Interacting with Local Communities and the Broader Society

"Experience Nature" Project Brings Together Urban and Rural Communities

The Mitsubishi Estate Group started the "Experience Nature" project in fiscal 2008 in affiliation with the NPO Egao Tsunagete (which literally means "connecting smiles" in Japanese), which is based in Hokuto City in Yamanashi Prefecture. The project aims to enhance social sustainability by providing a platform for urban and rural communities to help revitalize one another. Experiential tours provide opportunities for interaction, and rural resources are utilized in urban settings, all with the goal of building a society where urban and rural communities prosper together.

Experiential tours: rice planting and vegetable harvesting

The "Experience Nature" project offers experiential tours for Mitsubishi Estate Group employees and their families, people who work in the Marunouchi district, and customers of the Residential Business, in order to facilitate interaction with local residents in rural areas.

Adding to the existing tours for customers of Mitsubishi Estate Home and residents of condominiums managed by

Mitsubishi Jisho Community, tours are now also available to members of the Mitsubishi Estate Residence Club. Launched in fiscal 2011, the Mitsubishi Estate Residence Club is a member organization for residents of Mitsubishi Group condominiums and buyers under contract (see page 16). Designed to foster a sense of community in the condominiums, the project gave club members opportunities to prepare rice terraces* for rice fields in April, plant rice in May, and harvest vegetables in August 2012.

* A rice terrace is a rice paddy on a series of steps on the slope of a mountain or hill. Rice terraces play many roles, including preventing landslides and flooding, replenishing groundwater as the rainwater and agricultural water permeates the soil, and preserving the abundant biodiversity.



Rice-planting tour



Urban and rural communities working together to revitalize one another

Creating shared value through the "Experience Nature" project Contributing to the community by restoring terraced rice fields and other activities Revitalizing the community with businesses utilizing local timber and other enterprises Masutomi, Sutama-cho, Tokyo Marunouchi Hokuto City Supplying a wealth of local resources such as agricultural products and timber Providing opportunities for studying and raising awareness about the global environment and biodiversity conservation

Affiliation with Yamanashi Prefecture expands use of prefectural products

The Mitsubishi Estate Group is pursuing synergies between its own businesses and valuable local resources such as the timber and agricultural products that grow in Yamanashi Prefecture's rich natural environment.

Mitsubishi Estate Home Co., Ltd. endeavors to use Japan-grown timber with clear traceability to ensure appropriate use of forest resources and the sustainable and sound development of the Japanese timber industry. With this aim, the company has considered ways of utilizing timber grown in Yamanashi Prefecture through the "Experience Nature" project. The company has developed commercial applications for Certified Yamanashi Prefecture-Grown Timber Products now that the September 2010 revisions to the Yamanashi Prefecture-Grown Timber Product Certification System allow the "Yamanashi Prefecture-Grown Timber" label to be displayed on products that are processed outside of the prefecture. Beginning in August 2011,

FSC-certified timber LVL (laminated veneer lumber) produced using larch timber from forest thinning and smalldiameter trees grown in Yamanashi Prefecture and I-type joists produced using Certified Yamanashi Prefecture-Grown Timber were adopted as standard features in custom-built homes.

In addition, in the same month Mitsubishi Estate, Mitsubishi Estate Home, and the NPO Egao Tsunagete signed a formal agreement with Yamanashi Prefecture to promote the use of Yamanashi Prefecture-Grown Timber.

This agreement aims to promote the sustainable and sound



development of At the signing ceremony

Yamanashi Prefecture's timber industry through promotional and educational activities carried out in close affiliation and coordination between the parties to the agreement. The parties will also work to expand use of Yamanashi Prefecture-Grown Timber by forming links connecting upstream (producing region) value to downstream (supply and sales) value to enhance the brand strength of Yamanashi Prefecture-Grown Timber and let everyone know how valuable it is.

Various events held using local agricultural produce

Activities featuring food are also held. For the third year, the "Try Yamanashi" Fair was held (sponsored by the Yamanashi Prefectural Federation of Societies of Commerce and Industry) in October 2011 in Marunouchi House on the seventh floor of the Shin-Marunouchi Building. The fair offered dishes prepared using ingredients produced in Yamanashi Prefecture. The "Project to Create a Delicious Yamanashi" (also sponsored by the Federation), a collaborative event held by chefs from Yamanashi Prefecture and the Marunouchi Chefs Club, also participated.

The Brewer's Rice Growing Project, in which Group employees cultivated idle agricultural land to grow brewer's rice without using agricultural chemicals or chemical fertilizers, began in 2010. Brewer's rice was successfully grown in 2011 as well, with 3,800 bottles of junmai-shu ("pure rice sake") named "Marunouchi" successfully bottled. It was brewed by Yorozuya, a sake brewer in Yamanashi Prefecture. It is sold in restaurants and shops in the Marunouchi area and has proven very popular.

In recognition of these activities, in March 2012, the "Experience Nature" project won the Judging Committee Chairman's Award in the Ninth "Ohrai! Nippon" Awards sponsored by Japan's Ministry of Agriculture, Forestry and Fisheries for its exemplary work bringing together Japan's urban areas and rural villages.

The Mitsubishi Estate Group will continue to create new value by integrating rural resources with its companies' businesses to help revitalize communities.



Stakeholder Meeting

We met with stakeholders to report on activities and describe fiscal 2012 plans for the "Experience Nature" project, and heard their views. The project demonstrates the Group's approach to creating shared value through its business.

Time and place

4:00–5:45 p.m., February 14, 2012

Tokyo 21C Club Conference Room (10th floor of the Shin-Marunouchi Building, Chiyoda-ku, Tokyo)

External participants (affiliation and position as of time of meeting)



Yoichiro Otsuka Director, NPO Support Center

for Agriculture, Commerce and **Industry Cooperation**

The "Experience Nature" project has really blossomed, year after year. The activities carried out in collaboration with Mitsubishi Estate's businesses, such as programs featuring local foods and the adoption of Yamanashi Prefecture-Grown Timber, have been very interesting, and I've learned a lot. I am also very hopeful about the future of reconstruction activities that make the most of urban resources.



Junko Owada

Co-Chairperson, LOHAS Business Alliance (LBA)

How about utilizing your experiences in Yamanashi for programs in areas affected by the Great East Japan Earthquake? I think the revitalization of agricultural fields and fisheries with public participation, the revitalization of the ecosystem in coastal areas, and interaction between local chefs and Marunouchi chefs in Tokyo, following Yamanashi's example, would be good options.



Hideto Kawakita

CEO, International Institute for Human, Organization and the Earth (IIHOE)

The food project is very unique, and I hope that this will receive even more attention. I would like to hear more about activity results such as the CO₂ fixation achieved through timber use, cultivated land area retention of water resources and changes in the ecosystem due to cultivating arid land



Hisashi Sonehara Director, NPO Egao Tsunagete

We participated in these activities as a collaborator in the project, and in the past four years we have seen social views change considerably. I think that the development of actual products with links to businesses has had a real impact on society.



Shigeyuki Miyabayashi, Ph.D Professor, Tokyo University of

Agriculture Dean of Faculty of Regional **Environment Science**

The use of Japan-grown timber not only contributes to Japan's timber industry but also fosters culture. Forest preservation plays a significant role in the fight against climate change and in retaining water resources. Programs like these lead to the creation of shared value.

* Absent on February 14 and comments provided on a later date.

Response

Noboru Nishiga

General Manager, CSR Department Mitsubishi Estate Co., Ltd. (Affiliation and position as of time of writing)

These opinions reaffirmed the possibility of expanding into a wide range of fields, such as earthquake reconstruction support. We will continue to prioritize integration with our businesses and strive to proactively publicize information about this unique project.

Interacting with Local Communities and the Broader Society

As a good corporate citizen, the Mitsubishi Estate Group values social harmony. The Group makes the most of its unique strengths to build communities and foster social progress.

Basic Policy and Performance Highlights

Basic policy on social contribution activities

The Mitsubishi Estate Group Guidelines on Social Contribution Activities were established in April 2008, updating the Group's philosophy on social contribution activities established in 1994 to reflect changes in the issues facing

society and the need for the entire Group to work together on initiatives.

Breakdown of expenditures

In fiscal 2011, Mitsubishi Estate spent approximately 1,578 million yen on social contribution activities on a nonconsolidated basis, or 1.82% of its ordinary income. The breakdown is shown below.

Social contribution performance (fiscal 2011) Preservation of Healthcare 1.7% historical sites and traditional culture Education 1.5% 2.0% Support for NPO infrastructure building preparedness 0.3% 2.1% Human rights 0.3% Social welfare 2.1% International exchange Sports 2.4% and cooperation Support for disaster victims 3.5% Academic research Culture and arts 4.6% 63.1% Environment 6.0% Activities in

local communities

10.1%

The Mitsubishi Estate Group Guidelines on Social Contribution Activities

1. Solutions to social issues together with corporate growth

As a good corporate citizen, we work to resolve social issues with the added benefit of achieving corporate growth through such activities.

2. Development of activities characteristic of the Mitsubishi **Estate Group**

We carry out unique social contribution activities, both within and outside our business spheres, which are characteristic of the Group and utilize its management resources

3. Ties with community

We engage in transparent and fair activities in affiliation with various groups, based on equal footing, trust and dialogue.

4. Priority areas

We prioritize harmony with the local community, support for culture and the arts, environmental conservation and social welfare.

Harmony with the Local Community

Marunouchi Food Education Project

Mitsubishi Estate is pursuing the Marunouchi Food Education Project with chefs in the community in Tokyo's Marunouchi area—home to over 350 restaurants—to increase awareness of food issues in urban settings.

The Group has invited Yukio Hattori, chairman of the board of directors of Hattori Academy, as chairman of the project, and under his auspices the Marunouchi Chefs Club, made up of restaurant owners and chefs in Marunouchi, was launched in 2009. Mitsubishi Estate has been working

with the Club to devise plans and schemes that emphasize good communication among producers, consumers and restaurants.

Seeking to develop new forms of community contribution reflecting Marunouchi's uniqueness, Mitsubishi Estate has been running programs to facilitate exchanges with rural communities to consider ways to use appealing rural resources since fiscal 2011. In Yamanashi Prefecture, young chefs who are motivated to revitalize their communities were matched with world-class chefs in Marunouchi, and they worked together to create a new

local cuisine. This expertise was utilized in the Rebirth Tohoku Food Project's reconstruction support program as well. Mitsubishi Estate will continue to pursue initiatives designed to make Marunouchi a leader in Japanese food culture.



Joint menu development by Marunouchi chefs and young chefs in Yamanashi Prefecture

Support for Culture and the Arts

Sixth Culture Promotion Award received from the Western Art **Foundation**

Mitsubishi Estate was awarded the Culture Promotion Award at the Sixth Western Art Foundation Awards by the Western Art Foundation.

The Western Art Foundation Awards were founded in 2006 to recognize those exhibitions on western art held nationwide in the past two years that make particularly impressive contributions

to promoting the understanding of western art and to cultural interaction and advances in research on western art.

Mitsubishi Estate, along with the Mitsubishi Ichiqokan Museum, Tokyo, was recognized for its contribution in

producing academically impressive exhibitions, including the exhibition, "Manet et le Paris modern," at the Mitsubishi Ichigokan Museum from April 6 to July 25, 2010.

The Group recognizes the Mitsubishi Ichigokan Museum's role as a steward of Marunouchi art and culture

and a venue for cultural interaction and publicity. Along with its efforts to enhance Marunouchi's functions as a business center and improve hospitality in the district, the Group is proceeding with its efforts through the Museum to build a new community that disseminates history, art and culture to the world.



Award ceremony for the Western Art Foundation Award

Environmental Conservation

Water Sprinkling Project in Otemachi, Marunouchi and Yurakucho

The Water Sprinkling Project has been organized on a regular basis in the Otemachi, Marunouchi and Yurakucho district. In this project, which draws on traditional Japanese practices, anybody in the district can join in and sprinkle water to mitigate the heat island phenomenon. The project is sponsored by a planning committee spearheaded by the OMY Council, which is chaired by Mitsubishi Estate.

The 2011 event, from July 29 to August 17, was held at five locations, with approximately 2,600 people from 112 groups participating. Clean, reclaimed water recycled from some of the buildings in the area was sprinkled to lower the temperature. In addition, Water Sprinkling Weeks 2011 was held from July 29 to August 31, with 83 stores participating in sprinkling water on the pavement along Marunouchi Naka-dori every evening.

The Mitsubishi Estate Group will continue to offer ways for everyone in the Otemachi, Marunouchi and Yurakucho area to help mitigate the heat island phenomenon that occurs in urban areas.



Water Sprinkling Project

Social Welfare

Tenth Dazzling Art Competition for children

Mitsubishi Estate has sponsored the Dazzling Art Competition for children with disabilities in Japan since 2002 in its desire to support the potential of children with disabilities.

The first competition started with 496 entries, and this year's tenth competition brought in the most entries, totaling 1,550. Fifty especially impressive works are selected after all of the entries have passed through an initial screening, a screening by Mitsubishi Estate Group employees, and the main examination. The original works are exhibited first at Yokohama Landmark Plaza, and then at seven other locations throughout Japan, including Group buildings and commercial facilities. An award ceremony was held on February 17 in the Marunouchi Building Hall. All of the entries are displayed on a special website.

Tenth Dazzling Art Competition

Entries taken (Jul.-Sep.)

Total number of entries: 1,550

Screening and examination (October)

Five hundred eighteen Mitsubishi Estate Group employees came to participate in the screening over a four-day period.

Exhibitions held (Oct.-Feb.)

Fifty of the most impressive entries were exhibited in the original in eight venues nationwide (Sapporo, Sendai, Tokyo, Yokohama, Nagoya, Osaka, Hiroshima, Fukuoka)

Award ceremony (February 17)

Award winners, their families and school officials were invited to the ceremony held in the Marunouchi Building Hall.



Award ceremony

Sample messages to the artists

- "This piece really conveyed a lot of energy by expressing the world inside the artist's heart. I couldn't take my eyes off this work for some time. The artist's efforts really shine through the picture, and I was very moved."
- "The artist drew the things she likes with great enjoyment; the picture really energized me.
- "This picture really relaxed me; it overflows with gentleness."
- * At the exhibits of the works, visitors were invited to leave messages for the artists, and the messages were then passed on to the artists.

Message from a parent

• "This was a good opportunity to foster self-confidence for children. I hope that this competition continues to offer a wonderful way for children to express themselves, regardless of ability."