

CSR Activities in Fiscal 2013 and Guidelines for Fiscal 2014 Initiatives

The Mitsubishi Estate Group carried out its CSR activities in accordance with the following framework, while reviewing activities for each fiscal year and updating the direction of initiatives for the following fiscal year. Beginning in

CSR initiatives		Fiscal 2013 initiatives and results
Priority CSR issues for the near term		
Promoting environmental management	Promoting environmental management and providing environmental education	<ul style="list-style-type: none"> Introduced the Association for Business Innovation in Harmony with Nature and Community (ABINC) certificate (launched in fiscal 2013) to support biodiversity conservation; acquired certificates for four buildings, the most in the industry Won the grand prize in the Chiyoda Ward Global Warming Action Plan Program for employee education programs Issued <i>Marunouchi Biological Handbook</i> Won the Japan Committee for United Nations Decade on Biodiversity Prize in the GTF Greater Tokyo Biodiversity Competition Put together <i>Manual on Responding to Alien Species</i> and began implementing it Selected as a business supporting the Ministry of the Environment's Supply Chain Greenhouse Gas Emission Accounting, and ascertained Scope 3 greenhouse gas emissions
	Setting up and running system for compliance with environment-related laws	<ul style="list-style-type: none"> Energy conservation expertise shared throughout the company via the Energy Conservation Liaison Committee Group environment questionnaire survey put together and PDCA implemented (promotion of purchase of FSC-certified paper, etc.)
	Initiatives by Business Groups	<p>Building Business</p> <ul style="list-style-type: none"> Marunouchi Park Building and Mitsubishi Ichigokan certified as "top-level installations" by the Tokyo Metropolitan Government Conserved energy, primarily by saving electricity, in order to reduce building costs and adapt to electricity supply/demand conditions during suspended operation of nuclear reactors Kayabacho Green Building completed; collection of environmental measurement data and tenant evaluations started Verification tests started (Shin-Marunouchi Building demand response, Yokohama Smart City Project [YSCP]) Implemented planning and design for interior, facilities and exhibition content for Business Eco-City Center (BEC) (tentative name) Worked with Mitsubishi Jisho Sekkei to revise standard specifications in order to incorporate further environmental considerations and disaster preparedness; established guidelines for product planning Obtained DBJ Green Building certification on newly developed buildings and existing buildings <p>Residential Business</p> <ul style="list-style-type: none"> Launched small- and medium-sized building renovation projects MEC eco Life promoted solar power generation projects using roofs of 25 UR rental buildings Started mega-solar power generation at Chiba Research Park and Higashi Fuji Research Park <p>Architectural Design and Engineering Business</p> <ul style="list-style-type: none"> Environmental design tailored to building conditions implemented for JP Tower, Kayabacho Green Building, Grand Front Osaka and Kabukiza Theatre First Three Star rank achieved in the Minato Ward's Minato Model Carbon Fixation Accreditation Program for the use of wood construction and domestically-grown timber in the Takanawa Forum's research building
Promoting environmental management	Implementing group-wide social contribution initiatives	<p>"Experience Nature" Project</p> <ul style="list-style-type: none"> 14th experience-based tour held (including four "Experience Nature" Club events) Established Egaotsunagete Corporate Farm Council "Experience Nature" Project to Raise the Value of Japan-grown Timber wins Fiscal 2013 Good Design Award Egaot Sunagete wins grand prize in the "food bridge" category in the Japan Agriculture Awards <p>Rebirth Tohoku Food Project</p> <ul style="list-style-type: none"> Developed original canned foods (two types) and started general distribution As part of "Yuinoba" activity, held a marché shopping event at Izumi Park Town Tapio and held a business matching event at the Tohoku branch <p>Support for culture and arts in Marunouchi</p> <ul style="list-style-type: none"> Provided cultural and artistic support for venues and programs such as the Mitsubishi Ichigokan Art Museum, Geidai Arts in Tokyo Marunouchi, and Art Award Tokyo; sponsored La Folle Journée au JAPON and convened area concerts <p>Kira Kira Art Competition</p> <ul style="list-style-type: none"> Won the Special Award in the 2013 Mécénat; held the twelfth Kira Kira Art Competition (2,050 entries, 524 employees participated as judges)
	Pursuing collaboration with local communities on projects that demonstrate the uniqueness of the Mitsubishi Estate Group	<p>Number of female managers increased as more women were hired for main career track positions and more reached levels making them candidates for managerial positions [As of April 1, 2014: 28 female managers (increase of 3), of which 8 are deputy directors (no increase)]</p> <ul style="list-style-type: none"> Employment of people with disabilities was 1.6% (as of June 1, 2014), falling short of the legally recommended rate of 2.0% Implemented Mitsubishi Estate Group joint training sessions, with a focus on younger employees (including joint training for new hires and third-year training) Established new training program in Shanghai, in addition to current program, to train global human resources As a mental health measure, provided information on line care (in which supervisors help their direct reports manage stress) and self-care in the Group joint training for newly appointed managers and new hires Construction of a dormitory for single new male Group employees (this dormitory housed 57 new employees of nine Group companies in fiscal 2013) to promote interaction within the Group Training to prevent harassment in the workplace (power harassment) held to foster a vibrant workplace, with 682 participants (99% attendance rate) Human rights training on the topic of social integration given at Mitsubishi Jisho Residence and Mitsubishi Real Estate Services; training on the prevention of harassment in the workplace (power harassment) held at MEC Human Resources and Mitsubishi Jisho Community Continued to implement the internal Hito-Machi Award (201 entries from 24 Group companies in 2013, the third year) Continued to implement the New Business Proposals and Open Job Application System
	Creating a more vibrant workplace and fostering a dynamic workforce	
Creating a more vibrant workplace and fostering a dynamic workforce	Creating a workplace in which employees are motivated and able to exercise their skills	
	Creating a workplace where human rights and diversity are always respected	
	Supporting an open-minded, forward-thinking organization	
Basic themes		
CSR overall	Promoting CSR communication	<ul style="list-style-type: none"> Held CSV Management, a CSR lecture presentation for managers Prepared revised draft after identifying revisions to fourth edition of GRI Guidelines, trends at other companies and areas needing improvement at Mitsubishi Estate in order to revise the CSR report overall
Corporate governance	Reinforcing internal controls	<ul style="list-style-type: none"> Augmented support in terms of laws, compliance and risk management in conjunction with global expansion of business
Compliance	Strengthening risk management	<ul style="list-style-type: none"> Strengthened Group development such as information dissemination to Group companies and Group employees and augmenting training functions
	Building and setting up compliance system	<ul style="list-style-type: none"> Reinforced mechanism for providing accurate risk information to decision makers
Cooperating with customers	Standing in the shoes of our customers	<ul style="list-style-type: none"> Maintained and improved service quality (system and human aspects) in line with customer needs as identified in customer satisfaction questionnaire; used customer opinions to provide steady feedback; proposal-based marketing; improved relationships of trust with customers; improved operations and implemented employee award system
Cooperating with business partners	Promoting initiatives to improve safety and security	<ul style="list-style-type: none"> Mitsubishi Jisho Residence: Residence Lounge opened, NPS (Net Promoter Score) monitored on an ongoing basis, Eyes Plus Lab launched Mitsubishi Estate Home: Implemented owners' questionnaire Mitsubishi Jisho Community: Environmental Conservation and Energy Conservation Plan proposed to management associations (61 proposals) MEC eco Life: Condominium Household Account Book passed out, competition held over lifestyle planning ideas via "sumai LAB" website Mitsubishi Jisho House Net: Distribution of Users' Smart Guide Royal Park Hotel: "Best Hotelier" vote carried out
	Aiming for development together as a partner	<ul style="list-style-type: none"> Safety and security measures from perspective of customers, business partners and employees steadily implemented on an ongoing basis (response in event of emergency, prevention, etc.) <p>Building Business:</p> <ul style="list-style-type: none"> Revisions to building safety design guidelines made, safety management system launched Agreements formed for healthcare collaboration in the event of a disaster and drills held with Chiyoda Medical Association and St. Luke's MediLocus Improvements made to operational quality and services in conjunction with cooperating companies and business partners; implementation of fair assessments, fair contracts Building Business: Continued to ensure shared perspective among Mitsubishi Estate, property management companies and business partners by holding meetings and going through assessment cycle for contracting companies Mitsubishi Estate Home: Training sessions held for registered construction companies (10 sessions with 2,791 participants) Mitsubishi Jisho Community: Quality and Safety Promotion Rally held, selected construction projects representing excellent or most excellent work
Cooperating with shareholders and investors	Ensuring timely and appropriate information disclosure	<ul style="list-style-type: none"> Participated in seminars sponsored by and held by securities exchanges and securities companies and continued to hold corporate briefings for individual investors Financial results briefings held twice a year; conferences held with analysts; property tours given, and met actively with institutional investors in and outside Japan; over 400 meetings held a year (474 in fiscal 2013) Provided accurate and prompt information to all stakeholders, not only shareholders and investors

fiscal 2015, the Group will set specific action targets for each CSR issue of high materiality—currently being selected—and continue to pursue further progress.

Guidelines for fiscal 2014 initiatives		Pages in booklet
<ul style="list-style-type: none">• As part of research into environment-friendly research, work with MEC eco Life and begin testing an air conditioning system that uses floor chambers aimed at the mass market in company housing• Environment Promotion Liaison Organization confirms progress made with the long-term environmental vision and continues implementation• Contribute to establishment of multi-family housing version of ABINC certificate• Carry out biological monitoring survey in Marunouchi area and ABINC certified facilities• Implement company-wide environmental e-learning and expand it to Group companies• Implement and continue Environmental Month, CSR Promotion Month, environmental lectures and visits to study advanced environmental practices at other companies	P18-23	
<ul style="list-style-type: none">• Continue to monitor trends in regulatory changes, familiarize Group companies with information on the establishment of and revisions to environmental regulations, and share this information and responding• Take steps to encourage management of waste and amount of water used by implementing Group environmental questionnaire survey	P20-21	
<ul style="list-style-type: none">• Assess and review reduction methods for the first phase of the Tokyo ordinance (final fiscal year) and draft measures with a view to achieving the mandatory reduction in the second phase• Review system of operations after 15 years of ISO management• Collect information on new environmental technology, examine introduction, and review demand response in Otemachi 1-1 Project demonstration office• Decide on feasible menu for the future, following an examination of new technology and assessment of verification tests• Continue to review BEC exhibition content, consider management, and carry out interior construction work• Continue to work on acquiring environmental certification for individual projects and compile information on environmental certification programs overall	P18-23	
<ul style="list-style-type: none">• Operate and expand specific projects for small- and medium-sized building renovation, review brand system with a view to the future• Promote smart systems at condominiums (Smart soleco) with ongoing adoption of soleco (combination of collective-access high-voltage power receiving system with solar panels) and new adoption of soleco jozu (a hot water supply system using solar heat)• Promote Eco Eyes action (introduction of eco-friendly equipment)	P14, 15, 19	
<ul style="list-style-type: none">• Steadily implement new EMS (began operating in fiscal 2013), implement specific EMS Project and Advanced Environmental Design Project• Continue to build track record by winning orders for LEED projects and achieving solid CASBEE evaluations	P18-19	
<ul style="list-style-type: none">• 24 experience-based tours with 850 participants are planned• Pursue CSV (consideration of project to form communities in condominiums)• Deepen and expand "Experience Nature" community (trips in which participants weed paddy fields, etc.)• Make regional contributions (installation of electric fence) and consider joint projects by Corporate Farm Cooperative	P16	
<ul style="list-style-type: none">• Make the Mitsubishi Ichigokan Art Museum a core cultural institution for the area and work with nearby art museums with the aim of giving the community an affection for the museum	P16, 17	
<ul style="list-style-type: none">• Review judges in light of the Cultural Agency's measures to promote art by people with disabilities, develop effective publicity measures, utilize art work	—	
<ul style="list-style-type: none">• Continue canned food project (expand sales network, consider ongoing production and new product development)• Accurately ascertain needs in areas affected by earthquake and provide ongoing support	Back cover	
<ul style="list-style-type: none">• Promote human resource development using a multifaceted approach incorporating augmented training and self-development programs, employee rotations, and human resource development at the workplace level	P30, 31	
<ul style="list-style-type: none">• Expand employment of people with disabilities by utilizing referral services, provide workplace support to ensure retention	P31, 32	
<ul style="list-style-type: none">• Review goals and target of training by level and position to tailor it to management strategy and organization's conditions• Steadily implement new overseas training program and refine the system by examining results	P30	
<ul style="list-style-type: none">• Link work management system with computer log-on/off time in order to ensure compliance with Article 36 of the Japanese Labor Standards Act, ascertain employees' work conditions and prevent health problems• Give lectures on work management and mental health at Group joint training for new managers• In fiscal 2014, 63 new male employees from eight companies began living in the dorm for single men, increasing the total to 117, thus promoting interaction within the Group	—	
<ul style="list-style-type: none">• Provide training to prevent power harassment for managers at Mitsubishi Estate, its branches and some Group companies; provide training to prevent sexual harassment to those who did not attend previous training• Continue to implement human rights training on the topic of social integration at Mitsubishi Jisho Residence, Mitsubishi Real Estate Services and Mitsubishi Jisho House Net• Make summer lecture on social integration and human rights an opportunity for interaction between Group companies	P31	
<ul style="list-style-type: none">• Continue implementation of Hito-Machi Award in current fiscal year; prepare and distribute a pamphlet as a tool to share best practices in employees' daily work within the Group	P30	
<ul style="list-style-type: none">• Continue to foster corporate culture where employee initiatives to take on challenges are recognized	—	
<ul style="list-style-type: none">• Integrate CSR and corporate management in 2014 CSR Report and make revisions for compliance with GRI's <i>G4 Sustainability Reporting Guidelines</i>• Specify materiality (important CSR theme) and set key performance indicators (KPI)	P10-11	
<ul style="list-style-type: none">• Continue to pursue risk management activities• Augment support in terms of laws, compliance and risk management in conjunction with global expansion of business• Strengthen Group development such as education, awareness-building, information dissemination and training functions for Group companies and Group employees• Continue to avoid any contact with organized criminal elements	P38-40	
Mitsubishi Jisho Residence: In order to improve NPS after handover, integrate customer support services from time of contract; expand Residence Club membership Mitsubishi Estate Home: Enhance level of quality of interaction through ongoing implementation of model home inspections ("undercover" inspections) Mitsubishi Jisho Community: Continue holding meetings of Community Eyes Forum; continue proposing events for the association such as emergency drills and events promoting a sense of community	P24-25	
Building Business: Deepen system for healthcare collaboration in the event of a disaster with Chiyoda Medical Association and St. Luke's MediLocus and establish specific procedures; establish guidelines for BCP power source operation, including cogenerators Mitsubishi Estate Home: Regularly implement guidance for cooperating construction companies and share information with them; encourage systematic attendance at lectures and skills courses on health and safety Mitsubishi Jisho Community: Begin proposing establishment of disaster prevention base and disaster headquarters within condominium, linked to BCP (community continuity plan [CCP], BCP for condominium management associations)	P26-27	
<ul style="list-style-type: none">• Implement supply chain management with consideration for the environment and social problems	P36	
<ul style="list-style-type: none">• Identify investor trends in Japan and overseas; create a more reliable system with a view to global business expansion; carry out prompt, accurate and fair information disclosure from perspective of shareholders and investors• Publish IR information in English for foreign investors; augment fact book• Deploy senior executives on PR missions, conduct overseas IR (U.S., Europe, Asia); participate in conferences in Japan; reinforce one-on-one meetings; increase number of property tours held for investors• Disseminate information on new medium-term business plan	P37	