

Environment

Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat

The Mitsubishi Estate Group undertakes a lot of projects meant to protect biodiversity and improve the environment in the Marunouchi area. One example is the Moat Project at Hotoria Square, an environmentally symbiotic green space encompassing about 3,000 m², built in front of the Imperial Palace moat. In the years prior to the project, the biota of the Imperial Palace moat had become degraded, hindering the natural generation of its native water plants. In October 2017, Mitsubishi Estate signed an agreement with the Ministry of the Environment to promote use of natural resources of the Imperial Palace Outer Garden, and launched the Moat Project in May 2018. The project aims to improve the waterfront environment of the Imperial Palace moat and conserve the endangered rare water plant species. This is the first such project for a private company, implemented through a collaboration with NGOs and other institutions, including the Ministry of the Environment, the Nature Conservation Society of Japan, the Laboratory of Conservation Ecology at Toho University, and the Natural History Museum and Institute, Chiba.

Water plants and other species from the moat are transferred to a container biotope atop a building owned by Mitsubishi Estate for reproduction. From there they are then moved into green space and water features on the premises of nearby office buildings developed by the Company, thereby creating a water environment alternating with the moat environment. Beyond restoring and preserving the rare species and their habitat in the moat, the project also contributes to the conservation of the environment as it serves as a base for connecting the ecological network in the neighborhood centered on the Imperial Palace.



Hotoria Square, an environmentally symbiotic green space

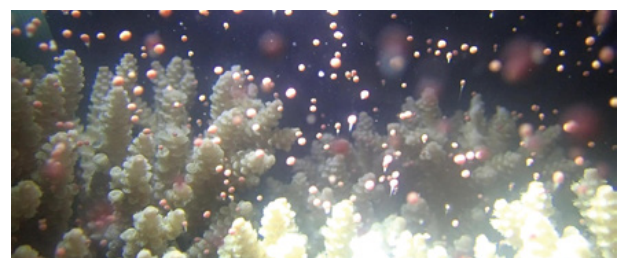
Sunshine Aquarium Coral Conservation Activities

Sunshine Aquarium, operated by the Mitsubishi Estate Group, is an urban aquarium located in a high-rise building, and it is the first of its kind in Japan. Since opening in 1978, it has served the four roles of an aquarium: social education, recreation, research, and nature protection. The aquarium is particularly focused on conservation and protection activities, and it has provided visitors with “impressive discoveries” to stimulate their interest in the biological environment. As part of its conservation efforts, the aquarium in 2006 launched the Coral Project in cooperation with Onna Village in Okinawa Prefecture, and has been implementing two initiatives: the Coral Restoration Project and the Coral Reef Regeneration Project.

The coral reefs in Okinawa are in a gradual decline due to factors such as environmental warming and abnormal occurrences of the crown-of-thorns starfish, the natural enemy of coral. In order to remedy this situation, Onna Village in Okinawa Prefecture has been implementing coral conservation activities since 1969. In support of these activities, Sunshine Aquarium launched the Coral Restoration Project, under which the aquarium grows coral in tanks and then returns it to the seas of Okinawa. This makes it possible to preserve the DNA of the coral of Onna Village even if the coral in the Onna sea is damaged due to natural disaster or environmental degradation. Since 2014, the aquarium has also implemented the Coral Reef Regeneration Project, which aims to regenerate coral reefs via sexual reproduction, with the fertilization of coral eggs by sperm.



Coral returned in the Coral Restoration Project



Coral spawning in the Coral Reef Regeneration Project



Initiatives in Europe

Since the establishment of Mitsubishi Estate London in 1986, the Mitsubishi Estate Group has handled a number of office building development projects for more than 30 years, mainly in the City of London. Signature projects include Warwick Court (Paternoster Square Redevelopment Project), Bow Bells House (redevelopment project in the City of London), and Central St. Giles (redevelopment project in the West End). In 2019, the company completed 245 Hammersmith Road, a redevelopment project in West London.

New projects in fiscal 2018

8 Bishopsgate (tentative name)

8 Bishopsgate (tentative name) is a high-rise office building in London whose construction began in February 2019, expected to be completed in late 2022. The building is equipped with environment-friendly, sustainable features; for example, the closed double-skin glass façade, which provides good environmental performance and is easy to maintain, and advanced rainwater storage and harvesting systems. The project is expected to earn a BREEAM* "Excellent" rating.

In an effort to meet London's diversifying work-style needs, there are plans to develop amenities on the building's middle floors that will boost productivity, such as shared workspaces, event spaces, and a rooftop terrace. There are also plans to build a shared workspace not only within but also outside of the security area in the lobby on the entrance floor to improve convenience for tenant companies and visitors. Underground, a large-scale cycle parking lot, shower spaces and lockers will be constructed to support diverse work styles.



Artist rendering of 8 Bishopsgate (tentative name)

* BREEAM is a system for assessing the sustainability of buildings, conducted by the Building Research Establishment.

Initiatives in Asia

Following the establishment of Mitsubishi Estate Asia in 2008 in Singapore, the Mitsubishi Estate Group established local subsidiaries in Shanghai, China (2013), and in Taipei, Taiwan (2018). In Thailand, it has partnered with AP (Thailand) Public Co., Ltd., a major local developer, to establish Premium Residence, a joint venture company engaged in the residential business. Today the Group has a presence in eleven countries and regions in Asia/Oceania, and is actively operating business in this area.

New projects in fiscal 2018

Singapore-Hangzhou Science & Technology Park Phase 3

In January 2019, the Mitsubishi Estate Group joined the Phase 3 development project for the Singapore-Hangzhou Science & Technology Park, a large-scale complex and office building development being implemented by major Singapore developer CapitaLand Group* in Hangzhou, China, and scheduled for completion in 2021.

The project is located in the Hangzhou Economic & Technological Development Area, where there is a highly developed cluster of corporations within Hangzhou, the central city of the Yangtze River Delta. The area is a large-scale development that aims to serve diverse office usage needs, and more than 100 Japanese companies have expanded into this area. In addition to plans to establish facilities that will boost the satisfaction levels of office workers, such as restaurants, shops, and fitness gyms on the lower floors, there are also plans to prepare a central plaza to create a lively and vibrant atmosphere.

* Ascendas-Singbridge Group at the time of the press release on the project. Ascendas-Singbridge Group acquired by CapitaLand Group in June 2019.



Artist rendering of Singapore-Hangzhou Science & Technology Park

Donation of Rugby Balls Commemorating Rugby World Cup 2019 in Japan

Mitsubishi Estate was an official sponsor of Rugby World Cup 2019 in Japan, held from September to November 2019. The Company began working to build enthusiasm for the event a year before the games began, with the Marunouchi 15-chome Project, which held events that allowed people to experience the emerging appeal of rugby in the Marunouchi neighborhood of Tokyo. Mitsubishi Estate also donated rugby balls to elementary and middle schools in the cities in which the games were to be held, to give back to the community and help popularize rugby.

In fiscal 2018, the Company donated a total of 4,500 rugby balls to the governments of Kumamoto Prefecture, Fukuoka Prefecture, Osaka Prefecture and Sapporo City, and donated a total of 4,400 rugby balls in fiscal 2019 to the governments of Yokohama City, Shizuoka Prefecture, Kobe City, Aichi Prefecture, Kamaishi City, Chiyoda-ku in Tokyo, Kumagaya City, and Oita Prefecture. The balls were distributed to elementary and middle schools in the regions. In Kumamoto Prefecture, a rugby workshop for elementary school children was held in Mashiki, a town severely impacted by the 2016 Kumamoto earthquakes. Mitsubishi Estate employees with rugby experience played a central role in the event.

The Mitsubishi Estate Group hopes that activities such as these will give rugby deep roots in communities and help develop local society.



A rugby ball with the World Cup logo is presented.



Rugby workshop in Mashiki, Kumamoto Prefecture
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Works from the *Kira Kira* Art Competition Exhibited in Taiwan for the First Time

In June–July 2018, Mitsubishi Estate collaborated with Nan Shan Life Insurance Co., Ltd. in Taiwan, to hold an exhibit of art work by children with disabilities in Japan and Taiwan at the Taipei Nanshan Plaza skyscraper. A total of 100 works were shown in this collaboration, including the 50 Award for Excellence winners in the Sixteenth *Kira Kira* Art Competition and 50 award winners from the Ninth “Flower Garden of Dreams” Art Competition held by the Yu-Cheng Social Welfare Foundation.

Mitsubishi Estate has been holding the *Kira Kira* Art Competition every year since 2002, in order to support the full potential of children with disabilities. Nan Shan Life is a subsidiary of the Ruentex Group that the Mitsubishi Estate has collaborated with in projects to develop the Ruentex Group’s buildings and condominiums since 2013. The two companies share the same philosophy about sustainability activities, which inspired them to hold this joint exhibit as the first overseas project for *Kira Kira* Art Competition.



View of the exhibit entrance



Board for messages from visitors



Materiality

Diversity

Inclu Marunouchi, a Center for Supporting the Employment of People with Disabilities

Tokyo’s Marunouchi area has about 4,300 companies, each of which supports employee diversity and work-life balance while also providing a working environment that welcomes people with physical and mental disabilities.

The Mitsubishi Estate Group is creating communities it hopes will be areas in which anyone, regardless of disabilities, can work comfortably in the Marunouchi area. As part of these initiatives, the Group opened in October 2018 Inclu Marunouchi, a center for supporting the employment of disabled people and providing information, on the fifth floor of the Shin-Kokusai Building, in cooperation with Startline Co., Ltd., a company offering consultation and support for disabled people.

Inclu Marunouchi provides companies with a wide range of support services utilizing the Marunouchi area’s convenience and sense of community, such as providing information on employment for disabled people, offering satellite offices, and supporting employees with disabilities. Mitsubishi Estate is developing new programs to support companies using the center and to create a working environment comfortable for employees with disabilities.



Bright entrance of Inclu Marunouchi

Universal Restaurant Embracing Diverse Food Cultures

As more foreigners visit Japan, greater consideration for food cultures and religious food restrictions have become an issue in the hotel and restaurant industry. In particular, more than 1.8 million Muslim people visit Japan every year, and they can only eat halal food, made without alcohol or pork. However, few restaurants provide halal dishes, making such travelers anxious about their dietary needs.

Flora, a restaurant and banquet run by the Yokohama Royal Park Hotel, caters to customers with a range of diets, including vegan and gluten-free, as well as halal, under the concept of “universal food and hospitality.” The restaurant has put together a dedicated team for halal food in an effort to optimize the entire process from the purchase of food ingredients and seasonings to the management and preparation process, and the facilities and equipment. The restaurant has received halal certification from the Japan Halal Foundation, a public organization.



The menu is compatible with a wide range of diets.

Declining Birthrate and Aging Population

Fitness Club Supporting the Health of Seniors

Located in Sendai, Miyagi Prefecture, Izumi Park Town* is an ongoing development project of the Mitsubishi Estate Group. Now, forty-five years since the first sale of subdivisions, and with the aging population becoming a social issue for Japan, expanding services for elderly residents has become an important concern in this town as well.

Izumi Park Town Service, which is responsible for the administration and management of Izumi Park Town, predicted that as the residents in the Takamori area (subdivided in the 1970s), aged, inadequate exercise would become a growing health issue.

With this in mind, Izumi Park Town Service joined forces with the venture company Trirings and opened the Trirings Sendai Izumi, a fitness club studio in Shopping Garden Caraway, a commercial complex managed and operated by Izumi Park Town Service. Trirings advocates fitness focusing on recovering body function with specialized equipment that expands the range of motion in legs and arms, as opposed to hard exercise. After opening, seniors and younger people alike joined the fitness club. Members are communicating not only with other residents, but also with fitness club staff as they improve their health.

* One of the largest development projects in Japan undertaken by a single private sector developer. The Group has promoted the town's development in partnership with local residents and Sendai City.



Fitness programs that are sustainable for elderly people are offered.

Introducing the Cotooffice, the Working Space with a Built-In Daycare Center

In an age with an ever increasing number of children on waiting lists for daycare, businesses urgently need to support their child-rearing employees. To meet this social need, in April 2018 Mitsubishi Jisho Property Management opened a new business called “Cotooffice — Working with Your Children in the Office,” a working space with a daycare center attached, at the Shin-Kokusai Building in Marunouchi, Tokyo. It is the first such endeavor for the Mitsubishi Estate Group. In addition, Cotooffice Sanno Park Tower was opened as a daycare center for residents of the Sanno Park Tower. In order to address the needs of workers and tenants, Cotooffice is equipped with safe and secure facilities on par with licensed daycare centers. It also works together with Mama Square, a company with experience managing childcare facilities on company premises, to provide safe, reliable childcare services.

Cotooffice provides amenities such as laundry and diaper service*, and a daycare app, at no extra charge, to reduce the burden on parents commuting to work with their children. They also offer unique education programs such as an intellectual training program created in collaboration with Mitsubishi Ichigokan Museum, Tokyo. Going forward, the company will extend these services and programs to buildings across Japan owned and managed by the Mitsubishi Estate Group.

*Parents are charged for the cost of the diapers.



Cotooffice in Shin-Kokusai Building



Cotooffice in Sanno Park Tower

Leveraging Existing Properties

Renovation of 60-Plus-Year-Old Otemachi Building as New Business Creation Site

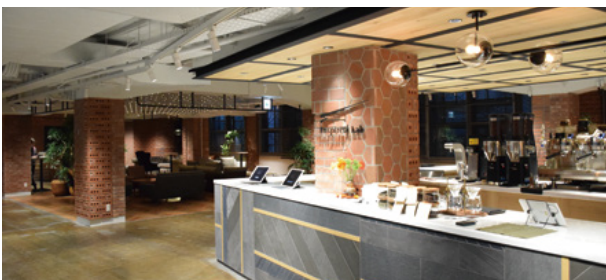
In 2018, Mitsubishi Estate began a major renovation of the Otemachi Building, completed in 1958 and now more than 60 years old. Adjacent to Otemachi Station, where users can take five different subway lines, the building has large floor plates with a shape suitable for subdivision into small parcels to lease. Mitsubishi Estate opted for renovations so that it could quickly create diverse interaction and open innovation, bringing together the cutting-edge technologies of multiple companies.

The renovation includes an overall upgrade of the building itself, with improvements to the exterior walls and interior, and construction of lounge and terrace spaces. The Company also introduced features enabling venture companies and start-ups to interact with large companies. The work also included the expansion of FINOLAB, Japan's first hub for fintech ventures, in response to growing demand for such facilities.

In addition, in February 2019, Mitsubishi Estate partnered with SAP Japan, a subsidiary of the German software company, to open Inspired.Lab in the Otemachi Building. Inspired.Lab is a center for open innovation that serves as a central point for cutting-edge technologies that could potentially change the future industrial structure, while creating an ecosystem to facilitate collaboration between major companies and start-ups and to accelerate innovation.



Otemachi Building after renovation



Inspired.Lab, a hub for interaction of various businesses

Promoting Effective Use of Building Stock

Since May 2014, Mitsubishi Estate Residence has been involved in the Building Renovation Business (renovation and rental business for building stock), where the company leases old small- and medium-sized buildings, and renovates them to lease as rental properties. As of August 2019, the Re-building Business has 24 properties, including office and residential buildings, with 20 renovations completed.

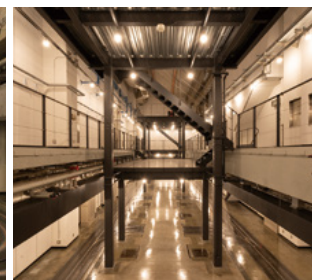
In 2017, the company finished the renovation of The ParkRex HIRAKAWACHO, the largest project it has undertaken thus far. The structure, more than 40 years old when the repair work started, has been seismically retrofitted and renovated, using the building's bare skeleton frame as a primary feature. A café was created on the street level, helping to enrich the neighborhood. In January 2019, the company also completed The ParkRex HAKATA in Hakata-ku, Fukuoka City, which was its first project outside the Tokyo metropolitan area. The old rotary press room (printing works), which had been owned by a newspaper company, was renovated into office space, reviving the building into a new center for the creation and dissemination of culture in the east Hakata area.

In addition, the company is promoting its Renovation Business, which buys individual units or whole buildings of existing condominiums to be renovated and resold, mainly in the Tokyo metropolitan area.

The ParkRex HAKATA Work space



Former rotary press room (before renovation)



After renovation

Fiscal 2018 results

Small- and medium-sized building renovations

20 buildings

Condominium renovations

808 units

Digital Innovation

Marunouchi UrbanTech Voyager Speeds up Utilization of Cutting-edge Technology

Mitsubishi Estate offers the premises and buildings of the properties it holds in the Marunouchi area as places where a range of advanced urban planning technologies can be tested for future practical application. The initiative, named “Marunouchi UrbanTech Voyager,” promotes various projects with the goal of introducing cutting-edge technologies into future communities.



Example of testing projects

On-road testing for the next-generation smart mobility device RODEM* for use by tourists is carried out.



* Developed and manufactured by tmsuk company limited

Initiatives to Bolster Digital Transformation

Promoting the Use of Robots to Establish Next-Generation Facility Management

Mitsubishi Estate is promoting digital transformation, accelerating cooperative ventures and business tie-ins across industries, and striving to build an eco-system for the co-creation of customer value. As part of this effort, it is currently introducing cutting-edge robots to various facilities owned and operated by the Mitsubishi Estate Group. In so doing, Mitsubishi Estate not only realizes efficient and high-value-added facility management, but also provides robot manufacturers sites on which they can actively introduce their robots for testing and verification, thereby facilitating early development with a high level of practical application.

At the end of August 2019, the autonomous moving security robot SQ-2 was introduced at Otemachi Park Building, the first such trial in Japan. Developed by SEQSENSE, in which Mitsubishi Estate invests, SQ-2 perceives three-dimensional spaces using original laser sensors to automatically identify changes in the environment. These robots can perform patrolling and gatekeeping functions in place of human personnel.

Other projects being tested and implemented include Marble (Marble), an automatic delivery robot; Whiz (Softbank Robotics), an AI cleaning robot which is easy to operate and offers high-quality cleaning; and EMIEW3 (Hitachi), which enables advanced customer communication with conversations in multiple languages and autonomous movement.



The autonomous moving security robot SQ-2 uses proprietary 3D laser sensors.



The AI cleaning robot Whiz is easy to operate and cleans on its own. ©SoftBank Robotics

Promoting Industry-Academia Collaborations

In March 2019, Mitsubishi Estate and the Ritsumeikan Trust reached a strategic DX (digital transformation) partnership agreement. Under this agreement, the two partners will provide demonstrations on the university campus, a microcosm of a city, and share information to develop a new model of how facilities can be managed in Society 5.0,* in which humans and robots work in tandem. In May 2019, they implemented joint testing of the delivery robot Marble on the university’s Biwako-Kusatsu Campus.

* Society 5.0 refers to a concept of future society advocated in Japan, balancing economic advancement with the resolution of social problems through systems that integrate cyberspace and physical space.