishi Estate Residence's original quality management and performance labelling system
- Eco Eyes: cutting-edge environmental specifications
- Custom Eyes: consultancy to help create a comfortable home including interior design
- Life Eyes: a security system jointly developed with Mitsubishi Jisho Community and the security company Secom Co., Ltd.
- Community Eyes: 24-hour, 365-day condominium management support for continued peace of mind after moving in

"Five Eyes" Creating Quality in our Residences



## Introducing the NPS Scheme to Increase Client Loyalty in the Condominium Business

For our clients, the purchase of a condominium is a life-changing decision. Mitsubishi Estate Residence has introduced the Net Promoter System (NPS) to measure client loyalty not only before they make the purchase but also after they move in. Surveys are administered to clients at every phase – from the initial visit to contract signing to handing over, a year after moving in and two years after moving in – to gauge client endorsement levels. The reasons given are also noted and presented to the relevant departments as feedback to help improve products and services. While the comments received are occasionally harsh, the NPS scheme is still a valuable resource that helps the company boost client loyalty even higher.

See the following for evaluation results.

ESG Data > S: Social data > (2) Other > 2. Diversity > Employee satisfaction and customer satisfaction





## Owner's Survey

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Mitsubishi Estate Home carries out owner's surveys to improve customer satisfaction and archives the results in a database that it shares with the rest of the company. The company is focused on strengthening its customer service via its home consulting services, which is a core component of its residential program starting from the initial stage and extending long after purchase. The survey results show that these efforts are paying off. We will strive to further increase customer satisfaction going forward through strengthening service capabilities and product design from the customer's perspective.

## Improving Client Satisfaction with Architectural Design Management Operations

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Mitsubishi Jisho Design strives to improve client satisfaction as part of its ISO 9001 quality management system. The company has compiled a list of "Don'ts" for design management operations which is shared on the company's intranet. Moreover, when a project is complete, the whole project is analyzed and assessed using the level of compliance with the client's requests as the standard.

## Well-being Initiatives in Urban Development

Chiyoda Ichibancho Project (tentative name), an office development project underway in Chiyoda-ku, Tokyo, is the first tenant building in Japan to receive precertification for WELL Core—which can be acquired by buildings occupied by tenants—under WELL v2, the latest version of the WELL Building Standard (WELL Certification), an international ratings system for buildings that emphasizes the health and well-being of people.

This certification is based on the following criteria: Air, Water, Nutrition/Food, Light, Physical Activity, Thermal Comfort, Acoustical Comfort, Materials, Mind, and Community. In this project, the property design and construction incorporated the required elements based on these items. In particular, "promotion of urban development in line with the development concept," "introduction of a panel heating and cooling system," "the facilitation of fitness for workers," and "provision of operable windows that offer ample natural light" were highly evaluated. The project also incorporates "Accessibility" and "Biophilic Design," elements related to wellbeing that are required in addition to certification.



## Basic Policy and Approach

The Mitsubishi Estate Group has set out to "contribute to creating a truly meaningful society through urban development" as stated in its Group mission. The Group has also established the Mitsubishi Estate Group Code of Conduct to articulate the actions needed to implement the carrying out of this mission. Further, it has implemented the Mitsubishi Estate Group Guidelines for Conduct which set out the specific standards of conduct in order to realize "who we aspire to be, how we aspire to be perceived, and what we should do in order to achieve these aspirations," as established in the Code of Conduct. The Group Guidelines stipulate the realization of sustainability, and we endeavor to ensure continued enhancement of corporate value, sustainable social development, and conservation of the global environment by creating long-term value through sound business practices.

In addition, the Group established its Guidelines on Social Contribution Activities in April 2008, revising the Social Contribution Activity Philosophy (created in 1994) from viewpoints including changing social issues and the necessity of implementing Group-wide initiatives. Group companies abide by these guidelines when conducting their activities as they engage in their respective businesses.

We also implement community investment, engage with NGOs, and participate in initiatives to better contribute to the society. Our focus areas – harmony with the local community, support for culture and the arts, environmental conservation, and social welfare – are set out in the Group Guidelines and linked to the Group's business strategy.

### Mitsubishi Estate Group Guidelines on Social Contribution Activities

#### 1. Solutions to social issues together with corporate growth

As a good corporate citizen, we work to resolve social issues with the added benefit of achieving corporate growth through such activities.

#### Development of activities characteristic of the Mitsubishi Estate Group

2. We carry out unique social contribution activities, both within and outside its business spheres, which are characteristic of the Group and utilize its management resources.

#### Ties with community

3. We engage in transparent and fair activities in affiliation with various groups, based on equal footing, trust and dialogue.

#### Priority areas

4. We prioritize harmony with the local community, support for culture and the arts, environmental conservation and social welfare.



# Goals and Achievement Status

In the Long-Term Management Plan 2030, the Mitsubishi Estate Group sets out sustainability, providing solutions for the social issues of the times, as one of the focuses of its provision of value through business activities. As such, the Group has established the Mitsubishi Estate Group 2030 Goals for the SDGs in order to guide its actions in this area. The Group aims to achieve the policies and targets it has set out under the four key themes of the environment, diversity & inclusion, innovation, and resilience.

The Group will also promote initiatives with an eye on these key themes in its social contribution activities. We will engage in autonomous activities in the areas of harmony with local communities, support for culture and the arts, environmental conservation, and social welfare, the four priority areas under the Mitsubishi Estate Group Guidelines on Social Contribution Activities. In addition, we will work to enhance the value of the neighborhoods and create economic benefits through partnership and collaboration with diverse stakeholders, including NGOs, NPOs, and the public and private sectors, while continuing to contribute to solving social issues by joining and supporting a variety of organizations.

## Programs to Support Employee Volunteer Activities

The Mitsubishi Estate Group is working to create an environment that makes it easy for people to volunteer, such as by establishing Volunteer Support Programs available to employees including Group companies.

### Overview of Main Programs

Program	Overview
Days off for volunteering	Employees can use their accumulated days off (special PTO) for volunteering
Social learning	Employees can volunteer during working hours
Volunteer insurance*	The company provides insurance that compensates for accidents during volunteering (also for family members)
Activity fee subsidy*	The company partially subsidizes volunteer participation and travel expenses (also for family members)
Subsidy program for volunteer's travel expenses to disaster-affected areas*	The company partially subsidizes travel expenses for volunteering related to disasters covered under the Disaster Relief Act (also for family members)

\* Program including Group company employees

See the following for the usage results of these programs.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Number of employees using personnel programs](#)







# Initiatives Related to the Health and Wellbeing of Visitors and Tenant Workers

## Megourmake Project Aiming to Build Enriched Relationships Between Regional and Urban Communities through Food and Agriculture

Mitsubishi Estate is developing facilities to support business and industries related to food and agriculture in the Uchikanda 1-chome Project (tentative name) scheduled for completion in 2025. Ahead of the opening of these facilities, in partnership with Loftwork Inc., SIGMAXYZ Inc., and 70seeds, Inc., Mitsubishi Estate has initiated the Megourmake Project to support the endeavors of the regional producers and processors for the food industry, agriculture, fisheries, and livestock industry of the future.

In collaboration with regions throughout Japan, including Miyazaki City in Miyazaki Prefecture, we will provide support for the players involved in food and agriculture to co-create and take on challenges by holding “table conferences” in regional areas so that local communities can learn from one another and create new inter-regional relationships. In a further expansion of the scope of activities, we held the Beyond Local - Our Community Building Summit in Oga City in Akita Prefecture in March 2023 as an event for disseminating information on the challenges of regional revitalization in various parts of Japan. The Megourmake Project will encourage interaction between the producers who nurture rural communities and the consumers who live in urban communities and contribute to the development of rich food culture and an enriched society by expanding hubs for food and agriculture co-creation and networks with local governments nationwide.

Megourmake Project (Japanese only)



## Initiatives Related to the Health and Wellbeing of Visitors and Tenant Workers

### EAT&LEAD – Providing Opportunities to Build "Standards of Value for Happiness" through Food

Mitsubishi Estate launched the Food Education Marunouchi Initiatives, a project addressing urban and food issues in 2008. The company has since developed numerous food-related programs in the area working in partnership with producers, consumers, and restaurants with the aim of creating a physically and mentally healthier society. These initiatives include the inauguration of the Marunouchi Chef's Club<sup>\*1</sup> and Will Conscious Marunouchi<sup>\*2</sup>, as well as hosting more than 200 events in the Marunouchi area.



With the desire to continue to lead and set the pace for the development of venues where each individual can achieve personal happiness and growth through healthy eating habits, Mitsubishi Estate is relaunching the project under the name EAT&LEAD.

Under the EAT&LEAD project, Mitsubishi Estate will develop a variety of workshops and programs dealing with food based on the three actions of increasing receptivity to food, increasing awareness of food consumption, and raising understanding of the cycle of support and growth. The aim is to help each individual examine their own measure of happiness and create opportunities for them to enhance self-fulfillment while creating a richer future together. EAT&LEAD will be based at MY Shokudo Hall & Kitchen, a hall with an attached kitchen nestled on the 3rd floor in TOKYO TORCH Tokiwabashi Tower (completed June 30, 2021) located in front of the Nihombashi Exit of Tokyo Station. Mitsubishi Estate will nurture connections among food professionals, rural regions, and consumers while promoting programs designed to pinpoint changing values and address social issues yet to be explored.

\*1 [Marunouchi Chef's Club](#)

Chaired by Yukio Hattori, who is actively involved in a wide variety of food-related fields, and mainly composed of chefs who own restaurants in the Marunouchi area, the Marunouchi Chef's Club was established in February 2009 with the aim of proposing and disseminating ideas about food.

\*2 [Will Conscious Marunouchi](#)

A project aimed at supporting working-age women to learn together about the options for a more fulfilling future. In partnership with various companies, the goal is to create a model case for a society that enables women to work long term in good health through urban development while building upon the knowledge and opinions obtained from the Marunouchi Infirmary survey.

[EAT&LEAD website \(Japanese only\)](#)



## The Marunouchi Infirmary for Working Women

Mitsubishi Estate is promoting the "Marunouchi Infirmary" as part of its "Will Conscious Marunouchi" project to help working women shape their future. The "Marunouchi Infirmary," born from the voices of women working in Marunouchi, is an activity to improve health literacy and provide health support to promote understanding of PMS, pregnancy and childbirth, menopause, and other issues that affect women in the workplace as well as in their own bodies and minds.



Through these activities, we are promoting well-being in urban development by working not only with our company but also with other companies that support our efforts to create a comfortable working environment and culture for women, so that working women can broaden their options in their changing life stages.





## Example of Initiatives 1: Supporting Health Literacy Improvement in Urban Development

The "Online Marunouchi Infirmary" offers online seminars for both men and women to learn about women-specific health care and promote mutual understanding, as well as consultation and counseling services to promote health support for both business and general visitors.



## Example of Initiatives 2: Visualization of Health Issues of Working Women Faced by Companies

"Working Women's Health Score," a measure that visualizes the health and working environment surrounding female employees through data of 14 companies, mostly in Marunouchi area. "Working Women's Health Score is jointly developed by our company and Femmes Médicaux, a women's healthcare consulting firm that provides solutions to contemporary women's health issues area.

Our company and Femmes Médicaux plan to widely promote the "Working Women's Health Score and a service that identifies issues," which uses this score to visualize women's issues faced by companies and propose solutions.

\* With the cooperation of Kanagawa University of Human Services, survey items were developed based on epidemiological surveys, and approximately 3,400 women responded via the human resource departments of 14 participating companies

Marunouchi Infirmary (Japanese only)





# Building Communities

## Area Management Led by the Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho

In July 2018, the Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho (OMY Council), which is made up of landowners in the Otemachi, Marunouchi and Yurakucho districts (also known collectively as "OMY area"), celebrated the 30th anniversary of its founding. Mitsubishi Estate serves as the presiding company of the Council. For more than 30 years, since the establishment of its predecessor organization in July 1988, the Council has set up infrastructure for urban space as well as promoting safe and secure urban planning that is sustainable and resilient in the wake of disasters. The objective is to create communities by developing and utilizing urban spaces appropriately and effectively.

The NPO OMY Area Management Association (also known as "Ligare") was also established in 2002, with the goal of raising the area's value not only through the creation of physical facilities and spaces, but also via social initiatives, including the provision of corporate networking events, generation of local vitality, managing banners in the area, and support for the operation of community buses. Ligare manages Urban Terrace, in which the street space on Marunouchi Naka-Dori Avenue opened for pedestrians, allowing them to enjoy various events on the streets. It has also extended the scope of its activities to include Destination Marketing/Management Organization (DMO) Tokyo Marunouchi, which aims to invite international conferences and other meetings, incentives, conferences and events (MICE) to the area.

In addition, the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi and Yurakucho Districts (also known as the "Ecozeria Association") works on business creation aimed at realizing a sustainable society. The association operates the 3x3 Lab Future, a hub for interaction in the community, that is a "third place," neither home nor office, and holds seminars and workshops on a variety of social issues such as the environment and energy, regional revitalization, women's empowerment, and biodiversity. 3x3 Lab Future generates cycles of innovation by creating interaction between diverse human resources cutting across industry and sector boundaries, including government and academic institutions as well as private-sector companies.



Urban Terrace







Marunouchi Naka-Dori Avenue becomes increasingly important as the center of the area's vitality (left: around 1967; right: around 2018)

Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho



Ligare (Japanese only)



Ecozzeria Association







# Initiatives to Connect with Community and the Next Generation under the TOKYO TORCH Project

Mitsubishi Estate completed construction on the Tokiwabashi Tower in June 2021 as the first step in the TOKYO TORCH (Tokyo Station Tokiwabashi Project), a development project underway at the Nihonbashi Exit of Tokyo Station. It has been implementing a variety of initiatives aimed at the completion of the entire project in 2027 and the more distant future in line with the five keywords of "sustainable," "socializing," "smart," "sightfeeling," and "story." Under the Japan Nationwide Bridge Project, Mitsubishi Estate works in partnership with 47 Kai\* and tours well-known bridges in all 47 Japanese prefectures to hold bridge clean-up events. The aim of the project is to develop new communities through the clean-up events, and to help make Japan and its regional areas vibrant as the social circles created through the events expand. The project kicked off in November 2018 and had toured eight locations as of November 2019.

\* 47 Kai: An association that aims to act as a liaison between local public servants in Japan's 47 prefectures and central government ministries and agencies

Mitsubishi Estate has also been implementing initiatives aimed at young people who will lead the next generation based on the theme of connecting the next generation with resources, material things, knowledge, experience, and thoughts we want to pass on. In 2019, Mitsubishi Estate hosted sixth-grade students from Tsubame City Tsubame-higashi Elementary School at the TOKYO TORCH presentation room and held the Children and Adults Dream Exchange Program.

Together with Nakagawa Masashichi Shoten, a traditional craft shop based in Nara Prefecture, boasting 300 years of history, Mitsubishi Estate launched the Another Japan joint project in the urban center in summer 2022. This shop will sell regional specialties, using university students from all 47 prefectures of Japan divided into six groups acting as management, handling everything from purchasing to customer service and sales. The experience gained here will teach them about regional areas and management, in hopes of helping them choose their own hometowns as future places to work. This will in turn bring true revitalization to these communities with the aim of making it a place that creates a beneficial cycle for making Japan a better place.



Tokiwabashi bridge clean-up, the first event in the Japan Nationwide Bridge Project



18 Another Japan first term settler students

[TOKYO TORCH project website \(Japanese only\)](#)





## "Experience Nature" Project

In 2008, the Mitsubishi Estate Group began the "Experience Nature" Project with the NPO Egao Tsunagete (which literally means "connecting smiles" in Japanese), located in Hokuto City, Yamanashi Prefecture, with the goal of creating a society where urban and rural communities pool their resources and help to revitalize one another.

With this project, in addition to working with the local government to promote effective use of Yamanashi Prefecture-produced timber, employees help to cultivate and restore abandoned farmland to produce sake-grade rice using agricultural methods that do not use pesticides or chemical fertilizers.

Since 2010, the company has been working with local sake breweries and long-established confectionery stores to create new products by processing the sake-grade rice harvested through cooperative efforts into various forms, such as junmai-shu sake Marunouchi and confectionery made from sake lees. These activities and products symbolize Mitsubishi Estate's sustainability efforts and have been utilized in a variety of settings.

In fiscal 2017, to celebrate the 10th anniversary of the project, junmai-shochu Otemachi, a distilled rice liquor, was released. Of the harvested sake-grade rice, the rice that did not meet the standard for junmai-shu sake was effectively utilized to produce the junmai-shochu. This shochu was developed with a brewery in Hokuto City using natural yeast (hanakoubou) obtained from sunflowers, the official flower of Hokuto City, in collaboration with the Department of Fermentation Science at Tokyo University of Agriculture.

During the course of each year's sake-grade rice cultivation, we conduct hands-on rice planting and harvesting tours for Group employees. These tours have evolved into an opportunity for learning about the SDGs by fostering environmental awareness and deepening understanding of biodiversity issues.





## Official Partner of the Japanese Para-Sports Association

Mitsubishi Estate became the official partner of the Japanese Para-Sports Association, also known as the JPSA, in April 2019.

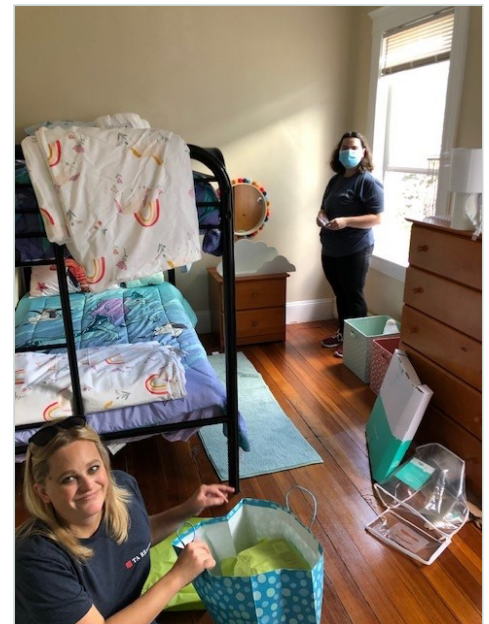
The JPSA was established as the umbrella group for promoting the growth of parasports in Japan thanks to the 1964 Tokyo Paralympics Games. The Mitsubishi Group supports the JPSA cause of creating a vibrant, inclusive society, and together with the JPSA is actively engaged in efforts to grow para-athlete sports. Group employees also support parasports events as volunteers and spectators to add to the excitement.



## Providing Housing for Extremely Low Income Families

TA Realty partnered with Heading Home in 2021 in an effort to help Heading Home address the growing homelessness issue in the city of Boston. Heading Home is one of the city's largest providers of emergency, transitional and permanent housing for extremely low-income individuals and families. Heading Home not only provides shelter but also works with their clients to understand the root causes of homelessness and provides support (financial coaching, resume building, child support resources, etc) to help that individual or family on their successful path out of homelessness.

Heading Home's Up & Out, the volunteer opportunity in 2021, paired a group of TA Realty employees with a Heading Home client and her two young daughters who were being moved out of a shelter and into their very own home. Volunteers were responsible for purchasing all of the items for the apartment (furniture, decorations, toys, cleaning supplies and food) and then spent the day cleaning and decorating the apartment. The day ended with TA Realty employees handing the keys to the home over to Heading Home's client. TA Realty's contribution to this move allowed the client to move into a space that already felt like home, reducing all associated financial burdens, and ending their homelessness.



TA Realty will continue to build partnership with Heading Home to create more volunteer opportunities within the community that we live and work in.



# Support for Culture and the Arts

## Operating the Mitsubishi Ichigokan Museum, Tokyo

Mitsubishi Estate operates the Mitsubishi Ichigokan Museum, Tokyo in the Marunouchi area of Tokyo. It presents three different exhibitions each year focusing on modern art dating from the late 19th to early 20th century. The museum is housed in a stately red brick building that was constructed in 1894 by Mitsubishi – the first office building in Marunouchi – and then restored in 2009. The museum opened in spring the following year. It was designed by the English architect Josiah Conder at the invitation of the Japanese government. Some of the building's original architectural components, such as the stone handrails for the staircases, have been reused.



Exterior of Mitsubishi Ichigokan Museum, Tokyo



Restored bank lobby now in use as Café  
1894



Former bank lobby



## Museum for All Project to Make the Museum Accessible to All

Mitsubishi Ichigokan Museum has been holding “Empathy Week” coinciding with Human Rights Week since 2017 with the aim of creating a spirit of caring and empathy in an environment where people with and without disabilities can share an appreciation of art. In December 2021, the museum launched the new Museum for All Project, which is being implemented in stages with the aim of making visitors feel more familiar with the museum.

### Fiscal 2022 Museum for All Project Initiatives

#### ● Implementation of two demonstration experiments utilizing local 5G environment

(1) Voice mixed reality (MR) art appreciation experience “Participatory Voice Story at the Vallotton Exhibition Powered by Oto Rea”:

Provided visually impaired people with a highly immersive experience using wearable speakers

(2) Remote art appreciation using JackIn Head, a wearable system that can capture and transmit the entire 360-degree

surroundings: Verified the potential for people who have difficulty visiting the museum to enjoy an exhibition through two-way communication between participants.

Going forward, the museum will continue with activities aimed at making it accessible to a wide variety of people.

#### Note:

The museum will be closed from April 10, 2023 until autumn 2024 for replacement of equipment and building maintenance. Future initiatives of the Museum for All Project will be announced once they are finalized.

Fiscal 2022 Museum for All activities report (Japanese only)



Mitsubishi Ichigokan Museum, Tokyo



## La Folle Journée Tokyo

La Folle Journée Tokyo is a classical music festival held at the Tokyo International Forum since 2005. Staged at various venues in the heart of Tokyo during the Golden Week holidays, the festival has established itself as a new-style music event and has contributed to vitalizing the Marunouchi area and sharing its culture. Mitsubishi Estate has participated as a sponsor since its inception and has helped organize associated classical music programs in the Marunouchi area, at venues such as the Marunouchi and Shin-Marunouchi Buildings. The entire area is involved in the music festival and has been working to create an attractive and vibrant neighborhood.

In fiscal 2023, in conjunction with La Folle Journée Tokyo 2023 being held for the first time in four years mainly at Tokyo International Forum, Mitsubishi Estate held around 60 free-of-charge classical concerts at eight venues in the Marunouchi area during the period. In 2019, the area concerts attracted around 50,000 visitors. For the first time in four years, classical music enveloped the Marunouchi area with the diverse world of Beethoven, the theme of the 2023 event. Mitsubishi Estate will continue to develop a variety of culture and art events and disseminate information in the Marunouchi area in the future to promote further revitalization of the neighborhood.

See below for initiatives in fiscal 2023.

Holding the La Folle Journée Tokyo 2023 Marunouchi Area Concerts (Japanese only)







## Art Award Tokyo Marunouchi

Art Award Tokyo Marunouchi aims to discover, nurture, and support the talent of young artists, and to contribute to enlivening the area through art. Graduation and diploma projects created by undergraduate and master course students at major art universities around Japan are selected and exhibited in the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts). Awards are given to talented artists with great future prospects. Since this award was established in 2007, it has functioned as a gateway for young artists. The exhibition has resulted in artists participating in individual and group exhibitions, and some are active in various fields. Mitsubishi Estate has been a special sponsor, with the Mitsubishi Estate Co., Ltd. Prize established in fiscal 2012.

Going forward, we will continue our activities supporting artists aimed at creating a place for the discovery and active participation of new talent.

See the following for initiatives in fiscal 2022.

Holding of Art Award Tokyo Marunouchi 2022 (Japanese only)

PDF

## GEIDAI ARTS in Marunouchi

Mitsubishi Estate has held GEIDAI ARTS in Marunouchi in partnership with Tokyo University of the Arts since 2007. This event supports young, up-and-coming artists and provides visitors to the Marunouchi area the opportunity to enjoy fine arts through various types of experiential art events. In fiscal 2022, in addition to exhibitions of award winning works and performances by 12 young, up-and-coming artists who had studied at Tokyo University of the Arts and won the Mitsubishi Estate Prize<sup>\*1</sup>, the 16th event was held for students of the university to widely communicate their diverse and innovative ideas, techniques, and intellectual powers and to allow enjoyment of widely varied art. Mitsubishi Estate will continue to promote further revitalization of the Marunouchi area by creating opportunities that connect art, people, and the neighborhood and allow many people to enjoy art.

\*1 An award to support young artists conferred on graduates from Tokyo University of the Arts with outstanding academic results, selected from among those deemed to be worthy leaders of culture and art disseminated from Marunouchi. The award was established in 2008 and was conferred on a total of 12 graduates with six from the Faculty of Fine Arts and six from the Faculty of Music.

See the following for initiatives in fiscal 2022.

Holding of GESIDAI ARTS in Marunouchi 2022 (Japanese only)

PDF

\* Programs were held with adequate measures taken to curb the spread of COVID-19, including temperature checks and disinfection, ensuring social distancing among performers and staff, and restricting the number of people entering venues.

## Supporting Orchestras

Mitsubishi Estate has supported the NHK Symphony Orchestra, Tokyo, as a special corporate supporter since 1991 as one facet of its continuing support for culture and fine arts. Mitsubishi Estate has also supported the Japan Philharmonic Orchestra as a special member since 1998, and the Tokyo Philharmonic Orchestra as a corporate supporter since 2007.



## MAGUS, a Platform for Japan's Art Scene

In March 2021, Mitsubishi Estate, Warehouse TERRADA, TSI Holdings Co., Ltd., and Tokyu Corporation formed a consortium and established MAGUS Co. as a platform provider specializing in information, with the aim of connecting people and companies through art-related media and to create a new community and new economic zone for art.

While "art" is becoming a keyword of the times in Japan, the reality is that the domestic art market is still small relative to the size of the economy. By proactively connecting the world with Japan and buyers with creators, MAGUS will contribute to making art more accessible and transforming society so that companies and individuals support artists and purchase their work on a daily basis. The company will operate business consulting and seminars that utilize art for business and develop a media business that communicates the diverse enjoyment of art.

Mitsubishi Estate has been incorporating art into urban development for many years, believing that art is not only culture but also promotes communication and awareness among workers, which frees their thinking and leads to tolerance for diverse values. Through its investment in MAGUS, Mitsubishi Estate will continue to utilize art in urban planning and development and strengthening relationships with customers going forward with the aim of creating an enriched society.

MAGUS (Japanese only)





# Social Welfare

## Basic Policy and Approach in Urban Development

The Mitsubishi Estate Group has set out to "create a truly meaningful society" as its Group Mission by "building attractive, environmentally sound communities where people can live, work and relax with contentment," based on the Three Principles, which is the management philosophy of the Mitsubishi Group.

In order to further promote this mission, the Mitsubishi Estate Group focuses on sustainability in urban development, including urban regeneration, taking into consideration social needs such as disaster preparedness and barrier-free access in all properties as part of the planning phase and guide the development and operation phase as well as the prevention of the spread of infectious diseases and thereby allowing diverse people – regardless of nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinions, national or social origins, property, disability, birth, class, or other status – to live, work and relax with contentment.

Moreover, to facilitate use by many people, we consider access to public transport during design and development stages in all properties as we select development sites and make investments. We also consider planning and design that allows individual users to live in comfort when proceeding with development and refurbishment.

## Supporting Children with Disabilities through Kira Kira Art Competition

Mitsubishi Estate established the Kira Kira Art Competition in 2002, with the desire to support the full potential of children with disabilities. The Award for Excellence-winning works, which are selected through a screening process, are exhibited at nine venues across Japan, from Sapporo to Fukuoka, and all entries, including the Award for Excellence-winning works, are published on the dedicated website. Since fiscal 2021, in collaboration with OMY SDGs ACT5, we have been holding the Marucube Judging Session at the Marunouchi Building with the participation of workers and visitors in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts). Rather than inviting the winners and their families to Marunouchi Building Hall, a virtual award ceremony has been held since fiscal 2020 due to the COVID-19 pandemic, where winners from all over the country came together online.

What deserves note about this art competition is that past submissions have been featured in publications, including pamphlets and calendars for corporations. Moreover, some of the winners of this competition are registered as an artist with Artbility\*, an art library operated by the social welfare corporation Tokyo Colony, as they continue to develop their creative activities. An exhibition featuring works by these Artbility artists was held at the same time as the Award for Excellence exhibition at the Tokyo venue.

In addition, in August 2022, as a project related to the competition, Mitsubishi Estate and Takamatsu Airport co-hosted a workshop for experiencing the enjoyment of art. Artists registered with Artbility were invited as lecturers and created paintings together with local children. The completed works were exhibited at the Marucube Judging Session and some of the exhibition venues, in addition to Takamatsu Airport.

The competition is an opportunity to appraise and discover the rich talents of disabled children, and Mitsubishi Estate continues to provide support with the hope of expanding the breadth of artistic activities and helping them thrive.

\* An art library established in April 1986 by Tokyo Colony, a Kira Kira Art Competition partner, to help people with disabilities gain income and increase social inclusion. The library currently stocks about 6,000 works by some 200 artists. The works are lent out for a fee for use in publications and other media.

[Kira Kira Art Competition \(Japanese only\)](#)





## Outline of the 21st (fiscal 2022) Kira Kira Art Competition

- Call for artwork (July-September)** : A total of 1,147 submissions were received
- Judging (October)** : 299 people took part over two days in the Marucube Judging Session, and 45 people took part in online judging (voting based on images of the artworks)
- Exhibition of Award for Excellence winners (November 2022-February 2023)** : The 50 Award for Excellence winners were exhibited at nine venues across Japan (Sapporo, Sendai, Tokyo, Yokohama, Nagoya, Osaka, Hiroshima, Takamatsu, and Fukuoka)
- Award ceremony (November)** : Held online. Award for Excellence winners and representatives from their schools were invited to attend the ceremony virtually, which included messages from the judges, a broadcast from the exhibition venue for the winning works, and an introduction of works by the award winners.

- Judges** : O JUN (artist; professor emeritus, Tokyo University of the Arts)  
 Michiko Aoyagi (associate professor, Tokyo University of the Arts; pedagogy researcher)  
 Katsuya Nishida (graphic designer, Katsuya Nishida Design Office)  
 Hirokazu Takahashi (director, Artbility, Tokyo Colony)  
 Junichi Yoshida (President & CEO; Mitsubishi Estate Co., Ltd.)  
 Reiichi Noguchi (senior curator; Mitsubishi Ichigokan Museum, Tokyo)

\* Titles and affiliates are as of the time the 21st competition was held.

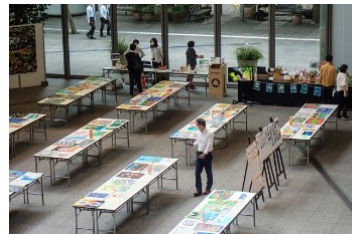
- Highlights** : ● Holding a project related to the competition at Takamatsu Airport (August 8, 2022)  
 A hands-on workshop called “Drawing Together the Ponds in Kagawa” was held, and artists registered with Artbility were invited as lecturers and created paintings together with local children. The completed works were exhibited at Takamatsu Airport and other venues where they were viewed by many people.



Exhibition at Marunouchi Building, Tokyo



First round of judging



Marucube Judging Session



Workshop held at Takamatsu Airport

- \* The exhibitions and other events were held with adequate measures taken to curb the spread of COVID-19, which included temperature checks and disinfection, ensuring social distancing among staff, and restricting the number of people entering the venue.



## The “Mitsubishi Estate Shall We Concert” Brings Live Music to Children with Disabilities

Mitsubishi Estate holds the Mitsubishi Estate Shall We Concert (visiting concert) for students at special needs schools, who have few opportunities to leave their school and experience live music. This reflects our viewpoints of supporting culture and fine arts, along with social welfare, two of the priority fields of Mitsubishi Estate's social contribution activities. The goals of this concert are for professional musicians to visit these schools to share the fun and charm of music, and to provide opportunities for children to learn about instruments and music. These concerts started in fiscal 2004, and were held at three schools in fiscal 2022, bringing live music to a total of 102 schools and more than 10,000 students to date.

Mitsubishi Estate works together with schools to decide the concert programs. These are not limited to classical music, as they sometimes include music from Studio Ghibli or Disney films, songs students learn in school, and school songs. These events also include opportunities for students to engage in group performances together and see musical instruments up close. The concerts also include explanations of the compositions and instruments between performances. The students experience the music by singing, dancing, or clapping in tune with the rhythm.

In fiscal 2022, we held a Marunouchi Shall We Concert, which was a spin off from the visiting concert, for OMY SDGs ACT5, the area collaboration project that promotes activities aimed at achieving the SDGs starting with the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts). With cooperation from Tokyo International Forum, we invited around 100 students from special needs schools. It was an opportunity for the students to enjoy the music in an authentic concert hall while interacting with students from other schools.

### Fiscal 2022 schools with visiting concerts

Tokyo Metropolitan Shiinoki Special Needs Education School  
Tokyo Metropolitan Higashikurume Special Needs Education School  
Tokyo Metropolitan Musashidai Gakuen Special Needs Education School

### Performers

- Japan-Austria Cultural Association (oboe, flute, trumpet, piano)
- NPO Triton Arts Network “Tokotonton!” (percussion trio)



Visiting concerts





## Fiscal 2022 schools invited to the Marunouchi Concert

Tokyo Metropolitan Nakano Special Needs Education School  
Tokyo Metropolitan Itabashi Special Needs Education School



Marunouchi Concert

## Performers

- NPO Triton Arts Network “Tanbrass” (trumpet, horn, trombone, tuba, drums)



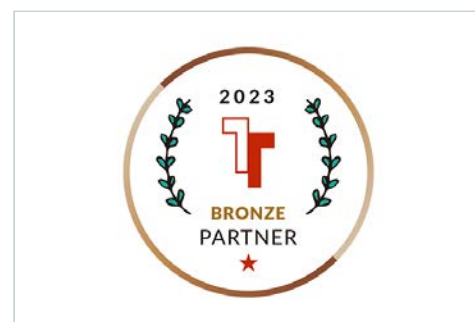
## Table for Two Delivering School Lunches to Children in Developing Countries

Sparkle, the employee cafeteria at the Head Office of Mitsubishi Estate, has been taking part in Table for Two, a program that supports children in developing countries since 2018, and encourages employees to help solve social issues through the purchase of eligible beverages and lunch menu items.

Table for Two is an initiative being run by the non-profit organization Table for Two International. The program aims to help improve the health of people in both developing and developed countries simultaneously. When eligible health-conscious menu items are purchased, 20 yen per meal is donated and the contribution is utilized toward providing school lunches for children in developing countries in Africa and Asia. The donation for one meal is the equivalent of one school lunch for the children.

Donated amount: From the introduction of the program up to March 2023, there had been donations of 820,140 yen, equivalent to 41,007 meals.

Mitsubishi Estate was recognized by TABLE FOR TWO as a Bronze Partner for its support in 2022.





# Sustainability Activities (ESG) Governance



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# Governance Compliance

## Compliance Approach and Policies

The Mitsubishi Estate Group believes that compliance does not simply involve legal compliance, but is also defined as adherence to internal rules and corporate ethics.

After Mitsubishi Estate was found to have violated some stipulations of the Commercial Code of Japan in 1997, the Mitsubishi Estate Group Basic Mission and Mitsubishi Estate Group Code of Corporate Conduct were formulated to reflect the company's resolve to never repeat the same mistakes. The Code of Conduct and Basic Mission were revised in 2006 as part of a serious and humble response to the discovery of soil and groundwater contamination problems at Osaka Amenity Park (OAP) in 2005.

The company regards compliance as one of its most pressing issues to address. Moreover, as the company continues to expand its businesses domestically and internationally, its social responsibilities increase in sophistication and global scale. This has led to a greater need for the whole Group to share a sense of values and a standard of conduct. This is why the Mitsubishi Estate Group Guidelines for Conduct were revised in April 2018 with the hope that they will increase true corporate value by being applied to the daily actions of individual employees and executive officers.

The Mitsubishi Estate Group aspires to build trusting relationships with its stakeholders through a highly transparent management system and reinforced compliance. Not only does the Group comply with laws and regulations but it also works hard to meet all the expectations of clients and society as it strives to achieve its basic mission of contributing to society through urban development. The Group also identifies and responds appropriately to various business risks.

## Mitsubishi Estate Group Guidelines for Conduct (Extract)

### 1. Compliance

We comply with all laws and regulations, and respect the social norms in the areas in which we conduct business. We establish and abide by corporate ethics, and respond to the expectations of a changing society. In addition:

1. We engage fairly in all business dealings
2. We manage and safeguard information appropriately
3. We engage in efforts to prevent corruption in any form
4. We refuse any and all criminal activities in our business dealings, and
5. We are highly sensitive and responsive to societal changes.



# System for Promoting Compliance

Mitsubishi Estate's compliance system has its roots in the determination of its executives and employees to improve their awareness and reform the organization after the company was found in violation of some stipulations of the Commercial Code of Japan in 1997. The Code of Corporate Conduct was formulated to define the company's basic commitment to reform, and was further refined in 2002. Group-wide reform was implemented, with all employees sharing the sense of urgency. In July 2005, a Compliance Advisory Committee consisting of external experts was formed on a temporary basis to review the compliance system in light of the soil and groundwater contamination problems discovered at Osaka Amenity Park. This committee worked to improve the corporate culture, for example, by revising the Code of Conduct.

In April 2018, the Mitsubishi Estate Group Guidelines for Conduct were revised and the company stepped up its compliance practices to meet changing demands in society and an expansion in business areas.

The current compliance promotion system is administered by the Risk Management & Compliance Committee and the Risk Management & Compliance Subcommittee. The Risk Management & Compliance Committee is chaired by the president of Mitsubishi Estate and comprises the executives from respective functional and business groups as well as the Corporate Group and discusses issues concerning Group compliance and risk management. The Risk Management & Compliance Subcommittee, which comprises general managers, holds discussions before the committee meets. In addition, an executive director has been appointed by decision of the Board of Directors as the Executive Director of Compliance to take responsibility for overseeing and promoting compliance. All Mitsubishi Estate departments and Group companies are working closely with the Legal & Compliance Department, which serves as the executive committee, to pursue compliance in a coordinated manner.

Besides the normal reporting lines provided through the help line and other systems for consultation regarding and reporting of compliance violations by Group employees, temporary employees, and part-time employees, and various other part-time staff, the Group has established procedures for direct consultation and reporting to the Legal & Compliance Department at Mitsubishi Estate. Depending on the substance of the inquiries, they are studied and the situation is confirmed with the aim of improving the working environment. When a compliance violation is suspected, a meeting of the Disciplinary Committee is held as needed to take the appropriate action. In an unlikely event of a serious compliance violation, action is taken in accordance with the Emergency Response Manual.

In accordance with the Mitsubishi Estate Group Management Rules, systems for consultation and reporting have been established for any compliance violations that occur at Group companies.

A compliance survey is implemented for all Group officers and employees, including Group employees, temporary employees, part-time employees, and various other part-time staff, every two years to conduct a regular internal review of the status of adherence to the Mitsubishi Estate Group's Basic Mission, the Code of Conduct, and Guidelines for Conduct. In addition, in order to promote understanding of the Code of Conduct, the Group obtains a pledge from employees as an expression of adherence to the guidelines.

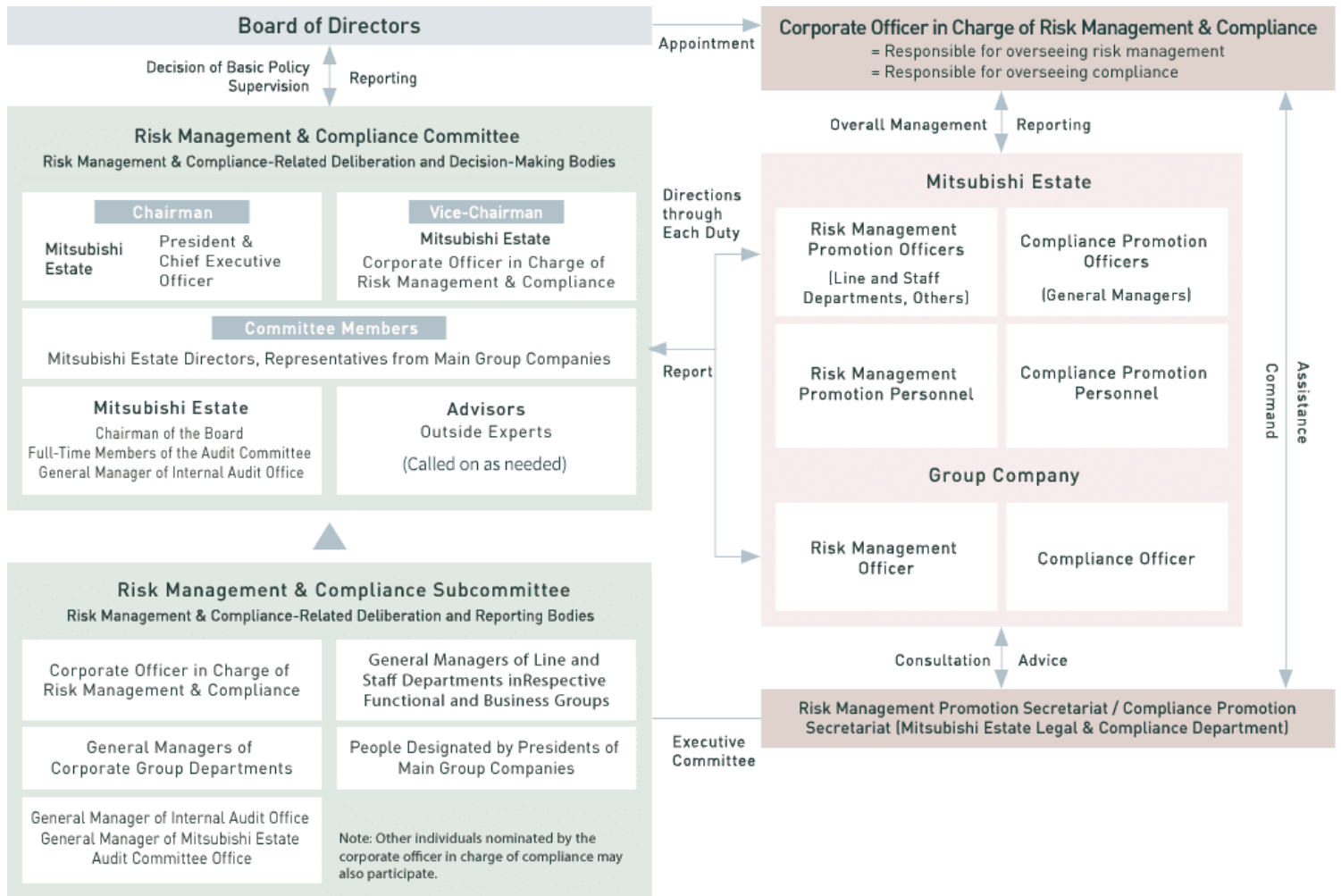
Compliance Advisory Committee







# Mitsubishi Estate Group Risk Management and Compliance System (as of April 2023)







# Compliance Advisory Committee

In October 2004, the company premises were searched as a result of its violation of the Real Estate Brokerage Act by selling the OAP Residence Tower, a condominium in Osaka with known soil contamination issues, without informing clients. This was known as the OAP Incident.

Although the OAP Incident was legally dismissed in June 2005, the company reflected deeply on its actions and set up the Compliance Advisory Committee in response, under the direct supervision of the company president. The Committee was chaired by Professor Taka of the School of Economics and Business Administration of Reitaku University and was tasked with offering recommendations concerning the checking, strengthening and improving of the compliance system to prevent a recurrence of such an incident. It was also asked to give suggestions on how to improve the corporate culture.

In December of the same year, after seven rounds of deliberation, "Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident" were compiled and issued as a report in January the following year.

Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident (PDF 48KB)  
(Japanese only)

[PDF](#)

An overview of the committee is provided below. Titles and departments stated are as they were at the time.

## Advisory Committee Overview

### 1. The objective for establishing the Advisory Committee

To obtain recommendations on checking, improving and strengthening the compliance system and advice on improving corporate culture from the objective viewpoints of external experts to prevent a recurrence of the OAP Incident and other incidents.

### 2. The position of the Committee within the organization

An advisory committee under the direct supervision of the company president.

\* The president received the findings and recommendations of the Compliance Advisory Committee and deliberated on them and decided on concrete plans along with the CSR Committee, an existing company decision-making body.

### 3. Members

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion] * Also attended by personnel who were not officers in charge of departments as necessary



## 4. Period of activity

July–December 2005 (6 months) Met on average once a month

## 5. Executive Committee

CSR Department, Planning Division

### History of Compliance Advisory Committee Meetings

1st Meeting: Compliance Advisory Committee

#### 1. Date and time

July 15, 2005 (Fri) 15:00 - 16:40

#### 2. Location

Main Office Conference Room, Mitsubishi Estate

#### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

#### 4. Deliberations (summary)

The Committee deliberated on how the Compliance Advisory Committee should proceed and finalized the following items as deliverables.

- (1) Revising the Mitsubishi Estate Group Code of Conduct
- (2) Formulating guidelines for the sale of residential buildings
- (3) Creating a report on the findings of the Compliance Advisory Committee

They also decided to publicize the details of discussions held by the Committee in summary form.



## 2nd Meeting: Compliance Advisory Committee

### 1. Date and time

August 11, 2005 (Thu) 13:30 - 15:35

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

### 4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

#### (1) The history of Mitsubishi Estate's compliance structure

- They explained the history and status of existing initiatives such as the Mitsubishi Estate Group Code of Conduct, the regulations and organization of the Compliance Committee and the kinds of training provided.

#### (2) The OAP Incident

- They provided an overview and history of the OAP project.

#### (3) The Investigative Committee for the Explanation of Important Matters

- They introduced the newly-formed Investigative Committee for the Explanation of Important Matters which is responsible for revising the key points and ensuring the thoroughness of the material created when drawing up contracts and explanatory documents about important matters during the sale of residential buildings.
- They also pointed out differences in knowledge of residential buildings between business operators and purchasers and the need for the persons responsible for marketing to pay attention to their speech and conduct.

#### (4) Compliance policies for ordering construction work

#### (5) The State of Emergency Guidelines

#### (6) Exposing potential risks

#### (7) Meeting to exchange ideas between mid-level employees

- In early August, Committee Chairman Professor Taka met with 30 mid-level employees from Mitsubishi Estate and the Mitsubishi Estate Group to exchange ideas. The ideas received on the occasion were explained and then discussed among the committee members and the decision was made to reflect the ideas in future training sessions.



## ■ Problems with the company noted during the idea exchange meeting

- The negative effects of the company's headquarters system
- The lack of a generational balance in the personnel structure
- The need for greater clarity in the decision-making process
- The lack of leadership provided by superiors

## 5. Other opinions

It was pointed out that training is of vital importance since it not only spreads awareness of compliance but also encourages self-reliance and a reformed mindset among individual employees.

## 3rd Meeting: Compliance Advisory Committee

### 1. Date and time

August 24, 2005 (Thu) 16:00 - 18:10

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors" Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

### 4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

#### (1) Conflict of Interest manuals and their application in the Fund Business and other businesses

- Plans to add information about conflicts of interest in the Fund Business and other businesses to a compliance handbook were explained.



## (2) Exposing problems through in-house consultations and group questionnaires

- The Mitsubishi Estate Group's system for eliminating ties to organized crime was explained.
- Examples of inquiries received through the internal company helpline (internal reporting) system were provided and it was agreed that the responses given were generally conscientious. However, it was noted that the penalties for compliance violations set out in regulations needed further explanation.
- The need to adopt a no-tolerance approach to sexual harassment and abuses of power in particular was noted.
- It was suggested that a questionnaire be administered to measure employee satisfaction levels.
- Proposals were made concerning a revision of the contents of the compliance handbook.
- Concerning the implementation and importance of compliance, the point was made that there might be a difference in real intentions as opposed to public attitudes. Thus, it was suggested that creating a detailed manual would be effective at spreading awareness of compliance among employees and officers.

## 4th Meeting: Compliance Advisory Committee

### 1. Date and time

September 27, 2005 (Tue) 13:00 - 16:00

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutarō Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

### 4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

#### (1) The OAP Incident

- It was explained that the company was conducting an internal investigation into the OAP Incident and that a report would be provided once it was ready.





## (2) The formulation of guidelines for the sale of residential buildings

- An explanation was given about the Investigative Committee for the Explanation of Important Matters which was started by the head office of the Residential Business. The approach of widely communicating even information that clients might consider negative was also explained.
- Committee members expressed a certain level of approval for this initiative.
- Committee members then pointed out the following and made the following recommendations.

Actively disclosing information that clients may consider negative is important for the sustainable development of the company. Explanations should be given to clients in a way they can understand, which means a system to facilitate the provision of such explanations is essential. Consideration should be given to concrete plans that take the viewpoint of clients into account such as checks by parties outside the company.

Along with the preparation of a manual, the company's sense of values based on viewing matters in the client's position should be reflected in the structure instead of being left solely to the individual's mindset. This is necessary in order for those in charge of development and individuals responsible for marketing to share that sense of values.

It is important to share information between parent companies and subsidiaries, as well as to reform the mindsets of subsidiaries and parent companies which may inhibit that process.

## (3) Revising the Code of Conduct

- The course of action for the revision of the Basic Mission and the principles for action were explained.
- The reform proposal was positively evaluated for its easy-to-disseminate ideas.
- It was explained that more detailed Guidelines for Conduct would be considered in the future.

## 5th Meeting: Compliance Advisory Committee

### 1. Date and time

October 21, 2005 (Fri) 14:00 - 17:00

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



## 4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

### (1) The formulation of guidelines for the sale of residential buildings

- A report was given on the decisions made by the Investigative Committee for the Explanation of Important Matters and the overhaul of the sales manual.
- The Compliance Advisory Committee evaluated these measures as effective for the formulation of guidelines for the sale of residential housing. It was decided that improvements would be made to the details continuously to meet changing social attitudes.

### (2) The OAP Incident

- A report was made on the status of the internal company investigation into the OAP Incident.
- A request was made for a report on selected problems from the investigation to be compiled and provided by the next committee meeting.

### (3) Revising the Code of Conduct

- The Executive Committee reported on reform proposals and decided to review them before the next meeting of the Compliance Advisory Committee based on recommendations made by committee members.

## 6th Meeting: Compliance Advisory Committee

### 1. Date and time

November 18, 2005 (Fri) 14:00 - 17:00

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



## 4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

### (1) Revising the Code of Conduct

- The final draft was put together based on recommendations from the company and the Compliance Advisory Committee. It was decided that a report would be made on the topic at the 7th Compliance Advisory Committee meeting following a formal decision by the CSR Committee, the company's decision-making body.

### (2) Report on Findings

- Committee members also pointed out the following and made the following recommendations regarding the contents of the report on their findings.

Create a timeline of the OAP Incident, point out problems and confirm strategies to prevent a recurrence.

For the explanation of important matters, introduce initiatives that are already under way as examples of concrete strategies that take client viewpoints into account.

Specify how the department responsible for compliance will be involved.

Create a system for the proper communication of items to be handed over in long-term projects.

- It was decided that the details of the courses of action listed above would be determined by the Compliance Advisory Committee at their 7th meeting and that Professor Taka, the Committee Chairman, would put together the report of findings. It was also determined that a final report on findings would be compiled once the draft had been discussed with each committee member.

## 7th Meeting: Compliance Advisory Committee

### 1. Date and time

December 22, 2005 (Thu) 15:00 - 18:00

### 2. Location

Main Office Conference Room, Mitsubishi Estate

### 3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors" Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



## 4. Deliberations (summary)

1. Mitsubishi Estate's internal audit structure was explained.
2. The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

### (1) Revising the Code of Conduct

- A report was made on the formal decision taken by the CSR Committee, the company's decision-making body, and an explanation was given of how the information would be communicated throughout the company going forward.

### (2) Report on Findings

- Committee members discussed the contents of the report on findings prepared by Professor Taka, the Committee Chairman.
- Based on the opinions offered in this session, it was determined that the Committee Chairman would recompile the report, receive feedback from individual committee members and create a final report on findings.



# Reinforcing Compliance

## Preventing Corruption

The Mitsubishi Estate Group has declared that it will carry out equitable, transparent corporate activities with a primary emphasis on earning trust. The Group's Guidelines for Conduct forbid not just actions that could be construed as collusion with government officials or other actions considered illegal, but also entertainment and gift-giving that goes beyond the bounds of social convention.

When providing support related to the activities of political parties and political groups, the Group ensures it is appropriate in accordance with relevant laws and regulations such as the Political Funds Control Act and the Public Offices Election Act, as well as internal regulations such as the Mitsubishi Estate Group Guidelines for Conduct.

Moreover, in 2013, the Group established the Mitsubishi Estate Group Basic Regulations on the Prevention of Corruption to put in place a system to prevent corruption across the organization. In 2018, the Group established and published the Mitsubishi Estate Group Anti-Corruption Guidelines. The Guidelines document expectations of business partners with the aim of ensuring compliance throughout the supply chain based on the cooperation of all of the Group's business partners.

Mitsubishi Estate Group Guidelines for Conduct



Mitsubishi Estate Group Anti-Corruption Guidelines (PDF 245KB)



## Consultation and Reporting

In addition to establishing a help line as a point of contact for consultation on matters relating to compliance, including corruption prevention, the Mitsubishi Estate Group has set up a help line exclusively for business partners to receive consultations and reports from business partners of Group companies.

## Risk Assessment

The Group has established and operate the Rules on Corruption Risk Assessment and Corruption Due Diligence, which require that the risk of corruption be assessed for each contract and mandate due diligence in the case of counterparties with which transactions are deemed high risk.

In 2017, an external organization assessed the Mitsubishi Estate Group's corruption prevention system as a whole. The Group has been working to further strengthen the corruption prevention system by responding to the issues identified through the assessment.





## Monitoring

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The Risk Management & Compliance Committee monitors the operational status of the corruption prevention system as needed, and the status of monitoring by the Risk Management & Compliance Committee is also reported to the Board of Directors. Also, in order to maintain and continue the effectiveness of the corruption prevention system, the Group implements internal audits to assess and review the corruption prevention management system.

## Education

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The Mitsubishi Estate Group conducts varied training to ensure that the rules on corruption prevention are thoroughly understood. The Group provides training on corruption prevention to officers and employees and obtains pledges on the Guidelines on the Prevention of Corruption from officers and employees. The Group also holds annual lectures on corruption prevention, particularly for departments and Group companies engaged in international business.

## Violation of Laws and Regulations on Corruption

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The Group was not subject to any fines or penalties for corruption in fiscal 2022.

See the following for information about violation of laws and regulations on corruption.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



## Measures Against Organized Criminal Elements

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The Mitsubishi Estate Group clearly stipulates its refusal to countenance any relationship whatsoever with organized criminal elements in its Guidelines for Conduct. Mitsubishi Estate's Legal & Compliance Department serves as a special department to take resolute measures for the Group, in cooperation with the police, in the event of any contact from criminal elements.



## Augmenting the Help Line

The Mitsubishi Estate Group has established a confidential compliance help line to receive inquiries and consultations on compliance issues. Officers and employees can consult the help line about suspected compliance violations or other issues of concern that have to be addressed, such as harassment, human relationships in the workplace, labor relations, and corruption. Group company employees, temporary employees, part-time employees, and various other part-time staff can also use the help line. In 2018 the Mitsubishi Estate Group help line center was unified with external organizations to make it possible for it to receive calls on weekday evenings and weekends and holidays as well. In addition, the Group set up the Global Help Line in 2022 for officers and employees attached to overseas subsidiaries, compatible with the laws and regulations in each country as well as other factors such as languages and time zones. To ensure that employees know about the help line, information is provided in the Compliance Newsletter and on posters.

The Group responds appropriately to the reports received by studying and confirming the situation based on the consultations and improve the workplace environment.

See the following for the number of reports to the help line.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



The Mitsubishi Estate Group has also established help lines at individual Group companies and regularly collates data to confirm trends. In addition, a help line exclusively for business partners has been set up to receive consultations and reports on compliance from the business partners of Group companies.

## Occurrences of Serious Compliance Violations

In the event of compliance violations, the Mitsubishi Estate Group takes disciplinary action against the offender in accordance with the nature of the violation.

See the following for occurrences of serious compliance violations.

[ESG Data > G: Governance-related data > \(2\) Other > 2. Risk Management and Compliance](#)



## Publishing the Compliance Guidebook

To accompany the revision of the Mitsubishi Estate Group Guidelines for Conduct in April 2018, the Compliance Guidebook was revised and published as a training tool. The Guidebook uses illustrations and a Q&A format to explain the Mitsubishi Estate Group's five most important values in an easy-to-follow format. It was distributed to all Group officers and employees and helps to increase knowledge and understanding of what compliance involves.



## Providing Risk Management and Compliance Training

The Mitsubishi Estate Group uses opportunities such as training sessions for new hires and new managers to provide training to ensure risk management and compliance awareness among all executives and employees.

In particular, new hires from major Group companies participate in joint training together to learn about the Code of Conduct and basic compliance issues.

Moreover, Mitsubishi Estate provides compliance education during training for newly appointed managers and level 2 professional career hires, and also provides all employees and officers, including outside directors, with training in risk management and compliance via e-learning.

See the following for the risk and compliance e-learning attendance rate.

[ESG Data > G: Governance-related data > \(2\) Other > 2. Risk Management and Compliance](#)



## Holding Risk Management and Compliance Lectures

Every year, Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions during that particular year. Mitsubishi Estate is working to strengthen risk management and compliance through this lecture initiative as well as the training described above.

## Compliance Surveys

The Mitsubishi Estate Group gives compliance surveys every two years to its approximately 16,000 executive officers and employees (including temporary employees) to ascertain the extent to which they are aware of compliance issues. The Group analyzes the survey results to identify overall trends and characteristics of each business group and company, and provide feedback to each workplace to help maintain and strengthen the compliance system as well as reporting the results to management.



## Including Compliance and Risk management Criteria in Personal Evaluations

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In order to ensure that each and every employee has aware of compliance and risk management and acts with integrity as a member of the Mitsubishi Estate Group, we have included evaluation criteria related to compliance and risk management in our personnel evaluations. Specifically, in accordance with the The Spirit of Mitsubishi: The Three Principles and The Mitsubishi Estate Group Code of Conduct, the achievement levels are defined for each position and grade, including whether the employee is acting with an awareness of compliance, identifying and avoiding risks, and preventing recurrence. All employees are evaluated once a year on the status of achievement, and the results are taken into consideration for salary increases.

Through these personnel evaluations, each and every employee will strengthen their awareness and consciousness as a member of the Mitsubishi Estate Group, and by acting in a fair and transparent manner, we will strive to earn the trust of our many stakeholders.



# Governance Risk Management

## Risk Management Approach and Policies

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Risk Management Rules and has set up and operates a risk management system to manage risk in all its business activities. The Group systematically carries out risk management programs, focusing on the following two types of activities.

### Risk Management Activities

01

#### Risk Management Activities of Respective Individual Business and Functional Groups and Group Companies

Individual Group companies and functional and business groups identify important risks based on a risk analysis and carry out activities throughout the year to reduce the risks identified. In addition, the general managers of each functional or business group ascertain the status of risk management activities of different business companies under the jurisdiction of each group and provide coordination and support.



02

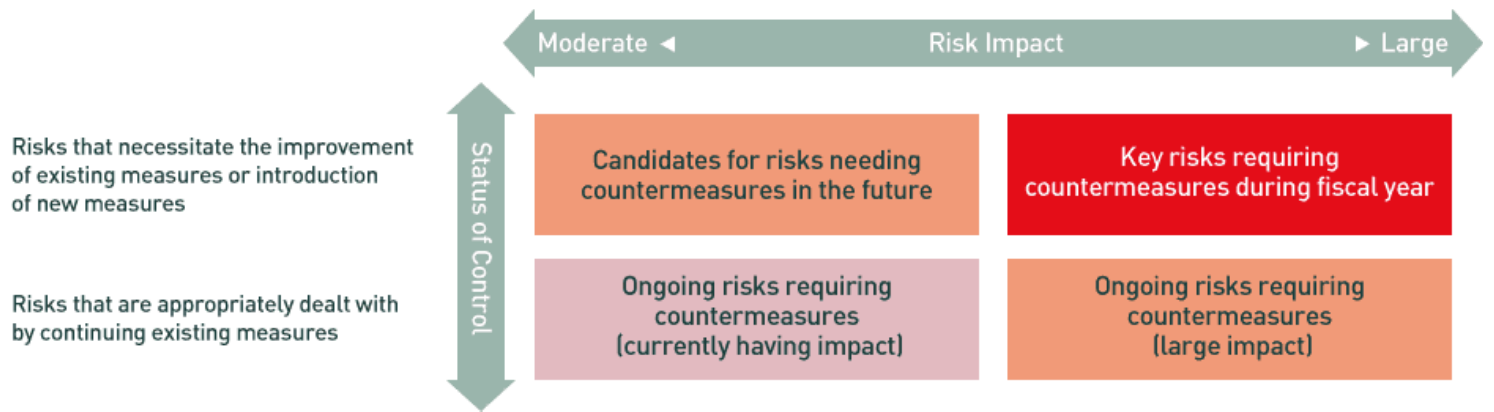
#### Identification and Monitoring of Key Risks That Need Particular Attention from the Group

To accurately grasp the risks facing the Group as a whole, and by selecting and mapping key risks that require measures to be taken, the risks that must be addressed and their level of priority are brought to light. While monitoring risks throughout the year, particularly key risks, support is provided as necessary.





## Risk Map

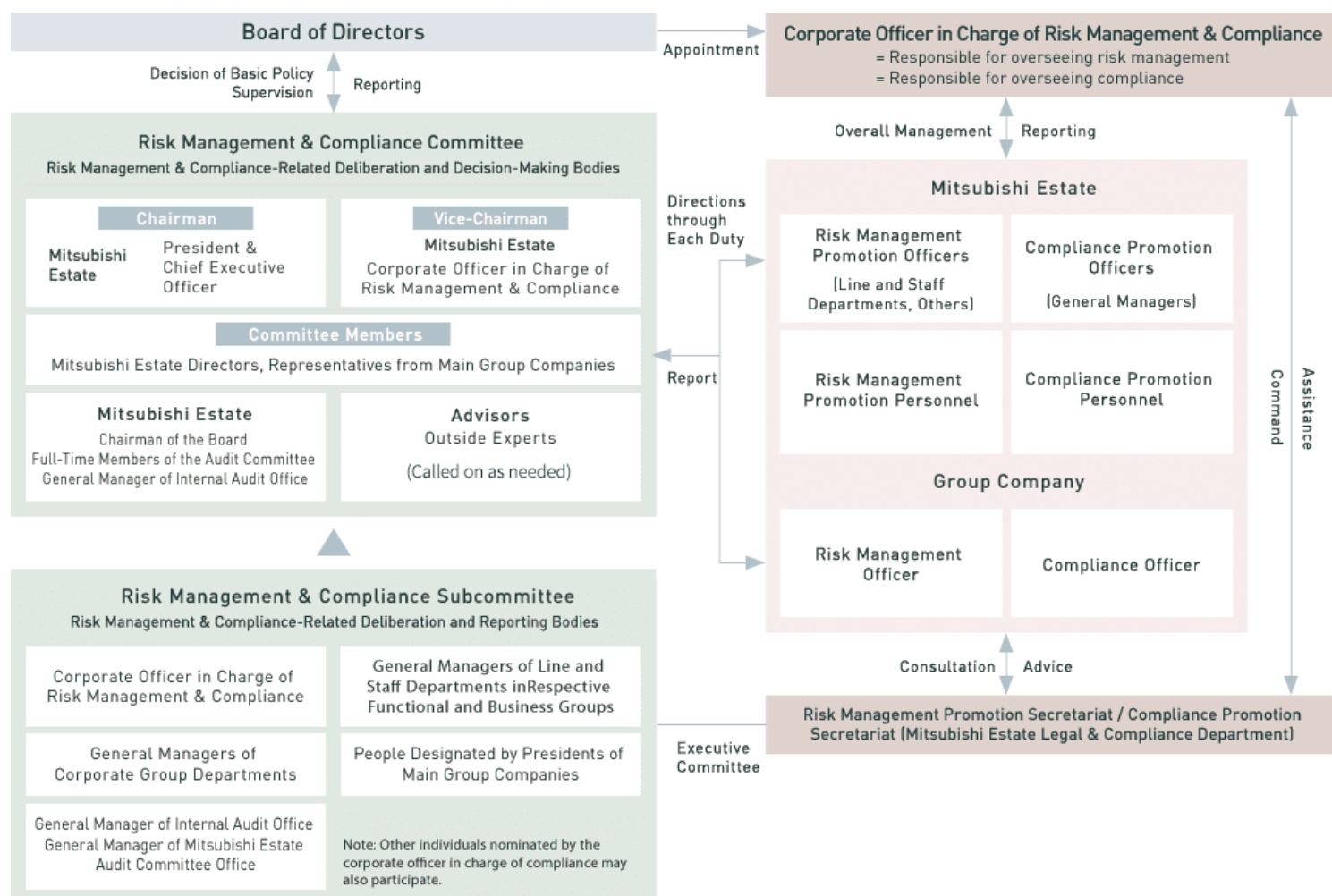




# System for Promoting Risk Management

Mitsubishi Estate has established the Risk Management & Compliance Committee to oversee the Group's risk management and formed the Risk Management & Compliance Subcommittee as a working-level consulting body responsible for such matters as the collection of risk management-related information. The corporate officer in charge of risk management at Mitsubishi Estate is appointed by resolution of the Board of Directors to take responsibility for overseeing risk management, and general managers of each business groups and general managers from Group departments have been designated as risk management officers. We promote risk management activities through the Mitsubishi Estate Legal & Compliance Department, which serves as the secretariat. The Risk Management & Compliance Committee reviews the effectiveness of the risk management process as needed and its findings will be reported to the Board. We have also established and implemented action guidelines, contact and initial response systems, and business continuity planning for use in times of crisis.

## Risk Management and Compliance System (As of April 2023)





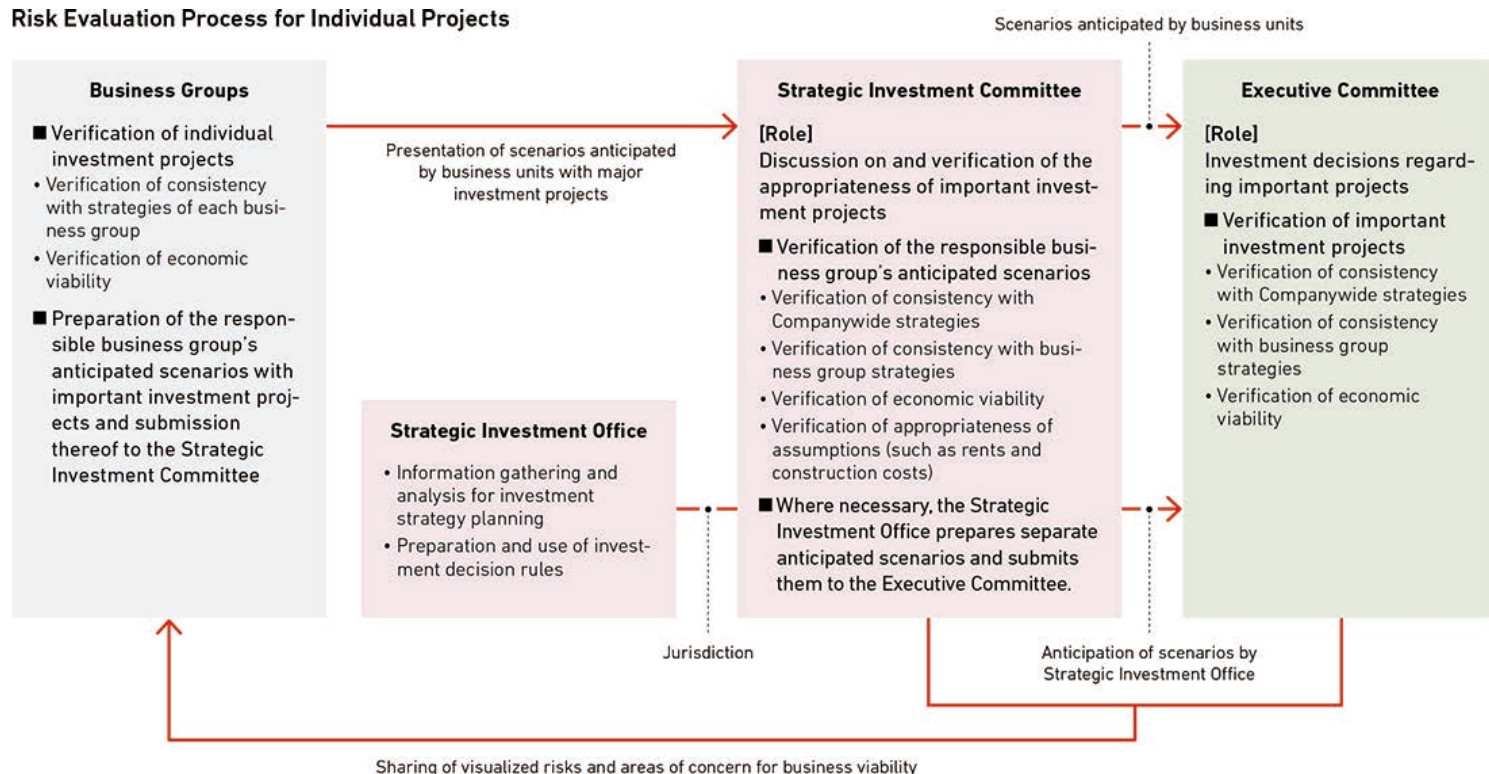
## Risk Management Related to Investment Projects

Among the various risks recognized by the Mitsubishi Estate Group, risks related to investment projects are based on the assessment of business viability by company-wide research functions and under investment decision rules of the Strategic Investment Office. Prior to the deliberation of important investment projects by the Executive Committee, which is chaired by the president & CEO of Mitsubishi Estate and is responsible for strategic planning for the entire Group and monitors the progress of each business toward realizing this strategy, the Strategic Investment Committee deliberates and evaluates profitability, the nature of risks and related countermeasures, and other matters. At each phase, risk assessments are also conducted from legal and financial aspects in order to grasp an overall picture of the risks.

### Strategic Investment Committee

In its deliberations, in addition to assessing the economic viability of a given project using multiple indicators, the Strategic Investment Committee verifies the appropriateness of various aspect of premises, such as rents, unit selling prices, and construction costs. For risks, in particular, simulations of upside and downside scenarios are incorporated into investment decision rules. The difference between the scenario set by the responsible business group in charge of the project and the downside scenario is recognized as risk. The Strategic Investment Committee holds discussions on the acceptable limits of that risk.

#### Risk Evaluation Process for Individual Projects





# Risk Management Initiatives

## Holding Risk Management and Compliance Lectures

Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions in that particular year.

### Dealing with Major Risks

Below are some examples of risks that have come to light in the Mitsubishi Estate Group through risk management activities and various business activities and countermeasures that have been taken.

	Risks	Countermeasures
<b>Risks of Natural and Man-Made Disasters, etc.</b>	Amid growing social interest in the way companies respond in the event of pandemics and natural disasters, such as typhoons, in the unlikely event of shortcomings in a response deemed appropriate by the Group, safety management, reputational, and other risks could emerge, which might affect the Group's business promotion and performance.	At facilities that it owns or operates, the Mitsubishi Estate Group prepares business continuity plans for use in the event of a natural or man-made disaster. In addition, redevelopment projects promoted by the Group put in place advanced disaster-management functions and adopt disaster countermeasures through area management.
<b>Risks of a Deterioration in Real Estate Market Conditions</b>	The Group's performance may be adversely affected if real estate market conditions were to deteriorate in accordance with an economic downturn caused by domestic and overseas factors. In such circumstances, the Group would need to pay particular attention to the progress of occupancy rates in the Tokyo office leasing market and to multi-use development, redevelopment, and other plans, as these entail large-scale investments over long-term development time frames.	The basic policy of the Group is to conclude relatively longterm lease contracts with customers in its office building leasing business. The resultant prospect of stable lease revenues mitigates to a certain degree the risk of sharp economic fluctuations.
<b>Risks of Substantial Rises in Material Prices</b>	If material prices rose in conjunction with a steep increase in raw material and crude oil prices due to domestic and overseas factors, the Group may not necessarily be able to offset this through increased sales prices and rental fees in its real estate development business, which may have an adverse effect on performance.	The Group implements cost control measures, such as the early placement of construction material orders, and will monitor trends in material prices in a timely manner going forward while adopting a multifaceted response that encompasses adjusting investment and development plans and consulting with its partners.



	Risks	Countermeasures
<b>Risks of Fluctuations in Exchange Rates</b>	The Group's business operations are affected by fluctuations in exchange rates. Appreciation of the yen reduces the yen conversion amount in foreign currency denominated transactions. In addition, a portion of the Group's assets and liabilities are converted into Japanese yen for the preparation of consolidated financial statements. Accordingly, even if there was no change in the value of said assets and liabilities in local currency terms, their value may be affected after yen conversion	The Group strives to minimize risks of fluctuations in exchange rates through such efforts as procuring funds in the relevant foreign currency when acquiring foreign currency-denominated assets.
<b>Risks of Increases in Interest Rates</b>	The Bank of Japan (BOJ) has implemented a policy of quantitative and qualitative monetary easing with yield curve control in response to the credit crunch in financial markets and the slowdown in the global economy. However, a rise in interest rates due to a change in the BOJ's policy or a deterioration in the demand-supply balance for Japanese government bonds (JGBs) caused by growth in the issuance of JGBs may negatively affect the performance, financial position, or other aspects of the Group's business.	The Group hedges interest rate risk on a portion of its variable interest rate financing through interest rate swaps to convert its interest rate payments into fixed payments. The Group plans to continue procuring funds in consideration of the balance between outstanding borrowings and corporate bonds with fixed and variable interest rates.
<b>Information Security Risks, Such as Cyberattacks, Including Leaks of Personal Information</b>	The Group's performance could be affected in the unlikely event of external leaks of confidential information or the materialization of system risks due to unforeseen circumstances, such as information security incidents resulting from cyberattacks, computer viruses, or the like.	The Group has established regulations in relation to information management, based on which it implements a rigorous information management system, and complies appropriately with revisions to laws, such as the Act on the Protection of Personal Information. Moreover, in order to raise the IT security level Groupwide, the Group has positioned its DX Promotion Department at the center of efforts to standardize its IT systems and make them more secure. The Group is also enhancing collaboration among DX Promotion Department IT security personnel and between the department and external security companies, thereby providing Groupwide support.





## Emerging Risks for the Mitsubishi Estate Group's Business

Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Soaring material costs and supply shortages due to the situation in Ukraine	The Mitsubishi Estate Group operates a real estate business that includes office buildings, condominiums, and commercial complexes. The main business model is to plan and design real estate projects within the Group, order construction from construction companies, and then lease properties to tenants. Construction companies procure construction materials that meet the Group's design specifications, and this includes procurement of timber for use in construction. Timber is mainly used for concrete formwork panels and building interiors, and some of the timber procured is produced in Russia. In light of the situation in Ukraine, one of the risks is a shortage of timber due to unreliable imports of timber from Russia. The Group has also been using certified timber from Russia for some of the concrete formwork panels with the target of using 100% certified or domestically-produced timber.	<p>Unreliable timber imports from Russia could lead to the following impacts on business</p> <p><b>[ Impact on costs and construction period ]</b></p> <p>Due in part to the impact of the wood supply shock, it is now very difficult to find alternative timber, and additional time and expense is involved in the search for alternatives. Furthermore, if the Group opts to use certified timber, as stipulated in the Group's sustainability goals, the difficulty in obtaining timber will increase further.</p> <p>There could also be an impact on the construction period, and in that case, construction costs will increase. In addition, the cost of alternative timber itself is expected to increase.</p>	The Group established MEC Industry Co. Ltd. as a Group company that handles everything from procurement to sale of Japan-grown timber in an effort to promote its own procurement of timber and its incorporation into products. The Mitsubishi Estate Group considers Japan-grown timber to be low risk in terms of illegal logging and human rights and believes that it meets the Group's standards.
Energy Crunch	The real estate leasing business is one of our major businesses, and we operate a variety of assets, including office buildings, rental condominiums, and commercial facilities. In the course of our leasing business, we use various types of energy, such as electricity and heat, which are major business costs. Energy costs are on an upward trend due to the recent sharp rise in fuel costs and other factors, and we view this as one of the emerging risks since the cost impact on our business is significant.	Rising energy prices will increase building operation and management costs and we view this as a cost risk as we operate and manage a large number of properties.	<p>To reduce the impact of rising energy prices, for example, in the office leasing business, we are taking the following initiatives</p> <p>(1) Develop real estate with high energy performance. (For properties above a certain size, we make it mandatory to obtain green building certification, etc.)</p> <p>(2) Implement energy-saving measures to the extent that they do not interfere with the office operation business.</p>



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Human rights due diligence legislation	<p>As human rights due diligence legislation is being implemented in Europe and elsewhere, the standards required are becoming more sophisticated. Since the Mitsubishi Estate Group does business in many countries, it believes it is necessary to comply with the legal systems in the countries where it operates. Even in countries where legal systems are not yet in place, it is also necessary to make preparations in advance of such legal systems. In addition, due to the nature of the real estate business, some of the Group's business partners, for example the construction industry, are labor-intensive and thus high risk in terms of human rights.</p>	<p>The most significant impact of a delay in complying with legal systems related to human rights due diligence is expected to be a loss of trust from stakeholders. In particular, it could lead to a loss of trust from investors, which could lead to divestment, or a loss of trust from customers (tenants, condominium purchasers, etc.), which could, in turn, impact sales, etc.</p>	<p>In fiscal 2021, with the aim of further strengthening supply chain management, the Mitsubishi Estate Group revised its existing CSR Procurement Guidelines and established the Supplier Code of Conduct to set forth the matters it expects compliance from suppliers. The Group identifies high-risk suppliers in terms of human rights and the environment and conducts SAQ (self-assessment questionnaire) whether they comply with the contents of the Supplier Code of Conduct. Depending on the results of the SAQ, the Group requests improvements or conducts on-site audit.</p>
Information security risk	<p>The risk posed by cyberattacks is increasing year by year, and we consider it to be one of the management risks, with concerns including information leaks, unauthorized access to, and damage from ransomware attacks on information systems and data related to personal information, etc. of tenants of office buildings and commercial facilities and purchasers of condominiums.</p>	<p>The Mitsubishi Estate Group holds a vast amount of customer and business partner data, including personal information related to the tenants of office buildings and commercial facilities and the purchasers of condominiums, as well as information on orders placed with construction companies for new construction. The stable operation of information systems is also necessary for providing services outside of the Group and the execution of internal operations. Information leaks or threats such as ransomware attacks and unauthorized access lead to a decline in corporate credibility and hinder business activities, which could in turn impact business profitability.</p>	<p>In light of society's growing concerns over appropriate information management, response to cyberattacks, and protection of personal information, the Mitsubishi Estate Group manages information by establishing rules related to information management (rules on information management, information systems, cybersecurity, and personal information) and updates its rules related to information management as required in response to changes in the environment and technology. The Group also strives to ensure strict information management through continuous monitoring and audits.</p> <p>Moreover, in order to raise the IT security level of the entire Group, we have established information management systems to implement measures such as the following:</p> <ul style="list-style-type: none"> <li>● We have strengthened Groupwide cybersecurity by appointing senior executive officer Keiji Takano as the Chief Information Security Officer (CISO) of the Mitsubishi Estate Group and establishing the Cybersecurity Promotion Office in the DX Promotion Department</li> <li>● The new Cybersecurity Promotion Office established in fiscal 2022 is composed mainly of specialists with knowledge about cybersecurity as an organization which will strengthen cybersecurity both in terms of management and technology.</li> </ul>



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Information security risk			<ul style="list-style-type: none"> <li>● We implement security training, targeted attack email drills, and role-specific security training for all Mitsubishi Estate Group employees to enhance security response capabilities.</li> <li>● We maintain and enhance the security of our information systems by introducing and operating security measures and conducting periodic security assessments to correct vulnerabilities and review countermeasures.</li> <li>● The Mitsubishi Estate Group's CSIRT (Computer Security Incident Response Team) system is based on the Cybersecurity Promotion Office. In the event of large-scale damage, an emergency task force will be established to respond to the incident.</li> <li>● We have formulated a BCP response plan, established an information system for BCP response, and hold BCP response drills at least once a year.</li> <li>● We utilize cybersecurity knowledge gained from sharing information on the latest response cases through participation in various external organizations' activities.</li> <li>● We are continuously making improvements by identifying problems and issues through regular security assessment by external third parties and responding to any findings.</li> </ul>
Business continuity risk due to natural disasters, etc.	<p>Climate change-driven natural disasters, which include flooding due to abnormal weather and sudden heavy rain, typhoons, and hurricanes, have become more severe in recent years. It is thought this could impact on the business continuity of the offices and commercial facilities operated by the Company, and this has been identified as an emerging risk.</p>	<p>Abnormal weather, such as sudden heavy rain, thought to be due to climate change, could damage the offices and commercial facilities operated by the Company. If the Company is forced to suspend operations of its facilities due to this damage, the number of people using urban areas and facilities will decrease, and it will be harder to lease facilities to tenants, which could make it difficult to continue the business. In addition, if it is difficult to continue the business, it is also assumed there could be an impact on rental profits.</p>	<p>The Mitsubishi Estate Group has installed advanced disaster prevention functions in the urban areas it develops and the buildings it operates as well as taking disaster response measures through area management.</p> <p>For example, in order to minimize the risk of flooding in office buildings it constructs, the Group takes all possible flood control measures including installing waterstopping equipment such as tide plates and watertight doors, and locating stockpile stores and key sites (e.g. power receiving and transforming equipment and disaster prevention centers) on above-ground floors. The Group has also been devising ways to develop highly disaster-resilient urban areas, such as installing systems in which electricity, water, and ventilation all function independently even when infrastructure supplies are cut in a disaster.</p>



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Business continuity risk due to natural disasters, etc.			<p>The Mitsubishi Estate Group has established the Mitsubishi Estate Group Business Continuity Plan Guidelines, the Mitsubishi Estate Business Continuity Plan Documents, and the Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.</p> <p>Mitsubishi Estate Co., Ltd. has been implementing a variety of disaster prevention drill initiatives.</p> <ul style="list-style-type: none"> <li>● Every year, Mitsubishi Estate holds its comprehensive disaster prevention drill with the participation of all its officers and employees as well as Group companies and related parties to minimize damage and ensure a rapid response in the event of a disaster.</li> <li>● As a disaster prevention initiative in the Otemachi-Marunouchi-Yurakucho area, Mitsubishi Estate conducted verification testing of Saigai Dashboard 4.0 in collaboration with Chiyoda-ku, railway companies, bus operators, building operators, and others. This has realized contactless reception in facilities for stranded commuters using QR codes and visualization of congestion around facilities.</li> <li>● The company held an initial response drill for head office employees based on the action plan for after an automatic announcement by the disaster system, in which a fifth generation mobile communications system (5G) was used for the first time in Japan. With cooperation from SoftBank Corp., Mitsubishi Estate installed Odekake 5G, a portable 5G facility that can be used locally for 5G communications, and verified a system for monitoring evacuation centers in real time using AI video analysis software. The information that was visualized in real time included the number of evacuees and rescue workers in evacuation centers, status of crowding in evacuation centers, results of rescue worker identification using facial recognition, and results of detection of people in need of being rescued.</li> </ul>




# Business Continuity Plan Initiative and Review

The Mitsubishi Estate Group has drafted a Business Continuity Plan (BCP) to prevent crucial operations from being interrupted if a disaster or accident occurs — and, if they are suspended, to enable their speedy resumption — and we established "Mitsubishi Estate Group Business Continuity Plan Guidelines" in October 2006.

In December 2012, we established "Mitsubishi Estate Business Continuity Plan Documents" and the "Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document" in light of the Great East Japan Earthquake. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.

Furthermore, in light of changes in the social and business environment, we strive to continually upgrade the content of the Business Continuity Plan through PDCA cycles and will implement further improvements going forward in order to fulfill our social responsibility.





# Governance Internal Audit

## Status of Internal Audits

The Internal Audit Office conducts internal audits through "site audits" and "audits by theme" in accordance with mid-term and annual audit plans formulated based on company-wide risk assessments to confirm whether governance, risk management, and internal control systems are in place and operating properly.

In the "site audits" multiple offices are selected each year and audited based on the results of risk assessments of each Mitsubishi Estate department, branch, and domestic and overseas group company conducted by the Internal Audit Office at the time of the audit plan formulation. In this audit, we audit the status of penetration of basic philosophy and compliance including the Mitsubishi Estate Group Basic Mission, Charter of Conduct, and Action Guidelines, as well as the status of risk management activities at the relevant sites.

The "audit by theme" is an audit based on predetermined themes. One such theme is the "Audit on the Effectiveness of the Company-wide Risk Management System," which is conducted every year. The theme is selected based on a risk approach, including risk identification, evaluation, management, and monitoring processes, as well as the status of response to significant risks.

All audit results are reported to the President and explained to the full-time Audit Committee member and the director in charge of compliance. In addition, a summary of the results is also reported to the Management Committee and the Audit Committee, and important items are also reported to the Board of Directors. Issues identified in audits are notified to the audited departments, etc., requesting them to take measures for improvement, and the status of improvement is confirmed.

In addition, the Internal Audit Office undergoes external evaluations on a regular basis (approximately every five years), with the most recent external evaluation conducted in FY2021. The latest external evaluation was conducted in FY2021. Through these efforts, we strive to continuously improve the quality of our audits.

The Internal Audit Office also serves as the secretariat for management's reporting on internal control over financial reporting (J-SOX), and promotes the evaluation of internal control over financial reporting in cooperation with the audit by the accounting auditor. In this context, the Internal Audit Office evaluates the status of internal controls, including compliance systems, of the Company and its consolidated subsidiaries in cooperation with the relevant departments.



# Governance Tax Transparency

## Policy on Tax Transparency

The Mitsubishi Estate Group states that it will engage in fair and transparent corporate activities in the Mitsubishi Estate Group Code of Conduct and the Mitsubishi Estate Group Guidelines for Conduct, and considers it is important to act in compliance with corporate ethics and internal rules, beyond merely complying with legal requirements. Based on this concept, the Mitsubishi Estate Group complies with the matters listed below and engages in appropriate, fair, and highly transparent tax practices.

### 1. Compliance with tax laws and conformity with international standards

Each Mitsubishi Estate Group company complies with laws, regulations, and rules related to tax in each country where they engage in business activities as well as implementing tax practices in conformity with standards and guidelines published by international organizations (e.g., OECD, EU, the United Nations). Each Group company also ensures that it will file and pay taxes by the deadline stipulated in each country.

### 2. Sound relationships with tax authorities

The Mitsubishi Estate Group maintains sound and normal relationships with tax authorities and does not provide unjustified benefits.

### 3. Implementation of appropriate tax treatments

The Mitsubishi Estate Group responds appropriately to changes in the tax system and tax administration in each country to ensure appropriate tax treatments and strives to ensure that an appropriate amount of tax is paid while also considering the use of tax incentives within the scope of normal business activities.

### 4. Prevention of unfair tax avoidance measures

The Mitsubishi Estate Group does not engage in unfair tax avoidance measures, such as use of tax havens for the purpose of tax avoidance.

### 5. Transfer pricing

In its transactions with foreign parties, the Mitsubishi Estate Group takes into consideration the arm's length price (ALP) and appropriately distributes profits based on the functions, assets, and risks of each subsidiary in each country.



# Governance System

In order to ensure appropriate and fair financial reporting in accordance with the policy set out above, the Mitsubishi Estate Group has formulated and operates the Mitsubishi Estate Group Basic Guidelines on Internal Control Regarding Financial Reporting (Basic Rules) based on the Basic Policy of Establishment of the Internal Control System (resolution of the Board of Directors). These guidelines stipulate the following roles and responsibilities for financial reporting.

## Roles and responsibilities stipulated in the guidelines

- Mitsubishi Estate Co., Ltd. Representative Corporate Executive Officer, President & Chief Executive Officer ("the President")
  - Establishes and operates internal control system in order to ensure reliability of financial reporting at the Mitsubishi Estate Group.
- Mitsubishi Estate Co., Ltd. Board of Directors
  - Supervises establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the President.
- Mitsubishi Estate Co., Ltd. Audit Committee
  - Monitors and verifies the establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the Board of Directors and the President.
- Mitsubishi Estate Co., Ltd. Internal Audit Office
  - Evaluates status of establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting and promotes improvements as necessary.

For Audit Committee audits, the Committee receives reports on the audit plan, audit implementation system, and audit results from the Independent Auditor and the Internal Audit Office, and reports on the status of settlement of accounts at the end of quarterly and annual financial periods from the Finance & Accounting Department. The Audit Committee reports the results of Audit Committee audits to the Board of Directors.

In addition, the evaluations of the status of establishment and operation of the internal control system related to Mitsubishi Estate Group financial accounting conducted by the Internal Audit Office assess the effectiveness of the internal control system related to financial reporting with a focus on the tax calculation processes and other business processes that result in highly significant account items. This is reported to the Board of Directors by the President.

The substance of financial reporting (the consolidated financial statements) is audited by the Independent Auditor, and audit reports are received as follows.

[Consolidated Financial Statements \(PDF 11.2MB\)](#)





# Disclosure of Tax Payments

Click here for the Mitsubishi Estate Group's tax payment record.

[ESG Data > G: Governance data > \(2\) Other](#)







# SUSTAINABILITY ACTIVITIES (ESG)

## ESG Data



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# ESG Data

## E: Environmental data

E: Environmental data

S: Social data

G: Governance data

## E: Environmental data

### (1) KPI

#### 1. Climate Change (GHG Emissions, Energy Use)

	Targets&Target year		Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
GHG emissions reduction targets *1 * Revision in March 2022 (Targets approved by the SBT initiative in June 2022)	Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions *.)	total	2,099,270	2,534,820	3,533,468	4,038,583	3,588,345	3,336,472	t-CO2	100% of Mitsubishi Estate Group*
		Scope1+2	265,442	312,198	413,153	476,363	-	-	t-CO2	
		Scope3	1,833,828	2,222,622	3,120,314	3,562,220	-	-	t-CO2	
Renewable Energy Rate * Revision in February 2022	Achieve 100% group-wide by fiscal 2025		51.4%	30.8%	3.1%	1.1%	1.3%	-		100% of Mitsubishi Estate Group*
Energy consumption *5	-		559,826	518,515	1,024,802	1,242,153	1,138,078	-	MWh	
- Renewable energy consumption	-		288,019	159,663	31,804	14,005	14,685	-	MWh	



- \*1 As a general rule, target group companies are selected based on actual control approach. Properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.  
(However, under GRESB, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are 20% and over are included.)
- \*2 Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.
- \*3 Since the above numerical targets were revised upward in March 2022, the figures for the base year, FY2019 onward, show the breakdown of Scope 1+2 and Scope 3, respectively.
- \*4 For FY2019 actual emissions, the figures for Scope 2 and Scope 3 in total emissions have been partially changed due to the transfer of tenant emissions from Scope 2 to Scope 3 in leased real estate when the numerical targets were revised.
- \*5 For RE100, tenant use is excluded from electricity consumption from FY2021.

## 2. Resources (Waste, Water, Forestry Resources, etc.)

	Targets	Target year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Unit	Boundary
Waste generated per unit of floor space	20% reduction from FY2019 FY2019 actual: 7.1kg/m <sup>2</sup>	2030	5.6	5.1	5.0	7.1	11.1	kg/m <sup>2</sup>	100% of Mitsubishi Estate Group *1
Waste generated	-	-	45,879	39,420	39,221	54,114	74,595	t	
- Japan	-	-	44,077	38,549	38,750	52,081	74,595	t	
- Overseas	-	-	1,803	871	471	2,033	-	t	
Area floor	-	-	8,052,059	7,760,237	7,807,417	7,591,269	6,750,610	m <sup>2</sup>	
Recycling rate	90%	2030	59.1%	58.4%	60.5%	55.2%	45.5%		100% of Mitsubishi Estate Group *1
Waste recycled	-	-	27,102	23,023	23,742	29,878	33,923	t	
- Japan	-	-	26,649	22,808	23,636	29,351	33,923	t	
- Overseas	-	-	453	216	106	527	-	t	
Recycled water usage rate	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%		Newly constructed*2, large-scale*3 office buildings and commercial facilities in Japan
Japan-grown timber usage rate	100%	Fiscal 2030 ongoing goal	73.5%	71.2%	69.3%	71.8%	-		Mitsubishi Estate Home (structural materials and floor materials for detached housing)

\*1 Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.

\*2 Completed in 2002 onward

\*3 Floor area: 100,000m<sup>2</sup> or more



## (2) Other

### Basic Data on Target Properties

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Total floor area (m <sup>2</sup> )	8,052,059	7,760,237	7,807,417	7,591,269	6,750,610	6,761,510
Number of target properties	135	120	111	112	97	90

Independent assurance has been obtained for fiscal 2019 - 2022 results in (1) through (3) below.

Independent Third-Party Assurance Report



# 1. Climate Change (GHG Reduction and Energy Management)

## GHG Emissions

	Fiscal 2022					Fiscal 2021				
	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)
Total GHG emissions (Scope 1+Scope 2+Scope 3)	2,099,270	0.2689	100.0%	-	▲48.0%	2,534,820	0.3247	100.0%	-	▲37.2%
Scope 1	110,783	0.0143	5.3%	-	▲6.4%	120,713	0.0156	4.8%	-	+2.0%
- CO2	108,258	-	5.2%	-	▲7.7%	116,438	-	4.6%	-	▲0.7%
- CH4	0	-	0.0%	-	-	0	-	0.0%	-	-
- N2O	0	-	0.0%	-	-	0	-	0.0%	-	-
- HFCs	2,525	-	0.1%	-	+132.3%	4,275	-	0.2%	-	+293.3%
- PFCs	0	-	0.0%	-	-	0	-	0.0%	-	-
- SF6	0	-	0.0%	-	-	0	-	0.0%	-	-
- Other	0	-	0.0%	-	-	0	-	0.0%	-	-
Scope 2	154,659	0.0199	7.4%	-	▲56.8%	191,485	0.0247	7.5%	-	▲46.5%
Scope 1 + Scope 2	265,442	0.0342	12.6%	-	▲44.3%	312,198	0.0402	12.3%	-	▲34.5%
Scope 3	1,833,828	-	87.4%	100.0%	▲48.5%	2,222,622	-	87.7%	100.0%	▲37.6%
- Category 1: Purchased goods and services	297,717	-	14.2%	16.2%	+241.4%	63,486	-	2.5%	2.9%	▲27.2%
- Category 2: Capital goods	834,773	-	39.8%	45.5%	▲26.4%	951,607	-	37.5%	42.8%	▲16.1%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	86,226	-	4.1%	4.7%	▲35.0%	83,354	-	3.3%	3.8%	▲37.2%
- Category 5: Waste generated in operations	27,167	-	1.3%	1.5%	+24.8%	25,472	-	1.0%	1.1%	+17.1%
- Category 6: Business travel	1,390	-	0.1%	0.1%	+10.8%	1,330	-	0.1%	0.1%	+6.1%
- Category 7: Employee commuting	3,099	-	0.1%	0.2%	+8.8%	2,939	-	0.1%	0.1%	+3.2%
- Category 11: Use of sold products	439,701	-	20.9%	24.0%	▲76.9%	918,548	-	36.2%	41.3%	▲51.8%
- Category 12: End-of-life treatment of sold products	44,083	-	2.1%	2.4%	▲10.4%	34,255	-	1.4%	1.5%	▲30.4%
- Category 13: Downstream Leased Assets	99,673	-	4.7%	5.4%	▲56.1%	141,631	-	5.6%	6.4%	▲37.6%



	Fiscal 2020					Fiscal 2019			
	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown
Total GHG emissions (Scope 1+Scope 2+Scope 3)	3,533,468	0.4526	100.0%	-	▲12.5%	4,038,583	0.5325	100.0%	-
Scope 1	116,914	0.0150	3.3%	-	▲3.1%	118,351	0.0156	2.9%	-
- CO2	114,729	-	3.2%	-	-	117,264	-	2.9%	-
- CH4	0	-	0.0%	-	-	0	-	0.0%	-
- N2O	0	-	0.0%	-	-	0	-	0.0%	-
- HFCs	2,185	-	0.1%	-	-	1,087	-	0.0%	-
- PFCs	0	-	0.0%	-	-	0	-	0.0%	-
- SF6	0	-	0.0%	-	-	0	-	0.0%	-
- Other	0	-	0.0%	-	-	0	-	0.0%	-
Scope 2	296,239	0.0379	8.4%	-	▲17.3%	358,012	0.0472	8.9%	-
Scope 1 + Scope 2	413,153	0.0529	11.7%	-	▲13.3%	476,363	0.0628	11.8%	-
Scope 3	3,120,314	-	88.3%	100.0%	▲12.4%	3,562,220	-	88.2%	100.0%
- Category 1: Purchased goods and services	55,037	-	1.6%	1.8%	▲36.9%	87,211	-	2.2%	2.4%
- Category 2: Capital goods	1,266,641	-	35.8%	40.6%	+11.6%	1,134,531	-	28.1%	31.8%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	117,993	-	3.3%	3.8%	▲11.1%	132,683	-	3.3%	3.7%
- Category 5: Waste generated in operations	15,129	-	0.4%	0.5%	▲30.5%	21,762	-	0.5%	0.6%
- Category 6: Business travel	1,301	-	0.0%	0.0%	+3.8%	1,254	-	0.0%	0.0%
- Category 7: Employee commuting	2,936	-	0.1%	0.1%	+3.1%	2,848	-	0.1%	0.1%
- Category 11: Use of sold products	1,420,533	-	40.2%	45.5%	▲25.5%	1,905,897	-	47.2%	53.5%
- Category 12: End-of-life treatment of sold products	48,289	-	1.4%	1.5%	▲1.9%	49,214	-	1.2%	1.4%
- Category 13: Downstream Leased Assets	192,456	-	5.4%	6.2%	▲15.2%	226,820	-	5.6%	6.4%





	Fiscal 2018				Fiscal 2017			
	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown	Emissions (t-CO2)	Per unit (t-CO2/m <sup>2</sup> )	Percentage of total emissions	Percentage of Scope 3 breakdown
Total GHG emissions (Scope 1+Scope 2+Scope 3)	3,588,345	0.5316	100.0%	-	3,336,472	0.4935	100.0%	-
Scope 1	108,289	0.0160	3.0%	-	120,634	0.0178	3.6%	-
- CO2	107,011	-	3.0%	-	119,989	-	3.6%	-
- CH4	0	-	0.0%	-	0	-	0.0%	-
- N2O	0	-	0.0%	-	0	-	0.0%	-
- HFCs	1,278	-	0.0%	-	645	-	0.0%	-
- PFCs	0	-	0.0%	-	0	-	0.0%	-
- SF6	0	-	0.0%	-	0	-	0.0%	-
- Other	0	-	0.0%	-	0	-	0.0%	-
Scope 2	564,033	0.0836	15.7%	-	575,262	0.0851	17.2%	-
Scope 1 + Scope 2	672,322	0.0996	18.7%	-	695,896	0.1029	20.9%	-
Scope 3	2,916,023	-	81.3%	100.0%	2,640,576	-	79.1%	100.0%
- Category 1: Purchased goods and services	77,035	-	2.1%	2.6%	74,329	-	2.2%	2.8%
- Category 2: Capital goods	975,004	-	27.2%	33.4%	990,329	-	29.7%	37.5%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	77,488	-	2.2%	2.7%	84,675	-	2.5%	3.2%
- Category 5: Waste generated in operations	19,401	-	0.5%	0.7%	45,571	-	1.4%	1.7%
- Category 6: Business travel	1,227	-	0.0%	0.0%	1,151	-	0.0%	0.0%
- Category 7: Employee commuting	1,885	-	0.1%	0.1%	1,768	-	0.1%	0.1%
- Category 11: Use of sold products	1,714,888	-	47.8%	58.8%	1,398,021	-	41.9%	52.9%
- Category 12: End-of-life treatment of sold products	49,095	-	1.4%	1.7%	44,732	-	1.3%	1.7%
- Category 13: Downstream Leased Assets	-	-	-	-	-	-	-	-

\* Target group companies are based on actual control standard. As a general rule, facilities that rate of Mitsubishi Estate Group's ownership or Trust beneficiary right is less than 50% don't subject to Boundary

\* Categories 4/8/9/10/14/15 are excluded from the scope of calculation for reasons including (1) there is no emission source, (2) they are included in Scope 1 + 2 or other category, or (3) their contribution within the entirety is negligible.



## Breakdown of Energy Consumption

	Fiscal 2022		Fiscal 2021		Fiscal 2020		Fiscal 2019		Fiscal 2018	
	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value
Scope 1										
- Gas	591,192	2,128,290	632,793	2,278,055	615,532	2,215,915	628,481	2,267,417	585,394	2,107,418
- Heavy Oil	7,666	27,598	6,468	23,286	6,021	21,675	6,645	23,921	7,470	26,891
- Other Oil	857	3,086	851	3,064	2,026	7,292	730	1,560	4	13
Scope 2										
- Electricity	541,959	-	500,633	-	1,024,802	-	1,242,153	-	-	-
- Steam	84,890	305,603	78,195	281,504	80,357	289,286	111,208	400,350	-	-
- Steam Water	13,418	48,305	15,224	54,805	13,629	49,064	11,498	41,394	-	-
- Cold Water	110,344	397,237	100,217	360,782	104,312	375,525	105,480	379,727	-	-

\* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

## GHG Emissions, Energy Use and Other Data by Type of Property

	Fiscal 2022						Fiscal 2021					
	Floor area (1,000m <sup>2</sup> )	GHG emissions (t-CO <sub>2</sub> )	Per unit (t-CO <sub>2</sub> /m <sup>2</sup> )	Energy use (GJ)	Per unit (GJ/m <sup>2</sup> )	Number of target properties	Floor area (1,000m <sup>2</sup> )	GHG emissions (t-CO <sub>2</sub> )	Per unit (t-CO <sub>2</sub> /m <sup>2</sup> )	Energy use (GJ)	Per unit (GJ/m <sup>2</sup> )	Number of target properties
Office buildings	5,734	101,726	0.02	2,209,758	0.39	65	4,488	158,273	0.04	2,547,965	0.57	54
Commercial facilities	1,126	24,852	0.02	609,602	0.54	25	864	38,034	0.04	536,637	0.62	32
Hotels	369	21,567	0.06	255,698	0.69	23	624	64,399	0.10	1,008,236	1.61	14

	Fiscal 2020						Fiscal 2019					
	Floor area (1,000m <sup>2</sup> )	GHG emissions (t-CO <sub>2</sub> )	Per unit (t-CO <sub>2</sub> /m <sup>2</sup> )	Energy use (GJ)	Per unit (GJ/m <sup>2</sup> )	Number of target properties	Floor area (1,000m <sup>2</sup> )	GHG emissions (t-CO <sub>2</sub> )	Per unit (t-CO <sub>2</sub> /m <sup>2</sup> )	Energy use (GJ)	Per unit (GJ/m <sup>2</sup> )	Number of target properties
Office buildings	4,667	307,934	0.07	2,960,906	0.63	53	4,596	356,063	0.08	3,255,690	0.71	51
Commercial facilities	1,831	137,402	0.08	1,412,010	0.77	29	1,727	154,535	0.09	1,551,447	0.90	29
Hotels	336	15,830	0.05	176,634	0.53	14	212	36,722	0.17	328,227	1.55	12

	Fiscal 2018					
	Floor area (1,000m <sup>2</sup> )	GHG emissions (t-CO <sub>2</sub> )	Per unit (t-CO <sub>2</sub> /m <sup>2</sup> )	Energy use (GJ)	Per unit (GJ/m <sup>2</sup> )	Number of target properties
Office buildings	5,051	485,312	0.1	5,564,242	1.1	51
Commercial facilities	1,024	90,812	0.09	1,443,189	1.41	20
Hotels	149	13,043	0.09	251,669	1.69	11

\*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*2 Other uses not included in calculations for table above



## 2. Waste and Resources

### Waste Generated, Recycled, and Recycling Rate by Type of Waste

	Fiscal 2022			Fiscal 2021			Fiscal 2020		
	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate
Copier and office automation paper	619	619	100%	493	493	100%	509	509	100%
Confidential documents (bulk processed documents)	32	32	100%	182	182	100%	166	166	100%
Magazines, pamphlets, and colored paper	1,193	1,193	100%	1,482	1,482	100%	1,756	1,756	100%
Newspapers and flyers inserted in newspapers	467	467	100%	412	412	100%	526	526	100%
Corrugated cardboard	9,422	9,422	100%	8,613	8,613	100%	8,361	8,361	100%
Miscellaneous paper	1,949	1,949	100%	1,596	1,596	100%	1,843	1,843	100%
Other combustible waste (paper waste and miscellaneous waste)	13,733	362	2.6%	8,902	674	7.6%	8,768	680	7.8%
Kitchen waste (tea leaves, leftover food, cigarette butts, etc.)	5,122	2,504	48.9%	6,440	1,960	30.4%	5,472	1,892	34.6%
Trees, grass, and fibers, etc.	543	523	96.4%	962	391	40.7%	633	330	52.0%
Jars	893	893	100%	680	680	100%	655	655	100%
Cans	570	570	100%	508	508	100%	517	517	100%
Plastic bottles	978	978	100%	846	846	100%	858	858	100%
Cooking oil	299	285	95.4%	185	185	100%	209	209	100%
Lunch box packaging	409	233	56.9%	956	615	64.3%	767	472	61.5%
Other (waste plastic)	3,988	3,463	86.8%	2,949	2,042	69.3%	3,093	1,782	57.6%
Other (fluorescent lights)	15	15	100%	524	15	2.8%	1,413	17	1.2%
Other (industrial waste)	3,380	3,111	92.0%	2,083	2,083	100%	2,741	2,741	100%
Other (includes waste that cannot be sorted into the above)	465	29	6.2%	736	30	4.1%	461	322	69.9%
Japan total	44,077	26,649	60.5%	38,549	22,808	59.2%	38,750	23,636	61.0%
Overseas total	1,803	453	25.2%	871	216	24.8%	471	106	22.5%
Grand Total	45,879	27,102	59.1%	39,420	23,023	58.4%	39,221	23,742	60.5%



	Fiscal 2019			Fiscal 2018		
	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate
Copier and office automation paper	678	678	100%	742	649	87.4%
Confidential documents (bulk processed documents)	113	113	100%	992	659	66.4%
Magazines, pamphlets, and colored paper	2,470	2,470	100%	2,437	2,253	92.4%
Newspapers and flyers inserted in newspapers	695	695	100%	1,191	1,076	90.4%
Corrugated cardboard	11,096	11,096	100%	10,255	9,419	91.8%
Miscellaneous paper	2,015	2,015	100%	3,143	2,328	74.1%
Other combustible waste (paper waste and miscellaneous waste)	13,342	675	5.1%	15,454	1,094	7.1%
Kitchen waste (tea leaves, leftover food, cigarette butts, etc.)	9,716	3,276	33.7%	20,070	3,855	19.2%
Trees, grass, and fibers, etc.	1,016	43	4.3%	1,253	69	5.5%
Jars	1,282	1,282	100%	2,462	2,319	94.2%
Cans	847	847	100%	3,142	3,060	97.4%
Plastic bottles	1,497	1,497	100%	3,122	2,553	81.8%
Cooking oil	224	224	100%	249	237	95.3%
Lunch box packaging	1,402	775	55.3%	1,203	662	55.0%
Other (waste plastic)	4,006	2,420	60.4%	6,191	2,441	39.4%
Other (fluorescent lights)	58	58	100%	68	35	51.1%
Other (industrial waste)	1,478	1,093	74.0%	818	554	67.7%
Other (includes waste that cannot be sorted into the above)	149	97	64.8%	1,804	661	36.7%
Japan total	52,081	29,351	56.4%	74,595	33,923	45.5%
Overseas total	2,033	527	25.9%	-	-	-
Grand Total	54,114	29,878	55.2%	74,595	33,923	45.5%

\* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)



## Waste Generated by Type of Property

	Fiscal 2022				Fiscal 2021				Fiscal 2020			
	Floor area (1,000m <sup>2</sup> )	Waste generated (t)	Per unit (kg/m <sup>2</sup> )	Number of target properties	Floor area (1,000m <sup>2</sup> )	Waste generated (t)	Per unit (kg/m <sup>2</sup> )	Number of target properties	Floor area (1,000m <sup>2</sup> )	Waste generated (t)	Per unit (kg/m <sup>2</sup> )	Number of target properties
Office buildings	5,734	34,530	6.0	65	4,488	23,853	5.3	54	4,667	21,424	4.6	59
Commercial facilities	1,126	18,562	16.5	25	864	16,357	18.9	32	1,831	15,907	8.7	25
Hotels	369	1,805	4.9	23	624	1,303	2.1	14	336	1,329	4.0	15

	Fiscal 2019				Fiscal 2018			
	Floor area (1,000m <sup>2</sup> )	Waste generated (t)	Per unit (kg/m <sup>2</sup> )	Number of target properties	Floor area (1,000m <sup>2</sup> )	Waste generated (t)	Per unit (kg/m <sup>2</sup> )	Number of target properties
Office buildings	5,244	35,611	7.7	54	5,051	36,780	7.3	47
Commercial facilities	1,059	15,045	8.7	20	1,024	7,218	7.0	20
Hotels	212	1,809	8.5	12	149	25,520	171.2	11

\*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*2 Other uses not included in calculations for table above

## Hazardous Substance Emissions

	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Nox (t)	3.1	3.3	4.3	3.1	Mitsubishi Estate
Sox (t)	0.0	0.0	0.0	0.0	Mitsubishi Estate
PCBs (t) <sup>*1</sup>	61.5	28.9	116.2	3.2	Mitsubishi Estate
Asbestos (t) <sup>*2</sup>	146.7	94.9	557.1	104.3	Mitsubishi Estate

\*1 PCB waste is completely detoxified and properly treated so that it does not cause environmental impact using treatment facilities and methods stipulated by the government based on the Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes established by the Ministry of the Environment.

\*2 Emission of construction-related waste containing asbestos. Asbestos is properly processed in a form not involving any environmental impact in accordance with the treatment method stipulated by the government based on the Waste Management and Public Cleansing Act established by the Ministry of the Environment.





## 3. Water

### Water Usage

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Water withdrawal (m <sup>3</sup> )	5,946,083	5,270,464	4,988,909	6,498,558	5,777,904	5,445,722
- Fresh surface water	0	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0	0
- Groundwater - renewable	492,938	478,111	397,248	132,387	-	-
- Groundwater - non renewable	0	0	0	0	0	0
- Produced water/entrained water	0	0	0	0	0	0
- Third party sources (municipal potable water)	5,453,145	4,792,354	4,591,661	6,366,171	5,777,904	5,445,722
Water discharge (m <sup>3</sup> )	5,008,352	4,381,218	4,082,675	5,721,372	5,658,971	2,683,751 <sup>※2</sup>
- Fresh surface water	0	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0	0
- Groundwater	0	0	0	0	0	0
- Third party destinations	5,008,352	4,381,218	4,082,675	5,721,372	5,658,971	2,683,751
Water consumption (m <sup>3</sup> )	937,730	889,246	906,234	777,186	118,933	2,761,971
Recycled water (m <sup>3</sup> )	938,393	793,728	797,403	1,335,830	1,101,472	816,827

\*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*2 As water discharge data was not available at certain facilities, there are discrepancies with the results for fiscal 2018 and fiscal 2019.



## Water Usage by Type of Property

	Fiscal 2022						Fiscal 2021					
	Floor area (1,000m <sup>2</sup> )	Water withdrawal (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Water discharge (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Number of target facilities	Floor area (1,000m <sup>2</sup> )	Water withdrawal (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Water discharge (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Number of target facilities
Office buildings	5,734	3,250,264	0.71	3,056,408	0.67	65	4,488	2,135,148	0.46	2,028,971	0.44	54
Commercial facilities	1,126	1,144,793	0.66	1,135,874	0.66	25	864	1,717,983	0.99	1,543,844	0.89	32
Hotels	369	583,962	2.75	578,758	2.73	23	624	244,628	1.15	242,543	1.14	14

	Fiscal 2020						Fiscal 2019					
	Floor area (1,000m <sup>2</sup> )	Water withdrawal (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Water discharge (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Number of target facilities	Floor area (1,000m <sup>2</sup> )	Water withdrawal (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Water discharge (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Number of target facilities
Office buildings	4,667	2,028,971	0.44	2,028,971	0.44	53	4,596	3,094,801	0.67	3,005,493	0.65	51
Commercial facilities	1,831	1,543,844	0.89	1,543,844	0.89	29	1,727	2,072,191	1.20	1,996,223	1.16	29
Hotels	336	242,543	1.14	242,543	1.14	14	212	426,987	2.01	416,383	1.96	12

	Fiscal 2018					
	Floor area (1,000m <sup>2</sup> )	Water withdrawal (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Water discharge (m <sup>3</sup> )	Per unit (m <sup>3</sup> /m <sup>2</sup> )	Number of target facilities
Office buildings	5,051	4,010,966	0.79	3,774,352	0.75	51
Commercial facilities	1,024	1,210,212	1.18	1,307,182	1.28	20
Hotels	149	396,446	2.66	434,601	2.92	11

\*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*2 Other uses not included in calculations for table above

## Results of Water Risk Analysis Using Aqueduct Water Risk Atlas, a Water Risk Analysis Tool

Overall risk <sup>*1</sup>	Number of target properties	Percentage	Water withdrawal (m <sup>3</sup> )	Water discharge (m <sup>3</sup> )	Water consumption (m <sup>3</sup> )
0-1 Low	10	7.4%	427,259	114	427,145
1-2 Low-medium	125	92.6%	5,518,824	937,616	4,581,207
2-3 Medium-high	0	0.0%	0	0	0
3-4 High	0	0.0%	0	0	0
4-5 Extremely high	0	0.0%	0	0	0
Total	120	100.0%	5,946,083	937,730	5,008,352

\*1 Definition on Aqueduct: overall water-related risk based on all factors, including physical water volume, water quality, regulations, and reputational risk

\*2 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*3 Analysis scope: properties covered by the SBT scope in fiscal 2022



## 4. Energy Saving

### Rate of Facilities with Energy-Saving Equipment Adopted/Installed

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of adoption for water-conserving appliances (automatic faucets, water-conserving toilets)	100%	100%	100%	100%	100%	Newly constructed <sup>*1</sup> , large-scale <sup>*2</sup> office buildings and commercial facilities in Japan
Rate of installation of electric vehicle charging stations	92.3%	92.9%	92.3%	92.3%	92.3%	Newly constructed <sup>*1</sup> , large-scale <sup>*2</sup> office buildings and commercial facilities in Japan
Rate of provision of bicycle parking areas	100%	100%	100%	100%	100%	Newly constructed <sup>*1</sup> , large-scale <sup>*2</sup> office buildings and commercial facilities in Japan
Rate of annual adoption for soleco system	68.0%	76.5%	73.7%	62.1%	71.1%	Mitsubishi Estate Group brand condominiums <sup>*3</sup> transferred in the fiscal year (excludes those with less than 40 units)
Rate of annual adoption for heat insulation functions level 4	100%	100%	100%	100%	100%	Mitsubishi Estate Group brand condominiums <sup>*3</sup> transferred in the fiscal year
Rate of annual adoption for primary energy consumption level 4	100%	100%	100%	100%	100%	Mitsubishi Estate Group brand condominiums <sup>*3</sup> transferred in the fiscal year

\*1 Completed in 2002 onward

\*2 Floor area: 100,000m<sup>2</sup> or more

\*3 Only includes The Parkhouse brand properties supplied by Mitsubishi Estate Residence. Excluding units with less than 40 units.



## 5. Green Building Certification

### Comprehensive Certification

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
CASBEE certification (includes self-certifications and expired certifications)							Mitsubishi Estate Group <sup>*1</sup>
- Number of certified properties	27	12	12	10	8	7	
- Total floor area of certified properties (m <sup>2</sup> )	1,913,217	1,385,772	1,280,499	1,247,375	1,203,704	1,029,650	
- Certification rate (ratio of total floor area to SBT-target properties)	23.8%	17.9%	16.4%	16.6%	18.0%	15.4%	
Development Bank of Japan (DBJ) Green Building certification							Mitsubishi Estate Group <sup>*1</sup>
- Number of certified properties	24	11	11	9	8	8	
- Total floor area of certified properties (m <sup>2</sup> )	2,935,859	1,174,253	1,068,980	962,693	951,213	951,213	
- Certification rate (ratio of total floor area to SBT-target properties)	36.5%	15.1%	13.7%	12.8%	14.2%	14.2%	
LEED							Mitsubishi Estate Group <sup>*1</sup>
- Number of certified properties	2	2	2	2	2	2	
- Total floor area of certified properties (m <sup>2</sup> )	408,665	408,665	408,665	408,665	408,665	408,665	
- Certification rate (ratio of total floor area to SBT-target properties)	5.1%	5.3%	5.2%	5.4%	6.1%	6.1%	
Total							Mitsubishi Estate Group <sup>*1</sup>
- Number of certified properties <sup>*2</sup>	43	18	18	14	11	10	
- Total floor area of certified properties <sup>*2</sup> (m <sup>2</sup> )	3,890,781	2,245,540	1,994,267	1,854,856	1,799,705	1,625,651	
- Certification rate (ratio of total floor area to SBT-target properties)	48.3%	28.9%	25.5%	24.6%	26.9%	24.2%	
SBT-target floor area <sup>*3</sup>	8,052,059	7,760,237	7,807,417	7,534,201	6,693,542	6,704,442	Mitsubishi Estate Group <sup>*1</sup>

\*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

\*2 When multiple certification have been obtained for the same property, it is counted as one property so as to calculate the total value without any duplication.

\*3 Only includes properties eligible for certification



## Comprehensive Energy Efficiency Certification

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Building-housing Energy-efficiency Labeling System (BELS)							Mitsubishi Estate Group*
- Number of certified properties	12	9	1	1	1	1	
- Total floor area of certified properties (m <sup>2</sup> )	543,571	467,098	108,350	108,350	108,350	108,350	
- Certification rate (ratio of total floor area to SBT-target properties)	6.8%	6.0%	1.4%	1.4%	1.6%	1.6%	

\* Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

## Biodiversity Certification

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Number of projects recognized with ABINC certification	28	27	26	22	15	22	Mitsubishi Estate Group

## 6. Other

### Environmental Accidents or Violations of Environmental Laws and Regulations

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Violations of environmental laws and regulations	0	0	0	0	1	0	Mitsubishi Estate Group
- Of which those related to water quality and water volume	0	0	0	0	0	0	Mitsubishi Estate Group
Environmental accidents	0	0	0	0	0	0	Mitsubishi Estate Group
Environment related fines and penalties (yen)	0	0	0	0	0	0	Mitsubishi Estate Group

### Environmental Management System Certification

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Percentage of business sites with environmental management system certification based on ISO14001	1.5%	1.5%	1.7%	1.4%	40.5%	42.2%	Mitsubishi Estate Group





## Biodiversity Exposure & Assessment

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Boundary
Overall								Mitsubishi Jisho Residence
- the total number of sites used for operational activities	14	20	19	26	29	26	24	
- the total area used for operational activities (m <sup>2</sup> )	75,764.39	69,303.06	52,736.15	89,428.45	75,415.25	78,413.40	39,569.68	
Assessment								Mitsubishi Jisho Residence
- the total number of sites conducted biodiversity impact assessments	14	20	19	26	29	26	24	
- the total area conducted biodiversity impact assessments (m <sup>2</sup> )	75,764.39	69,303.06	52,736.15	89,428.45	75,415.25	78,413.40	39,569.68	
Exposure								Mitsubishi Jisho Residence
- the number of sites in close proximity to critical biodiversity*	0	0	0	0	0	0	0	
- the total area in close proximity to critical biodiversity* (m <sup>2</sup> )	0	0	0	0	0	0	0	
Management plans								Mitsubishi Jisho Residence
- the total number of sites with biodiversity management plan	0	0	0	0	0	0	0	
- the total area with biodiversity management plan (m <sup>2</sup> )	0	0	0	0	0	0	0	

\* World Heritage sites



# ESG Data

## S: Social data

E: Environmental data

S: Social data

G: Governance data

## S: Social data

### (1) KPI

#### Diversity & Inclusion

	Targets	Target Year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Paid leave utilization	Above 65%	Fiscal 2022	-	66.6%	56.9%	59.8%	68.0%	72.9%	Mitsubishi Estate
Average number of used paid leave days	12 or more	Every year	-	12.6	10.8	10.8	12.4	13.6	Mitsubishi Estate
Ratio of female new graduate hires	Above 40%	Every year	33.9%	35.7%	38.3%	37.8%	37.8%	31.4%	Mitsubishi Estate
Ratio of female mid-career hires	Above 40%	Every year	-	36.5%	24.4%	17.1%	66.7%	22.2%	Mitsubishi Estate
Ratio of female managers	①above 20%、 ②30%、③40%	①Fiscal 2030、 ②Fiscal 2040、 ③Fiscal 2050	7.3%	7.2%	6.6%	5.8%	5.8%	5.5%	Mitsubishi Estate *1
Rate of male employees taking childcare leave of absence *4	above 100%	Fiscal 2030 ongoing goal	-	110.6%	75.5%	64.9%	24.0%	21.2%	Mitsubishi Estate *2
Rate of female employees taking childcare leave of absence	100%	Fiscal 2030 ongoing goal	-	100.0%	98.7%	100.0%	98.7%	100.0%	5 Group companies *3
Rate of reinstatement to work after maternity/childcare leave	100%	Fiscal 2030 ongoing goal	-	100.0%	100.0%	94.8%	93.8%	96.7%	5 Group companies *3
Employment rate of persons with disabilities	2.30%	Fiscal 2030 ongoing goal	-	2.20%	2.30%	2.20%	2.23%	2.22%	5 Group companies *3

\*1 As we raised the target in FY2021, the boundary was changed to Mitsubishi Estate

\*2 From FY2022, the boundary of this target was changed to Mitsubishi Estate

\*3 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

\*4 Ratio of "the number of male employees who took childcare leave during the fiscal year (b)" to "the number of male employees whose spouse gave birth to a child/children during the fiscal year (a)" (b/a). (Since (b) includes employees who had a child before the fiscal year but did not take the leave within the fiscal year in which the child/children was/were born, and who newly took the leave in the fiscal year, the rate may exceed 100%.



## Health Management

	Targets	Target Year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Percentage of high-risk group for metabolic syndrome	(1) 25.6% (2) 14.8% (equivalent to national average; approximately 60% of FY2019 percentage)	(1) Fiscal 2025 (2) Fiscal 2030	to be updated	42.3%	39.5%	36.4%	-	Mitsubishi Estate <sup>*1</sup>
Percentage of healthy group	(1) 20.85% (2) 32.8% (equivalent to national average; approximately 370% of FY2019 percentage)	(1) Fiscal 2025 (2) Fiscal 2030	to be updated	9.9%	10.1%	8.9%	-	Mitsubishi Estate <sup>*1</sup>
Cancer screening rate	90.00%	Every year from FY2021 – FY2030	to be updated	88.0%	80.7%	-	-	Mitsubishi Estate <sup>*1</sup>
High stress group	Maintain percentage of 10% or lower (national average: 10%)	Every year from FY2021 – FY2031	to be updated	4.0%	4.7%	5.5%	-	Mitsubishi Estate <sup>*2</sup>

\*1 Applies to head and branch office employees

\*2 Includes seconded staff

## Resilient Urban Development

	Targets	Target Year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of employees with first aid provider qualification	100%	Fiscal 2030 ongoing goal	75.3%	72.4%	63.0%	61.0%	64.0%	2 Group companies <sup>*</sup>

\* Mitsubishi Estate, Mitsubishi Jisho Property Management

## Other

	Targets	Target Year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Employee absentee rate	0%	Fiscal 2030 ongoing goal	0.8%	0.9%	0.9%	0.8%	0.8%	5 Group companies <sup>*1</sup>
Rate of provision of accessible toilets	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%	Newly constructed <sup>*2</sup> , large-scale <sup>*3</sup> office buildings and commercial facilities in Japan
Rate of barrier-free buildings	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%	Newly constructed <sup>*2</sup> , large-scale <sup>*3</sup> office buildings and commercial facilities in Japan
Percentage of wood that meets sustainable sourcing code <sup>*4</sup> (certified and domestically produced) used for formwork concrete panels	100%	2030	-	-	-	-	80%	Mitsubishi Estate, Mitsubishi Estate Residence

\*1 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

\*2 Completed in 2002 onward

\*3 Total floor area: 100,000m<sup>2</sup> or more

\*4 The standards for sustainability-conscious procurement, with reference to international agreements and codes of conduct in various fields related to sustainability



## (2) Other

### 1. Human Resources

#### I) Mitsubishi Estate Employment Conditions

#### Workforce breakdown (As of the beginning of each fiscal year)

	Fiscal 2023		Fiscal 2022		Fiscal 2021		Fiscal 2020		Fiscal 2019		Fiscal 2018	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,454	71.8%	1,401	72.9%	1,369	74.0%	1,333	75.4%	1,233	75.7%	1,249	77.1%
(Of which, regular employees)	1,180	58.3%	1,148	59.7%	1,122	60.6%	1,104	62.4%	1,080	66.3%	1,108	68.4%
- Of which, managers	659	32.6%	659	34.3%	662	35.8%	682	38.6%	668	41.0%	690	42.6%
- Of which, non-managerial employees	521	25.7%	489	25.4%	460	24.9%	422	23.9%	412	25.3%	418	25.8%
(Of which, short-term contract workers)	274	13.5%	253	13.2%	247	13.3%	229	12.9%	153	9.4%	141	8.7%
Women	570	28.2%	522	27.1%	482	26.0%	436	24.6%	396	24.3%	372	22.9%
(Of which, regular employees)	434	21.4%	390	20.3%	352	19.0%	328	18.5%	306	18.8%	283	17.5%
- Of which, managers	54	2.7%	51	2.7%	47	2.5%	42	2.4%	39	2.4%	42	2.6%
- Of which, non-managerial employees	380	18.8%	339	17.6%	305	16.5%	286	16.2%	267	16.4%	241	14.9%
(Of which, short-term contract workers)	136	6.7%	132	6.9%	130	7.0%	108	6.1%	90	5.5%	89	5.5%
Total	2,024	100.0%	1,923	100.0%	1,851	100.0%	1,769	100.0%	1,629	100.0%	1,621	100.0%
(Of which, regular employees)	1,614	79.7%	1,538	80.0%	1,474	79.6%	1,432	80.9%	1,386	85.1%	1,391	85.8%
- Of which, managers	713	35.2%	710	36.9%	709	38.3%	724	40.9%	707	43.4%	732	45.2%
- Of which, non-managerial employees	901	44.5%	828	43.1%	765	41.3%	708	40.0%	679	41.7%	659	40.7%
(Of which, short-term contract workers)	410	20.3%	385	20.0%	377	20.4%	337	19.1%	243	14.9%	230	14.2%



## Workforce profile, by age bracket (As of April 1, 2023)

	Total		20-29		30-39		40-49		50-59		60 and over	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,454	71.8%	217	60.3%	398	67.3%	224	68.1%	448	81.0%	167	87.4%
Women	570	28.2%	143	39.7%	193	32.7%	105	31.9%	105	19.0%	24	12.6%
Total	2,024	100%	360	100%	591	100%	329	100%	553	100%	191	100%

## Percentage of female managers (As of the beginning of each fiscal year)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Female employees as percentage of all employees	28.2%	27.1%	26.0%	24.6%	24.3%	22.9%
Female subsection chiefs as percentage of all subsection chiefs	27.7%	23.9%	21.1%	20.3%	16.9%	15.9%
Female managers as percentage of all managers	7.3%	7.2%	6.6%	5.8%	5.8%	5.5%
Female junior managers as percentage of all junior managers	17.3%	17.5%	17.4%	15.6%	15.9%	14.4%
Female middle managers as percentage of all middle managers	3.8%	4.0%	4.7%	4.3%	3.2%	3.0%
Female senior managers as percentage of all senior managers	2.6%	2.3%	1.1%	0.4%	0.4%	0.0%
Female non-back office managers as percentage of all non-back office managers	6.8%	7.0%	6.4%	5.1%	5.1%	6.8%
Female employees in STEM-related positions as percentage of total STEM positions	26.4%	26.5%	26.4%	26.4%	-	-

## Percentage of employees by nationality (As of the beginning of each fiscal year)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Percentage of all full time employees by nationality						
- Japan	99.4%	99.5%	99.6%	99.7%	99.6%	99.6%
- Other	0.6%	0.5%	0.4%	0.3%	0.4%	0.4%
Percentage of managers by nationality						
- Japan	100%	100%	100%	100.0%	100%	100%
- Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%





## New hires and people leaving the company (As of the beginning of each fiscal year)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
New employees (new graduate hires and mid-career hires)	-	94	92	80	58	53
(Breakdown by gender)						
- Male percentage	-	63.8%	68.5%	71.3%	51.7%	71.7%
- Female percentage	-	36.2%	31.5%	28.8%	48.3%	28.3%
(Breakdown by age)						
- Percentage of < 30 years old	-	53.2%	65.2%	60.0%	63.8%	66.0%
- Percentage of 30-50 years old	-	46.8%	34.8%	38.8%	36.2%	34.0%
- Percentage of > 50 years old	-	0.0%	0.0%	1.3%	0.0%	0.0%
(Breakdown by nationality)						
- Percentage of Japanese nationality	-	96.8%	97.8%	96.3%	98.3%	100.0%
- Percentage of other nationalities	-	3.2%	2.2%	3.8%	1.7%	0.0%
(Breakdown by positions)						
- Percentage of non-managers	-	100.0%	100.0%	100.0%	100.0%	100.0%
- Percentage of junior managers	-	0.0%	0.0%	0.0%	0.0%	0.0%
- Percentage of middle managers	-	0.0%	0.0%	0.0%	0.0%	0.0%
- Percentage of senior managers	-	0.0%	0.0%	0.0%	0.0%	0.0%
New graduate hires	56	42	47	45	37	35
- Male percentage	66.1%	64.3%	61.7%	62.2%	62.2%	68.6%
- Female percentage	33.9%	35.7%	38.3%	37.8%	37.8%	31.4%
Mid-career hires	-	52	45	35	21	18
- Male percentage	-	63.5%	75.6%	82.9%	33.3%	77.8%
- Female percentage	-	36.5%	24.4%	17.1%	66.7%	22.2%
Number of employees leaving company (including those retiring at mandatory retirement age)	-	47	47	48	77	49
(Breakdown by gender)						
- Male percentage	-	83.0%	89.4%	83.3%	-	-
- Female percentage	-	17.0%	10.6%	16.7%	-	-
(Breakdown by age)						
- Percentage of < 30 years old	-	2.1%	4.3%	2.1%	-	-
- Percentage of 30-50 years old	-	10.6%	12.8%	2.1%	-	-
- Percentage of > 50 years old	-	87.2%	83.0%	97.9%	-	-
(Breakdown by nationality)						
- Percentage of Japanese nationality	-	97.9%	100%	100%	-	-
- Percentage of other nationalities	-	2.1%	0%	0%	-	-
(Breakdown by positions)						
- Percentage of non-managers	-	29.8%	25.5%	22.9%	-	-
- Percentage of junior managers	-	17.0%	19.1%	12.5%	-	-
- Percentage of middle managers	-	25.5%	34.0%	18.8%	-	-
- Percentage of senior managers	-	27.7%	21.3%	45.8%	-	-
Percentage of employees voluntary turnover rate	-	0.4%	0.5%	0.1%	1.2%	1.2%
Total employee turnover rate	-	2.9%	3.2%	3.4%	5.6%	1.2%



## Average number of years of continuous service by gender (As of the end of each fiscal year)

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Men	18.0	18.6	19.1	19.6	19.5
Women	13.1	13.7	14.3	15.3	16.9

\* As of the end of each fiscal year

## Labor union

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Labor union members as percentage of employees*	63.1%	70.8%	74.8%	70.3%	70.0%	71.7%

\* Excluding employees in managerial positions

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Number of labor standard infringements or allegations against the company	0	0	0	0	0	0

## 2. Diversity

### Health & safety (Employee)

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Total accidents	2	2	1	2	1	2	Mitsubishi Estate
- Fatalities	0	0	0	0	0	0	
- Lost working time	0	0	0	0	1	0	
- Total working days lost	0	0	0	0	71	0	
Absentee rate	0.62%	0.22%	0.76%	0.67%	0.94%	0.91%	Mitsubishi Estate
Injury rate	0.0007%	0.0008%	0.0005%	0.001%	0.0005%	0.001%	Mitsubishi Estate
Lost day incident rate* <sup>1</sup>	0%	0%	0%	0%	2.316%	0%	Mitsubishi Estate
Lost-time injury frequency rate (LTIFR)	0.99%	1.10%	0.63%	1.30%	0.66%	1.35%	Mitsubishi Estate
Medical examination rate		100%	100%	100%	97%	-	Mitsubishi Estate
Percentage of employees taking health and safety training* <sup>3</sup>	86%	91%	100%	100%	95.0%	93.2%	Mitsubishi Estate
Number of employees taking health and safety training* <sup>3</sup>	31	30	25	21	19	41	Mitsubishi Estate

\*1 Total number of lost day due to injury/ Total number of actual working hours X 1,000

\*2 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

\*3 This training is provided through newly-appointed Manager Class 1 training



## Employee satisfaction and customer satisfaction

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Employee satisfaction/percentage of high ratings <sup>*1</sup>	84.5%	88.5%	86.7%	84.5%	-	-	Mitsubishi Estate
(Breakdown by age)							
- Percentage of < 30 years old	86.2%	85.5%	-	-	-	-	
- Percentage of 30-50 years old	87.2%	88.5%	-	-	-	-	
- Percentage of > 50 years old	89.0%	91.9%	-	-	-	-	
(Breakdown by positions)							
- Percentage of non-managers	86.2%	87.0%	-	-	-	-	
- Percentage of junior managers	86.4%	86.4%	-	-	-	-	
- Percentage of middle managers	89.9%	95.5%	-	-	-	-	
- Percentage of senior managers	87.2%	94.1%	-	-	-	-	
Overall customer satisfaction with sales/percentage of high ratings <sup>*2</sup>	89.9%	87.3%	86.7%	86.4%	82.6%	-	Mitsubishi Estate Residence

\*1 Percentage of employees answering "Yes" to the question "Do you feel your job is rewarding?" on an employee questionnaire

\*2 Up to fiscal 2018: percentage of ratings in top 2 out of 7 evaluation levels; From fiscal 2019: percentage of ratings in top 2 out of 5 evaluation levels

## Number of employees using personnel programs

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
Number of employees taking childcare leave of absence	230	217	151	116	109	-	people	5 Group companies <sup>*1</sup>
Number of employees taking nursing care leave of absence	1	3	2	0	0	-	people	5 Group companies <sup>*1</sup>
Number of employees working shorter hours for childcare and nursing care	145	143	120	108	126	-	people	5 Group companies <sup>*1</sup>
Number of employees using volunteer leave	15	0	0	10	28	8	Total number of people	Mitsubishi Estate
Number of employees using social learning <sup>*2</sup>	9	0	0	0	1	7	Total number of people	Mitsubishi Estate
Number of employees using volunteer insurance	103	46	1	12	2	8	Total number of people	Mitsubishi Estate Group
Number of employees using subsidies for volunteering	70	42	8	17	16	36	Total number of people	Mitsubishi Estate Group
Number of employees using subsidy program for travel expenses to volunteer in disaster-affected areas <sup>*2</sup>	0	0	0	3	5	10	Total number of people	Mitsubishi Estate Group

\*1 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

\*2 Program that allows volunteering during working hours

## Human resource development

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Unit	Boundary
Training time per employee per year	9.2	8.1	8.2	7.6	8.7	hours per year	Mitsubishi Estate
Training cost per employee per year	96,467	85,668	75,648	84,482	127,989	yen per year	Mitsubishi Estate

\* Boundary through FY2021: 5 Group companies (Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services)



## Human rights

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
Allegations concerning human rights and harassment	0	0	0	0	0	0	cases	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate Group	33,400	142,230	110,940	169,090	204,080	185,025	minutes	Mitsubishi Estate
Annual total number of companies taking human rights training at Mitsubishi Estate Group	25	59	29	23	22	34	number	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate Group	371	1,019	1,600	1,018	1,891	544	people	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate	33,700	129,460	54,790	35,650	101	105	minutes	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate	368	1,433	608	308	1,116	894	people	Mitsubishi Estate

## Percentage of employees taking training programs (Mitsubishi Estate)

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Percentage of employees taking sexual harassment prevention training	91.9%	94.0%	89.4%	97.5%	100%	-
Newly-appointed Manager Class 1 training	86.1%	90.9%	100%	100%	95.0%	93.2%

## Resilience

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of buildings that are to take in stranded commuters*1	100.0%	100.0%	92.3%	92.3%	92.3%	Newly constructed*2, large-scale*3 office buildings and commercial facilities in Japan

\*1 Facilities that have signed an agreement with the government to accept stranded commuters and facilities that have voluntarily formulated a policy and plan for accepting stranded commuters.

\*2 Completed in 2002 onward

\*3 Floor area: 100,000m<sup>2</sup> or more

## Annual salary of employees (Mitsubishi Estate)

	Fiscal 2022		Fiscal 2021		Fiscal 2020		Fiscal 2019		Fiscal 2018		Fiscal 2017	
	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people
Average annual salary of employees	to be updated	to be updated	12,647,559	1053	12,675,663	953	12,735,234	903	12,476,724	899	12,290,437	806

## Gender Pay Gap

	Fiscal 2022	Boundary
Mean gender pay gap	52.20%	Mitsubishi Estate



### 3. Supply chain management related data

#### Supplier code of code distributed

	FY2022	Boundary
Construction companies	100%	Mitsubishi Estate, Mitsubishi Estate Residence
Cleaning companies	100%	Mitsubishi Jisho Property Management, Royal Park Hotels & Resorts, Mitsubishi Jisho Community

#### SAQ (Self-Assessment Questionnaire)

	FY2022	Boundary
Construction companies		
Mitsubishi Estate (Projects)	3	20
- Tier 1 suppliers	3	
- Tier 2 suppliers	20	
- Tier 3 suppliers	14	
Mitsubishi Estate Residence (Projects)	2	24
- Tier 1 suppliers	2	
- Tier 2 suppliers	3	
- Tier 3 suppliers	1	
Cleaning companies		
Mitsubishi Jisho Property Management		
- Tier 1 suppliers	3	19
- Tier 2 suppliers	6	
Royal Park Hotel & Resorts		
- Tier 1 suppliers	1	12
- Tier 2 suppliers	3	
Mitsubishi Jisho Community		
- Tier 1 suppliers	1	2
- Tier 2 suppliers	3	

#### Supplier spend (by categories)

	FY2021
Construction fees	14%
Acquisition of property and equipment	16%
Utilities expenses	4%
Facilities management expenses	9%
Marketing and SG&A expenses	2%
Statutory fees and taxes	19%
Other	36%

#### Supplier spend (by region)

	FY2021
Japan	98.5%
US	1.3%
Asia	0.2%
Europe	0.1%






# ESG Data

## G: Governance data

E: Environmental data

S: Social data

**G: Governance data**

## G: Governance data

### (1) KPI

#### 1. Corporate Governance

	Targets	Target year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Attendance at Board of Directors meetings	100%	Fiscal 2030 ongoing goal	100%	100%	100%	99.3%	100%	Mitsubishi Estate

#### 2. Risk Management and Compliance

	Targets	Targets year	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Compliance e-learning attendance	100%	Fiscal 2030 ongoing goal	99.0%	99.6%	100%	98.3%	97.8%	Mitsubishi Estate*

\* Excludes advisors and dispatched employees. Outside Directors included.



## (2) Other

### 1. Corporate Governance

#### I) Attendance at Board of Directors and Each Committee Meetings (Fiscal 2022)

\* Name, attendance and attendance percentage for chairman of each committee meeting in blue

	Title	Name	Outside director	The Board of Directors		Audit Committee		Nominating Committee		Remuneration Committee	
				Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage
1	Chairman of the Board	Hiroataka Sugiyama		9/9	(100%)	-	-	-	-	-	-
2	Director	Junichi Yoshida		9/9	(100%)	-	-	-	-	-	-
3	Director	Junichi Tanisawa		9/9	(100%)	-	-	-	-	-	-
4	Director	Atsushi Nakajima		9/9	(100%)	-	-	-	-	-	-
5	Director	Naoki Umeda		9/9	(100%)	-	-	-	-	-	-
6	Director	Hitoshi Kubo		9/9	(100%)	-	-	-	-	-	-
7	Director	Noboru Nsihigai		9/9	(100%)	15/15	(100%)	-	-	-	-
8	Director	Hiroshi Katayama		9/9	(100%)	15/15	(100%)	-	-	-	-
9	Director	<b>Tsuyoshi Okamoto</b>	○	9/9	(100%)	-	-	<b>6/6</b>	<b>(100%)</b>	6/6	(100%)
10	Director	<b>Tetsuo Narukawa</b>	○	9/9	(100%)	<b>15/15</b>	<b>(100%)</b>	-	-	-	-
11	Director	<b>Masaaki Shirakawa</b>	○	9/9	(100%)	-	-	6/6	(100%)	<b>6/6</b>	<b>(100%)</b>
12	Director	Shin Nagase	○	9/9	(100%)	15/15	(100%)	-	-	-	-
13	Director	Setsuko Egami	○	9/9	(100%)	-	-	6/6	(100%)	6/6	(100%)
14	Director	Iwao Taka	○	9/9	(100%)	15/15	(100%)	-	-	-	-
15	Director	Melanie Brock	○	7/7	(100%)	-	-	4/4	(100%)	6/6	(100%)
Total				133/133	(100%)	75/75	(100%)	22/22	(100%)	24/24	(100%)

\* As Melanie Brock took office as Director on June 29, 2022, the number of meetings counted as the scope of attendance for the Board of Directors meetings, etc., is different from that of the other Directors.



## II) Remuneration

### Remuneration of Directors and Corporate Executive Officers

	Fiscal 2022				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	503	-	503	13	39
- In-house Director	360	-	360	5	72
- Outside Director	143	-	143	8	18
Executive officers	569	659	1,228	14	88

	Fiscal 2021				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	365	-	369	11	34
- In-house Director	257	-	261	4	65
- Outside Director	108	-	108	7	15
Executive officers	622	517	1,139	16	71

	Fiscal 2020				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	365	-	365	10	37
- In-house Director	257	-	257	3	86
- Outside Director	108	-	108	7	15
Executive officers	620	545	1,166	15	78

	Fiscal 2019				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	368	-	368	11	33
- In-house Director	260	-	260	3	87
- Outside Director	108	-	108	8	14
Executive officers	551	529	1,081	13	83

	Fiscal 2018				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	397	-	397	12	33
- In-house Director	289	-	289	4	72
- Outside Director	107	-	107	8	13
Executive officers	568	573	1,142	14	82



## Remuneration paid to Chairman of the Board and CEO

	Fiscal 2022			Fiscal 2021		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	138	-	138	138	-	138
CEO	79	75	159	79	79	159

	Fiscal 2020			Fiscal 2019		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	138	-	138	138	-	138
CEO	79	79	159	79	86	166

	Fiscal 2018		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	141	-	141
CEO	79	82	161

## Number of shares of the Company held by Directors

	Title	Name	Outside director	Term of office served as Director (years)	Number of shares held (thousand)
1	Chairman of the Board	Junichi Yoshida		7	108.4
2	Director	Atsushi Nakajima		1	41.3
3	Director	Bunroku Naganuma		-	40.4
4	Director	Naoki Umeda		1	27.3
5	Director	Mikito Hirai		-	8.3
6	Director	Noboru Nishigai		2	29.8
7	Director	Hiroshi Katayama		7	38
8	Director	Tsuyoshi Okamoto	○	4	2.1
9	Director	Tetsuo Narukawa	○	7	2.6
10	Director	Masaaki Shirakawa	○	7	-
11	Director	Shin Nagase	○	7	0.5
12	Director	Wataru Sueyoshi	○	-	-
13	Director	Aayako Sonoda	○	-	-
14	Director	Melanie Brock	○	1	0.4
Average			-	4.4	27.1

\* As of June 29, 2023



## Number of shares of the Company held by Corporate Executive Officers

	Title	Name	Number of the shares of the Company held (thousand)
1	Representative Corporate Executive Officer, President & Chief Executive Officer	Atsushi Nakajima	41
2	Representative Corporate Executive Officer, Deputy President	Futoshi Chiba	51
3	Representative Corporate Executive Officer, Deputy President	Kenji Hosokane	46
4	Representative Corporate Executive Officer, Executive Vice President	Yuji Fujioka	38
5	Representative Corporate Executive Officer, Executive Vice President	Bunroku Naganuma	40
6	Representative Corporate Executive Officer, Executive Vice President	Yutaro Yotsuzuka	29
7	Senior Executive Officer	Keiji Takano	35
8	Senior Executive Officer	Toru Kimura	41
9	Senior Executive Officer	Ikuo Ono	39
10	Senior Executive Officer	Naoki Umeda	24
11	Senior Executive Officer	Haruhiko Araki	33
12	Senior Executive Officer	Ryozo Kawabata	29
13	Senior Executive Officer	Masato Aikawa	24
14	Senior Executive Officer	Hirofumi Kato	16
15	Executive Officer	Mikito Hirai	8
Average			32.9

\* As of June 29, 2023

## III) Number of Directors by Gender

	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
In-house Director	5	35.7%	2	14.3%	7	50.0%
Outside Director	7	50.0%	0	0.0%	7	50.0%
Total	12	85.7%	2	14.3%	14	100.0%

\* As of June 29, 2022





## 2. Risk Management and Compliance

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Number of consultations and reports via the Mitsubishi Estate Group help line	56	53	44	75	63	64	Mitsubishi Estate Group
- Number concerning discrimination	0	0	0	-	-	-	-
- Number concerning harassment	14	10	8	-	-	-	-
Number of major compliance violations (violations of Mitsubishi Estate Group Code of Conduct and Group Guidelines for Conduct and Anti-Corruption Guidelines)	0	0	0	0	0	0	Mitsubishi Estate Group
Fines (amount) for violations of Anti-Monopoly Act or other regulations	0	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated under Anti-Monopoly Act or other regulations	0	0	0	0	0	0	Mitsubishi Estate Group
Number of incidents of illicit conduct related to corruption, bribery or other illicit conduct	0	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated due to suspicion of corruption, bribery or other illicit conduct	0	0	0	0	0	0	Mitsubishi Estate Group
Number of violations related to customer privacy data	1	-	-	-	-	-	Mitsubishi Estate Group
Number of violations related to conflicts of interest	0	-	-	-	-	-	Mitsubishi Estate Group
Number of violations related to money laundering or insider trading	0	-	-	-	-	-	Mitsubishi Estate Group
Total number of information security breaches	0	-	-	-	-	-	Mitsubishi Estate Group
- Total number of clients, customers and employees affected by the breaches	0	-	-	-	-	-	Mitsubishi Estate Group

## Amount of tax paid in each country by the Mitsubishi Estate Group

(Unit: Millions of yen)

	Fiscal 2021	Fiscal 2020	Fiscal 2019
Japan	51,054	56,025	43,264
US	5,914	692	1,184
UK	1,133	434	1,176
Singapore	509	132	81
Other	441	115	92
Total	59,050	57,398	45,797

(Unit: Millions of yen)

	Fiscal 2022	Fiscal 2021
Non-recurring (one time) operating losses in own operations	0	0
Net operating losses from prior periods and/or acquired companies	4,637	2,751
Timing - net deferred tax assets/liabilities and major issues outside of the two year period reported (including accounting adjustments for prior reporting periods due to major tax policy changes)	512,372	527,001



# Sustainability Activities (ESG) Independent Third-Party Assurance Report

## Independent Assurance

We have asked Ernst&Young ShinNihon LLC to provide assurance on the environmental data. Please refer to the following Independent Assurance Statement for detail.

FY 2022 Independent Assurance Report 2022 (PDF 47KB)

[PDF](#)

FY 2022 Environmental Information (PDF 379KB)

[PDF](#)

LRQA Independent Assurance Statement Relating to Mitsubishi Estate Group's Greenhouse Gas Emissions and Environmental Data for the fiscal year 2021 (PDF 202KB)

[PDF](#)

Assurance Statement related to GHG Emissions Report 2020 (PDF 560KB)

[PDF](#)

Statement relating to Environmental Data 2020 (PDF 596KB)

[PDF](#)

Assurance Statement Related to GHG Emissions Report 2019 (PDF 160KB)

[PDF](#)

Statement Relating to Environmental Data 2019 (PDF 307KB)

[PDF](#)

The two PDFs for FY 2022 are English translations of an Independent Assurance Report and Environmental Information, originally prepared in Japanese. They are provided for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

\* In FY2020 and FY2021, we obtained a guarantee from Lloyd's Register Quality Assurance Limited.



# INDEX (GRI · SASB · TCFD, etc.)

**ESG Content Index**

[READ MORE →](#)

**GRI Standards Content  
Index**

[READ MORE →](#)

**Information Disclosure in  
Accordance with the  
SASB Standards**

[READ MORE →](#)

**Information Disclosure  
Based on TCFD  
Recommendations**

[READ MORE →](#)



# INDEX

## ESG Content Index

\* E: Environment, S: Social, G: Governance

Relevant items	Policies	Management structure	Initiatives	
E	Climate Change Response	<ul style="list-style-type: none"> <li>→ Policies and Targets</li> <li>→ Climate Change Strategies &gt; Basic Policy and Approach</li> <li>→ Information Disclosure Based on TCFD Recommendations</li> </ul>	→ Promotion System	<ul style="list-style-type: none"> <li>→ Climate Change Strategies</li> <li>→ List of Buildings Introducing Renewable Energy</li> </ul>
	Water Usage	<ul style="list-style-type: none"> <li>→ Policies and Targets</li> <li>→ Conserving Water Resources &gt; Basic Policy and Approach</li> </ul>	→ Promotion System	→ Conserving Water Resources
	Preventing Pollution	<ul style="list-style-type: none"> <li>→ Reducing Waste and Preventing Pollution &gt; Policy on Waste Reduction, Preventing Pollution, and Reducing Use of Resources</li> </ul>	→ Promotion System	<ul style="list-style-type: none"> <li>→ Conserving Water Resources</li> <li>→ Reducing Waste and Preventing Pollution</li> </ul>
	Effective Use of Resources (Including Waste Reduction)	<ul style="list-style-type: none"> <li>→ Policies and Targets</li> <li>→ Reducing Waste and Preventing Pollution &gt; Policy on Waste Reduction, Preventing Pollution, and Reducing Use of Resources</li> </ul>	→ Promotion System	→ Reducing Waste and Preventing Pollution
	Preserving Biodiversity	<ul style="list-style-type: none"> <li>→ Policies and Targets</li> <li>→ Preserving Biodiversity &gt; Policy on Biodiversity</li> </ul>	→ Promotion System	→ Preserving Biodiversity
	Environmental Management	<ul style="list-style-type: none"> <li>→ Policies and Targets</li> </ul>	→ Promotion System	—
S	Supply Chain Management	<ul style="list-style-type: none"> <li>→ Supply Chain Management &gt; Basic Policy and Approach</li> </ul>	→ Supply Chain Management > Promotion System	→ Supply Chain Management > Primary Initiatives
	Customer Relations	<ul style="list-style-type: none"> <li>→ Enhancing Customer Satisfaction &gt; Basic Policy and Approach</li> <li>→ Stakeholder Engagement &gt; Basic Policy and Approach</li> </ul>	<ul style="list-style-type: none"> <li>→ Enhancing Customer Satisfaction &gt; Promotion System</li> <li>→ Stakeholder Engagement &gt; Governance Structure</li> </ul>	<ul style="list-style-type: none"> <li>→ Enhancing Customer Satisfaction &gt; Primary Initiatives</li> <li>→ Stakeholder Engagement &gt; Methods for Dialogue with Stakeholders</li> </ul>





	Relevant items	Policies	Management structure	Initiatives
S	Labor Practices	—	—	<ul style="list-style-type: none"> <li>→ Employment and Labor Relations</li> <li>→ Promoting Diversity</li> </ul>
	Occupational Health and Safety	<ul style="list-style-type: none"> <li>→ Occupational Health and Safety / Health Management &gt; Policy on Occupational Health and Safety</li> <li>→ Occupational Health and Safety / Health Management &gt; Policy on Health Management</li> </ul>	<ul style="list-style-type: none"> <li>→ Occupational Health and Safety / Health Management &gt; Management Structure for Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>→ Occupational Health and Safety / Health Management &gt; Occupational Health and Safety &gt; Primary Initiatives</li> <li>→ Occupational Health and Safety / Health Management &gt; Health Management &gt; Primary Initiatives</li> </ul>
	Human Rights	<ul style="list-style-type: none"> <li>→ Human Rights Initiatives &gt; Policy on Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>→ Human Rights Initiatives &gt; Promotion System</li> </ul>	<ul style="list-style-type: none"> <li>→ Human Rights Initiatives</li> </ul>
	Human Resource Development & Retention	<ul style="list-style-type: none"> <li>→ Human Resource Development &gt; Basic Policy and Approach</li> </ul>	<ul style="list-style-type: none"> <li>→ Human Resource Development &gt; Initiatives for Human Resource Development</li> </ul>	<ul style="list-style-type: none"> <li>→ Human Resource Development &gt; Initiatives for Human Resource Development</li> </ul>
	Social Contribution Activities	<ul style="list-style-type: none"> <li>→ Social Contribution Activities / Support for Communities &gt; Basic Policy and Approach</li> </ul>	—	<ul style="list-style-type: none"> <li>→ Social Contribution Activities / Support for Communities</li> </ul>
G	Corporate Governance	<ul style="list-style-type: none"> <li>→ IR information &gt; Corporate governance &gt; Corporate governance system </li> </ul>	<ul style="list-style-type: none"> <li>→ IR information &gt; Corporate governance &gt; Corporate governance system </li> </ul>	<ul style="list-style-type: none"> <li>→ IR information &gt; Corporate governance </li> </ul>
	Appointment, Dismissal and Nomination of Corporate Executive Officers	<ul style="list-style-type: none"> <li>→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 (PDF 321KB)</li> </ul>	<ul style="list-style-type: none"> <li>→ IR information &gt; Corporate governance &gt; Corporate governance system </li> <li>→ IR Information &gt; Corporate governance &gt; Related Materials &gt; Corporate Governance Report P9 </li> </ul>	<ul style="list-style-type: none"> <li>→ IR information &gt; Corporate governance &gt; Corporate governance system &gt; Reasons for Appointing Executive Officers </li> <li>→ Reasons for the Nomination of Candidates for Directors (See the notice of convocation of the ordinary general meeting of shareholders) </li> </ul>
	Corporate Executive Officer Remuneration	<ul style="list-style-type: none"> <li>→ IR Information &gt; Corporate Governance &gt; Remuneration </li> <li>→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 &gt; Chapter IV: Directors and Corporate Executive Officers &gt; Article 16: Remuneration for Directors and Corporate Executive Officers (PDF 321KB) </li> <li>→ IR Information &gt; Corporate governance &gt; Related Materials &gt; Corporate Governance Report P20 &gt; Directors' and Corporate Executive Officers' Remuneration </li> </ul>		
	Internal Controls	<ul style="list-style-type: none"> <li>→ Compliance &gt; Compliance Approach and Policies</li> </ul>	<ul style="list-style-type: none"> <li>→ Compliance &gt; System for Promoting Compliance</li> </ul>	<ul style="list-style-type: none"> <li>→ Compliance &gt; Reinforcing Compliance</li> </ul>
	Management Auditing	<ul style="list-style-type: none"> <li>→ IR Information &gt; Corporate governance &gt; Related Materials &gt; Corporate Governance Report P18 &gt; Auditing Structure </li> </ul>		





Relevant items	Policies	Management structure	Initiatives
Risk Management			
Disaster Response & BCP	<ul style="list-style-type: none"> <li>→ Risk Management &gt; Business Continuity Plan Initiative and Review</li> <li>→ Key Theme 4: Resilience &gt; Establishment of Disaster Preparedness and Mitigation Framework</li> </ul>	<ul style="list-style-type: none"> <li>→ Risk Management &gt; Business Continuity Plan Initiative and Review</li> <li>→ Key Theme 4: Resilience &gt; Establishment of Disaster Preparedness and Mitigation Framework</li> </ul>	<ul style="list-style-type: none"> <li>→ Risk Management &gt; Business Continuity Plan Initiative and Review</li> <li>→ Key Theme 4: Resilience &gt; Establishment of Disaster Preparedness and Mitigation Framework</li> <li>→ Key Theme 4: Resilience &gt; Initiatives to Enhance Disaster Preparedness in Buildings</li> </ul>
Information Security	<ul style="list-style-type: none"> <li>→ Risk Management &gt; Dealing with Major Risks</li> <li>→ Risk Management &gt; Emerging Risks for the Mitsubishi Estate Group's Business</li> </ul>	<ul style="list-style-type: none"> <li>→ Risk Management &gt; System for Promoting Risk Management</li> <li>→ Risk Management &gt; Dealing with Major Risks</li> <li>→ Risk Management &gt; Emerging Risks for the Mitsubishi Estate Group's Business</li> </ul>	<ul style="list-style-type: none"> <li>→ Risk Management &gt; Risk Management Initiatives</li> <li>→ Risk Management &gt; Dealing with Major Risks</li> <li>→ Risk Management &gt; Emerging Risks for the Mitsubishi Estate Group's Business</li> </ul>
Compliance	<ul style="list-style-type: none"> <li>→ Compliance &gt; Compliance Approach and Policies</li> </ul>	<ul style="list-style-type: none"> <li>→ Compliance &gt; System for Promoting Compliance</li> </ul>	<ul style="list-style-type: none"> <li>→ Compliance &gt; Reinforcing Compliance</li> </ul>
Preventing Corruption	<ul style="list-style-type: none"> <li>→ Compliance &gt; Reinforcing Compliance &gt; Preventing Corruption</li> </ul>	<ul style="list-style-type: none"> <li>→ Risk Management &gt; System for Promoting Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>→ Compliance &gt; Reinforcing Compliance</li> </ul>
Materiality	<ul style="list-style-type: none"> <li>→ Material Issues of the Mitsubishi Estate Group</li> <li>→ Mitsubishi Estate Group 2030 Goals for SDGs</li> </ul>	<ul style="list-style-type: none"> <li>→ Sustainability Promotion System</li> </ul>	<ul style="list-style-type: none"> <li>→ Material Issues of the Mitsubishi Estate Group</li> <li>→ Mitsubishi Estate Group 2030 Goals for SDGs</li> </ul>
Stakeholder Engagement	<ul style="list-style-type: none"> <li>→ Stakeholder Engagement &gt; Basic Policy and Approach</li> <li>→ IR information </li> </ul>	<ul style="list-style-type: none"> <li>→ Stakeholder Engagement &gt; Governance Structure</li> <li>→ IR information </li> </ul>	<ul style="list-style-type: none"> <li>→ Stakeholder Engagement &gt; Methods for Dialogue with Stakeholders</li> <li>→ IR information </li> </ul>
Rules and Policies	<ul style="list-style-type: none"> <li>→ Mitsubishi Estate Group ESG-Related Rules and Policies</li> </ul>		
Results and Data	<ul style="list-style-type: none"> <li>→ ESG Data</li> </ul>		
Editorial Policy	<ul style="list-style-type: none"> <li>→ Editorial Policy</li> </ul>		

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# INDEX

## GRI Standards Content Index

<b>Statement of use</b>	The Mitsubishi Estate Group has reported in accordance with the GRI Standards for the period from April 1, 2022 to March 31, 2023.
<b>Title of GRI 1 used</b>	GRI 1: Foundation 2021

GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	→ <a href="#">About US &gt; Company Profile</a>
	2-2 Entities included in the organization's sustainability reporting	→ <a href="#">Editorial Policy</a>
	2-3 Reporting period, frequency and contact point	→ <a href="#">Editorial Policy</a>
	2-4 Restatements of information	Not applicable
	2-5 External assurance	→ <a href="#">Sustainability Activities (ESG) &gt; Independent Third-Party Assurance Report</a>
	2-6 Activities, value chain and other business relationships	→ <a href="#">Business Introduction</a>
	2-7 Employees	→ <a href="#">Sustainability Activities (ESG) &gt; ESG Data &gt; S: Social data &gt; Human Resources</a>
	2-8 Workers who are not employees	→ <a href="#">Sustainability Activities (ESG) &gt; ESG Data &gt; S: Social data &gt; Human Resources</a>
	2-9 Governance structure and composition	→ <a href="#">Corporate Governance &gt; Corporate Governance System</a> → <a href="#">Corporate Governance Report &gt; II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision</a> 



GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	→ IR Information > Corporate Governance > Corporate Governance System > Reasons for the Appointment of Corporate Executive Officers
		→ Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision <a href="#">PDF</a>
		→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 > Chapter IV: Directors and Corporate Executive Officers <a href="#">PDF</a>
	2-11 Chair of the highest governance body	→ Corporate Governance > Corporate Governance System
		→ IR Information > Corporate Governance
		→ Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision <a href="#">PDF</a>
	2-12 Role of the highest governance body in overseeing the management of impacts	→ Corporate Governance > Corporate Governance System
		→ Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision <a href="#">PDF</a>
	2-13 Delegation of responsibility for managing impacts	→ Sustainability Management > Sustainability Promotion System
	2-14 Role of the highest governance body in sustainability reporting	→ Environment > Promotion System
2-15 Conflicts of interest	→ Corporate Governance Report > III Status of Implementation of Measures Related to Shareholders and Other Stakeholders <a href="#">PDF</a>	
	→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P5 <a href="#">PDF</a>	
2-16 Communication of critical concerns	→ Risk Management > System for Promoting Risk Management	
	→ Compliance > Reinforcing Compliance	



GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P4 &gt; Article 17: Training for Directors and Corporate Executive Officers; <a href="#">PDF</a></li> <li>→ P6 &gt; Exhibit 1: Appointment Standards for Candidates for Directors <a href="#">PDF</a></li> </ul>
	2-18 Evaluation of the performance of the highest governance body	→ IR Information > Corporate Governance > Corporate Governance System <a href="#">☐</a>
	2-19 Remuneration policies	→ Securities Report > (4) Remuneration of Directors, etc. (Japanese only) <a href="#">PDF</a>
		→ Corporate Governance Report > Disclosed Policy for Deciding the Amounts or Calculation Method of Remuneration <a href="#">PDF</a>
		→ IR Information > Corporate Governance > Remuneration > Revision of the Remuneration System <a href="#">☐</a>
		<ul style="list-style-type: none"> <li>→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 &gt; Article 11: Remuneration Committee; <a href="#">PDF</a></li> <li>→ P9 &gt; Policy Concerning Decisions on the Details of Remuneration, etc. for each Director and Corporate Executive Officer <a href="#">PDF</a></li> </ul>
	2-20 Process to determine remuneration	→ Securities Report > (4) Remuneration of Directors, etc. (Japanese only) <a href="#">PDF</a>
		→ IR Information > Corporate Governance > Remuneration > Revision of the Remuneration System <a href="#">☐</a>
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	→ Messages > Message from the President
	2-23 Policy commitments	→ Sustainability Management > Mitsubishi Estate Group ESG-Related Rules and Policies
		→ Social > Human Rights Initiatives
	2-24 Embedding policy commitments	→ Sustainability Management > Mitsubishi Estate Group ESG-Related Rules and Policies
	2-25 Processes to remediate negative impacts	→ Governance > Compliance
2-26 Mechanisms for seeking advice and raising concerns	→ Governance > Compliance	
	→ Social > Human Rights Initiatives	
2-27 Compliance with laws and regulations	→ Governance > Compliance	



GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-28 Membership associations	→ Sustainability Management > Stakeholder Engagement > Partnerships with Outside Organizations
	2-29 Approach to stakeholder engagement	→ Sustainability Management > Stakeholder Engagement
		→ Sustainability Management > Stakeholder Engagement > FY2022 Stakeholder Dialog Details
		→ Employment and Labor Relations > Promotion of Dialogue with Employees and Labor Union
		→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
		→ IR Information > Corporate Governance > other initiatives
	2-30 Collective bargaining agreements	→ Social > Human Rights Initiatives
→ Social > Employment and Labor Relations		
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
		→ Mitsubishi Estate Group 2030 Goals for SDGs
	3-2 List of material topics	→ Mitsubishi Estate Group 2030 Goals for SDGs
	3-3 Management of material topics	→ Mitsubishi Estate Group 2030 Goals for SDGs
Economic Performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	→ Sustainability Activities (ESG) > ESG Data > S: Social data
		→ Securities Report (Japanese only)
	201-2 Financial implications and other risks and opportunities due to climate change	→ Sustainability Activities (ESG) > Environment > Information Disclosure Based on TCFD Recommendations
	201-3 Defined benefit plan obligations and other retirement plans	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Retirement Allowance Program
		→ Securities Report (Japanese only)
201-4 Financial assistance received from government	-	





GRI standards	Requirements	Page
Market Presence		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Payment of Fair Wages
	202-2 Proportion of senior management hired from the local community	-
Indirect Economic Impacts		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	→ Sustainability Activities (ESG) > Environment
		→ Sustainability Activities (ESG) > Social > Social Contribution Activities / Support for Communities > Building Communities
		→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 3: Innovation
	→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 4: Resilience	
203-2 Significant indirect economic impacts	-	
Procurement Practices		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	→ Sustainability Activities (ESG) > Social > Supply Chain Management
		→ Sustainability Activities (ESG) > ESG Data > S: Social data > (2) Other > 3. Supply chain management related data
Anti-corruption		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
		→ Sustainability Activities (ESG) > Governance > Risk Management > Risk Management Initiatives
	205-2 Communication and training about anti-corruption policies and procedures	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
		→ Sustainability Activities (ESG) > Governance > Risk Management > Risk Management Initiatives
		→ Sustainability Activities (ESG) > ESG Data > G: Governance data
	205-3 Confirmed incidents of corruption and actions taken	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
→ Sustainability Activities (ESG) > ESG Data > G: Governance data		



GRI standards	Requirements	Page
Anti-competitive Behavior		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
		→ Sustainability Activities (ESG) > ESG Data > G: Governance data
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	→ Sustainability Activities (ESG) > Governance > Tax Transparency > Policy on Tax Transparency
	207-2 Tax governance, control, and risk management	→ Sustainability Activities (ESG) > Governance > Tax Transparency > Governance System
	207-3 Stakeholder engagement and management of concerns related to tax	→ Sustainability Activities (ESG) > Governance > Tax Transparency > Governance System
	207-4 Country-by-country reporting	→ Sustainability Activities (ESG) > ESG Data > G: Governance data
Materials		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	301-2 Recycled input materials used	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	301-3 Reclaimed products and their packaging materials	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	302-2 Energy consumption outside of the organization	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	302-3 Energy intensity	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	302-4 Reduction of energy consumption	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
		→ Sustainability Activities (ESG) > Environment > Climate Change Strategies > Energy Management Initiatives
	302-5 Reductions in energy requirements of products and services	→ Sustainability Activities (ESG) > Environment > Climate Change Strategies > Energy Management Initiatives



GRI standards	Requirements	Page
Water and Effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	→ Sustainability Activities (ESG) > Environment > Conserving Water Resources
	303-2 Management of water discharge-related impacts	→ Sustainability Activities (ESG) > Environment > Conserving Water Resources
		→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
	303-3 Water withdrawal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	303-4 Water discharge	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	303-5 Water consumption	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
Biodiversity		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity
	304-2 Significant impacts of activities, products, and services on biodiversity	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity
		<ol style="list-style-type: none"> <li>1. We employ IPM (integrated pest management) to control pests in green areas and endeavor to reduce the amount of chemicals sprayed and minimize their effects.</li> <li>2. The Group has established the Mitsubishi Estate Group Alien Organisms Response Manual and works to eliminate specified non-native species while conserving indigenous species.</li> <li>3. We monitor biodiversity in the wider Marunouchi area regularly and publish the results in the "Biodiversity in Marunouchi" handbook.</li> <li>4. Mitsubishi Estate Residence implements the BIO NET INITIATIVE, a greening project aimed at preserving biodiversity, in an effort to carry out biodiversity-conscious residential development.</li> </ol>
	304-3 Habitats protected or restored	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat
→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Sunshine Aquarium Coral Conservation Activities		



GRI standards	Requirements	Page
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	305-2 Energy indirect (Scope 2) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	305-3 Other indirect (Scope 3) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	305-4 GHG emissions intensity	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	305-5 Reduction of GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
		→ Sustainability Activities (ESG) > Independent Third-Party Assurance Report
	305-6 Emissions of ozone-depleting substances (ODS)	-
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data	
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
	306-2 Management of significant waste-related impacts	→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
	306-3 Waste generated	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	306-4 Waste diverted from disposal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data
	306-5 Waste directed to disposal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental data



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Supplier Environmental Assessment		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<p>→ Sustainability Activities (ESG) &gt; Social &gt; Supply Chain Management &gt; Notification in and outside of the Group on the Supplier Code of Conduct</p> <p>→ Sustainability Activities (ESG) &gt; Environment &gt; Promoting Acquisition of Sustainability Certifications &gt; Environmental Design Policies and Incentive Programs</p>
	308-2 Negative environmental impacts in the supply chain and actions taken	→ Sustainability Activities (ESG) > Social > Supply Chain Management
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	→ Sustainability Activities (ESG) > ESG Data > S: Social data
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Life insurance, compensation for illness and disabilities, retirement benefits, employee stock ownership plan, housing assistance, etc. (Scope: Mitsubishi Estate)</p> <p>→ Sustainability Activities (ESG) &gt; Social &gt; Promoting Diversity &gt; Various Programs for Work-Life Integration</p>
	401-3 Parental leave	→ Sustainability Activities (ESG) > ESG Data > S: Social data
Labor/Management Relations		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Although here are no written rules and they can differ depending on the details, the minimum notice period is two weeks, and major events such as those accompanying a change in work regulations may require a period of over one month. (Scope: Mitsubishi Estate)
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-2 Hazard identification, risk assessment, and incident investigation	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-3 Occupational health services	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management





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GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-5 Worker training on occupational health and safety	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-6 Promotion of worker health	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-8 Workers covered by an occupational health and safety management system	→ Editorial Policy
	403-9 Work-related injuries	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
		→ Sustainability Activities (ESG) > ESG Data > S: Social data
	403-10 Work-related ill health	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
		→ Sustainability Activities (ESG) > ESG Data > S: Social data
	Training and Education	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	→ Sustainability Activities (ESG) > Social > Human Capital > Initiatives for Human Resource Development
		→ Sustainability Activities (ESG) > ESG Data > S: Social data
	404-2 Programs for upgrading employee skills and transition assistance programs	→ Sustainability Activities (ESG) > Social > Human Capital > Initiatives for Human Resource Development
	404-3 Percentage of employees receiving regular performance and career development reviews	→ Sustainability Activities (ESG) > Social > Human Capital > Initiatives for Human Resource Development



GRI standards	Requirements	Page
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<a href="#">→ Sustainability Activities (ESG) &gt; ESG Data &gt; S: Social data</a> <a href="#">→ IR Information &gt; Corporate Governance &gt; Corporate Governance System </a>
	405-2 Ratio of basic salary and remuneration of women to men	<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Employment and Labor Relations &gt; Equitable Salary System</a>
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	<a href="#">→ ESG Data &gt; G: Governance data &gt; 2. Risk Management and Compliance</a>
Freedom of Association and Collective Bargaining		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Human Rights Initiatives &gt; Policy on Human Rights</a>
		<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Human Rights Initiatives &gt; Initiatives for Human Rights Due Diligence</a>
Child Labor		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Supply Chain Management &gt; Establishment of Mitsubishi Estate Group Supplier Code of Conduct</a>
		<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Supply Chain Management &gt; Notification in and outside of the Group on the Supplier Code of Conduct</a>
		<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Human Rights Initiatives &gt; Policy on Human Rights</a>
		<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Human Rights Initiatives &gt; Initiatives for Human Rights Due Diligence</a>
Forced or Compulsory Labor		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Supply Chain Management &gt; Establishment of Mitsubishi Estate Group Supplier Code of Conduct</a>
		<a href="#">→ Sustainability Activities (ESG) &gt; Social &gt; Supply Chain Management &gt; Notification in and outside of the Group on the Supplier Code of Conduct</a>



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GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk
		→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Policy on Human Rights
		→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
Security Practices		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	-
Rights of Indigenous Peoples		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	When considering business activities in Asia, where there are numerous cases of human rights violations, the Group will conduct corporate human rights due diligence in the area using checklists to confirm whether there are any issues such as forced evictions. The results will be used in decision-making when participating in business activities. These checks are performed based on the concept of Free, Prior and Informed Consent (FPIC), with special attention given to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups particularly susceptible to human rights violations.
Local Communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	→ Sustainability Activities (ESG) > Social > Social Contribution Activities / Support for Communities
	413-2 Operations with significant actual and potential negative impacts on local communities	Undisclosed at the present time.
Supplier Social Assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
	414-2 Negative social impacts in the supply chain and actions taken	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk



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Public Policy		
GRI 415: Public Policy 2016	415-1 Political contributions	-
Customer Health and Safety		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	→ <a href="#">Mitsubishi Estate Group 2030 Goals for SDGs &gt; Key Theme 4: Resilience</a>
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No applicable incidents.
Marketing and Labeling		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	→ <a href="#">Sustainability Activities (ESG) &gt; Social &gt; Enhancing Customer Satisfaction &gt; Responsible Advertising Activities</a>
	417-2 Incidents of non-compliance concerning product and service information and labeling	No applicable incidents.
	417-3 Incidents of non-compliance concerning marketing communications	No applicable incidents.
Customer Privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	→ <a href="#">Sustainability Activities (ESG) &gt; ESG Data &gt; G: Governance data</a>



## INDEX

# Information Disclosure in Accordance with the SASB Standards

## Information Disclosure Based on SASB Standard

The SASB (Sustainability Accounting Standard Boards) Foundation was founded in 2011 as a not-for-profit with the mission to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors.

SASB has developed a set of 77 industry-specific standards (SASB Standard) since it was founded in 2011.

SASB standards can help investors by encouraging reporting that is comparable, consistent, and financially material, thereby enabling investors to make better investment and voting decisions.

### ■ Note

We are applicable to "REAL ESTATE at "INFRASTRUCTURE SECTOR" according to SICs®, and we disclose the following information based on the standard of this sector.





## ■ Sustainability Disclosure Topics & Accounting Metrics

### <Energy Management>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Energy consumption data coverage as a percentage of total floor area, by property subsector	Percentage (%) by floor area	IF-RE-130a.1	Environmental data > (2) Other > Basic Data on Target Properties
			Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management) > GHG Emissions, Energy Use and Other Data by Type of Property
Total energy consumed by portfolio area with data coverage, percentage grid electricity, and percentage renewable, by property subsector	Mwh	IF-RE-130a.2	Environmental data > (1) KPI > 1. Climate Change (GHG Emissions, Energy Use)
			Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management)
Like-for-like percentage change in energy consumption for the portfolio area with data coverage	%	IF-RE-130a.3	Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management)
Percentage of eligible portfolio that has an energy rating and is certified to ENERGY STAR, by property subsector	Percentage (%) by floor area	IF-RE-130a.4	Environmental data > (2) Other > 5. Green Building Certification
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	n/a	IF-RE-130a.5	Environment > Climate Change Strategies

### <Water Management>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Water withdrawal data coverage as a percentage of total floor area and floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) by floor area	IF-RE-140a.1	Environmental data > (2) Other > Basic Data on Target Properties
			Environmental data > (2) Other > 3. Water > Water Usage by Type of Property
Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Thousand m <sup>2</sup>	IF-RE-140a.2	Environmental data > (2) Other > 3. Water
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	%	IF-RE-140a.3	Environmental data > (2) Other > 3. Water
Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	IF-RE-140a.4	Environment > Conserving Water Resources



## <Management of Tenant Sustainability Impacts>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area, by property subsector	Percentage (%) by floor area	IF-RE-410a.1	-
Percentage of tenants that are separately metered or submetered for grid electricity consumption and water withdrawals, by property subsector	Percentage (%) by floor area	IF-RE-410a.2	-
Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	n/a	IF-RE-410a.3	Environment > Climate Change Strategies
			Environment > Reducing Waste and Preventing Pollution
			Environment > Conserving Water Resources

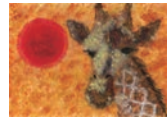
## <Climate Change Adaptation>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Area of properties located in 100-year flood zones, by property subsector	m <sup>2</sup>	IF-RE-450a.1	-
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	n/a	IF-RE-450a.2	Environment > Information Disclosure Based on TCFD Recommendations

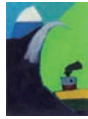
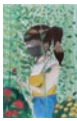
## ■ Activity Metrics

Accounting Metrics	UNIT OF MEASURE	CODE	References
Number of assets, by property subsector	Number	IF-RE-000.A	Environmental data > (2) Other > Basic Data on Target Properties
Leasable floor area, by property subsector*	m <sup>2</sup>	IF-RE-000.B	Environmental data > (2) Other > Basic Data on Target Properties
Percentage of indirectly managed assets, by property subsector	Percentage (%) by floor area	IF-RE-000.C	-
Average occupancy rate, by property subsector	%	IF-RE-000.D	-

\* Indicates the total floor area



 **MITSUBISHI ESTATE CO., LTD.**



The back cover shows the award-winning works of art from the fiscal 2022 21th Kira Kira Art Competition held by Mitsubishi Estate for children with disabilities.