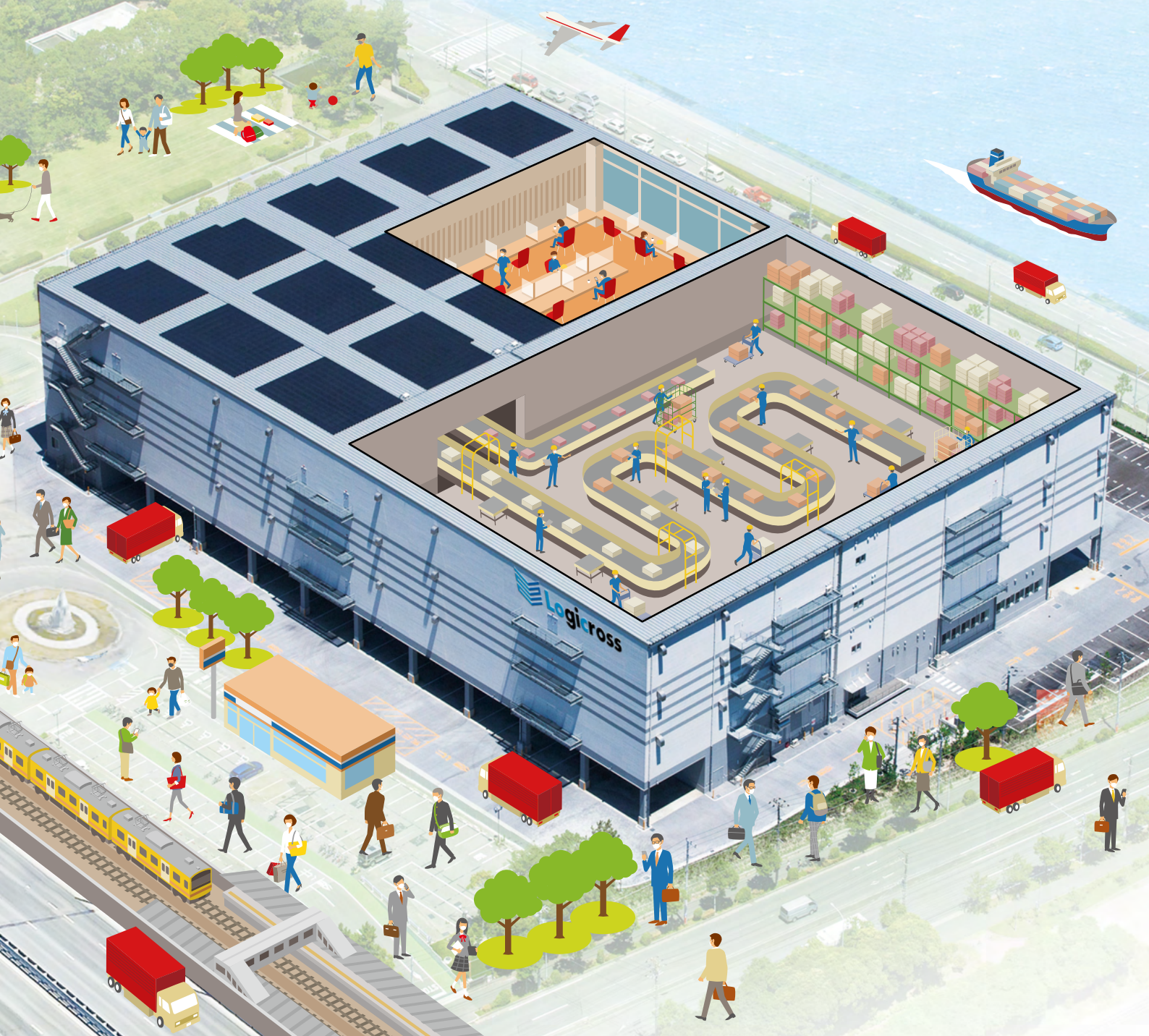


Sustainability Report 2022



Maximize unitholder value by improving sustainability

MEL is committed to endeavoring to enhance consideration towards the environment, social contributions and corporate governance to improve the sustainability of society. We recognize that this is an important social responsibility for a listed enterprise to assume, and also believe that it is essential for maximizing our unitholder value.

To put our commitment into practice, MEL together with its asset management company, MJIA, shares the sustainability objectives, and continues to embed sustainability into our business.

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Sustainability Report

We have published this report for the purpose of publicizing our approach to ESG and our initiatives to a wide range of stakeholders, including investors.

Top Message



Mitsubishi Estate Logistics REIT
Investment Corporation
Executive Director Ken Takanashi

Sustainability (Sustainability of Society) has attracted public attention in recent years and has been widely covered in the Japanese media. The corporate stance of responding to climate change and other environmental issues, contributing to local communities, and enhancing internal controls is now caught by investors as a benchmark for evaluating medium-to long-term risk management and opportunities to generate new revenues. The Investment Corporation believes that working to improve social sustainability, including consideration for the environment, social contribution, and strengthening governance, is a social responsibility expected of a publicly traded investment corporation, and is also indispensable for maximizing unitholder value. In order to put these ideas into practice, we share our approach to sustainability with the Asset Management Company and promote our efforts together.

In April 2019, the Asset Management Company established the Sustainability Policy, as a basic policy. Based on this policy, we are implementing ESG initiatives in our day-to-day operations.

In December 2021, by the support for the recommendations of the Climate-Related Financial Information Task Force (TCFD), the Investment Corporation has identified materiality, risks, and opportunities and analyzed and evaluated them, and set KPIs for the Corporation.

The Sustainability Committee was positioned as the core of management in January 2022, based on the belief that it is useful to further clarify and implement management's commitment to sustainability. It was also upgraded to formal committee in order to enhance and clarify the sustainability promotion system. In the same year, the Sustainability Management Office was newly established within the Corporate Management Department of the Asset Management Company to further enhancing its commitment to sustainability. Additionally, the Asset Management Company appointed a sustainability officer to strengthen the structure further.

In addition, the Mitsubishi Estate Group, to which the Asset Management Company belongs, established the Mitsubishi Estate Group's Sustainability Vision 2050 with an eye to sustainability management in 2050 in order to promote business aimed at realizing a sustainable society. To realize this vision, the Mitsubishi Estate Group's Sustainable Development Goals 2030 set forth in the Long-Term Management Plan 2030 is positioned as a milestone to establish specific themes and actions to achieve this vision. The Asset Management Company also shares this.

The Investment Corporation will continue to strive to fulfill its mission of maximizing unitholder value over the medium to long term by building relationships of trust with its unitholders and other stakeholders by further enhancing ESG in real estate investment management and appropriately disclosing its achievement.

Initiatives for Sustainability

Basic stance

MEL is committed to endeavoring to enhance consideration towards the environment, social contributions and corporate governance to improve the sustainability of society. We recognize that this is an important social responsibility for a listed enterprise to assume, and also believe that it is essential for maximizing our unitholder value.

To put our commitment into practice, MEL together with its asset management company, Mitsubishi Jisho Investment Advisors, Inc. ("MJIA"), shares the sustainability objectives, and continues to embed sustainability into our business.

Mitsubishi Estate Group's efforts and policies on ESG issues

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**.

1.Environment

Sustainable urban development that proactively addresses climate change and environmental issues



2.Diversity & Inclusion

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



3.Innovation

Innovative urban development that continuously renews society

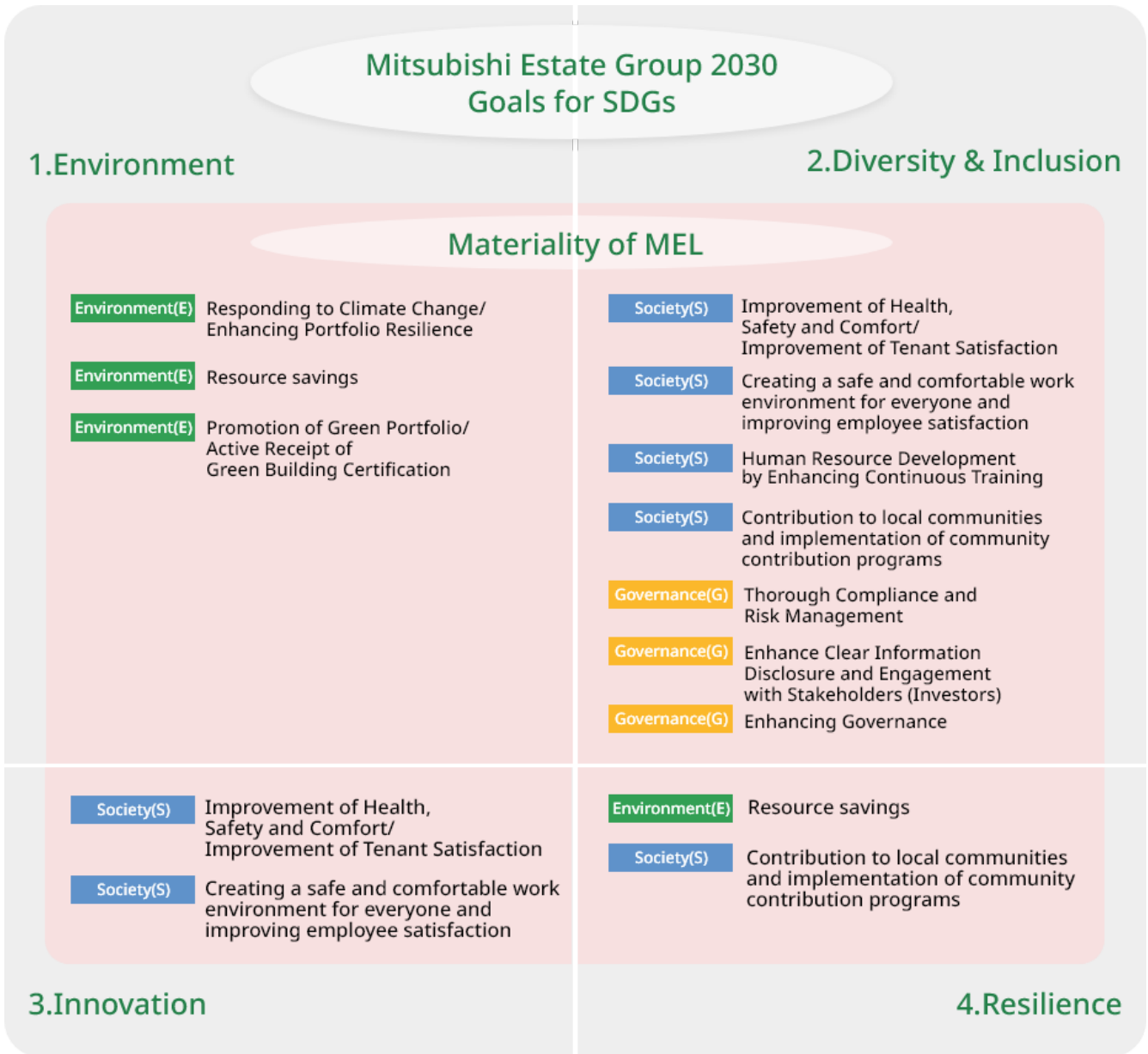


4.Resilience

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



Positioning of the Investment Corporation Materiality



For more details, please refer to: [Materiality](#)

Sustainability Policy

1.Pursue Energy Efficiency and Low Carbon

We proactively pursue energy efficiency and takes steps to reduce greenhouse gas emissions in our portfolio by installing and switching to energy-saving products and utilizing renewable energy.

2.Improve Water Resource Management and Waste Management

We strive to improve the efficiency of water use and to implement 3R waste programs (reduce, reuse, recycle) in order to make effective use of limited resources in our portfolio.

3.Enhance of Tenant Safety, Security and Satisfaction

We implement disaster preparedness and damage prevention measures in our portfolio and strive to increase tenant safety and security. We promote improvement of operation methods based on our tenants' needs, installment of equipment, and improve tenant satisfaction.

4.Empower Our People

We provide various training and skills/career development programs into our development of employees' capabilities to raise environmental awareness. We are also committed to creating a work environment that is comfortable for all members of our diverse pool of talent, thereby making it possible for everyone to reach their full potential.

5.Collaborate with External Stakeholders

We strive to build relationships of goodwill with external stakeholders including tenants, property managers and all others along the supply chain, as well as with local communities and local governing bodies. We focus on collaborating with these parties as we put this policy into practice.

6.Disclose ESG Information and Obtain Environmental Certifications

We endeavor to disclose ESG related information to our investors and various other stakeholders. In addition, we work to obtain environmental certifications as needed in order to strengthen our sustainability efforts.

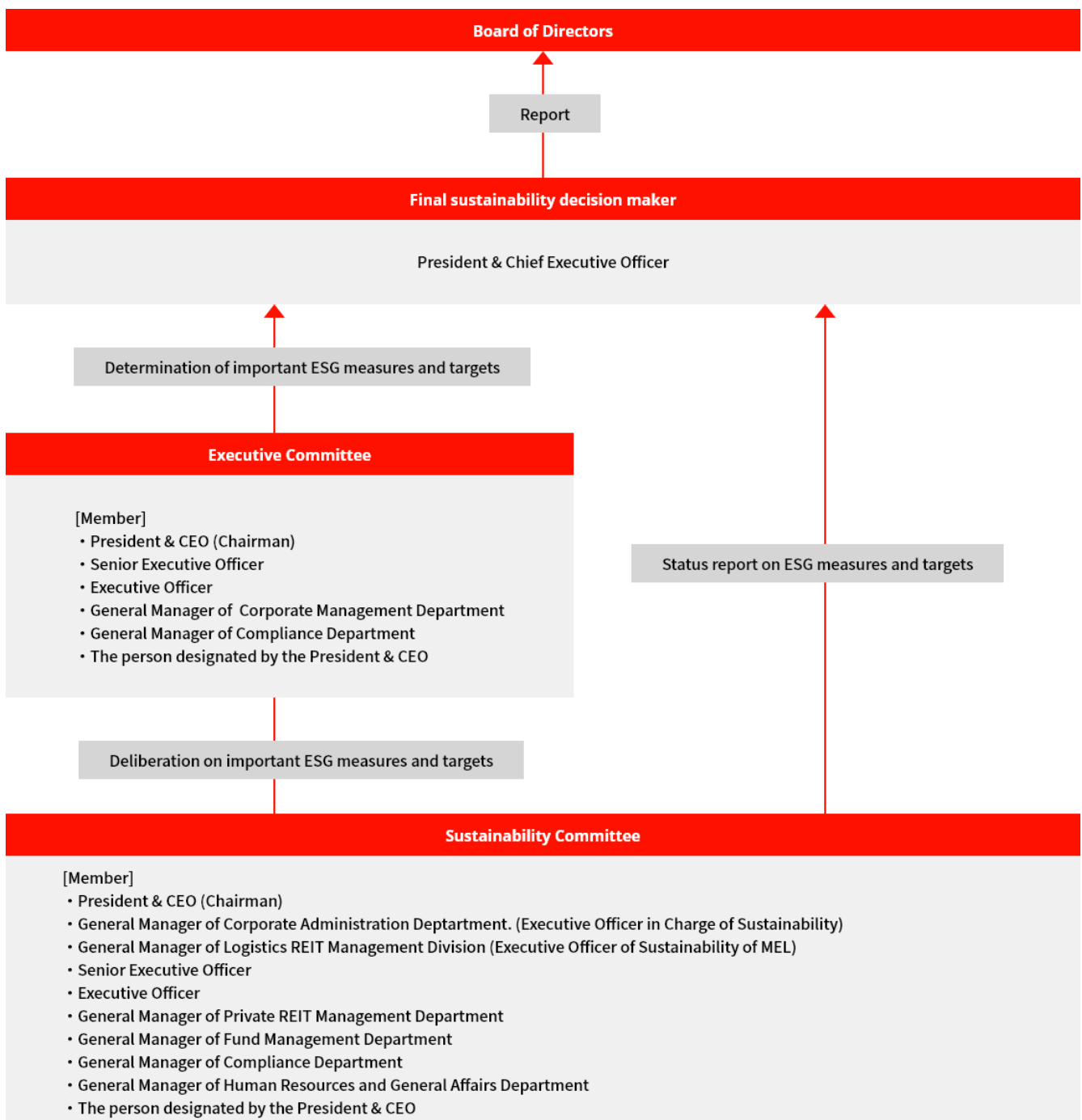
7.Ensure Compliance and Risk Management

In addition to complying laws and regulations, we adhere to social norms including fair transactions, appropriate information management practices, prevention of corruption, prevention of conflicts of interest and respect for human rights and diversity. Over the medium- to long-term, we consider the environmental and social risks related to our portfolio, incorporate these considerations into the real estate management process to minimize risk.

Sustainability Committee

MEL believes that our efforts to improve sustainability is essential to maximizing unitholder value. The Sustainability Committee deliberates on and reports on the implementation of the Asset Management Company's and MEL's sustainability goals and measures, as well as evaluates, analyzes, and shares the latest sustainability-related knowledge.

Sustainability Promotion Structure



Reporting details, meeting frequency and examination process

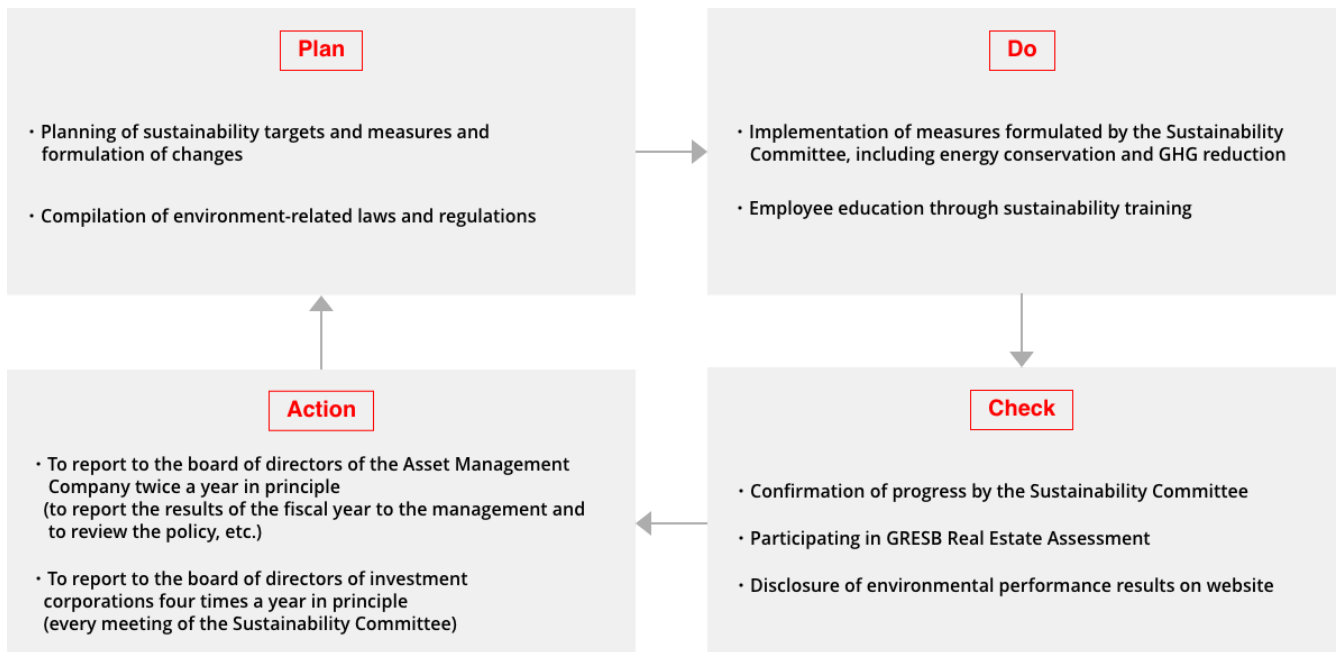
As a general rule, the Committee meets once a quarter to deliberate the establishment of sustainability-related goals and measures and to share the progress on these goals and measures. The Committee also evaluates and analyzes these matters while also exchanging the latest knowledge pertaining to sustainability.

The deliberations of the Committee are submitted for discussion to the Executive Committee whenever necessary in light of their importance. The content of the Committee meetings is also reported to and supervised by the MJIA Board of Directors, while also being reported at the Board of Directors meetings that are held periodically at the investment corporations.

Establishment of Sustainability Management Office

In April 2022, the Sustainability Management Office was newly established within the Corporate Management Department of the Asset Management Company to further enhancing its commitment to sustainability. Additionally, the Asset Management Company appointed a sustainability officer to strengthen the structure further.

Sustainability Promotion Based on PDCA Cycle



Establishment of the Sustainability Promotion Manual

MJIA formulated sustainability promotion manuals to provide basic policies with regard to and clarify procedures for its sustainability promotion initiatives, including those aimed at constantly monitoring and reducing the volume of energy and water consumption and greenhouse gas and waste emissions as well as those aimed at promoting green procurement through external collaboration. Through the distribution of these manuals, MJIA is striving to enhance the effectiveness of its sustainability initiatives.

<Overview of the Sustainability Promotion Manual>

Manual	Contents
<ul style="list-style-type: none"> Environmental management system operation manual 	<ul style="list-style-type: none"> Operational Rules for Sustainability Policies and Handling Detailed Regulations for Sustainability Policies Establishment, management, and maintenance of EMSs based on PDCA cycle
<ul style="list-style-type: none"> Greenhouse gas emission reduction promotion implementation manual Energy Conservation Promotion Implementation Manual Water use efficiency manual Waste management manual 	<ul style="list-style-type: none"> Basic policy for continuously identifying and reducing the amounts used and discharged Management and analysis of amounts used or discharged
<ul style="list-style-type: none"> Sustainable procurement implementation manual 	<ul style="list-style-type: none"> Provisions for consideration of sustainability in the procurement of goods and services related to the asset management business of the Investment Company and specific measures to promote sustainability in cooperation with suppliers including PM Corporation Application of sustainable procurement to all suppliers. Requirement to have in place policies and systems related to corporate ethics, including anti-fraud and anti-corruption.

Implementation of Sustainability Training

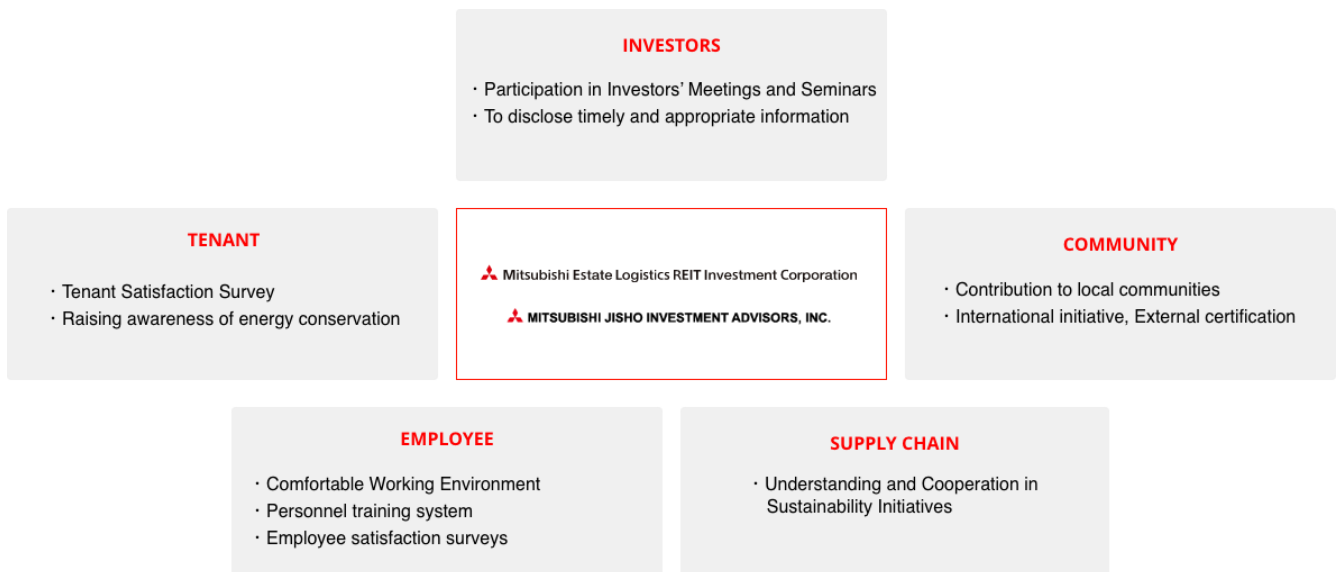
MJIA regularly holds training sessions for all executives focused on sustainability in order to acquire knowledge and raise awareness of sustainability considerations that are more practical, such as market and regulatory trends related to ESG investment and environmental real estate, and information related to green building certification.

Stakeholder Engagement

Basic Policy

The Investment Corporation's business activities are conducted with the support of its many stakeholders. For this reason, we recognize that fulfilling the social responsibilities required of the Investment Corporation is also important in our own sustainable business activities.

The Investment Corporation's main stakeholders are investors, tenants, business partners, communities, and employees. The Investment Corporation will deepen its relationships of trust through constructive dialogue with these stakeholders, and take their expectations and requests seriously and apply them in the business activities of the Investment Corporation and ESG initiatives.



Materiality

Identified Materiality

Environment (E)

Responding to Climate Change/Enhancing Portfolio Resilience



KPIs and targets	CO2 emissions intensity	Target: 30% reduction by FY 2030 (based on FY 2017)
	Energy consumption intensity	Target: 15% reduction by FY 2030 (based on FY 2017)

Policy We aim to reduce greenhouse gas emissions by introducing equipment that contributes to energy efficiency and energy conservation in our portfolio.

Page <https://mel-reit.co.jp/en/esg/environment/>

Resource savings



KPIs and targets	Water consumption intensity	Target: Not increased by FY 2030 (based on FY 2017)
	Waste recycling	Target rate: 70% or more by FY 2030

Policy We will promote the efficient use of resources (including water) and promote the reduction and recycling of waste.
When disposing of waste, we comply with laws and regulations and properly dispose of such waste (including hazardous substances).

Page <https://mel-reit.co.jp/en/esg/environment/>

Promotion of Green Portfolio/Active Receipt of Green Building Certification



KPIs and targets	Green building certification	Target: Increase to 100% by FY 2030
------------------	------------------------------	-------------------------------------

Policy Obtain various green building certifications and visualize the objectivity and performance of GHG emissions reductions.

Page <https://mel-reit.co.jp/en/esg/external/greenbuilding.html>

Improvement of Health, Safety and Comfort/Improvement of Tenant Satisfaction



KPIs and targets Regular implementation of Tenant Satisfaction Surveys

Policy We aim to improve tenant satisfaction by conducting regular tenant satisfaction surveys, conducting renovation work in response to diversifying social needs, and expanding tenant support services. (environmental and energy-saving measures, health, safety, comfort improvement, etc.)



Page <https://mel-reit.co.jp/en/esg/social/>



Contribution to local communities and implementation of community contribution programs



KPIs and targets Regular implementation of community contribution programs

Policy We will strive to contribute to society by regularly implementing community contribution programs (including participation in local cleaning activities) and contributing as a disaster prevention center for our portfolio.

Page <https://mel-reit.co.jp/en/esg/social/communities.html>

Creating a safe and comfortable work environment for everyone and improving employee satisfaction



KPIs and targets Implementation of an employee satisfaction survey

Acquisition rate of paid holidays Target: 90% or more (calculated by employees on April 1 of each fiscal year)



Female management ratio

Policy We will respect the basic rights and diversity of our employees and create an environment and system that maintains a good work-life balance.

Page <https://mel-reit.co.jp/en/esg/social/balance.html>

Human Resource Development by Enhancing Continuous Training



KPIs and targets Training hours per employee

Number of qualified employees



Policy We regard employees as important management resources "human assets" for a company, and conduct various types of training to improve a wide range of expertise and skills, as the growth of employees is essential to our growth as a company.

Page <https://mel-reit.co.jp/en/esg/social/developing.html>

Thorough Compliance and Risk Management



KPIs and targets	Meetings of the Compliance Risk Management Committee	Target: Held as needed
	Frequency of compliance and risk management training sessions	Target: 4 times par year
	Compliance and Risk Management Training Participation Rate	Target: 100%
Policy	Safety confirmation training	Target: twice a year
	Internal audit	
	We aim to thoroughly comply with laws and regulations by fostering each employee's awareness of compliance and risk management and enhancing his/her knowledge.	
Page	We will conduct appropriate internal audits to ensure effective internal controls.	
	We will prevent unfair and impartial transactions with stakeholders based on internal regulations and deliberations by the Compliance and Risk Management Committee.	
	https://mel-reit.co.jp/en/esg/governance/compliance.html	

Enhancing Governance



KPIs and targets	Frequency of the Board of Directors of MEL
	Attendance rate for the Board of Directors of MEL
Policy	We aim to build a governance system by ensuring the third-party nature and diversity of the Directors of MEL.
Page	https://mel-reit.co.jp/en/esg/governance/

Enhance Clear Information Disclosure and Engagement with Stakeholders (Investors)



KPIs and targets	GRESB, MSCI, PRI
	Number of IR meeting
Policy	We aim to build an strong relationship of trust by disclosing information in a timely, appropriate, and proactive manner, including sustainability information, and regularly holding engagement with stakeholders (investors) through business activities that utilize IR and other means.
Page	https://mel-reit.co.jp/en/esg/external/environmental.html

Materiality Identification Process

Step 1 Identification of Issue Items

With reference to the evaluation items of the main evaluation organizations (GRESB, etc.) and disclosure frameworks (GRIs, etc.) related to sustainability of the Investment Corporation, issues were identified over a wide area based on the expectations of stakeholders and the status of other companies in the same industry.



Step 2 Focusing and Prioritizing

Formulate materiality (draft) by organizing and integrating issues as appropriate and prioritizing them in light of social trends and expectations demanded by internal and external stakeholders and the impact on the business and performance of the Investment Corporation.



STEP 3 Meetings, Validation and Approval by Management

The materiality (draft) is discussed external specialized institution and management, including President & Chief Executive officer of MIJA, and approved by Management Committee of MIJA identify materiality.

International Initiatives and Participation

Signing of 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. As of March 2019, approximately 2,300 institutions, representing more than US\$86 trillion in assets under management, have signed on to PRI.

MJIA agreed with the basic approach of PRI and became a signatory in March 2020.

<The Six Principles>

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Signatory of:



Supporting the TCFD Recommendations

TCFD (Task Force on Climate-Related Financial Disclosures) was established by the Financial Stability Board (FSB) to consider how to disclose climate-related information and respond to financial institutions.

In its final report in June 2017, TCFD published recommendations to identify and recommend public disclosures about the financial consequences of climate change for companies and other entities.

In December 2021, MJIA announced its support for the recommendation of the TCFD and joined TCFD Consortium, a group of domestic companies that support TCFD recommendation.

The Investment Corporation also recognizes that the risks and opportunities related to climate change have an impact on its business, and will respond to these risks and further promote the disclosure of information.



Please refer to "[Climate Change Initiatives](#)" for details.

Participation in UNGC

UNGC is a voluntary, global initiative supporting a global framework for sustainable growth through the demonstration of creative, responsible leadership by the respective corporations and organizations as principled members of society.

First proposed in 1999 by the then United Nations Secretary-General Kofi Annan, participants currently number more than 13,000 organizations and companies based in 160 countries (as of July 2018). It engages in activities based on ten universally-accepted principles in the four areas of human rights, labor, environment, and anti-corruption.

Mitsubishi Estate Co., Ltd. became a signatory of the UNGC and Mitsubishi Estate Group was registered as participants in April 2018. Along with this, Asset Management Company has participated in this initiative as a member of Mitsubishi Estate Group.



Environmental Assessment and Certifications

GRESB Real Estate Assessment

GRESB assesses the sustainability performance of real assets across the globe. The assessment was established in 2009 primarily by major European pension funds which took the lead in Principles for Responsible Investment (PRI). The GRESB Real Estate Assessment is distinguished by its comprehensive evaluation of initiatives for sustainability of property companies, REITs and real estate funds. MEL has been awarded the prestigious “5 Stars” for the second consecutive year and “Green Star” for the third consecutive year by the 2021 GRESB.

October 15, 2021 [Notice concerning GRESB Real Estate Assessment Results](#) 



GRESB Public Disclosure

MEL also received the highest “A Level” for the GRESB Public Disclosure for the second consecutive year, which assess the width of our ESG disclosure.



MSCI ESG Ratings (BBB)

MEL has received BBB in its MSCI ESG rating.



Disclaimer

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MUFG ESG Rating Certificate for J-REIT supported by JCR

Mitsubishi UFJ Research and Consulting Co., Ltd. promotes strategic efforts on ESG (Environment, Society, Governance) to improve corporate value in response to the growing demand from external stakeholders regarding active disclosure of ESG related information. Under the support of Japan Credit Rating Agency, one of Japan's leading rating companies and expert in credit risk analysis, the certificate was produced and is dedicated to J-REIT that evaluates efforts against ESG. MEL undertook the "ESG Loan for J-REIT" from MUFG Bank, Ltd.

MEL received the ESG rating as the first J-REIT company in November 2018, and the highest rank of "S" from reacquisition following the renewal of the rating in September 2021.

For detailed information, please refer to Mitsubishi UFJ Research and Consulting Co., Ltd.:

(Japanese only)

<https://www.murc.jp/sp/1810/j-reit/index.html> 



Funding to Promote SDGs from Sumitomo Mitsui Banking Corporation

The Funding to Promote SDGs to be procured from Sumitomo Mitsui Banking Corporation, which is the first J-REIT deal, will be executed on the basis of an evaluation of a company's current efforts in relation to the SDGs based on the proprietary evaluation criteria developed by Sumitomo Mitsui Banking Corporation and The Japan Research Institute, Limited.

We have received a report containing analytical advice from The Japan Research Institute, Limited., and will utilize for future SDGs initiatives. MEL was highly evaluated (as of September 2020) regarding contributions to local communities through promoting energy conservation and the use of renewable energy at owned properties, and improve quality in logistic facilities and maintain logistics networks through collaboration with tenants and stakeholders.



Green Building Certifications

《Target (KPI) 》

Green Building Certificated portfolio up to 100% by FY2030.

Total of Green Building Certification

Buildings with Green Building Certification (Note 1)	Number of Properties	Total Floor Area (m ²)	Ratio (%)
FY2022 (As of May 31, 2022)	14	1,118,002	87.6

(Note 1) When one property has obtained multiple environmental certifications and evaluations, it is counted as one property.

CASBEE

CASBEE(Comprehensive Assessment System for Built Environmental Efficiency) is a method for evaluating and rating the environmental performance of buildings and the built environment. This system comprehensively assesses the environmental performance of buildings, including consideration for landscapes, in addition to the environmental impact reduction aspects of energy and resource conservation and recyclability. Evaluation results are displayed in five levels (rank S to rank C).

For more information about CASBEE

<http://www.ibec.or.jp/CASBEE/certification/certification.html> 



BELS

The Ministry of Land, Infrastructure, Transport and Tourism has established the Evaluation Guidelines for Indicating Energy Conservation Performance of Non-Housing Buildings (2013) in order to further improve the energy conservation performance of non-residential buildings and to contribute to the provision of appropriate information in the real estate market, etc. Based on these guidelines, BELS evaluates and labels the energy conservation performance of non-residential buildings and uses an evaluation method that conforms to the revised Energy Conservation Standards (fully enforced on April 1, 2014).

Independent of new and existing buildings, third-party organizations evaluate energy conservation performance on the basis of various measures, and the assessment is displayed in five stars (★★★★★ to ★).

For more information about BELS

<https://www.hyoukakyokai.or.jp/bels/info.html> 



Assessment Results

Property Name	CASBEE	BELS
Logicross Fukuoka Hisayama	S Rank for Real Estate	
Logicross Atsugi	S Rank for Real Estate	★★★★★
Logicross Kobe Sanda	A Rank for Real Estate	★★★★
Logicross Osaka	S Rank for Real Estate	★★★★★
Logicross Nagoya Kasadera	S Rank for Real Estate	★★★★★
Logicross Narashino	S Rank for Real Estate	★★★★★
Logicross Atsugi II	S Rank for Real Estate	★★★★★ (ZEB Ready)
LOGIPORT Sagamihara	S Rank for Real Estate	★★★★
LOGIPORT Hashimoto	S Rank for Real Estate	★★
LOGIPORT Osaka Taisho	S Rank for Real Estate	★★★★★ (ZEB Ready)
LOGIPORT Kawasaki Bay	A Rank for New Construction	
MJ Logipark Kasugai 1	S Rank for Real Estate	
MJ Logipark Kazo 1		★★★★★
MJ Logipark Fukuoka 1	S Rank for Real Estate	★★★★★ (ZEB Ready)
<Number of properties>	13	11
<Total Floor Area (m ²)>	1,110,400	733,783
<Ratio (%) >	87.0	57.5

Environmental Performance

Basic Policy

The Mitsubishi Estate Group has established an environmental management system and strives to protect the environment by promoting environmental initiatives and reducing environmental impact, while also complying with environmental laws and regulations. The Mitsubishi Estate Group also proposes cutting-edge environmental initiatives to ensure that its business activities play a leading role in the development of sustainable communities. MEL strives to invest in environmentally friendly logistics facilities, and will continue to focus on maximizing the energy efficiency of our properties and is committed to minimizing environmental impact through various sustainable features and initiatives.

In addition, our sponsor, Mitsubishi Estate Inc., announced “Sustainable Development Goals 2030” in January 2020. We will continue to take on initiatives to realize a sustainable society as a Mitsubishi Estate group.

Environmental Performance Data

15% reduction by FY2030 (FY2017 standard)

Energy Consumption	Total energy consumption (kWh)	Breakdown		Data coverage (GFA basis) (Note 1)	Energy consumption intensity (kWh/m ²) (Note 2)	Percentage Change (intensity)
		Gas/fuel consumption (kWh)	Electricity consumption (kWh)			
FY2017 (Base Year)	27,919,537	1,625,269	26,294,267	100%	50.20	-
FY2018	30,600,702	1,629,100	28,971,600	100%	54.95	9.5%
FY2019	33,314,341	1,793,013	31,521,327	100%	46.78	
FY2020	39,146,016	2,504,096	36,641,919	100%	45.30	
FY2021	42,172,122	2,612,848	39,559,273	100%	38.49	▲23.3%
FY2030 (Target Year)	-	-	-	-	-	▲15.0%

30% reduction by FY2030 (FY2017 standard)

CO2 emissions	CO2 emissions (t-CO2) (Note 3)	Breakdown			Data coverage (GFA basis) (Note 1)	CO2 emission intensity (t-CO2/m2) (Note 2)	Percentage Change (intensity)
		Scope1 emissions (t-CO2)	Scope2 emissions (t-CO2)	Scope2 emissions (t-CO2)			
FY2017 (Base Year)	13,754	0.0	9,319.7	4,434.3	100%	0.025	-
FY2018	14,662	0.0	9,608.0	5,053.8	100%	0.026	6.5%
FY2019	14,885	0.1	5,763.3	9,121.3	100%	0.021	▲15.3%
FY2020	16,755	0.3	6,811.4	9,943.6	100%	0.019	▲21.3%
FY2021	20,619	0.4	9,891.5	10,726.9	100%	0.016	▲34.7%
FY2030 (Target Year)	-	-	-	-	-	-	▲30.0%

Do not increase by FY2030 (FY2017 standard)

Water Consumption	Water supply usage(m3)	Data coverage (GFA basis)(Note 1)	Water consumption intensity (m3/m2)(Note 2)	Percentage Change
FY2017 (Base Year)	63,255	100%	0.114	-
FY2018	70,833	100%	0.127	11.9%
FY2019	73,839	100%	0.103	▲9.8%
FY2020	80,550	100%	0.092	▲18.9%
FY2021	84,855	100%	0.082	▲27.6%
FY2030 (Target Year)	-	-	-	0.0%

70% or more by FY2030

Waste Management	Waste discharge weight(t)	Data coverage (Floor area basis) (Note 1)	Data coverage (GFA basis)(Note 1)
FY2017 (Base Year)	1,202	82.5%	54.9%
FY2018	1,624	87.9%	73.3%
FY2019	1,700	93.6%	66.6%
FY2020	1,867	86.7%	63.4%
FY2021	3,939	90.6%	62.3%
FY2030 (Target Year)	-	-	70.0%

(Note 1) Numerator: Total floor area (m2) of properties for which data for the current year are identified. Denominator: Total portfolio floor area for the current fiscal year

(Note 2) The basic unit is a value calculated by considering the utilization rate, with the numerator for each consumption, etc., and the total portfolio floor area for each fiscal year as the denominator.

(Note 3) Emissions from the tenant-management portion are accounted for in Scope3 based on the owners/tenants' control authority. In addition, Scope of the same property may differ from year to year depending on the status of acquiring the data.

Solar Power Generation	Annual power generation (Kwh) (Note 1)
FY2018	7,017,147
FY2019	6,710,582 (Note 2)
FY2020	11,432,928 (Note 3)
FY2021	14,311,834 (Note 4)

(Note 1) All of the renewable energy generated by the portfolio properties is sold externally. The figures for quasi-joint projects are based on 100%.

(Note 2) Logiport Osaka Taisho's power generation is not recorded, and Logiport Sagamihara and Logiport Hashimoto are recorded only for the period from April 2019 to December 2019, so annual power generation compared to 2018 is decreasing.

(Note 3) The amount of power generated by Logicross Narashino, Logicross Nagoya Kasadera, and Logicross Osaka is not included. Logiport Osaka Taisho, only the period from January 2020 to December 2020 is included.

(Note 4) The amount of power generated by Logicross Narashino and LOGIPORT Kawasaki Bay is not included. LOGIPORT Sagamihara and LOGIPORT Osaka Taisho, only the period from January 2021 to December 2021 is included. Regarding to Logicross Atsugi II, only for March 2022 is included.

Some data that is the basis of the above table "Environment-related data" is subject to limited guarantee by a third-party organization (Japan Environmental Certification Organization). Please refer to the following third party warranty report for details.

※Greenhouse gas emission third-party verification report [📄](#)

※Environmental data third-party verification report [📄](#)

Climate Change Initiatives

Policy on Climate Change

MJIA recognizes that climate change is an important (material) issue that brings about drastic changes to natural environment and social structure and has a significant impact on our operations as well as business overall. In order to respond to this issues, in October 2021, MJIA established “the Policy on Climate Change Initiatives” as a policy for addressing risks and opportunities related to climate change and initiatives related to business and strategy resilience (resilience and resilience) to climate-related issues.

Awareness of Climate Change

The Paris Agreement, adopted in 2015, is an international treaty aimed at keeping global average temperatures below 2°C (or 1.5°C) before the Industrial Revolution and reducing greenhouse gas emissions (hereinafter referred to as "GHG emissions") to zero by the latter half of the 21st century. There are 197 member countries worldwide. Efforts and regulations to reduce GHG emissions are already being strengthened in many countries, regions and industries to achieve this target, and the possibility of further tightening GHG emission regulations is being discussed.

Also, according to IPCC Report (Note), climate change (global warming) has actually progressed since the latter half of the 20th century, and this has already begun to lead to frequent heat waves and increased natural disasters such as extreme heavy rains. MEL recognizes that addressing climate change is the most important issue in materiality, and regards it as a material issue that closely affects its business.

(Note) IPCC 1.5 Special Report...Report published in 2018 by the United Nations Intergovernmental Panel on Climate Change (IPCC)

Support for TCFD Recommendations

TCFD (Task Force on Climate-Related Financial Disclosures) was established by the Financial Stability Board (FSB) to consider how to disclose climate-related information and respond to financial institutions.

In its final report in June 2017, TCFD published recommendations to identify and recommend public disclosures about the financial consequences of climate change for companies and other entities.

In December 2021, MJIA announced its support for the recommendation of the TCFD and joined TCFD Consortium, a group of domestic companies that support TCFD recommendation.

MEL also recognizes that the risks and opportunities related to climate change have an impact on its business, and will respond to these risks and further promote the disclosure of information.

The TCFD published its final report in June 2017, and recommend that companies and others disclose the following items related to climate change-related risks and opportunities.

(Disclosure Items Recommended by TCFD)

Disclosure Item	Disclosure Details
Governance	Organizational governance relating to climate-related risks and opportunities
Strategy	Actual and potential impacts from climate-related risks and opportunities on the organization's businesses, strategies, and financial planning
Risk management	The organization's climate-related risk identification, assessment, and management processes
Metrics and Targets	Metrics and targets used to assess and manage climate-related risks and opportunities



Governance

Please refer to the "[Organization Chart for Promoting Sustainability](#)" page for the system for promoting sustainability (including responses to climate change; the same hereafter) at MJIA.

Strategy

1.Scenario analysis

MEL conducted multiple scenario analyses to identify the risks and opportunities posed by climate change risks to MEL and to examine their impact on its business.

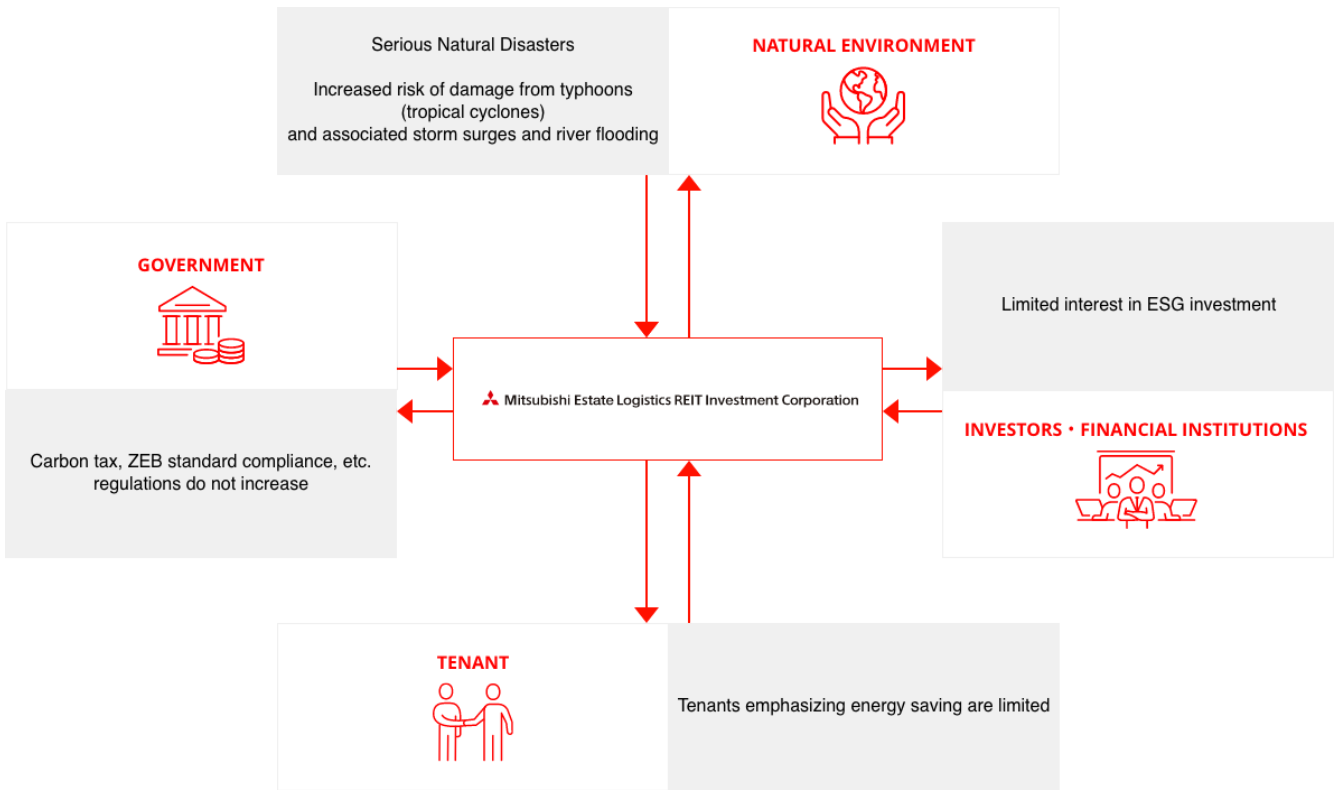
<Assumptions for Scenario Analysis>

MEL conducted scenario analysis using future climate projections published by international organizations as the main source of information. The table below shows the main sources of information referred to by MEL. Climate change risks can also be broadly categorized into "transition risk" and "physical risk," and the relationship between them is considered to be not completely independent but interdependent or trade-off.

	Climate Change Risks	Main Information Sources Referenced
Transition risk	Risks arising from new regulations, tax systems, technologies, etc. to realize a decarbonized society	IEA (International Energy Agency) World Energy Outlook 2020
Physical risk	Risks rising by climate change itself, such as changes in weather	IPCC (Intergovernmental Panel on Climate Change) Fifth Assessment Report (AR5)

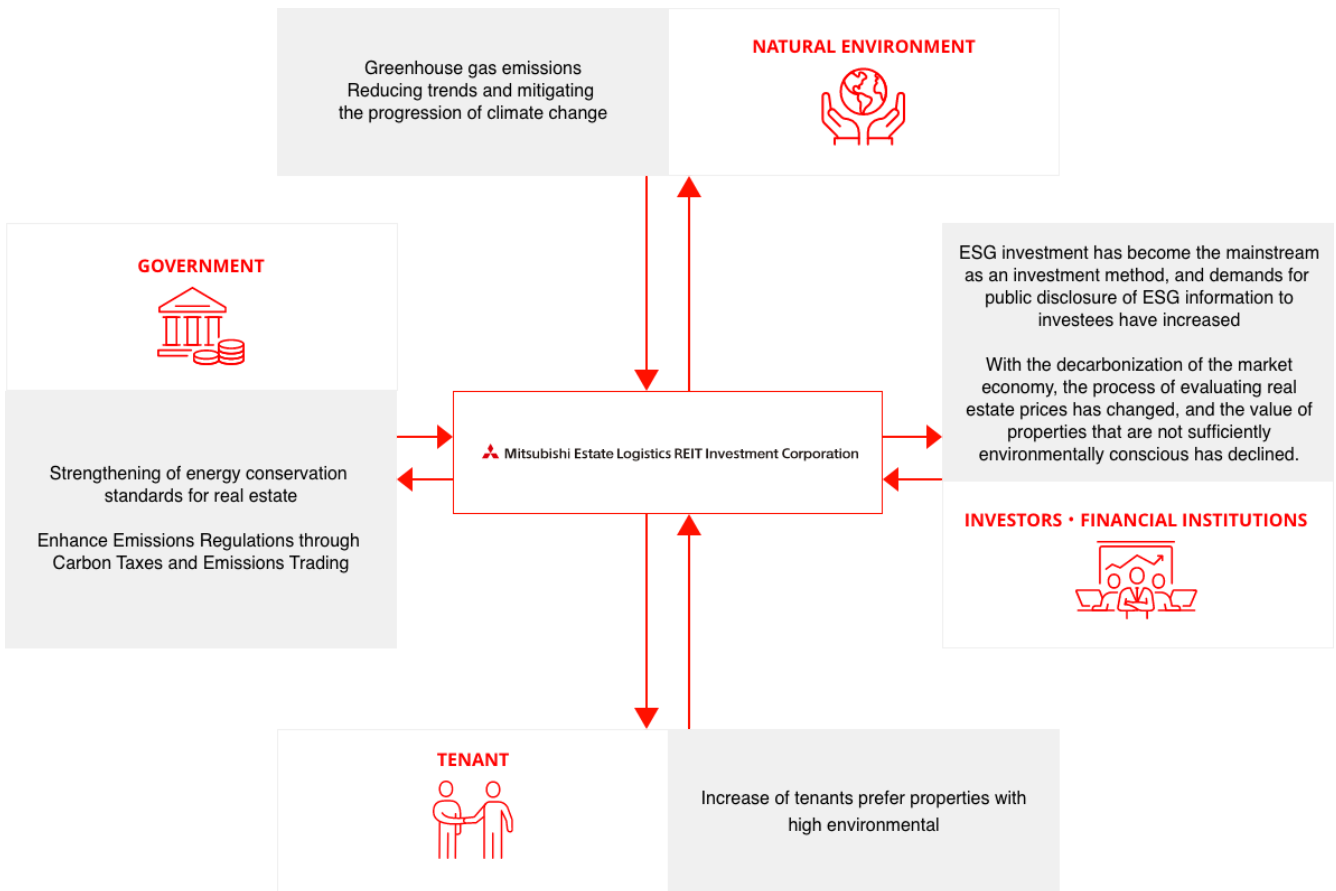
【4°C Scenario】

The 4°C Scenario assumes that natural disasters will become severe and physical risks will be extremely high due to the lack of progress in global decarbonization efforts, although the risk of transition will be relatively small due to the lack of progress in strengthening legal regulations.



【1.5°C Scenario】

1.5°C Scenario is based on the assumption that emissions of greenhouse gases will tend to be reduced by implementing strict regulations and taxation systems to realize a decarbonizing society. Physical risks are low, and transition risks are high.



2. Identification of Climate Change Risks and Opportunities and Verification of Financial Impacts

Category	Relations	Type	Financial impacts	Scope of Financial Impact Amount			
				1.5°C		4°C	
				Medium term	Long term	Medium term	Long term
Transition risk	Policies and Laws	Risk	Increased tax burden on portfolio GHG emissions	Large	Large	Small	Small
		Risk	Increased burden of portfolio renovation costs	Large	Large	Small	Small
		Risk	Increased business expenses to reporting	Small	Small	Small	Small
	Technology	Risk	Increased cost of introducing new technology	Large	Large	Small	Small
		Opportunity	Reduction of utility costs sourced externally	Small	Small	Small	Small
	Markets	Risk	Increase in funding costs, difficulty in financing and decrease in investment unit price	Large	Large	Small	Small
		Risk	Decrease in rent income due to difficulty in developing new tenants and reduced retention	Large	Large	Small	Small
		Opportunity	Income increase and occupancy rate improvement by developing tenants	Large	Large	Small	Small
		Opportunity	Utilization of green bonds. Increasing volume and lowering funding costs by responding to ESG-focused investors	Large	Large	Small	Small
	Reputation	Risk	Decrease in rent premiums due to brand strength Rising cost of funds	Large	Large	Small	Small

Category	Relations	Type	Financial impacts	Scope of Financial Impact Amount			
				1.5°C		4°C	
				Medium term	Long term	Medium term	Long term
Physical risk	Acute	Risk	Increase in repair costs and insurance premiums Decline in portfolio occupancy	Small	Small	Large	Large
		Opportunity	Reduction of repair costs and insurance premiums Improve portfolio utilization rate	Small	Large	Large	Large
	Chronic	Risk	Decreased utilization of portfolios that requiring major renovations	Small	Small	Small	Large
		Risk	New installation of air conditioning equipment and increase in operating time and repair costs	Small	Small	Large	Large

(Note) Medium term: As of 2030, Long term: As of 2050.

Investment Corporation's Measures to Climate Change Risks

MEL is promoting a variety of measures and specific actions to address the "transition risks" and "physical risks" of climate change, including green projects to reduce GHG emissions and improve energy efficiency, and the acquisition of green building certification.

Specific initiatives are as follows.

<Contribution to the environment in the real estate under management>

<https://mel-reit.co.jp/en/esg/environment/contributions.html>

<Collaboration with tenants and stakeholders on the environmental front>

<https://mel-reit.co.jp/en/esg/environment/collaboration.html>

Risk Management

The risk management system for sustainability at MJIA is as follows.

At the time of investment decision: When making a new investment in assets under management, the management meeting makes an investment decision based on various surveys on climate change risk in the due diligence process. Specifically, regarding the possibility of flooding and flooding of the target property, we are investigating and confirming the inundation level, inundation history, and implementation history of hydraulic engineering work, etc. using various hazard maps. We also check the existence of environmental and energy-saving equipment, including the acquisition of environmental certification, and the status of BCP compliance.

During operation: The Sustainability Committee manages and monitors overall sustainability-related risks, including climate change risks. Specifically, we monitor the environmental performance of our properties and manage the progress of various targets (see "Indicators and Targets" below for details), and consider necessary measures based on these.

Metrics and Targets

MEL recognizes that resolving environmental issues such as climate change is an important management issue in MEL's sustainable business and its business strategy for realizing it. Based on this understanding, MEL is building a low-environmental impact portfolio by investing in low-environmental impact properties and making energy use more efficient and reducing GHG emissions through the implementation of environmental and energy-saving measures in owned properties.

Promotion of Green Property in possession

Target (KPI)

- Raise the ratio of property acquired Green Building Certification to **100%** by 2030.

Improvement of environmental performance

Target (KPI)

- Reduce CO2 emissions intensity by **30%** by FY 2030. (based on FY 2017)
- Reduce the energy consumption intensity by **15%** by 2030. (based on FY 2017)

Environmentally Performance Data

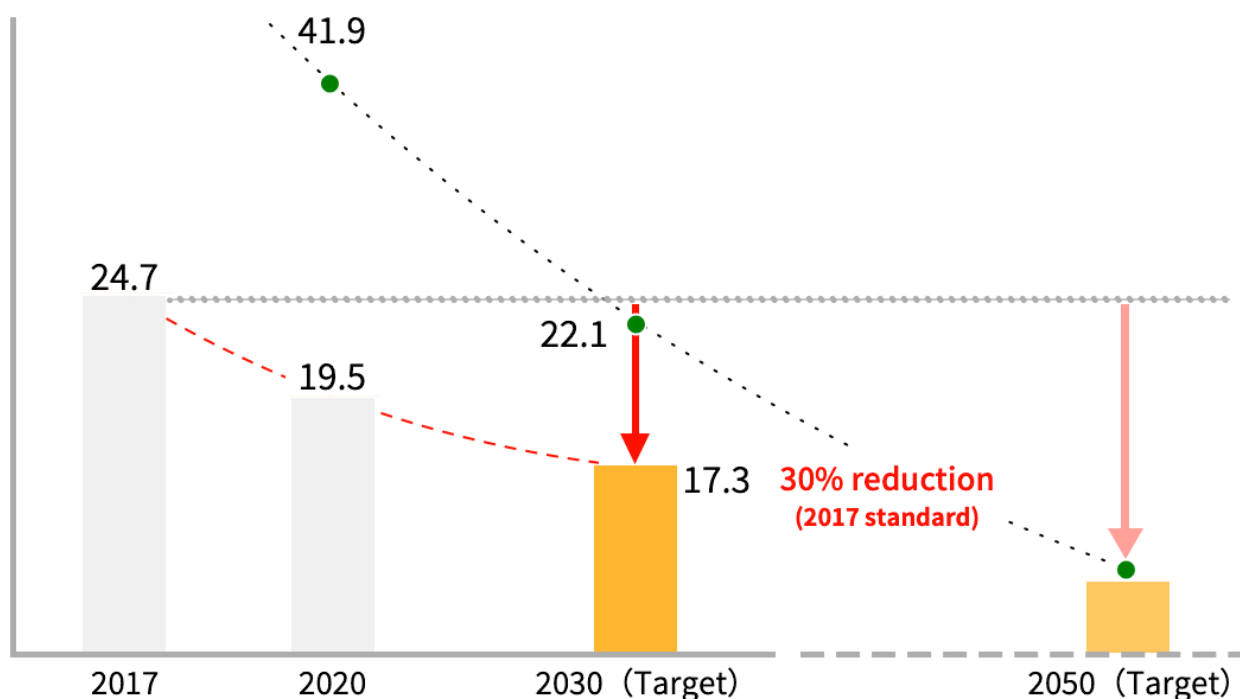
<https://mel-reit.co.jp/en/esg/environment/>

In setting targets for CO2 emissions intensity, CRREM(Carbon Risk Real Estate Monitor, a tool for analyzing transitional risks, was used.

The Carbon Risk Real Estate Monitor (CRREM), with the support of the European Union (EU), targets commercial real estate and is a pathway for GHG emissions up to 2050 that meets the 2 ° C and 1.5 ° C targets of the Paris Agreement. Decarbonization route) is calculated and published. MEL sets CO2 reduction targets by measuring the CO2 emission intensity of the portfolio using the CRREM 1.5 ° C decarbonization route as a benchmark.

CO2 intensity
(kg-CO2/m2)

CRREM1.5°C Pathway (Japan-Logistics)



Water Resources and Waste Reduction, etc

Preserving Water Resources

We are working on reducing water consumption by installing water meters that support automatic meter readings, water-saving toilets and Flushing sound simulators, and by installing smart irrigation facilities.



Rain sensor irrigation device



Water-saving toilet

Promoting Waste Reduction

We are continuously monitoring the amount of waste discharged and working with our tenants to reduce waste with the aim of ensuring proper separation of waste and improvement of the recycling rate. Reuse of OA floor panels used in office buildings in the Marunouchi area was also implemented.



Recycling enlightenment poster



Reuse the OA floor panels of the Marunouchi office buildings

Prevention of Pollution

At the time of property acquisition, we conduct on-site inspections of the subject land and surveys on the environment, including engineering reports by third parties, and make decisions based on consideration of environmental factors such as soil contamination and hazardous substances.

Contributions to the Environment through Our Portfolio

Renewable Energy Use

Mitsubishi Estate Group is committed to develop environmental friendly facilities which are key components of its ESG initiatives. As part of its renewable energy program, Mitsubishi Estate plans to install solar panels systems on the rooftops of facilities. In addition, MEL is currently considering to install solar panels for the properties that has not yet been installed.



Logicross Fukuoka Hisayama



LOGIPORT Sagamihara



Logicross Atsugi



MJ Logipark Tsuchiura 1

Energy Saving Initiatives



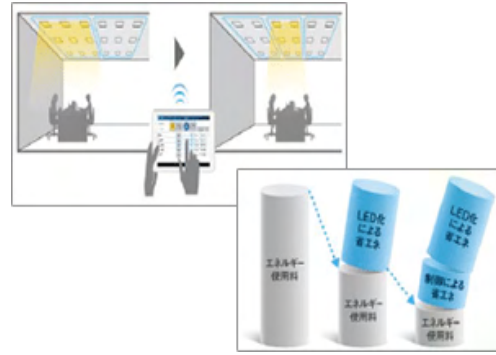
Insulated sandwich panels for exterior wall



Installment of motion detected sensor



Installation of LED lightings



Installation of advanced LED with tablet-controlled and time-controlled dimming systems



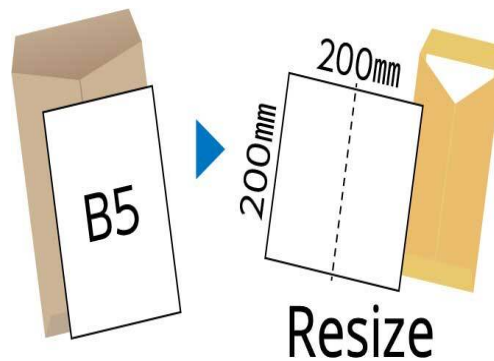
Update air-conditioning system

Reducing the Use of Paper Resources in Packaging

In order to eliminate the double packaging of asset management reports, which has been requested in the questionnaire for some time, we have discussed with related parties and simplified packaging by changing the size of asset management reports.

At the same time, we changed the envelope film to recycled material.

We will continue to disclose more environmentally conscious and efficient information in the future.



Environmental Collaboration Efforts with Tenant • Stakeholders

MEL and MJIA, the asset management company, endeavors to contribute to a sustainable environment by improving the environmental performance of the properties under management. However, we believe that the understanding and cooperation of tenants are also important. We aim to collaborate for a sustainable environmental society in order to promote awareness-raising activities for tenants. MEL has introduced green lease contract that allows both building owners and tenants to share merits, and promote sustainability-related initiatives in cooperation with tenants.

Awareness-Raising Activities for Tenants

In order to take the lead in energy-saving activities, we have prepared building regulation manuals describing the environmental cooperation clause such as waste sorting, recycling recommendations, air conditioning operation standards, idling stopping. In addition, we are implementing awareness-raising activities by distributing posters to common areas on each floor.

Green Lease

MEL conducted LED lighting installation works for a part of a tenant exclusive area at the expense of MEL based on the green lease contract. A certain ratio of the highly reduced amount of electricity bills and maintenance costs (costs for exchanging fluorescent bulbs) has been paid from the tenants in return as Green Lease fee.

Cooperation with Property Management Company and Selection Criteria • Evaluation Measures

MEL has established a criteria for the selection of property management companies to which property management is entrusted, and in principle, evaluates all property management companies once a year.

MEL and MJIA are engaging with property management companies to share our vision, policies of sustainability and when making contract with a new tenant, property managers explain these ideas to tenants to achieve their cooperation.

Education to Employees on Green Building

MJIA provides sustainability training annually by external specialist to improve awareness and knowledge on green building for its employees.

Sustainability guides for our Tenants

MJIA prepared and distributed the Tenant Sustainability Guide in 2021 with the aim of promoting sustainability-related initiatives together with tenants.

Addition of Environmentally Conscious Clause to Lease Contract

From the viewpoint of energy conservation and environmental and social considerations, the MEL has introduced environmental provisions for lease agreements with tenants.

The introduction of environmentally conscious provisions is an initiative for MEL to work together with tenants to operate environmentally conscious properties, with the aim of promoting further ESG.

Green Finance

Sustainability-Linked Loan


MEL procured 2 billion yen from the Norinchukin Bank dated March 1, 2022 through a Sustainability-Linked Loan ("SLL") as a new initiative to procure funds using ESG evaluation. Based on the SLL agreement, MEL will be evaluated in every assessment period based on KPI and following SPTs (Sustainability Performance Targets) including the targets below that MEL stipulates toward FY 2030, and also will be granted lower loan spread as an incentive according to the achievement status.

- ①CO2 emissions: (FY2030 target: 30% reduction compared with FY2017, on carbon intensity basis)
- ②Energy consumption: (FY2030 target: 15% reduction compared with FY2017, on energy consumption intensity basis)
- ③Green Property ratio: (FY 2030 target: 100%)
- ④GRESB Real Estate Assessment (target: 4 Stars or more until FY 2030 continuously)

For more details, please refer to: [Environmental Performance Data](#)
[Environmental Assessment and Certifications](#)

In concluding the SLL agreement, MEL obtained the second-party opinion from Japan Credit Rating Agency, Ltd. (JCR), which views that the SLL is compliant with SLL Principles, and the SPTs set for the SLL are meaningful and ambitious.

Sustainability-Linked Loan (executed on February 25, 2022)

Lender	Norinchukin Bank
Borrowing amount	2 billion yen
Borrowing date	March 1, 2022
Repayment Date	March 1, 2032
Second-Party Opinion	■ Second-Party Opinion from Japan Credit Rating Agency, Ltd. (JCR) (available only in Japanese) 📄
	

For details, please refer to: [Conclusion of Sustainability Linked Loan Agreement](#) [📄](#)
[Notice Concerning Debt Financing \(including “Green Loan” and “Sustainability-Linked Loan”\)](#) [📄](#)

Green Finance Framework

Use of Proceeds of Green Finance

Net proceeds from the green bonds or green loans will be used to fund the acquisition of specified assets that will meet the eligibility criteria in below (Green Eligible Assets) or refinance borrowings required for acquiring the Green Eligible Assets.

Eligible Criteria

Eligible Criteria are assets or projects that satisfy either of the following requirements.

- **a.The assets for which MEL has obtained or plans to obtain the following third-party certification**
 - ① 5-star, 4-star or 3-star DBJ Green Building Certification
 - ② S rank, A rank or B+ rank in Certification for CASBEE for Real Estate
 - ③ 5-star, 4-star or 3-star BELS Evaluation
- **b.Renewable energy generation facilities associated with buildings (limited to solar power generation facilities on the premises)**
- **c.Equipment designed to reduce environmental impacts (limited to equipment that achieves 30% or higher energy efficiency before introduction)**

Management of Proceeds

If there are unappropriated funds at the time of issuing green bonds or green loans, MEL will disclose an appropriation plan on its website. In addition, if the property for which the proceeds will be used will no longer be a subject of the use of proceeds due to its sale, MEL will disclose this in its press release and its website.

Upper limit of green finance procurement is calculated by total acquisition price of Eligible Green Projects multiple by total asset LTV.

Reporting

MEL will publish the allocation status of the proceeds from green financing on its website once every year. If there are unappropriated funds at the time of issuing green bonds or green loans, MEL will disclose an appropriation plan on its website. In addition, if the property for which the proceeds will be used will no longer be a subject of the use of proceeds due to its sale, MEL will disclose that the unused funds that arise temporarily will be managed by the portfolio management, the balance in its green financing and the maximum amount of green eligible liabilities in its press release.

Further, as long as there remains any outstanding balance in its green financing, MEL will disclose the following benchmarks on its website once every year.

- **Status of Green Building**

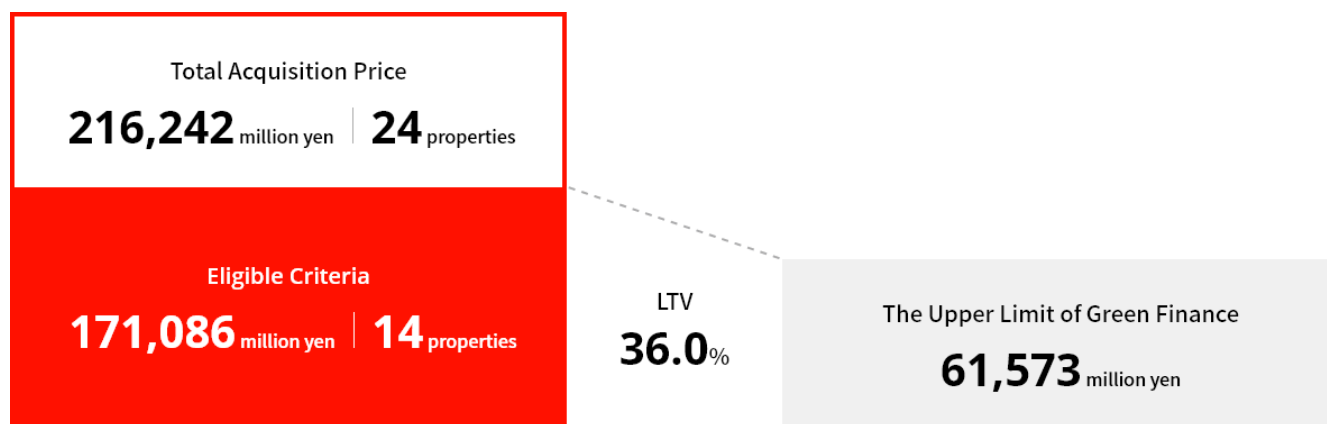
For detailed information : [Green Building Certifications](#)

- **Impact Reporting**

- Water supply usage
- Total energy consumption (Electricity consumption and Gas fuel consumption)
- CO2 emissions
- Waste management
- Annual power generation of solar panels
- Details of equipment introduced as equipment aimed at reducing environmental load and energy saving effect

For detailed information : [Environmental Performance Data](#)

Amount of Procured Funds and Allocation



(Note) The Upper Limit of Green Finance = Total Acquisition Price of Green Eligible Assets × The Total Asset LTV

	No. of Properties	Amount
Total Properties	24	216,242 million yen
Eligible Criteria (Note)	14	171,086 million yen
CASBEE	13	169,814 million yen
BELS	11	115,646 million yen

(Note) When one property has obtained multiple environmental certifications and evaluations, it is counted as one property.

	Funds	Procurement Date	Repayment Date/ Redemption Date	Allocation	Use of Initial Funds
Green Loan (Sumitomo Mitsui Banking Corporation)	1,350 million yen	Mar. 9, 2021	Mar. 9, 2025	allocated	Acquisition of Logicross Osaka(additional acquisition of 40%) and Logicross Naogya Kasadera(additional acquisition of 40%)
Green Loan (Mizuho Bank)	720 million yen	Sept. 14, 2021	Sept. 14, 2028	allocated	Aquisition of Logicross Fukuoka Hisayama, LOGIPORT Sagamihara, LOGIPORT Hashimoto and MJ Logipark Kazo 1
Green Bond	2,000 million yen	Apr. 14, 2021	Apr. 14, 2036	allocated	Acquisition of Logicross Osaka(additional acquisition of 40%) and Logicross Naogya Kasadera(additional acquisition of 40%)
Green Loan (Mizuho Bank)	1,000 million yen	Mar. 1, 2022	Mar. 1, 2031	allocated	Acquisition of Logicross Atsugi II , LOGIPORT Kawasaki Bay (45% trust beneficiary co-ownership interest)
Green Loan (Shinkin Central Bank)	2,000 million yen	Mar. 1, 2022	Mar. 1, 2032	allocated	
Green Loan (Shinsei Bank)	1,000 million yen	Mar. 1, 2022	Mar. 1, 2032	allocated	
Green Loan (The Yamaguchi Bank)	1,000 million yen	Mar. 1, 2022	Mar. 1, 2032	allocated	
Total Green Finance	9,070 million yen				
The Upper Limit of Green Finance	61,573 million yen				

Evaluation by Third-Party Entities

MEL has obtained a Green 1(F) (highest for JCR Green Bond Evaluation) rating in preliminary evaluation for the competence of its Green Finance Framework from Japan Credit Rating Agency, Ltd. (JCR). Please refer to JCR's website.

For detailed information : [JCR Green Finance Framework Assessment](#) ^[2]

Green Equity Framework

Use of Proceeds of Green Equity

Net proceeds from Green Equity Offering will be used to fund the acquisition of specified assets that will meet the eligibility criteria in below (Green Eligible Assets) or refinance borrowings required for acquiring the Green Eligible Assets.

Eligibility Criteria

Eligible Criteria are assets or projects that satisfy one of the following requirements.

- **a.Properties that obtained or renewed, or to be acquired in the future with one of the certifications from a third-party certifier listed in (1) to (3) below.**
 - (1) DBJ Green Building Certification: 5, 4 or 3 stars
 - (2) CASBEE Certification: S, A or B+
 - (3) BELS Evaluation: 5, 4 or 3 stars
- **b.Renewable energy generation facilities associated with buildings
(limited to solar power generation facilities on the premises)**
- **c.Equipment designed to reduce environmental impacts
(limited to equipment that achieves 30% or higher energy efficiency before introduction)**

Management of Proceeds

Net proceeds from the Green Equity Offering will be used to the acquisition of new or existing properties or to refinance immediately after the execution of that. The proceeds from the Green Equity Offering are managed in cash or cash equivalents until the fully allocated to the eligible green projects.

Reporting

MEL will disclose the allocation plans with respect to the appropriation of proceeds from the Green Equity Offering, if any, that is not yet allocated at the time of issuance of the investment units. In addition, regarding the status of allocation of proceeds and the following impact reporting, the amount to be appropriated and the detail of subjected property to be appropriated shall be disclosed promptly. Disclosure of the allocation status shall be completed upon the allocation of the proceeds are completed.

<Status of Green Building>

- Number, Type, and Rank of environmental certifications of the assets

For detailed information : [Green Building Certifications](#)

<Environmental Benefit>

*Disclose on a portfolio basis considering confidential information of MEL.

- Water usage
- Total energy consumption (electricity consumption and gas/fuel consumption)
- CO2 emissions
- Waste discharge weight
- Solar power electricity generation
- Details of equipment and facilities installed to reduce environmental impacts and energy efficiency(saving) benefits.

For detailed information : [Environmental Performance Data](#)

Amount of Procured Funds and Allocation

	Funds	Payment Date	Date of Allocation	Allocation	Use of Initial Funds
5th Follow-on Offering	22,042 million yen	Mar. 1, 2022	Mar. 1, 2022	allocated	Acquisition of Logicross Atsugi II , LOGIPORT Kawasaki Bay (45% trust beneficiary co-ownership interest)

Evaluation by Third-Party Entities

MEL formulated “Green Equity Framework” with reference to the four elements indicated by the Green Bond Principles stipulated by the International Capital Market Association (ICMA) and the Green Bond Guidelines by the Ministry of the Environment. MEL has obtained a second-party opinion for the eligibility of the “Green Equity Framework” from DNV GL, a third-party ESG evaluation agency.

For detailed information : [DNV SECOND-PARTY OPINION](#) 

<Disclaimer>

Our Green Equity Framework and DNV’s second opinion related thereto are available here, consistent with our past disclosure practice with respect to our financings. These documents do not constitute an offer or sale of our securities in Japan, the United States or any other jurisdiction. Neither we nor Mitsubishi Jisho Investment Advisors, Inc., our asset manager, are experts in green equity assessment, nor do we have the ability to assess or independently verify the assessment provided to us by DNV. The information contained in the Green Equity Framework or DNV’s second opinion should not be relied upon in making an investment decision with respect to any of our securities.

Initiatives to Tenant

Improve Tenant Satisfaction

MEL and MJIA have identified “improve tenant satisfaction” as a material topic. We have implemented various measures to improve tenant satisfaction.



Restaurants and Lounge



Convenience store



Shower room



Shuttle bus



Multipurpose restroom



Street lights (LED)

Tenant Satisfaction Survey

To improve tenant satisfaction, we conduct satisfaction survey regularly towards the tenants by either “face-to-face communication” or “questionnaire format”. The consecutive survey enable us to capture the tenant needs and quickly respond by renewal of facilities or implement refurbishment to further improve tenant satisfaction.

(Example)

In 2019, prior to the renovation of the lounge at MJ Logipark Fukuoka 1, hearings were held with tenant employees. Based on the results, we installed free Wi-Fi, rechargeable outlets, large TVs, microwave ovens, and adopted layouts that facilitate individual use. In addition, we held competition for the wall design in cooperation with local universities and technical colleges, and decided on a design proposal.



Before Renovation



After Renovation

(Example)

In 2019, MJ Logipark Kasugai 1 conducted a satisfaction survey (face-to-face interview) targeting tenant companies. Based on the results, we implemented the installation of handdriers in toilets.

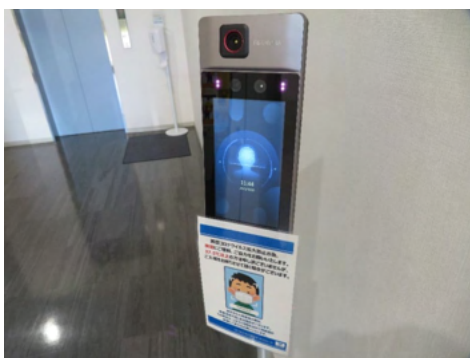


(Example)

We reviewed our electricity suppliers for multiple properties, reduced electricity cost for tenants, and improved tenant satisfaction.

(Example)

In 2021, based on the results of the survey, Logicross Nagoya Kasadera installed a thermo-camera and AED.



Furthermore, digital signage (for advertising) and AI cameras (a system to check smoking room usage) were installed in five smoking rooms in 2022.



(Example)

MJ Logipark Sendai 1 conducted bird damage countermeasures in 2021 based on the results of the survey.



Initiatives for the Safety of Tenants

MEL has been proactively implementing measures for the safety of tenants.



Conduct fire drills



24-hour security



Installation of a disaster-relief vending machine



Automated external defibrillators (AEDs)



防災キャビネットの設置



Secure reserves in case of emergency (Food & portable toilet)

BCP Initiatives



Installment of private power generators



Seismic isolators

Contributions to Local Communities

Social Responsibility

The Mitsubishi Estate Group has adopted as its fundamental mission the goal of creating a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment. By putting this mission into practice, MEL will actively play a role in the CSR initiatives conducted by the Asset Management Company.

Relationships with Local Communities

MEL has been participating in a range of activities to contribute to local communities and local society. We also foster mutual communication with various stakeholders, including local authorities, local residents, and visitors of our facilities, through such activities.



Cleanup volunteer activity after
Atsugi Ayu Firework Festival
near MJ Logipark Atsugi 1



Lawn-mowing at greenery
areas in MJ LogiparkAtsugi 1



Public green space (MJ Logipark Atsugi 1)



Free beverage service for tenants at LOGIPORT
Sagamihara



Installed charity vending machine
(Logipark Fukuoka 1)



Free salt candy service for tenants
(for all properties held as of 2021)



Cleaning activities on the Chiyoda Ward General
Cleanup Day
(Marunouchi, Chiyoda-ku)

Cooperation with Local Disaster Prevention

Register for Disaster Cooperation Building
(LOGIPORT Sagamihara, LOGIPORT Hashimoto)



Designation as a Tsunami Evacuation Facility
(Logicross Nagoya Kasadera)



Provided as a designated emergency evacuation site in the case of a tsunami disaster or flood (LOGIPORT Osaka Taisho)



Participated in the Eco-friendly Cap Recycling Program

We participated in the activity to collect PET bottle caps in the office and sorted collection. Through recycling PET bottle caps it protects the global environment, and also, deliver immunity to children around the world through the profit from recycling.

Relief Supplies to the Developing Countries

As a substitute for notebooks, we donated unused calendars to elementary schools in developing countries through support organizations to support children in the future.

Furthermore, we donated disaster prevention supplies that are no longer needed to volunteer firefighters and rescue teams in developing countries through support organizations to provide disaster relief.

Donate Masks to Chiyoda Ward Health Center

Under the current circumstances of the shortage of masks at medical institutions, we donated the 1,900 unused surge masks we have stored to the Chiyoda Ward Health Center.

Human Resource Development

Human Resource Development

The Asset Management Company believes that the growth of its employees, including full-time, contract, temporary, and part-time employees, is necessary for sustainable growth. Therefore, the Asset Management Company actively hires not only personnel with a certain level of experience and skills, but also those in their 20s to early 30s who are relatively inexperienced, and trains them to have a wide range of expertise and skills.

Training Programs by Theme

We conduct multiple compliance and risk management training sessions throughout the year for all executives (excluding part-time executives) and employees (note).

Training Program by Job Level

The Asset Management Company has a training program for all full-time employees, which can be selected by job level, to develop human resources.

Manager Training

Mitsubishi Estate Group implements management training for not only managers but also future managerial candidates to help them acquire the management skills they need in the future.

(Note) There are some training that are not applicable to temporary employees. For details, please refer to the below chart.

Classification	Training Name	Implementation Methods	Remarks
Level-specific Training	New manager training	Mitsubishi Estate Group	—
Compliance Training	Financial Instruments and Exchange Act Seminar	Invite external teacher	Nishimura & Asahi
	Level-specific Training	In-house	—
	Insider trading regulation training	Invite external teacher	Tokyo Stock Exchange, Inc.
	Anti-Social Forces Policy • Crime Proceeds Transfer Prevention Act Training	In-house	—
	Training on complaints and accidents	In-house	—
	Mitsubishi Estate Group Code of Conduct • Management Philosophy and Conduct Risk Management Training	In-house	—

Classification	Training Name	Implementation Methods	Remarks
Risk Management Training	Information Asset Management Training	In-house	—
	Internal Control System Training for Financial Instruments Dealers	Invite external teacher	Deloitte Touche Tohmatsu LLC
	Fraud and scandal prevention training	In-house	—
	Market and risk training (real estate investment, rental market, economic environment analysis)	online	—
English Training	Business English training	Online	Bizmates
		Held externally	Berliz
Others	Sustainability Training 1) Training on ESG in general • Materiality • TCFD 2) FB training on GRESB evaluation results	Invite external teacher	CSR Design Green Investment Advisory Co.,Ltd.
	Business skill training	Online	Learning Agency
	DAIWA REAL ESTATE ACADEMY	Held externally	Daiwa real estate appraisal
	PC skills training	Online	OTSUKA CORPORATION

Training cost per employee: 93,397 yen

Training hours per employee: 34.8 hours

※The training on "Daily Action Guidelines for Implementing MJIA Values" mentions "Respect for Diversity" in it.

Acceptance of External Human Resources (Utilizing Specialist Skills)

MJIA accepts outstanding human resources with experience and expertise in real estate investment and real estate management from the Group companies. We also accept attorneys and real estate appraisers with high expertise in various legal systems and real estate valuation. We aim to maximize our operational performance by fully utilizing such external human resources.

Acceptance of External Human Resources for FY 2021

- Attorney (2 person)
- Real estate appraisers (1 person)
- MEC Human Resources, Inc. (1 person)
- MEC Business System Solutions Co., Ltd. (1 person)
- Mitsubishi Estate Co., Ltd. (13 person)

Employee Development & Training

Support Career Enrichment, Qualifications and Licenses

We subsidize, for all full-time employees, the costs required to obtain and maintain professional qualifications that assist employees in improving their real estate asset management practices. Examples of such qualifications include the Association for Real Estate Securitization (ARES) Certified Master, Certified Building Administrator, Real Estate Transaction Specialist, Certified Real Estate Consultant and Real Estate Appraiser.

Number of Employees with Qualifications

Certificate Name	Number of Employee	Certificate Name	Number of Employee
Real Estate Appraiser	9	Real Estate Transaction Specialist	43
First-Class Qualified Architect	2	Certified Building Administrator	13
Lawyer	2	Licensed Tax Accountant	2
Certified Public Accountant	0	Securities Analyst	5
Master of Business Administration	1	Association for Real Estate Securitization (ARES) Certified Master	67
Certified Real Estate Consultant	2		

※As of April 1, 2022

※Including seconded employees

Promotion of Diversity & Inclusion

Secure Diverse Human Resources

Mitsubishi Estate Group believes that human resources are a very important management asset and recognizes that employee growth is essential to the Group's continued growth. We believe that securing talented personnel is an essential element in achieving high-level management of real estate funds, and we are recruiting a wide range of talented personnel by employing skills as well as potential. In addition, in order to maximize the capabilities of each employee, we have created opportunities to communicate with each employee regarding job satisfaction and confirm career plans so that they can be appropriately assigned.

Female management ratio : 13.6%

※As of April 1, 2022

Employee turnover ratio : 7.2%

※FY2021

Personnel data

Employee Data

	Full-time employee				Part-time employee	Seconded		Temporary employee
		Generalist		Staff			Management	
		Management						
Male	59	59	11	0	2	14	8	0
Female	28	16	2	12	8	3	1	10
Total	87	75	13	12	10	17	9	10

※As of April 1, 2022

Employee Who Newly Joined and Left the Company • Employee Turnover Ratio

	Employee who newly joined the company	Employee who left the company	Employee turnover ratio
FY2021	16	7	7.22%
FY2020	12	5	6.02%
FY2019	9	5	6.80%
FY2018	7	4	5.80%

※Exclude transfers of seconded employees

Appropriate Evaluation

MJIA has introduced a "Management by Objective (MBO)" for all employees in order to encourage individuals skills • career development. In the beginning of the year, employees set a specific goal through interviews with the personnel evaluator. Interviews are then conducted to provide employees' their feedbacks on progress and evaluation during the period, and at the end of the period.

In addition to the goals set through interviews, the personnel evaluation also considers whether employees are respecting the diversity in other employees and promoting a lively workplace, with the aim of creating a vital and energetic workplace.

Employee Health and Well-being ~Creating Productive and Employee-friendly Workplace~

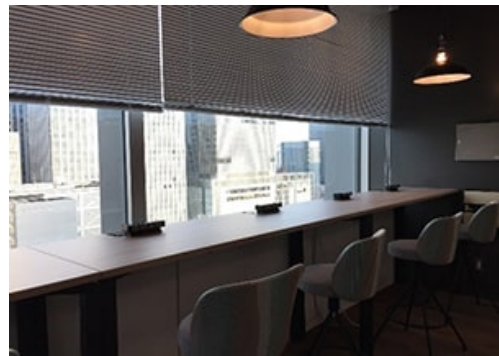
Improve Work Environment for Productivity

Introduction of Activity-based Working

We have established diverse offices in places where we work, such as group addresses, co-workspace, centralized booths and high desks. We are working to improve productivity by freely choosing the environment based on the work of each time.



An open space that secures ceiling height



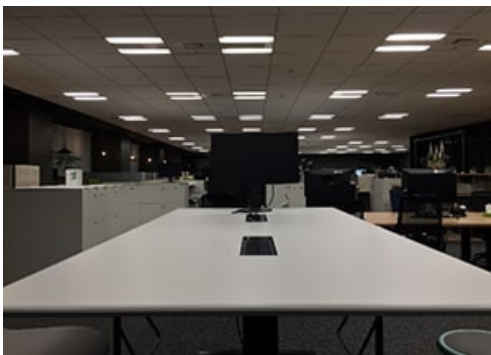
Utilization of natural light (sunlight)



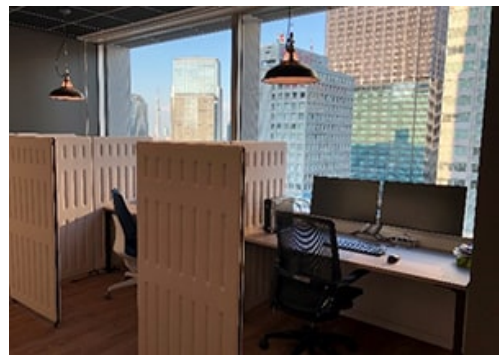
High chairs and desks for employees' health-being



Co-workspace



Co-workspace



Centralized booths



Ensure security with entrance management system



Provide information to employees through electronic bulletin board

Utilization of ICT

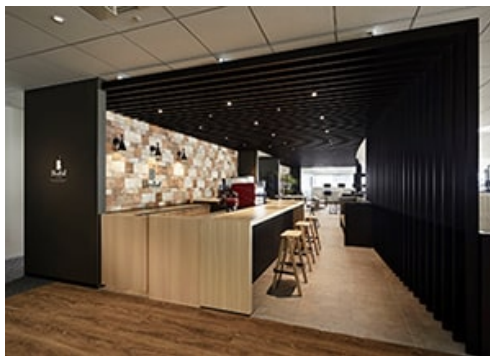
We are working to make paperless and operational efficiency by actively using ICTs, such as mobile PCs, rental of iPhone, and enhancement of WiFi environment.



Initiatives to Promote Internal Communication

Improvement of Community Space in the Office

A coffee shop where barista offers specialized coffee, is set up to induce informal communication with other employees in the same office.



Hold Social Gatherings to Promote Internal Exchanges and Subsidize costs

We subsidize part of the cost of holding social gatherings and other events at the department level to support the development within the team. In addition, in order to promote inter-departmental exchanges, we are implementing a variety of initiatives, including social gathering (an in-house community space holding a social gathering where people can comfortably come by after work) and an internal event support system.

Initiatives to Promote Communication between Employee and the Company

With the aim of understanding employees' thoughts on their career plans and their level of satisfaction with the company, MJIA works hard to encourage active communication between employees and their managers or the Personnel Department, through various forms, on both a regular and ad hoc basis.

Employee Condition Pulse Survey

Once a month, all employees ascertained of the conditions related to work, human relationships, health and conduct timely interviews and reflect them in personnel measures.

Employee Satisfaction Survey

Once a year, the Asset Management Company conducts a compliance survey of all employees regarding its corporate culture, communication status, and employee satisfaction. The results of the survey are fed back to the President & CEO of the Asset Management Company and are reflected in improvement activities.

Human Resources Department Interviews with Employees

Once a year, the Human Resources Department holds an interview with all employees regarding their career plans and motivation towards work.

Initiatives for Employee Health-being

To enable employees to work physically and mentally, we are taking the following measures, in addition to health examinations, stress checks, and appointment of industrial physicians based on laws and regulations, based on the idea that by giving consideration to the health of employees, we can expect greater results in management.

Absentee rate : 0.09%

Injury rate : 0.00%

Lost days rate : 0.00%

※Fiscal FY2021

Initiatives for Employees

We strive to prevent infection by encouraging staggered working hours using telecommuting and flextime schedules, and by implementing operations that are conscious of a work-life balance. In addition, we are promoting the use of IT through the introduction of web conferences and electronic approval systems to create a system for smooth operation in telecommuting.

In the office, we have installed acrylic panels, disinfectants, and masks to prevent infection.

Annual Health Checkup

All employees are to receive annual physical health checkup by doctor on company cost.

Conduct Stress Check

Once a year, we conduct stress checks to encourage awareness of individual stress and prevent the occurrence of mental problems.

Appointment of Industrial Physicians

MJIA have appointed an industrial physician to receive guidance and advice on employee health-being.

Consultation Desk

As a necessary measure for mental health, we have set up a desk outside the company, and employees can consult widely about various concerns, and not only their business concerns.

Installation of Massage Chairs

We have installed 3 massage chairs in the company and employees can use them for refreshment at any time.

Join the Mitsubishi Estate Health Insurance Association

MJIA has joined the Mitsubishi Estate Health Insurance Association which will cover the subsidy for comprehensive medical examination fee and vaccination costs such as Influenza.

| Infection prevention control for COVID-19

MJIA is engaged in a variety of activities aimed at protecting the health of employees and providing a safe working environment. We will continue to monitor social trends and respond flexibly to requests from the government.

Work-life Balance

~Create a comfortable workplace where employee will want to work for a long period of time~

Initiatives for Diverse Work Styles

We endeavor to provide comfortable work environment by offering various systems to respond to changes in each employees' lifestyles and life stages and create an employee-friendly environment and maximize their productivity. We aim for employees taking paid leave rate of at least 90% (calculated based on employees enrolled on April 1 of each fiscal year).

Employees taking paid leave rate : 67%

※FY2021

Employees return to work rate after taking childcare leave : 100%

※total up to April 1, 2022

Flexitime Working System

MJIA has adopted flexible attendance hours. Employees are allowed to choose the time they start working from 6:00 to 11:00 and end by 15:00 to 20:00 to work according to their convenience. As a general rule, various internal meetings are held at core time from 11:00 to 15:00.

Annual Paid Leave

We grant 10 to 20 days of annual paid leave according to the number of years of service. In addition, we have established a half-day paid holiday system and an hourly paid holiday system to enable employees to take paid holidays as necessary, and we are working to increase the ratio of employees taking these holidays.

	Number of paid days off	Number of days	Paid leave rate
FY2021	17.0	11.4	67%
FY2020	16.1	8.8	54%
FY2019	16.9	11.7	69%

※The average number is shown for full-time, contract, and part-time employees

Various Leave Systems

We have implemented maturity leave, childcare leave and short-time work, nursing care leave of absence for children and nursing care leave of absence of family and short-time work to support the balance between life and work for employees.

		Child/Family care leave usage employee	Short time work usage employee
FY2021	Male	2	0
	Female	4	7
FY2020	Male	2	0
	Female	4	7
FY2019	Male	1	0
	Female	3	7

Enhancement of Leisure

MJIA has introduced various range of programs designed to foster an environment where employees can work with more security and fulfillment as their lifestyles and life stages evolve.

Granting Paid Leave

All employees are given two days of free vacation as a summer vacation.

Introduced Special Incentive Leave

We provide long paid leave according to the years of service for opportunity for refreshment and self-development.

Benefit Programs

MJIA have introduced a cafeteria plan where employees can choose from a variety of benefit programs.

Support Employees' Asset Formation

We have introduced the following system to support employees' asset formation and to improve its motivation in the medium-to-long-term.

Retirement Plan for full-time employees

Employee Stock Ownership for Mitsubishi Estate

Defined Contribution Pension

Asset Formation Savings

Cumulative investment for Employees

Human Rights

Human Rights Initiatives

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. 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 is intended to ensure that we, as a good corporation, understand that internationally mandated human rights are a bare minimum that we must go beyond, that we reaffirm the importance of supporting, protecting and respecting human rights and that we work to respect the fundamental human rights of every single person involved in the Group's businesses.

Mitsubishi Estate Group Code of Corporate Conduct (excerpt)

Respecting Human Rights and Employee 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.

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.

Based on our human rights policy, MJIA understands and respects human rights that are internationally proclaimed based on our human rights policies as a minimum, and supports and respects their protection, are committed to respecting the human rights of all parties involved, including those derived from our businesses. In order to become aware of discrimination and to foster awareness of human rights, we conduct training on human rights, focusing on the prevention of harassment, which is also a human rights issue in the workplace.

Human Rights Training

MJIA carries out harassment training program once a year.

Send employees to Human rights enlightenment training courses (External training program : Tokyo Human Right Awareness Liaison Group)

Whistleblowing

The Asset Management Company has established a consultation service for violations of laws and regulations, violations of internal rules, harassment, and other matters that are contrary to broad ethical and social standards of decency for employees (including directors, full-time employees, contract employees, part-time employees, temporary employees, and retired employees (Hereinafter referred to as "employees, etc." in this section) and all persons engaged in the business of the Asset Management Company and all of employees, etc. can declare or submit anonymously.

The President & CEO has the ultimate responsibility for the operation of the whistle-blowing system, and regularly disseminate the significance and importance of the system to employees, etc., and thoroughly inform them of the purpose.

The privacy of whistleblowers and consultants is strictly protected, and appropriate action is taken after confirming and investigating the facts of the matter. If necessary, the Mitsubishi Estate Group Helpline may also be used.

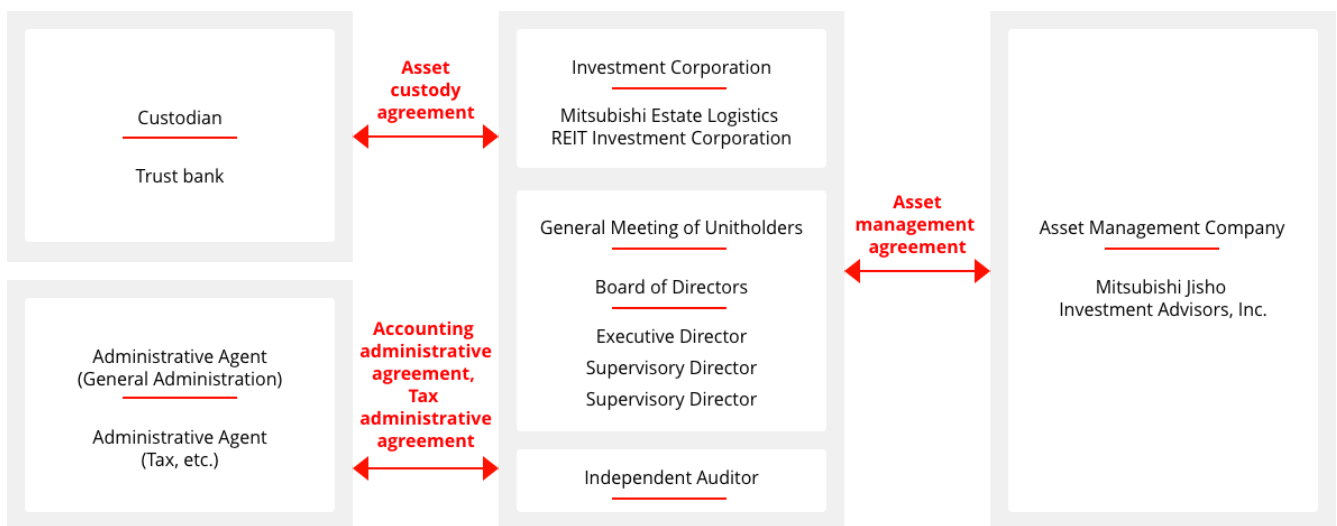
If the results of the investigation reveal any misconduct, etc., the General Manager of the Compliance Department shall immediately report it to the President & CEO, who, in the name of the President & CEO, shall immediately order the department or employee, etc. that is committing the misconduct to cease the misconduct and promptly take corrective and recurrence-prevention measures.

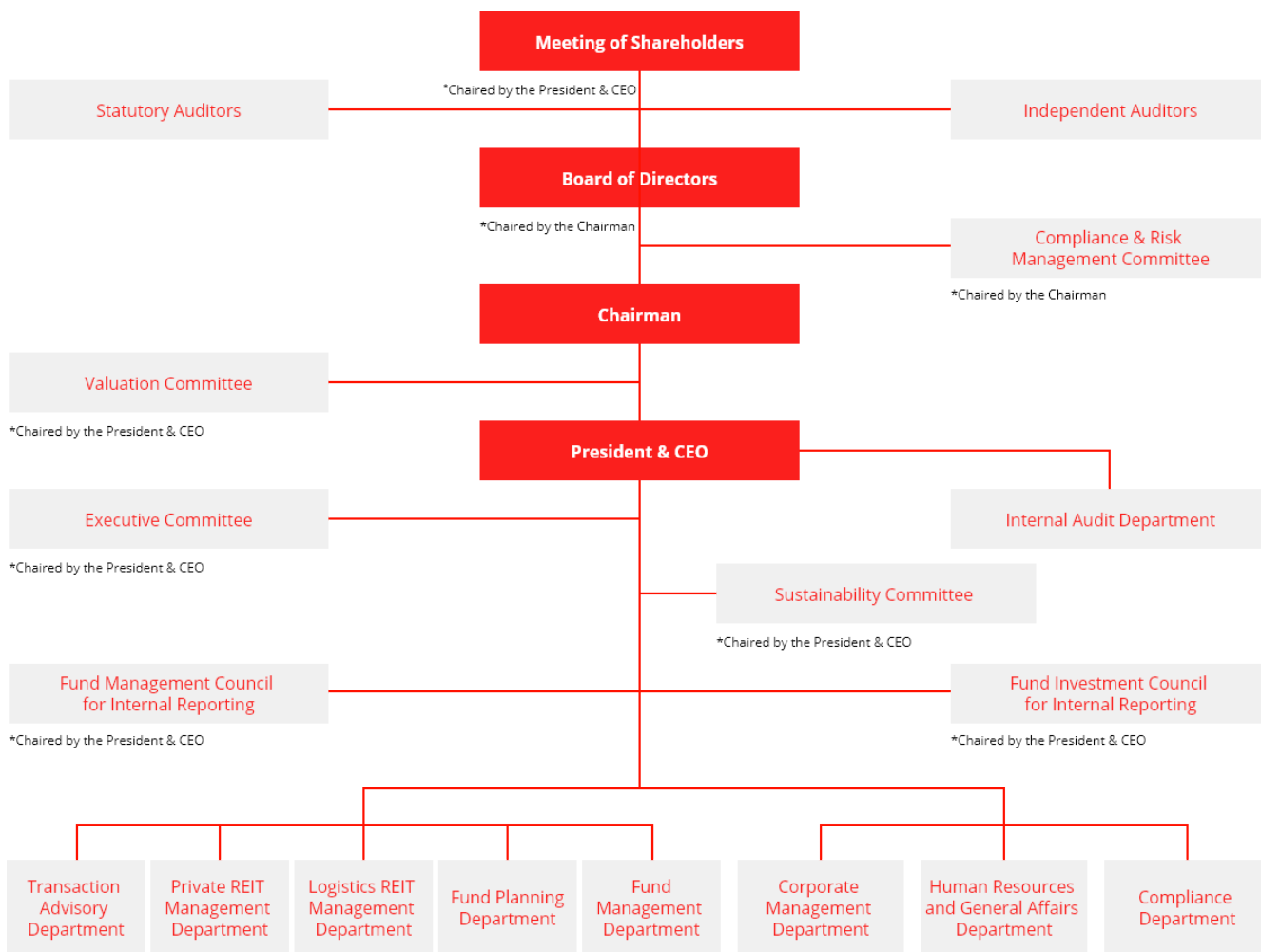
In addition, whistleblowers are legally protected by the Whistleblower Protection Act, which prohibits any disadvantageous treatment or harassment of whistleblowers on the basis of their reporting, and we take appropriate measures to prevent the deterioration of the working environment for whistleblowers and others, thereby striving to protect whistleblowers and create an environment for the proper functioning of the internal reporting system.

Governance Initiatives

Governance Initiatives

MEL is composed of a board of directors consisting of one corporate officer and two supervisory directors and an accounting auditor, in addition to the general meeting of investors composed of investors. MEL is prohibited from employing employees in accordance with the provisions of the Investment Trust Law. Therefore, there are no employees, and asset management is entrusted to MJIA. Under the following management structure, MJIA engages in asset management operations, such as the acquisition or transfer of real estate and the leasing of real estate.





Internal Audit System

The Asset Management Company has established the Internal Audit Department as independent department based on the "Internal Audit Regulations" with the General Manager as the person in charge.

Every year, with the support of outsourced to a specialized external organization (cosourcing) such as on site inspections, internal audit plans are formulated and audits are conducted on a wide range of matters, including compliance and risk management execution status and corporate ethics, covering all departmental operations, and when issues are identified, the departments in charge are given recommendations for improvement and instructions and the audit results are reported to the the President & CEO and the Board of Directors of the Asset Management Company.

Corporate Governance

Management Structure

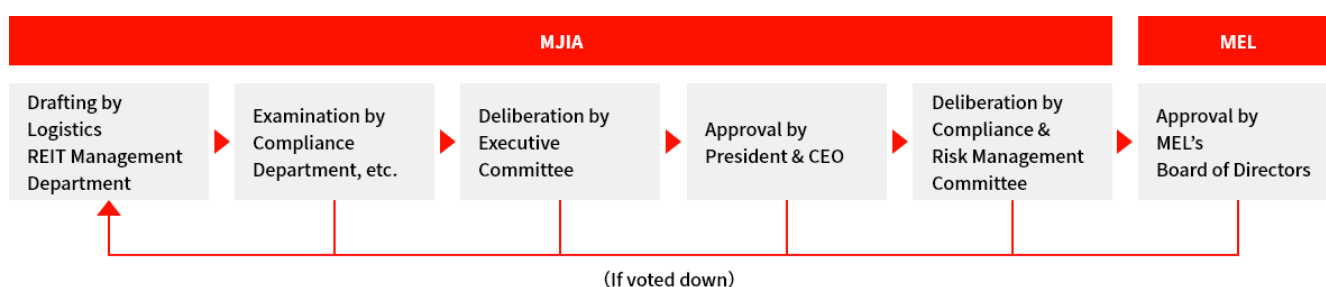
Management Structure with Emphasis on Maximizing Unitholder Value

MEL will seek to ensure to align interest between MEL's unitholders and Mitsubishi Estate Group, and maximize unitholder value as well as to establish and enhance a highly transparent management system.

In the event of transaction which falls under the category of transactions with interested parties, MJIA executes such transactions through a transparent decision-making process. In addition, transactions which exceeds a certain standard with interested parties must be deliberated and approved by the Compliance and Risk Management Committee. However, for transaction below a certain level, the approval of the General Manager of the Compliance Department is required. Through such deliberations, we will be able to carefully examine from many points of view and comprehensively judge whether or not to make a transaction. The Compliance and Risk Management Committee, which is composed of outside attorney, enhances the checks and balances against conflicts of interest transactions from the standpoint of experts. In deliberations on the acquisition and sale of properties by MEL, the Management Committee is composed of real estate appraisers who do not have a special interest in the Mitsubishi Estate Group, and is expected to participate in the deliberations and resolutions of MJIA from a wide range of perspectives based on expertise and experience as experts in real estate appraisal, and to exert a check-and-balance function against the decisions of MJIA.

Decision-Making Flow in the Case of Asset Acquisition or Sale Falling Under Related-Party Transactions

Acquisition or sale of assets at MEL undergoes a transparent decision-making process.



(Note) An example of the decision-making flow in cases that fall under the category of transactions with interested persons, etc. requiring approval of the board of directors of the investment corporation pursuant to Article 201-2 of the Act on Investment Trusts and Investment Corporations.

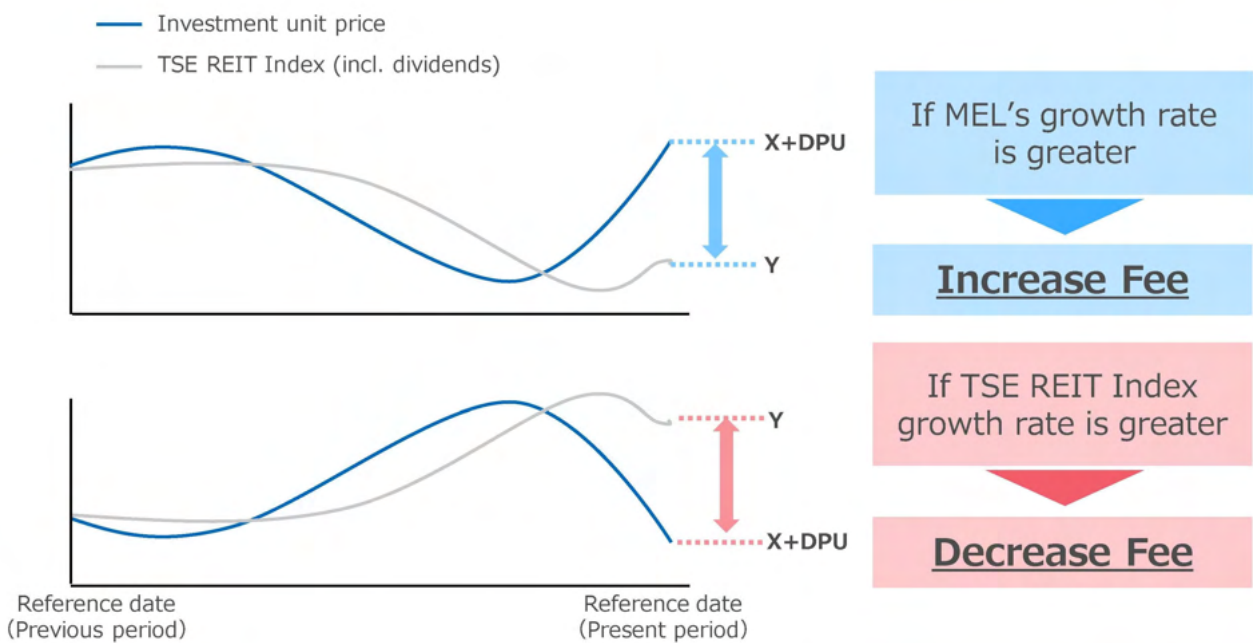
Asset Management Structure

Asset management fee structure aligned with the unitholders' interests

To strengthen the alignment between Asset Management Company and unitholder interest, MEL introduced an asset management fee reflecting the relative performance between MEL's investment unit price and the TSE REIT Index.

Asset management fee I (AUM-linked)	Total assets as of the end of previous period x 0.2% (upper limit)
Asset management fee II (Real estate pro t-linked)	Adjusted NOI x 5.0% (upper limit)
Asset management fee III (Unitholder interest-linked)	Adjusted net income before tax x net income before tax per unit x 0.001% (upper limit)
Asset management fee III (Unitholder interest-linked)	Performance against TSE REIT Index ((a) - (b)) x market capitalization (for fiscal period of each term) x 0.1% (upper limit) (a) : Fluctuations in MEL's investment unit price (incl. dividends) (b) : Fluctuations in the TSE REIT Index (incl. dividends)
Acquisition fee	Acquisition price x 1.0% (upper limit)
Disposition fee	Disposition price x 1.0% (upper limit)
Merger fee	Appraisal value of assets to be succeeded x 1.0% (upper limit)

First J-REIT to Introduce Asset Management Fee Fully Linked to Investment Unit Performance



Same-boat Investment by Mitsubishi Estate

Mitsubishi Estate, our sponsor holds our investment units with the aim of aligning the interests between unitholders and the sponsor. Numbers of units (ratio) held by the sponsor as of Mar. 23, 2022 : 18,350 units (4.1%)

Cumulative Investment System

In March 2021, MEC and MJIA introduced an investment unit cumulative investment plan for officers and employees.

Compliance

Promotion System for Compliance

MJIA have achieved compliance through the following system.

Body	Main Duty
Board of Directors	<ul style="list-style-type: none"> Establish and modify the Asset Manager's compliance program and compliance manual.
Compliance and Risk Management Committee	<ul style="list-style-type: none"> Promote Compliance and Risk Management, and discuss and approve these monitoring issues. As a general rule, this committee should be held once a month, but it should be held as necessary.
President & Chief Executive Officer	<p>President & CEO is responsible for establishing and implementing a compliance system as the ultimate responsibility for compliance. President & CEO is responsible for working sincerely and taking the lead in promoting compliance awareness among officers and employees.</p>
General Manager of Compliance Department (Compliance Officer)	<p>The General Manager of the Compliance Department is responsible for planning, drafting, coordinating and promotion of the Asset Management Company's compliance and risk management initiatives.</p> <ul style="list-style-type: none"> If it is determined that a problem has occurred or is deemed likely to occur from the viewpoint of compliance, the Company shall promptly report it to the President & CEO, who shall obtain approval for a policy for dealing with compliance violations and measures to prevent recurrence, and report the matter to the Compliance and Risk Management Committee. As an independent organ separate from other internal organs of MJIA, the General Manager of the Compliance Department independently verifies the details of transactions or decisions related to the Asset Management Business of Investment Corporation.
Compliance Department	<ul style="list-style-type: none"> Under the supervision of the General Manager of the Compliance Department, the Compliance Department coordinates the planning, planning, coordination, and promotion of compliance activities, and verifies the compliance status of each department. The Compliance Department checks the progress of the compliance program to the Compliance Manager of each department on a quarterly basis, and reports the results to the Board of Managers after deliberation through the approval by the Compliance and Risk Management Committee.

Initiatives for Compliance

Appropriate motivational framework for employees

To promote individual abilities and career development, we have introduced Management by Objective System (MBO) for all employees. Compliance is included in the evaluation items in this evaluation.

We regularly conduct compliance and risk management training to raise awareness of compliance among officers and employees.

Total no. of compliance and risk management training sessions	FY2018	FY2019	FY2020	FY2021
compliance and risk training sessions	9	11	7	9

※FY2018: April 2018- March 2019

FY2019: April 2019- March 2020

FY2020: April 2020- March 2021

FY2021: April 2021- March 2022

In order to improve the specialized skills of officers and employees, we support officers and employees in obtaining and maintaining various qualifications (real estate securitization association certified masters, real estate dealers, etc.), as well as in providing outside training to acquire a wide range of knowledge. Our relevant information and the number of qualified personnel are available on our website.

<http://www.mecinest.com/sustainability/employee.html> 

Whistleblowing

The Asset Management Company has established a consultation service for violations of laws and regulations, violations of internal rules, harassment, and other matters that are contrary to broad ethical and social standards of decency for employees (including directors, full-time employees, contract employees, part-time employees, temporary employees, and retired employees (Hereinafter referred to as "employees, etc." in this section) and all persons engaged in the business of the Asset Management Company and all of employees, etc. can declare or submit anonymously.

The President & CEO has the ultimate responsibility for the operation of the whistle-blowing system, and regularly disseminate the significance and importance of the system to employees, etc., and thoroughly inform them of the purpose.

The privacy of whistleblowers and consultants is strictly protected, and appropriate action is taken after confirming and investigating the facts of the matter. If necessary, the Mitsubishi Estate Group Helpline may also be used.

If the results of the investigation reveal any misconduct, etc., the General Manager of the Compliance Department shall immediately report it to the President & CEO, who, in the name of the President & CEO, shall immediately order the department or employee, etc. that is committing the misconduct to cease the misconduct and promptly take corrective and recurrence-prevention measures.

In addition, whistleblowers are legally protected by the Whistleblower Protection Act, which prohibits any disadvantageous treatment or harassment of whistleblowers on the basis of their reporting, and we take appropriate measures to prevent the deterioration of the working environment for whistleblowers and others, thereby striving to protect whistleblowers and create an environment for the proper functioning of the internal reporting system.

Employee Hotlines (Whistleblower Protection)

We have established a consultation desk for legal violations, violations of internal rules, harassment, and other matters that are widely contrary to ethical and social standards, and all persons engaged in our business, including retirees and temporary employees, can report and consult with us. We strictly observe privacy in whistleblowing and consulting, confirm and investigate the facts, and take appropriate action. The Mitsubishi Estate Group Help Line and the Mitsubishi Estate Group Whistleblower System may also be used as necessary. This system complies with the Whistleblower Protection Act.

Bribery and Anti-Corruption Policy

The Compliance Department provides consultation to employees on a daily basis, and the Compliance Risk Management Committee monitors the status of the anti-bribery system annually, in addition to preventing misconduct through the establishment and operation of an internal whistle-blowing system. The Compliance and Risk Management Committee also reports the status of monitoring to the Board of Directors.

In addition, the Internal Audit Department confirms during on-site inspections that these monitoring and supervision systems are being properly operated in accordance with company rules and regulations.

In 2017, an assessment of the overall anti-bribery system of the Mitsubishi Estate Group was conducted by an external organization. By addressing the issues identified in this assessment, we are working to further enhance our anti-bribery system.

Risk Management

Risk Management Structure

MJIA has established "Risk Management Regulations" in order to ensure the soundness of management by establishing basic matters concerning risk management and appropriately managing and operating risks. The Board of Directors oversees the development of risk management systems. The general manager of the Compliance Department supervises the risk management of the entire asset management company, and the general manager of each department takes charge of risk management in each department. MEL conducts an internal audit of MJIA once a year to verify and evaluate the appropriateness and effectiveness of the risk management system, and reports the results to MEL's Board of Directors.

ESG Disclosure Policy and Reporting Framework

Sustainability Report (including GRI and SASB Standards)

MEL publishes an annual Sustainability Report to introduce its ESG activities. The latest and back issues of the Sustainability Report can be downloaded from belows.

[Sustainability Report 2022](#) 

[Sustainability Report 2021](#) 

Information Disclosure Policy

This web site has been created to help stakeholders understand the status of initiatives of MEL and MJIA of the Investment Corporation, regarding sustainability. We strive to fulfill stakeholder expectations with information disclosure based on international ESG frameworks as well as requests from investors and external rating agencies organizations.

Reporting Coverage, Period and Updating Timing

Reporting Coverage : The entire portfolio of the Investment Corporation shall be the coverage of the report and shall be reported annually in principle.

Reporting period: Update period: FY2021 (April 1, 2021 to March 31, 2022) is the reporting period, but some contents outside of this fiscal year are also included.

Update timing : Every June in principle

ESG inquiries

For inquiries about ESG, please contact the following:

Mitsubishi Estate Investment Advisers Co., Ltd. (Asset Management Company)

Telephone 03-3218-0030

Entry Hours 9:30 a.m. to 6:00 p.m. (excluding Saturdays, Sundays, national holidays, and New Year holidays)

GRI STANDARDS Content Index

	Location or reason for omission	URL
GRI 100: Universal Standards GRI 102: General Disclosures 2016 1. Organizational Profile		
102-1 Name of the organization a Name of the organization	Overview	https://mel-reit.co.jp/en/about/profile.html
102-2 Activities, brands, products, and services a A description of the organization's activities. Primary brands, products, and services, including an b explanation of any products or services that are banned in certain markets.	Message Strengths of MEL Portfolio List	https://mel-reit.co.jp/en/about/index.html https://mel-reit.co.jp/en/features/index.html https://mel-reit.co.jp/en/portfolio/index.html
102-3 Location of headquarters a Location of the organization's headquarters.	Overview	https://mel-reit.co.jp/en/about/profile.html
102-4 Location of operations a Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	Overview	https://mel-reit.co.jp/en/about/profile.html
102-5 Ownership and legal form a Nature of ownership and legal form.	Overview	https://mel-reit.co.jp/en/about/profile.html
102-6 Markets served a Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	Overview Overview Portfolio Map Strengths of MEL Capitalization Major Unitholders	https://mel-reit.co.jp/en/about/profile.html https://mel-reit.co.jp/en/portfolio/map.html https://mel-reit.co.jp/en/features/index.html https://mel-reit.co.jp/en/finance/investment.html
102-7 Scale of the organization a Scale of the organization, including:		

	Location or reason for omission	URL
<p>i. total number of employees;</p> <p>ii. total number of operations;</p> <p>iii. net sales (for private sector organizations) or net revenues (for public sector organizations);</p> <p>iv. total capitalization (for private sector organizations) broken down in terms of debt and equity;</p> <p>v. quantity of products or services provided.</p>	<p>Secure Diverse Human Resources</p> <p>—</p> <p>Financial Highlights</p> <p>Portfolio Data</p>	<p>https://mel-reit.co.jp/en/esg/social/diversity.html</p> <p>https://mel-reit.co.jp/en/ir/highlight.html</p> <p>https://mel-reit.co.jp/en/portfolio/data.html</p>
<p>102-8 Information on employees and other workers</p> <p>a Total number of employees by employment contract (permanent and temporary), by gender.</p> <p>b Total number of employees by employment contract (permanent and temporary), by region.</p> <p>c Total number of employees by employment type (full-time and part-time), by gender.</p> <p>d Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.</p> <p>e Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).</p>	<p>Personnel data</p> <p>MEL has no employees and outsources all asset management operations to the asset management company(MJIA), so we disclose the employees of the asset management company here</p> <p>There is no regional difference as the asset management company(MJIA) of MEL has only one office</p> <p>Secure Diverse Human Resources</p> <p>MEL does not have any employees in accordance with the prohibition on having employees under the Act on Investment Trusts and Investment Corporations. The major part of organization's activities of MJIA is performed by employees</p> <p>No significant variations in the numbers reported</p>	<p>https://mel-reit.co.jp/en/esg/social/diversity.html</p> <p>—</p> <p>https://mel-reit.co.jp/en/esg/social/diversity.html</p> <p>—</p> <p>—</p>
<p>102-9 Supply chain</p> <p>a A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.</p>	<p>Strengths of MEL</p>	<p>https://mel-reit.co.jp/en/features/index.html</p>
<p>102-10 Significant changes to the organization and its supply chain</p>		

	Location or reason for omission	URL
<p>i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;</p> <p>iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.</p>	<p>No significant changes</p> <p>No significant changes</p>	<p>—</p> <p>—</p>
<p>102-11 Precautionary Principle or approach</p> <p>Whether and how the organization applies the Precautionary Principle or approach.</p> <p>a</p>	<p>Risk Management Structure</p> <p>Promotion System for Compliance</p>	<p>https://mel-reit.co.jp/en/esg/governance/risk.html</p> <p>https://mel-reit.co.jp/en/esg/governance/compliance.html</p>
<p>102-12 External initiatives</p> <p>A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.</p> <p>a</p>	<p>International Initiatives and Participation</p> <p>Environmental Assessment and Certifications</p> <p>Green Building Certifications</p>	<p>https://mel-reit.co.jp/en/esg/external/initiatives.html</p> <p>https://mel-reit.co.jp/en/esg/external/environmental.html</p> <p>https://mel-reit.co.jp/en/esg/external/greenbuilding.html</p>
<p>102-13 Membership of associations</p> <p>A list of the main memberships of industry or other associations, and national or international advocacy organizations.</p>	<p>Company Overview (MJIA HP)</p>	<p>http://www.mecininvest.com/company/outline.html</p>
2. Strategy		
<p>102-14 Statement from senior decision-maker</p> <p>A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.</p> <p>a</p>	<p>Top Message</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/index.html</p>
<p>102-15 Key impacts, risks, and opportunities</p> <p>A description of key impacts, risks, and opportunities.</p> <p>a</p>	<p>Materiality</p> <p>Climate Change Initiatives</p>	<p>https://mel-reit.co.jp/en/esg/material/index.html</p> <p>https://mel-reit.co.jp/en/esg/environment/climate.html</p>
3. Ethics and Integrity		
<p>102-16 Values, principles, standards, and norms of behavior</p> <p>A description of the organization's values, principles, standards, and norms of behavior.</p> <p>a</p>	<p>Corporate Governance</p>	<p>https://mel-reit.co.jp/en/esg/governance/corporate.html</p>

	Location or reason for omission	URL
<p>102-17 Mechanisms for advice and concerns about ethics</p> <p>a A description of internal and external mechanisms for:</p> <p>i. seeking advice about ethical and lawful behavior, and organizational integrity;</p> <p>ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.</p>	<p>Compliance</p> <p>Whistleblower</p>	<p>https://mel-reit.co.jp/en/esg/governance/compliance.html</p> <p>https://mel-reit.co.jp/en/esg/governance/compliance.html</p>
4. Governance		
<p>a Governance structure of the organization, including committees of the highest governance body.</p> <p>b Committees responsible for decision-making on economic, environmental, and social topics.</p>	<p>Governance Initiatives</p> <p>Corporate Governance</p> <p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/governance/index.html</p> <p>https://mel-reit.co.jp/en/esg/governance/corporate.html</p> <p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>
<p>102-19 Delegating authority</p> <p>a Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.</p>	<p>Initiatives for Sustainability</p> <p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/basic.html</p> <p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>
<p>102-20 Executive-level responsibility for economic, environmental, and social topics</p> <p>a Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics.</p> <p>b Whether post holders report directly to the highest governance body.</p>	<p>Initiatives for Sustainability</p> <p>Sustainability Committee</p> <p>Initiatives for Sustainability</p> <p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/basic.html</p> <p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p> <p>https://mel-reit.co.jp/en/esg/sustainability/basic.html</p> <p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>
<p>102-21 Consulting stakeholders on economic, environmental, and social topics</p> <p>a Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.</p>	<p>Stakeholder Engagement</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/stakeholder.html</p>

	Location or reason for omission	URL
<p>b If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.</p>	Stakeholder Engagement	https://mel-reit.co.jp/en/esg/sustainability/stakeholder.html
<p>102-22 Composition of the highest governance body and its committees</p> <p>a Composition of the highest governance body and its committees by:</p>	—	
<p>102-23 Chair of the highest governance body</p> <p>a Whether the chair of the highest governance body is also an executive officer in the organization.</p>	—	
<p>102-24 Nominating and selecting the highest governance body</p> <p>a Nomination and selection processes for the highest governance body and its committees.</p> <p>b Criteria used for nominating and selecting highest governance body members, including whether and how:</p>	— —	
<p>102-25 Conflicts of interest</p> <p>a Processes for the highest governance body to ensure conflicts of interest are avoided and managed.</p> <p>b Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:</p>	Management Structure Corporate Governance	https://mel-reit.co.jp/en/esg/governance/corporate.html https://mel-reit.co.jp/en/esg/governance/corporate.html
<p>102-26 Role of highest governance body in setting purpose, values, and strategy</p> <p>a Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.</p>	Initiatives for Sustainability Sustainability Policy Sustainability Committee	https://mel-reit.co.jp/en/esg/sustainability/basic.html https://mel-reit.co.jp/en/esg/sustainability/policy.html https://mel-reit.co.jp/en/esg/sustainability/committee.html
<p>102-27 Collective knowledge of highest governance body</p> <p>a Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.</p>	Sustainability Committee	https://mel-reit.co.jp/en/esg/sustainability/committee.html

	Location or reason for omission	URL
<p>102-28 Evaluating the highest governance body's performance</p> <p>Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics.</p> <p>a</p> <p>Whether such evaluation is a self- assessment.</p> <p>c</p>	<p>Risk Management</p> <p>Risk Management</p>	<p>https://mel-reit.co.jp/en/esg/governance/risk.html</p> <p>https://mel-reit.co.jp/en/esg/governance/risk.html</p>
<p>102-29 Identifying and managing economic, environmental, and social impacts</p> <p>Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes.</p> <p>a</p> <p>Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.</p> <p>b</p>	<p>Materiality</p> <p>Materiality</p>	<p>https://mel-reit.co.jp/en/esg/material/index.html</p> <p>https://mel-reit.co.jp/en/esg/material/index.html</p>
<p>102-30 Effectiveness of risk management processes</p> <p>Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.</p> <p>a</p>	<p>Risk Management</p>	<p>https://mel-reit.co.jp/en/esg/governance/risk.html</p>
<p>102-31 Review of economic, environmental, and social topics</p> <p>Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.</p> <p>a</p>	<p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>
<p>102-32 Highest governance body's role in sustainability reporting</p> <p>The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.</p> <p>a</p>	<p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>
<p>102-33 Communicating critical concerns</p>	<p>Sustainability Committee</p>	<p>https://mel-reit.co.jp/en/esg/sustainability/committee.html</p>

	Location or reason for omission	URL
a Process for communicating critical concerns to the highest governance body.	Corporate Governance	https://mel-reit.co.jp/en/esg/governance/compliance.html
102-34 Nature and total number of critical concerns	No critical concerns reported during the reporting period	—
102-35 Remuneration policies Remuneration policies for the highest governance body and senior executives for the following types of remuneration: a	Corporate Governance	https://mel-reit.co.jp/en/esg/governance/compliance.html
102-36 Process for determining remuneration a Process for determining remuneration.	Corporate Governance	https://mel-reit.co.jp/en/esg/governance/compliance.html
5. Stakeholder Engagement		
102-40 List of stakeholder groups a A list of stakeholder groups engaged by the organization.	Stakeholder Engagement	https://mel-reit.co.jp/en/esg/sustainability/stakeholder.html
102-43 Approach to stakeholder engagement The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process. a	Stakeholder Engagement	https://mel-reit.co.jp/en/esg/sustainability/stakeholder.html
102-44 Key topics and concerns raised	No critical concerns reported during the reporting period	—
6. Reporting Practice		
102-46 Defining report content and topic Boundaries		
102-47 List of material topics a A list of the material topics identified in the process for defining report content.	Materiality	https://mel-reit.co.jp/en/esg/material/index.html
102-50 Reporting period a Reporting period for the information provided.	ESG Disclosure Policy and Reporting Framework	https://mel-reit.co.jp/en/esg/disclosure/index.html
102-51 Date of most recent report	January 21,2022	https://mel-reit.co.jp/en/esg/assets/img/disclosure/doc_sustainability_202201.pdf
102-52 Reporting cycle a Reporting cycle	ESG Disclosure Policy and Reporting Framework	https://mel-reit.co.jp/en/esg/disclosure/index.html
102-53 Contact point for questions regarding the report	ESG Disclosure Policy and Reporting Framework	https://mel-reit.co.jp/en/esg/disclosure/index.html

	Location or reason for omission	URL
a The contact point for questions regarding the report or its contents.		
102-55 GRI content index	Refer this table	—
102-56 External assurance	Environmental Performance Environmental performance data is given assurance by a third party	https://mel-reit.co.jp/en/esg/environment/index.html —
Management Approach		
103-1 Explanation of the material topic and its Boundary		
a An explanation of why the topic is material.	Materiality	https://mel-reit.co.jp/en/esg/material/index.html
b The Boundary for the material topic, which includes a description of:	Materiality	https://mel-reit.co.jp/en/esg/material/index.html
103-2 The management approach and its components		
a An explanation of how the organization manages the topic.	Sustainability Committee	https://mel-reit.co.jp/en/esg/sustainability/committee.html
b A statement of the purpose of the management approach.	Sustainability Committee	https://mel-reit.co.jp/en/esg/sustainability/basic.html
c A description of the following, if the management approach includes that component:	Sustainability Committee Compliance	https://mel-reit.co.jp/en/esg/sustainability/committee.html https://mel-reit.co.jp/en/esg/governance/compliance.html
103-3 Evaluation of the management approach		
a An explanation of how the organization evaluates the management approach, including:	Sustainability Committee	https://mel-reit.co.jp/en/esg/sustainability/committee.html
Topic-specific Standards		
GRI 200 : Economic 201 : Economic Performance 2016		
201-1 Direct economic value generated and distributed	Financial Summary	https://mel-reit.co.jp/en/finance/index.html
201-2 Financial implications and other risks and opportunities due to climate change		
a Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:	Climate Change Initiatives	https://mel-reit.co.jp/en/esg/environment/climate.html
203 : Indirect Economic Impacts 2016		
203-2 Significant indirect economic impacts	The logistics properties of MEL creates local employment	—

	Location or reason for omission	URL
205 : Anti-corruption 2016		
205-2 Communication and training about anti- corruption policies and procedures	Compliance	https://mel-reit.co.jp/en/esg/governance/compliance.html
205-3 Confirmed incidents of corruption and actions taken	No critical incidents of corruption during the reporting period	—
206 : Anti-competitive Behavior 2016		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant.	No serious cases of corruption during the reporting period	
GRI 300 : Environmental 302 : Energy 2016		
302-1 Energy consumption within the organization	Environment Performance	https://mel-reit.co.jp/en/esg/environment/index.html
302-2 Energy consumption outside of the organization	Environment Performance	https://mel-reit.co.jp/en/esg/environment/index.html
302-3 Energy intensity a Energy intensity ratio for the organization. b Organization-specific metric (the denominator) chosen to calculate the ratio. c Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. d Whether the ratio uses energy consumption within the organization, outside of it, or both.	Environment Performance Environment Performance Includes all types of energy (electricity, fuel or district heating and cooling) used in the logistics properties of MEL Environment Performance	https://mel-reit.co.jp/en/esg/environment/index.html https://mel-reit.co.jp/en/esg/environment/index.html — https://mel-reit.co.jp/en/esg/environment/index.html
302-4 Reduction of energy consumption	Environment Performance	https://mel-reit.co.jp/en/esg/environment/index.html
302-5 Reductions in energy requirements of products and services	Contributions to the Environment through Our Portfolio	https://mel-reit.co.jp/en/esg/environment/contributions.html
303 : Water and Effluents 2018		
303-5 Water consumption a Total water consumption from all areas in megaliters.	Environment Performance (in cubic meter)	https://mel-reit.co.jp/en/esg/environment/index.html
305 : Emissions 2016		
305-1 Direct (Scope 1) GHG emissions a Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent.	Environment Performance	https://mel-reit.co.jp/en/esg/environment/index.html

	Location or reason for omission	URL
<p>b Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</p> <p>d Base year for the calculation, if applicable, including:</p>	<p>The calculations include CO2 only</p> <p>Climate Change Initiatives</p>	<p>—</p> <p>https://mel-reit.co.jp/en/esg/environment/climate.html</p>
<p>305-2 Energy indirect (Scope 2) GHG emissions</p> <p>a Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.</p> <p>c If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</p> <p>d Base year for the calculation, if applicable, including:</p>	<p>Environment Performance</p> <p>The calculations include CO2 only</p> <p>Climate Change Initiatives</p>	<p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>—</p> <p>https://mel-reit.co.jp/en/esg/environment/climate.html</p>
<p>305-3 Other indirect (Scope 3) GHG emissions</p> <p>a Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent.</p> <p>b If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</p> <p>e Base year for the calculation, if applicable, including:</p>	<p>Environment Performance</p> <p>The calculations include only CO2</p> <p>Climate Change Initiatives</p>	<p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>—</p> <p>https://mel-reit.co.jp/en/esg/environment/climate.html</p>
<p>305-4 GHG emissions intensity</p> <p>a GHG emissions intensity ratio for the organization.</p> <p>b Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3)</p> <p>d Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</p>	<p>Environment Initiatives</p> <p>Environment Initiatives</p> <p>Environment Initiatives</p> <p>The calculations include only CO2</p>	<p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>—</p>
<p>305-5 Reduction of GHG emissions</p>	<p>Environment Performance</p>	<p>https://mel-reit.co.jp/en/esg/environment/index.html</p>
<p>306 : Waste 2020</p>		
<p>306-2 Management of significant waste- related impacts</p>	<p>Water Resources and Waste Reduction, etc</p> <p>Contributions to the Environment through Our Portfolio</p>	<p>https://mel-reit.co.jp/en/esg/environment/water.html</p> <p>https://mel-reit.co.jp/en/esg/environment/contributions.html</p>

	Location or reason for omission	URL
<p>Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated.</p> <p>a</p>		
<p>306-3 Waste generated</p> <p>Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.</p> <p>a</p> <p>Contextual information necessary to understand the data and how the data has been compiled.</p> <p>b</p>	<p>Environmental Performance</p> <p>Environmental Performance</p>	<p>https://mel-reit.co.jp/en/esg/environment/index.html</p> <p>https://mel-reit.co.jp/en/esg/environment/index.html</p>
<p>306-5 Waste directed to disposal</p>	Environmental Performance	https://mel-reit.co.jp/en/esg/environment/index.html
307 : Environmental Compliance 2016		
<p>307-1 Non-compliance with environmental laws and regulations</p>	No incidents reported during the reporting period	—
GRI 400 : Social 401 : Employment 2016		
<p>401-1 New employee hires and employee turnover</p> <p>Total number and rate of new employee hires during the reporting period, by age group, gender and region.</p> <p>a</p> <p>Total number and rate of employee turnover during the reporting period, by age group, gender and region.</p> <p>b</p>	<p>Promotion of Diversity & Inclusion</p> <p>Promotion of Diversity & Inclusion</p>	<p>https://mel-reit.co.jp/en/esg/social/diversity.html</p> <p>https://mel-reit.co.jp/en/esg/social/diversity.html</p>
<p>401-3 Parental leave</p> <p>Total number of employees that took parental leave, by gender.</p> <p>b</p>	<p>Work-life Balance</p> <p>- Create a comfortable workplace where employee will want to work for a long period of time -</p>	https://mel-reit.co.jp/en/esg/social/balance.html
403 : Occupational Health and Safety 2018		
<p>403-6 Promotion of worker health</p> <p>An explanation of how the organization facilitates workers' access to non- occupational medical and healthcare services, and the scope of access provided.</p> <p>a</p>	<p>Employee Health and Well-being</p> <p>- Creating Productive and Employee- friendly Workplace -</p>	https://mel-reit.co.jp/en/esg/social/employee.html

	Location or reason for omission	URL
<p>b</p> <p>A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.</p>	<p>Employee Health and Well-being - Creating Productive and Employee-friendly Workplace -</p>	<p>https://mel-reit.co.jp/en/esg/social/employee.html</p>
<p>403-9 Work-related injuries</p>	<p>No incidents reported during the reporting period</p>	<p>—</p>
<p>403-10 Work-related ill health</p>	<p>No incidents reported during the reporting period</p>	<p>—</p>
<p>404 : Training and Education 2016</p>		
<p>404-2 Programs for upgrading employee skills and transition assistance programs</p> <p>a</p> <p>Type and scope of programs implemented and assistance provided to upgrade employee skills.</p>	<p>Human resource development</p>	<p>https://mel-reit.co.jp/en/esg/social/developing.html</p>
<p>404-3 Percentage of employees receiving regular performance and career development reviews</p> <p>a</p> <p>Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.</p>	<p>Promotion of Diversity & Inclusion Conduct Management by Objectives (MBO) system for all employees</p>	<p>https://mel-reit.co.jp/en/esg/social/diversity.html</p>
<p>405 : Diversity and Equal Opportunity 2016</p>		
<p>405-1 Diversity of governance bodies and employees</p> <p>a</p> <p>Percentage of individuals within the organization's governance bodies in each of the following diversity categories:</p> <p>i. Gender;</p> <p>b</p> <p>Percentage of employees per employee category in each of the following diversity categories:</p> <p>i. Gender;</p>	<p>Promotion of Diversity & Inclusion</p> <p>Promotion of Diversity & Inclusion</p>	<p>https://mel-reit.co.jp/en/esg/social/diversity.html</p> <p>https://mel-reit.co.jp/en/esg/social/diversity.html</p>
<p>405-2 Ratio of basic salary and remuneration of women to men</p>	<p>There is no gender difference</p>	<p>—</p>
<p>406 : Non-Discrimination 2016</p>		
<p>406-1 Incidents of discrimination and corrective actions taken</p>	<p>No incidents reported during the reporting period</p>	<p>—</p>
<p>411 : Rights of Indigenous Peoples 2016</p>		

		Location or reason for omission	URL
411-1	Incidents of violations involving rights of indigenous peoples	No incidents reported during the reporting period	—
412 : Human Rights Assessment 2016			
412-2	Employee training on human rights policies or procedures	Human rights	https://mel-reit.co.jp/en/esg/social/humanrights.html
413 : Local Community 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Contributions to Local Communities	https://mel-reit.co.jp/en/esg/social/communities.html
414 : Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Establishment of the Sustainability Promotion Manual	https://mel-reit.co.jp/en/esg/sustainability/committee.html
414-2	Negative social impacts in the supply chain and actions taken	No incidents reported during the reporting period	—
415 : Public Policy 2016			
415-1	Political contributions	No incidents reported during the reporting period	—
417 : Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	Environmental Assessment and Certifications	https://mel-reit.co.jp/en/esg/external/environmental.html
		Green Building Certifications	https://mel-reit.co.jp/en/esg/external/greenbuilding.html
418 : Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No incidents reported during the reporting period	—
419 : Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	No incidents reported during the reporting period	—
GRI G4 : Construction and Real Estate Sector Disclosures			
CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Environmental Assessment and Certifications	https://mel-reit.co.jp/en/esg/external/environmental.html
		Green Building Certifications	https://mel-reit.co.jp/en/esg/external/greenbuilding.html

SASB Standards

SASB Framework

Activity Metrics

SASB Disclosure Code	Disclosure Metric	Fiscal 2020	Fiscal 2021	Unit
IF-RE-000.A	Number of assets	19	21	assets
IF-RE-000.B	Leasable floor area	666,551.45	818,895.21	m ²
IF-RE-000.C	Percentage of indirectly managed assets	21.9	19.1	%
IF-RE-000.D	Average occupancy rate	99.8	99.8	%

Disclosure Topic: Energy Management

SASB Disclosure Code	Disclosure Metric	Fiscal 2020	Fiscal 2021	Unit	
IF-RE-130a.1	Energy consumption data coverage	100.0	100.0	Percentage (%) by floor area	
IF-RE-130a.2	Total energy consumed by portfolio area with data coverage	39,146.02	42,172.12	MWh	
	Percentage grid electricity	93.6	93.8	%	
	Percentage renewable electricity	0.0	0.0	%	
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage	-0.3	0.45	%	
	Percentage of area with data coverage	66.3	59.7	Percentage (%) by floor area	
IF-RE-130a.4	Percentage of eligible portfolio that is certified to ENERGY STAR	0.0	0.0	Percentage (%) by floor area	
	Note: Not applicable as the ENERGY STAR Program does not cover real estate in Japan				
	(Option)	Percentage of eligible portfolio that has an energy rating	69.2	80.2	Percentage (%) by floor area
	(Option)	Percentage of eligible portfolio that has a green building certification	72.2	84.2	Percentage (%) by floor area
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy (Please refer to the “Environmental Initiatives(E)” section of this report for more information)				
	<p>The Mitsubishi Estate Group aim to construct the management system for environment as well as promote the advanced initiatives to contribute to achieving a sustainable society through the protection of environment by complying with environmental laws and regulations, giving consideration to the environment and reducing the burden on the environment.</p> <p>Mitsubishi Estate Logistics REIT Investment Corporation (MEL) will aim to invest in energy-efficient facilities, and will continue to work on environmental and energy-saving measures for our properties and improve the efficiency of energy use.</p> <p>Moreover, Mitsubishi Estate Co., Ltd. , the sponsor of MEL, has been working to contribute to achieving a sustainable society through the formation of the Mitsubishi Estate Group's Sustainable Development Goals 2030 with regarding ESG as a significant management issue.</p>				

Disclosure Topic: Water Management

SASB Disclosure Code	Disclosure Metric	Fiscal 2020	Fiscal 2021	Unit
IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area	100.0	100.0	Percentage (%) by floor area
	Water withdrawal data coverage as a percentage of floor area in regions with high or extremely high baseline water stress	0.0	0.0	Percentage (%) by floor area
	Note:At this time, there are no properties located in regions with high or extremely high baseline water stress.			
IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage	80,550.00	84,854.50	m ³
	Of which, water withdrawn percentage by portfolio area with high or extremely high baseline water stress	0.0	0.0	%
	Note:At this time, there are no properties located in regions with high or extremely high baseline water stress.			
IF-RE-140a.3	Like-for-life percentage change in water withdrawn for portfolio area with data coverage	-4.5	-2.34	%
	Percentage of area with data coverage	66.3	59.7	Percentage (%) by floor area
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks			

Disclosure Topic: Management of Tenant Sustainability Impact

SASB Disclosure Code	Disclosure Metric	Fiscal 2020	Fiscal 2021	Unit
IF-RE-410a.1 (Option)	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements	(To be disclosed)	(To be disclosed)	Percentage (%) by floor area
	Associated leased floor area	(To be disclosed)	(To be disclosed)	m ²
	Percentage of total leasable floor area for buildings leased under a green lease agreement	100.0	100.0	Percentage (%) by floor area
	Of which, floor area percentage for buildings leased under a green lease agreement that contains a cost recovery clause	100.0	100.0	Percentage (%) by floor area
IF-RE-410a.2	Percentage of tenants that are separately metered	74.8	65.1	Percentage (%) by floor area
	Percentage of tenants that are separately metered or submetered for water withdrawals	66.1	72.4	Percentage (%) by floor area
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants			
	MEL and MJIA, the asset management company of MEL, are working to contribute to achieving a sustainable environment by improving the environmental performance of our portfolio. Additionally, we recognize that it is also important to have the understanding and cooperation of tenants who use our properties on a daily basis. MEL and MJIA aim to collaborate for a sustainable environmental society in order to promote awareness- raising activities for tenants, the introduction of green lease contract which enables both building owners and tenants to share the benefits and sustainability-related initiatives with our tenants.			
	In order to have tenants' cooperation in energy-saving activities smoothly, the environmental consideration clauses such as waste separation, recycling recommendations, air-conditioning operation standards and idling stop are set in the property usage rules. We also have educational activities on tenants such as putting posters on the common areas of each floor.			
	MEL conducted LED lighting installation works for a part of a tenant exclusive area at the expense of MEL based on the green lease contract. A certain ratio of the highly reduced amount of electricity bills and maintenance costs (costs for exchanging fluorescent bulbs) has been paid from the tenants in return as Green Lease fee.			

Disclosure Topic: Climate Change Adaptation

SASB Disclosure Code	Disclosure Metric	Fiscal 2020	Fiscal 2021	Unit
IF-RE-450a.1	Area of properties located in 100-year flood zones	15,027.28	15,027.28	m ²
	Note: Amount recorded refers to the total leasable area of properties located in areas where inundation of more than 0 m in depth is expected based on hazard maps (primarily the maximum expected scale) issued by local governments. Japanese hazard maps (maximum estimated scale) are developed for areas with an annual exceedance probability of 1 in 1,000 for flood damage.			
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks			
	(Please refer to the “Climate Change Initiatives” section of this report for more information)			