

Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate Co., Ltd. (hereinafter, “the Company”) has issued this statement to comply with Article 54 of the UK Modern Slavery Act 2015. The aim is to identify slavery and human trafficking risks in the Mitsubishi Estate Group (hereinafter, the “Group”) and its supply chain. The statement also outlines the Company's initiatives to prevent and mitigate these risks.

The statement covers fiscal 2020, the year ending March 31, 2021.

1. Business Overview and Organizations

The Mitsubishi Estate Group operates businesses in a wide range of sectors, including the Commercial Property Business, the Residential Business, the International Business, the Investment Management Business, Architectural Design and Engineering, and Real Estate Services. It has 9,982 employees, 232 consolidated subsidiaries and sites in Japan, the U.S., the U.K., China, Singapore, and elsewhere. MEC UK (now Mitsubishi Estate London Limited) was established in 1986 in the United Kingdom. It engages in the leasing and development of real estate in central London, focusing on office buildings.

For more information on the Company's business areas, visit our website.

Corporate Information:

<http://www.mec.co.jp/e/about/index.html>

Group Companies:

<http://www.mec.co.jp/e/company/group/field.html>

Business Segments:

<http://www.mec.co.jp/e/business/index.html>

Financial Information:

<http://www.mec.co.jp/e/investor/financial/highlight/segment.html>

History:

<http://www.mec.co.jp/e/company/history/index.html>

Operations in Europe:

<https://www.mec.co.jp/e/global/uk/>

2. Philosophy of the Mitsubishi Estate Group

Based on the Spirit of Mitsubishi: The Three Principles, which are guiding principles for

the entire Mitsubishi Group, the Mitsubishi Estate Group has established a mission to contribute to society through urban development.

In order to carry out this mission, the Mitsubishi Estate Group has established and implemented the Code of Conduct and Guidelines for Conduct.

Philosophy and Policy:

<http://www.mec.co.jp/e/csr/policy/system/index.html>

3. Supply Chain Overview

The Mitsubishi Estate Group defines its major business partners applicable to the following conditions as key suppliers: (1) suppliers with which it has signed contracts to receive services, goods, etc. in exchange for payment and, (2) suppliers who provide services or products that may be regarded by third parties as services or products carried out or provided by Mitsubishi Estate Group itself. The Group has approximately 6,000 key suppliers with which it has ongoing relationships. They include facility management providers, construction contractors, goods suppliers, and personnel agencies (reception and event staff).

4. Human Rights Risk Assessment

The Company conducted human rights due diligence covering its real estate development business, international business, and hotel business. The Company hired expert consultants and lawyers to conduct document-based research in order to identify human rights issues in value chains. The Company then specified salient human rights issues that need to be addressed, based on how much the issues impact human rights and the likelihood of their occurring.

The priority issues are as follows.

- (1) Forced labor and child labor
- (2) Working conditions and working environments for employees
- (3) Safety of users
- (4) Discrimination against users
- (5) Impact on indigenous peoples and local communities
- (6) Breach of personal information
- (7) Working conditions and working environments for the workers of suppliers

Of the above priority issues, the issues relating to modern slavery are: (1) Forced labor and child labor, (2) working conditions and working environments for employees, and (7) working conditions and working environments for the workers of suppliers.

5. Policies and Structures to Prevent Slavery and Human Trafficking

In its businesses and supply chain, the Group has established a corporate human rights policy to identify, prevent and mitigate slavery and human trafficking risks. The Group's intranet is used to make employees aware of and help them understand the corporate human rights policy. Additionally, the Company operates the Human Rights Education & Diversity Promotion Committee headed by the executive officer responsible for the Human Resources Department. The purpose of the committee is to implement company-wide human rights initiatives, by deciding on the contents of the Company's human rights initiatives and spreading awareness throughout the Company.

The Group supports the principles of the United Nations Global Compact, which the Company signed in 2018.

In 1979, the Company set up the Tokyo Industrial Federation for Human Rights, followed by the Mitsubishi Human Rights Enlightenment Council in 1983. These are voluntary organizations that seek to solve various human rights issues from the corporate perspective, including measures to support anti-discrimination efforts such as dowo efforts in Japanese society. For about 40 years, the Company has played an active and central role. In 1980, the Company joined the Corporate Federation for Dowa and Human Rights Issues, Osaka, as part of ardent efforts to help resolve human rights issues.

The following Group guidelines and policies apply to all employees

A) Mitsubishi Estate Group Guidelines for Conduct

In order to realize the spirit of the Code of Conduct, “who we aspire to be, how we aspire to be perceived, and what we should do in order to achieve these aspirations,” the Group established these guidelines as specific standards for behavior. One of the most important values in the guidelines is “respect for human rights and diversity.”

Guidelines for Conduct:

<https://www.mec.co.jp/e/company/charter/index.html#guideline>

B) Mitsubishi Estate Group Human Rights Policy

The Mitsubishi Estate Group Human Rights Policy was created in April 2018, based on the United Nations Guiding Principles on Business and Human Rights.

Human Rights Policy:

https://www.mec.co.jp/e/sustainability/activities/social/human-right/pdf/human_rights_policy_20180401.pdf

C) Mitsubishi Estate Group CSR Procurement Guidelines

The Group believes it is essential that its business partners promote socially responsible procurement at all stages of the supply chain through its business activities. To that end the Mitsubishi Estate Group formulated the Mitsubishi Estate Group CSR Procurement Guidelines in 2016, which include respect for human rights. The Group informed 3,326 key suppliers about these Guidelines in fiscal 2016 followed by 721 new suppliers in fiscal 2017, 792 in fiscal 2018, 459 in fiscal 2019, and 838 in fiscal 2020.

Faced with fomentation of various disparities and proliferation of a wide range of human rights violations in recent years, the Group plans to revise the Guidelines in fiscal 2021 to specify additional issues the Group companies should address and confirm.

Supply Chain Management:

<https://www.mec.co.jp/e/sustainability/activities/social/supply-chain/>

CSR Procurement Guidelines:

https://www.mec.co.jp/e/csr/pdf/mec160518_csr_procurement_guidelines.pdf

D) Mitsubishi Estate Group Policy on Occupational Health and Safety

Beyond complying with the Labor Standards Act and other labor-related laws and regulations, the Mitsubishi Estate Group proactively takes various steps to maintain and promote the health of its employees.

The Company's attendance management system tracks the times when employees log in and log out of their computers, so that managers can monitor the actual working hours of their subordinates. Furthermore, managers meet with subordinates in order to grasp the volume and difficulty of their work and the status of their health. Employees (including management) who work more than 80 hours of overtime a month must be

interviewed by an industrial physician, as part of the Company's strategies to maintain the health of all employees.

To encourage a better work-life balance, the Company has been offering flex-time working provisions for all employees since fiscal 2016. The Company also sets numerical targets for paid leave taken and implements campaigns to encourage employees to use their paid leave. Since fiscal 2017, the Company has offered provisions for administering paid leave on an hourly basis and telecommuting.

Mitsubishi Estate Home Co., Ltd. conducts risk assessment regarding occupational health and safety for new and existing projects during formulation of its annual health and safety management plan and during hazard prediction activities on construction sites. The company implements safety measures on construction sites after identifying risks arising from the work and analyzing the possibility of occurrence and degree of impact.

Occupational Health and Safety:

<https://www.mec.co.jp/e/sustainability/activities/social/health-safety/>

6. Human Rights Due Diligence

Initial study on human rights risks was conducted by first looking at Group-wide issues, before turning to area-specific issues. These were analyzed by dividing the business in three areas: real estate development business, international business, and hotel business. Document-based research was then conducted for each area of business, in order to identify human rights risks.

A) Efforts in the Real Estate Business

In the real estate business, the Company launched a Construction and Real Estate Human Rights Due Diligence Study Group in 2018. The purpose of the study group is to establish a framework for human rights due diligence, with the involvement of major construction companies that are the Company's primary suppliers, as well as other real estate developers.

News Release: Construction and Real Estate Human Rights Due Diligence Study Group Launched (Japanese only)

https://www.mec.co.jp/j/news/archives/mec180921_duediligence.pdf

In fiscal 2018 and 2019, the study group decided to conduct human rights due diligence in the following two areas: (1) Working environments for foreign technical intern trainees on construction sites, and (2) use of illegally harvested plywood panels in concrete formwork. The companies involved conducted joint surveys and the study group examined global perspectives on human rights. In order to identify the human rights risks in the industry, the study group exchanged opinions with lawyers, NGOs, and other experts, and confirmed what each participating company can do to address them. In fiscal 2020, the study group also exchanged opinions with experts on grievance mechanisms. In fiscal 2021, the Company will continue to exchange opinions and promote initiatives in partnership with other participating companies.

(1) Work environments for foreign technical intern trainees on construction sites
Japan's technical intern training system for foreigners seeks to transfer skills, technology, and knowledge to workers who come from overseas. However, problems have been reported at some construction companies taking these foreign interns, including assignment of work that does not match the training plan, excessive working hours, and unpaid wages.

The Company conducted a field survey regarding respect for human rights of foreign technical intern trainees on construction sites. Since April 2020, the Company has been issuing quotation outlines that state easily overlooked items such as concerning compensation and daily living matters, in order to inform and give guidance to its contractors.

(2) Use of illegally harvested wood for concrete formwork

It has been noted that plywood from Malaysia and Indonesia can contain illegally harvested timber, which causes problems such as exploitation of indigenous land, environmental destruction, and corruption caused by improper relationships between logging companies and the government.

The Group will take steps aimed at ensuring that all structural plywood panels that it will use in 2030, the final year of its SDG projections, will be made of lumber that complies with the sustainability-oriented procurement code (certified lumber and/or domestic lumber).

News release: Mitsubishi Estate Takes Steps to Ensure that All Structural Plywood Panels Used by the Group in 2030 are Panels Made of Lumber that Complies with the Sustainability-Oriented Procurement Code.

https://www.mec.co.jp/e/news/pdf/mec200601_jinken.pdf

Mitsubishi Estate Residence, which operates the Residential Business, is using concrete formwork panels based on sustainable sourcing standards for timber and secures traceability in its newly-built condominiums for sale. More specifically, Mitsubishi Estate Residence has started an initiative to ensure traceability throughout the supply chain through an initiative to obtain third-party certification based on adoption of the Programme for the Endorsement of Forest Certification (PEFC), which screens and mutually endorses forest certification systems established in individual countries.

News release: Mitsubishi Estate Residence Use of Concrete Formwork Panels Based on Sustainable Sourcing Standards for Timber and Secures Traceability in Newly-Built Condominiums for Sale (Japanese only)

https://www.mec-r.com/news/2020/2020_0925.pdf

B) Efforts in the International Business

Human rights due diligence in the International Business will be focused on Asian countries. A document-based investigation was carried out concerning the general human rights situation and cases of human rights violations reported in Vietnam, Singapore, China, Myanmar, Thailand, and Indonesia.

Since fiscal 2020, in eight countries consisting of the six listed above plus the Philippines and Malaysia, Mitsubishi Estate has been using a checklist when considering a project (at the time of land acquisition) to confirm whether there are serious human rights violations during eviction. This information is used as a basis for making decisions when participating in a project. The checklist confirms questions such as whether there were opportunities for genuine discussions with the people affected, among other requirements.

C) Efforts in the Hotel Business

Royal Park Hotels and Resorts Co., Ltd., which operates hotels in 13 locations across Japan, has offered certified wines and international fair trade-certified coffee since fiscal 2019, in an effort to advance SDGs initiatives.

Fair trade is a trade arrangement designed to improve living standards and promote the self-sufficiency of producers and workers in developing countries that are in a disadvantaged position. This is achieved by sustainably purchasing materials and goods from developing countries at fair prices. As a hotel chain, Royal Park Hotels and Resorts endorses fair trade by offering Fairtrade International and Fair for Life certified wines at its full-service hotels in Sendai, Tokyo-Nihonbashi, and Yokohama as well as “THE” Series premium limited service hotels in Tokyo Shiodome, Osaka-Kitahama and Hiroshima. Fairtrade International certified coffees are offered at full-service hotels in Sendai, Tokyo-Nihonbashi, and Yokohama as well as “THE” Series premium limited service hotels in Osaka-Modosuji and Hiroshima.

In addition, the Company provides information about fair trade products to its tenant restaurants in hotels.

Corporate profile for Royal Park Hotels and Resorts Co., Ltd. (Japanese only)

<https://www.royalparkhotels.co.jp/corporate/index.html>

News release: Mitsubishi Estate Group’s Royal Park Hotels to Adopt Biodegradable Straws and Fair Trade Certified Wine and Coffee (Japanese only)

https://www.mec.co.jp/j/news/archives/190801_SDGs_RPH.pdf

D) COVID-19 Initiatives

In response to the spread of COVID-19, Mitsubishi Estate recommended its employees avoid crowds on transportation through staggered working hours and to use fully flexible working and teleworking systems in order to protect the health of fellow employees.

In May 2021, the Company formulated the Policy on Preventing the Spread of COVID-19, and has been implementing initiatives.

Policy on Preventing the Spread of COVID-19 and Initiatives (Japanese only)

https://www.mec.co.jp/j/archives/mec210525_kansenboushi.pdf

7. Compliance Help Line

A help line has been set up by the Group as a way for employees to report or discuss any potential compliance issues. It is available to Group full-time, temporary, and part-time

employees. In fiscal 2020, the Mitsubishi Estate Group Help Line received 44 calls. Investigation and fact confirmation was carried out concerning each report that was received, and appropriate response measures were taken as necessary to improve the workplace environment. The Company's Legal & Compliance Department handles the incoming reports received through an external contractor. It works with the Group companies that are the subject of the reports, while protecting the privacy of the callers and whistleblowers and making sure they receive no unfavorable treatment in the workplace as a result. A dedicated compliance help line has also been set up for the use of suppliers and other business partners in Japan.

Compliance Promotion:

<https://www.mec.co.jp/e/sustainability/management/compliance/index.html>

8. Education and Training

The Company provides human rights awareness training to ensure that human rights are always respected, as required by the Mitsubishi Estate Group Guidelines for Conduct. In addition to level-specific instruction, various kinds of training are carried out to deepen employee understanding.

A) Human rights lectures are organized for all executives each year, including the president and all directors, department managers, and presidents of Group companies. In fiscal 2020, the Company organized a human rights lecture presented by an attorney on the prevention of power harassment, which was attended by 130 employees. The lecture is part of the Company's efforts to create a vibrant workplace.

B) Training on human rights was provided for employees at the joint induction workshop for 471 new employees at 27 Mitsubishi Estate Group companies, and training was held to explain new power harassment prevention regulations starting from fiscal 2020. In addition, some Group companies conduct training focusing on specific issues such as discrimination against dowa groups. The Group implements initiatives aimed at fostering awareness of human rights by increasing sensitivity toward discrimination.

C) The Mitsubishi Estate Group Guidelines for Conduct were revised on April 1, 2018. To ensure that all Group employees are aware of and understand the new document, the Guidelines for Conduct Explanatory Guide was issued. It explains the UN Guiding Principles on Business and Human Rights and measures to prevent child and forced

labor.

Ongoing Human Rights Programs:

<http://www.mec.co.jp/e/csr/employees/variety/index.html>

This statement was reviewed and approved at a management meeting of the Company.

September 30, 2021

Junichi Yoshida

President & Chief Executive Officer

Mitsubishi Estate Co., Ltd.