



LRQA Independent Assurance Statement Relating to Mitsubishi Estate Group's Greenhouse Gas Emissions and Environmental Data for the fiscal year 2021

This Assurance Statement has been prepared for Mitsubishi Estate Co., Ltd. in accordance with our contract.

Terms of Engagement

LRQA Limited (LRQA) was commissioned by Mitsubishi Estate Co., Ltd. (the Organisation) to provide independent assurance of its greenhouse gas (GHG) emissions, and on its environmental data ("the Report") for the fiscal year 2021 (from 01/04/2021 to 31/3/2022¹) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure. LRQA's verification procedure refers to ISO 14064-3:2019 for GHG emissions, is based on current best practise and is in accordance with ISAE 3000 (Revised).

Our assurance engagement covered the operations and activities of Mitsubishi Estate Group's 31 companies and specifically the following requirements:

- Verifying conformance with the Organisation's in-house reporting methodologies for the selected datasets;
- Evaluating the accuracy and reliability of the selected datasets listed below:
 - Scope 1 GHG emissions^{2 3} volume,
 - Scope 2 GHG emissions volume, Location-based and Market-based,
 - Scope 3 GHG emissions volume Categories⁴ 1, 2, 3, 5, 6, 7, 11, 12 and 13,
 - Energy consumption volume,
 - Water consumption volume, and
 - Waste volume

Our assurance engagement excluded the data and information of the Organisation's suppliers, contractors and any third-parties mentioned in the Report. The Organisation's GHG Emissions Report excludes emissions of GHGs other than CO₂ from use of energy and HFCs. These GHG emissions excluded from the calculation are relatively small to the total GHG emissions of the Organisation.

LRQA's responsibility is only to the Organisation. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The Organisation's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of the Organisation.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that the Organisation has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data on GHG emissions and key environmental data as summarized in Tables 1 and 2 below.

The opinion expressed is formed on the basis of a limited level of assurance⁵ and at the materiality of the professional judgement of the verifier.

¹ Data of calendar year 2021 from 1 January to 31 December 2021 is used for the group companies outside Japan.

² Scope 1 and 2 GHG emissions are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

³ GHG quantification is subject to inherent uncertainty.

⁴ The categories of Scope 3 GHG emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Table 5.3.

⁵ The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Table 1. Summary of Mitsubishi Estate Group's GHG Emissions for fiscal year 2021

Scope of GHG emissions	kilo-tonnes CO ₂ e
Direct GHG emissions (Scope 1)	121
Energy indirect GHG emissions (Scope 2, Market-based)	191
Energy indirect GHG emissions (Scope 2, Location-based)	250
Other indirect GHG emissions (Scope 3)	2,223
Category 1	63
Category 2	952
Category 3	83
Category 5	25
Category 6	1
Category 7	3
Category 11	919
Category 12	34
Category 13	142

Note: Scope 2, Location-based and Scope 2, Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015

Table 2. Summary of Mitsubishi Estate Group's Environmental Data for fiscal year 2021

Environmental data	Amount
Energy consumption	1,334 GWh
Fossil fuels	640 GWh
Steam	78 GWh
Hot water	15 GWh
Cold water	100 GWh
Electricity	501 GWh
Water consumption	6,064 x 10 ³ m ³
Water supply	4,792 x 10 ³ m ³
Recycled water	794 x 10 ³ m ³
Ground water	478 x 10 ³ m ³
Waste emissions	39 kilo-ton
	4,381 x 10 ³ m ³
Incineration	15 kilo-ton
Landfill	1 kilo-ton
Recycle	23 kilo-ton
Sewerage	4,381 x 10 ³ m ³

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement by remote assessment using Zoom for preventing from expansion of the new coronavirus infection:

- conducting site assessment on Dai Nagoya Building and Shin-Tokyo Building;
- interviewing relevant employees of the organization responsible for managing data and records; and
- assessing the Organisation's data management systems to confirm they are designed to prevent significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal quality control.
- verifying historical data and records at an aggregated level for the fiscal year 2021.



Observations

Further observations and findings, made during the assurance engagement, are:

- The Organisation reports electricity consumption of the tenant companies in Category 13 of Scope 3 GHG emissions that was previously included in Scope 2 GHG emissions. However, there were facilities where electricity consumption by the tenant companies could not be confirmed for calculation of GHG emissions of the fiscal year 2021 that is estimated using the average ratio of data in the fiscal year 2019. It was concluded that the use of estimation method does not materially affect to the total GHG emissions calculation, but the Organisation should review the data used for the report of the fiscal year 2021 after the actual data of the fiscal year 2022 charged to the tenant companies becomes available that will be used for the reporting from the fiscal year 2022.
- The Organisation should also strengthen the internal data checks in order to ensure the credibility of the report.

LRQA's Standards, Competence and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

The verification is the only work undertaken by LRQA for the Organisation and as such does not compromise our independence or impartiality.

Signed

Dated: 22 June 2022

A handwritten signature in black ink, appearing to read 'Michiaki Chiba', is written over a horizontal line.

Michiaki Chiba
LRQA Lead Verifier
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LRQA reference: YKA00000778_3

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